U. S. Congress.

UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 79th CONGRESS
SECOND SESSION

VOLUME 92—PART 4

APRIL 26, 1946, TO MAY 22, 1946
(PAGES 4127 TO 5450)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1946

DEPOSITED BY THE
UNITED STATES OF AMERICA
1-21-47

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 79th CONGRESS, SECOND SESSION

SENATE

FRIDAY, APRIL 26, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we beseech Thee that Thou wilt make this moment of devotion a pavilion of Thy peace as, trusting only in Thy mercy, we bring our soiled souls to Thy cleansing grace. We come with burdens on our minds and hearts for our Nation and the world; with haunting fears of a war won and a peace lost; with deep anxiety concerning the future our children will inherit from our hands. Yet we live in the faith that Thy truth is marching on even in the perplexities of these terrific days. We thank Thee for every word of truth which has been spoken the wide world through, for all of right which the human conscience has perceived and woven into the social fabric. Make us ministers of that love which will not halt its growing sway till it join all nations and kindreds and tongues and peoples into one great fraternity. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. THOMAS of Utah, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, April 24, 1946, was dispensed with, and the Journal was approved.

LEAVE OF ABSENCE

Mr. BARKLEY. Mr. President, at the request of the Senator from Idaho [Mr. GOSSETT], I ask that he be permitted to be absent indefinitely on account of important business.

The PRESIDENT pro tempore. Without objection, consent of the Senate is granted.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On April 23, 1946:

S. 486. An act for the acquisition of Indian lands required in connection with the construction, operation, and maintenance of electric transmission lines and other works, Fort Peck project, Montana;

S. 1363. An act to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or destroyed as the result of water damage occurring at certain naval and Marine Corps shore activities; and

S. 1601. An act to revive and reenact the act entitled "An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont," approved August 5, 1939.

On April 24, 1946:

S. 718. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands;

S. 1492. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in building No. 141 at the United States naval repair base, San Diego, Calif., on May 1, 1945; and

S. 1638. An act for the relief of Salvatore Carbone.

REPORT OF BOARD OF DIRECTORS OF PANAMA RAILROAD COMPANY

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Ninety-sixth Annual Report of the Board of Directors of the Panama Railroad Company for the fiscal year ended June 30, 1945.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 26, 1946.*

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

CREATION OF EVACUATION CLAIMS COMMISSION

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to create an Evacuation Claims Commission under the general supervision of the Secretary of the Interior, and to provide for the powers, duties, and functions thereof, and for other purposes (with an accompanying paper); to the Committee on Claims.

GOVERNMENT EMPLOYEES DEFERRED FROM MILITARY SERVICE FOR OCCUPATIONAL REASONS

A letter from the Director of the Selective Service System, transmitting, pursuant to law, a list of registrants deferred for occupational reasons because of their employment in or under the Federal Government as of April 1, 1946 (with accompanying papers); to the Committee on Military Affairs.

PETITIONS AND MEMORIAL

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A memorial of the Senate of the Legislature of the Territory of Alaska; to the Committee on Territories and Insular Affairs:

"Senate Memorial 1

"To the Honorable Harry S. Truman, President of the United States; to the Congress of the United States; to the Honorable Julius Krug, Secretary of the Interior:

"Your memorialist, the Senate of the Legislature of the Territory of Alaska, in the extraordinary session of the seventeenth session assembled, does most respectfully represent:

"Whereas the present chief executive of Alaska, Gov. Ernest Gruening, responsible to the Federal Government and not to the people of Alaska because he is a federally appointed employee, has seen fit to attempt to use his Federal office for political purposes; and

"Whereas the present Governor has done so by writing official letters from the Office of the Governor to members of the electorate soliciting their votes for certain candidates in purely local elections; and

"Whereas the present Governor has also used Federal funds as well as Territorial funds under his control for the purpose of printing and distributing booklets attacking certain members of the legislature for their actions as representatives legally elected by and responsible to the people, distributing these booklets in Federal franked envelopes; and has also used his appointive powers for political purposes; and

"Whereas the present Governor, during the past three regular sessions of the Territorial legislature, has attempted to wrest the control of the legislature from the people and place it in the hands of his office, and by so doing has disrupted cooperation and brought about stalemates between the two houses of our Territorial legislature and his office; and

"Whereas this legislature finds it increasingly difficult to mold legislative policies in freedom from executive dictation; and

"Whereas the Governor, under Alaska's Organic Act, has the power of vetoing any and all legislation passed by the legislature, whether or not it pertains to Federal functions; and

"Whereas the present Governor has abused this privilege by vetoing bills of purely local concern for political purposes; and

"Whereas no other Governor of Alaska, whether he was a resident of Alaska or a former citizen of some State, has been unable or unwilling to cooperate fully with the legislative body.

"Now, therefore, your memorialist, the Senate of the Legislature of the Territory of Alaska, does respectfully pray that the present Governor be removed from office with all possible dispatch.

"And your memorialist will ever pray."

A petition of sundry citizens of Oakland, Calif., praying for the continuation of the

Office of Price Administration; to the Committee on Banking and Currency.

A resolution adopted by the executive board of the Texas Water Conservation Association, Pecos, Tex., protesting against an appropriation of $23,323,000, as requested by the Southwestern Power Administration, unless it is first established that the consummation of its plan gives full consideration to existing property rights and is not an unnecessary duplication of existing facilities; to the Committee on Appropriations.

By Mr. GREEN:

A joint resolution of the General Assembly of the State of Rhode Island; to the Committee on Finance:

"Joint resolution memorializing Congress with relation to the matching by the Federal Government of certain State grants for old-age assistance, aid to dependent children, and aid to the blind

"Whereas the State government is paying approximately 54 percent and the Federal Government only 46 percent of the total expenditures for old-age assistance, and the State government is paying approximately 75 percent and the Federal Government only 25 percent of the total expenditure for aid to dependent children; and

"Whereas it undoubtedly was never the intention of Congress when it passed the Social Security Act to place an increasingly greater burden upon the States than was shared by the Federal Government: Now, therefore, be it

"*Resolved*, That the Senators and Representatives from Rhode Island in the Congress of the United States be, and they are hereby, respectfully requested to use every effort at their command to work for increased Federal participation in the three State programs, viz, old-age assistance, aid to dependent children, and aid to the blind—the elimination of the maximum provision with respect to aid to dependent-children payments; Federal participation in medical-care payments paid directly by the State agency to hospitals, physicians, or other practitioners until such time as a medical-insurance program has been provided; Federal participation, probably upon a 50–50 basis, in general public assistance; and be it further

"*Resolved*, That duly certified copies of this resolution be transmitted by the secretary of state to the Senators and Representatives from Rhode Island in the Congress of the United States."

PRICE CONTROL

Mr. CAPPER. Mr. President, I have received an important letter from Mrs. LaFell Dickinson, of Washington, D. C., president of the General Federation of Women's Clubs, urging price-control legislation which will adequately protect the people of the United States from further inflationary prices on food, shelter, and clothing. I ask unanimous consent to present the letter for appropriate reference and printing in the RECORD.

There being no objection, the letter was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

GENERAL FEDERATION OF WOMEN'S CLUBS,
Washington, D. C., April 24, 1946.

Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: The General Federation of Women's Clubs, an organization of 2,500,000 homemakers, is on record for "continued Federal legislation for equitable wage ceilings and price control on basic commodities such as food, shelter, and clothing as being essential to the common good and to sustained prosperity during the period of readjustment."

I therefore urge passage of price-control legislation which wil adequately protect the people of the United States from further inflationary prices on food, shelter, and clothing.

I believe that inflation far exceeding that of postwar days of World War I will follow unless effective price control is maintained, and that a far deeper depression than that of the 1930's will result—from which business will not recover for many years to come.

I believe also that materials can and will be released as soon as the price-control legislation is disposed of; that this will happen if an effective Office of Price Administration, functioning in an equitable manner, is maintained. This will mean immediate stimulation of business so sorely needed at the present time.

Therefore, for the future and long-time welfare of private enterprise, for the immediate increase in national production and distribution, for the protection of the buyers of the Nation whose well-being is essential to prosperity, I urge, without delay, continuance of genuine price-control legislation.

Respectfully and cordially yours,
Mrs. LAFELL DICKINSON,
President.

DIFFICULTY OF SERVICEMEN PROCURING AUTOMOBILES—TELEGRAM FROM PAUL A. LAMB, CANEY, KANS.

Mr. CAPPER. Mr. President, I have received a telegram from Paul A. Lamb, of Caney, Kans., a veteran who has served 5 years in the Army, and who has been trying very hard for 6 months to obtain an automobile but is having difficulty because of the attitude of the OPA which has not fixed the price. I think something should be done by the OPA to take care of such a situation as this. I ask unanimous consent to have the telegram printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CANEY, KANS., *April 23, 1946.*

Senator ARTHUR CAPPER,
Senate Building, Washington, D. C.

Having served in the Army 5 years I expected on my return that I would receive the benefits from my service. I ordered a car about 6 months ago from General Motors dealer. This dealer informs me that he has cars in stock but cannot sell them because OPA has not fixed the price. I need this car in my business. Half the cars on the road are a menace to public safety, yet because of some OPA rule they cannot be replaced. When may the public expect some relief from this oppression? I expect to publish your reply in local papers.

PAUL A. LAMB.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

H. J. Res. 225. Joint resolution to quiet the titles of the respective States, and others, to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; without amendment (Rept. No. 1260).

FLOSSIE I. FLETCHER

Mr. HAYDEN. Mr. President, from the Committee To Audit and Control the Contingent Expenses of the Senate, I ask unanimous consent to report favorably without amendment Senate Resolution 262, and request consent for its present consideration.

There being no objection, the resolution (S. Res. 262), submitted by Mr. BARKLEY (for Mr. GLASS) on April 19, 1946, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Flossie I. Fletcher, widow of Lewis H. Fletcher, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF ADDITIONAL COPIES OF CERTAIN HEARINGS BEFORE COMMITTEE ON INTERSTATE COMMERCE

Mr. HAYDEN. Mr. President, from the Committee on Printing, I ask unanimous consent to report favorably without amendment Senate Concurrent Resolution 60, and request consent for its immediate consideration.

There being no objection, the concurrent resolution (S. Con. Res. 60), submitted by Mr. WHEELER on April 9, 1946, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Senate Committee on Interstate Commerce be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of parts 1 and 2 of the hearings held before the said committee during the Seventy-ninth Congress on S. 1253, a bill to amend the Interstate Commerce Act, as amended, and for other purposes, relative to modification of railroad financial structures.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent the second time, and referred as follows:

By Mr. TYDINGS:

S. 2110. A bill to amend section 4 of the act of August 25, 1937, so as to provide a filing procedure in cases of adoption outside the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 2111. A bill for the relief of Esther Geartner; and

S. 2112. A bill conferring jurisdiction on the Court of Claims to hear, determine and render judgment on the claim of W. C. Jackson; to the Committee on Claims.

By Mr. CORDON:

S. 2113. A bill for the relief of Chauncey L. Pierce; to the Committee on Claims.

By Mr. MAGNUSON:

S. 2114. A bill for the relief of Charles G. Meyers; to the Committee on Claims.

By Mr. PEPPER:

S. 2115. A bill for the relief of the Fort Pierce Port District;

S. 2116. A bill for the relief of Marion Contracting Co.; and

S. 2117. A bill for the relief of Mrs. Irma M. Pierce and Charles Z. Pierce; to the Committee on Claims.

By Mr. LANGER:

S. 2118. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat produced and sold between January 1, 1945, and April 18, 1946; to the Committee on Agriculture and Forestry.

By Mr. MURDOCK:

S. 2119. A bill creating a commission on Federal contributions to States and local gov-

ernments by reason of Federal ownership of real property; to the Committee on Public Lands and Surveys.

ADDITIONAL AMOUNT FOR HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. HATCH (for Mr. CONNALLY) submitted the following resolution (S. Res. 265), which was referred to the Committee To Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Foreign Relations, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $5,000, in addition to the amount of $10,000 heretofore authorized.

RULES OF CRIMINAL PROCEDURE FOR UNITED STATES DISTRICT COURTS (S. DOC. 175)

Mr. McCARRAN. Mr. President, the new rules of criminal procedure for the district courts of the United States have been compiled, with the notes that belong thereto, by myself as chairman of the Committee of the Judiciary. The bar of this country, as well as the press and the Congress, will want these rules when they are available. I presented this matter to the Committee on Printing and they have approved the request I am about to make. I, therefore, ask that the compilation be printed as a Senate document.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MERGER OR UNIFICATION—ADDRESS BY SENATOR ROBERTSON

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a radio address entitled "Merger or Unification," delivered by Senator ROBERTSON on April 25, 1946, which appears in the Appendix.]

ADDRESS BY GENERAL EISENHOWER TO AMERICAN NEWSPAPER PUBLISHERS' ASSOCIATION

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address delivered by Gen. Dwight D. Eisenhower, Chief of Staff, at the annual meeting of the American Newspaper Publishers' Association in New York City on April 25, 1946, which appears in the Appendix.]

REVIEW BY ELMER DAVIS OF THE BOOK ONE WORLD OR NONE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD a review by Elmer Davis of the book One World or None, published in the March 30 issue of the Saturday Review of Literature, which appears in the Appendix.]

SENATOR McKELLAR CHAMPION OF TVA—EDITORIAL FROM THE TRUTH AND HERALD

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD an editorial entitled "Senator McKELLAR Champion of TVA," published in the Truth and Herald, of Winchester, Tenn., on April 17, 1946, which appears in the Appendix.]

ADDRESS BY JOHN S. KNIGHT ON OCCASION OF HIS ACCEPTANCE OF THE POOR RICHARD CLUB AWARD

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address delivered by John S. Knight on the occasion of his acceptance of the Poor Richard Club award, which appears in the Appendix.]

FARMERS—MAN AGAINST HUNGER—ARTICLE FROM TIME

[Mr. HICKENLOOPER asked and obtained leave to have printed in the RECORD an article entitled "Farmers—Man Against Hunger," from the magazine Time for April 29, 1946, which appears in the Appendix.]

PRICE CONTROL AND THE OPA

Mr. WILEY. Mr. President, one summer during my university life I was privileged to be a cub reporter on our newspaper, the Chippewa Herald. George E. Dee was the owner and editor.

I remember that he said to me: "The job of a reporter is to get the facts. Never editorialize on the news page. I'll do the editorializing. Tell the whole story. Tell both sides—all sides. News should never be lopsided or biased. We newspapermen are trustees of great human rights—freedom of the press. That means we give the facts. We don't try to reshape the facts."

I read in this same local newspaper the other day a news item by James Marlow, of the Associated Press. It was a good job done on a debatable subject, giving both sides of OPA. I ask that this news release be inserted in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NATION TODAY

(By James Marlow)

WASHINGTON.—The House vote on OPA would knock price controls into a cocked hat.

(This won't become a fact unless the Senate agrees with the House action and the President approves.)

But why does the House want to get rid of price controls so fast, since the administration wanted a strong OPA continued another year?

Here are some of the arguments offered by those who want an end to price controls quickly:

1. The wartime rise of costs and the OPA lid on prices have squeezed profits until it's tough or impossible to do business.

2. There's a huge demand for goods of all kinds, but the supply of those things is not great enough to meet the demand.

3. The supply is being held down because manufacturers can't produce and still make a profit because of OPA ceilings.

4. If the ceilings were taken off, business could make a profit which would encourage production.

5. With production soaring, supplies would soar and supply would come closer to meeting demand.

The Government's side of the story is this:

It has tried to keep living costs and prices in hand for 4 years. It is lifting price controls wherever it can, to prevent hardship on business or because there's danger of prices in a certain field going haywire.

It wants to continue this gradual easing of controls so that the Nation can finally get into full peacetime production without much increase in living costs.

The Government has fought the idea of a widespread lifting of controls on these grounds:

A sudden wide end to the controls would let prices get out of hand, undo all the efforts of the past 4 years, and send the Nation skating into a ruinous inflation.

But if price ceilings are removed, won't prices go up?

Sure. Very few people would try to deny this. But how high up? No one knows exactly. There are only guesses.

Says OPA's Deputy Price Administrator James G. Rogers: "Prices will rise 50 percent in the next 8 or 10 months, if controls come off."

This estimate may be too high. But, again, no one knows.

But if prices soar, will they stay there?

This is where those in favor of removing price controls step in and say:

"Prices may go up at first, while goods are still not sufficiently plentiful to meet demand, but once this is met, then prices will start falling because that is how our economy works."

Mr. WILEY. Mr. President, in this week's United States News David Lawrence in his editorial, History Repeats Itself, says a lot of thought-provoking things. I quote:

Much of the blame falls on President Truman and on the OPA itself. The President might have noted last year that Great Britain, also a democracy and also interested in private capitalism, extended wartime controls for 5 years after VJ-day. The OPA should have noted, too, that incentives to production are vital to the defeat of shortages, instead of concerning itself with perpetrating the New Deal prejudices on profit control. The OPA should have developed a formula for gradual increases in prices to meet increases in wage or material costs.

In that one paragraph David Lawrence puts his finger, as I see it, on the great lack in OPA. This lack of appropriate action—failing to see the need of providing equitable prices for goods into which increased labor and material costs have gone—has caused many people to interpret the initials OPA as meaning "Other People's Agony."

On another occasion I have said that OPA would have to go or change its methods of administration. This same thought is brought out by David Lawrence under the subtitle in his editorial, Reconstruct the OPA. I quote his language:

The inflexibility of the OPA, however, is no argument against continuation of necessary controls. If the machinery is inefficient, pressure to make it efficient should be exerted. If radicals are in charge of OPA administrative tasks, then conservatives should be found to replace them. Indeed, where the screws must be applied to industry, it is better that men in whom industry has confidence shall apply them. Conservatives usually can do better with radical ideas than the radicals can themselves, if assured, of course, that the end result is to promote the free enterprise system and not some form of socialism.

Because of my general criticism on many occasions of OPA, I want it strictly understood that I have found many competent and efficient men connected therewith, and have received fine cooperation. However, let me repeat, if we are to extend OPA, it will be necessary that we change the policy makers—the men in high places, those at the head of divisions—because they have become frozen in their concepts. Let me read a letter that came to my desk today. I

cannot vouch for the correctness of the statistics, but it confirms absolutely what has been said heretofore, that the way that OPA has been operating has interfered with production. This letter comes from a small businessman, who says:

My present plea concerns small-business needs of eliminating cost-absorption squeeze by OPA. Please let us roll up our production sleeves and give America the goods and services it needs. Thirty-four percent of vital productive small business enterprises have been unable to put new products on the market. Forty-four percent have had to stop marketing certain products. Forty percent are being forced to curtail or eliminate specific products, and 36 percent are confronted with shut-downs. Why OPA and its dismal failure to set ceiling prices which return the cost of production?

In his letter, he calls for drastic reforms in OPA.

Mr. President, what caused me to make these remarks today was the correspondence that has been pouring into my office as a result of OPA fear propaganda. Certainly in the extension of OPA there should be cut the appropriation which has been utilized by OPA for this fear propaganda. Several weeks ago I inquired of the Attorney General as to whether or not OPA was violating the statute by its fear-propaganda methods, in seeking to influence Congress. The Attorney General ruled that, in view of the appropriation made for "information purposes," there was no violation of the criminal statute.

We are informed that in the various departments of government there are 18,000 full-time publicity experts and 11,000 more part time. That is costing a great deal of money, but that is not the worst part of it. What happens is just what has taken place since the House passed the OPA bill. The subordinate departments attempt to become the policy makers. Congress, under the Constitution, is the policy maker. I am suggesting that a special committee be appointed to investigate this whole publicity set-up in Government. Compared with more than 3,000,000 Government employees, of course, 38,000 is not a great number, and, undoubtedly a good many of them should be retained, but I believe that many of them could be dispensed with, especially that part of the publicity group in the OPA which seeks to influence legislation.

CRITICAL ITEMS FOR EXCLUSIVE DISPOSAL TO VETERANS—LETTER AND STATEMENT FROM WAR ASSETS ADMINISTRATION

Mr. MAYBANK. Mr. President, I have today received a letter from Gen. E. B. Gregory, Administrator of the War Assets Administration, with which he has sent me a list of critical items for exclusive disposal to veterans, which includes automotive vehicles, trucks, motorcycles, scooters, trailers, tractors, construction, mining and excavating machinery, agricultural machinery, medical, surgical, and dental apparatus and equipment, and typewriters.

I wish to read the last paragraph of the letter. It is as follows:

Inevitably, veterans frequently will be disappointed in their efforts to acquire much-sought-after surplus goods. But they will have the satisfaction of knowing that all such set-aside goods are going to veterans like themselves.

In other words, Mr. President, some veterans at least will get the much-needed surplus goods they have so long tried to obtain.

Mr. President, I ask unanimous consent that the letter, together with the list of critical items, be printed in the RECORD as a part of my remarks.

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

APRIL 26, 1946.

Hon. BURNET R. MAYBANK,
United States Senate,
Washington, D. C.

DEAR SENATOR MAYBANK: The War Assets Administration is preparing to carry out the amended provisions of the Surplus Property Act as soon as they become law.

All required changes in procedures are in process of being worked out. Arrangements have been made fully to inform the veteran of his new opportunities through national advertising and all other available means.

While the contemplated improvements in the veterans' buying position will—to a certain extent—divert goods to them from other priority channels, the law itself cannot, of course, increase available supplies of surplus goods in heavy demand. For that reason the effect of the changes on the actual flow of surplus goods to veterans necessarily will be limited, as it has been in the past, by what we have available in surplus of the items veterans desire to purchase.

It would be unfortunate indeed if the veteran should misunderstand this. The language of the law itself and the committee reports supporting it make it clear that the Congress had not the remotest intention of holding out to him a prospect of getting anything and everything he wants out of surplus.

The War Assets Administration is taking every opportunity to impress upon the veteran the inescapable fact that there is not now and never will be enough goods in surplus to meet his every need. It is important, too, that the veteran understand that it is not the intent of the Congress to set the Government up in retail business. The War Assets Administration is hopeful that an understanding press and public will help dispel any such misapprehension.

Your own long concern with the veterans' interest in surplus property has made you familiar with the types of surplus goods in heaviest demand. You are aware that veteran demand has been largely concentrated in a few items which I have listed for congressional committees studying the matter. That list, changed only in minor detail, comprises the items which will be set aside for sale exclusively to veterans for either personal or business use.

Certifications already made of veterans as eligible to purchase under the original act will remain valid. In sales of set-aside items, these applications will be serviced in direct proportion to new applications for the same items. New certification will be required if the applicant desires some item on the list for which he has not previously been certified, or for personal use.

For personal-use buyers at set-aside sales the certification procedure will be simple. The applicant will need to fill out only one (blue) form, a copy of which is attached. Set-aside sales under the new order will be held in the several regions as soon as necessary arrangements, including provision for proper notices, can be made. Applications to buy other than set-aside goods for business use, under the second general priority which supersedes the preference, will continue under existing procedure.

Inevitably, veterans frequently will be disappointed in their efforts to acquire much-sought-after surplus goods. But they will have the satisfaction of knowing that all such set-aside goods are going to veterans like themselves.

Sincerely yours,

E. B. GREGORY,
Administrator.

VETERANS' CERTIFICATION FORM

The list of critical items for exclusive disposal to veterans is as follows:

CLASSIFICATION

Automotive vehicles: Passenger cars (used), passenger cars (new).

Trucks: Jeeps, all trucks 2½ tons or less.

Motorcycles, scooters.

Trailers: Bomb trucks, all trailers.

Tractors: D4 and R4 Caterpillar, 36–45 DB horsepower or equal; D7 Caterpillar, 61–90 DB horsepower or equal; D8 Caterpillar, 91–140 DB horsepower or equal; TD9 International, 36–45 DB horsepower or equal; TD14 International, 46–60 DB horsepower or equal; TD6 International, 46–60 DB horsepower or equal.

Construction, mining, and excavating machinery: Tractor-type scrapers; air compressors; batching plants; crushing and screening plants; ditching machines; cranes, shovels, and draglines.

Agricultural machinery: Land levelers, plows.

Medical, surgical, and dental apparatus and equipment: Major operating tables, operating lamps, field X-ray units, diathermy machines, dental units, dental chairs, dental cabinets.

Typewriters.

YOUNG DEMOCRATS' HEAD IN WISCONSIN BOLTS PARTY—ARTICLE FROM NEW YORK HERALD TRIBUNE

Mr. BRIDGES. Mr. President, I hold in my hand an article from the New York Herald Tribune of April 24, headed "Young Democrats' head in Wisconsin bolts party, joining Republicans; he calls it no longer liberal." He says—and I am now quoting from the Herald Tribune—that the reason he is departing from the Democratic Party is "that the young Democrats group was burdened with members who supported Russia instead of America." He says he is going to join the Republican Party because the Democratic Party now stands for Government tyranny, is increasingly dominated by the leftists, and "had failed Poland, Iran, and other small nations."

Mr. President, I think it is rather significant when we see the young men of the Nation leaving the Democratic Party, giving it up completely as hopeless, and coming over to our Republican Party. It gives us hope for the future of the Nation, and gives us as Republicans particular pleasure that the young men of our country are moving in our direction.

I ask unanimous consent that the article may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOUNG DEMOCRATS' HEAD IN WISCONSIN BOLTS PARTY—JOINING REPUBLICANS; HE CALLS IT NO LONGER LIBERAL

MILWAUKEE, April 23.—Chester J. Michalak resigned today as president of the Young Democrats of Wisconsin and announced he was joining the Republican Party.

He declared that the Democratic Party had departed from its role as a party of the

people and instead now stood for government control of the people.

In a statement, Mr. Michalak called upon "all liberal-minded young Democrats to join the Republican Party as the party that now really stands for government by the people," and asserted that the Democratic Party no longer was a truly liberal party but was losing out to leftists.

He charged that the Democratic Party had failed Poland, Iran, and other small nations and that the young Democrats group was burdened with members who supported Russia instead of America.

Mr. Michalak, insurance representative and income-tax consultant, was elected president of the young Democrats in January 1944.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Ohio [Mr. TAFT].

The Senator from Mississippi [Mr. BILBO] is entitled to the floor.

Mr. BILBO. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Hart	Pepper
Ball	Hatch	Radcliffe
Bankhead	Hawkes	Reed
Barkley	Hayden	Revercomb
Bilbo	Hickenlooper	Robertson
Bridges	Hill	Russell
Briggs	Johnston, S. C.	Saltonstall
Brooks	Knowland	Shipstead
Bushfield	La Follette	Smith
Capper	Langer	Stewart
Carville	McCarran	Taft
Cordon	McClellan	Taylor
Donnell	McKellar	Thomas, Okla.
Downey	Magnuson	Thomas, Utah
Eastland	Maybank	Tobey
Ellender	Mead	Tunnell
Ferguson	Millikin	Tydings
Fulbright	Mitchell	Wheeler
Gerry	Moore	Wherry
Green	Murdock	Wiley
Guffey	Murray	Willis
Gurney	O'Daniel	Wilson

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. BYRD], the Senator from Illinois [Mr. LUCAS], and the Senator from Connecticut [Mr. MCMAHON] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from North Carolina [Mr. HOEY], the Senator from Ohio [Mr. HUFFMAN], the Senator from Colorado [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Arizona [Mr. MCFARLAND], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Vermont [Mr. AIKEN], the Senator from Nebraska [Mr. BUTLER], the Senator from Kentucky [Mr. STANFILL], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from Indiana [Mr. CAPEHART], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The PRESIDING OFFICER (Mr. HAYDEN in the chair). Sixty-six Senators having answered to their names, a quorum is present.

Mr. MCKELLAR. Mr. President, I have a 20-minute speech I wish to make on the pending joint resolution. I wonder if the Senator from Mississippi would be good enough to yield to me at this time.

Mr. BILBO. I am very sorry, but I have some comments which will take about 20 minutes, answering the magazine known as Life. When I have finished that nasty job I shall be glad to yield to the Senator from Tennessee.

Mr. MCKELLAR. Will the Senator's remarks be long?

Mr. BILBO. They will take about 20 minutes.

Mr. MCKELLAR. I thank the Senator very much.

Mr. BILBO. Mr. President, I may say that several of my colleagues have asked that I yield so they may be recognized. I always try to be courteous, and I shall be glad to yield, but I desire to finish this job while it is on my mind. Then I shall yield.

Mr. President, on March 11, 1946, the husband of the so-called glamour girl of Connecticut, CLARE BOOTHE LUCE, who is the owner and publisher of the Negro social-equality weekly called Life, and also the publisher of a similar magazine called Time, displayed a sensational article in Life entitled "Senators Face Election," and subheaded by the words "An estimation of their intelligence and capacity." Mark those last three words.

This article in this leftist, or communistically pink, colored mongrel magazine is not credited to any writer or author, strange to say. This fact is very significant. It necessarily means that the article must be chargeable to the owner, publisher, staff, and editors, including the political wheelhorse of the outfit, CLARE BOOTHE LUCE.

The consensus of opinion among the inner circles in the Washington political whirligig is that Connecticut's Republican darling, sometimes called the glamour girl, and more properly called fickle and capricious CLARE of the Nutmeg State, was the master mind behind this political and libelous scandal blast against the great majority of the United States Senators seeking reelection in the year 1946.

The plan and effort to smear this great body of United States Senators was conceived many months ago, because large sums of money were spent in sending photographers and making photographs in all the 33 States where these 33 Senators are making their campaigns for reelection this year. I had two delegations from Life in my State. Some of them enjoyed the hospitality of my home and ate my grub.

Whether the Luce family and Life magazine are communistic or not—I am not now making the charge that they are—the article I am now discussing certainly has the communistic pattern, for we all know that the Communists never miss an opportunity to smear our high-ranking Government officials, that is, never, unless they are in sympathy with them, thus undermining the confidence of the people in their Government. That is the scheme of the Communist, to destroy the confidence of the people in their officials, from the President down. That is the way they go about it. Do you not think, Mr. President, that it is remarkable and rather strange that Life can take only one-third of the Senators and smear them and try to destroy 23 of the 33? If Life is not communistic, the Communist Party should send old man Luce, or the magazine Life, a fat check for good services rendered, for what they have done.

Mr. President, I now want to read the introductory remarks of this unsigned article in Life:

> Senators face election.
>
> An estimation of their intelligence and capacity.

Mark those two words—"intelligence" and "capacity."

> This year 35 seats in the Senate will be up for election. Because the Senate is the Nation's most important legislative body, where a single vote can sometimes be decisive, the successful conduct of an intelligent domestic and foreign policy in the next few years will depend to a large extent on the caliber of the men who will occupy those seats.

Now, that is very fine. I agree with that.

> Of the 35 men there now, two (HART, of Connecticut, and ANDREWS, of Florida) have announced their decisions not to run. Most of the remaining 33 will be candidates, at least in the primaries or party conventions, to succeed themselves. The first convention will be held March 13 in North Dakota.

Now, listen, Senators:

> To help the American people consider whether they can improve on their Senators, Life asked a panel of top-ranking Washington correspondents—

Get that, please—

> of varying political beliefs for their opinions of the intelligence and capacity of these 33 Senators.

The main object and the announced purpose of the magazine article is to give the people of this country some information about the intelligence and capacity of these 33 men.

> In addition, Life asked reporters, business associates, and friends in the home States for impressions of the Senators, based not on the Senators' political stands but solely

on their fitness for such a responsible job. The opinion quoted at the end of each picture caption is based on their views.

Mr. President, there has not been published in the American press a more misleading, deceptive, and artistically stated lie in the recollection of any living American. Senators will note in this introductory statement that Life pretends to want to help the American people to consider whether they can improve on their Senators. To do this they say that they asked a panel—and now Senators know what a panel is—of top-ranking Washington correspondents—there they are in the galleries above [laughter]—of varying political beliefs for their opinions of the intelligence and capacity of these 33 Senators.

And in addition—mark you this—Life says they asked reporters, business associates, and friends in the home States of the Senators for impressions of the Senators based not on the Senators' political stands but solely on the Senators' fitness for the job. In other words, they are telling the American people that "We went into the respective States of these 33 Senators and we consulted their associates, their friends, and the reporters in those States." Then Life audaciously quoted an opinion following each Senator's picture, an opinion which was supposed to be based on the views of these correspondents, business associates, and friends.

When I first read this introductory statement, I knew at once that the Luces were getting ready to perpetrate upon the American people and the American voters a collection of lies and views and misrepresentations to suit the deep-laid plans and purposes of the Luce hierarchy, Papa Luce and Mama Luce. [Laughter.]

To make sure that I was right—now get this—to make sure that I was right, 30 days ago today I issued a statement to the press to prove that the whole miserable scheme and concoction in the article was prepared for political purposes and further to perpetrate the plans of this Negro social equality outfit. The reason I call it a Negro social equality outfit is because in a very recent issue of the same magazine there are displayed some mulatto and mongrel Americans outstanding in the Negro world, and the magazine specially played up the theatrical production, How Deep Are the Roots, and insulted the entire South by showing the picture of a Negro soldier who had returned from the war and had gone to one of the plantations of the South, and the daughter of a southern farmer or planter on her knees begging this worthless Negro soldier to marry her.

As announced in my statement to the press, for 30 days I have had a standing reward of $100 to be given to one or more newspaper reporters or correspondents in Washington who would admit and prove that he was a member of the panel as announced by Life. That offer has been standing for 30 days. Many of my colleagues have also tried to discover some Washington correspondent who was called in by the Luces' publication Life to help prepare this article and serve on that panel. Up to this good hour I have had no taker of my $100 reward, nor have my colleagues been able to locate any of the members of this panel among the newspaper correspondents in Washington. Of course, that does not include the Life and Time outfit. They all belong to the same gang. I have consulted the newspaper reporters of my State, and so far have found no one who knew anything about the preparation of the article which appeared in the March 11 issue of Life. That is why I say it is the greatest lie in the history of the American press.

In checking over the write-ups under each of the 33 pictures, I find that of the 33 Senators seeking reelection 12 are Republicans and 21 are Democrats. Papa and Mama Luce, in a half-way manner, O. K.'d or gave a passing grade to only 10 of the 33. In other words, if this pair of Negro lovers had their way about it they would defeat 22 of my colleagues—and myself—when we stand for reelection this year. They need not be worried about defeating me. It is true that I have four opponents, but I have no opposition.

It is indeed remarkable, but of the 10 who made the grade in Life, in the opinion of Papa Luce, and fickle, capricious Clare, 6 are Republicans, representing 60 percent of those O. K.'d, and only 4 are Democrats—4 lone Democrats out of 21 Democrats to be reelected, or about 13 percent of the whole. To state it another way, 60 percent of the Republicans are given a passing grade, but only 13 percent of the Democrats are given the green light, out of the 33. Even Mortimer Snerd, in Edgar Bergen's Charlie McCarthy show, would understand from these percentages that fickle and capricious Clare and Papa Luce are seeking to wreck the Democratic Party and leadership.

In this connection, I wish to make some remarks about Mrs. LUCE which may not be considered exactly complimentary, but I am justified in making them. I wish to read what the lady had to say about me. I do not know why she picked me out. I do not understand it. I pick up one newspaper which says, "BILBO is of no force; he has no influence; he amounts to nothing. He is but sounding brass and a tinkling cymbal."

Then I pick up another newspaper and learn that certain interests are threatening to send $1,000,000 to Mississippi to defeat me. If I am so unimportant and inconsequential, why spend $1,000,000 to defeat me? Just let me die. I can do no harm, according to their view.

The Republican Party management, incidentally or accidentally, invited Mrs. LUCE to make a speech at the Abraham Lincoln dinner on the 7th of February. In that speech she made this statement:

The Bilbos of our Congress evoke many secular authorities and political and economic principles for their intolerant attack on the Negro.

I have not been attacking the Negro. I have never attacked the Negro. I have been the Negro's best friend; and sometimes I think that I am about the best friend the Negro has on the floor of the Senate, because I know that something must be done for him, and I am trying to do something.

But not even Senator BILBO has had the impudence to quote Scripture as witness. Why? Well, let us quote from Scripture for him. It has been said, "If any man say 'I love God' and hateth his brother, he is a liar."

That is a cute way to call me a liar.

Against this supreme charge, Senator BILBO must find himself defenseless, now and eternally. Let us try, as best we can, to stay out of that dreadful docket with him, for unhappily all of us have, to some extent, failed our brothers.

To show that I am no enemy to the Negro, let me say that I believe in giving him an economic opportunity. I believe in giving him what he is entitled to.

I have before me a column from the Jackson (Miss.) Daily News, telling the story of my distinguished opponent, Ross Collins. Many Senators know him. He spends part of his speech in denouncing BILBO, because I happen to be chairman of the Senate Committee on the District of Columbia, and my committee handled the confirmation of the nomination of Marshall Shepard as Recorder of Deeds in the District of Columbia. Collins is charging that I am the man who had him appointed; that I persuaded President Roosevelt to appoint him; and that I went to my colleagues on that committee and secured a favorable report on his nomination. He claims that I am responsible for him. He says that I tried to have his salary raised after I got him in, and that I obtained a Mississippi Negro girl to act as his secretary.

My colleagues know that that is a lie out of the whole cloth. The Senator from Pennsylvania [Mr. GUFFEY] and Bob Hannegan are the men who persuaded President Roosevelt to appoint the Reverend Marshall Shepard, of Pennsylvania, to this job. The office of Recorder of Deeds has been a Negro job since 1881. Frederick Douglass started the roll, and all these years that office has been considered a part of the patronage in the city of Washington belonging to the Negro race. Only two Presidents in all that time have dared to vary from that rule or understanding. The rule is that no matter whether he be a Democrat or a Republican, a Negro shall have that job.

But when this appointment was made by President Roosevelt I was in the Mayo brothers' hospital, on the flat of my back, having had an operation. I was confined to the hospital for nearly a month, after which I went home to convalesce. During that time this nomination was referred to my committee. My secretary wrote to me or telegraphed to me—I have forgotten which—inquiring whether it would be all right to poll the committee; that the Senator from Pennsylvania [Mr. GUFFEY] and Senator WALSH of New Jersey wanted it done; that my friends wanted it done; and that the administration wanted it done. I replied stating that it would be all right to poll the committee, and the committee was polled, not by me, because I did not know anything about it. The committee was polled, and the nomination was favor-

ably reported by Senator WALSH of New Jersey. The nomination was confirmed after some debate on the floor of the Senate. It was done in the open, but I had nothing to do with it. I was not here. I was a sick man, in the hospital and at home.

The other night a Negro in Washington telephoned to me and stated that he had just contributed $100 to defeat me in Mississippi. He said that he was a member of the police force. I tried to get him to make it $200. I said, "My friends are organized down there, and ready to receive all the money you send. We will take it, wash it, and use it in the campaign for votes for BILBO. That is the ticket." I made a proposition to him, that if I were defeated I would refund to him every cent that he had sent to Mississippi, provided, that if I were elected he would resign and get out of Washington, which he will not likely do if I am reelected, which I shall be.

Let me say to my enemies—the minorities of New York, New Jersey, and Pennsylvania—that when they send their money to Mississippi to help Ross Collins they are helping a man who is trying to ride into office on the basis of prejudice against the Negro race. I was the first man elected to the office of Governor of Mississippi since the Civil War without ever mentioning the race question. Nary a word did I say about it. The Negro churches held prayer meetings in the interest of my election, because I was not doing as others had done, namely, riding the Negro's coattails into office.

As Governor of the State for 8 years I saw that the Negro got justice. I did not hesitate to pardon him when some white man put up a job on him. I had the "guts" to pardon him. While I was Governor I pardoned more than 5,000 persons. Of course not all of them were Negroes. And I helped in their educational program, all of which the Negroes of Mississippi know; and if my reelection were left to the vote of the Negroes of Mississippi, I know I would be reelected, unless the Chicago Defender and the Pittsburgh Courier were circulated and Sidney Hillman and the CIO organized them and voted them like sheep.

This morning I picked up a copy of the Washington Post and saw a dispatch from Atlantic City, in which the head of the CIO is quoted as saying that "a possible result of the CIO's organizing drive in the South might be the elimination from public life of Senator BILBO." Well, Mr. President, I will meet them when they come.

Mrs. LUCE had something else to say about me in that speech:

> The personal prejudices of such men as Senator BILBO are not only a spiritual blot on our civilization, they are an economic drain on the purse of the whole Nation. The monumental size of the national debt requires that every able-bodied man and woman in the United States must produce to his fullest capacity, if we are ever to free ourselves of that staggering burden. In the face of such a necessity, the personal hatreds of the BILBOS are too expensive for the Nation to afford any longer. We can no longer pay for such Democratic juvenile delinquencies.

Well, Mr. President, I did not know I was a delinquent yet. Do you know what she was trying to say? Do you know what all of them are trying to say when they talk about my prejudice and my bigotry against the Negro race? They say that because I believe in segregation. I believe in the protection of the Negro race and the protection of the white race, as well. I do not believe in social equality with the Negro. I do not believe in the mongrelization of the Negro race and the white race. As Dr. Linton said the other day at Columbia University, if the present process of mongrelization between the whites and blacks in this country continues at the present rate, in nine generations we will all be yellow; there will be no whites or blacks.

If I were to say that I was in favor of social equality with the Negro I would be a hero with Life and with the Luces. I have got to say that I believe in social equality with the Negro before they will even admit that I am a Democrat. They say that is democracy. Mr. President, it is not democracy; it is suicide. They are attempting to destroy their own race.

Mrs. LUCE was not satisfied with the speech she made at the banquet in Washington, and afterward she made a speech over the radio, over Station WWDC. Mr. President, you should have listened to what this good lady said about me. I never bothered her, I never said anything about her, I never got in her way. She said:

> Come, courage, Mr. Talmadge, remember your Revolutionary ancestors, please. Both their blood and their spirit is in you, and you daren't be afraid of what might be said by one lone, ridiculous, and anachronistic, flannel-mouthed racial supremist like Senator BILBO.

Well, Mr. President, I never knew before that I was anachronistic; I never knew before that I was flannel-mouthed; but I know that I believe in the white race. If you want to call that white supremacy, all right; and if you do not think that you, as a white man, are any better than a Negro, I agree with you; in fact, I do not think you are as good.

I think Mrs. LUCE should no longer be called the glamour girl, although "Webster's New Superior Dictionary" gives us the following definition of "glamour": "Glamour is a charm on the eyes, causing them to see things different from what they are in reality." [Laughter.]

With that definition I am willing to call her "the glamour girl of Connecticut."

Mr. President, she is capricious, she is fickle. She quit her husband, she quit the DAR, she quit the church of her childhood, she has quit politics. The dear old girl from Connecticut just will not stand.

Mr. President, it is not my purpose at this time to review the mean, dirty, subtle, libelous attacks made on my colleagues in this scandal sheet. I think the most severe attack was made on my good friend the Senator from Tennessee. Some of the statements made about my good colleagues are so vile, vicious, and unthinkable that I am sure every Member of this body, regardless of his party affiliation, resented those infamous attacks.

The Members of the Senate who are not up for reelection this year may feel comfortable and relieved that they were not held up to public scorn and condemnation as some of us were by the Luce family and Life, but I should like to make this observation: Their time is coming. [Laughter.] I will be sitting around here in the Senate listening to what they say about some of my colleagues 2 years from now when they come up for reelection.

I shall let my colleagues who have been attacked answer for themselves, but I cannot let the attacks on myself go unanswered. It will be noted that notwithstanding the introduction to this article in which it was said that Life wanted to help the American people improve on their Senators, and that it would give a review of the intelligence and capacity of the Senators—note that—yet when they reached my name in their dirty, contemptible article they said nary a word about my intelligence or capacity. They proceeded at once to make dirty, scandalous references, repeating lies that my political enemies used against me 25 or 30 years ago. But I am still here. They made dirty and unfair references about matters which had been threshed out on every stump in Mississippi and about which the people of Mississippi had passed judgment by electing me lieutenant governor, and twice governor and twice United States Senator; and now they are ready to elect me again, to serve a third term as Senator, on the second day of July. Those were elections in which 200,000 or 300,000 people participated, not the little handful that some newspapers talk about. They were men and women who are educated, cultured, refined, and who are qualified to vote. Mr. President, I am sure you understand that in Mississippi we do not let anyone vote unless he is qualified. The other day in New York I told a friend of mine, "I have almost reached the point where I am in favor of a law which will provide that no man or woman in the United States shall be permited to vote unless he or she can read and speak the English language." Mr. President, what do those who cannot read or speak English know about American principles, American ideals, and our great dual constitutional scheme of Government? They know nothing about it. They are voted like sheep—in blocks.

Today our country is flooded with all the refugees and rabble of war-torn Europe. Recently I was informed by one of the immigration officers that today there are between 5,000,000 and 6,000,000 men and women in this country illegally. When I come back here after July 2 I shall see whether we can do something about getting rid of them and deporting them. They are contaminating.

Mr. President, the article in Life said that "Bilbo has been sent to jail." Yes, I have—but it was not for any crime or for any charge involving moral turpitude. I went to jail on an order of a political judge on contempt charges because I would not tell and would not violate my sacred obligation as an attorney at law. I have been elected three times, once as governor and twice as United States Senator, since that episode. The people

of Mississippi know that I will do to trust because I will go to jail before I will tell.

Mr. President, John Bunyan went to jail. John Milton wrote Paradise Lost in jail. The Apostle Paul went to jail. Tom Paine wrote the Age of Reason in jail. Jefferson Davis went to jail. "Skinny" Wainwright went to jail. While I am not making any comparisons, many of the great men of history—men whose life services blessed the human race—were sent to jail, not for crimes, but for principles.

Life says that I was discredited as a complainant in a bribery scandal, and voted by my colleagues as unfit to sit with honest and upright men in a legislative body. This episode to which Life refers took place 36 years ago, when a handful of my political enemies passed a resolution because I had exposed fraud and corruption in a senatorial election. Life did not tell its readers that, as a result of that unrighteous attack, I beat the field in the election for lieutenant governor the next year in the first primary, and a newly elected State senate proceeded to repudiate the attack which had been made. Mr. President, here is a copy of the resolution denouncing and repudiating that unrighteous attack which had been made by a handful of my political enemies. Life did not say anything about it. Life did not, in fact, say a word about it. Mr. President, listen to this:

Whereas the message of Lt. Gov. THEODORE G. BILBO to this body on yesterday was couched in language that cannot in any manner be offensive to any fair-minded and conservative citizen, exhibiting, as we believe, the right spirit in urging harmony and stressing the necessity of concentrating our efforts in securing beneficial legislation so devoutly to be wished for by all patriotic Mississippians: Therefore be it

Resolved by the Senate of Mississippi, That this body is in sympathy and accord with the patriotic ideas set forth in the address of its esteemed presiding officer.

Mr. President, I wish now to read the following resolution which was introduced by Senator Bailey, of Mississippi, and, upon his motion, adopted by the Mississippi Senate:

Whereas the message of Lt. Gov. THEODORE G. BILBO to this body on yesterday was couched in language that cannot in any manner be offensive to any fair-minded and conservative citizen, exhibiting, as we believe, the right spirit in urging harmony and stressing the necessity of concentrating our efforts in securing beneficial legislation so devoutly to be wished for by all patriotic Mississippians: Therefore be it

Resolved by the Senate of Mississippi, That this body is in sympathy and accord with the patriotic ideas set forth in the address of its esteemed presiding officer.

Resolved, second, That guided by the fact that a man's neighbors know him best, tested by the unanimous vote of the box near where he was born and reared, and the almost entire vote of the county in which he resides, and also by the courteous and able manner in which he has discharged the duties of president of this senate, we have no hesitance in giving expression to our confidence in the integrity, patriotism, and honesty of purpose of Lieutenant Governor BILBO, and we take this occasion to commend him as worthy and deserving of the confidence and esteem of all good citizens of this Commonwealth.

That resolution may be found on page 31 of the Mississippi Senate Journal, regular session of 1914, proceedings of January 7, 1914.

Mr. President, Life did not print that resolution. Life was not looking for it.

Later, at the close of my term as lieutenant governor, one of my worst enemies on the floor of the Senate, whose name was Greaves, submitted the following resolution:

Whereas the Mississippi Senate was convened on the 6th day of January 1914 and have been in constant session for 85 days, and this being the day set by both houses for final adjournment, and the senate keenly appreciating the splendid, magnificent, and unsurpassed service which has been rendered by the efficient officers and employees of this body, we extend to our beloved lieutenant governor our heartfelt appreciation for the manly, upright, fair, and courageous manner in which he has presided over this body. We unhesitatingly say that he has made one of the most efficient, fearless, and capable lieutenant governors that the State of Mississippi has ever had. Absolutely dealing fair and impartially with all persons and questions coming before him as the presiding officer of this body.

Resolved, second, That guided by the fact that a man's neighbors know him best, tested by the unanimous vote of the box near where he was born and reared, and the almost entire vote of the county in which he resides, and also by the courteous and able manner in which he has discharged the duties of president of this senate, we have no hesitance in giving expression to our confidence in the integrity, patriotism, and honesty of purpose of Lieutenant Governor BILBO, and we take this occasion to commend him as worthy and deserving of the confidence and esteem of all good citizens of this Commonwealth.

Senator Greaves, of Mississippi, submitted the resolution and, upon his motion, it was agreed to. It may be found in the Mississippi Senate Journal, regular session, 1914, at page 1486, proceedings of March 28, 1914.

Life would have their readers believe that the secret of my popularity in Mississippi with the people is playing on their prejudices about Wall Street, Negroes, and the North. A bigger lie than this statement has never been published. In this statement Life has exceeded the records made by Walter Winchell and Drew Pearson for lying. And that is bad enough. [Laughter.]

Mr. President, I am the first man since the Civil War to be elected Governor of my State without ever having mentioned the name of Negro or nigger. The Negro churches in many parts of the State held prayer meetings for my election because I made no mention of the race question in my campaign speeches, and they rejoiced when I was elected. The Negroes in Mississippi are my friends, and I am a friend to Negroes everywhere. They are entitled to fair treatment and economic opportunities, but I believe in white supremacy and I am against racial social equality between the two races. I am not in favor of either the mongrelization of the Negro race nor of my own white race. Herein lies the secret of the opposition which I have received from both Time and Life magazines which are owned and operated by Papa Luce and fickle Clare. They are in favor of social equality with the Negroes. Why, fickle and capricious Clare is so strong in her negrophile tastes, inclinations, and preferences that she will pass up all the white millinery shops in Washington and seek out a Negro joint to buy a hat, and then while wearing her new Easter bonnet, have her picture made with the Negro proprietor of the shop.

It is not necessary to mention Life's reference to my reply to an insulting letter which I received from the little girl in New York. That has been explained a thousand times and in a thousand different ways. But I might say in passing that practically all the splendid Italian citizens of my State are strong for BILBO, and most of them think I was right when I wrote the Brooklyn girl.

To cap the climax, Life quotes one of my colleagues in a statement that he made in a letter by request for publication. The rules of the Senate prohibit me from answering my colleague's statement at this time. However, I will give him attention through the same medium—the press—through which he made his attack on me and I will do it in due time and ancient form. Watch the papers. His name is TAFT.

The opinion of the Luce family is that BILBO is the worst man in the Senate. I should be proud of this classification for they did put me at the head of the class. I should feel fortunate because they did not say I was weak, ineffective, and had no force nor fury.

I sometimes swell with importance and secretly think that I must be doing good for my country and for my people—must be getting results—when the rumor continues to go around that certain minorities and pressure groups of the North are planning to send a million dollars to my State to defeat me this summer. I know that if I did not amount to anything and was not standing in the way of some people and some things, they would not care how long I stayed in the Senate.

Life may think I am "bad" now, but when I am reelected in July and map out my plans for good government for the next 6 years, they will think that I was an angel before but a devil now. [Laughter.]

Life has not been alone in the vicious smear campaign waged against me because of my racial views and my convictions about our dual system of constitutional government, and the American way of life. Even in the city of New York, six daily newspapers have joined in the chase, and here they are: The Post, the News, the People's Voice, the Amsterdam News, PM, and the Daily Worker.

One of these New York newspapers went down to Mississippi and hired a little Negro social equality renegade from Louisiana to write a series of lying articles denouncing BILBO.

The Post-Dispatch of St. Louis, Mo., joined the pack of dirty hounds.

Communistically inclined newspapers of Chicago and other cities, and mongrelized papers of Los Angeles, Calif., fell in line to crucify BILBO with their lying smear. Why even in the "city of

brotherly love"—dear old Philadelphia—the Republican Inquirer, of Moe Annenberg fame, and the Jewish-owned, New Deal Philadelphia Record gathered their mud buckets and tried to bespatter the name BILBO in the minds of their readers, thinking that the good people of Philadelphia would never have the opportunity to know the truth about BILBO. The Philadelphia Record was so hellbent in prosecuting the communistically conceived campaign to destroy BILBO because of his views that the editor, "Stinking" David Stern, sent his political writer, "Skunky" O'Neil, to Mississippi where, for weeks, he crawled in the gutters and sewers of Mississippi's political slums, and then published a series of scandalcus and libelous lies and concoctions that had been conceived and perpetrated by my political enemies 30 years ago. He then had the audacity to reduce them to pamphlet form, mail them to each Member of this body, and ask my colleagues to read his foul, filthy, lying production.

The decent people of Mississippi have justly been aroused and are sorely resentful of this Nation-wide smear campaign against their senior Senator BILBO, because they know me as I am, and as I have lived and served. In answer to this smear campaign they have prepared and signed—500 strong—a brief biographical testimonial about Senator BILBO, his life, his struggles, his services, and what he has meant to them as a citizen and a public official.

Two hundred thousand would have signed this testimonial had they been given an opportunity so to do. The signers of this testimonial came from all parts of Mississippi and from all walks of life, from the pulpit to the streets.

I shall ask to have this testimonial printed in the RECORD as a part of my remarks. Anyone can read it in less than 30 minutes, and if Senators want to know the truth about the senior Senator from Mississippi when they read it they will understand as they never did before why the people of Mississippi have honored me more than any other man in the history of my State. Mississippi was admitted to the Union in 1817, or 129 years ago, and I have received more honors at the hands of my State than any other man living or dead. I ask permission to make this testimonial a part of my remarks in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The testimonial is as follows:

The undersigned men and women of Mississippi who are personally familiar with the life and record of United States Senator THEODORE G. BILBO present to the Nation this brief sketch of the life and accomplishments of the senior Senator from Mississippi. Within recent months, Senator BILBO has been attacked by Negro groups, Negro newspapers, Communist fronts, Communist newspapers, and certain radical and so-called liberal newspapers and publications because of his heroic fight against social equality between the white and black races in the United States and against alien ideologies and concepts of government designed to destroy our American dual system of constitutional government, our American freedom, and our American way of life. The following testimonial was inspired and prepared because of and in answer to this smear campaign against our senior Senator:

THE SENIOR SENATOR FROM MISSISSIPPI, THEODORE G. BILBO

For more than three decades now, the career of Senator THEODORE G. BILBO has been interwoven with the history of Mississippi and the South. His present position of responsibility and service is in keeping with his 38 years of progressive public life, during which time his record of service to his people is unexcelled in the history of this State.

The son of pioneer Mississippians, Senator BILBO was born on the 13th day of October 1877 at Juniper Grove, 5 miles south of Poplarville, in Pearl River County, Miss. As a boy working on his father's farm, he had dreams of life in politics. He loved the farm, but he knew that his first ambition was to serve in public office.

He entered the Poplarville High School at the age of 15 in the third grade. In the next 4 years he made the 10 grades and finished the high-school course. From 1897 to 1900, he attended the University of Nashville, Peabody College, where he received his literary education. While studying at Nashville, he worked as a "news butch" on a railroad and ran a laundry agency to help with the expenses of his education.

Returning from college in the spring of 1900, Senator BILBO taught school for 5 years. From 1905 to 1907, he studied at the University of Michigan and Vanderbilt. Returning to Poplarville from Vanderbilt in 1907, he announced as a candidate for the State senate. In that race he was elected over strong opposition by an overwhelming vote, carrying all five of the counties in his district. From then on he made an outstanding public record, the high points of which are as follows:

1907: Elected to State senate.

1908–12: Served in the Senate of the Mississippi State Legislature.

1908: Opened law office in Poplarville—practiced law while serving in the State senate.

1910: Spoke throughout the State exposing the secret caucus of 1910.

1911: Elected Lieutenant Governor.

1912–16: Served as Lieutenant Governor—practiced law.

1915: Elected Governor.

1916–20: Served as Mississippi's World War I Governor.

1920–28: Practiced law.

1927: Elected Governor the second time.

1928–32: Served as Governor.

1932–33: Practiced law.

1933: Accepted position with Department of Agriculture in Washington.

1934: Elected to the United States Senate.

1935: Served first term in the Senate.

1940: Reelected to the United States Senate.

1941 to present: United States Senate.

From the first day of his public career until now, Senator BILBO has always made his decisions openly and frankly, took his stand on the side of the average man, and never hesitated to fight for his cause with all the strength at his command, even though he had to fight alone. One of his first acts upon entering the State legislature was to lead a fight to rout the railroad lobby which had been hovering over the legislature for half a century, and also to equalize the representation of the State, in the legislature.

Following his first session in the legislature, Senator BILBO went to the University of Michigan to do graduate work in the school of law. He returned to open his law office in his home town, Poplarville. It was the second session of the legislature in 1910 which brought him into the limelight before the people of the entire State.

During this session, Senator BILBO led the fight to establish the great teachers' college at Hattiesburg, which is today known as the Mississippi Southern College; creation of a consolidated school system in Mississippi; and the establishment of agricultural high schools at which time very large areas of the State did not have high-school facilities.

The now-famous secret caucus of 1910 also occurred during his second session of the legislature. At the conclusion of this caucus which lasted 57 days and nights the legislature chose Hon. Leroy Percy as United States Senator over former Gov. James K. Vardaman. When the caucus closed, Senator BILBO took the stump and carried to the people of Mississippi the story of what had happened behind the closed doors. He exposed men and events to the light of truth, and his speeches, fortified with undisputable facts, rocked Mississippi politically. This first State-wide tour gained for him the reputation of being the best public speaker and most forceful orator in Mississippi—a title which he has held throughout the years.

It was in these speeches 35 years ago that the so-called bribery incident was thoroughly expounded before the voters of Mississippi. We mention this happening because certain northern Negro and radical newspapers have played this incident up as a part of their current smear campaign against the senior Senator from Mississippi. In these recent attacks on Senator BILBO the 1910 incident has been twisted, the facts ignored, manufactured, and a false and erroneous story concocted.

Those making the smear attacks have failed to mention that the only part played by Senator BILBO was an honest and successful effort to expose those persons offering and paying bribes and that everything connected with the incident was done with the advice and consent of some of Senator BILBO's friends, one of them being a judge of the circuit court.

Largely as a record for the meritorious service rendered the State in conection with the secret caucus and the so-called bribery incident, Senator BILBO was honored by the voters of Mississippi the next year by electing him as Lieutenant Governor; and 4 years later, because of his outstanding record and progressive platform, the people elected him Governor.

It was on the 18th day of January 1916, that THEODORE G. BILBO was inaugurated for the first time as Mississippi's chief executive.

During the first Bilbo administration, there was more worth-while and beneficial legislation passed for the interest and welfare of the average people of the State than in any previous 4-year period. The following are the major accomplishments of the first Bilbo administration:

1. The erection of the Charity Hospital at Laurel.

2. The Tubercular Sanatorium at Magee, which is one of the finest hospitals for the treatment of tuberculosis in the United States, was established.

3. The establishment of the industrial training school at Columbia where our wayward youths are trained and converted into good citizens.

4. Creation of the Mississippi State Tax Commission, the purpose of which was to equalize the tax burdens of the State.

5. The abolishment of the iniquitous fee system, a relic of the reconstruction, which saved the taxpayers a half million dollars during the 4 years.

6. Creation of the board of legal examiners that reinstated and maintained the legal profession upon its proper plane of dignity and honor.

7. Establishment of a board of pardons.

8. Creation of the State highway commission, saving millions of dollars to the taxpayers in the construction of roads and

bringing $5,000,000 from the Federal Government as well as $2,000,000 worth of road-building materials.

9. The uniform negotiable instruments law which placed Mississippi business interests upon an equal footing with those in the other States in the Union.

10. The blue-sky law, protecting the people against bogus stock sellers.

11. Lime-crushing plants at Okolona and Waynesboro to give farmers crushed lime rock at cost.

12. A State-wide dipping law, increasing the value of Mississippi cattle more than $12,000,000 upon the lifting of the Federal quarantine and preparing the way for the great livestock industry in this State, which is now being realized.

13. Restoration of the old Capitol Building at Jackson, giving the State a second Capitol Building worth more than a half million dollars. (The legislature appropriated $125,000 for this undertaking, but under Governor BILBO's personal supervision the job was completed and $3,000 was turned back into the treasury, this being the first time in Mississippi history that money was saved from any project and returned to the State treasury.)

14. As commander in chief of the army and navy and head of the State's military organizations, Governor BILBO gave full cooperation to the Federal Government in enforcing the selective draft law and in giving Mississippi's full support to World War I in such a manner as to make Mississippi one of the four banner States of the Union in cooperating with the Federal Government in the prosecution of the war.

15. The building of the centennial exposition, which, because of the World War, was converted into a great naval training station, preparing boys for the merchant marine. (The Federal Government refunded to the State the $125,000 which had been invested in this project and later converted these facilities into a great Federal veterans' hospital for the treatment of the mentally sick.)

16. The purchase of the State farm at Lambert of 5,000 acres for $134,000, and which was worth more than a million dollars at the close of the administration.

17. The construction of two new dormitories which were built by public subscription of funds at the old soldiers' home, admitting 60 more Confederate soldiers and their wives to the benefits of the home.

18. Abolition of public hanging in Mississippi.

19. Legislation to protect newly born infants from blindness.

20. Retiring the State's accumulated debt with a serial bond issue and placing the State's finances upon a business basis.

21. Organization of the council of defense.

22. Extending the right of franchise to our soldiers and sailors and suspending their debts while fighting the battles of this Nation.

23. The enactment of a home printing bill.

24. A law authorizing nine jurors to return verdicts in civil cases.

25. Exemption of the shipyards from taxation to encourage the development of this industry along Mississippi's Gulf coast.

26. The creation of an education commission to codify, reorganize, and systematize our school laws.

27. The initiative and referendum to give the people the right to approve the acts of the legislature and to initiate their own laws.

28. Increasing the representation of south Mississippi.

29. An increased appropriation for public schools and for Confederate pensions.

30. Passage of the antilobby law.

31. Perfecting the prohibition clause by passage of the bone-dry law and being the first State in the Union to ratify national prohibition.

32. Rebuilding the deaf and dumb institution which had been practically destroyed by cyclone.

33. Creation of the Mississippi Plant Board to protect and encourage the nursery interests of the State and to free farmers from destructive ravages by insects, worms, etc.

34. Amendment of section 206 of the constitution to make possible a more equitable distribution of the public-school fund and to increase the pay of the teachers of the State.

35. Establishment of the Mississippi Illiteracy Commission, the purpose of which was to carry on a State-wide campaign for the eradication of adult illiteracy in Mississippi.

36. The preparation of the report and bill for the establishment of the feeble-minded home at Ellisville, which was approved and passed immediately by the incoming legislature just after Senator BILBO left the Governor's office.

Senator BILBO's friends and political foes agree that his career has been both dramatic and colorful. An incident which occurred in 1923 has within recent months been used in the "smear" campaign against Senator BILBO by certain northern newspapers and magazines, mostly by those that are communistic and radical. This political "smear" effort has made reference to the fact that the Senator served a jail sentence. Every person in Mississippi has known for 22 years that this is true. Senator BILBO's accusers of various colors and political affiliations fail to explain the facts and conditions connected with his being sent to jail. He was not sent to jail for any crime, but was sentenced by a Federal judge on a charge of contempt of court because the Senator refused to go into court as a witness in the noted Birkhead-Russell seduction case. In other words, Senator BILBO was sent to jail because he would not violate a professional confidence and tell all he knew about the social affairs of another person.

Four years after this jail incident, Senator BILBO was reelected Governor of Mississippi and served his second term as chief executive from 1928–32. When he won this campaign, he broke another precedent to become the only man in the history of Mississippi to be elected by the people to the governorship of the State for a second 4-year term.

The gubernatorial campaign of 1927 was one of the most heated contests that Mississippi has ever known. In the first primary of this campaign, Senator BILBO led his nearest opponent by some 65,000 votes, which is the largest first-primary plurality ever accorded a candidate for Governor in Mississippi. Immediately after his election as Governor for the second time, however, his political enemies succeeded in organizing the house of representatives of the State legislature against him, and he was unable to obtain the necessary cooperation from this branch of the legislature in order to carry out his constructive and progressive platform.

In addition to the fact that the house of representatives of the legislature was organized against him, definitely determined for political reasons to wreck his administration, Senator BILBO entered the Governor's office the second time on the eve of one of the worst panics that this country has ever known. Even before the crash of 1929, just as the blighting winds of the great depression which was to imperil the very life of this Nation was being felt, Senator BILBO realized that something must be done to safeguard the financial condition of the State. From the very first of his administration and throughout the 4-year period, he pleaded with the legislature to pass a sales tax law. He was aware that the State's finances were in a critical condition, and he knew that the safe and only solution to the problem at that time was a sales tax.

His pleas for a sales-tax law during the first session of the legislature failed to bring any response whatsoever. However, during the second session he succeeded in securing a one-fourth of 1 percent sales-tax law in order to test the volume of income which could be obtained from this source. The amount of this tax was insufficient, of course, but Senator BILBO had at last convinced the legislature that the sales tax was the way to meet the financial problems of the State.

Immediately after his term ended, the successor to Governor BILBO was successful in securing the passage of a 2-percent sales-tax law, and the State was soon on a sound financial basis. Thus, Senator BILBO pointed the way and did the groundwork which resulted in the salvation of the State's financial difficulties.

During this second term as Governor, Senator BILBO advocated and urged the passage of numerous progressive measures, all of which had been endorsed by the people as a part of the platform upon which he had been elected, only to have them defeated by the lower branch of the legislature which was thoroughly organized against him.

Two of the proposals which meant most to Senator BILBO were repeatedly killed by the house of representatives, the $82,000,000 highway bill which called for a network of concrete roads for Mississippi, and the bill which called for free school books, both of which were subsequently enacted into the laws of the State.

Regardless of the fate of many of his outstanding proposals at the hands of the legislature, Senator BILBO did succeed in passing a number of important measures during his second term as Governor. He secured the necessary $2,500,000 to complete the State hospital at Whitfield, which is one of the finest hospitals for mental patients in the Nation. He obtained a half million dollars for the feeble-minded home at Ellisville and with these funds improved and completed the institution. He also had the tubercular sanatorium at Magee greatly enlarged and beautified. Every citizen of Mississippi will bear testimony to the improvements which Senator BILBO brought about at all the eleemosynary institutions in Mississippi, and he probably did more for all of our charitable institutions than any other Governor in Mississippi history.

Senator BILBO was elected to the United States Senate in the summer of 1934, and was reelected in 1940. His present term expires in January 1947. He is a candidate to succeed himself and thus remain in the Senate.

Serving in the Congress of the United States as Senator, BILBO has added much distinction to his record of public service and achievement. Determined, resourceful, and unswerving from his pledge to the voters of Mississippi, Senator BILBO has, on all occasions, helped to enact laws and formulate policies for the welfare and best interest of the people.

In his first campaign for the Senate in 1934, long before the war was upon us, Senator BILBO declared that he favored and would work for the development and maintenance of the largest and best Army, Navy, and Air Force in the world. During the years of World War II he worked for and supported measures and appropriations for the armed forces and helped realize his promise of the greatest Army and Navy on earth for Uncle Sam.

Since he has been in the Senate, Senator BILBO has sponsored much progressive and worth-while legislation. However, if any one particular measure is to be singled out above the others it would probably be the bill which he authored and sponsored creating the research laboratories for the four great agricultural regions of the United States. Within these laboratories, erected at a cost of $4,000,000 and located at Philadelphia, Pa.,

Peoria, Ill., New Orleans, La., and San Francisco, Calif., some 1,000 chemists and specialists are now discovering the marketable byproducts of the leading agricultural crops of these four regions. It has been generally agreed that Senator BILBO's plan of chemurgic research is the greatest permanent solution ever offered for the agricultural problems of this Nation.

During the recent war period, these laboratories were centers of research dedicated to the war effort, and during this time a discovery was made at the Peoria, Ill., laboratory which has more than justified every dollar spent on these centers. Dr. Coghill, the mold expert of Peoria, working in one of these laboratories, found a process by which that wonder drug of all the ages, penicillin, could be made on a wholesale basis. As a result of this discovery, penicillin is now available saving untold millions of lives today and will continue to do so in the years to come. Also in recent months the New Orleans laboratory has announced to the world a process which will prevent mildew and rot of cotton fabrics. This discovery will greatly increase the uses for cotton and expand the market for this money crop of our farmers.

During his first term in the Senate, Senator BILBO carried on a successful fight to place the responsibility for flood control upon the shoulders of the Federal Government. He was able to secure an amendment to the Omnibus Flood Control Act of 1936 which resulted in a saving of millions of dollars to landowners along the Mississippi River. He fought for the passage of the Bankhead-Jones Act, under which loans are granted to farmers who want to purchase land. He supported the Works Progress Administration, the Social Security, Farm Security, Agricultural Adjustment Administration, Civilian Conservation Corps, Federal Housing, Tennessee Valley Authority, Rural Electrification, and the National Youth Administration. Programs to provide assistance for the aged, the poor, and the underprivileged have always received the untiring assistance and support of Senator BILBO.

During the years of World War II, which came during this, his second term in the Senate, Senator BILBO has devoted his best ability and effort to promoting the war effort. All measures and appropriations necessary for carrying on the war on the many battlefields around the globe received his full efforts for a practical program for the reconversion of this Nation to a peacetime basis and for the many benefits of the veterans—the men who fought this war and who deserve the credit for the great victory which is now ours.

In the days of 1944 and again in October of this year, Senator BILBO fought alone against the land-grant-railroad bill which proposed to nullify all reduced rates that the Government has been receiving from the railroads in return for 179,000,000 acres of the people's land granted to the railroads. This land, enough to make 14 States of the American Union, was given to certain of our railroads during the early days of their development. The Senator spoke 2 days against this measure and succeeded in obtaining an amendment to postpone the effectiveness of the law until October 1946. This year's delay together with the 11 months' delay brought about when he killed the bill by a threatened 30-day filibuster in December 1944, amounted to a saving of approximately $500,000,000 to the taxpayers of this Nation. In other words, Senator BILBO prevented this bill from becoming a law for 23 months during which time a half billion dollars is being placed in the Treasury of this Nation to the credit of the taxpayers.

In addition to the many beneficial and worth-while measures which Senator BILBO has sponsored and helped pass through the Congress, he has successfully defeated a number of bills designed to destroy southern ideals and customs and the rights of the sovereign States of this Republic. The anti-lynching bill, the anti-poll-tax bill, and the Fair Employment Practice Committee are three of the most infamous pieces of legislation which have gone down in defeat largely because of the BILBO astuteness and filibuster.

The anti-poll-tax bill, which is an attempt to rob the sovereign States of the constitutional right to determine the qualifications of electors within their own borders, has twice been defeated by a filibuster conducted by southern Senators, led by Senator BILBO.

In June 1945, Senator BILBO filibustered against the appropriation for the Fair Employment Practice Committee and succeeded in practically killing this un-American Committee which is nothing more than a communistic-inspired, cleverly designed attempt to legislate social equality and to promote the scheme for the mongrelization and intermarriage of the white and Negro races in this Nation.

Senator BILBO is chairman of the Senate Committee on the District of Columbia which makes him the mayor ex officio of the city of Washington. As chairman of this committee, the Senator sponsored a program for slum clearance in the Nation's Capital, and a bill designed to accomplish this result has already been passed by the Senate. He advocated and urged a great medical center for the city of Washington, and with Senator TYDINGS of Maryland was the joint author of the bill providing for this hospital.

A member of the Senate Committee on Commerce, Senator BILBO is now the second ranking Democratic Senator on this important committee. In this capacity, he led the fight and secured the passage of the bill providing for the Tennessee-Tombigbee Inland Waterway by the Commerce Committee, and it is now generally conceded that this measure will eventually be approved by the Congress. Senator BILBO also led the fight in the Commerce Committee to give the United States a regulative competitive aviation policy and to keep this great service out of the hands of a monopoly. He is now chairman of the Commerce Subcommittee on Rivers and Harbors.

Senator BILBO is the fourth ranking Democratic Senator on the all-important Agriculture and Forestry Committee. As a member of this committee, he has helped pass all necessary and remedial legislation for the relief and aid of the farmers since 1935. He is also a member of the Pensions Committee, the Library Committee, the powerful Rules Committee, and is chairman of the special committee created by the Congress to build a memorial stadium to the veterans of World War I and World War II.

The laboring man has found in Senator BILBO a constant and uncompromising friend and has always received the Senator's valuable cooperation and help. His first significant act on behalf of labor came during his first administration as Governor when he settled a strike on the Gulf & Ship Island Railroad in 2 hours. When requested by the railroad to call out the National Guard to break the strike, he declined and told the railroad officials that they should pay their employees a just and decent wage. They promised this higher wage to the workers, and the strike was over in 24 hours. His record during the 28 years that he has held public office proves that Senator BILBO has always been the true friend of labor.

As the senior Senator from Mississippi, Senator BILBO continues to serve his people. From the legislative halls of the capitol in Jackson to the United States Senate, he has worked and fought for the best interests of his people. His record is an open book before the people of Mississippi who have honored him time and time again with their suffrage. He has served long; he has served well.

The citizens of Mississippi know and realize that since the year 1908 the vision, clear thinking, and energetic determination of THEODORE G. BILBO have been inseparably linked to the progress, welfare, and happiness of our State.

Senator BILBO has obviously and consistently fought against all efforts to destroy segregation of the Negro race and the promotion of social equality of the white and black races. However, he has never preached hatred toward any race or minority group of American citizens. He has found it necessary to denounce certain individuals, gentile and Jew, white and black, who have attacked him because of his stand against the anti-poll-tax bill and the Fair Employment Practice Committee, but his denunciation has been directed toward the individual, not against the race or nationality to which that particular person belonged.

Certain pressure groups and newspapers have called upon the people of Mississippi to repudiate Senator BILBO because of his views on white supremacy. The truth of the matter is that Mississippians are probably more thoroughly in accord with Senator BILBO on this issue than upon any other question or policy. It is safe to say that 99 percent of all white Mississippians completely agree with the senior Senator in his fight to preserve and protect white supremacy and the southern way of life, and in his opposition to the Fair Employment Practice Committee which is designed to promote and encourage social equality of the white and black races in the Southland and throughout the United States.

Senator BILBO believes that Mississippi has the right to retain the poll tax as long as Mississippi sees fit to do so. Until our own people, through our State legislature, abolish this tax, it must remain with us. He contends that Congress has no right to pass the so-called anti-poll-tax bill which would reach down into the prerogatives of the sovereign States to interfere with the franchise laws. He has successfully fought the efforts to "cram" this piece of legislation down the throats of the people of Mississippi and the other Southern States ever since he has been a Member of the Senate, and he will continue to fight them in the future.

The Senator's public record, especially as Governor of Mississippi for years, proves that he has always been the Negro's friend and has done much to better the condition of the colored citizens of our State. It was his desire to permanently solve the race problem of this country and to build a nation for the Negroes in the land of their forefathers which prompted Senator BILBO to introduce in the Senate in 1939, a bill for the voluntary resettlement of American Negroes in West Africa. He presented this bill to the United States Senate in response to the request of some 3,000,000 American Negroes who signed a petition asking that they be given an opportunity to go to Africa where they could establish a country of their own.

Everyone familiar with Senator BILBO's public record knows that there is nothing whatsoever to give foundation for the charges which have been made against him by northern individuals and newspapers who oppose the stands which he has taken in the Senate. These groups and individuals, have called for his defeat at the hands of the voters of his State. But the citizens of Mississippi will not be misled by this smear campaign by such scandal mongers. We in Mississippi know Senator BILBO's record; we know what he stands for; we know what he has done for our State and Nation. Furthermore, we do not need any outside group or individual or newspaper columnist or radio commentator to tell us how to vote in 1946 or at any other time.

It has been frequently predicted that the Negroes and Communists of the East are planning to put a million dollars in Mississippi to defeat Senator BILBO in the primary

election next summer. We, of Mississippi, know the voters of this State. These groups of Negroes, reds, pinks, and Communists of the North and East do not have enough money to buy an election in Mississippi. The Mississippi voters are not for sale.

Senator BILBO believes in the ideals of the white South; he speaks those views in no uncertain terms; he fights for his convictions with all the strength at his command. He has not only proved that he will fight alone but that he can fight successfully.

The senior Senator from Mississippi stands as a strong and powerful figure between the white South and her enemies. He dares to speak openly and frankly what others only think or speak in whispers. He has the courage to back his words with action; he does not flinch or hesitate before his attackers but from their accusations seems to draw renewed strength to fight for his convictions. The Negro social-equality advocates who are seeking to destroy our American dual system of constitutional government may make their picket line a mile long in front of Senator BILBO's home but he will continue to fight.

The Senator is a member of the Baptist Church, and during recent years the building of Juniper Grove Church, the old home church of his father and mother which they helped to organize and always loved, and pastor's home, has been one of the projects dearest to his heart. He belongs to every branch of the Masonic Order up to the thirty-second degree—a Shriner. He is an Elk and is an honorary member of Sigma Delta Kappa legal fraternity. When not in Washington he resides at his home known as the Dream House on his Pearl River County farm near Poplarville, Miss.

Throughout his political career, Senator BILBO has been an exponent of the cause of the common people; he has always been the friend of the farmers. As the champion of the average citizens of his State, he has fought their battles, and no one has ever accused him of deserting them. The people of Mississippi have honored him with their ballots as they have never honored another son—State senator, lieutenant governor, twice governor, and twice United States Senator.

L. H. Holliday, Poplarville, Miss., sheriff; N. C. Rouse, Poplarville, Miss., chancery clerk; A. A. McGehee, Poplarville, Miss., O. D. S.; H. K. Rouse, Poplarville, Miss., State senator; Thomas A. Holliday, Poplarville, Miss.; Pate Lumpkin, Poplarville, Miss., member, board of supervisors; Sol Burge, Poplarville, Miss., member, board of supervisors; Barney Whitfield, Picayune, Miss., mayor of city; C. A. Baughman, Picayune, Miss., member, board of supervisors; Ralph Stockstill, Picayune, Miss., member, board of supervisors; J. Benton Suel, Picayune, Miss., member, board of supervisors; J. P. Stewart, Picayune, Miss., lumberman (retired); Hilbert Savage, Corinth, Miss.; L. W. Perkins, Corinth, Miss., druggist; J. B. Spann; J. T. Harris; Nat W. Bynum; Mrs. Sue Bynum; O. L. Clark; E. H. Meeks; W. O. Harris; W. F. Seago; Drew J. Wall, McComb, Miss., member, Mississippi Legislature, 1916–20; Hansford L. Simmons, McComb, Miss., member, State senate, 1928–32, 1936–40; Flim B. Rush, McComb, Miss., businessman; C. C. Davis, Philadelphia, Miss., retail druggist; W. R. Lewis, Philadelphia, Miss., retired timberman; Marvin B. Henley, Philadelphia, Miss., member of legislature from Neshoba County; H. G. King, Philadelphia, Miss., Ford dealer; R. J. Davis, Philadelphia, Miss., farmer; R. R. Barham, Philadelphia, Miss., farmer; L. M. Munn, Philadelphia, Miss., farmer; W. McArthur, Philadelphia, Miss., planter.

U. L. Busby, Waynesboro, Miss., member legislature, Mississippi; Carlos Trigg, Waynesboro, Miss., ex-chancery clerk, Wayne County, Miss.; Mrs. Lee West., Waynesboro, Miss, farmer; V. B. McWhorter, Waynesboro, Miss., banker; S. T. McIlwain, Waynesboro, Miss., doctor; J. I. West, Waynesboro, Miss., phg.; C. J. Jones, Waynesboro, Miss., attorney; C. G. Norsworthy, Waynesboro, Miss., farmer; J. M. Farrior, Waynesboro, Miss., farmer; W. S. Davis, Waynesboro, Miss., attorney; T. O. Slaughter, Waynesboro, Miss., mayor, town of Waynesboro; W. W. Freeman, Waynesboro, Miss., owner, Freeman Funeral Home; Ray Norsworthy, Waynesboro, Miss., farmer; Ulmer Leo Busby, machinist mate 2c United States Navy; Mrs. N. D. Busby, Waynesboro, Miss., housewife; James Walton, Biloxi, Miss., commander, army of the Tennessee; Mrs. N. A. Sellers, Biloxi, Miss., Clay B. Tucker, Woodville, Miss., attorney; Frances Townsend, Woodville, Miss., secretary; L. T. Ventress, Woodville, Miss., president of board of supervisors, Wilkinson County; Jas. Rubearl, Woodville, Miss., member board of supervisors, district no. 3; W. R. Brumfield, Jr., Woodville, Miss., member of board of supervisors, dist. no. 5; W. T. Scott, Woodville, Miss., member board of supervisors, dist. no. 4; Frank Dauquilla, Woodville, Miss., member board of supervisors; Ebuyu Carter, Woodville, Miss., circuit clerk; Claude Henderson, Woodville, Miss., J. S.; James W. Lee, Woodville, Miss., J. P.; R. Whitaker, Woodville, Miss., sheriff, Wilkinson County; H. L. Samuels, Woodville, Miss., superintendent schools; Eddar W. Wright, Centreville, Miss., mayor, protem; John G. Burkett, Jackson, lawyer; Robert Gandy, Jackson, Miss., insurance; Robert M. Newton, Wiggins,, Miss., president, Bank of Commerce, Poplarville, Miss., president Newton Naval Stores Co., Wiggins, Miss.; E. R. Smith, Wiggins, Miss., merchant, Wiggins, Miss., president board of supervisors, Stone County.

W. C. Batson, Wiggins, Miss., county attorney, Stone County; D. D. O'Neal, Wiggins, Miss., superintendent of education, Stone County; Hollie T. Bond, Wiggins, Miss., chancery clerk, Stone County; Dr. R. E. L. Stuart, Gulfport, Miss., dentist; T. J. Walton, Wiggins, Miss., farmer and stockman; W. W. Taylor, Wiggins, Miss., mayor, town of Wiggins; C. E. Dees, Sr., Perkinston, Miss., merchant, ex-State senator, member of the board of supervisors, Stone County; U. B. Parker, Wiggins, Miss., lawyer; S. P. Wilson, Wiggins, Miss., druggist; R. J. Watts, Sr., Wiggins, Miss., gas and oil; B. F. Bailey, Jr., Lucedale, Miss., ex-service veterans; Willie Cochran, Lucedale, Miss., farmer; Lyman W. Havard, Lucedale, Miss., ex-supervisor; T. M. Hempstead, Lucedale, Miss., Farmers Supply Co.; T. L. Taylor, Lucedale, Miss.; W. C. Pippin, Lucedale, Miss., logger and farmer; J. B. Hinson, Lucedale, Miss., ex-marshall and tax collector; H. H. Hinson, Lucedale, Miss., ex-serviceman; C. A. Holland, Lucedale, Miss., undertaker; E. G. Yonge, Lucedale, Miss., supervisor, district no. 1; J. D. Bullock, Lucedale, Miss., farmer; M. L. Maloney, Lucedale, Miss., chancery clerk; C. H. Dole, Lucedale, Miss., insurance agent; W. J. Burke, Lucedale, Miss., supervisor; Col. W. E. Bradford, Fayette, Miss., planter; B. Strong, Fayette, Miss., mayor; Sam Ball, Fayette, Miss., druggist; J. T. Shelton, Fayette, Miss.; M. C. Nevels, Fayette, Miss.

R. L. Montgomery, Fayette, Miss., Fayette Motor Co.; Dave Levite, Jr., Fayette, Miss.; John Pahuka, Fayette, Miss.; S. D. Coleman, Fayette, Miss., chief, police; Herry Cafer, by Harry C. Seeger, Fayette, Miss.; Cly Smith, Fayette, Miss.; H. B. Porter, Fayette, Miss.; James C. Coleman, Fayette, Miss.; Edwin W. King, Fayette, Miss.; G. P. Gammill, Fayette, Miss.; F. E. Gammill, Fayette, Miss.; Jim Wallace, Fayette, Miss.; A. Hirsch, Fayette, Miss.; B. E. Montgomery, Fayette, Miss.; A. M. McDonald, Fayette, Miss.; Frank Kemp, Fayette, Miss.; L. E. Case, Fayette, Miss.; A. O. Vaughn, Sr., Fayette, Miss.; R. F. Lehman, Fayette, Miss.; W. H. Winters, Fayette, Miss., county superintendent of education; O. E. Hammett, Fayette, Miss., tax assessor; J. M. Johnson, Fayette, Miss., doctor; F. Ruobles, Fayette, Miss., contractor; E. B. O'Quinn, Fayette, Miss., merchant; John R. Booker, Walnut, Miss.; H. L. Campbell, Walnut, Miss.; Arthur Johnson, Walnut, Miss.; Arlin Medford, Walnut, Miss.; W. V. Pulliam, Walnut, Miss.; O. L. Allen, Walnut, Miss.; J. M. Mohusedro, Walnut, Miss.; F. M. Pulliam, Walnut, Miss.; T. T. Pulliam, Walnut, Miss.; Roy Bennett, Walnut, Miss.; Theron D. Harden, Amory, Miss., publisher, Amory News-Advertiser; R. C. Griffin, Amory, Miss., insurance agent; R. R. Baird, Amory, Miss., druggist; A. L. Brasfield, Amory, Miss., assistant manager, Caldwell Furniture Co.; Fred P. Wright, Amory, Miss., attorney; Kelly Powell, Amory, Miss., employee Frisco R. R.; J. S. Lancaster, Amory, Miss., owner, Mississippi Chemical Supply Co.; A. J. Stant, Amory, Miss.; J. C. Gregory, Amory, Miss., city council; W. L. Lawson, Amory, Miss., automobile dealer; W. R. Burdette, Amory, Miss, Burdette Grocery; J. Taldage Durrett, Amory, Miss., superintendent of Federal conf.; G. N. McKinley, Amory, Miss., manager, Amory Grocery Co.; O. Lantrip, Amory, Miss., grocery, owner; G. A. Knight, Amory, Miss., bookkeeper, Amory Concrete Gravel Co.; J. C. Dunlap, Batesville, Miss., automobile dealer.

F. G. Craig, Batesville, Miss., justice of peace; W. J. Cox, Batesville, Miss., retail druggist; D. S. Irby, Batesville, Miss., Ford dealer; C. C. Holloman, Batesville, Miss., farm implement dealer; A. P. Phillips, Sardis, Miss., wholesale candy; A. B. Friend, Sardis, Miss., engineer; Jas. B. Boyles, Batesville, Miss., lawyer; J. Jordan, Columbia, Miss., merchant; S. N. Dickerson, Columbia, Miss., farmer and ranchman; Geo. F. Newman, Columbia, Miss., contractor; O. J. Foxworth, Columbia, Miss., ex-sheriff of Marion County; W. Q. Speed, Columbia, Miss., Speed Auto Parts, wholesale and retail; Warren Fortenberry, Columbia, Miss.; J. C. Speed, Columbia, Miss.; Milton Mulford, Columbia, Miss.; F. S. Hathorn, Columbia, Miss., lumberman; Mary Hatman, Columbia, Miss., bookkeeper; C. O. Stevens, Columbia, Miss., justice of the peace; T. H. Barnes, Columbia, Miss., chancery clerk; J. E. Forbes, Columbia, Miss., member board of supervisors; J. W. Pittman, Columbia, Miss., circuit clerk; J. T. Tolar, Columbia, Miss., sheriff and J. C.; Sharp Branton, Columbia, Miss., chief police; W. W. Branton, Columbia, Miss., D. D.; J. I. Rayburn, Columbia, Miss., M. B. S.; W. N. Forbes, Columbia, Miss., M. B. S.; Forrest B. Jackson, Jackson, Miss., attorney; Joe M. Abraham, Jackson, Miss.; J. F. Barbour, Yazoo City, Miss., ex-judge seventh judicial district of Mississippi, ex-chairman board of trustees institutions of higher learning of Mississippi, vice president Love Petroleum Co., chairman, board of directors, Delta National Bank of Yazoo City, Miss., attorney and banker; H. T. Barrier, Yazoo City, Miss., member board of supervisors; J. V. Whitaker, Yazoo City, Miss., member board of supervisors; A. N. Nichols, Yazoo City, Miss., member board of supervisors; T. H. Phillips, Yazoo City, Miss., member board of supervisors; Ben F. Middleton, Yazoo City, Miss., county superintendent of education of Yazoo County; F. J. Love, Yazoo City, Miss., chancery clerk of Yazoo County, Miss.; Dave S. Shackelford, Yazoo City, Miss., tax assessor of Yazoo County, Miss.; W. S. Perry, Yazoo City, Miss., sheriff of Yazoo County, Miss.; Mrs. C. H. Fisher, Yazoo City, Miss., circuit clerk of Yazoo County; W. H. Ewing, Yazoo City, Miss., member of legislature; L. M. Coody, Yazoo City, Miss., member of legislature; E. F. Thigpen, Yazoo City, Miss., member of legislature; William W. Pearce, Yazoo City, Miss., nineteenth district, State senator.

C. L. Graehes, Yazoo City, Miss., mayor of Yazoo City, Miss.; R. J. Whelan, Jr., Yazoo City, Miss., member of board of aldermen; Charles D. Hiell, Yazoo City, Miss., member of board of aldermen; R. M. Middleton, Yazoo City, Miss., member of board of aldermen; J. T. Grantham, Yazoo City, Miss., member board of aldermen; J. B. Cobb, Yazoo City, Miss., city clerk of Yazoo City; D. W. Love, Yazoo City, Miss., secretary of chamber

of commerce; W. H. Chilton, Yazoo City, Miss., city marshal; F. H. Griffin, Yazoo City, Miss., pres. Planters Hardware Co.; K. H. Dunaway, Yazoo City, Miss., Dunaway & Bankston; Sue W. Mott, Yazoo City, Miss., Yazoo City Herald; Muse Davis, Yazoo City, Miss., editor, Yazoo City Herald; G. P. LaBane, Yazoo City, Miss., J. P.; H. H. Anderson, Yazoo City, Miss., Anderson Drug Co.; E. A. Smith, Yazoo City, Miss.; E. J. Ferris, Yazoo City, Miss.; D. M. Nicholas, Yazoo City, Miss., Yazoo Motor Company; A. Moses, Yazoo City, Miss., Miss. Tobacco Co.; R. K. Whitehead, Yazoo City, Miss., Miss. Tobacco Co.; W. G. Carr, Yazoo City, Miss., Carr's Drug Store; W. M. Saxton, Yazoo City, Miss., Saxton Gardner Hardware Co.; J. B. Barbour, Jr., Yazoo City, Miss., Saxton Gardner Hardware Co.; W. H. Barbour, Yazoo City, Miss., Saxton Gardner Hardware Co.; Geo. Moses, Yazoo City, Miss.; L. A. Wise, Yazoo City, Miss.; C. Livingston, Yazoo City, Miss., insurance; B. J. Barrier, Jr., Yazoo City, Miss.; automobile dealer; W. A. Henry, Yazoo City, Miss.; T. H. Campbell, Yazoo City, Miss.; T. H. Campbell, Jr., Yazoo City, Miss.; Lamar Smith, Yazoo City, Miss., member board of supervisors, Yazoo County; M. T. Reed, Belzoni, Miss.; B. DeVan Hansall, Okolona, Miss., M. D.; John Horan, Water Valley, Miss., lawyer; Rev. Paul N. Harlan, Water Valley, Miss.; L. E. Thomas, Water Valley, Miss., carpenter; C. B. Busby, Water Valley, Miss., sheriff; J. R. Porter, Water Valley, Miss., mechanic; A. L. Poindexter, Water Valley, Miss., sawmill; J. L. Olyshant, Water Valley, Miss., farmer; E. R. Walton, Water Valley, Miss., retired farmer; J. R. McCarty, Water Valley, Miss., merchant; E. R. Perkins, Water Valley, Miss., clerk, farmer; Mrs. E. R. Walton, Water Valley, Miss., housewife; Edith W. McCarty, Water Valley, Miss., bookkeeper; Hamric Henry, Water Valley, Miss., undertaker; W. F. Henry, Water Valley, Miss., retired boilermaker; Leva Henry, Water Valley, Miss., teacher; Evelyn T. Perkins, Water Valley, Miss., housewife; Mrs. Robert McLacty, Water Valley, Miss., housewife.

W. B. Williams, Water Valley, Miss., farmer; R. W. Tyler, Water Valley, Miss., farmer; A. G. Carter, Water Valley, Miss., insurance agent; H. A. McDonald, Water Valley, Miss., farmer; I. W. Bush, D. D. S., Carrollton, Miss., president Mississippi State Board of Dental Examiners, North Carrollton, Miss.; W. T. Sanders, Carrollton, Miss., merchant; J. M. Corley, McCarley, Miss., Baptist minister; W. T. Terney, North Carrollton, Miss., mayor; W. E. Beck, Carrollton, Miss., merchant; J. L. Ashmore, Carrollton, Miss., farmer; S. E. Moore, Carrollton, Miss., clothing salesman; R. C. Price, Carrollton, Miss., minister, Pentecostal Church; Edwin S. Moore, Carrollton, Miss., Adm. Govt. Employee; C. L. Bennett, Carrollton, Miss., contractor and builder; Jack Willoughby, Carrollton, Miss., carpenter; J. S. Ulanx, Columbus, Miss.; A. J. Rombach, Columbus, Miss.; Jno. B. Sale, Columbus, Miss.; A. D. Myer, Columbus, Miss.; D. W. Mosby, Columbus, Miss.; L. J. Frank, Sr., Columbus, Miss., J. P., district 2; Ben H. Dee, Columbus, Miss.; T. K. Wells, Columbus, Miss.; W. W. Bush, Columbus, Miss.; Estelle Royals, Columbus, Miss.; Powell Fleming, Columbus, Miss.; Frank Fleming, Columbus, Miss.; P. N. Gerhart, Columbus, Miss.; M. L. Rozenzweig, Columbus, Miss.; Carl McKellar, Columbus, Miss.; Gray McKellar, Columbus, Miss.; Chas. Caldwell, Columbus, Miss.; S. C. Woolbright, Columbus, Miss.; J. A. Wakes, Columbus, Miss.; J. A. Goolbly, Columbus, Miss.; Ralph F. McKinney, Columbus, Miss.; C. P. Nash, Columbus, Miss.; L. E. St. John, Columbus, Miss.; Leslie I. Uondrumfer, Columbus, Miss.; E. C. Otis, Columbus, Miss.; H. Edwards King, Columbus, Miss.; Henry Bowlill, Columbus, Miss.; T. I. Halber, Columbus, Miss.; Ralph F. McKinney, Columbus, Miss.; W. B. Alexander, Cleveland, Miss., lawyer; M. L. Kaupman, Rosedale, Miss., lawyer; W. E. Lilton, Shaw, Miss., planter and ex-chancery clerk; Mrs. Roger B. Johnson, Cleveland, Miss.; George H. Chadwick, Carthage, Miss., motion pictures.

S. C. Ellis, Carthage, Miss., merchant; J. A. Chadwick, Carthage, Miss., M. D.; Louis Dickens, Carthage, Miss., contractor; L. H. Sanders, Carthage, Miss., merchant; George Wilcox, Carthage, Miss., undertaker; Dr. A. D. Dumas, Carthage, Miss., M. D.; Wilbur M. Jordan, Carthage, Miss., ex-soldier; Charley Brown, Jr., Carthage, Miss., farmer; W. N. Morton, Carthage, Miss., dairyman; Alexander G. Dumas, Jr., Carthage, Miss., ex-soldier; George F. Dossett, Carthage, Miss., manager, Miss. Power & Light Co.; Clay S. Hall, Carthage, Miss., farmer; G. T. Harrell, Carthage, Miss., farmer; Sam Kemp, Carthage, Miss.; C. E. Harrell, Carthage, Miss., farmer; Owen Carpenter, Carthage, Miss., farmer; A. N. Padget, Carthage, Miss., chief; Horatio Ballenger, Carthage, Miss., ex-soldier; R. J. Anglin, Carthage, Miss., farmer; J. C. Davis, Jr., Carthage, Miss., soldier; Ernest E. Darrell, Sr., Carthage, Miss., building material merchant; R. H. Sharp, Carthage, Miss., Watkins dealer; E. E. Darrill, Carthage, Miss., brick mason; B. F. Taylor, Carthage, Miss., owner and dry cleaner; H. O. Darnell, Carthage, Miss.; Mrs. H. O. Darnell, Carthage, Miss., housewife; Sam R. Martin, Carthage, Miss., Dodge & Plymouth dealer; Mrs. Sam R. Martin, Carthage, Miss., housewife; M. D. Reagan, Carthage, Miss., hardware; Tulen Johnson, Carthage, Miss., sawmill owner; E. T. Moss, Carthage, Miss., cafe owner; W. C. Beard, Jr., Carthage, Miss., clerk; W. M. Hardage, Carthage, Miss., auto dealer; G. W. Parker, Carthage, Miss., deputy sheriff; Guy McGivney, Carthage, Miss., clerk; Hal A. Halford, Carthage, Miss., farming; B. B. Reems, Carthage, Miss., radio mechanic; R. E. Perry, Carthage, Miss., contractor; J. O. Caldwell, Carthage, Miss., clerk; Herbert Hardage, Carthage, Miss., hardware; Herman T. Johnson, Carthage, Miss., ex-soldier; Ralph Harris, Carthage, Miss., store-manager; T. L. Purvis, mgr., Carthage, Miss., cold storage & curing plant; Mrs. T. L. Purvis, Carthage, Miss., housewife; E. R. Gayne, Carthage, Miss., farmer; Mable R. Gayne, Carthage, Miss., housewife; J. H. Howell, Carthage, Miss., justice of the peace; Mrs. J. H. Howell, Carthage, Miss., housewife; Edd Jackson, Carthage, Miss., barber; Ira F. Ellis, Carthage, Miss., barber.

Reed Gardner, Carthage, Miss., Western Auto Supply; Mrs. Bud Gardner, Carthage, Miss., housewife; H. O. Horn, Carthage, Miss., barber; Mrs. H. O. Horn, Carthage, Miss., housewife; F. J. Doss, Carthage, Miss., Circuit Clerk; Mrs. F. J. Doss, Carthage, Miss., housewife; L. V. McBeth, Carthage, Miss., farming; Mrs. L. V. McBeth, Carthage, Miss., housewife; W. B. Watkins, Carthage, Miss., barber; Mrs. W. B. Watkins, Carthage, Miss., housewife; B. L. Wallace, Carthage, Miss., auto mechanic; Mrs. B. L. Wallace, Carthage, Miss., housewife; W. D. Sanders, Carthage, Miss., recreation owner; Mrs. W. D. Sanders, Carthage, Miss., housewife; W. B. Harrell, Carthage, Miss., farmer; Medse Horrell, Carthage, Miss., housewife; Guy Slay, Carthage, Miss., farmer; Mrs. Guy Slay, Carthage, Miss., housewife; O. S. Mills, Carthage, Miss., farmer; W. R. Sereence, Carthage, Miss., farmer; Mrs. W. R. Sereence, Carthage, Miss., housewife; Murray F. Ray, Carthage, Miss., owner auto lec store; Mrs. Murray F. Ray, Carthage, Miss., housewife; B. L. McAdory, Carthage, Miss., farmer; Mardid McAdory, Carthage, Miss., housewife; Tony Dawelee, Carthage, Miss., ex-soldier; W. J. Grisham, Carthage, Miss., concrete mfg.; L. H. Horn, Carthage, Miss., merchant; Mrs. Paul Lee, Carthage, Miss., merchant; Mrs. J. J. Speed, Carthage, Miss., clerk; J. P. Robin, Carthage, Miss., farming; J. M. King, Carthage, Miss., live stock dealer; Mrs. J. M. King, Carthage, Miss., housewife; C. L. Bilber, Carthage, Miss.; Mrs. C. L. Bilber, Carthage, Miss., housewife; B. F. Hogue, Carthage, Miss., mgr. Hogue Lbr. Co.; Mrs. B. F. Hogue, Carthage, Miss., housewife; O. L. Troutman, Carthage, Miss, trucking and farming; Mrs. O. L. Troutman, Carthage, Miss., housewife; F. E. Murphy, Carthage, Miss., retail clerk; Mrs. F. E. Murphy, Carthage, Miss., housewife; Mrs. Rose Varhes, Carthage, Miss., bookkeeper; Johnnie Phillips, Carthage, Miss., electrician; Mrs. Johnnie Phillips, Carthage, Miss., housewife; Eugene Waggons, Carthage, Miss., store clerk; Mrs. Eugene Waggons, Carthage, Miss., housewife; Hagan Dickens, Carthage, Miss., merchant; Mrs. G. C. O'Cain, Carthage, Miss., housewife; G. C. O'Cain, farmer; H. T. Bilbre, Carthage, Miss., farmer.

O. L. Presley, Carthage, Miss., farmer; Ed. Cobb, Carthage, Miss., city marshal; Mrs. Ed. Cobb, Carthage, Miss., housewife; B. L. Allen, Carthage, Miss., contractor; W. N. Lyle, Carthage, Miss., unemployed; Mrs. Gussie May Lyle, Carthage, Miss., housewife; Mrs. Norma A. Lyle, Carthage, Miss., housewife; J. L. McDonald, Carthage, Miss., farmer; Mrs. J. L. McDonald, Carthage, Miss., housewife; Mr. Roy F. Lutts, Carthage, Miss., carpenter; Mrs. Roy F. Lutts, Carthage, Miss., housewife; Clyde A. Lutts, Carthage, Miss., Mississippi Power & Light; Mrs. Fannie Lutty, Carthage, Miss., housewife; R. W. Mauer, Carthage, Miss., Ford dealer; Mrs. Irma Mauer, Carthage, Miss., housewife; W. D. Arnold, Ackerman, Miss., M. D.; T. H. Sheedy, Ackerman, Miss., farmer; Joe M. Barron, Ackerman, Miss., farmer; L. L. Cork, Ackerman, Miss., farmer; H. F. Latimer, Jackson, Miss., Sec. Magnolia State Printing Co.; J. L. Adams, Gloster, Miss., town clerk, ins., and banker; C. W. Clark, Gloster, Miss., farmer; J. T. Lowrey, Gloster, Miss., banker and attorney; L. J. Simmons, Gloster, Miss., banker; Worth Jackson, Gloster, Miss., banker and planter; T. S. Conerly, Gloster, Miss., alderman and agent for Standard Oil; G. D. McLain, Gloster, Miss., mayor-planter-broker; W. R. Conerly, Gloster, Miss., owner-operator, Shady Rest Service Station; Frank Mize, Forest, Miss., motor-vehicle commissioner; Mrs. J. D. Farris, Vicksburg, Miss., owner of grocery store.

And many other whose signatures came in late.

Mr. BILBO. Mr. President, I now yield to the Senator from Tennessee [Mr. McKELLAR].

Mr. HILL. Mr. President, will the Senator from Tennessee yield to me to suggest the absence of a quorum?

Mr. McKELLAR. I yield to the Senator from Alabama.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legisaltive clerk called the roll, and the following Senators answered to their names:

Austin	Hart	Maybank
Ball	Hatch	Russell
Barkley	Hayden	Saltonstall
Bilbo	Hill	Shipstead
Bushfield	Johnston, S. C.	Smith
Carville	Knowland	Thomas, Okla.
Downey	La Follette	Tydings
Fulbright	Langer	
Gerry	McKellar	

The PRESIDING OFFICER. Twenty-five Senators have answered to their names. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators and Mr. CAPPER, Mr. FERGUSON, Mr. GURNEY, Mr. MAGNUSON, Mr. McCARRAN, Mr. McCLELLAN, Mr. MILLIKIN, Mr. MURDOCK, Mr. REVERCOMB, Mr. STEWART, Mr. TAFT, Mr. TAYLOR, Mr. TUNNELL, Mr. WHERRY, and Mr. WILEY answered to their names when called.

The PRESIDING OFFICER. Forty Senators having answered to their names, there is not a quorum present.

Mr. BARKLEY. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. MITCHELL, Mr. WILLIS, and Mr. HAWKES entered the Chamber and answered to their names.

After a little further delay, Mr. GREEN, Mr. CORDON, Mr. RADCLIFFE, Mr. O'DANIEL, Mr. MURRAY, and Mr. BRIGGS entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. A quorum is present.

Mr. McKELLAR. Mr. President, I wish to speak for a few moments about the pending measure, Senate Joint Resolution 138, proposing to make a loan of $3,750,000,000 to Great Britain.

Very frankly, Mr. President, this measure has given me a great deal of trouble, and I know it has given every other Member of the Senate trouble. In considering it, I have changed my mind several times; but finally I believe I have reached a just conclusion, and I wish to give the Senate and the country my reasons for reaching that conclusion.

Seven years ago the United States was one of the five great nations of the world—Germany, Great Britain, Russia, Japan, and the United States. Just what place the United States then held among the five great nations was a matter of question, doubt, and opinion. Then in 1939 Germany invaded Poland, and in 1940 moved into Denmark and Norway and overran France and the Low Countries and made war on Great Britain and other countries. At that time Germany was perhaps the strongest military nation which ever existed on the face of the earth. She was battering at the very gates of London and, with her airplanes, was destroying that city as well as other parts of Great Britain, and forced the Dunkerque evacuation. In another 2 weeks, if we had not entered the war by sending aid, Hitler would have been ruling from London and the British Empire, perhaps, would have been no more.

President Roosevelt took the fateful step in sending aid beginning in 1940. No one at that time could have foretold the outcome. Indeed, it seemed certain that Germany was so strong that no power could withstand her might. President Roosevelt took the bull by the horns and started preparations for the greatest war the world has ever known. Congress passed the necessary laws and our boys were conscripted. Our factories began running overtime, and munitions, guns, and airplanes were rapidly manufactured. Our farms were put to work as never before, and in a relatively short time we had the greatest force of arms and ammunition, the greatest force of food, supplies, and equipment, and the greatest armada of air strength ever known at any time on this good earth. Our Army and Navy were made almost perfect. We were not preparing for direct defense of our own shores but the President prepared our forces and sent them to Great Britain to be trained. They were later sent to Africa, to the shores of the Mediterranean, and around to Russia itself so that Germany was assaulted from every side.

Before our Army and Navy, and Air Corps could be put in condition Japan, taking advantage of what she must have felt was our weakness, because we were carrying on a war in Europe, and while her envoys here were pretending friendship, stealthily gave us the blow at Pearl Harbor on December 7, 1941. At that time Japan was perhaps the second strongest military nation in the world. Thus, instead of being at war with only one great military power 3,000 miles across the Atlantic, we found ourselves in a bitter contest with the second greatest military power 7,000 miles away in Asia. Did that deter our people? Did that deter our President? Did that deter our Government. Not at all. We immediately redoubled our efforts and built another Army and Navy, Marine Corps, and Air Corps, and sent them across the Pacific to strike back the assassin assault from Japan. To fight those two wars at the same time was a monumental undertaking but America arose to the occasion.

By September 1942 Germany had not only overrun France but most of central and western Europe. She also had overrun Austria and the Balkan States, had taken all of European Russia, and was at the gates of Stalingrad on the Caspian Sea. We then took another marvelous wartime venture. We sent by ship, food, guns, ammunition, supplies, and airplanes through the Suez Canal and up the Persian Gulf, across the intervening land and over the Caspian Sea, and brought aid to the Russians at Stalingrad. Immediately after receiving those supplies, guns, ammunition, and planes Russia drove back the Germans until she finally removed them from Russian soil entirely, and attacked Germany on her homeland. We all know the result. Germany fell first, and the Allies, led by the United States, took charge of her country.

In the meantime the fighting in the Far East was getting closer and closer to the islands of Japan. The atomic bomb had been perfected and was on its way there, and in August of last year the Air Forces dropped our atomic bomb on Hiroshima. Eight days later Japan capitulated, and the United States took charge of that country and has charge of it yet.

Thus in not much more than 5 years we had been the principal factor in winning the two greatest wars that had ever been fought among men on this earth. We went into the war as one of the five great nations of the earth; we came out of the war as the leading Nation of all the earth, the strongest, the most powerful, the richest, and the most successful Nation that perhaps ever existed. It is true that we spent more than $350,000,000,000 on that war. It is true that we spent $2,600,000,000 on an experimental bomb. It is true, unfortunately, that many of our splendid young men lost their lives, and that countless others were wounded.

But for the first time in history, and due largely to our leadership, an organization has been achieved to keep hereafter the peace of the world. What its outcome will be, of course, no one can foretell, but those of us who have been fighting for such an organization since 1917 have hope that we may be able to bring about a peaceful world in the future.

As a result of the two wars, the one in Europe and the other in Asia, we find Russia stronger than before. We find Great Britain probably weaker than before. We find Germany and Japan prostrate, but still capable of coming back if they do right. However, in any event it will be years before they ever regain anything like their former places among the nations of the world.

When we entered the war with Great Britain we not only furnished her with our armies and ammunition, our guns and our food, but we gave to her the greatest financial bounties ever known under the form of what was termed "lend-lease." Many people think we have done enough for Great Britain. Oftentimes I have felt the same way, but, Senators, there is another side to this question and we must be very careful and make no mistake.

The entire world is in a state of unrest and upheaval. Many old landmarks, many old constitutions and old governments have fallen. Many new isms are springing up in almost every country. Many of these new ideas and isms are dangerous not only to the peace of the world but to the prosperity and happiness of the world. Above all, they are dangerous to the security of the world. Those of us who believe in a peaceful world, those of us who believe in an educated world, those of us who believe in a successful world, those of us who believe in a sound economic world, must pause, and be careful, and prudent, and level-headed, so that no mistakes will be made in the new order of things.

Everyone admits that the United States has, during these wars, forged away out in front, and has been in the lead of all the nations. In this position of leadership—a leadership greater than was ever before enjoyed by any other nation—we must be exceedingly careful. We must not go off at a tangent. We must be fair and just, and even generous, to all the nations of the world. Frankly, I think we have been, and our attitude in that regard has often troubled me and caused me to pause. We have been exceedingly generous.

Now we come to the pending joint resolution. It simply provides that we lend this large sum of money to Great Britain as a line of credit, at 2 percent, and the payment of interest will not start until January 1, 1951.

There are those who say they would not object to making this loan if Great Britain had paid the loans she received from us before. There is much in this contention. Yet there are a number of things we must consider. Among these are:

First. She—Great Britain—received a terrible drubbing at the hands of Ger-

many before Germany was whipped. A number of her cities were demolished, and London was terrifically damaged.

Second. She was separated from her colonies, and many of them were taken away from her.

Third. Her foreign trade, on which she depends so largely, was practically entirely destroyed.

Fourth. Her people were impoverished, and while she came out of the war one of the victors, still she was relatively nothing like as strong after the war as she was before she was assaulted by Germany.

Under these circumstances she has applied to us for this huge loan. We have not the money, but we can extend to her this line of credit to be drawn upon during the next 5 years. However, it is said that she will not return it if we lend it. Of course, that may be true. On the other hand, let us remember, we being the most powerful nation in the world, that if we do not collect the debt it will be our fault, because there will be many ways of our compelling Great Britain to repay the debt if she should undertake not to pay it. I do not believe she will fail to attempt to pay it.

We must remember that repayment of the loan, under the agreement, is to be made in 50 annual payments, beginning at the end of 1951, and the conditions under which the interest may be waived are so severe as to require a crisis in world economic conditions for such waiver of interest to occur.

We must also remember that Great Britain agrees to aid our businessmen in their trading by doing away with exchange controls and abolishing the so-called sterling-area dollar pool, thus assuring unlimited use of American or British money in normal business transactions.

We must also remember that Great Britain agrees to adjust her debts to the members of the Empire—though not by use of the loan we would make—so as to reduce the burden on international trade.

There is also an agreement for the expansion of world trade, and in this connection we must remember that before the war Great Britain was our best customer. She bought about $500,000,000 worth of goods from us each year. She bought cotton and tobacco, grains and fruits, metals and meats, machinery, automobiles, and other finished products. Her trade is important to us and important to the world. If Great Britain flounders financially, all the world suffers.

From all this I have reached a conclusion which makes me sure she will pay the principal and interest of this debt. The terms are easy. The interest payments are relatively small, spread over a long series of years, and Great Britain cannot expect to remain a great nation unless she does pay this debt. I hope Senators will remember this: Great Britain cannot expect to remain a great nation unless she pays this debt.

There is another feature in the situation which we must not overlook. At the present time three great nations overshadow the world. We have a peace understanding with the other two, and a general understanding with all the nations of the world, to do right, and to keep the peace. Great Britain is bound to us by ties of kinship. Our people speak the same language. Our institutions are similar, but ours are much stronger because our institutions, if kept intact, insure the freedom of all our people. Under these circumstances, it seems to me that we must take a chance. We took a tremendous chance in going into the war at all when we might have stepped aside. I remember we took a chance early in the war in experimenting with the atomic bomb. We spent $2,600,000,000 on a chance of its being a great weapon, and we succeeded, and what we invested was paid back to us in the saving of the lives of many of our boys. It is difficult to determine how many lives were saved by the use of the atomic bomb in Japan. We spent more than $350,000,000,000 on this war, and it looks as if we have a contract in the UN organization which may maintain the peace of the world in the future. Of course, we took an enormous chance in going into the war and in carrying on the war to its successful conclusion. Therefore I think we should again take a chance and spend this $3,750,000,000 in making this loan.

I believe it would be the means of bringing our country and Great Britain closer together, of bringing about a better understanding, and relieve her necessities created by the war; and I believe that the result will be to the benefit, not only of Great Britain but to the benefit of America.

Some may say there ought to be conditions attached; that we ought to be given certain islands now belonging to Great Britain some of which we fortified for our own defense and for the defense of Great Britain. Others say that, at least we ought to have the bases on English soil at various places in the world which we held during the war for the defense of both ourselves and England. There is much in these contentions. I can well see how anyone could think we ought to lend this money only on such conditions; yet, on the other hand, Senators, who is there in this body who would, under any circumstances, be willing to yield any part of our soil upon a show of force, economic or military?

Suppose in a similar situation, when the positions were reversed, it should be suggested that we yield bases on the New England coast, on the south Atlantic coast, the Gulf coast, or on the Pacific coast. Is there a Senator who would vote for such a proposal? We know there is not. There is not a Member of this body who would be willing to yield any part of our soil upon a show of force, either economic or military. I am sure if each of us will ask himself that question, the answer must be that we could not bring ourselves to take such a course.

There is another thing to be considered. Of course, under our Constitution and laws this loan cannot be made without the approval of the Congress. However, it has been recommended by the President. It has been recommended by the Secretary of State, Mr. Byrnes, who is now dealing with the nations of the world in bringing about an established and peaceful relationship in the world. It is recommended by our Secretary of the Treasury, Mr. Fred Vinson, who has charge of the financing of this loan. Mr. Vinson urgently requests the loan. He has had a remarkable career. He has done and is doing a fine job in the Treasury and I have great confidence in him.

The next official to recommend it is our Secretary of State, Mr. James F. Byrnes. We have all known Mr. Byrnes for many years. He served with us. I have known him for a period of 34 years. I served with him in the House. I served with him in the Senate. I did not always agree with him. He did not always agree with me. But Mr. Byrnes is a very able man. He is an honest and forceful man. He has grown in mental stature with the years. He is a very able statesman. He is a very forceful statesman, and I want to say as to his action in the United Nations Council in the case of Iran—formerly commonly known as Persia—that he took a stand which I admired then very much and still admire very much. His opinion has great weight with me.

Again, Mr. President, the President of the United States recommends this loan. He is tremendously interested in it. He honestly believes that it is best for our country. He thinks we are in duty bound under all the circumstances to make this loan. He thinks it would be best for us and, of course, will be best for Great Britain. I have great respect and admiration for Mr. Truman, the President of the United States. He served with me on the Appropriations Committee of the Senate for a number of years. He is level-headed. He is fair-minded. He is diligent in the business of his government. I think he is a great statesman and in the questions that arise about foreign policy—and remember, this is our foreign policy, and we have constituted the President and the State Department to be guards over it—I think we had better follow the lead of our President. Therefore, I shall vote for this loan.

In closing let me add that the President has never talked to me personally about this loan. My friend, Jimmie Byrnes, Secretary of State, has never talked to me personally about this loan. I have received no communication from him on the subject. I have reached this conclusion solely and alone in an effort to arrive at a judgment on the merits of this measure and to do what is best for our country which we all love so dearly and of which we are all so proud at this moment of the world's history.

We are the leading nation in the world today. In asking us to make this loan Great Britain concedes this. We must take a leader's part. We must aid this ally.

We do not know what questions may arise in the world of tomorrow. I ask Senators to listen to this. We do not know what questions may arise in the world of tomorrow. We might need an ally again. What ally could be more important that one of our own blood and kind? Of our own race and creed? Of our own conception of right and justice? Of our own belief in the private rights

of men and women to make a living? Of our own belief in private business and our own belief in an economy which provides that individuals shall make their own way in the world? Of our own devotion to constitutional and legal government? And our own devotion to the freedom of men and women?

Looking to our future and especially to our future security as a Nation, there is no way, in my judgment, to avoid making this loan.

RETURN OF CRITICAL SURPLUS ITEMS FROM OVERSEAS

Mr. TUNNELL obtained the floor.

Mr. McKELLAR. Mr. President, I was asked by the Senator from Mississippi [Mr. BILBO], who had the floor and yielded to me, to yield to the distinguished Senator from Massachusetts [Mr. SALTONSTALL].

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The Chair is advised that no Senator can hold the floor under such an arrangement. The Chair has recognized the Senator from Delaware [Mr. TUNNELL].

Mr. TUNNELL. Mr. President, I certainly shall insist on holding the floor in view of the fact that I have to leave the city and cannot very long delay and say the things that I was intending to say before leaving. So I appreciate the opportunity to speak now, before leaving the city.

Mr. President, I desire to call the attention of the Senate to a matter which I think is of general interest in connection with the present efforts of industry to reconvert to peacetime production and, particularly, to the breaking of bottlenecks in critical programs, such as the housing program for veterans, highway building programs, and construction generally.

There is no need for me to dwell at length upon the importance of these critical programs, nor is there any need to detail the difficulties with which we are faced in meeting them. We all know that the principal shortages are materials and construction machinery. We all know, also, that no matter what is done about liberal financing or pricing relief or subsidies, neither materials nor machines can be created overnight by any such methods.

Mr. President, the principal reason for the shortage of construction materials and machinery is that during the war the capacity of the facilities which were devoted to the production of those items was absorbed by filling the needs and requirements of the armed services. Very little, comparatively, was apportioned to the civilian economy. Moreover, facilities which had previously been supplying the civilian market for construction machinery were converted to producing other types of items of a military character. This means that the time lag in restoring these facilities to the production of items for the civilian construction market will prevent the immediate achievement of any high level of production for that purpose. Meanwhile, the demand has grown to great proportions.

This should have induced those in the Government who are charged with the responsibility of aiding reconversion and breaking the bottlenecks of critical programs to exploit every possible source which could provide the necessary materials and machinery. I think there can be no doubt that the agency which is principally charged with this responsibility is the Office of War Mobilization and Reconversion. The Director of the Office of War Mobilization and Reconversion had the authority and he had the responsibility.

Mr. President, it is, likewise, well known that huge quantities of building materials and critical construction machinery are held by the Army and the Navy. It is also well known that of the building materials and machinery which the services hold, a large proportion has been declared surplus. Of this surplus a great deal is presently located overseas.

As a member of the subcommittee of the Mead committee which recently investigated surpluses abroad, I personally saw vast quantities of this material and equipment and our subcommittee, composed of the Senator from California [Mr. KNOWLAND] and myself, took testimony and gathered statistics concerning the nature and quantity of this equipment, much of it located in areas where there is no ready market at a price which will guarantee a substantial return to our taxpayers. This subcommittee was amazed to learn that no procedures were in effect for shipping back to the United States those items which are sorely needed here to speed our transition to a peacetime economy.

I am at a loss to understand how anyone whose principal responsibility was the breaking of bottlenecks in reconversion could have failed to foresee the extreme shortage of building materials and machinery and could have neglected to take the very obvious step of ordering those items, now held by our Government and representing a huge expense to our taxpayers, to be returned to fill an urgent demand here so that they could serve the dual purpose of speeding reconversion and liquidating the Government's investment in return for dollars, rather than foreign currencies or credits.

Mr. President, this subject was covered at some length by the report which the Mead committee filed with the Senate on March 22, 1946. I do not propose to review the course of inaction and feeble efforts which are fully related there. I wish merely to state that as a result of the committee's activities a working committee was created to determine what items were critically neded here. On March 1, 1946, it prepared a list of such items. At the time our report was filed, however, no action had yet been taken by the Director of the Office of War Mobilization and Reconversion to order such critical items found in surplus property stocks abroad returned to this country for sale here. We were then told that the Director of the Office of War Mobilization and Reconversion was going to wait until the Under Secretary of War and the Foreign Liquidation Commissioner returned from a trip around the world.

I was amazed to learn at a public hearing of the Mead committee, held on Friday, April 19, 1946, that although the Under Secretary of War and the Foreign Liquidation Commissioner returned to this country on April 4, 1946, and although a meeting was finally held at the White House on Wednesday, April 17, 1946, the Director of War Mobilization and Reconversion has not yet today taken any positive, clear action on this most important matter. I was still more amazed to learn that apparently he contemplates taking no further action.

Mr. President, the hearing of the Mead committee on the return of civilian critical items apparently did not even impress Mr. Snyder, the Director of the Office of War Mobilization and Reconversion, as being of great importance. He sent Mr. Harold Stein, Chief of the Stock Piling and Surplus Property Divisions of the Office of War Mobilization and Reconversion. A review of the record of that hearing cannot fail to impress one that Mr. Stein knew practically nothing of the facts, which should have been known by anyone who would be required to make an intelligent decision on this matter. Mr. Stein had only a vague notion of how critically short were certain items of construction machinery, such as cranes, shovels, draglines, tractors, motor graders, and scrapers. It was very obvious that he had made no inquiry whatsoever. It remained for a War Assets Administration employee to tell the committee that two classes of priority claimants—namely, States and municipalities on the one hand, and veterans on the other hand—had, in January of this year, filed application for 73,000 tractors of various types, when the War Assets Administration had had declared to it a total of only 8,000 new and used tractors.

Mr. Stein did not know that not a single machine of the types of those above-mentioned as critical had been sold to the trade—that all had been promptly taken up by priority claimants. Mr. Stein, apparently, did not know that directives were being sought from the Civilian Production Administration to assist contractors in critical programs to obtain the machines they required and that even with these priority certificates or "hunting licenses," it was only within the last few days that priority directives issued as far back as last December on such items were finally filled by the War Assets Administration.

Mr. Stein did not know how much of this critical property was located abroad as surplus, how soon it could be returned here, how much the transportation charges would be, nor whether there were any insurmountable difficulties insofar as selection of critical items or the physical handling is concerned.

Mr. President, in short, a reading of the record of the Mead committee hearing of Friday, April 19, 1946, cannot help but lead one to the inescapable conclusion that so far as the Office of War Mobilization and Reconversion is concerned there was only ignorance where there should have been knowledge. I regret to be forced to say that in my own judgment my contact with this problem has forced me to the conclusion that the handling of this important matter by the Office of War Mobilization and Reconversion has been characterized by what may generally be called indifference.

It was bad enough that September, October, November, December, and January—5 months—passed after the cessation of hostilities and no action had been taken whatever by the Office of War Mobilization and Reconversion. This was in spite of the fact that in the latter part of August 1945 the War Department voluntarily called the existence of this problem to the attention of the appropriate civilian agencies and offered to return to this country any surplus materials which the civilian agencies determined to be in critical demand for our domestic economy.

I wish to point out that this is exactly the period in which action should have been taken by the Director of the Office of War Mobilization and Reconversion, because there is necessarily a time lag involved in the declaration of surplus, the selection of the items and loading them on vessels, the voyage to this country, and the unloading of the vessels after they arrive. If action had been taken in September of 1945 and a sensible, businesslike program for the return of critical items had been inaugurated, the shortage of building materials and construction machinery would not be as critical as it now is, and vital programs would be further along. The veterans who desperately need housing; the farmers who desperately need tractors and trucks; the States, counties, hospitals, and educational institutions; business enterprises; the construction industry; the building trades and the unemployed demand to know why there was inaction when there should have been action

Mr. President, I can forgive the Office of War Mobilization and Reconversion for failing to take action last September. It would have required foresight, decision, and forthright action, which we might possibly have no right to demand of a public servant. But, Mr. President, I cannot forgive the procrastination, indecision, and feeble efforts which have marked the handling of this most important matter, since it was vigorously and forcefully called to the attention of the Office of War Mobilization and Reconversion by the Mead committee in January of this year. Action which was already then too long delayed has not yet been taken, although 90 days have since elapsed. Not only that, but there seems to be no concern about this matter in the Office of War Mobilization and Reconversion.

The only sign of any action at all is the preparation of the list of critical items of March 1, 1946 and March 11, 1946, which has not, to this day, been given any binding effect upon anyone by the Office of War Mobilization and Reconversion. It is said that, in fact, critical items are being returned because of an order issued on the 19th of February by the Army and Navy which, for the first time, authorized commanders in the Pacific area to return new and serviceable civilian-type items to this country. It is said that the critical list of March 1 and March 11, 1946, has been furnished to those Pacific commanders and that they are, in fact, using that list to give priority in shipment to the critical items, although they are not ordered to do so. We shall not know the facts on this matter until the manifests of the vessels which are being loaded in the Pacific are available. If, in fact, critical items of construction machinery and building materials are returned pursuant to the authorizations of February 19, 1946, it will not be because they have been ordered returned by the Office of War Mobilization and Reconversion.

Mr. President, I wish I could provide figures at this time as to the quantities of critical items which are now located abroad in surplus stocks which are now prohibited from being returned to the United States. Those figures are not available. They were not asked for by the Office of War Mobilization and Reconversion. They have now been asked for by the Mead committee and are promised to be available in about 2 weeks' time.

It is estimated that the time which will elapse in the physical movement of such items as are returned from their location in depots in Europe until their unloading in ports in this country would be approximately 30 days.

Capt. Granville Conway, War Shipping Administrator, has assured the committee that there is plenty of shipping capacity for return to this country from the European and the Mediterranean theaters any quantity of surplus Army material which the Army authorities are able to load on vessels. Captain Conway has further stated that most of the vessels now returning to this country from those theaters are returning empty. The additional expense involved would be only that required to load the vessels and the cost of maintaining the vessels while they were being loaded and unloaded. An additional reason for speed in adopting this program, if it is to be adopted, is the fact that at the present time Army and Navy cargoes are transported without charge by the War Shipping Administration. This situation will continue until the 1st of July 1946, at which time Army and Navy cargoes will have to pay freight to the War Shipping Administration.

According to figures furnished by the Army Service Forces, there has already been declared surplus up to December 31, 1945, $1,122,000,000 worth of civilian type supplies. There is expected to be declared an additional $2,890,000,000 worth of supplies prior to June 30, 1946. This makes a total of declarations in the neighborhood of a little over $4,000,000,000. Of this $4,000,000,000 worth of civilian type surpluses in foreign areas, only $1,129,000,000 is located in the Pacific. This is only slightly over 25 percent of the expected surpluses we have outside the United States. It is only this 25 percent of our foreign surpluses that the cables of the Army and Navy of February 19 are applicable to; and, as previously noted, the cables are only permissive in that they allow the commanders in the Pacific area to return to this country new and serviceable civilian type supplies if they so desire. As to 75 percent, therefore, of the civilian type surpluses located abroad, the Army and Navy are now prohibited by existing regulations from returning them to this country. This really means in essence that it is Army supplies that are involved, because most of the Navy supplies are located in the Pacific. The 75 percent of our surpluses are the surpluses which would be affected by an order of the Office of War Mobilization and Reconversion, if it were entered, to bring back to this country—out of those surpluses—material, equipment, and machinery which are so desperately needed here.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. FERGUSON. I wish to ask the Senator a question, but I shall not do so if he does not care to be interrupted at this time.

Mr. TUNNELL. That is perfectly satisfactory; I am glad to have the Senator ask me a question.

Mr. FERGUSON. I am very much interested in the subject the Senator has been discussing. I should like to know whether the reasons which are assigned indicate that, notwithstanding the past, in the future we shall actually get these goods back into the civilian life in the United States? Is the Senator from Delaware satisfied from what he has learned from the committee's trip and also from what he has learned from officials here that we in the United States can anticipate that the Army and Navy and other services will actually declare these surpluses at once and will return them to the United States?

Mr. TUNNELL. I am not satisfied that they are being returned as they should be, and that is the reason for the protest I am making today. I think the Senator from Michigan was present—I was not—at the last meeting of the Mead committee at which Mr. Stein testified with reference to these matters.

Mr. FERGUSON. I was; and I was greatly disappointed that Mr. Snyder did not personally appear there to give us his assurance as to what he was going to do.

Mr. TUNNELL. Yes.

The Senator knows that our surpluses, both in the Pacific area, the European area, and, we may say, in the Mediterranean area, are—in many instances—surpluses of things which should be used in the United States and are needed here today.

I was somewhat surprised to find that in none of those areas was there a great amount of lumber which could be used for building. In our trip we found in Italy 70,000,000 feet of lumber which could be used for building purposes. Much of the lumber which we found in the Pacific area was short and heavy, being lumber which had been prepared for use or had been used in boxing heavy machinery, and which it did not seem to me would be so valuable for building purposes. But there was much machinery which would have been of great value in the United States, but which can bring little return where it is. That is what I am attempting to call attention to.

Mr. FERGUSON. I should like to refer for a moment to the European area. When we were there as a committee last May and June, it was understood, as I recall, that the inventory was completed, or would be completed in a very short time. However, I understand that now,

almost 11 months afterward, there is complaint that the inventory of all these civilian goods has not been completed to this day.

In the Senator's opinion, is there any real, valid reason why that inventory has not been prepared, so that we may know what is in the European theater, and so that we can determine what should be returned to this country?

Mr. TUNNELL. I do not think there is any reason for the failure to prepare it, I say to the Senator.

Mr. President, I should like to call attention to the fact that quite a large percentage of the material—I cannot say exactly how much because figures are hard to get in regard to these matters, as the Senator realizes—but a very large percentage of surplus war goods is composed of war materials which perhaps are not worth the cost or trouble of transportation back to the United States. However, the things in which I am interested, and in which I am sure the Senator from Michigan is also interested, are those which can be used for civilian purposes in the United States and are needed here at this time.

Mr. FERGUSON. That is exactly what the Senator from Michigan is interested in, and I know the Senator from Delaware is interested in the identical problem.

Mr. TUNNELL. Yes; that is correct.

Mr. FERGUSON. We are not concerning ourselves so much with munitions or other articles which are not useful in civilian life, but when this country is actually critically short of certain machinery—road-building equipment, and so forth—and when we find that such machinery is in one or another of the various territories or theaters, but is not being returned to the United States, I think the committee is doing a real service in pointing that out, not only in open hearings but here on the floor of the Senate, so that the people of the United States may understand that we are not getting these things back to the United States at the time when they are needed.

The need for them is now. If they are brought back later, after our own factories are again producing such goods, objection will be made; it will be said that we are bringing the goods back to this country in competition with the products of our own industries. But now 8 months have passed. If the goods had already been brought back to the United States, there would not be any competition with the products of our industrial concerns or with the goods produced by our workmen. The goods could have been returned; and if they had been, we would now be using them in this country for civilian use and as civilian goods.

Mr. TUNNELL. Mr. President, the Senator probably already knows what I am about to say; but the Senator from California [Mr. KNOWLAND] and I found in Vincennes, just outside of Paris, 9,500 jeeps, 25,000 bicycles, and a large quantity of trucks and other paraphernalia, much of which is really needed in the United States at this time. Those are some of the things which it seems to me should be called to the attention of the War Mobilization and Reconversion service.

Mr. FERGUSON. That is just what I have in mind. I have received complaints from Detroit and elsewhere in Michigan from veterans who claim that they cannot get jeeps, they cannot get automobiles, they cannot get trucks with which to start out in business. Recently the committee had to send a man there to look into the matter.

But now we find that there are 9,500 jeeps and a large quantity of trucks just outside of Paris, not being used in connection with the reconstruction of France, not being used by anyone. The war in Europe has actually been over since last May 8, but we find that the jeeps are still there, and probably are not on any inventory. When the committee was in Marseilles, we found thousands of new trucks in the original package, as we lawyers would say. They were on the ground there and in storage. I assume that many of them are there today, remaining just as they were in those days, awaiting the issuance of some order or the taking of some action which will enable them to be used either in Europe or in the United States.

Mr. President, we must think about helping the veterans to obtain such goods now, instead of in the future, when they will be able to purchase them from the civilian trade.

Mr. TUNNELL. Mr. President, let me say to the Senator from Michigan that I do not know how many jeeps there were in Belgium, for instance—which was the other large depot—but as I have said, there were 9,500 jeeps in Vincennes, just outside of Paris, and they were standing there in rows, and so far as I know, they are still standing there in rows.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. BILBO. I should like to ask a question. In the inspection tour which the Senator made in regard to surplus war materials abroad, did he visit London or other places in England?

Mr. TUNNELL. Oh, yes.

Mr. BILBO. What did the Senator find there?

Mr. TUNNELL. I do not know just what the Senator from Mississippi means. We found a good deal there.

Mr. BILBO. About how much?

Mr. TUNNELL. Does the Senator refer to surpluses?

Mr. BILBO. War surpluses, yes.

Mr. TUNNELL. I did not know whether the Senator was talking about war surpluses or other things.

I will say to the Senator that, so far as we knew, the articles about which the Senator is inquiring had already been contracted for.

Mr. BILBO. Contracted for by whom?

Mr. TUNNELL. By the British Government.

Mr. BILBO. With whom?

Mr. TUNNELL. I presume it was with the American Government.

Mr. BILBO. Who represented the American Government?

Mr. TUNNELL. I do not know that. That was done before we reached there.

Mr. BILBO. In other words, the Senator from Delaware is not complaining about having any surplus war materials over in London; is he?

Mr. TUNNELL. No; I am not now complaining about what we do not own. I am complaining about what we do own.

Mr. BILBO. I wish to know who had the power to dispose of the $6,000,000,000 worth of surplus war materials in England.

Mr. TUNNELL. I think it was done by the Foreign Liquidation Commissioner, although I am not sure about that.

Mr. BILBO. The Congress had no say-so about that, did it?

Mr. TUNNELL. I assume the Congress would not deny its liability for the creation of that office.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. BRIDGES. Specifically who appoints the Foreign Liquidation Commissioner?

Mr. TUNNELL. I think he was appointed by the Secretary of State. That authority has been transferred, as I understand, to the Office of the Secretary of State, and I think the Foreign Liquidation Commissioner is appointed by the Secretary of State. Is not that correct?

Mr. FERGUSON. That is true.

Mr. BRIDGES. And everything which has to do with the disposal of our surplus property abroad comes directly under the State Department, does it not? Am I correct in my statement?

Mr. TUNNELL. The Senator is correct so far as goods in foreign lands are concerned. He is not correct, however, as I understand, in regard to surplus goods which may be in America.

Mr. BRIDGES. I understand. I have one other question. Specifically, who is to blame for the failure to return to this country the goods to which the Senator refers? Can the Senator cite a specific example?

Mr. TUNNELL. I may state to the Senator what the committee found when it made its last trip. We found a tremendous number of articles which had never been declared surplus. In the view of the holding agencies, such as the Army and the Navy, there is a difference between the words "excesses" and "surpluses." Surpluses are those quantities which are excess to the particular area and not needed there, but which may be needed by the United States in some of its services somewhere else. Surpluses arise when the owning agency, such as the War Department or the Navy Department, declares certain articles to be surplus for use anywhere.

When we started on our trip we found that there had been what we thought—I believe the Senator from California [Mr. KNOWLAND] will say that he also formed the same conclusion—were articles which were not being declared surplus rapidly enough, and we so stated. We thought that the holding agencies were not declaring surpluses when they should have been declaring them. I may say that at about that time they all began to declare surpluses at a very rapid rate. After articles are declared surplus, it then becomes the duty of the

disposal agency to get rid of them or return them.

Mr. FERGUSON. Mr. President, will the Senator yield for a further question?

Mr. TUNNELL. I yield.

Mr. FERGUSON. Will not the Senator point out for the RECORD what officer or official in the field has the responsibility of determining what is surplus or excess property?

Mr. TUNNELL. So far as Army goods are concerned, the responsibility is on the commanding officer in the particular area involved.

Mr. BRIDGES. Would that be General McNarney in the European area?

Mr. TUNNELL. Yes. However, I do not believe it will be found that General McNarney has devoted himself particularly to Germany. I do not believe there are the surpluses in Germany which we are speaking about. Those surpluses seem to be in France and in Belgium.

Mr. BRIDGES. Does not General McNarney have command over the entire European field?

Mr. TUNNELL. I believe he now has command, but did not have it at the time we were there.

Mr. MAGNUSON. Mr. President, after these goods are declared surplus, am I correct in saying that it then becomes the duty, as I understand the Senator from Delaware and the Senator from Michigan, of the Foreign Liquidation Commission to dispose of those goods? If it is decided that surpluses should be moved to the United States, are they then turned over to the War Assets Administration?

Mr. TUNNELL. I cannot answer the Senator's question.

Mr. MAGNUSON. I wonder if the Senator from Michigan could answer the question. Let us assume that the goods located outside of Paris are declared to be surplus. Is it true that the Foreign Liquidation Commission has the duty of disposing of those goods? I presume that the Commissioner would sell them to the French Government, or dispose of them in other ways according to the law. But suppose it were decided to ship the jeeps, for example, to America. After they arrive here are they put under the disposal of the War Assets Administration?

Mr. FERGUSON. Yes. They may not be returned from the European theater, however, without the specific order of Mr. John Snyder.

Mr. MAGNUSON. Who is the man within the Government who is responsible for not bringing those goods from outside of Paris to the shores of America?

Mr. FERGUSON. I would say that it is the commander of the European theater. However, so far as the European theater is concerned, he may not return them to the United States without Mr. Snyder's approval. He could tell Mr. Snyder that the goods [illegible]st. However, before they may be [illegible]urned to the United States Mr. Sny[illegible] would have to determine whether th[illegible] should be returned or not. No goods or materials are now being returned to this country, and have not been returned from the European theater.

Mr. MAGNUSON. To what extent is that situation due to the lack of shipping space?

Mr. TUNNELL. I do not think it is due at all to the lack of shipping space.

Mr. STEWART. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Tennessee?

Mr. TUNNELL. I yield.

Mr. STEWART. Are any of those goods being sold to England and France?

Mr. TUNNELL. A large amount has been sold to Great Britain.

Mr. STEWART. Can the Senator state how much has been sold to Great Britain?

Mr. TUNNELL. We had a report in connection with that matter. I believe that the goods sold to Great Britain amounted to $650,000,000 worth.

Mr. STEWART. I understand that the total ran into higher figures. That is the reason for my inquiry.

Mr. TUNNELL. I believe the figures might be deceptive when we consider that Great Britain took a large amount of war materials and equipment which has no value to the United States at the present time, and which would have cost us money to carry to sea and sink.

Mr. STEWART. Has the amount of $650,000,000 been arrived at on the basis of the value of the goods, or is it the amount which Great Britain paid for them, or promised to pay? Of course, I am sure they did not pay anything.

Mr. TUNNELL. The amount of $650,000,000 refers to sale price.

Mr. STEWART. That is what Great Britain promised to pay?

Mr. TUNNELL. Yes.

Mr. STEWART. And it amounts to approximately 10 cents on the dollar, does it not?

Mr. TUNNELL. It amounts to about 10 cents on the dollar, if we figure it on the basis of what it may have cost to produce.

Mr. BILBO. Then, in that connection, the $650,000,000 is not in part compensation for the $25,000,000,000 worth of lend-lease?

Mr. TUNNELL. I do not think it has anything to do with lend-lease.

Mr. BILBO. Then, what did we get for the $25,000,000,000 of lend-lease?

Mr. TUNNELL. Thanks.

Mr. BILBO. Thanks?

Mr. TUNNELL. Yes.

Mr. STEWART. Of course we sent approximately $30,000,000,000 worth of lend-lease goods across the Atlantic, as I understand, and got about four billion or five billion dollars in reverse lend-lease.

Mr. TUNNELL. Yes.

Mr. STEWART. Leaving a net of about $25,000,000,000 worth of goods furnished to Great Britain.

Mr. TUNNELL. Yes.

Mr. STEWART. Which, of course, is, in effect, charged off. We do not even talk about that any more.

Mr. TUNNEL. The Senator is correct.

Mr. STEWART. Like something evil which has occurred in a family, we do not mention it. But, in any event, the $650,000,000 worth of goods which have been declared surplus, are, according to our valuation, if my information is correct, worth approximately ten times that amount.

Mr. TUNNELL. On the basis of the cost, yes.

Mr. STEWART. In purchasing the material, Great Britain did not pay any cash for it, did she?

Mr. TUNNELL. No.

Mr. STEWART. Does the Senator know what the terms of the purchase were?

Mr. TUNNELL. I believe they were the same as those in connection with the loan which we are now debating.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. MAGNUSON. I do not believe the RECORD should leave the impression that those goods were worth the amount which has been stated. It cost us that much during wartime production prices to make the goods. Some of them may not now be worth anything.

Mr. STEWART. They should be worth what they cost, whatever that may have been.

Mr. MAGNUSON. Not necessarily. War is waste and many of the articles which were manufactured have been wasted.

Mr. TUNNELL. I do not think the material is worth as much as $650,000,000, but Senators will find that the records as to valuation are based on the cost price.

Mr. MAGNUSON. The Senator is correct in his statement. Did not the Senators who made the trip find that in the Pacific, in the Atlantic, and elsewhere many millions of dollars' worth of goods in cost to us were not worth while to bring back to the United States, and that they were not worth much to the people in Europe, even if we had given them away?

Mr. TUNNELL. I will say that the second-hand jeeps were put down at cost price. So when the question is asked, What are they worth? it must be remembered that no appraisal has been made of those goods on the basis of their present-day values.

Mr. MAGNUSON. Will the Senator yield for a further question?

Mr. TUNNELL. I yield.

Mr. MAGNUSON. The Senator said that we received back everything except approximately $25,000,000,000 in lend-lease which we furnished.

Mr. TUNNELL. I believe that is about correct.

Mr. MAGNUSON. I believe that we received the heartfelt thanks of all Allied Nations to whom we sent lend-lease. I think there are some of us who feel that by sending lend-lease and saving many American lives, and at the same time holding off the enemy from our shores and preventing them from advancing against us in the Pacific, we performed an act which was worth something to us, and that in return we did not merely receive thanks.

Mr. TUNNELL. I may say to the Senator that I voted for lend-lease.

Mr. MAGNUSON. I know the Senator did.

Mr. TUNNELL. I believed in lend-lease then, and I do now. But, so far as money is concerned, we did not get much money in return, and I did not believe we would when I voted for lend-lease.

Mr. STEWART. I voted for lend-lease, and I thought at the time that it was the cheapest insurance that our country could take out. I think it saved the lives of many American boys. But I do not believe it was without value to the people to whom we sent it. I do not like to hear the argument advanced that it was our duty to furnish lend-lease. We did so, but it was not without a value to others as well as to ourselves. We probably saved the lives of many Britons and Russians, as well as of others.

Mr. TUNNELL. I thought lend-lease would prove to be of value to us, or I would not have voted for it.

Mr. STEWART. It helped us, absolutely, to save others.

Mr. TUNNELL. Yes.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. BRIDGES. I wish to ask the Senator to clarify one point which was a part of what I had in mind when asking my original question. What I am trying to get at is, Who are the individuals who are personally to blame for not having these goods returned to the United States and offered for sale to the American public at a time when the American public needs them? As nearly as I can ascertain from the Senator's reply, to which the Senator from Michigan contributed, the person who is primarily responsible is General McNarney, and, secondly, John Snyder.

Mr. TUNNELL. I do not think that we can blame General McNarney. He has not been in complete control of the Army in Europe for a very long period of time. He was in Germany and had control of the portion of Germany around Frankfort, we will say. That is where his particular duties were, and where he stayed.

I do not think it is fair to blame General McNarney for this situation. He was in the war theater. He was in charge of our activities in Germany in particular, and he had a pretty big job at that. There were not the supplies in Germany which we are complaining about, and General McNarney was only drawing on the supplies as they were needed in Germany. If they continued not to be disposed of, then General McNarney might become liable, but I do not think he is to blame for the present situation.

Mr. MEAD. Mr. President, will the Senator from Delaware yield?

Mr. TUNNELL. I yield.

Mr. MEAD. This is quite an involved question, I am sure my colleague from Delaware, who is making a very able presentation, will admit. It not only involves the wisdom of returning both military and civilian items to the United States, where they can be sold for the benefit of our economy and for American dollars, but the demands of UNRRA are also involved.

For instance, UNRRA is seeking automotive equipment for the rehabilitation of a nation which is eligible for UNRRA assistance. The Foreign Liquidation Commission, after military or civilian type surpluses are turned over to them by the Army, may sell for American dollars to UNRRA for the rehabilitation of the economy of a nation for which we might otherwise be called upon to make relief appropriations through UNRRA. Therefore there is a question of judgment as to whether, for instance, it would would be helpful to us to sell these goods on the spot, to an agency such as UNRRA, for American dollars, to be used in an adjacent country for the quick rehabilitation of its economy rather than box them up and transport them back to the United States.

There is another question involved, namely, the maintenance of a military force sufficient to guard the goods. I think we can bring the matter out a little more clearly if we point out that there was approximately $3,000,000,000 worth of civilian type goods in the European theater; 75 percent of the civilian type goods of the Army Service Forces was located in a theater other than in the Pacific. But in the European theater of operations the instructions given to the military, as I understand them, were not to bring any of these items home. In the case of the United Kingdom they were turned over to the United Kingdom in what is called a bulk sale. It is my opinion that in France a bulk sale negotiation is now in progress. So in the European theater the civilian type items are not being brought back to the United States, although 75 percent may be found in the European and adjacent theaters, and only 25 percent found in the Pacific.

The decision to dispose of the goods in the European theater was made, in my judgment, by the military authorities in conference with Mr. John Snyder. Whether it was a wise decision is a matter of conjecture. It might have been better, so far as we were concerned, to bring the goods back to this country rather than sell them to UNRRA for the rehabilitation of devastated areas, or to prepare them for wholesale disposal in a bulk sale to the governments of the countries in which they were located.

Consideration must be given to the assembly of these items, crating them for transportation, the availability of ships, which is not a problem today, because we are told that of 10 cargo ships returning to the United States—9 are without cargo, or at least could have taken on a considerable amount of cargo over and above what they are bringing home.

The attitude with reference to the European theater is directly contrary to the position taken by some authorities with reference to the Pacific theater. No doubt the nations which were eligible to UNRRA relief were given some consideration. No doubt the devastation of the nations in which the materials are located was given some consideration, and no doubt the presence of our forces to guard the material was given some consideration.

It occurs to me that there should also have been consideration of certain critical items vitally necessary to our own economy, so that we could the more quickly produce goods necessary for the relief of UNRRA-eligible countries, the relief of the devastated areas, and the reconversion of our own economy.

Perhaps the entire subject should be weighed, and a list, perhaps a small list, of vitally critical items should have been brought home. But the position taken by the authorities with references to the European theater of operations is that all civilian type items should be left where they are, but should be disposed of through the Foreign Liquidation Commission, or by sale to UNRRA, or by sale to eligibles.

When we talk about eligibles, we find restrictions set up by foreign countries, of the character and nature of licenses, which result in the elimination of competition in the sale of these items, so much so that perhaps the particular country itself is the only customer to which the Foreign Liquidation Commission would have to sell the goods, outside of UNRRA, and outside of our own military or naval authorities.

I understand that in the Pacific general orders have been sent to theater commanders to return all civilian items to the United States, those which we need critically, and those of which we already have an abundance in our market.

Whether that is a wise procedure is a matter of judgment, but it must be considered that there is less likelihood of sale in the case of all civilian items in the islands of the Pacific. There is a possibility that some disposition might be made of them to China, and to the Philippines, and perhaps to one or two other potential buyers.

There is no reason why they cannot be brought back now, because an abundance of cargo space is available. There is no reason why this entire subject could not be given further consideration, so that from the Pacific we would bring back the items critically needed, and perhaps from the European theater also, because if we are to be called upon to provide for veterans' houses, as we should be, and if we need automoitve equipment, which is available in substantial supply in the European theater, the goods should be brought back to the United States. Weight should be given to the importance of that problem. It occurs to me the problem is not receiving the continuous consideration it should receive.

Mr. President, I should like to have permission from my colleagues to put into the RECORD page 33 of our report, submitted to the Senate a short time ago on the investigation of surplus property overseas. This report is dated March 22, legislative day of March 5. The table is headed "Summary of the United Kingdom war-settlement account." In the table will be found the important item of unconsumed lend-lease, the total amount in dollar value being $5,617,934,850.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. FERGUSON. Has the Senator from New York the figures to show how much now remains unused of the $10,000,000,000 worth of lend-lease furnished to Russia? Are those figures available?

Mr. MEAD. It will have to say to my colleague that as yet those figures have not been furnished to our committee.

Mr. FERGUSON. But the figure of $5,617,000,000 just given by the Senator is out of the $30,000,000,000 furnished to Great Britain?

Mr. MEAD. Yes. I shall put the whole tabulation in the RECORD, but at this point I wanted to bring out the percentages which were at issue a few moments ago.

The unconsumed lend-lease totals $5,617,934,850. Then we find the following:

Offset: Total unconsumed reverse lend-lease, $65,190,000.

Net total unconsumed lend-lease, $5,552,144,850.

The amount to be paid to the United States for that was $472,000,000.

The percentage of cost we received for our original investment was 8.5 percent on the dollar.

Then there follows the item:

United States surplus property.

This differs from the original property.

Original cost of United States surplus in United Kingdom, $498,000,000.

The amount to be paid to the United States for that $498,000,000 in the United Kingdom settlement was $60,000,000.

The percentage of cost was 12. That is the percentage we realized on our original investment.

Mr. MAGNUSON. Mr. President, will the Senator from Delaware yield to permit me to ask the Senator from New York a question.

Mr. TUNNELL. I yield.

Mr. MAGNUSON. That is for everything?

Mr. MEAD. That is for United States property other than lend-lease.

Mr. MAGNUSON. That was the bulk sale; items of which may be worthless or worth something or have certain degrees of worth.

Mr. MEAD. That is correct.

Mr. MAGNUSON. Everything was thrown in.

Mr. MEAD. Yes. Now with respect to the materials in the pipe line on the way over or about to be shipped, the cost of lend-lease material in pipe line was $301,000,000.

The cost of reverse lend-lease in the pipe line was $130,000,000. That is an offset that is coming in this direction.

Net claims to the United Kingdom against our lend-lease account, $53,020,000.

Total offsets against pipe-line lend-lease, $183,020,000.

That leaves a net total of pipe-line material of $117,980,000.

Amount to be paid to the United States, $118,000,000.

It will be seen that we realized on the pipe-line material 100 percent of our cost, because, after reverse lend-lease materials were credited and claims were adjusted, we received in this bulk sale, according to this itemized account under the heading of Pipe-line material, 100 percent on our original investment.

And then finally, we find the items:

Transfer to United Kingdom, net total, $6,033,164,850.

Amount to be paid United States (in 50 annual installments, running to 2001 A. D.), $650,000,000,000.

That is the over-all. That represents what we received and the $6,033,164,850 represents what they received.

The percentage of recovery on the total transaction was 10.7 percent on the dollar.

Mr. BILBO. Mr. President, will the Senator from Delaware yield to me so I may ask the Senator from New York a question?

Mr. TUNNELL. I yield to the Senator from Mississippi.

Mr. BILBO. I appreciate that our beneficent Government, or someone representing it, gave away $25,000,000,000 worth of lend-lease, for which when we voted it the President assured us we would be paid, and then sold about $6,000,000,000 worth of surplus property to England for $650,000,000. I understand all that, and I want the people of this country to know about it. But the Senator spoke about UNRRA buying some of these goods. What kind of price is UNRRA paying for this war material? I want to know if UNRRA is getting as good a bargain as our English cousins got.

Mr. MEAD. No. I have the UNRRA figures in the report. It is my understanding that UNRRA is paying us a very substantial price for what they are purchasing. UNRRA is our best customer abroad.

Mr. BILBO. And there is no monkey business, so far as UNRRA is concerned?

Mr. MEAD. UNRRA purchased out of the British sale goods valued at $45,222,174, for which UNRRA paid $26,468,569. In other words, we realized 58.4 percent on the dollar in our sales to UNRRA.

Mr. BILBO. That is a wonderful showing in comparison to the other.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. MAGNUSON. I think the RECORD ought to be made clear, after the statement just made by the Senator from Mississippi. Is it not true that when UNRRA buys articles they buy articles that they need and can use?

Mr. MEAD. Selective articles.

Mr. MAGNUSON. Yes; and when we sold on a smaller percentage on the dollar to England we threw in everything; we threw in things which were worthless, things which they could use, and things of various degrees of utility.

Mr. MEAD. We sold material which would have cost us more to demilitarize and bring back to this country than it was worth. So in some instances we struck a good bargain in turning the material over to the United Kingdom.

Mr. MAGNUSON. It may be that in some instances we did not.

Mr. MEAD. Yes.

Mr. MAGNUSON. But there is a difference between the two transactions of which we are speaking.

Mr. MEAD. Over all we were extremely liberal, but there are some involvements that have not been brought out as clearly as they should, and I thank the Senator from Washington for making the point he has made.

Mr. MAGNUSON. I should like to ask the Senator from Delaware one more question. Did the Senator from Delaware and the Senator from California find great stores of goods throughout the Pacific in naval and military bases and in the ETO, and particularly Army bases, that had not been declared surplus, but were excess and merely lying around?

Mr. TUNNELL. We found large quantities that had not yet been declared surplus.

Mr. MAGNUSON. I will say to the Senator that I think, as a matter of fact, a part of this trouble also can be projected into the military, not particularly respecting surplus, but with respect to the great amounts of materials, such as steel, which are now lying around in Army and Navy bases and which the military is for some reason reluctant to declare surplus. There are in military and naval bases many kinds of steel which the military have not declared surplus. If we can jar some members of the military into action, so they will declare surplus some things which they can hardly project in their own minds they will use later on, we will have brought back to this country some of these critical materials. I know the Senator wants that to be done.

Mr. TUNNELL. The Senator is correct in that statement. I do not blame the military too much, because for a long while the military did not know what was to be expected of them. They did not know how long they were to be in the Pacific. They did not know whether they had to have these war materials and equipment. They hesitated, and in fact the first suggestion, as I remember, was that they keep sufficient material for 5 years.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. FERGUSON. The theater commander is greatly handicapped respecting what he should declare to be surplus or excess. If he were to retain sufficient material for 5 years, he would keep thousands of items, whereas if his forces were to be withdrawn immediately, he could declare almost all his material surplus and have it returned to this country. But the orders have not come from the top, giving him an idea as to what his job would be; and I think on many occasions he has not been able to determine what are surplus materials.

Mr. MAGNUSON. When I speak of the military I mean the policy makers at the top. I think they have been holding off and not issuing orders for the release of a great amount of material which the American public could use in reconversion.

Mr. MEAD. Mr. President, will the Senator from Delaware yield on the point just raised by the able Senator from Washington?

Mr. TUNNELL. I yield.

Mr. MEAD. The suggestion is that the military is not declaring these surpluses rapidly enough. That suggestion was more applicable up until the first of the year than it is today. Our committee has worked very closely with the military and naval authorities; and I

think the record will show that surpluses are being declared by them very rapidly. But the disposition of surpluses after they are turned over to the War Assets Administration is slowed up. Why that is, is another subject entirely. It may be involved in the several reorganizations which have taken place. In the opinion of some it is the result of legislation which established both a policy-making board and an administrator. That situation has now been cured, and the activity is all housed in the same agency and under the same head.

However, I feel that the military and naval authorities in this country should be complimented because of the manner in which they are expediting the declaration of surpluses. I am sorry that that could not be said all along the line, because there is a serious bottleneck which impairs the progress of our economy. That bottleneck arises because of the presence of critical items in the depots and warehouses, rather than in the field where they could be helpful to us in reconversion to normal peacetime production. I am afraid that such materials will become all too available when the market is being inundated by private enterprise.

Mr. MAGNUSON. At the wrong time.

Mr. MEAD. Yes. Then they will hurt the economy rather than lend assistance.

Mr. TUNNELL. Mr. President, I should like to say just a few words in regard to the points which have been rather cursorily discussed.

With reference to UNRRA, everywhere throughout the world we found that UNRRA was the best customer we had. That statement applies not only to the quantity it takes, but the price which it pays. So I do not believe that any just criticism, expressed or implied, can be made of the position of UNRRA with reference to these surpluses.

With reference to lend-lease, I should like to clarify the suggestion in that connection. I do not know how the Senator from Mississippi [Mr. BILBO] might have understood it, but I never thought that there was to be any real repayment of lend-lease. The only theory on which I voted for lend-lease, and the only theory on which I would vote for it again, is that I believed it to be beneficial to the United States of America. Therefore I favored it. I believe that we did the right thing. When $25,000,000,000 or $30,000,000,000 was put up for lend-lease, I am not sure but that it saved, in actual dollars, many times that amount. Certainly the saving in lives was worth far more than that amount.

Mr. BILBO. Mr. President, will the Senator yield for a question?

Mr. TUNNELL. I yield.

Mr. BILBO. Has the Senator ever heard of President Roosevelt's statement that lend-lease—after taking into consideration reverse lend-lease, of course—would be paid back to this country in the kind and class of materials and goods which we gave in the process?

Mr. TUNNELL. I do not recall that I thought at the time, or that I have ever thought at any time since——

Mr. BILBO. I am not talking about what the Senator thought. I am asking him if he ever heard what President Roosevelt said about it.

Mr. TUNNELL. Does the Senator want me to tell him what someone else thought? I am trying to tell him what I think.

Mr. BILBO. I simply wished to know whether the Senator had ever heard of the fact that the President assured Congress that lend-lease would be paid back in the same kind of material which we were giving to the British.

Mr. TUNNELL. I have heard the Senator talk about it, but I have never understood that the President ever thought that it was to be paid back dollar for dollar. It was not a loan.

Mr. BILBO. He did not say that. He said that it would be paid back in materials.

Mr. TUNNELL. I am not sure but that the blood of American boys is material of value.

Mr. BILBO. I do not understand the Senator's observation.

Mr. TUNNELL. I do not know whether the Senator understands or not, but I think the American people will.

So far as UNRRA is concerned, its operations have been aboveboard, and the deals which have been made have been fine. So far as lend-lease is concerned, I am satisfied with the agreement which was made with Great Britain as to lend-lease. I believe that we used it for a purpose which resulted in benefit to the United States; and I do not think there is any use in criticizing either Great Britain or ourselves in that connection. There are plenty of things about which we can criticize Great Britain, perhaps, but I do not believe that that is one of them.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. KNOWLAND. While the Senator is discussing the fact that UNRRA has been our best customer for overseas surpluses—which, of course, is a fact—I believe it should be pointed out that of the funds which UNRRA has, approximately 71 percent is donated by the Government of the United States.

Mr. TUNNELL. That is correct; but UNRRA is taking from us goods which are for sale or for disposal, and, under all the circumstances, is paying a reasonable price for them. So I do not believe that that is a matter for serious criticism.

I wish to touch upon one other subject which has been brought up in the discussion, and that is the idea of getting our surpluses disposed of so as to get our boys home. I think that is an exceedingly important subject. I do not like the idea of keeping millions of boys overseas to guard surpluses which are deteriorating, and which in many instances were half worn out before the war was over. I am referring to jeeps, and many kinds of machinery which were used in the war. Those articles have served their purpose, and the time has come for us to get our boys home, wherever they are being maintained for the purpose of guarding so-called surpluses. If we must take less than things are worth—which we shall have to do—let us do it. Let us get rid of them, and in no case keep an American Army on foreign soil for the purpose of guarding rapidly deteriorating surpluses.

Mr. President, I am almost finished. I thought I was finished an hour ago.

As can be seen from the figures to which I have referred, the civilian type surpluses aggregate nearly $3,000,000,000. Of course, much of the $3,000,000,000 worth of surpluses are types of items which would not be helpful to our economy and returning them here would only adversely affect the market in those items. However, it is also very plain, although accurate statistics as to exact quantities are not yet available, that among the $3,000,000,000 worth of civilian type surpluses abroad there should be sizable amounts of building materials, construction machinery, and other items which would be very useful to our economy.

Mr. President, from all the information which I have been able to obtain, there need be no fear that the return of this material will glut the market. The present rate of production of critically short building materials and critically short construction machinery is so low and the demand is so great that it is estimated that it will be 2 years before the rate of production can possibly catch up with the demand.

From the point of view of meeting critical programs, furnishing necessary housing and other building, from the point of view of furnishing employment, from the point of view of combatting inflation, and from the point of view of obtaining the maximum return to our Government for its investment in these surpluses, I cannot see how there should be any doubt about the action which should be taken by the Office of War Mobilization and Reconversion in this matter. I think that agency should be severely censured for failure to take positive, forthright and effective action up to this time. I hesitate to characterize failure to take action from this point on.

Mr. KNOWLAND. Mr. President, I wish to give my support to the statements just made by the senior Senator from Delaware, and I would like to add a few comments of my own on this same vital matter.

I am privileged to be a member of the subcommittee of the Mead committee which recently returned from a round-the-world inspection trip. I have seen with my own eyes vast quantities of urgently needed civilian-type items scattered all over the world. The items on the list of March 11, 1946, which has been mentioned by the senior Senator from Delaware as being a compilation of critical commodities whose return to the United States from surpluses overseas was recommended where they were in new or serviceable condition, are all in tremendous demand in this country and are desperately needed in the civilian economy now trying to recover from a long and painful war.

Some of the items on this list which are so sorely needed are asphalt roofing, cast-iron soil pipe, and all species and sizes of lumber, in the field of building materials. Fractional horsepower motors, in the field of supplies needed by

small businesses which are reconverting to civilian production; and work shirts, overalls, and coveralls for the workingman in industry and on the farm across the Nation. The Army and the Navy have not yet been able to inform the committee of the quantities of these and other items on the list of March 11 which they have in stocks overseas, but we know full well that quantities of any size which are returned afford relief to the economy of our Nation.

For example, the committee has been informed by the Civilian Production Administration that the estimated present rate of production of asphalt roofing of all types is about 69,120,000 squares annually. The estimated demand during 1946 for these types of roofing, which will be used extensively in the veterans' housing program, is 72,175,000 squares.

Cast-iron soil pipe is being produced at present at the rate of 324,000,000 tons annually. While the peak rate of production obtained in prewar years was 564,000,000 tons per year, the estimated demand for this item during 1946 is 645,000,000 tons. There is little doubt that a large percentage of this cast-iron soil pipe will also go into the veterans' housing program, where it will be badly needed during 1946 and for several years to come.

Current production of all species and sizes of lumber is at the rate of about 27,500,000,000 board feet per year. The estimated 1946 demand is 36,700,000,000 board feet.

While we all recognize that the stocks of the Army and Navy should not be reduced, either in the continental United States or in overseas installations, to a point which would require their going into the open market in the United States in competition with private business, I believe that all will agree that these stocks should be reduced to the absolute operating minimum.

Mr. President, small business in the United States has been engaged for several months, and is currently in the process of retooling and otherwise refitting its shops and factories for the production of countless items for civilian consumption. The future health of our country's economy depends in large part upon the ability of this segment of American business to obtain needed supplies for this process of retooling.

One of the items most needed is a great quantity of fractional-horsepower motors, needed to drive the tools in these factories and shops. The current production of fractional-horsepower motors in standard sizes and types is at the rate of 850,000 units a year. Our peak rate of production during prewar years was attained during 1 month in 1941 at a figure of 1,546,000 units. The Civilian Production Administration estimates that pent-up demand in 1946, including orders placed and accepted and estimated orders not yet accepted, totals 30,000,000 of these fractional-horsepower motors. Such motors would carry a value of $220,000,000, as compared with our present rate of $6,240,000 of motors annually.

Across the Nation, on the farms, in the woods, and in the factories, large and small, the workingman needs clothing for his day-to-day wage earning. The Civilian Production Administration has estimated for the committee that workshirts of all materials are presently being produced at the rate of 4,850,000 dozen per year. The peak production of these shirts during prewar years was at the rate of 6,850,000 dozen, but the estimated demand for the year 1946 is at least 7,000,000 dozen. Overalls of all materials are being produced at the rate of 3,600,000 dozen annually, but the 1946 estimate demand is 5,000,000 dozen pairs. Coveralls, largely used by the factory worker, are being produced at the rate of 500,000 dozen pairs per year, while the estimated demand for 1946 is 600,000 dozen pairs.

Mr. President, there is no doubt in my mind that large quantities of the items which I have mentioned are contained in stocks of the Army and the Navy in its hundreds of overseas installations. This was recognized through the issuance of the critical list mentioned by the senior Senator from Delaware.

The Mead committee is now seeking to obtain the statistics on quantities of some of these items which are located abroad. In my opinion, these are facts which should have been ascertained by the Office of War Mobilization and Reconversion many months ago. Apparently that office made no effort to ascertain such facts.

When these figures are obtained, I will urge that the committee make them public immediately, in order that the executive departments and the people of the country generally may understand exactly what they have been deprived of through the inaction of the agency responsible for protecting and advancing the interests of our domestic economy.

I also wish to emphasize the point made by the senior Senator from Delaware that although there has been procrastination and delay in this matter, there still remains an opportunity to accomplish some good, if action is now taken forthwith. According to the information received by the committee from the War Shipping Administration, anything that can be loaded on vessels between now and July 1, 1946, especially from the European and Mediterranean theaters, will be returned by the War Shipping Administration to this country for the Army and the Navy without a freight charge. That leaves us approximately 60 days in which to take advantage of this economy in shipping. I also wish to emphasize that the War Shipping Administration has stated to the committee that they can move any quantity that the Army and Navy are able to load aboard their vessels.

If this problem is attacked with a will, we still can achieve great benefit to our domestic economy; and I personally urge the Office of War Mobilization and Reconversion, in spite of past performance, to attack this problem immediately and vigorously and enlist the enthusiastic cooperation of the services in rapidly loading the vessels which are available with the materials which are needed in our domestic economy so desperately.

In closing, Mr. President, may I say that I consider it to be a grave dereliction of duty that the Office of War Mobilization and Reconversion has not seen fit to tackle this problem with vigor and constructive action. A policy should have been established long ago so that these urgently needed supplies could be fed back into our economy. The United States is now in a crucial transitional period. The millions of dollars' worth of critical civilian-type items now rusting or rotting in foreign areas must be returned promptly. Otherwise we cannot hope to push forward our vast housing program. We cannot provide the jobs nor can we stave off the inevitable maladjustments and crises that are sure to arise if our citizens are denied the tools and materials with which to work. We can ill afford to have scarcity amidst rapidly rising prices much longer.

Mr. BARKLEY. Mr. President, I have just been handed copy of a release issued by Mr. John W. Snyder, Director of War Mobilization and Reconversion, with reference to matters which have been discussed today by the Senator from Delaware [Mr. TUNNELL] and the Senator from California [Mr. KNOWLAND]. Mr. Snyder states that it was always the earnest desire of his office to cooperate with the Special Committee To Investigate the National Defense Program. I have not had a chance to read the release in full, but I ask unanimous consent that it may be inserted in the RECORD following the remarks of the Senator from California, whose remarks followed immediately after those of the Senator from Delaware [Mr. TUNNELL].

There being no objection, the release was ordered to be printed in the RECORD, as follows:

In answer to questions raised by the Senate War Investigating Committee, John W. Snyder, Director of War Mobilization and Reconversion, reported today on actions taken by his office to expedite the return of critical surplus items from overseas.

To date, a total of 163 Army and Navy vessels have returned or are en route from the Pacific with cargoes of surplus material, a large proportion of which consists of critically needed civilian-type items, Mr. Snyder said. Of these, 95 are Navy ships and 68 are Army ships. An additional 122 ships returning critically needed surplus materials will arrive by September 1946. This means that between February and September, 1946, a total of 285 Army and Navy vessels will have arrived from Pacific ports with a total cargo of 2,000,000 tons of surplus materials, the major portion of them new or serviceable items usable by civilians, Mr. Snyder said. Among the items returned are: new lumber and other building materials, machine tools, construction machinery, automotive maintenance equipment, laboratory instruments, medical instruments and equipment, storage batteries and electrical equipment, and scarce metals.

This record has been made possible by the following actions taken by the OWMR:

1. On January 23, Mr. Snyder issued instructions to the War Department to return to the United States 31 ships predominantly loaded with civilian-type items of surplus. These ships had never been unloaded, and had been at anchorage for several months.

2. On February 18, Mr. Snyder instructed the War and Navy Departments to ship back to the United States from the Pacific all civilian-type items, except those which were declared surplus locally for sale within a reasonable time, provided the items were new or in serviceable condition. To expedite the disposal of this surplus in the United States, instructions were given to make up ship loads of the same or similar type materials, and to fly back manifests of ship cargoes to the United States in advance.

3. On February 18, 1946, Mr. Snyder created an Interagency Committee, under the chairmanship of a representative of the Civilian Production Administration, to prepare by March 5 a list of critical items that should be returned, for the guidance of commanding officers in the Pacific.

4. On the same date, Mr. Snyder instructed the War Assets Administration to hold special prompt sales of this property on its arrival in the United States.

5. On March 1, the Interagency Committee presented its list of critical items, which the War and Navy Departments forwarded to commanding officers. This list was revised on March 14 to include additional items. The Committee remains in existence, and adds or removes items from the list as the situation warrants.

Following is the schedule of ships already returned or soon to return from the Pacific with cargoes of critical surplus materials:

Return of Army ships from Pacific with surplus materials

	February	March	April	May	June	July	August	September
Already returned: Pacific Ocean anchorage (subtotal)	5	23	3	--	--	--	--	--
To be returned from—								
Hawaii (subtotal)	--	--	--	5	3	3	2	--
Japan-Philippine area	--	--	11	9	17	12	8	9
Maranias area	--	--	3	3	3	3	3	0
Guadalcanal-Noumea area	--	--	3	3	3	3	3	1
Subtotal	--	--	17	15	23	18	14	10
Total	5	23	20	20	26	21	16	10

Return of Navy ships from Pacific with surplus materials

Number of ships:	
Arrived to date	22
En route	73
Loading in forward areas	18
To be loaded	31
Total	144
Monthly schedule:	
March	11
April	11
May	40
June	40
July	20
August	12
September	10

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. SALTONSTALL. Mr. President, we are now considering whether or not to make a financial agreement with England. We must decide first what is best for our country and our citizens and, second, what are our responsibilities as one of the two strongest nations on the face of the earth today.

As in other problems that will be facing us in the days to come, we must recognize our inherent strength. We must acknowledge to the world our faith in the future of the United States. We must remember that the respect in which we are held by other nations depends upon our confidence in our own ability to understand their problems and to assist them when they need our help. They want us to learn to understand their problems, and they want to be able to place their confidence in our strength, not only physically, but morally and economically.

Our strength at home lies in our economic resources, our well-being, and our military power. Our economic strength depends upon the safety and security of the world, not only physically but economically as well. Freedom from want and freedom from fear were two of the freedoms announced in the Atlantic Charter, but are yet far from a reality. We have faith in the United States. We have faith in its future. Certainly, no Member of this body would sell the United States short today. Faith in our future grants us certain privileges and involves us in certain responsibilities.

I believe that we must look upon this financial agreement with England as much more than merely a credit or loan. It is a means of further bolstering our security and economic well-being by increasing the chance for a more prosperous and financially sounder England, and, through the British Commonwealth of Nations, a stronger world. This agreement is an effort on our part to procure a more prosperous United States and thus create more jobs and opportunities for our citizens at home. It is from this background that I look upon this present problem.

England, with sweat and blood and tears, held the fort against the domination of evil forces until we were ready with guns and tanks and men. England's economy has suffered tremendously. The ravages of war fell upon the homes and industries of England. The war left the people of England a tired nation. In the words of Marriner Eccles, Chairman of our Federal Reserve Board, "They need a blood transfusion to help them regain their international economic health." To restore their foreign trade, which forms and gives them the basis of economic security at home, they need our financial help.

England has always been dependent on her exports for her livelihood. Any unfavorable balances of trade have previously been met by income from securities and all types of investments made abroad. England has always been a creditor nation. Today she is a debtor nation. To tide her over the immediate future she needs a credit in dollars. Dollars are required by her to set her wheels of industry turning in order that she may get the raw materials with which to produce exports and thus get her own credits in the world at large.

When you and I make a loan, there are at least three motives that may impel us to do so. First, to help ourselves get business; second, to put our money to work on an investment basis; and, third, to assist a friend who needs our help.

In making this credit to England, we can immediately eliminate the second reason for making a loan. We have no money to put to work on an investment basis. The United States has the heaviest debt in its history. It has no idle funds that it wants to put to work.

I have just said that none of us wants to sell our country short. We must have faith in our future, faith in our ability, and faith in the ability of the nations of the world to work with one another for their own economic well-being. If we have not this faith, then certainly we must not act favorably on this agreement.

In my opinion we are granting this credit for the most part to get business for ourselves. We believe it is good business to do what we can to try to restore the sick and anemic trade in the world to a sound and profitable basis. Our reason for making this loan is to help get business for ourselves throughout the world by helping our neighboring country—England—reestablish itself on a sound economic basis.

Before the war the British Empire purchased 42 percent of our exports. Of this amount, England alone purchased 17 percent. England and the British Commonwealth of Nations were our best customers. We hope to average in this country an annual national income of at least $140,000,000,000 a year. If we do not we shall have difficulty in meeting our tax bills. We hope that in 1946 this figure may be nearer $160,000,000,000 a year. This estimate is based on Treasury calculations of income-tax payments made in March. But to reach this income annually, we must export goods and machinery.

We produce in this country more goods and machinery than we can sell to our own people. The little difference between a good year and a fair year to us in the United States depends to a considerable extent upon the comparatively small percentage of our products which we export. The export of from seven to ten billion dollars' worth of our production may make just that difference. That may not be true this year or next year because of the shortages created by the war, but it will again become true; and when it does, we want to be able to trade throughout the world. England has been our best customer, and it is to our advantage as a businessman to make it possible for her to continue as our best customer. We want these goods and machinery to be paid for in due course.

England today is a debtor country. England today needs credit. England, like ourselves, wants to eliminate the sterling bloc. The sterling bloc prevents her from trading freely with the world. The sterling bloc prevents us from trading with many parts of the British Commonwealth of Nations and also with other sterling areas of the world. We need to eliminate it. We want to trade with the members of the British Commonwealth of Nations. We want to trade with the other nations of the world. It is to our advantage to have the dollar more broadly used in international affairs.

Today there are countries which deal internationally in the pound sterling. We want those countries to deal in the American dollar as well as in the pound sterling. If this agreement is consummated and a greater economic stability is established, we expect England to carry out its understanding and permit further dollar credits in the international trade of the world.

The potential possibilities of trade with the rest of the world are enormous. Our citizens represent only 5 percent of the population of the world, and yet before the war we created about 45 percent of the industrial wealth of the world—and today, even more. If peace can be maintained, the so-called backward countries of the world can be brought to a higher standard of living than ever before. This does not mean they will necessarily take business away from this country. It means, rather, that we shall greatly expand the opportunities which we have to deal with those countries. The machine tool, for instance—and many are made in Massachusetts—is the basic commodity of all industry, and more than 50 percent of the machine tools we manufacture are exported. Prosperity and a higher standard of living in the other countries of the world will go a very long way toward expanding and maintaining our own prosperity.

As a world power, our opportunities in the future world are great; but they can be fully realized only by increasing the number of countries that will deal directly with us in dollars, and not indirectly in the pound sterling.

Then there are the members of the British Commonwealth of Nations that have their mutual trade agreements with England. We want to get a fair share of their business. To accomplish this result we are extending this credit to England and are asking as one of the conditions of the business deal that we, in due course, get an opportunity to deal directly with these nations on an equal basis with England.

The war has forced England to incur, in the form of frozen sterling balances, foreign obligations to the extent of approximately $12,000,000,000. These are sterling balances; and until a medium is found by which they may be exchanged for dollars, our trade is largely excluded from this so-called sterling bloc. England and her Commonwealth of Nations, as well as the other sterling areas of the world, unless they can find some method by which these sterling balances can be converted into dollars, must necessarily protect their sterling credits. That protection takes the line of expanding the so-called sterling areas in which trade is conducted in sterling, and dollars are excluded from that trade. This forces the world into a competitive system between the countries that trade in dollars and the countries that trade in sterling. Such competition can only end in furthering disagreements and economic uncertainties. The obligations which we have incurred in the shooting war which has just been ended demand our best effort to restore the world to a healthy economic trade basis.

I have stated that a third reason for extending a loan or credit may be to help a friend. We want to remember that while England owes much to us, we owe much to the fortitude of the English which held the fort in the dark days of 1940 and 1941. England and ourselves are the great English-speaking Nations of the world. We hope that we shall always be good friends. We hope, too, that we may be strong competitors for world trade, and thus stimulate a better world economy.

There are many reasons why we might not make this agreement, but we must always remember that oftentimes the loans which help us the most and give us the greatest satisfaction are the ones which gave us the most anxiety and created the greatest doubt in our minds when we made the decision to execute them.

The alternative to making this agreement is to refuse it. In future years I do not want to find myself in the position of having refused to help make this agreement possible, and then learn that our citizens in this country have lost jobs because we have lost trade through sterling blocs and sterling areas established by England to regain her own economy. I do not want to take the chance of such an economic collapse in England that the peace of the world may be endangered. Such a collapse can only result in injury to our own citizens and our own economic future here in the United States. We cannot be economically prosperous here with England's economy in chaos.

Three billion seven hundred and fifty million dollars is a very large sum of money, but not too large when it is compared with the present annual income of this country. This sum could undoubtedly be used for other purposes within the United States. We want to balance our budget. We want to cut our expenses. But we must decide whether in the long run it will be of greater advantage to us and our future well-being in the United States to extend this credit to Great Britain. The question for us to ask ourselves is, Will the making of this agreement create more jobs and bring more income and higher standards of living to us here in the United States than to refuse it or to use the money for other purposes within our own borders?

I have wondered many times why it was not a misnomer to call this a British loan or credit agreement. It has seemed to me that this was a poor method of salesmanship on the part of our administration. It has seemed to me rather an investment in the future prosperity of our country. It is a credit that we are advancing for a comparatively short time when we compare 50 years with the future growth and life of the United States. A prosperous United States depends upon the security and prosperity of the world. The prosperity of the world depends upon the countries of the world trading with each other. We live today in a sick world which has yet to make an established peace. We can never expect to make a satisfactory peace with people who are hungry, with people who are economically sick, with people who cannot look beyond the day in which they live because of their own hunger, and their inability to buy the necessaries of life.

After the First World War we did not join the League of Nations. We did loan large sums of money privately and publicly to other nations, and to private groups in other nations. At the same time we maintained high tariff walls around this country. We allowed our Army to become impotent. We permitted our Navy to lose its effectiveness as an up-to-date fighting force. We refused to arm the bases that might have helped secure the safety of our country. We completely failed to develop an air force. Now the shooting part of the Second World War has been won. After VE-day, and even before VJ-day, we joined the United Nations. We have a present policy tending to improved trade relations. We have joined the world bank and the monetary plan conceived at Bretton Woods. We now have the most powerful navy in the world, and a strong army. In industry we are the acknowledged leader in the world, and one of its two most powerful nations. Thus certain responsibilities as a leading world power have devolved upon us. The agreement which we are now debating is one of the problems that we face as a world power.

If we approve the agreement, time alone will tell whether we made a mistake in doing so. Likewise, if we refuse to approve it, only time alone will tell whether we were right in doing so. I prefer to accept the philosophy of going forward along a course not well charted but at least intended to lead to a more peaceful and prosperous world with better opportunities and more jobs for our citizens, than to approve the philosophy that we have done enough and that it is not necessary for us to go along with another new, but uncertain arrangement.

I believe that in our consideration of this whole problem it is not so much a question, Can we afford to make this agreement? but, rather, Can we afford not to make it? I shall vote in favor of the pending joint resolution.

Mr. SMITH. Mr. President, it has been a great gratification to me to find myself in accord with the distinguished Senator from Tennessee [Mr. MCKELLAR], who spoke earlier today, and with the distinguished Senator from Massachusetts [Mr. SALTONSTALL], who has just completed addressing the Senate with reference to the British loan.

The remarks which I am about to make on this subject were prepared by me more than a week ago, and before I had heard the addresses which were delivered by the distinguished Senator from Michigan [Mr. VANDENBERG], and the distinguished Senator from Ohio [Mr. TAFT]. I am glad to record here my appreciation of the splendid analysis of the subject which was made by both Senators. Of course, inasmuch as they arrived at different conclusions, it may be of interest to point out that we have before us a subject which is amenable to different interpretations. In my judgment, individual interpretations depend largely on the point of view which each of us takes in approaching the entire matter.

Mr. President, I shall vote in favor of the British loan with the positive conviction that it is a "must" in the general international trade policy of the United States, and that such policy is a part—an essential part—of our policy to cooperate in all measures supporting collective security and world peace. Whatever our past policy of international relations may have been—call it isolationism, self-sufficiency, or nonentanglements—

we are now truly one world in this new and unexperienced atomic age.

I wish to digress for a moment to emphasize how important I believe the atomic age to be in connection with this controversy.

The British loan, as I see it, is another milestone on the road to peace, just as was Bretton Woods and the United Nations Charter—just as is our support to UNRRA and world rehabilitation—just as is our determination to help save the starving millions. Each successive crisis must have our sympathetic understanding and aid.

We have committed ourselves to a policy of international economic cooperation, to the end that problems affecting the economic relations of countries may be dealt with through discussion and agreement rather than through economic force. Our policy has two aims: First, we wish to see world trade, as a whole, expand so that all countries can share; second, we wish to see eliminated economic warfare—a warfare which in the past has been an important contributing factor to armed conflicts.

We have endorsed these objectives by our approval of the Bretton Woods monetary stabilization program which aims to give businessmen of all countries access to world markets on fair and equal terms.

We want no more economic blocs, no more trade embargoes, no more quota restrictions, no more currency depreciations, no more blocked currencies.

Aside from the essential importance of expanded, over-all international trade to strengthen the forces which unite peoples, we in the United States have a very special and selfish interest. No country will profit more than will we by the removal of the economic barriers that divide people. We have become the great creditor nation, and it has given us the challenge to try our hand in world leadership in finance and trade. Will we use this great opportunity to help other nations to help themselves and to help raise world-wide living standards in which we would inevitably share? Or do we want to see the world drift into separate economic compartments, each compartment striving to maintain a bare existence?

Are we looking up and across the mountains through a telescope, or are we looking down with a microscope at the obstacles immediately under our feet?

I am not unmindful, Mr. President, of the great danger of oversimplification of the issue. I am aware of the complexities of the problem. I do not claim any expertness in international money matters. I know that $3,750,000,000 is a staggering amount of money. I have no way of convincing myself definitely that this loan can ever be repaid, although I am confident that it will be if we continue on the road to world peace. I must ask myself whether we can afford to make this further investment in our faith in the ultimate success of the United Nations program to maintain that peace, and to create a cooperative rather than a destructively competitive world.

Where does our national interest lie?

Let me review the situation somewhat more in detail.

In simplest terms, as I see it, the question is whether we should extend to Great Britain a credit of $3,750,000,000—plus $650,000,000 in payment for lend-lease balances—in return for her promise to repay principal with interest over a 50-year period starting at the end of 1951, and her pledge to give the fullest possible support to the kind of world trading system which it is the declared policy of both the United States and the United Nations Organization to promote. That promise is the essence of this proposal.

The sum we risk is great, as I have said, but financial risks have meaning only when related to resources and when considered in terms of alternatives. The line of credit provided by the loan will amount, at most, to a claim on two-fifths of 1 percent of our gross output for the 5- to 6-year period over which it may be used. I am not belittling the amount, but I desire to relate it to the over-all picture which the Senator from Massachusetts has just shown of what our output may be in the next 5- or 6-year period. The interest rate charged, while moderate, is higher than our Treasury is paying upon current borrowings. The risk entailed seems to be within our resources as a creditor. In the considered judgment of the American and British technical experts who worked over the intricate accounting for many months, the amount and terms offered will suffice to allow Britain to relax her system of foreign trade restrictions, and to expand exports sufficiently to pay her debt commitments.

What is the alternative? I think this is most important for us to consider.

Without the loan, Britain appears to have no recourse but to maintain and extend the system of bloc trading which she adopted under stress of world depression and world war. If Britain follows this course, as pointed out Monday by the distinguished Senator from Michigan [Mr. VANDENBERG] she will carry with her a large part of the sterling-area countries—all British Commonwealth and Empire countries—except Newfoundland and Canada—plus Egypt, Iraq, and Iceland, and many of the nations with which the United Kingdom has payment agreements, Argentina, Bolivia, Brazil, Chile, Paraguay, Peru, Uruguay, Belgium, Czechoslovakia, Denmark, Finland, France, Netherlands, Norway, Portugal, Spain, Sweden, and Turkey. That is worth pondering.

Altogether, the United Kingdom's area of sterling activity accounts for more than half of the world's imports and exports combined. It likewise is crucial to the trade of the United States. In the years immediately preceding the war, the sterling area and payment-agreement countries provided about one-half of both the import and export trade of this country. This is vitally important to us, from a purely selfish standpoint.

Russia undoubtedly will continue to conduct her foreign commerce exclusively upon a state trading basis. Before the war, the Soviet Union transacted only a little more than 1 percent of foreign trade business, but its future sphere of influence will be large; it may embrace as much as 30 percent of total international trade. Let us think of that, the sterling area on the one hand, and Russia on the other, with two different concepts of trade, the British desiring to get rid of controls in order to open up trade, and Russia offering a state trading proposition.

If the weight of British influence in foreign trade is thrown toward the Russian pattern rather than toward ours, it is apparent that bloc trading, with its bilateral deals, exchange controls, import and export quotas, subsidies, currency manipulations, and the like, will be the prevailing pattern for foreign transactions. It is a contest between a state trading closed system and an open free economy.

In self-protection, the United States would have no alternative but to conform to the dominant pattern. Should the dominant pattern be state trading, we should be forced to form our own bloc, and to enter into active economic warfare in bidding for trade concessions against the offers of our rivals. How well we would do this is problematical.

Under a system in which political and economic motives are fused, a democratic nation, and particularly one with a tradition of freedom in its domestic enterprise, would operate at a disadvantage. We should inevitably be driven toward more and more Government control.

With a pattern of foreign trade in which our exports regularly are greater than our imports, our bargaining position in international trade is weaker than our economic strength suggests. Under state-controlled trading we should still find it difficult to compete successfully without resort to loans. Under such conditions our loans would be supporting a system alien to our interest and economic convictions. The loan we are discussing today is a loan in line with our economic convictions. There is a difference.

Under a regimented system which made economic decisions subservient to political considerations, it seems reasonably certain that the volume of world trade would shrink. The standard of living in the United States would suffer in common with others. We would be forced into a drastic curtailment of certain war-expanded parts of our economy, at the very time when a large portion of the world was most in need of our products.

It seems safe to predict that in the years immediately ahead from two-thirds to three-quarters of all international trade will be transacted either in pounds or dollars. If both the United States and Britain are united in a determined effort to restore competitive world markets, to which buyers and sellers alike have access without discrimination, that will be the dominant system of foreign trade.

I wish to emphasize that, Mr. President, because it is the key to my whole argument. If both the United States and Britain are united in a determined effort to restore competitive world markets, to which buyers and sellers alike may have access without discrimination, that will be the dominant system of foreign trade. If the sterling group is com-

pelled to continue a closed bloc, our singlehanded effort cannot preserve the trade pattern that we believe offers most to us and to the world.

No one can accurately measure the costs to the United States of refusing the loan and accepting the consequences. But unquestionably dollar and cents cost to us would be far greater than the sum risked in the proposed credit. We would lose through the shrinkage of our trade, through the wrench of violent readjustments in our production programs, and eventually through the curtailment of our over-all output below what it would be under an open rather than a closed system. We would lose heavily in our freedoms under a procedure that can be followed with success only by a close regimentation of procedure as well as trade.

Most of all, we would lose an opportunity for aggressive, helpful leadership. We would be saying to the world that we are still unprepared to accept a responsibility to which our giant stature as the possessor of almost half of the world's economic capacity calls on us to accept. So I ask in all seriousness, shall we let the world down now, in the face of that challenge?

There has been some disposition in this country to regard the loan to Britain as charity. I submit that this is not the case. We are not called upon to act as Santa Claus. We are called upon rather to act as doctor to a sick patient.

The kind of economic system we want has never functioned and cannot operate now without a lender. The doctor is the lender. He gives the lifesaving injection. For many decades prior to World War I Great Britain filled the creditor-doctor position to many countries. In 1913 her foreign investments totaled $19,000,000,000, and she not only made such transactions pay, but they proved her salvation through two tragic world wars. Her credits helped in the industrial development of a large segment of the world, including our United States. And now, of all the nations in the world, only the United States can take on this responsibility.

But let me point out that the loan is not a one-way street. Britain put a substantially greater proportion of her relatively meager resources into the war than we did, and dissipated a large share of her foreign holdings in the process, while accumulating an outside debt of devastating proportions. On a per capita basis her internal debt is greater than our. Consequently, many Britons feel that the terms of the proposed loan are too rigorous. But the majority believe that the present offer gives a fighting chance to restore the system of world trade that we and Britain both want, and upon which the World Bank, the Monetary Fund, and the International Trade Organization under United Nations leaderships are based. Without our loan this whole program may fail. Its failure may well take us down with it.

The loan is not without precedent. Canada already has provided for a loan to Britain of $1,200,000,000. This amounts to almost a third of the pending proposal, although Canada's population is less than 10 percent of ours, and her income is little more than 5 percent of ours. And Canada has closer economic ties to us than to Britain.

The way to help remake the world at this moment in our history is to lead. Nothing could be more ineffective than to go halfway toward establishing the economic order in which we believe, and then withhold an immediate opportunity to make it work. Failure to approve the loan to Britain will be a default in our leadership. I a moment of great crisis, we must act, and act promptly. To fail Britain now may well be interpreted as our judgment that Britain is through. I am unwilling to make such a judgment.

Does this loan set a dangerous precedent?

I may say, Mr. President, that I asked a number of my banker friends about that, and I have received replies which I have tried to consolidate into an answer to the question, Does the loan establish a dangerous precedent?

With the Anglo-American agreement awaiting approval by Congress, it is well known that other countries are, or soon will be, knocking at our door. No doubt most, if not all, could obtain credit in reasonable amounts through the Export-Import Bank, the International Bank to be set up under Bretton Woods, or, in a few cases, regular market channels. Will the lower interest rate and other special considerations of the British loan be regarded as setting a precedent, encouraging other countries to expect similar treatment?

There is a real danger. There is, however, no proper analogy between the case for Britain and that for any other country. Quite apart from the natural feelings of friendship that exist between the two great English-speaking democracies, the compelling argument for Britain is that country's outstanding importance as a great center of world trade and finance on which many other countries depend. Without a freely convertible sterling there will be scant hope of achieving the multilateral trading system which has been the traditional goal of this country. Of no other currency save the dollar is this true to anywhere near the same extent. Not on the basis of sentiment, or of looking backward, but on the basis of our own interest in world-trade recovery, the British position is wholly exceptional.

But I believe that we may be called upon to assist other nations within the reasonable limits of our resources. We are certainly justified, however, in demanding that future loans to other countries must offer: First, comparable security; and second, comparable cooperation in supporting an international trading world in which we believe. We probably shall be glad to assist other countries in helping us set up such an organization in the trading world, and certainly, as has been brought out in this debate, the kind of political system that means freedom for oppressed peoples. If those conditions could be met, I would find myself in favor of helping other nations to the extent of our ability.

Let us bear in mind that Britain and the United States have legitimate essential interests in common. We both depend on an expanded world trade for maximum employment for our respective peoples, and both are in agreement as to how to bring this about.

Let me sum up my conclusions.

While we are making a large loan to Britain, it is repayable and, in my opinion, it will be repaid if we can restore a normal world. While the interest rate is low, it is as high as could be made in light of Britain's economic condition. On the part of the United States, we get assurance of the following things which are of vital importance:

A trade war, involving currency manipulation, import quotas, embargoes, subsidies of various kinds, will be avoided by the major trading nations;

Trade blocs will be discouraged in the United States-British trade areas, where our largest foreign trade is carried on;

The so-called British Empire preferences, which mean discrimination in favor of the British Empire against other countries, will not be extended and will ultimately be removed;

Currencies, under United States-British leadership, will gradually be stabilized on a modified gold-exchange basis and the United States and Britain will stand together against the race to revalue currencies;

New trade opportunities for the United States will be opened up because the dollars earned by British Empire countries must be spent in the United States, and under the arrangement will be free from any British control.

In conclusion, Mr. President, as I analyze the advantages to us, after conferences with administration officials and other financial experts, the United States is to be given its chance to try its hand in world leadership in finance and trade. It is to have assurances that the policies which we in the United States favor in world trade will apply among the major trading nations of the world. This is because by the United States-British agreement the other nations will be brought into line with our world trade policy. We will be setting the pace for general international world trade.

So far as Britain is concerned, this arrangement will put less pressure on her for complete socialization. Britain will be able to operate more like a solvent concern and less like a receivership. Loaded with debt and short on outside working capital, Britain, in the opinion of most of the experts, would be under great pressure to accept tight regimentation and rigid government control over the operation of her whole economy. It is believed that with our aid this may now be avoided.

Mr. President, I am convinced from my study of the situation and the appearance of the postwar world, that the financial arrangement with Great Britain is distinctly to the advantage of the United States. Furthermore, it is an essential further milestone on the road to world understanding and peace.

I shall vote to approve the loan.

Mr. McKELLAR obtained the floor.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. McKELLAR. I am very anxious to have the appropriation bill passed, but I yield.

Mr. BILBO. I shall be through in a few moments.

Mr. President, day before yesterday I was practically concluding my remarks on the British loan and the diversion of funds which the American people, through their Congress, thought they had, for the payment of $3 a day to all GI's who served in the recent war on this side of the ocean, and $4 a day to those who rendered foreign service.

The more I think about this loan proposition and the more opportunity I have to investigate it, the more horrible it seems for the American Congress to give away $3,750,000,000 with no hope and practically no promise of it ever being repaid. As was developed this afternoon in the discussion with the Senator from Delaware [Mr. TUNNELL], we actually gave the British $29,000,000,000 in lend-lease; but there was a reverse lend-lease or credit which we were ready to give them for materials which they furnished our Army over there, which left a net of $25,000,000,000 which we gave to the British. In addition, as was developed this afternoon, we sold them about $6,000,000,000 worth of surplus war material for only $650,000,000. Of course, some of the speakers on this question have put the two items together and said that the $650,000,000 was for lend-lease and war materials. As was developed the other day, the $650,000,000 is to be paid at the rate of $50,000,000 at a time, and not $1 of it will ever be spent on American soil or for American interests unless it is spent on the soil of the British Empire.

When we think about the comparative resources of the two countries it is amazing, because today the British Empire has a population of 558,350,760 people. The area of the British Empire in square miles—not water, but land—is 13,324,753 square miles of land, with timber, gold mines, and diamond mines, and metals of all sorts. They have unlimited possibilities, far greater than ours.

On the other hand, the United States has only 3,735,223 square miles of land, including all her possessions and the Philippines, as against more than 13,000,000 square miles. Our population is approximately 139,000,000 against a population of more than 558,000,000 for the British Empire.

I merely mention these facts to show the contrast. And yet with all these resources, and with all these people to earn and to take care of the welfare of the British Empire, they come here hat in hand, to a Nation which has only 3,000,000 square miles of territory, and a population of only 139,000,000 people, begging for $3,750,000,000 of our money, of the people's tax money. This is on the heels of a very gracious act on our part—someone did it; I have not been able to find out who did it—in giving the British $25,000,000,000 in lend-lease, and selling them $6,000,000,000 worth of surplus war materials for $650,000,000—materials which the GI boys could have used advantageously in this country.

There has been a great to-do this afternoon about the return to the United States of surplus war materials on the islands of the Pacific or scattered in some of the smaller countries of Europe. We have to fetch them home and give our GI boys a chance; but someone said to the British, "Here is $6,000,000,000 worth of materials which you can have for 10 cents on the dollar."

Mr. President, I think I can finish in a few minutes. The Senator from Tennessee [Mr. MCKELLAR] is very anxious to have an appropriation bill passed. Everyone seems anxious to spend Uncle Sam's money.

According to figures from Jesse Jones, Britain's debt is approximately $80,000,000,000 while ours is approximately $272,000,000,000.

The public debt of Great Britain was listed as 22,398,000,000 pounds on March 31, 1945—World Almanac, 1946. With the approximate value of $4 per pound, this would be $89,592,000,000. In other words, Britain's debt is between eighty and ninety billion dollars, while ours is nearer $280,000,000,000.

According to Jesse Jones, British-owned assets in this country aggregate more than $3,000,000,000, and include $587,000,000 United States Government securities, more than $40,000,000 in corporate bonds and 623 controlled branches of corporations having a value of $611,000,000.

It is also estimated that British assets in other countries than our own total some $8,000,000,000, their unmined gold reserves have been estimated to be worth at least $15,000,000,000, and their diamond reserves as much as $8,000,000,000. Britain also has several billion dollars in cash.

An important article which I ask to include in the RECORD at this point is from the Indianapolis News, March 12, 1946, and is entitled "Credit Men Hit Loan to Britain."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CREDIT MEN HIT LOAN TO BRITAIN—SAY RECORD SHOWS LITTLE HOPE OF UNITED STATES COLLECTING

Merritt Fields, executive manager of the Indianapolis Association of Credit Men, today issued a statement opposing the proposed loan to Great Britain.

His statement follows:

"The proposed loan to Britain is a credit matter that affects everyone's pocketbook. We do not like England as a credit risk. If we were handling your money for you, we would not give England one nickel on credit, for England's credit record is bad. Our officials have agreed to give England on credit $4,400,000,000 and this huge credit is now before Congress for approval. From a credit standpoint, all you really want to know is, Will England pay?

"The Socialists are running England now, but even before that England was a bad credit risk on the basis of her past paying record; and her largest credit grantor made this notation on his books: 'Uncollectible—had to charge it off.' Uncle Sam, probably humorously referred to in European circles as the CCC—champion credit chump—charged off as uncollectible a little sum of only $6,000,000,000. We taxpayers are Uncle Sam. We gave England a credit including interest of $6,000,000,000 in World War I; she didn't pay, so the champion credit chump lost $6,000,000,000. England got the money from the United States Treasury and when she didn't pay, the Treasury made you pay by adding it on to your personal Federal tax."

LEND-LEASE SUBTERFUGE

"Are we taxpayers really in favor of giving England another $4,400,000,000 on credit? It is reported in advance of voting on it that the Treasury doesn't really expect England to pay this new credit; that even if she doesn't pay, it will be a good investment in a customer; that we should loan her the money so she can buy from us, then we can afford to lose the money. That doesn't make credit sense. Many of the British themselves frankly say in advance of congressional approval that the loan will never be paid back. We quote from the Loan News Weekly: 'The chances are that long before America can collect there will be a new international conflict to throw the loan and many kindred superstitions into hogwash.'

"Do you, a taxpayer, regard this new loan as a superstition? After World War I we gave England 62 years to pay off the first loan, but she paid it for only 9 years, amounting to 6 cents on the dollar, and after 1933 the United States Treasury (you) didn't collect one more nickel. In the recent war we gave England another credit amounting to $25,000,000,000, only the ingenious Mr. Roosevelt did not call it a credit, he called it lend-lease, and, in a message to Congress relating to lend-lease, said 'For what we send abroad we shall be repaid within a reasonable time following the close of hostilities, in similar materials or at our option in other goods of many kinds, which they can produce and which we need.'"

BILL IN CONGRESS

"This $25,000,000,000 of lend-lease under the agreement now before Congress will be settled for 3 cents on the dollar to be paid running into the century 2000. As has been pointed out by credit executives, on the first credit granted England we collected 6 cents on the dollar and lost 94 cents on the dollar; on the $25,000,000,000 of lend-lease we will get 3 cents on the dollar (if England pays it) and now we are to lend her $4,400,000,000 more.

"We wonder if it is good credit judgment for our American taxpayers to try this same customer again on credit, and on the basis of England's past paying record can we, in view of our own heavy obligations, afford to write off another credit of $4,400,000,000 as uncollectible? And we wonder, if England is a decadent nation, can we afford to keep propping her up with these credits of $6,000,000,000, 94 percent of which we wrote off as uncollectible, and $25,000,000,000 of lend-lease, 97 percent of which we have writen off as uncollectible.

"Some American liberals say this credit to England is too complicated for the ordinary taxpayer to understand, etc. We have noticed in our business, which is the credit business, that whenever a credit transaction becomes too complicated to understand, there is something wrong with it. There is nothing complicated about those last two loans to England; on the basis of the paying record—all that really counts—England, in our opinion, is a bad credit risk for you as a taxpayer. Many American liberals want to loan money again to England. In the past we have taken some of these 'liberals' apart and find their mainsprings to be made of other people's money. They are always liberal with that, and we think their credit judgment should be somewhat discounted. A bill furnishing an ideal solution to the controversy has been introduced in Congress. It provides for a Government bond issue to be bought by those American taxpayers who believe it good business to loan the money to Britain, these bondholders to be paid off when Britain repays the loan.

"If those who like the loan to Britain are sincere and believe in backing their judgment with their own money, they should urge Congress to issue these special bonds

so they could buy them. Thus the taxpayers who don't want the loan made are satisfied, and so are its proponents. American taxpayers, in our opinion, have no business loaning anybody a single dollar, for we are already in the red approximately $280,000,000,000. If Congress disapproves the loan, England will somehow get along without it and American taxpayers will have the money to apply on their own debts which exceed those of all other nations combined. In any event, it is your duty to tell your men in Washington whether you are for or against the loan. That is the way to make our representative Government work."

Mr. BILBO. We should know from past experience that this loan to Britain will not be repaid. We have already noted the figures which show that, as of July 1, 1945, Great Britain owed us almost $6,500,000,000 unpaid principal and interest on her World War I debt. She does not come seeking a new loan with "clean" hands—the old debt has not been paid. Under these circumstances, are we going to be so foolish as to fall for the old scheme again and send billions of dollars belonging to our taxpayers across the sea when we know full well that the money will never be coming back?

If we should make this loan to Britain, she would then owe us a total of almost $11,000,000,000 on World War I and II debts. There is no valid excuse whatever for approving this new loan and sending additional billions of our money to be used by the Government of Great Britain. We did not even receive the gratitude of the British for making the World War I loan, for our Nation was criticized for even requesting that England honor her obligations and repay the loan which we had made.

Britain's financial condition is far from desperate. Englishmen still boast of an empire that embraces one-fifth of all the land in the world, and it is still true that the sun never sets on the flag of the United Kingdom. Britain has land, investments, and resources the world over. An article from the Times-Herald, January 1, 1946, which I ask to have printed in the RECORD, presents a picture of something other than British poverty.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POOR BRITAIN HAS TWO BIGGEST GOLD DEPOSITS

CHICAGO, December 31.—The British Government, whose representations of dire poverty recently resulted in preliminary approval of a loan of 4,400,000,000 American dollars, has within its Empire two of the world's largest and most precious wealth-producing mineral deposits.

These are in the British Commonwealth's Union of South Africa and contain diamond and gold mines. The diamond mines are said to produce 90 to 95 percent of the world's supply, and the gold fields are termed "easily the largest and most important in the world."

PILE DEBT ON DEBT

The $4,400,000,000 peacetime loan is pending in Congress, and if approved will be piled on top of a defaulted $4,000,000,000 from World War I, and "settlement" of $25,000,000,000 of so-called lend-lease goods delivered in World War II.

Although the British say they cannot meet these obligations, the value of diamonds produced in the Union of South Africa in 1940, the latest year for which figures are available, totaled £331,996,528 sterling. At the present rate of approximately $4 for each pound, this amounts to $1,327,986,112.

COULD HELP CLEAR DEBT

How part of this output could be sent to this country as part of a debt-reduction program is shown in figures released recently by the Justice Department. Assistant Attorney General Berge said United States imports of these stones annually total 1,000,000 carats for such industrial purposes as grinding, drilling, and polishing. He estimated value of the former at $100,000,000.

Apparently the largest operator in this field is De Beers Consolidated Mines, Ltd., Kimberley, named as a defendant in a monopoly suit started by the Justice Department a year ago. De Beers owns large or controlling interest in more than a half dozen companies and had net income of £5,240,321, or approximately $20,960,924, in 1943.

The company owns 1,327,929 acres of land in South Africa and holds the rights to minerals and precious stones on another 105,067 acres. It also has preemptive rights to diamonds in the Colony of Northern Rhodesia.

HALF OF GOLD OUTPUT

The Union's largest gold deposit is in the Transvaal Colony and is called the Witwatersrand gold mining field, discovered in 1886. The Transvaal Chamber of Mines asserts that it produced in 1929, a "little more than half of the world's total output."

In 1934, the latest year for which figures are available, this and other fields in the Union produced 10,480,000 fine ounces of gold valued at £72,311,000, or approximately $269,244,000.

Hans Pirow, government mining engineer of South Africa, described his country's gold-mining industry as a "national asset which has aroused the envy and admiration of the world." He said there were no signs of it diminishing for "at least a generation."

Mr. BILBO. The salary which is paid to the King of England is another thing which does not indicate that the British Government is a pauper. The annual allowance given the King by the British Parliament is £410,000. At the present exchange rate of $4 per pound, this amounts to a yearly allowance of $1,640,000, which is more than 28½ times as much as the annual salary of the President of the United States.

Britain's former Prime Minister, Winston Churchill, is reported to have once said that he did not become Prime Minister to liquidate the British Empire. If England is able to retain her Empire, work out her own problems, and plan for her future, then well and good. However, if the British Empire can only be saved by the expenditure of American money, then I suggest that perhaps the time for some liquidation has come. The war is over now and no one can justly say that the United States of America did not furnish her share of the armed forces who won the victory nor that she did not supply her share of materials and equipment. We all know that this Nation did its part in winning the victory. The war debts which we in this country owe are tremendous, and the taxpayers throughout our Nation are bearing a heavy load. They have not sent us here to the Congress—we did not become Members of the United States Senate—to increase their tax burdens and those of their children by giving away billions of dollars of American money to Great Britain or to any other country.

The American people also know that the present Government of Great Britain is socialistic. Such a system is directly opposed to our American principle of free enterprise, and even if we had the money to give away, the American people are in no mood to furnish the money to pay for the British experiment with socialism. An article by Mark Sullivan from the Washington Post of September 23, 1945, which I ask to have printed in the RECORD, is timely and worth while.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONEY AID TO BRITAIN SHOULD DEPEND ON USE BY SOCIALIST REGIME

(By Mark Sullivan)

The American people and Congress are in process of making up their minds on a question: Shall we extend assistance to Britain—loan, gift, or what-not? From the complex tangle of many reasons pro and con, Republican Congressman KNUTSON, of Minnesota, picks one. He says America should not help finance the experiment in socialism which Britain, under its new Labor government, is now making. President Truman says that to take such a reason into account would be silly.

To find a path between these two extremes of position, we should need to know just how far Britain is going in socialism. The answer is difficult for Americans to know. Leaders of the Labor Party disagree strongly among themselves. Those party leaders who are also officials of the Government, and who are therefore responsible, such as Foreign Minister Bevin, have only a limited program.

Mr. Bevin is probably the strongest man in the Cabinet, and his objectives are not materially unlike those of any ordinary trade union. Long the active and responsible head of the largest labor union in Britain or the world, the Transport Workers Union, Mr. Bevin does not differ extremely, in experience and views, from our late Samuel Gompers, long head of the American Federation of Labor.

During Mr. Bevin's brief tenure as Foreign Minister, he has taken a conservative line in world affairs. He has vigorously condemned the new governments set up in Balkan countries, which are prevailingly Communist and under Russian domination. Of these he said: "One kind of totalitarianism is being replaced by another."

HE GRIPS REALITY

If America could be sure that the British Labor government would reflect the personality and policies of Ernest Bevin as they now appear to us, we would not need to consider it as a reason entering into our decision whether to give financial assistance, nor as otherwise seriously disturbing.

It may be Mr. Bevin will dominate the Government; he is a thoroughly dynamic person. Himself an authentic worker, who has gripped reality with muscle and mind, he has a hearty distaste, frequently and forcefully expressed, for so-called intellectuals and extremists who head the left wing of the Labor Party.

But the intellectuals and left-wingers must be taken into account. Some of them, while not officials of the Government, are important as spokesmen and officials of the Labor Party organization. Their program is as extreme as possible. Sir Walter Citrine says: "I think it would be an excellent thing if the British Government were able to plan production, consumption, and the general economic life of the country in the way that is done in Russia."

The official head of the Labor Party organization and its most truculent spokesman is Prof. Harold Laski. He advocates complete

socialism, not only for England, but for the world, which includes the United States. He advocates and predicts the extinction of free enterprise everywhere, called by him capitalism. He says it should be the mission of the British Labor Party and Government to extend socialism to other countries.

CONDITION AWKWARD

If America believed that the program of the Labor Party government in Britain would be what Professor Laski says it ought to be, a missionary for the extinction of free enterprise everywhere, we would certainly be justified in not extending financial assistance. In the world-wide conflict between free enterprise and varying forms of socialism and collectivism, the United States is the largest defender and practitioner of free enterprise. As such, it would hardly be expected that we should finance a competition bent upon the destruction of our system.

Even if we do not take Professor Laski too seriously, as many Britons assure us we need not, there remains an awkward condition. The program of the British Labor government, even by the mildest interpretation, means the nationalizing of some industries; the process has already begun. Seeing this, certain questions arise:

Can the labor government nationalize some industries without being forced gradually to nationalize all? Is the labor government likely to nationalize what is Britain's largest industry—international shipping and trade?

If Britain's foreign shipping and trade should be nationalized, it would become extremely difficult for us to keep our foreign shipping and trade on our own basis of free enterprise and private ownership. Hence the crucial question is this: If we give Britain financial assistance to build up its economic position, including especially its international trade, can we be sure that this trade will not be nationalized to our great detriment?

Mr. BILBO. Even if the American people should be convinced that Great Britain must have this loan in order to survive during this postwar era, and under these circumstances agreed to the loan, it should be only on condition that we be given security for the repayment. England failed to honor her obligations to us following the last World War, and surely that should be sufficient to put us on guard so that we may take the necessary precautions to secure repayment of any new loan. Great Britain has investments and resources and she is more than able to put up sufficient security for the amount of money which she needs. An Associated Press release of January 31, 1946, which I ask to have printed in the RECORD, states the views of a prominent Canadian who believes in honoring obligations and repaying debts.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITAIN SHOULD PAY UNITED STATES DEBT IN BASES, CANADIAN DECLARES

ALBANY, N. Y., January 31.—Canada's wartime munitions chief said last night that Britain should pay her debt to America in Western Hemisphere bases or by other "mutually satisfactory" settlement.

William Flockert Drysdale, speaking as a private citizen, declared the grim specter of debt forgiveness must not arise "in this new age of infinite threats and dangers" as it "so unhappily arose after the First World War."

Mr. Drysdale, in a speech before the Albany County Historical Society, said Britain's obligations to the United States "are and remain debts until they are fully acknowledged and liquidated."

"Contractural arrangements for payment," he said, could be "either by permanent cession or by leases of lengthened tenure of present or different lands in or contiguous to the waters of the Western Hemisphere, and/or by such other media of installment payments as are mutually satisfactory."

He said England's staggering war losses, especially the destruction or damaging of 4,000,000 homes, must be replaced "if Britain is to continue as a useful ally in the company of enlightened nations.

"Between neighbors and allies and comrades in past times of peril that may arise again there must be no sordid question of the cost of such human and necessary help. * * * Past, present, and future they are debts of moneys and credits of health and safety, especially called for and gallantly provided."

Mr. BILBO. There are four agencies which have been established to meet the needs of foreign countries that must have our help. They are: The United Nations Relief and Rehabilitation Administration, the International Fund, the International Bank, and the Export-Import Bank. The administration says that as a general rule it expects the needs of foreign countries to be met through these agencies, but in this instance, Great Britain is a special case which should be granted a loan by congressional action. Our Treasury officials say this will not establish a precedent for other loans by the same method because no other country has the same crucial position as Great Britain with reference to world trade.

But how can we say that granting a loan of $3,750,000,000 to England will not establish a precedent? Already France has indicated that she must have a loan of some $6,000,000,000 and Russia has likewise intimated that an American loan of six billions will be sought. China, Italy, Belgium, Poland, and a dozen other nations are also waiting in line to see what we do about the British loan and on what terms we make the loan. It has been estimated that the total sum of the loan applications which will be made by these foreign countries will be about $20,000,000,000.

Each nation expects equal treatment and if we grant the proposed loan to Britain, we will certainly be setting a pattern and establishing a precedent for future loans to other countries. Surely everyone knows that we cannot give our money away forever. There is a limit not only to our funds but to our resources. We are already in debt further than most of us ever dreamed that we would be. As of June 30, 1945, the public debt of the United States was $258,682,187,410, or $1,853.10 for each person in this Nation. It is now about $280,000,000,000.

The taxpayers of this Nation have a right to expect the Congress to look after their interests when this loan to Britain is being considered. The time has passed for Uncle Sam to play Santa Claus; we have no money to give away to Great Britain or to any other foreign government.

The proposed loan to Britain has no businesslike qualities. It should be called what it will, if granted, actually become—an out-right gift. There is a lot of money involved in this proposal in anybody's language — $3,750,000,000 — and a number of promises; Britain gets the money and we get the promises. The American people have no way of defeating this raid on the United States Treasury except through their chosen representatives. The interest of the taxpayers should be protected and this loan should be defeated by the Congress of the United States.

Mr. President, Secretary of State Byrnes has urged approval of the British loan and has expressed the opinion that there are no sound arguments against such action. Mr. Byrnes thus asks us to lend Britain this $3,750,000,000 at 1.62 percent interest, payments on principal and interest not to begin until 1951, and to be strung out over a period of 50 years. Furthermore, Britain may omit payment of the interest at their own convenience.

Mr. Byrnes pointed out that Britain was our largest customer before the war, and now that war debts have left Britain impoverished, we must help that country with our dollars to become our largest customer again. He hopes that Britain will use part of this loan to purchase goods in the United States. Big business interests in America may likewise be hoping to receive some of this money, but it is difficult to see what the taxpayers of this Nation are going to get out of the deal. We put up the money and Britain gets the goods. No, indeed, even if Britain should promise to spend all of the money in this country, that would not be good enough reason for granting the loan. If American industry is anxious to sell to Britain, let them accept Britain's promise to pay and extend credit. It may be true that Britain needs to buy over here, but the buying should not be done at the expense of the American taxpayer.

Mr. Byrnes also hopes that the United Kingdom will abolish tariffs and preferences which have kept American goods out of the Empire to a large extent. But he cannot make a definite promise that Britain will do this after receiving our money.

The Secretary of State failed to point out that Britain owes us an unpaid balance of some $6,000,000,000 on the loan made to that country following World War I. Neither did he remind us that Britain now has a socialistic form of government. This, however, is something which we must not forget. Socialism is in direct contrast with our American form of government; it is opposed to the American brand of capitalism. If we make such a loan at this time, we will be strengthening the cause of socialism in Britain and doing a great deal to insure the success of this experiment in the United Kingdom. British socialism will then be financed by American dollars.

If we grant the proposed loan, the precedent will be set for the granting of similar loans to practically any foreign government who comes over here seeking financial aid. It has been reported that the amount which Russia is seeking is $6,000,000,000. This was the figure which was said to have been mentioned to several American Congressmen who

recently visited Russia. And for what would this money be used? It would be spent to finance communism in Russia—to strengthen a system of government which is directly opposed to our American form of government. Stalin said in a recent speech that capitalism is the root of all worldly evil. With this statement, he directly attacked the United States of America for we are the world's foremost example of a capitalistic Nation.

Socialist Britain and Communist Russia may say that we are economically backward and not in step with the times. They may denounce our form of government, but the denunciation has a queer sound when they are coming to us for loans. They may dislike us economically, but they are ready and willing to take our dirty dollars and use them to finance their programs at home. Well, we have the money; they say they have not; then let them work out their own finances under their system of government. We have no funds available to be given to British socialism or to Russian communism.

We helped Great Britain out of World War I and World War II. During World War II we gave to Britain $29,000,000,000 worth of lend-lease. The war is over now and we are staggering under war debts of our own. We have no money with which to continue to finance the British Empire and we should defeat this proposal to send $3,750,000,000 of our money across the sea to Britain never to be returned.

Mr. President, in my opening remarks I stated that my speech had a twofold purpose. The first part has been devoted to a discussion of the proposed British loan and reasons why this gift loan should be defeated. The second part is, in my opinion, much more important, for it concerns the American veterans of World War II. The proposal which I wish to make is that we spend this $3,750,000,000 and all the billions that we will be asked to loan other foreign countries to the tune of twenty billion or more for bonuses to be given to the men and women who served our Nation during the armed conflict which has just so recently ended.

The following quotation is from an editorial in the Times-Herald, February 17, 1946:

> It seems to us that the sensible thing to do, if we must fling these billions around, is to fling them to the World War II veterans of the United States, not, in effect, to the Russian and British war veterans.
>
> That would mean big, fat bonuses for our own boys. It would be inflationary, true, and not all the money would be spent wisely. But virtually all of it would at least be spent in this country, and the real wealth it bought—houses, autos, clothes, furniture, etc.—would stay here.
>
> This would be real, direct stimulation of United States business, for a while at least, instead of roundabout stimulation, via Britain and Russia, with no guaranty that such stimulation ever would arrive.
>
> We're in favor of our veterans joining the American Legion in large numbers, and going out after bonuses for themselves, and too bad about loans to foreigners—especially foreigners whose record of debt payment is bad.

I wish to repeat the following suggestion as to the use of this $3,750,000,000 and other billions of dollars which may be loaned to other foreign countries: Instead of lending it to Britain as a loan, which we know will never be repaid, let us give it to the veterans. We could pay each veteran a bonus and in this way we would be giving the money to our people—to the men and women who served this country in its hour of peril. With this sum, we could pay each veteran $3 per day for each day that he served in the United States and $4 per day for each day that he served overseas. The maximum amount of the bonus for any one individual should be fixed at either $3,500 or $4,500—$3,500 for those who served the entire period of service in this country and $4,500 for those who served outside the continental United States.

The men and women who served in our armed forces deserve our gratitude and our praise. They also deserve to be helped by this Government in a material way. They gave up their homes, their jobs, left their families and loved ones to answer their country's call to arms. These veterans are now returning to civilian life. Many adjustments must be made; many obstacles must be overcome. There are problems of jobs, homes, future security. We must not leave these service men and women to fight their battles alone. We can and we must help them.

The Congress has already passed the GI bill of rights, which is an attempt to do more than any Government in history has tried to do for those who fought the Nation's battles. No other nation has ever gone so far in an honest effort to help, to restore, and to reorient the veterans of any war as they have returned to civilian life. Every returning veteran should familiarize himself with the provisions of the GI bill of rights, as amended, and secure all available information about this measure so that he might take advantage of the manifold benefits offered under its provisions. We are trying to help and benefit these veterans and to secure their rights and privileges under the GI bill.

This bill is, of course, not yet perfect. The process of administration must be simplified and the cumbersome entanglements must be eliminated. There is too much red tape at the present time and this should be cut down and placed at a minimum. The Veterans' Administration should make every possible effort to administer this law smoothly, to give efficient and prompt service, and to see that every veteran understands his rights and is accorded his full and just benefits under this law.

The Government has provided under the GI bill that veterans of World War II may go to school at Government expense. This is one of the greatest opportunities which has ever been offered to American youth and I certainly hope that large numbers of our returning veterans will take advantage of this provision of the GI bill. They may attend colleges or universities or may receive vocational training in the occupation of their choice. Those veterans who are eligible to go to school or receive training under this law should seriously consider such a possibility, for it is a splendid opportunity to prepare themselves to enter their chosen profession, to go into business for themselves, or to secure employment in the field of their choice.

There are many provisions of the GI bill. In passing this law it has been the intention of the Congress to do its utmost to help and benefit our veterans. We have made an honest attempt to protect their welfare and to secure their rights. It is true that there are some defects in the law—some of the imperfections are legislative and many of them have been brought about in the process of administration. But we are going to perfect this law. The necessary changes must be brought about through amendments passed by the Congress and smooth and efficient administration must be guaranteed by the Veterans' Administration. Our service men and women entered the armed forces and they continued to serve, continued to fight, until the victory was ours. We must now be as faithful and loyal to them as they were to us. We must continue to work in their behalf until every right and privilege to which they are entitled has been protected and guaranteed by law.

This Government has made provisions for our veterans to borrow money and this is indeed necessary and proper. Many of our veterans will need loans as they make financial adjustments and prepare to enter business for themselves, and we must see to it that the necessary funds are available to them. Under the present conditions, veterans may borrow money at 4 percent interest and this one fact is within itself sufficient reason why the British loan should be defeated. When our veterans want a loan, we offer the money to them at 4 percent for 5 years and when Britain wants a loan we offer that country $3,750,000,000 for 55 years at 1.62 percent interest! There is neither reason nor justice in such a situation. Let us give the benefits of our generosity to our own veterans—those who fought and won the war for us. An article in the form of a letter to the editor and entitled "Loans to England Better Than GI's," which I ask to have printed in the RECORD, was published in the Daily News, Batavia, N. Y., January 5, 1946.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOANS TO ENGLAND BETTER THAN GI'S—MIDDLEPORT MAN SAYS EX-SOLDIERS GETTING WORST OF UNITED STATES GENEROSITY—CAN BORROW LITTLE

To the EDITOR OF THE NEWS:

Fifteen millions of the flower of our manhood fought and won the war, not only for the United States but also for England and other nations. Today, our boys are coming home. They will want a farm, a home, a business, a career. Many will need to borrow money. Their Uncle Sam will loan them only half the amount they need at 4 percent for 5 years.

But when England wanted a loan, this same Uncle Sam offered her $4,400,000,000 without any interest for the first 5 years, and only 2 percent for the next 50 years. And for this England says we are Shylocks taking our pound of flesh. Then, too, the United States just canceled a debt of $25,000,000,000 loaned England in World War I.

Is that giving our boys a square deal? Should they not have the right to borrow at as low a rate and for as long a time as any foreign country for which they fought? If our country has billions for foreign lands, well and good. Let them have it. Our foreign loans now are $20,000,000,000. Our debt on World War II is $300,000,000,000. The cost of running the United States Government last year was $16,000,000,000.

When our Government contracted these ridiculous debts, it did so knowing full well that this terrible burden would fall, not upon their shoulders, but upon the boys who so bravely fought that we might live.

Now, what do our returning veterans find? They find themselves crushed under a burden of debt infinitely larger than the world ever before dreamed of—a debt these boys had no voice in making. For them, it was only to do and to die. For this, millions volunteered—not one shirked. They gave up their homes, stored their furniture, sold their cars. Their wives and children were thrust upon relatives. They abandoned their careers, from 2 to 4 years existed in misery in far-distant lands in all kinds of fox holes, suffered the most excruciating agonies, often death ended their misery in a German prison.

Now, our Government, to show its appreciation, will lend these boys one-half the money they need for only a tenth of the time and double the interest that it is asking two foreign countries. They argue that England fought for us. True, but let us never forget that were it not for our heroic fighting boys there would be no England today to borrow and no United States to lend.

Our debt to them is boundless. So, let all who believe our boys should have as fair a financial opportunity as foreigners write your Senator and Congressman to that effect.

W. S. DORMAN.

MIDDLEPORT, N. Y., *January 5, 1946.*

Mr. BILBO. President Truman and Secretary of State Byrnes have urged us to approve this loan to Great Britain, but they have indeed presented a weak case. Sound reasons for the granting of this loan are totally lacking. Other foreign countries are already standing in line awaiting their turn to apply for funds, and if we turn on the green light for foreign loans, there will be an endless stream of our dollars floating across the sea never to return. We did this following the other World War, but we are not going to do it this time.

President Truman, Mr. Byrnes, and the other leading officials who are advocating this British loan do not hesitate to say that we have the $3,750,000,000 and can afford to send it across the sea to Britain with no security and with no real assurance that it will ever be repaid. Then, I contend that we can afford to pay bonuses to our war veterans. Here is the money that we need, and we can use it for this worth-while purpose. If we defeat the British loan, we will have a fund of $3,750,000,000 with which to begin immediately to pay these bonuses. Those who unhesitantly claim that we have the money to lend to Britain surely will not dare to say that we do not have it to pay our veterans.

As I have already stated, I propose that we pay a bonus of $3 for each day served in the United States and $4 for each day served overseas, fixing the maximum that any veteran could receive at $3,500 or $4,500. Those who served the entire period of service in this country could receive not more than $3,500, while those who served overseas could receive not more than $4,500. There should also be one further provision. It would only be fair and just that if a veteran wishes to receive the bonus, he will then pay his own expenses during the period of schooling or training out of his bonus. He may choose to take the bonus outright, or may prefer to have the Government send him to school or train him, but he should not receive both in full. It would be discrimination against the great majority of the veterans if we should favor one special group with the educational advantages, plus the same bonus which the others who did not go to school received. The veteran who goes to school will, of course, receive his bonus, but there will be deducted the total amount which he has received while taking his educational course. In this way each and every veteran will be treated fairly and equitably.

There can be no doubt as to the answer to the question: To whom do we owe the greatest debt—Britain or our veterans? An editorial with this question as the title appeared in the Altoona (Pa.) Tribune on February 6, 1946. A part of the editorial follows:

In this column we frequently have criticized the proposed British loan.

We think, and there are many in this country who agree, that the Government's reasons for lending the money to Britain are based entirely upon fallacies, and are being put forward by the Government because Mr. Byrnes and Mr. Truman have nothing to go forward on but Mr. Roosevelt's program of powerful internationalism, and Mr. Roosevelt's program was planned by the late President as an improvement upon the one drafted by Woodrow Wilson.

We have been facing the immediate problem of houses for war veterans.

We are trying to meet that problem by offering them Quonset huts, emergency housing units, trailers, and other makeshifts providing somebody comes forward with the money.

And so, there is the catch. There has to be money before any community can provide for its veterans.

And so, with this problem and the solution lying around, what do Mr. Truman and Mr. Byrnes do?

Why, they start a talking campaign to sell the American people the idea of giving a "reluctant" Britain nearly $4,000,000,000.

They use reverse economics to explain it all, saying such a "loan" to Britain would grease the wheels of progress and international commerce—all very vague—spur business and industry here—still vague—and improve the commercial relations between the two countries (an overstatement).

Which all seems like a very indirect method of helping business.

It would seem much more direct, much more beneficial to America, and much more just, to set aside that $4,000,000,000, and let each community in the country make application for a portion to build decent, adequate homes for their veterans.

Or, give that money to the veterans in bonuses. It won't be any more inflationary than the President's fact finders starting strikes all over the Nation by telling the public last fall that major industry could afford to boost wages.

In plainer words, it comes down to this: to whom does this country owe its greatest debt, to Britain or the American men who fought for both Britain and America?

In addition to the bonus for our veterans and the necessary changes which should be made in the GI bill of rights there is one other matter with reference to our ex-service men and women which I wish to mention. This one other item—surplus Federal property—has surely caused much more confusion and misunderstanding than any other one thing which could be named. There have been countless changes made in the handling of this property, but it is only fair to point out that they have been made by the administration and not by the Congress. The agencies have been changed and reorganized and the property has been transferred from one agency to another, with the result that our veterans have found it very difficult to obtain accurate information as to their rights and opportunities to purchase some of this surplus property.

The War Assets Administration is now handling the disposition of surplus property, and veterans should file their applications through the local and regional offices of this agency. The situation has been somewhat clarified within recent weeks, and it is hoped that the officials of this agency will continue to cut as much of the red tape as possible and make more of this property available for purchase by our veterans.

The veterans are entitled to first priority on this Federal surplus property, and just a few days ago the Congress took the necessary steps to insure their rights. Of course, the Federal Government itself still retains first priority.

Mr. President, let us take this $3,750,000,000 and instead of giving it away to Great Britain in the form of a gift-loan, let us use it to pay bonuses to our veterans. Then we will be using the money for a worthwhile and worthy cause. Our veterans deserve our first consideration; we cannot do too much for them. Of course, the Congress will provide whatever additional amount is necessary to give this bonus to all veterans. Let no one say we cannot do it, for if we pass this resolution we are entering upon a lending spree which will almost amount to enough to pay the bonus in question. To be sure, this bonus will be only a small token of appreciation to these service men and women, for the service which they have rendered to us and to our country is something which can never be measured in dollars and cents. Our armed forces saved our country from destruction and preserved our American way of life for us and for future generations. Let us never miss an opportunity to help and benefit these veterans who have done so much for us.

The people of the United States are in favor of our Government extending aid to our veterans. But the people are not in favor of giving away this $3,750,000,000 to Great Britain or to any other foreign government. A survey which was made in the South shows that 70 percent of the southern people said that the loan definitely should not be made. I ask to have printed in the RECORD an article by Thurman Sensing, director of research, Southern States Industrial Council, Nashville, Tenn., entitled "The South Views the British Loan."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SOUTH VIEWS THE BRITISH LOAN

The proposed loan by the United States of about $4,000,000,000 to Great Britain

will soon be debated by Congress. It is a loan of such magnitude, even in these days of large sums, and it involves so many fundamental factors in business and government that it will undoubtedly be closely considered and discussed at length.

As a distinct region comprising one-third the Nation's land and containing one-third the Nation's people, the South naturally has a decided interest in this proposed loan. For that reason, we have considered it worth while to make a survey of opinion of southern business and industrial leaders with reference to the loan. A sufficient number of these responsible leaders in southern economy have been contacted to give a fair cross-section opinion of the region, and that opinion is presented in this article.

This opinion of these southern leaders may or may not represent the people of similar leaders throughout the land. Ordinarily we might say that it does, since industrialists and businessmen throughout the country usually think largely along the same line. However, there are certain factors not exactly economic with regard to this proposed loan that might cause this proposition to be considered on other than a purely economic basis, and we don't have to look any further than the current discussion of the FEPC to see that the South has certain opinions distinctly its own on some matters, which opinions are not always shared or at least are not always actively supported by those in other regions of the land.

Since the South has a considerable voice in the deliberations of the Congress, however, as we may again witness from the FEPC, and as this voice will undoubtedly represent the major opinion of the people of the South, it is well to present this cross section of opinion as the deliberations on the proposed British loan are about to begin.

Stating the conclusion of this survey first, it was found that the preponderant view of this cross-section opinion was against making the loan, with 70 percent stating it definitely should not be made, 4 percent voicing no opinion, 9 percent saying it should be made with certain reservations, and 17 percent making a positive declaration in favor of the loan.

As stated, this may or may not represent the opinion of the Nation as a whole on this matter. Whatever the national view, however, the South cannot be accused of isolationism or not being interested in world affairs, for history has recorded that the South has been less inclined to isolationism and has been more interested in participating in world affairs than the Nation generally.

Briefly expressed, the opposition of the 70 percent against the loan was based upon the following: That the money would be used to buy up already scarce goods in this country, thus adding to our serious problem of inflation; that it would be used to strengthen state socialism in Great Britain, a type of government in which we do not believe; that the financial condition of this country is now such that loans of this type are not justified; that the loan would simply serve as a precedent to many other countries for requesting similar loans. It was pointed out by many that we would simply be loaning money to customers to buy our goods, and that there was serious danger of losing both the money and the goods.

Sometimes sentiment is a more powerful moving force than cold-blooded logic, and it might be said that this is true of the 17 percent definitely favoring the loan. This group feels that Great Britain has been, and will continue to be, our best friend in world affairs, that she stood between us and world dictatorship when we were unprepared to wage war, and that now in her time of need we should come to her financial aid regardless of the ordinary aspects usually considered in such transactions.

As noted, a smaller percentage took the in-between stand. First, this group want to be better informed as to the absolute need of Great Britain for this loan and what will be done with the proceeds. Second, they rather favor the loan, moved to some extent by what they consider a moral obligation, but only under condition that the loan be amply secured, as should be the case in any commercial transaction. Realizing by our experience from the loans of the First World War the insecurity of national loans, this group is not exactly certain how this ample security can be accomplished, and they are inclined to favor taking in payment or part settlement certain insular possessions of Great Britain, on many of which we have spent great sums of money fortifying them during the recent war.

For what it may be worth, however, the fact that unquestionably stands out from this survey is that the large majority opinion of the businessmen and industrialists of the South is that the United States has been too easy a mark and too gullible for too long and that it is high time we stopped playing Santa Claus to the whole world.

Mr. BILBO. Mr. President, when I was speaking against the Fair Employment Practice Committee last January, I made a brief statement to the effect that I was opposed to the British loan. Following this statement I received hundreds of letters from all over the United States and I am being very conservative when I say that 95 percent of these letters stated that the writer was definitely opposed to the loan to Britain. The American people as a whole do not want to see this country give its money away to Britain or to any other nation.

Mr. President, I cannot see how Great Britain can even request a commercial loan much less a gift or grant-in-aid from the United States. Britain is not in good financial standing with the American Treasury for she still owes us more than $6,000,000,000 on World War I debts. How can the present government of the United Kingdom come with good grace and seek another loan from us without at least offering to pay what they already owe us? Yet, I have heard nothing about paying the old debt. We have received no offer to pay this debt which is still outstanding, but as one Member of the United States Senate I am putting our English friends on notice that the only way that I would ever even consider a loan to Britain would be for that Government to first make definite arrangements to pay what she owes us on the debts of World War I.

There is another suggestion which I should like to make to the officials and others who are pleading so loudly for the approval of this loan by the Congress. If they believe that the American people are in favor of this proposal, why not have English bonds sold in the United States? That is one way for Britain to obtain the cash which she says she needs so badly. If the American people are so anxious to furnish their dollars to Britain they will buy the bonds. I wonder how many of them could be sold on the floor of the Senate.

This proposal would test the faith of the advocates of the gift-loan to Britain. We could then determine how anxious they are to send their money to Britain, looking only to that Government for payment. The bonds would be redeemable by the British Government, and the United States would not underwrite them. So the purchaser would be trusting our British cousins across the sea to repay.

Would the advocates of the British loan be willing to risk their own money on this proposition? If we provide the ways and means, then the pro-Britishers in this country who seem to be overflowing with love for their British cousins will be given an opportunity to make good on their contention that the British Government will honor its obligations and pay its debts. I do not hesitate to say that those people who are so emphatically proclaiming that the Government of the United States should make this loan will suddenly grow cold on the proposition of aiding the British when it is their own money which is going to be used. They may be willing to risk repayment of Uncle Sam's money, but they will probably hesitate a long time before risking their own money.

Mr. President, as I have previously stated, the loan bears no semblance whatsoever to a business proposition. We are lending the British this $3,750,000,000 to be repaid—if at all—over a period of 55 years—that is a lifetime—and at a rate of interest—if paid at all—of 1.62 percent, and we are going to lose 30 cents on every $100 we loan, because we are going to have to pay 2½ percent to get the money.

This entire deal involving some $4,000,000,000 reminds me of my very first experience in dealing in finance.

It seems, Mr. President, that I must be something of a financier, because one of my opponents in Mississippi charged, the other day—and Walter Winchell repeated it over a Nation-wide radio hook-up—that for 30 years I had paid only $72 in income taxes. If what they said were true, I could make a fortune by leaving the Senate and going into the income reporting business, because everyone would want my services. However, their statements are far from the truth. A bigger lie than what they said has never been told in Mississippi. Indeed, Mr. President, Oco Thompson, the Disbursing Officer of the Senate, has taken out of my salary, since 1943, under our own law, nearly $6,000, and it will be $6,000 by July. For a man of intelligence to make a charge of that kind and for a man who has responsibility for a Nation-wide radio hook-up, as Walter Winchell does, to repeat that kind of a lie, is absurd.

But, Mr. President, I was about to tell about my experience in finance. When I was a small boy working on my father's farm, I managed to accumulate what was to me at that time the enormous sum of $20. One of my older brothers knew that I had the money and decided to borrow $20 from me. I told him I would agree if he would give me a note. To my mind, being then but a young boy, I thought a note was something wonderful. So, never having had any experience in financial dealing, I told him he could write the note. He promptly took my $20 and handed me a note which I afterward found read as follows:

I hereby promise to pay THEODORE G. BILBO the sum of $20 when convenient.

Every time I called on him for my $20 he said "Read your note." [Laughter.]

Mr. President, that is exactly what the British are promising us; they will repay the loan of $3,750,000,000 when and if convenient. You know and I know that the day of convenience for the British will never come. We have been waiting since the First World War for the day when it will be convenient for them to repay the $6,000,000,000 they borrowed, but it has never come.

Shall we grant this gift-loan to Britain? No, no, a thousand times no. But we will find a worth while and patriotic use for this money. We will spend it for bonuses for our American war veterans of World War II—not for unfilled promises, but for services and sacrifices already rendered by our 12,000,000 American soldiers. This is an opportunity for the Congress to put the interest of our veterans first. I have no doubt that when the Members of the Senate have considered the two propositions, they will agree with me that the money should be spent on our veterans first. Then if anything is left we can throw it away on the British. We will give this money to the men and women who fought for us and for our country—and too bad about the English!

Mr. President, I ask unanimous consent to have printed in the RECORD several editorials and articles on the subject which I have been discussing.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

[From the Bulletin of North Shore Post, No. 21, the American Legion]

THE BRITISH LOAN

"We were not responsible for this war, but we had to fight it, and in fighting it we saved the British Empire the second time. For me and, I believe, for the American people, the blood already shed by our heroes, and the hundreds of billions we have poured out to win this war, should constitute the limit of our sacrifice for Britain.

"Permit me, Mr. Speaker, to digress a moment from the British loan and call the attention of my colleagues to the fact that out of 75,000 veterans in California asking for loans only 194 got credit, the others got advice. Just think of the contrast, Mr. Speaker, 194 American soldiers who faced death or mutilation in a war they did not seek out of 75,000 get some paltry loans, while here we have laid in our laps by the Administration a proposal to strike $25,000,000,000 of debts off the record and loan an additional $4,400,000,000 to the British Nation. That, I venture to say, Mr. Speaker, when the American people understand this simple fact, no explanations will suffice as an alibi for the proponents of this loan."—(Hon. ROY O. WOODRUFF, of Michigan, in the House of Representatives, February 15, 1946.)

SELLING OUT ON VETERANS

European buzzards are flocking to the United States of America demanding billions of dollars of American taxpayers' gold. These leeches don't give a damn whether they wreck the economy of our country; they are not satisfied to have received huge gifts of gold from our dwindling resources at Fort Knox, Ky.; they are not satisfied to have received thousands of United States fighting planes, thousands of United States trucks, tanks, millions of tires, 50 United States battleships, and millions of tons of fuel, food, and clothing; they want more, and, what's more, they are demanding more. Any politician who votes for these loans is robbing United States war veterans.

F. W. Willcox, of Roby, England, recently said, "Perhaps you will be interested to learn the average Britisher is against accepting any such loan from the 'American Shylock.' He would much prefer to endure another 10 years of austerity than place ourselves under any obligation to the despised American Nation." He went on to disparage our contributions toward saving the British Empire from disaster as they did after 1918. He said we Americans are jealous of English culture and historical background. Americans say: "To hell with all the dukes and earls in England; to hell with the Communists also."

Now then, fellow Americans—fellow American war veterans—are we going to permit a group of Anglophiles, Communists, and cheap Washington politicians to give another huge slice of America's dwindling supply of gold to the European buzzards and bankrupt the Republic of the United States of America? This gold is property of American taxpayers. "Refugee stock traders who fled from Europe have reaped profits close to $800,000,000 in the New York Stock Exchange without having to pay a dollar of their profits into the war-strained United States Treasury as income tax"—Chicago Tribune, May 6, 1945. This is a drop in the bucket; English fire and marine insurance companies take in a billion dollars a year in insurance premiums in the United States.

Henry Wallace—you know who he is—said, "It would be worth while if we gave the money away." He was addressing the Senate Banking and Currency Committee which was considering the $3,750,000,000 loan to the British. "The loan should be an outright gift." Kennedy, ex-Ambassador from United States to the cultured court of St. James. "Loan to Britain is a 'must.'"—Chicago Sun, March 12, 1946.

Magenta Socialist Leon Blum is here from France, he wants two billion two hundred and fifty millions.

Have you heard any one of those Anglophiles, Communists, and cheap Washington politicians who are so anxious to give away our gold, have you heard any one of them making any suggestions regarding gifts to World War II veterans? To save their skin they may after they have read this. Remember the great howl that went up when we veterans of 1918 asked for a few dollars? You heard the cry, "You are bankrupting the United States Treasury, you are selling patriotism." Any politician who votes for these foreign loans is selling out on American war vets, and if they pass the bill, we are going to demand a bonus for World War II vets right now. From a recent article, "Others contend the American Legion lobbyed for the bonus." Certainly we lobbyed, and we intend to keep our promises to our fellow vets of World War II. The Anglophiles, Communists, and friends of democracy can holler their heads off that this is a cheap appeal to bring members into the American Legion. Again we say, "To hell with the dukes, earls, and Communists." Long live the Republic of the United States of America.

McLEAN FARMERS OPPOSE BRITISH GIFT-LOAN, 5 TO 1

(By Clayton Kirkpatrick)

BLOOMINGTON, ILL., March 16.—McLean County farmers feel the same way about the proposed gift-loan of $3,750,000,000 to Great Britain as their city cousins. They are opposed to it by a majority of 5 to 1.

A poll taken today at a farm sale in Danvers, an agricultural hamlet 13 miles west of here, shows that of 30 farmers questioned 20 are against the loan, 4 are for it, and 6 are undecided.

The same question, asked of Chicagoans last month, revealed the metropolitan population was against the measure by a majority of 3 to 1 in spite of efforts of the Truman administration to force the measure through Congress. Earlier this week residents of Sterling, Ill., a city of 11,440, voted 7 to 1 against granting the credit to England.

DOUBT IF BRITISH WOULD PAY

Opposition of the farmers to the gift loan found its source in various historical and economic factors. Most of them believed the payments would be defaulted by the British as was done in 1933 on the World War I loan when only 4 percent of the four-and-one-half-billion-dollar debt was paid. Others held that the rate of interest, 1.62 percent, was too low when ex-servicemen are forced to pay 4 percent for loans under the GI bill of rights.

The farmers also were interviewed to obtain their opinions on the question of joint use of military bases by the United States and Great Britain against Russia as suggested March 5 by Winston Churchill in a speech in Fulton, Mo. (Churchill on Friday denied this was a request for a military alliance, calling it a fraternal association.) Although one-third said they had not decided what they favored, 4 to 1 among those who had opinions maintained an alliance would be unwise at this time and would lead to international complications and probably to war.

Many among those who said they were undecided said Russia's recent actions on the borders of Turkey and within Iran are a menace to world peace and that it may be necessary to seek help wherever it could be found.

DENOUNCE CHURCHILL

Those who disapproved an alliance accused Churchill of trying to inveigle this country into the old game of power politics in order to preserve the crumbling British empire. Unanimously they denounced Churchill for speaking as a private citizen on such a controversial and provocative subject in this country, thus causing our relations with Russia to be strained.

The following are samples of opinions expressed:

J. N. Bostic: "We've given Great Britain enough. It will be time to consider another loan when she pays the last one. Churchill was looking out for British interests when he made his speech, not ours or the world's. We've had too much interference from him—his own people rejected him—why should we pay any attention to him?"

Russell Yoder: "We shouldn't make this loan to Britain. We've plenty of uses for money right here at home. It seems to me Churchill is trying to get us into a war with Russia with his talk about alliances, and if he does not keep his mouth shut he will."

Roy McReynolds: "Why drain this country dry in order to build up the British Empire again? If we want peace we should treat Russia as an ally rather than as an enemy."

Lester Gillian: "I'm in favor of letting the British have the food they need and whatever surplus supplies we can spare, but we shouldn't shower them with dollars. As for Churchill's speech, I don't know why we allow foreigners to come over here and voice opinions that will get us into trouble."

Tracy Deal: "I believe in loaning money to people who would pay it back. If we give money to Britain and not to other countries, we get a doubtful friend and several certain enemies."

Harold Crump: "Charity begins at home, it seems to me, and a loan to the British would be charity. They didn't pay before and they won't this time. The alliance idea is a good one. It will take a lot of power to keep

peace, and we would be strengthened by an alliance."

G. J. Smith: "We should lend Britain enough to make sure everybody has enough to eat, but there's no excuse to lend them billions of dollars."

P. H. Schwartz: "I haven't made up my mind about the loan, but I am against entering an alliance. It would just provoke Russia. We should depend on the United Nations Organization to solve these problems."

LOAN TO BRITISH OPENING WEDGE, TEACHER WARNS—OTHERS WILL WANT THEIRS, DEAN PREDICTS

If the proposed $3,700,000,000 loan to Great Britain is made, the United States will face loan demands from other nations, and be placed in the position of giving diplomatic affront if it refuses.

This warning was given by Dr. Clarence E. Manion, dean of the College of Law of the University of Notre Dame, in a recent address before the Northern Indiana Conference of Bank Auditors and Controllers in South Bend, Ind.

Dr. Manion said that the loan arrangement sounds like a chapter from Alice in Wonderland. He charged it is intended to establish a precedent for a $6,000,000,000 cash advance to Russia, a $600,000,000 cash advance to France, and "comparable amounts to every other country on the globe."

LISTS OTHER PROSPECTS

"If the British transaction is approved," the law-school dean asserted, "subsequent refusal to deal in like manner with Russia, France, and other countries will be construed as a diplomatic affront to those countries.

Dr. Manion said that in order to finance any subsequent exorbitant loans the Government will have to borrow from its citizens at high interest. The national debt will increase as a result, he said, and reduce the value of war bonds in the hands of the people. Deficit spending will continue and inflation will be accelerated, he warned.

"If the millions of Americans whose savings are now patriotically invested in war bonds know what is good for them they will kill this hypocritical British loan by an avalanche of protests to Congress," Dr. Manion said.

SEES THIRTY BILLION GIFT

The Notre Dame professor asserted that the proposed loan to Britain amounts to a gift of $30,381,000,000. Under the loan terms, he said, $2,331,000,000 still owed America by Great Britain from World War I is automatically canceled and forgiven. In addition, he said, twenty-five billion due under lend-lease is reduced to a minimum of fifty million and a maximum of seven hundred and fifty million. On top of this, he declared, three billion is to be given without repayment for 55 years.

"For this thirty billion three hundred million—three billion and twenty-seven billion in excused or forgiven indebtedness to us—we get in return," said Manion, "only the unsecured promise of a debtor who has defaulted to us repeatedly during the past 25 years and who now pleads bankruptcy."

TERMS PROTESTS PHONY

Dr. Manion called British protests against the loan mere sham. The reported opposition to it in London is strictly phony, he said. The British complaints, he declared, are deliberately meant to give Americans the false impression that for once in their lives they have outsmarted the British. "They actually are giving us the horse laugh," Manion said.

"If we are in a mood for outright charity," Dr. Manion said, "this is no time to bankrupt ourselves in order to socialize the British coal mines or to nationalize the Bank of England."

[From the New York Daily News of April 2, 1946]

THE BRITISH "LOAN"

Since Lord Northcliffe died Lord Beaverbrook has become the most powerful and influential newspaper publisher in Great Britain.

Lord Beaverbrook was born in Newcastle, New Brunswick, Canada, son of the Reverend William Aitken, Scotch minister at Newcastle. Beaverbrook's original name was William Maxwell Aitken.

He became a successful businessman in New Brunswick; then conquered Canada, so to speak; then went to England. There he built his newspapers—London Daily Express, Sunday Express, Evening Standard; was created First Baron Beaverbrook in 1917; and served in various cabinets. His most notable public services were rendered as Minister of Supply in 1941–42, in which capacity he got Britain's aircraft industry really rolling 'em out for war purposes.

The London Daily Express has the world's largest daily newspaper circulation—about 3,400,000 at last report—for an interesting reason. It is printed simultaneously in three cities—London, Manchester, and Glasgow. Thus, it pretty well blankets England, Scotland, and Wales.

This mechanical advantage, of being able to print in three large cities on a relatively small but thickly populated island, is the main reason why the London Daily Express has a larger circulation than the New York Daily News, which has the largest newspaper circulation in America.

We mention Lord Beaverbrook at such length because his press power gives importance to anything he says on public affairs.

What he is saying nowadays about the proposed United States loan to Great Britain is of particular importance to Americans.

Lord Beaverbrook's view, as set forth in the London Daily Express, is that His Majesty's Government should graciously accept the "loan," but that it should also maintain imperial preference.

The "loan" would come to about $4,000,000,000, with interest at 2 percent. Britain wouldn't have to begin payments on either interest or principal till 1951, and it would have 50 years after that to pay in full. In years when British export trade fell below prewar levels, it could omit the interest.

IMPERIAL PREFERENCE

Imperial preference is a big, rather resounding name for a simple device. This simple device is the maintenance of tariff walls around the British Empire, to make it hard for United States or other nonempire business people to sell their goods inside the Empire while making it easy for Empire business people to sell their goods inside the Empire.

It is a trade monopoly scheme, whereby a market consisting of about one-fourth of the earth's land area and about one-fourth of its total population is pretty thoroughly fenced off for the benefit of business people inside that market.

Lord Beaverbrook has a perfect right to think and talk about imperial preference, and to be for it, as a veteran British Empire "firster."

Americans, however, have an equal right to think about what imperial preference would mean to them; and whether they would be smart or idiotic to extend Britain a "loan" of $4,000,000,000 with the expectation that imperial preference would be maintained thereafter.

Britain, with a Socialist government, could use this money, among other things, to speed up nationalization of its industries. Thus, a capitalist nation would be helping to finance socialism in another nation—rather ridiculous.

Then, too, if we should loan Britain this money, there would be no excuse for our refusing to make similar loans to other nations. France first intimated that it would like a loan of two and one-half billions; now it hints that it might be willing to settle for five billions. Stalin some time ago told United States Congressmen visiting Moscow that Russia would settle for a loan of six billions—some, at least, of which would go to push the cause of communism in the rest of the world, including the United States.

All this money, it should be emphasized, would come, not out of the air or a magician's hat or a bookkeeper's bottle of red ink, but out of the pockets of United States taxpayers. These days, we are all taxpayers, directly or indirectly.

As we've said before, we think this whole matter is one for the American Legion to consider thoughtfully. The Legion, we believe, should consider the question whether it wouldn't prefer to have these billions go to our own World War II veterans in the form of bonuses, rather than to British, French, and Russian veterans. Having carefully considered this question, the Legion should act accordingly.

[From the Jackson (Miss.) Daily News]

THAT BRITISH LOAN

The Senate will be engaged during the coming week with a debate of Great Britain's request for a $3,750,000,000 loan.

Great Britain's public debt today is $22,398,000,000, compared with $8,026,127,000 in 1928, an increase of 179 percent, due mostly to World War II.

Compare that, if you please, with our national debt of about $278,000,000,000.

Instead of requesting a 50-year loan from the United States of America, without security and at a trivial interest rate, why doesn't Great Britain offer to sell her bonds to our citizens direct? This can easily be accomplished by newspaper advertisements—but not for 50-year bonds. Make several issues—one for 10 or 15 years at 2½ percent interest—one for 20 years at 3 percent and one for 30 years at 3½ percent. Place these advertisements in the principal newspapers in the United States, Canada, Australia, Union of South Africa, and Malaya—these countries have tremendous natural resources and all necessary items to feed and clothe all human beings.

Also, keep it in the forefront of your mind that Great Britain still owes us a debt of about $12,000,000,000, with interest, accumulated since World War I.

Buying wars from our British cousins, and paying the entire bill, is a drain on our resources that is quite too heavy.

WOODLAWN AMERICAN LEGION POST OPPOSES LOAN TO BRITAIN

WOODLAWN POST NO. 175,
THE AMERICAN LEGION,
Chicago, Ill., January 15, 1946.

Mr. WILLIAM RANDOLPH HEARST,
San Simeon, Calif.

DEAR MR. HEARST: The following resolution was presented and adopted at a recent meeting of our post and represents the opinion of our membership.

The Americanism committee of our post was authorized to send a copy to the Illinois Senators—LUCAS and BROOKS.

F. WILBER WATSON,
Commander.

Whereas the public debt of the United States is nearing the astronomical height of $300,000,000,000 and seems likely to go even higher; and

Whereas if this debt is not curtailed and brought under control, or drastically reduced, a serious danger of ruinous inflation will obtain to the detriment of the public welfare throughout the country; and

Whereas returning GI's are required to pay 4 to 5 percent interest on loans from the United States Government: Therefore be it

Resolved, That Woodlawn Post No. 175, County of Cook, State of Illinois, American Legion, is unalterably opposed to the granting of a loan to Great Britain, under its proposed conditions, for the following reasons:

1. That the interest rate (1.6 percent) is entirely too low in comparison with other governmental obligations, and, further, that returning veterans desiring a loan would have to pay more than twice that rate of interest to secure a small loan for rehabilitation purposes.

2. That the agreement is so cunningly devised in that it compels us to establish a definite fixed policy of tariff that our failure to do so would afford Great Britain a valid reason to default on the agreement at a later date. This provision should be remedied.

3. That Great Britain has not divulged nor will she divulge her hidden assets to determine whether she actually needs this loan for the purposes stated by her or whether it will be diverted by her into channels for the purpose of propagandizing a socialistic government in contradistinction to our own form of government.

4. That the terms of the credit granted Great Britain is wholly disadvantageous to the best interests of the United States Government. This should definitely be repealed by the Senate.

We submit this for your consideration.

MRS. HENRY H. HAY—VETO MESSAGE (S. DOC. NO. 174)

The PRESIDING OFFICER (Mr. MURDOCK in the chair) laid before the Senate the following message from the President of the United States, which was read, and with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

To the Senate:

I return herewith, without my approval, S. 1190, Seventy-ninth Congress, entitled "An act for the relief of Mrs. Henry H. Hay."

The enactment would authorize and direct the Secretary of the Treasury to pay to Mrs. Henry H. Hay, of Savannah, Ga., the sum of $1,082.46, in full satisfaction of her claim against the United States for compensation for accrued annual leave, earned by her husband, the late Henry H. Hay, as a merchant marine inspector in the United States Coast Guard, the amount representing compensation for 88 days and 15 minutes of unused annual leave standing to his credit at the time of his death on December 4, 1944.

At the time of the employee's death there was no law or regulation authorizing the payment of compensation equivalent to, or in lieu of, the leave not taken by a former employee prior to his death. At that time the applicable law and regulations granted a right to an employee only to be absent from duty for the prescribed period without loss of compensation while retaining his status as a civilian officer or employee of the United States. The benefit was personal to the employee and ceased upon his death. While the act of December 21, 1944 (58 Stat. 845), now authorizes a lump-sum payment for all unused accrued annual leave of an employe upon his death to his designated beneficiary or to his estate, the provisions thereof are not retroactively effective. Many claims similar to the present one have been disallowed by the Government. Hence, the approval of relief legislation on behalf of the widow of the former employee named in this enactment would give her preferential treatment and, no doubt, would result in numerous relief bills with respect to other former employees similarly situated. For the reason stated herein I do not feel justified in giving this enactment my approval.

HARRY S. TRUMAN.

APRIL 26, 1946.

LEAVE OF ABSENCE

Mr. BILBO. Mr. President, while I have the floor, I wish to ask leave of the Senate until the 2d day of July. I shall leave Washington at 4 o'clock tomorrow morning. I believe that the people of my State will be willing for me to devote at least 60 days to my own political defense, after having served them faithfully for 6 years here, 18 hours a day, except when I was sick in the hospital. I could never feel satisfied to stay here when there are four peckerwoods down in Mississippi trying to take my job away from me. So I hope to obtain the permission of the Senate to leave until the 2d of July, to attend to my business.

The PRESIDING OFFICER. Without objection, consent of the Senate is granted.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. BARKLEY. Mr. President, we have been debating this measure for several days. We lost 2 days this week on account of the unfortunate death of the late Chief Justice of the United States, Mr. Stone. I had thought that we might bring up part of that tomorrow; but I find that the Members of the Senate are not as yet enthusiastic about Saturday sessions, and I shall not ask for one. I had intended to ask unanimous consent that beginning on Monday debate be limited to 1 hour on the joint resolution and 1 hour on any amendments thereto, which would make a total of 2 hours for any one Senator. But after consultation, I find that I cannot obtain such an agreement.

I merely ask Senators beginning on Monday to concentrate their thoughts and their speeches on the pending joint resolution, so that we may obtain a vote on it early in the week. There are some amendments which are to be offered. I do not know how much discussion they will involve. But it is desirable, not only on account of the merits of the pending measure, but on account of other legislation which is entitled to consideration and is waiting to receive it, that the Senate dispose as soon as possible of the pending joint resolution approving the agreement entered into between this country and the United Kingdom.

Therefore, in the absence of any agreement for limitation of debate, which I am not willing to propose now, let me say that I hope Senators will be here Monday prepared to hasten consideration of this proposed legislation as much as is possible, consistent with its importance.

SECOND DEFICIENCY APPROPRIATIONS

Mr. McKELLAR. Mr. President, I move that the unfinished business be laid aside temporarily, and that the Senate proceed to the consideration of House bill 5890, the deficiency appropriations bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will proceed to state the amendments reported by the committee.

The first amendment of the Committee on Appropriations was, under the heading "Title I—General appropriations—Legislative," on page 2, after line 2, to insert:

SENATE

For payment to Orja L. Sutliff for services rendered in the office of Senator CHARLES O. ANDREWS while on terminal military leave from September 10 to October 31, 1945, in accordance with the provisions of Public Law No. 226, Seventy-ninth Congress, approved November 21, 1945, $840.34, to be paid from the appropriation for salaries of officers and employees of the Senate for the fiscal year 1946.

The amendment was agreed to.

The next amendment was, on page 2, after line 10, to insert:

Joint Committee on Internal Revenue Taxation: For payment of one-half of an additional amount for salaries and other expenses of the Joint Committee on Internal Revenue Taxation as authorized by law, fiscal year 1946, $3,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 14, to insert:

Senate restaurants: For payment to the Architect of the Capitol in accordance with the act approved September 9, 1942, fiscal year 1946, $6,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 17, to insert:

For an additional amount for miscellaneous items, exclusive of labor, fiscal year 1946, $260,000.

The amendment was agreed to.

The next amendment was, under the subhead "House of Representatives," on page 2, after line 20, to insert:

To pay the widow of William Olin Burgin, late a Representative from the State of North Carolina, $10,000.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses of the House," on page 3, line 3, after the numerals "1946" to strike out "$5,000" and insert "$15,000."

The amendment was agreed to.

The next amendment was, on page 3, after line 17, to insert:

COMMITTEE ON FEDERAL EXPENDITURES

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, $20,000, one-half to be disbursed by the Secretary of the Senate and the other half by the Clerk of the House on vouchers approved by the chairman of the committee.

Mr. McKELLAR. Mr. President, I desire to offer an amendment to that committee amendment, and I wish to call the attention of the Senator from New Hampshire to it. In the committee amendment on page 3, in line 23, after the figures "$20,000," I desire to strike out the word "one-half"; and beginning in line 24, after the word "Senate," to strike out the words "and the other half by the Clerk of the House on vouchers approved by the chairman of the committee."

Mr. Oco Thompson tells us that in order to have the matter handled by him, it will be necessary to make that change. I hope there will be no objection.

Mr. BRIDGES. That is satisfactory.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. McKELLAR. Mr. President, I have an amendment which grows out of action on the part of the Rules Committee yesterday. The amendment, which is to come in on page 4, after line 3, reads as follows:

Senate Office Building: For an additional amount, fiscal year 1946, for maintenance, including the objects specified under this head in the Legislative Branch Appropriation Act, 1946, $22,000, to remain available until June 30, 1947.

Mr. President, the purpose of the amendment is to furnish more office space for Senators who have less than four rooms. I cannot say how it will be done, but it will give office space to a number of Senators who need additional rooms.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, under the subhead "Architect of the Capitol—Capitol Buildings and Grounds," on page 4, after line 11, to insert:

Erection of a statue of George Washington on the Capitol Grounds: To enable the Architect of the Capitol to acquire a statue of George Washington and a suitable granite pedestal upon which to erect such statue and to defray all expenses of erecting such statue upon the Capitol Grounds, all as authorized by the act of June 11, 1940 (54 Stat. 299), $25,000.

The amendment was agreed to.

The next amendment was, on page 4, after line 22, to insert:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE

For an additional amount for the Committee on Fair Employment Practice to meet increased pay costs authorized by the act of June 30, 1945 (Public Law 106), and to provide for lump-sum terminal leave as authorized by the act of December 21, 1944 (Public Law 525, 78th Cong.), fiscal year 1946, $27,600, to be expended prior to June 1, 1946.

The amendment was agreed to.

The next amendment was, on page 5, after line 5, to insert:

PETROLEUM ADMINISTRATION FOR WAR

Salaries and expenses: The limitation in the appropriation "Salaries and expenses, Petroleum Administration for War," in the National War Agencies Appropriation Act, 1946, on the amount which may be expended for printing and binding is hereby increased from "$20,000" to "$30,000."

The amendment was agreed to.

The next amendment was, on page 5, after line 12, to insert:

WAR SHIPPING ADMINISTRATION

War Shipping Administration, revolving fund: The amount that may be used for administrative expenses for the fiscal year 1946 under the head "War Shipping Administration, revolving fund" is hereby increased by $3,325,000.

The amendment was agreed to.

The next amendment was, under the heading "Independent Executive Agencies—Public Health Service," on page 6, line 16, after the numerals "1946," to strike out "$748,000" and insert "$1,348,000."

The amendment was agreed to.

The next amendment was, under the subhead "Federal Works Agency—Public Buildings Administration", on page 7, line 17, before the word "to" to strike out "$200,000" and insert "$495,020."

The amendment was agreed to.

The next amendment was, on page 8, after line 12, to insert:

Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area: For an additional amount, fiscal year 1946, for "Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area," including the objects specified under this head in the Independent Offices Appropriation Act, 1946, $1,780,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 19, to insert:

Salaries and expenses, public buildings and grounds outside the District of Columbia: For an additional amount, fiscal year 1946, for "Salaries and expenses, public buildings and grounds outside the District of Columbia," including the objects specified under this head in the Independent Offices Appropriation Act, 1946, $950,000.

The amendment was agreed to.

The next amendment was, in the subhead, on page 9, line 1, after the word "Roads", to strike out "Administrator" and insert "Administration"; in line 10, after the word "in", to insert "Senate Document No. 163, and"; and in line 11, after the word "Congress", to strike out "$681,193.83" and insert "$780,379.53."

The amendment was agreed to.

The next amendment was, on page 9, after line 12, to insert:

NATIONAL HOUSING AGENCY

FEDERAL HOUSING ADMINISTRATION

Salaries and expenses: In addition to the funds made available to the Federal Housing Administration by the Independent Offices Appropriation Act, 1946, and the First Deficiency Appropriation Act, 1946, for "Salaries and expenses," there is hereby made available to said Administration not to exceed $400,000 from the sources specified under said head.

The amendment was agreed to.

The next amendment was, on page 10, after line 19, to insert:

SMITHSONIAN INSTITUTION

Salaries and expenses: For an additional amount, fiscal year 1946, for "Salaries and expenses, Smithsonian Institution," including the objects specified under this head in the Independent Offices Appropriation Act, 1946, $18,000.

The amendment was agreed to.

The next amendment was, on page 10 after line 24, to insert:

Salaries and expenses, National Gallery of Art: For an additional amount, fiscal year 1946, for "Salaries and expenses, National Gallery of Art," including the objects specified under this head in the Independent Offices Appropriation Act, 1946, $16,000.

The amendment was agreed to.

The next amendment was, on page 11, after line 10, to insert:

UNITED STATES MARITIME COMMISSION

The amount that may be used for administrative expenses in the fiscal year 1946 under the head "United States Maritime Commission" is hereby increased by $1,330,000, and the limitation on the amount which may be expended for attendance at meetings is hereby increased by $1,000.

Mr. BRIDGES. Mr. President, if I correctly understood the clerk when he read the amendment, it provides for one increase of $1,000, but the major appropriation is increased by $1,330,000.

Mr. McKELLAR. The Senator is correct. The $1,000 item is a limitation on the amount which may be expended for attendance at meetings.

Mr. BRIDGES. I personally was not present when the item was discussed in the committee. What is the reason for such a substantial increase being requested on the part of the Maritime Commission?

Mr. McKELLAR. The increase is necessary in order to provide lump-sum payments for employees who are on terminal leave after having been separated from the service. The Maritime

Commission has absorbed approximately $400,000 required for this purpose, in addition to the cost of Public Law 106, Seventy-ninth Congress, but will be unable to meet the entire costs of terminal leave without the existing limitation. The Maritime Commission must have the money. Congress has already authorized it. The committee was unanimous, as I recall, in reporting the amendment.

Mr. BRIDGES. What is the total appropriation for the Maritime Commission up to the end of the present fiscal year?

Mr. McKELLAR. It is quite a large sum. I do not have the information before me.

Mr. BRIDGES. In my opinion, the Maritime Commission is one of the agencies which should be liquidating many of its activities.

Mr. McKELLAR. The amount which has been appropriated for the fiscal year is $25,600,000. The additional appropriation of $1,330,000 will make the total appropriation for the year $26,930,000.

Mr. BRIDGES. Did the representatives of the Maritime Commission testify that an additional amount beyond the $25,600,000 already appropriated was needed?

Mr. McKELLAR. Yes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 11, after line 10.

The amendment was agreed to.

The next amendment was, on page 12, after line 10, to insert:

DISTRICT OF COLUMBIA

HEALTH DEPARTMENT

Operating expenses, Gallinger Municipal Hospital: For an additional amount for the fiscal year 1946 for all expenses necessary for Gallinger Municipal Hospital and the Tuberculosis Hospital at Fourteenth and Upshur Streets NW., including the objects specified under this head in the District of Columbia Appropriation Act, 1946, $7,000.

The amendment was agreed to.

The next amendment was, on page 12, after line 18, to insert:

PUBLIC WORKS

Capital outlay, Sewer Division: For an additional amount, fiscal year 1946, for "Capital outly, Sewer Division," including the objects specified under this head in the District of Columbia Appropriation Act, 1946, $300,000, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, at the top of page 13, to insert:

Operating expenses, Water Division (payable from water fund): For an additional amount, firscal year 1946, for "Operating expenses, Water Division (payable from water fund)," including the objects specified under this head in the District of Columbia Appropriation Act, 1946, $75,000, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, on page 13, after line 6, to insert:

Captial outlay, Water Division (payable from water fund): For an additional amount, fiscal year 1946, for "Capital outlay, Water Division (payable from water fund)," including the objects specified under this head in the District of Columbia Appropriation Act, 1946, $200,000, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, on page 13, after line 12, to insert:

DIVISION OF EXPENSES

The sums appropriated in this act for the District of Columbia, shall, unless otherwise specifically provided, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1946.

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture—Agricultural Research Administration—Bureau of Entomology and Plant Quarantine," on page 4, line 5, after the word "control", to strike out "$20,000" and insert "$350,000."

The amendment was agreed to.

The next amendment was, under the subhead "Forest Service," on page 14, line 11, after the numerals "1946", to strike out "$168,000" and insert "$500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Water facilities, arid and semiarid areas," on page 14, line 25, after the numerals "1946", to strike out "$200,000" and insert "$500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Administrator of Civil Aeronautics", on page 15, line 15, after the numerals "1946", to strike out "$39,000" and insert "$59,000."

The amendment was agreed to.

The next amendment was, on page 16, line 4, after the numerals "1946", to strike out "$749,655" and insert "$924,600."

The amendment was agreed to.

The next amendment was, under the subhead "Weather Bureau," on page 18, line 8, after the numerals "1946", to strike out "$535,000" and insert "$1,035,000"; and in line 11, after the word "to", to strike out "'$1,170,000'" and insert: "'$1,175,000': *Provided*, That in the conduct of meteorological investigations by the Weather Bureau in the Arctic region, the War Department is authorized in the fiscal year 1946, subject to the approval of the Director of the Bureau of the Budget, to transfer without charge to the Weather Bureau materials, equipment, and supplies, surplus to the needs of the War Department and necessary for the establishment, maintenance, and operation of Arctic weather stations."

Mr. LANGER. Mr. President, it has been my understanding that the Government has been reducing personnel. The Joint Committee on Reduction of Nonessential Federal Expenditures, of which the Senator from Virginia [Mr. BYRD] is the chairman, issued a statement a few days ago to the effect that the Government is reducing personnel. Yet, I note that we are being asked to approve an appropriation for increased personnel by approximately double the original amount. Can the Senator from Tennessee explain why? I refer to the amendment on page 18, in line 8.

Mr. McKELLAR. The proviso is for the purpose of carrying out an act passed by Congress to establish in Arctic regions weather bureau stations, and the materials, equipment, and supplies.

Mr. LANGER. I was not talking about the proviso; I was speaking about the amendment on page 18, line 8, after the numerals "1946", to strike out "$535,000" and insert "$1,035,000."

Mr. McKELLAR. That increase is, of course, caused by Congress having passed a law providing for the establishment of certain weather bureau stations in the Arctic region. When Congress passes a law which requires an appropriation, Congress must later appropriate in order to put the law into effect.

Mr. BRIDGES. Mr. President, time after time officers of various agencies come before congressional committees for authorizations. Time after time I have heard statements in committees to the effect, "Well, this, you understand, is not an appropriation, but an authorization." But always those interested return later and say in effect, "Congress having passed the act, it must now make an appropriation."

Mr. McKELLAR. The Senator from New Hampshire is entirely correct. We sometimes very carelessly allow authorization bills to be passed. After they are passed officers of the Government will later come to the Appropriations Committee and say, "Congress has authorized, and you must make an appropriation." I wish to join the Senator from New Hampshire in saying that I believe the practice to be a very vicious one, and that we should be much more careful in the future in regard to these matters than we have been in the past.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 18, in lines 8 and 11.

The amendment was agreed to.

The next amendment was, under the subhead "Grazing Service," on page 19, after line 24, to insert:

Salaries and expenses: For an additional amount, fiscal year 1946, for "Salaries and expenses," including the objects specified under this head in the Interior Department Appropriation Act, 1946, $14,000.

The amendment was agreed to.

The next amendment was, under the subhead "Irrigation and Drainage," on page 20, after line 16, to insert:

Maintenance, San Carlos irrigation project, Gila River Reservation, Arizona: For an additional amount, fiscal year 1946, for operation and maintenance of the San Carlos project for the irrigation of lands in the Gila River Indian Reservation, Arizona, $29,000 (operation and maintenance collections) and $23,200 (power revenues), from which total amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The amendment was agreed to.

The next amendment was, at the top of page 21, to insert:

Maintenance, irrigation systems, Flathead Reservation, Montana: For an additional amount, fiscal year 1946, for operation and maintenance of the irrigation and power systems on the Flathead Reservation, Montana, $12,800 (operation and maintenance collections), from which total amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The amendment was agreed to.

The next amendment was, on page 21, after line 8, to insert:

Improvement and maintenance, irrigation systems, Crow Reservation, Montana (receipt limitation): For an additional amount for improvement, maintenance, and operation of the irrigation systems on the Crow Reservation, Montana, fiscal year 1946, $21,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The amendment was agreed to.

Mr. McKELLAR. I may say, Mr. President, that all these items will be paid out of income from the operations of the irrigation systems.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 22, after line 2, to insert:

Maintenance, Wapato irrigation and drainage systems, and so forth, Yakima Reservation, Washington: For an additional amount, fiscal year 1946, for operation and maintenance of the Wapato irrigation and drainage system, and auxiliary units thereof, Yakima Indian Reservation, Washington, $16,000 (collections from the water users on the Wapato-Satus, Toppenish-Simcoe, and Ahtanum units), from which total amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The amendment was agreed to.

The next amendment was, on page 22, line 20, after the word "Reservation", to insert a comma and "and there is transferred to the Bureau of Indian Affairs, without exchange of funds, such buildings constructed by the War Relocation Authority on the Colorado River and Gila River Indian Reservations as the Secretary of the Interior may determine to be necessary to provide suitable housing for Indian veterans on the Colorado River, Pima, and Papago Indian Reservations, Ariz.: *Provided*, That any building materials transferred to the Bureau of Indian Affairs under this authority shall be sold to Indian veterans at such prices and terms as the Secretary of the Interior may determine to be reasonable, and the amounts received shall be paid into the Treasury as miscellaneous recipts."

The amendment was agreed to.

The next amendment was, under the subhead "General support and administration," on page 25, line 8, after the numerals "1946", to strike out "$10,000" and insert "$15,000."

The amendment was agreed to.

The next amendment was, at the top of page 26, to insert:

BUREAU OF RECLAMATION

Rio Grande project, New Mexico-Texas: The limitation under the subhead "Rio Grande project, New Mexico-Texas," Bureau of Reclamation, in the Interior Department Appropriation Act, 1946, upon the amount available from power revenues for the operation and maintenance of the power system is hereby increased from "$80,700" to "$130,700."

The amendment was agreed to.

The next amendment was, under the subhead "Fish and Wildlife Service," on page 26, after line 8, to insert:

SALARIES AND EXPENSES

Maintenance of mammal and bird reservations: For an additional amount for administration, protection, and maintenance of mammal and bird reservations, including the objects specified under this head in the Interior Department Appropriation Act, 1946, and for the improvement, construction, and repair of the outlet channel from Reelfoot Lake, Tenn., to the Mississippi River, and control facilities connected therewith, fiscal year 1946, $20,000, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, on page 26, after line 24, to insert:

Halibut allocation program: For expenses necessary to enable the Fish and Wildlife Service to administer an allocation program for the Pacific halibut fishery pursuant to authority delegated to the Secretary of the Interior under Food Directive No. 2, issued by the Secretary of Agriculture on February 8, 1943 (8 F. R. 1777), as amended March 16, 1943 (8 F. R. 3280), including personal services in the District of Columbia; contract stenographic reporting services; the acceptance and utilization of voluntary and uncompensated services; maintenance, operation, repair, and hire of passenger automobiles; printing and binding; and the purchase in the District of Columbia and elsewhere of items otherwise properly chargeable to the appropriation "Contingent expenses, Department of the Interior"; fiscal year 1946, $39,700, to remain available until December 31, 1946.

Mr. LANGER. Mr. President, referring to the language on page 27, dealing with an appropriation for stenographic reporting services, and so forth, I ask the distinguished acting chairman of the Appropriations Committee if there is not on the statute books a law which makes it illegal for a Government official to spend money until it has been first appropriated.

Mr. HAYDEN. Mr. President, perhaps I can reply to the Senator from North Dakota. It was assumed that this halibut allocation program would not be carried on this year, but, in view of the continuation of the Office of Price Administration, the Fish and Wildlife Service will be required to administer an allocation program for the halibut catch. In order to do that, they must be properly equipped. That is what the appropriation is for. If there were no OPA, the Fish and Wildlife Service would not have to perform this work.

Mr. LANGER. Allow me to return to my question. In my State the legislature makes a certain definite appropriation for performing certain work. If the person in charge spends a single dollar more than the appropriation, he goes to jail. There is no fooling about it. I understand that in the case of the United States Government there is a similar law.

Mr. McKELLAR. There is.

Mr. LANGER. Then, why should we have any deficiency appropriation at all?

Mr. HAYDEN. When the program was provided for it was assumed the activity would not be proceeded with this year, and the money was not included in the regular annual appropriation bill, but subsequently Congress did not do away with the OPA, and the program in regard to the distribution of this type of fish has to be administered by the Fish and Wildlife Service. That being the case, we have to provide the money.

Mr. LANGER. Why should not the money be appropriated at the same time we give the authority?

Mr. HAYDEN. This is the first chance we have had to do it.

Mr. McKELLAR. The work was suspended. During the war there was very little of this work done.

Mr. HAYDEN. The deficiency begins on May 1. It was assumed last year that we would not have this program under way in May.

Mr. LANGER. The money has not yet been spent?

Mr. HAYDEN. No.

Mr. LANGER. It is going to be spent in the future?

Mr. HAYDEN. Yes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 26, beginning in line 25.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 27, after line 15, to insert:

GOVERNMENT IN THE TERRITORIES

TERRITORY OF ALASKA

Insane of Alaska: For an additional amount for "Insane of Alaska," including the objects specified under this head in the Interior Department Appropriation Act, 1946, $14,000.

The amendment was agreed to.

The next amendment was, under the subhead "Department of Justice—Legal activities and general administration", on page 28, line 23, after the numerals "1946", to strike out "$125,000" and insert "$250,000."

The amendment was agreed to.

The next amendment was, under the subhead "Field Service, Post Office Department," on page 31, after line 7, to insert:

OFFICE OF THE POSTMASTER GENERAL

Personal or property damage claims: For an additional amount, fiscal year 1946 and prior fiscal years, for "Personal or property damage claims," $27,500.

The amendment was agreed to.

The next amendment was, on page 31, after line 21, to insert:

OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

Unpaid money orders more than 1 year old: For an additional amount, fiscal year 1946; for "Unpaid money orders more than 1 year old," $487,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Fourth Assistant Postmaster General," on page 32, after line 16, to strike out:

(Payable out of the general fund of the Treasury)

For payment to Oscar R. Steinert, Chicago, Ill., in full settlement of all claims against the United States, as authorized by Private Law 241, Seventy-ninth Congress, approved November 9, 1945, $4,000.

The amendment was agreed to.

The next amendment was, under the subhead "Department of State—Office of

the Secretary of State," on page 33, line 4, after the word "laws", to strike out "$133,456" and insert "$200,000."

The amendment was agreed to.

The next amendment was, under the subhead "Foreign Office," on page 33, line 23, after the numerals "1946", to strike out "$100,000" and insert "$198,000."

The amendment was agreed to.

The next amendment was, on page 34, line 5, after the numerals "1946", to strike out "$400,000" and insert "$433,000."

The amendment was agreed to.

The next amendment was, on page 34, line 10, after the numerals "1946", to strike out "$35,300" and insert "$163,000."

The amendment was agreed to.

The next amendment was, on page 34, line 15, after the numerals "1946", to strike out "$567,070" and insert "$1,067,070."

The amendment was agreed to.

The next amendment was, on page 34, after line 23, to insert:

Emergencies arising in the Diplomatic and Consular Service: The appropriation "Emergencies arising in the Diplomatic and Consular Service," contained in the Department of State Appropriation Act, 1946, is hereby made available for the deportation of enemy aliens.

The amendment was agreed to.

The next amendment was, under the subhead "International obligations," on page 36, line 3, after the word "thereof," to insert a colon and the following additional proviso: *"Provided further*, That until July 1, 1947, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies, equipment, and services, including personal services, to the United Nations and, when reimbursements are made by the United Nations, such reimbursements shall be credited to the apropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization."

Mr. LANGER. Mr. President, may we have an explanation of this amendment?

Mr. McKELLAR. It is for the purpose of enabling the United Nations to utilize certain Government agencies in getting their work started. If the Senator will read the language he will find it is almost self-explanatory.

Mr. LANGER. Suppose the United Nations asked for $10,000,000 for the purchase, say, of a site for some buildings. Would that be covered?

Mr. McKELLAR. That could not be done under this provision.

Mr. LANGER. What could be done under it?

Mr. McKELLAR. Just as it provides, the United Nations could utilize the services of different agencies of the Government. Services are not real estate or improvements.

Mr. LANGER. For example, they could buy 50 automobiles. That would be equipment.

Mr. McKELLAR. I imagine they could, if they would pay for them.

Mr. LANGER. They could hire a hundred lawyers if they desired.

Mr. McKELLAR. If they paid for them. I doubt that they would go that far.

Mr. LANGER. I mean the amendment gives them authority?

Mr. McKELLAR. That much could be done.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 36, after line 15, to insert:

Rio Grande canalization project: For the replacement of the Anthony Bridge, over the Rio Grande within the Rio Grande canalization project, as authorized by and subject to the provisions of the act, approved April 22, 1940 (54 Stat. 151), fiscal year 1946, $40,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 37, after line 11, to insert:

BUREAU OF NARCOTICS

Salaries and expenses: For an additional amount, fiscal year 1946, for "Salaries and expenses," including the objects specified under this head in the Treasury Department Appropriation Act, 1946, $50,800.

Mr. LANGER. May we have an explanation of the amendment?

Mr. McKELLAR. The Bureau of Narcotics has had a number of very troublesome cases which they have had to prosecute. They made a request and got an estimate of $50,800 for the prosecution of those cases.

Mr. LANGER. Does it mean the hiring of more men to go out and dig up evidence?

Mr. McKELLAR. Not to dig up evidence. It is to prosecute cases.

Mr. BRIDGES. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. BRIDGES. I followed this very carefully in the committee, I may say in answer to the Senator from North Dakota, and I was amazed at some of the testimony which was adduced.

For example—and I think every Member of the Senate should listen to this particular statement—drug peddling and the use of narcotics in the District of Columbia, here in the capital of the United States, is worse than at any other place in the country. It is disgraceful. That was the testimony of Mr. Harry J. Anslinger, the Commissioner of Narcotics. I read from page 66 of the hearings. He said:

For instance, here in the District of Columbia we ran into about the worst situation that we have ever seen in the way of drug peddling. I brought in about 8 or 10 men from different sections of the country and had to put them on a per diem.

I think the appropriation is justified; I am sure it is needed; but the point I wish to make is that there is a disgraceful condition here in the Nation's capital, where the peddling of drugs and narcotics is worse than at any other place in the entire Nation. Something should be done about it.

If the Senator from Tennessee will further permit me, I read further from the hearing. I asked this question:

I feel that it is difficult to keep narcotics under control. What reason is there for the terrific increase in the District of Columbia?

Mr. ANSLINGER. The average sentence here is 8 months and in Baltimore it is 38 months. They do not have peddling in Baltimore; even though the indeterminate-sentence law in the District of Columbia required that the violator must serve the minimum of 8 months, nevertheless, the average time served by those paroled throughout the United States was 13 months. I have taken the matter up with the chief justice and some of his associates and have tried to point out that with short sentences you are not going to deter the traffic. We had to spend $15,000 here for purchases of evidence, travel, and other expenses. I have to keep as many men in the District of Columbia as in the New England district or as many men as we have in five Midwestern States.

I am glad the Senator from North Dakota raised the point, because while I believe the appropriation is justified, I think the reason for the appropriation, the widespread peddling of narcotics and drugs in our National Capital, is disgraceful and should be stopped.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the subhead "Secret Service Division", on page 37, line 22, after the numerals "1946", to strike out "$50,000" and insert "$110,000."

The amendment was agreed to.

The next amendment was, under the heading "War Department—Office of the Secretary," on page 39, line 1, after the word "in", to insert "Senate Document No. 164, and", and in line 2, after the word "Congress", to strike out "$429,805.41" and insert "$543,416.91."

The amendment was agreed to.

The next amendment was, on page 39, after line 3, to insert:

CIVIL FUNCTIONS, CORPS OF ENGINEERS

RIVERS AND HARBORS

For an additional amount, fiscal year 1946, for "Rivers and harbors," including the objects specified under this head in the War Department Civil Appropriation Act, 1946, $865,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 39, after line 10, to insert:

UNITED STATES SUPREME COURT

Preparation of Rules for Civil Procedure: For an additional amount for "Preparation of Rules for Civil Procedure, Supreme Court," fiscal year 1946, $7,500, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, under the subhead "United States courts for the District of Columbia", on page 39, line 22, after the numerals "1946", to strike out "$1,300" and insert "$5,400: *Provided*,

That not to exceed $3,600 of this amount shall be available for structural changes, alterations, and installation of fixtures and equipment in the Municipal Court Building of the District of Columbia (civil branch), including incidental expenses, to provide accommodations in that building for activities of the District Court of the United States for the District of Columbia."

The next amendment was, on page 40, after line 10, to strike out:

The amendment was agreed to.

TITLE II—INCREASED PAY COSTS

SEC. 201. For additional amounts for appropriations for the fiscal year 1946, to meet increased pay costs authorized by the acts of June 30, 1945 (Public Law 106), July 6, 1945 (Public Law 134), July 14, 1945 (Public Law 151), and July 21, 1945 (Public Law 158), and other legislation enacted during or applicable to said fiscal year authorizing increases in pay of Government officers and employees, as follows:

LEGISLATIVE BRANCH

For—

"Salaries, officers and employees, Senate," $490,000;

"Salaries and expenses, Joint Committee on Printing, Senate," $1,150;

"Salaries and expenses, legislative counsel, Senate," $12,000;

"Contingent expenses, Senate, reporting debates and proceedings of the Senate," $10,000;

"Contingent expenses, Senate, services in cleaning repairing, and varnishing furniture," $385;

"Contingent expenses, Senate, salaries and expenses, Joint Committee on Internal Revenue Taxation, Senate," $7,000;

"Salaries, officers and employees, House of Representatives," $335,000;

"Clerk hire, Members and Delegates, House of Representatives," $925,000;

"Salaries and expenses, legislative counsel, House of Representatives," $5,000;

"Salary and expenses, Joint Committee on Printing, House of Representative," $1,150;

"Contingent expenses, House of Representatives, folding documents," $10,000;

"Contingent expenses, House of Representatives, furniture and repairs," $9,500;

"Contingent expenses, House of Representatives, miscellaneous items," $2,500;

"Contingent expenses, House of Representatives, Joint Committee on Internal Revenue Taxation," $7,000;

"Contingent expenses, House of Representatives, Speaker's automobile," $675;

"Contingent expenses, House of Representatives, payment for certain services," $1,200;

"Contingent expenses, House of Representatives, attending physician," $385;

"Contingent expenses, House of Representatives, Revision of the Laws," $1,000;

"Contingent expenses, House of Representatives, preparation of a new edition, United States Code (no year)," $5,000;

Architect of the Capitol:

Office of the Architect of the Capitol: "Salaries," $19,000;

Capitol Buildings and Grounds:

"Capitol buildings," $91,000;

"Capitol grounds," $32,300;

"Senate Office Building," $97,000;

"House Office Buildings," $129,500;

"Capitol power plant," $85,000;

Library of Congress:

Copyright Office: "Salaries," $50,900;

Legislative Reference Service: "Salaries," $35,734;

Index to State legislation: "Salaries and expenses," $6,242;

Union catalogs: "Salaries and expenses," $8,566;

"Motion-picture project," $696;

Library buildings: "Salaries," $88,326;

Total, legislative branch, $2,468,209.

THE JUDICIARY

For—

United States Supreme Court:

"Salaries," $70,000;

"Structural and mechanical care of the building and grounds," $29,300;

Court of Customs and Patent Appeals: "Salaries," $10,850;

United States Customs Court: "Salaries," $24,000;

Miscellaneous items of expense:

"Salaries of clerks of courts," $675,000;

"Probation system, United States courts," $225,000;

"Salaries of criers," $62,000;

"Fees of commissioners," $110,000;

"Miscellaneous salaries," $85,000;

Administrative Office of the United States Courts: "Salaries," $30,000;

Total, the judiciary, $1,321,150.

EXECUTIVE OFFICE OF THE PRESIDENT

For—

The White House Office: "Salaries and expenses," $30,000;

Bureau of the Budget: "Salaries and expenses," $280,000;

Office for Emergency Management:

"Office of Alien Property Custodian": (The amount, $332,900, which may be used for general administration expenses by other agencies on a reimbursable basis.)

Total, Executive Office of the President, $340,000.

INDEPENDENT OFFICES

For—

Civil Service Commission: "Salaries and expenses," $1,300,000;

Employees' Compensation Commission: "Salaries and expenses," $140,000;

Federal Communications Commission:

"Salaries and expenses," $363,000;

"Salaries and expenses, national defense," $194,000;

"Federal Deposit Insurance Corporation": (The amount which may be used for administrative expenses is increased by $417,000.)

Federal Power Commission:

"Salaries and expenses," $287,300;

"Flood control surveys," $17,700;

Federal Trade Commission: "Salaries and expenses," $232,000;

General Accounting Office: "Salaries," $4,813,000;

Interstate Commerce Commission:

"General administrative expenses," $380,000;

"Safety of employees," $42,000;

"Signal safety systems," $9,800;

"Locomotive inspection," $43,600;

"Valuation of property of carriers," $56,000;

"Motor transport regulation," $341,000;

"Salaries and expenses, emergency," $24,000;

"National Capital Housing Authority," $1,850;

National Labor Relations Board:

"Salaries," $348,000;

"Salaries and expenses (national defense)," $57,600;

National Mediation Board:

"Salaries and expenses," $19,600;

National Railroad Adjustment Board: "Salaries and expenses," $23,850;

Securities and Exchange Commission: "Salaries and expenses," $385,000;

Tariff Commission: "Salaries and expenses," $120,200;

"The Tax Court of the United States," $48,800;

Veterans' Administration: "Administration, medical, hospital, and domiciliary services," $54,168,000;

Total, Independent Offices, $63,416,300.

FEDERAL SECURITY AGENCY

For—

"Columbia Institution for the Deaf," $13,000;

Food and Drug Administration:

"Enforcement operations," $433,000;

"General administration," $16,900;

Freedmen's Hospital: "Salaries and expenses," $253,300;

Howard University: "Salaries," $13,500;

Office of Education:

"Library service," $3,700;

"Services for the blind," $980;

"Salaries," $61,440;

"Salaries and expenses" (vocational education), $53,300;

Public Health Service:

"Industrial hygiene," $11,280;

"Foreign quarantine service," $232,700;

"Hospitals and medical care," $3,935,200;

"National Institute of Health," $228,000;

"National Cancer Institute, operating expenses," $58,700;

"Salaries and miscellaneous expenses," $160,000;

Saint Elizabeths Hospital: "Salaries and expenses," $663,700;

Social Security Board:

"Salaries, Bureau of Public Assistance," $130,000;

"Salaries, Bureau of Employment Security," $105,700;

"Salaries, Bureau of Old-Age and Survivors' Insurance," $3,240,200;

"Salaries, offices of the Social Security Board," $525,200;

Office of Vocational Rehabilitation:

"For payments to States," $11,500;

"For general administrative expenses," $45,400;

Office of the Administrator:

"Salaries, Office of the Administrator," $25,800;

"Community War Services," $62,900;

"Salaries, Division of Personnel Management," $17,000;

"Salaries, Division of Service Operations," $50,700;

"Salaries, Office of the General Counsel," $94,000;

Total, Federal Security Agency, $10,447,100.

FEDERAL WORKS AGENCY

For—

Office of the Administrator: "Salaries and expenses," $35,530;

Public Buildings Administration:

"General administrative expenses," $201,380;

"Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area," $4,372,460;

"Salaries and expenses, public buildings and grounds outside the District of Columbia," $1,547,130;

Total, Federal Works Agency, $6,156,500.

NATIONAL HOUSING AGENCY

For—

Office of the Administrator: "Salaries and expenses":

(The amount which may be used for administrative expenses is increased by $52,900.)

Federal Home Loan Bank Administration: "Salaries and expenses": (The amount which may be used for administrative expenses is increased by $126,000.)

Federal Housing Administration: "Salaries and expenses": (The amount which may be used for administrative expenses is increased by $314,800.)

Federal Public Housing Authority: "Salaries and expenses": (The amount which may be used for administrative expenses is increased by $296,200.)

DEPARTMENT OF AGRICULTURE

Office of the Secretary: "Salaries and expenses," $204,000;

Office of the Solicitor: "Salaries and expenses," $242,000;

Office of Information: "Salaries and expenses," $72,000;

Library, Department of Agriculture: "Salaries and expenses," $84,000;

Bureau of Agriculture Economics:

"Economic investigations," $310,000;

"Crop and livestock estimates," $217,000;

Office of Foreign Agricultural Relations:

"Salaries and expenses," $85,000;

Extension Service: "Administration and coordination of extension work," $60,000;

Agricultural Research Administration:

Office of Administrator: "Salaries and expenses," $40,000;

"Special research fund, Department of Agriculture," $120,000;

Office of Experiment Stations:

"Administration of grants and coordination of research with States," $21,000;

"Federal Experiment Station, Puerto Rico," $9,000;

Bureau of Animal Industry:

"Animal husbandry," $95,000;

"Diseases of animals," $76,000;

"Eradicating tuberculosis and Bang's disease," $430,000;

"Inspection and quarantine," $140,000;

"Meat inspection," $1,590,000;

"Virus Serum Toxin Act," $40,000;

"Marketing agreements, hog cholera virus and serum" (increase in sum made available from appropriation made by section 12 (a) of the Agricultural Adjustment Act, approved May 12, 1933, from "$31,940" to "$37,740");

Bureau of Dairy Industry: "Salaries and expenses," $99,800;

Bureau of Plant Industry, Soils, and Agricultural Engineering:

"Field crops," $240,000;

"Fruit, vegetable, and specialty crops," $205,000;

"Forest diseases," $31,500;

"Soils, fertilizers, and irrigation," $105,000;

"Agricultural engineering," $46,000;

"National Arboretum," $4,800;

Bureau of Agricultural and Industrial Chemistry:

"Agricultural chemical investigations," $44,000;

"Naval stores investigations," $17,500;

"Regional research laboratories," $500,000;

Bureau of Human Nutrition and Home Economics:

"Salaries and expenses," $73,000;

"White pine blister rust control, Department of Agriculture," $270,000;

Forest Service:

Salaries and expenses:

"General administrative expenses," $75,000;

"National forest protection and management," $2,550,000;

"Forest management," $116,900;

"Range investigations," $42,100;

"Forest products," $175,000;

"Forest resources investigations," $24,000;

"Forest fire cooperation," $40,000;

"Farm and other private forestry cooperation," $36,000;

"Forest roads and trails," $480,000;

Commodity Credit Corporation: "Salaries and administrative expenses" (increase in limitation for administrative expenses by $743,000);

Federal Crop Insurance Act: "Administrative and operating expenses," $320,000;

Soil Conservation Service:

"Soil conservation research," $164,000;

"Soil conservation operations", $4,575,000;

"Erosion control, Everglades region, Florida," $10,200;

"Land utilization and retirement of submarginal land," $144,000;

Marketing Service:

"Market news service," $142,000;

"Market inspection of farm products," $68,000;

"Marketing farm products," $58,000;

"Tobacco Acts," $67,500;

"Perishable Agricultural Commodities, Produce Agency, and Standard Container Acts," $24,500;

"Cotton Statistics, Classing, Standards, and Futures Acts," $138,000;

"United States Grain Standards Act," $127,000;

"United States Warehouse Act," $60,000;

"Federal Seed Act," $14,000;

"Packers and Stockyards Acts," $48,000;

"Naval Stores Act," $4,500;

"Insecticide Act," $27,700;

"Commodity Exchange Act," $41,500;

"Freight rates for farm products," $12,000;

"Loans, grants, and rural rehabilitation," $3,200,000;

Farm tenancy: "Salaries and expenses," $365,000;

"Water facilities, arid and semiarid areas," $25,000;

Rural Electrification Administration: "Salaries and expenses," $490,000;

Farm Credit Administration: "Salaries and expenses," $66,800; and increase the funds made available pursuant to act of January 29, 1937, from "$3,845,209" to "$4,385,209";

Total, Department of Agriculture, $19,203,300.

DEPARTMENT OF COMMERCE

For—

Office of the Secretary: "Salaries and expenses," $98,000;

Bureau of the Census: "Compiling census reports, etc.," $735,000;

Office of Administrator of Civil Aeronautics:

"General administration, Office of the Administrator," $370,000;

"Technical development," $42,000;

"Enforcement of safety regulations," $386,000;

"Airport Advisory Service," $33,000;

"Maintenance and operation of aircraft," $43,000;

"Maintenance and operation, Washington National Airport," $107,000;

"Civil Aeronautics Board, salaries and expenses," $135,000;

Coast and Geodetic Survey:

"Salaries and expenses, departmental," $169,000;

"Salaries and expenses, field," $258,000;

Bureau of Foreign and Domestic Commerce:

"Departmental salaries and expenses," $275,000;

"Field office service," $62,800;

Patent Office: "Salaries," $400,000;

National Bureau of Standards:

"Operation and administration," $75,000;

"Testing, inspection, and information service," $178,000;

"Research and development," $192,000;

"Standards for commerce," $30,000;

Total, Department of Commerce, $3,588,800.

DEPARTMENT OF THE INTERIOR

For—

Office of the Secretary:

"Salaries," $195,000;

"Office of Solicitor," $29,900;

"Division of Territories and Island Possessions," $14,200;

Petroleum Conservation Division: "Salaries and expenses," $12,600;

Division of Geography: "Salaries and expenses," $1,350;

"Soil and moisture conservation operations," $123,400;

"Commission of Fine Arts," $860;

Grazing Service:

"Salaries and expenses," $142,000;

"Range improvements," $9,050;

General Land Office:

"Salaries," $138,940;

"Surveying public lands," $50,000;

"Salaries and expenses, branch of field examination," $15,370;

"Salaries and expenses of land offices," $42,300;

"Forest management and protection, public domain, Alaska," $19,660;

"Revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands, Oregon (reimbursable)," $13,000;

"Range improvements on public lands outside of grazing districts (receipt limitation)," $2,000;

Bureau of Indian Affairs:

Salaries and general expenses:

"Departmental personal services," $115,200;

"Maintaining law and order on Indian reservations," $17,590;

Industrial assistance and advancement:

"Preservation of timber on Indian reservations," $134,500;

"Expenses incidental to the sale of timber (reimbursable)," $26,820;

"Developing agriculture and stock raising among the Indians," $80,000;

"Development of water supply," $6,700;

Irrigation and drainage:

"Construction, repair, and maintenance of irrigation systems (reimbursable)," $20,200;

"Operation and maintenance of the San Carlos project (receipt limitation)," $28,880;

"Improvement, operation, and maintenance of the irrigation and power systems on the Colorado River Indian Reservation (receipt limitation)," $3,030;

"Improvements, maintenance, and operation of the Fort Hall irrigation systems," $5,840;

"Improvements, maintenance, and operation of the Fort Hall irrigation systems (receipt limitation)," $5,760;

"Maintenance and operation, repairs, and purchase of stored waters, irrigation systems, Fort Belknap Reservation (reimbursable)," $750;

"Maintenance and operation, repairs, and purchase of stored waters, irrigation systems, Fort Belknap Reservation (receipt limitation)," $640;

"Maintenance and operation of the several units of the Fort Peck project (reimbursable)," $740;

"Maintenance and operation of the several units of the Fort Peck project (receipt limitation)," $1,400;

"Improvement, maintenance, and operation of the irrigation systems of the Blackfeet Indian Reservation (reimbursable)," $730;

"Improvement, maintenance, and operation of the irrigation systems on the Blackfeet Indian Reservation (receipt limitation)," $1,780;

"Operation and maintenance of the irrigation and power systems on the Flathead Reservation (receipt limitation)," $25,780;

"Improvement, maintenance, and operation of the irrigation systems on the Crow Reservation (reimbursable)," $450;

"Improvement, maintenance, and operation of the irrigation systems on the Crow Reservation (receipt limitation)," $4,360;

"Improvement, maintenance, and operation of miscellaneous irrigation projects on the Klamath Reservation (receipt limitation)," $490;

"Continuing operation and maintenance and betterment of the irrigation system to irrigate allotted lands of the Uncompahgre, Uintah, and White River Utes (reimbursable)," $950;

"Continuing operation and maintenance and betterment of the irrigation system to irrigate allotted lands of the Uncompahgre, Uintah, and White River Utes (receipt limitation)," $2,620;

"Operation and maintenance of the Wapato irrigation and drainage systems, Yakima Indian Reservation (receipt limitation)," $26,510;

"Operation and maintenance of irrigation systems within the ceded and diminished portions of the Wind River Reservation (reimbursable)," $410;

"Operation and maintenance of irrigation systems within the ceded and diminished portions of the Wind River Reservation (receipt limitation)," $1,200;

Education:
"Support of Indian Schools," $886,700;
"Support and education of Indian pupils at nonreservation boarding schools," $417,300;
"Natives in Alaska," $224,000;
Conservation of health:
"Conservation of health among Indians," $1,988,500;
"Medical relief in Alaska," $102,000;
General support and administration:
"General administration of Indian property," $451,100;
"Reindeer service," $6,770;
"Administration of Indian tribal affairs (tribal funds, $12,333)";
"Support of Klamath Agency, Oregon (tribal funds $19,525)";
"Support of Menominee Agency and pay of tribal officers, Wisconsin (tribal funds, $3,860)";
"Support of Osage Agency and pay of tribal officers, Oklahoma (tribal funds, $27,600)";
Bureau of Reclamation:
Reclamation fund, special fund:
"Parker Dam power project, Arizona-California (from power revenues $18,100)";
"Yuma project, Arizona-California," $11,000;
"Boise project, Idaho," $10,000;
"Minidoka project, Idaho," $5,300;
"Minidoka project, Idaho (from power revenues, $15,000)";
"Rio Grande project, New Mexico-Texas (from power revenues, $5,400)";
"Owyhee project, Oregon," $21,200;
"Klamath project, Oregon-California," $11,000;
"Columbia Basin project, Washington (from power revenues, $63,000)";
"Yakima project, Washington," $21,500;
"Riverton project, Wyoming," $4,000;
"Shoshone project, Wyoming," $1,800;
"Shoshone project, Wyoming (from power revenues, $2,000)";
"Salaries and expenses (other than project offices)", $456,200;
General fund, construction: "Colorado River project, Texas (reimbursable)", $6,900;
"Geological Survey," $151,500;
Bureau of Mines:
"Salaries and expenses," $9,500;
"Operating mine rescue cars and stations and investigation of mine accidents," $88,600;
"Coal-mine inspections and investigations," $122,380;
"Mineral mining investigations," $35,000;
"Buildings and grounds, Pittsburgh, Pa.," $18,300;
"Economics of mineral industries," $40,000;
"National Park Service," $636,000;
"Recreational demonstration areas," $17,860;
"Salaries and expenses, National Capital parks," $70,500;
Fish and Wildlife Service: "Salaries and expenses," $543,100;
Government in the Territories:
Territory of Alaska: "Expenses of the offices of the Governor and the Secretary, $3,000;
Territory of Hawaii: "Expenses of the offices of the Governor and the Secretary," $1,100;
Government of the Virgin Islands: "Salaries of the Governor and employees," $7,370;
Total, Department of the Interior, $7,687,440;

DEPARTMENT OF JUSTICE

For—
Legal activities and general administration:
"Office of the Attorney General," $9,600;
"Office of the Solicitor General," $5,000;
"Office of Assistant to the Attorney General," $16,000;
"Administrative Division," $201,500;
"Tax Division," $87,700;
"Criminal Division," $11,300;
"Claims Division," $129,000;
"Office of the Assistant Solicitor General," $15,000;
"Office of Pardon Attorney," $4,000;
"Salaries and expenses, Customs Division," $18,000;
"Salaries and expenses, Antitrust Division," $175,000;
"Miscellaneous salaries and expenses, field," $18,000;
"Salaries and expenses of district attorneys, etc.," $599,000;
"Compensation of special attorneys, etc.," $7,900;
"Salaries and expenses of marshals, etc.," $507,000;
"Pay and expenses of bailiffs," $39,000;
Federal Bureau of Investigation: "Salaries and expenses, detection and prosecution of crimes," $1,249,000;
Immigration and Naturalization Service: "Salaries and expenses, Immigration and Naturalization Service," $3,720,000;
Federal Prison System:
"Salaries and expenses, Bureau of Prisons," $53,800;
"Salaries and expenses, penal and correctional institutions," $3,639,000;
"Medical and hospital service," $224,700;
Total, Department of Justice, $10,729,500;

DEPARTMENT OF LABOR

For—
Office of the Secretary:
"Salaries," $68,600;
"Salaries and expenses, Office of the Solicitor," $110,900;
"Salaries and expenses, Division of Labor Standards," $23,500;
"Commissioners of Conciliation," $59,050;
"Commissioners of Conciliation (national defense)," $206,300;
Bureau of Labor Statistics:
"Salaries and expenses," $215,100;
"Salaries and expenses (national defense)," $423,700;
Children's Bureau:
"Salaries and expenses," $55,460;
"Salaries and expenses, child-labor provisions," $35,970;
"Salaries and expenses, maternal and child welfare," $59,170;
"Salaries and expenses, emergency maternity and infant care (national defense)," $5,750;
Women's Bureau: "Salaries and expenses," $33,500;
Wage and Hour Division: "Salaries," $635,200;
War manpower functions:
"Apprentice training service," $73,100;
"Employment office facilities and services," $5,504,800;
Total, Department of Labor, $7,510,100;

POST OFFICE DEPARTMENT

(Out of the postal revenues)

For—
Post Office Department, Washington, D. C.:
"Office of the Postmaster General: 'Salaries'," $52,800;
Salaries in bureaus and offices:
"Office of Budget and Administrative Planning," $5,300;
"Office of the First Assistant Postmaster General," $138,000;
"Office of the Second Assistant Postmaster General," $140,400;
"Office of the Third Assistant Postmaster General," $202,700;
"Office of the Fourth Assistant Postmaster General," $93,000;
"Office of the Solicitor for the Post Office Department," $18,770;
"Office of the Chief Inspector," $59,100;
"Office of the Purchasing Agent," $11,500;
"Bureau of Accounts," $57,100;
Field service, Post Office Department:
Office of Chief Inspector:
"Salaries of inspectors," $563,900;
"Clerks, division headquarters," $187,300;
Office of the First Assistant Postmaster General:
"Rural delivery service," $17,385,000;
Office of the Fourth Assistant Postmaster General:
"Post office stationery, equipment, and supplies," $20,700;
"Pneumatic-tube service, New York City," $52,800;
Total, Post Office Department, $18,988,370;

DEPARTMENT OF STATE

For—
Office of the Secretary of State:
"Salaries," $1,861,810;
"Passport agencies," $10,410;
"Collecting and editing official papers of Territories of the United States," $400;
Foreign service:
"Salaries, ambassadors and ministers," $13,000;
"Salaries, foreign service officers," $294,000;
"Salaries of clerks, foreign service," $518,159;
"Miscellaneous salaries and allowances, foreign service," $55,850;
"Foreign service, auxiliary (emergency)," $400,000;
International obligations:
"Salaries and expenses, International Boundary Commission, United States and Mexico," $61,400;
"Supplemental construction on the Rio Grande in the El Paso Juarez Valley," $9,800;
"International Boundary Commission, United States and Canada and Alaska and Canada," $2,530;
"Salaries and expenses, International Joint Commission, United States and Great Britain," $3,080;
"Special and technical investigations, International Joint Commission, United States and Great Britain," $8,300;
"Cooperation with the American republics," $98,370;
Total, Department of State, $3,337,100;

TREASURY DEPARTMENT

For—
Office of the Secretary: "Salaries," $57,400;
Division of Tax Research: "Salaries," $25,200;
Office of Tax Legislative Counsel: "Salaries," $11,800;
Division of Research and Statistics: "Salaries," $26,600;
Office of General Counsel: "Salaries," $21,800;
Division of Personnel: "Salaries," $32,200;
Office of Chief Clerk: "Salaries," $68,200;
Fiscal service:
Bureau of Accounts:
"Salaries and expenses," $180,800;
"Division of Disbursement, salaries and expenses," $1,075,900;
Bureau of the Public Debt: "Administering the public debt," $7,612,000;
Office of the Treasurer of the United States:
"Salaries and expenses," $881,700;
"Salaries (reimbursable)," $17,300;
Bureau of Customs: "Salaries and expenses," $6,000,000;
Office of the Comptroller of the Currency: "Salaries," $44,200;
Bureau of Narcotics: "Salaries and expenses," $178,800;
Bureau of Engraving and Printing: "Salaries and expenses," $1,035,700;
Secret Service Division:
"White House Police," $49,500;
Bureau of the Mint:
"Salaries and expenses, Office of the Director," $23,000;
"Salaries and expenses, mints and assay offices," $242,900;
Procurement Division: "Salaries and expenses," $70,900;
Total, Treasury Department, $17,655,900;

WAR DEPARTMENT

For—
The Panama Canal:
"Maintenance and operation of the Panama Canal," $587,000;
"Sanitation, Canal Zone," $477,000;
"Civil government," $361,000;
Total, War Department, $1,425,000;

DISTRICT OF COLUMBIA

For—
General administration:
"Executive office," $17,550;
"Office of the corporation counsel," $17,720;
"Board of Tax Appeals," $2,790;
Fiscal Service:
"Assessor's office," $45,870;
"Collector's office," $19,530;
"Auditor's office," $36,400;
"Purchasing Division," $7,640;
Regulatory agencies:
"Alcoholic Beverage Control Board," $6,210;
"Board of Indeterminate Sentence and Parole," $4,840;
"Coroner's office," $7,050;
"Department of Insurance," $7,300;
"Department of Weights, Measures, and Markets," $19,670;
"Minimum Wage and Industrial Safety Board," $6,750;
"Office of Administrator of Rent Control," $6,510;
"Office of Recorder of Deeds," $32,500;
"Poundmaster's office," $9,230;
"Public Utilities Commission," $14,320;
"Zoning Commission," $2,170;
Public Schools:
Operating expenses:
"General administration," $71,330;
"General supervision and instruction," $1,355,160;
"Vocational education, George Deen program," $16,350;
"Operation of buildings and maintenance of equipment," $386,460;
"Public Library," $112,740;
Recreation Department: "Operating expenses," $56,410;
"Metropolitan Police," $777,040;
"Fire Department," $383,400;
"Policemen's and Firemen's Relief," $292,190;
Courts:
"Juvenile court," $27,260;
"Psychiatric service, juvenile court," $1,360;
"Municipal court," $45,440;
"Municipal court of appeals," $5,000;
"Probation system," $4,920;
"Office of Register of Wills," $13,730;
"Commission on Mental Health," $2,840;
Health Department:
"Health Department (excluding hospitals)," $209,010;
"Glenn Dale Tuberculosis Sanatorium," $225,400;
"Operating expenses, Gallinger Municipal Hospital," $504,130;
Public welfare:
"Office of the Director," $7,920;
Family Welfare Service:
"Operating expenses, child care," $20,000;
"Adult assistance," $32,700;
"Operating expenses, institutions for the indigent," $55,730;
Juvenile Correctional Service: "Operating expenses," $65,410;
Adult Correctional Service: "Operating expenses," $279,740;
Mental Rehabilitation Service:
"Operating expenses, District Training School," $111,300;
"Saint Elizabeths Hospital," $903,400;
Public works:
"Office of chief clerk," $4,560;
"Office of Municipal Architect," $13,800;
"Operating expenses, Office of Superintendent of District Buildings," $91,650;
"Surveyor's office," $7,960;
"Department of Inspections," $60,550;
"Operating expenses, Electrical Division," $49,790;
"Central garage," $4,200;
"Department of Vehicles and Traffic (payable from highway fund)," $40,500;
"Reimbursement of other appropriations (payable from highway fund)," $109,600;
"Operating expenses, Refuse Division," $46,900;
"Operating expenses, Sewer Division," $59,260;
"Operating expenses, Water Division (payable from water fund)," $83,650;
Washington Aqueduct: "Operating expenses (payable from water fund)," $22,360;
"National Capital Parks," $96,420;
"National Capital Park and Planning Commission," $7,410;
"National Zoological Park," $65,670;
Total, District of Columbia, $6,994,700;

DIVISION OF EXPENSES

The sums appropriated in this act for the District of Columbia shall, unless otherwise specifically provided, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1946.

SEC. 202. The restrictions contained in appropriations or affecting appropriations or other funds, available during the fiscal year 1946, limiting the amounts which may be expended for personal services or for other purposes, or amounts which may be transferred between appropriations or authorizations, are hereby waived to the extent necessary to meet increased pay costs authorized by the acts of June 30, 1945 (Public Law 106), July 6, 1945 (Public Law 134), July 14, 1945 (Public Law 151), and July 21, 1945 (Public Law 158), and other legislation enacted during or applicable to the fiscal year 1946 authorizing increased pay for civilian employees of the Government.

Mr. McKELLAR. The whole of title II is stricken out because Congress took action some time ago making similar provision.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, in the heading, on page 74, line 9, after the word "Title", to strike out "III" and insert "II"; and in line 12, to change the section number from 301 to 201.

The amendment was agreed to.

The next amendment was, on page 75, after line 14, to insert:

(b) For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments and independent offices, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in the sum not exceeding $1,000 in any one case," approved December 28, 1922 (31 U. S. C. 215), as fully set forth in Senate Document No. 161, Seventy-ninth Congress, as follows:

Executive Office of the President:
Office for Emergency Management: Office of Scientific Research and Development, $33.24;
Independent offices:
National Advisory Committee for Aeronautics, $28.06;
Federal Works Agency, $471.20;
Department of Agriculture, $1,544.60;
Department of Commerce, $15;
Department of the Interior, $1,440.41;
Post Office Department (payable from postal revenues), $332.48;
Treasury Department, $2,667.94;
In all, $6,532.93.

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States Courts," on page 76, line 15, change the section number from 302 to 202; and in line 21, after the word "in", to insert "Senate Document Numbered 159, and."

The amendment was agreed to.

The next amendment was, on page 77, after line 4, to insert: "State Department, $768.80."

The amendment was agreed to.

The next amendment was, on page 77, line 7, after "War Department", to strike out "$4,762.84" and insert "$26,129.04."

The amendment was agreed to.

The next amendment was, on page 77, line 8, after the words "In all", to strike out "$20,924.08" and insert "$43,059.08."

The amendment was agreed to.

The next amendment was, on page 77, line 18, after the word "in", to insert "Senate Document No. 158, and."

The amendment was agreed to.

The next amendment was, on page 77, line 21, after "Navy Department", to strike out "$35,000" and insert "$52,500."

The amendment was agreed to.

The next amendment was, on page 77, line 22, after "War Department", to strike out "$9,731.68" and insert "$36,188.27."

The amendment was agreed to.

The next amendment was, on page 77, line 23, after the words "In all", to strike out "$44,731.68" and insert "$88,688.27"; and on page 78, line 1, after the word "judgments", to insert "listed in Senate Document No. 158 and House Document No. 472; also necessary sum to pay interest on judgments set forth in Senate Document No. 112, the principal of the judgments having been appropriated for in Public, 269, dated December 28, 1945."

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States Court of Claims," on page 78, line 12, to change the section number from 303 to 203; and in line 14, after the word "in", to insert "Senate Document No. 160, and."

The amendment was agreed to.

The next amendment was, on page 78, after line 16, to insert:

Legislative branch: Architect of the Capitol, $6,781.49.

The amendment was agreed to.

The next amendment was, on page 78, line 21, after the words "Public Buildings Administration", to strike out "$9,000" and insert "$90,998.15."

The amendment was agreed to.

The next amendment was, on page 79, line 5, after "Navy Department" to strike out "$1,787.62" and insert "$4,426.62."

The amendment was agreed to.

The next amendment was, on page 79, line 6, after "Treasury Department", to strike out "$120,819.71" and insert "$127,333.47."

The amendment was agreed to.

The next amendment was, on page 79, line 7, after "War Department", to strike out "$112,303.37" and insert "$115,884.55."

The amendment was agreed to.

The next amendment was, on page 79, line 8, after the words "In all", to strike out "$589,033.86" and insert "$690,547.44"; and in line 10, after the word "judgments", to insert "and interest on

the mandate issued in the case of Louis Townsley, Court of Claims No. 45097."

The amendment was agreed to.

The next amendment was, under the subhead "Audited claims," on page 79, line 21, to change the section number from 304 to 204; on page 80, line 6, after the word "in", to insert "Senate Document No. 162, and"; in line 8 after the words "sum of", to strike out "$10,194,651.06" and insert "$12,202,715.10"; in line 13, after the word "fund", to strike out "$446.24" and insert "$472.49"; in line 14, after the word "and", to strike out "$549,355.34" and insert "$563,026.40"; and in line 15, after the words "in all", to strike out "$10,744,452.64" and insert "$12,766,213.99."

The amendment was agreed to.

The next amendment was, in the heading on page 81, line 4, after the word "Title", to strike out "IV" and insert "III"; and in line 5 to change the section number from 401 to 301.

The amendment was agreed to.

The next amendment was, on page 82, line 1, to change the section number from 402 to 302.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 5890) was read the third time, and passed.

Mr. McKELLAR. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. BROOKS, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

Mr. LANGER. Mr. President, I should like to ask the Senator from Tennessee a question about an item appearing on page 79 of the bill. Can the Senator tell us about the case of Louis Townsley, which seems to involve $690,000?

Mr. McKELLAR. That item is for overtime payments to employees of the Panama Canal. The whole amount involved goes to them because of the law which Congress passed.

Mr. LANGER. Townsley was simply one man suing for himself and all the others?

Mr. McKELLAR. Yes; for himself and all the others.

Mr. LANGER. How many employees were involved?

Mr. McKELLAR. That is not shown. The amount involved represents the judgment of the court, and that is why it is not given in detail.

Mr. LANGER. I thank the Senator from Tennessee.

ERECTION OF STATUE OF NATHAN HALE IN THE DISTRICT OF COLUMBIA

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report favorably, without amendment, Senate Joint Resolution 84, and ask unanimous consent for its consideration.

There being no objection, the joint resolution (S. J. Res. 84) introduced by Mr. McMAHON (for himself and Mr. HART) on July 12, authorizing the erection in the District of Columbia of a statue of Nathan Hale, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of the Interior is hereby authorized and directed to grant authority to the Second National Bank, of New Haven, Conn., executor of the estate of the late George Dudley Seymour, to erect the bronze statue of Nathan Hale, bequeathed by him to the United States of America, including pedestal, on an appropriate site on grounds now owned by the United States in the District of Columbia: *Provided*, That the site chosen shall be approved by the National Commission of Fine Arts, and the United States shall be put to no expense in or by the erection of this statue: *Provided further*, That unless the erection of this statue is begun within 5 years from and after the date of passage of this joint resolution, the authorization hereby granted is revoked.

REAPPOINTMENT OF DR. VANNEVAR BUSH AS CITIZEN REGENT OF THE SMITHSONIAN INSTITUTION

Mr. BARKLEY. Mr. President, from the Committee on the Library I report favorably, without amendment, House joint resolution 333, and ask unanimous consent for its present consideration.

There being no objection, the joint resolution (H. J. Res. 333), to provide for the reappointment of Dr. Vannevar Bush as citizen regent of the Board of Regents of the Smithsonian Institution, was considered, ordered to a third reading, read the third time, and passed.

EXPORTS AND IMPORTS OF PAPER AND PAPER MATERIAL

Mr. KNOWLAND. Mr. President, at the time the lumber hearings were being held by a subcommittee of the Committee on Agriculture and Forestry, a remark was made by one of the witnesses relative to some type of agreement between Great Britain or Canada and the United States, dealing with what I understood to be the lumber situation. I went into the matter somewhat, and tried to obtain information. I find that the agreement apparently was not with respect to lumber as such, but with respect to wood pulp and newsprint.

At this point in my remarks, Mr. President, I ask unanimous consent to place in the RECORD the figures of imports and exports of various types of paper products.

There being no objection, the table was ordered to be printed in the RECORD as follows:

United States exports[1] of paper and paper materials, annual, 1940–45, and monthly, January 1945 to February 1946

[Values in thousands of dollars]

Period	Paper and paper materials						
	Total	Paper base stocks			Paper and manufactures		
		Total	Waste[2]	Other	Total	Newsprint	Other
Annual:							
1940	98,782	35,441	4,287	31,154	63,341	2,644	60,697
1941	92,672	25,633	3,268	22,365	67,039	4,820	62,219
1942	87,790	26,042	847	25,195	61,748	3,016	58,732
1943	86,331	21,715	490	21,225	64,616	2,478	62,138
1944	90,183	16,355	276	16,079	73,828	2,513	71,315
1945	102,015	10,936	275	10,661	91,079	3,159	87,920
Monthly:							
1945—							
January	8,025	781	8	773	7,244	108	7,135
February	6,954	650	7	643	6,304	101	6,203
March	9,753	1,286	12	1,274	8,467	417	8,050
April	9,228	1,625	17	1,608	7,603	296	7,307
May	10,134	1,305	13	1,292	8,829	176	8,653
June	9,058	1,501	75	1,426	7,557	422	7,135
July	10,741	1,826	10	1,816	8,915	602	8,313
August	8,091	884	11	873	7,207	256	6,951
September	6,595	198	37	161	6,397	292	6,105
October	5,487	384	26	358	5,103	173	4,930
November	9,940	289	21	268	9,651	191	9,460
December	8,009	207	38	169	7,802	123	7,679
1946—							
January	10,229	357	84	273	9,872	566	9,306
February	8,553	243	84	159	8,310	182	8,128

[1] United States merchandise.
[2] Waste, including overissue and old newspapers.

United States imports[1] of paper and paper materials, annual, 1940–45, and monthly, January 1945 to February 1946

[Values in thousands of dollars]

Period	Paper and paper materials						
	Total	Paper base stocks			Paper and manufactures		
		Total	Waste	Other	Total	Newsprint	Other
Annual:							
1940	208,025	75,414	1,257	74,157	132,611	124,659	7,952
1941	231,008	84,264	2,458	81,806	146,744	134,124	12,620
1942	232,045	93,224	2,297	90,927	138,821	130,387	8,434
1943	233,990	95,475	1,882	93,593	138,515	132,268	6,247
1944	233,769	92,166	2,253	89,913	141,603	135,242	6,361
1945	297,777	140,244	2,442	137,802	157,533	150,814	6,719
Monthly:							
1945—							
January	17,384	7,009	172	6,837	10,375	9,904	471
February	17,471	7,333	164	7,169	10,138	9,573	565
March	20,906	7,912	153	7,759	12,994	11,516	578
April	19,213	7,104	206	6,897	12,110	11,590	520
May	21,071	7,627	204	7,423	13,444	12,828	616
June	21,786	8,949	275	8,674	12,837	12,189	648
July	25,974	11,382	137	11,245	14,592	13,904	688
August	28,910	14,619	224	14,395	14,291	13,682	609
September	27,051	13,975	181	13,794	13,076	12,539	537
October	25,231	19,587	285	19,302	15,644	15,129	515
November	31,927	16,650	244	16,406	15,277	14,809	468
December	31,753	18,098	198	17,900	13,655	13,152	503
1946—							
January	32,766	16,642	174	16,768	15,624	14,997	627
February	27,259	11,691	190	11,501	15,568	14,930	638

[1] Imports for consumption

Mr. KNOWLAND. Mr. President, I desire to read into the RECORD a letter which I have received from Mr. Louis J. Walinsky, of the Civilian Production Administration, dated April 24, and addressed to me, as follows:

DEAR SENATOR KNOWLAND: At your request I am transmitting a copy of the preliminary report of the combined pulp and paper working group to the Combined Raw Materials Board which was submitted under date of June 16, 1945, and considered by the Combined Raw Materials Board at a meeting on June 19, 1945. The minutes of the meeting of June 19 are also attached and should be considered as amending in some parts the preliminary report. I am transmitting also for your information a copy of a report made to the Combined Raw Materials Board by the pulp and paper mission to London and Stockholm, July 3–23, 1945, in the attempt to carry further the recommendations made in the original findings of the combined pulp and paper working group.

The material is classified as confidential.

If there is any further information I can give you in connection with this matter I shall be glad to do so.

Very truly yours,

LOUIS J. WALINSKY.

Mr. President, I merely wish to say at this point in my remarks—and I shall have something further to say at a later date—that I think it is fundamentally bad practice for the Government of the United States to negotiate an agreement and keep it secret from the American people for the period of time this agreement has been kept secret. I do not at this point intend to disclose the agreement itself, but I have requested the Civilian Production Administration forthwith to remove it from material which is classified as confidential so that it can be made public. The report referred to in the letter deals with an agreement with certain foreign countries that the United States would not go into the Scandinavian countries for the purchase of newsprint in meeting commitments. I believe there is no national security involved in such an agreement. I believe the Congress and the American people are entitled to the facts, and whether it be this agreement or another one where the national security is not involved, where negotiations are not pending which might be upset, I do not see any reason for withholding it. It does not make sense to me to try and hold such an agreement from the Congress or from the people by giving it a high classification.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MAYBANK in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

VIRGIN ISLANDS—NOMINATION PASSED OVER

The legislative clerk read the nomination of William H. Hastie, of the District of Columbia, to be Governor of the Virgin Islands.

Mr. BARKLEY. At the request of one or two Members of the Senate, I ask that that nomination go over.

The PRESIDING OFFICER. Without objection, the nomination will go over.

FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the foreign service.

Mr. BARKLEY. Mr. President, with the exception of Report No. 24, Calendar No. 729, the nomination of Lowell C. Pinkerton, of Missouri, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Iraq, which the Senator from Missouri [Mr. DONNELL] has asked to be put over, I ask unanimous consent that the remaining nominations in the foreign service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the foreign service, with the exception of that of Lowell C. Pinkerton, of Missouri, are confirmed en bloc.

Mr. LANGER. Mr. President, I am not going to object, but I want to say again, as I did some time ago, that North Dakota has never had a single ambassador appointed to any country in the 55 years of its existence. Here is another batch of appointments of men coming from New York, Pennsylvania, Virginia, and other States, and yet in the 55 years of its existence North Dakota has not had any. I serve notice now that if North Dakota does not receive an ambassadorial appointment soon I shall continue to object to every single ambassador who may be nominated.

UNITED STATES PUBLIC SERVICE

The legislative clerk read the nomination of Thomas A. Foster to be pharmacist in the regular corps, United States Public Health Service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President be

immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS TO MONDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate took a recess until Monday, April 29, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 26 (legislative day of March 5), 1946:

SELECTIVE SERVICE SYSTEM

Joseph Kormann for appointment as Assistant Chief, Research and Statistics Division, Philadelphia Branch, Selective Service System, under the provisions of section 10(a)(3) of the Selective Training and Service Act of 1940, as amended.

Compensation for the position of Assistant Chief, Research and Statistics Division, Philadelphia Branch, Selective Service System, will be at the rate of $6,230 per annum.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the United States Public Health Service:

TO BE SENIOR ASSISTANT SCIENTISTS, EFFECTIVE DATE OF OATH OF OFFICE

Raymond Fagan
George A. Hottle
Samuel B. Salvin
William J. Bowen
Falconer Smith

ASSISTANT SURGEONS TO BE SENIOR ASSISTANT SURGEONS, EFFECTIVE DATES INDICATED

Edwin D. Merrill, March 25, 1946.
Vernon G. Guenther, October 8, 1945.
Manrico A. Troncellito, February 8, 1946.
Herbert Tabor, January 1, 1946.

ASSISTANT SANITARY ENGINEER TO BE SENIOR ASSISTANT SANITARY ENGINEER, EFFECTIVE JANUARY 30, 1946

Donald L. Snow

SENIOR SURGEON TO BE TEMPORARY MEDICAL DIRECTOR

Franklin J. Halpin

SENIOR ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS

Eugene J. Gillespie
Charles W. Parker
Carlton H. Waters
John L. Lincoln
Clarence B. Mayes
Donald W. McNaughton
Robert W. Biach
Frederick K. Albrecht
Alfred H. Lawton
Marion B. Richmond
Glen E. Ogden

ASSISTANT SURGEON TO BE TEMPORARY SENIOR ASSISTANT SURGEON

Robert E. Staff

SENIOR ASSISTANT DENTAL SURGEON TO BE TEMPORARY SENIOR DENTAL SURGEON

George A. Nevitt

SENIOR ASSISTANT DENTAL SURGEON TO BE TEMPORARY DENTAL SURGEON

John C. Heckel

ASSISTANT DENTAL SURGEON TO BE TEMPORARY DENTAL SURGEON

Joseph E. Unsworth

ASSISTANT DENTAL SURGEON TO BE TEMPORARY SENIOR ASSISTANT DENTAL SURGEON

Stanley J. Ruzicka

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Ruth Camp McCarter, Malone, Ala., in place of E. C. Dobson, resigned.

William H. McDonough, Whistler, Ala., in place of W. H. McDonough. Incumbent's commission expired June 23, 1942.

ARKANSAS

Finis F. Wood, Pea Ridge, Ark., in place of E. L. Armstrong, transferred.

Jerry Bassett, Walnut Ridge, Ark., in place of J. J. Sharum, resigned.

CALIFORNIA

Robert F. Keefe, Folsom, Calif., in place of H. M. McFarland, resigned.

GEORGIA

Clem Holland, Resaca, Ga., in place of F. F. Barnett, retired.

INDIANA

Ruth E. Noonan, Lagro, Ind., in place of G. M. Mougeotte, resigned.

Dorothy L. Patten, Yoder, Ind. Office became Presidential July 1, 1945.

IOWA

John W. Downey, Argyle, Iowa. Office became Presidential July 1, 1945.

Clifford L. Hamilton, Bettendorf, Iowa, in place of A. R. Otto, resigned.

Edward F. Floody, Castalia, Iowa. Office became Presidential July 1, 1945.

Emma M. Skoda, Protivin, Iowa, in place of W. M. Landa, resigned.

Selma P. Paulson, Rutland, Iowa. Office became Presidential July 1, 1945.

George H. Ellerhoff, Sperry, Iowa. Office became Presidential July 1, 1945.

KANSAS

Elmer G. Jackson, Manhattan, Kans., in place of W. E. Moore, retired.

MARYLAND

Edith W. Dewey, Elk Mills, Md., in place of E. S. Wright, to correct name.

MASSACHUSETTS

Wilfred E. Miller, Griswoldville, Mass., in place of W. A. Smith, resigned.

MICHIGAN

Claude L. Bauman, Shingleton, Mich. Office became Presidential July 1, 1945.

NORTH CAROLINA

Lawson J. McCombs, Faith, N. C. Office became Presidential July 1, 1944.

OHIO

E. Alice Rushton, Kingsville, Ohio, in place of W. N. Long, resigned.

TEXAS

Roxie L. Dunn, Forestburg, Tex., in place of Roe Sledge, transferred.

Rufus O. Warner, Pearland, Tex., in place of M. M. Reasoner, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 26 (legislative day of March 5), 1946:

FOREIGN SERVICE

Joseph Flack to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia.

J. Rives Childs to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

Edwin F. Stanton to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Siam.

TO BE CONSULS GENERAL OF THE UNITED STATES OF AMERICA

Charles A. Bay
H. Merrell Benninghoff
Kenneth C. Krentz

TO BE FOREIGN-SERVICE OFFICERS, UNCLASSIFIED, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Keld Christensen
Robert J. Gibbons
David G. Nes
Robert M. Sheehan
Henry C. Barkhorn, Jr.
Herbert S. Bennett
Robert H. Lunt
Elie Jan Nadelman
Miss Helen R. Nicholl
Robert Irving Owen
Claiborne Pell

UNITED STATES PUBLIC HEALTH SERVICE

Thomas A. Foster to be a pharmacist in the Regular Corps, United States Public Health Service, effective date of oath of office.

IN THE ARMY

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be brigadier generals

Telford Taylor
Conrad Edwin Snow
Maurice Hirsch

SENATE

MONDAY, APRIL 29, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rabbi Norman Gerstenfeld, minister, Washington Hebrew Congregation, Washington, D. C., offered the following prayer:

O Heavenly Father, we meet this hour in a world trembling on the edge of chaos, a world moving rapidly downward into the anarchy of a ghastly morrow that will sweep like a tidal wave out of the impenitent evil of the Old World to engulf our own homes and burden the future of this blessed land with new tragedy and tyranny to curse the generations to come. Open Thou our eyes so that we can see the duty that rests upon us in this hour. Clear Thou from our hearts the self-righteousness that would blind us to our own failings. Make us to understand that we, too, by our own default, were responsible for the weakening of the peace that permitted the bloody holocaust of evil to capture the high places of mankind. Guide us in this hour so that we do not fail the hope of the morrow for which the bleeding torso of a crucified humanity now prays. Strengthen Thou our souls so that we will now arise to our full duty, as the chosen instruments of high purpose of a free people, so that we will help save our land from the backwash of chaos that will now come if we do not press forward to bring the fruits of victory to the foot of an altar of a new covenant of justice and peace; for Thine must now be the kingdom, the power, and the glory. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the

Journal of the proceedings of the calendar day Friday, April 26, 1946, was dispensed with, and the Journal was approved.

LEAVE OF ABSENCE

Mr. THOMAS of Utah. Mr. President, due to a long-standing appointment, I have to be out of Washington for some days. I therefore ask unanimous consent to be excused from the Senate after Wednesday of this week, to be back by the following Monday.

The PRESIDENT pro tempore. Without objection, leave is granted the Senator from Utah.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 27, 1946, the President had approved and signed the act (S. 1310) for the relief of Saunders Wholesale, Inc.

PETITIONS

The PRESIDENT pro tempore laid before the Senate the following petitions, which were referred, as indicated:

A joint memorial of the Legislature of the Territory of Alaska; to the Committee on Appropriations:

"House Joint Memorial 8

"To the Congress of the United States; Hon. Julius A. Krug, Secretary of the Interior; the Alaska Fish and Wildlife Service; and Hon. E. L. Bartlett, Delegate to Congress from Alaska:

"Your memorialist, the Legislature of the Territory of Alaska, respectfully represents that:

"Whereas expansion of Alaska's fishery is vitally important to the development of the Territory; and

"Whereas the Fish and Wildlife Service, upon request of the Alaska Development Board, recently instituted a preliminary investigation of the fishery possibilities of the Bering Sea in the Nome area, in connection with which A. W. Anderson, Chief, Division of Commercial Fisheries, and C. V. Carlson, fishery engineer, personally studied the situation and rendered a favorable report; and

"Whereas provisions of said report included a recommendation that an 80-foot vessel be built and equipped to carry out a 3-year survey in the premises:

"Now, therefore, your memorialist, the Legislature of the Territory of Alaska, in extraordinary session assembled, respectfully urges that Congress appropriate sufficient money for the United States Fish and Wildlife Service to build such boat and carry out such survey.

"And your memorialist will ever pray."

A letter in the nature of a petition from P. Tom-Pee-Saw, of Parsons, Kans., relating to the claims of the various Indian tribes against the British Commonwealth as set out under the provisions of articles 4 and 5 of the treaty of July 4, 1805; to the Committee on Banking and Currency.

A petition of sundry Filipino students of the University of Michigan and their American friends, praying for the enactment of legislation granting Filipino veterans full benefits of the GI bill of rights; to the Committee on Finance.

APPROPRIATIONS FOR SCHOOL LUNCHES

Mr. TUNNELL. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by Wilmington Aerie, No. 74, Fraternal Order of Eagles, Wilmington, Del., favoring Federal appropriations to the States for school lunches.

There being no objection, the resolution was received, referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

FRATERNAL ORDER OF EAGLES,
WILMINGTON AERIE, No. 74,
Wilmington, Del.

Hon. JAMES M. TUNNELL, Sr.,
Senate Building, Washington, D. C.:

Whereas there is now pending in Congress legislation which would provide annual Federal appropriations to the States for school lunches, and which would place Federal school-lunch aid on a permanent basis; and

Whereas the Fraternal Order of Eagles has sought to improved child health, and has advocated as a major part of a child-health program school lunches for every community; and

Whereas there are many States and communities which are unwilling or unable to provide school lunches, with the result that children, through no fault of their own, are denied adequate nourishment; and

Whereas in many communities mothers are not fully informed on the preparation of wholesome meals, or are too many to prepare sustaining school lunches; and

Whereas surveys have disclosed that a major cause of juvenile delinquency is malnutrition and ill health of children, and the Fraternal Order of Eagles has waged long and unceasing warfare on juvenile delinquency, regarding measures to improve the general health of children a potent weapon in this battle; and

Whereas properly prepared and nutritious food for school children is essential to health, happiness, and good grades, and does contribute to the well-being of America's future citizens and the general welfare of the Nation itself; Now, therefore, be it

Resolved, That Wilmington Aerie of the Fraternal Order of Eagles herewith endorses the principle of pending school-lunch appropriations legislation; be it further

Resolved, That copies of this resolution be sent to President Harry S. Truman, the United States Senators from Delaware, and the Congressman of this district.

THOMAS F. WALSH, Jr.,
Worthy President.

Attest:

WM. F. HAYES,
Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Finance:

S. 1760. A bill to decrease the debt limit of the United States from $300,000,000,000 to $275,000,000,000; with an amendment (Rept. No. 1261).

By Mr. EASTLAND, from the Committee on the Judiciary:

S. 2101. A bill to amend the Trading With the Enemy Act, as amended, to permit the shipment of relief supplies; with amendments (Rept. No. 1262).

By Mr. McCARRAN, from the Committee on the Judiciary:

H. R. 5317. A bill to amend the act establishing the Hot Springs National Park; without amendment (Rept. No. 1263); and

H. J. Res. 304. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1946, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; without amendment (Rept. No. 1264).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Utah:

S. 2120. A bill to amend the act of February 5, 1917, as amended by the act of June 28, 1940, providing for the deportation of undesirable aliens to the Committee on Immigration.

By Mr. MURDOCK:

S. 2121. A bill for the relief of Herman Ernst Grimeisen and Cecile Grimeisen; to the Committee on Immigration.

By Mr. RUSSELL:

S. 2122. A bill to facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States; to the Committee on Immigration.

By Mr. BUTLER:

S. 2123. A bill for the relief of Lizzie Reynolds, administratrix of the estate of Grace Reynolds, deceased; to the Committee on Claims.

By Mr. McFARLAND (for himself and Mr. JOHNSON of Colorado):

S. 2124. A bill providing for an increase of and continuance of payment of compensation or pension to a child of a deceased World War I or II veteran during education or training; to the Committee on Finance.

My Mr. HOEY:

S. 2125. A bill to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and the acts amendatory thereof and supplementary thereto; to the Committee on the District of Columbia.

(Mr. HATCH (by request) introduced Senate bill (S. 2126) to provide for the disposal of materials or resources on the public lands of the United States which are under the exclusive jurisdiction of the Secretary of the Interior, which was referred to the Committee on Public Lands and Surveys, and appears under a separate heading.)

By Mr. ELLENDER (by request):

S. 2127. A bill to create an Evacuation Claims Commission under the general supervision of the Secretary of the Interior, and to provide for the powers, duties, and functions thereof, and for other purposes; to the Committee on Claims.

(Mr. WAGNER introduced S. J. Res. 156, to extend the succession, lending powers, and the functions of the Reconstruction Finance Corporation, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

DISPOSAL OF CERTAIN MATERIALS OR RESOURCES ON PUBLIC LANDS

Mr. HATCH. Mr. President, by request of the Secretary of the Interior I ask unanimous consent to introduce for appropriate reference a bill to provide for the disposal of materials or resources on the public lands, and I request consent to have printed in the RECORD a letter addressed to the President of the Senate from the Secretary of the Interior recommending the enactment of the bill.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and, without objection, the letter will be printed in the RECORD.

The bill (S. 2126) to provide for the disposal of materials or resources on the public lands of the United States which are under the exclusive jurisdiction of the Secretary of the Interior was read twice by its title and referred to the Committee on Public Lands and Surveys.

The letter from the Secretary of the Interior, presented by Mr. HATCH, is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, D. C., April 9, 1946.

Hon. KENNETH MCKELLAR,
President of the Senate.

MY DEAR SENATOR MCKELLAR: There is enclosed for consideration of the Congress, a proposed bill "to provide for the disposal of materials or resources on the public lands of the United States which are under the exclusive jurisdiction of the Secretary of the Interior."

I request that this proposed bill be referred to the appropriate committee for consideration and recommend its enactment.

The proposed bill is designed to place in the form of permanent legislation authority to dispose of materials and resources on public lands substantially similar to the temporary authorization of the act of September 27, 1944 (58 Stat. 745, 50 U. S. C. App., secs. 1601–1603). The latter act will expire by its terms "at the cessation of hostilities in the present war as determined by the President by proclamation or the Congress by concurrent resolution."

The proposed bill would authorize the Secretary of the Interior to dispose of sand, stone, gravel, vegetation, timber and other materials or resources on the public lands under his exclusive jurisdiction, with the exception of national parks, national monuments, or Indian lands, if such disposal is not otherwise expressly authorized or prohibited by law and if he finds that such disposal would not be detrimental to the public interest. Thus, the bill would not interfere with or impair the operation of the mining laws in any respect.

Disposition of materials and resources would be limited to quantities the value of which shall not exceed $15,000. The payment of adequate compensation would be required. Where the appraised value of the material or resource exceed $1,000, it would be disposed of only to the highest responsible qualified bidder by competitive bidding and after publication in a newspaper of general circulation in the county in which it is located. Where the appraised value is $1,000 or less it would be disposed of upon such notice and in such manner as the Secretary may prescribe. An annual report to the Congress of dispositions under the bill would be required.

There is an urgent need for express permanent legislation of this nature which would authorize the disposition of these materials and resources with due regard for the principles of resource protection and proper land utilization.

There has been and will be a consistent demand for green, live, and standing timber, sand, stone, gravel, and other materials and resources, the disposal of which is not expressly authorized or prohibited by law. Thus, for example, this Department has received many requests from lumber manufacturers for permission to remove live timber which is not susceptible of management under a sustained yield program under the act of March 29, 1944 (58 Stat. 132, 16 U. S. C., secs. 583–583i). It has also received numerous requests from railroad companies for permission to take stone, which is not of such quality or quantity as to permit its acquisition under the mining laws, for use in repair, maintenance and construction of railroad bridges, abutments, and rights-of-way. But, apart from temporary war legislation, there is no express authority to dispose of such timber and stone other than to dispose of the title to the land containing such materials under the obsolete stone and timber laws. (Act of June 3, 1878, 20 Stat. 89, 43 U. S. C., secs. 311–313, as amended.) Disposals of lands in this fashion, however, have resulted in a waste not only of timber and stone, but also the soil and other resources of the areas affected, and are contrary to the Government's established policy of resource conservation on the public domain.

Again, this Department has received applications to acquire sand and gravel, which are not of such quality or quantity as to be subject to the mining laws, from counties and towns for use in road construction or maintenance on non-Federal aid highways and from construction companies for use in making cement. Requests have also been received for permission to tap trees for turpentine, and to acquire yucca, scrub pine, mesquite, and other vegetation for the purpose of providing such diversified products as splints and other wood substitutes, rope, twine, burlap, disinfectants, and candy. Although the public value of permitting the sale of such resources for the development of substitutes for critical materials was amply demonstrated during the war, there is no express permanent legislation which would permit their disposal.

With reconversion and the reestablishment of civilian activity, it is reasonable to expect that the demand for these materials and resources will continue and most likely increase. The enactment of the proposed bill would expressly authorize this Department to meet these demands consistent with sound conservation principles and on a revenue-producing basis. Moreover, the bill, if enacted, would permanently correct the uneconomic legislative anomaly which would permit timber which is not appropriate for sustained yield management under the act of March 29, 1944, *supra*, to be sold only after it is dead, down, damaged, or threatened with damage and thus disposable under the act of March 4, 1913 (37 Stat. 1015, 16 U. S. C., secs. 614–615), as amended, and the act of September 20, 1922 (42 Stat. 857, 16 U. S. C., sec. 594).

It should be noted that the proposed bill covers "materials or resources," including sand, stone, gravel, vegetation, and timber or other forest products. Although this language is broader than that contained in the act of September 27, 1944, supra, it does not actually effect any change in the scope of that act. As already indicated, it does not affect the operation of the mining laws. Moreover, the materials and resources which are specified cover all those which are now believed to exist on the public lands. The broader language is necessary in this permanent legislation, however, in order to permit the disposal of such other materials and resources as may be found to the useful in the future.

The Bureau of the Budget has advised me that there is no objection to the presentation of this proposed legislation to the Congress.

Sincerely yours,

J. A. KRUG,
Secretary of the Interior.

EXTENSION OF RECONSTRUCTION FINANCE CORPORATION

Mr. WAGNER. Mr. President, I ask unanimous consent to introduce for appropriate reference a joint resolution to extend the succession, lending powers, and the functions of the Reconstruction Finance Corporation, and request that an explanatory statement of the joint resolution be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the joint resolution will be received and appropriately referred, and the explanatory statement will be printed in the RECORD.

The joint resolution (S. J. Res. 156) to extend the succession, lending powers, and the functions of the Reconstruction Finance Corporation was read twice by its title and referred to the Committee on Banking and Currency.

The explanatory statement presented by Mr. WAGNER is as follows:

The effect of this joint resolution is to extend the succession of the Reconstruction Finance Corporation through June 30, 1952, representing a period of approximately 5½ years over that provided in existing law. The June 30 date was selected so as to make the period of the Corporation's succession correspond with the fiscal year of Government agencies generally.

The resolution also extends the lending functions of the Corporation to June 30, 1949, a date which also corresponds with the fiscal year of Government agencies generally.

The Reconstruction Finance Corporation was created by the act approved January 22, 1932, and that law provided for its succession for a period of 10 years. Later, by act approved January 25, 1940, the succession of the Corporation was extended for an additional 5 years.

PROPOSED LOAN TO GREAT BRITAIN—AMENDMENT

Mr. CAPEHART submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes, which was ordered to lie on the table and to be printed.

VIEWS OF SENATOR AUSTIN ON THE BRITISH LOAN

Mr. AUSTIN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a discussion of the British loan, between Mr. Francis W. Tully, Jr., Washington correspondent of the Yankee Network, and myself over Station WNAC, Boston, and the Yankee Network, on Saturday, April 27, 1946, in which I express my support of the measure granting this credit.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the discussion was ordered to be printed in the RECORD, as follows:

Mr. TULLY. Senator AUSTIN, for the last week and a half the Senate has been debating the proposed Anglo-American financial agreement. Will you describe briefly what is included in this agreement?

Senator AUSTIN. The joint resolution before the Senate authorizes the Secretary of the Treasury to carry out the agreement made by our State Department and the representatives of the British Government. To put it briefly, we would extend to the British a credit of $3,750,000,000 to be used during the next 5 years, and the British would have 50 years in which to pay it back. The British Government agrees to suspend some of the restrictions on international trade which she now maintains and to cooperate in negotiations for a general arrangement for expansion of commerce.

Mr. TULLY. Do you feel that the extension of this loan is a necessary step for this country to take?

Senator AUSTIN. I most emphatically do, both from the point of view of our own prosperity and of our position in the United Nations. The United Nations' effectiveness depends vitally upon the power of the United States in an economic, political, and military sense. Now, we have been reducing our military power to such a degree that other members of the United Nations, who

understand what these signs indicate, believe we are disqualifying ourselves to carry out our commitments respecting pacification of the enemy, building up the United Nations, and defending ourselves. Such weakness diminishes our leadership.

Mr. TULLY. How would this loan help?

Senator AUSTIN. Through it our economic and political power would be increased. It would put us in a position to pay our great national debt. We could not pay our debt within a reasonable period on the standards of yesterday, but only by increasing our production and employment and thus increasing our national income.

We could not increase our national income sufficiently by the old methods of economic warfare. We believe that we must adopt new methods to meet new problems.

Mr. TULLY. What are the new methods you feel we ought to adopt, Senator AUSTIN?

Senator AUSTIN. First, we must devote our attention to international commerce and the promotion of trade throughout the world. Secondly, we must remove or reduce the barriers which have interfered so greatly with foreign trade in past years. These include tariffs, subsidies, embargoes, quotas, blocked currencies, and preferential arrangements.

Access must be given to raw materials for all countries, especially for us, for what we have not is extremely necessary for us to have.

Mr. TULLY. You feel then, Senator, that the loan will put Britain in a position to remove some of these restrictions?

Senator AUSTIN. Yes, Mr. Tully; it seems clear that we cannot have an expansion of our employment and production if Britain is not relieved to the extent necessary for her to abolish the sterling-dollar pool and for her to abandon such restrictive policies as imperial preferences.

We believe that we cannot have expanding commerce without a general trade code. A financial investment extending this credit to Britain is really one way of equipping ourselves economically to pay our debts and get into a strong economic position.

Mr. TULLY. Senator, in talking with people about the loan I have found a good deal of confusion as to just how we will gain financial benefits from it. Will you go into that?

Senator AUSTIN. Before the war British people bought about one-fifth of all the goods that were exported by all the other countries in world trade. They were our largest single customer. Without this credit, Britain's purchases cannot reach the old volume, much less an expanded volume.

Mr. TULLY. But the British wouldn't use all the credit in buying American goods, would they?

Senator AUSTIN. No, of course not, but they must have dollars to engage in multilateral trade. The benefits to this country from an expanding world commerce are hard to calculate. For example, a manufacturer of machine tools in some New England city may want to sell his products in Australia.

Well, the British will use the loan in part to buy Australian goods and build up Australian dollar credits so that the company in Australia which needs machine tools can buy them from our New England concern.

Mr. TULLY. Many people do not understand just what is meant by the term "sterling bloc."

Senator AUSTIN. Well, before the war the "sterling bloc" included the British Dominions, except Canada, British Crown colonies, protectorates and mandated territories, Sweden, Norway, Denmark, Finland, Portugal, Greece, Japan, and Bolivia. During the major part of World War II the sterling area has comprised Britain, the Dominions, except Canada and Newfoundland, India, British mandates and protectorates, Egypt, the Anglo-Egyptian Sudan, Iraq, Iceland, and the Kaeroe Islands, and at one time the French and Belgian colonies. Before the war the sterling area accounted for a large percentage of world trade. From 1936 to 1938 those countries bought nearly 30 percent of the world's imports and about 24 percent of total exports. Their currencies were tied to the pound. The sterling area controls have resulted in an accumulation in Britain of large accounts of blocked sterling balances. The loan agreement with Britain stipulates that part of these blocked balances must be made immediately convertible into dollars, another portion to be released after an interim period, and the rest funded on a long-term basis.

Under the London restrictions, when the British bought goods from India, for instance, they paid for them in pounds, which were restricted so that the people in India who received the pounds were unable to use them except to buy British goods. This set up a narrow channel of trade which prevented an expanding commerce.

Mr. TULLY. Several amendments have been proposed to the agreement in the Senate. Do you feel that they should be adopted?

Senator AUSTIN. We have made an agreement, after long and difficult negotiation, and upon that we now act in Congress. We are not in a position to modify it by act of Congress.

We must go ahead at a time when it is critically necessary to revive the commerce of the world. The next 6 months will be critical in world history because of the results of the war. The loan was written out in solemn agreement as to its terms. Now it is up to us to say, "Do we take it or do we leave it?"

If we modify the terms, we leave it. I don't want to leave it, because I am convinced that it is in our interest to take it.

Mr. TULLY. You have indicated, Senator, that you feel rather strongly that the financial considerations of the proposed loan are only a part of the whole picture.

Senator AUSTIN. Yes; this loan would be good business for us. Moreover, I regard this loan as necessary to peace. It tends toward a solution of the economic problems in the world which are at the root of international disputes. They are causes of war. Among such causes also is poverty of whole nations. We ought to extend our reasonable share of aid to the stricken and starving people of the earth even though the act costs us temporary inconvenience.

Mr. TULLY. Senator AUSTIN, you have said that the British credit is one step we can take to improve our position in the United Nations. What other things do you feel we should do?

Senator AUSTIN. The settlements are in my mind very important. But it has been said that the differences between Russian and western concepts of postwar adjustments are caused by Russian doubts of the efficiency of the United Nations. These doubts are likely to increase if the United States should fail to prepare to carry out her military obligations of occupancy of enemy territory, of furnishing the necessary armed forces to the United Nations, of garrisoning strategic island bases, and of maintaining home security. Our answer should be promptly made by enacting legislation which will extend the draft, provide universal military training and service, reorganize the armed forces, and control atomic energy. We must do these things in order that our military power may be efficient and at the same time be economical enough so that we can support it.

Our economic and military strength must be coordinated with our diplomatic influence if we are to discharge our duty of leadership for just treaties of peace and an effective security organization such as the United Nations. These must be supported by a stalwart public opinion.

Mr. TULLY. Will the credit establish our relations with the United Kingdom on a permanent basis?

Senator AUSTIN. It will go a long way, Mr. Tully. The relationship created thereby should assure Britain's cooperation in our economic proposals of a more permanent nature and a broader reach than this credit. Unless this should be achieved, we should be in direct competition with totalitarianism.

Mr. TULLY. How would that come about, Senator?

Senator AUSTIN. For nations suffering greatly from the war there is no other way unless a cooperative plan should be established. They must resort to totalitarian methods of business. There might be only one buyer and one seller, and that the government. They would increase the barriers of trade and engage in economic warfare through government subsidies.

If they should do that and come into our market over our highest tariffs, they could beat us for a time with their ability to sell in our market at a price with which we could not compete, unless we should abandon our free economy and resort to totalitarian methods.

If we have vision, we will not permit this to happen. We will take the lead to cooperation through a code or agreement in which expansion of trade will afford the returns to each member of world society that is qualified and seeks to attain them.

PROCUREMENT OF FOOD AND FEED GRAINS FOR FOREIGN SHIPMENT

Mr. CAPPER. Mr. President, like all right-thinking people, I am in full accord with America and Americans making every necessary sacrifice to help feed the starving peoples of the rest of the world. But at the same time I want to protest against the way in which the administration is mishandling the procurement of food and feed grains in the interest of what I cannot help but believe is political expediency.

I do not believe it is a healthy thing, to say the least, for the Government itself to carry on what comes very close to being black-market operations in grains, in the name of world charity.

It seems to me that is exactly what is being done through recent orders issued by Secretary of Agriculture Clinton P. Anderson in regard to purchases of wheat and corn.

I quote the following paragraphs from an official press release—849-46—from Secretary Anderson, 7 p. m., April 19, 1946:

4. The USDA is offering a bonus of 30 cents a bushel on wheat delivered under the certificate plan by May 25. To be eligible for this bonus a producer must select a date for payment between the date of delivery and June 15, 1946. The wheat-certificate plan, for normal operation without consideration of the bonus provision, permits immediate delivery of wheat by the producer with the privilege of selecting any date for payment between the date of delivery and March 31, 1947.

5. The USDA will buy 50,000,000 bushels of corn from producers, for which they will be paid a bonus of 30 cents a bushel above the market price on the date of delivery for corn sold to the Commodity Credit Corporation. Corn will be purchased through normal trading channels, with the local elevator acting as purchasing agent for the Commodity Credit Corporation.

It may be, Mr. President, that this is the only way in which the United States Government, even with all its war powers and its practically unlimited financing powers, could get the wheat needed for shipment abroad, and the

corn required for industrial manufacturing uses. I might say at this point that last statement in regard to the purpose of the 30-cents-a-bushel bonus for corn is what I understood Secretary Anderson to say at a conference between himself and a delegation of Members of Congress Saturday morning.

But the fact remains, as I see it, that the Government is offering to pay around 30 cents a bushel above ceiling prices for wheat and corn. If anyone else, or any business or corporation, would do that thing it would be called buying in the black market.

In the same press release from which I quoted the two paragraphs just read, Secretary Anderson is quoted as follows:

We expect to accomplish two results with the wheat and corn bonus payments—

Said Secretary Anderson in the press release—

to make more grain available for food purposes immediately and to encourage the farmers in the surplus corn-producing States to market more corn and stop feeding livestock to heavyweights.

It was at the conference with some farm State Senators in which I participated that I understood Secretary Anderson to say, in effect, that the 50,000,000 bushels of corn would be allocated industrial users of corn; that it was feared some of these had been purchasing in the black market at above ceiling prices; that through the device of having the Commodity Credit Corporation make the purchases at market plus the 30 cents bonus, this phase of black-market operations could be stopped.

I have received a number of letters in the past 10 days from wheat growers voicing a slightly different complaint about what they feel has been inequitable treatment of them by their own Government.

Some time ago, at the start of the drive to get wheat for relief shipment abroad, the Government issued an appeal to farmers to sell their wheat so it would be available for that purpose. Eloquent and forceful appeals were broadcast over the country, and many farmers responded. Now these farmers who responded to that appeal—and many of them did it because they wanted to help, even though they knew that the demand for wheat would force prices up in the near future—the farmers who responded patriotically and generously to the appeal of their Government to sell at the market prices for this worthy purpose, see other farmers who held onto their wheat being paid a premium, or bonus, or 30 cents a bushel for not responding to the Government's appeal.

These men and women feel they have been let down by their Government, and I can see how they would feel that way about it.

It is not a healthy thing, Mr. President, for citizens to feel that their Government has broken faith with them; that their Government is evading price ceilings through the device of bonuses or premiums.

I do not for a minute charge that these wheat and corn bonuses were programed so that the OPA could point to its holding down wheat and corn prices, in view of the fact that the OPA extension bill is coming up soon for action in the Senate. But the fact is there, just the same.

Mr. President, I desire to read from a letter just received from Mr. Will J. Miller, secretary of the Kansas State Livestock Association, and to ask unanimous consent that another letter from Mr. Miller, urging that the Senate accept the OPA extension bill as it come from the House of Representatives, be included in the RECORD at this point as a part of my remarks.

The first letter from Mr. Miller reads as follows:

KANSAS LIVESTOCK ASSOCIATION,
Topeka, Kans., April 25, 1946.

Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: Another matter which I discussed this afternoon was the gross injustice that has been done our small farmers and operators in regard to the commodity credit 30-cent price on wheat and corn for foreign shipment.

From a patriotic standpoint, in good faith, many farmers who had wheat or corn on hand sold their excess at prevailing ceiling prices; then a few weeks later this 30-cent price increase was announced, so the elevator men will now receive the benefit, rather than the men who planted and harvested the crop.

I have had six or seven long-distance calls today from livestock men who say this 30-cent price raise is simply putting them out of the hog business and the cattle-feeding game. They cannot now buy corn or wheat except in the black market. Corn would cost from $2 to $2.50 a bushel, so those I talked with plan on shipping their hogs and cattle to market.

What will this do to the pork and beef production later on?

Yours very truly,

WILL J. MILLER,
Secretary.

The PRESIDENT pro tempore. Without objection the second letter submitted by the Senator from Kansas will be printed in the RECORD.

The letter is as follows:

KANSAS LIVESTOCK ASSOCIATION,
Topeka, Kans., April 25, 1946.

Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Confirming our telephone conversation a few moments ago, I am, herewith, transmitting to you on behalf of the Kansas Livestock Association our stand on the problem of OPA regulations, subsidies, controls, etc. Briefly, we favor the bill as passed in the House last week and urge that the Senate embody in their bill the same provisions, and especially the amendments introduced by Representative GOSSETT, of Wichita Falls, TEX., and the Flannagan amendment which struck from the House bill the provision for appropriating $715,000,000 for meat subsidies.

The Gossett amendment is as follows:

"(4) (a) In the case of agricultural commodities the Secretary of Agriculture is hereby authorized and directed to make a determination as to whether supply of the commodity is equal to the domestic consumption of such commodity. When such supply is equal to the domestic consumption, he shall forthwith certify such determination to the Administrator. The Administrator shall within 10 days thereafter remove all price ceilings with respect to such commodity.

"(b) When the production of any agricultural commodity for the past 12 months equals or exceeds the production of this commodity during the 12-month period from July 1, 1940, to June 30, 1941, then such fact shall be certified to the Price Administrator by the Secretary of Agriculture, and such Price Administrator shall not later than 10 days after the receipt of such certification remove all maximum price ceilings from such commodity and all commodities for human consumption derived principally therefrom."

The Flannagan amendment includes:

"*Provided further*, That no funds heretofore or hereafter appropriated to, borrowed under congressional authorization by, or in custody or control of any governmental agency including Government-owned or controlled corporations, shall be used after June 30, 1946, to continue any existing program or to institute any new program for the payment of subsidies on livestock or meat derived from livestock or for the purchase of such commodities for resale at a loss, thereby subsidizing directly or indirectly the production, sale or distribution of such commodities, except that nothing contained herein shall prevent the payment of obligations created under existing program which accrued prior to June 30, 1946: *And provided further* That in order to prevent the reduction of livestock prices upon elimination of such livestock and meat subsidy payments, the Administrator shall make corresponding increases in maximum prices of livestock, meat and meat products, to the extent necessary to compensate for the removal of such subsidies."

You, of course, have the resolutions passed by our association at its annual meeting in Wichita in March of this year which included:

"Therefore be it resolved that we urge that price control and subsidy programs on livestock and meats be allowed to expire on June 30, 1946.

"III. Whereas there recently has been renewed propaganda for the removal of our sanitary embargo and the admission of beef from countries where foot-and-mouth disease exists, and whereas, repeated outbreaks of that disease in England during the war, directly traceable to South American beef clearly show that such imports cannot be safely accepted."

You will have the full and enthusiastic support of our Association in your efforts to see that these provisions are included in the Senate bill, and that we would like to be through with OPA as quickly as possible.

Sincerely yours,

WILL J. MILLER,
Executive Secretary

THE SOFT COAL STRIKE

Mr. WILEY. Mr. President, the Nation-wide crisis resulting from the 4-week-old bituminous coal strike grows worse and worse with each passing day. It is estimated that the country's supply of soft coal has shrunk to $1,000,000 tons. Normal consumption is estimated at 40,000,000 tons a month, which means that enough soft coal is on hand for only three more weeks. However, distribution is so uneven that some areas and industries have already been hard hit by the coal shortage.

The Nation's railroads, its utilities, power plants—I suggest that it should be remembered that power plants of the REA, in the farm sections, are affected—street railways and gas works, are already feeling the pinch of the lack of coal. Innumerable food companies, producing vital relief supplies for Europe as well as

food for our own people, have already limited their operations because of the shortage of coal.

The future outlook is grimmer still. On May 10 negotiations will be begun for a new United Mine Workers anthracite contract. If a new contract is not accepted by the end of May, a shut-down seems inevitable. Thus we are faced with the stark fact that while 400,000 bituminous workers have been out for 4 weeks, a new strike of 75,000 anthracite workers also looms ahead.

Mr. President, I received today a letter from a canner in my State who operates six pea-canning factories. He says that the situation in his locality is so serious that unless they get coal it will mean that the pea crop of Wisconsin, which represents more than 50 percent of the canned peas, will be lost.

I ask that his letter, and a telegram also relating to the coal situation, from a community engaged in the production of feed for the livestock of America, be printed in the RECORD following my remarks.

There being no obection, the letter and the telegram were ordered to be printed in the RECORD, as follows:

OCONOMOWOC CANNING CO.,
Oconomowoc, Wis., April 25, 1946.

Senator ALEXANDER WILEY,
House of Representatives,
Washington, D. C.

DEAR SENATOR: I am glad to learn that you are enjoying the book I sent you—"Old World Wisconsin." I know you will have a lot of enjoyment reading it.

My spirit rules me—and so there is going forward to you today by express several sample tins of our peas and corn. This will tide you over until new crop is available. I will see that your pantry will be well replenished in the fall.

Frankly, Senator, we are getting overly concerned about the continuation of the coal strike and its repercussions, which we are feeling all the way down the line.

It is a normal procedure for us in the canning business to accumulate our entire season's supplies at just this particular time and have everything available right on the premises so that when the pea and corn crops are ready for harvest we have just one problem—and that is to take care of the crop and get it in the can as quickly as possible.

So far this year we have been unable to arrange for the stock piles of supplies. We do not have a single pound of coal at any one of our six plants. Tin cans are coming into our storage warehouses at a very slow rate—and so I could go down the line and enumerate item after item. There is a complete slow-down, and it all hinges on the coal situation.

I predict that if this coal strike is not settled at a very early date you are going to see a terrific loss of food crops which will stagger the Nation and will mean that we will not only sustain financial losses but will definitely find ourselves in an even more critical spot in the necessary and essential foods.

I would say that we are the greatest gamblers in the country, proceeding today with our planting schedule, assuming the responsibility of being able to harvest, can, and preserve these Wisconsin vegetable crops, with no assurance at all that we will have a pound of coal to turn the wheels of our factories and to properly process these foods.

One of these days we are going to become panic stricken and mob psychology will prevail. It is high time that we take recognition of this situation and see what can be done to avoid this catastrophe. These crops will be ready for harvest within 60 days so watch the calendar and watch the coal strike.

Yours very truly,
OCONOMOWOC CANNING CO.,
JOS B. WEIX.

FORT ATKINSON, WIS., *April 27, 1946.*

Hon. ALEXANDER WILEY,
United States Senate:

Inaction in meeting issues of present coal strike is stifling production. Our own plants producing material urgently needed to maintain farm livestock production of vital foods will be closed with 45 percent of families in this community affected not considering other local industries in similar position. Urge using your influence in strongest possible manner to achieve corrective action immediately.

JAMES MANUFACTURING CO.,
F. C. TOUTON.

THOMAS C. LOCKE—VETO MESSAGE (S. DOC. NO. 176)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, S. 75 "For the relief of Thomas C. Locke."

The purpose of this enactment is to reimburse Lt. Col. Thomas C. Locke, United States Army, retired, in the sum of $1,037.99, and to relieve him of any further liability to account to the Government therefor. The sum represents the amount which the Government has heretofore recovered from Lieutenant Colonel Locke in satisfaction of charges raised by the War Department, holding him responsible for the loss, through theft by third persons, of public funds and property from the commissary at Chanute Field, Rantoul, Ill., and for losses incurred in the operation of the commissary, during the time Lieutenant Colonel Locke was the quartermaster at this post and the commissary was under his supervision and charge.

It appears that the War Department, before invoking steps to recover the sum in question from Lieutenant Colonel Locke, carefully investigated the larceny from the commissary and the circumstances of the losses incurred in its operation. It concluded that the theft resulted from the failure of Lieutenant Colonel Locke to change the combination of the safe used by his predecessor, and the fact that he entrusted the combination to more than one assistant. The operating losses, it was found, likewise were attributable to the neglect and perfunctory performance of duty by this officer in permitting enlisted personnel to manage the commissary virtually without supervision or check on his part.

I am advised by the War Department that it firmly adheres to the view that the losses from the commissary at Chanute Field were occasioned by the careless and negligent execution of Lieutenant Colonel Locke's responsibility and obligation to safeguard the funds and public property in his possession, and that no persuasive reason is apparent why more favorable treatment should be afforded him than is given to other officers entrusted with a similar responsibility and who lose or dissipate public funds through their negligence and failure to maintain proper and usual safeguards.

In view of the foregoing, I feel obliged to not lend my approval to this measure.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 27, 1946.*

FAILURE OF THE WAR ASSETS ADMINISTRATION UNDER THE SURPLUS-PROPERTY LAW

Mr. WILEY. Mr. President, the American people are becoming more and more aroused over the failure of their Government, and of the War Assets Administration in particular, to fulfill the law in acting upon veterans' and schools' priorities for buying Government surplus.

The significance of this WAA failure should not be underestimated in view of the fact that the Government surplus pile has been valued at more than $100,000,000,000. This is in excess of one-third of our national debt, now estimated at $274,000,000,000.

I have spoken on this general subject on April 2, 9, and 24 in the Senate, with particular reference to the failure of WAA in satisfying veterans' legitimate demands for electronics surplus.

Along with other Senators, I shall continue to expose Government shortcomings in this matter until they are corrected. In this connection, I ask unanimous consent that the text of an article on surplus appearing in the May issue of the official publication of the Republican National Committee, the Republican News, be reprinted in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WAA DEFIES SURPLUS ACT

The War Assets Administration is bypassing almost completely the priority claims of veterans in defiance of Congress and the Surplus Property Act of 1944, according to information now in the hands of Republican Senators.

This group of Senators, in disclosing "this tragic mess" to the Republican News, said their personal investigations were made after the press "almost daily began carrying reports of the frustrations of GI's trying to obtain so-called benefits."

Specifically, they charged:

1. Veterans' and schools' applications for electronics materials (radio, radar, etc.) are going into what amounts to a dead-letter file.

2. The WAA set-up favors private sales (as against sales to veterans and schools) wherein the salesman gets a 10-percent commission he wouldn't get on priority sales.

3. National security is involved.

4. Educational programs are being seriously delayed in schools and colleges, and alert educators are aroused at the loss of up-to-date laboratory equipment.

Senator ALEXANDER WILEY (Republican, Wisconsin) as spokesman for the group, said that more than $2,500,000,000 worth of electronics and communications equipment, much of it highly desirable to priority claimants, is under the control of "dealer-minded" administrators of WAA. So-called "manufacturer agents," he finds, receive and sell

this equipment on a 10-percent commission basis, plus all expenses.

"Is it because these 10-percenters get no commission on priority sales to veterans and schools that these priority claims are being ignored?" WILEY asks.

ASKS HALT IN SALES

In response to the inquiry of Senator WILEY, Lt. Gen. E. B. Gregory of WAA replied: "We are not satisfied with the operation under the present methods employed."

WILEY immediately urged that all sales of electronics equipment be suspended until the priority claimants could (a) find out what was for sale and (b) have the opportunity to submit applications.

WILEY charges that applications for electronic equipment from veterans and schools in all 48 States end up in a dead file in the Electronics and Communications Branch in Washington, D. C. On the other hand, the equipment sought is in Army Signal Depots at Chicago, Los Angeles, Sacramento, and Seattle, where WAA's commission agents strive for speedy liquidation sales.

These sales are never approved by priority officials in the capital, veterans and schools are never notified where the materials are, the Senator continued.

"Apparently there is no inter-relation between priority claims and the actual disposal of the materials," Wiley said, adding that it seemed to him a paradox for Government to be employing regional "experts,"—in addition to State-hired representatives—to promote priority sales which have slight chance of ever being consummated under this procedure.

"If the priority section in Washington doesn't know the types and quantities of equipment in the hands of the commission men, how can it be of any aid to the veterans and schools?"

DEMOCRATS SMOTHER PROBE

Rumblings of the storm over priorities came up in a Senate clash on April 12. Republican Senators WHERRY (Nebraska), LANGER (North Dakota), and MORSE (Oregon) wouldn't be silenced by the usual Democrat "majority smother" tactics.

Among charges made was that the sale by WAA of "600 brand-new trucks to a department store in New York City at $1,900 apiece" when in the same city "were 13,900 veterans who had priority certificates but couldn't buy the trucks."

Democrat Senators BARKLEY (Kentucky), majority leader, and FULBRIGHT (Arkansas) tried to belittle the whole thing. MORSE's demand for an investigation was met by BARKLEY's brush-off that "there are too many investigations."

The debate brought out that farm losses are resulting from the failure to get surplus property to farmers, even though some of the property is being disposed of abroad at 2 cents on the dollar—financed by our foreign loans.

Senate probers noted that leading educators are alert to the situation. Among others, President Karl T. Compton, Massachusetts Institute of Technology, has sought to break the blockade on electronics surpluses.

Compton wrote the Administrator that in seeking these materials, the schools' success "has been dependent on finding a jobber who happens to have what they want (a rare circumstance) and paying the jobbers' profit price. This is not what was intended in the regulations."

ELECTRONICS EDUCATION

As electronics right now is the glamor subject in schools, particularly among GI students, the demand for this type of laboratory equipment is general and great. Wiley believes it is a vital question of security and scientific advancement. He also believes it improper for Government-owned equipment to be removed from American college laboratories, where it was used for military instruction, for the purpose of private sale. He pointed out the equipment could be purchased for purposes abroad.

Several American schools sought to retain laboratory equipment in electronics but were advised under the law it must be purchased from WAA.

LIST OF SCHOOLS BYPASSED BY WAA

Educational institutions interested in priorities for electronics and communication equipment include:

Alabama: Alabama Polytechnic Institute, Auburn; Tuskegee Institute, Tuskegee.

California: University of Southern California, University of California, Western Radio Communications Institute, Los Angeles; College of the Pacific, Stockton; University of Santa Clara, Santa Clara; Stanford University, Palo Alto; Calipatria High School, Calipatria.

Connecticut: Fairfield College Preparatory School, Fairfield; East Hampton High School, East Hampton; Yale University, New Haven.

Delaware: University of Delaware, Newark.

Florida: Psychological Institute, Lake Alfred; University of Miami, Coral Gables.

Idaho: University of Idaho, Pocatello.

Illinois: Northwestern University, Evanston; Bradley Polytechnic Institute, Peoria; University of Chicago, Midway Television Institute, Chicago; Olivet Nazarene College, Kankakee; Principa College, Elsah; the Fournier Institute, Lamont; University of Illinois, Urbana.

Indiana: Indiana University, Bloomington; Notre Dame, South Bend; Purdue University, Lafayette.

Iowa: Graceland College, Lamont; Iowa State College, Ames.

Kansas: Kansas State College, Manhattan.

Kentucky: University of Kentucky, Lexington; University of Louisville, Louisville.

Louisiana: Louisiana State University, Baton Rouge.

Maryland: University of Maryland, Washington Institute of Technical Radio and Electronics, College Park.

Massachusetts: Worcester Polytechnic Institute, Worcester; Perkins Institution and Massachusetts School for the Blind, Watertown; Smith College, Northampton; Massachusetts Institute of Technology, Cambridge.

Michigan: Lawrence Institute of Technology, Highland Park; University of Michigan, Ann Arbor; Detroit University School and Michigan Technical Institute, Inc., Detroit; Albion College, Albion; Dundee High School, Dundee; Bay City public schools, Bay City.

Minnesota: University of Minnesota, Minneapolis; Gustav Adolphus College, St. Peter.

Mississippi: Mississippi State College, State College.

Missouri: Washington University, St. Louis; State School of Mining and Metallurgy, Rolla; Boys Club of Kansas City.

Nebraska: Hastings College, Hastings; Lincoln Engineering, Lincoln; Nebraska State Teachers College, Wayne.

New Jersey: Rutgers University, New Brunswick; Princeton University, Princeton.

New York: University of the State of New York, Albany; New York University, Society for Ethical Culture, Manhattan College; Yeshiva College, New York City; Syracuse University, Syracuse; Parents Association Public School 167, Brooklyn; Syracuse Technical and Industrial High School, Syracuse; Yonkers High School, Yonkers; Renssalaer Polytechnic Institute, Troy.

North Carolina: North Carolina State College, University of North Carolina, Raleigh; Christ Church, Elizabeth City.

North Dakota: North Dakota Agriculture College, Fargo; University of North Dakota, Grand Forks.

Ohio: Marietta College, Marietta; Society of the Precious Blood, American Province, Carthagena; Massillon public schools, Massillon; United Brethren Church, the First, Montpelier; public schools, city of Akron; Conneaut city schools, Conneaut.

Oklahoma: Central State College, Edmond.

Pennsylvania: Radio Association of Erie; Mount Mercy College, Pittsburgh; Washington and Jefferson, Washington; Hershey Industrial School, Hershey; Pennsylvania State Teachers College, State College; Jefferson Medical College, Philadelphia; Altoona school district, Altoona; Gettysburg College, Gettysburg; Wilson College, Chambersburg; school system of Allentown; Carnegie Institute of Technology, Pittsburgh; Williamsport Technical Institute, Williamsport; Bryn Mawr College, Bryn Mawr; St. Joseph's College, Philadelphia.

Rhode Island: Brown University, Providence.

Texas: College of Mines, El Paso; San Antonio school district; Paris Junior College.

Vermont: University of Vermont, State Agriculture College, Burlington; Norwich University, Northfield.

Virginia: Virginia Polytechnic Institute, Blacksburg; University of Virginia, Charlottesville; Virginia Military Institute, Lexington.

Washington: Washington Technical Institute, Seattle.

West Virginia: West Virginia Institute of Technology, Montgomery; West Virginia Wesleyan College, Buchanan.

Wisconsin: Milwaukee public schools; University of Wisconsin, Madison.

LIBERALISM ABROAD AND AT HOME—ADDRESS BY SENATOR BALL

[Mr. BALL asked and obtained leave to have printed in the RECORD an address entitled "Liberalism Abroad and at Home," delivered by him at the commencement exercises at Syracuse University, Syracuse, N. Y., April 28, 1946, which appears in the Appendix.]

THOSE GOVERNMENT BLUES—ARTICLE BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article by him entitled "Those Government Blues," published in the magazine Gist of San Antonio, Tex., April 1946 issue, which appears in the Appendix.]

JEFFERSON-JACKSON DAY DINNER ADDRESS AT YORK, PA., BY HON. HENRY A. WALLACE

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. Henry A. Wallace, Secretary of Commerce, at the Jefferson-Jackson dinner at York, Pa., on April 27, 1946, which appears in the Appendix.]

ADDRESS BY DR. FRANK KINGDON AT ROOSEVELT MEMORIAL DINNER

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered by Dr. Frank Kingdon at the Roosevelt memorial dinner, at the Commodore Hotel, New York City, April 12, 1946, which appears in the Appendix.]

SAVINGS FROM THE RENEGOTIATION ACT—LETTER FROM THE SECRETARY OF WAR

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD a letter to him from the Secretary of War, under date of April 5, 1946, regarding savings resulting under the Renegotiation Act, which appears in the Appendix.]

VENEZUELA IN TRANSITION—ARTICLE BY DR. JOSEPH F. THORNING

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Venezuela in Transition," by Dr. Joseph F.

Thorning, published in World Affairs of Washington, D. C., issue of March 1946, which appears in the Appendix.]

FOOD PARCELS FOR GERMANY AND AUSTRIA—LETTER FROM REV. ALCUIN HEIBEL

[Mr. CORDON asked and obtained leave to have printed in the RECORD a letter addressed to him by Rev. Alcuin Heibel, of the Sacred Heart Church, Portland, Oreg., relating to the shipment of food packages to Austria and Germany, and also relating to German prisoners in America, which appears in the Appendix.]

CONTINUATION OF THE OPA—EDITORIAL FROM THE SEATTLE STAR

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an editorial entitled "We Don't Believe You Want OPA Really Ruined," published in the April 19, 1946, issue of the Seattle Star, which appears in the Appendix.]

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. MAYBANK obtained the floor.

Mr. HATCH. Mr. President, will the Senator from South Carolina yield?

Mr. MAYBANK. I yield to the Senator from New Mexico.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Hatch	Myers
Ball	Hawkes	O'Daniel
Bankhead	Hayden	O'Mahoney
Barkley	Hickenlooper	Pepper
Brewster	Hill	Reed
Bridges	Hoey	Revercomb
Briggs	Huffman	Robertson
Buck	Johnson, Colo.	Russell
Bushfield	Johnston, S. C.	Saltonstall
Butler	Knowland	Shipstead
Byrd	La Follette	Smith
Capehart	Langer	Stanfill
Capper	Lucas	Stewart
Carville	McCarran	Taft
Cordon	McClellan	Taylor
Donnell	McFarland	Thomas, Okla.
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tunnell
Ellender	Magnuson	Tydings
Ferguson	Maybank	Wagner
Fulbright	Mead	Wheeler
Gerry	Millikin	Wiley
Green	Mitchell	Willis
Guffey	Moore	Wilson
Gurney	Murdock	Young
Hart	Murray	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Mississippi [Mr. BILBO], the Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from West Virginia [Mr. KILGORE], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Massachusetts [Mr. WALSH] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. TAFT. The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Illinois [Mr. BROOKS], the Senator from Oregon [Mr. MORSE], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The PRESIDENT pro tempore. Seventy-seven Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT] in the nature of a substitute for the joint resolution, as amended.

Mr. McFARLAND. Mr. President, I now formally offer the amendment which I had previously submitted to Senate Joint Resolution 138, and which has been printed. I ask that the amendment be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 3, after line 16, it is proposed to insert the following new section:

SEC. 3. This joint resolution shall not become effective and no payments shall be made pursuant to the agreement until the President shall have negotiated agreements with the United Kingdom and any commonwealth or dominion government whose concurrence may be necessary, and the Congress shall have by law approved such agreements, covering the following matters:

(1) Permanent acquisition by the United States of rights to military, air, and naval bases held under 99-year leases, and elimination of provisions restricting use of such bases to military or naval purposes only; and

(2) Peacetime commercial use by the United States of other bases built by the United States in the British Empire or in areas controlled by Great Britain.

Such agreements shall be negotiated with a view to bringing about an equitable adjustment of the indebtedness of Great Britain to the United States which arose in connection with the First World War, and the value (to be fixed in the agreements) of the property and rights obtained by the United States under such agreements shall be credited on such indebtedness.

The PRESIDENT pro tempore. The amendment offered by the Senator from Arizona [Mr. MCFARLAND] will take precedence over the amendment proposed by the Senator from Ohio [Mr. TAFT].

Mr. MAYBANK. Mr. President, it is my purpose to speak on the measure now pending before the Senate, the so-called British loan. I desire to make a statement along the lines of that portion of the report which is found on page 16, under the heading "Multilateral trade as a benefit to the United States."

I spent 20 years in the cotton-export business and in the warehouse business, doing business with England and with the continent of Europe, and I think I know something about what trade means. In the southeastern section of the United States our trade is principally in cotton; but in addition large quantities of tobacco, lumber, logs, and naval stores are shipped yearly. When the loan was first discussed and considered in January, at that time I thought that perhaps it might be necessary to ask for some collateral, in view of the fact that I myself, and many of my friends in the cotton ginning business, and many farmers and others, did not know to what extent the money might be used in the development of colonial cotton, in Egypt or India. Since that time I have had many conferences with representatives of the State Department. I was fortunate enough to be one of the Southern Senators who were members of the delegation headed by the distinguished Senator from Alabama [Mr. BANKHEAD], which delegation also included the Senator from Mississippi [Mr. EASTLAND]. We conferred with the Secretary of State and others as to the possible effects on southern cotton production.

After those conferences, Mr. Thorp, who is handling the cotton situation for Mr. Clayton, assured both the Senator from Mississippi and myself that none of the funds would be used in the promotion, purchase, or development of foreign cotton. We were informed that the contemplated agreement with respect to cotton production in the Pacific provided that in the future India should have a quota for exportation to Japan and China based upon the 5 years preceding the war. Had that been done, cotton production in the South would have fared very badly because in the 5 years preceding the war most of the business that was done in the Orient, as well as on the continent of Europe, was done by barter, and, of course, the United States participated in that trade to only a slight extent.

So, with those two thoughts in mind, it is my intention to vote for the British loan as the committee has reported it, and to vote against any amendments.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. TAFT. I am interested to know how our Government can say that if Britain has $4,200,000,000 it cannot use it to develop cotton in Egypt and India. It seems to me obvious that the loan would make it that much easier for Britain to do so.

Mr. MAYBANK. Of course, the British can use their own sterling with which to transact business among their colonies.

Mr. TAFT. Let me suggest that the investment by Great Britain in foreign countries is equivalent to importation into Great Britain. The very purpose of this loan is to permit the British to import more than they could otherwise import, so that they may obtain raw materials to develop their industries. So to the extent that we make it more possible for them to import and improve their financial conditions, we make it more possible for them to invest in foreign countries. I cannot see why it does

not necessarily follow that the granting of this loan would put Britain in a much stronger position to make investments in the development of cotton in India and Egypt.

Mr. MAYBANK. I cannot agree with the Senator, except for the statement that the loan would permit England to make larger imports. That statement is correct. It is my understanding that the imports under the dollar credit would certainly come from the United States.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. EASTLAND. So far as competition between this country and India or Egypt is concerned, I cannot see where there would be any competition, for the reason that cotton grown in Egypt is of much longer staple than cotton grown in this country, and is used for different purposes. The cotton grown in India is of such short staple that it certainly is not competitive.

Mr. MAYBANK. I thoroughly agree with the Senator from Mississippi. With the exception of a few small cotton mills in New England, which manufacture blankets, no cotton is imported into this country from India. The American fumigation laws are such that the cost of fumigating Egyptian or Indian cotton makes competition almost impossible. The Senator from Mississippi will agree with me that our concern was with the financing of exports to China and Japan. That was the question which we discussed at some length with the State Department.

Mr. TAFT. The argument which I made applies with equal force to the matter of Britain spending money to develop cotton in Brazil, or Africa, which could compete with American cotton. My argument applies to such development as well as to the development of cotton in India and Egypt.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. EASTLAND. I am not favoring the loan merely from the standpoint of the effect on cotton. The question is much larger than that. I know that the Senator from South Carolina agrees with me that this is a part of the program for an expanding world economy. The loan would assist in bringing prosperity to the world; and our own citizens in business, industry, and agriculture would benefit. That is the reason why I intend to vote for the loan.

Mr. MAYBANK. I thoroughly agree with what the Senator from Mississippi has said. I would be the last person in the world to place the British loan on a trade basis. It involves the future peace of the world, and questions of far greater importance than the effect on our cotton trade. If we intend to carry out the Bretton Woods agreements and have peace on earth for years to come, for generations yet unborn, we must make this loan.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from South Carolina yield?

Mr. MAYBANK. I yield.

Mr. JOHNSON of Colorado. I am very glad to hear the Senator from Mississippi and the Senator from South Carolina say very frankly that they are not favoring this loan merely because of the help it may afford cotton production, because, as a matter of fact, a study of the cotton situation and the British loan will prove, I think, to any unbiased person that the British loan is going to destroy the cotton industry in the United States. So I am glad to hear the Senator say——

Mr. MAYBANK. Mr. President, I say to the Senator from Colorado that perhaps I know something about cotton. We plant cotton, we gin cotton, we grow cotton, we export cotton, and we sell cotton. I am in thorough disagreement with what the Senator from Colorado has said; and I say that for 20 years I sold anywhere from five million to ten million dollars' worth of cotton a year, so I think I know something about cotton.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. EASTLAND. I should like to hear the distinguished Senator from Colorado explain how the granting of this loan would possibly or would even faintly injure the American cotton industry. I should like to know; I am interested.

Mr. MAYBANK. Mr. President, I do not yield for that purpose. I have the floor, and I have yielded only for questions.

I should like to say, in regard to the bearing of this loan on the matter of stabilizing cotton, that, in my judgment, it will improve the cotton business in the United States materially for years to come. At this time we are short of almost everything. At this time our export trade is not as necessary as it will be 5 years from now. If we had prepared for the war in 1934, Mr. President, we would not have been in the position we were in in 1939. If we prepare today for the future trade of the world, we shall be in a position to go forward 5 years from now, when that trade is necessary for us to have.

I wish to remind the Senator from Colorado, who spoke about the loan's hurting the cotton business, that the price of cotton and the price of tobacco have not been dependent upon dollars and cents, but in the twenties were dependent upon international exchange. It was not a question of how many pence cotton or tobacco or any other commodity was selling for in Liverpool. The determining factor was the rate of exchange for sterling which the American exporter received. The stabilization of exchange alone will make possible trade based on honesty and mutual understanding, and not based on the decisions and operations of the international bankers who in those years made their living from the fluctuations of exchange.

Mr. President, I may say in regard to the fluctuations in the rate of exchange that, as the Senator from Mississippi knows, sterling went down as low as $3—30 percent off—and then went up to $5. During the years when the sterling values were lower, the exports of the South suffered and the exports of the West suffered. So, Mr. President, if the loaning of this money does nothing more than stabilize foreign exchange and the operations incident to it, the loan will be worth while and will increase our exports.

Mr. President, a good many of us regret extremely the necessity for the actual closing of the Liverpool cotton exchange. We regret exceedingly some of the things that now are being done by the British Government. Even so, we believe it far better for the United States to make this loan, so as to increase our trade and to break down the barriers which will exist in the future unless the loan is made.

Some mention has been made of the acceptance of bonds without Government responsibility. I merely wish to remind my colleagues of the Dawes plan of 1927, which was put into effect when I was in Bremen and which was subsequently followed by the floating of large issues of German bonds in this country, by banks in New York, which later sold the bonds to individuals who, as a result, were bankrupted when the bonds became of little or no value. Furthermore, Mr. President, in my judgment, that situation was responsible for many of the bank failures which followed in the early thirties. Certainly we want no more worthless bonds sold.

So, from a business standpoint—not from the cotton standpoint, but from the standpoint of tobacco, lumber, logs, naval stores, grains, and livestock—I am certain that much good will result and much will be done for our foreign trade in the years to come because of the granting of this loan.

Mr. President, we shall need the increased foreign trade which the loan will afford. We may not need it today, because our own country necessarily must be rebuilt after 5 years of war. The stores are short of textiles. The country is short of housing. But with our productive capacity, these shortages will be filled, and then we shall again depend for our prosperity upon our foreign trade with the British Empire, with continental Europe, and with the countries of the Orient.

Mr. President, I wish to make a further brief statement in conclusion. There has been much discussion as to whether we should or should not have an understanding about certain bases before this loan is made. In that connection I merely wish to say that I think those arrangements can best be handled by our distinguished Secretary of State, who is now in Paris, and by his aides who are busy day and night trying to work out satisfactory negotiations. I believe, of course, we should have the bases.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. McFARLAND. Has there been any suggestion that anyone other than our able Secretary of State would handle such negotiations?

Mr. MAYBANK. To my knowledge no such suggestion has been made. But there has been a suggestion that the loan be held up or delayed until such arrangements could be worked out; and according to the amendment which was read, the arrangements would have to be satisfactory to the Senate.

Mr. McFARLAND. Mr. President, if the Senator will further yield to me, let

me say that in my own time I shall state what I consider to be good reasons why those arrangements should be made prior to the loan being made operative.

Mr. MAYBANK. I appreciate the views of the Senator from Arizona, but, of course, I have a right to my own views.

Mr. McFARLAND. Mr. President, if the Senator will further yield, let me say to him that I am not trying to deprive him of his views or of the right to his views.

Mr. MAYBANK. Mr. President, I simply wish to say that it is my judgment that the sooner this loan measure is passed without any amendments which might in any way affect our ally who stood by to the end, and to whom perhaps some day we may again be joined, the better it will be for the U. S. A.

Mr. President, I repeat, above any trade values and above any of the mercenary considerations of life, it is my judgment that it is essential for the future welfare of the world and for the future peace of the world that this loan be granted. The making of the loan is necessary for the good of humanity and for the use of a country which is one of the few assisting us today in a large way in trying to spread democracy. There is no iron curtain between us and any country or colony of the British Empire. With the United States and with England working hand in hand and with the trade which will follow at a time when we shall need it and when England will need it, I am certain that we will make no mistake in providing for the making of the loan.

Mr. MAGNUSON. Mr. President, let me say that I was somewhat impressed by the colloquy between the Senator from South Carolina and the Senator from Arizona. Although I do not wish to take up the time of the Senate by discussing the amendment regarding bases which has been offered by the Senator from Arizona [Mr. McFARLAND], I wish to assure him that I entirely agree with his contentions. That has been my attitude for many months.

Mr. President, I wish to point out something which probably has some bearing on what the Senator from Arizona is trying to accomplish.

In 1943, after I returned from the Pacific, I was somewhat concerned not only over the difficulty which our Government had in establishing strategic and military bases, but over the fact that after we had spent vast sums of money on such bases on foreign territory, when the war was over, we would have difficulty in establishing not only rights in these bases but in establishing a string of bases which were sorely needed by our Government prior to World War II for our own defense and the defense of all nations in the Pacific who thought as we thought, and whom we considered to be our friends and allies. However, we went ahead. At the time, the Australian Government, the New Zealand Government, and the governments of all our other allies in the Pacific, when the Japanese were spreading their tentacles all over that great ocean, joined with us and said that they would gladly allow the Americans to build bases in the Pacific for their defense and our defense as well. In some cases those nations joined with us in demanding some of those bases, and in other cases they joined with us in connection with the leasing of buildings and furnishing a portion of necessary material. But at the beginning of the program the United States Government spent its money.

In early 1944, as chairman of a subcommittee on Pacific bases of the House Committee on Naval Affairs, I made a report. The Navy had designated certain spots in the Pacific which we thought were needed for the future defense of our country. The Australian Government, in answering our query as to what might happen to these bases after the war was over, issued a formal statement—or at least it appeared to be a formal statement made by certain high Government officials in Australia who were in charge of such matters—that the Government would be glad to allow the Americans to remain in control of those strategic spots in the Pacific, because by doing so it would not only mean the defense of America and her allies in the Pacific but it would mean a great deal in particular to Australia.

One of those bases, Mr. President, was the island of Manus. Manus is considered by the Navy, and by military experts, to be our western Pearl Harbor. It is Australian territory. We went ahead under an assumed or implied agreement on the part of the Australian Government that after the end of the war Manus Island would be one of the important bases for the defense of America, Australia, and all other countries who were our allies in the Pacific. We spent approximately $290,000,000 in building one of the great naval bases of the world on Manus Island.

Mr. President, this morning I was somewhat concerned upon reading an article in a newspaper from Melbourne, Australia, dated April 28, by Reuter's, which stated as follows:

> Gen. Sir Thomas Blamey, former Australian commander in chief, said today that Manus Island, former Pacific war base in the Admiralty Islands north of New Guinea, is "no use to America as a base against an Asiatic enemy."
>
> He had said in March that the United States had ambitions to control Manus Island and was negotiating with the British for the exchange of a number of islands. The operation for the capture of Manus Island was one of the easiest, he said, of its kind, with little blood, sweat, and tears, as suggested in some quarters as the reason for America's right to claim an interest in the island. America already controls islands as bases against attacks from Japan and Asia. If Australia loses control of Manus, she may one day find this island a threat to her safety.

He then continued:

> I am a friend of America. Australia and America are friendly nations, but friendships between nations can change.

Mr. President, when the Japanese enemy was sweeping down into the South Pacific it was all right for all of us to join together in the worthy cause of defeating our enemy. It was all right then for Australia to say, "Why, sure, go ahead and build those bases." But now, apparently—I do not know that the article which I read speaks the official sentiment of the Australian Government, and I am sure that it does not speak the sentiment of the Australian people—the situation has changed. The attitude expressed in the news article which I read is alarming and makes sense in connection with the statement of the Senator who recently spoke. For General Blamey to say that the island was taken with little blood, sweat, and tears is somewhat begging the point, Mr. President. It is not the only Pacific island that we took. Some of the islands which we conquered were not necessarily the ones for which we fought the hardest. Sometimes we had to bypass strategic islands and in so doing take an island which was strategic only for postwar developments or postwar plans. But to say that America did not shed blood, sweat, and tears in the Pacific is, in my opinion, somewhat of an understatement.

Mr. President, the very peace of the Pacific depends on what America does. Our future in the Pacific depends on our own defenses there in conjunction with those of other allies. Our friendship for Australia has not changed. Our friendship for all the free peoples of the Pacific has not changed. What we want is not territory, not imperialism, but merely the necessary tools in carrying out the responsibility which America has assumed in assuring the maintenance of peace in the Pacific.

I hope that the Senate will give earnest consideration to the amendment of the Senator from Arizona. Perhaps it has no place in the pending measure, but I think it is time that we made our intentions clear that we need some of those Pacific bases. We think they are necessary for us in order to do the very things which people in the Pacific want us to do.

Mr. MAGNUSON subsequently said: Mr. President, earlier today I made some remarks regarding Pacific bases. At that time I neglected to place in the RECORD, as I intended to do, an editorial regarding our military bases. I ask unanimous consent at this time that the editorial be placed at the end of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald]

WE WON THOSE BASES—LET'S KEEP THEM

Now going on in London is a British Empire conference which, as soon as it got under way a couple of days ago, began to hatch some news that has ominous undertones.

Only the delegates from Australia and New Zealand have arrived at the conference as yet. But they have already started to talk about the far Pacific bases which our men took from the Japs at such hideous cost.

It appears that the Australian and New Zealand delegations are much worried over the possibility that the United States may insist on exclusive control of those bases. The feeling is that there should be some kind of joint control—and not only that Australia and New Zealand should share in this control but that France, Holland, and Portugal should do likewise.

The British Government looks with favor on this idea; and when the delegates from the other British Empire Nations—South

Africa, Canada, and probably India—arrive at the Conference they are expected to join in the chorus.

The suggestion is impudent and absurd. We should likewise reject Russian suggestions that we cut the Russians in on control of some of our Pacific bases, while, of course, leaving the Russians in exclusive control of the Kurile Island north of Japan.

Our navy has listed 23 points as essential to our future Pacific defense. These are Adak, Attu, Balboa, Canton Island, Dutch Harbor, Eniwetok, Galapagos, Guam-Saipan-Tinian area. Hawaii, Iwo Jima, Johnston Island, Kodiak, Kwajalein, Majuro, Manus, Midway, Okinawa, Palau, Palmyra, Samoa, Truk, Ulithi, and Wake Island.

BASES WE MUST HAVE

The majority of those places are little atolls or islands which are economically worthless, and are not inhabited by any great numbers of British Australians, New Zealanders, Dutch, French, or Portuguese.

They are, however, of great value strategically. This is because you can build air strips or complete airfields on them, and from these installations you can fly B-29's or bigger planes to plaster enemy key points with bombs, atomic or otherwise.

That was what our boys took them for during the war against Japan. From these bases were mounted the great air offensives which closed in on Japan.

The British, Australians, New Zealanders, Dutch, French, and Portuguese could not prevent the Japanese from working their own unsweet will with those powers' Far East holdings. It took the Americans to undo what the Japs did in the spring of 1942; and the Americans undid Japan with some minor assistance from the Australians and New Zealanders and with no assistance worth mentioning from anybody else. Russia, of course, sat out the Japanese war till the fifty-eighth minute of the eleventh hour.

We are not going to attack Australia or New Zealand, or interfere with their affairs, and they know it. The only way in which we ever have interfered with those nations consisted in interfering to save them from being conquered by the Japanese.

The United States does not want war with anybody.

But we must insure ourselves against more and worse Pearl Harbors; and to do that we must have ample strategic bases in the Pacific, Atlantic, Arctic, and Caribbean.

The one-world philosophy reads melodiously on paper and sounds pleasant when chanted by such masters of radio technique as the late Roosevelt. But we shall imperil our safety as a nation if we let the one-world philosophy be applied specifically to those bases.

We took those bases by the shedding of American blood.

To keep them our sole property, we should be prepared to shed some more blood, if it comes to that.

PERMISSION FOR AMERICAN FLYERS TO TESTIFY AT TRIAL OF MIHAILOVICH

Mr. REVERCOMB. Mr. President, I wish to invite the attention of the Senate to the fact that on yesterday approximately 20 veteran flyers of the American Army arrived in Washington upon a mission which I believe should be given recognition by the Government. Those men are a part of perhaps 600 who were shot down over Yugoslavia; at least, if they were not shot down they were compelled to land in Yugoslavia. Their lives were saved by General Mihailovich. General Mihailovich is today on trial for his life, and those American veterans have come to Washington to ask their Government for permission to testify at Mihailovich's trial. I admire their wholesome attitude and their courage. They know that General Mihailovich saved their lives, that he hid them from the enemy, and, in many instances, succeeded in escorting them out of enemy territory.

As many Senators will remember, during the early days of the war General Mihailovich was a great hero in the eyes of the Allies. He led his forces against an overwhelming number of the enemy. He hid in the mountains, and he fought and hit wherever he could. He was effective in making it necessary that a large German Army be maintained in the part of the country in which his forces were located. But, as the war progressed, Marshal Tito took over and became the ruling force in that country.

There is a local rivalry and division between the forces of Marshal Tito and the forces of General Mihailovich. The forces of Tito have captured Mihailovich and have put him on trial for his life. One of the issues, as I understand, is whether or not Mihailovich was a friend of the Allies.

Mr. President, I asked one of these veterans, a soldier from my own State, Sergeant Denzil Radabaugh of Masontown, whether or not in fact General Mihailovich was responsible for their salvation and their escape. He told me that he personally saw General Mihailovich; that he brought home with him an autographed picture of the general, and that General Mihailovich was the directing force in their escape and their salvation from the enemy.

It seems to me that if the American Government intends to recognize the need of a fair trial, it will permit these men to go to Yugoslavia and stand beside the man who saved them when they fell into an enemy-occupied country. I express the earnest hope today, Mr. President, that the Government of the United States will not be a party to cutting off the defense of a man who proved to be the friend of American flyers, our own boys, in the midst of the terrible war that has now been victoriously finished. They have come here to ask the President and the State Department to permit them to go to the side of the man who today is being tried for his life, to testify to facts, and to see that he does have a fair trial to the extent that the facts are placed in the record.

I express indeed the hope that this Government, in the name of fairness, will at least permit these witnesses who know the facts to go there and attend this trial and testify. Certainly America has an interest in these men; America today has an interest in fairness and in this trial, and I trust that a proper response will be made, which would be the granting of a permit by this Government for them to go to this trial and to reveal the facts before the court and the world.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. ELLENDER. Mr. President, with such an array of distinguished Members of this body having declared in favor of the British loan, it is with much hesitancy on my part that I rise to speak in opposition to the pending joint resolution. It is made the more difficult by the fact that the proposal has received the almost unanimous approval of some of the leading economists in the service of our Government. The President, the heads and many of the subordinates of our State and Treasury Departments, spokesmen for labor and agriculture, and many of the Nation's leading bankers have likewise placed their stamp of approval on the proposed line of credit to the British. Many of our leading newspapers and magazines through their editorial columns have also declared in favor of the proposition, all of which, I repeat, makes my opposition the more arduous.

Mr. President, during my entire tenure in the Senate, I know of no problem ever considered by this body that has caused me greater concern; that has compelled me to spend more of my time in deliberating what best to do, than the subject under discussion. I concluded that if I permitted my emotions and sympathies for a stricken nation to sway my better judgment, or if I allowed the arguments of selfish groups who envision the lush benefits of our expanded foreign trade to influence my decision, then I should take my stand beside those advocating the loan.

But, Mr. President, after considering our own staggering national debt, which exceeds the total indebtedness of the rest of the nations of the world; remembering the sacrifices made by our Nation and the achievements of our people in helping to win the war; and after giving thought to the several plans already adopted by us to revitalize world trade, with our tremendous financial obligations incident thereto, and to aid in bringing about permanent peace to a troubled world, I concluded to vote against the pending measure.

Mr. President, I dislike the manner and the method under which the agreement we are now asked to ratify was entered into.

When the Bretton Woods proposals came before us, and when plans for the future peace of the world were being discussed by the various departments of our Government, why were not we, the Senators of the United States who must pass on these questions, taken into their confidence? When the Bretton Woods proposal was under consideration did any Senator hear that this country was going to make a loan to Great Britain such as the one with which we are now confronted?

Mr. FULBRIGHT. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. ELLENDER. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I think the Senator from Louisiana will find in the hearings before the Committee on Banking and Currency of the Senate that this matter was discussed and that two of the

leading witnesses, who at that time felt that Bretton Woods might be premature, suggested that Britain would have to have between three and five million dollars in order to stabilize the situation so that Bretton Woods might operate. I refer particularly to Mr. Williams who, I think, was the consultant, to the head of the Research Division of the Federal Reserve in New York City, and to Mr. Crowley.

I only mean to indicate that it is certainly no mystery and that all the members of the committee were aware of the possibility and probability of some kind of a loan, though not of the exact amount.

Mr. ELLENDER. It was mysterious to the extent that none of our authorized Government officials ever insinuated or felt that our Government would be called upon to make any loan other than within the purview of the Bretton Woods proposed international bank and through the Export-Import Bank. No independent loan was mentioned. Loans were mentioned only as an alternative, that is, in the event of the failure of adoption of the Bretton Woods proposals.

The statements to which the distinguished Senator from Arkansas refer were to the effect, I repeat, that any loans which might be made were to be within the scope of the plans then under discussion, which were the Bretton Woods proposals and the Export-Import Bank. There was never an inkling of any new proposal that our Government would be called upon to put up more than we obligated ourselves under the Bretton Woods proposals. The Senator from Arkansas knows what that amounts to. With the Bretton Woods proposals and the Export-Import Bank, we have obligated ourselves to the extent of almost $10,000,000,000.

Mr. FULBRIGHT. If the Senator will yield, it certainly was not my understanding that that was the limitation, primarily, because in those discussions it was very definitely intimated by representatives of the banks and the Government that this matter would have to be taken up. They differed primarily as to the order in which things would have to be taken up. The so-called key country approach was the suggestion of the school which said that we had to lend Britain money in order to stabilize the key currencies, the dollar and the pound.

Mr. ELLENDER. I propose to take up the time of the Senate, in the course of my remarks, in showing what was proposed by the Treasury Department when the Bretton Woods proposals were being considered by the Senate. Only one statement was made on the floor of the Senate which indicated a loan proposal, and that was made by the distinguished Senator from Ohio [Mr. TAFT], who opposed the international bank feature of the Bretton Woods proposals, and said, as I recall, that our country would be better off if we made a direct loan rather than joined the international bank. A loan was mentioned in that connection, but only as an alternative to Bretton Woods.

Mr. FULBRIGHT. Will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. FULBRIGHT. I agree that those who opposed Bretton Woods said they preferred a loan. Now we have a loan proposed, they prefer Bretton Woods. Under such opposition we can never get any agreement, because there is always some alternative proposal.

Mr. ELLENDER. No; but the loans which were discussed, to which the Senator refers, as he will find if he will examine into them, I believe, were loans that were to be made within the scope of the Bretton Woods proposals and the purview of the Export-Import Bank. We intended to go pretty far, but only to make such loans, and not to make separate loans, as is now being proposed.

Mr. FULBRIGHT. I do not wish to take any more of the time of the Senator, but I certainly disagree with his interpretation.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. The Senator from Arkansas says that those who were opposed to the British loans are opposed to them now, and that they were opposed to the Bretton Woods agreements when the Bretton Woods agreements were before us. Of course that may hold good in a few instances, but it does not hold good so far as the Senator from Colorado is concerned, and I am sure so far as the Senator from Louisiana and many other Senators are concerned, who supported the Bretton Woods agreements because they saw the need for multilateral international credit, and they supported them with the idea that they would solve the problem. Now, almost before the ink dries on the Bretton Woods agreements, the very thing the Senator from Ohio stated in the debate, namely, that the Bretton Woods agreements would have to be followed by loans, has come to pass. Of course, his prophecy was denied at the time the Bretton Woods agreements were before the Senate.

Mr. ELLENDER. I should like to have any Senator now on this floor, or any Senator who may come in during the debate, tell me that he understood that our Government had pledged itself to make or would make loans along the lines suggested in the case of the British loan.

Mr. FULBRIGHT. I did not say we pledged ourselves, but it certainly was recognized at the time that a loan was contemplated, and would probably be necessary.

Mr. ELLENDER. The foundation of the agreement was laid in secrecy, and no one knew about it until it was signed. We got a few intimations of it from the press.

Mr. FULBRIGHT. What agreement was made in secret?

Mr. ELLENDER. The agreement of December 6, 1945, which was signed by the Secretary of the Treasury Vinson and Lord Halifax and which we are now asked to ratify. I saw some statements in the press in Washington to the effect that a loan was being discussed. How the newspapermen obtained the information I do not know, but they could not get any of the details. They were all arranged in secrecy. I say that it would have come with better grace if our State Department and the Treasury Department had let some of us in on all these proposals. The Senate has voted to take membership in the Bretton Woods proposals. We have increased the capital stock of the Export-Import Bank to the extent of three and one-half billion dollars, and I am informed that we are soon to be asked to increase it further. Aside from all those loans, and from all the proposals in which we were to participate to the sum, as I stated a while ago, of almost $10,000,000,000, I do not believe that anyone can say that he knew that we would be called upon to make a separate loan to the British, or to any other Government, so far as that is concerned.

Mr. FULBRIGHT. Will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. I think the Senator vastly exaggerates the secrecy. Does the Senator know that not less than 12 or 15 Members of this body engaged in the consultation? I know it was not less than that, and was probably more, though I would have to check the figure, but of my own knowledge I know that as many as 12 or 15 consulted with the British representatives, and our own, and were told during the negotiations practically all the facts as they were finally developed. Under the rules of the Senate, representatives of other governments are not permitted to come here and discuss matters with the Senate directly, but I know of some of the most influential, prominent Members of this body who, on a strictly informal basis, for purposes of information only, carried on discussions in the presence of our representatives and those of the British, and there was certainly no secrecy whatever about it.

Mr. ELLENDER. I do not see why it was that, as the Senator says, 10 or 12 or a handful of Members were permitted to learn of some of the details. It takes more than 12 votes to pass a bill in the Senate, and it strikes me if more of us had been taken into the confidence of the Treasury Department and of the State Department, let us say, respecting Bretton Woods, respecting any of our financial plans of the future, we might have been able to devise some plan which would accomplish the objective Bretton Woods calls for. But, no, it seems it all has to be done behind closed doors. I am taking the word of the Senator that a few Members of this body were taken into the confidence of the officials, but I am not aware of any Senator who knew about it. It was never discussed with me—not that it makes much difference.

Mr. FULBRIGHT. Many who were invited were too busy to attend, but the Senator is suggesting that this body itself negotiate international agreements, and under our system of government that is wholly impractical.

Mr. ELLENDER. No; I am not suggesting such a plan; but those who negotiate these agreements should know that they have to be passed upon by the Senate. We are the ones to vote whether or not they are to go into effect. I would like to know why the deliberations should be veiled in such secrecy?

Mr. FULBRIGHT. I think the members of the State Department are aware of the existence of the Senate's functions.

Mr. ELLENDER. I repeat, Mr. President, I try to keep abreast of all that is going on in the Senate, but never at any time did I hear about this proposed agreement to lend Great Britain $3,750,000,000 until after it was announced by the press.

What does this agreement provide? It is my contention that if the British had sent their best lawyers to draft a contract favorable to the British, they could not have succeeded in drafting an agreement more favorable than that which was agreed to and signed by Lord Halifax, representing the British Government, and by Hon. Fred Vinson, representing the United States Treasury. There is nothing in the agreement which compels the British to do a thing they were not obligated to do before the war.

Oh, they have agreed to change some of the practices they followed during the war because of the exigencies of war, for instance, the pooling of assets and dollars, and that sort of thing. But the war has ended. There is no longer necessity for the pooling of assets and of dollars to carry on a nonexistent war. This proposal will fall of its own weight. There is no longer any necessity for it, unless it is to be used by the British to force nations to do their bidding.

Mr. FULBRIGHT. Mr. President, will the Senator again yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. I do not want to pursue the matter, but I think the record should be kept straight. On page 18 of the hearings on Senate Joint Resolution 138 appears the following:

> Report from the Senate Committee on Banking and Currency.

I think the report makes quite specific reference to the point which is now being made.

Mr. ELLENDER. I have read it.

Mr. FULBRIGHT. It is a public document. I do not understand where all the secrecy and double dealing came into the Senator's mind when in this report it very plainly states that the problem is in the transitional period and will have to be dealt with after the Bretton Woods agreements. There is no secrecy about it.

Mr. ELLENDER. But all of that was in connection with the Bretton Woods proposals. The question resolved itself into the proposition of direct loans or the Bretton Woods proposals. Not both, I may state to the Senator.

Mr. FULBRIGHT. The Members of the Senate are considered to have knowledge of what took place in those negotiations, and this report was made by the Senate Banking and Currency Committee and printed in the hearings.

Mr. ELLENDER. Yes; but the loans in contemplation, as I understood, were to be made by the International Bank created under one of the Bretton Woods agreements.

Mr. FULBRIGHT. Oh, no; I do not read it that way at all.

Mr. ELLENDER. I do. Separate loans were never contemplated in the event the Bretton Woods proposals were to come into being.

Mr. FULBRIGHT. I do not think it is subject to that interpretation. I think the language of the report should be read. I read:

> Britain's international-payments position requires the solution of three distinct problems. The first is to restore a balance in its current-account position by expansion of British trade. The second is to finance the deficit in the British balance of payments during the postwar transition.

Which is the problem we have under consideration.

Mr. ELLENDER. That is correct, but such financing was to be made through the Bretton Woods proposals.

Mr. FULBRIGHT. I continue to read:

> The third is to make some permanent arrangement on the sterling balances accumulated during the war.

Mr. ELLENDER. But that was to be done under the Bretton Woods proposals or through loans that were suggested as an alternative to Bretton Woods.

Mr. FULBRIGHT. On page 19 there is a long discussion of the matter, and I think perhaps it would be well to read it:

> The restoration of a balance in Britain's current payments may take time. For this reason Britain finds it necessary during the transition to exercise controls to limit the foreign-exchange obligations its nationals will otherwise incur. Assuming that Britain will restore her current international position, she must find the foreign-exchange resources needed to finance the transition. The magnitude of this problem cannot be predicted until it is known how quickly international trade and investment are restored and the extent to which the world will then purchase British exports. This will depend on how long the war with Japan lasts, the promptness of reconversion, the new pattern of world trade resulting from the defeat of Germany and Japan, and above all on the other measures taken to expand international trade and investment.

Then, skipping down to the last sentence, which I think sums it up:

> Only after there is assurance that the fund and bank will be available to encourage world trade and investment will it be possible to determine further steps needed—

Note that—

> further steps needed to help with Britain's balance-of-payments problem.

I do not see how it could have been made any plainer that further steps were contemplated.

Mr. ELLENDER. But I repeat that all that was to be done within the purview of the Bretton Woods proposals and by the Export-Import Bank.

Mr. FULBRIGHT. The language I read is "to determine further steps needed." Why should further steps be needed?

Mr. ELLENDER. There was never any mention made of the fact that we would loan money to any foreign country aside from what such country could obtain through the Export-Import Bank and through the Bretton Woods agreements.

Mr. FULBRIGHT. The language I have just read very clearly means to me what I have just stated.

Mr. ELLENDER. If the Senator from Arkansas can get any satisfaction out of that language he is welcome to it.

Mr. President, what is the purpose of this line of credit, as stated in the agreement?

> The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States.

It does not say how much. It could be of the value of $100,000 or 10 cents. Then follows this language:

> To assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

I venture to say that we will get very little benefit from any purchases made with the money we are going to loan to Great Britain. What she is going to try to do is to satisfy a number of countries in the sterling bloc who cannot get their funds now because of Britain's inability to pay them off.

I skip to No. 6:

> 6. Relation of this line of credit to other obligations: (1) It is understood that any amounts required to discharge obligations of the United Kingdom to third countries outstanding on the effective date of this agreement will be found from resources other than this line of credit.

Is that not nice? As was pointed out the other day in the debate, the British have from $8,000,000,000 to $10,000,000,000 of liquid assets. Some of them are in hock in this country at the moment. Britain could easily use this money to release some of her assets and then from such assets pay off or try to satisfy some of her creditors who may be at this moment knocking at her door.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. I do not recall the figures eight to ten billion dollars. I understood it was $3,000,000,000. Will the Senator tell me what those assets consist of?

Mr. ELLENDER. Yes. If the Senator desires it at this moment, I think I can.

Mr. FULBRIGHT. I do not wish to interrupt the Senator's speech if he is coming to it later. I understood it was only $3,000,000,000.

Mr. ELLENDER. I did not intend to speak of it. I obtained the figures from the editorial written by Mr. Jesse Jones, who as the Senator knows was long connected with the RFC. I understand that a distinguished Senator is now looking further into the amount of credits and liquid assets which the British have all

over the world. I read from Mr. Jones' editorial:

Prominent among these—

He speaks of the various assets and the revenues that the British obtained from the citizens of this country through investments the British have here. As I said, I have a list of some of the investments, but since the list was not completed I did not bring it with me. I now quote from Mr. Jones' editorial:

Prominent among these is insurance from which they make a very substantial profit out of the American people. According to a recent report of the United States Treasury, British-owned assets in this country aggregate more than $3,000,000,000, and include $587,000,000 United States Government securities, more than $40,000,000 in corporate bonds and 623 controlled branches of corporations having a value of $611,000,000.

These and other assets are owned by the British in this country, the profits and income on which are going to them. These assets and the profits of British insurance companies from business written in this country should be used by the British Government as security for any loan of dollars to be spent outside the United States—

And I think that is sound—

the British Government accounting to her investors in British money or securities.

The Senator was correct when he said that he understood that the assets of the British in the United States were $3,000,000,000; but listen to this further statement from Mr. Jones:

The British are by no means strapped. It has been estimated that their assets in other countries than ours total some $8,000,000,000, their unmined gold reserves have been estimated to be worth at least $15,000,000,000, and their diamond reserves as much as $8,000,000,000.

Of course, all the unmined assets are in the mines. They must be captured. But the other $8,000,000,000 represents assets of a character similar to that of the assets which I have just described, which are held by Great Britain in this country, and which aggregate about $3,000,000,000.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. Does the Senator know where the diamond and gold reserves are?

Mr. ELLENDER. There are quite a few in South Africa, in Canada, and other British commonwealths.

Mr. FULBRIGHT. Is South Africa an independent nation?

Mr. ELLENDER. It is independent for some purposes, and it is a British possession for others.

Mr. FULBRIGHT. For what purpose is it a British possession? Can the Senator tell us?

Mr. ELLENDER. For purposes of trade, commerce, and the like. Let me say to the distinguished Senator that at the moment the British do not hold the stranglehold upon their commonwealths and colonies which they held in days gone by. Many of the commonwealths have come to maturity and have broken away from the mother country. They are more or less independent. They are thinking for themselves. They are manufacturing goods for themselves and for export. I would not be at all surprised if within the course of 10 years some of the strongest competitors the British Isles will have will be the British commonwealths. Today, the Canadians are large competitors of the British in South America. Australia has expanded its industrial plants during the war. I would not be at all surprised to see Australia encroach on some of the export trade of the British in Java, Sumatra, and other countries in the Pacific.

Mr. FULBRIGHT. Does the Senator consider Canada as being more or less independent or is it an independent nation. My point is, Does the Senator consider all the assets in Canada and Australia within this estimate of assets of Great Britain?

Mr. ELLENDER. No.

Mr. FULBRIGHT. I do not quite see what the Senator's point is.

Mr. ELLENDER. Of course, some of the assets of unmined gold and unmined diamonds may not be in the hands of the British Government as such, but——

Mr. FULBRIGHT. Does the Senator know whether any of such assets are in the hands of the British?

Mr. ELLENDER. Do not forget the fact that the British Isles, constituting about 10 percent of the population of the British Empire, actually control the destinies of millions of people in South Africa, India, and other places, by having control of their businesses. Where do we find those who own the gold mines in South Africa? Where do they live? Where does the Senator think most of the stock is? If he thinks it is in South Africa, he has another think coming.

Mr. FULBRIGHT. It is sold on the market and can be bought anywhere.

Mr. ELLENDER. It is controlled exclusively by a group of British merchants who do not live in South Africa or Canada. I do not have to tell the Senator that the British have enormous possessions in Java, Sumatra, and Australia. As I shall show in a moment in connection with the situation in Burma and India, the British control those people commercially.

Mr. FULBRIGHT. The Senator says "the British." Does he mean private individuals, or the Government? Does the Government own those assets?

Mr. ELLENDER. They are owned by corporations. Evidence will be furnished showing that the British Government does own much of the stock, to the same extent that the British Government now owns stock in many corporations in this country. The British are pretty well protected.

Mr. FULBRIGHT. How did the British Government come to have stock in our corporations? Is it not true that the British Government took over such stock during the war, as a war measure? Did the British Government own it prior to the war? The fact is that it expropriated it from its own nationals during the war.

Mr. ELLENDER. That may be true with respect to some of it.

Mr. FULBRIGHT. That is correct. I think the RECORD ought to show that that is what happened. The British Government was so hard put that it had to do it, having run out of assets of its own.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. The Senator from Louisiana is correct when he says that the British Government, as such, owns a share in British corporations. British corporations in which the British Government owns shares are scattered throughout the world. That is a fact which I do not think can be disputed by anyone. But in direct answer to the question of the Senator from Arkansas as to what this has to do with South Africa, let me say that South Africa is a member of the sterling bloc, which went off the gold standard with Britain in 1931. The object of this loan is supposed to be to liquidate the sterling bloc. That is the whole purpose of it. So the testimony and the evidence which the Senator from Louisiana is bringing out with respect to South Africa and the other dominions and possessions of the British Empire are all very much in point in this debate.

Mr. ELLENDER. I thank the Senator. For the benefit of the Senator from Arkansas, let me say that I am sure that within a few days—perhaps tomorrow or the next day—there will be ample evidence produced to show who owns and controls the various liquid assets referred to by Mr. Jones in his statement.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. The Senator from Arkansas referred to the fact that the British Government has expropriated from its own nationals the securities which were referred to in the colloquy between the two distinguished Senators. If our Treasury makes the proposed loan, it will do so by a procedure known as a public-debt transaction, indicating that the Treasury has not the surplus money to make the loan. Where must the Treasury go, then, to get the money to fund the British loan, if not to our own nationals?

Mr. ELLENDER. An overburdened people.

Mr. MURDOCK. Unless the people themselves, in the purchase of securities, know what they are buying, unless they know that they are lending their money to the Treasury for the purpose of making the loan, then does not this Government expropriate the money of its nationals to finance the British loan, without giving the people any say in the matter except through their representatives in the Senate and the House of Representatives?

Mr. ELLENDER. I can see no difference between the two transactions.

Let me continue reading from the loan message. I repeat that the loan is almost for the exclusive benefit of Great Britain, so that she may attempt to carry on trade throughout the world as of old. She does not propose to reform, but, on the contrary, she is seeking help so that she can tighten her grip on the helpless.

Mr. President, I do not believe that Great Britain will be able to carry on the trade which she maintained in the old

days. It is going to take many more billions of dollars to keep her up. As I shall point out in a few moments, this $3,750,000,000 is but a shot in the arm, and, if it does not suffice, Britain will be coming back here for more funds. Then what will we do? Will we let her have more? I will not.

Mr. MURDOCK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Does the Senator from Louisiana yield to the Senator from Utah?

Mr. ELLENDER. I yield.

Mr. MURDOCK. The first witness who appeared at the committee hearing on the British loan was, as I recall, the distinguished Secretary of the Treasury. Senators will find in his remarks, before the committee, the statement that the loan is being made or will be made to Britain or to the United Kingdom so that the United Kingdom may again, insofar as world trade is concerned, assume her usual place. The words "usual place" are the exact words which were used by the Secretary of the Treasury. A little later in his statement he told us that the loan is being made to the United Kingdom so that she may again enjoy the strategic position which she has historically held over a long period of years in world trade.

As a result of those two statements, I asked this question: Is the loan to be made for the purpose of placing the United Kingdom again in the dominant position which she has held over a long period of time in international trade? I do not recall that the Secretary of the Treasury admitted that that was the purpose.

Mr. ELLENDER. But the Senator knows it is.

Mr. MURDOCK. But, Mr. President, to my mind when we talk about "the usual position of the United Kingdom," we refer to the position which she has held over a long period of years; and when reference is made to her "strategic position," if I understand the meaning of the word "strategic," that means a position of advantage.

If that is the purpose of the loan—and it was so stated by the Secretary of the Treasury—I ask this question: In view of all the resources of the United States and the vast population of the United States, do we wish to finance the United Kingdom so that she may assume a position in world trade above our own position?

Mr. ELLENDER. Mr. President, I think I am in full possession of my faculties, and I know that I do not want that to happen. The Senator from Utah has put his finger right on the point. We are now trying to revive a dead horse, as it were. I am very sympathetic to the British. In days gone by, as I shall point out in a few minutes, the British were able almost to force their colonies to buy manufactured goods from Great Britain. They prevented the development of manufactures in many of their colonies. But today the picture has changed. Her colonies are freeing themselves from the apron strings of the mother country and they are out for themselves.

I say to the Senator from Arkansas [Mr. FULBRIGHT] that with the loss which I know now exists and will exist to an even greater extent as time passes, the British Government cannot force its colonies to trade with England. So, in order to give the British the dominent position which they occupied in the past, as was described by the distinguished Senator from Utah, it will be necessary to keep on pouring money into London, just like pouring water into a rat hole, and expecting it to reach the rats. I simply cannot see it otherwise.

Mr. MURDOCK. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I merely wish to call the attention of the Senator to the fact that the sterling bloc was really brought into being as a legal entity as late as 1944 by the United Kingdom, under an edict or order of the United Kingdom to the sterling area countries. I called that fact to the attention of the witnesses at the hearings, and told them that, in my opinion, it probably was the greatest exercise by any country in the history of the world of absolute financial control over a great number of countries. The witnesses answered me by saying that the United Kingdom has done that because of her weakness, not because of her strength. They said that in her weakness she has brought about the existence of the sterling area and also the existence of the sterling-dollar pool, so that the countries coming within her orbit—the countries coming under the control of the sterling area order and the sterling-dollar pool can do nothing with the dollars which they get as a result of exports of their own except to let them be syphoned into the sterling-dollar pool and then be allocated by the United Kingdom as the United Kingdom sees fit to do.

The question arises in my mind, If we strengthen a nation which, as the result of her own weakness, has brought about that condition, can we reasonably expect that in her strength she will let go what she has brought about in her weakness?

Mr. ELLENDER. Mr. President, I have never heard of the British doing anything for anyone but themselves. They are most selfish.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. I doubt that the record will show that the British created the dollar pool or the sterling bloc by an edict. Those agreements were made by agreement of the people concerned, and I believe they can withdraw from the dollar pool whenever they wish to do so.

Mr. ELLENDER. I know that, and they will be forced to do so. As I said, the sterling-dollar pool was created during the war. Peoples were led unto the pool for self-protection.

Mr. FULBRIGHT. I think the record will not show that the United Kingdom can by edict make the Canadians or the Australians or the New Zealanders do anything. That is one point. The Senator's whole argument is based upon the assumption that the British can make them do it.

Mr. President, inasmuch as the Senator from Louisiana has gone so far as to say that the British have never done anything for anyone else, I ask the Senator whether he can cite from history an equivalent in size and scope of the release by the United Kingdom of Australia, New Zealand, Canada, and South Africa, which were integral parts of the British Empire. It is true that Great Britain learned a lesson from her war with us and subsequently released those parts of her empire from a position under her domination. I do not know of any other country that has taken action equivalent to that. The nearest to it is our present release of the Philippines. But can the Senator from Louisiana point out any case in the days of the Greeks or Romans or any case involving modern nations, such as the French or Russians, in which a nation has given independence to rich areas containing such great natural resources and very progressive peoples? I think the Senator from Louisiana is going a little far in saying that England has never made any contribution to civilization.

Mr. ELLENDER. Mr. President, I did not say that, and the Senator from Arkansas knows it. In passing, however, I may say that Australia, Canada, and other British Commonwealths were not given more freedom because the British suggested it.

Mr. FULBRIGHT. Yes; Mr. President, the Senator from Louisiana said that the British have never done anything for anyone else, and he referred to the loan as the pouring of water down a hole to rats—to rats in a rat hole.

Mr. ELLENDER. I did not call the British rats, if that is what the Senator has in mind.

Mr. FULBRIGHT. The implication was most certainly that, as the Senator will see if he will read the RECORD.

Mr. ELLENDER. No; not at all. The Senator knows better than that, and I will not even argue the matter with him.

Mr. MURDOCK. Will the Senator from Louisiana yield to me in order that I may reply to the distinguished Senator from Arkansas, for whom I have the deepest respect?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I did not make ill advisedly the statement which I made a few moments ago. I hold in my hands a copy of the Index, which is published quarterly by the New York Trust Co. It is the winter issue. I secured it from the Congressional Library. One of the subjects with which it deals is bloc sterling balances, and the treatment of the subject will be found on page 88. It is true that the sterling area did exist on a rather loose and voluntary basis up to the happening of this event. But this is what the Index says, and I read it for the information of the Senator from Arkansas and other Senators. I read from page 88 of the publication to which I have referred:

THE STERLING AREA

Originally organized rather loosely as a currency bloc, which included a number of European countries as well as Japan and Bolivia, after Great Britain abandoned the

gold standard in 1931 the sterling area underwent changes in both members and their relationships during World War II, and became a legal entity defined officially in an order by the British Government dated February 8, 1944, as follows:

"The territories which, in addition to the United Kingdom, or included in the sterling area, are any of the following territories, excluding Canada and Newfoundland, that is to say—(a) any dominion, (b) any other parts of His Majesty's dominions, (c) any territory in respect of which a mandate on behalf of the League of Nations has been accepted by His Majesty and is being exercised by His Majesty's Government in the United Kingdom or in any dominion, (d) any British protectorate or protected state, (e) Egypt, the Anglo-Egyptian Sudan, and Iraq, (f) Iceland and the Faroe Island."

That is the edict which, according to this publication from which I have read, created the legal entity now known as the sterling area. I am not informed as to whether such an edict is binding on all the dominions, all the countries, all the protectorates, and all the mandatories under the United Kingdom, but I believe that I have quoted from a rather authoritative source. So the loose-jointed or loosely organized currency bloc was attempted, at least, to be created into a legal entity by the United Kingdom.

Mr. ELLENDER. I thank the Senator.

Mr. MURDOCK. I thank the Senator from Louisiana for yielding to me.

Mr. ELLENDER. I continue quoting from this one-sided agreement. I read from page 6, paragraph 7:

Sterling area exchange arrangements. The Government of the United Kingdom will complete arrangements as early as practicable and in any case not later than 1 year after the effective date of this agreement, unless in exceptional cases a later date is agreed upon after consultation—

There is nothing definite about that language.

Mr. HUFFMAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HUFFMAN. Is it not true that under this agreement England agrees only to attempt to do away with the restrictions to which reference has been made?

Mr. ELLENDER. That is all. That is what I am trying to point out. There is nothing definite about the agreement. In other words, we may go ahead and make a loan to Great Britain of $3,750,000,000 and if, at the end of 3 or 4 years, things have not worked out as had been anticipated, according to the agreement England may come back and ask for more funds. In my opinion, that is what will take place.

Mr. HUFFMAN. Then the Senator takes the position that, under the agreement, there is nothing binding upon Great Britain to remove these restrictions.

Mr. ELLENDER. The Senator is correct. That is my interpretation of the contents of the documents.

Mr. HUFFMAN. To return to the Senator's assertion that the loan of $3,750,000,000 would be but the beginning of a process of pouring water down a rat hole—to which the distinguished Senator from Arkansas [Mr. FULBRIGHT] took exception——

Mr. ELLENDER. The expression which I used is a common one, is it not?

Mr. HUFFMAN. Is it not a fact that what the Senator means to say is that the granting of this loan would be only the beginning of a process of making many more loans for the purpose of endeavoring to make sound an unsound British economy?

Mr. ELLENDER. The Senator is correct.

Mr. HUFFMAN. And that the weakness of that economy cannot be overcome by loans of this nature?

Mr. ELLENDER. The Senator has stated exactly my position. What he has said is exactly the reason why I assert that it would be folly to make the loan, and to do so would be to weaken our own economy.

Mr. HUFFMAN. Is it not true that the real weakness of the situation in respect to Great Britain lies in the fact that she does not have the natural resources within her islands to make her an export nation?

Mr. ELLENDER. That is the very point which I am next to take up and demonstrate to the Senate.

Mr. FULBRIGHT. Mr. President, I wish the Senator would elaborate on that point.

Mr. HUFFMAN. First, I have asked the Senator a question.

Mr. FULBRIGHT. Is it not a fact that Great Britain never did have large areas of natural resources, and yet she became a powerful nation during the past several centuries?

Mr. ELLENDER. That has been because of the control she has been able to exercise over her colonies. She went, for example, and grabbed off a portion of northern South America where there were located bauxite mines, and she went so far as to prevent the independence of her colonies in their establishment of any manufacturing industries. She forced their people to accept manufactured products in return for raw materials.

I do not wish to bring into the picture any reference to the War Between the States, but what I have stated happened also in our own country. It was the same practice that kept the South so poor. After the Civil War the South furnished, to a large extent, raw materials to the northeastern section of the United States, and in the meantime that section grew rich. Is that not true? Great Britain is endeavoring to exist on a false economy, and we are now being asked to maintain that false economy in the light of what has taken place during the past 10 years, especially since beginning of World War II. Many of Great Britain's colonies have developed industries to such an extent that they will become competitors for the export trade which Britain has enjoyed for a great many years. If the export trade of Great Britain is pushed down, down, and down, eventually she will fade away. One of the suggestions which I propose to make during the course of my remarks is that the United Kingdom should remove a great volume of her population from the islands and send some of it to Canada, some to Australia, and some to New Zealand for the purpose of developing natural resources in those countries, and carrying on manufacture within close range of raw materials.

Mr. HUFFMAN. Does the Senator take the position that we have the right to tell Great Britain to decentralize the British Empire, and to send its people to less settled areas of her Empire?

Mr. ELLENDER. No; we do not have the right to force her to do that, but what I have said is a suggestion, and it is made in the interest of Great Britain. If something like that is not done, I predict that an already grave situation will become more and more acute as time goes on.

Mr. HUFFMAN. I did not mean to disagree with the Senator. I wish to ask if, perhaps, the withholding of this proposed loan of billions of dollars to the British Empire may not be the hint required for a necessary migration from the British Isles to the less-settled areas of the British Empire?

Mr. ELLENDER. I do not believe that the people on the British Isles will starve there. If there is no future for them, and if such a situation ensues that Great Britain cannot develop sufficient export trade so that she can buy imports in sufficient quantity, including food, to maintain her population, the population will simply leave the British Isles. There is no other alternative.

Mr. FULBRIGHT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. I should like to ask the Senator from Ohio if he feels that the economy of Ohio is on a false basis. If I understand the situation, steel is manufactured in Ohio, though not a great quantity of iron ore is produced there, and textiles are manufactured there, but the people of Ohio do not grow cotton. It would seem to me that there would be a very black future for Ohio if such a condition necessarily indicated a false economy.

Mr. HUFFMAN. I cannot quite conceive of the situation in the State of Ohio being parallel with that of the British Empire. Furthermore, the State of Ohio is not asking for a loan of $3,750,000,000.

Mr. FULBRIGHT. That would indicate that the economy of Ohio is not a false economy, and I do not think it is any more than I think the economy of Britain is a false economy. I think that now, as a result of the two wars, the economy of Great Britain has been thrown out of balance, as is that of much of the rest of the world, I remind the Senator, for instance, in Germany, France, Holland, and almost everywhere else. I do not think the present condition of those countries can be said to indicate or prove that their economy is a false economy. Prior to these two wars it was on quite a sound basis, but Britain has been in a very difficult place in both wars.

Mr. HUFFMAN. Britain is an import nation, is it not?

Mr. FULBRIGHT. And an export nation. She manufactures many articles.

Mr. HUFFMAN. But predominantly she is an importing nation.

Mr. FULBRIGHT. The Senator from Louisiana was the one who suggested the analogy between Britain and the South, particularly my State and his State, and the Northeastern States, of which the Senator's State is one. I did not suggest it. I recognize the analogous situation.

Mr. HUFFMAN. As I understand, the population of Ohio is not in need of a loan of the kind we are considering, and it is not necessary for Ohio to have such a loan in order to continue her existence, or to overcome any condition of weakness now existing. But does the Senator from Arkansas take the position that this loan of $3,750,000,000 will make the British Empire an exporting nation?

Mr. FULBRIGHT. I certainly think it will contribute to the solution of the present difficulties in balanced payments. The purpose is to make her currency convertible. I do not pretend to know all the intricacies of international trade, but I do say that the best brains this country has in finance and in commerce, the very best we are able to produce, not only in the Government, but in advisory capacities, have said the amount suggested is sufficient to enable Britain to resume her normal functioning. It will never be normal, of course, after the war, but she can be a strong functioning element within the world economy. I am not saying that of my own knowledge, but I think that under our system of Government, unless we can accept the verdict of the best brains we have, we are in a hopeless predicament, and can never reach a solution of the problem.

Mr. HUFFMAN. Can the best brains to which the Senator refers give us any assurance that this borrowing will not be a recurring matter every time the credit or loan is exhausted,

Mr. FULBRIGHT. As has already been pointed out, I do not think anyone can give assurance of anything in the kind of world we now have. There is no assurance we will not have a war next month or next year. There is no assurance Britain will repay the loan. We can only balance the probabilities in such a world. We have never guaranteed necessarily that there will be a repayment, nor have the British. There is no basis for guaranteeing what their action during the next several years will be in that connection, or in other financial or political matters.

Mr. HUFFMAN. My only reason for making the statement was to indicate that the uncertainty here is so great that, in the uncertainty, I expect to cast my vote in favor of the people of the United States.

Mr. MURDOCK. Mr. President, will the Senator from Louisiana yield to me for an observation?

Mr. ELLENDER. I yield.

Mr. MURDOCK. In respect to the statement made by the Senator from Arkansas [Mr. FULBRIGHT], I call his attention to the fact that if the United Kingdom repays this loan subject to the conditions of the agreement, she must increase her domestic cash exports by 1952, by at least 322,000,000 pounds sterling over the average domestic cash exports of the years 1936–1938. In the years 1936–1938 the domestic cash exports of the United Kingdom amounted to 478,000,000 pounds sterling. That was their value. In order to repay this loan, according to its terms, by the year 1952, she must increase those exports to 800,000,000 pounds sterling, indicating a vast increase of her exports over the average for 1936–1938.

If I may make one further observation—and the Senator from Louisiana has been very lenient with me—I refer to the Atlantic Charter. Speaking of Prime Minister Churchill, and the then President of the United States, Mr. Roosevelt, the Charter says:

They have agreed upon the following joint declaration.

I skip the first, second, and third points, and come to the fourth:

Fourth, they will endeavor, with due respect for their existing obligations, to further the enjoyment by all states—

And I assume that when they said "all states" they meant those states which were considered as a part of the British Commonwealth—

great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity.

Now, Mr. President, if Great Britain must step up her domestic cash exports from £478,000,000, which was the value of them in the years 1936–1938, to £800,000,000 in 1952, in order to repay this loan, I challenge someone to tell me how we can carry out the fourth provision of the Atlantic Charter.

Mr. ELLENDER. Mr. President, I think the answer to the question of the distinguished Senator from Utah is very simple. We have a debt owing us from Great Britain, a hang-over, as it were, from World War I, which is still unpaid, aggregating a little more than $3,500,000,000. That has been defaulted. Great Britain at the time owed altogether less than $30,000,000,000. Her revenues from shipping, insurance, and other undertakings were at an all high. Today she owes almost $100,000,000,000. Her shipping has been cut to the bone. She has lost many of her investments throughout the world. In the name of common sense, with all she has lost in the war, and with the greater debt, how can she expect to do any better with a debt of $3,750,000,000 dollars than she did with a debt of 4½ billion, from World War I, which is still owing?

Mr. MURDOCK. Will the Senator yield at that point?

Mr. ELLENDER. I yield.

Mr. MURDOCK. The Senator has mentioned shipping, which has always been one of the great sources of income of Great Britain. Now we find that in order for the United Kingdom to pay the proposed debt to the United States she must increase her net shipping income from the average of 105,000,000 pounds sterling of the years 1936–38 to 165,000,000 pounds sterling by 1952. In other words, instead of the mere resumption of her prewar domestic shipping income, she must add to that by at least 55,000,000 pounds sterling.

If the Senator will yield further, I should like to ask unanimous consent, with the Senator's consent, to insert in the RECORD at this point a table published in the Winter Issue of the Index, published by the New York Trust Co., at page 92, showing the different items of exports and imports and other figures with respect to the income of the United Kingdom.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Hypothetical balance of payments for the United Kingdom

[In millions of pounds sterling at 1938 prices]

Item on current account	Prewar average, 1936–38	Transition				Total	1952
		1946	1947	1948	1949		
Merchandise trade:							
Retained imports	−866	−809	−850	−954	−924	−3,537	−1,100
Domestic cash exports	+478	+233	+322	+470	+631	+1,656	+800
Trade balance	−388	−576	−528	−484	−293	−1,881	−300
Net shipping income	+105	+75	+105	+105	+125	+410	+165
Net income from overseas investments	+203	+130	+130	+135	+140	+535	+175
Net special interest payments on sterling debts and balances		−60	−60	−60	−60	−240	−60
Net commissions, insurance, brokerage, discounts, etc	+37	+20	+25	+30	+35	+110	+40
Net tourist expenditures	−12		+10	+10	+15	+35	+25
Net governmental	−7	−10	−10	−10	−10	−40	−10
Net miscellaneous	+5	+3	+5	+5	+5	+18	+5
Net invisible items	+331	+158	+205	+215	+250	+828	+340
Balance on current account	−57	−418	−323	−269	−43	−1,053	+40

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MAGNUSON. I know the figures quoted by the Senator from Louisiana and the Senator from Utah are correct, but let us assume that we come to the conclusion that the British Empire is a dying economy, and that Great Britain is rapidly becoming a second-rate power among the world powers; and follow that up with the very frank admission of the Senator from Arkansas, who is always intellectually honest with this body, that there is no guarantee of repayment; that there never was intended to be any guarantee; but we have hope that the debt will be repaid. Assuming all that, however, I will ask the Senator from Louisiana if he does not think, in view of the fact that the details of this matter have been gone over by good Americans, men

who are of the highest financial and economic ability, that the only question the Senate has to decide is whether or not it is worthwhile for America to keep England in business, and if we should decide affirmatively would the Senator vote for this loan?

Mr. ELLENDER. Yes; but there are other ways to keep her in business. I do not mean on the little British Isles. If England needs any advances of materials or credit of some kind to help her out of this emergency and at the same time help us out, there would not be any difficulty in getting that. But what Britain is asking for here is money so that she can make use of it in order to continue her present methods of doing business. It is her desire to maintain domination over many countries in the Mediterranean area and southern Asia.

I will say, Mr. President, that the only solution I can see is for Britain, that is, England, Scotland, and Wales, to have a population just of sufficient size to maintain her economy, and move out many of the industrial plants which are there and locate them nearer the raw products.

There is much talk about shipping. A large percentage of the imports which went into Great Britain were paid for out of profits she derived from her shipping trade. I think the figures show that she had before the war 22,000,000 tons of shipping bottoms. That has been reduced to approximately 15,000,000 tons. And necessarily her profits from that source are declining. We have a large merchant marine that we ourselves expect to develop. Would anyone deny that the development of our merchant marine is bound to encroach on the British trade in carrying goods in vessels from one country to another? It is bound to do so. Not only that, Senators; Britain is receiving competition of a similar nature in almost every line of endeavor that made her great in the past. She cannot possibly overcome that competition and maintain her economy as of old. Her revenues have been on a steady decline and her people should realize that the task of keeping up her economy is almost insurmountable.

Mr. MAGNUSON. Mr. President, will the Senator yield for a further question?

Mr. ELLENDER. I yield.

Mr. MAGNUSON. Then, if I understand the Senator's position he would probably answer my question in the affirmative that it is worth while for us to keep England in business, but that the Senator would propose different methods than the methods proposed by the pending legislation?

Mr. ELLENDER. When I say the British, that of course involves not only the islands but——

Mr. MAGNUSON. The British commonwealths.

Mr. ELLENDER. The British commonwealths, certainly. But I do not want to vote for any measure which will give to Great Britain the same stranglehold which in the past she has had on many countries and on her own commonwealths. The Senator from Utah [Mr. MURDOCK] just read from the Atlantic Charter. I should like to see its terms carried out, because oftentimes trade wars lead to shooting wars.

Mr. MAGNUSON. Mr. President, like the Senator from Louisiana, I disagree with some of the provisions of the loan. I can only answer the question for myself that it is worth while for us to keep England in business. We may disagree with respect to the methods. I disagree with some of the things Britain has done recently, particularly respecting bases. But I hope that matter can be worked out, and that England can prosper and take her rightful place among the leading nations of the world. I hope the Senator can present an alternative, and I hope it will be of such a nature that we can join in voting for it.

Mr. ELLENDER. On page 5 of my outline I have the remedy by which we can help the British, and I give my conclusions. I expect to cover some of those points as I proceed.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. I should like to say that I have asked myself the question which the Senator from Washington propounded to the Senate, and I have approached the whole question from the angle that he suggests. That seems to me to be something which each of us must answer for himself. But after a very careful study of the whole situation I am convinced that this loan cannot do more than alleviate Britain's problem for possibly 5 years, and that at the end of 5 years we will be called upon for another loan of similar size, and that recurring loans must continue until the sterling bloc has been completely liquidated. The sterling bloc, in credits, now amounts to $14,000,000,000 plus, and it is growing rapidly month by month, and in a very short time it will reach the staggering total of $16,000,000,000. Until those credits have been liquidated I do not think that a loan of $3,750,000,000 can do anything other than keep the United Kingdom in business for a short period of time.

Mr. FULBRIGHT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. First, I should like to correct the impression the Senator from Washington has with respect to what I meant when I said that I would not guarantee the repayment of the loan. I meant it in the sense that everything is so uncertain now that we do not know what is going to happen. Obviously the occurrence of another war would prevent repayment. I did not mean to imply, however, that if we can maintain a steady world that the British will not repay. I think they will pay provided there are reasonable conditions in the world, especially political, and without a recurrence of another war.

Mr. ELLENDER. Can the Senator tell us why it was that Great Britain defaulted on her obligation to us after World War I, when her condition then was much better than it can ever be hoped to be at the end of 5 years hence, at which time she is supposed to begin to repay this loan?

Mr. FULBRIGHT. I can, and I intend to treat of that subject in my own remarks. I think that is a matter which would have to be dealt with so extensively that the Senator would not like to yield to me now for that purpose.

Mr. ELLENDER. I should be glad to have the Senator speak of it now.

Mr. FULBRIGHT. I intend to discuss it. It is discussed in the hearings.

Mr. President, I must say that I am a little confused at the Senator's approach. He began his remarks by pointing out that the British had great resources and reserves, and I thought his theory therefore would be that we should not make the loan because Great Britain is so rich she does not need it. Now the Senator says Britain is so poor that she simply cannot pull herself out. How does the Senator reconcile his initial statement respecting her vast resources all over the world with the statement he now makes that she is so poor and down and out that there is no hope of trying to save her?

Mr. ELLENDER. Mr. President, I did not intend to make such a statement, and I do not believe anyone can properly construe my remarks in the manner the distinguished Senator from Arkansas is now interpreting them.

Mr. FULBRIGHT. Did not the Senator begin his remarks by saying that Britain had billions of dollars of assets?

Mr. ELLENDER. Yes; she has a great amount of liquid assets which she can use to borrow money. I am not against a loan to Great Britain if it is properly secured and if Britain pays the same rate of interest as our own people are called upon to pay. So far as I am concerned, if it requires the consent of the Senate, I would vote for such a proposal tomorrow. But I am unwilling to make Britain a gift, and take money out of the hides of our own people who are already overburdened.

Mr. JOHNSON of Colorado. Mr. President, will the Senator again yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. I wanted to say in answer to the statement just made by the Senator from Arkansas that the United Kingdom and the British Empire are being badly confused. There is no question about the British Empire having almost unlimited assets. Yet this loan is for the purpose of liquidating the sterling area, which is the British Empire. That is the object of the loan. There is a great distinction. If the Senator from Louisiana argues that the United Kingdom has some difficulty in balancing her exports and imports, and if the Senator goes on to say that there is great wealth in the British Empire, why there is no inconsistency in that kind of argument, and that is the argument, as I understand, that the Senator from Louisiana has been making.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HATCH. I wanted to clear up a matter in my own mind that was caused by a statement made by the Senator from Colorado a moment ago. If I understand correctly the amendment or the substitute which the Senator from Colorado

proposes, it in effect grants to Great Britain the same amount of money the pending proposal does, but would raise the money in a slightly different manner.

Mr. JOHNSON of Colorado. That is correct. It would raise it in a little different manner.

Mr. HATCH. There is no difference in amount.

Mr. JOHNSON of Colorado. But the Treasury of the United States would not assume responsibility for the loan, and would not be harmed if it were not paid back.

Mr. HATCH. But the money would go from the United States to Great Britain.

Mr. JOHNSON of Colorado. Under my plan it would be the friends of Britain who would carry the burden, instead of all the taxpayers of the United States.

Mr. HATCH. I understood the Senator from Louisiana to say just now that he does not object to a loan to Great Britain, provided it is properly secured, and made upon the proper terms of interest, payment, and so forth.

Mr. ELLENDER. The Senator is correct.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I should like to invite the attention of the Senator from New Mexico to another point. I believe that one of the strongest factors against the British loan is the fact that under the procedure outlined in the pending joint resolution the whole $3,750,000,000 which goes into the British loan may be created under the magic procedure which existed during the war, of exchanging Government securities for demand deposits in our banks. If the British loan is funded by that type of procedure, what do we do? We dump another $3,750,000,000 into a reservoir of dollars the retaining and controlling powers of which are already overtaxed, and by adding that much more money, in my opinion we add by that amount to the inflation menace now facing the country. If we get away from the magic procedure of converting Government securities into demand deposits, and go to the people of the United States and say to them, "We have decided to lend this money to Great Britain; we want you to have a voice in it, so we are going to sell bonds to the people," by selling bonds to the people and funding the debt in that way, we do what? Instead of dumping another $3,750,000,000 into the reservoir we siphon that much money out of the reservoir and in a sense export it to the United Kingdom. Of course, ultimately the money which is obtained from the people and exported to the United Kingdom will come back to us. But in my opinion the interim between the time we export it and the time when it comes back would give this country an opportunity completely to reconvert, to step up our capacity to the maximum, and to that extent reduce the inflationary menace instead of adding to it. In my opinion, if we could accomplish that result, if we could eliminate to that extent the inflationary menace of dumping in another $3,750,000,000 of new money, we would really accomplish something.

Mr. HATCH. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. Before yielding, let me say to my distinguished colleagues that I do not mind interruptions in the least. I am glad to note the interest which many Senators are taking in this debate. All the speeches which had been made before seemed to be one-sided. I am very glad to yield, so that we may, in a measure, get to the bottom of this question if that is possible.

I yield to the Senator from New Mexico.

Mr. HATCH. I thank the Senator. The only reason why I ask him to yield at this time is that the Senator from Utah addressed his remarks particularly to me. I am not debating the question now, and I was not when I asked the Senator from Colorado and the Senator from Louisiana the questions which I asked. I take it from what the Senator from Utah just said that he is of the same mind as the Senator from Louisiana and the Senator from Colorado; that is, he does not object to the British having this amount of money from the United States, but he does object to the procedure proposed.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I certainly made no such statement. I thought I prefaced my remarks by stating that there are at least two procedures by which this loan can be financed. One is the magic procedure which was indulged in—probably necessarily—during the war, of exchanging Government securities for demand deposits. That procedure is, to a degree at least, contemplated under the pending joint resolution.

I also prefaced my remarks—or thought I did—by saying that one of the arguments in my mind against making the loan is that to raise the money in that way would add to the inflationary menace now confronting the Nation. But if we adopt the procedure of selling bonds outright to the people, then we siphon off existing money instead of creating new money. I am sure that all Senators understand the difference between the two procedures.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. McCLELLAN. Could not the loan be financed in either way?

Mr. MURDOCK. It could be done in either way; but in my opinion it would not be done in the way I have suggested. Under the joint resolution, if it is enacted into law as it is written, in my opinion, the money would be raised in the same way in which we financed the war to a large extent. That is, whenever the people and the nonbanking corporations of the country did not raise the full quota of the bond issue being floated, the Treasury resorted to the magic procedure of delivering bonds to our banks, and in exchange setting up demand deposits in favor of the Government, without requiring one red cent in the way of reserve. To me, there is a vast difference between siphoning off money from people who have a surplus of spending power and exporting that money, and, on the other hand, the creation of new money and dumping it into an already overtaxed reservoir.

I did not say that I was for the loan. I said that if we are to make a loan the safest way to make it, having in mind the inflationary menace, is to siphon the money from the surplus now in the hands of the people, rather than by creating new money in the form of demand deposits for the Treasury.

Mr. ELLENDER. In stating that I was for a loan, of course, I meant a loan of a sufficient size so as to aid Great Britain, if that is possible; but I want the loan to be secured by sufficient assets, and I want the interest rate to be at least equal to what we must pay to our own people, from whom we have so far been fortunate enough to obtain money.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. McCLELLAN. With respect to the means of raising the money to finance this debt transaction, as I interpret the provisions of section 2 of the joint resolution, we could not lend this money out of the $25,000,000,000 or $26,000,000,000 we now have on hand in the Treasury.

Mr. ELLENDER. The Senator is absolutely correct. Section 2 of Senate Joint Resolution 138 reads, in part, as follows:

> SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed $3,750,000,000 of the proceeds of any securities hereafter issued—

Not securities which have already been issued, but securities hereafter issued. So in order to obtain cash—and I am sure that that is what is in the mind of the distinguished Senator from Arkansas—we must go to our own people, who are already overburdened, and ask them to buy bonds. That will mean an increase in our per capita debt of $25, and it will benefit the British people, on a per capita basis, to the sum of about $80.

Mr. McCLELLAN. What I was trying to emphasize by my question was that no matter what the position of the Treasury may be with respect to cash on hand, this section, as now written, requires financing of the loan by the issuance of bonds to be sold directly to the people; or, as an alternative, in the manner described by the able Senator from Utah. There is no other way to provide the money under the terms of the joint resolution.

Mr. ELLENDER. That is the situation as I understand it.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I wish to be absolutely fair. In my opinion the joint resolution does contemplate that the money may be raised as indicated by the Senator from Arkansas, that is, by the issuance of securities and sale thereof to the

people, to insurance companies, and others. If there is any deficit in the amount raised in that manner, then securities will be exchanged for demand deposits in the banks.

I invite the attention of Senators to the fact that the Secretary of the Treasury is authorized, but not directed, to raise the money by means of a public-debt transaction. But, in my opinion—and this question was discussed during the hearings—the Secretary of the Treasury could finance the entire loan out of the present balance in the Treasury, which I understand is in excess of $20,000,000,000 as of this date.

Mr. ELLENDER. As I interpret this language, and as I have just indicated to the Senator from Arkansas, in lines 6 and 7 on page 3 it is provided that the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed $3,750,000,000 of the proceeds of any securities hereafter issued.

Mr. MURDOCK. That is true.

Mr. ELLENDER. In other words, as I understand, that section indicates that the money must come from funds not now in the Treasury.

Mr. MURDOCK. Mr. President, I think the Senator is correct in saying that that is the intention. In my opinion it is the intention of the Treasury to issue new bonds. But I call the attention of the Senator to the fact that the joint resolution provides only an authorization, not a mandate; and in my opinion the Secretary of the Treasury could, if he saw fit or if he so desired, use a part of the cash balance in the Treasury, as of the date the loan is approved by Congress, to fund the entire debt.

Mr. ELLENDER. What he probably could do would be to call in outstanding bonds of a matured value of $3,750,000,000 and then reissue new ones in the same amount. He may do that

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. McCLELLAN. With respect to the authorization contained in the pending joint resolution, I am hardly able to agree with the Senator from Utah that the Treasury could finance the loan out of moneys now on hand in the Treasury. Certainly we are passing this joint resolution for the purpose of creating authority and giving the Secretary of the Treasury the right to advance the money, and we specifically state in the resolution how the transaction shall be financed.

What prompted me to inquire about the provision was my interpretation—and other Senators have somewhat the same interpretation—that in order to obtain the money necessary under the loan it will be necessary for our country to issue more bonds, thereby increasing the national debt. I am now speaking in terms of the bill pending, recently reported by the Finance Committee—the bill of the able junior Senator from Virginia [Mr. BYRD]—to reduce the authorization for the national debt to $275,000,000,000, or approximately that amount. If we pass the pending joint resolution and later pass the bill introduced by the Senator from Virginia [Mr. BYRD] reducing the amount of the national debt to $275,000,000,000, then if the $3,750,000,000 authorized under the loan would, when added to the already existing national debt, exceed that limitation, I do not know how it would be possible to raise the amount of money called for under the loan, because I do not believe the Treasury is authorized to make the loan out of the cash now on hand in the Treasury. It seems to me that when the Congress specifies how the money shall be raised and authorizes the Secretary of the Treasury to proceed in that way, he must follow that procedure. In the pending joint resolution we are saying how he shall proceed.

Mr. ELLENDER. Mr. President, as I just suggested, it would be possible for the Secretary of the Treasury to call in outstanding obligations to the extent of $3,750,000,000 and use cash which he now has on hand in the Treasury to pay off those obligations, and thereafter sell bonds in the amount of $3,750,000,000. Thus he would be in compliance with the provisions of the joint resolution, as I believe.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. A careful study of section 2 of the original joint resolution will disclose that it is an authorization measure, an appropriation measure, and an amendment to the debt limit—all in one small section. It is perhaps one of the most unique sections of law which has ever been written. It certainly is an appropriation measure, because it appropriates the money without any appropriation act. It authorizes this whole loan, and so it becomes an authorization measure; and, in addition, it is an amendment to the debt limit. Probably the pending bill to limit the national debt to $275,000,000,000 would not be a limitation on this loan. If the joint resolution were enacted, the amount of the loan would be over and above the $275,000,000,000 of the debt limitation.

Mr. McCLELLAN. Mr. President, will the Senator from Louisiana further yield?

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. ELLENDER. I yield.

Mr. McCLELLAN. I am wondering whether that would be the case if the Congress passed the pending joint resolution and subsequently passed the Byrd bill reducing the national debt authorization to $275,000,000,000. It seems to me that if we pass this joint resolution first, authorizing the making of the loan—which we can do now because we have a national-debt limitation of $300,000,000,000 at present, and the amount of the loan will come within that limitation—and then if we subsequently pass the Byrd bill reducing the debt limitation to $275,000,000,000, in view of the fact that we already have a national debt of approximately $275,000,000,000, I think the Byrd bill would supersede the loan resolution.

Mr. JOHNSON of Colorado. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. The reason why the pending loan joint resolution would supersede the proposal to limit the national debt to $275,000,000,000 is that the pending measure is in the form of a treaty, and a treaty takes priority or precedence over any other sort of statutory law. Inasmuch as the pending joint resolution amounts to a treaty, of course, it supersedes the statutory limitation which is being presently studied.

Mr. McCLELLAN. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. McCLELLAN. If the pending measure is a treaty, a two-thirds vote of the Senate will be required to authorize it. I do not regard it as a treaty. I regard it as an Executive agreement. It is not submitted to the Congress in the form of a treaty.

Mr. JOHNSON of Colorado. Perhaps it is not submitted in the form of a treaty, but it has the same authority over our laws as a treaty does. Of course, it is an Executive agreement. But section 1 describes it.

Mr. McCLELLAN. The situation absolutely resolves itself into this: That Congress is approving the agreement which has been negotiated and entered into by the executive department of the Government and provides an authorization, in addition, to carry out the agreement. That is what the joint resolution does.

Mr. JOHNSON of Colorado. That is what it does. Because it does that, it causes this piece of legislation to stand ahead of and above any other statutory measure.

Mr. McCLELLAN. The Senator from Colorado may be correct on that point. I am not arguing that matter with him. But I can hardly see how the pending measure would supersede in authority any other measure which we subsequently might enact and by which we would limit the size of the national debt.

Mr. JOHNSON of Colorado. Mr. President, if the Senator from Louisiana will further yield, I wish to say that I am not a constitutional lawyer and I am now getting into very deep water. But it has been made clear in certain oil cases that statutes affecting our relations with foreign nations take precedence over domestic legislation.

Mr. McCLELLAN. In other words, if we pass the pending joint resolution and make the loan, Congress could not later abrogate the agreement. That is what it amounts to.

Mr. JOHNSON of Colorado. Yes; that is what it amounts to. The other matter I have in mind is the debt limitation.

Mr. McCLELLAN. In other words, the loan would be within the legal debt limit at the time of the enactment of the joint resolution, and therefore it would become an obligation which the Congress could not later abrogate or default.

Mr. JOHNSON of Colorado. That is true.

Mr. McCLELLAN. In other words, we would be under obligation to carry it out, irrespective of any future legislation.

Mr. JOHNSON of Colorado. That is my understanding.

Mr. ELLENDER. Mr. President, I do not think we need worry about that, because, as I understand, the present administration proposes to reduce the debt several billion dollars within the next few months. So why worry?

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. McMAHON. I should like to say that Congress could, in derogation of the agreement, pass any law which it might choose to pass. Such a future law might be in bad faith insofar as the loan agreement or joint resolution is concerned, but it would be in full force and effect, the same as any other law which Congress might pass.

Mr. ELLENDER. Mr. President, before I was interrupted a while ago I was discussing the agreement which the Senate is now called upon to ratify, and I was attempting to show that in no part of the agreement is the British Government obligated. There is always some sort of exception as to doing this, that, or the other thing. I was reading from page 6 of the President's message, under part 7:

7. Sterling area exchange arrangements: The Government of the United Kingdom will complete arrangements as early as practicable and in any case not later than 1 year after the effective date of this agreement, unless in exceptional cases a later date is agreed upon after consultation, under which immediately after the completion of such arrangements the sterling receipts from current transactions of all sterling area countries (apart from any receipts arising out of military expenditure by the Government of the United Kingdom prior to December 31, 1948, to the extent to which they are treated by agreement with the countries concerned on the same basis as the balances accumulated during the war) will be freely available for current transactions in any currency area without discrimination; with the result that any discrimination arising from the so-called sterling area dollar pool will be entirely removed and that each member of the sterling area will have its current sterling and dollar receipts at its free disposition for current transactions anywhere.

In paragraph 8 we find this:

(ii) The Governments of the United States and the United Kingdom agree that not later than 1 year after the effective date of this agreement, unless in exceptional cases a later date is agreed upon after consultation, they will impose no restrictions on payments and transfers for current transactions.

And so forth. I now read from paragraph 10 on page 7:

Accumulated sterling balances. (1) The Government of the United Kingdom intends to make agreements with the countries concerned, varying according to the circumstances of each case, for an early settlement covering the sterling balances accumulated by sterling area and other countries prior to such settlement—

The alleged purpose of this loan, Mr. President, as I understand, is to break some kind of a log jam which now exists, and which makes it impossible for us to trade with some of the countries which belong to the sterling bloc. Great Britain is deeply in debt to them, and, of course, they must go to her in order to have released some of the money which Great Britain owes them. But, as I have already pointed out, there is no absolute agreement to do anything. The agreement provides only that Great Britain intends to do something to effect the alleged purpose.

I read further from paragraph 10:

(ii) In consideration of the fact that an important purpose of the present line of credit is to promote the development of multilateral trade and facilitate its early resumption on a nondiscrimination basis, the Government of the United Kingdom agrees that any sterling balances released or otherwise available for current payments will, not later than 1 year after the effective date of this agreement unless in special cases a later date is agreed upon after consultation, be freely available for current transactions in any currency area without discrimination.

Mr. President, I have referred to various provisions of the agreement in order to show that in its language there is absolutely nothing binding on the part of Great Britain to perform any act, but, on the other hand, so far as we are concerned, we bind ourselves to advance to her the enormous sum of $3,750,000,000, which will mean an increase of about $25 in the per capita debt of every man, woman, and child in this country. Today that debt is almost $2,000 per capita, and in order to bail out Great Britain, we are being asked to increase it by another $25.

Mr. President, the agreement states that there is a need for this loan. For what purpose, I ask? Great Britain has always been a manufacturing country. She must import virtually all raw materials except coal and some iron. Great Britain produces very little food for her people. She must buy enormous quantities of food throughout the world. In order to be in a position to pay for such food it is, of course, necessary that her shipping business, her export business, as well as the various other lines of business in which she is now engaged, and which are scattered all over the world, be used in order to offset the import charges.

In his testimony Mr. Vinson gave the following figures, as appearing on page 5 of the hearings:

Mr. VINSON. She—

That is Great Britain—

paid for 55 percent of her imports by her merchandise exports. About 24 percent of her imports was paid for with net income from British investments in all parts of the world. Another 17 percent of her imports was paid for out of the net receipts from shipping, insurance, banking, and other services. England's foreign exchange receipts from all of these sources have been sharply reduced.

That, Mr. President, is the main reason why the loan is now being requested. It is being requested in order to allow Great Britain to meet payments for the importation of goods which were formerly paid for out of her profits from insurance and other enterprises. However, as I have already indicated, this money could be loaned to Great Britain by us through the Export-Import Bank if she desired to deal with us in that way. But she does not want to do that. There is absolutely not a line in the agreement which states that she must buy a specific amount of raw material, or any kind of products from the United States. She may use all the money for the purpose of putting temporarily her house in order and recur to her former methods of doing business throughout the world, and continue to maintain a population of 46,000,000 people on what I at the moment say is a false economy.

Mr. President, I wish to indicate some of the products of Great Britain, in showing that she is unable to maintain her present population with such a limited amount of products, and with a continuation of her present importation of raw material, to which she must resort in order to make a success of her economy. Two of the main resources upon which she depends for her economy are iron ore and coal. The average number of tons of iron ore for the years 1935 to 1937 was 12,417,000. Her importations of iron ore amounted to 5,619,000 tons on the average for the same period.

The average of pig iron for the years 1935 to 1938 was 7,350,000 tons. She imported 341,000 tons. She imported 778,000 tons of scrap iron, and had on hand 5,800,000 tons.

But, Mr. President, when we consider products such as hardwood, softwood, wood pulp, newsprint, and other paper and board, raw cotton, and so forth, she must, of course, import all of it. There is no magnesium, aluminum, or other minerals in commercial quantities in Great Britain. That is why I suggested a few minutes ago that, in my humble judgment, it will be almost impossible to maintain the economy of Great Britain as it is now sought to be maintained.

Great Britain's colonies expanded to such an extent, industrially speaking, during the last war that they will become some of the chief competitors of Great Britain. Her shipping will receive considerable competition from the United States and other countries, as well as her own colonies. Such competition will encroach considerably on her revenues from which in the past she paid for much of her importations. The figures, so far as the future is concerned, do not indicate that a sufficient amount of her former trade will be available to her in order to continue doing the business which she did before the war. I am convinced that Great Britain will hardly ever in the future be able to import and export as great a quantity of products as she did in the best years before the war. It is not in the cards for the future, because of the competition which exists from every side, to which I have adverted.

Mr. President, I do not wish to take the time of the Senate, so I ask to have incorporated in the RECORD two of the tables showing the home production of some essential raw materials, and the imports of raw materials into the United Kingdom.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Is there objection?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Home production of some essential raw materials [1]

[In thousand tons]

	1935–38 average	1939	1940	1941	1942	1943
Iron ore [2]	12,417	14,486	17,702	18,974	19,540	18,487
Pig iron	7,350	7,980	8,205	7,392	7,604	7,187
Scrap for steel-making	[3] 5,800	6,379	6,527	6,622	7,688	7,782
Steel ingots and castings	11,256	13,221	12,975	12,312	12,764	13,031
Hardwood	[4] 150	[5] 310	496	655	1,025	1,251
Softwood	[4] 180	[5] 120	444	701	861	805
Pitwood	[4] 120	[5] 450	1,527	1,441	1,574	1,765
Aluminum	18	25	19	23	47	56
Magnesium	2	5	6	11	18	23
Newsprint	[6] 857	------	294	150	140	129
Other paper and board	[6] 1,413	------	1,523	1,240	1,147	1,031
Cotton yarn	503	487	529	367	327	312

[1] Details of the output of fuel and power have been published recently in the Statistical Digest from 1938. Cmd. 6538.
[2] Average ferrous content about 30 percent.
[3] Estimated from statistics of consumption and imports.
[4] Production in 1930.
[5] Estimated production at the beginning of the war, expressed as an annual rate.
[6] Production in 1935.

Imports of raw materials to the United Kingdom (excluding imports from Eire)

[In thousand tons]

	1935–38 average	1939	1940	1941	1942	1943
Iron ore [1]	5,619	5,240	4,549	2,283	1,922	1,895
Pig iron	341	354	676	971	356	361
Scrap	778	605	937	549	15	5
Steel ingots	17	24	488	562	480	499
Semifinished steel [2]	462	807	1,595	1,802	1,214	1,063
Finished steel	561	517	811	698	382	737
Hardwood	1,126	836	683	365	300	307
Softwood	5,848	4,255	2,353	1,253	841	1,329
Pitwood	2,688	1,607	1,090	189	31	72
Wood pulp	1,650	1,611	634	246	450	390
Newsprint	424	423	239	122	67	95
Other paper and board	730	706	440	72	79	48
Raw cotton [3]	608	552	633	364	526	440
Sheep's and lambs' wool [3]	272	314	449	147	184	119
Jute [3]	162	142	200	55	108	104
Bauxite	224	302	112	87	48	244
Aluminum	29	58	66	138	136	212
Unwrought copper [3]	262	307	474	451	441	494
Rubber (crude and synthetic)	[3] 83	[3] 65	203	173	65	78
Tobacco	127	95	63	96	118	159

[1] Average ferrous content 50 to 60 percent.
[2] Blooms, billets, slabs, sheet bars, and tin-plate bars.
[3] Retained imports.

Mr. LUCAS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. The Senator has painted a very gloomy picture about the future of England, and, I presume, from what he has said, that his opinion is that whatever we do in the way of granting a loan to England will be of no help to her whatsoever.

Mr. ELLENDER. I will not say that the proposed loan will not be of any help whatsoever to the United Kingdom, but it is going to be a mere shot in the arm. In other words, I can visualize that in the near future this money will be absorbed by the British in order to maintain her population in the British Isles. In other words, the money will be used to replace revenues which she formerly received from shipping and from the profits she derived from various ventures throughout the world. I cannot foresee that those ventures, from which she derived so much in the way of funds with which to maintain herself in the past, will be sufficiently great in the future to maintain her. I really do not see any hope for her to maintain her economy.

Mr. LUCAS. That is what I gleaned from the expressions of the Senator, that irrespective of what this country or any other country can do for England, she is doomed, according to the Senator's argument.

Mr. ELLENDER. In the course of my remarks I expect to make some suggestions as to what should be done by way of assisting her.

Mr. LUCAS. I hope the Senator will do that.

Mr. ELLENDER. The Senator may not agree with me, but I believe that Great Britain is today dependent almost entirely on manufacturing.

Mr. LUCAS. I understand that argument; and she always has been dependent on manufacturing.

Mr. ELLENDER. She always has been, and she was able in the past, in a measure, to control importations from some of her colonies so as to aid her. She was also able to control the sale of goods exported to her colonies.

In the past, as I shall show as my next item, Great Britain has followed certain policies, and she is now following certain policies in India and in Burma which will bring all the manufacturing establishments there under her control, so that she can in a measure maintain control of the manufacturing of raw products in those two countries. But the time is soon coming when she will not be able to retain those controls, and the moment that happens, necessarily there will be a decline in the exports she sells, and naturally she will be bound to reduce her imports, because she will not have the money with which to pay for them.

Mr. LUCAS. Will the Senator yield for another question?

Mr. ELLENDER. I yield.

Mr. LUCAS. The Senator is now speaking upon what seems to me to be a very important phase of the question of the British loan. I take it the Senator from Louisiana is tremendously interested in seeing England go on rather than fall, is he not?

Mr. ELLENDER. Oh, yes, certainly; but I do not want England to drag us down with her. That is one thing I am against, and I am offering suggestions, during the course of my remarks, which I believe, if followed, will help. But I want to be frank in saying to the Senator that I do not really think that Great Britain can maintain her present economy and successfully take care of the population now in the British Isles. There is bound to be a migration, as it were, of quite a few British subjects, let us say to South Africa, to Canada, to Australia. In that way the British Empire can be maintained.

Mr. LUCAS. I thoroughly appreciate and understand the argument being made by the Senator from Louisiana, and I know how sincere he is in presenting it; but I wish to say to the Senator from Louisiana that what I am afraid of is that England, because of her economic troubles, may become a weak and a vacillating nation. I, for one, as a Member of the United States Senate and a citizen of this country, want to see a strong England. I would always regret any vote that might be a contributing factor in making England a communistic nation. If England should go communistic, members of her Empire, except Canada and Australia, might also go communistic.

Mr. ELLENDER. England can never go communistic, because she is too dependent on the outside for sustenance. In other words, there is too little of everything in the way of resources to interest Communists.

Mr. LUCAS. The Senator makes an argument in my favor, as I see it, when he says the English are dependent upon the outside for sustenance. If they do not get the sustenance, they will abandon the system they now have. They have already gone from one system of government to another, and one of the reasons I am going to support the British loan is that I fear the people of England, under certain stringent economic conditions might move further to the left.

For America's sake, I want to see a strong England, I want to see the pound remain strong, and I want to see the dollar remain strong. If they do, in my humble judgment we can have, in both this country and England, a stabilized economy, which the Senator fears England may not have. Just as surely as I stand here, once the pound goes to smithereens, once the economy about which the Senator is speaking becomes unstabilized, and once England cannot maintain her present position in world affairs, she will become a weak nation, a vacillating nation, a nation in extreme distress, and in the end may become a fourth- or fifth-rate nation.

England is our friend, and has been for the last 100 years, and I, for one, want to see her remain strong, from the standpoint of the future security of this Nation. I am attempting now to look 20 years ahead.

I have said all I care to say, and I rose only because the Senator was expressing the opinion that England, because she could not maintain her present economy, was gradually reaching the point where she would lose everything. I submit if that condition should come to pass America, in my opinion, would also sustain a serious economic and political loss.

Mr. McMAHON. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. McMAHON. I should like to ask the Senator from Illinois what he thinks the effect would be on the Continent of Europe if England went down, and whether he thinks that the countries on the Continent of Europe would go into the orbit of another power.

Mr. LUCAS. I do not know what world power England might join, but in my humble opinion if England should go

communistic, then every other country in Europe would eventually go communistic; every country in Asia would also go communistic, and in the final analysis America would be standing alone, so far as our type and kind of government is concerned. To me, Mr. President, that is more important, in connection with the debate, than any other single point that can be made. I realize that two and a half or three billion dollars is a lot of money, but we were spending at the rate of $50,000,000 a day the last part of the war, and another 50 days of war would have meant that we would have spent another two and a half or three billion dollars. Yet we argue here for 2 or 3 weeks about that amount of money, when in my opinion the future security of the United States is virtually as much involved in this loan to England as it was in England's success in the war.

For whatever it is worth, Mr. President, that is the opinion of the Senator from Illinois.

Mr. ELLENDER. I certainly am very sorry to note that the distinguished Senator from Illinois has so little confidence in the United Nations Organization, because, after all, that is what he is insinuating.

Mr. LUCAS. I did not say anything of the kind. I beg to disagree with my able friend. I never mentioned the United Nations. The United Nations does not control the form of government in any country. Every country is entitled to its own form of government.

Mr. ELLENDER. That is correct.

Mr. LUCAS. What I am doing is indulging in a bit of speculation upon what I think may or may not happen in the future, and upon that speculation of mine, or that conjecture, I am further fortified in my position upon this loan.

Mr. ELLENDER. Mr. President, so far as I am concerned I do not fear that the British are simply going to fade out of the picture.

Mr. LUCAS. The Senator has been making that kind of an argument.

Mr. ELLENDER. No, Mr. President, I have not.

Mr. LUCAS. Then I certainly have misunderstood my friend from Louisiana.

Mr. ELLENDER. The suggestions I intend to make during the course of my remarks will, I believe, point out a way by which the British can still maintain themselves. But I do not believe that it is fair for the British to expect us to dig down deeper into our Treasury when today our national debt is $145,000,000,000 more than the combined debt of the British Isles and all of the British Commonwealths. I wish someone would tell me what is the yardstick by which a country's ability to lend money to other countries is to be judged. What if our economy should go to pieces, I ask the Senator from Illinois? We might have communism here. I want a strong government to dominate our Nation and maintain our precious freedom.

Mr. LUCAS. I will answer the Senator, if he will permit me to do so. The Senator raised the question.

Mr. ELLENDER. No; the Senator from Illinois did.

Mr. LUCAS. The Senator from Louisiana asked me a question about our own economy. Of course, our own economy is always subject to ups and-downs. There is nothing infallible in this world, not even the American economy. And the British economy is certainly very unstable, according to the Senator's own argument. But in my humble judgment, looking over a period of years, if the British economic system becomes unstable, it will have its indirect reflection upon the economic system of America. However, we are not going to fall. Of course, we believe we can maintain our economic level, even with our large debt. But we need everything that England can give us over a period of years from the standpoint of trade, and she cannot trade unless we give her this kind of a loan. That is a moral and legal certainty if the men who understand the finances of the world are telling the truth about this situation, and I have to rely upon the witnesses who appeared before the Committee on Banking and Currency for my information about a proposition of this character. The economy of America, which the Senator tells me may fall, will not be helped in any degree if we do not help England in this crisis.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I wanted to comment on what the distinguished Senator from Illinois said about the picture that the Senator from Louisiana has painted. The Senator from Illinois referred to it as a very gloomy picture of what was going to happen. If I understand the Senator from Illinois the picture that he gives us is so much more gloomy, that there is no comparison between them. If I understand him correctly he says that if we do not make this loan England may go communistic, and if we do not make the loan it will very adversely affect our own economy.

Mr. President, if the Senator from Illinois is correct, that the future of England, both politically and economically, and the future of this country as well, are dependent on a loan of $3,750,000,000, then God help both nations. I cannot believe, Mr. President, that either England or the United States is going to pass out of the picture, either politically or economically, simply because this loan is made or not made.

When the Senator from Illinois says what we can expect from England if we make this loan in the way of additional trade, and what we must expect from her, all he has to do is to analyze what England has to do in order to pay back the loan. As I pointed out a while ago when the Senator from Illinois was not present, England's exports must increase from £478,000,000 sterling, which was the average in the 1936–38 period, to £800,000,000 in 1952. Her shipping must improve and increase, Mr. President, from £105,000,000 in the average period of 1936 to 1938, to £165,000,000 in 1952, if England repays the loan. Where is the increase in shipping from £105,000,000 in the 1936–38 period to £165,000,000 in 1952 going to come from?

Mr. President, it seems to me that we are overdrawing the picture when we say that England goes communistic if we do not make this loan and when we ask what is going to happen here if we do not make a loan of $3,750,000,000 to England. Mr. President, the important question from a political standpoint and the important question from an economic standpoint is what will happen to the stability of our own country. If we can keep adding at the rate of billions and billions of dollars to the national debt, how long is our dollar going to remain stable? And if the United States dollar fails, then I hate to think of what will happen to the economy of the whole world.

Mr. ELLENDER. That is what I tried to say to the distinguished Senator from Illinois, and I am glad the Senator from Utah has so well re-expressed it.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. It is a strange thing how at times Senators misunderstand one another on this floor. My good friend from Utah put a lot of words in my mouth which I must refuse to acknowledge as mine.

Mr. MURDOCK. If the Senator will yield to me, I will say to him——

Mr. LUCAS. No, Mr. President; I wish to finish my statement, and I will ask the Senator from Utah to sit down until I have done so.

Mr. MURDOCK. I think the Senator from Illinois will have to remove from the RECORD as well as from his mouth what he has said or he will find my statement correct in substance Of course, the Senator has the privilege of correcting or modifying a statement and I have no objection to his doing so. I certainly would not intentionally misconstrue his statement.

Mr. LUCAS. No; I am not going to yield to my friend until I complete my statement. The able Senator from Utah said that I said if we do not make this loan, England was going communistic, and he said that I said that if we do not make the loan the economy of this Government is going to pot, or words to that effect.

Mr. President, I am going to correct the Senator from Utah and correct the RECORD, because the Senator from Utah said he is not going to correct it. He told me that.

What I did say was—and I shall repeat it, so my good friend, I hope, will understand it this time—that in my humble opinion, if this loan is not made, and as the result of the unstabilized economy that the Senator from Louisiana is talking about which exists in England at the present time and which is going to grow worse, according to his own argument, we will have in England, as I said before, a weak and vacillating and a distressed nation. If she eyer reaches that point she will have a great opportunity to change her form of government again, and if she does I say that the next change will be to the communistic form of government.

Now I am making that kind of speculation here. That is my honest belief about the matter. I hope I am wrong.

That is my opinion. I also said that, in my humble judgment, in the event the loan is not made, it will have a serious effect upon our own trade and our own economy. But so far as destroying our economy is concerned, I do not think it will result in that.

Mr. ELLENDER. As I pointed out to the Senate on several occasions this afternoon, there is no question in my mind that by continuing to encroach on our own Treasury by increasing our debt we may reach the point——

Mr. LUCAS. Oh, I agree with the Senator on that point, but supposing the war had lasted another 40 days? We would not be here talking about a national debt. No one thought the war would end when it did. That is the point I am making about the matter at the present time. I undertake to say that during this rehabilitation and reconstruction period in America we cannot follow the National Manufacturers Association on a question of economy. We cannot be niggardly at this hour in making appropriations to reconstruct and rehabilitate during the next year or year and a half, and a billion dollars or $3,000,000,000 mean little or nothing so far as the future of America is concerned when we think of the debt we have at the present time. If this loan will help or aid in the reconstruction of our country in the most difficult and trying period it has ever experienced, I shall support it. I honestly believe it will. If I thought it would bankrupt the Government, if I thought for a moment that it would destroy our economy, as some have indicated that it will because of the loan of a three and three-fourths billion dollars, of course I would not be for the loan. But I do not think it will, and neither does the Senator from Louisiana.

Mr. ELLENDER. Some of us think that this is only a starter; and that after this is used and no results are obtained, they are coming back for more.

Mr. LUCAS. I have heard that argument before.

Mr. ELLENDER. There is no question about it in my mind.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I should like to invite the Senator's attention to this point: Some Senators keep saying that $1,000,000,000, $2,000,000,000, or $3,750,000,000 does not mean anything, and they frequently refer back to the cost of the war, as if the fact that we were spending gigantically in the war would make it impossible to injure the economy of this country by continuing the same kind of spending in peacetime. Of course, if the war had continued we would have kept spending at a sufficient tempo in order to win. But my position is that, having won the war, it might pay us to sit back for a few months and take note of what the entire expenditures were. In figuring this loan we must also have in mind that we have pledged to the International Monetary Fund $2,750,000,000. Of course, according to some Senators we would have spent that in a short time if the war had continued, so it was all right to commit this country to that. I voted for it but not on that basis, but because I was assured by the experts that it would go far in world monetary stability.

Mr. LUCAS. Why?

Mr. MURDOCK. Because I thought that this Government should go into an international organization.

Mr. LUCAS. Mr. President——

Mr. MURDOCK. Just a moment. The Senator is rather cagey about yielding. I want him to wait for me. He has asked a question.

I voted to create a great International Monetary Fund. Why? Because it involved the cooperation of all nations, in that they were all coming into the project on a basis of equality. We were given to understand by the same experts that that was what we needed to stabilize the exchanges of the world.

In the International Bank we pledged ourselves to another $3,175,000,000. According to the argument which is always made in referring to the war, that amount would have been spent in a month or so if the war had continued, and hence there is no reason not to pour out money in peacetime. I voted for the International Bank commitment, but not because we had spent tremendously in the war; but because I concluded it was sound international policy. All nations contributing according to their wealth, resources, and ability.

There is $2,750,000,000 in the International Monetary Fund, $3,175,000,000 in the International Bank, $3,500,000,000 in the Export-Import Bank. That is a total of $9,425,000,000.

Mr. LUCAS. Mr. President, will the Senator yield for one observation?

Mr. ELLENDER. I yield.

Mr. LUCAS. I am very seriously distressed to find my friend from Utah making such a strong argument about economy, in view of his past record in the United States Senate.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. STEWART. Let me say in behalf of the Senator from Utah that there is a limit to everything, and I think he sees it. I believe that as we approach a debt of $300,000,000,000 it is time for someone to begin thinking about economy.

The Senator from Utah referred to the International Bank, and the Senator from Illinois questioned him about it. The Senator from Utah mentioned the amount which we have pledged ourselves to subscribe in support of that institution. I take it that both Senators were referring to the Bretton Woods agreement, to which I understand Great Britain committed herself to the extent of approximately $2,500,000,000.

Mr. MURDOCK. In the case of the International Monetary Fund we have committed ourselves.

Mr. STEWART. To what extent did Britain commit herself?

Mr. MURDOCK. I have not the figure.

Mr. ELLENDER. $1,300,000,000 for each proposal.

Mr. STEWART. I understand that now Great Britain says that she will be unable to redeem her promise or subscription unless we lend her this money. I ask the Senator from Louisiana if that is not true.

Mr. ELLENDER. That is my understanding.

Mr. STEWART. Then she will breach the Bretton Woods agreement if we do not lend her this money.

Mr. ELLENDER. Not only that; but she will breach the Atlantic Charter, as was pointed out by the distinguished Senator from Utah.

Mr. STEWART. The Senator from Illinois [Mr. LUCAS] has left the Chamber. In my opinion the Senator from Louisiana has very well said that this loan is probably only an opening wedge. It amounts to practically $4,000,000,000. Whether Britain requires more money or not, we shall be obligated, certainly, to make loans to other nations, or we shall make more enemies than this country has ever known in the past.

As was pointed out in the debate several days ago—I believe the junior Senator from Florida [Mr. PEPPER] referred to it—if we lend this money to England we shall have to lend a like sum, or perhaps even a larger sum, to Russia. Likewise, we shall have to make a loan to France. China, of course, contends that she has first claim on us. We shall certainly have to lend money to China. The next thing we know, we may even be lending money to Japan.

As I have previously stated, we certainly will be obligated to our neighbors to the south of us, the countries in South America to whom the international bankers loaned money at high rates of interest a quarter of a century or more ago. So there will be no end to it. We speak of danger to our economy. I believe that the danger lies more in that direction than elsewhere. We shall become obligated to lend money to other countries if we make this loan.

One further observation, and then I shall be through. Does the Senator from Louisiana believe that it would be sound to make an arrangement with Great Britain to furnish her things which she needs, such as cotton? We might give Great Britain a million bales of cotton if she needs it. We might furnish other commodities. But there is no assurance, if we lend her this money, that she will spend a dime with us. I debated that question the other day—somewhat to my surprise—with the junior Senator from Arkansas [Mr. FULBRIGHT]. He interrogated me while I was reading into the RECORD the editorial by Mr. Jesse Jones, and we discussed that feature of the problem. As I understand, there is no obligation on the part of the British to purchase anything at all from America.

Mr. ELLENDER. No amount is specified in the agreement. The Senator is correct.

Mr. STEWART. To return to the question which I was asking, would the Senator be willing to enter into some kind of an arrangement whereby we might furnish certain needed commodities to Great Britain, instead of lending her money?

Mr. ELLENDER. That is one of my proposed remedies, which I expect to discuss in the course of my remarks.

Mr. BARKLEY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. In connection with the statement of the Senator from Tennessee that if we make this loan we shall be obligated to lend Russia this much or more, I think it should be pointed out that, notwithstanding newspaper reports to the contrary, which have been more or less speculative for months, Russia asked for a loan of only $1,000,000,000, and that loan has not yet reached the point of actual negotiations. Russia filed an application some time last year, which became lost, it seems, in the State Department. It got there by mistake. The application should have been referred to the Export-Import Bank.

Mr. STEWART. Perhaps the Russians also made a mistake as to the amount.

Mr. BARKLEY. All that was requested in that application was $1,000,000,000. The measure before us provides for a loan of $3,750,000,000. If we make loans to other countries through the Export-Import Bank, as is contemplated, the total amount of all such loans cannot exceed $3,250,000,000 because that is all the Export-Import Bank is asking for. It now has a lending capacity of approximately $2,000,000,000, and it will ask for another one and one-fourth billion. That will be the sum total of all the loans which will be available for the fiscal year ending June 30, 1947. So it is not accurate to say that if we make this loan we shall be obligated to lend any other country three and three-fourths billion dollars, or any other sum, because all such loans stand on their own merits. They are not in any way tied in with this loan. The fact that we make this loan, under the circumstances which surround it, does not obligate us to make a loan of a single dollar to any other country in the world. I do not believe that the record should contain the undisputed statement that if we make this loan we shall be required to make similar loans, or any other loans, to other countries.

Mr. ELLENDER. Mr. President, I do not like to differ with the distinguished majority leader; but we are being asked to make a loan which is outside the orbit of the methods which the Congress agreed upon, just a few months ago, in connection with the Bretton Woods proposals for the establishment of an international bank and an equalizing fund; and also outside the purview of the Export-Import Bank. As I stated to the distinguished Senator from Arkansas [Mr. FULBRIGHT] earlier in the afternoon, few of us were acquainted with the fact that our Government would be asked to lend money under the conditions proposed in the pending measure. When I voted for the Bretton Woods agreements I thought that the International Bank, together with the Export-Import Bank, whose lending authority we increased some months ago up to $3,500,000,000, would be the instrumentalities through which we would lend to foreign countries such amounts as they required.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. If the Senator will recall the debate when the Bretton Woods proposal was before the Senate, he will remember that it was thoroughly understood—and was so stated—that the capital of the International Bank for Reconstruction and Development was not to be loaned for purposes involved in the particular loan which is now pending, and it was stated on the floor of the Senate and in the House of Representatives when the Bretton Woods agreement was under debate that in all likelihood Great Britain would ask for a loan for an entirely different purpose from that which was contemplated in establishing the capital of the International Bank. The Bretton Woods agreement specifically provides that that money shall be loaned for specific projects, and not to cover the purposes contemplated in the pending loan at all. There were many Members of the House and Senate who objected. Some voted against the Bretton Woods agreement on the ground that a loan would be requested by Great Britain to cover an entirely different situation. No one denied that, although application had not been made and negotiation had not then been entered into. But it was contemplated that there would be such an application and that there would be such a loan.

I will say to the Senator that the funds available to be loaned by the International Bank are not for the purposes contemplated in the pending loan. They cannot be made for such purposes, and if they could be, it would take nearly half of the entire capital of the International Bank to make this loan.

Mr. ELLENDER. I should prefer to increase the capital stock of the Export-Import Bank and then add to the capital stock of the International Bank, so that all nations could be treated in like manner. Just as surely as we loan Great Britain $3,750,000,000 under the terms of the pending agreement, other nations will make application for loans and similar conditions; and if we refuse to grant loans to them, we shall simply make enemies that may trouble us in the future.

Mr. BARKLEY. Mr. President, as I have said before, every loan stands on its own merits. There is no other situation that is similar to this one. There is no other country which is involved in the same economic and industrial trade situation which confronts Great Britain—not another country in the world. The basis for a loan to Russia or to France is different.

Mr. ELLENDER. Mr. President, France is now crying aloud for a loan. She first asked for $6,000,000,000, and she is now down to $4,000,000,000, and she might do with $2,000,000,000.

Mr. BARKLEY. Let me say that France has no application for $6,000,000,000 and she has no application for $4,000,000,000 and she has no application for $2,000,000,000. She has not made application for even $1,000,000,000.

Mr. ELLENDER. What was Leon Blum doing here?

Mr. BARKLEY. Leon Blum was not here in the past. He is here now, laying before the American Government the needs of the French Government. But he has not made any request for a definite amount of loan. I have no authority to say what they finally will agree upon, but I think I am reasonably correct in saying that it will be neither $6,000,000,000 nor $4,000,000,000 nor $2,000,000,000.

Mr. ELLENDER. At any rate, it will be a very sizable sum, and I venture to say that it will not be under the same terms and consditions which are contained in the agreement covered by the pending joint resolution.

Mr. BARKLEY. Of course, there is no need for the same terms. France will not be required to unloose the intricate bloc system which binds England. No such system exists as to France. Therefore he cannot be required to undo something which does not exist.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. STEWART. I venture the assertion that if we lend this money to England every other country on the globe will be making applications for loans from the United States.

I should like to ask the Senator from Kentucky what he meant by the statement the other day that if other countries desire loans they can make application through the regular channels. Was the Senator from Kentucky referring to the Bretton Woods agreement or the International Bank?

Mr. BARKLEY. I do not recall that I used those words.

Mr. STEWART. The Senator said that in substance.

Mr. BARKLEY. No. What I said was that this is the only loan that it is contemplated will come before the Congress for approval, and that the other loans will be made through the Export-Import Bank. I do not know whether I used the words "regular channels." At any rate, it is contemplated that other loans, if any, will be made through the Export-Import Bank. A small loan of $100,000,000, I think, was recently made to Poland through the Export-Import Bank; and the negotiations which are being carried on now by Mr. Blum and his assistants are with the Export-Import Bank.

Mr. STEWART. Is it not true that England has stock in that bank?

Mr. BARKLEY. No; I have no information that England has any stock in that bank.

Mr. STEWART. I mean England has agreed to take stock in it; has she not?

Mr. BARKLEY. Oh, no. The Senator cannot be serious in that suggestion.

Mr. STEWART. Of course, I refer to England's agreeing to take stock in the so-called International Bank.

Now I should like to interrogate the Senator from Kentucky further concerning the statement he made the other day that the other countries could pursue their applications through the regular channels if they desire to borrow money.

Mr. BARKLEY. I do not recall that I used the words "regular channels." But if I did use them, I meant they would make application through the Export-Import Bank for the purposes for which

the applications for loans are made. But if they wanted to obtain loans for the purposes stated in the International Bank for Reconstruction and Development, under the Bretton Woods agreement, they would have to make application through that bank, and they would be eligible to do so. Whether the Senator wishes to regard that as a regular channel is immaterial to me. I do not recall whether I used the words "regular channels"; but if I did——

Mr. STEWART. Let me refer to that again. I should like to ask the Senator about it.

Mr. BARKLEY. Very well. Suppose I did use those words. What of it? [Laughter.]

Mr. TAFT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. TAFT. With reference to additional loans, I think it should be pointed out that the pending measure is to be followed by a request for another billion and a quarter dollars for the Export-Import Bank. Secretary Vinson so testified before the committee. He testified that of the $3,500,000,000 of the Export-Import Bank, something over $2,000,000,000 remains.

Mr. BARKLEY. Mr. President, if the Senator will permit me, let me state that the amount left is $1,900,000,000, to be exact, and they so announced and so testified when they said that the would ask that the Congress grant them another $1,225,000,000—which makes approximately $3,250,000,000.

Mr. TAFT. Mr. President, with all due respect to the Senator, that is what I was saying. Whether the amount is exactly $3,000,000,000 or $2,900,000,000 does not make any difference.

Mr. BARKLEY. No; not to the Senator from Ohio. [Laughter.]

Mr. TAFT. Roughly speaking $2,000,000,000 is left for use by the Export-Import Bank, and we are to be asked for another billion and a quarter dollars, which will amount to a total of $3,250,000,000. And Secretary Wallace said he thought a larger sum should be loaned between now and the 1st of July, 1947.

So I think it is fair to say that the loan now requested is going to be followed by requests for additional money for other foreign nations. Whether the foreign nations are going to get the money through the Export-Import Bank or in some other way, I do not think is very important. It is true that this loan is only a part of a program which will involve at least another $3,250,000,000, if we follow the recommendations of the administration.

Mr. BARKLEY. Mr. President, there cannot be any dispute about that. Nearly 2 weeks ago when this debate started and when I began with what I thought was a preliminary statement, I said that, in addition to this loan, the Export-Import Bank would ask for another $1,250,000,000, which would give them $3,250,000,000 as the outside limit beyond which they could not go between now and the 30th of June 1947, in making loans to foreign countries. If we wish to add that amount to the $3,750,000,000 of the loan now under discussion, we get $8,000,000,000 as the outside sum which might be loaned to foreign countries in the next year and a half.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. I should like to make one correction. I take it that $3,250,000,000 and $3,750,000,000 make a total of $7,000,000,000.

Mr. BARKLEY. The Senator from Arkansas, who was president of the University of Arkansas, undoubtedly is a better mathematician than I am; and he is correct, and I was wrong when I said the total would be $8,000,000,000.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TAFT. I merely suggest that evidently a billion dollars makes no difference to the Senator from Kentucky. [Laughter.]

Mr. BARKLEY. Mr. President, not only a billion dollars, but thirty cents makes a lot of difference to the Senator from Ohio. [Laughter.]

Mr. FULBRIGHT. Mr. President, I think one other correction should be made. I notice that the misplacement of the application of the Russians has been attributed to the Foreign Economic Administration, not to the State Department. The State Department is criticized a great deal on the floor of the Senate, and consequently I think we should give the State Department the benefit of the information which we now have, which is to the effect that the misplacement of the application of the Russians has been attributed to the FEA.

I should now like to ask a question of the Senator from Tennessee. He said there was agreement that none of the money is to be spent in the United States. However, since the agreement calls for dollars, where does he think the money would be spent, if not in the United States?

Mr. STEWART. Mr. President, I can quote the Senator from Arkansas, who told me the other day that the British would spend the money in the markets where they could purchase most cheaply what they desired.

Mr. FULBRIGHT. But did not the Senator from Arkansas say that the money must eventually wind up in the United States because this is the only country where dollars can be redeemed as dollars; and did not I also say that it is desired this way so that it will first open up channels of trade in other countries, and therefore not bring such an inflationary reaction in this country at this time? I stated that the other day.

Mr. STEWART. I think we agreed the other day that the expenditure of a great amount of money in the United States over a short period of time would add to the difficulties we are now experiencing, according to the experts.

Mr. FULBRIGHT. I do not regard it as a criticism of the loan that it does not require that all the money be spent at once in the United States. I think that is an advantage. But within 3 or 4 years it will come back to the United States—at a time when we shall need an increase in our markets.

Mr. STEWART. Perhaps it will and perhaps it will not.

Mr. FULBRIGHT. The money will eventually be spent here, will it not?

Mr. STEWART. The Senator from Arkansas said that Great Britain will spend this money in the markets wherever she can buy commodities the cheapest. However, in the long run he expects that the United States will benefit because of the exchange problem which is involved.

Mr. FULBRIGHT. I understood the Senator to leave the implication that this country will never receive any advantage from the loan.

Mr. STEWART. I have already placed in the RECORD an editorial which was written by one of the financial observers of the newspapers. In that editorial it was pointed out that if the loan is never repaid, this country will never receive any benefit from it. That editorial appears in the CONGRESSIONAL RECORD for April 17, 1946.

I may say that I have been trying to find a copy of the statement which was made by the Senator from Kentucky when I interrogated him a while ago with reference to what was meant by him in the use of the words "regular channels." A reference was made about going to the International Bank for the purpose of borrowing money. I understood that Great Britain had agreed to subscribe to the stock of the bank, and yet it is said that she will be unable to do so unless she receives from us the proposed loan. The statement has also been made that she could go to the Export-Import Bank and receive the funds.

Mr. FULBRIGHT. I understood the Senator from Kentucky to say that Great Britain expects to obtain money from the Export-Import Bank, but that he was also talking about other countries.

Mr. STEWART. Yes. The Senator said that those countries could obtain money through regular channels. Why not so with Great Britain?

Mr. FULBRIGHT. In the first place, the amount requested is very different from the loans which have been or may be requested by other countries. There are other factors to be taken into consideration. For example, France has no external debt whatever. France is not a large trading nation.

Mr. ELLENDER. France owes the United States approximately $2,000,000,000 which she borrowed during World War I.

Mr. FULBRIGHT. The real trouble lies in the fact of the bloc sterling, which is an external debt to the United Kingdom. France is not in a comparable position at all.

Mr. STEWART. Did the Senator read the editorial which I had printed in the CONGRESSIONAL RECORD? It referred to the question of whether the loan would be helpful to our country in the event Great Britain did not repay it. The article was written by Mr. Leslie Gould for the Hearst newspapers.

Mr. FULBRIGHT. I know that the chairman of the board of one of the largest banks in the United States made a public statement in Chicago to the effect that the loan should be in the form of a

giant. He testified before our committee to that effect. He said that the loan would be worth while to this country if the money were to be given in the form of a grant. He stated that important advantages would result to this country even if the loan were never repaid. However, that is a purely academic question, and we are not arguing it. I believe that, in the absence of any great catastrophe, the loan will be repaid. As I said a moment ago, no one can guarantee that there will not be another war within 1, 2, or 20 years, and a war on the scale of World War II would have catastrophic results.

Mr. STEWART. With reference to the repayment of the proposed loan, the Senator does not base his prediction on the past performance of Great Britain, does he?

Mr. FULBRIGHT. I believe, on the whole, that Great Britain has performed better than the average nation has performed.

Mr. STEWART. I am not familiar with what the average nation has done, but I have not been advised that Great Britain made any substantial payments on the loan which she once obtained from us.

Mr. FULBRIGHT. Does the Senator not agree with what was said at the hearings with reference to what Great Britain repaid on the loan which she obtained from us?

Mr. STEWART. Yes; but I do not believe that the payments were very substantial.

Mr. FULBRIGHT. I believe the statement to which I referred can be found on page 251 of the committee hearings. It is most significant that the principal part of the loan was in connection with the war debt. The money was used to supply munitions and guns which the British used in fighting a common enemy. Exactly the same use was made of the lend-lease during World War II.

Mr. STEWART. It makes no difference, it was a loan. During World War II Britain received lend-lease in the amount of $25,000,000,000 worth of goods and articles. I understand that we are not contending that any of it should be repaid.

Mr. FULBRIGHT. And why not, I ask the Senator?

Mr. STEWART. Because we thought that the material would be used in helping us.

Mr. FULBRIGHT. Yes, and does not the Senator believe that the money which was used during the First World War for a similar purpose should not be considered in the same way? Was its use not helpful to us also?

Mr. STEWART. Yes; but now we are dealing with a promise to repay, and that promise has not been redeemed. I do not believe that Great Britain can hide behind the screen of necessity, or anything of that kind, and undertake now to say that she should not be required to repay the money which she borrowed.

Mr. FULBRIGHT. Has the Senator read the statement to which I have referred, appearing on pages 251 and 252 of the record of the hearings? I believe that the distinctions should be set forth in the RECORD.

Mr. STEWART. I do not care to read the statement. The Senator may read it if he desires. However, regardless of any explanation which may be offered, Great Britain made a promise to pay, and she has not made good on her promise.

Mr. FULBRIGHT. If we were to act on that basis, we would not loan any money whatever.

Mr. BARKLEY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. I merely wish to say that during World War I we made loans to 20 nations, and later I shall discuss the proportions of those loans which have been repaid. We made a loan to Great Britain of $4,277,000,000. She paid back $2,024,000,000 plus, which was 47.3 percent of the amount we loaned to her. We loaned to France $3,404,000,000. She paid back $486,000,000, or 14.3 percent of the amount which we had loaned her. With the exception of Liberia, Finland, and Cuba, Great Britain paid back a greater proportion of the amount which she borrowed from us than did any other nation in the world.

Mr. FULBRIGHT. According to the statement of the Chairman of the Board of Governors of the Federal Reserve Bank, $600,000,000 was the total post-armistice loan that was made to Britain. The remainder of $3,700,000,000 was used for the prosecution of the war, and a great part of that amount was advanced to France and other Allies for the purchase of munitions. It seems to me that we have now made the distinction between an advancement of money for arms and munitions in fighting a common enemy, and a loan for peacetime use.

Mr. BARKLEY. Three and one-half billion dollars of the money we loaned to Great Britain was loaned while the war was still being fought, and after we got into it. Only $600,000,000 of that loan was made after the war had been brought to a conclusion.

Mr. FULBRIGHT. That is the point which I have been trying to make. A distinction should be made.

Mr. BARKLEY. If, during that war, we had made an arrangement similar to lend-lease, the arrangement which we had during World War II, we would not have regarded as a loan the $3,500,000,000 which we loaned to Britain, because the President of the United States, in asking Congress to provide lend-lease, suggested, and Congress wrote it into the law, that he be allowed to make such arrangements with any country whose survival he regarded as essential to the survival of the United States. So, it was a defensive arrangement which he made.

Mr. FULBRIGHT. Is it not true that at the time of the funding of the debt it was tied in with the reparations from Germany and payments to France, and that when Germany defaulted in her reparations payments, it was impossible for England to make further payments to us?

Mr. BARKLEY. Yes; and it was pointed out that Great Britain kept up her payments until the moratorium took place in, I believe, 1932. It will be remembered that President Hoover arranged for the declaration of a moratorium in the payments of reparations. Reparations payments were never resumed after the moratorium, and therefore the nations which had relied upon reparations to repay loans to us were unable to make their payments. Moreover, a world-wide depression took place, to which all nations contributed something, including our own. That situation made it impossible not only for England and France, but for other nations as well, to repay the loans which they had obtained from us.

Mr. HATCH. Mr. President, will the Senator yield? I wish to propound a question for my own information.

Mr. JOHNSON of Colorado. Mr. President, for several minutes I have been endeavoring to ask the Senator a question.

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Does the Senator from Louisiana yield to the Senator from Colorado?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. As long as Germany continued to pay Great Britain anything, she passed on the payments to the United States. If we go into some of the history with relation to why Germany was enabled to continue paying, I believe that we will find that we were making loans to Germany, that Germany was making payments to England, and that England was making payments to us.

Mr. BARKLEY. Mr. President, there is a great deal of basis for the statement of the Senator from Colorado, but it does not alter the fact that when England ceased to receive reparations, no matter how circuitous the route was by which she had received them, she was no longer able to make payments on the debt which she owed to us. That situation was true with reference to other countries which had borrowed money from the United States.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HATCH. Is it not true that the suggestion of a moritorium originated with us?

Mr. BARKLEY. Yes. As I stated the other day, I was at my home in Kentucky. I received a telegram, as did other Members of Congress, because Congress was not then in session. President Hoover telegraphed me and asked whether I would approve cooperation on his part with representatives of other nations in foregoing the making of further reparations. I telegraphed him that I would approve. I assume that other Members of Congress did the same. At any rate, the moratorium was declared. It was initiated by our own Government, which had worked out through the Dawes and Young plans various arrangements by which it was believed that Germany could continue to make reparations.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. I wish to ask the able Senator from Kentucky if he agrees with me that, in the event we were to follow the line of argument which has been advanced by the junior Senator from Tennessee, we would not have been justified in voting for Bretton Woods. It has been pointed out that a nation has failed to repay money which we have loaned to her in the past. Under those circumstances, if the Senator believes that the same nation would fail to make repayment on a furtner loan, would he have been justified in voting for Bretton Woods or for any appropriation in connection with the Export-Import Bank?

Mr. BARKLEY. Of course, if we say that no nation that borrowed money from us after the last war and did not repay us should have a loan, we would eliminate practically every nation in Europe.

Mr. LUCAS. There would be no need for the Export-Import Bank and no need for the Bretton Woods agreements, would there?

Mr. BARKLEY. Not necessarily the Bretton Woods Agreement, because that is an international organization, to which all nations are expected to make a contribution, by payment toward the capital stock of the International Bank, and also the International Fund. It is not exactly like one nation itself making a loan to another nation. It would apply insofar as the Export-Import Bank is concerned, because that is a part of the Government of the United States, it is a Government agency of which the Government owns the stock.

Mr. STEWART. Mr. President, the Senator from Illinois said we could not afford to refuse to extend credit to a nation merely because it had in the past repudiated an obligation to us. We did that very thing in the passage of the Johnson Act, did we not?

Mr. BARKLEY. Yes; the Johnson Act prohibited the Government of the United States making loans to any country which had repudiated any debt to us; but it was repealed in the Bretton Woods Act itself.

Mr. STEWART. That is true, but we did pass such an act, and it was in existence for a while.

Mr. BARKLEY. We passed it, and found later that it was a handicap, just as the Embargo Act was a handicap.

In that connection I might say that after the last war we made a loan of $159,000,000 to Poland, which was a new government set up as the result of World War I. There was no Polish Government up to that time, and had not been for a long time. Poland paid back $22,000,000 of the $159,000,000 loan. We have recently loaned Poland approximately $100,000,000 through the Export-Import Bank.

I may say that after the last war Italy borrowed $1,680,000,000, and paid back about $100,000,000, which is only 6 percent plus of the total amount. I am not in a position to say that Italy will even apply for a loan now, or would be eligible for one, or would get a loan.

If we are to hold out to Great Britain the horrible fact that she fell down on the repayment of her loan to us after the last war, I think we are entitled to consider that, with the exception of two other nations, she paid back a greater percentage of what she borrowed than any of the rest.

Mr. TAFT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. TAFT. With reference to the fact that England has not repaid her loan, I think the figures should be explained. Most of what England paid was interest. At the time the loan was made we were paying 4¼ percent on our bonds, and we asked the British to pay the same so that our taxpayers would not have to stand the difference. Of a total of in excess of $4,000,000,000, England paid only $400,000,000, or approximately 10 percent.

I do not think that is an argument against making a loan to Great Britain, and I certainly did not so use the fact, but certainly when it is claimed that this loan is to be repaid, which is the claim of the Government, the claim of the Secretary of the Treasury, and the claim of the advocates of the loan, we have a right to look to see whether the British paid back the last loan we made them; and they did not. So that it seems to me a perfectly legitimate argument to say that what we are in effect asked to do is, in substance, to make a gift. It is admitted not to be a commercial loan. It is one which, in my opinion, is unlikely to be repaid, taking in connection with all the other foreign lending we are doing, at least, and I think that is a perfectly legitimate argument. Of course, it is not an absolute argument against making a loan to a given country to show that it did not repay the last loan made. Perhaps we should make the British a gift. There is a better argument for making them a gift than for making them a loan.

Mr. BARKLEY. It is true that of the amount repaid not only by England, but by the other governments, part of the payment was interest. That is true of England, and is true of the rest of them. The total amount of money we loaned to countries after the last war was $10,350,000,000. We collected $2,751,000,000, and $2,024,000,000 of that was paid by England.

Mr. ELLENDER. I understood the Senator to say a while ago that we loaned the British $4,200,000,000.

Mr. BARKLEY. Four billion two hundred and seventy-seven million dollars.

Mr. ELLENDER. And that they paid back some forty-odd percent of that. That is at variance with what the Senator from Ohio just stated.

Mr. BARKLEY. The greater percentage of the amount England paid back was compared with other loans we made.

Mr. ELLENDER. How much did she pay back on the principal?

Mr. BARKLEY. Of the $2,024,000,000 she paid back of the total amount, I think the amount paid on the principal was about $600,000,000. The larger part of it was interest, but the same has been true of all the other countries, because they were paying a high rate of interest at the time. What I am speaking of is that of the actual dollars we loaned England she paid back to us $2,024,000,000, and part of the payment was interest.

Mr. TAFT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. TAFT. I notice that when I go to a bank to borrow $10,000 I get no credit when I pay the interest. The only credit one gets after he borrows money is on payments on principal. It will be found on page 79 of the record submitted by Secretary Vinson that England paid on the principal $434,181,641.76, approximately 10 percent of the loan originally made.

Mr. BARKLEY. I am surprised to have the Senator from Ohio admit that he ever has to borrow $10,000 or any other sum from a bank. [Laughter.]

Mr. LUCAS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. LUCAS. How much has Congress voted for the Export-Import Bank up to the present?

Mr. ELLENDER. Three and a half billion dollars, in the way of capital stock.

Mr. LUCAS. We have given those who operate the Export-Import Bank the authority to lend that money to any government, have we not?

Mr. ELLENDER. That is correct, but those loans have to be secured, and the proceeds are to be used in order to develop our foreign trade. Those are two of the requisites.

Mr. LUCAS. I was trying to ascertain from the Senator from Louisiana just what we wrote into the law with respect to the terms of security, if we wrote anything at all, when we made the appropriation for the Export-Import Bank.

Mr. ELLENDER. As I understand, the Export-Import Bank has a capital of three and one-half billion dollars at present, and it has authority to lend money to foreign governments and foreign corporations; but the money that is loaned must be secured, and it must be used for the purpose of purchasing goods in this country.

Mr. LUCAS. I understand that, but is there any guaranty in any of these loans which we make through the Export-Import Bank that they will be repaid?

Mr. ELLENDER. Certainly. The borrower must give good security, acceptable to the Board in charge of the Bank, otherwise the loan is not made.

Mr. LUCAS. What kind of security does the Government of France, for instance, give, if it borrows a billion dollars from the Export-Import Bank?

Mr. ELLENDER. I do not know. That would be left to the bank directors. They are going to have to get some kind of securities. I may state to the Senator that tomorrow the British can borrow as much as a billion dollars up to a billion and a half dollars through the Export-Import Bank and give good security for it, but they do not desire to do that. They do not wish to use that money in buying goods in this country. They want to use borrowed funds in order to relieve a grave situation which faces them in their sterling-bloc area. That is what they want to use the money for.

Mr. LUCAS. I asked the question merely because of what the able Senator from Kentucky said a moment ago with respect to foreign countries defaulting in their loans made following the last war. I understand that all those loans during World War I drew a certain rate of interest. I understand that our Government at that time was just as prudent and careful in attempting to get security as it is now. But I undertake to say that there is not anything that might not keep France or any other government from defaulting on a loan that is made through the Export-Import Bank.

Mr. ELLENDER. I may say to the Senator from Illinois that Congress has voted to make the United States a party to both the Bretton Woods proposals. We have provided funds in order to loan to various foreign countries and foreign corporations through the Export-Import Bank. Why not treat all nations alike? Why go outside the method which we provided in order to make these loans to any country?

Mr. LUCAS. There may be some basis for argument in favor of the position which the Senator has taken, but that is not the point I am now trying to make. The point I am trying to make is that we are now getting ready to loan, and have already loaned through the Export-Import Bank, money to countries which defaulted in their payment of an obligation during World War I, and I undertake to say that there is a possibility of those countries doing so again. But the Congress of the United States, and the Senate especially, with little or no debate, gave to the Export-Import Bank $3,500,000,000 to loan to practically any country to which the Bank wants to loan. I will admit that it does so on better terms than we are obtaining for this loan.

Mr. ELLENDER. I may state to the Senator from Illinois at this point that the RECORD shows, as I recall, that since the Export-Import Bank was created there has not been a single solitary loss, and that the profit up to 5 or 6 months ago was $46,000,000.

Mr. LUCAS. No one lost anything during this war. Everyone made money; even the Export-Import Bank.

Mr. ELLENDER. But the Export-Import Bank was created long before the war.

Mr. LUCAS. I understand. But that still does not disprove the point I am trying to make. If a government which owes this country one-half billion dollars falls overnight and goes into a chaotic economic condition, there is a chance that we are not going to get that money back. That is the point I am making. Yet the Congress, with little or no debate, authorized the Export-Import Bank to loan $3,500,000,000 to any country on the face of the globe, while now the Senate debates for two and a half weeks a $3,375,000,000 loan.

Mr. ELLENDER. Mr. President, I think it is good business for our Government to undertake to loan money to foreign governments and foreign corporations for the purpose of increasing our foreign trade. All these loans, as I pointed out, must be secured, and the rate of interest is fixed commensurate with whatever is the prevailing rate. But here we are going outside the instrumentalities created by the Congress, to loan money to foreign governments. We are being asked to ratify an agreement for the loaning to Great Britain of $3,750,000,000 without any kind of security. As has been pointed out during this debate, from past performances and from the financial condition in which the British Government finds itself today, I am willing to wager now that this loan will never be repaid.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HATCH. I merely wanted to ask the Senator from Louisiana a question. I am sure he is thoroughly familiar with the terms of the loans which are made by the Export-Import Bank, and he has repeatedly said that they are always made upon excellent security and that the money will be repaid. Will he please tell us the security given by Poland the other day for the $90,000,000 loan made to her?

Mr. ELLENDER. I am not familiar with it, but tomorrow I will ascertain the facts about it.

Mr. BARKLEY. If the Senator from Louisiana will permit me to do so, I should like to read an excerpt from the law creating the Export-Import Bank. I read as follows from section 2, subsection (b):

> (b) It is the policy of the Congress that the Bank in the exercise of its functions should supplement and encourage and not compete with private capital, and that loans, so far as possible consistently with carrying out the purposes of subsection (a), shall generally be for specific purposes, and, in the judgment of the board of directors, offer reasonable assurance of repayment.

Mr. HATCH. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. HATCH. I think we all understand perfectly that Poland gave practically no security for the loan. I am not critical of that.

Mr. BARKLEY. Probably Poland did not give the kind of security that a bank would expect, but Poland did give some kind of political security, that she would carry out certain policies with respect to the Government of Poland and the elections to be held there, which were contemplated in the Yalta and Potsdam agreements. The security was political and not financial in character.

Mr. ELLENDER. The record shows when we debated the question of increase in the capital stock of the Export-Import Bank that the bank had loaned hundreds of millions of dollars and so far as I know there were no defaults. On the contrary there was a considerable profit made from the venture.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MURDOCK. I think we must distinguish between loans made by the Export Bank and the proposed loan. The Export-Import Bank was created for the purpose of making commercial loans in the interest of our own export-import business.

Mr. ELLENDER. Yes.

Mr. MURDOCK. I should like to ask the Senator from Louisiana a question. I am interested in the suggestion made by the distinguished majority leader that the loan to Britain is a unique loan. It is argued that the circumstances surrounding it are so unique that England, or the United Kingdom, is entitled to unique treatment here in making this loan. Why are the circumstances surrounding the loan to the United Kingdom unique? They are unique because England has created a very unique situation in world trade.

It is unique in this respect: She has created, supposedly as a war measure and for the advantage of the United Kingdom, a sterling area. She has created—probably necessarily so—a sterling-dollar pool. Now having interfered with the free flow of world trade by creating this sterling area and by creating the sterling-dollar pool, the United Kingdom comes to the United States and says, "Because we have done this, because we have created this situation favorable to the British Nation or to the United Kingdom, because we have done this very thing, now we want a loan, and our position is unique because we have made it so. We want the loan. Why? We want the loan because this condition will remain unless you make the loan."

Of course, none of the other countries, Mr. President, have done such a thing. In my opinion, none of the other countries could have done it. But because the United Kingdom has created in world trade a unique situation consisting of the sterling area, where she tells members of the area, "You cannot purchase anything out of this area that you can purchase in it, and you cannot use your dollar holdings or your dollar exchange unless you obtain permission from the United Kingdom." Having brought about that unique situation she says, "You make a loan to us, or else."

I say it is unique, Mr. President, and I say it is so unique that it behooves the United States to look very critically at the uniqueness of the conditions surrounding it before we make the loan. I agree with the statement which the Senator has made several times this afternoon as to equality of treatment to all nations. If we believe in the United Nations Charter, if we believe in the equality throughout the world which the United Nations Charter is supposed to have brought about, or is supposed to bring about, then why should not every nation coming to the United States expect to be dealt with on an equality, and if we deal with one nation on a unique basis, then what is the answer to the others who have to come in, as the Senator from Tennessee has said, through the regular channels?

It is my opinion, Mr. President, that if we believe in the United Nations Charter as sincerely as we have said we do, then we should deal with every nation, large or small, on an equality and through the

same channels. Simply because one nation, whether through her strength or her weakness, has brought about a sterling area or a sterling dollar pool or any similar creature—that is no reason to depart from equality of treatment and to deal with one nation on more advantageous terms than we are willing to extend to the other nations.

Mr. BARKLEY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. The Senator from Utah is a member of the Committee on Banking and Currency. He was a diligent attendant at all the hearings on this loan before that committee. If he was not convinced by the testimony adduced before the committee, not simply of the uniqueness of the British situation but of the inevitability of and the necessity for it, nothing that I can say here would convince him.

Mr. MURDOCK. Will the Senator from Kentucky yield at that point?

Mr. BARKLEY. The Senator from Louisiana has the floor.

Mr. ELLENDER. I yield to the Senator from Utah.

Mr. MURDOCK. I was convinced beyond any doubt that the United Kingdom had brought about a very unique situation, and, because of that very fact, when I am told that a nation in her weakness can tie up the free flow of world trade, as the United Kingdom has, I am a little dubious about financing that nation until she has unqualifiedly agreed to renounce such a practice.

Mr. BARKLEY. Mr. President——

Mr. MURDOCK. My opinion, if I may make this further observation, is that we should say to Great Britain, "Do away with your sterling area, do away with your sterling-dollar pool, and then come in with a clean slate and ask us for a loan, and we will deal with you as we deal with all other nations."

Mr. BARKLEY. Mr. President, will the Senator from Louisiana yield? I do not like to take his time.

Mr. ELLENDER. I am very glad to yield.

Mr. BARKLEY. The Senator from Utah—I suppose not intentionally—might leave the impression that Great Britain brought about this situation capriciously, and snarled up the international situation, as he says. I do not believe that the word "snarled" is a fair word to use in that connection. Hitler had almost completed the domination of Europe. England was the only nation that stood between Hitler and the Western Hemisphere. Every morning as we read our newspapers before breakfast we did not know whether England herself had fallen, or might fall during the day. In that dire extremity she was required to freeze in the city of London all the deposits of the sterling area, which is an area which does business with England and keeps its deposits in London. She was required to do that in order to obtain the things with which to defend herself. To leave the impression that in that dire extremity, when she had to do what we or any other nation would have done if we were confronted with the same problem and could have done it, she has snarled up the situation, and therefore comes here with unclean hands, to me does not seem to state the situation accurately. How can England come with clean hands, in the estimation of the Senator from Utah, if she must clear up the sterling area and pay off the debts of more than $12,000,000,000 which she owes in the sterling area? How can she release and make sterling convertible into dollars? How can she make it possible for those other countries to buy goods in the United States when they do not have the dollars, and cannot convert their own currency into dollars? How can she do that unless she obtains the credit which we are seeking to accord her?

Mr. MURDOCK. Of course, it is an easy thing today to refer to Hitler. But Hitler is gone; and in my opinion he is gone largely as a result of what the United States of America has done, as well as what Great Britain has done.

Mr. BARKLEY. I do not detract in any way from what the United States did. We did a great deal, and what we did was decisive. But I do not forget that while Hitler is gone his works are still among us. The devilment and devastation which he wrought economically, physically, and morally are still with us as a world.

Mr. MURDOCK. That is true; but no nation under the sun suffered more in loss of actual wealth than did the Senator's Nation and mine—not in mere heaps of rubble which can be rebuilt, but in loss of actual wealth which is gone and can never be retrieved.

If the word "snarled" is too harsh a term, and it probably is and I will delete it from my remarks, let us say that Britain organized or controlled. At any rate, she created the sterling area, and she created the sterling-dollar pool. She said to those countries, "You cannot spend your dollars, and you cannot buy outside the area without the consent of London." I do not object to that in time of war; but now that the war is over and we have licked Hitler, and licked Japan decisively—and in my opinion no country played a bigger part than mine—England, which joined with us, under the Bretton Woods agreement, in creating an international monetary fund and an international bank, the big contributions to which are made by the United States of America, should not now come to us and say, "You must make this loan of $3,750,000,000 or I will continue the sterling area and the sterling-dollar pool. If you do not do it I will withdraw from the monetary agreement, and I will withdraw from the International Bank." In other words, she says to us, "Make this loan or else." I do not like to deal on that basis.

Mr. BARKLEY. It was announced in the British Parliament that unless Great Britain could obtain this credit it could not complete its arrangements under the Bretton Woods agreement so far as the International Bank was concerned. It is not because of a threat. Britain is not holding a gun in our face. She says that financially and economically she cannot do it, because the money which she would otherwise have available to contribute to the Bretton Woods program, either to the bank or the fund, must be used at least in part for the purposes for which she wishes to use this loan, or a portion of it. It is a question of economic necessity.

Great Britain does not desire to retain these handicaps upon trade. She did not build up her great world empire through empire preferences, sterling areas, or sterling-dollar pools. She built up her great empire, her great merchant marine, and her world-wide trade because she believed in and practiced world-wide multilateral commerce. She was forced to resort to such restrictions as instruments of war; and she is as anxious to get out from under them as we are to have her to.

Mr. MURDOCK. If she is anxious to get out from under them, I say that in the agreement which we have drawn, if we had attempted religiously and studiously to put in all the if's, and's, and but's we could think of, we could not have done a better job. Everything in the agreement to which the Senator refers has an if attached to it. If England finds, after the loan is made, that she can do certain things, all well and good; but if she does not find that she can do them, she does not agree to do them, except after consultation. The least she should have done in the agreement, if $3,750,000,000 is the amount which she needs, was to make an unqualified commitment—and we should have insisted upon it—that if and when she gets this money she will do away with the sterling area, do away with the sterling-dollar pool, and join us in making it possible for world trade to flow freely. But we do not find such a commitment in the agreement.

Mr. BARKLEY. I suppose the Senator from Utah would agree that the release from these entanglements, as he has referred to them, cannot be brought about overnight. In the Bretton Woods agreements and in all the debate it was understood that Britain was to be given 5 years in which to fulfill her commitments. There was no more enthusiastic supporter of the Bretton Woods agreements, and no more valiant soldier in that cause, than the distinguished Senator from Utah. I appreciate the help which he rendered in the committee and on the floor of the Senate in helping to build up the arrangement under the Bretton Woods agreements. We all understood that without additional help Britain could not release those controls in less than 5 years. But in this agreement Great Britain is obligated to do it in 1 year. We cannot expect her to do it overnight. We cannot expect her to do it by the 4th of July. But she is expected to do it within 1 year.

Mr. MURDOCK. If——

Mr. BARKLEY. When I go to a bank and borrow money, giving my note, there is an understanding that I will pay it when it becomes due if I can. Otherwise, the note will be renewed.

Mr. MURDOCK. The Senator never has the word "if" written into the note.

Mr. BARKLEY. No; it is an understanding by word of mouth. In this case

it is written into the agreement in an open and aboveboard manner.

While I am on my feet, if the Senator from Louisiana will further yield——

Mr. ELLENDER. I am glad to yield.

Mr. BARKLEY. I apologize to the Senator for taking his time.

Something has been said about the expenditure of this money in the United States. I should like to read section 3 of the agreement, under the heading "Purpose of the line of credit":

3. Purpose of the line of credit: The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

There are four objectives. The very first one is to enable the United Kingdom to pay for goods and services in the United States; and even where they use dollar credit to buy in other countries, those dollars will finally get back to the United States, because dollars will purchase commodities only in the United States, and nowhere else in the world, and they will finally get back here, even if indirectly, to purchase goods and services in the United States. So it is not fair to say that there is nothing in this agreement providing that Great Britain shall buy goods in the United States. It is not required that she shall spend every dollar in the United States. As has already been explained, if she were to do so, within a reasonably short period of time there might be legitimate objection to it as an inflationary influence. But every dollar which we lend to Great Britain, and which is not spent in the United States, but spent elsewhere, will find its way back into the United States to purchase goods and services in the United States, because the United States is the only place on earth where dollars will buy goods and services.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. McCLELLAN. I have been having some trouble in trying to arrive at a decision regarding this loan. I understand that it is strongly maintained that at the time we approved the Bretton Woods agreements and created the International Bank and also the International Monetary Fund, it was understood that we were further to implement that action in order to promote our declared policy, which is referred to in the joint resolution. I quote from the joint resolution:

Whereas in the Bretton Woods Agreements Act the Congress has declared it to be the policy of the United States "to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations."

I understand that because of that declared policy, as announced in the Bretton Woods agreement, we are now in pursuit of that policy by implementing it in this instance by granting this loan or making these monetary arrangements with Great Britain. I also understand that it must have been contemplated at the time that some similar arrangement or some other application would be made, in view of that announced policy, and I understand that we are now pursuing that policy with Great Britain.

We are told that we do not have to proceed in this way with other nations, but that they will be expected to go to the Export-Import Bank for loans.

I should like to look at the picture a little further and see how many loans we shall be asked to make. If we make this loan, I wonder whether we can absolutely depend that when other governments seek loans they will go to the Export-Import Bank or to some other source, and not come to this body and ask us for a direct loan in keeping with the policy announced in the Bretton Woods agreement.

Mr. President, was the policy announced in the Bretton Woods agreement solely a policy to accommodate the United Kingdom in the way that we are now asked to accommodate it, or was that policy one which applied to all the nations of the world alike? We should determine that matter. I do not wish to vote for this loan and then, in a month or two, find that some other country is asking us for a direct loan, and perhaps be told or given to understand that that will be the last loan which we shall be requested to make. In other words, I should like to determine whether we are going to be asked for more direct loans; and, if so, I should like to know what nations will ask for them and how much money we shall be asked to lend.

I should like to have a little appraisal of the ability of the United States to continue to make these direct loans. If we can be given absolute assurance or if there is any way by which we can determine with reasonable assurance that we shall not be asked for more direct loans, then we can pass on this one on its absolute merits, without taking into account what other nations will request from us.

In the present instance we are asked to make the loan because it is said to be unique. It is true that it may be unique in certain aspects. In considering the conditions which have been discussed here with reference to Britain's having snarled up the international trade situation—or whatever terms we may use to designate the sterling area and sterling-dollar pool arrangements which have been made—I think all of us must grant that Britain took that action as a matter of necessity because of conditions arising out of the war, and it seems to me that in a similar situation we probably would have done the same thing, and almost any other country would have done so. I do not regard that as something for which Britain should necessarily be criticized now, and I do not criticize her for it. She has found herself in this situation following a war which meant life or death to her. She had to carry on that war to victory, and I am glad she did. I think we would like to help her in some way. I am not opposed to helping Britain in this situation. I should like to find some way to do it. But as we go along with making this loan or the next one, I should like to see the whole picture and to know how much we shall be asked to loan. I do not understand that the policy incorporated in the Bretton Woods agreement was established or written into it solely for the benefit of the United Kingdom and solely to cover the proposed loan which is now before us. It seems to me it is broad enough to cover loans to all other countries. I have no doubt in my own mind that other countries will apply for direct loans. It may be that they can justify the granting of direct loans, and we may be considering them at a later time.

At any rate as we go along I should like to ascertain whether this policy was written solely for the benefit of the United Kingdom and whether we can be assured that all other countries will request their loans from the Export-Import Bank. If they do, I think we shall have to increase the stock subscription of the Export-Import Bank from time to time; we shall have to increase its funds and authorizations. I think there is no doubt about that.

But I am trying to determine now, with reference to the pending issue, whether we can have assurance that the loan now under consideration is the only direct loan which we shall be asked to make. I should like to have the Senator enlighten me on that point.

Mr. ELLENDER. Mr. President, there is another question which enters into this situation. As was pointed out in the debate earlier this afternoon, we are making to Great Britain what has been termed a unique loan. The procedure used is outside the methods which we have employed in the past. As the Senator from Utah pointed out, in connection with determining whether we shall make a direct loan of this character to Great Britain—for instance, a loan which has no security at all, and with respect to which the interest payments can be forgiven under certain circumstances—we should also consider whether other nations may later request like treatment, and we must consider what the result would be if we were to refuse loans to them.

Mr. McCLELLAN. Mr. President, will the Senator further yield to me?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. ELLENDER. I yield.

Mr. McCLELLAN. That is the point I am trying to have made plain. Certainly no other nation will request a loan for the same reasons for which Britain now requests one, because no other nation has created a sterling-dollar pool and a sterling bloc area. Britain is asking for a loan on that account, to help her get away from restrictions which she felt she had to place on exchange and trade during the war emergency. She feels that she needs this money to help

her get out from under those arrangements.

Of course, no other nation will ask for a loan for that reason. But other nations will present to us other reasons for loans to them—reasons which possibly will be just as important to them, and the reasons may make just as strong an appeal to us. That is what I am trying to determine. We are asked to grant this loan, as the Senator has said, in a way outside the regular channels, or, if desired, some other term may be used to describe the method. We are asked to grant such a loan to Great Britain, and I might be willing to support it. But I wish to know how we are to exclude other nations who may ask to come in the same door and who may seek to justify the making of a loan to them because of some reason other than the sterling bloc arrangement and the sterling dollar pool, which were the reasons used as justifications for the loan now under consideration.

I am not opposed to making loans to some other foreign governments; but I should much prefer to make them on a sound-banking-business basis. This loan, as everyone knows, is not on such a basis. I do not know that we can make them on such a basis. Perhaps we should be more liberal. I am not questioning that at the moment.

But I am asking how we can have assurance that we shall not be asked to grant the same consideration to other countries which may apply to us for loans.

Mr. MAYBANK. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. MAYBANK. Following the statement of the distinguished Senator from Arkansas, I wish to say that I am very glad that England has made the request in the way in which she has made it, and I am very glad that she has laid all the cards on the table. In that connection let me point out that the distinguished Senator from North Carolina [Mr. HOEY] who now is presiding over the Senate, was Governor of North Carolina in 1939 and 1940 when the question of the sterling bloc confronted us, and at that time it was my privilege to be the Governor of the State adjoining North Carolina on the south—South Carolina. At that time, because of the sterling bloc and because of the lack of money, the tobacco markets in the Carolinas were closed and were kept closed until tobacco moved up into Virginia and later on into Maryland. The thought I had in those days was that there was a restriction on finance which caused the tobacco in the Carolinas and Virginia and elsewhere to be purchased for the British Imperial Tobacco Co. and the other companies.

So I am happy that at this time we have the facts before us, and I am happy that England comes to us and says "Here are the conditions and the facts," so that we shall be able to grant relief in a direct way, rather than by means of Executive orders and other means of indirection which have been used in the past.

Although I cannot answer the questions about future loans, I am certain that the distinguished majority leader can do so.

I wish to state, however, that I am glad we shall vote on the question whether we are to lend England money or are not to lend England money, because no one remembers better than does the distinguished Senator who now is presiding over the Senate the extremes to which we were put in regard to tobacco and other products in the Southeast in 1939, when the Germans marched into Poland. So I am glad we are asked to take action on an up-and-up basis, and that we are not asked to handle this matter through the back door, through the Export-Import Bank, for example, or some other agency.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. I wish to comment on the inquiry made by the Senator from Arkansas, which I am sure he made in the utmost good faith and in his search of the truth.

Of course, the Export-Import Bank could make a loan to Great Britain or to the United Kingdom. It could not make a loan of $3,750,000,000 to them. Under present conditions, with its present capital limitation, the Export-Import Bank could not make a loan of more than $2,000,000,000 to the United Kingdom, and that would consume all of the remaining lending power of the Export-Import Bank, and then it would have nothing left to lend to any other country.

In the Bretton Woods agreements no distinction whatever is made with reference to advantages that nations shall have under the agreements. The reason why this loan is on a different basis is because it is for an amount beyond the lending capacity of the Export-Import Bank. It is extremely doubtful whether the Export-Import Bank could have required Great Britain to promise to relieve all the controls and restrictions upon trade in what is called the sterling area. Of the bank might have said, "We will not loan you the money." However, in the law itself there is no specific requirement of the kind suggested. The requirement is only that the loan shall be made under conditions of reasonable assurance of repayment. When that has been done the law has been complied with.

Another reason why the proposed loan to Great Britain is now before the Congress is its size, and the reciprocal agreements which are a part of it. The negotiators on both sides have felt that the matter should have the sanction of legislative approval. That meant that it would have to go before the British Parliament and the Congress of the United States. It has already been brought before the British Parliament and has been approved by it. So there is every reason why the loan should come to Congress for its approval and sanction. There is every reason for the terms of the agreement being approved by the Congress. The reason is much greater than if the loan were merely one to be made on the assumption that it contemplated a reasonable assurance of payment. However, the mere fact that this loan comes to Congress for approval creates no different situation with respect to other loans, except that the conditions which surround this loan do not exist in connection with a loan which might be applied for by any other country in the world. There is no franc pool, there is no peso pool, and there is no ruble pool. There is no other pool, or area of frozen assets or deposits, in any other country in any way similar to the conditions which we are seeking to have removed from international trade. By reason of that fact we have agreed in this case to make a larger loan than that which will probably be made to any other country. We have exacted in return a promise on the part of Great Britain to relieve her controls and restrictions. It was felt that such an agreement should have the sanction of the respective legislative branches of the two governments, the United Kingdom and the United States.

Mr. McCLELLAN. I did not question the wisdom of the procedure. I am not questioning it now. I agree with what the able majority leader has said. I agree with what the distinguished Senator from South Carolina has said. We are glad to get the matter out into the open where we can debate it and discuss it. We want to know what we are doing, and why we are doing it. I have no complaints to make in that respect. I have no complaints to make in connection with the fact that the loan has been applied for as a direct loan. I am not now questioning the particular merits of the provisions of the loan. I concede the necessity of England in taking the action which she took during the war by creating the sterling pool. But the question which I am trying to determine is, How can the Senator from Kentucky, or anyone else, now give us assurances that we will not have any more requests for direct loans, or that we will not incur any obligation or implied obligation to other countries to make a direct loan if they apply for one?

Mr. BARKLEY. I can only refer the Senator to the hearings before the Banking and Currency Committee in which Mr. Vinson, Mr. Clayton, and Under Secretary of State Acheson all stated that it was not contemplated that any other loan would be submitted to the Congress for consideration, but that such loans as might be made, if any were made, would stand on their respective merits and would be made through the Export-Import Bank. However, there is no assurance, and none can be given, that other loans will not be made. As a matter of fact, we feel reasonably sure that other loans will be made. They will be of a much smaller denomination and under terms which will be different from the terms of the loan now before the Senate.

Mr. McCLELLAN. What I wish to be sure of is that it is not contemplated there will be made any more direct loans. We know that if a loan in an amount comparable to the loan now before us is asked for by some other nation, and it presents conditions which might appeal to us as justifying such a loan, we do not now have the facilities or authority for

accommodating such a request. I do not have any way of knowing how much other countries will ask for, but, according to some comments which I have heard, and statements which I have read, it is expected that France will ask for a pretty large loan.

Mr. BARKLEY. I believe I can assure the Senator that the reports in the newspapers in regard to the amount for which France will ask, have been grossly exaggerated. I do not believe that the amount will be one-quarter of what has been stated, although I have no authority for saying what might be discussed. However, I believe that I am within bounds when I say that in all likelihood the loan to France, if made, will not be one-quarter of the amount which has been stated in the newspapers.

Mr. McCLELLAN. I did not contemplate at the time of the discussion of the Bretton Woods agreements, and I do not know that any other Senator did, that we would now be considering a $3,750,000,000 direct loan to Great Britain. I thought that we were setting up the machinery which would take care of such requests. When we voted on the Bretton Woods proposal I do not believe it was generally contemplated that we would later have before us the present request on the part of Great Britain for a loan. I should now like to be in position to see a little further ahead and not be confronted at some time in the future—months later—with another proposal to loan some other country a huge amount outside and beyond what we are now being asked to grant, and someone saying, in effect, "You must have contemplated, by lending money to Great Britain, that you would be asked to make a loan to some other nation."

Mr. BARKLEY. At the time we were considering the Bretton Woods agreements no one was in position to say that we would not be confronted with a request at some later date for a loan. However, it must have been known that, under the provisions of the International Bank, loans must be for specific projects of reconversion and development. The present loan is not for purposes of that kind. The international monetary fund was established for the purpose of stabilizing currencies throughout the world. I would not undertake to say that no other loan will be brought before the Congress for it to pass upon. I can only repeat what the Secretary of the Treasury stated in the report of the Economic Committee on International Monetary Problems which was made to the President of the United States. Reference in that report was made to this loan, and to the functions of the Bretton Woods Agreements. However, Mr. President, if this loan had been made through the Export-Import Bank, Congress would have been required to increase its appropriation to the bank by more than a billion dollars in order to increase the lending power of the bank. Even then the loan would have consumed all the lending power of the bank, and no other nation could have obtained a loan from it. I believe that no other loan will come before the Congress because the Secretary of the Treasury and the State Department have said that if the bank receives an additional billion and a quarter dollars, for which it will ask as an additional lending power, loans beyond that amount will not be made to other countries who may ask for them prior to June 30, 1947.

Mr. McCLELLAN. In other words, we are not contemplating being asked to increase the authority of the Export-Import Bank after 1947.

Mr. BARKLEY. No; we will not ask for any other increase beyond the billion and a quarter dollars we are talking about today for the purpose of making loans prior to June 30, 1947. At that time we hope conditions of the world will be improved to such an extent that no further loans will be requested.

Mr. McCLELLAN. I wish we could be certain of that.

Mr. BARKLEY. I think we can rely upon that being the situation, because I am quite satisfied that the Secretary of the Treasury, the Secretary of State, the Under Secretary of State, the Assistant Secretary of State, the Governor of the Federal Reserve Board, and all others who are directly interested in our financial set-up, would not have made the statements to the committee which they made unless they had felt reasonably assured that they would not be called upon to rescind or modify their statements within the period of time indicated.

Mr. McCLELLAN. Does the Senator say that at the time the Bretton Woods agreements were under discussion it was contemplated that it would be necessary later to render assistance to the United Kingdom? I do not recall having at any time seen any statement by the Secretary of the Treasury or any other financial agent of the Government to the effect that we would be called on later for an additional loan to Britain. I do not recall it. If anything occurred about that, I simply did not hear it.

Mr. BARKLEY. As a member of the committee, I know we discussed it. The fact is that some of those who opposed the Bretton Woods agreement at the time did so on the ground that, in addition to the provision for the stabilization of all currencies under the international fund, and for the lending of money by the International Bank for reconstruction and development, there would have to be a loan to Britain, and some objected to the Bretton Woods agreement on the ground that the loan should be made first and the Bretton Woods agreement come along later. But Congress did not agree to that. I recall that Mr. Williams, who was at that time, as I recall, president of the American Bankers Association, made a very vigorous protest against the Bretton Woods agreement on the ground that in addition to the Bretton Woods agreement we would have to make a loan of the kind now contemplated. No one knew at the time what amount it would be. It was generally understood that Britain would ask for $5,000,000,000, and she did.

Mr. McCLELLAN. Was that the understanding, that we would have to make a loan of $5,000,000,000?

Mr. BARKLEY. No; it was not. The argument was that in spite of the fact that we might have to make an additional loan such as the one proposed, the Bretton Woods agreement entered into, should be because it would take from a year to a year and a half to get the machinery into operation so as to serve the purpose intended under the Bretton Woods agreements, and that this loan, or a similar loan, would come along later.

Mr. TAFT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. TAFT. I think it should be made clear what happened in connection with the Bretton Woods agreement. That agreement was proposed by the Treasury as a solution of the exchange difficulties of the world. Then Mr. Williams came and said, "No; that is not the proper approach. There should be what we call the 'key-nation approach.'" He said, "If we lend Great Britain $3,000,000,000, that is the proper way to solve the exchange difficulties of the world. If that is done first, we will not have to have any Bretton Woods fund of $6,000,000,000. We will get along with perhaps half a billion, an inconsequential amount."

Thereupon, Mr. White, of the Treasury, appeared before our committee in executive session and said that Britain did not need a loan, that Bretton Woods would solve the problem, that they owed a lot of money, but they did not expect to have any difficulty in meeting their obligations. They were afraid that if that proposal was brought forward, it would defeat Bretton Woods, and the Treasury had sold Bretton Woods as a solution of the difficulties and they did not want the key-nation approach.

Mr. McCLELLAN. Is that testimony of record?

Mr. TAFT. No; that was in executive session, but I think his general position was borne out by the testimony of the Secretary of the Treasury.

Mr. BARKLEY. Mr. White testified at length in the hearings on Bretton Woods, and he made no such statement as that in the hearings.

Mr. TAFT. No; but he became concerned that Bretton Woods would not be agreed to because this method of handling the exchange situation by lending Great Britain a sum of money was making headway in the committee. So there was an executive session, and he assured us that that was not necessary, and that Bretton Woods was the way to solve the difficulty.

I myself always took the position that Bretton Woods would not solve it, that we were throwing our money away on Bretton Woods, and now it appears we were. That never did solve the exchange situation; at least, that is now the claim of the Treasury itself.

I do not think it was understood at any time that we were going to have $6,000,000,000 for Bretton Woods and another $4,000,000,000 for Great Britain. The suggestion of the committee report was that there might be some additional assistance needed for Great Britain, and I think I said on the floor that I thought the claim that this would solve the problem was wrong, and that we would be

faced with the proposal of another loan for Great Britain. But certainly it was not contemplated at the time that we were going to have both Bretton Woods and a loan to Great Britain.

After all, two-thirds of this loan is to do exactly what Bretton Woods was guaranteed to do, namely, solve the exchange situation of the world and put the pound on such a basis that it could be exchangeable throughout the world. A portion of the loan, a billion and a quarter dollars, as I recall, is to enable the British to buy goods in this country, which is the only purpose for which we lend money to the other countries. We do not lend any other country money except to buy goods in this country, where, by our physical production, we can in same way benefit their economy and enable them to get their economic machinery in order. So far as two-thirds of this loan is concerned, it is to do exactly the thing Bretton Woods was guaranteed to do when it was passed by the Senate.

Mr. STEWART. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. STEWART. I wish to call the attention of the Senator from Kentucky to the statement I attributed to him on the day the debate began, April 17, and I desire to say to the Senator that his recollection about the matter is quite accurate. The Senator from Michigan [Mr. VANDENBERG] asked the Senator this question:

> Am I correct in understanding the Senator to state categorically that this will be the only foreign-loan agreement which will come before the Congress?

The Senator from Kentucky replied:

> So far as is now anticipated, whatever other agreements may be made, or whatever other loans may be made, will be made through the Export-Import Bank and will not require congressional action.

That was substantially the reply the Senator made to me today. I thought the words "regular channels" were used.

Mr. BARKLEY. The Senator corroborates my recollection.

Mr. STEWART. I wish to ask the Senator from Kentucky another question. I do not recall the amount stated for the RECORD a while ago as the sum Great Britain had subscribed to the stock of the so-called International Bank which was set up by the Bretton Woods agreement. I understand the British now say they cannot redeem that obligation unless the proposed loan is made to them.

Mr. BARKLEY. They say they cannot subscribe to the stock of the bank and the International Fund. Both those go along together as part of the Bretton Woods agreement. They say that unless they get this loan they cannot carry out their subscription to the bank and the fund, because the money with which they would subscribe their fund as part of the capital stock, at least in part, would have to be diverted to the purposes for which this loan is intended, and therefore they would not have the money with which to do both, so they would not be financially able to go into the Bretton Woods agreement. That statement was made by Mr. Bevin.

Mr. STEWART. Assuming the loan is made to Great Britain and the subscription to the International Bank and International Fund, as the Senator calls them, is made by Great Britain, which I understand would be about $1,300,000,000 as their portion——

Mr. BARKLEY. Both of them would amount to more than that.

Mr. STEWART. Both of them together exceed two and a half billion, I think. At any rate, suppose that action is taken, what is there to preclude Great Britain from borrowing again from the International Bank?

Mr. BARKLEY. Nothing at all. The fact that we would lend her this money for a specific purpose would not preclude her from borrowing from the International Bank out of capital stock money for another purpose.

Mr. STEWART. But it must be a specific purpose?

Mr. BARKLEY. It must be a specific purpose, for a project or a development set forth in the application for the loan.

Mr. STEWART. Assuming this loan is made, is there anything to preclude Great Britain from borrowing money from the Export-Import Bank?

Mr. BARKLEY. No; there is nothing in the law that would preclude her doing that. But even if the Export-Import Bank gets the billion and a quarter dollars it will ask which would give it a total lending power of three and a quarter billion, it could not lend Great Britain any more money, as a part of the Export-Import Bank lending, without in all probability denying some other nation a loan out of the fund, because it would all amount to less than we are proposing to lend.

It is like asking, if I borrow money from the Riggs National Bank up to the extent of my credit and my ability to repay, what is to keep me from going to the Union Trust Co. and borrowing the same amount of money from that institution. Of course there is nothing to prevent it, but I think that the Union Trust Co. would be hesitant about lending me an amount equal to what I borrowed from the Riggs Bank if my loan from the Riggs Bank exhausted my credit and my ability to repay. Of course, there is nothing in the law that would prevent Great Britain from making application; but I am quite sure that the directors of the Export-Import Bank would have in mind the fact that we have made the United Kingdom this loan on the terms provided in the agreement, in determining whether the Export-Import Bank would make her another loan; and, furthermore, I do not think she would apply for an additional loan.

Mr. ELLENDER. Mr. President, before I was interrupted a few minutes ago I was discussing the raw materials situation in the British Isles, and I intended to discuss the imports of food and animal-feed stuffs into the United Kingdom, and the estimated quantity of the principal crops harvested in the British Isles. But instead of going further into that particular matter I now ask unanimous consent to have incorporated in the RECORD, following my remarks, a table which gives the importations and the estimated production of certain staple commodities.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables referred to are as follows:

Imports of food and animal feeding-stuffs to the United Kingdom (excluding imports from Eire)

[In thousands of tons]

	1934–38 average	1940	1941	1942	1943	1944, January–June
Wheat and flour	5,451	6,331	6,099	3,864	3,975	1,747
Rice, other grains and pulses	1,524	1,095	514	164	258	60
Maize and maize meal	3,395	2,192	702	135	66	24
Other animal feeding-stuffs	1,719	1,058	325	74	12	12
Meat (including bacon)	1,423	1,298	1,203	1,301	1,358	848
Canned meat	63	116	230	282	300	107
Oilseeds, oils, and fats	1,783	1,974	1,948	1,905	2,154	1,001
Sugar	2,168	1,526	1,658	773	1,458	497
Dairy produce	889	606	665	789	655	289
Fruit and vegetables	2,604	1,484	462	457	327	368
Beverages and other foods	1,007	1,154	847	862	963	441
Total	22,026	18,834	14,654	10,606	11,525	5,394

Source: Statistics Relating to the War Effort of the United Kingdom (Crud. 6564), London, His Majesty's Stationery Office, November 1944.

Estimated quantity of principal crops harvested

[In thousands of tons]

	Wheat	Barley	Oats	Potatoes	Sugar beet	Vegetables	Fruit
1936–38 average	1,651	765	1,940	4,873	2,741	2,384	455
1939	1,645	892	2,003	5,216	3,529	2,428	836
1940	1,641	1,104	2,892	6,404	3,176	2,687	580
1941	2,018	1,144	3,246	8,010	3,226	2,974	326
1942	2,567	1,446	3,553	9,393	3,924	3,806	762
1943	3,449	1,641	3,059	9,822	3,760	3,197	705
Percentage increase since 1936–38	109	115	58	102	37	34	55

Mr. ELLENDER. Mr. President, I also intended to discuss this afternoon the question of the sterling area, the blocked sterling, and the sterling area dollar pool, but I believe the matter was sufficiently presented today on the floor of the Senate in the course of debate, and it is not my desire to further encroach on the time and patience of Senators. So I ask that at this point, following my remarks, there be printed the testimony of Secretary Vinson, appearing on pages 11 and 12 of the hearings before the Senate Committee on Banking and Currency, respecting the sterling area, blocked sterling, and the sterling area dollar pool.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE STERLING AREA

The sterling area now includes the countries of the British Empire, except Canada, and a number of other countries, mainly in the Middle East. These countries do much of their business with England and they keep most of their monetary reserves in the form of sterling in England.

Before the war sterling could be used by these countries to buy goods all over the world—in the United States, Canada, Latin-America, anywhere. For example, if Australia wanted to buy American cotton before the war, it sold the sterling for dollars and used the dollars to pay for American cotton. That is to say, sterling was freely convertible into dollars.

That was before the war. During the war the sterling area took on some new features. Because England didn't have enough gold and dollars, she no longer permitted sterling to be sold freely. She made sterling inconvertible. In practice, this means that the countries of the sterling area cannot use the sterling they receive for their exports to buy American goods, unless they obtain permission from England.

As it is now, Australia cannot use her sterling receipts to buy American cotton; but she can use the sterling to buy cotton in India or Egypt. In short, while trade among the sterling-area countries continues unaffected by these currency restrictions, the trade of all sterling-area countries with the United States is subject to the will of Britain.

We do not want England saying to Australia and other countries from which she imports, "You cannot use the sterling you acquire from us to buy goods in the United States." That would mean that American exporters would be discriminated against in all trade with the sterling area.

BLOCKED STERLING

That brings us to blocked sterling. England had to go on buying goods in the sterling area, and meeting the costs of her armies in India, Egypt, and other countries. She bought the goods and she met her war expenses in these countries by paying in sterling. England did not have the means to convert the sterling into dollars; she could not export enough to let these countries use all of their sterling to buy goods. In effect, the accumulated sterling balances were blocked from use.

The amount of sterling accumulated by various countries during the war was very large. Although England sold $4,500,000,000 worth of her foreign investments, her wartime overseas expenditures were so enormous that sterling balances accumulated in rapid fashion. These balances now amount to $13,000,000,000. They are held by foreign countries in the form of sterling deposits in London banks and sterling securities of the British Treasury. This is a tremendous sum for a foreign debt.

What is done about these blocked sterling balances will mean much to American trade. We do not want England saying to India and the other countries holding blocked sterling: "These balances will be freed only to buy goods in England." That would mean the exclusion of many American products from the whole sterling area.

STERLING AREA DOLLAR POOL

England also needed and bought goods outside the sterling area. Many commodities we shipped to England had to be paid for in dollars. And that was also true of some of England's imports from other countries. England had to mobilize all her dollar resources. She sold some of her American investments to obtain dollars. Other dollars were borrowed by pledging some of her investments. In addition, England arranged to have the dollar receipts of the sterling area countries pooled in, and allocated by, London.

Under this system, when an Indian exporter sells goods in the United States he turns the dollars that he receives for his goods over to the Reserve Bank of India and receives rupees. These dollars are then sold to England for sterling. This happens in all of the sterling-area countries that have net dollar receipts. In short, all the dollar holdings of the sterling area are pooled in London.

Then when a country in the sterling area needs dollars, it applies to London. To conserve dollars, no funds are allocated to buy goods in the United States if they can be secured in any sterling-area country. That point needs emphasis. Under the sterling area dollar pool, goods are not bought in the United States if they can be found in any sterling-area country. American producers lose markets under this system. We want American exporters to have a fair chance to sell their products in every country that has dollars to pay for them.

LEGISLATIVE PROGRAM

Mr. TYDINGS. Mr. President, I understand the program tomorrow is to take up the conference report on the airport bill at 12 o'clock. The Senator from Nevada [Mr. MCCARRAN], I believe, is one of the Senators primarily interested in that bill. It so happens that a week ago the War Department asked a number of Senators on the Appropriations Committee to come to the War Department tomorrow at noon, or 12:30, I have forgotten which, to talk over certain phases of the disposal of surplus property, which runs into several billions of dollars, and is a very important subject before the Appropriations Committee. In view of the situation in the Senate, I was wondering whether we would have to cancel our tentative visit to the War Department tomorrow, unless we could have some sort of general understanding that a vote would not be taken before 2:30 or 3 o'clock—I would say 3 o'clock, perhaps. I was wondering if the majority leader could give us any encouragement in that respect, or whether we had better call off our visit to the War Department.

Mr. BARKLEY. My judgment is that the Senator and his colleagues had better call off the visit. We have postponed the consideration of this conference report two or three times. It was scheduled for last Tuesday. On account of the death of the Chief Justice we had to postpone it again. The Senator from Maine [Mr. BREWSTER] had to be out of the city until tomorrow, and we put it off for a week. There is no way to tell how long the debate will run, but both sides have rather indicated that we could dispose of it within an hour. I would certainly hope that we could, because if it should go to 3 or 4 o'clock we would lose the whole day of debate on the British loan measure, which I would regret very much. I cannot give any assurance to the Senator and I would not want to make any agreement in the absence of the Senator from Maine and the Senator from Nevada.

Mr. TYDINGS. I have spoken to the Senator from Nevada and he is perfectly agreeable to having the vote postponed to 3 o'clock. Let me say to the Senator from Kentucky that while we are talking about lending $3,750,000,000, some of which we cannot hope to get back again, it is quite important to get a little money to put into the Treasury, and I think the meeting tomorrow might lead to some policies which may save several hundred million dollars to the Treasury, and I am very anxious to attend the meeting.

Mr. BARKLEY. I am as anxious as is the Senator from Maryland to save money for the Government. I doubt very much, however, whether we would lose much money by putting the meeting to which the Senator refers off for a couple of days.

Mr. TYDINGS. The meeting has been put off several times, and I should like to know if we cannot have unanimous consent to fix the hour for a vote on the airport measure at 3 o'clock tomorrow.

Mr. BARKLEY. In the absence of the Senator from Maine I would not feel at liberty to make an agreement of that kind. So far as I am concerned it would be entirely agreeable to me. I, myself, had an engagement which would have taken me out of the city tomorrow, which I have had to cancel.

Mr. TYDINGS. I was wondering if someone on the Republican side could give us any encouragement.

Mr. TAFT. Mr. President, I have tried to get in touch with the Senator from Maine, and I cannot do so before the Senate will take its recess today. I think the Senator from Maine feels very strongly that we should proceed and carry out the agreement, and not put off consideration of the conference report again. It has been put over twice. I think we ought to proceed to consider it tomorrow.

Mr. TYDINGS. In that situation I think there is nothing for us to do but to call off our meeting tomorrow. But I will say that in my opinion it will be long after 3 o'clock before we vote on the conference report, so we will have killed one-half a bird with three stones again.

Mr. BARKLEY. I regret that situation, and if the Senator from Maine were present I would suggest that instead of beginning at 12 o'clock we begin consideration of the report at 2 or 3 o'clock. If that could be done I would be agreeable to it. But inasmuch as the Senator from Maine is returning tomorrow from an absence from the Senate which he said was unavoidable, I do not feel that we should postpone consideration again.

Mr. TYDINGS. I am not blaming the majority leader, who is doing the very best he can under circumstances beyond his control, but I was hoping that some Senator on the other side could put into effect the suggestion he has made.

Mr. BARKLEY. I hope that the necessity for changing the date of the conference in the War Department will not result in any lapse in the effort of both the Department and the Senators to get some money back into the Treasury.

PERMISSION TO SHIP RELIEF SUPPLIES TO PERSONS IN FORMER ENEMY COUNTRIES

Mr. EASTLAND. Mr. President, I ask unanimous consent that the Senate proceed immediately to consider Senate bill 2101, to amend the Trading With the

Enemy Act, as amended, to permit the shipment of relief supplies.

Mr. KNOWLAND. Reserving the right to object, I should like to have an explanation of the proposed legislation.

Mr. EASTLAND. The bill authorizes private relief agencies to ship food parcels and medicines into Japan, Austria, and Germany where it is necessary to do so in order to relieve starvation and suffering. It has been requested by General Clay. It has been requested by various organizations, by the Friends—that is, the Quakers—by numerous charitable organizations, and by the general who is in charge of the food-procurement policy of the Army.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2101) to amend the Trading With the Enemy Act, as amended, to permit the shipment of relief supplies, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after "Sec.," to strike out "32"; and in line 10, before the word "donate", to strike out "sell", so as to make the bill read:

Be it enacted, etc., That the Trading With the Enemy Act, as amended, is amended by adding the following new section at the end thereof:

"SEC. —. (a) Notwithstanding any other provision of this act, it shall be lawful, at any time after the date of cessation of hostilities with any country with which the United States is at war, for any person in the United States to donate, or otherwise dispose of to, and to transport or deliver to, any person in such country any article or articles (including food, clothing, and medicine) intended to be used solely to relieve human suffering.

"(b) As used in this section—

"(1) the term 'person' means any individual, partnership, association, company, or other unincorporated body of individuals, or corporation or body politic;

"(2) with respect to any country with which the United States was at war on January 1, 1946, the term 'date of cessation of hostilities' shall mean the date of enactment of this act;

"(3) with respect to any other war the term 'date of cessation of hostilities' shall mean the date specified by proclamation of the President or by a concurrent resolution of the two Houses of Congress, whichever is the earlier."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Finance:

Sundry candidates for appointment and promotion in the Regular Corps of the United States Public Health Service.

By Mr. McCARRAN, from the Committee on the Judiciary:

Samuel B. Kemp, of Hawaii, to be chief justice of the supreme court, Territory of Hawaii.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

GOVERNOR OF THE VIRGIN ISLANDS—NOMINATION PASSED OVER

The legislative clerk read the nomination of William H. Hastie to be Governor of the Virgin Islands, which nomination had previously been passed over.

Mr. ELLENDER. Mr. President——

Mr. BARKLEY. Mr. President, I understand that the Senator from Louisiana desires to have this nomination passed over again. I hope we may have action on it without much further delay.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

FOREIGN SERVICE

The legislative clerk read the nomination of Lowell C. Pinkerton to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Iraq.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, the Senator from Louisiana [Mr. ELLENDER] advises me that he has not yet concluded his remarks, and desires recognition tomorrow. We have a special order of business for tomorrow, but the Senator from Louisiana desires recognition after that shall have been disposed of.

Mr. ELLENDER. Mr. President, I desire recognition upon the resumption of consideration of the British loan.

The PRESIDING OFFICER. Without objection, the Senator from Louisiana will be recognized at that time.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 30, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 29 (legislative day of March 5), 1946:

DIPLOMATIC AND FOREIGN SERVICE

Prentice Cooper, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

DEPARTMENT OF JUSTICE

ASSISTANT ATTORNEYS GENERAL

David L. Bazelon, of Illinois, to be an Assistant Attorney General, vice Norman M. Littell.

Douglas W. McGregor, of Texas, to be an Assistant Attorney General, vice Hon. Samuel O. Clark, Jr.

UNITED STATES ATTORNEYS

Respess S. Wilson, of Arkansas, to be United States attorney for the western district of Arkansas, vice Clinton R. Barry, term expired.

John D. Clifford, Jr., of Maine, to be United States attorney for the district of Maine. (Mr. Clifford is now serving in this office under an appointment which expired March 4, 1946.)

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Nadine Lane Gallagher, of the District of Columbia, to be an associate judge of the municipal court for the District of Columbia, vice Hon. Brice Clagett, elevated.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 29 (legislative day of March 5), 1946:

FOREIGN SERVICE

Lowell C. Pinkerton to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Iraq.

POSTMASTERS

ARIZONA

Hazel M. Peebles, Sacaton.

CALIFORNIA

Charles V. Shaffer, Del Paso Heights.
Lawrence N. Fowler, Kelseyville.
William I. Stewart, Kernville.

ILLINOIS

J. Wiley Lucas, Abingdon.
William P. Hall, Elizabethtown.
Fred R. Drews, Sidney.

IOWA

Raymond W. Thomas, Green Mountain.

MARYLAND

Thomas H. Collier, Grasonville.
Betty P. Jones, Parsonsburg.

MISSISSIPPI

Barbara F. Gerrard, Bentonia.
Hazel D. McDonald, Osyka.

MISSOURI

Henry E. Roper, Bernie.

NEW YORK

Ivanna O. Lewis, Alfred Station.
Mamie S. Otten, Commack.
Casmira S. Jendral, Mastic Beach.

NORTH CAROLINA

Gwendolyn H. Deviney, Casar.
Claude W. Eason, Lowgap.
Thelma D. Warren, Newton Grove.
James A. Rawls, Oak City.
Nellie H. Goodman, Oakboro.
William J. Moore, Rosman.

OKLAHOMA

Robert D. Farish, Konawa.

PENNSYLVANIA

Kenneth C. Hilliard, Mount Bethel.

SOUTH CAROLINA

Pearl J. Sauls, Cades.
Sarah L. Bussey, Modoc.
Horace T. Fanning, Springfield.

WEST VIRGINIA

Virginia O. Pomeroy, Kopperston.

WISCONSIN

Charles W. Lee, High Bridge.

SENATE

TUESDAY, APRIL 30, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. C. Leslie Glenn, rector, St. John's Church, Washington, D. C., offered the following prayer:

Almighty God, who hast created man in Thine own image, grant us grace fearlessly to contend against evil and to make no peace with oppression; and, that we may reverently use our freedom, help us to employ it in the maintenance of justice among men and nations, to the glory of Thy name. Through Christ our Lord. Amen.

THE JOURNAL

On request of Mr. HATCH, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, April 29, 1946, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Myers
Austin	Hawkes	O'Daniel
Ball	Hayden	O'Mahoney
Bankhead	Hickenlooper	Pepper
Barkley	Hill	Radcliffe
Brewster	Hoey	Reed
Bridges	Huffman	Revercomb
Briggs	Johnson, Colo.	Robertson
Brooks	Johnston, S. C.	Russell
Buck	Kilgore	Saltonstall
Bushfield	Knowland	Shipstead
Butler	La Follette	Smith
Byrd	Langer	Stanfill
Capehart	Lucas	Stewart
Capper	McCarran	Taft
Carville	McClellan	Taylor
Cordon	McFarland	Thomas, Okla.
Donnell	McKellar	Thomas, Utah
Downey	McMahon	Tunnell
Eastland	Magnuson	Tydings
Ellender	Maybank	Wagner
Ferguson	Mead	Walsh
Fulbright	Millikin	Wheeler
Gerry	Mitchell	Wherry
Green	Moore	Wiley
Guffey	Morse	Wilson
Gurney	Murdock	Young
Hart	Murray	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The PRESIDENT pro tempore. Eighty-three Senators have answered to their names. A quorum is present.

AIRPORT DEVELOPMENT—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, some time ago an order was made by unanimous consent that the conference report on Senate bill 2, known as the airport bill, should be taken up today at 12 o'clock. Some days ago an invitation was extended by representatives of the Air Corps to a number of Senators requesting that they attend a luncheon today at 12:30 o'clock. I therefore ask unanimous consent that the consideration of the conference report may go over until 2 o'clock today, the report to be voted on by the Senate on or before 4 o'clock today.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

NOTICE OF HEARING ON NOMINATION OF NADINE LANE GALLAGHER TO BE ASSOCIATE JUDGE, MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, May 7, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Nadine Lane Gallagher, of the District of Columbia, to be an associate judge of the municipal court for the District of Columbia, vice Hon. Brice Clagett, elevated. At the indicated time and place, all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

REPORT ON DISPOSAL OF UNITED STATES SURPLUS PROPERTY IN FOREIGN AREAS

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of State, transmitting, pursuant to law, the first report of the Department of State on the disposal of United States surplus property in foreign areas (with an accompanying report); to the Committee on Military Affairs.

PETITION

The PRESIDENT pro tempore laid before the Senate a telegram in the nature of a petition from the Pioneer Woman's Club, of Lakewood, N. J., praying for the enactment of legislation to continue the Office of Price Administration; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAYBANK, from the Committee on Military Affairs:

S. 2061. A bill to provide for sundry matters affecting the armed forces, and for other purposes; with amendments (Rept. No. 1265).

By Mr. TUNNELL, from the Committee on Education and Labor:

H. R. 4437. A bill to provide for the return of public employment offices to State operation, to amend the act of Congress approved June 6, 1933, and for other purposes; with amendments (Rept. No. 1266).

By Mr. SMITH, from the Committee on Military Affairs:

H. R. 3959. A bill to provide for the burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va., of the remains of an unknown American who lost his life while serving overseas in the armed forces of the United States during the Second World War; without amendment (Rept. No. 1267).

POSTWAR CIVILIAN PERSONNEL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES (S. DOC. NO. 177)

Mr. BYRD. Mr. President, a report on postwar civilian personnel in the Federal Government submitted to Congress today by the Joint Committee on Reduction of Nonessential Federal Expenditures discloses that in the first 5 months following VJ-day there was a net increase of 86,822 in personnel employed by old-line agencies inside the United States exclusive of War and Navy Departments. Major reductions, of course, were reported by the War and Navy Departments, but a great part of their reductions were effected among industrial employees, no longer needed in the war effort, who were employed in arsenals, shipyards, and munition plants inside the United States or working on construction of airfields and roads abroad.

In August 1945, the all-time peak in Federal employment, there were 3,649,769 Federal workers both inside and outside the United States. As of January 31, this over-all total decreased to 2,893,670, a reduction of 756,099. Included in this reduction were 298,003 civilian employees of the War Department stationed outside the United States and 313,367 inside the United States. Also included in this reduction were 134,348 Navy Department employees.

It is obvious, therefore, that in large measure reduction in employment in the Federal Government since VJ-day has been confined to employees engaged in

war production work. This becomes apparent from a comparison of employment in the rest of the Federal Government during the 5 months following VJ-day. The old-line departments and agencies, excluding the War and Navy Departments, have increased 86,822 employees since VJ-day, much of this increase being caused by transfers from war agencies. A monthly analysis of this 86,822 increase discloses that the old-line agencies increased 28,677 during September, 12,377 in October, 19,166 in November, 1,033 in December, and 34,569 in January. This is exclusive of 53,277 Post Office workers, previously employed but not reported. These monthly increases in permanent-establishment personnel should be noted in comparison with monthly decreases effected in the emergency war agencies where, exclusive of the War and Navy Departments, reductions totaled 66,944 in September, 15,631 in October, 5,998 in November, 4,429 in December, and 4,201 in January.

That these increases are taking place under adjusted ceilings established by the Bureau of the Budget is evident from a comparison of ceiling determinations for the months of July, August, and September, 1945, with allowances for the months of October, November, and December, 1945. The agencies were allowed a total of 1,810,567 employees in the United States, exclusive of approximately 900,000 wage board personnel for the first quarter of the current fiscal year which began before the war ended. Allowances for the second quarter, which began after the war ended, totaled 1,856,828, a net increase of 46,261 civilian jobs in the United States exclusive of wage board employees. A reduction of 53,466 was prescribed for the War and Navy Departments, and the emergency war agencies were ordered to release 59,955 employees, but the old-line agencies were allowed an increase of 159,682 employees.

Thus the conclusion is inescapable that rapid reductions in personnel both continental and abroad must be made immediately for efficient and economical government. In December 1939, excluding emergency relief employment, Federal personnel stood at 928,836. Although certainly some additional personnel are required over the 1939 total to deal with problems of the war's aftermath, surely the present figure can and must be reduced speedily. With this in mind the Joint Committee on Reduction of Nonessential Federal Expenditures makes the following recommendations:

First. The committee recommends that the Congress fix by law an over-all ceiling on civilian personnel in the executive branch of the Government, both inside and outside continental United States, and that this ceiling should be graduated downward so that between July 1, 1946, and June 30, 1947, total personnel would be reduced to a maximum of 1,650,000 employees, or approximately 175 percent of the total as of December 31, 1939, provided that if the President at any time should determine a larger number to be essential to the public interest, such determination and the reasons therefor shall be promptly transmitted by him to the Congress along with estimates of additional appropriations which would be necessary thereby.

Second. The committee recommends that the President proceed expeditiously with the liquidation of war-emergency agencies and reorganization of other executive agencies through Executive orders and reorganization plans having among their other principal objectives reduction of the over-all civilian personnel requirement of the executive branch to a peacetime level not exceeding approximately 175 percent of that recorded as of December 31, 1939.

Third. The committee recommends that Congress fix by law standards of personnel reporting and publication, including nomenclature and definitions and methods and procedures.

Mr. President, I have here a summary of this report. I ask unanimous consent to have it printed in the body of the RECORD, and I wish to have the whole report printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The summary of the report submitted by Mr. BYRD is as follows:

REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

PART I. SUMMARY

Federal employment invariably has been a major factor in the investigations undertaken by the Joint Committee on Reduction of Nonessential Federal Expenditures during the 5 years of its work. Because of this and in view of its requirements and its experience with inadequate personnel information, the committee inaugurated its own continuing examination of civilian employment in the executive branch of the Government.

As of 6 months after VJ-day there had been ample opportunity for the Government to facilitate its own reconversion to peacetime dimensions. Consequently the committee submits to the Congress and the President this report of its findings on the postwar civilian employment record of the executive branch, based on an analysis of data compiled through January 31, 1946.

COMPARISON OF FEDERAL EMPLOYEES, 1932, 1939, AND 1945

In August 1945, when the Pacific war ended, civilian personnel employed by the executive branch, inside and outside of the United States, stood at its all-time maximum of 3,649,769, or nearly four times the 1939 preemergency requirement of 928,836, exclusive of 57,918 emergency-relief employees.

An analysis of the increase between August 1945 and December 1939 and a comparison with figures for December 1932 follow in table A:

TABLE A.—*Summary of increase in personnel since 1932*

Agencies	December 1932	December 1939	August 1945	Increase in employment	
				1945 over 1932	1945 over 1939
Old-line establishments	467,650	706,700	957,683	490,033	250,983
Emergency war agencies	118		159,773	159,655	159,773
War Department, inside the United States	49,101	123,273	1,077,179	1,028,078	953,906
Navy Department	46,936	98,863	721,342	674,406	622,479
War Department inside United States and total Navy Department	96,037	222,136	1,798,521	1,702,484	1,576,385
Total, exclusive of War Department outside the United States	563,805	928,836	2,915,977	2,352,172	1,987,141
War Department, outside the United States	(1)	(1)	[2] 733,792	733,792	733,792
Entire Government	563,805	[3] 928,836	3,649,769	3,085,964	2,720,933

[1] Figures not available.
[2] Excludes 57,918 emergency relief employees.
[3] As of June 30, 1945.

The total increase of 2,720,933 in employment since December 1939, as shown in the preceding table, is composed of an increase of 250,983 in the old-line establishments, practically all of which was justified on the basis of war emergency activities; an increase of 159,773 in the emergency war agencies, none of which was in existence in 1939; and an increase of 2,310,177 in the War and Navy Departments (including the 733,792 employees reported as stationed outside the United States), of which a vast majority were industrial employees.

TWO MILLION REDUCTION AND PAY-ROLL FIGURES

If the executive branch personnel were reduced 2,000,000 under the VJ-day peak, some 1,649,769 employees would remain on the pay roll. This would be approximately 75 percent in excess of the December 1939 preemergency total employment of 928,836 and would allow more than 700,000 employees for normal expansion requirements and necessary war clean-up.

Although numerous other factors would enter in any calculation of savings in pay-roll costs which would result from a 2,000,000 reduction in the Federal force, Bureau of Labor Statistics records show the executive branch pay roll for 1939 totaled $1,635,512,000 and that for 1945 it totaled $7,262,911,000, exclusive of compensation paid employees outside the United States and those of certain Government corporations. Such a personnel reduction would cut the Federal pay roll approximately in half.

PERSONNEL, AUGUST 1945 TO JANUARY 1946

Reductions to any peacetime civilian personnel level during the first 5 months after VJ-day could not be criticized as having been too precipitous since the net reduction in the executive branch, exclusive of War and Navy Departments, amounted to less than 2 percent, or about 10,000. Although the emergency war agencies show a reduction of 97,203, the old-line establishments increased 86,822. Most of this increased personnel in the permanent agencies was occasioned by the transfer of functions from scattered war agencies which had been ordered transferred or liquidated.

Among the 745,718 reduction in civilian personnel reported for the same period by the War and Navy Departments, 298,003, or

almost 40 percent, were found to have been employed abroad by the War Department on such projects as air fields, roads, etc.

An analysis of the 756,099 postwar decrease in Federal executive personnel follows in table B:

TABLE B.—*Summary of employment trend since August 1945*

	Employment		Increase(+) and decrease(−)
	August 1945	January 1946	
Old-line establishments	157,683	1,044,705	+886,822
Emergency war agencies	159,773	62,570	−97,203
War Department, inside the United States	1,077,179	763,812	−313,367
Navy Department	721,342	586,994	−134,348
War Department inside United States and total Navy Department	1,798,521	1,350,806	−447,715
Total, exclusive of War Department outside the United States	2,915,977	2,457,881	−458,096
War Department, outside the United States	[1] 733,792	[2] 435,789	−298,003
Entire Government	3,649,769	2,893,670	[3]−756,099

[1] As of June 30, 1945.
[2] As of Dec. 31, 1945.
[3] Excludes 53,277 Post Office employees previously employed but not previously reported.

PERSONNEL REPORTING DEFICIENCIES

For comparison with the August 1945 totals, it is necessary in the preceding table to adjust the January old-line agency figure because 53,277 previously employed but unreported third-class Post Office Department employees appeared on their report for September. This is one example of numerous deficiencies found thus far by the committee in executive agency personnel reporting and reporting practices, some of which materially alter totals.

The committee has worked diligently in an effort to dispel the confusion which is necessarily created by inadequate reporting.

EMPLOYMENT OUTSIDE THE UNITED STATES

Inadequacy has been a characteristic of the reporting on employment outside of the United States, and on industrial employees who have constituted a large proportion of the reductions to date.

Because of the fact that in the past the War Department has been permitted to report on a quarterly basis, it is difficult to present a 6-month comparison of employees outside the United States for all departments. War Department reductions in civilian employees from June 30 to December 31, 1945, total 298,003. With respect to the other departments, which report monthly, there has been an increase of 899 employees abroad since the end of the war through January.

As of January 1946 there were 1,224,325 industrial employees in the executive branch, and 424,314 of these were among War Department personnel outside the country. Between November and January the total figure was reduced 183,487, and more than 173,000 of this reduction were among War Department industrial employees outside the United States.

AGENCY TERMINATIONS AND PERSONNEL TRANSFERS

Next to civilian personnel retrenchment in the War and Navy Departments it might have been expected that substantial reductions would have resulted since VJ-day because of the termination of war-emergency agencies, and a cursory review of reports may indicate that liquidations for such agencies through January 31 eliminated employment for 97,203 employees. However, investigation reveals that by the nature of the liquidations ordered for most of these temporary agencies, many of their units and functions have been transferred to more permanent agencies whose pay rolls have been increased correspondingly by at least 67,881 employees.

Thus, while it appears that a reduction of 97,203 war emergency agency employees resulted from liquidations to January 31, the net reduction was about 30,000, or 20 percent of the August employment of 159,773. The situation becomes clearer when it is realized that while orders for liquidation in varying degrees were issued on 15 war units since August 1945, only one, the Office of Censorship, has been terminated beyond vestige of any remains.

NET INCREASE IN OLD-LINE AGENCIES

While reductions in War and Navy Departments and emergency war agencies were being accomplished as described, it is remarkable that during the same period a net actual increase of 86,822 was recorded in the total number of employees accredited to the old-line, peacetime group of agencies, and it is significant that 75 percent of the increase is represented in the 67,881 new jobs required to absorb units and functions transferred from temporary war agencies in liquidation.

PERSONNEL CEILINGS

An instrument which could be used effectively for paring personnel in the executive branch to peacetime levels was provided by the Congress when it enacted Public Law 106, Seventy-ninth Congress, directing the Bureau of the Budget to determine quarterly ceilings on personnel employed in the United States by the respective agencies. The declared purpose of the law was, in the interest of economy and efficiency, to effectuate the termination of services of all personnel not required for the proper and efficient performance of the functions of the respective agencies.

The effectiveness with which the law has been applied may be judged on the basis of allowances authorized in the two quarterly determinations made during the fiscal year 1946. The agencies were allowed a total of 1,810,567 employees in the United States, exclusive of wage-board personnel for the first quarter of the current fiscal year which began before the war ended. Allowances for the second quarter, which began after the war ended, totaled 1,856,828, a net increase of 46,261 civilian jobs in the United States, exclusive of wage-board employees. A reduction of 53,466 was prescribed for the War and Navy Departments, and the emergency war agencies were ordered to release 59,955, but the old-line agencies were allowed an increase of 159,682 employees.

PERSONNEL IN BUDGET ESTIMATES

The extent to which personnel levels in the executive branch continue to rise even in the postwar period is evident in the Budget estimates for fiscal year 1947. For example, for the fiscal year 1946 (beginning July 1, 1945), 16 peacetime establishments are shown to have justified to the satisfaction of the Bureau of the Budget a total of 333,301.4 man-years including those connected with national-defense activities. Budget requests for these agencies for the fiscal year 1947 (beginning July 1, 1946) show a total of 367,973.6 or an increase of 34,672. In connection with this increase, it is pointed out that the President in his message last January 14, said that "as in recent years, detailed recommendations concerning most appropriations for the national-defense program are postponed until spring."

So it may be anticipated that the net increase in these agencies will be greater to the extent of personnel required for any national-defense functions assigned to them.

CONCLUSIONS

The committee finds:

I. That employment in the old-line agencies has been increasing ever since VJ-day.

II. That such reductions as have taken place in the emergency war agencies have been nearly compensated for in the increases shown in the old-line agencies.

III. That while large-scale decreases have taken place in the War and Navy Departments, demobilization of civilian personnel is not continuing at a rate comparable to military demobilization.

IV. That perpetuation of excess war personnel in the Federal service is being made by transferring such personnel and functions from war agencies to peacetime agencies.

V. That these increases are taking place under adjusted ceilings established by the Bureau of the Budget.

VI. That there is a clear obligation upon the Congress and the President to determine immediately whether demobilization of wartime civilian personnel is unduly apathetic, whether there is inclination to perpetuate wartime civilian personnel inflation, and whether the situation conforms with the policy of the Government.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Foreign Relations:

Prentice Cooper, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary to Peru.

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Sundry officers for appointment, by transfer, in the Regular Army of the United States; and

Sundry officers for promotion in the Regular Army of the United States, under the provisions of law.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Colorado:

S. 2128. A bill to amend section 100 of the Servicemen's Readjustment Act of 1944; and

S. 2129. A bill to remove the existing limitation on the number of associate members of the Board of Veterans' Appeals in the Veterans' Administration; to the Committee on Finance.

By Mr. DOWNEY:

S. 2130. A bill for the relief of Secundano Castillian, a minor; to the Committee on Claims.

S. 2131. A bill to authorize the payment of compensation for time lost in the case of certain veteran and nonveteran employees of the United States restored to active duty after disproval of charges against them; to the Committee on Civil Service.

By Mr. GUFFEY:

S. 2132. A bill to amend the Act entitled "An act to provide for the posthumous

appointment to commissioned or noncommissioned grade of certain enlisted men and the posthumous promotion of certain officers and enlisted men," approved July 28, 1942 (56 Stat. 722) so as to provide for the promotion of persons in the military or naval service who were killed while leading units properly commanded by persons holding a higher grade; to the Committee on Military Affairs.

By Mr. WALSH:

S. 2133. A bill to amend further the Pay Readjustment Act of 1942, as amended; to the Committee on Naval Affairs.

By Mr. TAFT:

S. 2134. A bill for the relief of John B. H. Waring; to the Committee on Military Affairs.

(Mr. BRIDGES introduced Senate bill 2135, imposing certain limitations on appointments to the Supreme Court, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. BUTLER:

S. J. Res. 157. Joint resolution to enable private purchasers of corn and wheat to purchase at the same price as the Government; to the Committee on Banking and Currency.

THE GOVERNMENT OF RUSSIA

Mr. BUSHFIELD. Mr. President, I call attention to a statement of British Prime Minister Attlee which seems to me very significant. The statement is as follows:

> The Communist Party gives lip service to democracy, but it is essentially undemocratic. The methods by which it seeks to gain power disregard altogether the obligation to maintain the standards of conduct which would make life possible in a civilized society.

In that connection, and as particularly significant, I call the attention of the Senate to a statement by a very distinguished statesman of our own country, Bainbridge Colby. He said:

> It is not possible for the Government of the United States to recognize the present rulers of Russia as a government with which the relations common to friendly governments can be maintained. This conviction has nothing to do with any particular political or social structure which the Russian people themselves may see fit to embrace. It rests upon a wholly different set of facts. These facts, which none disputes, have convinced the Government of the United States, against its will, that the existing regime in Russia is based upon the negation of every principle of honor and good faith and every usage and convention underlying the whole structure of international law—the negation, in short, of every principle upon which it is possible to base harmonious and trustful relations, whether of nations or of individuals.

Mr. President, that statement was made in the year 1920 by the then Secretary of State of the United States.

INFLATION—ADDRESS BY HENRY MORGENTHAU, JR.

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a radio address entitled "Inflation," delivered by Henry Morgenthau, Jr., former Secretary of the Treasury, on April 24, 1946, which appears in the Appendix.]

SUFFRAGE FOR THE DISTRICT OF COLUMBIA—STATEMENT BY JESSE C. SUTER

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a statement regarding suffrage for the District of Columbia, written by Jesse C. Suter, and published in the Washington Evening Star, which appears in the Appendix.]

TRANSWORLD AIR LINES CONTRACT WITH THE ITALIAN GOVERNMENT

[Mr. WALSH asked and obtained leave to have printed in the RECORD the Transworld Air Lines' story of its contract with the Italian Government, which appears in the Appendix.]

THE PLACE OF THE UNITED STATES IN WORLD AVIATION

Mr. McCARRAN. Mr. President, there appeared in the Washington Times-Herald this morning an article by John O'Donnell under the caption "Capitol stuff," dealing with a subject which, to my mind, must have the serious consideration and attention of the Congress of the United States within a very short time if Congress is at all intent upon preserving or protecting the rights of the Government of the United States in air commerce.

Mr. O'Donnell's statement gives a history of conditions which are in existence now and are being continued from day to day in the way of secret agreements entered into by foreign governments with one American line against another American line. An article on the same subject is found today in the New York Herald Tribune, written by Bert Andrews. These two articles, so comprehensive and so expressive of conditions as we find them, I respectfully ask unanimous consent to have inserted in the RECORD in connection with my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of April 30, 1946]

CAPITOL STUFF

(By John O'Donnell)

The following will probably disturb the gentlemen in our State Department. But we believe it should be placed on the line—cold turkey—and kicked around in front of the citizens of the Republic whose income-tax payments provide the good old do-re-mi necessary for the upkeep of the diplomatic limousines, cocktail parties, morning coats, etc.

It's important because it concerns this country's definite and established right and power to rule the passenger and traffic lines of the globe—everywhere and in our time.

The Roosevelt hangovers in the State Department, who for some fantastic reason want to give away everything we Americans have to the first down-at-the-heels-sponging foreigner who asks for a hand-out, have been trying to give away our controlling stake in world aviation.

Fortunately, the boys who have something to say about the peacetime control of the skies have so messed things up that the whole story will come out—and we hope with such a dramatic fanfare that it busts up the present peace conference in Paris.

The issue now boiling up before the distinguished Secretary of State Byrnes in Paris as he sits with his Big Four colleagues is a matter of global air control and happens to be one of the messiest stews in the international pot.

But just the same, it's significant. The fight pivots on the squawk of the British because the United States outfit—TWA—has signed up a contract with Italy.

And TWA in the good old American fashion quite properly did its best to freeze out foreign competition—an old-time characteristic which in recent centuries has made Britain and the United States the greatest nations in the world.

Heart of the matter is this: Can the executive branch of the Government, under Truman, carry out the dictator methods of the late Franklin D. Roosevelt and so permit the White House-controlled State Department to enter into agreements with foreign nations with respect to world aviation which are in fact treaties.

The Senate, according to the Constitution of the United States, must pass on treaties and has the power to kick them out the window—as the Senate properly and courageously did when the sainted Woodrow came forth with the Treaty of Versailles and the League of Nations.

A few days ago, the Senate Commerce Committee gave the old-line Roosevelt New Deal theory of secret and private air agreements with foreign nations a resounding kick in the pants when by a vote of 15 to 1 it booted out the State Department's sanctified Bermuda agreements and all others.

The dissenting individual was, as might be expected, Florida's CLAUDE (RED) PEPPER, the Moscow mouthpiece on Capitol Hill.

The lusty kick also inflicted a sad but well-deserved bruise on the intellectual posterior of the former Assistant Secretary of State Adolf Augustus Berle, Jr., who some time back was F. D. R.'s stooge in giving all foreign aviation competitors everything, everywhere, in our time.

The over-all issue is simple. On the world-wide global issue, this country of ours knows more about flying (we invented it), has more technical know-how, has the capacity for turning out planes and fliers in sufficient numbers to service the nations of the world, and created in wartime, all by ourselves, the gadgets and devices for safer, faster flying.

Furthermore, we built fields all over the world to save the hides and necks of our beloved allies and paid for them with American cash.

In other words, the transportation of men and goods through the skies is just as much today a strictly American monopoly as in the last generation was England's control of the seas.

On the domestic front the Nation's dominance (for profit) in commerce of the air may well mean the power to continue the standard of living at its proper place—tops in the world.

The wealth created by the rough-and-tumble railroad pioneers after the Civil War, and later by the automobile manufacturers and roadbuilders of the twenties, increased the happiness of all.

So the dough coming from American air dominance of the universe in the next decade means more fun and happiness for Americans—unless the share-it-all-with-foreigners idea takes over the show—as most of the pinkos and commies would like to see happen.

Some of our native-born rough-and-tumble tough guys in the home-grown aviation show have been using up so much muscle scrapping with each other that they come up panting and fist-heavy when they have to take on overseas challengers.

As examples, we point to Juan Trippe, of Pan-American; Howard Hughes, of TWA; and Gen. C. R. Smith, of American Airlines.

If this trio should meet in a dark alley some night, and just to make the fight good we'll toss in Eddie Rickenbacker, of Eastern, the worthy gentlemen could stage one of the lustiest brawls in the history of what is politely known as the advancement of American economy of global aviation.

Pan-American's Trippe, TWA's Hughes, and AA's Smith are all in the jealous positions of being licensed by our Civil Aeronautics Board to compete with each other and with the foreigners for the definite dough that will roll in from passengers and freight on the soft-touch, blue-ribbon trans-Atlantic routes. Hence the dog-eat-dog tactics, result we may point out of the Berle-Roosevelt line of global

thinking and the screwball thinking which simmers down to this:

"The only way to make money these days is to tap your own bank account, give the cash to a foreign competitor, and then pray that you'll get some of your own dough back."

We thought the country had learned this lesson back in the twenties when the suckers kicked good American cash into European deadbeats (Finland excepted) and our good neighbors in Central and South America.

[From the New York Herald Tribune of April 30, 1946]

UNITED STATES AIR DEAL IN ITALY FACING SENATE ATTACK—SECRET BERMUDA DOCUMENT PROVIDES FUEL FOR NEW ANGLO-AMERICAN DISPUTE

(By Bert Andrews)

WASHINGTON, April 29.—A secret document from the United States-United Kingdom Civil Aviation Conference at Bermuda last February came to light today and provided new fuel for an Anglo-American dispute which may have grave repercussions at the current meeting of foreign ministers in Paris and at the ensuing peace conference.

Senator OWEN BREWSTER, Republican, of Maine, said he would take the Senate floor for a full-dress discussion of the trouble-making paper, which is listed in State Department files as Bermuda Conference—Document No. 8, but which cannot properly be called an agreement since it was not adopted and signed by the delegations, but was merely "noted in the final plenary session."

There are three major issues in the controversy:

Whether the State Department was aware of the monopolistic nature of a contract sought by Trans World Airline with the Italian Government at the very time this Government was opposing similar tactics by the Russians with regard to aviation in the Balkans and by the British with relation to the Italian chemical industry. (Document No. 8, plus other papers, indicates the Department was well informed about all the moves of TWA.)

ONE PARAGRAPH DISPUTED

Whether the exclusive contract signed on February 11 between Italy and the company, whose corporate name is Transcontinental & Western Air, Inc., was in conflict with suggestions at Bermuda that the British Overseas Aviation Corp. would participate in any civilian aviation development in Italy. (Document No. 8 has a hotly disputed paragraph. It does not seem to constitute a formal agreement to give the British a share, as asserted by the British Foreign Office. But it does tend to show that there was talk about the subject and perhaps an unofficial understanding.)

Whether, in the words of Senator JOHN H. OVERTON, Democrat, of Louisiana, the signing of such exclusive contracts would interfere with "the orderly development of international aviation" by inspiring companies of many countries to seek exclusive rights in nations throughout the world.

"The whole thing has very unfortunate implications," Senator BREWSTER said. "The fight on this is only beginning and there is a lot more to come out.

"The State Department witnesses never breathed a word about this Document No. 8, despite exhaustive questioning, until we pressed for it.

"You know, there's an old story about a man who would never tell a lie but who, unless pinned down, was mighty economical of the truth. That seems to be the case here, and we're going after the truth."

AGREEMENT DENIED

The State Department position is that Document No. 8 was not directly connected with the main purpose of the Bermuda Conference, but was merely the fruit of discussions by a two-man Anglo-American committee, in which discussions the British served notice they wished to participate in any revival of Italian internal aviation. The State Department contends that the document, including the passage relating to Italy, was not accepted or agreed to.

The view advanced in London by the British Foreign Office is that one passage in the document constituted a secret agreement of the Bermuda Conference to let Britain and the United States share in the operation of Italy's new civil air line, Linea Aero Italiane, in which, subsequently, TWA received exclusive partnership.

Following is the pertinent paragraph from the Bermuda document—a paragraph which is expected to be parsed painstakingly by many Senators before the debate is ended:

"The United States delegation stated that the Italian Government had requested TWA to participate in the rehabilitation of their internal services. This subject had, according to their information, been discussed by the Allied Commission in Italy, and the United States delegation were anxious to learn whether, in the event of Italian internal air lines being authorized by the Allied powers, His Majesty's Government would desire British interests to participate in any scheme for assisting them. The United Kingdom delegation replied that His Majesty's Government would almost certainly so desire."

SECRECY RECOMMENDED

The document embodying this and other paragraphs was signed for the United States by Stokeley W. Morgan and for the United Kingdom by L. J. Dunnet. In submitting their report to the Bermuda Conference on February 11, they said: "In view of the confidential nature of most of the questions dealt with in our report, we recommend that with the exception of paragraph 9 none of it should be made public."

None of it was—at the time.

In finally sending the document to the Senate Commerce Committees, which had already gone exhaustively into the Italian phase, the State Department said:

1. That the document was drawn up by Messrs. Dunnet and Morgan in expectation that it would be adopted and signed by the delegations at Bermuda.

2. That it was not adopted and signed but "was only noted in the final plenary session of the Conference."

3. That "due to the delicacy of some of the matters discussed herein, and the agreement that this record of conversations should be treated as confidential, it is considered essential that it not find its way into the public press."

SECRECY IRKS SENATORS

Many of the Senators did not see eye to eye with the State Department on the secrecy request. Some of them have been irate over the number of international moves made by Executive agreement without consideration of the treaty-making powers of the Senate.

Senator EREWSTER, in discussing the overall topic, voiced a tribute for Don Cook, of the London Bureau of the New York Herald Tribune. It was a story by Mr. Cook in the issue of April 17 which played a big part in the demand for public airing of the whole situation. Mr. Cook's story quoted the British Foreign Office as saying the TWA-Italy contract upset a secret agreement under which Great Britain and the United States were to have shared in the operation. It carried the headline, "TWA accord with Italy voids Anglo-United States pact—upsets a secret agreement reached at Bermuda to share in air-line rights."

The next day the State Department acknowledged that Britain was protesting the TWA contract on the ground that the BOAC was excluded.

A few days later the State Department reported to the Senate Commerce Committee that TWA had made a "monopolistic" contract which threatened to complicate "the already difficult problems in the Council of Foreign Ministers." The State Department admitted it had known since November 1945 that TWA was trying to negotiate the contract, but said that "the exclusive nature of this contract, in spite of repeated inquiries by the State Department as to its terms, was not known to this Government until February 8, 1946."

SENATORS TO PURSUE INQUIRY

It became known today that some Senators intend to pursue the inquiry along these lines:

The TWA-Italy agreement was signed on February 11.

Since documents submitted to the Commerce Department show that TWA kept the Embassy in Rome continuously aware of its negotiations, why did the State Department not become aware of the nature of the proposed contract before February 8?

Why, if the Department did learn of the nature of the contract on February 8, did it not act within the 3 days between then and February 11 if it objected so strongly?

Why did the Department notify the embassy in Rome on March 25 that it appeared to be within Italy's rights to negotiate a contract with a private company, such as had been done with TWA, provided that such contract provide for participation by others if the Combined Chiefs of Staff so ordered.

One of the answers appears to be that the Italian Government now hesitates to go through with the contract because of possible bad reactions at the foreign ministers' meeting or the peace conference if the British plea for a share is rejected.

Some of the other answers may come out when Senator BREWSTER takes the floor.

Mr. McCARRAN. Mr. President, for many months, in fact, during all the present session of Congress, and before, the Committee on Commerce of the Senate has had before it the matter of air commerce abroad, the air commerce of the world, and the part we should play in that great venture.

If America is to pay off her national debt, if we are to take our place among the nations of the earth in commerce, then America, with the fine advancement she has made up to date, should not lose her place. But, Mr. President, day by day and step by step America is losing her place in the vanguard of the commerce of the world. Today we are losing mail contracts, we are losing passengers, we are losing prestige, because we are divided, one line against another, one company against another, when, as a matter of fact, our great competitor in the air, the British Empire, stands as a unit with the entire British Empire behind one line, one British flag line.

The Committee on Commerce had before it a measure which would create what I choose to term the All-American Flag Line, behind which this Government would place everything it had in the way of power in every direction. The Committee on Commerce failed to report the bill by a vote of 10 to 10. It is again before the Commerce Committee. Hearings are to be held before it commencing on the 20th of this month, and I hope that when the Commerce Committee reaches the point of voting on the All-American Flag Line measure

again we will see to it that America will stand behind American lines; that America will take her place in the front line of commercial activity so that the American people may be proud of the American line that will carry commerce by air with American energy behind it.

The articles I have placed in the RECORD show, Mr. President, that the public is now becoming awakened to the situation to which it has been so long blind.

Mr. BREWSTER. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield.

Mr. BREWSTER. Supplementing what the Senator has said, I wish to say that I had an interesting experience 2 years ago when this matter came up. A representative of a reliable British agency came to me and wanted me to make a statement on the subject. I suggested to him that our merchant marine had been paralyzed in the last two decades by reason of division of opinion here on the subject, and whether or not it was stimulated from outside sources, the result had been the same. I suggested that possibly the same policy might be followed in the air. While he was not an official representative of the British Government, so I do not assume to affix to it governmental responsibility, he suggested that naturally the British would do the best they could to divide and conquer.

The only importance I attach to that is that in the last 2 years, whether or not instigated from inside or outside sources, that is precisely what has been going on. I do not mean to intimate that the distinguished gentlemen who head these various overseas air enterprises engage in anything other than the good old American game of competition, but I do suggest that it operates very much to the advantage of our foreign competitors in the most important field, perhaps, to be developed in the postwar world, since I think without exception every one of them is operating as a complete monopoly. So while Britain had contemplated they would have private participation, the labor government immediately excluded that, and has made available in recent months a total credit of $600,000,000 for the development of British overseas airlines under one control. Against that we have the comparatively puny efforts of American private enterprises, with an investment of much less than $100,000,000 capital available. They have six times that much in the British venture. It indicates, I think, the tremendous importance they attach to the conquest of the air, so that the British flag may be supreme in commercial air service as it has been so long upon the seas.

I in no way challenge their rights or their wisdom, but I say this only so that we may keep definitely in mind the question of the kind of competition we are up against, with which the Senator from Nevada has done so much to familiarize the people of this country.

One item which I left out of the discussion the other day was the device that the British use to keep British travelers from flying American. While anyone can fly any line, under present exchange arrangements an Englishman leaving England is only allowed 100 pounds for all expenditures. That means about $400. The fare to New York under present restrictions is $375. So that if an Englishman should elect to fly on an American line he would arrive in New York with $25 in his pocket to spend in the night clubs, with nothing left to pay his way back home. He would have to swim home. If, however, he should decide to fly British that sum of money is allowed as an extra allowance. He can take with him not only $400 to spend in America and elsewhere, but he may also draw $750 to pay for his round-trip fare on the British line.

Again I do not criticize the British. I think they have a perfect right to do this; indeed, I think they are very smart to do it. But it merely illustrates that we cannot afford to be be simple or naive. I very much hope that the advocacy of the Senator from Nevada for unity in approach by private enterprise to this situation may be very much more seriously considered as time goes on, and that all of these various enterprises may feel the wisdom of uniting their efforts in the interest of America taking the position to which it is rightfully entitled in the airways of the world.

Mr. McCARRAN. Mr. President, I am very grateful to the Senator from Maine for his contribution.

PAYMENT OF BONUS ON WHEAT—PLIGHT OF WHEAT FARMERS

Mr. LANGER. Mr. President in connection with the recent order issued by the Secretary of Agriculture respecting a bonus on wheat delivered before a certain date, I will say that I have received scores and scores of letters of protest from farmers. I have picked out a few which I wish to read to the Senate. One is addressed to me from New Leipzig, N. Dak., under date of April 26, 1946, and is as follows:

NEW LEIPZIG, N. DAK., *April 26, 1946.*

Hon. WILLIAM LANGER,
Washington, D. C.

DEAR MR. LANGER: Allow me to call your attention to the fact that the Government offering a 30-cent premium on wheat, at this time, is not quite fair to some farmers.

In January of this year I received a letter asking me to sell my wheat as it is badly needed to feed Europe. I responded to the Nation's call for food and sold my wheat at that time, but there were many that didn't do that. Now it seems that those who didn't respond at that time are offered 30 cents per bushel and those who answered favorably to the call in January, or rather the beginning of the year, are the losers.

This, I believe, is not fair and I think that the premium should be paid on all wheat delivered after January 1.

No doubt, Mr. LANGER, you have already thought of that, too, because I know you are looking out and doing all you can for your people. So, don't you agree with me on this point and don't you think it would be only fair to pay the 30 cents to all or to none?

Thanks a lot.

I remain,

Yours very truly,

SAM E. ROEHL,
A Grant County Farmer.

I have received another letter from Berthold, N. Dak., under date of April 26, as follows:

BERTHOLD, N. DAK., *April 26, 1946.*

Senator LANGER.

DEAR SIR: I am writing you in regards to the 30-cent bonus on wheat brought in before May 25. Lucky for the farmers that didn't rush to the call to haul in the wheat. What about us that hauled ours in before this bonus came about? Seems being patriotic doesn't pay. This 30-cent bonus would come in mighty handy for me, trying to get a start on the farm and having to buy high-priced second-hand machinery, because a fellow just starting up farming hasn't a chance to get any new equipment. Seems anybody that's been farming for years, and has a good line of machinery, can get new equipment, but not a beginner.

Would appreciate knowing if we earlier birds have a chance of getting the 30-cent bonus, too.

Sincerely yours,

LOUIS CAIN.

I also have a letter from Heaton, N. Dak., under date of April 24, 1946, written to the entire North Dakota delegation, as follows:

HEATON, N. DAK., *April 24, 1946.*

Mr. GLENN TALBOTT,
President, North Dakota Farmers Union.
Hon. CLINTON ANDERSON,
Secretary Agriculture.
Hon. WILLIAM LANGER.
Hon. MILTON R. YOUNG.
Hon. WILLIAM LEMKE.
Hon. CHARLES ROBERTSON.

GENTLEMEN: I am writing you in regard to the recent order of the Secretary of Agriculture giving farmers 30 cents a bushel bonus for wheat delivered from April 21 to May 25. What about us farmers who had to sell our wheat last fall on the open market?

I am a renter and there are no grain-storage facilities on the farm, and there are many hundreds like me in North Dakota. When I threshed last fall there was no elevator storage available so I had to sell my grain the same day I threshed. Now I have to buy seed and pay the extra 30 cents per bushel for my seed, taking a double loss. Do you think this fair? Our grain has been used for feeding the world and now the grain hoarders—men who have been holding their grain off the market are to get an extra 30-cent bonus. Is that fair? I have a section nearly ready to put into wheat and I'll be damned if I'll pay that extra 30 cents per bushel for seed. I'll let it lay idle first.

I think this is about the rawest deal the majority of North Dakota farmers have ever been handed. A good many hundreds like me are about ready to quit. A small percentage of farmers who were fortunate enough to get threshed early and have their own storage get the bonus. I think this is the worst kind of discrimination.

Respectfully yours,

EARL E. JAMES.

Mr. President, I call attention to the fact that when the Government wanted linseed oil in 1943 it promised the farmers of the Northwest $10 an acre if they would seed their land to flax. Thousands of farmers took the Government at its word and seeded their land to flax. Some of them broke up land which they really did not want to break up, but in order to help the Government they broke it up and seeded it to flax; 1943 went by, 1944 went by, and 1945 went by. We are

now in 1946. Although I protested time and time again, up to the present moment the farmers have not received the $10 an acre which was promised them.

In connection with wheat, the next day after the order was made, after I had received several telephone calls from North Dakota, I introduced Senate bill 2118, providing for the payment of a bonus of 30 cents a bushel on wheat produced and sold between January 1, 1945, and April 18, 1946. The farmers in the State of North Dakota—and I assume that the same thing is true of the farmers of Montana and South Dakota—are up in arms over this recent order. One of the men writing to me stated that if the farmers buy seed now they must pay 30 cents a bushel more for it than they would have to pay if this order had not been made. There is no provision in the order that a man who did not have seed and who wished to seed his crop, would not have to pay 30 cents a bushel extra.

I call attention again to the fact that all over the Northwest there has been a serious lack of farm machinery. The county agent in one county, the county of Hettinger, of which Mott is the county seat, testified that in 1943 the farmers of that one county lost approximately $1,000,000 in wheat and flax, because they did not have the farm machinery available with which to take care of their crops. At that very time, in 6 weeks, from July 15 to August 31, through the city of Portal, N. Dak., one little port of entry, 655 rubber-tired combines and 566 rubber-tired tractors were exported to Canada. They were taken through North Dakota, where the farmers needed the machinery so badly, and sent to Canada.

It seems to me that the farmers all over the Northwest have received a pretty miserable deal from the Government. In the last war the prices of farm machinery went up and up and up. After the war was over the prices of farm machinery remained at a high level, and today farm machinery costs more than it ever did before in the history of the United States.

But what happened with respect to wheat? In the last war the farmers were getting $2.26 a bushel at Minneapolis. Instead of the price of wheat going up, when this war started the price was kept practically stationary. Today the farmers are receiving, aside from the bonus, from $1.50 to $1.60, although the prices of everything the farmer must buy have skyrocketed, and in many instances, as the distinguished Senator who is presiding [Mr. MCKELLAR] well knows, today the prices of some of the things he buys are practically doubled.

My bill has been referred to the Committee on Agriculture and Forestry. I am hoping that the Committee on Agriculture and Forestry of the Senate will take prompt action on the bill.

Last Saturday a group of Senators went to see Secretary Clinton Anderson. The group included Senators from Missouri, Oklahoma, South Dakota, and Minnesota. At that time I protested the treatment which the farmers had received. For example, the Government says to us in January, "Europe needs your wheat, and if you are a good, Christian, patriotic farmer, get in your wheat fast." The farmers who believe the Government and want to help the people in Europe bring in their crops and then find that some farmer who did not do so gets 30 cents a bushel more. When the next crop is taken off the ground and the Government comes along with its appeals, I am of the opinion that the farmers are going to do what some of these letters indicate. They will not be so anxious to respond to the call of the Government because of the feeling that within a few weeks or a few months the Government will come along with a bonus of 30 or 40 cents a bushel.

I invite the attention of the Senate to the terrible plight of the farmer in North Dakota with respect to the labor situation. Day after day I receive letters, as I assume most other Senators from farming States do, telling of instances in which the last son has been taken away from the farm home. A man 60, 65, or 70 years of age may have between a half section and a section of land. When he goes to the State selective-service board and asks that his boy be left on the farm for some time to help put in a crop, or possibly to harvest it, the State director says to him, "Your boy can be replaced by a hired man." But when the farmer goes to an employment agency he finds that no hired man is available. So it is simply begging the question, simply an excuse, to say to a farmer who wants his boy at home, and is entitled to have him at home under the Tydings amendment, "We are going to take your boy, because you will be able to get a hired man," when as a matter of fact nearly every farmer in North Dakota knows that it is impossible to get hired help.

I hope that the Committee on Agriculture and Forestry will take prompt action on my bill. I may add that my distinguished colleague from North Dakota [Mr. YOUNG] is in the Chamber. He has just returned from North Dakota, where he has been for about a week. He was not present at the time we had our meeting with the Secretary of Agriculture, but I now yield to him. I believe he will verify my statement.

Mr. YOUNG. Mr. President, I fully agree with the sentiments expressed by the senior Senator from North Dakota. The farmer of North Dakota has believed all along that the price of grain would be based on parity. The farmers responded to the call of the Government to haul their wheat to town to help the starving people of the world. They were doing it as fast as they could with the shortage of help. They are now in the process of planting their crops, and it is utterly impossible to get all the wheat in immediately and still plant their crops with the present shortage of labor.

I have been handling many requests made of citizens of North Dakota to provide wheat to the starving people of Europe as pure gifts, particularly for people of Polish descent. Now the Government comes along with a bonus of 30 cents a bushel. Only about a third of the farmers can take advantage of it. Many patriotic farmers have already disposed of their wheat.

On top of that, Dean Acheson has issued a statement to the effect that wheat should be taken away from the farmers of North Dakota. That is one of the most damnable statements I have ever heard by any official of the United States to a patriotic and generous people. In the first place, it is entirely wrong. Property cannot be taken away from people in that manner. The farmers must keep a part of their wheat for seed. If they do not, and there is a crop failure, many will be faced with feed and seed loans, on which they will be charged 5 percent interest, as has happened in the past. The feeling on the part of the farmers against the British loan is due partly to resentment over the 5 percent interest charged them. At one time two-thirds of the people of my State had feed loans on which they were paying 5 percent interest, and they were buying bonds at the same time which paid 2½ percent interest, and now the United States is making loans to foreign countries at 2 percent interest or less.

Mr. LANGER. I should like to ask my distinguished colleague what the situation is relative to farm help and the drafting of farm boys.

Mr. YOUNG. Experienced help is not available at all. In fact, I own a farm and I have not been able to get an experienced man to help on it. It is not possible to get machinery; it is impossible to get lumber, or most things farmers need so badly to produce food. There is absolutely no lumber at all for dire needs.

Mr. LANGER. I ask my colleague if he knows of a single farmer who has been able to hire a man to help him on his farm after his son has been drafted and he has been told that he can hire help through an employment agency.

Mr. YOUNG. No; it is impossible to obtain farm help. Although farmers need experienced help in connection with the production of food crops, it is impossible to obtain experienced help.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. ELLENDER. Mr. President——

The PRESIDENT pro tempore. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, when the Senate took a recess yesterday afternoon I asked leave to place in the RECORD an excerpt from the statement of Hon. Fred Vinson, Secretary of the Treasury, in relation to the sterling bloc area and the sterling dollar pool area, because previously the Senate had, in my opinion, fully debated the problems involved in respect to those issues. As I have pointed out on several occasions, the purpose of the proposed loan is to replace losses which have been sustained

by the British during and since the war from many of their investments which were made abroad. It will be recalled that, as I pointed out, the imports of Great Britain were largely paid from income derived by the British from investments made abroad and from shipping. There has been such a decrease in the income from those sources that the British find it necessary to obtain money, so the story goes, to offset the loss. This loan will also be used in order to assist those in the sterling bloc area who now are knocking at the doors of the British, trying to obtain some kind of settlement so that they can continue to function.

I further pointed out, Mr. President, that I can see no hope that the money which we propose to advance to the British will sustain their economy. It will react as a mere shot in the arm, as it were; and after the money we advance is spent, there will be a demand for more funds.

Mr. President, in my humble opinion the British will never be able to have with their colonies the business dealings favorable to themselves which prevailed for many years before the war. There has been a vast change in the colonial picture of the British. Efforts are being made today by the British to bring about a better feeling among their colonial possessions, but little success is being attained.

Mr. President, I shall quote from W. E. Duffett, A. R. Hicks, and G. R. Parkin, writing in India Today, a book which was published in 1942. The chapter from which I shall read is entitled "British Policy Toward Industrialization of India." From these few excerpts we are able to note the efforts the British are now making in an endeavor to maintain their colonial possessions, to pacify their subjects, and to try to recoup some of the business lost from their colonies. But Britain is not meeting with much success. As many Senators know, the subject is very controversial, in that many of the leaders in the colonial possessions of Great Britain are making efforts to gain independence; and the moment they do they will be about ready to move forward under their own steam, all of which will mean a greater loss of trade, both export and import, by the British from those sources.

Mr. President, I now read from the book entitled "India Today":

This is a highly controversial subject and it is an essential point in Indian Nationalist creed that British policy in India has been directed toward maintaining British economic interests and that these are directly opposed to what the Nationalists consider true Indian interests.

The argument hinges around such subjects as the contribution of India to British prosperity, the alleged manipulation of Indian exchange rates and tariffs to suit British interests and the effects on Indian industrialization of British participation.

Congress (the Congress Party) contends that the maintenance of the one-shilling and sixpence rate (of rupee-sterling exchange) during 1929–1935 had deflationary effects on the Indian economy and was the cause of a large outflow of gold, whereas a lower rate would have benefited trade and sustained agricultural prices. Congress partly believes that the Government refused to devalue the rupee because a lower rupee would hamper British exports to India and increase the cost in rupees of British remittances from rupees into sterling.

Indian tariff policy has also caused considerable friction between the two countries. Up to about 1922 Indian tariffs were low and for revenue purposes only, but since then there has been a gradual expansion of protection, combined with preferential rates for Empire products. In 1921 the British Government granted fiscal autonomy to India, involving transfer of control over tariff policy to the viceroy and the central legislature. Unfortunately, even when British and Indian interests have coincided, Indian nationalists have been very suspicious of the tariff policy of the Indian Government and hold the view, for instance, that the British retained free trade in India as long as it was in their interests, but when Japanese competition began to threaten Lancashire's textile trade the British imposed high tariffs and imperial preference on India. In particular, new tariffs on textile goods, with special concessions for British goods, introduced in 1930, and the British-India Trade Treaty of 1935 have been bitterly opposed in the Indian Assembly.

There has also been prolonged controversy over the alleged failure of the Government of India to take active steps to promote the growth of industry, and it is sometimes even claimed that the Government has deliberately discouraged certain kinds of industrial development.

I now read from an article entitled "India Important Producer of Allied Supplies," written by Guenther Stein and published in the Christian Science Monitor of April 13, 1943:

Even the most drastic critics of British Government policies agree that if the war continues for a few years Indian industries will be greatly enlarged and should have sufficient momentum to proceed inexorably toward making India one of the world's leading industrial nations, for which it is admirably fitted, having a great variety of minerals and other raw materials, a good transport system, and masses of cheap labor.

Among new developments cited is "the completion within 2 years of a modern factory, now providing complicated alloy steels not previously manufactured in India, and other new plants initiating the production of the most up-to-date war equipment. A new plant is now producing India's first aluminum." * * * "India is at present making more than 20,000 items required for the war." In addition to this, production of old established lines has steadily increased.

India's harbors and railways have also been improved.

Mr. President, I have read these excerpts to show that the conditions in India are changing to such an extent that insofar as industry is concerned, Great Britain will no longer be able to control the exports from and the imports to India as she has been doing in the past. India will soon assume an industrial stride of her own, and that condition is bound to decrease, to a large extent, Britain's revenue, and that in turn will be reflected in her ability to repay this loan.

I now quote from an article in the Indian Textile Journal for March 1943, entitled "Some Postwar Problems of the Indian Cotton Textile Industry," by a writer named Sastri:

At the time of the declaration of the last war, the principle of free trade was accepted by most nations. Since the depression that principle has given way to economic nationalism. Another unfavorable factor is the growth of monopolistic bodies to regulate trade, for instance, the United Kingdom Commercial Corporation, which is working actively in the Middle East, in East Africa, and Ceylon, trying to restrict the number of textile concerns in those countries.

Mr. President, for some time the British have been making every effort to prevent the development of textile industries in India and in other countries of southern Asia, but she has been gradually failing in her efforts, and consequently many of the textile mills in Great Britain will not continue to have the large markets which they have had in the past.

Let us see what India has been attempting to do in Burma in an effort to expand her trade. In that colony Great Britain is meeting with strenuous opposition, and there is no doubt in my mind that she is bound to lose a great deal of her export trade to Burma, which, as well as India, is developing industrial plants and enlarging them. Burma is making many commodities which are sold in what were formerly British markets. Not only that, Mr. President, but she is developing those industries for her own use and, necessarily, that is bound eventually to encroach upon the former trade of Great Britain.

I quote from an article entitled "The Future of Burma," by J. H. Furnivall:

"Blueprint for Burma," a report prepared by Members of Parliament and recommended by the chairman of the Conservative Imperial Affairs Committee, summarizes Burmese problems, states a possible future policy, and makes proposals for defense, and for the political and economic development of Burma.

The background: Today the people of Burma have an intense desire to control their own affairs. In the past, although economic development has been rapid, industry has been controlled by British interests, commerce by British, Indian and Chinese interests, and the labor force has been Indian, for the most part. Half the population of the country has been reduced from landowners to tenants and the other half burdened with a debt averaging £15 per family. In 1939–40, Burmese exports amounted to double the imports, and of the latter, a large share were for non-Burmans. Social welfare was neglected for economic advancement, and unhealthy conditions developed, such as social disorganizations, decay of national religion and education, growth of crime, and corruption in administration.

Objective: The Imperial Government has pledged that Burma will have dominion status, i. e., self-government, and that separation from India shall not hinder its constitutional development. However, the committee's report makes self-government subject to certain reservations, providing for protection of British and Indian capital and enterprise. Until she can control economic development to national advantage, Burma will need help. Unless social and economic conditions allow of independence, forms of self-government are futile. Great Britain should be best able to help Burma, but few Burmans realize they need outside assistance. Effective proposals for reconstruction must be sound and must have the confidence of the Burmese, and the blueprint proposals fail in this respect.

Proposals for defense: The committee recommends the creation of a national army made up of Burmans but provided with British advice and assistance.

Economic proposals: (1) Industry and commerce. The committee recommends that former firms be rehabilitated in order to resume their activities under controls that will protect Burmese nationalism, also that a systematic plan be adopted for training Burmans in industrials and commercial life. Since the primary aim of either British rule or national government is to make Burma capable of independence, all foreign enterprise which promotes such a policy should be encouraged. British and Indian capital should have no privileges.

I quote on the same subject from Britain's New Colonial Empire, by Ronald Stuart Kain, published in the Yale Law Review:

Developments accompanying the fall of Singapore demonstrated that the progress made by Great Britain in colonial reform had not been sufficient to maintain the loyalty of many dependent peoples in time of an emergency. British self-examination of its colonial system revealed certain fundamental defects: Britain has moved too slowly and reluctantly in the direction of colonial self-government; not enough has been done to develop the economic resources of the colonies, and to raise the standard of living of the populations; the influx of white settlers has raised political and economic barriers to native development, and has created racial discrimination; the color bar has remained an obstacle to the development of a working partnership between the mother country and the colonial peoples; many educated natives object to the British policy of indirect rule, since it serves to perpetuate primitive institutions and preserve the autocratic power of the chiefs.

The British Government is now undertaking to build a new imperial structure, with the guiding principle of administration of the colonies for the benefit of their own peoples, and with dominion status as the goal. As a first step, the British Government has undertaken to prepare the colonies for self-rule at a greatly increased tempo. Native aptitudes are being developed in business and politics. Educational progress and economic development are considered necessary for the program. The Colonial Development Fund supports projects designed to provide the basis for long-range social and economic development. A colonial research committee is planning comprehensive application of science, technology, and administrative skill to the problems of expanding and diversifying colonial production. The Colonial Office is sending out trade-unionists and experts from the Ministry of Labor to assist the various colonies.

Various measures are being considered for the reorganization of the colonial service, establishment of better liaison between Parliament and the colonies, and the enlistment of the cooperation of the United States and other interested powers in supervising the backward and dependent areas on a regional basis. Permanent grouping of adjacent British colonies is considered as a step toward more efficient administration and defense. Participation of the French, Dutch, Belgian, and other interested governments in a scheme of regional councils or commissions could be the logical outgrowth of the close military and economic ties now existing among the United Nations.

Objections have been raised that the program is not rapid enough, but Britain's attitude is conditioned by the feeling of responsibility for the colonies, her dependence and need of them, and her colonial pride. She has therefore rejected proposals for the administration of her colonies by an international agency.

The rapid industrialization of the dominions partially accounts for their current interest in lower tariffs and the development of backward areas through international loans and large-scale investments. Their need for immigration should be selectively used for economic as well as social reasons. The dominions are well aware of the necessity of raising standards of living throughout the world if they are to live in security and peace. Though the dominions remain small nations, inevitably affected by the decisions of great powers, their resources in men and materials will enable them to play as large a postwar role as that which they have played in the winning of the war.

Mr. President, I have read these extracts to illustrate the present British policy toward her colonies, to indicate the difficulty she faces, and to show that sooner or later these colonial possessions will be no longer under the control of a small group of Britishers in London, but, like Canada, Australia, New Zealand, South Africa, and other colonies, will make every effort to strive for themselves, to get away, as it were, from the British domination and become more independent in their own development and the development of their trade with other nations.

Now, Mr. President, I desire to discuss briefly the terms of the so-called loan which really should be termed a gift. The rate of interest is 2 percent, and payment thereof is not to start until 1951. In other words, should the British draw this entire sum of money within a week after Congress gives its approval, which could be done, the borrowers would have the use of that huge sum until 1951, without the necessity of paying 1 cent of interest.

The loan is to be repaid in 50 installments, beginning in 1951, with, as I said, a rate of interest of 2 percent from that year; but, under certain conditions, the interest can be forgiven. It is written in the agreement that unless the British trade aggregates a sum equal to or in excess of her trade during the 5-year period from 1935 to 1939—and a period covering other years may be fixed—the interest must be forgiven.

As was brought out by the distinguished Senator from Ohio [Mr. TAFT] in his address of a few days ago, although before the war British trade aggregated in the neighborhood of between five and six billion dollars at the most, it would be necessary that her trade increase to as much as $7,000,000,000, for the reason that the trade must not only be considered by volume but also consideration must be given to the increased cost of producing it; and it is not very difficult for one to realize that, because of the fact, as I stated yesterday and this morning, that the British are very much hampered in their dealings with their former customers, they cannot expect to reach the prewar goal. Therefore, I contend that the provision for the payment of interest might as well be eliminated. I expect no interest to ever be paid.

Mr. President, how in the name of common sense can we expect repayment of this loan of $3,750,000,000 when a loan of $4,200,000,000 that was made during World War I has not been completely repaid to us? When that loan was made Britain was in a far better position in every respect than she is now. She enjoyed better relations with her own colonies. Her colonial possessions had not at that time reached the industrial development they have since attained. Her debt then was about $30,000,000,000, in contrast with a debt of almost $100,000,000,000 at the present. The service charge she must now provide in order to discharge her debts, aggregating $100,000,000,000 will be almost three times what it was before the war, since her debt is now over three times greater.

As I indicated yesterday, England depends for her sustenance largely on revenue she obtains from shipping. Before the war she had 22,000,000 tons in operation, as I recall the figures. Today the amount has been reduced to 15,000,000 tons. That on the face of it is bound to curtail her revenues in that enterprise, which are so essential to enable her to meet her obligations. The revenue from other investments have been reduced considerably from what they were before the war, and I repeat, with such a staggering debt as is now owed by Great Britain, she cannot hope to pay back this loan; and that is why I term it a gift.

Mr. President, I have tried to evaluate the benefits which would flow to the United States from making this loan, and I am unable to find any. I cannot believe that the British will be able to maintain the various blocs Britain has created, and which were discussed yesterday on the Senate floor at length. The peoples of the sterling and other restricted areas are going to need help, and if they cannot get it from Great Britain, they are going to trade somewhere else. I am confident that we will get our share of it without having to try to bail out Great Britain.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Does the Senator from Louisiana yield to the Senator from Colorado?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. Not only is what the Senator says true, but these blocked credits are not even good in England at the present time. They cannot be traded with any country. They are in the form of claims, and are deposited in the bank, but they are blocked. They are blocked from the commerce of the world, they are blocked from the commerce of Great Britain. Of course, the bankers of Great Britain know they cannot operate a bank on that kind of a basis, and that they have to free those claims or repudiate them, one or the other. As a matter of fact, the blocking is a repudiation of them.

Mr. ELLENDER. The Senator is well versed on that subject, and I should like to have him elaborate a little on one feature of the situation. The various countries in the sterling area will be forced to trade with Great Britain—so the story goes—because Britain is in their debt. Since Great Britain needs money with which to function—that is, with which to buy raw materials—how can those countries which have credits with Great Britain which are frozen expect to get goods from Great Britain unless they pay some actual money or trade in some way by barter? Certainly, the money

that is frozen in the bank cannot be used in paying for goods they might need from Great Britain. The point I wish to emphasize is that since Great Britain needs the cash to pay for her imports she will not be in a position to pay her debts by delivering goods to her creditors.

Mr. JOHNSON of Colorado. Of course that is true. The first thing that will have to be done will be that Great Britain will have to unlock those claims. She will have to make those claims worth something, and at the present time they are practically worthless. They are simply locked up, and blocked, and cannot be used for any commercial purpose whatsoever.

This is the whole plan: Out of our loan Britain expects to finance the importation of raw materials, and she expects to manufacture those raw materials into goods which she can ship to the nations to whom she is indebted, and thus satisfy them. Of course, so long as we keep supplying her with raw materials on a loan basis, or a gift basis, or any other basis, she perhaps can quiet those in the sterling area who have claims deposited in the Bank of England, because they cannot collect anything on those claims unless they take them out in goods, and that creates a tremendous demand for British goods.

Mr. ELLENDER. But in order that Great Britain may be able to keep going without further aid, she will have to get paid for all those goods. Otherwise, she will go into bankruptcy. Is not that true?

Mr. JOHNSON of Colorado. Certainly. Even though we furnish the raw materials free, at the other end of the line, if she turns over the finished goods in payment of debts, what profit does that leave Britain? That is why I contend that this loan is not sufficient in size to do the job it is expected to do. Three billion seven hundred and fifty million dollars is a good deal of money, but we expect it to free $14,000,000,000 worth of claims, and it cannot do it, because between our raw materials and the finished products the people of England have to support an expensive military, they have to take care of a social problem that is tremendous, they have to make their own living.

Mr. ELLENDER. And, as I just indicated, they have to service a much larger debt.

Mr. JOHNSON of Colorado. That is correct; they have to service a much larger debt, and they have to do all that out of the raw materials we furnish them free, and which they have to turn over to their creditors without receiving anything in payment.

Mr. President, it is an impossible situation, and of course that is the basis of the opposition to the whole plan in Parliament. The Tory Party refused to vote on the loan. They said, "We are not going to assume any obligations," because of course they know it is an impossible thing, that it is not sound economically, that it cannot possibly work out; yet we are going along encouraging that kind of unsound economics.

Mr. ELLENDER. Mr. President, I thank the Senator from Colorado for his contribution. I know he has studied the problem very closely. I am glad that he is in agreement with me in believing that if we advance to the British this $3,750,000,000 we will merely satisfy their economy for a few years. I am sure the British will come back and ask for more later.

Mr. JOHNSON of Colorado. It is necessary to satisfy their economy and to satisfy their creditors as well, and $3,750,000,000 simply is not enough money to satisfy their economy, let alone satisfy their creditors.

Mr. ELLENDER. What does the Senator think those creditors will do if the British cannot supply them with goods?

Mr. JOHNSON of Colorado. They will have to have goods, and must seek them and buy them in the markets of the world, and if we have the goods, and they need the goods, they will have to buy them from us. And if we buy their goods from them with our dollars they will have to use the same dollars to come here and buy our goods, regardless of any blocked sterling or sterling area or any other bloc or treaties they may make or preference in trading they may agree to with Great Britain or with anyone else. Their needs and the dollars they have to supply those needs are going to be the determining factors, and not a silly bloc established by England, which functioned very well during the war. They never applied it previous to the war. The blocked sterling occurred only after the war, when services and goods disappeared in all the markets of the world, and Britain could handle it as a war measure. But the war is over now, and the merchants and the bankers of England have been very frank in stating that they cannot continue that sort of policy. They know it cannot be continued. So we are simply bailing them out of an impossible situation, or pretending that we are bailing them out, for the fact of the matter is that we are not bailing them out.

Mr. ELLENDER. We are simply aggravating and prolonging the situation which now exists.

Mr. JOHNSON of Colorado. We are merely alleviating it temporarily.

Mr. ELLENDER. Mr. President, I am glad to have the opinion of my good friend the Senator from Colorado. I know that what he has stated is correct.

I believe the subject was very well covered yesterday during the debate, and I was very glad to yield to many of my colleagues who do not happen to be present now, but who were most interested in the debate which took place yesterday. I firmly believe that if this debate can continue for a little while longer, and if the press of the Nation and the radio will give to the American people a true picture of the situation, there will not be a chance for the loan to be authorized. I do not believe that Congress will then adopt the pending measure.

Mr. President, as I pointed out yesterday, I think it is a mistake for us to veer away, as it were, from the plans which were advanced by the State Department and by the Treasury and by the President as the best methods to cure evils which would arise and exist as an aftermath of the war. One of these plans that was supposed to be a cure-all was incorporated in the Bretton Woods agreements. As I suggested yesterday, few, if any, Senators had any inkling that, aside from the commitments which our country made in the Bretton Woods agreements, we were to advance to England, or to any other country on the side, any funds whatsoever. As was stated on the floor yesterday, there was some discussion of an alternate plan to the Bretton Woods proposals, that is, to make direct gifts to certain countries in order to relieve their economic situations. But at no time was it ever stated that in addition to the Bretton Woods agreements, wherein we obligated ourselves to put up about $6,000,000,000, we were to further give aid to any other nation along the lines suggested in the proposed agreement with Great Britain.

Aside from the Bretton Woods proposals, there were several other plans evolved, one of which was the expansion of the Export-Import Bank's ability to loan to various nations and corporations therein located. But such loans were to be made in a stipulated way, that is, they were to be made with foreign nations in order to develop our foreign trade. The loans were to be secured.

Mr. President, I have before me a pamphlet entitled "Bretton Woods Proposals," issued by the United States Treasury. I also have the message of the President to Congress relating to the Bretton Woods proposals, issued by the United States Treasury. I challenge any Senator to read in either of those documents any statement or reference to the effect that our Government contemplated any loan such as that which we are now asked to make to Great Britain.

It will be recalled that the Bretton Woods proposals contained two methods of dealing with the postwar economic situation. One was the creation of a fund which would be utilized to stabilize the value of all currencies of all nations in terms of each other, and the second the creation of an international bank with the power to lend money to various nations that were in need of it and was to be used to rehabilitate themselves.

Under the Bretton Woods proposals the fund was supposed to do the very thing that is now sought to be done for Great Britain, according to the statement made by proponents of this loan. This is what the Treasury said in regard to the first proposal of Bretton Woods, that is, what the fund would do:

> The fundamental purpose of the International Monetary Fund is to promote the balanced growth of international trade. It will do this in three ways. First, it will stabilize the value of all currencies in terms of each other.

Remember when these proposals were made, Great Britain's financial experts were present and participated in the preparation of all these plans.

> Second, it will progressively remove barriers against making payments across boundary lines.

That was the purpose. So it is the purpose of the proposed loan.

> Third, it will provide a supplementary source of foreign exchange to which a member country may apply for the assistance necessary to enable it to maintain stable and

unrestricted exchange relationships with other members.

That was the purpose of the fund. Yet today we are told that aside from that, the American people must dig down deep in their jeans and furnish the British with $3,750,000,000.

During much of the period since the First World War unstable exchange rates have seriously interfered with trade and the settlement of international balances. People who buy or sell abroad need to know today what their money will be worth tomorrow, and a year hence, in terms of their own currency.

Restrictions on payments, which have in the past been among the most serious obstacles in the way of international trade, take a number of forms. In some countries, importers are not permitted to purchase the dollars or pounds required to buy goods in the United States or England. In other countries, of which Germany before the war was an example, foreign trade was disrupted by the use of so-called multiple currencies. Germany also relied heavily on barter arrangements: "We will buy your coffee if you will accept our machine tools in payment." Barter is at the opposite end of the scale from freedom in international trade.

During the war, many new restrictions have been devised and employed for reasons of military necessity.

I presume that the dollar pool was one of them. The Bretton Woods proposals were designed to cure some of the evils which resulted from methods resorted to under the exigencies of a cruel war.

Unless uniform standards can now be developed and generally adopted, the entire jungle of controls may be extended and intensified in the postwar period. We in the United States believe that the greatest possible freedom should be given to our own businessmen engaged in international trade.

I am for that.

But we know that this freedom will be meaningless unless other countries create an equal measure of freedom to their businessmen.

How was that to be accomplished? I refer to a table on page 6 of a publication issued by the Board of Governors of the Federal Reserve System, containing the Bretton Woods agreements. In order to accomplish what I have just been reading about, the fund was to consist of $8,800,000,000, of which the United States was to put up $2,750,000,000, in order to unfreeze some of the frozen assets referred to by the Senator from Colorado [Mr. JOHNSON] a while ago, which assets are now tied up in the Bank of England and cannot be used. That was the reason why the fund proposal was advocated by our late President Roosevelt.

The statement from which I have been quoting says that the exchange rate must be stable. Of course, that is what I am for. That is the only basis on which we can trade with foreign countries. If we spend a dollar in France for so many francs, we want the number of francs representing that dollar to be the same for some time. We want to steady the currencies. We want to stabilize the franc in terms of the dollar. We want to stabilize the rupee in terms of the dollar. In fact, the currencies of every nation on earth should be stabilized so that we may have reliable commercial dealings and relationships.

As I have stated, this proposal was advanced in order to correct those evils. But now we are being asked, aside from that, to put up almost as much money for the use of one nation as we were asked to put up as our share to create the International Bank for the use of all. In my judgment if it had been made known to Senators that, aside from what we obligated ourselves to furnish for the International Bank, it would be proposed to advance this sum to Great Britain, it is doubtful whether the Bretton Woods agreements would have been approved by the Senate.

Mr. McFARLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Does the Senator from Louisiana yield to the Senator from Arizona?

Mr. ELLENDER. I yield for a question.

Mr. McFARLAND. If we were to place the $3,750,000,000 in the International Bank, in addition to what we have already contributed, could not the Bank operate the whole show?

Mr. ELLENDER. That was an alternative proposal. It was suggested by the opponents of Bretton Woods that the United States might be better off if it were to lend money to Great Britain or other countries in dire circumstances, rather than to create the machinery provided for in the Bretton Woods proposals.

Mr. McFARLAND. I supported the Fund and the Bank.

Mr. ELLENDER. So did I.

Mr. McFARLAND. I felt that such an arrangement was a good thing, and I still feel that it was a good thing, but personally I feel that if we are to lend money we should get something out of it. The only way we shall ever get anything out of it is to have some kind of a settlement with respect to money which we loan; and we have not done so in the past so far as Great Britain is concerned.

Mr. ELLENDER. We have always been most liberal whenever the hat was passed in an effort to obtain funds to aid an untoward situation. The UNRRA plan is most worthy. As I recall, we put up almost 70 percent of the entire fund which UNRRA is using. I am not objecting to that. But the point is that many nations are leaning on America. They believe that here money grows on trees; and they will keep coming in quest of the fruit so long as we exhibit too much liberality as to any particular nation.

Mr. McFARLAND. So far as I am concerned, I wish to be liberal; but I think the time has come when the United States must do business on a business basis. We must let Great Britain and the world know that when we lend money we expect a settlement. That is the reason why I have offered the amendment which I have offered. Regardless of what we get out of it, we must have a settlement upon past indebtedness. If we do not, what will happen? The borrowers will expect to pay us in the same way they have paid us in the past. I ask the Senator if he does not believe that every other nation will expect to pay us in the same way.

Mr. ELLENDER. As I stated yesterday, whatever we do for Great Britain must be done for other nations seeking to obtain the same terms on a loan, we must treat them all alike. I think it would be a mistake not to do so. If we make this loan of $3,750,000,000, instead of some of the other nations trying to obtain money from us through the Export-Import Bank, they will come with hat in hand and say, "You loaned Great Britain so much. Why can you not loan money to us on similar terms?" What would happen to the diplomatic relations between us and Russia today if Russia were to ask for a loan of as much as $3,000,000,000 and we should refuse to let her have it? Russia, one of our allies in the war, did as much, if not more, than Great Britain did in helping to win the war. She suffered a great deal more in almost every respect. It would be rather difficult for the United States to say "No" to Russia and "Yes" to Great Britain, in response to requests by them for loans. Today the relationship between the United States and Russia is rather strained. I think the Russians are a little skeptical of us. They do not have implicit confidence in us. Why? It is because they fear that we are leaning too much toward Great Britain and are trying to make a combination with Great Britain for ulterior purposes. In short, Russia does not trust the British and since they think we are teaming up with the British, they are beginning to distrust us.

So I do not believe we should do anything now to widen the breach. I believe it is incumbent upon the United States to take world leadership and treat all nations alike under like circumstances; and I believe that we shall go forward much better as a leader if we follow that policy, rather than take sides with one nation or a combination of some nations.

Mr. President, I now read a little further from the document coming from the Treasury. I do so simply to show what was the plan to cure all the postwar evils:

The fund proposal provides for stabilizing the value of world currencies. This is a subject that concerns every trading nation, the United States more than most. When an American sells abroad, he wants to be assured that the buyer's currency will have a constant value in terms of dollars. The reason is obvious. If, for example, he receives payment in Mexican pesos, the rate of exchange will determine the number of dollars he finally receives for a sale in Mexico. Even though the terms of the sale call for payment in dollars, which is not unlikely, the exporter will still be concerned with the stability of the peso, since a fluctuation in the dollar-peso exchange rate will alter the cost to the Mexican buyer. Specifically, any depreciation of Mexican currency raises the peso cost, possibly to a point where the Mexican can no longer afford the purchase.

An American exporter, oddly enough, may be equally concerned with currency stability in other countries, Holland, for example, in which he neither sells nor expects to sell. This interest arises from the fact that producers in Holland compete for the same Mexican market, and depreciation of the guilder would give the exporter in that country an edge over the American who, on the basis of efficiency in production and quality of product, might be able to hold his own in any market.

Under the fund proposal, no member may resort to exchange depreciation simply to gain a competitive advantage in world markets.

The reference is to the Bretton Woods agreement in which Great Britain participated, and which she helped to write.

I read further:

The proposal recognizes, however, that under certain conditions it may be necessary to change the value of a currency. For example, prices in a given country may remain relatively high while world prices generally decline. If so, the country's exports will drop off and its imports, over the short run, will tend to increase. This situation may be corrected by a downward adjustment of the exchange rate which, however, under the fund proposal will have to be requested by the country in question and approved by other members of the world trading community.

Again that is something which the British representatives agreed upon. Yet they say they are not ready at the moment to subscribe to this Fund; they say they do not have the money.

I read further:

EXCHANGE TRANSACTIONS MUST BE FREE

Among the more important provisions of the Fund proposal are those relating to the member's obligation to allow businessmen maximum freedom to conduct current transactions across boundary lines. This means more than simply allowing an Englishman who buys in America to pay the exporter in English pounds sterling. Since the American exporter cannot use pounds sterling to pay wages or buy raw materials in the United States, he must be assured that he can at any time readily convert a sterling balance in a London bank to dollar balances in his own bank. The problem is reversed in certain respects if it is agreed that the Englishman will pay in dollars. In that case, he should be able to buy a dollar draft on an American bank with an ordinary check drawn in terms of pounds, shillings, and pence against a London bank.

So long as the financial transaction grows out of current business, the Fund proposal provides that a member country shall impose no restrictions either on the acquisition of foreign exchange or on the conversion of foreign balances into domestic currency.

The Senate can readily see that if a plan of this nature were put into effect immediately, many of our postwar troubles would be solved. I am sure that is why these two proposals received the approval of the Senate. The Senate did so because of the good which would accrue from them; that action was taken in an effort to cure the evils which developed during the war and following it.

Let me refer now to the International Bank. I wish to repeat that this little brochure was prepared by the Treasury; and I challenge any Senator, especially my good friend the Senator from Arkansas [Mr. FULBRIGHT], who took issue with me yesterday, to point to one solitary word or sentence in this brochure which would in anywise even intimate that we were to advance funds other than those we agreed to subscribe to under this plan.

Mr. President, before referring to the International Bank for Reconstruction and Development, let me read one more paragraph about the fund plan:

COOPERATION VERSUS ISOLATION

The essence of the proposed International Monetary Fund is that it would substitute order and stability for the dog-eat-dog attitude that has in the past characterized international currency practices. Order and stability in exchange policies are objectives that can be attained not by a single country working alone but only by the united action of all of the 44 countries represented at Bretton Woods. Upon the attainment of these objectives hinges the realization of the ultimate goals of national policy—high levels of employment, rising standards of living, and economic development. In the shrunken world of tomorrow, prosperity, like political security, lies not in isolation but in cooperation and mutual understanding.

All of which would be brought about by this plan which was so strongly advocated as being a cure for an economically sick world.

Mr. President, the second proposal created an International Bank for Reconstruction and Development. Let us see, according to the Treasury Department, what the bank would do:

The International Bank for Reconstruction and Development, like the International Monetary Fund, recognizes the need for world-wide cooperation in monetary and financial matters. Both aim at a balanced growth of trade as a means of achieving high levels of employment and rising standards of living. Each, however, will have its own separate function. The fund will be concerned with orderly, stable exchange rates and freedom in exchange transactions. The bank will be concerned with long-range protective international investment.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. LANGER. Has it occurred to the Senator that a sum equivalent to the proposed loan to Great Britain of $3,750,000,000 might be used for the purpose of constructing hospitals, for example, in this country? In that connection, I should like to ask the Senator what was the cost of the free hospital in Louisiana?

Mr. ELLENDER. Does the Senator mean that the money which it is proposed to loan to Great Britain could be used in this country for such a purpose?

Mr. LANGER. Yes.

Mr. ELLENDER. Oh, certainly; if we have any money to spare we could use it in no better way than by spending it in this country for building and operating hospitals and clinics to assist in maintaining a healthy Nation.

Mr. LANGER. I particularly wish to inquire about the hospital in Louisiana known as the Memorial Free Hospital, or some similar name.

Mr. ELLENDER. In Louisiana we have an institution which was organized more than 100 years ago by the Sisters of Charity. While I was a member of the State Legislature of Louisiana, that body appropriated certain funds which, together with funds received by the State from Washington, were used in building one of the most modern hospitals in the country. It has a capacity of approximately 3,600 beds. It is operated by the State of Louisiana, and in that hospital all persons in the State who are unable to pay for regular treatment may obtain treatment at no charge to them. In the hospital patients are treated for virtually all classes of diseases. The doctors connected with the hospital will perform any kind of an operation which is needed by any citizen of our State who is unable to pay for surgical and hospital facilities.

In answer to the Senator's question as to whether we could spend as much as $3,750,000,000, or any part thereof, in constructing similar hospitals in other parts of the Nation, of course, by answer is emphatically "Yes." We could easily do so, and I am very hopeful that, irrespective of whether this loan is made or not made, we will continue a program along the lines suggested in a bill, sponsored by the Senator from Alabama [Mr. HILL] and former Senator Burton which was passed by the Senate about 2 months ago.

Mr. LANGER. I understand that any citizen of Louisiana who is in need of medical attention may be taken care of by the State of Louisiana free of charge.

Mr. ELLENDER. The Senator is correct.

Mr. LANGER. And the hospital to which the Senator has referred has a capacity of 3,600 free beds?

Mr. ELLENDER. Yes. That hospital is located in the city of New Orleans. We now have a similar hospital in Shreveport with a capacity of 1,000 beds. It is modern in every respect. That hospital also is maintained by the State, and takes care of the indigent free of charge. We have another hospital at Lafayette, La., with a capacity of 350 beds, another one in Pineville, another one in Independence, and another one in Monroe. Those hospitals were constructed and are maintained in order to take care of the medical and surgical requirements of the people of the State of Louisiana who are unable to pay for such attention.

Mr. LANGER. And people are taken care of regardless of race or color?

Mr. ELLENDER. Absolutely. The records will show that although the population of colored people in the city of New Orleans is 38 percent of the whole, the number of colored persons who are treated in the charity hospital in that city aggregates 42 percent or 43 percent of the entire number of persons who are treated in the hospital. That fact in itself shows that the colored people in that section of the State receive more free treatment, according to their population, than do the whites.

Mr. LANGER. How is the basis of treatment determined? Is there a board which has jurisdiction over the matter?

Mr. ELLENDER. The patient who is to be treated must obtain a certificate from a doctor stating that he needs hospitalization, and that he is unable to pay for it.

Mr. LANGER. Are the doctors paid by the year?

Mr. ELLENDER. No. The doctor who regularly prescribes for the patient may do the treating. For example, a patient may go to a family physician for treatment of a particular ailment. He may be able to pay $2 or $3 for the visit. The doctor may conclude that the patient must undergo an operation. If the circumstances are such that the patient is unable to pay for the operation, the doctor merely certifies accordingly.

The certificate is sent to the hospital and the patient is taken care of in the hospital free of charge. The expenses not only in connection with the operation itself, but in connection with nursing and other clinical expenses, are taken care of free of charge to the patient.

Mr. LANGER. And the patient may select a doctor of his own choosing, whether colored or otherwise?

Mr. ELLENDER. No. The hospital is staffed by white doctors. The hospital has a board of supervisors and a superintendent. The superintendent is generally a physician. Many physicians are paid on a salary basis to carry on the work of the hospital. There are also a number of practitioners in the city of New Orleans who give their services free to the hospital, for example, a doctor who specializes in gynecology, or another doctor who specializes in urology. Such doctors will be assigned a certain number of beds wherein patients requiring their specialty may be cared for free of charge. There are also a great many internes who work in the hospital, having been graduated from the two great medical centers located on the hospital grounds. One of them is operated by Tulane University and the other by the Louisiana State University. In other words both of those great medical schools graduate a number of doctors yearly, and many of them serve as interns at the hospital.

Mr. President, I do not mind answering the questions propounded by my distinguished friend from North Dakota, but I believe we are traveling afar from the subject matter at issue. I hope that I may be permitted to continue my remarks at some time in the near future. The hour of 2 o'clock is at hand and I understand that we are to consider under a special order the conference report on the airport bill.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Harlan Fiske Stone, Chief Justice of the United States.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON of Missouri, Mr. LUDLOW, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. KERR, Mr. TABER, Mr. WIGGLESWORTH, and Mr. DIRKSEN were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON of Missouri, Mr. LUDLOW, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. KERR, Mr. TABER, Mr. WIGGLESWORTH, and Mr. DIRKSEN were appointed managers on the part of the House at the conference.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 333) to provide for the reappointment of Dr. Vannevar Bush as citizen regent of the Board of Regents of the Smithsonian Institution, and it was signed by the President pro tempore.

AIRPORT DEVELOPMENT—CONFERENCE REPORT

The PRESIDENT pro tempore. The hour of 2 o'clock having arrived, under the unanimous consent agreement the Senate will proceed to the consideration of the conference report on the bill (S. 2) to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	O'Daniel
Austin	Hawkes	O'Mahoney
Ball	Hayden	Pepper
Bankhead	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Brewster	Hoey	Revercomb
Bridges	Huffman	Robertson
Briggs	Johnson, Colo.	Russell
Brooks	Johnston, S. C.	Saltonstall
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capehart	Lucas	Taft
Capper	McCarran	Taylor
Carville	McClellan	Thomas, Okla.
Cordon	McFarland	Thomas, Utah
Donnell	McKellar	Tunnell
Downey	McMahon	Tydings
Eastland	Magnuson	Wagner
Ellender	Maybank	Walsh
Ferguson	Mead	Wheeler
Fulbright	Millikin	Wherry
Gerry	Mitchell	Wiley
Green	Moore	Wilson
Guffey	Morse	Young
Gurney	Murdock	
Hart	Murray	

The PRESIDENT pro tempore. Eighty-two Senators having answered to their names, a quorum is present.

Mr. McCARRAN. Mr. President, I submit the conference report on Senate bill No. 2, known as the airport bill.

The PRESIDENT pro tempore. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2) to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'Federal Airport Act.'

"PROVISIONS OF GENERAL APPLICATION

"Definitions

"SEC. 2. (a) As used in this Act—

"(1) 'Administrator' means the Administrator of Civil Aeronautics.

"(2) 'Airport' means any area of land or water which is used, or intended for use, for the landing and take-off of aircraft, and any appurtenant areas which are used, or intended for use, for airport buildings or other airport facilities or rights-of-way, together with all airport buildings and facilities located thereon.

"(3) 'Airport development' means (A) any work involved in constructing, improving, or repairing a public airport or portion thereof, including the construction, alteration, and repair of airport administrative buildings and the removal, lowering, relocation, and marking and lighting of airport hazards, and (B) any acquisition of land or of any interest therein, or of any easement through or other interest in air space, which is necessary to permit any such work or to remove or mitigate, or prevent or limit the establishment of, airport hazards; but such term does not include the construction, alteration, or repair of airport hangars.

"(4) 'Airport hazard' means any structure or object of natural growth located on or in the vicinity of a public airport, or any use of land near such airport, which obstructs the air space required for the flight of aircraft in landing or taking off at such airport or is otherwise hazardous to such landing or taking off of aircraft.

"(5) 'Project' means a project for the accomplishment of airport development with respect to a particular airport.

"(6) 'Project costs' means any costs involved in accomplishing a project under this Act, including those of making field surveys, preparation of plans and specifications, supervision and inspection of construction work, procurement of the accomplishment of such work by contract, and acquisition of land or interests therein or easements through or other interests in air space, and also including administrative and other incidental costs incurred specifically in connection with the accomplishment of a project, and which would not have been incurred otherwise.

"(7) 'Public agency' means the United States Government or an agency thereof; a State, the Territory of Alaska, the Territory of Hawaii, or Puerto Rico, or an agency of any of them; a municipality or other political subdivision; or a tax-supported organization.

"(8) 'Public airport' means any airport which is used or to be used for public purposes, under the control of a public agency, the landing area of which is publicly owned.

"(9) 'Sponsor' means any public agency which, either individually or jointly with one or more other public agencies, submits to the Administrator, in accordance with this Act, an application for a grant of funds for airport development.

"(10) 'United States share' means that portion of the project costs of approved projects under this Act which is to be paid from appropriations made under authority of this Act.

"(11) 'Military and naval aircraft' means aircraft owned and operated by the United States Army, the United States Navy, the United States Coast Guard, or the United States Marine Corps.

"(12) 'State' means a State of the United States or the District of Columbia.

"Airport classifications

"(b) For purposes of this Act, a project shall be considered one for development of

an airport of a certain class if upon completion of the airport development proposed, the airport so developed would be properly classifiable as of that class according to the airport classification standards of the Administrator stated in Civil Aeronautics Administration Bulletin 'Airport Design' dated April 1, 1944.

"NATIONAL AIRPORT PLAN

"Formulation of plan

"SEC. 3. (a) The Administrator is hereby authorized and directed to prepare, and revise annually, a national plan for the development of public airports in the United States, including the Territory of Alaska, the Territory of Hawaii, and Puerto Rico. Such plan shall specify, in terms of general location and type of development, the projects considered by the Administrator to be necessary to provide a system of public airports adequate to anticipate and meet the needs of civil aeronautics. In formulating and revising such plan, the Administrator shall take into account the needs of both air commerce and private flying, the probable technological developments in the science of aeronautics, the probable growth and requirements of civil aeronautics, and such other considerations as he may deem appropriate, and shall, to the extent feasible, consult, and give consideration to the views and recommendations of, the Civil Aeronautics Board, the States, the Territories, and Puerto Rico, and their political subdivisions, and shall, to the extent feasible, consult, and give consideration to the views and recommendations of, the Federal Communications Commission, and shall make all reasonable efforts to cooperate with that Commission for the purpose of eliminating, preventing, or minimizing airport hazards caused by construction or operation of any radio station. In carrying out this section the Administrator is authorized to make such surveys, studies, examinations, and investigations as he may deem necessary.

"Consultation with War and Navy Departments

"(b) In carrying out this section the Administrator shall also consider the views and recommendations of the War and Navy Departments to the end that the airport development included in such plan may be as useful for national defense as is feasible, and shall ascertain from such Departments the extent to which military and naval airports and airport facilities will be available for civil use. The War and Navy Departments shall consider the views and recommendations of the Administrator to the end that military and naval airports and airport facilities may be made available for civil use to such extent as is feasible.

"FEDERAL-AID AIRPORT PROGRAM

"SEC. 4. In order to bring about, in conformity with the national airport plan prepared and from time to time revised as provided in this Act, the establishment of a Nation-wide system of public airports adequate to meet the present and future needs of civil aeronautics, the Administrator is authorized, within the limits of available appropriations made therefor by the Congress, to make grants of funds to sponsors for airport development as hereinafter provided.

"APPROPRIATIONS

"Appropriation for preliminary expenses

"SEC. 5. (a) In addition to amounts hereinafter authorized to be appropriated for administrative expenses, the sum of $3,000,000 is hereby authorized to be appropriated immediately upon the enactment of this Act for expenses of preliminary planning and surveys incident to the initiation of the airport program provided for by this Act, including administrative expenses, which sum shall remain available until expended.

"Annual appropriations for projects in States

"(b) For the purpose of carrying out this Act with respect to projects in the several States, annual appropriations amounting in the aggregate to $500,000,000 are hereby authorized to be made to the Administrator over a period of seven fiscal years, beginning with the fiscal year ending June 30, 1947. The appropriation for any such fiscal year shall not exceed $100,000,000 and shall remain available until June 30, 1953, unless sooner expended. Not to exceed 5 per centum of any such annual appropriation, as specified in the Act making such appropriation, shall be available to the Administrator for necessary planning and research and for administrative expenses incident to the administration of this Act in the several States; except that if 5 per centum of the appropriation for any fiscal year is less than $3,500,000, or if there is no appropriation for such fiscal year, not to exceed $3,500,000 in the aggregate may be made available to the Administrator, for such fiscal year, for such planning and research and administrative expenses. Any amounts made available to the Administrator for such planning and research and administrative expenses shall be deducted for purposes of determining the amounts available for grants for projects in the several States.

"Annual appropriations for projects in Alaska, Hawaii, and Puerto Rico

"(c) For the purpose of carrying out this Act with respect to projects in the Territories of Alaska and Hawaii, and in Puerto Rico, annual appropriations amounting in the aggregate to $20,000,000 are hereby authorized to be made to the Administrator over a period of seven fiscal years beginning with the fiscal year ending June 30, 1947. The appropriation for any such fiscal year shall remain available until June 30, 1953, unless sooner expended. Not to exceed 5 per centum of any such annual appropriation, as specified in the Act making such appropriation, shall be available to the Administrator for necessary planning and research and for administrative expenses incident to the administration of this Act with respect to projects in the Territories of Alaska and Hawaii, and in Puerto Rico; and the amount so available shall be deducted from such appropriation for purposes of determining the amount thereof available for grants for projects therein. Of the total amount available for such grants, 50 per centum shall be available for projects in the Territory of Alaska, 25 per centum shall be available for projects in the Territory of Hawaii, and 25 per centum shall be available for projects in Puerto Rico.

"Administrative expenses

"(d) As used in this section, the term 'administrative expenses' includes expenses under this Act of the character specified in section 204 of the Civil Aeronautics Act of 1938, as amended (U. S. C., 1940 edition, title 49, sec. 424).

"DISTRIBUTION OF FUNDS AVAILABLE FOR PROJECTS IN STATES

"Apportionment of funds

"SEC. 6. (a) As soon as possible after any appropriation is made under section 5 (b), 75 per centum of the amount thereof available for grants for projects in the several States shall be apportioned by the Administrator among the several States, one-half in the proportion which the population of each State bears to the total population of all the States, and one-half in the proportion which the area of each State bears to the total area of all the States. All sums so apportioned for a State shall be available only to pay the United States share of the allowable project costs of approved projects located in that State, or sponsored by that State or some public agency thereof but located in an adjoining State. Upon making an apportionment as provided in this subsection, the Administrator shall inform the executive head of each State, and any public agency which has requested such information, as to the sums apportioned for each State. As used in this subsection the term 'population' means the population according to the latest decennial census of the United States and the term 'area' includes both land and water.

"Discretionary fund

"(b) (1) All moneys appropriated under section 5 (b) which are available for grants for projects in the several States, and which are not apportioned as provided in subsection (a) of this section, shall constitute a discretionary fund.

"(2) The moneys in such discretionary fund shall be available to pay the United States share of the allowable project costs of such approved projects in the several States as the Administrator may deem most appropriate for carrying out the national airport plan, regardless of the States in which they are located. The Administrator shall give consideration, in determining the projects for which the moneys in such fund are to be so used, to the existing airport facilities in the several States and to the need for or lack of development of airport facilities in the several States.

"(3) The moneys in such discretionary fund shall also be available to pay the United States share of the allowable project costs of such approved projects in national parks and national recreation areas, national monuments, and national forests, sponsored by the United States or any agency thereof, as the Administrator may deem appropriate for carrying out the national airport plan; but no other funds appropriated under authority of this act shall be available for such purpose. The sponsor's share of the project costs of any such approved project shall be paid only out of funds contributed to the sponsor for the purpose of paying such costs (receipt of which funds and their use for this purpose is hereby authorized) or appropriations specifically authorized therefor.

"AVAILABILITY OF FUNDS FOR PROJECTS IN ALASKA, HAWAII, AND PUERTO RICO

"SEC. 7. All funds available for grants for projects in the Territory of Alaska, in the Territorly of Hawaii, or in Puerto Rico, respectively, shall be available to pay the United States share of the allowable project costs of such approved projects therein as the Administrator may deem most appropriate for carrying out the national airport plan.

"CONDITION PRECEDENT TO DEVELOPMENT OF LARGER AIRPORTS

"SEC. 8. At least 2 months prior to the close of each fiscal year, the Administrator shall submit to the Congress a request for authority to undertake during the next fiscal year those of the projects for the development of class 4 and larger airports, included in the then current revision of the national airport plan formulated by him under this act, which, in his opinion, should be undertaken during that fiscal year, together with an estimate of the Federal funds required to pay the United States share of the allowable project costs of such projects. In determining which projects to include in such a request, the Administrator shall consider, among other things, the relative aeronautical need for and urgency of the projects included in the plan and the likelihood of securing satisfactory sponsorship of such projects. In granting any funds that thereafter may be appropriated to pay the United States share of allowable project costs during the next fiscal year, the Administrator may consider such appropriation as granting the authority requested unless a contrary intent shall have been manifested by the Congress by law or by concurrent resolution, and no such grants shall be made unless so authorized.

"SUBMISSION AND APPROVAL OF PROJECTS

"Submission

"SEC. 9. (a) Subject to the provisions of subsections (b) and (c) of this section, any public agency, or two or more public agencies acting jointly, may submit to the Administrator a project application in such form, and containing such supporting information, as may be prescribed by the Administrator and setting forth the airport development proposed to be undertaken. No project application shall propose airport development other than that included in the then current revision of the national airport plan formulated by the Administrator under this Act, and all such proposed development shall be in accordance with standards established by the Administrator, including standards for site location, airport layout, grading, drainage, seeding, paving, lighting, and safety of approaches.

"Applications by public agencies whose powers are limited by State law

"(b) Nothing in this Act shall authorize the submission of a project application by any municipality or other public agency which is subject to the law of any State if the submission of such project application by such municipality or other public agency is prohibited by the law of such State.

"Applications by Federal agencies

"(c) Nothing in this Act shall authorize the submission of a project application by the United States or any agency thereof, except in the case of a project in the Territory of Alaska, the Territory of Hawaii, or Puerto Rico, or in a national park or national recreation area, a national monument, or a national forest.

"Approval

"(d) All such projects shall be subject to the approval of the Administrator, which approval shall be given only if, at the time of approval, funds are available for payment of the United States share of the allowable project costs, and only if he is satisfied that the project will contribute to the accomplishment of the purposes of this Act, that sufficient funds are available for that portion of the project costs which is not to be paid by the United States under this act, that the project will be completed without undue delay, that the public agency or public agencies which submitted the project application have legal authority to engage in the airport development as proposed, and that all project sponsorship requirements prescribed by or under the authority of this Act have been or will be met. No project shall be approved by the Administrator with respect to any airport unless a public agency holds good title, satisfactory to the Administrator, to the landing area of such airport or the site therefor, or gives assurance satisfactory to the Administrator that such title will be acquired.

"Hearings

"(e) Project applications shall be matters of public record in the office of the Administrator. Any public agency, person, association, firm, or corporation having a substantial interest in the disposition of any application by the Administrator may file with the Administrator a memorandum in support of or in opposition to such application; and any such agency, person, association, firm, or corporation shall be accorded, upon request, a public hearing with respect to the location of any airport the development of which is proposed. The Administrator is authorized to prescribe regulations governing such public hearings, and such regulations may prescribe a reasonable time within which requests for public hearings shall be made and such other reasonable requirements as may be necessary to avoid undue delay in disposing of project applications.

"UNITED STATES SHARE OF PROJECT COSTS

"General provision

"SEC. 10. (a) Except as provided in subsections (b), (c), and (d) of this section, the United States share payable on account of any approved project under this Act shall be—

"(1) in the case of a project for the development of a class 3 or smaller airport, 50 per centum of the allowable project costs of the project;

"(2) in the case of a project for the development of a class 4 or larger airport, such portion of the allowable project costs of the project (not to exceed 50 per centum) as the Administrator may deem appropriate for carrying out the provisions of this Act.

"Projects in Public Land States

"(b) In the case of any State containing unappropriated and unreserved public lands and nontaxable Indian lands (individual and tribal) exceeding 5 per centum of the total area of all lands therein, the United States share under subsection (a) (1), and the maximum United States share under subsection (a) (2), shall be increased by whichever is the smaller of the following percentages thereof: (1) 25 per centum, or (2) a percentage equal to one-half the percentage that the area of all such lands in such State is of its total area.

"Projects in Alaska

"(c) The United States share payable on account of any approved project in the Territory of Alaska shall be such portion of the allowable project costs of the project (not less than 50 per centum in the case of a class 3 or smaller airport, and not to exceed 75 per centum in the case of an airport of any class) as the Administrator may deem appropriate for carrying out the provisions of this Act.

"Acquisitions of land and interests in air space

"(d) To the extent that the project costs of an approved project represent the cost of acquiring land or interests therein or easements through or other interests in air space, the United States share (1) in the case of a project for the development of a class 3 or smaller airport, shall be 25 per centum of the allowable costs of such acquisition, and (2) in the case of a project for the development of a class 4 or larger airport, shall be not to exceed 25 per centum of the allowable costs of such acquisition.

"PROJECT SPONSORSHIP

"SEC. 11. As a condition precedent to his approval of a project under this Act, the Administrator shall receive assurances in writing, satisfactory to him, that—

"(1) the airport to which the project relates will be available for public use on fair and reasonable terms and without unjust discrimination;

"(2) such airport and all facilities thereon or connected therewith will be suitably operated and maintained, with due regard to climatic and flood conditions;

"(3) the aerial approaches to such airport will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards;

"(4) all the facilities of the airport developed with Federal aid and all those usable for the landing and take-off of aircraft will be available to the United States for use by military and naval aircraft in common with other aircraft at all times without charge, except, if the use by military and naval aircraft shall be substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities so used;

"(5) the airport operator or owner will furnish to any civil agency of the Government, without charge (except for light, heat, janitor service, and similar facilities and services at the reasonable cost thereof), such space in airport buildings as may be reasonably adequate for use in connection with any air traffic control activities, or weather-reporting activities and communications activities related to air traffic control, which such agency may deem it necessary to establish and maintain at the airport;

"(6) all project accounts and records will be kept in accordance with a standard system of accounting prescribed by the Administrator after consultation with appropriate public agencies;

"(7) the airport operator or owner will submit to the Administrator such annual or special airport financial and operations reports as the Administrator may reasonably request; and

"(8) the airport and all airport records will be available for inspection by any duly authorized agent of the Administrator upon reasonable request.

To insure compliance with this section, the Administrator shall prescribe such project sponsorship requirements, consistent with the terms of this Act, as he may deem necessary. Among other steps to insure such compliance the Administrator is authorized to enter into contracts with public agencies, on behalf of the United States.

"GRANT AGREEMENTS

"SEC. 12. Upon approving a project the Administrator, on behalf of the United States, shall transmit to the sponsor or sponsors of the project an offer to pay the United States share of the allowable project costs of such project. Any such offer shall be made upon such terms, and subject to such conditions, as the Administrator may deem necessary to meet the requirements of this Act and the regulations prescribed thereunder. Each such offer shall state a definite amount as the maximum obligation of the United States payable from funds appropriated under authority of this Act, and shall stipulate the obligations to be assumed by the sponsor or sponsors of the project. If and when any such offer is accepted in writing by the sponsor or sponsors to which it is made, such offer and acceptance shall comprise a grant agreement constituting an obligation of the United States and of the sponsor or sponsors so accepting, and thereafter the amount stated in the accepted offer as the maximum obligation of the United States under such grant agreement shall not be increased. Unless and until such a grant agreement has been executed with respect to a project, the United States shall not pay, nor be obligated to pay, any portion of the project costs which have been or may be incurred in carrying out that project.

"ALLOWABLE PROJECT COSTS

"SEC. 13. Except as provided in section 14, the United States shall not pay, or be obligated to pay, from amounts appropriated to carry out the provisions of this Act, any portion of a project cost incurred in carrying out a project unless the Administrator has first determined that such cost is allowable. A project cost shall be allowable if—

"(1) it was a necessary cost incurred in accomplishing airport development in conformity with approved plans and specifications for an approved project and with the terms and conditions of the grant agreement entered into in connection with such project;

"(2) it was incurred subsequent to the execution of the grant agreement with respect to the project, and in connection with airport development accomplished under such project after the execution of such grant agreement: *Provided, however,* That the allowable costs of a project may include any necessary costs of formulating the project (including those of field surveys and the

preparation of plans and specifications, including costs of acquiring land or interests therein or easements through or other interests in air space, and including any necessary administrative or other incidental costs incurred by the sponsor specifically in connection with the accomplishment of the project, which would not have been incurred otherwise) which were incurred subsequent to the enactment of this Act; and

"(3) it is reasonable in amount, in the opinion of the Administrator: *Provided*, That if the Administrator determines that a project cost is unreasonable in amount, he shall allow, as an allowable project cost under this section, only such amount of such project cost as he determines to be reasonable and no project costs in excess of the definite amount stated in the grant agreement shall be allowable.

The Administrator is authorized to prescribe such regulations, including regulations with respect to the auditing of project costs, as he may deem necessary to effectuate the purposes of this section.

"PAYMENTS

"SEC. 14. The Administrator, after consultation with the sponsor or sponsors with which a grant agreement has been entered into, shall determine at what times, and in what amounts, payments shall be made under this Act. The aggregate of such payments at any time with respect to a particular project shall not exceed a percentage of the project costs of the airport development which has been performed up to that time (and which the sponsor or sponsors to which the payments are to be made certify to have been performed in accordance with the approved plans and specification for such project), equal to the percentage of the allowable project costs of the project determined to be the United States share of such costs; and if the Administrator shall determine at any time that the aggregate of such payments exceeds the United States share of the allowable project costs of such project the United States shall be entitled to recover such excess. Such payments shall be made to such official or officials or depository, authorized by law to receive public funds, as may be designated by the sponsor or sponsors entitled to such payments.

"PERFORMANCE OF CONSTRUCTION WORK

"Regulations of the Administrator

"SEC. 15. (a) The construction work on any approved project shall be subject to inspection and approval by the Administrator and in accordance with regulations prescribed by him. Such regulations shall require such cost and progress reporting by the sponsor or sponsors of such project as the Administrator shall deem necessary. No such regulation shall have the effect of altering any contract in connection with any project entered into without actual notice of the regulation.

"Minimum rates of wages

"(b) All contracts for work on projects approved under this Act which involves labor shall contain provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

"Other provisions as to labor

"(c) All contracts for work on projects approved under this Act which involves labor shall contain such provisions as are necessary to insure (1) that no convict labor shall be employed; and (2) that in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given, where they are qualified, to individuals who have served as persons in the military service of the United States (as defined in section 101 (1) of the Soldiers' and Sailors' Civil Relief Act of 1940), and who have been honorably discharged from such service: *Provided*, That such preference shall apply only where such labor is available and qualified to perform the work to which the employment relates.

"USE OF GOVERNMENT-OWNED LANDS

"Requests for use

"SEC. 16. (a) Whenever the Administrator determines that use of any lands owned or controlled by the United States is reasonably necessary for carrying out a project under this Act, or for the operation of any public airport, he shall file with the head of the department or agency having control of such lands a request that such property interest therein as he may deem necessary be conveyed to the public agency sponsoring the project in question or owning or controlling the airport. Such property interest may consist of the title to or any other interest in land or any easement through or other interest in air space.

"Making of conveyances

"(b) Upon receipt of a request from the Administrator under this section, the head of the department or agency having control of the lands in question shall determine whether the requested conveyance is inconsistent with the needs of the department or agency, and shall notify the Administrator of his determination within a period of four months after receipt of the Administrator's request. If such department or agency head determines that the requested conveyance is not inconsistent with the needs of that department or agency, such department or agency head is hereby authorized and directed, with the approval of the President and the Attorney General of the United States, and without any expense to the United States, to perform any acts and to execute any instruments necessary to make the conveyance requested; but each such conveyance shall be made on the condition that the property interest conveyed shall automatically revert to the United States in the event that the lands in question are not developed, or cease to be used, for airport purposes.

"REIMBURSEMENT FOR DAMAGE BY FEDERAL AGENCIES TO PUBLIC AIRPORTS

"Submission and determination of claims

"SEC. 17. (a) Reimbursement shall be made to public agencies, as provided in this section, for the necessary rehabilitation or repair of public airports heretofore or hereafter substantially damaged by any Federal agency. The Administrator is authorized on behalf of the United States to consider, ascertain, adjust, and determine in accordance with regulations he shall prescribe pursuant to this section, any claim submitted by any public agency for reimbursement of the cost of necessary rehabilitation or repair of a public airport, under the control or management of such public agency, substantially damaged by any Federal agency.

"Certification of claims to Congress

"(b) Such amount as may be found to be due to any claimant under this section shall be certified by the Administrator to Congress as a claim against the United States, and appropriations for payment of such claims are hereby authorized to be made. Such certification shall include a brief statement of the character of each claim, the amount claimed, and the amount allowed.

"Limitation on submission of claims

"(c) No claim shall be considered by the Administrator pursuant to this section unless such claim has been presented to him within six months after the occurrence of the damage upon which the claim is based, except that in case of damage caused by operations of a military nature during time of war such notice may be filed within sixty days after termination of the war.

"REPORTS TO CONGRESS

"SEC. 18. On or before the third day of January of each year the Administrator shall make a report to the Congress describing his operations under this Act during the preceding fiscal year, including detailed statements of the airport development accomplished, the status of each project undertaken, the allocation of appropriations, and itemized statements of expenditures and receipts, and setting forth his recommendations, if any, for legislation amending or supplementing this Act.

"FALSE STATEMENTS

"SEC. 19. Any officer, agent, or employee of the United States, or any officer, agent, or employee of any public agency, or any person, association, firm, or corporation who shall knowingly make any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the costs thereof, in connection with the submission of plans, maps, specifications, contracts, or estimates of project costs for any project submitted to the Administrator for approval under this Act or shall knowingly make any false statement, false representation, or false report or claim for work or materials for any project approved by the Administrator under this Act, or shall knowingly make any false statement or false representation in any report required to be made under this Act, with the intent to defraud the United States shall, upon conviction thereof, be punished by imprisonment for not to exceed 5 years or by a fine of not to exceed $10,000, or by both such fine and imprisonment.

"EXISTING AIRPORT PROGRAMS

"SEC. 20. Nothing in this Act shall affect the carrying out of the program for the development of public landing areas necessary for national defense, authorized by the Department of Commerce Appropriation Act, 1946, or the program for the development of civil landing areas, authorized by the First Supplemental National Defense Appropriation Act, 1944, which programs shall be additional to the Federal-aid airport program authorized by this Act."

And the House agree to the same.

Amend the title so as to read "An Act to provide Federal aid for the development of public airports."

PAT MCCARRAN,
JOHN OVERTON,
WARREN G. MAGNUSON,
GEORGE L. RADCLIFFE,
Managers on the Part of the Senate.

A. L. BULWINKLE,
CLARENCE F. LEA,
VIRGIL CHAPMAN,
LYLE H. BOREN,
CHAS. A. WOLVERTON,
PEHR G. HOLMES,
Managers on the Part of the House.

Mr. MCCARRAN. Mr. President, in order that the Senate may have a brief view of the conference report, it seems to me entirely proper to make a very short statement.

When the bill was before the Senate some controversial questions were involved. One controversial question was settled by the amendment known as the Brewster amendment. Those of us who drafted the bill and guided it through committee in its various stages favored granting 65 percent of the money appropriated each year, to be channeled

to the States for the smaller airports, and 35 percent to be channeled to municipalities for the larger airports. That view was not accepted by the Senate. The Brewster amendment was adopted, which provided for a channeling of the money to the States alone.

The conference report is a compromise of all the various contentions. It takes care of the States in that it provides that the moneys may be channeled to the States. It takes care of the municipalities, in that it provides that the moneys may be channeled to the municipalities; and then it provides for what some have chosen to term States' rights; in other words, if a State determines that the money shall be channeled through State authorities only, the conference report takes care of that situation. It provides that a State may ordain by its legislative procedure that the Federal money for airports shall be channeled through the State only; and in that event the Federal share will be channeled through the State only.

Until that time, in order that airports may go forward with expedition—because, after all, airports are constructed by municipalities—the bill provides that either the State or a municipality may deal directly with the Federal Government, the Federal Government contributing dollar for dollar. That is, the Federal Government contributes dollar for dollar for the construction of airports of classes 1, 2, and 3. The Civil Aeronautics Administration, acting for the Federal Government, will contribute dollar for dollar with a municipality or a State for the construction of airports of those classes.

For the construction of airports of the larger classes, classes 4 and 5, the bill now provides that the Civil Aeronautics Administration may contribute dollar for dollar. In other words, it may contribute 50 percent. The reason for placing that provision in the bill was so that in the case of the larger airports, the cost of which runs into many millions of dollars, the Federal Government, acting through the Civil Aeronautics Administration, may exercise its judgment for the protection of Federal money. In the construction of a $50,000,000 or $75,000,000 airport it may be deemed improper for the Federal Government to put up dollar for dollar. It may contribute a lesser sum. In every instance of an airport of class 4 or class 5, the Civil Aeronautics Administration must bring the matter to the attention of Congress. In other words, for the protection of Federal money, appropriations for class 4 or class 5 airports must pass through the Appropriations Committees of both Houses.

The reason for the provision is obvious. Let me use the LaGuardia Airport as an example. It is one of the greatest airports in the world, if not the greatest. Its cost was in excess of $50,000,000. Another airport is to be constructed in New York which will cost, so we are informed, between $60,000,000 and $75,000,000. We thought that it would be improper for the Federal Government to be held responsible for 50 percent of the cost of construction of such airports when they are constructed by great municipalities, and when the property occupied by the airport may be of great value. We tried to safeguard in every way the Federal money which may go into the construction of such airports. We have safeguarded the States, so that States may build airports. We have safeguarded States' rights, so that the States may say that all money contributed by the Federal Government shall be channeled through the States. We provide that a State may, by legislation, say that a municipality may not deal directly with the Federal Government, but that all money for airports must be channeled through the State. That is a sufficient explanation to begin with, as regards that point of contention.

We now come to another point—

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McMAHON in the chair). Does the Senator from Nevada yield to the Senator from Arkansas?

Mr. McCARRAN. I yield.

Mr. FULBRIGHT. Is the manner in which the State is to participate to be determined by an act of the State legislature?

Mr. McCARRAN. That is correct.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. AIKEN. Did I correctly understand the Senator to say that 75 percent of the appropriation will be handled through the States in any event?

Mr. McCARRAN. No; I did not say that.

Mr. AIKEN. That is what I wished to make clear.

Mr. McCARRAN. I did not say that. We define sponsors as being States or municipalities. So the State or the municipality may construct an airport, and may deal directly with the Federal Government. If the airport is a class 1, class 2, or class 3 airport, the Federal Government, if it contributes at all, will contribute 50 percent. If it is of the fourth or fifth class, the Federal Government may contribute 50 percent or it may contribute less.

Mr. AIKEN. Then, the Federal Government determines on which airports the money shall be spent, unless the States enact legislation requiring the money to be channeled through the States; is that correct?

Mr. McCARRAN. That is correct. If the State government directs that municipalities within the State shall not deal with the Federal Government in regard to this matter, but that the State alone shall deal with the Federal Government, then the Federal Government will deal with the State.

Mr. AIKEN. And that would not reduce the allocation to the State in any way?

Mr. McCARRAN. Not at all.

Mr. AIKEN. But as it is now, the Federal Government may deal with the municipality, regardless of the size of the airport; may it?

Mr. McCARRAN. Except as to airports of the fourth or fifth class.

Mr. AIKEN. Yes.

Mr. McCARRAN. As to airports of the fourth or fifth class, which are the larger airports, the Federal Government may deal with a municipality, but it may limit its contribution to less than 50 percent. I tried to explain the reason. I shall go into it further if the Senator did not understand my explanation.

Mr. AIKEN. Very well.

Mr. HUFFMAN. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. HUFFMAN. Is there any difference between an allocation directly from the Federal Government to the State and an allocation under a law enacted by a State for the purpose of participating?

Mr. McCARRAN. Let us suppose that right now a city in the Senator's State of Ohio wanted an airport. It would negotiate with the Civil Aeronautics Administration, and the Civil Aeronautics Administration would make an estimate of the cost of constructing the airport and would contribute 50 percent of that amount, if the airport were of the first, second, or third class. If it were of the fourth or fifth class, which are the larger classes, the Federal Government, acting through the Civil Aeronautics Administration, would be required to come to the Congress and obtain a specific appropriation of that sum of money. That is in the case of a municipality, mind you. It may act now.

Mr. HUFFMAN. It may act now without any State legislation?

Mr. McCARRAN. Yes; without any State legislation whatever.

The reason for that is that we find that today very few of the States, if any, have either legislation or preparations made to go forward with these airports. We find that, up to now, practically all airports have been constructed by municipalities.

Let me refer to the Senator's own State of Ohio, and to the city of Cleveland. The city of Cleveland has its airports. It either issued bonds for their construction or it taxed itself or by other means it raised the money needed to build those airports, together with Federal aid; and it will do so again. I doubt very much whether, today, if a city in the southern end of the Senator's State wished to build an airport, it could tax the whole State to obtain funds with which to build it.

I doubt very much whether the city of Cleveland would join in such a movement. In other words, to explain what I am trying to point out, let me say that the municipalities build these airports. They tax themselves for that purpose. It is only in very rare cases, if at all, that a State builds airports. That was our experience over a period of years.

So we wished to have this program go forward; and we said that the municipalities—meaning municipalities or cities, as the case may be—may now come to the Federal Government and may say, "We are ready to build an airport. Will you make a survey of it and estimate how much it will cost and how much you will give us, dollar for

dollar?" Then the Civil Aeronautics Administration makes the survey and determines the cost.

Have I answered the question?

Mr. HUFFMAN. In other words, the municipalities of the various States can now participate in direct allocations without any further legislation by the States themselves?

Mr. McCARRAN. That is correct in part; but it is not altogether correct, because the State of Ohio, if it saw fit to do so, could now build an airport and could come to the Federal Government and say, "We want Federal aid."

Mr. HUFFMAN. Could Federal aid be given directly to the State?

Mr. McCARRAN. Yes, because we define a sponsor as a State, city, county, or other legal subdivision.

Mr. HUFFMAN. What is to be the basis of the allocation of the funds to the various municipalities?

Mr. McCARRAN. It is based on the area and the population.

Mr. HUFFMAN. I thank the Senator.

Mr. BREWSTER. Mr. President, I do not think the Senator from Nevada wishes to let that answer stand. Did I correctly understand him to say that it is limited to the various municipalities? The Senator meant to say "to the various States, on the basis of population," I am sure.

Mr. McCARRAN. That was the question of the Senator from Ohio.

Mr. BREWSTER. I thought the Senator used the word "municipalities."

Mr. McCARRAN. No; I think I said "the allocations to the States." In other words, the CAA allocates the money to the States on the basis of population and area.

Mr. BREWSTER. As to 75 percent. Twenty-five percent is discretionary, to go to any State, according as the CAA deems best under the proposal.

Mr. McCARRAN. That is correct. A discretionary fund is to be taken out of the whole fund and is to be held by the CAA, so that the CAA may balance up the matter in some particular State or locality, or may use it where there is no municipality.

Mr. HUFFMAN. But, according to the distinguished Senator from Maine, the allocation is to the State, not to the municipality; is that correct? Is that the correction which the Senator wished to make?

Mr. McCARRAN. That is correct; it is allocated to the State.

Mr. BREWSTER. Mr. President, will the Senator yield to me?

Mr. McCARRAN. I yield.

Mr. BREWSTER. I did not intend to say that it is allocated to the various States on the basis of one-half according to population and one-half according to area. But under the conference report, when the money actually goes out, it goes to any municipalities——

Mr. McCARRAN. That is correct.

Mr. BREWSTER. That is the case as to 75 percent of the funds. Twenty-five percent is reserved as a discretionary fund which may go to any State. In other words, theoretically the State of Ohio might get the entire 25 percent. Again, that is limited exclusively on a municipal basis, rather than a State basis, when the arrangement is actually made. Is not that a correct statement?

Mr. McCARRAN. That is correct.

Mr. HUFFMAN. That was my understanding. I thank the Senator.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. MAGNUSON. As I understand the Senator, under the conference report as it now stands, the allocations can be made directly to States, counties, municipalities, and—as I believe the Senator from Nevada said—other subdivisions of government.

Mr. McCARRAN. Legal subdivisions.

Mr. MAGNUSON. Would that include port districts? I ask that question in order that the record may be clear, because many States have port districts which include airports. In the Senator's opinion, would that include legal port districts maintained by the various States as legal subdivisions?

Mr. McCARRAN. Yes. On page 2 of the report it is stated:

> (7) "Public agency" means the United States Government or an agency thereof; a State, the Territory of Alaska, the Territory of Hawaii, or Puerto Rico, or an agency of any of them; a municipality or other political subdivision; or a tax-supported organization.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LUCAS. I should like to ask the able Senator from Nevada a question. In the event the conference report is not adopted, what will be the next move from the standpoint of the parliamentary situation?

Mr. McCARRAN. I am glad the Senator raises that point because I wish to bring it to the attention of the Senate. In order to answer the Senator's question, I should like to discuss the point for a moment.

Mr. LUCAS. Let me say that I ask the question on the basis of a telegram which I shall read into the RECORD in due course.

Mr. McCARRAN. In order to give a full answer to the Senator's question, let me say that the conference report must, under the rule, be either accepted or rejected as a whole. It cannot be amended. If it is rejected, then those who vote to reject it—and I say this with no desire whatever to criticize—will vote an airport program out of business, so far as I have any knowledge whatever.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BREWSTER. I feel very confident that the Senator from Nevada is misinformed as to the parliamentary situation.

As I am advised by the Parliamentarian, if the conference report is rejected, there are four motions which then will be in order. One of them will be a motion to amend the House amendment as it would then be before us. Such an amendment is now prepared and can be adopted immediately, and the measure can go back to the House of Representatives.

I shall ask to have the Presiding Officer confirm my statement, if there is any question about the parliamentary situation.

The PRESIDING OFFICER (Mr. McMAHON in the chair). The Chair is advised by the Parliamentarian that in the event the conference report is rejected the following motions with respect to the House amendment, having precedence in the order named, may be made:

First. A motion to refer the amendment to a standing committee.

Second. A motion to amend the amendment, which, for the purpose of amendment, is regarded as an original text, not an amendment in the first degree.

A substitute amendment is in order; but perfecting amendments are in order, being in the second degree, and take precedence over the substitute.

An amendment to the House amendment would take precedence over perfecting amendments to the substitute.

Third. A motion to agree to the House amendment.

Fourth. A motion to further disagree to the House amendment and ask for a further conference.

Mr. McCARRAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. Is it not true that this conference report must, in the first instance, either be accepted or rejected by a vote of the Senate as a whole?

The PRESIDING OFFICER. The question the Chair answered was predicated on the rejection of the conference report. The Senator is correct in stating that before the motions the Chair has stated would be in order, there would have to be a vote on the question of agreeing to the conference report.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LUCAS. In the event the conference report is rejected, as I understand from the decision of the Chair, a number of motions may be made. But whatever may be done, if the conference report is rejected, it will necessarily delay any further legislative action in connection with this matter.

Mr. McCARRAN. Let me say further that, regardless of what may be done, if this conference report is rejected it must go back to the other House. The House has already agreed to the conference report, and the conferees on the part of the House have been discharged. Senators, there is no more chance—I say this with all due respect to every Senator who opposes the conference report—there is no more chance of getting another airport program through this Congress or the next Congress than there is for the proverbial snowball.

Mr. LUCAS. I raised the question because I think the Senator is absolutely correct in his conclusions insofar as obtaining immediate legislation is concerned. Certainly, this Congress ought to give the country some form of legislation at once with respect to airports.

Mr. President, I have before me a telegram which convinces me that this legis-

lation is necessary at this time. The telegram, which comes from Quincy, Ill., reads as follows:

Hon. SCOTT W. LUCAS, Senator,
Member of Congress,
Senate Office Building,
Washington, D. C.:

Your support urgently requested to secure passage of Federal aid airport bill (S. 2), which is scheduled for action by the Senate April 30, 1946. This bill is necessary to assure prompt completion of the new Quincy airport, and defeat of the bill will delay completion of the new airport at least 1 year. Consequently, the passage of this bill is of vital importance to all citizens of Quincy and western Illinois.

EDWARD J. SCHNEIDMAN,
Mayor, Quincy, Ill.

Mr. McCARRAN. Mr. President, I assert to the able Senator from Illinois that I believe we could name dozens of airports with reference to which circumstances might be cited similar to those mentioned in the telegram which the Senator has read. Municipalities are now standing by with money ready to match the Federal funds if they are only permitted to go forward.

Mr. LUCAS. I agree with the Senator, and that is one of the important reasons why it seems to me that the Senate should not delay in acting affirmatively on the conference report.

Mr. President, while I am on my feet I wish to read a telegram which I have received from Jacksonville, Ill. The telegram reads as follows:

Hon. SCOTT W. LUCAS,
United States Senate,
Washington, D. C.:

DEAR SCOTT: Jacksonville voted overwhelmingly last February to create an airport authority for the purpose of establishing a municipal airport. All of us are thus anxious that the Federal aid airport bill will be adopted by the Senate. It would be a favor greatly appreciated by everyone in this town if you voted to approve the conference committee report when it comes before the Senate tomorrow. Regards.

CARL E. NEWPORT.

Here is a telegram from Danville, Ill.:

APRIL 22, 1946.

Hon. SCOTT LUCAS,
United States Senator,
Washington, D. C.:

It would be a personal favor for you to be present on the floor of the Senate tomorrow, Tuesday, and vote for approval of conference report on the airport bill.

GEO. H. JONES,
Acting Mayor.

I also have a telegram from Rockford, Ill., which reads as follows:

APRIL 22, 1946.

Hon. SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

On behalf of the city of Rockford and the greater Rockford Airport Authority, I urge you as a personal favor to me to vote in favor of the conference report on the airport bill which will be presented to the Senate on Tuesday, April 23. Three weeks ago the electors by a vote of 10,000 to 3,000 authorized the organization of municipal corporation known as Greater Rockford Airport Authority to purchase, operate, and maintain a municipal airport. This municipal corporation will be in dire need of Federal funds which should come directly to them from the Federal Government.

C. HENRY BLOOM,
Mayor of Rockford.

The telegrams which I have read have come from four cities in the downstate section of Illinois. Those cities are asking me to present the telegrams to the Senate in order that I may urge upon the Senate the adoption of the conference report, and thereby enable them to go forward with the construction of airports.

I undertake to say, Mr. President, that the Senator from Nevada is correct in stating that in the event the Senate fails to vote favorably for the adoption of the conference report, the parliamentary situation is such that in the final analysis no airport legislation will be enacted during this Congress.

Mr. SALTONSTALL. Mr. President, will the Senator from Nevada yield for a question?

Mr. McCARRAN. I will yield in a moment.

Mr. President, in order that the Senate may know with what diligence this body has dealt with the pending subject, it may be well for them to dwell on the following facts:

On January 6, 1945, the senior Senator from Nevada introduced this bill. On January 10, 1945, reports were requested from the War Department, the Navy Department, the Department of Commerce, and the Bureau of the Budget. From January 13 to January 23, 1945, subcommittee hearings were in progress. On April 30, 1945, the bill was reported to the Senate by the committee. On September 12, 1945, a bill was passed by the Senate. On September 13, 1945, the bill was referred to the House Interstate and Foreign Commerce Committee. On October 18, 1945, the bill in amended form was passed by the House. On October 22, 1945, the Senate asked for a conference, and on October 26, 1945, the conferees on the part of the Senate were appointed. On March 24, 1946, the conference report was filed in the House of Representatives. On April 2, 1946, the House of Representatives agreed to the conference report.

Mr. President, I state those facts in order that the Members of the Senate may know that this bill is not a haphazard bill. It has gone through the various stages of careful study. The chronology which I have read shows with what diligence the conference committee went into the matters involved.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I do not wish to take unduly the time of the Senate except to ask a question in connection with what the Senator from Illinois [Mr. LUCAS] has said.

This conference report allows the Federal Government to deal directly with municipalities. An amendment was offered to the bill in the other House at the time the bill was being considered there which would have channeled all funds through the State. That amendment was rejected by a vote of 185 to 170. So I submit most respectfully that it is not out of line to assert that if the Senate sent the original Senate bill back to the other House a change of only 8 votes would be necessary in order to have a bill passed by this Congress which would be right in principle, and which would start off the proposed program in a proper manner.

Mr. McCARRAN. I assert to the able Senator from Massachusetts that the time for that has long since passed. The Senate once considered the bill and amended it. The bill then went to the other House, and it was there taken up in one of the House committees. The bill was later sent to the floor of the House of Representatives and, after long study, the bill was passed. It then went to conference.

To say the least, the very point for which the Senator from Maine contended and voted, which was covered by the Brewster amendment, is today just as carefully guarded in this bill as it would be by the amendment of the Senator from Maine.

Mr. President, today States' rights are protected in this bill. Under the amendment, if the State legislature so provides, a municipality may not deal with the Federal Government, but all money must be channeled through the State. However, until the State acts, who will build the airports? Are we asked to sit idly by and wait for some future Congress to pass a law enabling the construction of airports by the State? I hope not.

Mr. LUCAS. Mr. President, in line with the point developed by the able Senator from Massachusetts, I think I am correct in saying that in the House of Representatives only 8 votes were cast against the conference report after it had been debated thoroughly.

Mr. McCARRAN. I am not thoroughly familiar with the situation, but that is my recollection.

Mr. President, I shall not consume further time of the Senate in presenting this matter. I assert to Senators, in all seriousness, that after weeks and weeks of devotion to a study of this bill in the conference, in which the able Senator from Maine spent as much time as he could spend, and endeavored to get the conferees on the part of the House to see his way, we arrived at an agreement which is a compromise. However, it is a compromise which will secure for this country the greatest airport program which any country ever obtained in the history of the world. I assert further to Senators, with all seriousness, that if they reject this conference report they will reject an airport program for such a length of time that some of us may not be present to see the next program when it is put forward.

Mr. BREWSTER. Mr. President, I appreciate what has been said by my good friend and highly respected teacher in air legislation, who has been a pioneer in that field for so many years, the Senator from Nevada [Mr. McCARRAN]. In the time I have spent as a Member of the Senate I have constantly recognized the profound interest of the Senator from Nevada in every matter concerned with air. Throughout the past decade he, perhaps more than any other Member of this body, has been interested in such legislation, and I have learned much from him. So it is with some diffidence that I rise today to defend the position of the Senator from Nevada, lacking his own eloquence in its behalf.

The bill as reported from the Committee on Commerce, sponsored by the Senator from Nevada, provided that 65 percent of the funds authorized to be appropriated should be channeled through the States, and that 35 percent, for the larger airports, might be channeled through the municipalities. That was the bill as submitted to the Senate by the Senator from Nevada, and represented what to him was a logical and reasonable proposal, although, as I recall the discussions in the committee, the principle of State channeling was preferred, but the genuflection to the construction of the larger airports, by the allocation of 35 percent of the funds for the larger airports to permit direct channeling, seemed to him a reasonable compromise.

However, the Senate, in considering the matter, and in deference to the long-established principle of Federal-State cooperation, by a majority of 10 votes adopted the provision that all the funds should be channeled through the States, but that 65 percent should go for the smaller airports, classes 1, 2, 3, and 35 percent for the larger airports, classes 4 and 5, but still through the medium of the States.

This, as the Senator has said, went to conference, finally, after consideration in the House. As the distinguished junior Senator from Massachusetts has pointed out, the House voted upon a considerably more extreme measure, as it provided 100 percent channeling through the States, without division as to the classes of the airports concerned.

We went into conference, as the Senator has pointed out, the House and Senate conferees conferred at length, and have produced the compromise now before us. As I have pointed out, the original Senate bill gave 65 percent to the States for smaller airports, and 35 percent to the cities for the larger airports. That was the Commerce Committee bill, sponsored by the Senator from Nevada.

The amendment proposed by me gave all to the States, but still divided it on a basis of 65 percent for the smaller airports and 35 percent for the larger airports. The House in its wisdom adopted a provision that 75 percent should be allocated to the various States upon the basis of area and population, and 25 percent should be left as a discretionary fund to be allocated to any State.

We come here today to consider the report of the conferees, and we find that the proposal of the conferees is that 75 percent shall go to the various States on the basis of area and population and 25 percent shall be discretionary. In other words, the entire matter about which there was disagreement has been resolved entirely in favor of the position of the House of Representatives. There is not one vestige of the provisions or contentions made by the Senate, either by the Commerce Committee in its bill as sponsored by the Senator from Nevada, or by the amendment finally adopted by the Senate. In order that there may be no misapprehension as to whether I am doing justice to the situation, I wish to quote what was said on the floor of the House by Members of the House in submitting the report. Chairman LEA, speaking, said:

> Mr. Speaker, in the main, the conference report on the airport bill which we bring to you today follows the bill as it passed the House.

Representative WOLVERTON made the following statement:

> I take it when a bill passes the House and it is in direct conflict with a bill which has been passed by the Senate, there is an obligation upon the conferees to insist on the provisions that are in the bill as passed by the House. It may be at times necessary to make a compromise between the House and Senate viewpoints in order to get a bill passed by the Congress. In all such compromises the conferees are bound to get just as much as possible of what the House wants, and, in the case of Senate conferees, as much as possible of what the Senate wants; however, in this case the Senate conferees—

This is a House Member speaking—

> in this case the Senate conferees receded entirely from the position the Senate had previously taken and accepted the provisions as they appear in the House bill. Under such circumstances there was nothing for the House conferees to do other than to accept this rescission upon the part of the Senate.

Mr. President, that is a very masterly statement of a very masterly maneuver on the part of our colleagues at the other end of the Capitol, who accomplished exactly what they had originally set out to do.

The statement of the managers on the part of the House itself says:

> The bill, as agreed to in conference, is generally similar to the bill as passed by the House.

Whether or not the Senate was wise in its position is a matter which I presume we should consider. The principle involved is that of allocation to the States—the same principle that has long prevailed in the allocation of highway funds, in the school-lunch program, in the hospital program, and in the public-health program, and in the proposed educational grants-in-aid program. All of these have recognized this principle of channeling through the States.

There are serious objections to the program which I think some other Senators may point out, but it seems to me sufficient to recognize that in dealing with this question the conferees upon the part of the Senate apparently did not find it possible to accomplish even the middle-of-the-road proposal which was represented by the first proposition sponsored by the Senator from Nevada, and to retain the 65 percent allocation for the smaller airports, channeled through the States.

To be sure, there is one very small provision upon which apparently great stress is being laid—a genuflection in the direction of State authority by the so-called Bulwinkle amendment—which provides that if any State passes legislation prohibiting a municipality from operating in this program, the municipality shall be excluded from participation.

The Congress of the United States does not need to say that. That is said by the constitution of every State in the Union because every municipality is nothing but a creature of a State, and can do nothing the State does not allow, and no matter what the Congress of the United States might say, there is no power in Washington or in the Federal Constitution which can control what the several States may do regarding the municipalities, which are the creatures of the States. So that the Bulwinkle amendment, upon which such stress is sought to be laid, providing that the States may prohibit municipal participation as they desire, is, in the first place, entirely superfluous because the power exists in any event for a State to do that very thing.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. AIKEN. If it were provided that the funds must be channeled through the States, would there be any way by which the Federal Government could withhold the amount properly allocable to a State?

Mr. BREWSTER. That would depend upon the good faith of the Administrator. In both cases it was provided that the money shall be allocated to the States and that a program should then be considered, to be worked out between the State authority and the Federal Authority. If the Federal Authority did not consider that the program submitted by the State authority was wise, the Federal Authority would have the right to refuse to carry it out.

Mr. AIKEN. If the Senate rejects the conference report, does the Senator from Maine feel that the conference committee will then agree upon a bill which will be acceptable to the Senate?

Mr. BREWSTER. If the conference report shall be rejected, I propose immediately to submit an amendment, which the Presiding Officer has ruled would be in order, and which I have drafted. My amendment, which would provide for State channeling, would then go to the House. I wish to say in this connection that during the long and weary weeks of negotiation, during which the Senator from Nevada and I worked rather religiously on this matter, it was my repeated proposal that the House conferees should take to the House the Senate bill, and that we would take to the Senate the House bill, and let each body vote. I felt confident that the House would accept our provision, since the vote had been so close before, and the fact that the House conferees steadfastly, through 3 months, refused to permit the House to have any opportunity to vote upon the Senate bill was to me pretty convincing evidence that they very much feared the result. So far as I was concerned, I was perfectly ready to bring the House bill to the Senate, and we now have the House bill here as a result of the rescission of the conferees.

Mr. AIKEN. I think it very important that the airport-construction program get under way without delay, and if I felt that if we rejected the conference report and nothing came back to us the program would be delayed for a year. I should prefer to accept the conference report rather than have the program delayed.

Mr. BREWSTER. I think the Senator from Vermont need have no concern. If the conference report is rejected, which

will presumably mean that the amendment will be adopted, the bill will then immediately go to the House, and the House will then have an opportunity for the first time to vote upon the proposition which the Senate considered to be wise.

Mr. HART. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. HART. I have a telegram which I should like to read, and which perhaps will reassure the Senator from Vermont. The telegram is from the Governor of Connecticut, who is highly interested in the program. He sends me this telegram concerning that portion of the conference report which deals with municipal participation. It is as follows:

> Strongly urge your support for Federal administrative program whereby Federal agency will work directly with the States in the matter of airport development following pattern used so successfully through the years in highway matters. If bill adopted by the House is passed by the Senate, the States in the last analysis will be required to pay most of the cost through further Federal invasion of State tax sources and through increasing demands upon the States by political subdivisions with no State participation in that respect in the planning, supervision, or operation of the program. National Governors Conference last year unanimously approved Federal-State cooperation, rather than Federal-local cooperation, thus bypassing States in any portion. Because of the size of Connecticut and the multiplicity and confusion of many municipalities developing local airports without State control and supervision, it is very important to us that Federal-State rather than Federal-local plan in part be approved.
>
> RAYMOND E. BALDWIN.

I ask the Senator if he thinks that that is about the position of other States in the New England Conference?

Mr. BREWSTER. It is my understanding that it is the position not only of the States in the New England Conference, but States very generally throughout the country. I know the Senator from Ohio inquired regarding this matter, and the Governor of that State expressed himself very strongly, as did the Governors of almost all the States concerned with this principle.

I may point out that an interesting analogy exists in the administration of the amazing Federal-State highway program involving billions of dollars. There are only 2,545 Federal employees involved in it as the result of the great amount of the work being decentralized in the States. In the case of the Civil Aeronautics Administration they already have 11,000 employees, and it is contemplated in the estimates that if the Federal Government is to administer this entire program in cooperation with the municipalities there will be a 500-percent increase in the CAA staff. I do not mean by that to suggest that the number of employees will be increased to 15,000, because it would be a 500-percent increase in that portion of the employees allocated to the planning of the airports, but it does indicate that a vast Federal bureaucracy must inevitably be greatly expanded, whereas if we continue the well-established practices of cooperation between the Federal and State authorities, with the State authorities cooperating with the municipalities as they do now, it is reasonable to anticipate that very great economies will be effected.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. KNOWLAND. Along the line of the question raised by the distinguished Senator from Vermont [Mr. AIKEN], I, too, would be considerably concerned if I thought that there would be any unnecessary delay in the passage of this legislation, because to California, as to a great many other States, airport development is of extreme importance. A short time ago I heard the ruling of the Presiding Officer of the Senate to the effect that several procedures might be followed in the event of the rejection of the conference report, and I take it from the statement of the Senator from Maine that if the conference report is rejected there will not be an endeavor to send the bill to committee, which is one of the alternatives, but rather it will be amended on the floor and forthwith sent to the House.

Mr. BREWSTER. The amendment is all prepared, and is ready for immediate adoption if the conference report is rejected.

Mr. AIKEN. Mr. President, will the Senator from Maine again yield?

Mr. BREWSTER. I yield.

Mr. AIKEN. Suppose the House does not accept the amendment of the Senator from Maine in the event that the Senate approves it, then what happens? Will we have it back here again?

Mr. BREWSTER. Then, there will really be in order a compromise, a compromise such as we have not been presented with thus far, a compromise such as the Senator from Nevada has sponsored throughout, and which the House, I assume, was going to accept when finally that point was reached where certain of our conferees decided to recede. Instead of that compromise being made, the Senate conferees receded completely.

Mr. AIKEN. That compromise would have to be arranged between the two Houses?

Mr. BREWSTER. Yes.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Am I to understand that the amendment which is now being discussed by the able Senator from Maine will be first in order in the event the conference report is rejected, or will it be first in order to send it back to committee?

The PRESIDING OFFICER. The precedence as stated by the Chair on the advice of the Parliamentarian is first a motion to refer the House amendment to a standing committee. That motion will take precedence.

Mr. LUCAS. I thank the Presiding Officer.

Mr. BREWSTER. I may point out that the inquiry is a most interesting one, and it would indicate that perhaps someone on the other side would assume the responsibility for the delay. It will not rest on this side, at least in that consideration.

The difficulty with the House provision in the first place is that it is utterly inequitable as between the States, because while providing that 75 percent shall be allocated to States on the basis of area and population, it provides that 25 percent shall be a "kitty" and, remember, it amounts to $125,000,000 under the provisions of the conference report—$125,000,000 which may be put entirely in one State if the Federal Administrator shall so desire. If it is desired to put $50,000,000 in Idlewild in New York, that is possible, or it can be put in any other vast airport which it is desired to develop.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. McCARRAN. Is it not true that the bill as it passed the Senate with the Senator's amendment allowed 35 percent for discretionary allocation?

Mr. BREWSTER. It is not.

Mr. McCARRAN. It certainly is.

Mr. BREWSTER. I think we are all agreed that the 35 percent was to be allocated for the construction of class 4 and 5 airports, but its allocation so far as States were concerned was to be on exactly the same basis as the 65 percent. That is, the State of Nevada would get——

Mr. McCARRAN. I beg the Senator's pardon, if he will again yield. The appropriations would have had to be brought back to Congress again, as was provided by the bill passed by the Senate.

Mr. BREWSTER. The Senator is quite correct, that under all the provisions, so far as the Senate measure is concerned, and I think the House measure, the proposed appropriations for the larger airports, class 4 and 5 airports, must be submitted to the Congress before they are finally made. Under the plan provided by the conference report the Administrator may allocate 25 percent of the entire fund to one State and to one airport. It is true, however, that that must receive the final concurrence of the Congress before it can take effect. Under the provision adopted by the Senate, 65 percent would go to the smaller airports in the several States on the basis of one-half population, one-half area. Thirty-five percent would go to the larger airports in the several States on the basis of one-half population, one-half area, and in consultation with the several State authorities.

Mr. McCARRAN. The Senator is not now referring to the conference report. He is referring to the bill as it was introduced in the Senate and reported from the committee. Sixty-five percent was to be channeled through the States for class 1, 2, and 3 airports, and 35 percent was to be channeled through the Congress directly for class 4 and 5 airports.

Mr. BREWSTER. That is correct. That was the bill reported by the committee and sponsored by the Senator from Nevada. The result is that there is very serious danger of inequities resulting, and that is why it has seemed to those of us concerned with the principle of State channeling that it would

be far wiser to request our coordinate body at least to take a vote upon the Senate bill. If the result of such a vote should be disapproval of the Senate measure, upon which the House has never yet voted, then it would be in order for the House and Senate really to compromise along the line long advocated by the Senator from Nevada whom, in that event, I should find it my great pleasure to support.

So I trust that the conference report will be rejected, that we will then adopt the Senate amendment as previously considered, and send it to the House for its consideration.

Mr. SALTONSTALL. Mr. President, I hope the conference report will be rejected and that the amendment intended to be offered by the Senator from Maine will be accepted and the bill promptly sent over to the House.

We are all vitally interested in airport construction. We want to see the airports built so that there can be a vast expansion in airplane traffic. The problem is: Will this bill in its present form help to develop airports to the best possible advantage? We should remember that this bill extends over a period of 5 years and establishes the principle on which the Federal Government will help to build airports.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. McCARRAN. The Senator is slightly in error. Probably the Senator has not read the conference bill. When the bill went through the Senate it provided for a program over 5 years. When it went through the House it provided for a program over 10 years. The compromise was for 7 years. The bill provides for a period of 7 years.

Mr. SALTONSTALL. The Senator from Nevada is entirely correct. What I meant to say was that it provides for an appropriation of $500,000,000, extending over a period of 7 years.

As the bill was reported by the Senate committee to the Senate, it provided, as the Senator from Maine has said, for class 1, 2, and 3 airports. Assistance for such airports was to be channeled through State agencies, and construction of such airports was to consume 65 percent of the funds, on a 50–50 basis. With respect to class 4 and class 5 airports, the larger airports, they were to receive 35 percent of the Federal aid. That aid could be accorded directly to the municipalities by the Federal Administrator, after approval by Congress. The Brewster amendment required funds for class 4 and class 5 airports to be channeled also through the State agencies.

In my opinion, this so-called compromise is not a compromise at all. It is a complete yielding to the House on the question of channeling of funds. If this bill is enacted in its present form, 75 percent of the money available will be distributed directly by the Administrator to the municipalities. State agencies will be completely bypassed. With respect to the remaining 25 percent, the Federal Administrator has it completely in his discretion to deliver it to any one State for one airport, if he so desires, with the approval of Congress.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. McCARRAN. I wish to correct the Senator again. Inadvertently, no doubt, he states that the State would be bypassed. Under the provisions of the bill as agreed to in conference the State may channel the money through the State. It is an agency which may deal with the Federal Government.

Mr. SALTONSTALL. The Senator is correct; and I intended to take up that point in a few moments. The Senator from Nevada is correct in saying that the State may enact a law which will forbid the Federal Government from dealing with municipalities directly.

Mr. McCARRAN. But aside from that, the Senator fails to grasp the point that the State itself is defined as an agency which may deal with the Federal Government.

Mr. SALTONSTALL. That is correct, if the State is to build an airport; but only if the State is to build an airport. In the discretion of the Federal Administrator, 25 percent of the funds in his hands may go into one airport in one State, if Congress approves the plan. We must remember that under the compromise report, as it is now called—and I believe I am correct in interpreting it in this way; I shall be glad to receive the advice of the Senator from Nevada if I am incorrect—the Federal Administrator may put the whole amount allotted to one State into one airport with the approval of Congress, plus the 25 percent which he may use in his discretion. So I say to Senators who are interested in smaller airports that this bill can be interpreted by the Administrator as a large airport bill, as distinguished from assistance to small airports as well as large airports.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. McCARRAN. The Senator addressed the subject matter of his discussion to me, and I beg leave to interrupt him in order that I may answer by way of explanation.

Nothing of the kind can take place, because immediately the money is appropriated by the Congress, the Administrator—that is, the CAA—must allocate to the respective States on the basis of population and area.

Mr. SALTONSTALL. I so stated.

Mr. McCARRAN. And that money remains allocated to the States. So far as the 25 percent is concerned, the Administrator could not put it into one State. Congress would have to give him authority before he could do anything with it.

Mr. SALTONSTALL. I believe that is what I said; I hope it is. I stated that 75 percent would be allocated on the basis of population and area; and in the discretion of the Federal Administrator the total amount allotted on that basis to any one State could go into one airport, plus the 25 percent over which he has broad discretion, subject to approval by Congress. So that it could all go into one airport in one State if Congress should approve.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. REVERCOMB. The Senator has raised a question which I think is at the very heart of the issue. One question presented by the two diverse views is whether or not the construction of airports throughout the country shall be principally under the direction of the Federal Government, or whether the funds put up by the Federal Government shall be controlled by the States. I think it is quite generally known that as a rule I favor government closest to the people in all matters. Sometimes that view is expressed by the overworked phrase, "States' rights." But I feel that a different question is presented here. When the reason for the rule fails, the rule should not apply.

The idea of building airports throughout the country is a great interstate scheme. The Senator speaks of those who advocate small airports. That is the very danger of State control of this fund. The State governments are closest to and most subject to local pressures. The result may be that a State may have 50 air strips or 50 small airports, and not a single airport large enough to accommodate interstate travel.

This is a national question, not a State question. Air travel is from State to State. Federal aid for airports is not comparable to Federal aid for highways. The construction of roads is more or less local to the States; but air travel, because of its speed and the distance covered, knows no State lines.

For that reason I have hoped from the very beginning that the Federal Government would entirely control the construction of these airports. However, there has been a compromise which permits State control in the construction of municipal airports. The State, by the enactment of a law, would be permitted to take over control within the State. I intend to support the conference report. I wish that the part with regard to State control were not in it, but a compromise had to be made. I think it is a very fair compromise with advocates of the State control system.

The Senator has been very kind in permitting me to make this statement. I made it because the able Senator from Massachusetts raised the very point which I think is the heart of this question, and that is whether or not there should be small airports. That is what is coming if we place control in the hands of the States. I say this without casting any aspersions upon any State government, but the Senator and I know that State governments are more subject to local influence and pressure than is the Federal Government. The result would be a great number of small airports which could not accommodate interstate travel. Furthermore, as a practical matter, I believe that further delay would be fatal.

I hope that the conference report will be adopted.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield for a question only. The time is limited.

Mr. LANGER. I note that the distinguished Senator from West Virginia says that he would rather trust someone far away from home. I ask him if the people would not receive a better deal from a board appointed by their own governor, whom they elect, than from a bureaucrat 3,000 miles away from home?

Mr. REVERCOMB. I will say to the Senator that he well knows my position upon the question of local self-government. I like to bring government as close to the people as possible. But we are dealing with a subject which is Nation-wide. Air travel extends from coast to coast, and from the Great Lakes to the Gulf. We are not dealing with a State question, involving the construction of a great number of small airports in a State. Under a system of State control, many counties might desire airports. Each county would say to the State government, "If you want to be fair, you must divide this money up." The result would be that there would be no airport of any size in the State, and the money of the Federal Government would be used to bring about a failure in an over-all scheme.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I should like to answer the Senator from West Virginia. The Senator from West Virginia says that the compromise report is better than the Senate bill because this is a national subject and is not a State matter. I most respectfully point out to him and to other Senators that the Senate bill, as it passed the Senate, provided for the allotment of 65 percent of the funds for class 1, class 2, and class 3 airports. The purpose was to aid in the construction of small airports in the States in order to handle local traffic. Thirty-five percent of the funds were to be spent for class 4 and class 5 airports for interstate traffic. That division was worked out as a fair compromise.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. McCARRAN. That is the bill which the able Senator from Massachusetts voted against on the floor of the Senate.

Mr. SALTONSTALL. I answer the Senator from Nevada by saying that I did not vote against it. I voted to channel through the States funds for class 4 and class 5 airports, but 35 percent would still have to go into large airports.

Mr. McCARRAN. When the bill came to the Senate it provided for the allotment of 65 percent for class 1, class 2, and class 3 airports, and 35 percent for class 4 and class 5 airports, but the Brewster amendment read that provision out of the bill.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. BREWSTER. The Brewster amendment did nothing of the kind. The Brewster amendment simply provided that the 35 percent for class 4 and class 5 airports should likewise receive consideration by the States. That was the only distinction.

Mr. McCARRAN. It provided that all the money had to be channeled through the States.

Mr. BREWSTER. Precisely; but the 35 percent had to go for class 4 and class 5 airports, exactly as the Senator from Massachusetts has stated. That is a sound principle which the Senator from Nevada has always advocated, namely, that we should recognize the smaller airports by allotting 65 percent to their construction and 35 percent to the construction of large airports. The only issue was as to whether the States should retain control.

Mr. SALTONSTALL. Mr. President, I should like to make a few more points, if I may do so at this time, and then I shall be through.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. SALTONSTALL. At the present time there are, as I understand, 44 State airport agencies. I mention that because when this honorable body passed the Hayden-Cartwright bill in 1913 to provide for Federal aid to State highways—a bill which has worked out most successfully in the last 33 years—there were only two State highway agencies. The highway agencies were built up to cooperate with the Federal Government and to plan the use of the funds for road work in the States.

Let me point out that if this bill becomes law, the Federal Government will be dealing directly with more than 4,000 local agencies in the various States.

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. SALTONSTALL. I yield.

Mr. BARKLEY. Of the 44 State agencies referred to by the Senator from Massachusetts, how many of the State agencies match Federal funds or appropriate any money out of the State treasury to help localities build airports?

Mr. SALTONSTALL. A few of them already do.

Mr. BARKLEY. Very few—not more than four, I think.

Mr. SALTONSTALL. I admit that a very few do as yet pass out funds. But if this compromise bill becomes law, it will afford no incentive for the States to render assistance.

I should like to make the point that a great many of the localities cannot provide their own experts. The experts will have to be provided by the States, or else they will have to be provided by the Federal Government. As the Senator from Maine points out, the Civil Aeronautics Administration now has more than 11,000 employees, of whom 191 are engaged in airport planning and airport construction. The Civil Aeronautics Administration told us that that part of their agency will have to be increased by about 500 percent if this bill becomes law. The testimony for the Civil Aeronautics Administration, by Mr. Charles B. Donaldson, Assistant Administrator for Airports, before the committee was as follows:

> As the bill is presently drawn, it would require that the Administrator deal directly with the sponsors of each project undertaken under the program. This would require direct dealings with approximately 4,300 units of government. It is obvious that from an administrative point of view this would be extremely difficult and cumbersome.

That is what the Assistant Administrator for Airports of the Civil Aeronautics Administration said of the bill in its present form.

I should like to make just one or two other points. This bill provides for no maintenance for airports. I do not think action on the measure should be held up because of that fact; but we must remember that there are approximately 800 Army airports which have been turned back as surplus, and they must be maintained in some way or other. That will be a problem in which the Federal Government must help in the days to come. For instance, in my own State, at Bedford, Mass., the State contributed about $100,000, when I was Governor, to buy the land. The Federal Government has contributed between $2,000,000 and $3,000,000 and has now declared that airport to be surplus. It could be used by the State, but it must be maintained. There is no provision for Federal assistance to maintain that airport. I am not sure that I approve of Federal assistance for maintenance, but it is a problem which must arise in connection with the 800 airports which have been declared surplus.

We also must remember that the cities and towns of which we are speaking, which are going to build airports, must turn to their State governments in some instances. For instance, in many States if cities or towns desire to borrow money beyond their debt limits, they must obtain the approval of the State government, through the State legislature. If an airport is to be built outside the city limits, the city presumably must secure the approval of the State legislature to buy the land outside its limits and to hold it tax free.

The distinguished Senator from Nevada [Mr. McCARRAN] mentioned the airports in New York. I think he mentioned Idlewild, although I was not sure I correctly understood him. He did not mention it by name. Idlewild, which is the largest airport in the United States—it is not yet finished—was begun by the city of New York; but I am informed, and I believe the information to be correct, that the present mayor of New York, Mayor O'Dwyer, has asked the New York Legislature and the Governor of New York to create an authority there because Idlewild is too big a proposition for New York City to handle. That is a direct instance in which a city has asked the State to help because the job is too big for the city.

In my own city of Boston the State had to take over, buy, maintain, and enlarge the airport because the city of Boston could not do it.

Those are two instances which I have in mind, in which the State government has been asked to help in connection with the airport problem.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. McCARRAN. Inasmuch as the Senator has mentioned Mayor O'Dwyer,

I should like to read a letter which is under date of March 28:

Thank you for your further information with reference to the conference committee report on the airport bill. I strongly favor the final draft of the bill as reported by this committee. Specifically, I believe that grants should be made through the CAA to cities, counties, and authorities. In New York City all airport matters will be in the hands of the New York City Airport Authority, and I am strongly in favor of having the CAA deal directly with this authority, and not through the State or any other agency. May I ask you to state this fact when the bill comes up for consideration in the Senate and House.

Mr. SALTONSTALL. Let me ask the distinguished Senator whether the letter is signed by former Mayor LaGuardia?

Mr. McCARRAN. No; it is signed by William O'Dwyer.

Mr. SALTONSTALL. I would point out that Mayor O'Dwyer has asked the State government for assistance.

Mr. BREWSTER. Mr. President, will the Senator yield to me?

Mr. SALTONSTALL. I yield.

Mr. BREWSTER. Mayor O'Dwyer has not only asked the State government, but the bill has been passed and signed by Governor Dewey; and the entire authority, insofar as the New York airport known as Idlewild is concerned, has been transferred to the State authority, which is a representative of the State government. I suspect that perhaps Mayor O'Dwyer has not been fully informed as to the implications of the various proposals, in questioning the propriety of the procedure.

Mr. McCARRAN. Mr. President, let me say to the Senator from Maine that I would not imply that the mayor was not advised when he sent that telegram. Let me say that he was advised as to what is contained in the conference bill.

Mr. SALTONSTALL. Mr. President, I should like to make a further point. Since I have been a Member of this distinguished body, the Senate has passed a bill, which is now in conference, dealing with school lunches. If my understanding of the bill is correct, the Federal assistance which is rendered in that connection stops at the State line, and from there on the work is carried on by State agencies, under certain supervision.

The Senate recently passed a bill dealing with hospitals, and under the provisions of that bill the Federal aid stops at the State line.

In connection with highway construction, the Federal Government has always dealt directly with the State highway authorities, and it refuses to deal with the municipalities, no matter how large they may be.

Mr. REVERCOMB. Mr. President, will the Senator yield for a question?

Mr. SALTONSTALL. I yield.

Mr. REVERCOMB. Does not the Senator see a very definite distinction between appropriations for air travel, which recognizes no State boundaries, and appropriations for roads and for school lunches?

Mr. SALTONSTALL. I say most respectfully to the Senator from West Virginia, who is a very distinguished Member of this body and who is my friend, that airplanes travel through the States; but the principles of Government on which this country has been built begin at home and with the individual, and if we are going to disregard the State governments and the 48 units of State government and have the Federal Government deal directly with counties and municipalities, we are going to involve ourselves in a bureaucracy the magnitude of which we have no conception.

Mr. REVERCOMB. Mr. President, will the Senator further yield?

Mr. SALTONSTALL. I yield.

Mr. REVERCOMB. Does not the Senator realize that, under the Federal Government, national projects should be handled from a national viewpoint?

Mr. SALTONSTALL. I answer the Senator's question by saying that if the Federal Government desires to own certain airports, as the Army and the Navy do, then it should have complete jurisdiction over them; it should take them over and should pay for them entirely. But if it is going to go into localities and deal with commercial companies and private individuals, then let us keep close to home.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. AIKEN. I rise merely to say that the school-lunch bill provides that the Federal Government may deal directly with certain types of schools, and not through the States. I believe the State of the Senator from Massachusetts has probably as many private schools as does any other State of the Union.

Mr. SALTONSTALL. Let me say to the Senator from Vermont that when I was Governor of Massachusetts I had a terrific row with the Federal authorities on just that point, and finally the Federal authority dealt through the State Department of Public Welfare, and thence down to the schools.

Mr. AIKEN. I should like to have one thing made clear once more, although I believe it has been made clear already. If any State has a special session of its legislature before this bill takes effect or before any money is appropriated under it, the legislature can require that the funds be channeled through the State.

Mr. SALTONSTALL. Mr. President, the Senator from Vermont asks whether the State government, through its legislature, can have all funds channeled through the State. It can, but I submit that no government or no legislature would ever advocate such legislation as would prevent municipalities from dealing directly with the Federal Government in connection with emergency matters.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me for a question?

Mr. SALTONSTALL. I yield.

Mr. O'MAHONEY. If I understand correctly what the Senator was saying, it applied to a transaction which recently took place in the State legislature of Wyoming.

When this conference report was received I took note of the provision in section 9 (b) reading as follows:

Nothing in this act shall authorize the submission of a project application by any municipality or public agency which is subject to the law of any State if the submission of such project application by such municipality or other public agency is prohibited by the law of such State.

In response to a telegraphic inquiry regarding this point, I advised the Governor and a committee of the legislature of Wyoming as to what the proposed law would provide. Thereupon the State legislature adopted the bill known as Senate file No. 7, the title of which was:

To provide that no city, town, county, or other political subdivision shall apply for or receive any Federal grant for airport development unless the project is first approved by the State commission.

It is my understanding that under the conference report the State legislature of Wyoming, by passing the bill which I understand the Governor has already signed, has taken itself out of the operation of section 9 (a). Therefore, the State remains the master of all applications, and may follow a State-wide program for airport development.

I should like to ask the Senator's indulgence to invite a statement from the Senator from Nevada with reference to whether or not it is true that any State legislature, after this bill becomes law, may not likewise pass an act such as the one to which I have referred, providing for State control of all applications.

Mr. McCARRAN. The Senator is entirely correct. That fact is the reason for section 9 (b). In other words, if the State wishes to have Federal moneys channeled through the State, that may be done, as in the case of the State of Wyoming, which has enacted legislation to that effect. On the other hand, municipalities will go forward with their programs until the State in which the municipality is located prohibits municipalities from doing so.

Mr. O'MAHONEY. I thank the Senator.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. BREWSTER. I do not believe the Senator was in the Chamber when the language of the amendment was discussed. It has been placed in the negative. I urged very earnestly that a reverse course should be adopted in order that recognition might be given to the Federal function.

The criticism most frequently heard is that some States have not yet acted in regard to this matter. I believe that 44 States have acted. The situation could be taken care of by a general provision in the following language:

Provided, That where a State has not appropriated any State funds for airport purposes, or where a State does not have legislation which permits its participation in the program through an adequate State airport agency, the Administrator shall carry out projects under this act by direct arrangements with any qualified public agency within the State.

That language, Mr. President, would take care of the State.

Mr. SALTONSTALL. Mr. President, I say frankly that I had not realized that any State had passed a law such as the one to which the Senator from Wyoming has referred.

Mr. McCARRAN. The Senator from Maine has referred to 44 States which he believes have acted in connection with this matter. Allow me to read a list of some of the States.

Maine, no funds appropriated; Iowa, no funds appropriated; Kansas, no funds appropriated; Wisconsin, no funds appropriated; Oregon, no funds appropriated; New Hampshire, no funds appropriated; Ohio, no funds appropriated; New Jersey, no funds appropriated; Missouri, no funds appropriated; California, no funds appropriated; Indiana, no funds appropriated; Texas, no funds appropriated; Arkansas, no funds appropriated; Oklahoma, no funds appropriated; Colorado, no funds appropriated; North Carolina, no funds appropriated; Mississippi, no funds appropriated; Florida, no funds appropriated; Nevada, no funds appropriated; North Dakota, no funds appropriated; Connecticut, no funds appropriated; Georgia, no funds appropriated; Nebraska, no funds appropriated; New York, no funds appropriated; Washington, no funds appropriated; South Dakota, no funds appropriated; West Virginia, no funds appropriated for construction; Louisiana, no funds appropriated; Montana, no funds appropriated; Idaho, no funds appropriated for construction; Arizona, no funds appropriated; Delaware, no funds appropriated; New Mexico, no funds appropriated; South Carolina, no funds appropriated; Alabama, $200,000 appropriated for 1946 and 1947, conditional upon approval by governor; Maryland, indefinite; Michigan, $1,500,000 appropriated for period ending June 30, 1946; Wyoming, no funds appropriated; Rhode Island, no funds appropriated to date; Utah, $500,000 appropriated up to June 30, 1947; Virginia, $130,000 for period 1946–48; Pennsylvania, $3,725,000 appropriated; Minnesota, $910,000 available balance from prior appropriations; Illinois, $2,500,000 for airports and airways, amount for airports indefinite; Vermont, $15,000 appropriated for land; Massachusetts, no reply received; Tennessee, no reply received.

Mr. SALTONSTALL. Mr. President, I wish to ask the Senator about Massachusetts. Massachusetts has appropriated more than $39,000,000 during the past years.

Mr. McCARRAN. Not for airport construction, according to the report which was made to us.

Mr. SALTONSTALL. I shall not go into the matter except to say that I myself, while Governor of Massachusetts, signed bills appropriating more than $15,000,000.

Mr. McCARRAN. That was a long time ago.

Mr. SALTONSTALL. The Senator would give the impression that Massachusetts has not appropriated any money for this purpose at all. She has appropriated a great deal of money.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. BREWSTER. The Senator from Nevada misunderstood my statement with respect to 44 States. State airport agencies with competent jurisdiction were created. Under the provisions of the conference report no Federal money may be available for next year because the report must be filed tomorrow in order to make any funds available, and that, obviously, will be impossible.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. BARKLEY. Time is rapidly passing. The Senator seems well on his way toward consuming the remainder of the allotted time.

Mr. SALTONSTALL. I have one more question and then I shall be through.

Mr. BARKLEY. Mr. President, if the Senator will yield further to me, I merely wish to say that while the Senator was Governor of Massachusetts, that State, under some peculiar circumstances, did take over an airport because of conditions which existed with reference to it.

Mr. SALTONSTALL. Massachusetts took over the airport in the city of Boston, purchased land at Bedford, and planned to buy other land in other parts of the State.

Mr. BARKLEY. That was before the pending legislation was introduced.

Mr. SALTONSTALL. Massachusetts has never had any Federal assistance.

Mr. BARKLEY. Mr. President, reference was made to 44 States. All of them, with three or four exceptions, have created aviation commissions of one form or another, carrying with them no money whatever. Yet when funds are to be furnished by the United States for the purpose of helping localities which have undertaken to buy land and construct airports, hangars, and administration buildings with money derived from the sale of bonds we are asked to provide that those localities may not deal directly with the Government of the United States but must go to the State capitol in order to obtain funds from the Federal Government.

Mr. SALTONSTALL. I believe that the State governments will appropriate funds when there is an incentive for them to do so. There were only two State highway commissions when Federal assistance was originally offered for the construction of highways.

Mr. BARKLEY. Frankly, I do not believe that situation is analagous to the present one. However, I do not have time to go into it.

Mr. SALTONSTALL. I only assert, Mr. President, in conclusion that through this bill we are being asked to establish a principle for future airport construction which should not be established. I believe that it is essential to start out on the right foot, and to work through the State governments rather than through the cities.

Mr. President, I yield the floor.

Mr. LUCAS. Mr. President, in view of the fact that it required 25 minutes to call the roll when we reached the hour of 2 o'clock this afternoon, I ask unanimous consent that debate on the conference report be continued for 20 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. GUFFEY. I object.

The PRESIDING OFFICER. Objection is heard.

SEVERAL SENATORS. Vote! Vote!

Mr. McCARRAN. Mr. President, I have only one further statement to make, and then I shall have concluded my discussion of a matter which is of great importance and will continue to be of great importance in the future.

What I say is said after months of experience through which the Senator from Maine stood with me until he became so tired that he left the conference and did not return. I did not blame him at all. I am not criticizing him, but I say that there will be no program for airports if this conference report is rejected.

Mr. BREWSTER. Mr. President, I rather regret if not resent the suggestion that I was worn out. We had continued for several months, and one Member of the Senate conferees was himself worn down and he finally notified me that he was going over to join the Senator from Nevada and his two associates. So there were four conferees on the part of the Senate who were inclined to compromise. I assumed that the compromise would be the proposal of the Senator from Nevada, but later I found to my amazement that the compromise was the House bill itself to which the conferees on the part of the Senate agreed.

Mr. BARKLEY. Mr. President, how much time do we have?

The PRESIDING OFFICER. One minute.

Mr. BARKLEY. I shall not attempt to discuss the matter in 1 minute. I am not interested in the number of old men who become worn out before their time. [Laughter.] I agree with the Senator from Nevada that if this conference report is rejected the chance of enacting any airport legislation during the present year will go out the window.

It seems to me that the States which have set up more or less ornamental or monumental aviation commissions without providing any money to aid localities which are willing to buy land and bond themselves in order to obtain necessary money, have no right to insist that Federal funds be channeled through the State capitol.

The PRESIDING OFFICER. The hour of 4 o'clock having arrived——

Mr. BREWSTER. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BREWSTER. What will be the precise question?

The PRESIDING OFFICER. The question will be on agreeing to the conference report.

Mr. BREWSTER. A vote "nay" will be to reject the conference report?

The PRESIDING OFFICER. It will be.

Mr. MCCARRAN. A vote "yea" will be to adopt the conference report? [Laughter.]

The PRESIDING OFFICER. A vote "yea" will be to adopt the conference report.

The hour of 4 o'clock having arrived, under the unanimous-consent agreement, the question is on agreeing to the conference report on the bill (S. 2) to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes.

Mr. MAGNUSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MAGNUSON. The distinguished senior Senator from North Carolina [Mr. BAILEY], who has long been very active in urging legislation to provide airports for cities and other places throughout the country, is necessarily absent because of illness. I am sure he would wish to be present today to vote on this conference report.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Pennsylvania [Mr. MYERS] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Michigan [Mr. VANDENBERG]. I am advised that if present, the Senator from Texas would vote "yea."

The Senator from Montana [Mr. WHEELER] is detained on official business at one of the Government departments.

I wish to announce further that on this question, the Senator from Louisiana [Mr. OVERTON] is paired with the Senator from Maine [Mr. WHITE]. If present and voting, the Senator from Louisiana [Mr. OVERTON] would vote "yea," and the Senator from Maine [Mr. WHITE] would vote "nay."

I wish to announce further that if present and voting, the Senator from Florida [Mr. ANDREWS], the Senator from Georgia [Mr. GEORGE], and the Senator from Pennsylvania [Mr. MYERS], would vote "yea."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Texas [Mr. CONNALLY]. I am not advised how he would vote if present.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business. If present he would vote "yea."

The Senator from Indiana [Mr. WILLIS] is necessarily absent. If present he would vote "yea."

The Senator from Maine [Mr. WHITE], who is necessarily absent and who would vote "nay" if present, is paired on this question with the Senator from Louisiana [Mr. OVERTON], who would vote "yea."

The result was announced—yeas 49, nays 32, as follows:

YEAS—49

Aiken	Huffman	Pepper
Bankhead	Johnson, Colo.	Radcliffe
Barkley	Kilgore	Revercomb
Briggs	La Follette	Robertson
Butler	Lucas	Russell
Downey	McCarran	Stewart
Eastland	McFarland	Taylor
Ellender	McKellar	Thomas, Okla.
Ferguson	McMahon	Thomas, Utah
Fulbright	Magnuson	Tunnell
Green	Maybank	Tydings
Guffey	Mead	Wagner
Gurney	Mitchell	Walsh
Hatch	Morse	Wilson
Hayden	Murdock	Young
Hill	Murray	
Hoey	O'Mahoney	

NAYS—32

Austin	Cordon	Moore
Ball	Donnell	O'Daniel
Brewster	Gerry	Reed
Bridges	Hart	Saltonstall
Brooks	Hawkes	Shipstead
Buck	Hickenlooper	Smith
Bushfield	Johnston, S. C.	Stanfill
Byrd	Knowland	Taft
Capehart	Langer	Wherry
Capper	McClellan	Wiley
Carville	Millikin	

NOT VOTING—15

Andrews	George	Tobey
Bailey	Glass	Vandenberg
Bilbo	Gossett	Wheeler
Chavez	Myers	White
Connally	Overton	Willis

So the conference report was agreed to.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. LA FOLLETTE obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. I wish to urge Senators, while we have a full attendance, to remain on the floor, and I hope the Senate will be willing to sit a little later than usual this evening and for the remainder of the week, in the hope that we may conclude the consideration of the unfinished business on which I understand the Senator from Wisconsin is about to address the Senate.

Mr. LA FOLLETTE. Mr. President, I have given much study and thought to the various questions involved in this proposed British loan and financial agreement. I have come to the conclusion that I cannot support it. I am convinced that from a financial and economic standpoint it would be a bad bargain and a foolish venture. Whatever merits the proposal may have as a generous gesture of international good will are more than offset by the future frictions it will create and by the unwarranted and excessive demands it will impose on our already overburdened economy.

In many respects, this is not an easy decision to make. As far as I am personally concerned, it would be much easier to coast along with the popular misconception that this is an issue involving an international outlook as against nationalism. It would be much easier to accept blindly at face value and without question the administration arguments for this loan.

I know that many well-meaning people, most of whom have only a very casual knowledge of the terms and implications of this loan, have been sold on the idea that this is a necessary step toward international cooperation. I know that many less-honest and less-scrupulous individuals will seize upon this situation to smear and brand those who oppose this loan as being opponents of international cooperation.

I do not propose to deal in such generalities. Later in my remarks I intend to discuss some of the international and ideological aspects of this proposed agreement. For the present, let it suffice to say that I emphatically disagree that this proposed loan is a step toward winning the peace. Instead of cementing friendships, I am convinced it will lead to misunderstandings and alienations among the nations that are directly and indirectly involved. For our own people, it will mean disillusionments and reaction that will do great harm to the cause of world peace.

Because of the complex issues involved in this proposition, a new and fantastic line of argument has been developed by some of the proponents of this loan. Some who cannot justify the specific terms have casually brushed aside all the unpleasant facts with the bland assertion that it is the general policy that counts, not the details.

I submit, Mr. President, that such is an extremely bad and dangerous doctrine to introduce into the legislative process. If that were true, then Congress might just as well save time and pass judgment on all bills merely on the basis of their titles instead of the specific provisions which they contain. As a practical matter, Senators all know well that a considerable difference often exists between the title or objective of a bill and the language or actual effects thereof. It is wholly unrealistic and unsatisfactory to legislate on the basis of generalities only.

From my own personal observations, I am always wary of those who favor or oppose measures on the basis of general principles or broad objectives. I fear that too often those words are used to cloak a lack of knowledge or a lack of good arguments concerning the measure. I want to emphasize that it is the duty of Congress to examine with great care not only the purported objectives of all legislation, but also the actual terms and methods whereby the objectives are sought to be attained.

That is why I cannot coast along with those who have linked this measure with

good foreign policy without factually establishing the good in it.

The economic interests of the United States in this matter have been very much distorted. We stand to gain very little on our end of the proposed bargain. We incur, however, substantial risks and concessions for considerations which are intangible, indefinite, and improbable of realization.

In the first place, the agreement is full of loopholes insofar as Britain's responsibilities are concerned. In exchange for our positive commitments, we receive evasions and hedgings with various buried provisos and exemptions. There are ambiguities concerning the real intent of certain sections. Illustrative of this is the following quotation from a letter to the editor which was published originally in the London Times and republished in the New English Weekly for December 20, 1945—at the time when the British Parliament was considering the agreement. Writes a British colonel:

> To the Americans the proposals mean, it seems, the diminution and eventually the abolition of reciprocal and selective trading, of which imperial preference is only one part. To the British the proposals are put forth as allowing the continuance and even extension of reciprocal and selective trading. The eventual break-down of such an agreement is inevitable.

The British press, and members of Parliament who urged the loan, frankly stated that the loan had been tailored to pass the Congress. The British News Review—a prominent weekly publication, which claims no political affiliations—reported in its December 20, 1945, issue:

> Chief Negotiator Lord Keynes told the Yanks bluntly that Britain was entitled to an interest-free grant for the part the country had played in winning the war for America. * * * He was told Mr. Truman agreed, but he dared not try to put anything like that across Congress. * * * In return, there was a sort of gentlemen's understanding that America would help Britain to pull down the world's tariff walls, and would consider lowering its own tariff obstacles to British products.

Then, continuing, and note this:

> Moreover, Keynes avoided giving the Americans a pledge that Dominion preferences would be removed. He merely promised that Britain would consider bargaining on this matter.

Obviously, the British press is not infallible; nor does it represent the viewpoint necessarily of the Government or the representatives who negotiated this agreement. But this scandalous interpretation raises the question: Is there any possible basis of terminology—any escape clauses—under which this interpretation might be justified?

The answer is "Yes." Let me call the Senate's attention to some of the phraseology and provisos by which the apparent objectives could be nullified or distorted. As far as I could find in the hearings on this joint resolution, the administration spokesman did not discuss these points before the Banking and Currency Committee.

Sections 7, 8, and 10 of the financial agreement, in the provisions relating to sterling area and other exchange arrangements, all contain the loophole clause "unless in exceptional cases a later date is agreed upon after consultation." A similar clause reading "unless in exceptional cases after consultation they agree otherwise" is contained in section 8 (ii) (b).

In effect, this is a tremendous delegation of congressional powers. Proponents may argue that it is necessary to take care of unforeseen contingencies. But it does not alter the fact that clauses like this can be used subsequently to change fundamentally congressional policy after the Congress has ratified this agreement. Furthermore, the likelihood that such evasions might occur is enhanced by the apparent fact that the America negotiators were motivated to some extent in the terms of this agreement by what they thought Congress would insist upon as a minimum.

Look at some of the other language of the agreement. In section 6: Instead of making a clear-cut agreement with the words "The United Kingdom agrees to—" or similar words, the agreement uses the very weak language "It is understood the United Kingdom will * * *." Similarly, in section 10, instead of saying positively "The United Kingdom will make arrangements" the language of the document reads, "The United Kingdom intends to make." Contrast that with the language "The United States will extend a line of credit of $3,750,000,000," and so forth.

Section 5, which relates to the waiver of interest payments, also contains some "sleeper provisions." On the face of it, it appears that interest will not be waived unless imports are less than the 1936–38 average. This is how Lord Keynes, the chief British negotiator, explained this provision in the House of Lords during the British debates on December 17 and 18, 1945:

> We pay no interest for 6 years. After that we pay no interest in any year in which our exports have not been restored to a level which may be estimated at about 60 percent in excess of prewar. I repeat that. We pay no interest in any year in which our exports have not been restored to a level which may be estimated at about 60 percent in excess of what they were prewar * * * in volume.

This is the explanation of the 60-percent increase referred to in this quotation: In prewar years Britain paid for almost half of her imports by rendering shipping and financial services, including insurance, and with the income received from very substantial foreign investments. Lord Keynes apparently realized that services and investments will never again pay for such a large proportion of the British trade, and that Britain under the loan will be in the very fortunate position of expanding her exports 60 percent over prewar levels—or else not be obligated to pay interest on this loan.

What does it mean so far as the United States is concerned? It means that we are partially underwriting, not for a transition period, but for 50 years—the term of the loan—a new British economy which will be based to a much larger extent on exports rather than shipping and financial services. In other words, under this loan we are straddling two great propositions presented by the United Kingdom economy. We are straddling a short-term proposition and a long-term proposition. The implications of each of these deserve careful consideration—and I intend to consider them later in my remarks.

Lord Keynes went on to say this about the provisions for interest-waiver:

> Moreover, the installments of capital payments are so arranged that we obtain the maximum benefit of this provision (waiver of interest) in the early years. For at the start, the minimum payment to which we have committed ourselves (i. e. repayment of principal) is no more than £13,000,000.

The repayment schedule is so arranged that almost two-thirds of the required payments in the early years consists of interest, which part could be waived. There is some justification for this, I concede, because the interest is computed annually on the basis of the amount of the loan then outstanding. However, it also has the effect of placing large amounts of interest in jeopardy of collection at a time when the waiver provisions are in effect, and large amounts of capital in jeopardy at future times when there is greater probability of default. In other words, we stand to lose at both ends.

Mention should also be made of the long interest-free period and the provision tucked away in the last sentence of paragraph (b) under section 5.

Under the latter provision, if a waiver of interest is requested during the years 1951 to 1955, the computation is based not on the income for that year but on the average of all the years from 1950. The net effect is a carry-over provision that liberalizes the waiver provisions in subsequent years if income in the early 1950's does not reach the specified level.

It should also be noted that with the interest-free provisions until 1951 the effective rate of interest for the entire period is considerably below the nominal 2 percent provided in the agreement. Secretary Vinson pointed out in the hearings that, depending on when the money is actually drawn, the effective rate of interest, taking into account the interest-free period, could be as low as 1.63 percent. And this depends on full future interest payments. If the interest is waived, especially in the early years of the loan, the effective interest rate would actually be substantially below 1.63 percent.

In this connection, it is interesting to note the two different placements of emphasis that are made by the American and British proponents of this loan. In the hearings before the Banking and Currency Committee it was emphasized that the 5-year period of grace was largely due to the probability that the British would draw on the credit only gradually over a 3- or 5-year period. In the British Parliament the emphasis was placed on the considerable period of time, during which time all the money would be available without interest.

Lord Keynes summed up the situation with these words in Parliament:

> The balm and sweet simplicity of no percent is not admitted, but we are not asked to pay interest except under conditions when

we can reasonably well afford to do so, and the capital installments are so spread that our minimum obligation in the early years is actually less than it would be with a loan free of interest repayable in equal installments.

So much for the waiver of interest provisions. Other provisions in the agreement are equally full of deceptions. Section 9 (b) for example, opens the door wide for discriminating import arrangements by including the proviso:

This shall not apply in cases in which there may be special necessity for the country imposing such restrictions to assist * * * a country whose economy has been disrupted by war.

I ask any Senator, what participating country has not had its economy disrupted by this global war?

Consider also section 8 (iii). It is popularly assumed that with this loan we obtain a world trade free from exchange and import restrictions—at least insofar as the British Empire is concerned. I have already suggested numerous loopholes whereby British compliance might be delayed and postponed. And now, we come to the particular subsection that adds the coup de grâce. This subsection provides that the agreements are not binding after December 31, 1951. The excuse, included with the subsection, is that the termination is in anticipation of more comprehensive arrangements by multilateral agreement.

As a practical matter, I am convinced this loan will have very little effect in expanding the channels of multilateral trading. There are many barriers to be surmounted with other countries, even if Britain and the United States were committed 100 percent to the policy by the agreement—which obviously is not the case. I think it is also evident that the loan will have a very limited effect insofar as Britain alone is concerned.

Those who believe that this agreement is the Open Sesame for all world trade will not find encouragement in the British press. This observation, for example, appeared in the New English Weekly for March 7, 1946:

The unblocking of sterling should start in January 1947, well in advance of the timetable prescribed by the Washington financial agreement. The unblocking will not proceed as the American negotiators at Washington imagined it would proceed. They envisaged a wholesale conversion of overseas sterling into dollars and the gradual redemption of the remainder of Britain's overseas indebtedness.

I continue to quote from this British weekly:

That is not the way it will be worked. Conversion into dollars will be limited to the amount of dollars available. If the United States does not provide dollars in abundance, then the conversion of overseas sterling into dollars will be on a very limited scale.

Statements like this imply several things. First, that the British pattern of action is set, regardless of what we do on this loan. Second, that Americans are over-optimistic concerning the trade benefits that can accrue. Third, that the effects will not be expansive, but merely directly proportional to the number of dollars we are willing to pump into the world economic stream.

Those who favor this loan have devised numerous arguments with reference to the $13,000,000,000 of blocked sterling that Britain owes. Unless we give this loan, they argue, these balances will exclude American products from the whole sterling area. The inference is that this agreement would make this sterling readily convertible to any other currency. The plain fact is that such conversion and repayment are wholly impossible on Britain's part, except as settlements are made scaling the amounts downward and refunding agreements are made for repayments over a long period of years. In fact, the loan agreement itself recognizes such an intention on Britain's part; and also states that the dollars of the loan will not be used to discharge these obligations. What is not added is that Britain would probably make refunding agreements in any event, for she simply could not live if she used all her exports to satisfy blocked sterling and received no food and raw materials in return.

It is true that under certain conditions, 1 year after the effective date of the agreement (conditioned again with the loophole clause "unless in special cases a later date is agreed upon after consultation"), sterling balances released, or otherwise available, would under the agreement be available for current transactions in any currency area. But here again, the limiting factor would be Britain's ability to make such payments. Until Britain reaches a trade status that permits a substantial repayment, this will have little bearing on increasing multilateral trade; until that time, it means nothing more than our dollars taking a circuitous path.

It has frequently been argued that this loan is an "or else" proposition: we must make the loan or face dire consequences in a world trade war. This argument has been hammered and hammered by those supporting this agreement. In my opinion it is one of the weakest arguments that can be made in its behalf.

In the first place, I have confidence that America can more than hold its own in any trade war, if one develops. In the second place, foreign trade, or any trade, should be highly competitive. It is when we get into cartels and agreements to restrict or shut off competition that we have most of our troubles. If multilateral trading is good—and most everyone agrees that it is, in principle—Britain will join in negotiations to that end when she is able and willing—just as other countries of the world will. No monetary consideration on our part should be necessary for doing something that is mutually advantageous.

For those who argue "Yes, but Britain and other countries cannot do it now unless we assist them" the answer is very simple. It is not to our own best interests to expand now. We want to retain our nylons, automobiles, lumber, machine tools, railroad equipment, and the host of other consumer and capital goods.

Mr. President, it is a great mistake to assume that our industrial plant is in shape to compete for trade in future years. We are very greatly in need of the very same products which the British will be needing, if we are to bring our plant up to a point of efficiency and to translate the technological advances due to war research into our actual practice and operation in order that we may support the high-wage economy and at the same time by lowering per-unit costs be in a position to compete in the world markets. But if we permit Britain or other countries to bid against our industrialists and others who need this equipment, we shall merely be retarding our reconversion, delaying the time when we can bring our industrial plant to a peacetime efficiency commensurate with our research and our know-how. We want to retain these materials, Mr. President, until our own accumulated backlog is satisfied.

We have even gone to the extent of rigid export licensing to control the outflow. It is sheer nonsense to say we are helping ourselves in this respect by the loan, when we are simply creating more inflationary pressures that must be controlled.

Neither is there any validity in the statements that we must participate now in world trade because permanent channels are being set up that will continue to persist. The fact is that present trade—including much of our internal domestic trade—is not based on costs or quality, but merely on the existence of a supply. Future normal trade, both at home and abroad, will be shaped to a large extent by cost and quality.

When we are in a position and have goods on hand to export, we shall have no difficulty in world markets for lack of dollar exchange. The recent report of the Export-Import Bank contains a detailed statement showing that gold and dollar assets of foreign countries increased from $14,972,000,000 in December 1938 to $21,042,000,000 on June 30, 1945. Although the gold and dollar assets of the United Kingdom have shrunk from $3,129,000,000 to $1,840,000,000 during that period, other countries have much more than offset that decline. Hence, our foreign trade has ample basis for expansion, insofar as these assets are conducive to trade and assist in the mechanics of exchange.

The Department of Commerce made a detailed study of Foreign Trade in a Postwar Economy which was published in November 1944. This was before the end of the war, and many months before the British loan was under consideration. The report was highly optimistic of the future foreign-trade opportunities of this country. It took notice of the increased gold and dollar balances of foreign countries, pointing out that while the whole amount could not be used for purchases, "it is entirely possible that extraordinary imports from the United States will be financed out of these accumulations at the rate of one to two billion dollars a year for several years."

The report envisaged an enlarged Export-Import Bank, direct investments of corporate funds in foreign enterprises, and loans through an International Bank. Nothing, of course, was said about the proposed British loan. Then this estimate was made:

It has been estimated that postwar exports of $7,000,000,000 would be possible on the

basis of new foreign investment of about $1,000,000,000 a year. Exports of $10,000,000,000 would be possible if, in addition to increased imports from tariff reduction estimated at a possible $1,000,000,000, the rate of foreign investment was stepped up to $3,300,000,000 a year.

Exports of this magnitude are about three times the 1937–39 level of exports.

Now, the facts are that the Export-Import Bank alone has already received funds for loans of approximately $3,300,000,000, and another $1,250,000,000 is anticipated. The very obvious conclusion to be drawn is that on the basis of the Department of Commerce's own figures we can expect a very substantial future foreign trade—without the British loan.

In the final analysis, the volume of our foreign trade will ultimately depend on our willingness to accept imports. As has been pointed out frequently, international loans are merely deferred imports. Or, if not repaid, they represent exports that are given away. A loan may create a temporary prosperity to the exporter who has a surplus, but such prosperity is wholly superficial if payment in goods is not received in return. If we are loaning only to export, we might as well give the money directly to the exporters and then give the commodities away to our own people who need or desire them. From an economic standpoint, the result is the same.

In any event, the real decisions that govern the flow of international trade are the specific decisions with respect to tariffs, exchange conditions, trade controls, commodity agreements, and so forth—not the high-sounding general policies and platitudes. We have heard much, for example, about our future trade policies unhampered by any restrictions. In the next breath these same spokesmen recognize the necessity of quotas, export subsidies, and a host of other trade restrictions on numerous commodities, such as sugar, wheat, cotton, petroleum, and other commodities. I do not intend to convey the impression that these trends are necessarily wrong. I do want to suggest that these specific decisions, and other specific decisions, commodity by commodity, are the factors that will govern the level of our foreign trade—not the hopes and aspirations expressed in general policies.

Thus far in my remarks I have been discussing one major point: The probable effect of this agreement on the economic trade of this country. Let me summarize briefly some of the arguments.

I believe we stand to gain very little from this agreement. We bind ourselves to an expensive bargain that is full of loopholes and escape clauses. We propose to expand our foreign trade when we are not ready to do so—when it will merely increase inflationary pressures already alarming.

We will not be closing the door to future trade if we do not make the loan. American traders will be able to hold their own in future competition, especially if we do not hamper them in translating the research of war and techniques developed during the war into actual production processes by permitting the exportation of their machine tools and other capital goods to countries, including Great Britain, which are now seeking them. Future trade will depend more on specific decisions than on present general policies. Whether we grant the loan or not, British trade policies will be developed largely independent of our plans or desires. In short, the loan would have only a limited transitory effect on our trade—and some of the transitory effects would be bad. There would be an inflationary effect now; deflation later. After these effects are dissipated, our future foreign trade would depend on exactly the same factors that would exist without the granting of the loan.

The second major consideration evolves about the relationship of this loan to the economic status of the United Kingdom. To discuss this situation properly, a distinction must be made between the short-term and long-term problems of the United Kingdom.

Britain's short-term problems evolve about the immediate necessity of building up exports so that a balance of trade can be achieved and so that sufficient food and raw materials can be imported. The long-term problems evolve about Britain's natural desire to hold the Empire together and to be a dominant power in world trade.

In my estimation, the short-term problems have been very much over-estimated and the long-term problems have been very much underestimated. There may be some justification to give assistance to Britain to meet her short-term problems. But there is absolutely no justification to underwrite the British Empire nor a dominant place in world trade for the United Kingdom. As previously suggested, this financial agreement straddles both propositions.

First, let us examine the short-term problems of Britain. The facts are that the United Kingdom exports declined during the war to less than one-third of prewar volume. This was due, we are told, to Britain's concentration on war production rather than exports. No one can gainsay that. But it is also true that a large decline in exports was due ipso facto to the war closure of British markets in Germany and enemy-controlled territories. About 29 percent of British exports went to these countries before the war. In other words, it was not entirely a voluntarily decision to forget about exports. In any event, United States lend-lease bridged the gap for British consumers and supplied the urgent deficiencies.

The British bitterly complained about the cessation of lend-lease at the war's end. They felt they had a vested right in its continuance until their economic affairs were in order. During the subsequent negotiations for a loan they painted a bleak picture of the recuperative prospects of the United Kingdom. The American negotiators took them at their word. Even during the recent hearings when later data were available, the Treasury Department submitted for the record a glamorized chart purporting to show the huge net outpayments the United Kingdom would have in its foreign trade through 1950. The chart indicates net out-payments of almost $2,000,000,000 in 1946. Yet, Messrs. Vinson and Clayton admitted during the hearings that this was based on a gross understatement of British exports which were the basis of the loan discussions. Mr. Atlee's revised estimates of a few weeks ago were almost half a billion dollars more for 1946 exports. For 1947, the Treasury's chart estimates a net outpayment of about £350,000,000 or about $1,400,000,000.

Mr. President, contrast this with the current analysis made by a British economist, C. Morgan-Webb, in the New English Weekly for March 7, 1946. I read:

> It is clear now that the British negotiators who went to Washington shortly after VJ-day, were unduly pessimistic as to Britain's powers of recovery. Since the statistics on which they relied were compiled, economic recovery has been rapid. The rate of demobilization has exceeded expectations. Overseas military expenditure has declined equally rapidly. Postwar austerity has caused substantial reductions in imports from the United States. And exports are making an astonishing recovery.
>
> Reducing these generalizations to figures, visible imports have been brought down to £90,000,000 a month. To these must be added invisible imports comprising the costs of military and other overseas services. Military expenditures overseas for 1946 are estimated at £300,000,000, declining from £35,000,000 a month in January to £15,000,000 a month in December. Other overseas expenditures will average £10,000,000 a month throughout the year.
>
> For January the imports, visible and invisible, were, as far as can be estimated, as follows:

Goods	£90,000,000
Cost of overseas military services	35,000,000
Cost of other overseas services	10,000,000
Total	135,000,000

> Exports for January were £57,000,000. This makes the adverse balance of trade £78,000,000 for the month. Overseas indebtedness was increased by this amount.
>
> Continued austerity and the gradual reduction of overseas military expenditure will reduce imports from £135,000,000 to £115,000,000 by the end of the year. What will be the value of exports to set against an import value of £115,000,000 in January 1947?
>
> The only basis for an export estimate a year ahead is the rise in exports from £30,000,000 in November 1945 to £57,000,000 in January 1946. This remarkable increase, at a rate of almost £13,000,000 a month, was achieved when most of the export industries were still in the stage of change-over, and were greatly hampered by shortages in manpower, raw materials, and shipping.
>
> A much more moderate increase of £5,000,000 per month will suffice to create an equilibrium balance of trade and to equate exports with imports at a level of £117,000,000 a month by January 1947. This task for the export industries should be easy. There is a free, overseas, ready-money, sterling purchasing power of £2,000,000,000 available to buy British exports. For the export of American goods, dollar loans have to be made to create overseas dollar purchasing power. But overseas sterling purchasing power exists in abundance, far beyond the full capacity of British export industries. For at least 3 years the only limit to British exports will be the capacity to produce them.
>
> As far as can be foreseen, the economic strain on Britain's international activities will cease by January 1947.

While this analysis has no official status, it is based on official figures, and I think it clearly shows that the short-term British problem is not as severe as is commonly supposed. With the entire world hungry for goods—any goods—quality and price are secondary considerations—the United Kingdom, or any country, is in a position to export all she can produce and spare.

The short-term phase of international trade will come to an end when the current backlog of demand is dissipated. When supplies begin to catch up with accumulated demands a new relationship will prevail. As far as the British Empire is concerned, I believe it is inevitable that certain long-term trends will again begin to operate.

It is no secret that the British Empire is no longer the mutually-profitable economic system it once was. From an economic standpoint, it has been slowly cracking and falling apart ever since World War I. Its original economic strength lay in the fact that the manufacturing and trading activities of the mother country were nicely complementary to the raw materials supplied by the far-flung components of the Empire. However, with the expansion of industrial techniques, the various dependencies of the Empire have gradually assumed part of the role formerly played by the United Kingdom. They have undertaken to do manufacturing from their own raw materials. Insofar as over-all efficiency is concerned it can be lower than that of the United Kingdom and still compete successfully—because it saves the transportation costs involved in the long hauls to and from the United Kingdom.

Let me illustrate with specific facts. First, consider India. Prior to World War I India relied largely on Great Britain to supply its manufacturing wants. Twenty-five years later, Indian imports of Lancashire cotton goods, for example, dropped to less than one-tenth of the previous level. India developed its own industries, including a steel works, the largest single industrial enterprise, and by 1939 had 10,500 factories. Almost 400 spinning and weaving establishments spun 1,250,000,000 pounds of cotton yarn and 4,000,000,000 yards of woven goods, and the Tata Steel Works produced over 1,000,000 tons of steel and almost 2,000,000 tons of pig iron and ferro-alloys.

The net result of this industrial development was a lessening of economic ties between India and the Empire. Only about one-third of British Indian foreign trade was with the United Kingdom in 1938, and Britain was buying more goods from India than she sold her.

Australia has always maintained close trade relations with the United Kingdom. But here, too, the same trend is evident. Along with the sheep industry, which constitutes by far the most important part of the pastoral industries, Australia has been developing a woolen textile industry that is competitive with United Kingdom exports. New South Wales and Victoria have developed not only woolen textiles industries but also competitive iron and steel products. It is true that these manufactures are primarily for home consumption, but to the extent that they tend to replace woolen products and iron and steel products from the United Kingdom, they tend to break the economic ties with the home country. It is clearly evident that Australia's import needs are becoming more and more diversified, and old ties are weakening.

Similarly, the foreign trade of New Zealand, South Africa, and other empire countries has become more diversified from nonempire countries.

The striking proof of the decline of solidarity in economic matters within the Empire is evidenced, not only by some of the reactions of empire countries when the tariff preferences were established in the early 1930's but also by the recent frank statements from British leaders that Britain cannot avoid having some defections from their economic bloc.

The Ottawa agreements in 1932 established a comprehensive interempire system of tariff preferences. It is noteworthy that India denounced this treaty in 1936 and 1937, although temporarily extending its provisions. Furthermore, some parts of the colonial Empire continued the system of free trade, despite the opportunity to participate in the Empire system.

An admission of probable economic defections in the case of a show-down on the dollar pool came from Lord Keynes in the House of Lords debate last December. In one part of his remarks he said:

> It will be very satisfactory if we can maintain the voluntary wartime system into 1947. But what hope is there of the countries concerned continuing such an arrangement much longer than that? Indeed, the danger is that those countries which have a dollar or gold surplus, such as India and South Africa, would prefer to make their own arrangements.

That is an admission in the British Parliament that the dollar pool will disappear anyway, that Britain cannot hope to hold it together. Yet it is advanced as one of the arguments in support of the proposed $3,750,000,000 loan.

With the words I have just quoted, Lord Keynes was speaking with specific reference to the dollar pool of the sterling bloc. However, the situation that he observes is another evidence of the economic ties in the Empire that are being gradually broken.

Even more noticeable insofar as India is concerned, are the probabilities that India will soon break some political ties and obtain a greater measure of self-government. All factions in Parliament apparently have come around to the conclusion that, in the words of Prime Minister Attlee, "the tide of nationalism is running very fast in India." Despite many Moslem and Hindu issues which present formidable problems, the new Cripps mission will undoubtedly give greater political autonomy to India.

All of these facts clearly add up to substantiate the basic proposition, namely, that Britain's short-term problems have been overestimated and Britain's long-term problems have been underestimated. In other words, with direct relation to this proposed loan, we are embarking on a program that overshoots all immediate needs and thereby enmeshes us in long-range problems that we cannot blithely assume without risking not only this loan but also whatever loan follows this in pouring good money after bad.

The third major point that deserves consideration in connection with this proposed loan is the financial status of the United States. What is our present status? What is our natural wealth in resources? What other loans are in prospect? What other contingencies must we prepare for?

Some people have the notion that our finances and resources are inexhaustible. Let no one delude himself that there is no breaking point in the amount of debt our Government and people can bear.

Our gross public debt stands at about $280,000,000,000, or about $2,000 for every man, woman, and child in this country. Our war expenditures have been about $335,000,000,000. We went into the war with a per capita public debt only one-half of Great Britain; we have come out of the war with a per capita debt approximately the same.

Lend-lease cost us $46,000,000,000, according to official report issued a few months ago. More recently, the Department of Commerce has estimated that reporting lags and other factors will make the likely wind-up figure of lend-lease $50,000,000,000 to $52,000,000,000. All ultimate recoveries, according to the Department of Commerce, will be less than $5,000,000,000. Reverse lend-lease, which is treated as a separate transaction, is expected to total about $7,000,000,000.

Of the $52,000,000,000, the British received in excess of $30,000,000,000. Russia received $11,000,000,000. France received $1,500,000,000, and China and the American Republics, $630,000,000 and $420,000,000, respectively.

With the $650,000,000 settlement applied to a net British lend-lease account of $23,000,000,000 ($30,000,000,000 minus $7,000,000,000 reverse lend-lease) the United States is obtaining a settlement of about 2.8 cents to the dollar from Great Britain.

Mr. President, the natural resource base of any nation is the foundation upon which its standard of living is determined. What about the base of our natural wealth and our natural resources? We have developed, Mr. President, generation after generation, under the influence and the thinking of the generations that preceded, which expanded the frontier of America, and each generation began to live in the concept of the generation that preceded it. Therefore all too many people in this country are laboring under the delusion that our resources are inexhaustible. I think in adding this $3,750,000,000 to our already staggering total debt of $280,000,000,000, we, as trustees for the people of this country and for the oncoming generations, should with care, examine the resource base of America to ascertain whether we can take on not only this contemplated load, but the load of increased debt which will flow from making other loans of this type, for I say, Mr. President, if this measure is

passed, and the loan is made, and we underwrite British exports 60 percent in excess of the 1938–39 average, we will have to come forward in the long pull with more loans and more loans to maintain the uneconomic situation.

I wish every Senator before he votes for this loan would read the so-called Victory report made by the former Secretary of the Interior. The so-called Victory report of the former Secretary of the Interior, Mr. Harold L. Ickes, disclosed the extent of our mineral depletion. According to this report "the [war] drain on our national natural assets has been staggering." The report states that only 9 of our major minerals remain in our known domestic reserves in great enough quantity of usable grade to last 100 years or more; that known usable reserves of 22 essential minerals have dwindled to a 35-year supply or less; that assured domestic deposits of petroleum will last only from 14 to 20 years at our present rate of use. Manganese, vanadium, and tungsten—three particularly strategic materials—are especially short, according to the report. We have left only a 2-year supply of usable manganese ore in our proved domestic supply; a 7-year supply of vanadium; and a 4-year supply of tungsten. Among the other 19 minerals in less than 35-year supply are, according to the report, petroleum, copper, lead, zinc, nickel, bauxite, chromite, and cadmium.

The mineral resources that were dissipated during the war cannot be replaced. This loss is one of the major material losses of the war. Experts point out that we have so weakened our mineral bases that, should another war come, we would be impotent without access to many minerals in other parts of the world. Even more important is the fact that we are forcing our peacetime economy to become dependent to a much greater extent on foreign supplies.

One of the most constructive things that we can do about this unpleasant aftermath of war is to lay in adequate stock piles by imports of short materials. In so doing we not only strengthen our economic base but also give a firm basis for mutually profitable international trade. Such is a much preferable trade to that generated by foreign loans that are not repaid.

What we have already paid for this war—the millions of casualties, the billions of dollars, the depletion of our resources—is not the total bill to which we have become obligated. We know from previous experience that some of the major costs of war are those that come long after the cessation of hostilities; the tremendous costs for the care, pensions, and benefits of veterans; the social and educational problems arising out of the wartime distortions; the economic aftermaths of the false prosperity of war; the increased costs of national defense.

These are expensive undertakings for a postwar government budget. Look at the probable 1947 budget—let alone looking down to that of the year 2001, the period for which this loan runs. The 1947 budget will contain about $12,000,000,000 for national defense, $5,000,000,000 for veterans' pensions and benefits, and $5,000,000,000 for interest alone on the public debt.

In the decade prior to World War I, the annual Federal Budget averaged about $700,000,000—I stumbled over that figure; yes, I meant million—a year. After the war, the Budget never again dropped below $3,000,000,000. It rose during the depression of the 1930's to an average in excess of $8,000,000,000. In other words, the effects of World War I more than quadrupled the Budget and the subsequent economic depression, related in part to the war, more than doubled it again. A similar experience after World War II would saddle us with a Federal Budget of $60,000,000,000 or more. And remember that our entire national income from all sources in the depths of the depression in 1932 was only about $40,000,000,000, or about two-thirds of that. Remember, too, that the peak annual expenditures in World War I were about $18,000,000,000. World War II disrupted the financial and economic system to the extent of more than $100,000,000,000 in the 1945 fiscal year.

We must become reconciled to the fact that our future Federal Budget will contain vastly expanded amounts for housing, health, social security, education, public works, and the like. The budget balancers and economy experts will argue otherwise, but they have blinded their eyes to the inevitable steps that our Government must take. The underprivileged of this country are being besieged with an avalanche of foreign ideologies. Unless our democratic system of government takes a greater interest in the social and economic problems of the underprivileged—unless the underprivileged receive bread instead of crumbs—we in this country will be faced with an upsurge of fascism and communism, or both, in our own back yard. The one big lesson to be learned from European experiences in the past decades is that the political cancer associated with poverty and neglect cannot be controlled once it has begun to make headway.

These are the probable financial demands we face at home. These, as I see it, are our primary obligations. How many additional obligations can we load on our Government without reaching the breaking point? If this $4,000,000,000—or, to be specific, $3,750,000,000—were all—if it did the job—I would be glad to support it. But, as I see it, this loan is only the first transfusion of a financial nature insofar as Britain's long-term problems are concerned. It is a major precedent for similar loans to other countries—despite all official assertions to the contrary. According to many reports, we have been approached for foreign loans which total in the neighborhood of $25,000,000,000. Lord Keynes cited this figure in Parliament after he had been in close association with the negotiators of this loan.

It is a naive conception that this loan will open up the world markets for greatly expanded multilateral trade. I have already indicated my opinion that insofar as Britain is concerned, it will have a very limited effect. The primary effect, as I see it, is to give encouragement to all countries seeking loans that they can force us to buy off their intentions—or, to put it more delicately, to enable them to cooperate with us in reducing barriers to international trade. In other words, we are embarking on a program that would require us to lend billions upon billions to buy off each country in turn that has any inclinations toward imposing trade barriers. On top of all this, we run into the most formidable barrier of all in the state-controlled foreign trade of Russia and certain other countries under her domination and leadership. There is no easy answer to the problems of world multilateral trade. Neither the British loan—nor many more like it—will buy it for us.

As to the general proposition of world peace and world cooperation that is involved in this loan and any others that follow it, I suggest that this is not a sure way to success. It would be a great calamity to world peace if our country, as one of the major pillars in the United Nations, crumbled financially under the weight of excessive commitments. Those extremists who blindly support any project that is labeled "international" are doing this country and the cause they seek to serve a great disservice. They are building up a pressure of disillusion and reaction that will swing the pendulum of public opinion far back in the opposite direction from surefooted and sane international cooperation; and no man knows where it will stop.

Any future stable international relationships must be based on enlightened self-interest. We will not gain the respect nor cooperation of countries that are patronized or bought by our policies.

This proposed financial agreement is a strange combination of international philanthropy and commercial lending. It has the bad features of both and the good features of neither. It is not a sound loan. It is not a gracious gift. It does not establish a respectable debtor-creditor status. Nor does it give the plaudits, self-satisfaction, or intangible benefits to which a donor thinks he is entitled.

The agreement is a surprise-package of verbal ambiguities. It has two alternative sets of labels. The British Parliament took it under the label of a gift. In the Congress it is being peddled under the label of a loan. When the package is opened and the peoples of both countries discover that it is not what they supposed, there can be only one possible reaction: disappointment and resentment in both nations.

Already parts of the British press are employing the words "Shylock" and "skinflint" in their references to our part in this agreement. Exactly this same attitude has prevailed with respect to lend-lease, despite our unbounded generosity under this program. Lend-lease, too, was a mixture of lending and giving. It too was labeled to the American people as a lending proposition. It turned out to be 90 percent giving and 10 percent lending.

Obviously, there is nothing inherently wrong in giving. Every public-spirited person is in favor of giving to any worthy cause, national or international, as much as we can afford as individuals or as a Nation. But it is wholly indefensible to

misrepresent these or any other measures to the American people, the British people, or any other people on earth.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. LA FOLLETTE. I yield.

Mr. FULBRIGHT. Does the Senator mean to suggest that it was a worthy cause to defeat Hitler and the Germans? Is it the Senator's point that that was a worthy cause for which to give money?

Mr. LA FOLLETTE. I do not understand the Senator's question, if he has been following my remarks.

Mr. FULBRIGHT. I did not understand the Senator's statement that we had given something through lend-lease for a worthy cause. Was that worthy cause the defeat of Hitler?

Mr. LA FOLLETTE. I simply wished to make it clear——

Mr. FULBRIGHT. That it was a worthy cause?

Mr. LA FOLLETTE. That there is nothing wrong in giving, if we know what we are doing. But if the British people understand this to be more in the nature of a gift, and our people understand it to be more in the nature of a loan, then I am convinced that when they both come to understand what it really means, it can result only in misunderstanding and resentment in both countries.

I then went on to say that when we started with lend-lease it was said that it was to be a lending proposition, but that it turned out to be 90 percent giving and 10 percent lending. I do not think there is anything wrong with giving, but I believe that if we are to make a gift we should say so, and not dress it up in the form of a pretended loan.

Mr. FULBRIGHT. Does the Senator think that the defeat of Hitler was a worthy cause for which to give it?

Mr. LA FOLLETTE. Of course, it was worthy to do anything that was necessary to win the war, although I will say to the Senator that I think we made a tragic mistake in our lend-lease policy in not obtaining from the countries with which we were dealing through lend-lease commitments to the policy which we proposed to adopt in the postwar period.

Mr. FULBRIGHT. What policy is that? I did not know that we had a policy.

Mr. LA FOLLETTE. I suppose the Senator has forgotten it; but we thought we had an Atlantic Charter. Of course, it later turned out to be a few scraps of paper.

In my opinion, this financial agreement, taken in conjunction with the lend-lease settlement, including the very generous disposition of American property and facilities in the British Isles, is much more a gift than it is a loan.

If it is necessary to give the United Kingdom additional assistance on top of all we have given, and I am not satisfied that it is, and certainly not in the amount proposed in the agreement, it should be done in an honest and straightforward manner, either as an out-and-out gift, or as a straight international loan from the Export-Import Bank, the Reconstruction Finance Corporation, or other established Government lending agency. There can be no mutually satisfactory mixture of the two functions.

Mr. President, I wish to say in conclusion that I think that is the most serious aspect of this whole proposal for the future: The fact that it has been considered in Britain more as a gift than a loan, that in the United States it has been sold to the American people on the basis of a loan, and that when the two nations and the people of the two nations come to understand that it is neither one nor the other, the only result can be in a worsening of the relationships between these two English-speaking countries which we should be most careful to cultivate and to safeguard.

AMENDMENT OF STATUTORY PROVISION REGARDING SERVICES PERFORMED BY JUSTICES OF THE SUPREME COURT OF THE UNITED STATES

Mr. BRIDGES. Mr. President, soon the President will be called upon to nominate a Chief Justice of the United States and an Associate Justice of the Supreme Court.

It will be my purpose in due course to offer an amendment to title 28, section 321 of the United States Code, but before doing so, I wish to discuss briefly the reasons for my proposal. To that end let me point out that the law at present reads:

> The Supreme Court of the United States shall consist of a Chief Justice of the United States and eight Associate Justices, any six of whom shall constitute a quorum.

There is no limitation upon the activities in which the Justices of the Supreme Court may engage, other than that stated in section 373, which provides that it "shall not be lawful for any judge appointed under the authority of the United States to exercise the profession or employment of counsel or attorney, or to be engaged in the practice of law." This latter section, so far as I can find, has never been construed with reference to Justices of the United States Supreme Court. Whether or not acting as prosecutor in a court in Germany can be said to constitute employment as a counsel or attorney within the meaning of this section, I do not undertake to say. Certainly any Associate Justice of the Supreme Court, so occupied, cannot be said "to be engaged in the practice of the law" as the phrasing appears in the section noted.

Speaking generally, it has been the ages-long understanding of both bench and bar that judges of any United States court, including Justices of the Supreme Court, shall not exercise the profession of, or be employed as counsel or attorney or be engaged in the practice of law lest, within the provision of the statute, he "shall be deemed guilty of a high misdemeanor." If so guilty, any such judge or any such Justice would be liable to impeachment and, upon conviction, to removal from office.

The amendment I have in mind would not operate against any present Associate Justice of the Supreme Court. It is to be doubted that Congress could pass valid legislation to impose additional conditions upon such Justices beyond those which obtained as a matter of law at the time of their entrance upon their status. There is no reason, however, why Congress may not properly legislate qualifications or conditions which will speak in the future. It seems singularly appropriate, therefore, that we take account at this time of certain circumstances and situations which should be guarded against in the future. Presently, the office of Chief Justice of the United States is vacant, due to the lamented passing of that great jurist, Harlan F. Stone. It may be noted that title 28, section 323, United States Code, provides that—

> In case of a vacancy in the office of Chief Justice, or of his inability to perform the duties and powers of his office, they shall devolve upon the Associate Justice who is first in precedence, until such disability is removed, or another Chief Justice is appointed and duly qualified. This provision shall apply to every Associate Justice who succeeds to the office of Chief Justice.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. TAFT. I think there is one more-or-less misapprehension among the people of the United States and even among the newspaper reporters in Washington, and that is that the customary thing in the case of the death of the Chief Justice is to fill the vacancy from the other members of the Court. I merely wish to call the attention of the Senator to the fact that for more than 100 years no Chief Justice was ever appointed from the Supreme Court itself. It became an almost unvarying precedent that the Chief Justice was appointed directly from outside life. The only two Chief Justices who ever have been appointed from the Court were Chief Justice White and Chief Justice Stone, although I think it is possible that in the early days—in 1789—there was one Chief Justice who was appointed from the Court, because at that time the judges were shifted around a great deal.

But the precedent grew up and I think the people came to consider that, on the whole, it was an unwise thing to appoint Chief Justices from the membership of the Court, because it might create in the minds of Judges on the Court ambitions which possibly might influence their opinions in the cases which came before them.

As a matter of fact, my father broke the precedent and appointed Chief Justice White, a Democrat, to be Chief Justice of the United States, from the Court. I know he did so with great regret, and I think he was very anxious that that action not establish a precedent.

But gradually, apparently, our people came to assume that the Chief Justice should be appointed from the Court.

There are a number of reasons, because of personal feelings which may develop on the Court, why it seems to me to be, on the whole, an unwise policy in general to appoint the Chief Justice from the Court. I merely wished to call the Senator's attention and the attention of the Senate to the fact that appointments of Chief Justices of the Supreme Court throughout our history,

with only two exceptions, have been made from the bar outside of the Court itself.

Mr. BRIDGES. And it might be a reason, too, that if the Associate Justices knew that there was to be a vacancy in the position of Chief Justice and if the administration which was to appoint the Chief Justice had very strong feelings and convictions regarding certain matters coming before the Court, it would not be beyond the realm of possibility that the Associate Justices might cater somewhat to the administration which was to make the appointment—which would be a bad thing for the Court.

Mr. President, it might seem to some of the Senators that after the word "inability" in the last-named section, we should insert the words "or unwillingness," to the end that any Associate Justice who is unwilling, for whatever reason, to perform the duties and powers of his office shall be passed over in establishing precedence within the application of the statute. I do not, however, press this point, for it seems to me that we may safely leave it to the good taste and the good sense of Associate Justices of the Supreme Court to dispose of the question of the willingness of one of their number to perform his duties. The matter of the correct interpretation of a Justice's "inability" to perform his duties seems to me to imply a physical or mental inability, although there is no machinery by which to test the occasion when that inability can be found to exist. I dare say that should an Associate Justice be possessed of an inability due to mental causes beyond his control, his colleagues on the bench would take note of that fact and would devise appropriate means for dealing with the situation. If the term "inability" can be said to apply to a Justice who absents himself continuously and protractedly from attendance upon sessions of the Court, such inability due to his absence is probably sufficiently treated in the existing law, in that such absentee will lose "precedence," as the term is used.

Disqualification of a Justice from service upon a particular cause frequently arises by virtue of the fact that the Justice disqualifying himself has previously had some connection with the cause at issue, or the parties thereto. The most unusual of such instances arose only a few years ago when the Court found itself devoid of a quorum principally because of the disqualification of so many Justices who had been officers in the law department of the United States over the period when the particular case was under investigation or consideration by the Department of Justice. One after another of the Justices had been Solicitor General or Attorney General while the matter had been in their official charge.

It seemed strange to many thoughtful citizens of our country that in the years between 1937 and 1944 the Chief Executive should appoint to the Supreme Court, there to construe cases arising under the laws adopted over that same period, law officers who had been the President's official legal advisers when the very laws had been proposed. Some of these Justices, former law advisers to the White House, had even been in charge of the enforcement of the very laws which, after their appointment to the Supreme Court, they might be called upon to construe. There is a certain delicacy of concept which underlies the thinking of true believers in justice which would have precluded many of them from either making such appointments or accepting them when tendered, under the circumstances.

This is not to say that a Justice should not disqualify himself in any cause of the merits of which he holds preconceived notions. All honor goes to such a Justice who so disqualifies himself. Nor would we criticize any Justice who disqualifies himself where he knows he has an open mind on a particular question yet fears that the litigants and the public might think otherwise. Not only the substance but the form must be regarded in such instances.

Happily, Congress came to the aid of the Court in its dilemma in 1944 when it provided that in the case in question, so many Justices having been disqualified that no quorum remained, the particular case could receive final disposition at the hands of a circuit court of appeals after certification thereto by the Chief Justice. Litigants who were entitled to the decision of the highest tribunal known to our form of government, found less, to be sure, but final repose is something, at least. Unless Congress had acted specially, wandering in perpetuity in a sort of legal Stygian darkness would have been the bleak and unfortunate lot of those litigants. I have not sought to explore fully the avenues suggested by my previous observations, rather I have noted them on the record as merely prefatory to the gravamen of my remarks.

The Supreme Court of the United States has exclusive jurisdiction in many instances of prime importance, as in civil actions where one of our States is a party. It has exclusive jurisdiction of actions against ambassadors and public ministers. It is the final arbiter in actions wherein the validity of a treaty or statute of the United States is involved when a lower court—even though the highest court of a particular State—decides against its validity. The constitutionality of our laws, our treaties, and their application must be its concern. The property of our citizens, their liberties, yes, their lives, are in its hands. The high stature of that final treasure-house of all our rights requires that the Court and its membership at all times shall remain unimpugned and unimpaired. Above all, decisions in such cases should be beyond any possible taint of partisanship, of politics, or of self-seeking popular appeal.

Therefore, I deem it of urgent necessity that the Congress now prescribe that a person who assumes the duties and the function of a Justice of the Supreme Court of the United States shall ever keep himself aloof from those fields of activity in which judgments are formed and actions controlled by controversies and advocacy. If a Justice of whatever rank wishes to engage in activities in which his dispassionate objectivity might suffer, let him first resign. There have been Justices who entered the market place of politics. There have been Justices who, it could be said, sought popularity in their advocacies. There have been Justices who propagandized through their utterances for particular national and international causes. It has been said that one Associate Justice who, in the statutory order of precedence, is eligible to become acting Chief Justice, has assisted in spearheading the Nation-wide drive of a so-called Political Action Committee.

No existing statute in terms prescribes such conduct. Historically, it had ever been thought that a nice understanding of the amenities would prove to be sufficient deterrent to activities outside of the duties devolving upon the membership of the Court. Certain it is that the American people expect a Justice of the Supreme Court will find himself sufficiently occupied in the performance of the duties of that great tribunal as to give it his undivided public, if not private, attention. It is said that there are now some 16 causes, involving questions of great magnitude to the litigants, in which decisive action by the Court has proved impossible due to the absence of a Justice "on important public business."

I feel certain that action now is both timely and necessary. I knew the mind of our late Chief Justice Stone on these matters. Since he came from New Hampshire, I enjoyed his confidence and his thinking on this subject, and I now proceed that a situation which was the source of much concern to him may not again arise.

With this explanation, Mr. President, I introduce a bill and ask that it be referred to the Committee on the Judiciary for its prompt consideration and early report, in order that the Congress may act upon it before a new Chief Justice shall be qualified and a new Associate Justice be appointed.

There being no objection, the bill (S. 2135) imposing certain limitations on appointments to the Supreme Court, introduced by Mr. BRIDGES, was received, read twice by its title, and referred to the Committee on the Judiciary.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to submit an amendment which is very brief, and which I shall briefly explain. At the end of the joint resolution I propose to amend by inserting the following new section:

SEC. 3. No payment shall be made to the United Kingdom under the agreement or under this joint resolution until after (1) the date of a proclamation by the President, or the date specified in a concurrent resolution by the two Houses of Congress, declaring that the general level of production in the United States equals or exceeds domestic consumption, and (2) the current annual budget of the United States has reached the point where the Federal receipts exceed expenditures; and such payments shall be made only to the extent that total receipts subsequent to the date of enactment of this act up to the time when such payment is proposed to be made

exceed the total expenditures for the same period.

Mr. President, there are several matters which have caused me grave concern with respect to the pending legislation. Having served overseas for approximately 18 months, I recognize the critical situation which faces Great Britain as well as other countries in Europe. I also fully recognize the serious situation which confronts our Nation and will continue to face the United States if we continue our policy of deficit financing and overdrawing our national bank account. I feel also, Mr. President, that a very serious situation of an inflationary nature faces this country. If the expenditure of this loan to Great Britain of $3,750,000,000 is confined to the United States during the present period of a shortage of goods, the present inflationary situation may be made worse. For that reason, Mr. President, I have proposed the amendment which I have read. The amendment will not cause us to go back to the British Government and renege on any agreement which we have already made. Unlike some of the other amendments which have been proposed, which would require negotiations to be reopened, my amendment would merely serve notice on the national administration, the executive branch of the Government, that it also has obligations involving the domestic economy of this country. If it will forthwith proceed to establish a balanced budget and encourage domestic production so that we may get our supplies up to the point of meeting demands, then the funds which are proposed will be available for the purposes of this loan. If, for example, during the coming fiscal year we are in position to balance our current budget and have a surplus of $3,750,000,000, that maximum amount would be available to loan Great Britain under this agreement. If, perchance, however, we are able to balance the budget and have a surplus of only $1,000,000,000, then only $1,000,000,000 would become available for that purpose. I do not believe we can continue on a basis of not being concerned about deficit financing. At a later date I shall have something to say in regard to that subject.

The PRESIDING OFFICER. The amendment submitted by the Senator from California will be received, printed, and lie on the table.

OPTOMETRY CORPS IN THE MEDICAL DEPARTMENT OF THE UNITED STATES ARMY

Mr. BARKLEY. Mr. President, there is on the calendar a bill which was objected to a few days ago when it was called. It is Calendar No. 986, House bill 3755, to establish an Optometry Corps in the Medical Department of the United States Army. The bill was reported unanimously from the Committee on Military Affairs by the Senator from Iowa [Mr. WILSON]. Its consideration was objected to on the call of the calendar by the Senator from Louisiana [Mr. ELLENDER], who has no objection to the bill, and without interfering with the unfinished business, I ask unanimous consent for the present consideration of the bill and for its passage.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3755) to establish an Optometry Corps in the Medical Department of the United States Army.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. I have no objection, but does the able Senator from Kentucky desire to say a word in explanation.

Mr. BARKLEY. There is a desire, rather widespread, that the profession of optometry be recognized, as many other branches of medicine are recognized in the Army, by the creation of an Optometry Corps. The House passed the bill in September, and it has been pending before the Committee on Military Affairs, which, as I stated a while ago, reported it unanimously. It seems that there is no reason for longer delaying or denying longer this recognition of the profession of optometry as part of the Medical Department of the Army of the United States.

Mr. WHERRY. As I understand, the bill was reported unanimously from the Committee on Military Affairs.

Mr. BARKLEY. Yes.

Mr. WHERRY. Is there an amendment to the bill?

Mr. BARKLEY. There are textual amendments, which do not go to the substance.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments.

The first amendment of the committee was in section 3, on page 2, line 19, after the words "graduate of", to strike out "an accredited" and to insert "a recognized"; on line 20, after the words "school or", to strike out "college" and the comma and insert "college"; on line 21, after the words "by the", to strike out "Council on Education and Professional Guidance of the American Optometric Association", and insert "Surgeon General."

The amendments were agreed to.

The next amendment was in section 4, page 3, line 2, after the word "therewith", to insert "by the Surgeon General" and a period; and on line 2, after the words just inserted, to strike out "When assigned to optometrical duty, an officer of the Optometry Corps shall perform optometrical work determined upon by the appropriate medical officer, who shall be an ophthalmologist."

The amendment was agreed to.

The next amendment was in section 5, page 4, line 2, after the words "Medical Corps", to strike out "(who shall be an ophthalmologist)."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be offered, the question is on the engrossment of the amendments, and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SURPLUS PROPERTY DISPOSAL

Mr. MEAD. Mr. President, I should like to take a few minutes of the Senate's time today on a matter of real importance, namely, the disposal of surplus war property. Specifically, I should like to refer to remarks made before this body on April 12 with respect to a certain transaction regarding the sale of 600 surplus Army trucks at Gimbel Bros. department store in New York City.

However, before I discuss the particular matter of the sale of trucks through Gimbel Bros. department store, I should like to make a brief general statement regarding investigations of surplus property disposal.

In essence, it was stated before this body on April 12 that graft, maladministration, and circumvention of the law characterize present surplus-property-disposal methods. Moreover, it was stated that the Senate has hesitated or side-stepped investigations for fear of disclosing the truth.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. WHERRY. Was the statement to which the Senator referred made by a Senator on the floor on April 12?

Mr. MEAD. Yes; a number of Senators discussed the Gimbel Bros. store sale, and I wish to put into the RECORD the report the investigators of our committee furnished me, so as to have that information also in the RECORD.

Mr. WHERRY. Comments were made by several Senators in the colloquy that occurred on the afternoon of April 12?

Mr. MEAD. Yes; at a time when our committee was investigating the same subject.

Mr. WHERRY. As I recall, the distinguished Senator from New York made some remarks that afternoon. Is that correct?

Mr. MEAD. No. About that time our committee made a report on surplus property, but it was a report made by the Senator from Delaware [Mr. TUNNELL] and the Senator from California [Mr. KNOWLAND]. I doubt very much whether that was the same day.

Mr. WHERRY. I remember something about the Gimbel department store transaction, and if I remember correctly, it was brought to the attention of the Senate by the distinguished Senator from North Dakota [Mr. LANGER].

Mr. MEAD. The Senator is correct, and also by the junior Senator from Oregon [Mr. MORSE], and I think a number of other Senators entered into the debate.

Mr. WHERRY. This is a defense, is it?

Mr. MEAD. No; this is a statement of the facts presented to our committee by the investigators for the committee, who at that time were making an investigation of this matter. It is not a defense of the handling of surplus property, nor

is it an attack upon anyone who made an attack upon the handling of surplus property. We are merely trying to be helpful, and stating for the record the information disclosed by our investigation.

Mr. WHERRY. I thank the Senator.

Mr. MEAD. Let me make it clear that I am not standing here today as an apologist for those charged with the high duty of administering the surplus property law, nor do I intend to minimize in any way the abuses, the mismanagement, and the improper practices which unquestionably exist with respect to surplus-property disposal. I for one feel rather encouraged that so many Members of the Senate are so much interested in the problem, as was evidenced on the day when the several Senators discussed this particular case. I think it was a very wholesome and a very exemplary spectacle, and I hope the interest will continue.

I wish to emphasize, Mr. President, that no matter is receiving more careful and more thorough attention by the special committee investigating the national defense program, of which I have the honor to be the chairman, than this all-important subject of the disposal of surplus property. Tomorrow morning we will have a hearing on the subject. We have hearings on it almost weekly. We sent a committee to the foreign theaters, as well as to many depots in the United States, inquiring into and investigating this subject.

It will be recalled that on March 22, 1946, a most searching, thorough, and painstakingly prepared report was submitted to the Senate by the distinguished senior Senator from Delaware [Mr. TUNNELL] on the matter of surplus property disposal abroad. This report embodied the findings of the Subcommittee of the National Defense Committee, composed of the Senator from Delaware and the able junior Senator from California [Mr. KNOWLAND], I respectfully urge that those who have not read the subcommittee report do so in order that they may be aware of the great amount of intelligent effort and hardheaded thinking which went into its preparation. Furthermore, the contents of the report should make it apparent to anyone that the committee was severely critical of nearly every phase of surplus property disposal abroad, and made most specific recommendations for corrective action.

Our committee members advised the Senate at the time of the report's submission that the problems concerning domestic surplus property disposal were likewise being carefully examined. I can assure you that this is being done. I can assure you also that any misgivings on the part of my colleagues regarding the completeness and unprejudiced nature of this investigation are completely unjustified. Our committee, as the Senate well knows, has always made full disclosures of the facts. It has always believed that the American people are entitled to the whole truth. It has always taken the position that the chips must fall where they may. The committee has always insisted, however, that all the facts be developed and appraised before criticisms are leveled or correctives recommended. Let us remember that the problems involved in surplus property disposal are most complex and complicated. Vast sums of money are represented in the thousands of different types of surplus items. Confused thinking and muddled though honest differences of opinion exist as to the best ways of adjusting inequities, cutting red tape, and unraveling the fouled up lines of authority. It is perfectly obvious that an investigation is necessary. One is being conducted. However, our committee is refraining from finding fault until it has found the facts.

And now, Mr. President, in line with what I have just said, I should like to ask the indulgence of the Senate for a few more minutes so that I may set the record straight with respect to the sale of trucks through Gimbel Bros. department store in New York.

Mr. President, I am not defending Gimbel Bros. or anyone who has had anything to do with this sale. I am merely stating the facts for the RECORD.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. WHERRY. Before the Senator begins his discussion of that matter I should like to ask him a question. Has the Senator's committee made an investigation or has the committee acquired any information relative to the sale of property under the provisions of the Trading With the Enemy Act? Has the committee made any study at all of the declassification and the classification of the component parts of, let us say, radar equipment, which is now being sold under the Surplus Property Disposal Act?

Mr. MEAD. No.

Mr. WHERRY. The Senator does not have any idea then of what is being sold to other countries?

Mr. MEAD. No. The Senator from Nebraska knows there are so many phases connected with this matter, and so many various questions associated with the disposal of property, that it is difficult for our committee to cover more than a few of them.

Mr. WHERRY. I should like to suggest to the distinguished Senator that Senate bill 1953, to amend the Trading With the Enemy Act, is in committee and under consideration there, and evidence is being taken upon it. We all desire, of course, to have surplus property sold, and as quickly as possible, to get it into the hands of those who need it, but I wish to suggest to the Senator, whose committee has done such magnificent work, that his committee make an investigation of this subject. I now make the request, if the Senator's committee has not already received such a request, that a study be made of what we call the declassification of component parts which, if thrown together, might become classified parts which it would be very dangerous to dispose of, in connection with defense of the country. I respectfully submit to the distinguished chairman of the Mead Committee that his committee make an investigation of the subject, so that in a reasonable time the Senate may receive information on the subject.

Mr. MEAD. Mr. President, I will take that matter up with the full committee at its next sitting, and discuss it completely and thoroughly with the members of the committee.

Mr. President, as I stated a moment ago, I am always happy to learn of the intense interest in the Senate in the matter of the disposal of surplus property. I was pleased the other day when so many Senators evinced their interest, and I was very happy that it was possible for us to obtain the facts in connection with the sale which was discussed on the floor of the Senate, and to report on it at this time. I say, without in any way being critical of my colleagues or critical of those who had to do with this particular surplus property matter, that I merely state the facts for the RECORD. I say again that we are delving into this subject constantly and daily. Tomorrow, for instance, Mr. John Snyder will come before our committee. The committee will meet in open session in the caucus room of the Senate Office Building.

Mr. President, I notice from the CONGRESSIONAL RECORD of April 12 that charges were made to the effect that the transaction involving the sale of trucks by Gimbel Bros. was shady, that the law was flouted, that veterans were denied their rights, that dark, mysterious forces of evil were at work. I do not need to elaborate on these statements. I shall merely try to give the facts as I understand them. And, in this connection, I wish to point out that the special committee investigating war activities, of which I happen to be the chairman, has looked into this matter most carefully and has checked all the various complaints and allegations which have been made, and if we receive any other suggestions or leads we will continue the investigation to its ultimate end.

The history of the sale of the trucks dates back to the latter part of 1945. At that time 728 2½-ton trucks, manufactured by Studebaker under procurement for the Army for military lend-lease to Russia, were declared surplus by the Army to the Cincinnati regional office of the War Assets Administration. The trucks were disassembled and crated for overseas shipment, having chassis and cabs, but no bodies. That point, Mr. President, must be remembered, because it makes quite a difference. No one man could assemble these trucks and do it profitably. An assembly line is necessary in order that the work may be done practically and profitably.

Mr. WHERRY. Mr. President, will the Senator restate what he just said? I did not quite catch the statement respecting 728 trucks—I believe he said—which were declared surplus by the Army, which had been provided as lend-lease to Russia.

Mr. MEAD. The history of the sale of the trucks dates back to the latter part of 1945. At that time 728 2½-ton trucks——

Mr. WHERRY. Seven hundred and twenty-eight?

Mr. MEAD. Yes. At that time 728 2½-ton trucks, manufactured by Studebaker under procurement for the Army for military lend-lease to Russia, were

declared surplus by the Army to the Cincinnati regional office of the War Assets Administration. The condition of the trucks must be borne in mind. The trucks had not been assembled and were crated for overseas shipment, having chassis and cabs, but no bodies. After being declared surplus, the trucks were offered for sale by the Cincinnati Regional Office of the War Assets Administration. Around the first of the year, 1946, approximately 4,900 copies of sales catalogs announcing the sale were sent to all priority and preference groups including all veterans in West Virginia, Ohio, Indiana, and Kentucky who had expressed an interest in such trucks. All truck dealers in the region who had asked to be notified were also advised of the sale. Moreover, regional offices of the War Assets Administration and all State highway departments in the United States were similarly advised of the sale. The record of these catalogs and notices was shown to our committee investigators. However, no newspaper advertisements appeared. That is one thing that was not done in connection with this sale.

From January 21 to February 1, 1946, the 728 trucks were offered for sale at a fixed OPA price of $1,954 each to the various claimant groups. Federal agencies were invited to buy on January 21 but they bought none. States and cities could buy on January 22 and 23, and the State of Minnesota bought 2. From January 24 through February 1, inclusive, veterans were able to buy and they bought 40. The remaining trucks were offered for sale to dealers from February 4 through February 20 at the same fixed price of $1,954, this being the wholesale price established under OPA regulations.

However, let me add at this point that during this period between February 4 and February 20 the veterans could still buy the trucks on the same basis as the dealers, even though the veterans' preference period expired on February 1. In any event, 86 trucks were bought by dealers by February 19, leaving a total of 600 trucks remaining unsold, which were still available to any qualified buyer.

Continuing, Mr. President, on February 20 the remaining 600 trucks were sold to 8 dealers who placed orders. These were allocated so that 4 dealers got 76 trucks each, and the other 4 got 74 trucks each.

In passing, Mr. President, let me point out that the task of assembling these trucks and putting them in running order is beyond the capacity of any individual garage or service station. Moreover, it cannot be done on an economical basis unless a large number of trucks are handled at the same time. That was the information which was given to us.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KNOWLAND in the chair). Does the Senator from New York yield to the Senator from Nebraska?

Mr. MEAD. I yield.

Mr. WHERRY. Where did the Senator get that information? I happen to have been in the car business myself. The Senator is giving the factual report of an investigator.

Mr. MEAD. That is correct.

Mr. WHERRY. Who told him that?

Mr. MEAD. Committee investigators have been to places where crated trucks are located and the places where they are assembled. Considering the price at which the crated truck is sold, the cost of assembling it as an individual job rather than as an assembly-line job would make the ultimate price substantially higher than if the assembling were done on an assembly-line basis. Our investigators were further informed that the average man would not have the tools or the equipment to make the assembly required in this particular instance.

Mr. WHERRY. Did the committee investigator do that?

Mr. MEAD. Our committee investigators have witnessed the assembly of trucks of this character. Members of our committee have witnessed the assembly of such trucks.

Mr. WHERRY. Of the 600 at the particular factory?

Mr. MEAD. I would not say that we witnessed these 600 trucks. We have witnessed similar trucks. There is a distinct difference between a military truck and a commercial truck. Sometimes military trucks are more heavily geared and powered, and perhaps even armored.

Mr. WHERRY. I am not disputing that. I understood that this was a factual report of the committee's own investigator. What I would like to know is, Did the committee's own investigator investigate the situation at Indianapolis?

Mr. MEAD. Our investigator investigated the entire record of the sale of the trucks located at Indianapolis.

Mr. WHERRY. Of what?

Mr. MEAD. Covering every detail, except where an identical detail was covered by a previous investigation.

Mr. WHERRY. Then he took the information from someone else who obtained it in connection with some other transaction.

Mr. MEAD. We have witnessed the assembly of similar trucks. The information which came to us was that it would require special tools and a special assembly line. It is actually a factory job. One could not take a military truck in this condition to the average garage and have it assembled. That is the point which I wish to make plain. However, the facts which we state as facts are the dates, the information with respect to advertising, and the prices and costs which were turned over to us, and which I shall be very glad to have my distinguished colleague from Nebraska examine.

Mr. WHERRY. I am not questioning the statement of the Senator at all; but I understood that this was a factual report. The part of the report which the Senator is now giving was not a part of the investigation of the committee investigators. The Senator is merely stating facts which were gathered in similar circumstances.

Mr. MEAD. Yes; and facts which experience leads us to believe are in keeping with the proper assembly of trucks of this nature.

There were eight dealers in all. The trucks were so allocated that 4 dealers got 76 trucks each and the other 4 got 74 trucks each. The dealers then sold them to Arthur Price Associates, Empire State Building, New York City. The trucks were bought by the New York concern at the OPA selling price level of $2,053.16. Then, together with various allowances, including mark-up, handling, transportation, and assembling charges, the total amounted to $3,039.08, which is the consumer ceiling price for New York.

Arthur Price Associates negotiated with Gimbel Bros. Department Store, a large and reputable retail outlet, to advertise and sell the trucks for the account of Arthur Price Associates.

I have no knowledge of Arthur Price Associates, nor am I making any defense of Arthur Price Associates, Gimbel Bros., or anyone else. I am merely stating what our investigators disclosed. If anyone desires any further information on this particular question, we shall be glad to obtain further detail on that phase of the matter.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McMAHON. Does the Senator know how long Arthur Price Associates have been in that business?

Mr. MEAD. No; I know nothing whatsoever about them.

Mr. McMAHON. Is it not true that the New York Surplus Property Office is in the Empire State Building?

Mr. MEAD. I do not know that, either.

Mr. McMAHON. Of course, that is a very large building, 86 stories high. The mere fact that Arthur Price Associates had an office there does not indicate any complicity with the New York Surplus Property Office, and I am not trying to infer such complicity. However, it seems to me that Arthur Price Associates might well be investigated, to find out how they were able to get eight independent dealers together. It seems to me to be a very convenient situation. I think we should have more light on the question.

Mr. MEAD. We have a statement from Arthur Price Associates, which I shall be very glad to place in the RECORD. However, we know nothing about the concern.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. WHERRY. Should we not know something about them?

Mr. MEAD. I personally know nothing about them. We know of their activities in connection with this sale.

Mr. WHERRY. In the colloquy in which I engaged on April 12 the point was made that the unusual thing was that a number of dealers each got 74 or 76 trucks. I should like to ask how long the dealers owned the trucks. Does the RECORD show that? Did they buy them one day and sell them to Arthur Price Associates the next day?

Mr. MEAD. They sold them shortly after they purchased them.

Mr. WHERRY. Did Arthur Price Associates use those dealers, merely because they had priorities, to buy the trucks for

Gimbel Bros.? Is there anything in the report on that subject?

Mr. MEAD. No; and that does not seem to be the case. The trucks had been offered to the priority claimants. It was then a matter of getting rid of them. After the priority claimants had their opportunity anyone and everyone was then eligible to buy.

Mr. WHERRY. The dealers had the right to buy because they had priorities. But what I wish to know is why those dealers each received an equal number of trucks, and immediately afterward Arthur Price Associates had them. If there was any collusion I should like to know if the committee found out about it. I believe that the question raised by the distinguished Senator from Connecticut [Mr. McMAHON] is very pertinent. It seems to me that someone had knowledge as to where the trucks could be bought. Someone got together the dealers who had priority rights to buy the 600 trucks.

Mr. MEAD. They had no priority rights.

Mr. WHERRY. How did they get them?

Mr. MEAD. Anybody could buy them.

Mr. WHERRY. The dealers must have had priority rights to buy those trucks.

Mr. MEAD. No.

Mr. WHERRY. If they did not, why did those eight men buy them and deliver them to Arthur Price Associates? If they did not have priorities to buy them, how did they get them?

Mr. MEAD. They were in the business of buying and selling trucks.

Mr. WHERRY. In the business of Arthur Price Associates?

Mr. MEAD. No.

Mr. WHERRY. How did Arthur Price Associates get them?

Mr. MEAD. Arthur Price Associates are in the business of selling them. It would be more profitable, and probably the sale would be more quickly accomplished, if 4, 8, or 10 men living in different sections of the country bought them and put them up for sale where they could be bought by one man. At that time anyone was eligible to buy the trucks. If they were resold by one man, the advertising could be in one man's control, and probably the sale could be made more expeditiously.

We know nothing about any arrangements between Arthur Price Associates and the six or eight buyers. We would have gone into that question more deeply if the buyers had been shown to have preferences; but there were no preferences.

Mr. WHERRY. I think that is a point which ought to be further investigated. The Senator asked for suggestions. I make the suggestion that Arthur Price Associates need investigation.

Mr. MEAD. The Senator's suggestion is that Arthur Price Associates be investigated because of what? Because of some preference they enjoyed?

Mr. WHERRY. Mr. President, from what was said about this matter on the floor of the Senate on April 12—and a statement was made at that time by the Senator from North Dakota [Mr. LANGER], who, as long as he is in the Chamber at this time, will be able to repeat it now—it seems to me that it must be Arthur Price Associates who need investigating.

Mr. LANGER. More than that, Mr. President.

Mr. McMAHON. Mr. President, if the Senator will yield, let me say that it is probably the associates who need investigation.

Mr. WHERRY. Very well; the associates of Arthur Price.

Mr. MEAD. We shall be very glad to investigate the associates of Arthur Price, if that is the desire of my colleagues.

Mr. WHERRY. It is.

Mr. MEAD. Because on the surface there does not seem to be anything wrong with the accumulation of the trucks by the dealers who bought them. The price was right, the priority holders were given their opportunity, and then the trucks were sold at the OPA price. If we found that someone was buying them beyond his preference or priority right, or if we found that someone was selling them for more than the OPA price, that would be different. Our principal trouble is that in surplus-property sales, the surplus property usually sells for little or nothing; but in this case the full OPA price was obtained.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. LANGER. As the Senator well knows, for more than 2 years, the distinguished junior Senator from Nebraska [Mr. WHERRY] and I, time and time and time again upon the floor of the Senate, have read letters showing that farmers could not obtain a single truck. We have received countless letters from veterans who have made applications to purchase trucks. Those letters have come in, not merely during 1 month or during 1 year, but for 2 years, and those letters are in the RECORD.

Now, Mr. President, we find one outfit, Arthur Price Associates, getting, not 1 truck, but 600 trucks. We are not only interested in investigating Mr. Arthur Price and his associates, but we want to know why the law was violated.

I call the attention of the distinguished junior Senator from New York to section 17 of the War Surplus Property Act. I shall read it to him; I do not know whether he is familiar with it. Let me ask whether he is.

Mr. MEAD. Mr. President, it will be perfectly all right for the Senator to read it without any side remarks, because perhaps I am familiar with it.

Mr. LANGER. This was very carefully gone into by Senator Chandler, of Kentucky, when he was a Member of the Senate. It is that old, for Senator Chandler has been out of the Senate for a year. It was also carefully gone into at that time by the Senator from Colorado [Mr. JOHNSON]. They were on the conference committee. The amendment which I offered at that time—section 17—was adopted unanimously by the Senate. It reads as follows:

> The Board shall devise ways and means, and prescribe regulations in cooperation with the War Food Administrator, providing for the sale of surplus property in such quantities in rural localities—

Not in New York City, Mr. President, but in rural localities. That is the law, you see—

> and in such manner as will assure farmers and farmers' cooperative associations equal opportunity with others to purchase surplus property.

I ask the distinguished Senator to name me one farmers' cooperative to whom these 600 trucks were offered. Was it the Grange? Was it the Farmers Union? Was it the Farm Bureau? Did those in charge of the disposal of the trucks go to the Farm Bureau of New York State or the Farm Bureau of Nebraska or the Farm Bureau of Ohio or the Farm Bureau of North Dakota and say, "We have here 600 trucks which the farmers have been begging for and begging for and begging for"?

Mr. President, there is not one word of evidence of that, and I am satisfied that that was not done by the War Assets Administration. That is what we object to. Neither the War Assets Administration nor any of its four predecessors have taken such steps. Let me say that in 15 months there have been four different outfits handling war surplus property. It is impossible for one of us to put his finger on a single one of them when we go over there and try to find out who is to blame and why the farmers in Minnesota, North Dakota, South Dakota, and other States did not get the trucks. Many of those farmers could not haul their wheat to market last year, and much of it rotted on the ground. They could not get the trucks or the tires they needed.

We want to know how many of these outfits, other than Mr. Symington, who is the only man who has tried to carry out the provisions of the law, have ignored this section and why the 600 trucks, which should have gone to the farmers' cooperative associations or to groups of farmers or to individual farmers, did not reach them. That is the investigation we want.

Mr. MEAD. Mr. President, in order to keep the record straight, I should like to know whether the Senator contends that the farmers or the farmers' cooperatives have a priority similar to the priority granted to veterans. Is that the Senator's contention?

Mr. LANGER. The contention simply is that farmers have a greater right to get these trucks than does a ladies' clothing store in the city of New York.

Mr. MEAD. Is that a fixed preference provided by law?

Mr. LANGER. Yes.

Mr. MEAD. If the farmers have a fixed preference under the law and if the War Assets Administration violated that preference, then it will be up to us to bring it to task.

Mr. LANGER. What would the Senator think of this language:

> The Board shall devise ways and means and prescribe regulations—

That was put into the original law.

Mr. MEAD. For what purpose?

Mr. LANGER. I read further:

> in cooperation with the War Food Administrator providing for the sale of surplus property in such quantities in rural localities.

Just this week a veteran telephoned me from North Dakota. He wanted to buy a Diesel D tractor. Does the Senator from New York know where he had to go to get one? He had to go from North Dakota to St. Louis, Mo. I made three telephone calls to the War Assets Administration at Chicago, and I paid for them myself; and I made two more telephone calls to Ed Sweeney, at the Jefferson Hotel in St. Louis; and then I made one telephone call to Granite City, which is somewhere in Illinois. They wanted that veteran to get on a train or an airplane in North Dakota and go all the way to St. Louis, Mo., where they had 23 tractors—with hundreds of bidders and hundreds of veterans ready to buy them. How could a veteran from North Dakota go all the way down there and spend all the money required for transportation, when as a matter of fact the law provides that they shall put some of the farm machinery in North Dakota, and some of it in Minnesota, and some of it in South Dakota, and some of it in Nebraska, and some of it in other States, where our veterans will not have to go 800, or 900, or 1,000 miles in order to look at it. That is the purpose of the amendment which I have read.

Yet we picked up the newspaper and read the advertisement which I have had placed in the RECORD—a full-page advertisement which appeared in the New York Times—stating that 600 trucks were for sale at Gimbel's store in New York City.

Mr. MEAD. Mr. President, is it the contention of the Senator from North Dakota that the farmers could have purchased those trucks under the priorities which were granted by the War Assets Administration, and then could have assembled them for practical use in their farming areas? If the farmers could have purchased those trucks and were denied the right to purchase them, and if the farmers could have assembled the trucks and could have put them to good use, that is something into which we should look, because no one favors more than I do getting the trucks out to the lumber camps and to the food-producing areas and the coal-mining areas, to be used to produce the critically needed supplies.

But if there is a list of 20 priority claimants and if, according to the record, the agency followed that list, then it is necessary that something else be shown, in order to justify examining them and investigating them.

I may say to the distinguished Senator that I have before me the list of priorities claimants, according to the record and the law, under which the trucks were offered for sale. Then, after they were offered for sale and no one expressed an interest in them, they were sold to the general public.

Mr. LANGER. Mr. President, allow me to answer the able Senator with a question which I wish to propound to him. If the Senator had been the head of the War Assets Administration, and had before him section 17 and wanted to give the farmers of the United States a square deal, and he observed the fact that Montana, North Dakota and South Dakota farmers have received practically none of this machinery because of the location of war camps at points farther south, would he not obey the law and devise ways and means for selling the surplus materials in the way which the law requires that they shall be sold?

Mr. MEAD. If there was an opportunity in the language of the law to do so, I would devise regulations which would give to the farmers and to men in the lumber camps an early and preferential opportunity to buy trucks if they needed them.

Mr. LANGER. That is the answer which I expected the able and distinguished Senator to give. I wish that the Senator's committee would investigate why those things have not been done. Why cannot a veteran buy a truck in North Dakota instead of being required to go all over the country to find one?

Mr. MEAD. I will say to my distinguished colleague from North Dakota that I am very happy over the aroused sentiment in the Senate in regard to this matter. I will invite him and other Senators to come before the committee so that we can go into this matter to the end that no veteran, farm cooperative, or lumber producer shall be denied the opportunity to buy surplus property.

Mr. LANGER. Further, will the Senator have General Gregory present when the distinguished Senator from Nebraska [Mr. WHERRY] and I are present?

Mr. MEAD. Yes.

Mr. LANGER. As I have said before, four or five different outfits have handled this matter. I should like to be advised as to what ways and means have been resorted to in distributing surplus war property in the northwestern section of the United States. I should like to know what has been done by the authorities in charge of this matter in carrying out the provisions of section 17 of the law.

Mr. MEAD. I shall be very glad, in concert with my able colleague and all other Members of the Senate, to arrange for a public hearing at which time we will have present the officials of the War Assets Administration, and the representatives of any other governmental agency involved in the matter including Mr. Snyder, in order that they may hear these complaints which I agree are, in most part, justified. I do not deny them. I said at the beginning of my remarks that I felt rather reassured at the expression of the interest on the part of my colleagues in connection with the subject of the disposal of surplus property. I only want them to know that we have made an investigation. I have before me a copy of a conversation which took place between one of the attorneys of our committee and men representing Arthur Price Associates. The investigation has not been concluded. We are actually now involved in the investigation, and when it is concluded I shall be very glad to give the results of the investigation to the Senate.

I wish to say, however, that insofar as Gimbel's are concerned, it is my opinion that they were merely the last medium in the process of selling these trucks for Arthur Price Associates, who had previously bought them from truck dealers who, in the first instance, had purchased them from the War Assets Administration. So, Mr. President, we hope to have a report on Arthur Price Associates, and we will submit it to the Senator. I believe that before we have completed our work in this connection we will have a report on the question of why preferential status is not granted to farmers in accordance with section 17 which the Senator has read.

Mr. LANGER. May we have 2 or 3 days' notice so that we can have present, for example, the head of the Farmers Union?

Mr. MEAD. We will arrange a hearing and give a week's notice to Members of the Senate so that all those who are interested may be present before the committee.

Mr. LANGER. I should like also to have present the men who have charge of the farm agricultural program.

Mr. MEAD. Does the Senator refer to the agricultural adjustment program?

Mr. LANGER. Yes.

Mr. MEAD. I shall be very glad to see that they are present.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. WHERRY. Mr. President, at the hearing to which the Senator from New York has referred, I should like to have the committee go further into the question of notices. As I understood the report of the investigation, the notices which were sent out were given to the priority holders in a sort of book form or in the form of a memorandum. Am I correct? No notice was carried in the newspapers. The point I wish to make is this: The farmers of my section of the country were not notified. I received a letter, and then I received a telegram from the Fremont Creamery which had discontinued five truck lines because of being unable to buy trucks anywhere in the United States. I assert, with all due respect for those who have been working on the matter, that if notices had been mailed to the rural areas, or if newspaper publicity had been given, the trucks about which we have been talking would have been placed in the rural areas. As I understand, the notices were sent out only to priority holders. Am I correct?

Mr. MEAD. They were sent to those who had expressed an interest in the matter.

Mr. WHERRY. Yes; but notices were not sent to farmers in the areas to which I have referred, nor to farm cooperatives.

Mr. MEAD. The Senator is correct. No advertisements were published. Therefore, all people who had no preference status may not have been in position to have known that surplus property was being made available.

Mr. LANGER. I should like to know why the War Assets Administration should not have assembled those trucks.

Mr. MEAD. I do not know whether the Administration has sufficient personnel to do it.

Mr. LANGER. The War Assets Administration can secure the necessary personnel, can it not?

My God! We have a million men in the Army.

Mr. MEAD. Of course, the War Assets Administration is subject to the

limitations of its appropriation, and I doubt very much whether it is organized so as to assemble trucks and do other technical work of that kind. However, those are matters which we can go into, and it may be that as a result of a widespread investigation, and with a great deal of assistance from Members of the Senate who have advanced ideas which they did not perhaps have before this problem became acute, we will be in position to improve and perfect the law. But our committee is very critical.

Mr. LANGER. Section 17 is a part of the original law, and was debated on the floor of the Senate.

Mr. MEAD. I understand that to be true. It is my belief that under that law the War Assets Administration had sufficient authority to establish a preference position for the farmers of America. But I am not contending now that they have not made mistakes in administration. I am merely revealing the record of one sale. Insofar as the activities of Arthur Price Associates are concerned, we may cover that matter in a subsequent report to the Senate. I am not contending that the War Assets Administration is broad enough in its preferences. I feel that it could go further and do a better job than it has already done.

Mr. WHERRY. With respect to notices, I hope that the chairman of the committee will look into that matter. The situation to which reference has been made is not the first in which notices have not been broadcast sufficiently to enable persons in need of materials to buy them.

Mr. MEAD. I am sure that we shall satisfy both of my able colleagues when we have finished with the surplus property investigation.

Mr. President, the price of these trucks, as advertised in full-page advertisements by Gimbel's, was $2,900 each, which was well under the consumer's ceiling price. Of the $2,900, $269.60 represents the charges approved by the Office of Price Administration for assembling, transportation, and handling, leaving a net of $2,630.40. I understand that Gimbel's received from each sale $263.04 a truck. Gimbel's paid out more than $10,000 for advertising and sales costs, as well as $12 a truck for servicing upon delivery to the customer.

Of the remaining $2,367.36, Price Associates also had to expend considerable funds for setting up assembly machinery, and had other expenses in connection with putting a truck in good running order in the hands of the buyer. There were also storage charges, general interest charges, insurance charges, the dealer handling charges, and other expenses in connection with the assembly and sale of the trucks.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. LANGER. I call the attention of the Senator to the fact that they made a thousand dollars profit on each truck, so the little incidentals he mentions would not hurt very much. They sold them for $2,900 apiece, roughly, and bought them for $1,900.

Mr. MEAD. They bought them for $1,900, but of course the expenses would have to be counted in order to justify the OPA ceiling price. I merely am calling attention to the fact that this is a sale in which they did not sell for 10 cents on the dollar. The Government got the OPA price, and the ultimate buyer paid the OPA price, because that was scrutinized all along the line with reference to charges, insurance, and so forth. I am not defending the price, but from the standpoint of the Government, this is one sale from which it actually realized some money.

Mr. LANGER. Of course, Gimbel Bros. made a profit of roughly half a million dollars, which we maintain the farmers should have gotten.

Mr. MEAD. I would have preferred that every truck not taken by veterans and States and municipalities went to a farmer, and in that regard I think we are in agreement.

It is my understanding that a number of department stores in other cities have sold some of these trucks on a basis similar to that which I have outlined. It appears from the facts that in every respect the transaction was in conformity with Government regulations. We went into the existing regulations and the existing prices, and we found that preference dates were set up, that OPA prices were followed, and that there were Government regulations supporting every move that was made.

In particular, the veteran was given an opportunity to purchase these trucks, and there was no violation of the veteran's-priority regulation. We looked into that very thoroughly, because there is a veteran's priority well established, and that matter was brought forcibly to our attention by my colleagues in the Senate, including my distinguished colleague from North Dakota.

In closing, Mr. President, let me emphasize that the Special Committee Investigating the National Defense Program believes that one of the foremost considerations, if indeed not the primary consideration, is the disposal of surplus Government property with speed to the people of the United States, particularly to those who are in need of this material, to those who can make an economic contribution by the use of the material.

It is very obvious that offering to special groups, such as are provided by the priorities under the Surplus Property Act, for which I voted, as did a majority of my colleagues, slows down the process of sales, and we have to give the War Assets Administration some consideration for that delay, because if they did not give the priority groups some consideration in advertising the sale of these properties, we would be the first to complain. Moreover, priority groups must have reasonable notice and a reasonable opportunity to claim the goods under their priorities. We are interested in seeing that they receive such notice and such opportunity.

From my examination of the facts in this case, I am satisfied that adequate time was afforded to all priority claimants by the War Assets Administration. I am satisfied that notice was given to priority claimants, although, as I said before, advertising in the press was not resorted to, and I think that is a more efficient method than to notify priority claimants by personal letter or by sending them catalogs.

Mr. LANGER. I frankly do not see how the veterans were given proper notice.

Mr. MEAD. The veterans who wrote in were given proper notice, but I still say that by advertising in the different areas all veterans there would be given proper notice.

Mr. LANGER. All the War Assets Administration had to do was send a few telegrams, one to the Senator's own State. At the very time those trucks were sold by Gimbel Bros., there were 13,900 veterans in New York who could not get one of the trucks. All the War Assets Administration had to do was to get a list of the various people in each State, or merely the head men, and send them a telegram saying, "How many priorities have you for veterans?"

Mr. MEAD. As I understand, under the regulations a veteran has to obtain a certificate formerly from the Smaller War Plants Corporation, now from the War Assets Administration. Once he gets the certificate, then, with that certificate, he notifies the War Assets Administration that he is in the market for a truck, or whatever it is. Then the War Assets Administration must notify him when a truck is available for sale.

Mr. LANGER. If the distinguished Senator will read the record I put in on the 12th of April, he will find that 13,900 of the Senator's own veterans in New York had such certificates, and had the priorities.

Mr. MEAD. But the 13,000 were not listed as interested in purchasing 2½-ton trucks in the Cincinnati area, within which the trucks were located. According to the record, they were interested in the purchase of many items in the New York area.

Mr. LANGER. Why should they not have been notified?

Mr. MEAD. According to the facts given us by the War Assets Administration, they notified every veteran in their region who had indicated an interest in a 2½-ton truck. I think they could have gone further by advertising the sale in the newspapers, so that other veterans might have had an opportunity to secure certificates and to present them, making themselves eligible for the purchase of trucks.

I am of the opinion that greater care should be exercised by the War Assets Administration in bringing this information to the attention of the veterans' organizations. I am of the opinion that perhaps the securing of a certificate could be simplified now that a veteran can go direct to the War Assets Administration and there become eligible for the purchase of a truck.

Mr. LANGER. I wish to say for the War Assets Administration, to be fair with them, that when I telephoned about the veteran from North Dakota they were most kind. They investigated thoroughly and said they would get that veteran the D-4 if they could possibly

do so. I might add that one of them telephoned me at 10 o'clock at night, called me at my hotel, and said, "I think we have this arranged." I think the blame is right here in Washington, at headquarters of the War Assets Administration, in not sending out the proper notices, as the distinguished Senator has said.

Mr. MEAD. That is correct. I am of the opinion that the procedure should be liberalized, but, as I stated in the beginning, we took the regulations laid down by the War Assets Administration, and then we examined this sale to see if existing regulations had been violated.

I am not a defender of existing regulations. I think, as the Senator does, that there is plenty of room for liberalization and improvement. But under existing regulations, which have been formulated by the War Assets Administration, and sale prices, and the preferential priorities which have been set aside, the War Assets Administration has not violated the regulations in the matter of this sale. I feel that it is unfortunate that advertising of a newspaper and radio character was not resorted to, so that this sale would have been brought to the attention of a great many farmers and veterans and others who would have been interested in it. I am a great believer in advertising, and in this instance the right kind of advertising was not resorted to.

I say to my colleague from North Dakota that I am critical, as he is, of many of the procedures which have been followed in the disposition of surplus property.

Mr. LANGER. I repeat, some of these men, like those in Chicago, have been most kind. Mr. Ed Sweeny, of the Jefferson Hotel, stayed up until 10 o'clock to call me, and Mr. Wright called me on Sunday, which shows there are good men in some places who are anxious to get the property into the hands of veterans.

Mr. MEAD. In the conduct of our investigation I have found a great many men of ingenuity, enterprise, and energy who I think would do a better job than they are doing under existing conditions if the regulations would permit.

Mr. President, as I have said, under existing regulations I have little complaint of the manner in which the disposition of these trucks was accomplished. I do find fault with the manner in which they were advertised, and I suggest that a more liberal procedure could be resorted to, particularly as it pertains to the farmers, the veterans, and others who are in critical need of this type of material. There have been in the past, and there undoubtedly will be in the future, transactions of the War Assets Administration which the Special Defense Committee will be required to criticize, and we will criticize them.

I would be the last one to urge that facts be suppressed. However, in the debate in the Senate on April 12 on this matter it was not a question of suppressing facts. The only facts presented in the debate were the newspaper advertisement and the statement that the farmers and other deserving purchasers were not properly dealt with.

Mr. President, our committee is in the midst of an investigation of this entire transaction and all of the activities of the War Assets Administration. But I want to say that under the existing regulations as they are printed and available to every Member of the Senate, the priority claimants were given their opportunities to buy. Notice, although it might have been more widespread, was sent to the priority claimants. The purchasers who bought the trucks and turned them over to Arthur Price Associates bought them under the law and under the regulations, and they were sold by a department store under the regulations and for the ceiling price fixed by OPA regulations.

Mr. President, this is one transaction in which the Treasury was reimbursed to the limit permitted by OPA. I am only sorry that we cannot report more sales by the War Assets Administration that bring into the Federal Treasury a substantial sum of money.

As I said in the beginning, however, our committee is most anxious to have the help and the support and the cooperation of Members of the Senate, and of the Senate as a whole. We are delighted with the interest which is evinced in the disposition of surplus property. We want Senators to know that they have a committee investigating this subject, and that the committee is alert and interested and concerned with the veterans and the farmers, with municipalities and with all the others that were intended to be given consideration under the law as passed by the Congress.

I conclude by saying that under present regulations the priority claimants were given opportunity to purchase these trucks, and under present regulations the dates and the periods of time were set aside, and under present regulations they were open to sale to the public, and under present regulations they were sold at the proper price.

It is also my desire to say for the record that I hope the Senate will review the law, and that Senators will make certain that veterans and others who are entitled to preference—and this applies to the farmers of the country—will be given the liberal treatment which they merit and which we desire them to enjoy.

RECESS

Mr. LANGER. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 1, 1946, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 30, 1946

The House met at 12 o'clock noon, pursuant to House Concurrent Resolution 145, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most loving and patient Father, we are assembled today with thanks and praise for Thy merciful providence. We would place ourselves at Thy footstool and ask that Thy kingdom may come and Thy will be done in all our hearts. As Thou hast entrusted us to be Thy bearers of truth and justice, we would beseech Thee to be the inspiration of all our conceptions of duty and the guide of all our deliberations.

In the urgent needs of these times, teach us that we cannot dispense with the heart and soul of things and survive. Bless our land that it may fulfill its splendid Christian mission, and warn us against the heresy that material possessions determine the greatness and permanence of nations.

For our families, united or separated, we ask the Father's tenderest care; give great wisdom, discernment, and discretion to our Speaker, the leaders, and all other Members of this Congress. Be with our President these arduous days; be gracious unto him and preserve him in health and strength. Hear us and bless us for the sake of Jesus Christ our Lord. Amen.

The Journal of the proceedings of Thursday, April 18, 1946, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On April 19, 1946:

H. R. 5644. An act to facilitate voting by members of the armed forces and certain others absent from the place of their residence, and to amend Public Law 712, Seventy-seventh Congress, as amended; and

H. J. Res. 342. Joint resolution making additional appropriations for the fiscal year 1946 to pay increased compensation authorized by law to officers and employees of sundry Federal and other agencies.

On April 20, 1946:

H. R. 841. An act for the relief of Lander H. Willis;

H. R. 988. An act for the relief of Bernice B. Cooper, junior clerk-typist, Weatherford, Tex., rural rehabilitation office, Farm Security Administration, Department of Agriculture;

H. R. 1073. An act for the relief of Mrs. Gertrude Verbarg;

H. R. 1235. An act for the relief of John Bell;

H. R. 1262. An act for the relief of W. E. Noah;

H. R. 1269. An act for the relief of Virge McClure;

H. R. 1350. An act to record the lawful admission to the United States for permanent residence of Nora R. Neville;

H. R. 1356. An act for the relief of Elias Baumgarten;

H. R. 1399. An act for the relief of Mrs. Lucy Palmisano and the legal guardian of Anthony Palmisano, Jr.;

H. R. 1616. An act to grant an honorable discharge from the military service of the United States to William Rosenberg;

H. R. 1721. An act for the relief of Eli L. Scott;

H. R. 1732. An act for the relief of Mrs. Marie A. Shedd, Mrs. Maude C. Denney, and Mrs. Mabel Glenn Gray;

H. R. 1759. An act for the relief of Mildred Neiffer;

H. R. 1838. An act to confer jurisdiction upon the Court of Claims to hear, determine,

and render judgment upon a certain claim of A. G. Bailey against the United States;

H. R. 1950. An act for the relief of Harry Cohen;

H. R. 2156. An act for the relief of Lee Harrison;

H. R. 2244. An act for the relief of Edward W. Thurber;

H. R. 2249. An act for the relief of the Cape & Vineyard Electric Co.;

H. R. 2251. An act for the relief of Catherine V. Sweeney;

H. R. 2288. An act for the relief of Columbus Thomas;

H. R. 2318. An act for the relief of Mrs. Mertie Pike and the estate of Mrs. Burnice Smotherman, deceased;

H. R. 2415. An act for the relief of Joseph Tarantola and Ida Tarantola;

H. R. 2509. An act for the relief of the legal guardian of James Irving Martin, a minor;

H. R. 2682. An act for the relief of John Doshim;

H. R. 2848. An act for the relief of the legal guardian of Wilma Sue Woods, Patsy Woods, Raymond E. Hilliard, and Thomas E. Hilliard, minors;

H. R. 2884. An act for the relief of B. H. Spann;

H. R. 2901. An act for the relief of Mrs. Janet McKillip;

H. R. 2904. An act for the relief of Clyde Rownd, Della Rownd, and Benjamin C. Day;

H. R. 3050. An act for the relief of David Siskind;

H. R. 3121. An act for the relief of Elizabeth M. Simmons and Robert H. Simmons;

H. R. 3126. An act for the relief of Mrs. Jean Taube Weller;

H. R. 3127. An act for the relief of Harry F. Vinton, Jr.;

H. R. 3161. An act for the relief of Mrs. Ruby Miller;

H. R. 3217. An act for the relief of Mattie Lee Wright;

H. R. 3430. An act for the relief of George F. Powell;

H. R. 3431. An act for the relief of F. W. Burton;

H. R. 3483. An act for the relief of Mr. and Mrs. Cipriano Vasquez;

H. R. 3513. An act for the relief of Braxton B. Folmar and Mary Inez Folmar, William Ernest Evans and Dora Ethel Evans, Joseph Thomas Avery and Maggie M. Avery, Robert H. Phillips and Hattie P. Phillips, and the legal guardian of James T. Avery, a minor;

H. R. 3554. An act for the relief of Fred C. Liter;

H. R. 3590. An act for the relief of Charles Brown, legal guardian of Lula Mae Brown; Charity Hospital of New Orleans, La.; and Dr. Edward H. Maurer;

H. R. 3591. An act for the relief of Addie Pruitt;

H. R. 3670. An act for the relief of the estate of Venancio Llacuna and others;

H. R. 3677. An act for the relief of J. Tom Stephenson;

H. R. 3698. An act for the relief of Mrs. Lucille Scarlett and Charles Scarlett;

H. R. 3846. An act for the relief of the estate of Eleanor Wilson Lynde, deceased;

H. R. 3948. An act for the relief of Mrs. Clifford W. Prevatt;

H. R. 4239. An act granting to Guy A. Thompson, trustee, Missouri Pacific Railroad Co., debtor, and to his successors and assigns, authority to relocate, maintain, and operate a single-track railway across United States Government reservation at lock No. 3, White River, Independence County, Ark., and for other purposes;

H. R. 4297. An act for the relief of Joseph Schell;

H. R. 4560. An act for the relief of Nicholas T. Stepp;

H. R. 4797. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to determine the claim of Lewis E. Magwood;

H. R. 4957. An act for the relief of Herman Gelb;

H. R. 5010. An act for the relief of Mrs. May Holland;

H. R. 5121. An act authorizing the Secretary of the Navy in his discretion to deliver to the custody of the State of Arkansas the silver service presented to the United States for the battleship *Arkansas*;

H. R. 5664. An act for the relief of Oscar R. Steinert; and

H. R. 5765. An act authorizing the Secretary of the Navy in his discretion to deliver to the custody of the city of New Orleans the silver service and silver bell presented to the United States for the cruiser *New Orleans*.

On April 23, 1946:

H. R. 2418. An act to authorize the United States Commissioner for the Sequoia National Park to exercise similar functions for the Kings Canyon National Park;

H. R. 2837. An act for the relief of George Stiles;

H. R. 2931. An act for the relief of Edward Oatneal, John N. Oatneal, Jr., and James R. Oatneal;

H. R. 4054. An act for the relief of H. A. Edd;

H. R. 4056. An act for the relief of Mrs. Jud Hendry and her daughter, Gladys Hendry;

H. R. 4335. An act for the relief of the Morgan Creamery Co.;

H. R. 4914. An act to revive and reenact the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944; and

H. R. 5275. An act to revive and reenact the act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Pee Dee River, at or near Cashua Ferry, S. C., approved April 30, 1940.

On April 24, 1946:

H. R. 804. An act for the relief of Mrs. Trixie Minnie Twigg;

H. R. 1089. An act for the relief of Albert Cantalupo, Emma Cantalupo, and the legal guardian of John Cantalupo, a minor;

H. R. 1674. An act for the relief of Mrs. Ollie Patton;

H. R. 2167. An act for the relief of Orvis Welch;

H. R. 2265. An act for the relief of owners of land and personal property of the Fort Knox area of Hardin County, Ky.;

H. R. 2266. An act for relief of land and personal property owners of Fort Knox area of Meade County, Ky.;

H. R. 2331. An act for the relief of Mrs. Grant Logan;

H. R. 2528. An act for the relief of Mr. and Mrs. James Sherry;

H. R. 2835. An act for the relief of James Lynch;

H. R. 2842. An act for the relief of Montgomery County, Miss., districts 2 and 3;

H. R. 2927. An act for the relief of Mrs. Evelyn Merritt;

H. R. 3159. An act for the relief of Ernest Pedro Ferreira;

H. R. 3195. An act for the relief of Grenada County, Miss.;

H. R. 4240. An act for the relief of Frank E. Wilmot;

H. R. 4253. An act for the relief of the estate of Chancie Lee Brisbin;

H. R. 4940. An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Old Saybrook, Conn.;

H. R. 5544. An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Daudette, Minn.; and

H. R. 5574. An act to amend paragraph 8 of part VII, Veterans Regulation No. 1 (a), as amended, to authorize an appropriation of $1,500,000 as a revolving fund in lieu of $500,000 now authorized.

On April 25, 1946:

H. R. 2826. An act for the relief of Esther L. Berg.

On April 26, 1946:

H. R. 1217. An act for the relief of Hutchinson's Boat Works, Inc., and others;

H. R. 1352. An act for the relief of Herman Feinberg;

H. R. 1562. An act for the relief of the Borough of Park Ridge, Park Ridge, N. J.;

H. R. 2217. An act for the relief of Rae Glauber;

H. R. 2885. An act for the relief of Mrs. Frank Mitchell and J. L. Price;

H. R. 3301. An act for the relief of the legal guardian of James Herbert Keith, a minor;

H. R. 4208. An act for the relief of the Calvert Distilling Co.; and

H. J. Res. 331. Joint resolution to authorize suitable participation by the United States in the observance of the two-hundredth anniversary of the founding of Princeton University.

April 27, 1946:

H. R. 4896. An act to provide for payment of travel allowances and transportation and for transportation of dependents of members of the military and naval forces, and for other purposes.

On April 30, 1946:

H. R. 2115. An act relating to the domestic raising of fur-bearing animals.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 333. Joint resolution to provide for the reappointment of Dr. Vannevar Bush as citizen regent of the Board of Regents of the Smithsonian Institution.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5719. An act to amend the act entitled "An act to authorize black-outs in the District of Columbia, and for other purposes," approved December 26, 1941, as amended.

The message also announced that the Senate had passed a bill, joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2101. An act to amend the Trading With the Enemy Act, as amended, to permit the shipment of relief supplies;

S. J. Res. 84. Joint resolution authorizing the erection in the District of Columbia of a statue of Nathan Hale; and

S. Con. Res. 60. Concurrent resolution authorizing the Senate Committee on Interstate Commerce to have printed for its use additional copies of hearings held before said committee on S. 1253, Seventy-ninth Congress, relative to modification of railroad financial structures.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is

requested, a bill of the House of the following title:

H. R. 5890. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. BROOKS, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House which was read:

WASHINGTON, D. C., *April 30, 1946.*

The honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to the authority heretofore granted the Clerk of the House received on April 20, 1946, the following message from the Secretary of the Senate:

That the Senate had agreed to the conference report on the bill (H. R. 5400) making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes; and that the Senate had concurred in the amendments of the House to the amendments of the Senate numbered 5 and 7 to said bill;

That the Senate had passed without amendment House Joint Resolution 331 to authorize suitable participation by the United States in the observance of the two-hundredth anniversary of the founding of Princeton University;

That the Senate had agreed to the conference report on the bill (S. 1610) to provide for the rehabilitation of the Philippine Islands, and for other purposes;

That the Senate had agreed to the conference report on the bill (S. 1152) to effectuate the purposes of the Servicemen's Readjustment Act of 1944 in the District of Columbia, and for other purpose; and

That the Senate had agreed to the amendments of the House to the bill (S. 1757) to amend the Surplus Property Act of 1944, as amended, so as to broaden the scope and raise the rank of the veterans' priority.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had on the following dates examined and found truly enrolled bills and joint resolutions of the House of the following titles:

On April 19, 1946:

H. R. 4896. An act to provide for payment of travel allowances and transportation, and for transportation of dependents of members of the military and naval forces, and for other purposes; and

H. J. Res. 342. Joint resolution making additional appropriations for fiscal year 1946 to pay increased compensation authorized by law to officers and employees of sundry Federal and other agencies.

On April 20, 1946:

H. R. 5400. An act making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes; and

H. J. Res. 331. Joint resolution to authorize suitable participation by the United States in the observance of the two hundredth anniversary of the founding of Princeton University.

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on April 18, 1946, he did on the following dates sign the following enrolled bills and joint resolutions of the House:

On April 19, 1946:

H. R. 4896. An act to provide for payment of travel allowances and transportation and for transportation of dependents of members of the military and naval forces, and for other purposes; and

H. J. Res. 342. Joint Resolution making additional appropriations for the fiscal year 1946 to pay increased compensation authorized by law to officers and employees of sundry Federal and other agencies.

On April 21, 1946:

H. R. 5400. An act making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes; and

H. J. Res. 331. Joint Resolution to authorize suitable participation by the United States in the observance of the two hundredth anniversary of the founding of Princeton University.

And that on April 21, 1946, he signed the following enrolled bills of the Senate:

S. 1152. An act to effectuate the purposes of the Servicemen's Readjustment Act of 1944 in the District of Columbia, and for other purposes;

S. 1610. An act for the rehabilitation of the Philippines; and

S. 1757. An act to amend the Surplus Property Act of 1944 with reference to veterans' preference, and for other purposes.

BOARD OF VISITORS TO THE UNITED STATES MERCHANT MARINE ACADEMY

The SPEAKER laid before the House the following communication:

APRIL 24, 1946.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: On January 17, 1946, I wrote you that pursuant to Public Law 301 of the Seventy-eighth Congress, I had appointed the following members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Merchant Marine Academy for the year 1946: Hon. EDWARD J. HART, Hon. HERBERT C. BONNER, Hon. FRED BRADLEY.

Mr. BONNER has advised me that he cannot attend the meeting. I have, therefore, appointed Hon. RALPH H. DAUGHTON in Mr. BONNER's place.

Yours very sincerely,

S. O. BLAND,
Chairman.

BOARD OF VISITORS TO THE UNITED STATES COAST GUARD ACADEMY

The SPEAKER laid before the House the following communication:

APRIL 12, 1946.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Hon. JAMES DOMENGEAUX, of Louisiana, has resigned from the Board of Visitors to the United States Coast Guard Academy and I am writing to advise you that I have appointed Hon. HUGH PETERSON, of Georgia, to serve in his place.

Yours very sincerely,

S. O. BLAND,
Chairman.

SPECIAL ORDER GRANTED

Mr. LANHAM. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include a letter from Hon. Marriner S. Eccles, Chairman, Board of Governors of the Federal Reserve System, and a statement in regard to a bill which he introduced today.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article by Raymond Moley, and in the other two editorials from the Denton Journal, Denton, Md.

A FRUSTRATED BUREAUCRAT IS A POOR REPORTER OF FACTS

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, an interesting discovery that I made during the recess was that a frustrated bureaucrat is a poor reporter of facts. Messrs. Chester Bowles' and Paul Porter's misrepresentations of the acts and the motives of the House as regards OPA has added nothing to the reputation of these gentlemen for veracity, nor has it contributed anything to the solution of the problem at hand. I would like to commend to the study of these gentlemen two of the most outstanding men in the Truman administration—the Secretary of the Treasury, Fred Vinson, and the Speaker of this House, SAM RAYBURN. If these gentlemen will do this, they will discover that reason and fair play takes a man further than abuse and misrepresentation. The way these gentlemen have squawked, one would think that the House had stabbed them through the heart and spilled their blood all over the ground when, as a matter of fact, it has done no such thing. The House simply stepped on their toes, demonstrating to the country that it has a responsibility to perform, and that it is nobody's hound dog to be kicked around with bureaucratic impunity.

THE LATE STANLEY H. KUNZ

Mr. GORDON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GORDON. Mr. Speaker, it is with profound regret that I announce the passing of a former Member of this House, who was one of my predecessors, the Honorable Stanley H. Kunz, of the Eighth Congressional District of Illinois, on April 23, 1946, at a ripe age of 81 years.

He was one of the prominent Polish-American leaders of Chicago for many years. At the age of 21 in the year of 1886, he was elected as a State representative, and from that time he was always in public service. For 26 years he served in the Chicago City Council, and was elected to Congress in 1920 and served until 1934.

Stanley Kunz possessed many rare traits, but to me it always seemed that he was one of the most patient, sympathetic, and courteous men I have ever met. Regardless of how heavy his burdens were, he always found time to listen to problems of the people and give counsel, consideration, and advise in the solution of them. His life was one of exceptional service and he practiced the teachings of his faith and sought to live true to the standards set by the Saviour of mankind and at all times, was a true American.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I am one of the few still in Congress who served with Stanley H. Kunz during his 14 years in the House of Representatives. I knew him during those years not only as a United States Representative, but as an alderman of the city of Chicago, as a State senator, and as a member of the Cook County Central Democratic Committee and of the State Democratic Committee. He followed closely Peter Kiolvasa, the first Polish-American to win high public office as city treasurer of Chicago; in earlier years I cooperated with both in the cause of democracy.

Born and educated in New England, Stanley Kunz had a magnificent physique, courage, determination, and a strong will, and a complete mastery of the English language. His boldness and enterprise won the confidence of his people, and he became an outstanding Polish-American leader, not only in his adopted city of Chicago but throughout the Middle West.

Like myself, he was a believer in the true Jeffersonian democracy, which he strongly advocated among his people. Having secured their confidence and cooperation, by his own ability and the charm of his personality, he brought to his American-Polish compatriots the recognition and acceptance which they so eminently deserved. His influence extended far beyond our city and county and throughout our Nation. More, perhaps, than to any other American the Polish-Americans of today owe to Stanley H. Kunz their high prestige in public service.

His indomitable courage was backed by a swift and supple intellect. In the New York National Democratic Convention he more than any other delegate, contributed to the solution of the impasse between McAdoo and Smith, and brought about the nomination of John W. Davis.

Americans of Polish birth or of Polish parentage have lost a strong spokesman, and so has American democracy.

EXTENSION OF REMARKS

Mr. SABATH asked and was given permission to extend his remarks in the RECORD and include an address delivered by him a few weeks ago.

Mr. KOPPLEMANN asked and was given permission to extend his remarks in the RECORD and include an address delivered by himself on the radio with reference to expenditures and balancing the Budget.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MANASCO asked and was given permission to extend his remarks in the RECORD and include two editorials from the New York Times and a newspaper article.

SPECIAL ORDERS GRANTED

Mr. WALTER. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, in the war program the larger manufacturers and the larger mining companies were provided, where necessary, with Government funds and Government-owned equipment. Through the Contract Settlement Act of 1944, Public Law 395, payments for contract termination and reconversion were likewise provided. Although the act was intended to cover the small miners of strategic and critical minerals, it appears that it is not being so administered.

A considerable number of small producers of strategic and critical minerals responded to the Government's urgent call for production, frequently of materials not needed for peacetime use, and upon the termination of the Government programs found themselves with unrecovered investments and no further market for their products.

In order that the House may have full opportunity of considering the matter, I have today introduced a bill which has been prepared by the Small Business Committee of the Senate and introduced in that body by Senator MURRAY, for himself and several other Senators, proposing to extend the operations of the Contract Settlement Act of 1944 to include small miners of strategic and critical minerals.

The proposed amendment is only a reenactment of the War Minerals Relief Act of 1919, expanded to include the minerals and metals designated by Congress as strategic or critical, and amends Public Law 395 so as to utilize the settlement provisions already provided.

SECOND APPROPRIATION RESCISSION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5604, an act reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, LUDLOW, O'NEAL, RABAUT, JOHNSON of Oklahoma, KERR, TABER, WIGGLESWORTH, and DIRKSEN.

SECOND DEFICIENCY APPROPRIATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5890, an act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, LUDLOW, O'NEAL, JOHNSON of Oklahoma, KERR, TABER, WIGGLESWORTH, and DIRKSEN.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include an editorial from the Home Builder, and in the other on the subject of the OPA swindle to include a letter.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an article by Ladislas Farago. The Public Printer informs me

that this article will cost $80. Notwithstanding, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the cost and without objection, the extension may be made.

There was no objection.

Mr. PITTENGER (at the request of Mr. TABER) was given permission to extend his remarks in the RECORD in two instances and include newspaper items in one and an article in the other.

Mr. PLUMLEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. MUNDT asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include an editorial, and in the other a statement which he made before the House Committee on Ways and Means.

Mr. BENNET of New York asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include a letter and an editorial.

Mr. SHARP asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address delivered by Hon. W. Kingsland Macy following his reelection as president of the National Republican Club of New York City on Tuesday evening, April 23, 1946.

Mr. SCRIVNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a copy of a letter from a constituent.

Mr. WOODRUFF asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a voter in the State of Michigan.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject of military discipline in Japan and include a letter from a soldier in Japan.

GOVERNMENT PURCHASE OF CORN

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, the recent order which offers a bribe of 30 cents a bushel for corn and wheat does give a cloak of respectability to the black market. It is understood that the black-market dealers in corn and wheat now pay about 30 cents above the ceiling in order to get grain. The Government now legalizes these transactions by entering into competition with these black-market racketeers.

The small, honest, legitimate feeder, or the individual desiring grain for the poultry and dairy industries, cannot buy except at the double standard price set by the Government. This price is 30 cents below the black market, so the Government and the black-market boys get all the grain.

Mr. Speaker, I understand the 50,000,000 bushels of corn which is being bought at the 30-cent bribe is to go to the industries producing food from corn. It is hoped that this will take them out of the black market.

It is quite apparent that the Government no longer wants the raiser of hogs to feed them corn, nor do they want corn fed to cattle. There are a great many small feeders who will have hungry livestock in the land of plenty. This is what happens when you have government by control. It means black-market inflation because of low production.

I predict, Mr. Speaker, that the next step by the economic theorists will be to seize all grain and then proceed in an attempt to make allocations of grain for all purposes. This will mean chaos, compounded several times. Government regulations beget Government regulations. When, oh, when, will this administration stop tampering with the economic laws of nature? If the farmer continues to be crossed and double-crossed by his Government, as he has been in the last 3 years, we may expect a further decrease in the production of all food.

Mr. Speaker, I am introducing a joint resolution today which will permit the owner of grain to sell such grain to any feeder of livestock, including poultry, or the processors of such grain or to anyone else on the same terms and conditions as to the Government without penalty, notwithstanding any price ceiling to the contrary. I further provided that the buyer of such grain shall not be subjected to any penalty.

It seems to me, Mr. Speaker, that there must be some protection for the individual who is trying to feed cattle or to carry on a poultry or dairy business.

Resolved, etc., That any owner of grain may sell such grain to any feeder of livestock including poultry, or the processor of said grain or to anyone else on the same terms and conditions as to the Government without penalty notwithstanding any price ceiling to the contrary; furthermore, that the buyer of such grain shall not be subjected to any penalty notwithstanding any price ceiling to the contrary.

WE WILL ALWAYS HAVE A U. S. A. IF WE DO NOT GIVE IT AWAY

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a statement showing the comparative financial condition of Great Britain and America.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, we will always have a U. S. A. if we do not give it away.

I want to make a comparative showing of the national debt of Great Britain and that of America. I want to call attention to the fact that Great Britain has a debt of about $111,000,000,000 while we had a national debt on April 16 of over $274,000,000,000. The increase in the national debt of Great Britain during the years 1939 to 1945 was 179 percent while the increase in the national debt of the United States was 596 percent. Some spending.

I cannot give in better terms the statement I want to make as to why we should be very careful in what we do now in order that we do not lead this Nation into disaster than by quoting Mr. Jesse Jones.

No loans to any government which has defaulted on any previous loans

[All data taken from the World Almanac, 1946, by A. H. Sonntag]

Compare the figures—	British Commonwealth	United States and possessions	
			Per capita
Square miles	13, 344, 753	3, 735, 223	
Population	558, 350, 760	150, 621, 231	
Public debt:			
1920	£7, 875, 641, 961	$24, 297, 918, 412	$228.32
1931	7, 413, 278, 000	16, 801, 485, 143	135.42
1932	7, 433, 942, 880	19, 487, 009, 766	156.12
1938	8, 026, 127, 000	37, 164, 740, 315	285.41
1940	8, 931, 459, 000	42, 967, 531, 037	325.19
1944	19, 592, 000, 000	201, 003, 387, 221	1, 448.56
1945	22, 398, 000, 000	258, 682, 187, 410	1, 853.01

	British Commonwealth		United States and possessions	
	Amount	Percent	Amount	Percent
Decrease, 1920 to 1931, inclusive	£462, 363, 961	5.87	$7, 496, 433, 269	30.80
Increase, 1932 to 1938, inclusive	612, 849, 000	8.26	20, 363, 255, 171	121.20
Increase, 1939 to 1945, inclusive	14, 371, 873, 000	179.00	221, 517, 447, 095	596.00

The decrease, 1920 to 1931, 12 years—Presidents Harding-Coolidge, Hoover.
The increase, 1932 to 1938, 7 years—President Roosevelt subsidy to farmers not to raise wheat or pigs and the WPA.
The increase, 1939 to 1945, 7 years—Roosevelt, Truman.

A SUGGESTION TO ENGLAND

Instead of requesting a 50-year loan from the United States, why not sell your bonds to the citizens direct. This can easily be accomplished by newspaper advertisements, but not for 50-year bonds. Make several issues, one for 10 or 15 years, at 2½ percent interest; one for 20 years at 3 percent; and one for 30 years at 3½ percent. Place these advertisements in the principal news-

papers in the United States, Canada, Australia, Union of South Africa, and Malaya—these countries have tremendous natural resources and all necessary items to feed and clothe all human beings.

Why not make a loan to Britain of $1,000,000,0000 on proper collateral or even $500,000,000—that is a lot of money. If they pay that, then make them an additional loan. If Britain does not pay the loan, who does? Why, the American taxpayer. Do you want to pay it? I ask you in good faith. Would you wreck America financially? Our national debt is more than twice that of Great Britain. I do not see why we charge our veterans 4 percent for a loan and only charge Britain less than 2 percent. Does not seem right to me. If we have four billions to give away, give it to our veterans. What right have you to give such an amount away? I say none. You know from past records it will not be paid. Remember it winds up lease-lend and cancels 26 billion. It gives us free trade, permitting importers to ruin our manufacturers and our high standard of wages to our workers. I am not against Britain, but I do not want to sink or bankrupt America.

Read what Jesse Jones says about it:

JONES SAYS BRITISH LOAN MAY LEAD TO DISASTER

Former Secretary of Commerce Jesse H. Jones believes approval of the proposed $3,750,000,000 British loan would start the United States down a financial road that is likely to lead to disaster.

In an editorial published Monday in his Houston (Tex.) Chronicle, Jones opposed the loan on the grounds that it would:

1. Be most unbusinesslike. If Great Britain wants American money she should put up proper security for it.

2. Tend to debase the United States dollar. This country should stop issuing Government bonds and pay every dollar we can spare on our debt.

3. Impress countries denied loans on similar terms as an alliance with Great Britain, and make them feel that we are less friendly to them than to Britain.

4. Give Britain money which she would spend in competition with us in world markets.

LISTS BRITISH ASSETS

Jones declared that "the British are by no means strapped." Asserting that they could put up security for their borrowing, he listed British assets as follows:

In the United States—$3,000,000,000 plus, including $587,000,000 in United States Government securities, more than $40,000,000 in corporate bonds, and 623 controlled branches of corporations having a value of $611,000,000.

In other countries—some $8,000,000,000 in various assets, $15,000,000,000 in unmined gold reserves, $8,000,000,000 in diamond reserves, and several billions in cash.

Jones proposed that loans to Great Britain be made on a basis similar to that of a $425,000,000 loan authorized by the Reconstruction Finance Corporation in July 1941. That loan was fully secured and was made payable over 15 years at 3 percent interest.

RECOMMENDATIONS

In order to be helpful to the British and still protect our own Federal Treasury, Jones recommended that:

1. The RFC increase its loan to Britain by an additional $1,000,000,000 on security already pledged and repayable in about 40 years at 2 percent. This would not require congressional approval.

2. Further RFC loans on the same terms be made on British investments and operations in this country, up to the earning value of the security.

3. This country make an advance payment of around $500,000,000 to Great Britain for critical materials for the stock pile which President Truman has recommended to Congress that the United States build up.

4. Congress consider authorizing the Commodity Credit Corporation or some other agency to sell cotton, tobacco, fruits, and other farm products, durable goods and manufactured articles to the United Kingdom for the next few years on credit in amounts about equal to her normal imports of such items from this country.

PROPERTY ACQUIRED UNDER LANHAM ACT SHOULD BE TRANSFERRED TO LOCAL GOVERNMENT AGENCIES WHERE PROPERTIES ARE LOCATED

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, I am introducing a bill today which I think will be of great interest to the Members of many States. This bill provides, in brief, that properties acquired under the Lanham Act for the purpose of helping local school and recreation districts to take care of their educational and recreation load and which were turned over to those districts for that use during the war, be given to them permanently, now that the war has ended.

For instance, let us take the city of Vallejo, Calif. That city grew from 20,000 to over 80,000. Under the Lanham Act the facilities for education and recreation necessary to take care of the extra load due to the war were provided that town. Now the Government is trying to sell those facilities to the city of Vallejo. That small town simply has not the money or the taxing power to buy those facilities. The purpose of my bill is to recognize that, and count the Lanham Act expenditures on those facilities as war costs, and turn those facilities over to the various school districts.

The Government should be glad to turn these properties over to the various communities, where they were located, providing the communities agree to use the facilities for the purpose for which they were originally furnished. The effort to sell these facilities would bring little revenue, considering the cost of getting rid of them, and in many cases the cities or school districts involved really have not the taxing capacity to raise the money to buy them, in which event they will fall into the hands of private individuals and may be used for speculative purposes. The public welfare will be subserved by giving these properties to the communities where they were located.

Some of the typical war communities in California that would be helped by this bill are Vallejo, Napa, Richmond, and San Diego. They are found in all parts of the Nation.

The bill which I have referred to is as follows:

An act to authorize the transfer, without charge to the States and political subdivisions thereof, of any interest of the United States in public works acquired under the act of October 14, 1940, as amended

Whereas the United States acquired an interest in educational, recreational, and other public works under the act of October 14, 1940, as amended, in order to supply the needs caused by the abnormal influx into certain localities of civilian workers and members of the armed forces during the war; and

Whereas such public works are properly chargeable to the Federal Government as an expense of the war; and

Whereas little revenue could be realized by the Federal Government in disposing of such public works by sale because of the lack of demand therefor under present conditions; and

Whereas it is impossible in many cases for the States or local political subdivisions thereof to pay more than a small part of the original cost of such public works because of inability to raise funds for such a purpose; and

Whereas the general welfare of the United States will be served by the transfer or granting without charge of such public works to the States or political subdivisions thereof for educational, recreational, and other purposes contemplated in the act of October 14, 1940, as amended: Now, therefore,

Be it enacted, etc., That all right, title, and interest of the United States in any public work acquired, maintained, or operated under the act of October 14, 1940, as amended (U. S. C., 1940 ed., Sup. IV, title 42, secs. 1531–1534 and sec. 1541), shall be granted and transferred without charge to any State or political subdivision thereof in which such public work is located, upon assurance by the Governor or other duly authorized public official of the State, or a duly authorized public official of a political subdivision thereof, that such public work will continue to be used and maintained, after the transfer is completed, for purposes authorized in said act of October 14, 1940, as amended.

SEC. 2. The Federal Works Administrator, or the head of any other Federal department or agency having jurisdiction of such public work, is authorized and directed to execute the necessary instrument in writing to transfer all right, title, and interest in such public work from the United States to the State or political subdivision thereof entitled thereto as provided in section 1.

(Mr. JOHNSON of California asked and was given permission to extend his remarks and include a copy of a bill he had introduced.)

EXTENSION OF REMARKS

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include an editorial on how to make the OPA work.

DEMOBILIZATION AND ENLISTMENTS IN THE REGULAR ARMY

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I am this morning in receipt of a letter from the War Department, Office of the Chief of Staff, which I think will be of interest.

It is over the signature of William F. Pearson, colonel, General Staff Corps, and reads as follows:

APRIL 29, 1946.

Hon. J. HARRY MCGREGOR,
House of Representatives.

DEAR MR. MCGREGOR: I believe that you are interested in the latest statistics as to demobilization and as to enlistments and reenlistments in the Regular Army.

From May 12, 1945, through April 23, 1946, there were discharged from the Army 6,375,000 enlisted men, 640,000 officers. Of the officers discharged 31,420 were doctors, 9,189 dentists, and 40,864 nurses.

As to enlistments and reenlistments in the Regular Army, the figures through April 14, 1946, show:

Total enlistments and reenlistments.. 702,563
Enlistments and reenlistments for the week ending Apr. 14, 1946..... 14,981

Sincerely yours,

WM. F. PEARSON,
Colonel, General Staff Corps, Liaison.

The SPEAKER. The time of the gentleman from Ohio [Mr. MCGREGOR] has expired.

EXTENSION OF REMARKS

Mr. CURTIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a newspaper article.

Mr. GWYNNE of Iowa asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. KNUTSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

Mr. GEARHART asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include a letter, and in the other an article.

Mr. HOPE asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a letter.

Mr. SHORT asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. SPARKMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech made by Mr. Acey Caraway.

Mr. DE LACY asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, to include in one a statement by Mme. Sun Yat-sen, and in the other a letter addressed to a committee.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday of this week may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON RIVERS AND HARBORS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors may sit during the sessions of the House during general debate for the remainder of the week.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—ANNUAL REPORT OF THE PANAMA RAILWAY COMPANY

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on the Merchant Marine and Fisheries:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Ninety-sixth Annual Report of the Board of Directors of the Panama Railroad Company for the fiscal year ended June 30, 1945.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 26, 1946.*

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—SIXTH REPORT OF UNRRA

The SPEAKER laid before the House the following message from the President of the United States which was read and together with the accompanying papers referred to the Committee on Foreign Affairs and ordered printed, with illustrations:

To the Congress of the United States of America:

I am transmitting herewith the sixth report to Congress on UNRRA operations for the quarter ending December 31, 1945.

During this quarter, while UNRRA's shipments reached unprecedented figures, recipient countries experienced unprecedented needs. Crop failures resulted in the continuance of near famine conditions. The hardships of winter were imminent.

At year's end, moreover, critical shortages—notably of wheat, fats, meat for Europe, and of rice for China—threatened execution of even the limited relief program that had been planned. For millions survival was, and still is, the issue, and for UNRRA the challenge to be met. World recovery still remains a formidable task.

Only concerted action by the United Nations—and, primarily, of the producing countries—can, even at this date, avert the prolongation of emergency conditions throughout the world. Now, more than ever, intensified efforts to match need with supply, are required of us. We must not fail. For our continued participation in UNRRA marks the fulfillment of a pledge and the discharge of a debt to those who, beyond the common sacrifice of life and material resources, endured the devastation and brutalities that we were spared. Conscience alone demands that we meet the full measure of our obligation.

But prudence and self-interest no less dictate our policy. Neither peace nor prosperity can be assured to us while famine, disease, and destitution deprive others of the means to live, let alone to prosper. Relief and rehabilitation are paramount necessities for that world recovery which is a primary objective of our national policy. They provide the best insurance against social chaos and moral disintegration and the surest guarantee for the growth of democratic modes of thought and action. The emergency, which UNRRA was designed to meet, continues. The months immediately ahead are critical.

While ours is the largest contribution to UNRRA's funds, it is matched by like, proportionate contributions of 30 other nations. This gives significance to UNRRA altogether beyond the relief that it provides. In UNRRA the United Nations have created the first international operating agency through which to test and to perfect our powers of cooperation. Such powers are not inborn. They are cultivated, by constant exercise and the progressive enlargement of mutual experience. In UNRRA a precedent has been created that may prove a landmark in our progress toward solidarity and common action by the nations of the world.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 22, 1946.*

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include an article by Westbrook Pegler.

The SPEAKER. Under previous special order of the House, the gentleman from Illinois [Mr. CHURCH] is recognized for 30 minutes.

RED TAPE IN DISPOSAL OF SURPLUS PROPERTY—NO SPECIAL COMMITTEE NECESSARY

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include Washington Staff Directive No. 1, issued March 27, 1946, by the War Assets Administration.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, on Thursday, April 4, I had occasion to address the House relative to the red tape, bureaucracy, and waste in the disposal of surplus property. At that time I emphasized the imperative need for a thorough investigation of the administration of the Surplus Property Act of 1944. On the following day, Friday, April 5, the Rules Committee voted to report House Resolution 385, to provide for the establishment of a special select committee to conduct such an investigation. But I am opposed to that resolution.

I should like to make my position clear. There is no question whatever as to the need for a complete investigation of the operation of the surplus-property-disposal program. As I previously stated in presenting to this House my findings in a personal study of this subject:

The policies, procedures, and regulations being followed in connection with the disposal of surplus property are scandalous.

I repeat what I then said, that—

The bureaucratic Frankenstein that the War Assets Administration truthfully repre-

sents, with its maze of red tape, complicated regulations, and ridiculous procedures, is actually destroying the purpose of the act.

And in support of that charge I presented several documents embodying volumes of regulations issued under the act and outlined the cumbersome and costly procedure that is followed by those responsible for the administration of the law.

In order to give you a general picture of the extent to which red tape and paper work have served to prevent early disposal of surplus property, I call your attention to the Washington Staff Directive No. 1, issued March 27, 1946, by the War Assets Administration.

This directive establishes the types of releases to be utilized by the Washington office for the management and operation of the War Assets Administration. There are eight general types, as follows:

Administrative Directives, the Manual of Operations, Washington Staff Directives, General Administrative Procedures, Management Procedure Series, Operations Procedures Series, Staff Notices and Memoranda. The Management Procedures Series is in turn divided into the following six categories: Auditing Procedures, Accounting Procedures, Budget Procedures, Personnel Procedures, Organization and Procedure Planning Procedures, and Administrative Services Procedures. And the Operations Procedures Series is divided into the following nine different categories: General Operations Procedures, Aircraft Disposal Procedures, Consumers Goods Disposal Procedures, Capital and Producers Goods Disposal Procedures, Real Property Disposal Procedures, Warehousing Procedures, Inspection Procedures, Traffic Procedures, and Credit Procedures.

In other words, there are no less than 23 types of releases promulgated for the management of the War Assets Administration, as distinguished from the regulations, orders, special orders, and policy statements or other directives issued by the Administrator which apply to all Federal agencies engaged in the disposal of surplus property. The regulations that have been issued fill volumes. There is a constant flood of new releases, amendments and amendments. It would probably be no exaggeration to say that if an employee of the War Assets Administration were to keep himself advised on all the releases he would have to spend 7 hours each day reading them and perhaps the other hour of an 8-hour day discussing them.

The primary objective of the Surplus Property Act is to provide for the early disposal of surplus property. In no other way can the objectives set forth in section 2 of that act be attained. But the most cursory examination of the policies and procedures of the War Assets Administration, which has taken over most of the surplus property for disposal, will convince one that so long as such policies and procedures are followed there will be nothing but continued delay and waste in the program.

There is indeed, Mr. Speaker, a need for an investigation of this program and doubtless amendatory legislation is necessary. With the purpose of the pending resolution I am in complete accord. Why, then, do I oppose it? Simply because I do not believe a special committee should be established to conduct the investigation, but rather the Committee on Expenditures in the Executive Departments should be empowered to act as the investigating committee.

For a number of weeks the Committee on Expenditures in the Executive Departments has been holding hearings on this subject. Those hearings have by no means been complete, but a beginning has been made, and the committee is in position to proceed promptly and effectively with further study. It is now proposed to duplicate the work of that committee by establishing a special committee. It should be borne in mind that a special committee will in turn make recommendations to the House, which recommendations will be referred to the Committee on Expenditures in the Executive Departments for appropriate legislative action.

We talk long, loud, and often about the duplications in the executive branch of the Government, the red tape and the waste that results. We have enacted legislation with a view to accomplishing a reorganization to eliminate the duplications. It seems to me that we who constitute the legislative branch should ourselves avoid duplications, the very type of thing that would result from this resolution.

In this connection, permit me to call your attention to the report of the Joint Committee on the Organization of Congress, filed on March 4, 1946—Senate report No. 1011, Seventy-ninth Congress, second session. One may disagree with certain details of that committee's recommendations, but I think it is unanimously agreed that, as the committee states on page 2 of its report:

> No adequate improvement in the organization of Congress can be undertaken or effected unless Congress first reorganizes its present obsolete and overlapping committee structure.

And most pertinent here is the following statement on page 6 of that committee's report:

> Directing the regular standing committees to carry on this supervisory function appeals to your committee as a better method than the appointment of numerous select investigating committees when situations have grown so difficult as to arouse public demand for correction or special study. We recommend that the practice of creating special committees of investigation be abandoned.
>
> Each of the reorganized standing committees should be given the power of subpena and should be authorized to undertake studies of matters within its jurisdiction either by full or subcommittee action. By directing its standing committees to perform this oversight function, Congress can help to overcome the unfortunate cleavage between the personnel of the legislative and the executive branches.

Let me repeat one sentence from the report:

> We recommend that the practice of creating special committees of investigation be abandoned.

That is the proposal of the joint committee which made a detailed study of the organization of Congress. I think we should follow that recommendation in passing on the resolution now before us. Instead of establishing a special committee to conduct the investigation, the standing Committee on Expenditures in the Executive Departments, which has legislative jurisdiction over the subject matter, should be authorized, with subpena power to conduct the investigation.

Under leave to extend my remarks, I include Washington Staff Directive No. 1:

WAR ASSETS ADMINISTRATION,
Washington, D. C., March 27, 1946.

WASHINGTON STAFF DIRECTIVE NO. 1

To: All officials in the Washington office.
Subject: Instructions and procedures of the War Assets Administration.

SECTION 1. General: The purpose of this directive is to establish the types of releases to be utilized by the Washington office for the promulgation of directives, instructions, and procedures controlling the internal management and operations of the War Assets Administration, in Washington and the field, and to fix responsibility for the initiation, preparation, control, and issuance of such releases.

The provisions of this directive apply to all procedures and instructions relating to the internal management and operation of the WAA initiated in the Washington office and proposed for release in the Washington office and/or to regional offices except:

(a) Delegations of authority to named individuals.

(b) Public informational or publicity releases and advertising.

(c) Unnumbered releases containing noninstructional matter such as events, appointments, and similar notices of interest or information for distribution within a single office or division.

(d) Such other types of releases as may be specifically exempted by the Director, Organization and Procedure Planning Division.

The provisions of this directive do not apply to the preparation, clearance, and issuance of regulations, orders, special orders, and policy statements or other directives issued by the Administrator pursuant to the Surplus Property Act of 1944, which apply to all Federal agencies engaged in the disposal of surplus property.

SEC. 2. Types of authorized releases: The types of release utilized by the Washington office for the promulgation of directives, instructions and procedures governing and controlling the internal management and operation of the War Assets Administration shall be:

Administrative directives.
The manual of operations.
Washington staff directives.
General administrative procedures.
Management procedures series.
Operations procedures series.
Staff notices.
Memoranda.

The nature of the material which shall be incorporated in each of these types is as follows:

(a) Administrative directives: Instructions regarding the establishment of regional organization structure or changes therein and basic procedures governing and controlling the internal management and operation of the regional offices and other field establishments may be issued as administrative directives prior to their inclusion in the appropriate volume of the manual of operations.

Administrative directives shall be issued over the signature of the Administrator or the Deputy Administrator for Management.

(b) The manual of operations: Permanent or recurring instructions and procedures governing and controlling the internal management and operation of the regional offices

and other field establishments of the War Assets Administration shall be incorporated in the appropriate volume of the manual of operations. The categories of subject matter incorporated in each volume of the manual are outlined on the reverse side of the title page of each volume.

Additions or revisions to the present volumes of the manual and additional volumes deemed necessary shall be issued as attachments to transmittal letters. A separate series of such letters shall be maintained for each volume of the manual. In addition to describing the new or revised portions of the manual attached, each transmittal letter shall include a short outline of the new or revised procedure; such nonrecurring instructions as may be necessary to properly effect the change; and the established effective date of the new or revised procedure.

Transmittal letters shall be issued over the signature of the Deputy Administrator for Management.

(c) Washington staff directives: Instructions regarding the establishment of organization structure or changes therein, assignment of functions and responsibility, and statements of office-wide basic procedure governing the internal management and operation of the Washington office shall be issued as Washington staff directives.

Washington staff directives shall be issued over the signature of the Administrator or the Deputy Administrator for Management.

(d) General administrative procedures: Instructions and procedures as may be necessary to implement the functions, responsibilities, and basic procedures established in a Washington staff directive and to establish uniform practices and methods in the Washington office shall be issued as general administrative procedures.

General administrative procedures shall be issued over the signature of the director of the office or division which has responsibility for the function or activity covered by the release.

(e) Management procedures series: Instructions and procedures pertaining to the management functions and activities in the regional offices may be issued as management procedures prior to their inclusion in the manual of operations.

Each release in the management procedures series shall carry a secondary designation to indicate the category of operation to which it applies, as indicated below:

Auditing procedures.
Accounting procedures.
Budget procedures.
Personnel procedures.
Organization and procedure planning procedures.
Administrative services procedures.

Management procedures shall be issued over the signature of the Deputy Administrator for Management or of the director of the division which has responsibility for the subject matter. Directors of divisions originating management procedures issuances will be responsible for obtaining prior clearance from the Deputy Administrator for Management where major changes in current functions and procedures are contemplated.

(f) Operations procedures series: Instructions and procedures pertaining to the operations, functions, and activities in the regional offices and other field installations may be issued as operations procedures prior to their inclusion in the manual of operations.

Each release in the operations procedures series shall carry a secondary designation to indicate the category of operation to which it applies, as indicated below:

General operations procedures.
Aircraft disposal procedures.
Consumers goods disposal procedures.
Capital and producers goods disposal procedures.
Real property disposal procedures.
Warehousing procedures.
Inspection procedures.
Traffic procedures.
Credit procedures.

Operations procedures shall be issued over the signature of the Deputy Administrator for Operations or of the director of the office or division which has responsibility for the subject matter. Operations procedures shall not be issued over the signature of an office or division director without prior clearance with the Deputy Administrator for Operations.

(g) Staff notices: Announcements of appointments to key positions in the Washington office or regional offices shall be issued as staff notices. All such notices shall be issued over the signature of the Administrator or the Director, Personnel Division, after clearance with the Deputy Administrator concerned with the subject matter.

(h) Memoranda: Announcements of special items of interest to all employees, and other similar nonprocedural matters shall be issued as memoranda. All memoranda shall be issued over the signature of the Deputy Administrator concerned.

While the above types of releases provide for the issuance of instructions and procedures in forms other than the manual, every effort shall be made to initially prepare all permanent or recurring procedures for issuance as additions or revisions to the manual. Use of the other types of releases should be limited to those instances when time or conditions do not permit the initial issuance to be prepared for inclusion in the manual. All of the above-described types of releases shall be submitted to the Organization and Procedure Planning Division for review and clearance with other interested offices and divisions in accordance with the procedure outlined in sections 3 and 4 below. Processing of teletype messages and correspondence to more than one region will be covered in a separate release.

SEC. 3. Responsibility for the preparation of releases: Each office or division in the Washington office is responsible for the origination, preparation, and technical accuracy of preliminary drafts of all instructions, procedures, and forms necessary to assure the execution of its assigned functions and activities in the Washington office and the regions.

The Organization and Procedure Planning Division, Office of Management, is responsible for coordinating the formulation and preparation of all instructions and procedures proposed for release by the Washington office and for maintaining control of the development and use of WAA forms. This responsibility also includes the determination as to the method of issuance and the type of release to be utilized.

The Organization and Procedure Planning Division shall provide such assistance to originating offices and divisions as may be necessary to assure the prompt and proper preparation of all proposed releases.

SEC. 4. Review and clearance of releases: All material proposed for issuance in accordance with the provisions of this procedure shall be submitted to the Organization and Procedure Planning Division in an original and four copies, for review and clearance with other interested offices or divisions. All such submissions shall be as much in advance of the proposed effective date as possible and shall be accompanied by any background material which justifies or supports the proposed release.

Upon receipt of a proposed release, the Organization and Procedure Planning Division shall review it from the viewpoint of content and purpose, its over-all administrative implications and effect, and conformity with existing directives, instructions, and procedures on the same or related subjects. Questions arising from such review and any recommendations of the Organization and Procedure Planning Division for improvement of the release shall be reconciled with the originating office or division before the proposed release is submitted to other offices or divisions for clearance.

After completing its review, the Organization and Procedure Planning Division shall present a copy of the proposed release to all offices and divisions concerned for review and clearance. A written notice of the date, on or before which clearance is to be completed, shall accompany each clearance copy of a proposed release presented to an office or division.

Each office or division which receives a clearance copy of a proposed release shall promptly review the material and the Director shall indicate his concurrence by initialing the attached approved record and returning the clearance file to the Organization and Procedure Planning Division. The Director of each office and division shall designate some member of his staff to serve as clearance officer to coordinate the internal clearance of proposed releases. The Organization and Procedure Planning Division should be notified as to the name, room number, and telephone number of any persons designated as clearance officers.

Whenever a reviewing office or division desires to recommend modifications or revisions of certain provisions in the proposed release, the proposed changes shall be indicated on the approval record, on the clearance copy, or in an attached memorandum. In the event a reviewing office or division objects to the provisions of a proposed release, its reasons for disapproval shall be set forth in an attached memorandum.

Whenever clearance is not completed within the prescribed period, the Organization and Procedure Planning Division shall contact the delinquent reviewing office or division and ascertain the reasons for delay. If the reviewing office is unable to give immediate clearance, the Organization and Procedure Planning Division may establish in writing an additional period of time, provided the date on or before which the instruction must be issued will permit such an extension. The Organization and Procedure Planning Division shall proceed as if clearance had been obtained, whenever it believes that a further extension of the clearance date should not be granted.

Upon completion of the clearance of a proposed release the Organization and Procedure Planning Division shall review and consider the recommendations and comments submitted by the reviewing offices. Whenever recommendations alter the purpose, implications, or effect of the original proposal, the Organization and Procedure Planning Division shall reconcile them with the originating office or division. Unreconciled differences which arise as a result of clearance shall be settled by the Organization and Procedure Planning Division in a meeting with representatives of the offices and/or divisions concerned. Whenever an agreement cannot be reached the Organization and Procedure Planning Division shall prepare a memorandum containing a description of the provisions under discussion and its recommendations for submission to the Deputy Administrator to the Administrator for consideration and final decision.

After all recommendations have been reconciled, the Organization and Procedure Planning Division shall prepare a final draft of the proposed release and present it, together with initialed approval records, to the proper official for final approval and signature.

The Organization and Procedure Planning Division shall maintain a file of all initialed copies of the clearance drafts, approval records, memoranda of comments, and any pertinent background material submitted in support of the proposed release. Material in this file shall be available for examination by clearance officers or other authorized

representatives of offices or divisions affected by a release.

SEC. 4. Distribution of instructions and procedures. Instructions and procedures issued by the Washington office for the internal management and operation of the War Assets Administration shall be available for distribution in such quantities as may be necessary to officials and employees within the Washington office and in the regions. Types of releases prescribed in section 2 of this procedure which apply only to the Washington office shall not be distributed to regional offices. Releases containing instructions and procedures covering regional operations shall be distributed within the Washington office in such quantities as may be necessary to insure efficient operations.

The proper distribution of instructions and procedures issued by the Washington office to personnel in the field is the responsibility of the Regional Director.

Every issuance should show distribution list.

G. E. MONSON,
Deputy Administrator for Management.

The SPEAKER pro tempore (Mr. MILLS in the chair). Under previous order of the House, the gentleman from Virginia [Mr. SMITH] is recognized for 15 minutes.

CARPETBAGGERS' INVASION, 1946 MODEL

Mr. SMITH of Virginia. Mr. Speaker, the utter indifference of the Government, the people, and the press to the economic calamity that is about to engulf the Nation in a few days is amazing and frightening. The coal strike which has been in progress for a month, with no signs of settlement, has so depleted the Nation's supply of coal that industry and transportation are today breaking down all over the country. In a matter of days the wheels of industry will stop turning for lack of coal, and the Nation will suffer a paralysis that will bring about utter chaos. In the face of this calamity, negotiations for settlement of the strike have broken up and apparently no serious effort is being made to avert the pending crisis.

Stranger still, there is at the moment no demand by the mine workers for additional wages or improved working conditions. The sole issue is the demand of the United Mine Workers that the labor union be paid a royalty of 10 cents a ton on all coal mined and consumed by the American people. The issue is whether the American public shall be subjected to a special tax levied by and paid to a private labor organization. The principle involved is vital. If the miners' union can levy a public tax for private purposes on the coal used by the consuming public, then every other labor union can and naturally will levy a tax on the American people for their private use on every other commodity consumed by the public. And so we shall soon have every minority pressure group, that has the power to deprive the public of essential commodities, levying its own private tax upon the American people.

Such a spectacle should have the effect of finally arousing a people steeped in lethargy to a sense of danger and responsibility—a responsibility to demand in no uncertain voice that the Congress and the administration adopt a firm, decisive policy to prohibit this new and revolutionary type of extortion.

I have repeatedly warned the Congress against the existing state of labor legislation which leaves unions free to adopt any methods of extortion that the mind can conceive, from robbery to assault and battery, while tying the hands of industry with restrictive laws. Speaking in this House on January 17 of this year, I repeated that warning in the following language:

Ever since the enactment of the one-sided National Labor Relations Act, the country has been gradually drifting toward a crisis that will determine whether the Government is to be run by, for, and of all of the people, or by and for a handful of ambitious, power-drunk labor leaders. Early in this struggle I took my stand in opposition to the threatened labor dictatorship, and in retaliation these groups have repeatedly sought with every weapon at their command to eliminate me from public life.

Since the end of the war, we have reached that crisis. The CIO and its Political Action Committee have declared open warfare on every public official from the President of the United States down who dares, in the slightest degree, to suggest a curtailment of their powers to dominate the Nation.

In recent weeks we have seen preliminary demonstrations and warnings of their power to close down and cut off every essential industry and enterprise upon which the Nation depends for food, fuel, transportation, communications, and other necessities of modern life.

This handful of labor barons, by a series of short work stoppages, have merely served notice in unmistakable fashion that with a few dominant labor leaders in strategic industries lies the power to freeze and starve 140,000,000 of supposedly free American citizens.

Six years ago, as chairman of the Committee to Investigate the National Labor Relations Board, I conducted an investigation that disclosed that certain radical elements of organized labor working in conjunction with equally radical agencies of the Federal Government, both tinged with communistic theories, were slowly but surely fastening upon the Nation a labor dictatorship intended to control and run the Government of the United States in the interest of minority pressure groups. The evidence was so clear and the findings of that committee so specific, that the House of Representatives adopted the remedial legislation which we recommended. Unfortunately that legislation, like other legislation I have since proposed, failed of final passage. The disclosures of the threatened labor dictatorship made by the committee of which I was chairman 6 years ago were so clear and the proof so positive that these radical units of organized labor have, in three different campaigns, promoted opposition to me and have sought my defeat. The fourth attempt to eliminate me from Congress by these radical groups, headed by the CIO Political Action Committee, is now being threatened. I defy them now as I have done in the past.

I do not desire a seat in the Congress at the price of supine submission to any minority pressure group, particularly the CIO Political Action Committee.

If the people of this Nation are so indifferent to the American system of government under which we have lived and prospered that they are willing to submit supinely to the yoke being fitted to their necks by a small group of labor dictators, I have at least done my part to sound the warning.

In recent days the CIO Political Action Committee has announced its purpose in the present primary campaigns throughout the Southern States to seek to eliminate from public life every Congressman who has shown an unwillingness to submit to their dictatorship. This is no secret. They have published it boldly and boastfully under large headlines in every daily newspaper in the country. They have even had the temerity to announce in these publications the huge sums of money that they have set aside to buy the elections of Congressmen in the Southern States who will do their will. They propose to conduct this nefarious enterprise openly and boldly from their head offices in New York and Washington.

Are the southern people become so supine and spineless that they will meekly submit to another carpetbagger invasion without raising a voice in protest? Such is the scheme that has been cooked up, dished, and is ready to be served by persons who are not even citizens of the States they propose to invade and conquer.

The carpetbaggers who invaded the South after the Civil War were at least American-born citizens with American names. The communistic designs of today had not then been brought to our shores.

Today this new swarm of carpetbaggers who are invading the Southern States to take over our political affairs are impregnated and indoctrinated with communism. They seek and have long sought to destroy the American system of government as we have known it and to fasten upon us the fetters of political and economic dictatorship.

There is not an American-born citizen in the top-flight leadership of this model 1946 carpetbag invasion. The swarm of minor hirelings who propose to do the actual field work are but the puppets of a foreign-born and foreign-conceived plot to spread the fearsome specter of communism over the face of the globe.

On my part, I shall fight this invasion openly and aboveboard with all the energy I possess. Expecting no quarter and asking none, I shall be content if I can bring to public notice an awareness of the destructive purposes of this CIO Political Action Committee campaign to destroy the system of government under which we have lived and grown strong.

Impregnated with communistic aims, purposes, and personnel, as has been proved time and again from both inside and outside the CIO, this un-American organization seeks absolute domination and control over the economic life of the Nation. Only an aroused public opinion can stem this tide. No Member of Congress who knows the fact and seeks reelection is worthy of a seat in this body who will temporize or compromise with the nefarious aims of these selfish groups.

Sooner or later the Congress must come to grips with the inordinate demands of irresponsible labor leaders who

use their power over their enslaved memberships to paralyze the Nation. Sooner or later we must take our stand on the side of the people or on the side of the radical minority pressure groups seeking to exploit the people for private gain. Sooner or later we must stand up and be counted for the masses of the people or for the political pressure groups. Sooner or later, we, as the people's representatives, must decide whether any small minority calling itself a labor union shall be permitted to interfere with the continuous operation of the facilities upon which the life, happiness, and prosperity of the Nation depend.

I have today introduced a bill to prohibit the extortion of tribute or royalties by private organizations as a condition to the production of articles essential to the life of the Nation. I ask you Members who are sufficiently interested to join me in the effort to obtain early passage of this needed legislation. Only a few weeks ago, by an overwhelming vote, you enacted a similar legislation directed at the activities of the musicians' union. Surely you cannot place less importance upon the production of coal to turn the wheels of industry than upon the production of jazz records to be played over the radio.

It is true that James Caesar Petrillo has no ominous-looking hirsute adornment upon his eyebrows. Nor is he given to bellowing in loud, resounding tones. But the musicians' union, which you so joyously and enthusiastically punished a few weeks ago, deals in jazz records while the United Mine Workers, though assaying more political power, mines the coal that is essential to the life of the Nation.

I urge you to assist me in bringing about reasonable and sensible legislation to protect the whole American people against the voracity of the few, organized and politically active though they may be.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. WALTER] is recognized for 15 minutes.

Mr. WALTER. Mr. Speaker, nationally and internationally we are in a period of unrest. That is natural, even inevitable. It is a part of the let-down from the emotional tension of sustained war effort. The head of steam has to be blown off. The energies that were summoned to beat the enemy have to be directed into other channels, or even allowed to dissipate. They cannot be turned off like a garden hose.

One characteristic of this transitory unrest is an epidemic of impatience. The symptoms range all the way from a feverish demand for nylon stockings to abuse of the United Nations Council for its inability immediately to bring international order out of universal chaos. The spirit of the times manifests itself in a demand for change, probably basically inspired by a hope to realize the better world we were fighting for against the forces of reaction.

To this I attribute much of the demand—such as it is—for a reorganization of our Military Establishment. Partially, too, the great and fearsome enigma of atomic energy prompts a desire to change the Military Establishment. I have heard the arguments often—the atom bomb changed the aspects of war from the familiar pattern of men with guns to inhuman, long-distance machines. If warfare has changed, then let us change the organization of our defenses.

It is, if you will reason it out, essentially a change for the sake of change, based on no logic and no insufficient scientific appraisal. The saddest aspect of the turmoil is that war has not basically changed. It is still going to be—if be it must—a contest decided by the physical occupation of territory and the destruction or denial to the enemy of the commercial ingredients for waging successful war.

Despite the grim fairy tales that tell how 20 men, each with a suitcase containing an atom bomb, could conquer the United States, the basic instruments of ships, airplanes, guns, and foot soldiers are still the determining factors of military power. And they will be, as far ahead as we can see.

War has not become simplified. It has become infinitely more complex than it was in 1942. Whether we speak of war as a predictable fact, or consider it as something which can be prevented by an international police force armed to the eyebrows, its essential elements are constant: trained men, airplanes, ships, and missiles. No one man can be an expert in the use of all these instruments. In fact, no one man can be an expert in all the uses and potentialities of even one of them. That is why current efforts at so-called streamlining of national defenses, of putting all of the painfully complex instruments in the hands of one man, are so dangerous. If you are one of the zealots who think a particular weapon—say the heavy bomber—is all our Nation needs for offense and defense, you will, of course, be an advocate of one-man direction of the Military Establishment—provided he is your man.

But if you will agree that, from experience and from an objective assessment of the instruments of war, no one weapon can supersede the bayonet and the fleet, then you must allow that our national defense system must remain under a committee of experts—experts in air power, in sea power, and land power. More swiftly, and heaven knows more efficiently, can these three minds coordinate in joint effort the known potentialities of their specialties than one man who can at best have only superficial training in two of the three.

That we had a winning system in the war just concluded is a trite and obvious observation. It had its faults, all of them detected, recognized, analyzed, and correctable. Most of them were the archaic heritage of simple days when navies and armies fought independently, and the airplane was either unknown or unappreciated. We did not have time, under the pressure of an all-out war for survival, to excise all the obsolete techniques. Consequently there were duplications, in procurement especially, and lack of coordinates, as in intelligence. But even as our desperate bluejackets on the destroyer *Borie* used coffee cups and empty shell cases to fight off the crew of the German submarine she had rammed, a nation has to use whatever weapons come to hand in a pinch.

That is why some recognizably obsolete and wasteful practices were tolerated in the desperate hurry of all-out war. But we did not allow obsolescence to hamper our use of the most modern implements, or to interfere with the research and development of new implements. Now, to establish a wholly modern defense system and to meet our commitments for an international police force, we can correct our mistakes and achieve a practicable unification. But, to quote Charles Lamb, you do not have to burn down the house to enjoy roast pork.

My whole thesis can be best demonstrated by the mistakes of our enemies. Since the war's end we have had access to the records and the personnel of Germany, Italy, and Japan, and in each instance we find that they contributed errors to the effect our military prowess achieved in bringing them to unconditional surrender, one by one.

Grand Admiral Doenitz freely testified that it was the domination of the Luftwaffe that prevented the Germans from making even better use of submarine warfare than that which had the Allies groggy in the first 2 years of conflict. The German Navy had, on its drawing boards, the design for a true submarine—a ship that could stay under water at unprecedented depths for weeks on end, and that could fight submerged with trackless torpedoes and other weapons. But the German Navy could obtain no priorities to build its supersubs. The Luftwaffe had first refusal of all vital, strategic material because Hitler pinned his hopes primarily on air power. Hitler knew that armies of destruction and occupation had to capitalize what air power could gain, and so the land forces had second access to all military resources. The Navy was a poor third and had to fight most of the war with obsolete submarines while its surface fleet sulked in port under orders from Hitler to avoid losses.

Those orders came after an inferior British fleet, suffering greater physical damage in the encounter, met the best that the Germans could put to sea, in a battle off North Cape. The Germans fled, and confessed to the Fuerher that they had been out-fought, out-gunned, and out-tricked by the inferior British sea forces. The starved, ill-trained German Navy was relegated to step-child status by one-man dictation.

Italy, which built a fleet of fine fighting ships and pioneered in the field of fast motor torpedo craft, was under the same handicap. Mussolini, a World War corporal with no more military training than a conscript peasant would be given, was his own chief of staff of air, sea, and land forces. The sea, for all his bombast about Mare Nostrum, was an alien element to him. With an infinitely better and larger fleet than Germany's, he made even more misuse, if not disuse, of the instruments of sea power. The Mediterranean remained Britain's throughout the war, despite ghastly punishment. Malta, within easy flight of Axis Europe, never surrendered, was never

wholly besieged. The Italian fleet was impotent against the Allied invasions of Africa, Sicily, and continental Italy. It was a handsome, powerful machine but without a driver who had any concept of naval warfare. It was a stepchild again, but it had no fairy godmother to engineer its emergence from ignominy to complete realization of its latent power. Even with their devotion to mass aerial bombing the European Axis powers displayed an amazing lack of appreciation for the full potentialities of the strategic air force. Germany, in the campaign against Moscow, and the Italians and Germans in concert in the entire African campaign, blazed no new trails in the use of the newest mobile implement of warfare, but kept it to the strategic concepts of horse-drawn artillery.

I am certain my distinguished friend from Alabama remembers distinctly the conversation we had with General Sorenson, in southern Germany, at which time the general said:

I think without peradventure of doubt when the history of the war has been written, the conclusion will be reached that Germany lost the war because the Luftwaffe was taken over by those young men who had achieved easy successes in their earlier drives into the Low Countries.

So their thinking was along just one particular line, with the result that they did not build long-range bombers they did not build the type of plane that would have prevented the Russians from supplying their troops; they did not construct those planes which would have made it impossible for us to have landed those instruments of offense which meant ultimate victory.

Contrast this with the well-integrated program of sea-air power as exercised by the United States, particularly in the Pacific, and the refutation of the Axis system of a dominant service and a dominant individual in command is sharply apparent.

Turn now to Japan, in which the initially coequal Navy gradually passed under domination of the Army. The war in the Pacific ended, as you know, with the destruction of the Japanese Navy and its merchant fleet. Japan's armies were intact, and stunned by the surrender forced upon them by the destruction of Japanese sea power.

To that destruction, the Japanese military themselves contributed. They forced the Navy to become an adjunct to the Army, a carrier of burdens, so that even Japan's truly excellent submarines were withdrawn from operations against the American supply lines to become blockade runners, lugging supplies to the Japanese armies of occupation as they lay besieged by American sea-air power. The testimony of Japanese naval officers and civilians to attest to that history fills volumes in our archives.

The three enemy powers each made the same mistake in organization, and for reasons still offered more in faith than in logic, the system that failed in Germany, France, and Italy is now proposed as a substitute for the system that made the United States triumphant.

That system was predicated on the Joint Chiefs of Staff in Washington, working out the grand strategy under direction of the President in consultation with the British Premier, and in concert with the Combined Chiefs. The strategy was considered in terms of the three elements of sea power, land power, and air power, the latter as Navy air and Army air because their functions differ basically and radically.

That strategy was communicated to the three commands in the field—General Eisenhower in the Europe-Africa-Near East theater, General MacArthur in the Southwest Pacific, and Admiral Nimitz in the Pacific. Each commander had a staff of experts in the several military specializations; Eisenhower's command and MacArthur's included admirals and other naval personnel, naval ships and naval aviation. Admiral Nimitz had Army officers to advise him in shaping the operations to execute the Joint Chief's strategy.

That, I submit, was unification and remains unification, and any more radical employment of the word is not warranted. The picture so frequently drawn, of bickering, jealous, uncooperative generals and admirals fighting each other as vigorously as they were fighting the enemy, is not even a caricature. It is a libel.

Suppose, however, the United States had adopted the same principle of a dominant service, and a dominant individual in command of all the national defenses:

We might even allow ourselves to imagine that the national defenses were headed, in 1941, by one of those military men who at that time were proclaiming the carrier to be obsolete, naval aviation an anachronism, and heavy men-o'-war a relic of the Spanish war. Much testimony to that effect was vehemently presented to Congress, you may remember.

I hesitate to think of what could have been our fate if that philosophy had prevailed. What conquered the German submarine? It was the escort carrier, combined with the destroyer escort, which changed our ratio of shipping loss from an average of a million tons a month to zero. No other factor contributed to that victory.

In the Pacific, it was the carrier teamed up with the submarine that won our way across a hostile ocean to cut off great enemy bases like Truk to wither without nourishment or exercise, and made possible the conquest of the Marianas, the Marshalls, Okinawa, and Iwo Jima. The carrier and escort-carrier program that won those bases for us in an ever-tightening noose around Japan's throat were built after the war was under way. Had we depended on one-man or one-service domination of the national defense, and had that control been committed to the widely held policy opposing full use of sea-air power, we might still be fighting today, and perhaps even fighting to drive the enemy off American soil.

I do not think conditions would have been any better had an admiral been in sole exercise of command over the three services, or if a predominantly naval policy had been imposed on the national defense program, to the diminution of the Army or the Air Force, or both.

The geographical position of the United States demands a balanced defensive system, quickly convertible to the offensive. Wars are better won on the enemy's territory. That requires, on our part, the strongest possible implementation of sea-air power, integrated with land operations in the staging and delivery of expeditionary forces through the connective tissue of the amphibious force. No more in its conception than in its execution is such a system a one-man function.

We can rejoice that the enemy, subservient to the political philosophy of dictatorship, subscribed, also, to the principle of military dictatorship. Dictatorship in both its aspects failed under the impact of aroused democracy. The winning system can be improved, and shall be, and indeed must be by the utilization of experiment and research even beyond the correction of those flaws the stress of war revealed. But in concentration of authority you also concentrate the possibility of error and multiply the fatal effect of error. Japan proved it. Germany proved it. Italy proved it first of all. The evidence is ample. The infection of unrest, the postwar neurosis that demands change for the sake of change, are ailments we cannot permit to devitalize the sturdy system of national defense behind which we can view a chaotic world with confidence.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 606) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That Mr. NORBLAD, of Oregon, is hereby elected to the Committee on Memorials.

The resolution was agreed to.

LT. COL. JOHN P. MAHER—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Clerk of the House:

APRIL 30, 1946.

The honorable the SPEAKER,
House of Representatives.

SIR: The attached sealed envelope indicating on its face that it contains a message from the President of the United States, and addressed to the Speaker of the House of Representatives of the United States, was received in the Office of the Clerk on April 26, 1946.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER. The Clerk will read the message.

The Clerk read as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 1264, "An act for the relief of Lt. Col. John P. Maher, Field Artillery Reserve, Army of the United States."

The purpose of this bill is to pay the sum of $201.74 to Lt. Col. John P. Maher in full satisfaction of all claims against the United States for reimbursement of a portion of the cost of transporting his wife and two minor children from Brownsville, Tex., to West Point, N. Y.

It appears that Colonel Maher, whose home was in Brownsville, Tex., had been on permanent duty in Washington, D. C., for a period of 9 months immediately

prior to July 26, 1942, when he was ordered to a new permanent-duty station at the United States Military Academy, West Point, N. Y. It further appears that during the period of his duty in Washington, Colonel Maher's wife and two minor children remained in Brownsville, but that shortly after Colonel Maher reached his new station at West Point his family joined him there and that the cost to Colonel Maher of transporting his family from Brownsville to West Point was approximately $233.15.

Section 12 of the act of June 16, 1942 (56 Stat. 364), provides that when an Army officer is ordered to make a permanent change of station the United States shall furnish transportation for his dependents to his new station, and that if the cost of such transportation exceeds that for transportation of his dependents from the officer's old station to his new station, then such excess cost shall be paid by the officer. Under this statute, Colonel Maher was properly reimbursed in the amount of $31.41, the cost of transporting his dependents from his old permanent-duty station at Washington, D. C., to his new permanent-duty station at West Point, N. Y.

Colonel Maher's claim for an additional amount to cover the cost of transporting his dependents from Brownsville, Tex., appears to be based upon the provisions of section 4 (b) of the act of June 5, 1942 (56 Stat. 315), which authorizes the transportation of an officer's dependents at Government expense from any location designated by the officer to his new duty station when the officer's former duty station was located in a zone which had been closed to the dependents of military personnel by the Secretary of War for military reasons or because Government quarters for such dependents were not available. At a number of the places within the country where military personnel are necessarily stationed in wartime the Government does not maintain quarters adequate to house the dependents of all of its military personnel. Nevertheless, this fact alone does not enlarge the Government's statutory obligation to furnish transportation for the dependents of the personnel stationed at such places, nor does it empower an Army officer who is ordered to duty at such a place to make his own determination that, because Government quarters for his dependents are not available there, he is entitled upon terminating his services at that station to have his dependents moved at Government expense from any location that he may designate to his next permanent duty station. As construed by the Comptroller General the act of June 5, 1942, calls for a determination by the Secretary of War, not only that Government quarters are not available for the dependents of military personnel at a given station but also that their dependents should not be permitted to accompany military personnel to that station, in order to entitle such personnel to compensation for the cost of transporting their dependents from other locations to their next permanent duty stations. The movement of the dependents of military personnel into Washington has never been forbidden by the Secretary of War under that act.

Undoubtedly, a great many of the Army officers who, for various periods of time, have been stationed in Washington during the war have found it either impracticable or inconvenient to move their dependents to Washington because of the inadequacy of the available housing facilities here. To attempt to rectify all of the individual cases of hardship and inequity resulting to officers and employees of the United States from the dislocations of wartime conditions would commit the Government to a program impossible of fulfillment. Colonel Maher has been reimbursed for the cost of transporting his dependents in the full amount to which he is entitled under the general statutes which are available equally to him and to his fellow officers who are similarly situated. For the Government now to grant him additional compensation through special legislation such as this bill would be discriminatory and contrary to the public interest. I am, therefore, constrained to withhold my approval from the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 25, 1946.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and, without objection, the bill and message will be referred to the Committee on Claims and ordered to be printed.

There was no objection.

EXTENSION OF REMARKS

Mr. KEFAUVER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement by Lt. Comdr. Clarence Kolwyck.

MAJ. EDWARD A. ZAJ—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Clerk of the House:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 30, 1946.

The honorable the SPEAKER,
House of Representatives.

SIR: The attached sealed envelope indicating on its face that it contains a message from the President of the United States, and addressed to the Speaker of the House of Representatives of the United States, was received in the Office of the Clerk on April 26, 1946.

Respectfully yours,
SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER. The Clerk will read the message.

The Clerk read as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 1980, Seventy-ninth Congress, "An act for the relief of Maj. Edward A. Zaj."

The purpose of the enactment is to relieve Maj. Edward A. Zaj of all liability to refund to the United States any amount for which he is accountable because of the loss through theft during the invasion of Sicily of one thousand nine hundred dollars ($1,900) in United States invasion currency which had been entrusted to his care, and to authorize the Secretary of the Treasury to pay to him so much of such sum as has been refunded to the United States by him, through deductions from his pay or otherwise, prior to date of above enactment.

Maj. Edward A. Zaj, Five Hundred and Fifth Parachute Infantry, was a class B finance officer for Lt. Col. William E. Johnson, finance department, and in such capacity was entrusted with five thousand dollars ($5,000). On July 30, 1943, Major Zaj, accompanied by another officer, was touring through Sicily in an Army reconnaissance car to requisition or buy furniture or other articles for the comfort of his regiment. On this trip they made three stops, both officers leaving the car and dispatch case containing $1,900 in invasion currency unguarded during their absence therefrom. The loss of the dispatch case and money was not discovered until the officers returned from the tour.

A board of officers was appointed to investigate the loss of $1,900 as well as $2,690 lost by Major Zaj while making a combat parachute jump. This board recommended that Major Zaj be not held responsible for the loss of $2,690 but that he should be held pecuniarily responsible for the $1,900 as he was guilty of negligence in not properly safeguarding same.

Major Zaj in testifying before the board admitted that he forgot about the $1,900 and confessed to possible negligence in connection therewith, but pleaded leniency in view of the stress of existing conditions.

Officers in the Army are expected to exercise a high degree of care in safeguarding funds entrusted to them, but it is not expected that they should be held accountable for losses occurring through circumstances beyond their control. The loss of $1,900 was not due to any circumstances beyond the control of Major Zaj, but, on the contrary, was directly attributable to his negligence in leaving the money unguarded. Approval of the bill would have the effect of granting benefits to Major Zaj which are denied to others where the facts are similar. There are no circumstances present in this case which would warrant singling it out for preferential treatment to the discrimination of numerous similar cases. Furthermore, the ultimate effect of relieving officers guilty of such negligence in handling funds entrusted to their keeping will be to weaken the controls which are essential in safeguarding public funds. I am, therefore, constrained to withhold my approval from the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 26, 1946.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and accompanying bill referred to the Committee on War Claims and ordered printed.

DAVE TOPPER—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Clerk of the House:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 30, 1946.

The honorable the SPEAKER,
House of Representatives.

SIR: The attached sealed envelope indicating on its face that it contains a message from the President of the United States, and addressed to the Speaker of the House of Representatives of the United States, was received in the Office of the Clerk on April 26, 1946.

Respectfully yours,
SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER. The Clerk will read the message.

The Clerk read as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 2062, a bill for the relief of Dave Topper of Toledo, Ohio. Under H. R. 2062, the Secretary of the Treasury would be authorized to pay to Mr. Topper the sum of $2,014.88 in compensation for an alleged loss sustained by Mr. Topper in connection with the resale of 44 surplus motorcycles purchased by him from the Treasury Department on November 9, 1944. According to the bill, Mr. Topper's loss resulted from the establishment by the Administrator of the Office of Price Administration on December 2, 1944, of a ceiling price upon used motorcycles from which the alleged inability to resell for a reasonable profit and the alleged loss of $2,014.88 resulted.

The proposed bill loses sight of the fact that MPR 569, which was issued by the Office of Price Administration on December 2, 1944, and which set the resale prices causing the alleged loss by Dave Topper, did not become effective until January 15, 1945, with regard to any sales of used motorcycles purchased prior to the enactment of the regulation. An opportunity was thus afforded Mr. Topper to sell the motorcycles in question without the application of the ceiling prices set in MPR 569 prior to January 15, 1945. Moreover, the regulation provided fo rspecial relief even in case Mr. Topper should have been unable to dispose of the motorcycle before January 15, 1945. Under section 8 (b) of the regulation, any purchaser of used motorcycles from the United States Government was granted permission, in case the regulation did not permit him a fair margin of profit, to apply for a special maximum price to the Office of Price Administration. Mr. Topper failed to avail himself both of the opportunity to resell before January 15 and of the special administrative relief available to him and any other purchaser of used motorcycles from the United States Government under section 8 (b) of MPR 569.

It would appear inappropriate to enact piecemeal legislation for the benefit of a particular person for the purpose of compensating him for an alleged business loss which could and should have been averted by timely resort to administrative remedies.

Accordingly, I am constrained to withhold approval of this legislation.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 26, 1946.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and accompanying bill referred to the Committee on Claims and ordered printed.

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—MARY G. PAUL

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read:

APRIL 30, 1946.

The honorable the SPEAKER,
House of Representatives.

SIR: The attached sealed envelope indicating on its face that it contains a message from the President of the United States, and addressed to the Speaker of the House of Representatives of the United States, was received in the office of the Clerk on April 26, 1946.

Respectfully yours,
SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER. The Clerk will read the message.

The Clerk read as follows:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 3003, Seventy-ninth Congress, "An act for the relief of Mary G. Paul."

The purpose of this bill is to waive the limitations of time in sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, in favor of Mary G. Paul, Albuquerque, N. Mex., and to authorize and direct the consideration of her claim by the United States Employees' Compensation Commission on account of disability allegedly resulting from her having contracted tuberculosis while employed as a nurse by the Veterans' Administration between April 1926 and June 13, 1944.

The records of the Veterans' Administration indicate that Mrs. Mary G. Paul was employed as a nurse in various veterans' hospitals during three terms of employment, extending from March 1926 to June 13, 1944, with brief intervals between the several terms.

Similar bills have been enacted for other former Government employees who failed to file a claim for benefits of the Employees' Compensation Act within the statutory period, in order that their cases might be considered on their merits. However, these bills generally provide that any benefits which may be found due will not accrue prior to the approval of the legislation. The absence of such a provision from the bill in question would result in retroactive payments, in the event Mrs. Paul's claim were allowed. There are no circumstances in Mrs. Paul's case which justify this discriminatory treatment. Enactment of the bill would serve as a precedent for similar action in cases which have heretofore been adjudicated as well as in future cases.

For the foregoing reasons I am constrained to withhold approval of H. R. 3003.

HARRY S. TRUMAN.

APRIL 26, 1946.

The SPEAKER. The objection of the President will be spread at large upon the Journal, and the message and accompanying bill referred to the Committee on Claims and ordered printed.

VETO OF PRIVATE CLAIMS BILLS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I have listened with a great deal of interest to the veto messages, which were read by the Clerk.

I rise at this time for the purpose of stating to the House that as a member of the Committee on Claims—and most of these messages are directed at the action of the Committee on Claims—I cannot accede to the proceedings that have been taken. In other words, I want the RECORD to show that while I speak only for myself, I can assure the Members of this House that I am familiar with the procedure that leads up to a veto. With all the respect in the world for those in authority, I think probably some who have counseled the veto have either misinformed themselves or have been misinformed.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. PITTENGER. I yield.

Mr. CHURCH. The gentleman has been a member of the Claims Committee for many years, has he not?

Mr. PITTENGER. Yes.

Mr. CHURCH. How many?

Mr. PITTENGER. I have been on the Claims Committee about 14 years now.

Mr. CHURCH. And a very distinguished member of that committee.

Mr. PITTENGER. And I want to say this last bill that was vetoed was thoroughly discussed to my knowledge by the committee. I am sure that if the fact had been properly presented to the White House the action of the distinguished members of the Claims Committee on the majority side would not have been repudiated.

It is proper to note, Mr. Speaker, that the majority of the members of the Claims Committee are Democrats. The chairman is a Democrat. I am one of the minority members of that committee. I can say frankly, however, that so far as I know, that committee has never considered a claims bill along party lines. We do not ask the party affiliation of the Member of Congress who introduces a claims bill. Politics has nothing to do with the action the Claims Committee

takes on these measures. This committee considers bills or claims against the Government where the claimant has no legal rights in the courts. The committee will not consider a bill if there is a remedy elsewhere. The action of the committee is based on considerations of equity, justice, and fairness. I repeat that political issues do not enter into the situation.

The Committee on Claims always requests the particular Government department, involved in the matter, for a report as to what the head of the department thinks about the facts and the merits of the particular claim. This courtesy is always extended.

Then, when the Committee on Claims holds its meeting these reports are read and the committee exercises the congressional jurisdiction to decide whether or not the claim ought to be favorably considered, or whether it ought to be rejected.

I am happy to say that some very able Members of Congress are serving on that committee. I am equally constrained to remark that some of the department heads, as well as their subordinates who recommended to the White House a veto message, have overlooked some of this simple procedure that I have outlined.

Where Congress has acted fairly and honestly and independently on these bills a veto message should not be in order except for most urgent reasons. In some of these messages we have just heard, those urgent reasons do not suggest themselves.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. STEWART, indefinitely, on account of illness.

SENATE RESOLUTIONS REFERRED

A joint resolution and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 84. Joint resolution authorizing the erection in the District of Columbia of a statue of Nathan Hale; to the Committee on the Library.

S. Con. Res. 60. Concurrent resolution authorizing the Senate Committee on Interstate Commerce to have printed for its use additional copies of hearings held before said committee on S. 1253, Seventy-ninth Congress, relative to modification of railroad financial structures; to the Committee on Printing.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 333. Joint resolution to provide for the reappointment of Dr. Vannevar Bush as citizen regent of the Board of Regents of the Smithsonian Institution.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On April 19, 1946:

H. R. 4896. An act to provide for payment of travel allowances and transportation and for transportation of dependents of members of the military and naval forces, and for other purposes; and

H. J. Res. 342. Joint resolution making additional appropriations for the fiscal year 1946 to pay increased compensation authorized by law to officers and employees of sundry Federal and other agencies.

On April 22, 1946:

H. R. 5400. An act making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes; and

H. J. Res. 331. Joint resolution to authorize suitable participation by the United States in the observance of the two hundredth anniversary of the founding of Princeton University.

THE LATE CHIEF JUSTICE HARLAN FISKE STONE

The SPEAKER laid before the House the following communication which was read by the Clerk:

SUPREME COURT OF THE UNITED STATES,
Washington, D. C., April 27, 1946.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

SIR: I am directed by the Supreme Court of the United States to notify the House of Representatives, through you, that the Chief Justice of the United States died in this city on Monday, April 22, at 6:45 p. m.

I have the honor to be
Yours very respectively,
HUGO L. BLACK,
Senior Associate Justice, Acting Chief Justice of the United States.

The SPEAKER. The Chair desires to announce that during the recess of the House the Speaker designated the following Members to attend the funeral of the late Chief Justice Stone: Mr. TOLAN, Mr. CRAVENS, Mr. KEFAUVER, Mr. HANCOCK, Mr. MICHENER, and Mr. GWYNNE of Iowa.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, prior to moving the adoption of a resolution I shall offer I desire to make a few remarks in connection with the passing of the Honorable Harlan Fiske Stone, late Chief Justice of the Supreme Court of the United States. It was with profound sorrow that I read, during the recent adjournment of the House, of his death.

The death of Chief Justice Stone was felt very keenly by Americans throughout the entire country. It is with profound sorrow that I shall offer shortly the resolution which will be adopted by the House officially expressing the sorrow of the House on the death of this great jurist, this great American. For 22 years the late Chief Justice served with outstanding distinction our country and our people as an associate member of the Court and as Chief Justice of the greatest judicial tribunal of our country and of the entire world.

The Supreme Court has gained added prestige and strength as the result of the service of Chief Justice Stone. The late Harlan Fiske Stone lived up to the greatest traditions of the Court and he will go down in history as one of its outstanding Chief Justices. He always adhered to the pathway of judicial greatness. His human qualities were always evident.

As Chief Justice, let me repeat, he lived up to the highest traditions of the Supreme Court and of the great Chief Justices who had preceded him; one of whom, fortunately, is living today, a man whom all Americans profoundly respect, Hon. Charles Evans Hughes. Chief Justice Stone during his services on that bench, both as Associate Justice and as Chief Justice, lived up to the highest ideals of the Supreme Court. He has left an indelible imprint on the judicial pages of our country.

Before that Court comes the great constitutional questions for final action and decision. Those constitutional questions that confront our people are finally solved by that great Court. Ours is a constitutional government made up of three separate and coordinate branches of government, the legislative, executive, and judicial.

The fundamental law of our country is our written Constitution. The interpretation of that Constitution in relation to the protection of the rights of the individual, the interpretation of legislation passed by the Congress, and on certain occasions passed by the several legislatures in connection with the Federal Constitution, rests in the final analysis with the Supreme Court of the United States. To that Court the people of the United States have always looked as the final refuge, the final place, yes, the bulwark, for the protection of our liberties, in case emotionalism should obtain in the legislative and executive branches, temporarily bringing about an inflamed state of mind.

The framers of our Constitution gave to the judiciary of the United States a position of independence by providing for appointments for life subject to good behavior. I have always felt that that system was the best and the safest in order to bring about that independence of judicial actions and decision so necessary to assure protection of the constitutional rights of even the most humble citizen.

We have been very fortunate in having as members of that Court, and particularly as Chief Justices, men who recognized that the Constitution could not be made into a strait-jacket; that certain problems confronting us today could never be contemplated by those who framed the Constitution. There was, accordingly, lodged in the Supreme Court the power of final decision, in accordance with existing conditions, and having in mind the spirit and intent of the Constitution, to apply the Constitution in a sound but flexible manner so that the Constitution itself would become a living organism of service to the people, and not to place any particular generation of Americans in a strait-jacket.

It has been well said, and I agree, that amendments to our Constitution have been made more frequently by the Supreme Court in its interpretation of the Constitution with reference to its application to the circumstances that confront a particular generation of Americans than by direct action of the Congress itself and ratification by the several States of the Union. It is well that it has been so.

To summarize this thought of mine, the Constitution has been made a workable instrument, instead of becoming a strait-jacket, through the Supreme Court itself. We have had some great Chief Justices at particular periods of our history when constitutional questions were very keen and intense who lifted themselves to greatness with their decisions. They looked ahead, with their minds and eyes forward. Those men and their associates have developed in the minds of the American people a deep and abiding faith in the courts of our country, and particularly in the greatest tribunal of all, the Supreme Court itself. As has been true in past decades and generations, that has been due to the leadership of the Chief Justices, at a particular time when constitutional questions existed that were very intense in their nature, when people were divided, and those constitutional questions were solved in the best interest of our country. So during the present generation have similar constitutional questions arisen. Under the leadership of Chief Justice Hughes, now in retirement, and the late Chief Justice Stone, the Supreme Court has been given a leadership that places both of those men in the ranks of the greatest of Chief Justices of the Supreme Court.

The late Chief Justice Stone has done his duty. He has made his contributions. His place, particularly in the judicial history of the United States, is made for all times. As a man he has left his imprint on his fellow man. As an American he has also left his imprint in the pages of history of our country. The light from the candle of the life of Harlan Fiske Stone will shine on forever. I know I express the feelings of all my colleagues when I say that the passing on of Chief Justice Stone grieves us all and constitutes a great loss to our country.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, I desire to join my distinguished colleague, the able majority leader, in expressing my personal regret at the death of our beloved Chief Justice Stone. It was my privilege to know quite intimately the late Chief Justice Stone for 22 years. I knew him since he first came here to be Attorney General in the Cabinet of Calvin Coolidge. As an Attorney General, Associate Justice, and as Chief Justice he brilliantly served his country. He was an outstanding jurist; possessed a profound knowledge of the law; and had the courage to administer the law fairly and honestly. Chief Justice Stone had a profound faith in the institution of America and he was a stout defender of our constitutional form of government. He had a profound respect for Congress as an institution and as a jurist functioned as he believed was the intent of Congress when it voted legislation.

In this critical period of reconstruction days America has lost a towering figure in our national life; a man we could ill afford to lose. The Supreme Court has been deprived of an able leader who, to a rare degree, possessed the faith and confidence of the country.

To the intimate friends of the Chief Justice, those privileged to share in some of his few precious hours of relaxation, his death is a great loss. He was a humane, kindly man, keenly interested in all phases of our national life.

He was a really great American in every sense of the word, and to his good wife goes our heartfelt sympathy in this hour of bereavement.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, as a member of the Committee on the Judiciary I join with the distinguished majority and minority leaders in expressing profound regret on the passing of Chief Justice Stone. He was a great American, a most capable jurist and a fine Christian gentleman.

Sometimes I think that all of the work and duties of a Chief Justice of the United States is not appreciated by the average layman. A Chief Justice not only has the duty of presiding over the Supreme Court but also has a very difficult and important administrative position. A part of that position is acting as chairman of the judicial conference, which is composed of the Chief Justice of the Supreme Court and of the presiding justices of the ten circuit courts. The undertaking of that conference is to consider and either recommend or disapprove various legislative suggestions that are submitted from time to time on matters that affect the Federal Judiciary. These matters have to do with the needs of the courts, rules of procedure, and various recommended judicial reforms. The recommendation of the judicial conference is always persuasive to the Judiciary Committees.

It has been my privilege as a member of the Committee on the Judiciary, together with the gentleman from Texas [Mr. SUMNER], the gentleman from New York [Mr. HANCOCK], and other members of the committee, to meet with the judicial conference from time to time, and observe the very splendid spirit of that group and its usefulness under the direction of Chief Justice Stone. He was always considerate, always patient, always eager to get the point of view of the other fellow in these various conferences. The relationship between the Judiciary Committees of the Senate and the House of Representatives and the Supreme Court during the years during which Chief Justice Stone presided over the Supreme Court were very courteous and cooperative. We had informal sessions from time to time. I know that every member of the Judiciary Committees of the Congress had the profoundest respect and admiration for the late Chief Justice.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Speaker, I have not only appeared before the Supreme Court when it was presided over by Chief Justice Stone but I have also had the pleasure of taking early morning walks with him as a neighbor here in Washington. In his passing, Mr. Speaker, the Nation has lost a distinguished leader and jurist. I have lost a real and genial friend.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 607).

The Clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of the Honorable Harlan Fiske Stone, Chief Justice of the United States.

Resolved, That the Clerk communicate these resolutions to the Senate and to the Supreme Court and transmit a copy of the same to the afflicted family of the illustrious dead.

Resolved, That as a further mark of respect the House do now adjourn.

ADJOURNMENT

Accordingly (at 1 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 1, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Commerce and Trade of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m., May 1, 1946.

Business to be considered: Public hearing on H. R. 4871 and S. 1367, providing for three additional Assistant Secretaries of Agriculture. Secretary Wallace will be the first witness.

COMMITTEE ON RIVERS AND HARBORS

Schedule for the closing days of hearings on the omnibus river and harbor authorization bill is as follows:

(Wednesday and Thursday, May 1 and 2)

Tombigbee-Tennessee Rivers.

(Friday, May 3)

Cumberland River, Ky. and Tenn.

Apalachicola, Chattahoochee and Flint Rivers, Ga. and Fla.

Schuylkill River, Pa., deepening of channel.

Illinois River, small boat harbor at Peoria, Ill.

San Diego Harbor and Mission Bay, Calif.

Columbia River, from Vancouver, Wash., to The Dalles, Oreg.

(Monday and Tuesday, May 6 and 7)

Big Sandy River, Tug and Levisa Forks, Va., W. Va., and Ky.

(Wednesday and Thursday, May 8 and 9)

Arkansas River, Ark. and Okla.

COMMITTEE ON INVALID PENSIONS

There will be a public hearing before the Committee on Invalid Pensions at 10:30 a. m., on Tuesday, May 7, 1946, in the committee hearing room, 247 Old House Office Building, on H. R. 3908, entitled: "A bill to provide increased pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard

who become disabled by reason of their service therein during other than a period of war," which was introduced by Representative LESINSKI, of Michigan.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1222. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1947, in the amount of $84,454,200, for the Department of Labor (H. Doc. No. 534); to the Committee on Appropriations and ordered to be printed.

1223. A letter from the President, United States Civil Service Commission, transmitting a draft of a proposed bill to further amend the Classification Act of 1923, as amended; to bring about uniformity and coordination in the allocation of field and departmental positions under the grades of the Classification Act of 1923, as amended, and for other purposes; to the Committee on the Civil Service.

1224. A letter from the Secretary of the Interior, transmitting, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, one copy each of various legislation passed by the Municipal Council of St. Thomas and St. John and by the Legislative Assembly of the Virgin Islands; to the Committee on Insular Affairs.

1225. A letter from the adjutant general, Veterans of Foreign Wars of the United States, transmitting the proceedings of the Forty-sixth National Encampment of the Veterans of Foreign Wars of the United States, held in Chicago, Ill., October 2 to 4, 1945 (H. Doc. No. 540); to the Committee on Military Affairs and ordered to be printed with illustrations.

1226. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill to provide for the payment of members of the military and naval forces of the United States who enter or reenter civilian employment of the United States, its Territories, or possessions, or of the District of Columbia, while in military-pay status prior to assignment to active duty; to the Committee on the Civil Service.

1227. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to authorize certain administrative expenses in the District of Columbia, and for other purposes, which they request be introduced and enacted into law; to the Committee on the District of Columbia.

1228. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to authorize the United States Park Police to make arrests within Federal reservations in the environs of the District of Columbia; to the Committee on the District of Columbia.

1229. A letter from the Assistant Secretary, Department of Agriculture, transmitting three statements constituting a report on the progress of the liquidation of Federal rural rehabilitation projects; to the Committee on Appropriations.

1230. A letter from the Secretary of the Federal Prison Industries, Inc., transmitting the Annual Report of the Director of the Federal Prison Industries, Inc., for the fiscal year 1945; to the Committee on the Judiciary.

1231. A letter from Fred M. Vinson, managing trustee, Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting the Sixth Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund; to the Committee on Ways and Means.

1232. A letter from the Chairman, Federal Trade Commission, transmitting the report of the Federal Trade Commission entitled "Wholesale Baking Industry, Part I: Waste in the Distribution of Bread" (H. Doc. No. 535); to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations.

1233. A letter from the Secretary, the American National Theater and Academy, transmitting the Annual Report for 1945 of the American National Theater and Academy; to the Committee on the Judiciary.

1234. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend further the Pay Readjustment Act of 1942, as amended; to the Committee on Military Affairs.

1235. A letter from the Director, Selective Service System, transmitting a list of the selective-service registrants of inductible age occupationally deferred by the local boards of the system as of April 1, 1946, because of their employment in or under the Federal Government; to the Committee on Military Affairs.

1236. A letter from the Director, Office of Contract Settlement, transmitting the seventh quarterly progress report of the Office of Contract Settlement, entitled "War Contract Terminations and Settlements"; to the Committee on the Judiciary.

1237. A letter from the Acting Secretary, Department of State, transmitting three copies of the first report to the Congress of the Department of State on the disposal of United States surplus property in foreign areas; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Military Affairs. H. R. 2325. A bill to extend the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to officers honorably discharged from the Army under Public, No. 259, Sixty-seventh Congress, June 30, 1922; without amendment (Rept. No. 1962). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDREWS of New York: Committee on Military Affairs. H. R. 6035. A bill to provide that there shall be no liability for acts done or omitted in accordance with regulations of the Director of Selective Service, and for other purposes; without amendment (Rept. No. 1963). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. S. 997. An act for the relief of Aldona Kojas; without amendment (Rept. No. 1964). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1442. An act for the relief of George O. Weems; without amendment (Rept. No. 1965). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 1742. An act for the relief of the Socony-Vacuum Oil Co.; without amendment (Rept. No. 1966). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1747. An act for the relief of John C. Spargo; without amendment (Rept. No. 1967). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; without amendment (Rept. No. 1968). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1932. An act conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of the board of trustees of the Saunders Memorial Hospital; without amendment (Rept. No. 1969). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 6110. A bill for the relief of Eleanor J. Griggs, Dorothy L. Griggs, and Vernon M. Griggs; with amendment (Rept. No. 1970). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. H. R. 3967. A bill for the relief of Ahto Walter, Lucy Walter, and Teddy Walter; without amendment (Rept. No. 1971). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 6227. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 1972). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5494) for the relief of Edward B. Massie; Committee on Pensions discharged, and referred to the Committee on Military Affairs.

A bill (H. R. 6106) for the relief of Mrs. Dora Catherine Stab; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 6219. A bill to authorize the Commandant of the United States Coast Guard to accept enlistments of certain individuals for duty at lifeboat stations during the year 1946; to the Committee on the Merchant Marine and Fisheries.

By Mr. ENGLE of California:

H. R. 6220. A bill to amend the act of July 1, 1944, relating to contract settlement; to the Committee on the Judiciary.

By Mr. HOOK:

H. R. 6221. A bill to further the conservation and proper use of publicly and privately owned forest lands, and for other purposes; to the Committee on Agriculture.

By Mr. LARCADE:

H. R. 6222. A bill to extend the times for commencing and completing the construction of a bridge across the Calcasieu River at or near Lake Charles, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. MAY:

H. R. 6223. A bill to authorize the Department of Highways of the States of Kentucky and West Virginia to construct, maintain, and operate a free highway bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS:

H. R. 6224. A bill to amend the act of July 1, 1944, relating to contract settlement; to the Committee on the Judiciary.

By Mr. SPENCE:

H. R. 6225. A bill to provide for control and regulation of bank holding companies, and

for other purposes; to the Committee on Banking and Currency.

By Mr. BARTLETT:

H. R. 6226. A bill to transfer part of block 90 and the school building thereon of Petersburg town site, Alaska, used for school purposes, to the town of Petersburg, Alaska; to the Committee on the Public Lands.

By Mr. GEARHART:

H. R. 6228. A bill to authorize the payment by the United States of sums in lieu of taxes on certain land acquired in connection with the guayule rubber project; to the Committee on Agriculture.

By Mr. JOHNSON of California:

H. R. 6229. A bill to authorize the transfer without charge to the States, and political subdivisions thereof, of any interest of the United States in public works acquired under the act of October 14, 1940, as amended; to the Committee on Public Buildings and Grounds.

By Mr. SMITH of Virginia:

H. R. 6230. A bill to amend the Criminal Code by making unlawful the exaction of tribute or royalties from the production of articles in commerce and to prohibit coercive practices affecting such production, and for other purposes; to the Committee on the Judiciary.

By Mr. MANASCO:

H. J. Res. 344. Joint resolution providing for studies by the Secretaries of Agriculture and Commerce of agricultural problems which will result from the unprecedented demands on domestic production to alleviate hunger in other countries; to the Committee on Agriculture.

By Mr. SABATH:

H. Res. 608. Resolution to authorize an investigation of the meat-packing industry and its affiliated lobbies; to the Committee on Rules.

By Mr. HARTLEY:

H. Res. 609. Resolution favoring a temporary peace agreement with Italy; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Alaska memorializing the President and the Congress of the United States that a vessel be built and equipped to carry out a 3-year survey of Alaska's fishery; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Wyoming:

H. R. 6231. A bill for the relief of Frank A. Gorman; to the Committee on Claims.

By Mr. BARTLETT:

H. R. 6232. A bill for the relief of J. P. Olsen; to the Committee on Claims.

H. R. 6233. A bill for the relief of Stanton O. Katchatag and Frederick Katchatag; to the Committee on Claims.

H. R. 6234. A bill for the relief of Andrew J. Edwards and Harry E. Outwater; to the Committee on Claims.

H. R. 6235. A bill for the relief of Harry Ambrose, Phillip Madros, and Alfred Silas; to the Committee on Claims.

H. R. 6236. A bill for the relief of James Aresac and Ralph D. Willoya; to the Committee on Claims.

H. R. 6237. A bill for the relief of Albert Fleischmann; to the Committee on Claims.

H. R. 6238. A bill for the relief of Manley V. Carls; to the Committee on Claims.

H. R. 6239. A bill for the relief of Robert L. Johnson, Peter Wholecheese, Solomon A. Tommy, and Charles Hoffman; to the Committee on Claims.

H. R. 6240. A bill for the relief of Stanley R. Amarok, Eddie Charles, Jr., Edward A. Barr, Fred Goodhope, Raphael P. Kupanook, Alfred B. Frank, Allen W. Hardluck, Martin Cooper, William K. Sheldon, Clifton Jackson, Jacob A. Stalker, and George Starbuck; to the Committee on Claims.

By Mr. BLAND:

H. R. 6241. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of John E. Parker, his heirs, administrators, or assigns, against the United States; to the Committee on Claims.

By Mr. BUCK:

H. R. 6242. A bill for the relief of Anthony Arancio; to the Committee on Claims.

By Mr. CURTIS:

H. R. 6243. A bill for the relief of Lizzie Reynolds, administratrix of the estate of Grace Reynolds, deceased; to the Committee on Claims.

By Mr. DE LACY:

H. R. 6244. A bill for the relief of Kwan Hon Cheun; to the Committee on Immigration and Naturalization.

By Mr. FERNANDEZ:

H. R. 6245. A bill for the relief of Mary G. Paul; to the Committee on Claims.

By Mr. GEARHART:

H. R. 6246. A bill for the relief of Early O. Hardin; to the Committee on Claims.

By Mr. HÉBERT:

H. R. 6247. A bill relating to the naturalization of Emanuel Joseph Trovato, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of California:

H. R. 6248. A bill for the relief of Capital Office Equipment Co.; to the Committee on Claims.

By Mr. KNUTSON:

H. R. 6249. A bill for the relief of Robert Fletcher McCutcheon; to the Committee on Claims.

By Mr. MALONEY:

H. R. 6250. A bill for the relief of Mrs. Elizabeth Theleman Belsom; to the Committee on Claims.

By Mr. MANSFIELD of Texas:

H. R. 6251. A bill for the relief of Mr. and Mrs. George W. Fletcher; to the Committee on Claims.

By Mr. MARTIN of Massachusetts:

H. R. 6252. A bill for the relief of Mrs. Sybil L. Jackman; to the Committee on Claims.

By Mr. MURRAY of Tennessee:

H. R. 6253. A bill for the relief of Mr. and Mrs. M. C. Lewis; to the Committee on Claims.

By Mr. O'BRIEN of Illinois:

H. R. 6254. A bill for the relief of Patrick Burke; to the Committee on Claims.

By Mr. THOMASON:

H. R. 6255. A bill for the relief of Thomas A. Beddingfield and his wife, Opal May Beddingfield; to the Committee on Claims.

H. R. 6256. A bill for the relief of Henry C. Ladwig and his wife, Clara Ladwig; to the Committee on Claims.

By Mr. WASIELEWSKI:

H. R. 6257. A bill for the relief of Mrs. Kathryn E. Eaton; to the Committee on Claims.

H. R. 6258. A bill for the relief of Albert Anson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1837. By Mr. ANDREWS of New York: Resolution by United Electrical, Radio, and Machine Workers of America, Local No. 303, North Tonawanda, N. Y., favoring a loan to Great Britain; to the Committee on Foreign Affairs.

1838. By Mr. McGREGOR: Petition of the citizens of Richland County, Ohio, urging that section 600 (B), (1) and (2), of the Servicemen's Readjustment Act be immediately annulled, revoked, or repealed and that the effect of such repeal, annulment, or revocation be made retroactive to January 1, 1946; to the Committee on Military Affairs.

1839. By Mr. VOORHIS of California: Petition of Miss Barbara R. Whitney and 252 others, all students at Massachusetts State College, urging that adequate relief for the war-devastated areas of the world is essential for world peace and security, endorsing the plan of UNRRA, expressing concern that Congress immediately make available any needed funds for relief purposes, and urging a great national effort, including rationing if necessary, to enable needed allocation of food to actually go forward to needy areas; to the Committee on Foreign Affairs.

1840. Also, petition of A. M. Fraser and 99 other citizens of the United States, urging passage of legislation by Congress (H. J. Res. 325) which would authorize the President and Secretary of Agriculture to issue directives preventing the use of grain for beverage purposes until the world's food shortage is relieved; to the Committee on Agriculture.

1841. Also, petition of Julia McCarthy and 100 others, citizens of New York State, urging passage of legislation by Congress (H. J. Res. 325) which would authorize the President and Secretary of Agriculture to issue directives preventing the use of grain for beverage purposes until the world's food shortage is relieved; to the Committee on Agriculture.

1842. Also, petition of Robert R. Seidel and 420 students of Dartmouth College, urging that adequate relief for the war-devastated areas of the world is essential for world peace and security, endorsing the plan of UNRRA, expressing concern that Congress immediately make available any needed funds for relief purposes, and urging a great national effort, including rationing if necessary, to enable needed allocation of food to actually go forward to needy areas; to the Committee on Foreign Affairs.

1843. Also, petition of E. Stuart Wilson and 178 others, students of Williams College, Williamstown, Mass., urging that adequate relief for the war-devastated areas of the world is essential for world peace and security, endorsing the plan of UNRRA, expressing concern that Congress immediately make available any needed funds for relief purposes, and urging a great national effort, including rationing if necessary, to enable needed allocation of food to actually go forward to needy areas; to the Committee on Foreign Affairs.

1844. By the SPEAKER: Petition of Mrs. G. Skinner, Oakland, Calif., and others, urging consideration of their resolution with reference to continuation of OPA; to the Committee on Banking and Currency.

1845. Also, petition of the delegates from the Townsend clubs of the First Congressional District of the State of Florida, urging consideration of their resolution with reference to endorsement of House bills 2229 and 2230; to the Committee on Ways and Means.

1846. Also, petition of J. J. Janzen, Los Angeles, Calif., and others, urging consideration of their resolution with reference to praying for Christian justice; to the Committee on Foreign Affairs.

1847. Also, petition of the Texas Water Conservation Association, urging consideration of their resolution with reference to the opposing passage of House bill 5945; to the Committee on Irrigation and Reclamation.

SENATE

WEDNESDAY, MAY 1, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. C. Leslie Glenn, rector, St. John's Church, Washington, D. C., offered the following prayer:

Almighty God, who alone gavest us the breath of life, and alone canst keep alive in us the holy desires Thou dost impart, we beseech Thee, for Thy compassion's sake, to sanctify all our thoughts and endeavors that we may neither begin an action without a pure intention nor continue it without Thy blessing. And grant that, having the eyes of the mind opened to behold things invisible and unseen, we may in heart be inspired by Thy wisdom, and in work be upheld by Thy strength, and in the end be accepted of Thee as Thy faithful servants. Through Jesus Christ our Saviour. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, April 30, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 30, 1946, the President had approved and signed the act (S. 1610) for the rehabilitation of the Philippines.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2) to provide Federal aid for the development of public airports, and it was signed by the President pro tempore.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF AMERICAN NATIONAL THEATER AND ACADEMY

A letter from the secretary of the American National Theater and Academy, transmitting, pursuant to law, the annual report of that Academy for the year 1945 (with an accompanying report); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—REPORT ON POSSIBLE FIELDS OF REORGANIZATION IN THE EXECUTIVE BRANCH (S. DOC. NO. 178)

The PRESIDENT pro tempore laid before the Senate a letter from Mr. BYRD, chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, transmitting, pursuant to law, an additional report of the joint committee on the subject of possible fields of reorganization in the executive branch, which was referred to the Committee on Appropriations.

Mr. BYRD. Mr. President, shortly before the reorganization bill was passed by the Congress last fall President Truman asked me for some suggestions relative to reorganization in the executive branch of the Federal Government. In reply I presented this memorandum to him personally last November. It is based upon detailed studies made by the Joint Committee on Reduction of Nonessential Federal Expenditures. It shows the organizational status of the executive branch in the immediate postwar period and contains a plan consisting of four phases or steps for reorganization. I believe this report will be of inestimable value to the Members of Congress and others interested in reorganization in the near future. I ask unanimous consent that the report may be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS

The PRESIDENT pro tempore laid before the Senate the following petitions, which were referred, as indicated:

Petitions of sundry citizens of the United States praying for the enactment of legislation to continue the Office of Price Administration; to the Committee on Banking and Currency.

A letter in the nature of a petition from Torros Tuber Martinez, of Rio Riedros, P. R., praying for the appointment of Hon. Jesús T. Piñero as Governor of Puerto Rico; to the Committee on Territories and Insular Affairs.

PERSONNEL NEEDS OF MILITARY FORCES—STATEMENT BY ALBERT S. GOSS

Mr. CAPPER. Mr. President, I ask unanimous consent to present and to have printed in the RECORD a statement made by Albert S. Goss, master of the National Grange, with respect to the personnel needs of our military forces. This statement appeared in the May issue of the Farm Journal, and in it Mr. Goss makes three proposals for the maintenance of our armed forces on a voluntary basis. I believe his remarks merit our consideration.

There being no objection, the statement was received and ordered to be printed in the RECORD, as follows:

"What is needed," says Albert S. Goss, master of the National Grange, in a statement to Farm Journal, "is for Congress to determine the size of the Military Establishment we want to maintain, then authorize its maintenance on a voluntary basis."

Mr. Goss proposes three changes:

"1. A rate of pay which would permit an ambitious young man to save enough to give him a start in life—one competitive with existing wage levels.

"2. An extension of vocational educational facilities so that a graduate will be well equipped to enter civilian life. If military service provided an opportunity for young men to get an education they could not otherwise obtain, there would be no lack of ambitious, capable young men to fill the ranks, and the quality of peacetime military personnel would be improved.

"3. Effective reform in the officers' caste system, which has been the subject of so much criticism by patriotic, self-respecting young men who have been made the victims of personal abuse, and who have protested at the favoritism and inefficiency which has thrived under military custom.

"Every effort must be made to prevent war," Mr. Goss said, "but it must be recognized that defense is a means of prevention. Modern warfare requires a highly trained, technical army. To get such an army by voluntary enlistment, service in the armed forces must be attractive, and a good preparation for civilian life."

BONUS FOR WHEAT PRODUCTION

Mr. LANGER. Mr. President, on Friday last I introduced Senate bill 2118, to provide for the payment of a bonus of 30 cents per bushel on wheat produced and sold between January 1, 1945, and April 18, 1946. Today I received a letter from the secretary of agriculture of the State of North Dakota, Mr. Math Dahl, which I wish to read. The letter is as follows:

STATE OF NORTH DAKOTA,
COMMISSIONER OF AGRICULTURE AND LABOR,
Bismarck, April 29, 1946.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: On behalf of the farmers of North Dakota, I want to highly commend you for your efforts to see that justice is done with regard to the so-called 30-cent bonus which the Government is now offering to pay for wheat to be delivered by the farmers to the local elevators for the destitute nations.

The fact that you have introduced a bill to make this payment of 30 cents per bushel retroactive for all the wheat that was produced in 1945, I think, is highly commendable and also justifiable from a standpoint of fairness to the farmers. The farmers that sold their wheat last fall and in the early months of 1946 are just as patriotic as those that held onto their wheat and are now receiving the benefit of this bonus payment.

The fact in the case is that this 30-cent bonus that is now offered is only bringing the commodity up to where it ought to have been last fall when the farmers sold most of their grain. The price of wheat in relation to other commodities and the price of bread at retail should have been at $1.90 to $2.05.

The Government ceiling under OPA regulations at $1.45 and $1.50 per bushel deprived the farmer of receiving a just price for his commodity and, under the bonus provisions which they are offering, in my opinion, appears that this is a black-market proposition, since they are offering the 30-cent bonus and the ceiling still remains at $1.50 per bushel. Certainly, there can be no justice in the program as proposed unless they are willing to adjust it and pay the same price for all the wheat produced by the

farmer and marketed for the season of 1945, as well as what is being marketed now.

I trust that you will do everything in your power to see that this bill will be passed by Congress, to the end that the wheat farmer of this Nation, in this particular case, will receive justice from the hands of the Government, and I assure you that anything that this department can do in order to help we will be more than glad to do.

Again let me, on behalf of the farmers of North Dakota, compliment you on your stand in this matter.

Very sincerely yours,

MATH DAHL,
Commissioner.

I might say, Mr. President, that the bill which I introduced is somewhat similar to a bill which was introduced by the Senator from Nebraska [Mr. BUTLER], which, I believe, also to be an important measure.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 1893. A bill to amend the act entitled "An act to incorporate the American Legion," approved September 16, 1919, as amended October 29, 1942, so as to extend membership eligibility therein to certain persons; with amendments (Rept. No. 1268).

By Mr. GREEN, from the Committee on Privileges and Elections:

H. R. 1118. A bill to amend the Hatch Act; without amendment (Rept. No. 1269); and

H. R. 1497. A bill to amend subsection 9 (a) of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended; without amendment (Rept. No. 1270).

By Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs:

S. 437. A bill for the relief of W. S. Burleson; without amendment (Rept. No. 1271).

CIVILIAN EMPLOYMENT OF EXECUTIVE BRANCH—REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

Mr. BYRD. Mr. President, according to Federal personnel reports submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures during the month of March, the trend continued in which reductions in the war agencies were offset by increases in the old-line establishments. Thus, although total employment, both continental and abroad, decreased 48,164 from the February total of 2,921,673 to the March total of 2,873,509, actually if the War and Navy Departments and the national war agencies were excluded from the total, personnel increased 34,078 during the months.

Within the United States this trend is most apparent. Total personnel inside the United States decreased 24,106 from the February figure of 2,406,227 to the March figure of 2,382,121, but exclusive of War and Navy Departments and the national war agencies, the remaining 41 agencies had a net increase of 34,297 during the month. Within this group, 24 agencies increased their personnel during the month and 14 effected reductions. Three show no change. The agencies which had the largest increases were Veterans' Administration with 18,224, Post Office with 7,471, Reconstruction Finance Corporation with 3,583, Treasury Department with 2,326, Interior Department with 1,412, and Commerce Department with 1,034.

The War and Navy Departments effected a reduction of 57,161 within the continental United States and a net reduction of 23,786 outside the continental United States. Included in this reduction are 58,469 industrial employees formerly engaged in direct war production. The remaining war agencies released 1,295 employees.

Yesterday I submitted to the Congress a postwar Federal personnel report, covering the 5-month period following VJ-day. At that time I pointed out that since VJ-day, exclusive of War and Navy Departments, the old-line establishments had increased 86,822. I now wish to call your attention to the fact that during February these agencies had an increase of 32,059 and during March 34,078, making a total increase of 152,959. This increase in personnel substantiates my past belief that the trend of offsetting reductions in the war agencies with increases in the old-line establishments cannot be lightly dismissed. Public statements by authorized officials as to planned reductions in Federal employment further substantiate the fact that the old-line agencies, most of which were geared to the war effort, instead of releasing such employees, are constantly increasing their personnel. Though the Federal pay roll may be but a small portion of our annual expenditures, its reduction would be an indication that a balanced budget is planned by the President and Congress.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD a report on civilian employment of the executive branch of the Federal Government by department and agency for the months of February and March 1946, showing increases and decreases in number of paid employees. The report was prepared by the Joint Committee on Reduction of Nonessential Federal Expenditures.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN THE EXECUTIVE BRANCH, MARCH 1946, AND A COMPARISON WITH FEBRUARY 1946

(All figures compiled from reports signed by the heads of Federal establishments or their authorized representatives)

According to monthly personnel reports submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures, Federal personnel within the continental United States during March decreased 24,106 from a total of 2,406,227 in February 1946 to 2,382,121 in March. Excluding the War and Navy Departments, personnel increased 33,055 from the February total of 1,135,674 to the March total of 1,168,729. The War Department inside the United States decreased 24,487 from the February figure of 746,184 to the March figure of 721,697. The Navy Department within the United States decreased 32,674 from the February figure of 524,369 to the March figure of 491,695. (See table I.)

Outside the continental United States Federal personnel decreased 24,058 from the February 1946 total of 515,446 to the March total of 491,388. Nearly all of these are industrial employees. War Department figures are reported for the months of January and February. Excluding a decrease of 25,105 in the War Department civilian personnel overseas, of which 24,976 were industrial workers, there would be an increase of 1,047 employees from the February figure of 122,314 to the March figure of 123,361. (See table II.)

Inside and outside United States there has been a total decrease of 48,164 employees in the executive branch of the Federal Government during the month of March, over-all totals decreasing from the February total of 2,921,673 to the March total of 2,873,509. Excluding the War and Navy Departments, there was an increase of 32,763. (See table III.)

Industrial employment during the month of March decreased 58,920 from the February total of 1,175,084 to the March total of 1,116,164. Largest decreases were in the War Department, with a reduction of 35,350, of which 24,976 were inside the United States, and the Navy Department, with a reduction of 23,119. The term "industrial employees," as used by the committee, refers to unskilled, semiskilled, and supervisory employees paid by the Federal Government who are working on construction projects, such as airfields and roads, and in munition plants, shipyards, and arsenals. It does not include regular maintenance and custodial employees. (See table IV.)

TABLE I.—*Federal personnel inside continental United States employed by executive agencies during March 1946, and comparison with February*

Departments or agencies	1946		Increase (+) or decrease (−)
	February	March	
EXECUTIVE OFFICE OF THE PRESIDENT			
Bureau of the Budget	757	775	+18
EXECUTIVE DEPARTMENTS			
Agriculture Department	86,000	84,584	−1,416
Commerce Department	31,955	32,989	+1,034
Interior Department	40,456	41,868	+1,412
Justice Departent	25,015	24,694	−321
Labor Department	34,081	34,336	+255
Post Office Department	462,150	469,621	+7,471
State Department	8,136	8,147	+11
Treasury Department	104,885	107,211	+2,326
NATIONAL WAR AGENCIES			
Civilian Production Administration	2,443	2,516	+73
Committee on Fair Employment Practices	35	33	−2
National Wage Stabilization Board	861	821	−40
Office of Alien Property Custodian	598	631	+33
Office of Defense Transportation	145	131	−14
Office of Economic Stabilization	0	25	+25
Office of Inter-American Affairs	395	396	+1
Office of Price Administration	31,911	31,969	+58
Office of Scientific Research and Development	791	749	−42
Office of War Mobilization and Reconversion	649	[1]670	+21
Petroleum Administration for War	84	66	−18
Selective Service System	15,739	15,328	−411
War Shipping Administration	4,231	3,305	−926
INDEPENDENT AGENCIES			
American Battle Monuments Commission	1	1	
Civil Aeronautics Board	407	401	−6
Civil Service Commission	4,576	4,330	−246
Employees' Compensation Commission	522	525	+3
Export-Import Bank of Washington	93	96	+3
Federal Communications Commission	1,199	1,264	+65

[1] Includes 481 employees of Surplus Property Administration transferred to War Assets Administration as of Mar. 26, 1946.

TABLE I.—*Federal personnel inside continental United States employed by executive agencies during March 1946, and comparison with February*—Continued

Departments or agencies	1946		Increase (+) or decrease (−)
	February	March	
INDEPENDENT AGENCIES—continued			
Federal Deposit Insurance Corporation	1,217	1,208	−9
Federal Power Commission	720	727	+7
Federal Security Agency	30,947	31,320	+373
Federal Trade Commission	492	492	
Federal Works Agency	21,902	22,205	+303
General Accounting Office	14,641	14,674	+33
Government Printing Office	7,322	7,307	−15
Interstate Commerce Commission	2,167	2,188	+21
Maritime Commission	7,762	8,597	+835
National Advisory Committee for Aeronautics	5,476	5,383	−93
National Archives	358	353	−5
National Capital Housing Authority	267	265	−2
National Capital Park and Planning Commission	16	15	−1
National Gallery of Art	280	279	−1
National Housing Agency	14,678	14,929	+251
National Labor Relations Board	893	910	+17
National Mediation Board	99	105	+6
Panama Canal	280	258	−22
Railroad Retirement Board	1,914	1,964	+50
Reconstruction Finance Corporation	35,298	[2] 38,881	+3,583
Securities and Exchange Commission	1,216	1,209	−7
Smithsonian Institution	416	423	+7
Tariff Commission	256	248	−8
Tax Court of the United States	121	121	
Tennessee Valley Authority	11,529	11,670	+141
Veterans' Administration	117,292	135,516	+18,224
Total, excluding War and Navy Departments	1,135,674	1,168,729	+36,660 −3,605
Net increase, excluding War and Navy Departments			+33,055
Navy Department	524,369	491,695	−32,674
War Department	746,184	721,697	−24,487
Total, including War and Navy Departments	2,406,227	2,382,121	−60,766 +36,660
Net decrease, including War and Navy Departments			−24,106

[2] Estimated. Includes 27,426 Reconstruction Finance Corporation employees transferred to War Assets Administration as of Mar. 26, 1946.

TABLE II.—*Federal personnel outside continental United States employed by executive agencies during March 1946, and comparison with February.*

Departments or agencies	1946		Increase (+) or decrease (−)
	February	March	
EXECUTIVE DEPARTMENTS			
Agriculture Department	1,323	1,281	−42
Commerce Department	1,913	1,937	+24
Interior Department	4,301	4,301	
Justice Department	307	305	−2
Labor Department	147	150	+3
Post Office Department	1,478	1,441	−37
State Department	11,797	11,654	−143
Treasury Department	628	643	+15
NATIONAL WAR AGENCIES			
Civilian Production Administration	4	5	+1
National Wage Stabilization	2	1	−1

TABLE II.—*Federal personnel outside continental United States employed by executive agencies during March 1946, and comparison with February*—Continued

Departments or agencies	1946		Increase (+) or decrease (−)
	February	March	
NATIONAL WAR AGENCIES—continued			
Office of Alien Property Custodian	39	40	+1
Office of Inter-American Affairs	224	227	+3
Office of Price Administration	424	408	−16
Office of Scientific Research and Development	3	0	−3
Selective Service System	328	322	−6
War Shipping Administration	754	722	−32
INDEPENDENT AGENCIES			
American Battle Monuments Commission	57	57	
Civil Aeronautics Board	10	9	−1
Civil Service Commission	5	5	
Employees Compensation Commission	39	41	+2
Export-Import Bank of Washington	2	0	−2
Federal Communications Commission	53	54	+1
Federal Deposit Insurance Corporation	2	2	
Federal Security Agency	461	486	+25
Federal Works Agency	282	291	+9
Maritime Commission	18	18	
National Housing Agency	32	31	−1
National Labor Relations Board	3	4	+1
Panama Canal	28,596	28,399	−197
Reconstruction Finance Corporation	235	[1] 235	
Smithsonian Institution	8	7	−1
Veterans' Administration	372	499	+127
Total, excluding War and Navy Departments	53,827	53,555	−484 +212
Net decrease, excluding War and Navy Departments			−272
Navy Department	68,487	69,806	+1,319
War Department	[2] 303,132	[3] 368,027	−25,105
Total, including War and Navy Departments	515,446	491,388	−25,589 +1,531
Net decrease, including War and Navy Departments			−24,058

[1] Estimated.
[2] Figures as of Jan. 31, 1946.
[3] Figures as of Feb. 28, 1946.

TABLE III.—*Consolidated table of Federal personnel inside and outside continental United States employed by executive agencies during March 1946, and comparison with February*

Departments or agencies	1946		Increase (+) or decrease (−)
	February	March	
EXECUTIVE OFFICE OF THE PRESIDENT			
Bureau of the Budget	757	775	+18
EXECUTIVE DEPARTMENTS			
Agriculture Department	87,323	85,865	−1,458
Commerce Department	33,868	34,926	+1,058
Interior Department	44,757	46,169	+1,412
Justice Department	25,322	24,999	−323
Labor Department	34,228	34,486	+258
Post Office Department	463,628	471,062	+7,434
State Department	19,933	19,801	−132
Treasury Department	105,513	107,854	+2,341

TABLE III.—*Consolidated table of Federal personnel inside and outside continental United States employed by executive agencies during March 1946, and comparison with February*—Continued

Departments of agencies	1946		Increase (+) or decrease (−)
	February	March	
NATIONAL WAR AGENCIES			
Civilian Production Administration	2,447	2,521	+74
Committee on Fair Employment Practices	35	33	−2
National Wage Stabilization Board	863	822	−41
Office of Alien Property Custodian	637	671	+34
Office of Defense Transportation	145	131	−14
Office of Economic Stabilization	0	25	+25
Office of Inter-American Affairs	619	623	+4
Office of Price Administration	32,335	32,377	+42
Office of Scientific Research and Development	794	749	−45
Office of War Mobilization and Reconversion	649	[1] 670	+21
Petroleum Administration for War	84	66	−18
Selective Service System	16,067	15,650	−417
War Shipping Administration	4,985	4,027	−958
INDEPENDENT AGENCIES			
American Battle Monuments Commission	38	38	
Civil Aeronautics Board	417	410	−7
Civil Service Commission	4,581	4,335	−246
Employees' Compensation Commission	561	566	+5
Export-Import Bank of Washington	95	96	+1
Federal Communications Commission	1,252	1,318	+66
Federal Deposit Insurance Corporation	1,219	1,210	−9
Federal Power Commission	720	727	+7
Federal Security Agency	31,408	31,806	+398
Federal Trade Commission	492	492	
Federal Works Agency	22,184	22,496	+312
General Accounting Office	14,641	14,674	+33
Government Printing Office	7,322	7,307	−15
Interstate Commerce Commission	2,167	2,188	+21
Maritime Commission	7,780	8,615	+835
National Advisory Committee for Aeronautics	5,476	5,383	−93
National Archives	358	353	−5
National Capital Housing Authority	267	265	−2
National Capital Park and Planning Commission	16	15	−1
National Gallery of Art	280	279	−1
National Housing Agency	14,710	14,960	+250
National Labor Relations Board	896	914	+18
National Mediation Board	99	105	+6
Panama Canal	28,876	28,657	−219
Railroad Retirement Board	1,914	1,964	+50
Reconstruction Finance Corporation	35,533	[2] 39,116	+3,583
Securities and Exchange Commission	1,216	1,209	−7
Smithsonian Institution	424	430	+6
Tariff Commission	256	248	−8
Tax Court of the United States	121	121	
Tennessee Valley Authority	11,529	11,670	+141
Veterans' Administration	117,664	136,015	+18,351
Total, excluding War and Navy Departments	1,189,501	1,222,284	+36,804 −4,021
Net increase, excluding War and Navy Departments			+32,783
Navy Department, inside and outside United States	592,856	561,501	−31,355

[1] Includes 481 employees of Surplus Property Administration transferred to War Assets Administration as of Mar. 26, 1946.
[2] Estimated. Includes 27,426 Reconstruction Finance Corporation employees transferred to War Assets Administration as of Mar. 26, 1946.

TABLE III.—*Consolidated table of Federal personnel inside and outside continental United States employed by executive agencies during March 1946, and comparison with February*—Continued

Departments or agencies	1946		Increase (+) or decrease (−)
	February	March	
INDEPENDENT AGENCIES—continued			
War Department, inside continental United States	746,184	721,697	−24,487
War Department, outside continental United States	393,132	368,027	−25,105
Total, including War and Navy Departments	2,921,673	2,873,509	{−84,968 / +36,804}
Net decrease, including War and Navy Departments			−48,164

TABLE IV.—*Industrial employees*[1] *of Federal Government, inside and outside the continental United States, employed by executive agencies during March 1946, and comparison with February*

[These employees are included in above tables]

Departments or agencies	1946		Increase (+) or decrease (−)
	February	March	
EXECUTIVE DEPARTMENTS			
Commerce Department	887	940	+53
Interior Department	4,182	4,405	+223
State Department	193	218	+25
Treasury Department	7,178	6,421	−757
INDEPENDENT AGENCIES			
National Housing Agency	756	752	−4
Panama Canal	2,909	2,929	−40
Tennessee Valley Authority	5,073	5,122	+49
Total, excluding War and Navy Departments	21,238	20,787	{−801 / +350}
Net decrease, excluding War and Navy Departments			−451
Navy Department, inside and outside United States	425,682	402,563	−23,119
War Department, inside continental United States	346,642	336,268	−10,374
War Department, outside continental United States	[2] 381,522	[3] 356,546	−24,976
Total, including War and Navy Departments	1,175,084	1,116,164	{−59,270 / +350}
Net decrease, including War and Navy Departments			−58,920

[1] Industrial employees include unskilled, semiskilled, skilled, and supervisory employees on construction projects. Maintenance and custodial workers are not included.
[2] Figures as of Jan. 31, 1946.
[3] Figures as of Feb. 28, 1946.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON:

S. 2136. A bill for the relief of Charles Drake; to the Committee on Claims.

By Mr. BUTLER:

S. 2137. A bill to amend title II of the Social Security Act, as amended, to give credits under the Federal old-age and survivors insurance provisions of that act for military service, and for other purposes; to the Committee on Finance.

UNIFICATION OF ARMED FORCES—ADDRESS BY SENATOR HILL

[Mr. HILL asked and obtained leave to have printed in the RECORD a radio address entitled "Unification of Our Armed Forces," delivered by him on April 26, 1946, which appears in the Appendix.]

DEFINITION OF A LIBERAL BY SENATOR BALL

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article by Gould Lincoln, from the Evening Star of April 30, 1946, referring to the address delivered by Senator BALL at the Syracuse University on the occasion of the degree of doctor of laws being conferred on him, which appears in the Appendix.]

SHORTAGE OF OFFICE SPACE IN CALIFORNIA FOR RETURNING VETERANS

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD a letter written by him to Mr. Harold D. Smith, Director, Bureau of the Budget, and a reply thereto from Mr. W. E. Reynolds, Commissioner of Public Buildings, on the subject of the shortage of office space for returning servicemen, which appear in the Appendix.]

TAXING FARMER COOPERATIVES

[Mr. SHIPSTEAD asked and obtained leave to have printed in the RECORD an editorial from the Fairmont (Minn.) Daily Sentinel, headed "This Will Make Someone Mad," and a letter addressed to him by the Minnesota Small Business and Employees' Committee, relating to the taxing of farmer cooperatives, which appear in the Appendix.]

PRESERVATION OF BIRTHPLACE OF PRESIDENT ANDREW JOHNSON AT RALEIGH, N. C.

[Mr. HOEY asked and obtained leave to have printed in the RECORD Senate Joint Resolution 154, introduced by him on April 18, 1946, to establish the Andrew Johnson Memorial Commission to formulate plans for the preservation of President Johnson's birthplace at Raleigh, N. C., and an editorial from the Raleigh News and Observer entitled "Belated Recognition," which appear in the Appendix.]

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. MCFARLAND].

Mr. BROOKS obtained the floor.

Mr. BUSHFIELD. Mr. President, will the Senator from Illinois yield?

The PRESIDENT pro tempore. Does the Senator from Illinois yield to the Senator from South Dakota?

Mr. BROOKS. I yield.

Mr. BUSHFIELD. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Buck	Downey
Austin	Bushfield	Eastland
Ball	Butler	Ellender
Bankhead	Byrd	Ferguson
Barkley	Capehart	Fulbright
Brewster	Capper	Gerry
Bridges	Carville	Green
Briggs	Cordon	Guffey
Brooks	Donnell	Gurney
Hart	McMahon	Saltonstall
Hatch	Magnuson	Shipstead
Hawkes	Maybank	Smith
Hayden	Mead	Stanfill
Hickenlooper	Millikin	Stewart
Hill	Mitchell	Taft
Hoey	Moore	Taylor
Johnson, Colo.	Murdock	Thomas, Okla.
Johnston, S. C.	Murray	Tunnell
Kilgore	Myers	Tydings
Knowland	O'Daniel	Wagner
La Follette	O'Mahoney	Walsh
Langer	Pepper	Wheeler
Lucas	Radcliffe	Wherry
McCarran	Reed	Wiley
McClellan	Revercomb	Willis
McFarland	Robertson	Wilson
McKellar	Russell	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] is detained on public business.

The Senator from Ohio [Mr. HUFFMAN] is absent because of a death in his family.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Oregon [Mr. MORSE] is necessarily absent.

The PRESIDENT pro tempore. Eighty-one Senators have answered to their names. A quorum is present.

Mr. BROOKS. Mr. President, I intend to state my position with respect to the proposed loan to Great Britain, and for the sake of continuity I ask that I not be interrupted until I shall have concluded, and then I shall be delighted to answer any questions which may be asked.

I am opposed to the loan of $3,750,000,000 to Great Britain for many reasons.

It was not presented to the British Parliament on its own merits, and it is not so presented to the American Congress.

It was presented there and is presented now in conjunction with the agreement finally settling all lease-lend accounts between the United States and Great Britain whereby we forgive approximately $25,000,000,000 of lease-lend for practically nothing, and

It is presented in conjunction with a proposed future program of commercial policy declaration which is full of evasive promises.

In short, we forgive approximately $25,000,000,000 lend-lease debt and give up $3,750,000,000 fresh American dollars and get future promises full of escape clauses and loopholes.

When the discussion about this loan originated last summer, the British press and the British negotiators frankly and honestly stated they did not want a loan—they could not pay back a loan—they wanted a grant-in-aid or another gift or at least an interest-free loan over a long period of time.

The late Lord Keynes, principal British negotiator, frankly expressed their position. He arrived here in September 1945, and he said he was here to make some kind of an arrangement to settle lend-lease and find some way to help England struggle out of her economic difficulties. But there was one thing he wanted to make plain to us. That was that Britain could not afford to make a commercial loan in this country. He said:

> No doubt an easy course would be for you to offer, and for us to put our name to a substantial loan on more or less commercial terms, without either party to the transaction troubling to pay too much attention to the question of the likelihood of our being able to fulfill the obligations which we were undertaking. However, this may be, we shall not lend ourselves to any such soft and deceptive expedient. We are not in the mood, and we believe and hope that you are not in the mood, to repeat the experiences of last time's war debt. We would far rather do what we can to get on as best we can on any other lines which are open to us.

Nevertheless, our negotiators insisted that England accept a loan of $3,750,000,000 at 1.62 percent interest over a 55-year period, even though we will have to borrow this money from the American people through the sale of additional bonds, or use money that we have already borrowed from the American people, paying at least 2½ percent interest. The agreement provides that the interest from Britain does not start for 5 years, and then any time the United Kingdom decides that the exchange conditions are not favorable they can request a waiver and the United States must grant it. There is no provision, however, that the American people will not have to pay the 2½ percent interest every year and the principal, too, in the event of a British default.

The British could not pay a $4,000,000,000 debt after the last war. They themselves tell us they cannot pay it now. And still our negotiators insisted on calling it a loan and demanded that the British accept it as such.

I am opposed to this loan because I am confident that it will prove to be a gift, and the language and form of the agreement is subterfuge to deceive the American people and to make it easier for those whose interests are largely concerned with foreign trade to secure its approval by the American Congress.

The British believe that the $4,000,000,000 they spent for munitions of war before we established lend-lease should be paid back to them now in the form of a gift. They frankly stated so and asked for this amount as a gift or a "grant-in-aid."

I am opposed to it because it is a part of several agreements, one of which wipes out our contribution of more than 25,000,000,000 American dollars without securing a single additional island base for our Navy or Air Corps for our own protection and the peace of the world in the future—because we give all surplus property and all construction and installations located in the United Kingdom, without acquiring any permanent rights in air ports built by American blood and money throughout the British Empire to aid our future civilian commerce as we struggle to pay the debt caused by our enormous contribution to the winning of the war throughout the world.

I am opposed to any loan to any foreign government of billions of dollars at 1.62 percent interest as long as we charge all veterans of our own country, including our badly wounded men, 4 percent on the money we loan them to establish their homes when they return and give them no waiver of interest and no consultation clauses to adjust the payment of the principal.

I am opposed to it because we are loaning it to the Government of Great Britain which presently is a Socialistic experiment in the hands of a party headed by Harold Laski who blithely denounces our form of government and economy at the very time when we are struggling to sustain our system of private enterprise under a truly republican representative form of government.

I am opposed to this gift of $3,750,000,000 of the American people's money under the guise of a loan that has no collateral, knowing full well that it is only the forerunner of additional huge loans to Russia, China, France, the Netherlands, and other nations.

We have already made a loan to Great Britain through the Reconstruction Finance Corporation.

We have committed ourselves to the extent of $2,700,000,000 for UNRRA.

We have extended the credit capacity of the Export-Import Bank to $3,500,000,000.

We have committed our country to contribute $5,925,000,000 to the Bretton Woods Fund and Bank.

We have authorized vast changes in our Export-Import status through the reciprocal trade agreements.

I am opposed to any vast loans or gifts to any foreign countries until the administration tells the people honestly and exactly how many demands or requests it has received up to date and presents a balance sheet to show the American people just what our foreign commitments really are and what additional burden each gift or so-called loan will place on our already heavily strained economy.

I am opposed to lending billions of dollars of American citizens' money to the nations of the world to invite them to come into our already crowded market to compete with our own people for scarce goods at this time. Even our returned war veterans cannot find shirts, clothes, or homes. Our reconversion program is blocked by the bungling practices of OPA and other Government bodies clinging with a death grip onto their wartime controls and restrictions. Black markets are already flourishing throughout the country, and now the administration seeks to put billions of dollars of American money in the hands of foreign governments to further crowd our market and continue these drastic wartime controls at home and to support socialistic systems abroad.

I am opposed to any series of world-wide gifts or loans that play a part of the Lord Keynes and the American New Deal plan for a world-wide WPA project that will lower our American standards of living at a time when we are beset with strikes in which Americans are demanding an even higher standard of living.

This gift-loan scheme is an outgrowth of the spend-and-tax program which Lord Keynes sold to the United States back in the middle thirties.

The late Lord Keynes was simply Mr. Keynes when he came to this country in the middle thirties and introduced to our administration the scientific theory of mass spending and deficit financing by the Government. Up to that time, our Government had been spending money in a desperate effort to stem the depression and on the theory that they were "priming the pump." It was not, of course, working, and in 1937, when President Roosevelt began to talk about once again balancing the Budget and actually attempted it, we were treated to what was called a recession. We had seven or eight million people out of work then; the spending was not a success; none of the fundamental defects in our economic system had been corrected; nothing was keeping the administration afloat but the indiscriminate spending of public money borrowed from the banks; and the President decided that he had better taper off the spending, stop the borrowing, and balance the Budget—and down went the New Deal into its recession.

I am sure that at that moment there must have been some troubled hearts among the statesmen in this Chamber and at the other end of Pennsylvania Avenue. Just about that time John Maynard Keynes came here and assured our leading statesmen that the spending they had been doing was all right, that it was not just a "hit and miss" strategy of bewildered politicians, but was actually a profoundly scientific procedure, and that the only trouble with it was that they were not spending and borrowing enough.

And so was born the new theory of the New Deal which appeared among us in 1938 of the permanent deficit—the endless borrowing upon the theory that a government debt is not like a private debt, that we owe it to ourselves, that we need never pay it, and that the interest on it is not a burden because we merely take it out of the right-hand pocket of the people in the form of taxes and put it back into their left-hand pocket in the form of interest.

When Lord Keynes had negotiated this present fantastic grab, he went home to explain his triumph to the House of Lords. He told them he regretted that he could not get the entire amount as an acknowledged gift. He said:

> Since our transitory financial difficulties are largely due to the role we played in the war and to the costs we incurred before the United States entered the war, we here in London feel—it is a feeling which I shared and still share to the full—that it might not be asking too much of our American friends

that they should agree to see us through the transition by financial aid which approximated to a grant.

But he said:

The American Congress and the American people have never accepted any literal principle of equal sacrifice, financial or otherwise, between all the Allied participants.

He would have a hard job selling to the boys who stormed the Normandy beach and raced behind Patton clear across France and into Germany the idea that America had never accepted the theory of equal sacrifice.

Concerning the matter of paying interest, he said:

On the matter of interest, I shall never so long as I live cease to regret that this is not an interest-free loan. The charging of interest is out of tune with the underlying realities.

He explained that they had to include at least a pretense of paying interest to appease the Congress. Listen to his words on that subject:

During the whole time that I was in Washington, there was not a single administration measure of the first importance that Congress did not either reject, remodel, or put on one side. Assuming, however, that the principle of charging interest had to be observed, then, in my judgment, almost everything possible has been done to mitigate the burden and to limit the risk of a future dangerous embarrassment. We pay no interest for 6 years. After that we pay no interest in any year in which our exports have not been restored to a level which may be estimated at about 60 percent in excess of prewar. I repeat that. We pay no interest in any year in which our exports have not been restored to a level which may be estimated at about 60 percent in excess of what they were prewar.

Nor was he alone in his explanation. Mr. Dalton, the Chancelor of the Exchequer in the House of Commons, expressed the same view. He said:

I have emphasized, in the common cause of us all, we should receive some form of grant-in-aid, or, failing that, an interest-free loan. This was the proposal made by our representatives in the first stages of the talks, and the reasons in its support were deployed with great wealth of detail and great skill by our spokesmen. But we were told, quite definitely—

And this will interest Members of the Senate—

that this was not practical politics, and that the Congress of the United States would never consent to any such arrangement.

But he said:

I would draw the attention of the House to the fact that the agreement contains a novel and important provision, not previously included in an arrangement of this sort, for a waiver of interest. The annual interest is to be completely canceled in any year in which our exports, visible and invisible, are insufficient to pay for our prewar level of imports, adjustments being made for price changes—on the understanding, naturally, that our reserves also are insufficient to make good the payment. On this last point we are the sole judges.

Mr. Dalton explained that in addition to the provision permitting them to avoid the payment of interest, they had also secured a provision whereby they could, if they thought it necessary, "consult" about not paying even the principal. He told the House of Commons:

There is no waiver of the principal. But if we feel that any part of the agreement needs hereafter to be modified in the light of events, it is recognized in the text that the United States Government and His Majesty's Government shall consult together.

I add this: "Consult" to them means failure to pay the principal.

Lord Keynes, in urging the House of Lords to accept this so-called loan, said:

Has any country ever treated another country like this, in time of peace, for the purpose of rebuilding the other's strength and restoring its competitive position? If the Americans have tried to meet criticism at home by making the terms look a little less liberal than they really are, so as to preserve the principle of interest, is it necessary for us to be mistaken? The balm and sweet simplicity of no percent is not admitted, but we are not asked to pay interest except in conditions where we can reasonably well afford to do so, and the capital installments are so spread that our minimum obligation in the early years is actually less than it would be with a loan free of interest repayable by equal installments.

He explained that in addition to all the subterfuge and loopholes, they could take our money and they need not spend it in the United States but could spend it anywhere in the world. These are his words:

All the other loans which are being made are tied loans limited to payments for specific purchases from the United States. Our loan, on the other hand, is a loan of money without strings, free to be expended in any part of the world.

I call attention to the fact that since he arrived here in the thirties he has implanted in our State Department and Treasury Department his philosophy of spend and spend and borrow and borrow. Finally he says it is now over. It is their program. I wish to read his words.

He continued and explained that this entire program is the program of our American negotiators, and when the scheme fails to work and Great Britain fails to pay, as they did after the last war, they can say that it was America's fault. I quote him:

Secondly, all the most responsible people in the United States, and particularly in the State Department and in the Treasury, have entirely departed from the high-tariff, export-subsidy conception of things, and will do their utmost with, they believe, the support of public opinion in the opposite direction. That is why this international trade convention presents us with such a tremendous opportunity. For the first time in modern history the United States is going to exert its full powerful influence in the direction of reduction of tariffs, not only of itself but by all others.

Thirdly, this is a problem of which today every economist and publicist in the United States is acutely conscious. Books on economics are scarcely written about anything else. They would regard it as their fault and not ours if they fail to solve it. They would acquit us of blame—quite different from the atmosphere of 10 or 20 years ago. They will consider it their business to find a way out. * * * It will be the problem of the United States and the whole commercial and financial arrangement of every other country.

Do we need more to explain to us that now they have laid the ground work for the day when they will say to us, "It is your fault, and you can keep on loaning us and loaning us and loaning us, because that is the philosophy of your State Department and your Treasury, from now on."

Finally, he explains what will happen to our standard of living if the Congress approves this loan and the principle of abolishing tariffs and protection of our wages and prices, upon which our standard of living depends. He said:

Fifthly—and perhaps this is the consideration which is least prominent in people's minds—the United States is rapidly becoming a high-living and a high-cost country. Their wages are two and a half times ours. These are the historic, classical methods by which, in the long run, international equilibrium will be restored.

In other words, the equilibrium will bring us down, because we are a high-cost and high-living and high-standard country, and our workmen all over this Nation, and in many instances rightfully so, have taken the implements in hand and have said, "We want a higher standard of living." Where will it go, Mr. President, when we open the markets of America to goods produced by people all over the world who have much lower standards of living?

Mr. President, I think we ought to be clear about just what we are getting in for. This agreement, if we conclude it, is a solemn pledge on our part that we will undertake a major operation upon our whole tariff policy.

The old arguments about building up industries and that sort of thing are no longer relevant. Today our Government has set out by law to produce in this country a standard of living very much higher than that which existed before the depression. The administration has announced its intention to assume the responsibility for full employment for the security of every man and woman from the cradle to the grave, and in order to accomplish this it has formulated a program of Government control of industry on the most elaborate scale. This policy has been in the making for a number of years. We are now imposing enormous taxes for these purposes upon our producers. We force old-age and unemployment insurance taxes. We have compensation insurance and factory inspection laws guaranteeing working conditions matched no place else in the world and costing huge sums. We have instituted rules and regulations controlling our banks, our investment institutions, our producing agencies. We have imposed the will of the Government upon the employer-labor world, and that has resulted in higher wages, shorter hours, better working conditions, even the terms and amount of production which have sent and will continue to send the cost of production in America to very high levels. I am not now discussing the wisdom of these things. I merely say they are a fact, and every man in this Chamber knows it.

Mr. President, you know, as well as I do, that we cannot impose these cost and

production elements upon a man in Illinois and not impose them upon a man in Virginia. Both are entitled to compete upon the same level. We recognize that. But does anyone mean to tell me that we are now going to force both the man in Illinois and the man in Virginia to submit to these extensive controls and cost elements and then let some man from India, upon whom we cannot impose these controls, or someone in Britain or France or any other country whom our laws and regulations cannot reach, send his goods in here and compete with the men from Illinois and Virginia? Whether it is right or wrong, wise or unwise, the American people will not permit that to be done; and if an attempt is made to throw down our trade barriers in order to open our markets to a flood of products from these low-income, low-standard, low-cost countries, every manufacturer in America, every trade-union in America, every farmer in America will send representatives to the Capitol to protest, and no one will dare comply with such an agreement.

I know that there are unreasonable trade restrictions which ought to be done away with, but that is not what these men are talking about in this agreement. They are talking about what I have described as a major operation on those tariff arrangements which have for years protected the American standard of living from the competition of countries which pay from 15 cents to $1 a day to their labor. I do not wish to discuss the entire tariff issue. I merely say that when you promise the people of England that you will undertake to throw down to any considerable degree these barriers, you are making a promise which you cannot fulfill, and which they know you cannot fulfill.

The difficulty about this agreement is that this is a promise which is made to be carried out after England has gotten our $3,750,000,000. In other words, the first step in this agreement is to be performed by us—namely, to hand over the cash. Then comes the period of repayment by Britain; but that will be conditioned, at least so Britain can say, upon our performing the next step in the agreement, namely, meeting her in an arrangement for the elimination and relaxation of tariff barriers; and if we do not perform that condition, Senators will hear from their English friends when the next installment on the loan is due—and I can already hear in the not distant future the iteration and reiteration of that affectionate term "Uncle Shylock" for collecting our just dues.

What about England's share in this arrangement? The English have a system of empire preferences which is a system of tariffs designed to maintain preferential trade within the British Commonwealth. We have been told in numerous English statements preceding this agreement that the English did not look with favor upon any such condition for this loan. As a matter of fact, England has been moving in the direction of stringent barriers far more than we have in the last 20 years.

During England's darkest hour, they refused to give up their imperial preference. Winston Churchill explained the Conservative view in the debates in the House of Commons on this very loan, the acceptance of which he asked his followers not to support.

I now quote Winston Churchill as he spoke in the House of Commons on this loan:

> Finally, there is one point I must put on record about the commercial-policy declaration. At my first meeting with President Roosevelt at Argentia in 1941, I was very careful that the terms of the Atlantic Charter in no way prejudiced our rights to maintain the system of imperial preference. Those were not easy days. The United States were neutral. It was very hard to see how the war could be won, but even then I insisted upon that. Similarly when it came to the mutual-aid agreement—

I digress only to say that reference is made there to the lend-lease agreement—

> I received from President Roosevelt the explicit assurances which have since been published that we were no more committed by article 7 to abandoning imperial preference than was the United States to abolish her tariffs. What we are committed to, and have been long committed to, in good faith and in good will, is to discuss both these matters.

Mr. President, I digress from the quotation in order to say that discussions are promised. That is all we will get from Great Britain. There will be discussions, and that is all. In their darkest hour the British clung to their imperial preferences, and they cling to them now. They will continue to cling to them if they receive the proposed $3,750,000,000 of our money.

I continue with the quotation:

> At the same time we are bound to take into consideration the views and wishes of the other dominions of the Crown, and all has to be discussed at the forthcoming conference in the light not only of the actions and agreements of the English-speaking world, but also with regard to the general attitude of all other countries toward the removal of trade barriers and trade restrictions of all kinds.
>
> Therefore, we have unquestionable latitude and discretion of judgment. Some have said that the United States might make what looks like a substantial diminution of tariffs already so high as to be prohibitive, and that then, although those tariffs still remain an effective barrier against our exports to America, we should be obliged to abandon or reduce our present preference. I could not agree with that view. On this side of the House we reserve the unlimited right of free judgment upon the issue as it appears, when definite, concrete proposals are before us. It is, therefore, in my view, quite untrue to say that we are at this time being committed by the Government to any abandonment of imperial preference and still less its elimination.

It has been argued that the Churchill government has been replaced by the socialistic government, but that, to my mind, is additional reason for not approving this gift-loan. When the Socialists were campaigning for control of the Government, they made lavish promises to give the people better houses, more food, clothes, and luxuries. Of course, they cannot do it unless we make this gift-loan. To give them $3,750,000,000 of American money means to give them almost $100 for every person in the British Isles. I say to you that once we do that, we will have demands from Russia, France, China, and countless other countries. We cannot play favorites, and we simply do not have money enough or printing presses to print enough money to give $100 to every person in all of the countries of the world.

They will demand it, nevertheless. When Lord Keynes first came here, they were asking for approximately $5,000,000,000 as a gift, and he told the House of Lords about the fabulous demands already made upon us.

I may say, Mr. President, that for a long time we have received from the British our first-hand information with reference to what has been taking place in our State Department and in our Treasury Department. The following is what Lord Keynes said as he spoke in the House of Lords:

> The total demands for overseas financial assistance crowding in on the United States Treasury from all quarters while I was in Washington were estimated to amount to between four and five times our own maximum proposals. We naturally have only our own requirements in view, but the United States Treasury cannot overlook the possible reaction of what they do for us on the expectations of others. Many Members of Congress were seriously concerned about the cumulative consequences of being too easygoing toward a world unanimously clamoring for American aid, and often only with too good reason.

Mr. President, I still hold that view. Until the administration gives us honestly and frankly a balance sheet and tells Congress and the people exactly how much has been demanded by each and every country, I shall oppose this and all other gift-loans of this character.

I voted to cooperate with all other nations. We were told when we extended reciprocal trade agreements and the Export-Import Bank, when we voted for Bretton Woods, the United Nations, and UNRRA, that that would meet our obligations. Now we find that we must start this new list of gift-loans before Great Britain can even participate in Bretton Woods.

Mr. President, when the discussions with reference to Bretton Woods were taking place before the Senate was the question ever asked, How much will it cost us to make Britain's contribution to Bretton Woods? Not once do I remember such a question being asked, or any explanation being made. Those who sat around the table at the Bretton Woods Conference sat there with poker faces. They looked innocent enough. Apparently we are now being asked to contribute money to enable Great Britain to participate in Bretton Woods, even though it should not require all the money which we are now asked to give to Great Britain in the form of a loan. Why did not the Treasury and State Departments tell us all of the facts then? In my judgment, we never will get all the facts unless we demand them now before we approve this first of a long list of similar gifts.

If we now approve this loan, which is based upon a future commercial and financial agreements conference, it will result in our entire foreign economic program being entirely taken away from the Congress and placed in the power of Executive agreements between our coun-

try and the socialistic government of Great Britain which we are being asked to finance by this gift.

I tell you, Mr. President, we are placing an unbearable load on the backs of the American people to finance and support a socialistic government of Great Britain. That socialistic government has already taken over the Bank of England. They have nationalized their coal industry, their transportation and communication system, and, according to Harold Laski, the head of the Socialist Party, who hates and denounces our private enterprise system, they have inaugurated a social security system far beyond even the limits of the Beveridge plan. Yet, we are asked to weaken our system of government in order to finance and support their socialist schemes.

Let us see how much they are in favor of withdrawing restrictions in foreign trade. That is the argument which we hear made in favor of granting the loan. It is said that we will continue to meet with restrictions unless the sterling bloc is broken. Let us examine the facts. Recently our State Department, by Executive agreement, entered into the Bermuda aviation agreement with this Socialist government. The result was that although we originate and provide 80 percent of the trans-ocean air traffic of the world, we gave them equal access to it with the American companies, in addition to allowing them to fly across our entire country. This was done without an open hearing of any kind. It drew a violent protest from the American steamship lines, the Brotherhood of Locomotive Engineers and Trainmen, the International Association of Machinists, and several other labor organizations throughout America. It was so detrimental to the interest of American workmen and the American people that the Commerce Committee of the Senate voted to protest the agreement by a vote of 17 to 1.

What did this socialistic government of Great Britain do to remove restrictions on the traffic of their country while they share equally in handling the 80 percent of the total traffic originating in the United States? They instituted new rules and restrictions on traffic originating in Great Britain which amounted to "fly British or stay home."

I quote now from the April 5 issue of International Aviation magazine:

> Recent questioning in the House of Lords brought an explanation of a British exchange ruling on travel that seriously limits, and in most cases would probably eliminate, the freedom of Britons to choose travel on air lines other than British. The normal rule is that nonpriority travelers are allowed £100 ($403) of foreign exchange for any destination outside the sterling area in any 1-year period, it was stated. In issuing the foreign exchange, British banks deduct the foreign exchange equivalent of any sterling spent in Great Britain for the cost of travel by any foreign-flag carrier, such as American, Swedish, or French air line or steamship companies. If the travel is on British vessels or aircraft, the foreign exchange is not deducted for the cost of the trip.
>
> There is a minor exception in the case of travel between England and Paris, Brussels, or Amsterdam. To ease the burden on the banks the comparatively short European rail journey is ignored and no deductions are made. In the case of air travel, however, the same type of deduction from the foreign-exchange allowance does apply, unless the journey is made by British carrier all the way. For example, for a trip to Paris made on a non-British air line, £12 (about $48.35) would be deducted from the £100 of exchange allowed. It is obvious that on this basis, any long-range trip outside the Empire and the sterling area on a non-British carrier would wipe out much or all of the foreign exchange allowed for travel and business purposes.

That restriction was put on while the debate was under way on this loan. Does that show they are putting into effect a program relieving restrictions? They are tightening them every day.

If we approve this gift-loan, we pave the way for the financial and commercial conference in which we will engage in wholesale Executive agreements with the Socialist government of Great Britain that not only will lower our standard of living but launch us on a program of planning and regimentation never dreamed of by the people who still think they are supporting a representative government here in America.

This will mean that we will have turned over the right to make agreements by Executive action in every phase of our economic and financial life. Under the Bermuda aviation agreement, 46 countries can participate in tapping and sharing equally with American companies in the 80 percent of world air traffic originating in the United States.

The British have told us that they will not remove their preferences even after they get our $3,750,000,000 unless several other countries remove theirs also. Listen to the words of Sir Stafford Cripps, the president of the Board of Trade of Great Britain, under their present Socialist government. He said in the House of Commons in the debate on this gift-loan:

> Nobody can compel anybody to reduce a preference; nobody can compel anybody to reduce a tariff. If any one party is invited by another to reduce a preference he is at liberty to say, "I cannot do it unless you reduce your tariffs by 100 percent." The bargain is entirely in his hands, and if he is not satisfied with the bargain there is no reason whatever why he should enter into it.

Now, mark this: Even if we should give a tariff advantage they say they would not necessarily have to give up a preference.

> It is clear that we do not necessarily say that we should give up a preference because one country is prepared to give us tariff advantages. The peculiarity about our trade, as the House knows, is that it is a very widespread and diversified trade. We do not sell large quantities of goods of particular lines to particular countries; we sell goods all over the world in what might be considered comparatively small lines.
>
> Therefore, it is not enough for us to get, as against a preference, the reduction of merely one person's tariff; we might want 26 countries to reduce their tariff before we were prepared to drop a preference. Therefore, the whole matter is completely at large and no one is bound at all.

Still we are told that they agreed to abandon or reduce preferences within the Empire. If so, why do they say it is still in their hands, and if one country reduces its tariffs they want all other countries to do likewise, or they are not going to give up imperial preferences within the Empire.

When he was questioned further, he said:

> I am afraid I cannot say it more definitely than I have said it already. We agree to the initiation of a process of bargaining, the ultimate objective of which may be looked upon as the elimination of discriminatory methods of preferences and the reduction of tariffs, but we are absolute masters as to whether we ever get to that objective or not. If it is worth our while, we can get there; if it is not, we shall not. Therefore, I do not really think it matters how one expresses the objective.

I have repeatedly protested the lending of billions of American dollars to foreign governments at 2 percent or 1.62 percent interest while we charge 4 and 5 percent interest to our American veterans who twice fought to save Great Britain. American veterans having loans from the United States Veterans' Administration are at the present paying 5 percent.

When I entered the Senate in 1940, the first bill I introduced provided for the reduction of interest in Government-insurance loans to veterans of the First World War. The bill was reintroduced in each session of the Congress. No action was taken upon it until the present session, when S. 447 was reported favorably by the Senate Finance Committee on June 14, 1945. It provided for the reduction of interest to 4 percent. It passed the Senate June 21, 1945, and was referred to the House Committee on World War Veterans' Legislation, June 22, 1945. I am informed that no action has been taken on the bill by the House of Representatives other than to request the opinion of the United States Veterans' Administration as to the advisability of reducing the interest on veterans' loans on their insurance policies. It is hard to get something done for the American veteran; but when it is desired to give billions of dollars to foreign countries, that is easy apparently, because the idea is deep-seated in the mind of the State Department and the Treasury Department, and Lord Keynes says the British are ready to say, "If we fail, the Americans will take the blame from now on."

The Congress has passed much legislation favoring veterans, but when it comes to reducing the rate of interest on veterans' loans, it seems to doubt the advisability of doing it. Even the GI bill of rights provides for an interest rate of 4 percent on loans to veterans to purchase homes.

If we cannot loan American money to our American veterans at less than 4 percent, I cannot vote to loan American money to foreign countries at 2 percent or less, especially where there are escape and consultation clauses whereby they may avoid payment of both interest and principal. This is doubly true when I know that these same American veterans will have to help pay both the interest and the principal when foreign nations default on their loans.

These same veterans will have to help pay the interest and the principal of the more than $25,000,000,000 that we sent to Great Britain in lend-lease, for it

still has to be paid by the American people while we relieve the British from any further obligation.

I realize full well that when I take the position I do that I will feel the full weight of the organized criticism of the international-minded clique that will say I am anti-British. I am not anti-British. I am pro-American and I am proud of it.

In opposing the gift-loan under the present circumstances and terms, I am in good company. Such eminent men outside the Congress as Bernard Baruch, Jesse Jones, and Leo Crowley have, in various manners, taken the same view.

Jesse Jones, who loaned more money than any individual in history; Leo Crowley, able Administrator of the Export-Import Bank; and Mr. Baruch, adviser to Presidents, are not asked for their advice on this subject now—it has been left to their successors to develop this fantastic plan.

I do not blame the British negotiators. I like the British people and admire them. I want our country to remain good friends with all countries who were such good friends and allies in the war. To that end I voted for the extension of the Export-Import Bank, for Bretton Woods, for the United Nations, and for UNRRA, all for the purpose of continued cooperation for peace. I want peace with all my heart and being; but I still believe that the peace of the world and the hope of civilization depend upon a strong and solvent America and the continued security of our representative form of government.

I do not question the right of the Russian people to live under and support their communistic form of government. I do not question the right of the British people to adopt and sustain a socialistic form of government, but I do question the right of those entrusted to sustain our representative form of government to dissipate the resources of the American people to support communistic and socialistic systems abroad while weakening our representative government at home.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Austin	Hayden	Smith
Barkley	Hickenlooper	Tydings
Brooks	Hill	Walsh
Cordon	Johnson, Colo.	Wheeler
Eastland	La Follette	Wherry
Ellender	McMahon	Wiley
Ferguson	Millikin	Willis
Gerry	Mitchell	Wilson
Green	Robertson	Young
Hart	Russell	

The PRESIDING OFFICER. Twenty-nine Senators have answered to their names. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. BALL, Mr. BREWSTER, Mr. CAPPER, Mr. DOWNEY, Mr. HATCH, Mr. HOEY, Mr. LUCAS, Mr. MAYBANK, Mr. MCKELLAR, Mr. O'MAHONEY, Mr. TAYLOR, and Mr. TUNNELL answered to their names when called.

The PRESIDING OFFICER. Forty-one Senators have answered to their names. A quorum is not present.

Mr. BARKLEY. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. MCFARLAND, Mr. BUTLER, Mr. AIKEN, Mr. KNOWLAND, Mr. REVERCOMB, Mr. BUCK, Mr. GURNEY, Mr. LANGER, Mr. SALTONSTALL, Mr. HAWKES, Mr. STEWART, Mr. JOHNSTON of South Carolina, Mr. TAFT, Mr. DONNELL, Mr. CAPEHART, Mr. STANFILL, Mr. REED, Mr. BYRD, and Mr. BUSHFIELD entered the Chamber and answered to their names.

The PRESIDING OFFICER. Sixty Senators have answered to their names. A quorum is present.

UTILITIES FOR VETERANS' HOUSING IN THE DISTRICT OF COLUMBIA

Mr. HOEY. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Senate bill 1955, Calendar No. 1264.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1955) to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from North Carolina?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 5, after the word "streets", to insert "in the District of Columbia; Montgomery and Prince Georges Counties, Md.; and Arlington County, Va."; and at the end of the bill to add a new section, so as to make the bill read:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized and empowered to provide necessary sewers, water, and streets in the District of Columbia; Montgomery and Prince Georges Counties, Md.; and Arlington County, Va., for such temporary housing for families of servicemen and for veterans and their families as may be furnished to and erected for the District of Columbia by the National Housing Administrator under authority of the First Deficiency Appropriation Act, 1946. For the purpose of providing such sewers, water, and streets there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated, the sum of $250,000.

SEC. 2. All temporary housing erected on lands owned by the United States or the District of Columbia, for which authority to provide sewers, water, and streets is granted by this act, shall be removed within 2 years after the termination of the emergency declared by the President to exist on September 8, 1939, except that such period for the removal of such housing may be extended for a period not to exceed one additional year upon a determination by the National Housing Administrator, after consultation with the Commissioners of the District of Columbia, that such housing is still needed to provide housing for eligible tenants in the interest of the orderly demobilization of the war effort.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3755) to establish an Optometry Corps in the Medical Department of the United States Army.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4283) for the relief of the estate of Michael J. McDonough, deceased.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. HICKENLOOPER obtained the floor.

Mr. BALL. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BALL. Mr. President, I ask unanimous consent to have printed in the RECORD an address on the British loan agreement which I delivered in the Chamber of Commerce Auditorium in Washington at a rally in connection with the loan on April 1 of this year. I am supporting the loan agreement, but I hope we can reach a vote soon, and I do not wish to take up time on the floor of the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The so-called loan to Britain is far more than just a loan. It is an over-all international fiscal and trade agreement with both parties undertaking specified obligations. I think the United States Chamber of Commerce did the best job I have seen of summarizing the quid pro quo on both sides and I'd like to read that section of the Chamber's brochure:

"The United States agrees:

"1. To provide a line of credit to the amount of $3,750,000,000, with payments of principal and interest over a 50-year period commencing at the end of 1951, and with a waiver of the 2 percent interest in years of adverse conditions.

"2. To cancel lend-lease obligations up to VJ-day, except where surpluses remain, and allow obligations incurred thereafter to be paid under the same terms as the line of credit.

"3. To accept long-term obligations in settlement for surplus war property, war installations and claims, this amount totaling with the lend-lease settlement $650,000,000 and making the aggregate of the British loan, $4,400,000,000.

"4. To join with other nations in eliminating or modifying trade barriers, the commit-

ment implying a further reduction in tariffs under the Reciprocal Trade Agreements Act.

"The United Kingdom agrees:

"1. To eliminate within 1 year the sterling area dollar pool restricting the use of dollars and other currencies received by member nations.

"2. To abolish immediately any exchange controls affecting United States products permitted to be imported into the United Kingdom or affecting sterling balances of United States nationals arising out of current transactions.

"3. To eliminate within 1 year all restrictions on payments and transfers for current transactions, with specified exceptions.

"4. To eliminate not later than December 31, 1946, discrimination against the United States in any quantitative import restrictions.

"5. To make agreements with the countries concerned for an early settlement covering blocked sterling balances and to make available for use anywhere such balances as are released.

"6. To join with the United States and other nations in a program for elimination or modification of trade barriers, including Empire tariff preferences."

Britain's need for this credit arises out of the fact that world trade is her economic life (in normal times she imports two-thirds of her food and tremendous quantities of raw materials) and during the war she deliberately sacrificed her trade to concentrate on war production. Even under the austerity program adopted by the British Government, under which the English diet is reduced to only 2,400 calories a day, it will take her 3 to 5 years to reconvert her industries and build up her shipping and exports to a normal balance between exports and imports.

Before the war, British imports averaged $3,500,000,000 a year. Her exports averaged only $2,000,000,000 annually and Britain made up the balance mainly by shipping services ($423,000,000), income from foreign investments ($818,000,000), and around $175,000,000 in other payments such as insurance and commissions. After lend-lease began, Britain deliberately cut out her export trade and her exports in volume dropped in 1944 to only 30 percent of 1938. War losses have cut her merchant fleet from 22,000,000 tons to 15,900,000 tons, and it will be several years before her income from this source is back to normal. During the war, Britain not only sold $4,500,000,000 of her foreign investments, reducing her income from this source to an estimated $400,000,000 annually, but her foreign indebtedness increased from $2,000,000,000 to about $13,500,000,000.

The best estimates are that in the next 3 years, Britain's adverse balance of international payments (excess of imports over foreign exchange from exports and other sources available to pay for them) will total at least five or six billion dollars. Canada already has negotiated a loan to Britain of $1,500,000,000 and it is expected the other dominions will make similar loans, up to the total necessary to make up this balance. The dollars which we loan Britain all will be spent eventually in the United States.

The blocked sterling balances, which now total around $11,000,000,000, and the so-called "sterling area dollar pool," are both severe handicaps to American trade. Britain used both devices to channel all available resources into her war effort. Her purchases of war materials in the sterling area were paid for in "blocked" sterling, which could only be used to buy specified goods within the sterling area. Similarly, all dollars which the United States spent in the sterling area were turned into the dollar pool and could be spent only for essential war goods bought in this country.

It is apparent that both of these devices constitute a severe impediment to resumption of free, multilateral trade, as contemplated in the Bretton Woods agreements. Yet it is equally clear that without some assistance in the form of large dollar credits, Britain would not dare even to begin to relax these restrictions, as to do so would strip her own economy bare and prevent her orderly reconversion.

I think that we drove a hard but fair bargain, and one which certainly is as advantageous to us as it is to Britain. England for many years has been our best customer in international trade, as we have been hers, and at least 25 percent of our trade in peacetime is with the countries in the so-called sterling area. The removal of trade restrictions in this area, agreed upon by Britain, as well as the elimination of Empire tariff preference, will be of great value in increasing our foreign trade, which may well mean the margin between prosperity and depression for us.

Britain's only alternative for survival, if she cannot obtain this credit, is to continue restrictions on trade, exchange controls, and barter deals with individual nations. If the greatest trading nation in the world is forced to that expedient, all chance of free, multilateral trade will disappear for many years. All international trade will tend to be handled by governments, in barter deals, and there will be no chance for private enterprise in this field. It is my conviction that result would be as disastrous for the United States as it would be for the world and our chance of world peace and stability.

Besides this compelling economic reason, I am convinced that the continued cooperation and strength, both military and economic, of the two greatest democracies in the world is absolutely essential to world peace. And in addition to all these reasons of self-interest, I believe the whole free world owes a debt of gratitude to England for her courageous stand alone against aggression in the dark days of 1940 and 1941.

Many of the arguments I have heard against the British loan agreement stem from a lack of understanding of the essential difference between international and internal credits, and from an unawareness of the economic problem which Britain faces.

It has been proposed that instead of a Government loan to the British, we float a private bond issue at commercial interest rates. This proposal leaves out of consideration the vast difference between a commercial transaction and a loan of this type. During the last war, both the British and the French borrowed large sums of money here in this way. This resulted in a large concentration and perpetuation of economic power in the hands of a few people, and simplified the formation of international cartels. The present sum proposed is immensely larger, and even if the issue could be floated in this manner, we would gain none of the trade concessions made under the present arrangement.

It is also argued that, if we can lend money to Britain at an interest rate of 2 percent, why should we charge our veterans more. Again, the essential difference between the two transactions has been overlooked. The interest on the British loan, while only 2 percent, will amount to $2,217,000,000, over 50 years, providing it is all paid, and interest payments will exceed those on the principal for the next 20 years. Treasury Secretary Vinson testified before the Senate Banking and Currency Committee that the loan will cost us, if it is financed in the same manner as the rest of our Treasury obligations, about 1.64 percent interest. This compares favorably with the two percent asked of the British. On the other hand, veterans' loans are short-term obligations, and will be paid up within a few years. Both the purpose and the risk are vastly different.

There is an additional consideration which I think we must take into account. Obviously, Britain, despite her efforts to increase her export trade, will find her foreign exchange resources limited for several decades to come. The dollars she pays to our Government in the form of interest will not be available to purchase goods in this country. In a very real sense, a high interest rate on the loan would tend to decrease our export business in tobacco, cotton, wheat, and manufactured goods with Britain.

Another argument made by opponents of the loan is that British purchases with the credit will intensify the curent shortage of goods in this country, particularly building supplies. That is true, but anyone who has seen the destruction wrought in British cities will realize the desperate need there for such goods. We are the only source of supply for many of them. Our shortages are relatively less and are only temporary. Within a few months, or a year at the most, the supply problem should be pretty well solved here. On the other hand, Britain's shortages will take longer to satisfy, and we will need her markets once our production steps into high gear. It appears to me that a reasonable sharing of essential reconstruction supplies is as essential to world peace and stability as a sharing of food resources to avert famine.

Frankly, complete repayment of the loan with interest is questionable. Had we loaned the British a larger amount, or made the terms less severe, the chance of our receiving a complete return would have increased proportionately. Repayment of any foreign loan, on whatever terms, is contingent on the willingness of this country to buy the goods with which a loan must be repaid. If, as we did after the last war, we cut our imports to the bone through adoption of a high tariff policy, we cannot expect repayment. A look at what happened then may be helpful. In 1919, foreign governments owed us $7,244,000,000. In 1921, additional credits had been extended and the total reached $11,854,000,000. On the other hand, $622,000,000 of the original had been repaid, and by 1928 an additional $1,341,000,000 was repaid. By 1932, the year after the adoption of the Smoot-Hawley tariff, but before its effect had really been felt, 665 additional million dollars in payments were made. The payments made between 1932 and 1937, however, when our high tariff policy was fully effective, totaled only $1,200,000. If the same cycle is repeated, we stand no chance of having the British loan repaid. So far, however, Britain has kept slightly ahead of her export schedule, and if this trend continues, and we honor our commitments to lower trade barriers, I see no reason why the British cannot pay us back, and I am convinced that they will pay if they possibly can.

The danger of Britain's using the loan to finance a completely socialist economy has been highly exaggerated in this country. The British devotion to freedom, both political and economic, is as great as ours. Although the Labor government took the wheel in August, few important changes in the British economic pattern have been made as yet. Given a fighting chance, and the loan would do just that, Britain probably will maintain much the same economy she does now, with the exception of nationalizing highly concentrated and essential industries such as transportation and coal. If, on the other hand, the loan is defeated, Britain might have to resort to drastic economic regimentation to maintain her living standards at anything like prewar standards.

Another argument I have heard against the loan is the one dragged out and dusted off by both isolationists and apologists for Russia every time the British are mentioned. I refer to the charge of imperialism. A century ago, this charge might have been justified. But it is perfectly apparent, regardless

of political statements, that for the past 50 or 75 years the British Empire has been in the process of voluntary liquidation and transformation into the commonwealth. Prime Minister Atlee's recent declaration on India is the latest step in this process. The cited presence of British troops in many parts of the world indicates, not that the British are imperialistic, but they have a better understanding of the responsibilities of world leadership than we do.

In summary, I think there are three main reasons why we should support the British loan agreement.

First, it is a good business deal for us. Britain is our best customer, as we are hers, and the agreed upon elimination of exchange controls and empire tariff preference is a concession to us as great in value as is the loan, at the terms agreed upon, to Britain.

Second, if by failure to obtain sufficient credits to tide her over the next five critical years, the world's greatest trading nation is forced to deliberately adopt a policy of economic warfare to survive, then any chance of achieving the free multilateral trade objectives of Bretton Woods are likely to go glimmering, and our chances of maintaining peace will be greatly lessened.

Finally, extending a helping hand to England is small repayment for the debt which all free peoples owe to her for her gallant stand alone against the forces of tyranny in those dark months from June of 1940 until June of 1941. While our future armies still trained with broomsticks and our factories were still tooling up for war production, Britain held the line against odds that appeared overwhelming. Dollars alone cannot measure the debt which freedom owes to her.

Mr. HICKENLOOPER. Mr. President, the British loan has been the cause of great concern; it has aroused speculation and discussion coursing through the whole field of economics and politics. I am thoroughly convinced that opinions on this proposal are not partisan, but are based upon the deep convictions of each individual as to its benefits or detriments to us and to the future prosperity of the world. This concern is genuine, and each one desires to approach this problem from the standpoint of the over-all benefits or detriments which he himself may see in it.

I think there is a great deal of emotionalism on each side of this question that may becloud the issue on occasion. On either side of this question strong and compelling arguments can be made. I am fully aware of most of these arguments. As a member of the Banking and Currency Committee, before which this proposal was heard, and as a result of discussions with people of divergent views, together with letters from hundreds of people who look to me as one of their representatives in this body, I feel that the various arguments have been fairly presented. Emotionally and practically, it is easy to argue that the British have outtraded us repeatedly in the past and that they are outtrading us now; that we supplied the sinews of war in 1917–18 that tipped the scales to the advantage of the British Empire and brought victory from defeat for them; that we thereafter loaned money for their rehabilitation, a substantial part of which has never been repaid; that again in 1940 we came to their rescue at a time of dire need and thereafter took over the great portion of the burden throughout the world of defeating the Axis Powers and contributed lives and treasure in tremendous degree; that now we are called upon to again "bail out the British Empire"; that the record of the British in repayment of their obligations to us is not good; and that we are contributing $3,750,000,000 without definite assurances of repayment, and especially with the specific provision that if under certain economic conditions they cannot pay the interest it will be waived.

We hear the criticism that there might come a time when Britain or some other country might substantially contribute to our economic stability, and that with the $275,000,000,000 debt which we now have we do not have the money to provide this credit or to finance this agreement.

There are many other arguments, and most of the arguments have a factual basis, although the conclusions to be drawn may be the subject of much disagreement. We did fight in World War I at great cost, without having our own shores seriously threatened; thereafter we did loan money to European countries, including Britain, and most of it was never repaid; and we did bring assistance to the British, and later we took over the burden of financing and in great measure fighting and supplying the war that has just ended. We got no tangible property gains from our expenditures in World War I; and the social and humanitarian gains for which we stood, and which were the only rewards we sought, did not materialize. We saw, instead, a restless world, with nations struggling for preferment, and not even an armistice or truce in order, but actually a period in which armed conflict was continually going on in various parts of the globe, with the destruction and confusion of both moral and economic values mounting until the world caldron boiled over into World War II.

It is not my intention, Mr. President, to try to discuss the economic and social arguments or the why and wherefore of many happenings of the past. Those arguments have been presented in the past and will be further presented on both sides in the course of this debate. I cannot be certain that I am correct in my present conclusions as to what will happen in future years if we do or do not confirm this loan or if we do or do not do many other things. I can only assure the Senate that I am certain in my conviction that neither we as a nation, meaning our system of government and our conception of political and social rights, can go forward as we hope, nor can the world survive with progressive freedom of the individual and of nations, if we permit the regeneration, in the next few years, of the forces of oppression and destruction that were developed prior to the recent war. That is not to say that I am actually fearful of another destructive world conflict within the immediate future, but it is to say that what we do now and in the immediate future and the cooperation which we must of necessity lead in establishing among nations will have a vital effect upon whether tomorrow's generations live in peace and human progress or destroy themselves in war and conflict. Of course, we have no assurance that any action we shall take now will guarantee peace and progress, but we do have an obligation now to do everything that we can, even at the risk of making some temporarily bad bargains so far as our selfish interests are concerned, to help orient a confused and devastated world toward the ways of peace and human comforts.

I say we must do everything we can. Of course, I neither suggest nor mean that we should be foolishly profligate. Reason and judgment and the probability of constructive results must govern our opinions and our actions and in my view we should measure our policies, our contributions, and our cooperation with other nations by the yardstick of whether such actions, policies, or contributions have a greater likelihood of advancing the common purposes of a peaceful and progressive civilization in our own country, as well as the world, than another course would have of deteriorating world progress.

There are those who argue, and powerfully, Mr. President, that there is no compelling reason why we should assume the burdens of the world and, of course, the obligation is proportionately no greater on us to assume the responsibilities of decency and Christian principles than it is upon the other nations who must sincerely join in the effort if tomorrow is to be a better day. But the fact remains that, in the devastation that now has prostrated most of the world, we remain the most powerful nation, with resources, industry, and productive capacity intact, and having a conception of political government and human rights which we know have laid the basis for the greatest civilized progress in history, enabling us to assume leadership in these chaotic times.

In my opinion, Mr. President, the implications of this British financial agreement are deeper than the extension of credit to one nation. Furthermore, I do not consider it a controlling precedent for any other loan to any other nation; and in fact, it has been repeatedly stated by officials in our government and by Members of this body that it is not to be so considered.

This British loan is not a banker's loan. A banker's loan is made for an interest profit. If it were a banker's loan, I would say, "Don't make it," for we have no business making, and no money with which to make, a loan for the purpose of securing a profit by way of interest.

Neither is this loan, in my opinion, an aid solely to Britain, although the United Kingdom will benefit from it. If I conceived it to be an individual bilateral loan solely to the United Kingdom and for its sole benefit, I would be opposed to it in its present form and in its present amount, and I would say "Don't make it," as is now proposed. Neither, Mr. President, is it a gift from an affluent friend to an indigent friend, for again, we have not the surplus funds for largess of this kind. Let me add that I believe Britain can survive without this loan if it is merely a question of the eventual survival or financial collapse of the British Empire.

If it is none of these, Mr. President, then, of course, you may well ask, "What is it for?" and "Why should we make it?"

In searching for the answer to these questions I have come to the conclusion that our country, our economy, and our people will, in the long run, be better served and better advanced by making the loan, rather than by not making it, and I shall try to tell the Senate why.

After World War I many arguments were made in support of loans which at that time were made by us to other nations. Running through those arguments were the statements that international peace and comity among nations would flow from such policies and that world economy would be soundly reestablished. Based upon this hope and a sincere desire on our part to help stabilize the then tottering world, we did give a large amount of aid. International stability did not result from our efforts, but that does not mean that the philosophy was wrong. Rather do I believe that events subsequent to those loans did not follow the pattern cut by our attitude and our actions. There was a failure by all nations to follow through to the end of moral cooperation. All over the world there was a dropping away from this desire for friendly, prosperous cooperation, and there was a gravitation to an isolationism on the part of individual foreign nations which, step by step, destroyed the possibilities of reaching the goals of law and order as world policies.

Mr. President, I think we did many things during that period in an earnest effort to further those goals, and perhaps we failed to do some things which, in retrospect, we should have done. But I submit, Mr. President, that the charge of American isolationism, in its broad implications, that has been so glibly and unwarrantedly tossed about by certain coteries of Americans in years past, and that it is being equally as glibly and as unwarrantedly clamored about now, is not justified. It amounts, in many instances, to groveling apologies for the most public-spirited nation in the world; and it amounts in other cases to libels upon the good faith and humanitarianism of a nation that has consistently participated more in the genuine attempts for world progress and the raising of human standards, financially and socially throughout the world than any other nation ever has.

No; Mr. President, we have not, in fact, been an isolationist nation. American blood in two world conflicts refutes that. American treasure in untold billions in two world wars refutes that. American renouncement of physical or material loot or expansion in two world wars refutes that. Repeated American attempts to outlaw war as a policy among nations refutes that, and our activities today in bringing about the United Nations Organization, Bretton Woods International Monetary Stabilization, international lending authorities, and vigor and singleness of purpose with which we as a people are attempting to promote the lead in the establishment of harmony in this world, and our contributions of food, clothing, and equipment to devastated areas, all completely refute any charge that we are isolationist.

It is true, Mr. President, that we have not followed a policy of going about the world with a chip on our shoulder, seeking to get into war and conflict every time a shot has been fired. It is true that we have sought to live in peace and to protect and promote our system of freedom. It is also true that we have argued and worked against war, and that we have tried to avoid physical entanglements in the explosive arsenals of Europe. But, Mr. President, whenever the basic principles of government, which we believe to be fundamental, have become endangered, our Nation has thrown its full strength unselfishly into the balance for victory for those ideals.

Again we face a situation comparable to that of 1919. Values are distorted and emotions often control reason. Again there are those who, with complete conscience and sincerity, say that we should now lick our own wounds and let the other nations lick theirs. I say that those people are conscientious, and they are. They feel that we have already overtaxed our economy, that if we are to save it we must retrench, and that the other nations of the world will have to work out their salvations independently and without further help from us. Again I say, Mr. President, this argument may be sound, but I do not agree. Again I say that, of course, we must not be profligate, and that our participation in world rehabilitation must not be foolish. But I also say that, in our own interests, if we are to see a more speedy recovery of this world and hence a more speedy return to comfort and progress in which we will participate, inevitably, in a greater measure than any other nation, we must give certain aids and certain helps which will stimulate the over-all basic economic machinery of the world in this critical time.

This loan to Britain, as I said before, is more than a loan to an individual nation. I view it as the extension of a credit to a whole system of economic exchange including the British Commonwealths and their trade areas I believe that it will go far toward freeing restrictive blocs of trade in the sterling areas, areas that otherwise will be forced, as a matter of mutual survival, to band together in economic warfare that will not benefit us, but, on the contrary, will throw up barriers over which our trade for some years to come will find it almost impossible to flow. Britain is and has been a trader nation. The British Empire has been built not upon resources within the home islands, but upon the establishment and control of sources of raw materials and of outlets for finished goods throughout the world. Britain has developed to a greater degree than has any other nation the intricacies of international finance, and over the years she has tied together through trade relations, investments, and sterling debts, a world empire of consumers and producers that normally represents at least 50 percent of the commerce of the globe. If Britain has no other method of payment, the debts which she owes, to say nothing of her long-range investments in those countries, will require those nations, at least temporarily, to give preference to British trade in order to cash their credits.

We may be restless, Mr. President, when we think that in two wars we have contributed life and money for victory as an ally of Britain, and that now she closes the gates on postwar trade to our economy. We may feel that it shows a lack of gratitude and a lack of cooperation on the part of Britain, and unless the facts are carefully examined, one might well reach that conclusion. However, the evidence seems clear that Britain, and the vast trade empire which she dominates, has one of two courses open to her if she is to survive. She must either build as nearly as possible an impregnable defensive wall about her trade territories and areas within which she has operated, including her dominions and her commercial associate nations, and control it through the obligations which she owes to them, the repayment of which she can only make through the furnishing of goods and services, and through such destructive economic devices as currency devaluation and exclusive bilateral trade agreements, or, the United Kingdom must receive sufficient credit from some source to ease the tension of these present obligations and free the sterling exchange from its now rigid controls. If the latter course is followed, many of the nations that otherwise would be driven to trade exclusively with Britain in order to get their debts paid, can, through these credits, be financially freed and enabled to translate sterling debts owed them into dollars for purchases of products from us and other countries outside the sterling bloc.

I believe that the sterling-bloc situation can easily be illustrated. Let us assume that two men operate clothing stores and let us assume further that one of them owes me a sum of money, and that I am in the market for a suit of clothes. In order to get my debt liquidated I will naturally go to the man who owes me.

Mr. President, the latter course to which I have referred is the goal which Britain has announced as a result of this loan. She must pursue such a course if she acts in good faith and honor in accepting the loan. It is the commercial or economic heart of our long-range resulting benefits, and, in fact, of Britain and the world as well.

From the economic standpoint there are a number of benefits to us that may be expected as a result of this loan. If we do not make it, then certainly, for a substantial period of time, bloc trading seems inevitable, and in bloc trading the various trade devices of currency manipulation and bilateral trade agreements become weapons, and not only disturb the natural flow of commerce but have a disturbing effect on the economies of other nations.

It is vital to American agriculture that we have outlets for our surpluses and that such outlets afford every possible advantage for disposing of them at a

fair price. Too often the over-all price of our entire domestic production of agricultural products is set by the price at which the surplus can be sold. In this field alone it is likely that restrictive bloc trading and bilateral agreements would foreclose many of the major world markets against our farm commodities. It takes but a short period of accumulating surpluses, and the surpluses do not have to be great but only substantially evident, until devastating drops in prices on all of our products domestically occur. Bloc trading and bilateral negotiations among nations would at least seriously hamper the sale of those surpluses and, as has happened in several instances in the past, could easily open up new producing areas in other parts of the world in direct competition with our farmers. When farm prices sag, our whole economy sags with them.

Industrially, we are equipped as no other nation, and we must keep the wheels of industry turning for jobs and steady and substantial income. It is important that we be able to sell our industrial products of machinery and mechanical equipment in as wide a market as possible. The jobs and the prosperity of American labor may depend on this. It is true that nearly 100 percent of our production industrially is for the home market. Over-all, about 110 percent of our gross agricultural production is used here, which means that we had a net importation of agricultural products before the war of somewhere around 11 percent, but of certain products we do produce substantial surpluses over and above our domestic needs, and these products, such as wheat, corn, cotton, and meat and their surplus problems, are vitally important to our economy and to a high degree of prosperity of the whole farm plant. In agriculture and in industry it is the ability to dispose of surpluses over and above domestic needs that usually sets the price and measures our ability to maintain a dynamic economy.

If restrictions on world trade are freed, we will have more chance of finding markets for such surpluses as we may not need here than under restrictive bloc-trading programs.

Mr. President, there is another consideration for the making of the loan or the provision of the credit desired that I feel is most important. In fact, if it were not for this consideration and its importance, as I view it, I might not support a loan in the amount proposed and under the terms suggested. It is a consideration that applies almost uniquely to the United Kingdom, so far as we are concerned, and I think it should be weighed carefuly by all of us, for we in this country know that the sovereignty of the individual is the basis for human freedom. That consideration is broadly political.

Mr. MAYBANK. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. HICKENLOOPER. I yield.

Mr. MAYBANK. The Senator is making a most able and excellent argument in behalf of the export trade the proposed British loan will create, through our being able to deal outside the blocs and outside the various and sundry barter agreements. The Senator knows the Midwest section so well that I am certain that when he speaks for the products of that section his statements are correct, but I should like to call the attention of the Senator to something I heard this morning.

Some time ago the Indian Government, because of lack of good cotton, imposed an embargo, and it does not permit shipments of any Indian cotton above thirteen-sixteenths staple to any country in the world. Mr. C. C. Smith, who is in charge of the Cotton Division of the Commodity Credit Corporation, one of the most able Government officials and cotton experts in all the world, told me this morning that recently the Department of Agriculture, through the Commodity Credit Corporation, had received numerous requests for shipment of American cotton to India because of the shortage there of good cotton, and because of the shortage there of textiles with which to clothe the people.

Mr. Smith further referred to what the Senator has so ably stated, the inability on the part of the Department of Agriculture and the Commodity Credit Corporation to deal with the sterling bloc and the exchange which is now in vogue, I might say, in India, but he said that if and when the proposed loan shall be approved by Congress he believes—and I certainly concur with him from a cotton standpoint—that there would be an immediate request for surplus cotton we may have in the years to come, or that we may have now, for the shipment immediately of more than 100,000 bales of American cotton to India, to be used to help clothe the people of India.

As the Senator well knows, India is the second largest cotton-producing country in the world. So when it was suggested that the loan would adversely affect cotton, I said I thought it would not, and I take this opportunity to congratulate and commend the distinguished Senator from Iowa, who knows the Midwest section, for the statement he has made. I express the hope that when the loan shall be approved, it will mark a new day in the disposal of surpluses of the great Grain Belt and the great Cotton and Tobacco Belt of the South and Southeast.

Mr. TAFT. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. TAFT. I do not desire to disappoint the Senator from South Carolina, but under the agreement the sterling bloc will not have to be dissolved for 12 months after the passage of the joint resolution. So that it will be at least 15 months before the highly desirable result pictured by the Senator from South Carolina can be brought about.

Mr. MAYBANK. While I realize that the United States does not need much export trade today, that we must furnish supplies to our own country first, I am looking forward to conditions 5 years, 10 years, 20 years hence.

Mr. BARKLEY. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. BARKLEY. If by the enactment of the joint resolution approving the agreement we could not expect anything in the way of trade of the kind looked forward to for a year or a year and a quarter, I should like to ask the Senator from Ohio how long it would take for the trade to develop if we rejected the loan.

Mr. HICKENLOOPER. Mr. President, England and her dominions stand with us in the preservation and advancement of individual human sovereignty and rights. The British people are the age-old exponents of individualism, and they, with us, believe that the state should be the servant of the people, rather than the people be the slaves of the state. There are other nations who believe this also, but their voices may not always be loud nor their strength great. I believe that the fate of governments and, of course far more important, the fate of human personal rights, is strongly dependent upon the strength and vigor with which our two nations unswervingly maintain and retain in and for a troubled world those principles of human individual rights and prerogatives which have made us great and strong. I am not even suggesting alliances of a material nature, because our hope for the peace and progress of tomorrow's world must lie in world-wide amity and cooperation; I am suggesting rather the strengthening and advancement of our mutual idealisms so far as individuals and government are concerned, and that by such common effort the opportunities for self-determination and self-government of others who may be suppressed will be extended. We are committed to this responsibility of advancing human rights.

I discuss this political consideration, Mr. President, because I feel that in the years to come political unity in thought and ideal among the stronger nations of the world must be an attainable goal and must be based upon human individual rights. One of the great contributing causes of World War II was that the forces of oppression, power politics, and conquest were permitted to unite themselves while the nations that really believed in enlarging individual rights and opportunities drifted away from a common unity of purpose that might have nipped in the bud or prevented the conflict. It seems to me that this drifting apart of the nations with ideals similar to ours began with the closing of hostilities after World War I while the union and growth of the aggressor and oppressor nations began about that time. It is my hope that the close association and the common purpose of the nations who allied themselves in this war to defeat the Axis Powers, for the preservation of the ideals which we are determined to advance, can be carried forward with increased strength and vigor as the years go on rather than disintegrate, with the practical certainty that with such disintegration, opportunity for a new gathering of the forces of destruction will be possible. The seeds of war are never sown just before shooting begins. The shooting is only the harvest of the crop. The seeds are sown in the confusion and often in the selfishness of the disruptions immediately following war.

We have just spent more than $300,000,000,000, probably nearer four hundred billion, suffered more than a million casualties, and have disrupted our economy to win an armed conflict; therefore, it seems to me, Mr. President, that we can well afford to hazard 1 percent of this huge money expenditure in an earnest effort to stabilize a great portion of the economy of the world which if even partially successful, will advance the cause of humanity and its comforts and will especially bring to us a more speedy return to the enjoyment of normal human comforts.

In conclusion, Mr. President, there are four reasons why I believe this loan should be made. They are of varying degrees of importance, but I believe that all add up to the one end that we hope to attain and that is the accomplishment of long-range peace and the establishments of opportunities for human progress and advancement. These reasons are, first, I believe, this loan is a contribution toward sowing the seeds of peace now, when every effort must be made to see that cooperation and mutual helpfulness among nations is the order for a hopeful future; second, I believe this loan will go far toward freeing the markets of the world for the interexchange of goods among nations on a basis that will go far toward preventing bloc trading and bilateral exchanges from which we have never benefited; third I believe that it will give far greater opportunity for the disposal of our surpluses produced in America than otherwise would be the case; and fourth, I believe that it will contribute much toward the unity of the nations of the world that believe in our ideals of individuals sovereignty and the free exercise of individual genius as the vehicle of human progress.

Again I say, Mr. President, that I cannot be certain that this loan will accomplish all the hoped-for results, but I think that we as a nation will be better off in making it than if we refuse it. If it is substantially beneficial, then I believe that it will be repaid and that we will have many added benefits. If it is not successful, then economic collapse in some measure will come. I wish to make it clear at this point, Mr. President, that I do not believe economic collapse will come in another year or two, but I believe economic collapse will come as a result of the degeneration of the economic association among nations in years that are too close to us for comfort. I believe we are taking a chance, a chance that will involve a substantial amount of money. I believe that if we do not take this chance we stand to suffer, in the period of the next 10 years, economic losses in our whole system by way of shrinkage in price and loss of substantial markets, far more than the amount of this loan.

I might say that I feel we did not make the best arrangements in this proposal, but the Congress did not make the arrangements; they were made by representatives of the executive department and we must say "Yes" or "No." I do not feel that Britain has been above criticism in her own unwillingness to give us civil as well as military air rights, permanently, in the installations which we built and paid for in the hour of her dire distress, and I feel that these rights should still be insisted upon and obtained as a matter of common equity; but that fault perhaps lies more with the shortsightedness of our own administrators than with the British. We are faced, however, with the necessity to act, Mr. President, and I shall not oppose this loan because in some details those who were charged with the stewardship of American detailed interests were inept. I shall support the loan, Mr. President, in spite of those criticisms because I think it is the thing we must do in an attempt to further the establishment of a normal world and as one contribution in our efforts toward a hoped-for lasting peace.

LEAVE OF ABSENCE

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that I may be excused from further attendance on the Senate today.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Without objection, leave is granted.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arizona [Mr. MCFARLAND].

Mr. ELLENDER. Mr. President, yesterday, when the Senate proceeded to consider the conference report on the airport bill, which it had been agreed the week previous would then be considered, I was discussing with Members of the Senate the various methods that had been planned in order to rehabilitate a world economically sick following the war. The planners did not wait until the shooting was over in order to make preparations to take care of what was felt would follow in the wake of such a disastrous war, but they got together in a little town in New Hampshire called Bretton Woods, and there, with the chief economic experts of the respective countries in attendance, the so-called Bretton Woods proposals were conceived and born.

I was discussing those proposals yesterday before the Senate proceeded to consider the conference report on the airport bill, and I was attempting to show that those proposals, which were agreed upon, I am sure, in good faith, were to be utilized by the nations of the world in an effort to stabilize business and to stabilize the currencies of all countries in relation to each other. The plan also envisioned the creation of a huge fund to be utilized in order to rehabilitate such countries as had suffered material damage during the war, and to provide funds to expand business in these various countries in an effort to revitalize the lives of the people dwelling therein.

I repeat, Mr. President, that at none of the Bretton Woods conferences was it mentioned that our Government would be called upon to subscribe a single dime more than was provided for in the plans there perfected.

Under one of the plans provision was made for the so-called fund, which was capitalized at $8,800,000,000, and Congress voted that the United States should subscribe $2,750,000,000 to that proposal.

Under another of the Bretton Woods proposals the International Bank was created, and our country was called upon to subscribe, and authority was given for it to subscribe $3,175,000,000, out of a total subscription of $9,100,000,000.

In other words, Mr. President, we have obligated ourselves to place in the fund and the International Bank almost $6,000,000,000. Of course we do not need to call on the fund or the International Bank for any of that money for our own use. But we have obligated ourselves to that extent for the purpose of aiding other nations of the world so they can put their financial houses in order.

Mr. President, when the Bretton Woods proposals were under discussion we had an extended debate in this body. I do not say the vote on the question was close, but the plan of Bretton Woods was described as one which would cure the evils which are now sought to be rectified in respect to one of the signatory countries. If at that time it had been made known to the Members of the Senate that our country was going to be called upon to obligate itself in excess of the amount which we agreed to subscribe under the Bretton Woods agreements, I am sure some difficulty would have been encountered in obtaining the Congress to agree to Bretton Woods. With further respect to Bretton Woods, especially the International Bank feature, there was an alternative proposal made that this country loan to particular countries a certain amount of money, but it was only in the event that Bretton Woods would not become one of the methods by which economic evils were to be treated.

As I indicated yesterday, the Treasury Department of our Government issued many brochures on the subject. They painted a beautiful picture as to what would and could happen to ease the misery of a sick world if the Bretton Woods proposals were ratified, sanctioned, and subscribed to by the United States. Many of us believed that the effect would be as described in some of those brochures, from which I expect to read. Our great President, the late Franklin D. Roosevelt, sent us a message, which was printed under the auspices of the United States Treasury Department, under date of February 20, 1945. On the front page of the pamphlet there appears this excerpt, describing the proposals:

> One of the most sound and useful proposals for international collaboration.
>
> FRANKLIN D. ROOSEVELT.

That was the estimate of those two proposals as indicated by our great President. In no place in this message, or in any other brochure issued on the subject, either by the Treasury Department

or by the Federal Reserve System, was there anything indicative of the fact that we would be called upon to put up any more money than that which was provided for in the two proposals.

I quote a few paragraphs from the President's message, and I again ask that Senators interested check this message and the other brochures to verify that what I have said is what really happened. I quote the President of the United States:

In my Budget message of January 9 I called attention to the need for immediate action on the Bretton Woods proposals for an International Monetary Fund and an International Bank for Reconstruction and Development. It is my purpose in this message to indicate the importance of these international organizations in our plans for a peaceful and prosperous world.

That was the President speaking.

As we dedicate our total efforts to the task of winning this war we must never lose sight of the fact that victory is not only an end in itself but, in a huge sense, victory offers us the means of achieving the goal of lasting peace and a better way of life. Victory does not insure the achievement of these larger goals. It merely offers us the opportunity, the chance, to seek their attainment. Whether we will have the courage and vision to avail ourselves of this tremendous opportunity—purchased at so great a cost—is yet to be determined. On our shoulders rests the heavy responsibility for making this momentous decision. I have said before, and I repeat again: This generation has a rendezvous with destiny.

If we are to measure up to the task of peace with the same stature as we have measured up to the task of war, we must see that the institutions of peace rest firmly on the solid foundations of international political and economic cooperation. The cornerstone for international political cooperation is the Dumbarton Oaks proposal for a permanent United Nations. International political relations will be friendly and constructive, however, only if solutions are found to the difficult economic problems we face today. The cornerstone for international economic cooperation is the Bretton Woods proposal for an International Monetary Fund and an International Bank for Reconstruction and Development.

That was the President of the United States speaking. Those were his views on the plans which had been worked out by Great Britain, the United States, and 42 other sovereign nations. Speaking for myself, I am willing to go along with the Bretton Woods plan. Rather than to make a separate loan at this time, as is provided for in this agreement, I would much prefer that our Nation help to increase the capital stock of the fund and of the bank. Why do I say that? It is because I want every nation—the 44 nations who joined in this plan, as well as any others—to be treated on a similar basis under similar circumstances.

With the leadership that we have assumed, our country cannot afford at this time to side with any nation, no matter how large or how small it may be. If we expect to maintain leadership, let us go forward as a nation which will treat all others, irrespective of their size, on the same basis, so that we may be pointed to, and regarded as we have been in the last two wars in which we engaged, as a nation which is not looking for more territory, but as one trying to protect its own way of living, and at the same time willing to permit other nations to live in like manner.

Mr. President, most of the speeches made on this floor in the past three weeks have centered on the proposition that the culmination of this loan will mean more business, and that our export trade will prosper as it never has prospered before.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ELLENDER. Gladly.

Mr. LUCAS. May I inquire of the able Senator whether he expects to finish his speech this afternoon?

Mr. ELLENDER. Yes; and I wish to advise the distinguished Senator that I have been accused by some members of the press of trying to filibuster. I am not.

Mr. LUCAS. I deny that charge.

Mr. ELLENDER. I started day before yesterday, and in 4 hours' time I spoke for approximately 2 hours. I was interrupted to a considerable extent. I do not mind that. As a matter of fact, I invite it, because I believe that the issues involved in the topic under discussion are very grave, and I should like to have the American people know about them, so they will not be influenced on the basis of mere propaganda, as has been the case in many instances when legislation has been under consideration.

Mr. LUCAS. My only reason for inquiring is that it is my understanding that practically all Senators have made up their minds as to how they are going to vote on this question.

Mr. ELLENDER. I doubt that.

Mr. LUCAS. We have been debating it for about 3 weeks.

Mr. ELLENDER. The Senator may have made up his mind, but I know perhaps as many as a dozen other Senators who have not made up their minds. They are looking for facts and enlightenment, and I am trying to give these to them.

Mr. LUCAS. I am sure that the dozen Senators to whom the Senator refers are not in the Chamber.

Mr. ELLENDER. They may read the RECORD. I do not wish to take up the time of the Senate unduly——

Mr. LUCAS. I am not complaining. I made the inquiry only because I have an important engagement downtown, and I wondered if there was to be a vote this afternoon.

Mr. ELLENDER. I believe the Senator would be safe in leaving the Chamber.

Mr. LUCAS. I was sure I would get that reply from the able Senator.

Mr. ELLENDER. I do not mean only because of my speech. I understand that two or three other Senators may wish to speak this afternoon. Furthermore I understand it is the intention of the majority leader to take up the Hastie nomination. For all I know, there may be a few remarks in the matter of his confirmation.

Mr. LUCAS. I hope there will be more speed on the Hastie nomination than there has been on the British loan.

Mr. ELLENDER. Mr. President, the Senator from Illinois does not need to worry about that. I do not believe there will be much debate or discussion of that nomination. I think the committee reported the Hastie nomination with two opposing votes. My vote was one of these and the vote of the Senator from Mississippi [Mr. EASTLAND] was the other. But I can assure the Senator that if the Hastie nomination comes up, I shall not take more than 7 or perhaps 10 minutes on the nomination—and, by the way, I shall not mention Hastie's name.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BREWSTER. I did not know whether the Senator from Illinois was inclined to be "hasty" in this matter or not. [Laughter.]

Mr. LUCAS. We might make a little more speed with Hastie.

Mr. ELLENDER. Mr. President, as I was saying just before I was interrupted by the distinguished Senator from Illinois, the main reason advanced by the proponents of this measure is that it will, so they claim, expand our trade and bring about a cordial business relationship between our country and others. That was the same line of argument that was advanced when consideration was given to the Bretton Woods proposals. My authority for that statement is the President of the United States himself. Listen to what he said about the Bretton Woods proposals:

These proposals for an International Fund and International Bank are concrete evidence that the economic objectives of the United States agree with those of the United Nations. They illustrate our unity of purpose and interest in the economic field.

That is the President speaking, not the Senator from Louisiana. The President further said:

What we need and what they need correspond—expanded production, employment, exchange and consumption—in other words, more goods produced, more jobs, more trade, and a higher standard of living for us all.

I continue to read from the President's message on the Bretton Woods proposals:

To the people of the United States this means real peacetime employment for those who will be returning from the war and for those at home whose wartime work has ended. It also means orders and profits to our industries and fair prices to our farmers.

Those are the same arguments that today are being advanced as reasons why we should vote Great Britain a separate loan of $3,750,000,000. The arguments then are the same as now; there is no difference.

I read further from the President's message on the Bretton Woods proposals:

We shall need prosperous markets in the world to insure our own prosperity, and we shall need the goods the world can sell us. For all these purposes, as well as for a peace that will endure, we need the partnership of the United Nations.

The first problem in time which we must cope with is that of saving life, and getting resources and people back into production. In many of the liberated countries economic life has all but stopped. Transportation

systems are in ruins and therefore coal and raw materials cannot be brought to factories. Many factories themselves are shattered, power plants smashed, transmission systems broken, bridges blown up or bombed, ports clogged with sunken wrecks, and great rich areas of farm land inundated by the sea. People are tired and sick and hungry. But they are eager to go to work again, and to create again with their own hands and under their own leaders the necessary physical basis of their lives.

The President proceeded endlessly in stating to the American people and to the Congress the necessity for the adoption of the Bretton Woods proposals. The same eloquent arguments which were made by the President back in February 1945, asking that we consent and agree to subscribe to the Bretton Woods proposals, are being made today in favor of the British loan—perhaps not quite so eloquently, but with the same force. We are told that it is necessary that we loan this money if we are to have a peaceful world, one in which we can live harmonicusly and, with due regard to the rights of each other, to a just share of world trade.

Mr. President, I shall not read at length from another brochure. This one from which I now read was prepared by the United States Treasury. It is dated February 15, 1945. This brochure was sent into every nook and corner of the United States. It advocated the adoption of the Bretton Woods proposals as being one of the foremost methods, or perhaps the best solution for curing an economically sick world, which had been ravaged by war.

At the time there was quite a good deal of opposition to the adoption of the Bretton Woods proposals. The Treasury, as well as the Federal Reserve System and other agencies of government, propagandized the entire United States in an effort to make certain that the Bretton Woods proposals would be adopted. The arguments were well explained, they were well understood, and the same cry that we hear now—that unless we vote for the pending proposal, we shall have economic warfare which will lead to another war—was dinned in our ears. The same reasons are again advanced today; those which are made today are no different. The arguments which were made at the time when the Bretton Woods proposals were pending before us were just as eloquent as the arguments which now are being made in favor of adoption of the British loan—and I include the argument which was made yesterday and one which was made just a few minutes ago by two of our distinguished colleagues. We shall hear more of them before this measure is disposed of. We shall be told that if we do not vote for this loan its rejection will mean economic warfare which will lead to a shooting war. We shall hear that stated again and again.

But, Mr. President, I do not concede to such conclusions. I know what will happen if we strain our own Treasury too greatly. We may be put in the same condition in which the British now find themselves. I do not wish to have the economy of the United States dragged down on the same level as that of the British by Britain or any other country. I am sure that methods can be devised to take care of the situation. Why is it that the United States should be the one nation that other countries are looking toward and coming to, hat in hand, saying, "Let us have $100,000,000 or $500,000,000 or $3,000,000,000"? Mr. President, in a few minutes I shall show the condition of our own country with respect to our indebtedness.

I yield to the Senator from Colorado who, I see, is standing on his feet.

Mr. JOHNSON of Colorado. Mr. President, the Senator from Louisiana has said that he is afraid we might be placed in an embarrassing position with respect to our debts. We are now asked to make a loan to Great Britain of $3,750,000,000 because of claims which have been filed with her in relation to an indebtedness of approximately $14,000,000,000 on the part of the other countries in the sterling area. Because Great Britain cannot pay those debts and satisfy those claims, we are being asked to make her a huge loan. We ourselves now owe $275,000,000,000, and the time may come when we will not be able to pay our debts. At the present time Great Britain has blocked her debts to countries who have claims against her. She refuses to give them goods, and she refuses to make payments to them. Suppose that at some time in the future we should become embarrassed, and that demands were made upon us to pay at least a part of the $275,000,000,000 which we owe? Where could we go for the money to pay off the debt?

Mr. ELLENDER. Great Britain is in a better position now to protect herself than we are. She can hold off her creditors. Of course, we might be able to do that with respect to our own debt. The difference between the two situations is that most of the debts owed by our Government are internal debts. But, Mr. President, in line with what the Senator from Colorado has said, servicing our debt will require in excess of $6,000,000,000 a year. That is more money, by far, than our Government spent during any year before 1933 when the depression set in. Our returning soldiers must be taken care of. To do that will cost no less than $5,000,000,000 or $6,000,000,000, to start with. The expense may taper down within a few years, but it is a problem with which we are confronted. We must maintain a sizable Navy, Army, and Air Force. I have taken the position on the floor of the Senate, and elsewhere, that, for its own protection, as well as that of the remainder of the world, and to assure the continuation of peace in the world, our country is duty bound to maintain a fairly large Army, and a sizable Navy and Air Force. I believe it to be incumbent upon us to maintain such facilities until we are certain that the United Nations is in position to do the job of maintaining peace throughout the world. The world demands the leadership of the United States of America. Our Nation must be strong, financially, if we are to go forward. If we are to subscribe $10,000,000,000 to the funds which we have already provided, I do not know what will be the result. The Bretton Woods proposal will cost us $6,000,000,000, the Export-Import Bank has cost us three and a half billion, and I understand that we will later be confronted with a request for another billion and a half dollars. UNRRA will later return and ask for an appropriation of more funds. I shall be glad to vote for such funds. I am glad to do anything which will help relieve the condition of starving people throughout the world.

But, Mr. President, there is a limit beyond which we cannot go. Our obligations at the present time are great, and I think it is to the advantage of our country, and to the world as well, that we remain economically and industrially strong. We have no selfish motives as has been the case with many other nations. We are a peace-loving people and I believe that we command the respect of all nations. If ever we lose our leadership, God pity the world as a whole, not merely the United States.

Mr. President, I am now about to read some data in connection with the International Monetary Fund to further emphasize my contention. It is one of the two Bretton Woods proposals, and in my opinion is the more important of the two. As I indicated a while ago, I would cheerfully vote for more funds to be used to increase the assets of the International Monetary Fund, because through it we shall be able to treat all nations on the same level. I believe it to be essential that we try to stabilize world currencies under the International Monetary Fund plan. We may encounter some difficulties, but it is worth trying at almost any risk.

Mr. President, what does the fund do? I will read what the Treasury Department has said it would accomplish: The statement which I am about to read was made in order to convince the American people, and the Members of this body in particular, as to what the International Monetary Fund would do, and in expanding the trade of the world, the effect it would have not only on the United States but on all other countries as well.

I read:

> The fundamental purpose of the International Monetary Fund is to promote the balanced growth of international trade. It will do this in three ways. First, it will stabilize the value of all currencies in terms of each other. Second, it will progressively remove barriers against making payments across boundary lines. Third, it will provide a supplementary source of foreign exchange to which a member country may apply for the assistance necessary to enable it to maintain stable and unrestricted exchange relationships with other members.

Mr. President, who are those other members? They are forty-three of the leadings nations of the world, including Britain who participated in the drafting and preparation of the two proposals.

I continue reading:

> During much of the period since the World War I, unstable exchange rates have seriously interfered with trade and settlement of international balances. People who buy or sell abroad need to know today what their

money will be worth tomorrow, and a year hence, in terms of their own currency.

Restrictions on payments, which have in the past been among the most serious obstacles in the way of international trade, take a number of forms. In some countries importers are permitted to purchase the dollars or pounds required to buy goods in the United States or England. In other countries, of which Germany before the war was an example, foreign trade was disrupted by the use of the so-called multiple currencies. Germany also relied heavily on barter arrangements—"we will accept your coffee if you will accept our machine tools in payment". Barter is at the opposite end of the scale from freedom in international trade.

During the war, many new restrictions have been devised and employed for reasons of military necessity. Unless uniform standards can now be developed and generally adopted, the entire jungle of controls may be extended and intensified in the postwar period. We in the United States believe that the greatest possible freedom should be given to our businessmen engaged in international trade. But, we note that this freedom will be meaningless unless other countries accord an equal measure of freedom to their businessmen.

Exchange rates must be stable. The Fund proposal provides for stabilizing the value of world currencies. This is a subject that concerns every trading nation, and the United States more than most. When an American sells abroad he wants to be assured that the buyer's currency will have a constant value in terms of dollars. The reason is obvious.

If, for example, he receives payment in Mexican pesos, the rate of exchange will determine the number of dollars he finally receives for his sale in Mexico. Even though the terms of the sale call for payment in dollars, which is not unlikely, the exporter will still be concerned with the stability of the peso, since the fluctuation in the dollar-peso exchange rate will alter the cost to the Mexican buyer.

Specially, any depreciation of Mexican currency raises the peso cost possibly to the point where the Mexican can no longer afford to purchase.

An American exporter, oddly enough, may be equally concerned with currency stability in other countries: Holland, for example, in which he neither sells nor expects to sell. This interest arises from the fact that producers in Holland compete for the same Mexican market, and depreciation of the guilder would give the exporter in that country an edge over the American who, on the basis of efficiency in production and quality of product, might be able to hold his own in any market.

Under the Fund proposal, no member may resort to exchange depreciation simply to gain competitive advantage in world markets. The proposal recognizes, however, that under certain conditions it may be necessary to change the value of the currency. For example, prices in a given country may remain relatively high while world prices generally decline.

If so, the country's exports will drop off and its imports, over the short run, will tend to increase. This situation may be corrected by a downward adjustment of the exchange rate which, however, under the Fund proposal will have to be requested by the country in question and approved by other members of the world trading community.

Mr. President, in this brochure there are further arguments similar to those which have been advanced, which remind me, I may say to the Senator from New Jersey [Mr. HAWKES], who sits before me, of the many arguments which have been made in the last 3 weeks. They are the same, except a little more eloquently made, depending on which Senator made the speech.

So much for the Fund. The second proposal deals with the International Bank, with a capital of $9,100,000,000, of which amount we have agreed to subscribe $3,175,000,000. That is a subscription. I do not know that it will ever be paid back, and I do not much care, so long as it will serve the purpose indicated in the brochure from which I am reading. That is what I am interested in, and that was in my mind when I voted for the Bretton Woods proposals. The RECORD will show I made a few remarks in respect to the proposals when they came before the Senate for debate. I felt that if 44 nations would pool some of their assets with a view of stabilizing their currencies in relation to each other, it would be a good thing. Therefore I voted for the agreements. But today, along with several other distinguished Senators who have so expressed themselves, I do not know what the next step will be.

I do not want the United States to be in the position of saying "Yes" to one of our valiant allies and "No" to another, when application for a loan is made. That would not do us good as leaders in the world.

Now to revert to the International Bank. What are its purposes? The subscription is to be $9,100,000,000, of which amount we agreed to subscribe $3,175,000,000. As to the purpose, I read:

The International Bank for Reconstruction and Development, like the International Monetary Fund, recognizes the need for world-wide cooperation in monetary and financial matters. Both aim at the balanced growth of trade as a means of achieving high levels of employment and rising standards of living.

Mr. President, those are eloquent words, and I have been hearing them here for 3 weeks in connection with the British loan, the same words, the same arguments, everything else the same.

Each, however, will have its own separate function. The fund will be concerned with orderly, stable exchange rates and freedom in exchange transactions. The Bank will be concerned with long range productive international investment.

The Bank, therefore, will fill important needs in the postwar economies of all the 44 countries that assisted in preparing the Bretton Woods proposals.

Factories, dams, power plants, transportation systems, and public buildings in the countries ravaged by war, have been shelled, bombed, and pillaged. Foreign capital will be needed to help replace this wealth. While it is fully recognized that a major portion of the reconstruction burden must be borne by the affected countries themselves, yet for many "seed corn" items of capital equipment they must look to their more fortunate neighbors.

There are also the long standing needs of undeveloped areas inhabited by more than half of the world's population—particularly the Far East and some of the Latin American Republics. To uncover and develop these resources, to make possible their full scale participation in maintaining healthy economic and political conditions the world over, will require extensive investment of foreign capital.

A few countries will emerge from the war with heavy industries that can produce capital equipment for export. Since exports in substantial volume will depend on the revival of international investment, these countries have a vital interest in any plan that will place international investment on a high plane, supported by new standards and safeguards. Among the countries in this group, the United States ranks first in importance.

American investors took chances after the last war, and in the late 1920's and 1930's got caught in an epidemic of defaults. Although some would continue to purchase foreign securities offered in our markets, even without the Bank, many investors remember only too well what happened before. They realize that an investor should know something about the credit standing of the ultimate borrower; that a loan is much more likely to be repaid if it is employed for productive purposes; and that the lender should have means of checking up on the way in which his money is being used. Without these safeguards, foreign investment is a highly speculative business.

While the United States is concerned with the reconstruction and development of other countries for their sake, our principal interest in bringing about an expanded volume of American investment abroad arises out of concern for our own welfare. After the war, our economic policy will be aimed at full employment and full utilization of a greatly enlarged industrial plant. These objectives, however, cannot be realized unless we find new outlets for products of farm and factory—outlets that will be steady and profitable after war demands have dropped off.

Mr. President, that picture was painted while the war was still on. We were planning for the future, and we were told at the time that unless we adopted these proposals employment would be affected. I repeat, those are the same arguments which are now being advanced in order to aid 1 out of the 44 nations which signed the Bretton Woods proposals.

Mr. President, it is ridiculous for us even to think of lending money under conditions stipulated in these agreements.

I shall not read all of this brochure, but I should like to read one more paragraph, as to how the lending operations are treated, and again to show that at least 43 nations that aided in drafting these proposals expected to obtain assistance through these two proposals, and in no other way. That was the impression of every Member of the Senate when Bretton Woods was considered. I have yet to find one Senator who denies that.

I read further:

Direct loans made by the bank will be of two kinds. Of greater significance will be loans in which the Bank serves as intermediary between borrowers and lenders. The bank may sell its own securities in the market of a member country, and in turn lend directly to the ultimate borrower. By this device the bank will be able to consolidate numerous demands for small amounts of capital and to appeal to certain investors who might prefer to invest in securities issued by the bank itself. The obligations thus incurred will be secured 100 percent, as will be the guaranteed loans, by the bank's reserves and unimpaired capital.

The other form of direct loans will be made out of capital assets. The total volume of such loans, however, will be limited to 20 percent—and is likely to be 10 percent—of the bank's subscribed capital. The standards for direct loans are the same as those for guaranteed loans. The projects

to be financed must be productive; they must be endorsed by a member government; and the bank will have to be convinced that private capital is not available on reasonable terms, even with its guarantee.

All loans and guaranties must have the consent of the country whose currency is involved. That is, both direct dollar loans made by the bank and guaranteed loans floated in this country must have the approval of the United States Government.

Direct and guaranteed loans will for the most part be additional loans, over and above the private loans that would ordinarily be made, and will serve directly to increase the volume of international trade.

I have read these paragraphs to show that our Government made attempts to protect any loans which were to be made from this fund. Let me reread a sentence:

All loans and guaranties must have the consent of the country whose currency is involved, that is both direct dollar loans made by the bank and guaranteed loans floated in this country must have the approval of the United States Government.

In other words, under that language, our Government must approve the loans. Our Government must be in a position to say to those who will purchase the securities, that they are sound and safe investments. But what have we here in respect to the proposed three and three-fourths billion dollar loan? What sort of guaranties do we have? There are none. There is not a single word in the agreement guaranteeing that the loan will be repaid, except the mere promise that it will be done. It is purely and simply an I O U.

Mr. President, aside from the two agencies created under the Bretton Woods proposals, our country sought on its own behalf to help an economically sick world. In addition to subscribing $6,000,000,000 to the fund and the bank, the Congress increased the capital stock of the Export-Import Bank to three and one-half billion dollars. We expect to further increase it by a billion and one-quarter dollars. Speaking for myself, I would vote to increase the capital stock of the Export-Import Bank a few more billion dollars if it would help to bring about economic stability in many of the countries of the world which are now in need of financial aid. But I should like a method developed under which all nations would be treated alike, rather than coddling one and cuffing the other. If ever we begin to follow the latter course, we will, by doing so, I predict, impair and weaken our leadership as a world power. To my mind there can be no question about that.

Mr. President, a third method was advanced by the late President Roosevelt which I supported wholeheartedly. That was the Trade Agreements Act. I shall not take the time of the Senate to discuss the Trade Agreements Act, but Congress adopted it, and it has been extended time and again by the Congress. I know that the Trade Agreements Act has done much good in the way of expanding the trade of this Nation. It harmed some industries, it is true, but all in all it did much good. I voted for extension of the act, and if the question again arises I expect to vote for its further extension.

Mr. President, I have discussed the plans which have been worked out by our administration in cooperation with other governments. I want to see that steps are taken so that those plans can operate successfully and accomplish what their authors said they would perform. I do not want to veer away from them. I want to give the plans an opportunity to be made effective. If it is necessary to modify the plans in order that they may operate successfully I am willing to support any legislation in that direction.

With respect to the plan which was so highly advertised, that is the creation of the Export-Import Bank, let us improve its functioning so it may do the things it was intended to accomplish. I am satisfied our country would be better off in every respect if we were to undertake to make loans through the bank rather than to grant one nation special privileges which we must later refuse to others.

Mr. President, I have received much mail, mostly from outside my own State, telling me that Great Britain has made a tremendous sacrifice in contrast to other nations, including our own; that Great Britain was the savior of the world; that while we in this country were preparing, Great Britain was operating her factories to the limit with one arm and keeping the Germans away from her shores with the other. I would be the last person on earth to say that Great Britain did not put forth her whole strength in helping to win the war, or to in anywise minimize her efforts. But when I am told that because of the huge sacrifices Great Britain has made in saving us this loan should be made, I draw the line. Let us see if she has done more than we have.

Mr. President, let me make a comparison between the losses suffered by our Nation by way of casualties, as an example, in contrast to those of the British Empire. The total American casualties as of June 30, 1945, are as follows: killed, 248,161; missing, 47,222; wounded, 649,430; war prisoners, 116,223; total, 1,058,036.

It must be remembered that we did not participate in the war actively until quite late in 1942. The British had been in the war from September of 1939 until the war ended. In contrast to the casualties I have just enumerated for the United States, I will give the total casualties for the British Empire for the entire period of the war, and the casualties include those of the British Isles, Canada, Australia, New Zealand, South Africa, India, in fact all the Dominions and colonies, as well as the civilians killed in Great Britain.

Total killed, 336,772. That means all soldiers and sailors, as well as civilians, killed in Great Britain, and in the Dominions and colonies, on the battlefields, on the seas, and civilians killed by bombs. The total number of deaths for the whole of the British Empire was 336,772, in contrast to our total killed of 248,161. Missing, 98,113; wounded, 468,388; war prisoners, 330,523, contrasted with our 116,223. Total, 1,233,796, in contrast to our total of 1,058,036.

Let us contrast the casualties in Europe and the Mediterranean area as of June 30, 1945, just after the close of the European war. The United States Army casualties were as follows:

Killed, 154,218, in contrast to a figure of 92,079 for the British, the Australians, and the few Canadians who were on the European battlefield. Missing, 20,141 for the United States, compared with 51,289 for Great Britain and the other countries which I have mentioned. Wounded, 476,092 for the United States, and 170,335 for the British. War prisoners, 96,356 for the United States and 178,343 for the British. Totals, 746,807 for the United States, and 492,046 for the British.

Let us view the comparisons of United States and British casualties on the European continent from D-day until VE-day and compare the forces engaged. During the period from D-day until victory, the United States forces suffered 89,447 killed, as compared with 39,599 for the British, Canadians, and Australians. Wounded: United States, 367,180, as compared with 126,545 for the British, Canadians, and Australians. War prisoners, 57,877 for the United States, and 18,368 for the British. Totals: United States, 514,534; British, 184,512.

Let us compare the Allied ground strength at the end of the war. The United States had five armies on the western battlefield of Europe. Britain had one, and Canada one. The United States had 16 corps, Britain 4, and Canada 2. The United States had 42 infantry divisions, Britain had 8, and Canada 3. The United States had 15 armored divisions, Britain 4, and Canada 2. The United States had 3 airborne divisions, Britain 2, and Canada 0.

So, Mr. President, when we compare the casualties, we see that our suffering was much greater than that of the British.

Take the question of property damage. There is no doubt that the British have lost heavily through bombing of their factories, their homes, and in many other ways. A commission was appointed to make an inventory of the actual losses of the British. It was estimated that the losses were between $3,000,000,000 and $4,000,000,000. I shall not undertake to estimate what our property losses were. While in factories and homes, and things of that character, our losses were inconsequential, yet we lost more heavily than did the British in resources that cannot be replaced. Homes can be rebuilt; factories can be reestablished; brick, mortar, and other materials which enter into the construction of a house or factory can be manufactured; but there is no way to replace the tremendous tonnage of oil, iron ore, copper, zinc, magnesium, and resources of that kind. Those resources are God-given. They cannot be replaced. Everyone knows that during this war they were dissipated without stint. At one time we supplied from our own resources 85 percent of the liquid fuel which was needed to make mechanized war possible. I tried to obtain an estimate of the amount and of the cost of such resources, but I have not been able to obtain it. However, I am sure that it would exceed by many, many times the value of property which has been lost by the British.

I sympathize with the British. But if the truth were known, our losses of goods and materials which are irreplaceable are many, many times greater than those of Great Britain or almost any other nation which was engaged in the war.

I am sure it will be remembered that before our Nation went into the war Mr. Churchill made numerous speeches. I quote a few lines from a speech to the House of Commons at the opening of a new session, November 21, 1940:

> We do not require in 1941 large armies from overseas. What we do require are weapons, ships, and airplanes.

On another occasion, in 1941, he said:

> We shall not fail or falter. We shall not weaken or tire. Neither the sudden shock of battle or the long-drawn trials of vigilance and exertion will wear us down. Give us the tools and we will finish the job.

I shall never forget his speech at the fall of Singapore, when he lamented to the British people and to the world the fall of Singapore. But oh, what a great victory he had accomplished by helping to get the United States on the same side with the British. At that time the British, through their statesmen, said, "All we need is materials. We have the men." But it was not long before we were called upon to send the flower of our manhood, too. As I indicated a few moments ago, we had five armies on the western front to their one.

Mr. President, I am not stating these facts in derogation of the British or to prove that they did not do their duty, but merely to offset some of the propaganda which has been circulating throughout our country, to the effect that the British won the war and saved the United States, and therefore we ought to vote for the loan and thereby bail them out of their financial trouble.

Mr. President, the line of argument which the British advanced back in 1941, was, "Give us the tools. Give us the material and we will do the rest." They are now coming to us, I repeat, and asking us to bail them out from an economic stalemate of their own making. I, for one, will not vote one dollar to perpetuate such a situation as that. I want America to use the instrument of procedure of which I was speaking a while ago in an effort to render aid.

Mr. President, that the British made great sacrifices no one will deny; but let us for a moment take a brief view of what we did in aiding Great Britain by means of lend-lease. I voted for lend-lease and supported it ardently on the floor of the Senate. Back in March 1941, when lend-lease came up for discussion, I made a speech in which I attempted to give our great President a little advice as to how I thought lend-lease should be handled. I stated to the President, in that speech, that our country contained about 6½ percent of the land of the world, as compared to the 28 to 30 percent of all the land in the world which is possessed by Britain. I attempted to show that the natural resources possessed by the British, irreplaceable God-given natural resources were 3½ to 4 times more than those which our own country possessed, and at that time I begged of the President to make every effort to get back for our country some of the natural resources from the other countries, to take the place of those which we were dissipating to such a great extent.

Consider the Mesaba Range, in northern Minnesota. I am told that at the rate at which iron ore was being extracted from those mines to foster the recent war, they would be depleted in from 11 to 15 years. When those deposits are exhausted, we shall have to use iron ore containing much more rock and other undesirable ingredients, which are rather difficult to extract, with the result that the cost of producing steel in the United States will necessarily be increased. I also mentioned the copper and the oil situation. But nothing was done about that.

Mr. President, when we obtained bauxite from British Guiana, South America, in order to make aluminum with which to make planes to send to Brtain and other nations, we had to buy it and pay cash on the barrelhead for it. If we desired to obtain British-controlled oil from northern South America, or Asia, we again had to pay cash for it on the barrelhead. The British had in the United States two shipbuilding plants which were built in 1939. We desired to obtain possession of those two plants, which were built with British capital. Did Britain transfer those two plants to us on account of what she owed us? Oh, no, Mr. President. We had to put up fourteen or fifteen million dollars in cash in order to be able to obtain possession of those plants. Then they talk about the sacrifices, material and otherwise, which were made by Britain, as compared or contrasted with those which we in the United States made. I almost overlooked it. The British charged tolls for using the Suez Canal, which she controls, so that we could transport troops, ammunition, and other supplies so as to reconquer some of her possessions in southern Asia.

Mr. President, according to the last report on lend-lease—and please remember that the money spent under lend-lease was spent by the United States Government in aid of our allies—the total amount was $46,040,054,000. Think of that!

Of that amount, Great Britain got almost 70 percent; the figures show that of that total, she received $30,269,210,000. In reverse lend-lease we received four-billion-and-some-odd-million dollars' worth, which was mainly in the nature of services, such as the cost of transportation of our soldiers across the seas, to and from this country, and some supplies such as fresh vegetables, some clothing and housing.

I cite these things merely to indicate the sacrifices which we have made, in contrast with those which the British have made, and in order more or less to show up some of the propagandists who are writing to me and also other Senators, stating that we should be ashamed of ourselves for opposing the British loan, because of the great sacrifices which the British Nation made in order to win the war and save America. Mr. President, I know of no nation, except possibly Russia, which lost more men than we lost in the war, and so far as the great, God-given natural resources are concerned—resources which never can be replaced—we lost more than our share. If it ever happens that this country has the misfortune of again becoming engaged in a world war, God pity America.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Louisiana yield to the Senator from Colorado?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. In discussing the lend-lease which the United Kingdom obtained from the United States, it should be remembered that not all of it was composed of weapons of war. It consisted of every kind of merchandise, from a darning needle to a locomotive. In many instances the civilian goods which were given to Great Britain under lend-lease were sold by Britain to her own people, and the money which she received from the sale of those civilian goods—goods which were given Britain under lend-lease by the United States—was put into the British Treasury, and thus was saved her taxpayers. I do not know what the figures are, but a very large percentage of lend-lease which went to Britain was composed of civilian goods which were used by Britain in that way.

Mr. ELLENDER. Mr. President, the statement which the distinguished Senator from Colorado has made brings to my mind a letter which I placed in the RECORD some time in 1942, as I recall, when we were asked to provide more funds for lend-lease. In that letter I was told by Mr. Stettinius, who then was the administrator of lend-lease, that to a considerable extent goods which were sent across the sea to Great Britain were used to sustain the civilian population of Britain. None of us objected to that. But how were the goods handled? Mr. President, when food was sent to Great Britain, after it was delivered at the docks, a division of the British Government took control of it, and it was then sold by the British Government to wholesale establishments in Great Britain. Those wholesale establishments in turn sold the goods to retail establishments in Great Britain. The retail establishments in turn sold the goods to the civilians of Great Britain—and sold them at a profit. What did we get from it? We got merely an I O U. An entry was made on the books that the United States Government had that day shipped several cargoes of beef, cheese, bread, and so forth to Britain. If the shipments amounted to $2,000,000 or $3,000,000 worth, we were given credit for it on the books in Great Britain; that is to say, they acknowledged that they owed that much to us. After that, as I have said, the goods found their way through the regular wholesale and retail channels to British civilians. Upon those goods profits were realized by the wholesale and retail merchants who disposed of them. Ad valorem taxes were paid on the goods, and income taxes assessed on the profits made from the sales

were paid into the Treasury of Great Britain.

Mr. President, what did we finally receive three or four months ago in repayment of the thirty billions we advanced less than four billion in reverse lend-lease? A cancellation of the whole transaction. We gave to the British, I repeat, $30,000,000,000 in lend-lease, and in the form of services we received $4,000,000,000. I do not have the amount before me, but I know that quite a quantity of vegetables were produced and sold to some of our soldiers while they were stationed in Great Britain, and that electric power was furnished to the camps there. In addition to what we sent through lend-lease, we spent millions of dollars in the Pacific on possessions of Great Britain, Australia, and others. We spent millions of dollars in the British Isles. For all I know, it has reverted to them. Yet, Mr. President, some would say that we did not make sacrifices during the war. Such propaganda does not make me flinch at all. It is pure, unadulterated propaganda. If we were to consider all of the surplus goods which we left in the British Isles when the war ended, as well as the goods which were in the pipeline that is on the way, we would find out that they aggregate in value between $6,000,000,000 and $7,000,000,000. Did we receive any of it back? I should say not. Those goods were sold to the British on their I O U's. Between $6,000,000,000 and $7,000,000,000 worth of goods, which were paid for here and sent to the British shores, were settled for by Britain giving to us her I O U's in the amount of about $640,000,000. And what about cash? Did we receive any? No. Only a promise and if and when we are paid, we must expend that cash on British soil. We cannot get it from Great Britain and spend it in the United States in helping some of our needy soldiers. We may not use the money to build homes for soldiers. Oh, no. We must spend the cash, when we get it, in the British colonies. Yet, it has been said that we have not made sacrifices. In further expressing myself on that point, I shall refrain from using the language which comes to my mind.

Mr. President, there is another phase of the issue which I should like to discuss for a few minutes. I refer to our ability to keep on dipping down into our Treasuray in aid of Great Britain and other nations. There is a limit beyond which no nation can go. I contend that we have made sacrifices undreamed of. During the war our people went all out. I should like to have any Senator—there are two or three on the floor at the present time—tell me what is the yardstick by which a country is to be judged in its ability to loan money to another country. What is it, Mr. President? Is it the size of the country's population? That cannot be, because, of the population of the entire world, we have about 5½ percent. I believe that the British Empire has four or five times as much. Is it the extent of the land owned, occupied, or controlled by a nation? It cannot be that, because in this country we own only approximately 6 percent of all the land in the world, and the British Empire owns about 30 percent. Is it the country's debts? I believe it is, because the record shows that we in the United States today owe $278,000,000,000. Mr. President, how much do you think the British Empire owes? They control 30 percent of the area of the world. They have at least four and perhaps five times more natural resources than has the United States. Their entire debt is only $133,000,000,000. That includes the debt of England, Scotland, North Ireland, Wales, Australia, New Zealand, Canada, and all the other British commonwealths and colonies. In other words, our Nation today owes $145,000,000,000 more than does the British Empire. Yet, we are being asked to lend Britain more money. Why, Senators, today we owe $68,000,000,000 more than the combined debt of all our allies. I include the British Empire, Russia, China, and all the other of our allies. Of course, Japan, Germany, and Italy are excluded from the calculation. We owe $68,000,000,000 more than is owed by all of them together.

Mr. President, I will go a step further and say that, because of the conditions which now exist in Germany, in Japan, and in Italy, I am satisfied that there could not be issued valid securities with a value equal to $68,000,000,000—that being what we owe in excess of what is due by all the Allied Nations combined. For that reason I conclude that today our Government owes as much money as is owed by the remainder of the nations together, yet the hat is being passed around every now and then for us to help this country or that country which may be much better off financially than are we.

Mr. President, it looks as though our great country, for which we fought so hard in order to preserve it, is to be penalized because it is progressive and because it is made up of people who are progressive and who have a burning desire to go forward. I want to see our country preserved. I do not want it to be destroyed. I do not want our economy to be pulled down by the British Empire or by any other nation. We must preserve our economy, and I know of no better way to accomplish that than by remaining strong—financially and in every other way.

Mr. President, whenever the hat is passed around for the purpose of receiving aid in a world cause, such as UNRRA and other worthy causes, we contribute in proportion not to our debt at all. I do not know how it is figured out, but of the entire fund which was spent for UNRRA in order to help starving people all over the world, we contributed 70 percent. I do not mind that. So far as I am concerned, I would vote for more funds in order to help unfortunate peoples throughout the world. But in bailing out countries and aiding them there is a limit beyond which we cannot go, and I am pleading with the Members of the Senate to give consideration to the proposed loan in the light of the effect it will have on our economy.

Mr. President, the British have brought about, through their own machinations, the conditions which now confront them. They have had similar methods of doing business, either one way or the other, ever since William the Conqueror took the British Isles in the year 1066. They have always been able to obtain possession of land in one place, control in another, and then get other nations to help them to maintain their control and what they have had. I am not going to vote a red sou to enable Britain to perpetuate methods of that kind, which are inimical not only to the United States, but to the world as a whole. It is time to break the log jam.

As I said here day before yesterday, economic wars usually lead to shooting wars. Let us consider Bretton Woods, which I discussed a while ago, the plans which were developed by 44 nations, and which our great President said would cure the evils which followed in the wake of a cruel war. Let us use those instrumentalities and methods by which and through which we can reestablish the economy of most of the nations of the world. Let America be in a position to look Russia in the eye, to look China in the eye, as well as all the other nations, and say, "You have all been treated alike."

Taking that attitude, and doing things in that way, we can maintain, we can improve, world leadership. Today the nations of the world are looking to America for leadership, and let us not give way in our attempt at leadership by trying to help one nation over another, or a few nations as against others. There is nothing that will more quickly destroy the effect of the United Nations than for the United States to show preference in helping one nation over another. We cannot afford to do such a thing as that.

Today the Russians have little or no confidence in the British. Why that is, I hesitate to say. Perhaps I could guess. If we should attempt to help the British in preference to the Russians, I am sure that whatever enmity may now exist between us and Russia would be greatly increased. The breach between us and Russia is not great now, but it can be widened considerably if we make attempts to side with Great Britain, or, in fact, any other nation. If we aided Great Britain to the exclusion of other nations, as is now being sought, the Russians would think we were doing it from ulterior motives, and that would have a tendency to widen the little breach which now exists between us.

I want the United Nations to function, to operate in an orderly manner, and the nation which will make it go forward will be the United States of America. Let us not take any steps now or hereafter which will in any wise take away from us our place of leadership. We can lose it overnight if we show preference for one nation over another—forming a bloc here and a bloc there. Others would do likewise, and in that situation the United Nations would not be able to function. The organization would simply die, just as the League of Nations died last month. I do not want that to happen. I voted for the United Nations, and I want to see it prosper. I want the organization to serve as the instrumentality through

which and by which all nations shall attain permanent peace.

Mr. President, I do not want to stand in the way of helping Britain if she needs help as it is said she does. I am willing to increase the capital stock of the Export-Import Bank at any time so as to afford more money with which to lend to Britain and other nations. I am willing to increase our share of funds in the International Monetary Fund and the International Bank provided for in the Bretton Woods agreements. I want every nation in the world that needs help, or is entitled to help, under the proposals, to be treated the same as other nations are in obtaining it. I do not want to give to one nation a chance to borrow money for its rehabilitation through one method and then make a different contract in the case of a preferred nation.

Another suggestion is that we grant loans to Great Britain on good security as we might wish to do for any other nation. I would have no objection to that.

I understand that during the war Great Britain borrowed about a billion dollars or more on securities of corporations which were organized and doing business in the United States. Of that billion or billion and a quarter dollars there is still a balance due of $200,000,000. The stocks referred to are very productive in the way of returns. They pay handsome dividends, and as Mr. Jesse Jones pointed out in the editorial which appeared in the Houston Chronicle, and already made part of the RECORD, Great Britain has in this country today assets aggregating $3,000,000,000. I would be willing to take some of those assets as security, and I would be willing to wager that some of our banks in the United States would cheerfully lend a few hundred million dollars on some of the General Motors stock owned by Great Britain, and on the stock of some of our other leading corporations throughout the United States.

Aside from the $3,000,000,000 of assets which the British have in the United States, Mr. Jones said "It has been estimated that the assets of the British in other countries than ours total $8,000,000,000." Why cannot some of that be used in order to safeguard and secure these loans?

Mr. President, we could spend, and I would advocate the spending of, as much as $2,000,000,000 for the purpose of purchasing strategic materials for this country. We need rubber. We need tin. We do not have natural rubber, nor do we have tin. We are dependent upon those resources which are in British and Dutch possessions. We need more oil. We have much of it, but I should like this country to buy more and store it. We could buy from the British, and give the British dollars for from $1,000,000,000 to $1,500,000,000 worth of strategic materials. In other words, the British could use their currency with which to buy it, and when the British sold it to us we would pay in dollars. That would solve much of Great Britain's problem. But, no. She has been so used to getting something for nothing from us that she will not try that method or any other method.

My challenge is this: Before we do what is now proposed to be done in the way of a loan, let Great Braitain sell us strategic materials, and we will help her in that manner. I believe we could sell much material to her on credit, and I would be willing to advance some of the raw products in this country to the British in order to help her. But, Mr. President, I am unwilling to go the route that has been proposed by way of a loan.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. I wanted to be sure I understood the Senator's argument. He said Britain could pay for goods bought by her for sale to us, with her silver. Does the Senator mean that she could pay it out of the assets of the silver area?

Mr. ELLENDER. Oh, no.

Mr. JOHNSON of Colorado. The Senator did not mean that it be done with silver metal, did he?

Mr. ELLENDER. I am sure the British have in their possession sufficient liquid assets in the nature of their own currency to buy one-half million tons of rubber in the Malay Peninsula, let us say, pay for it with her own currency and sell it to us for dollars.

Mr. JOHNSON of Colorado. The Senator meant that she could pay for it with sterling?

Mr. ELLENDER. Yes; her own currency.

Mr. JOHNSON of Colorado. The Senator used the word "silver." The Senator meant "sterling."

Mr. ELLENDER. Yes; that is what I had in mind.

Mr. JOHNSON of Colorado. That makes it perfectly clear.

Mr. ELLENDER. Mr. President, I would make another suggestion. Great Britain had better realize now, before it is too late, that she cannot expect to maintain her economy whole. That is out of the picture. Great Britain at one time was the greatest manufacturing nation in the world. The only natural resources she had on the islands were considerable coal and some iron. She was able to import raw products from all parts of the world and in return sell the finished products to the countries from which she imported the raw products. In many instances, in the early days, she used the "big stick" on her colonies and forced them to give raw materials to her in return for her finished products.

But those days are over, as I stated yesterday and the day before. The British Commonwealths have broken the apron strings, as it were. They are out for themselves. They are more independent. They are fast developing industrially, and as a consequence the commonwealths have taken much of British trade away from her. Canada developed industrially immeasurably during the last war, and she is going to be one of the chief competitors of Great Britain in South America. As a result of their industrial development during the war, New Zealand and Australia will also be competitors of Great Britain on the other side of the world, in the Pacific, Java, Sumatra, Borneo, and many of the Pacific islands. So the British today are not in the position in which they were in times past. Great Britain cannot say to a colony, "Just a minute. We do not want you to establish manufactories within your bounds. We are going to do all the manufacturing in England. What we want from you is your raw products and we will sell back to you finished goods." She cannot say that any more. Her shipping is greatly reduced. Her investments have not been totally depleted, but they have been reduced very much during the war.

So my advice to the British is that, before it is too late, the British Isles themselves in some measure should be depopulated. Let her move some of her industry and her people from the British Isles. There should be a plan worked out whereby a part of the population of Great Britain could be shifted from the British Isles to Canada, Australia, New Zealand, and South Africa. Furthermore, the industrial development of Great Britain should be curtailed. Many of her industrial plants should be moved closer to the raw products. In that way I believe she can survive. But my contention is that she cannot expect to survive as a great manufacturing nation, in view of the fact that she is obliged to import the major part of her food and the major part of the raw products she uses.

Mr. President, we have a great task before us in the wake of this cruel war. We have lost many fine boys and girls. Many have come back without arms, without eyes, without legs. Many have come back to find themselves homeless. It is up to us to rehabilitate them. In this country one-third of our people are living in shabby homes. A large percentage of our population cannot obtain proper medical care. The States in many instances are unable to furnish such assistance. We have the problem of giving more and better education to the children of our Nation. The South, which produces more children per family than are born in other parts of the the country, is poor. Let us consider South Carolina, for instance, a great State. The Senator now presiding over the Senate [Mr. JOHNSTON] comes from the State of South Carolina. In that State the ratio of adults to children is as follows: For 1,000 persons of age from 20 to 65 there are 765 of age from 5 to 17. What do Senators think the ratio is in New York? The ratio of adults to children of the same ages as those I gave previously, is 1,000 to 410. In New Jersey it is 1,000 to 365. In California it is 1,000 to 260.

Something must be done by our Government in order to give proper education to the children in the poor States, because the children from the poor States when they mature become the citizens of the Northern States, where people are not so prolific in having children as we are in the South.

It is essential that something be done by the Federal Government. Many bills on this subject have been proposed dur-

ing my incumbency in the Senate. This was one of the first problems which I attacked in 1937 when I came to this body. But so far we have not been able to do very much. I am hopeful that we shall, because it is necessary to solve this problem.

Take the question of hospitalization. Three or four months ago a bill was passed by the Senate which provided an authorization of between $300,000,000 and $400,000,000 over a span of 5 or 6 years. That is a mere drop in the bucket. The situation will require more, and more ought to be appropriated.

So, Mr. President, in our own Nation we have many problems which require financing for their solution. Can we afford to solve them if we must dig into the jeans of our people, who are now much overburdened, and make loans such as the one now proposed? No, Mr. President; we shall never be able to do that. The Lord knows that it is necessary to solve many of these problems. I do not know how much will be required to rehabilitate the soldiers of World War I and the soldiers of World War II. After every war we have fought so far we have paid pensions. We paid pensions to Civil War veterans and also veterans who fought in the War with Spain. Just as sure as that I am standing here a move will soon be made to pay pensions to veterans of World War I and it might not be improper to vote for a proposal of that kind if it ever comes before the Senate. The time will come when we shall need to help the millions of soldiers from World War II by way of pensions.

In housing alone we could spend several billion dollars in order properly to house our own people. So far as I am concerned, I would rather spend the money here than in an effort to bail out another country and help her to maintain a system of her own creation which has caused the trouble in which she now finds herself.

Mr. President, I do not know of a measure which I have ever considered, either in this body or when I was privileged to be a member of the Louisiana legislature for 12 years, which has given me more concern than the pending proposal. I have studied it from every angle. I have tried to resolve whatever doubts I had in favor of the British. But I can find no reason why we should veer from the orbit provided for in the several plans which I have been discussing. We must follow the course laid out by us with the help of other nations; and I for one am willing to help. But let us treat all nations similarly under similar circumstances.

Mr. JOHNSON of Colorado. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MYERS in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bridges	Byrd
Austin	Briggs	Capehart
Ball	Brooks	Capper
Bankhead	Buck	Carville
Barkley	Bushfield	Cordon
Brewster	Butler	Donnell
Downey	Langer	Robertson
Eastland	Lucas	Russell
Ellender	McCarran	Saltonstall
Ferguson	McClellan	Shipstead
Fulbright	McFarland	Smith
Gerry	McKellar	Stanfill
Green	McMahon	Stewart
Guffey	Magnuson	Taft
Gurney	Maybank	Taylor
Hart	Mead	Thomas, Okla
Hatch	Millikin	Tunnell
Hawkes	Mitchell	Tydings
Hayden	Moore	Wagner
Hickenlooper	Murdock	Walsh
Hill	Murray	Wheeler
Hoey	Myers	Wherry
Johnson, Colo.	O'Daniel	Wiley
Johnston, S. C.	O'Mahoney	Willis
Kilgore	Pepper	Wilson
Knowland	Reed	Young
La Follette	Revercomb	

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

Mr. FULBRIGHT obtained the floor.

Mr. HATCH. Mr. President, will the Senator yield

Mr. FULBRIGHT. I yield.

Mr. HATCH. Many statements have been issued concerning the British loan. Yesterday I happened to see an excerpt from the Washington Letter of the American Federation of Teachers, in which the chairman of the organization's committee on international relations, Selma Borchardt, states the position of that organization on the loan. Because the statement is so succint and direct, I wish to read it.

THE BRITISH LOAN

There is an obvious and essential comity of interests between the British and the United States. There would seem to be little need to develop this theme in our group.

An enlightened self-interest would prompt our support of the British loan, to assist our economic development and theirs as well, to make the tie between us material as well as moral.

The American Federation of Teachers executive council has endorsed the proposal for the British loan.

Mr. FULBRIGHT. Mr. President, in following the discussion of the financial agreement under consideration in the committee and here in the Senate, we are likely to become confused over the vast amount of statistics that are brought in to support some minor point as to how much trade we may expect, or how much money or assets the British own. Our discussion is likely to bog down over the complexities of international trade, blocked sterling, and dollar pools although these details are but the trimmings on the fringe of the main problem. As the Senator from Michigan [Mr. VANDENBERG] so aptly put it, "it seems to me that there is a tendency in some quarters to so concentrate on details in respect to this joint resolution that the larger, total concept is obscured—like those who are so close to the trees that they do not see the forest." There is more to the agreement than larger markets or an adequate interest rate.

Mr. President, before getting into a discussion of the merits of the agreement, I should like to say a few words about one or two preliminary matters.

In the first place, for more than 3 months this agreement was thoroughly and intensively studied and discussed by the best financial and commercial brains in our Government. The various terms of the agreement are interrelated. To adopt any of the proposed amendments to this agreement would be the same as to reject the agreement. We should approve the agreement or reject it honestly and frankly, but not by delaying it or amending it to death.

I can well understand and sympathize with any Member of Congress when he is faced with the necessity of making difficult and controversial decisions in an election year. Nevertheless, decisions must be made and I sincerely hope the Senate will make a clear-cut decision in this instance. To put off consideration of this measure or delay it until after the election next fall is equivalent to an absolute rejection, but without the honesty of the latter.

Mr. President, if the details of this agreement are not as favorable or as wise as they should be, that is primarily the fault of our own representatives who for 3 months struggled over this agreement here in Washington. It is intolerable for a great nation like ours, to negotiate these important agreements and then have them picked to pieces by quibbling over details. If our technicians and Cabinet members are stupid or unqualified, they ought to be fired and new ones substituted. The real question for us to decide is not one of detail, it is a question of broad policy and that policy should not, and I hope will not, be a matter of compromise and amendment.

Mr. President, representing the United States in the negotiations with the British last year were the Secretary of State, the Secretary of the Treasury, Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Export-Import Bank. The experts of these various departments, of course, joined in the consideration of the problem. Surely we can assume that all these men are as interested as we are in promoting the best interests of the United States. I think it is our function as Senators to decide the basic policy of whether we are or are not to play a large role in rehabilitating the world. In other words, we rightly determine the broad policy of participation or nonparticipation, but it seems to me that when it becomes a question of how much should be loaned and the precise conditions of the loan that question is properly one for those whose experience and knowledge have qualified them as experts in international finance and foreign political relations.

I believe that we should either withdraw into our shell and prepare for all-out political and economic competition with the other nations on a bilateral basis, or we should try to make Bretton Woods function and restore insofar as possible the opportunity to trade freely on a multilateral basis.

In view of the long negotiations of our best financial brains, I can see no merit in our taking the position that they were wrong on the question of the amount necessary to meet the situation confronting us. As I see it, to adopt the amendment of the Senator from Indiana would

in effect be equivalent to a rejection of this loan. It would also carry the necessary implication that we do not intend to pursue Bretton Woods, but, on the contrary, intend to discard that approach and revert to the bilateral or barter system. It likewise carries the implication that we either have no confidence in the only other major democratic country, or that we have no interest in its survival as a strong influence in world affairs.

Furthermore, Mr. President, if we repudiate our representatives, I think it will confirm in the minds of the world the suspicion that it is impracticable to carry on serious diplomatic or economic negotiations with this Nation. After the last war we repudiated the agreements made by our Executive regarding the League of Nations. If we repeat that course of action in this instance, I think it is obvious what the reaction will be.

It is a curious situation for a great country like the United States to be in, that there is no way by which it can negotiate and the other party be able to rely upon the undertakings of our representatives. Unless we support our own representatives, there is no practical way in which we can make agreements with other countries.

Certainly the Senate of the United States is not so organized that it can conduct such negotiations directly. Yet many Senators have complained on the floor of the Senate that they were not advised, that they did not participate in these negotiations directly. It seems to me that is an utterly futile criticism of the negotiations. I personally know that a great number of Senators knew all about what was going on at the time, last fall.

Mr. FULBRIGHT. Mr. President, I think it is significant that this agreement has received such extraordinary support from widely diverse groups of Americans. Anyone will agree that it is not often that the CIO and the A. F. of L. are found in agreement with the United States Chamber of Commerce, the American Farm Bureau Federation, the Farmers Union, and all of these, in agreement with the chairman of General Electric, and of the Chase National Bank, Mr. Aldrich. Many people were sure that the Zionists would oppose this loan because of their bitter opposition to British policy in Palestine, but I want to read from a recent editorial by Rabbi Wise, a leader of the Zionist movement. In view of the long and bitter controversy between the Zionists and the British, I think this editorial shows an extraordinary degree of statesmanship and foresight. In my judgment, the recent report of the commission that was sent to Palestine gives further point to the editorial. This was in the April edition of the Journal of Jewish Life and Letters. It is entitled "Loan to Britain," and I quote:

> We again fail to know that we are about to deliver ourselves of a judgment which will be most unpopular and unacceptable to many of our readers; but something of the first importance is at stake, and this is a journal of opinion, intelligent and unafraid.
>
> The question has been raised whether Jews should not oppose the granting of a loan running into some billions on the part of our country, to the British Government. That the proverbial anti-Britishers will avail themselves of this opportunity to disclose their neverfailing enmity to everything British, is sure. The America Firsters will, of course, indulge in a perfect orgy of anti-British phobia.
>
> But, we face another problem. Shall American Jews oppose the loan, in view of the British Government's undebatable unfairness to Palestine and the Jewish people? Why should not American Jewry oppose the loan and by its opposition move England to understand that we are not as impotent in the United States as the Colonial Office would have us be in Palestine. The answer is: "we are American Jews." We are not only Jews, but we are Americans. The real problem is, will this loan be good for the American and the British people? If it be good for our country, and if it is to be helpful to Britain, have we the right as Americans to permit our dissatisfaction with the British Government's handling of the Palestine question to move us to pursue a vindictive course against Great Britain? We must have in mind that failure to ratify the loan may be as hurtful to our own country as it would be to Britain.

That, I think, is a very significant statement. I continue reading:

> If Philip Murray, one of the truly great and wise American labor leaders, holds that the loan would advantage our country, shall we American Jews use the loan or its denial as a stick with which to strike the British Government, the British people, and our own country no less? After the most profound and searching consideration of the problem opinion is moved to register the judgment that in a matter which has no direct relation to Palestine and its problems we have no right to permit our feelings with regard to the British Government's grievous injustice concerning Palestine to move us to do wrong to the British Commonwealth, and it may be to our country.
>
> It is not difficult to see the other side of the problem. It is easy enough to recognize the sometimes heartbreaking provocations under which Jews have rested in relation to the Colonial Office and, indeed, the British Government. One must, however, finally add that a great wrong will not condone another wrong. Wrong is wrong, and if the general denial of the loan to Britain is wrong to the British people and to our own country we, as loyal American Jews, have no right to insist upon that which, apart from being gravely misunderstood throughout the world, will misrepresent Jews as if we were primarily and eternally an unforgiving and revengeful people. We are not that, nor do we wish to seem that.

Mr. President, in my opinion, that statement is in marked and great contrast, favorable to the Jews, to the statement I received a few days ago from an Irish organization in this country attacking the loan, obviously because of ancient grievances growing out of difficulties of 50, 100, or 200 years ago.

While I am on this aspect of the question, I wish to read a few excerpts from other leading groups who have not appeared before our committee. This collection of quotations from which I read was prepared by a committee under the chairmanship of former Representative Charles S. Dewey, a Republican, from Chicago, who has given his services for this purpose. The information to which I am about to refer was compiled by a Special Committee on British Loan Agreement, consisting of men with whom all Senators are familiar, men like Mr. Eric Johnston, Mr. Philip Murray, Mr. Edward O'Neal, Mr. James G. Patton, Mr. Philip D. Reed, and there was Miss Anna Lord Strauss, president of the National League of Women Voters.

I point out some of these statements primarily to show the diversity and the varied support of people who, I believe, are qualified by their experience to give a valid judgment on this loan. However, to make it complete, I wish to read very short excerpts from certain public officials in order to give a complete picture.

The first quotation is from President Truman's statement on December 6, 1945:

> These arrangements, if carried out, will put an end to the fear of an economically divided world; will make possible, throughout the world, the expansion of employment and of the production, exchange, and consumption of goods; and will bring into being, for the first time, a common code of equitable rules for the conduct of international trade policies and relations.

I now quote from a statement made by Secretary Byrnes on February 11, 1946, at the Foreign Policy Association in New York:

> Our ultimate prosperity heavily depends upon whether the economy of the world is free or in chains. * * * No American seriously contends in this day and age that the prosperity of the wheat farmer of the Dakotas, the cotton grower of the Carolinas, or the market gardener of California is not directly linked to that of the miner in Pennsylvania and the manufacturer in New York. * * * The British credit is a large investment undertaken to gain an even larger objective. Without it our efforts to construct an expanding world economy may well be frustrated. With it we shall have won the support of a powerful ally in our efforts to break down those harmful economic practices which throttle trade, perpetuate poverty, engender ill will among nations, and sow the seeds of conflict.

Secretary of the Treasury Vinson, on January 9, at the Academy of Political and Social Science in Philadelphia, said:

> The amount of the proposed British credit is large, but it is needed to do the job. Three and three-quarter billion dollars is a lot of do-re-mi in anybody's book. But war, including its aftermath, is costly business. This loan represents about 2 weeks of our expenditures for war toward its close. In my judgment, this is not an expenditure but an investment. It is sound business for America.
>
> We, more than any other country, are concerned with the kind of economic world that is now being built. The fact is that we would be the primary target in the continued use of restrictive and discriminatory currency and trade measures. There is no doubt that we could take counter measures. There is no doubt that we could defend ourselves if economic warfare should break out. But the cost to us and to the world would be reflected in decreased trade, decreased employment, and lower standards of living. Neither we nor any other country can afford a breakdown in international economic relations.
>
> The significance of the financial agreement with Britain goes far beyond its economic effects, important though they are. This is a world in which all countries must work together if we are to live in peace and prosperity. The alternative—God save us—is to perish together. Mankind surely has the wit and the will to choose not death but life.

I wish to read a short excerpt from a very fine speech made on February 19 by

Under Secretary of State Acheson, as follows:

Britain and the United States provide the currency which * * * will be the currency with which two-thirds or three-quarters of the trade of the world is conducted. * * * Before the war * * * that little island (of Great Britain) was like a lung. It was the breathing in and out—the drawing in of imports and the sending out of exports—which was one of the great activating forces of world trade. * * * Every part of the world was activated by British and American trade.

There are several other excerpts in this book from Dean Acheson, and some from Mr. Will Clayton which I shall for the moment pass.

I read a short sentence from a statement issued by the executive council of the American Federation of Labor:

Furthermore, Britain constitutes the last and most powerful bastion of democracy in Europe. The British way of life comes closer to our ideas of the value of individual life and freedom than any other. We cannot afford to let that way of life be snuffed out by economic ruin.

From the banking world I have already mentioned Mr. Aldrich, who appeared before our committee. I wanted to call the Senate's attention to his statement made in the hearings.

Mr. Ralph E. Flanders, chairman of the Federal Reserve Bank of Boston and chairman of the research committee of the Committee for Economic Development, also made a statement. One paragraph from that statement, I think, will be appropriate at this point:

It is my belief that this British agreement constitutes one of the engagements in this new kind of struggle. * * * In this long struggle * * * in which rival ideas strive for the mastery of the world's economy and social organization, this is the first skirmish. Let us not lose it.

If we are discerning, if we are vigilant, if we are energetic, this support of a free economy in the British Empire will be the first of a series of successful engagements in a friendly competition with the Soviet Union for the well-being of the world.

The National City Bank of New York joined the other financial institutions in making a statement quite similar, but I think it is worthy of our notice. I read as follows:

The loan and the agreements that go with it represent an effort in the direction of re-establishing world trade on a multilateral basis, which has aways been the American system and was that of Britain during the heyday of British expansion up to the First World War. Without the loan, it seems inevitable that Great Britain would have to follow the pattern on which Germany operated in the twenties and thirties—that is, bilateralism, trade quotas, exchange controls, and managed currency. With the loan accord, there is at least a fighting chance that we and Britain, working together, could reconstruct the kind of an international trading system which will best promote growth and stability in world commerce.

From the business world, Mr. Eric Johnston, president of the United States Chamber of Commerce, in a statement made on February 12, had this to say:

I am betting on capitalism because I think we will have an expanding economy in the world. The British loan will be a vital step in that direction. We aren't doing this for the British. We are doing it for ourselves, for our system of capitalism, for an expanding trade, for greater opportunities for all. If this loan is rejected, we create a great vacuum in the world of commerce which we, or any other nation, are unable to fill. We can't afford not to make this loan.

There are a great many other statements from business organizations. One, however, which is of particular interest to those of us from the South is by the board of directors of the Texas Cotton Association, on January 29, 1946, which I shall read:

Whereas it is imperative * * * that a free exchange of goods and services be re-established between the nations of the world; and

Whereas there is now an acute shortage of dollars in the hands of former customers of the United States which stands as a serious threat to the revival of reciprocal commercial transactions; and

Whereas the granting of dollar credits offers the only forseeable hope of rebuilding orderly international trade relationships without which we feel there can be no hope of lasting peace: Therefore be it

Resolved, That the board of directors of the Texas Cotton Association * * * earnestly urge Congress to approve the loan to Great Britain.

There is a similar statement from the board of directors of the Houston Cotton Exchange and Board of Trade, and from the Foreign Traders' Association of Philadelphia, and a great many others which I shall not take the time of the Senate to read now.

There is one statement from the McGraw-Hill Publications of April 1946 that I thought particularly good:

If the weight of British influence in foreign trade is thrown toward the Russian pattern rather than toward ours, it is apparent that bloc trading, with all of its supporting devices—bilateral deals, exchange controls, import and export quotas, subsidies, currency manipulations and the like—will be the prevailing pattern for foreign transactions.

Most of all, we would lose in prestige, through demonstrating that we are still unprepared to exercise a world leadership to which our giant stature as the possessor of almost half of the world's economic capacity entitles us. Once again we would be exhibiting to the world political feet of clay supporting an economic frame of heroic proportions.

The way to exercise leadership is to lead. Nothing could be more futile than to go half way toward establishing the economic order for which we stand, and then withhold the crucial measure that will make it work. Failure to approve the loan to Britain will be a clear default of leadership. Failure to approve it promptly will dissipate its effectiveness.

For the loan to Britain, it can be said that never before has one nation had an opportunity to gain so much at so little risk as has the United States in this uniquely decisive case.

There is one short statement from the farm group. The Farm Bureau has already been mentioned. I read a sentence from a statement made by the National Farmers Union:

We have agreed that freer exchange of goods in world trade is absolutely an indispensable foundation for the peace. The British loan agreement presents us with the opportunity to begin to do what we have agreed is indispensable.

There is a statement here made by the American Veterans Committee and several statements from church organizations. The Federal Council of Churches of Christ is one. I shall read only one excerpt from the Council, as a sample. This is from the Federal Council of Churches of Christ in America, Columbus, Ohio, March 7, 1946:

We recognize that the proposal for an extension of credit to Great Britain, now before the Congress of the United States, represents the kind of practical assistance which is imperative for world order. We also urge that permanent machinery be established under the Economic and Social Council to help meet world needs for emergency relief, when UNRRA comes to an end.

There are a great many excerpts from public interest groups. There is one from the American Association of University Women, for example, as follows:

The AAUW, therefore, urges that the loan to the United Kingdom be given immediate and favorable consideration by Congress, as an important step toward the building of a sound system of world economy.

There is a quotation from the National Board of the YWCA. There are several from councils on foreign relations. There are quotations from some of the leading periodicals in the country. There is one short paragraph appearing in an editorial in Life of December 31, 1945, which I think is particularly appropriate:

The British loan is not in itself the answer to anything. It merely keeps open the door while Americans decide whether they want a free, prosperous, and expanding world or not. It is one of the great decisions in America's history. It will be tragic if we are not equal to it.

There are similar statements along that line from News Week, New Republic, Staurday Evening Post, Nation, New Leader, Foreign Affairs, Grace Log, and others.

The next group is that of the radio commentators. I shall read only one or two from that group. Among them are Frank Kingdon, H. V. Kaltenborn, Elmer Davis, Richard Harkness, H. R. Baukhage, Gabriel Heatter, Raymond Swing, and John W. Vandercook. I read from a statement made by Richard Harkness on March 5, 1946:

If the loan goes through * * * it will be not because of anything any administration spokesman may say or do, it will not be because of anything that may be said or done at London. Passage of the loan will be because of growing anxiety in Congress over the present activities of Russia.

Baukhage, on March 6, 1946, said:

It was especially interesting to me to note in the analysis of the Gallup poll that the people who knew most about the British loan and had a better education and therefore are better equipped to understand its importance were in favor of it. And I find the same tendency in the letters that I get on the subject. In most cases opposition is based on emotional prejudices while support is largely based on common-sense reasoning.

On December 6, 1945, John W. Vandercook said:

Among the short-sighted and those who are inadequately informed, the understanding reached on the British loan will no doubt be interpreted much too simply as just

another lavish hand-out by wealthy Uncle Sam. The notion that all the advantages will accrue to England and none to America is effectively disposed of by the fact that the loan proposal is bound to meet some strong opposition in London where many Englishmen feel that the United States is buying the kennel of top dog in world trade at a bargain price and by putting through this credit will have won the competitive position as world trader which we could not have obtained in any other way or had England not suffered so long from a wasting war.

Practically all the leading columnists whose statements I have ever noticed are listed in this booklet, and their comments are similar. Mr. Frank R. Kent, for example, who I should say is not generally noted for his foolishness in giving away money, said on March 2, 1946:

> Leaving aside the strong economic reasons for the rehabilitation of our best customer, the very powerful argument is made that the surest form of security for us is to keep our one reliable ally with whom war is practically inconceivable on her feet; that this is the cheapest and best possible kind of defense for the United States; that failure to insure it would be national idiocy. Clearly this is the most potent argument for the loan. Once it is admitted, no other is needed.

There are a great many other comments which I shall not take the time to read, but I recommend for reference this booklet, of which there is a supply available from Mr. Johnson, Secretary to the Majority. There are also editorials from newspapers throughout the country favoring this loan. They include newspapers in Washington and Baltimore, the New York Herald Tribune, newspapers in Ithaca, N. Y., Watertown, N. Y., and in New Jersey, Pennsylvania, Delaware, Massachusetts, Rhode Island, Connecticut, Louisiana, Virginia, and, in fact, practically every State in the Union. On the next to the last page of the booklet there is an editorial from the Fort Smith, Ark., Times-Record of February 8, 1946. The Times-Record is one of the leading newspapers of Arkansas. I am very happy to notice several editorials from newspapers in my own State.

As I say, I read these not because they are in themselves a decisive factor, but as an indication of the extent and diversity of the support which this agreement has received, especially during the time immediately after its announcement.

I am, of course, aware of the opposition of General Coxey, Hamilton Fish, and Jesse Jones. I do not think that this opposition in any way detracts from the persuasive significance of the quality of the advocates of this measure, who appeared before the committee. This opposition is primarily indicative of the fact that this is still a democratic country and that every individual, regardless of his views, may express himself in public.

However, I believe that the unusual agreement that obtains among responsible organizations of American life—labor, management, agriculture, and capitalist—indicates clearly that there is more in this agreement than meets the eye at a glance. This extraordinary unity of views among people who usually differ on domestic policies indicates to me that they have sensed that there is something more than a mere loan of money involved in this agreement. They may not be able, as I am not able, to describe exactly what that element is, but it is an element which obviously appeals to a great many Americans of diverse beliefs and interests in the American scene.

I believe that what these leaders of America have sensed is the fact that in some way the future of our American concept of individual freedom is involved in this agreement. The preservation of the integrity of the individual human being is about the only principle that I can think of that could appeal so uniformly to all the intelligent and thoughtful and patriotic men who have so strongly endorsed this agreement.

It is obvious that they all do not agree upon British imperialism or British socialism or affection for the British, if that is the issue involved. They do not agree upon our tariff policies nor upon our internal fiscal policies. Some are high tariff, some low tariff; some want a balanced budget, others prefer deficit spending. Some are nationalists, some internationalists, some are Jews, some Catholics, and some are Protestants, yet they all have come together as Americans in agreement on this measure. I do not for a moment mean to imply that those few individuals who have spoken out against this loan are not good Americans, I only question their judgment, their foresight, or, perhaps more accurately, their capacity to sense the deeper significance of facts, which is not obvious to a casual or superficial examination.

I refer again to the words of the distinguished senior Senator from Michigan:

> This is not a matter of philanthropy. This is a matter of judgment, whether America, now the greatest creditor country on the globe, can best protect her own essential and inescapable position by these means; whether for our own sakes we must not accept the economic as well as the moral leadership in a wondering world which must be stabilized just as necessarily for us as for others.

The Senator never spoke a more profound sentence than the following:

> If we do not lead, Mr. President, some other great and powerful nation will capitalize our failure, and we shall pay the price of our default.

That price, I believe, will be a repetition of the consequences of our failure to lead after World War I.

Mr. President, we spent hundreds of billions of dollars and hundreds of thousands of lives for this opportunity to create a better world. Are we now to turn our back on that opportunity by refusing to exercise the power of leadership brought to us by our victory? The United States can use this opportunity like some other great powers of the past to dominate and fatten for a time upon the resources of the world, or it can enter this world to serve it and, by serving it, save itself in the process.

Mr. President, I am confident that it is not the dire need of Great Britain that has brought about this unity of conviction among so many of our citizens. Many of the groups mentioned have no particular reason to be interested in Britain as such. On the other hand, all have a profound interest in the preservation of the free democracy of America. No, Mr. President; it is not Great Britain that these Americans are seeking to save; it is these United States.

Mr. President, I believe that there is a sound historical justification for the view that involved in this agreement there is much more than a transaction to collect interest on a loan or to sell goods abroad for profit. The importance of this agreement to us arises out of the obvious fact that our democratic system is now confronted with the most serious test of its strength since the War Between the States. The principle of government of, by, and for the people must now prove its validity in competition with totalitarian dictatorship.

The ultimate and final outcome of this competition depends upon which system provides best for the welfare of the people. But in order for this decision to be reached in a rational and peaceful manner, it is essential that a trial by force of arms be avoided.

If we are to provide conditions in which a peaceful solution of these differences in ideals and political principles may be reached, I think it is highly important that the only other great power which approximates our own institutions of government and our ideas of justice and human dignity should survive and function in world affairs.

I am aware of the fact, Mr. President, that anyone who ventures a favorable remark about any country but one's own is invariably attacked by the superpatriots. One of the strangest psychological phenomena of modern times is the fact that if a man boasts that he is the greatest and best man on earth, his fellow men will think him a fool, but if the same man boasts in a like manner that we, as a nation, are the greatest and best people on earth, he is a patriot and a hero. In view of this well-known characteristic of communities of people, it is with considerable trepidation that I venture to remind you, Mr. President, that the basic institutions upon which our freedom rests have their roots in the history of the British people. It was as the result of difficult and sometimes bloody struggles that those people produced Magna Carta, habeas corpus, the Bill of Rights, and the parliamentary system of self-government. Of course, they did not originate the concept of justice, but they contributed to its development. Furthermore, may I add that I think this country's greatness is well enough founded, that we do not need to boast about it all the time. I certainly do not contend that the British have had a blameless history. I know as well as anyone that they have been arrogant and ruthless toward other peoples, but perfection, especially in political affairs, is, I should say, a relative matter. It may be that the world will discover a better system of government than we enjoy today. All that I presume to say now is that, since we are a democratic self-governing people, it is important to the preservation or survival of our present ideals of justice in the world that we have at least one powerful friend upon

whom we can rely. I know as well as anyone that we are a powerful industrial nation, but I also know that we have considerably less than one-tenth of the people of the world and that we shall need help, not merely for defense in war, but help in fostering peace and what we believe to be justice in the world.

I know that there are those among us who say that Britain cannot survive in any case and that we are wasting our money on a lost cause. It is unfortunate if we have arrived at such a judgment of the oldest democracy in the world. If it be true, then the prospect for democratic principles is indeed dark. I do not subscribe to such a view and I do not think such a view is supported by history. The real strength of Britain is not and has never been her financial balances or natural resources. Her strength is in the character of her people and in the inherent merit of her basic institutions, institutions quite similar to those upon which we have built our civilization.

I confess, Mr. President, that it is not difficult to become quite pessimistic about democracy simply from observing the indecision and frustration within our own system, and even, I might say, from observing the practices of the Senate itself and the way our debates on this measure are conducted. From the present confusion, indecision in our own affairs, it is not easy to see how we shall be able to escape with our liberties intact. Nevertheless, I do have faith that somehow we shall manage to pull ourselves together, get our bearings, and get back to work. The only real fear that I have for the future concerns our relations with the rest of the world. We have come to a position of power and influence, with relatively little experience or understanding of world affairs. While we ardently hope that reason may prevail in the UNO, we cannot forget that power is still the arbiter of those affairs. If we withdraw a second time from that world; if again we disavow the representatives of our Government who have negotiated agreements for us with other nations, I think it is inevitable that the world will lose faith in our responsibility as a great nation. There is no doubt in my mind that others will capitalize upon our default.

Mr. President, I should like to mention, in passing, two or three miscellaneous points which have been referred to from time to time during the debate. One point is the constant reiteration of the default of Great Britain on the debts of the First World War. I should like to read to the Senate a short passage from the record of the hearings, in order to call attention to that point. I shall read from page 251. There was an exchange between the Senator from Colorado [Mr. MILLIKIN] and Mr. Eccles, chairman of the Board of Governors of the Federal Reserve System. The Senator from Colorado asked:

I would like to have your observations on the weight that we should give to the fact that the British defaulted their World War I loan.

Mr. ECCLES. I wouldn't give it any consideration; absolutely none. I think that we are largely responsible, in a way, for that default. In the first place, Britain was a partner in the last war. We pooled our resources then to lick an enemy, as we did now. That should have been on a basis of lend-lease at that time, but it wasn't; and to the extent, of course, that it wasn't, there was a postwar debt left over. I have some figures on that which seem to me significant, and there has been a lot of misunderstanding about what happened as a result of those debts. I understand Secretary Vinson gave you some figures on that the other day, but I will just repeat——

Senator MILLIKIN. I think it ought to be cleared up.

Mr. ECCLES. I will take what was loaned during the war. I think no part of that should have been charged to her. We were partners in a war, and no part of that should have been charged to Britain. It is true we charged it to her, and she loaned to France, and other countries, and they didn't pay her, and she didn't pay us. That is what happened. But after the war there was $600,000,000, which was the total postarmistice loan that was made to Britain.

Now, here is what Britain paid: Up until the time of the moratorium, on all of her debts—that is including the war loan, which I said shouldn't have been charged to her—Britain paid on principal $400,000,000, and she paid on interest $1,600,000,000; or she paid a total in interest and principal, up to the time of the moratorium, of $2,000,000,000.

Now, the total principal including the war debts was four billion three. That is, the total amount of money we let the British have, or goods we let them have, during the war as well as the postwar, was $4,300,000,000. Up to 1931, when this country granted a moratorium, she had actually paid us in dollars two billion, or nearly half of the total amount in dollars.

Now, I don't think under the circumstances that that is a bad record, and I don't think that Britain should be called a defaulter because of that. I don't think that it should be made to appear that the British didn't intend and didn't desire and didn't want to pay their debt. We granted the moratorium, and she paid the payments until we did grant the moratorium. She did not default. We granted the moratorium. She might have defaulted if we had not, I will admit that, but we granted the moratorium in this country. I think there has been entirely a misconception of the British debts after the last war, and it is something that isn't nearly as bad as the opponents of the British would make it appear.

I shall skip a portion, a short exchange which was in pursuit of the same subject. I now read the following:

Senator MILLIKIN. But we did not agree to take goods from Great Britain, and my point is that—if it is involved at all, and I am trying to get the weight to ascribe to it—my point is that Great Britain unilaterally decided to quit paying.

Now, does that have any bearing on this new loan? If we put up tariff walls again, if Britain does not make the exports she expects to make—if, if, if—and the going becomes tough, may we not consider that we have a precedent in the picture for another unilateral default?

Mr. ECCLES. I would think definitely, if we considered it to our internal interest not to take foreign goods so that foreign countries could get dollars, whether we do it by quotas or tariff or whatever way—if we would consider it in our own interest that we shouldn't take foreign goods, in preference to taking them and having the loan paid, then the loan will default. We will make the choice.

Mr. President, another point to which I wish to refer is that several Senators, as well as others, in opposition to the loan, have insisted that Britain will not or cannot pay. One Senator even insisted that she has no will to pay. I should like to read from a very short statement by the Governor of the Federal Reserve Board on that particular point, because I think his statement is quite interesting in that connection. I refer to another exchange between Mr. Eccles and the Senator from Colorado [Mr. MILLIKIN]. It appears at page 231 of the record, and it is several paragraphs long:

Senator MILLIKIN. I was just coming to that, Senator. You, Governor, have estimated the risks of this thing undoubtedly. You have taken into consideration that Britain must radically increase her exports if she is to pay. Do you feel reasonably confident she is going to be able to do that?

Mr. ECCLES. Well, I think so. I think that a country that has shown the strength that Britain has shown during this war period has something, and it is something worth saving. A country that will stand when other countries, often more strong, go down; a country that will stand as Britain stood, and a country that has been willing to impose upon herself a rigid program, an austere program, for years after the war, that her people have been willing to accept, and a country that has stabilized her exchange, a country that is carrying on her rationing with success and fairness, a country that has imposed taxes and has done a much better job of war financing than we have done, a country where black markets and tax evasion are almost unheard of, shows a capacity for government that is rare in this world.

Senator MILLIKIN. It shows basic character.

Mr. ECCLES. It does. It shows a capacity that we should recognize, and we should be willing to help. We need that kind of people in this world. I think that the British performance as compared with the performance of the continental countries and other countries throughout the world is magnificent. When you take into account the problem that she had and the stress she was under, this country can do nothing less, in my opinion, than to give this financial help in this way.

Mr. President, another point which has been raised—and it is a very important one—is the question of the debt of the citizens of the United States; in other words, the internal debt of the United States, which now is approximately $275,000,000,000. I grant that this is a very serious matter. It is said that we owe a much greater per capita debt than do the people of the United Kingdom; but let me say that the far more significant figures are for the per capita debt in relation to the income of the country. I wish to draw the attention of the Senate to two points in the record. First, let me refer to page 299, which I am afraid some Senators may overlook. It gives the information which we should have, and I wish to invite attention to one or two items to be found on that page, in connection with the point that we owe so much money—and it is true that we do.

Mr. President, the table from which I shall read is to be found at page 299 of the record of the committee hearings. It will be noted that for the United States the public debt, in terms of the percentage of the national income, was 154 percent. These percentages are based on 1944 figures, I believe. The

public debt of the United Kingdom was 290 percent of its national income—almost three times, whereas we owed a little more than 1½ times our national income. The public debt of Canada was 166 percent of her income; for Australia, 223 percent, and for all of the British areas mentioned in the table it was 207 percent. So, Mr. President, our debt was not nearly so large as that of several of the other countries mentioned, when we consider the debt in relation to the national income per capita.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Arkansas yield to the Senator from Colorado?

Mr. FULBRIGHT. I yield.

Mr. JOHNSON of Colorado. Will the Senator tell us upon what years those calculations are based?

Mr. FULBRIGHT. The print of the table in the hearings is very fine and is difficult to read.

Mr. ELLENDER. Mr. President, those are figures for war years. Our income was great in those years because during that time we manufactured a great deal of material, and many of our manufacturers made large profits.

Mr. FULBRIGHT. It was my understanding, although I may have been wrong, that Canada was also in the war.

Mr. JOHNSON of Colorado. Canada was in the war.

Mr. FULBRIGHT. The war was one in which Canada, as well as ourselves, was engaged. Is that not true?

Mr. ELLENDER. Of course, Canada's production was considerably expanded.

Mr. FULBRIGHT. Was not England in the war?

Mr. ELLENDER. Yes; but our output of munitions——

Mr. FULBRIGHT. The Senator's point is that we were able to make more profit out of the war than England was able to make. Am I correct?

Mr. ELLENDER. Yes; because we produced more. Our output of steel, for example, was 95,000,000 tons in comparison to Great Britain's 15,000,000 tons. Therefore, our profits were bound to be greater.

Mr. FULBRIGHT. No one is denying that this country does make and has made for many years greater profits than Great Britain has made. But the significance of a person's debt is in relation to his income. I venture to say that most of the millionaires in New York owe, on the average, more money than I do. The large corporations of this country such, for example, as the American Telephone & Telegraph Co., owe more money than does my little company in Fayetteville. The fact that we have a large debt has no significance whatever in the matter. With reference to the proposed loan, if it is out of comparison with our ability to produce, that is another question.

Mr. JOHNSON of Colorado. I was seeking information. I am sure the Senator will agree that the debt will remain large, even though our national income may drop. So the percentages which the Senator has read are not fixed. Very likely they are accurate for 1945 or 1944. But, as time goes on, and as the national income drops, the indebtedness will not drop. So the percentages which the Senator has read are fluctuating percentages.

Mr. FULBRIGHT. I agree that there is nothing permanent about the situation. I once contended, and very few agreed with me at the time, that we should not reduce taxes while our income was on a high level. If we are wise we can bring down the size of our debt. How long we can maintain a reasonable prosperity may be a question. I believe we should utilize the present period of artificial—if we may call it that—prosperity to reduce our national debt. But similar problems affect other countries. I understood the Senator from Louisiana to say that we owe so much more money than does any other nation that we cannot afford to make this loan. I do not believe that fact to be significant. I will admit that other facts can be presented. But the significant fact to me is in the relation of the debt to our income. Almost every rich man or large corporation in this country owes a great deal of money. The poor devil may not own much because he cannot borrow.

Mr. JOHNSON of Colorado. The very large income was caused by the precipitate increase in the indebtedness. The income would not have been so large if the indebtedness had not been so large. In other words, the income is made up almost entirely out of the increased indebtedness.

Mr. FULBRIGHT. There has been an increase in wealth which has a taxable base. Whenever money is borrowed a bond is issued, and someone receives it. It represents an asset somewhere. The real waste which occurred was not in the debt, but in the consumption of our essential materials such as oil, steel, silver, bauxite, and so forth. That very point was raised yesterday. One of the Members of the Senate said that we had exhausted our natural resources. I agree that altogether too much of them has been consumed. But the proposed agreement would not in any way accentuate the situation. It is very evident that one of the ways by which to replenish our raw materials is through free trade. We would have an opportunity to procure oil from other countries. I believe that the Senator from Wisconsin [Mr. LA FOLLETTE] mentioned a great number of metals which exist in other countries. The loan would be repaid through the availability of those materials. It is the only way, in the final analysis, that we can balance off the international indebtedness.

Mr. ELLENDER. Why would not the Senator consent, then, to our acquiring from the British large piles of tin and some of their rubber? The British could go into the markets and, by using their own currency, purchase those materials from their own people, and we, in turn, would give them dollars for it. We certainly would receive value for the expenditure. But the method which is proposed here is to let Great Britain have our own dollars without receiving any assurances of getting anything in return except the possibility of this vast loan being used for the purposes of unlocking frozen sterling which is now in the banks of England.

Mr. FULBRIGHT. The point which the Senator has made has been raised before. It was raised during the hearings. I cannot lay my finger on it. One of the witnesses who participated in the loan negotiations said that the question had been discussed. But what the Senator has suggested would be accomplished by barter. The United Kingdom does not have within its borders any of the materials which we need. Those materials belong, in part, to some of England's possessions, and also to the colonial possessions of Holland and Belgium.

The largest copper deposits in the world are located in the Belgian Congo. Oil and rubber are located in Java, and tin is located in Malaya. The difficulty which the Senator experiences lies in his assumption that the British have no intention of repaying anything on the loan. If the Senator accepts that theory——

Mr. ELLENDER. I do accept it.

Mr. FULBRIGHT. If the Senator accepts that theory, he could insist, then, on treating the loan purely as a gift. We disagree on the fundamental integrity, I should say, of the British.

Mr. ELLENDER. The Senator must admit that the money which Great Britain would receive under the proposed loan would be used by the British to do what? To buy raw materials, or at least partly so, for the manufacture of goods which she expects to sell to some of her possessions.

Mr. FULBRIGHT. In the first few years, yes. But what happens to the dollars?

Mr. ELLENDER. Oh, I admit that they will come back to us.

Mr. FULBRIGHT. Will they come back as dollars or as material?

Mr. ELLENDER. If the British really desired to make what I would call a bargain with us whereby we could obtain value received, why could not she obtain dollars from us by going to the Malay Peninsula, which she controls, and to Sumatra and Java, where there are located large rubber plantations controlled by British capital, use present British currencies to buy rubber and other materials and sell them to us for dollars? We could pile them mountain high. In that way, we would have at least something of value in return for the money which we would give to Great Britain. That is the position which I have taken. The Senator is arguing that we should dig down into our Treasury and allow Great Britain to use a vast sum of our money for the purpose of trying to undo——

Mr. FULBRIGHT. Mr. President, I thought the Senator from Louisiana asked me a question. However, if he wishes to make another speech, he will have an opportunity to do so. He has already spoken 4 or 5 days.

Mr. ELLENDER. No, no.

Mr. FULBRIGHT. I beg the Senator's pardon.

Mr. ELLENDER. I may have spoken for 4 or 5 hours.

Mr. FULBRIGHT. I meant hours. I did not mean days. That was a slip of the tongue.

Mr. ELLENDER. I doubt if I spoke 5 hours.

Mr. FULBRIGHT. I apologize for saying days. I meant to say hours.

Mr. ELLENDER. Very well.

Mr. FULBRIGHT. In the first place, the way these so-called blocked sterling balances arose was by Great Britain doing exactly the thing the Senator has referred to. They have done about all they could do. They did it in order to support their armies, for example, in India. They had armies which they had to feed and transport and clothe. They did that by purchasing the local currencies, the rupees, and giving them blocked balances in London. India has about $5,000,000,000 there, and they are getting very tight. Those are equivalent to loans, as a practical matter. The British Government has already borrowed from these other countries practically $14,000,000,000.

That is all blocked sterling means. Great Britain borrowed the money from these other countries, and there it is. The Senator is only saying, "Go on and borrow some more."

Mr. ELLENDER. No; that is what the Senator from Arkansas is saying—let England borrow more. What I am trying to say is that she could use her own currency and buy from her possessions raw materials which we, in turn, could buy from England for cash—dollars.

Mr. FULBRIGHT. She cannot buy in other countries with her currency. The British pound is not acceptable even in India. She has to buy rupees with pounds. She cannot just take a British pound and go anywhere she likes and buy. We will not take them here.

Mr. ELLENDER. The Malay Peninsula is owned and controlled by the British.

Mr. FULBRIGHT. The British Government does not own it.

Mr. ELLENDER. It is a possession of the British. They have control of it. The British Government is in charge.

Mr. FULBRIGHT. Great Britain does not own the raw materials. I would say that if we assumed there was the same kind of government Russia has, if Britain had the same relation to the properties in Malaya that Russia has to its resources, there might be something to the Senator's argument, but Britain does not have that relationship, and I do not think she could confiscate property. She did confiscate to some extent shares which were private shares and which did not belong to the British Government.

Mr. McMAHON. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. McMAHON. I should like to ask the Senator from Louisiana if he is suggesting that England should run the printing presses and print more pounds, and go out and try to buy with them?

Mr. ELLENDER. No; I am not suggesting that. Certainly today there is in the possession of British sufficient currency. They have money, just as we have money. How do we get materials? How does our Government get materials?

Mr. FULBRIGHT. Within the country there is no problem. Britain can do anything within the United Kingdom, but she cannot go to other countries and use pounds.

Mr. ELLENDER. The point I am making is that the Malayan Peninsula is owned and controlled by Great Britain. She may not be able to go to Russia and get materials; she may not be able to go to Germany and get them.

Mr. FULBRIGHT. She cannot go to India and get them.

Mr. ELLENDER. In her own country she can do what we are doing.

Mr. FULBRIGHT. Unfortunately, in the United Kingdom there is no tin, or rubber, or other raw materials we need. That is why she wants this dollar fund.

Mr. ELLENDER. But there are such materials in the British Empire, and England can obtain them from her possessions and sell them to us for dollars.

Mr. FULBRIGHT. Mr. President, there is one further point which I wish to mention, and that is Canada's contribution. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Canadian Aid; Loan to Britain Passed in Ottawa." The article was written by Janet R. Keith. It is along the same lines as the statement in the record of the hearings on page 242.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CANADIAN AID

(By Janet R. Keith)

LOAN TO BRITAIN PASSED IN OTTAWA

OTTAWA.—Canada's House of Commons has passed almost unanimously a bill providing for a loan to Britain of $1,250,000,000. It is the biggest loan ever made by Canada to another country. On a basis of national output, it represents a commitment proportionately seven times as large as the proposed United States loan to Britain. Only four Quebec members opposed the measure.

The terms under which the loan is being made are very similar to those contained in the Anglo-American agreement. The interest rate will be 2 percent, with repayment covering the 50-year period after 1951. There is the same provision for waiver of interest in any year during which Britain's exports fall below her prewar level of imports.

The main difference between the Canadian and American loan agreements is that Canada makes no demands on Britain regarding settlement of accumulated wartime sterling balances. The United States conditions regarding exchange controls and import restrictions are covered in the Canadian agreement by a general most-favored-nation clause. It is recognized that some clauses of the agreement will have to be renegotiated if Congress fails to ratify the proposed United States loan.

In addition to making available $1,250,000,000 of new money, the Canadian agreement with Britain embraces a settlement of certain outstanding debts. Canada cancels outright an amount of $425,000,000 owed by Britain in connection with the Commonwealth air training plan. By a cash payment of $150,000,000, Britain will settle all claims and counterclaims which have arisen between the two countries as a result of the war. A loan of $700,000,000 made by Canada to Britain in 1942 will continue to be interest-free until 1951; before that time the two governments will confer regarding interest rates and terms of repayment.

In presenting the agreement to the House of Commons, the Minister of Finance emphasized the fact that making such a loan was not charity but good business. Canadian prosperity is dependent, even more than that of the United States, upon a high level of exports. Britain has always been Canada's best customer. And so it is vitally important to Canada that Britain should resume her place as a great trading nation.

Because Britain has been for more than a century the world's greatest importing nation, the trade policies which she adopts during the next few years will have a profound influence on world economy. If she is able to get loans on reasonable terms from the United States and Canada, she will be able to afford liberal trade policies of the type reflected in the Bretton Woods agreement. If she cannot get these loans, she will be forced into bilateral bargaining.

"Other allies have suffered enormous losses in their own countries," said the Minister, but none has borne the international costs that Britain has borne. None is faced with the same tremendous problem of readjustment in the balance of their international payments. Alone among the Allies, Britain has suffered as a result of the war a great deterioration in her external financial position. And now, in addition, she must borrow huge new sums in order to embark in peacetime upon the trade policies which are so important to us."

It is understood that British negotiators came to Canada hoping for an interest-free loan. But the terms of the Anglo-American agreement had set a precedent which Canada could not ignore. Had Quebec members decided to vote solidly against an interest-free loan, it might have meant a split in the ranks of the Liberal Party. When terms of the agreement were made public they were considered reasonably satisfactory in Britain.

The new agreement brings the financial aid given by Canada to Britain during the war to over $5,000,000,000, a sum considerably greater than that of the proposed United States loan. The amount is made up of $2,000,000,000 in mutual aid (Canadian version of lend-lease); an outright gift of $1,000,000,000 made during the war; the $700,000,000 interest-free loan made in 1942; the new loan of $1,250,000,000; and cancellation of the $425,000,000 owed by Britain on the commonwealth air-training agreement.

In addition to the new agreement with Britain, Canada has made loans to other countries to help them finance their purchases in Canada. Under the terms of export credit legislation passed in 1944, sums totaling more than $600,000,000 (at interest from 2 to 3 percent) have been advanced to Belgium, China, Czechoslovakia, France, the Netherlands, Netherlands East Indies, Norway, and Russia. Canada considers that the loan to Britain, together with these smaller loans to other countries, forms the cornerstone of her plans for international trade and reconstruction. By lending abroad now, she hopes to insure a high domestic level of employment and income in the future.

Mr. FULBRIGHT. In a letter from Secretary of Commerce Wallace there is a brief condensation of a statement in a pamphlet entitled "The Impact of the War on Civilian Consumption in the United Kingdom, the United States, and Canada." This was a report by a special combined committee of the combined Production and Resources Board, on nonfood consumption levels. Of particular significance are five brief paragraphs in the letter from the Secretary of Commerce, condensing the significant

parts of the report. I wish to read them at this time:

1. During the 3-year period from 1942 to 1944, more than 50 percent of Britain's national income was used for the prosecution of the war. In the same period, the proportion in the United States was about 45 percent. Since Britain was at war 2 years before we were, the figures for total war costs are still more striking. By the end of 1944 Britain had put into the war effort economic resources equivalent to nearly 2.5 times her 1944 national income. United States war expenditures at the same date had totaled an amount equal to about 1.3 times our current national income.

2. Between 1938 and 1944, Britain reduced her investments and became subject to claims—largely the so-called sterling balances—to such an extent as to reduce her net foreign assets by £3,916,000,000 ($15,800,000,000) as a means of paying for overseas requirements without devoting resources, needed in the war effort, to the production of offsetting exports. The reduction in the net foreign asset position of the United States was $1,800,000,000 resulting from the building up of dollar balances in favor of foreign creditors.

3. Through the curtailment of replacements and repairs and through the depletion of inventories the civilian industrial assets of Britain were reduced between 1940 and 1944 by £885,000,000 ($3,600,000,000). During the same period the reduction in this country was five and seven-tenths billions. These drafts on capital represented 12 percent of the British national income and 8 percent of the United States national income.

4. In addition to the capital items referred to in 2 and 3 above, Britain suffered bomb damage which has been estimated at £1,200,000,000 ($4,800,000,000).

5. During the war the civilian consumption level in Britain, measured at prewar prices, decreased by about 16 percent. In the United States there was an increase of about the same percentage.

Mr. President, I conclude by saying that this agreement is a gamble. The risks are great, but I believe that the risks involved in not making the agreement are much greater. After careful consideration of the risks of the two alternatives I have concluded that this agreement is for the best interests of this country, and I shall vote for it.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

GOVERNOR OF THE VIRGIN ISLANDS

The legislative clerk read the nomination of William H. Hastie to be Governor of the Virgin Islands, which nomination had previously been passed over.

Mr. ELLENDER. Mr. President, I do not wish at this time to say anything against Judge Hastie except that I think the President made a very serious mistake in selecting a colored man to be Governor of the Virgin Islands, because I believe it will retard the progress of those islands in their effort to develop a haven for tourists.

I desire to say a few words in behalf of my good friend Governor Harwood.

Mr. President, our insular policies have often been the subject of criticism by those whom we have sought to govern. Exceptions to this critical attitude are deserving of examination for what light they may shed on future relations with our island possessions.

Notable among these exceptions is the case of our recent policy in the Virgin Islands. According to the record, a free press, the people of these islands are, at last, "visualizing a community lifted out of its sixteenth-century existence and placed on a plane compatible with modern living."

That quotation is from an editorial in the Virgin Islands magazine of February 2, 1945, on the occasion of a great tribute to an American citizen who was hailed on that day as "the man of the year" and the "best Governor the islands ever had." I refer to the retiring Governor, Charles Harwood, whose vision, patience, and persistence lifted that community out of a "sixteenth-century existence."

Those accolades were bestowed on Governor Harwood slightly more than 1 year ago, when the people of the Virgin Islands under their Government declared a legal holiday known as Harwood Day. That celebration honored him for his faithful duties over a period of 4 years, culminating in the authorization by Congress of $10,000,000 toward a public-works program which now is under way, and which, according to an editorial in the Virgin Island Photo News of January 8, 1946, puts the community "on the threshold of the greatest era in history."

Sentiments of this nature, and even more fulsome ones, have come from the people of the islands and their accredited social, civic, and labor organizations. With complete unanimity these organizations have attested to his statesmanship in improving the lot of the islands' inhabitants.

Although slightly over a year has elapsed, a grateful people have not forgotten what he accomplished from the date when he took office in 1941 and found conditions there something less than livable. His enviable record as an administrator is not forgotten by the people he aided. This is evidenced by the fact that the same newspaper which hailed him at the time of his triumph made this statement I year later, on February 2, 1946:

Today on the first anniversary of Harwood's Day, there is no public holiday, nor even a ceremony to commemorate the occasion. But Harwood is not forgotten. His name and deeds will endure in the memory of the people of the Virgin Islands who are immensely indebted to him.

This is indeed edifying. For in his own country and among certain few of his own people, Governor Harwood has become the target, even the victim, of those who, moved either by ambition or envy, would becloud an indelible record of achievement.

Notwithstanding this unimpeachable record, it remained for the new Secretary of the Interior, Mr. Krug, but a few days old in office, to question the ability and the fortitude of a man whose virtues in these directions made him in the eyes of the people he helped emancipate the best governor the islands ever had.

On March 28, 1946, in connection with certain testimony before the subcommittee of the Committee on Territories and Insular Affairs which was examining the fitness of William Hastie to succeed Governor Harwood, Secretary Krug parroted an old slander in commenting upon the administration of Governor Harwood. Mr. Krug, under questioning by me, stated that Governor Harwood "did not spend very much time in the islands, did not show a very aggressive interest in getting its economy on its feet, and that is all I know about Governor Harwood." When asked where he obtained such information, he stated that it came from the records of the Department of the Interior. Mr. President, who do you suppose built up such a record—the people of the Virgin Islands, whom Harwood has put on the threshold of a new era, or the former Secretary of the Interior, "Honest Harold" Ickes, the same old pious hypocrite who for the past several years has been making every effort to remove Governor Harwood.

Whom are we to believe? There are some who are not fooled. One of these is the local Virgin Island press, which gave pause to again honor Governor Harwood 1 year after the day when the bands turned out to play. With keen perception that press stated:

Whether Governor Harwood voluntarily resigned as Governor or whether he was dismissed as the end result of his internecine feud with Secretary Ickes is indeed a moot question. One view is that the Secretary of the Interior, who had been gunning for the Governor's scalp, has met with success after more than 4 years.

There is the obvious answer which Mr. Krug culled from the so-called records of the Department of the Interior. If Mr. Krug possessed a real passion for research he could have gone back to a public address given by Morris F. De Castro, now Acting Governor of the Virgin Islands, on the occasion of Harwood Day, February 2, 1945. On that day, the whole island turned out to honor the man who Mr. Krug said "did not show a very aggressive interest" in looking after the fortunes of the islands' inhabitants.

Mr. De Castro nailed the distortion to which I have referred one long year before the new 38-year-old Secretary caught up with it and embraced it as a truth—a truth from the records of the Department of the Interior, or, if you please, from Columnist Harold Ickes. Said Mr. De Castro:

During the past 4 years, while shafts of adverse criticism were being hurled at him

because of his absences from the islands, Governor Harwood brought to the islands, from time to time, an array of the most important officials of the Federal Works Agency and of the Public Health Service in order that they could see for themselves the conditions existing here.

So that is what the Governor was doing away from his post. He was in Washington, circumventing the Ickes throne, in order to interest engineering experts in correcting the awful, unsanitary plight of a people who had no real spokesman until Governor Harwood espoused their cause. He was in Washington interesting the President of the United States, Franklin D. Roosevelt, in the underprivileged status of 30,000 inhabitants. He was in Washington begging Congress for $10,000,000. He was in Washington attaining the ends to which he had pledged himself.

It is pertinent to note how his ability was appraised while he was in Washington by Congressmen conversant with his activities in behalf of the islands. I quote from Report No. 1673 by Representative BELL, chairman of the Committee on Insular Affairs, dated June 17, 1944:

In early hearings on the necessity for public-works improvements in the Virgin Islands, Governor Harwood showed a definitely strong interest and understanding of the need for the permanent development of the islands. At the request of this committee, he made exhaustive studies of the costs and types of projects needed most. It is the feeling of this committee that his assistance in this respect was invaluable in that this appears to be the first over-all and comprehensive program for the permanent betterment of the Virgin Islands that has been submitted to the Congress. He showed a very deep and abiding interest in the welfare of the people whom he is serving fairly, efficiently, and conscientiously.

Could this be the same man whom Secretary Krug described as not showing "a very aggressive interest" in the islands' problems? Yes; and this is the same man who, while suffering from bronchial pneumonia at Doctors Hospital in Washington, December 5, 1945, wrote a detailed and intelligent appeal to the Senate Committee on Appropriations for restoration of certain cuts in the Virgin Islands appropriation which he thought would be counter to "the justified needs of our people in the Virgin Islands."

The incoming Governor will inherit the fruit of Charles Harwood's diligence to duty. He will certainly understand why his predecessor was honored by the people he served as the best Governor the Virgin Islands ever had.

Mr. President, I ask to have printed in the RECORD at this point, as a part of my remarks, editorials from the following publications: Virgin Islands magazine, February 2, 1945; the Daily News, January 29, 1945; the Daily News, February 3, 1946; Photo News, January 8, 1946; and the Daily News, February 2, 1946.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Virgin Islands magazine of February 2, 1945]

The highest level of success is that which springs from service to one's fellow men and the true test of a public servant is his sincerity and devotion to the welfare of those whom it is his duty to serve.

Gov. Charles Harwood, in whose honor a public holiday has been named, to whom this book is dedicated and to pay tribute to whom this community turns aside from pursuit of its daily occupations, has met the test. After almost 4 years he has succeeded in acquiring for these islands the means by which the foundations of an era to which generations have yearned will be laid.

Today, Governor Harwood is being lauded for his indefatigable and successful efforts on behalf of the people of the Virgin Islands and one and all are visualizing a community lifted out of its sixteenth century existence and placed on a plane compatible with modern living. All are cognizant of the potentialities implicit in this new program which is about to begin, and all look forward confidently to a successful consummation of the rehabilitation scheme.

As we contemplate the future which today seems so bright and full of promise we must know that all the improvements which the governor has sought will be as nought if the people of the islands fail to employ them fully and to use them as a springboard to yet loftier heights of achievement.

Governor Harwood has served the people of the Virgin Islands faithfully in that he has exerted his efforts toward raising the standard of life in these islands to a point more nearly compatible with the dignity of man, that he has furnished the basis for satisfying the desires of a people who have long lagged behind minimum standards as accepted in the United States. Today we are thankful, not merely for $10,000,000 but for the newer and fuller life to whose attainment they will be applied.

[From the Virgin Islands Daily News of January 29, 1945]

HARWOOD'S RETURN

The people of the Virgin Islands extend a hearty welcome to Governor and Mrs. Charles Harwood, who returned from the mainland on Saturday. After a brief visit here following passage of the Virgin Islands public works bill in which, largely through his efforts, $10,000,000 were authorized for sorely needed improvements in the Virgin Islands, the Governor early this month returned to Washington to be present at the inauguration of President Roosevelt and attend to various matters connected with the Virgin Islands. With Mrs. Harwood he returned to the islands in time for celebration of Governor Harwood's Day which the representatives of a grateful people have named in his honor and set aside as a public holiday in token of appreciation of his untiring and at last successful efforts in their behalf.

The honor which the people of Virgin Islands have conferred on Governor Harwood is almost unique in the history of the Virgin Islands; and it is seldom indeed that anyone is honored to the extent of having a public holiday dedicated to him during his lifetime. So far as is known not since the transfer of these islands to the United States has any individual save President Franklin D. Roosevelt received so signal a recognition.

It is fitting indeed that such a tribute should be paid the Governor. No other chief executive of the Virgin Islands, no other single individual has by his efforts achieved so much that will be of so lasting a value to the inhabitants. That vast sums of money will be spent on the islands is relatively unimportant compared with the permanent improvements which the expenditure will achieve.

Governor Harwood is the first of his office to make so outstanding a contribution to our progress in education, health, sanitation and the many fields in which the influence of this new project will be felt. Indeed he is the first who has dared to make a request of the Federal Government for so large a sum, and—what is more—the first to receive it.

In welcoming the chief executive back to the Virgin Islands, and in paying tribute next Friday, the people of these islands recognize and appreciate the incomparable contribution which he has made to their welfare; the earnest efforts he has exerted on their behalf. They know that through his untiring labors this generation of Virgin Islanders will enjoy benefits heretofore unknown.

[From the Virgin Islands Daily News of January 3, 1945]

A FITTING TRIBUTE

The unprecedented demonstration given to Governor Harwood by the people of St. Thomas yesterday afternoon was beyond the wildest expectations of those who planned the day's activities, and it must have touched the Governor very deeply indeed. The parade alone surpassed any similar event that had heretofore taken place on the island, and the presence of well over 3,000 persons in the Emancipation Garden was in itself a demonstration of the deep gratitude which every Virgin Islander has for the Governor.

Yesterday's program was long, very long indeed; for every civic organization in this community desired to express its gratitude and appreciation to the man through whose efforts almost unexpected improvements are to be effected in this community where such improvements have long been overdue. There was no group, no individual with a grasp of the potentialities of this new program, which has been so devotedly and successfully promoted by the Governor, that did not wish to record his appreciation of the tremendous achievement the Governor has made in our behalf. The crowds that lined the streets, the thousands who stood in the Emancipation Garden, the speeches and resolutions were all an expression of the community's gratitude to a successful crusader, and it was an expression such as has not been made in the Virgin Islands within the memory of the living.

Never had we seen the Governor in a happier mood; never had any local public official had greater cause for happiness. The public that had criticized his many absences from the island and had cynically regarded his intention to seek this substantial appropriation for its welfare and progress spontaneously and unrestrainedly lauded the man who has turned out to be its greatest benefactor. Both here and in St. Croix, Governor Harwood confessed, he was completely overwhelmed with the ovation he received. He had reason to be: nothing like yesterday's demonstration had ever occurred in the Virgin Islands before and the Governor received praises such as are heaped only on a great statesman and then not during their lifetime.

The Harwood Day program will live long in the memory of those who were present. It will undoubtedly be a source of great satisfaction to the Governor for his untiring labors in our behalf. Indeed, the demonstration given him by the people of the Virgin Islands must furnish a satisfaction at least equal to that experienced by the Governor when he came to know that his efforts had at last been crowned with success.

Yesterday the people of the Virgin Islands gave thanks for the benefits they are about to receive; today, they must build securely for the future of these islands whose prospects are now so favorable. Only tomorrow will bring final satisfaction to the Governor and us all, for only then will his work be consummated, will the foundation that he has laid become a lofty, solid structure of educational, economic, and social betterment in these islands.

[From Photo News of January 8, 1946]

HARWOOD'S ADMINISTRATION

Whether Governor Harwood voluntarily resigned as Governor of the Virgin Islands, or whether he was dismissed as the end result of his internecine feud with Secretary Ickes, is indeed a moot question.

One view is that the Secretary of the Interior, who had been gunning for the Governor's scalp, has met with success after more than 4 years. Another view is that Mr. Harwood, who had been recuperating in Miami after a severe attack of pneumonia, might have been prevailed upon to resign before he further jeopardizes his health.

Whatever is the reason for the change of administration, it cannot be disputed that Harwood has made a definite contribution to the islands. We have been violent critics of some of his policies. We did not like, for example, his inveterate habit of making frequent, prolonged trips to the mainland, ostensibly on official business. We felt that he was not devoting enough of his time and energies to local affairs, but was allowing himself to be misled by some of his close advisers and chief lieutenants who were intent on preserving the old intolerable order. We felt that Harwood was too aloof, too complacent, and failed to furnish that executive leadership for which the islands were crying out.

To the Governor's everlasting credit, it must be said that through his efforts we stand today on the threshold of the greatest era in history. From the time of his inauguration in February 1941 the Governor set as his primary goal the initiation of public-works projects designed to provide a more decent and comfortable life for the islands' inhabitants. How successful he has been in his objective all of us are well aware. Though it has taken a longer time and greater efforts than we had hoped, we now have the funds to launch the $10,000,000 program. Work should begin within a matter of weeks. When we look at the new high school, hospital, sewer system, highways, and other projects which are slated to be built under the program, we shall remember the name of Governor Harwood with deep gratitude. The entire islands will wish him good health and success in his future endeavors.

[From Photo News, Virgin Islands, of February 2, 1946]

HARWOOD DAY

One year ago today the people of the Virgin Islands turned out in unprecedented numbers to pay tribute to Charles Harwood through whose efforts a $10,000,000 public-works program for the Virgin Islands was approved. The day was fittingly declared a public holiday, and in both St. Thomas and St. Croix organizations and individuals poured encomiums upon the Governor for his magnificent achievement.

Today, on the first anniversary of Harwood Day, there is no public holiday, nor even a ceremony to commemorate the occasion. But Harwood is not forgotten. His name and deeds will endure in the memory of the people of Virgin Islands, who are immensely indebted to him.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

Mr. EASTLAND. Mr. President, I join with the Senator from Louisiana. I think it is a disappointment and a great mistake to confirm this nomination. The nominee is a racial agitator, a racial demagogue, and the committee report submitted by Chairman WOOD, of the House Committee on Un-American Activities, shows that he is a member of five Communist front organizations. I can see that a person could belong to one of those organizations, but it is very significant that he is a member of five, and I certainly am against the confirmation of the nomination of this man.

Mr. MURDOCK. Mr. President, in view of the statement just made by the Senator from Mississippi, I believe I probably might be considered a little derelict if I did not say something in behalf of the nominee.

In my opinion this country and its Government are fortunate in having a man of the attainments and the achievements of Judge Hastie to appoint to the high position of Governor of the Virgin Islands. We talk much about democracy. In emphatic language, in emphatic writing, and in emphatic statements, wherever Americans talk or write, we condemn mistreatment of racial minorities on any part of the globe.

Mr. President, this nominee is a representative, and a very splendid and outstanding representative, of the Negro race. He is an excellent lawyer, and he made a record at Harvard University of which any white man in America could be proud.

We have an opportunity to show to the world that Americans are sincere when they talk about equality of treatment to racial minorities in their own country. The population of the Virgin Islands is 90 percent colored. The business of the Virgin Islands is largely owned by colored people. Here is an opportunity for us to recognize the outstanding ability and patriotism of a member of the Negro race, a man who served with distinction in the Interior Department, a man who served with distinction in the Virgin Islands as a Federal judge, a man, Mr. President, for whom today the people of the Virgin Islands are clamoring to be their Governor.

Witness after witness took the stand before the subcommittee, of which I had the honor to be chairman, and told us of the character, the achievements, the education, and the patriotism of Judge Hastie. Not only members of the colored race but distinguished members of the white race, deans of law schools, and others, appeared before the subcommittee and told us of their opportunity to observe Judge Hastie in his official capacity. Distinguished men who have known him as a lawyer and a law professor testified in his behalf. Every one of them, Mr. President, except one witness, told us of the fine qualities and the outstanding characteristics of Judge Hastie.

One witness appeared before our subcommittee in opposition. That witness brought before us a number of exhibits from the House Committee on Un-American Activities. He knew nothing personally about Judge Hastie. All he had was what an investigator of that committee had handed him, and on that basis he opposed the nomination of Judge Hastie. He admitted Judge Hastie's competency. He admitted that his educational background highly qualified Judge Hastie for the position. He admitted that there was no reason why Judge Hastie should not be confirmed except that there were some exhibits or some records in the Un-American Activities Committee of the House which showed that Judge Hastie was a member, as I recall, of three organizations which some people refer to as leaning towards communism. Those three organizations are the Southern Conference for Human Welfare, the National Lawyers Guild, and the National Negro Congress. By the way, Mr. President, one of the Senators who served on the subcommittee was a former member of the Lawyers Guild. I think he made the statement that he had not paid his dues for a number of years and he did not know whether he was still a member; but he called to the attention of the committee the fact that a Senator of the United States was a member of the National Lawyers Guild.

A statement by the late Chief Justice Stone was submitted. He gave his opinion of the National Lawyers Guild. Statements from other outstanding lawyers and members of courts were submitted to show what they thought of the National Lawyers Guild.

Judge Hastie did not deny that he was a member of all three of these organizations at one time or another, but he denied most vehemently and emphatically that he had ever made any unpatriotic statement, or that there was any action on his part that anyone could point to that would indicate in the slightest that he was anything but a patriotic, loyal, American citizen.

After hearing the evidence, the subcommittee, by a vote of 6 to 2, Mr. President, voted to report the nomination favorably to the full committee. The full Committee on Territories and Insular Affairs voted to report the nomination favorably to the Senate, with the exception of two negative votes.

I do not take the position here today that I understand the situation in the South. Who am I even to criticize the Senator from Mississippi [Mr. EASTLAND] or the Senator from Louisiana [Mr. ELLENDER], or what might be their attitude toward a man of the colored race? I do not know the problem as they know it; I do not know the problem as the present Presiding Officer of the Senate knows it; but, Mr. President, there is certainly not a scintilla of evidence in the complete record made before our subcommittee, except the matter of membership in these three organizations, which would indicate in the slightest degree that there is any question about the loyalty and the patriotism of Judge Hastie.

Mr. President, I do not want to hold the Senate any longer. I think the nomination should be confirmed. I ask that the statement I have in my hand, which is a brief résumé of the evidence, as I heard it, and which also contains a brief biography of the nominee, be included in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

While many Senators are personally acquainted with William Hastie and with his

career, I believe a brief biographical sketch will not be out of place.

Mr. Hastie is a native of Tennessee, having been born in Knoxville some 41 years ago. He is now a resident of the District of Columbia, where he has made his home for a number of years. He is a well-trained lawyer, a graduate of Amherst College, and of the Harvard Law School, where he earned the highest American law degree, doctor of juridical science. In his 15 years at the bar his practice has included numbers of important cases before the Supreme Court of the United States. As dean of the law school of Howard University since 1939 he has acquired valuable administrative experience.

Mr. Hastie also has had large experience in public service. Although an independent politically, he was a stanch supporter of President Roosevelt, and held office in his administration, first as assistant solicitor in the Department of the Interior, second as judge of the District Court of the United States for the Virgin Islands and, during the war period, as civilian aide to the Secretary of War. In all of those capacities, his performance of duty won the commendation of his associates and of the public.

He enjoys an intimate knowledge of the Virgin Islands and their problems, both through his service there as district judge, and his earlier work in the Department of the Interior, much of which was concerned with legal problems affecting our territories and island possessions. While in the Interior Department he assisted in drafting the proposed legislation which became the present Organic Act of the Virgin Islands. He represented that Department in the congressional hearings which preceded the adoption of that Organic Act.

Mr. Hastie knows the people of the Virgin Islands intimately and well and they know him. Their enthusiastic endorsement and support of this nomination has been all but unanimous. It will be a very great advantage to that community to have a governor who takes to the position from the outset a comprehensive understanding of the problems of the islands and enjoys the confidence of the people.

Even the one witness who appeared in opposition to this nomination at the recent hearings before the Committees on Territories and Insular Affairs conceded the entire competence of the nominee and the high esteem in which he is held by the people of the Virgin Islands.

This lone witness to appear before the subcommittee conducting hearings on this nomination based his opposition on his belief that the nominee might be sympathetic to communistic ideology. The committee explored this matter at length, giving the witness every opportunity to substantiate this charge. At the conclusion of the hearings it was clear that he charge was untrue and without foundation.

The charge in question was based solely upon alleged membership in certain organizations and participation in meetings or projects sponsored by certain other organizations.

Specifically, it was alleged in opposition to the nominee and quite candidly admitted by Mr. Hastie that he is a member of the Southern Conference for Human Welfare, the National Lawyers Guild, and was formerly a member of the National Negro Congress. The evidence unfavorable to these organizations was testimony introduced at other hearings, particularly before the House Committee on Un-American Activities in which it was charged that there were Communists or Communist sympathizers connected with these organizations and that in particular instances one or more of them had taken a position on some public issue which was consistent with the position of the Communist Party on that issue. There was no evidence that any one of them had engaged in any subversive or improper activity.

On the other hand, it was shown that Members of the Congress, the Supreme Court, distinguished clergymen, Republicans, Democrats, a cross section of eminent Americans, had been associated with or endorsed the work of these organizations. Thus it appears that the Chief Justice of the United States has spoken highly of the National Lawyers Guild; that Members of Congress, Governors of States, and large numbers of lawyers of the highest distinction have been pleased to be members of this organization; that the organization is headed by the attorney general of California.

Similar evidence appeared concerning the participation of national and local personages of the highest standing in the various meetings and organizations which were questioned.

In these circumstances it seemed to the committee that no basis had been laid for a charge of "communistic inclination." Not a single utterance by Mr. Hastie, not a single action on his part, was called to our attention which was in any way improper or discreditable.

We were impressed with the nominee's own statement that members of his race, regardless of political affiliation or ideology, have common problems and difficulties in this country; and that they work together in trying to solve those problems although they disagree in political thinking.

It was also significant that Republicans and Democrats, white and colored; Protestants, Catholics, Jews—distinguished Americans representing the respective diversities which characterize our united people—by letter or personal appearance have endorsed this nomination warmly and have denied indignantly any imputation against the Americanism of the nominee. It is, I believe, noteworthy that only one witness appeared in opposition to this nomination, and his opposition was based solely on hearsay and not upon any personal knowledge. I doubt whether the entire number of communications unfavorable to this nomination exceeds ten or twelve. This is to be contrasted with the hundreds of endorsements already mentioned, from representative persons, many of them among the most distinguished leaders in American life.

The PRESIDING OFFICER. The question is: Will the Senate advise and consent to the nomination of William H. Hastie, of the District of Columbia, to be Governor of the Virgin Islands?

The nomination was confirmed.

The PRESIDING OFFICER. The clerk will state the remaining nominations on the calendar.

TERRITORY OF HAWAII

The legislative clerk read the nomination of Hon. Samuel B. Kemp, of Hawaii, to be chief justice of the supreme court, Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

Mr. BARKLEY. I ask that the nominations in the Public Health Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Public Health Service nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I make the same request with respect to the nominations of postmasters.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

FOREIGN SERVICE

The legislative clerk read the nomination of Prentice Cooper, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 7 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 2, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received May 1 (legislative day of March 5), 1946:

UNITED STATES ATTORNEY

Raymond E. Plummer, of Alaska, to be United States attorney for division No. 3, district of Alaska, vice Noel K. Wennblom, term expired.

UNITED STATES MARSHALS

Benjamin B. Mozee, of Alaska, to be United States marshal, division No. 2, district of Alaska. (Mr. Mozee is now serving in this office under an appointment which expired March 4, 1946.)

Noble V. Miller, of Arkansas, to be United States marshal for the eastern district of Arkansas, vice Virgil Pettie, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 1 (legislative day of March 5), 1946:

FOREIGN SERVICE

Prentice Cooper to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

VIRGIN ISLANDS

William H. Hastie to be Governor of the Virgin Islands.

TERRITORY OF HAWAII

SUPREME COURT

Hon. Samuel B. Kemp to be chief justice of the supreme court, Territory of Hawaii.

UNITED STATES PUBLIC HEALTH SERVICE

APPOINTMENTS AND PROMOTIONS IN THE REGULAR SERVICE

To be senior assistant scientists, effective date of oath of office

Raymond Fagan
George A. Hottle
Samuel B. Salvin
William J. Bowen
Falconer Smith

To be senior assistant surgeons, effective date indicated

Edwin D. Merrill, March 25, 1946.
Vernon G. Guenther, October 8, 1945.
Manrico A. Troncelliti, February 8, 1946.
Herbert Tabor, January 1, 1946.

To be senior assistant sanitary engineer, effective January 30, 1946

Donald L. Snow

To be temporary medical director

Franklin J. Halpin

To be temporary surgeons

Eugene J. Gillespie
Charles W. Parker
Carlton H. Waters
John L. Lincoln
Clarence B. Mayes
Donald W. McNaughton
Robert W. Biach
Frederick K. Albrecht
Alfred H. Lawton
Marion B. Richmond
Glen E. Ogden

To be temporary senior assistant surgeon

Robert E. Staff

To be temporary senior dental surgeon

George A. Nevitt

To be temporary dental surgeons

John C. Heckel
Joseph E. Unsworth

To be temporary senior assistant dental surgeon

Stanley J. Ruzicka

IN THE ARMY

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

To Adjutant General's Department

Maj. Clifton Coleman Carter
Maj. Luther Gordon Causey

To Corps of Engineers

First Lt. Marion Hopkins May
First Lt. Hobart Burnside Pillsbury

To Ordnance Department

First Lt. William Aldrich Davis
First Lt. John Breed Deane
First Lt. Orville Kenneth Knight
First Lt. George Franklin Leist
First Lt. Warren Newcomb Wildrick

To Cavalry

Second Lt. Gerald Dean Hall.
Second Lt. Chester Craig Sargent

To Field Artillery

Lt. Col. Charles Royal Lehner
First Lt. Henry Frederick Grimm, Jr.
First Lt. Cecil Wray Page, Jr.
First Lt. Robert James Welsh

To Infantry

Second Lt. William Patrick Hunt, Jr.

To Air Corps

First Lt. Nathan Louis Krisberg

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be majors, Air Corps

Robert Edward Lee Choate, subject to examination required by law.
Edwin Roland French
John Williams Persons
William Chamberlayne Bentley, Jr., subject to examination required by law.
Sam Williamson Cheyney, subject to examination required by law.
Max Harrelson Warren, subject to examination required by law.
Edwin Lee Tucker, subject to examination required by law.
Ralph Rhudy
Isaac William Ott, subject to examination required by law.
Edward Holmes Underhill
Trenholm Jones Meyer, subject to examination required by law.
William Pryor Sloan, subject to examination required by law.
George Frost Kinzie
Albert Boyd
James Wayne McCauley
Edward Harrison Alexander
Frank Alton Armstrong, Jr.
William Albert Matheny
John Patrick Kenny
Reginald Franklin Conroy Vance, subject to examination required by law.
William Lecel Lee
Haywood Shepherd Hansell, Jr.
Paul Mueller Jacobs
Dudley Durward Hale
Herbert Leonard Grills
Benjamin Scovill Kelsey, subject to examination required by law.
Thomas Lee Mosley
Raymond Lloyd Winn
Leonard Franklin Harman, subject to examination required by law.
Kingston Eric Tibbetts
Richard Henry Lee
Robert Wilson Stewart
Lewis R. Parker
William Maurice Morgan
Richard Irvine Dugan
Edwin Minor Day
Jack Weston Wood
James Herbert Wallace

To be major, Medical Corps

William Warren Roe, Jr.

To be captain, Medical Corps

Wayne Peter Beardsley, subject to examination required by law.

To be colonel, Veterinary Corps

Frank Marion Lee

To be chaplain (lieutenant colonel), United States Army

James Hugh O'Neill, subject to examination required by law.

To be major, United States Army

William Lewis Cooper

POSTMASTERS

MISSISSIPPI

Ida L. Cain, Prairie.

NEBRASKA

Meredith Y. Cloud, Elk Creek.

NEW JERSEY

Arthur F. Metz, Cranford.
Patrick F. Whelan, Jr., Somerdale.
John P. Larkin, Spotswood.

NEW YORK

Helen Regan, Carle Place.
Kenneth L. Dubuque, Peru.

NORTH DAKOTA

Alta M. Hansey, Nome.

OKLAHOMA

Alma C. Binns, Kellyville.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 1, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

God be merciful unto us, and bless us; and cause Thy face to shine upon us;

That Thy way may be known upon earth, Thy saving health among all nations.

Let the people praise Thee, O God; let all the people praise Thee.

O let the nations be glad and sing for joy: for Thou shalt judge the people righteously, and govern the nations upon earth.

Let the people praise Thee, O God; let all the people praise Thee.

Then shall the earth yield her increase; and God, even our own God, shall bless us.

God shall bless us; and all the ends of the earth shall fear Him.

Let us pray:

Our Father, which art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done, in earth as it is in Heaven. Give us this day our daily bread. And forgive us our trespasses, as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil. For Thine is the kingdom, and the power, and the glory forever.

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3755. An act to establish an Optometry Corps in the Medical Department of the United States Army.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2) entitled "An act to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes."

FOR THE RELIEF OF THE ESTATE OF MICHAEL J. McDONOUGH, DECEASED

Mr. FERNANDEZ, from the Committee on Claims, submitted the following conference report and statement on the bill (H. R. 2483) for the relief of the estate of Michael J. McDonough, deceased, for printing in the RECORD:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2483) for the relief of the estate of Michael J. McDonough, deceased, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

DAN R. McGEHEE,
JOHN JENNINGS, JR.,
Managers on the Part of the House.
ALLEN J. ELLENDER,
WAYNE MORSE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of

the two Houses on the amendment of the Senate to the bill (H. R. 2483) for the relief of the estate of Michael J. McDonough, deceased, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment, namely:

This bill as passed the House appropriated the sum of $5,000 to the estate of Michael J. McDonough, deceased, late of Boston, Mass., in full settlement of all claims against the United States for the death of the said Michael J. McDonough as a result of being struck by a United States Army vehicle in Boston, Mass., on November 19, 1944.

The Senate reduced the sum to $2,500, and at the conference the House conferees agreed to the sum of $2,500 as set forth in the Senate amendment.

DAN R. MCGEHEE,
JOHN JENNINGS, JR.,
Managers on the Part of the House.

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 2483) for the relief of the estate of Michael J. McDonough, deceased.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The Clerk read the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

THE COAL STRIKE

Mr. ROBERTSON of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON of Virginia. Mr. Speaker, the occasion for the present coal strike was the demand of the head of the United Mine Workers Union for a 10-cent-per-ton royalty on all bituminous coal produced, and it is likewise the occasion for failure to enter into a new contract.

The stoppage of coal shipments has already affected many industries. In two more weeks the effect will be Nation-wide. I have been reliably informed that the Potomac Electric Power Co., which furnishes power for the District of Columbia, has only a 2-week supply of coal, and that the Virginia Electric & Power Co., which serves most of the district I represent, has only a 2-week supply. The Detroit automobile manufacturers reported on Monday that they had only a 2-week supply of steel.

I challenge the right of any individual or group of individuals to deny to the American people the essentials of life. I likewise challenge the right of any union to impose an excise tax on the goods it produces.

For the purpose of definitely settling that issue, I have today introduced a bill which is H. R. 6259 to make it unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

The provisions of the bill are not applicable with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other similar fees payable by such employee to such labor organization.

The penalty for a willful violation of the act will be a fine of not more than $10,000 or imprisonment for not more than 6 months, or both.

The district courts of the United States shall have jurisdiction to enforce the act.

The bill carries definitions of the words "commerce", "goods", "produced", and "representative."

The issue involved in this proposed legislation is so vital and so fundamental that I hope the House Committee on the Judiciary, to which the bill will be referred, will act promptly on it.

EXTENSION OF REMARKS

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD in two instances and in each to include a resolution.

Mr. McKENZIE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include three letters.

Mr. DOLLIVER asked and was given permission to extend his remarks in the RECORD and include an article from the Pittsburgh Post-Gazette by a staff writer, dated Saturday, April 27, 1946.

THE WAR ASSETS ADMINISTRATION

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, speaking of surpluses, do you know what the War Assets Administration is? It is the successor to the War Assets Corporation. That was the successor to the Surplus Property Administration. That was the successor to the Surplus Property Board. That was the successor to the Surplus Property Administration.

Do you still wonder why the public does not get a chance to buy surplus war goods?

The SPEAKER. The time of the gentleman from Ohio has expired.

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from the Governor of the State of North Dakota; also to extend his remarks in the Appendix of the RECORD and include an article from the Washington Daily News of April 24.

Mr. ANDREWS of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article by Raymond Moley.

Mr. SPRINGER asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein an article appearing in the Pittsburgh Post-Gazette.

Mr. ARNOLD asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Philadelphia Inquirer.

PEACE WITH ITALY

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BUCK. Mr. Speaker, peace proceedings for Italy are currently under way in Paris. The nature of the Italian peace there determined will have profound effect upon world peace and world security.

Because I know Italy and the Italian people, I know that those people did not want war. They were forced into war against their will by a cruel dictatorship which they themselves helped overthrow at earliest possible opportunity. Elemental justice dictates recognition of those facts.

Let us now demonstrate that we genuinely want peace and good will among nations. Let us write a peace with Italy that will safeguard her democratic ideals, assure her economic self-sufficiency, and permit her, as a nation which has contributed outstandingly to the world's progress, to take her place in the United Nations, there to play her proper role in concert with other nations whose aim is to prevent a World War III.

EXTENSION OF SELECTIVE SERVICE

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, this is my first opportunity to get the floor for the purpose of expressing my regret that on April 13 there was no record vote on the two amendments which in my estimation so weaken the extension of the selective-service legislation as rightly to subject the Congress to the gravest reproaches. The bill in its present form will almost inevitably convey the impression abroad that this country is too inert to face up to its war-imposed obligations. I can see no reason why we should hesitate to ask boys of 18 to perform a public service which subjects them to no serious hazards and will confer upon them many incidental benefits. I earnestly hope that another body will take a more robust and responsible view of this legislation.

DR. JAMES SHERA MONTGOMERY

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I read the following from the Messenger, published by the Metropolitan Memorial Methodist Church, of Washington, D. C., volume 2, No. 13, for May 1946:

DR. MONTGOMERY—CONGRESSIONAL CHAPLAIN FOR 25 YEARS

On April 11, Dr. James Shera Montgomery, minister emeritus of Metropolitan Church, completed a quarter century of service as Chaplain of the United States House of Representatives. His prayers at the opening of the sessions have been printed from time to time, and are available in book form. In his ministrations over the spiritual welfare of one of the greatest lawmaking bodies on earth, he witnessed in panoramic review legislative transactions which often mirrored events of great significance in the Nation's history.

A great chaplain, a great minister, a great man of God—Dr. Montgomery, we are proud of you.

I am sure I voice the sentiment of the entire membership as I say to you: Dr. Montgomery, we are proud of you. May God give you health, strength, and continued life to serve with us and pray for us for many years to come.

AN INSULT TO A GI

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, last Saturday night in my home town of York, Pa., a Jackson-Jefferson Day dinner was held, at which time Secretary of Commerce Henry Wallace and a candidate for the Senate were the principal speakers.

Prior to the dinner the candidate was being interviewed by a newspaper reporter, the candidate pointed to the reporter's discharge button and asked, "Where did you buy that?"

Now, Mr. Speaker, I do not understand why any GI should be so insulted. This button represented his honorable discharge. This GI had 37 months in the Army, 17 months overseas, and plainly told the candidate, "I earned this one."

A candidate who is so untactful will, no doubt, have a tough job being reelected to the Senate. After all why should he criticize anyone for wearing a discharge button. He is an old bachelor and had no kin in this or the other war.

The candidate for the Senate is lucky that the veteran was not quick on the trigger and did not plant a stiff punch on his jaw. A candidate who will insult a man who served his country for more than 3 years should go into his campaign with a broken jaw.

Mr. Speaker, I ask unanimous consent to include as a part of my remarks the newspaper article which appeared in the York (Pa.) Dispatch on April 29, 1946, that reported this incident.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The matter referred to follows:

SENATOR GUFFEY, IN YORK, INSULTS AN EX-SERVICEMAN

When it comes to World War II veterans and their discharge buttons, Senator JOSEPH GUFFEY, who wants to be reelected next November, has a perverted sense of humor.

While interviewing Secretary of Commerce Henry A. Wallace outside of the Valencia ballroom Saturday night, a York Dispatch newspaperman, only 4 months out of the United States Army, was asked by Senator GUFFEY as he pointed to the reporter's discharge button, "Where did you buy that?"

The newspaperman, accustomed to listening to practical jokers in the Army, answered the silly question nonchalantly, "I spent 37 months in the Army, 17 months overseas. I earned this one." Secretary Wallace told GUFFEY he knew "this man for a long time."

At this point the untactful Senator was informed by the ex-serviceman that he represented York's evening newspaper. The then somewhat flabbergasted politician immediately changed his humorous tune. He began congratulating the former soldier-reporter for a fine job "done in the service," but the reporter wasn't particularly interested. The newspaperman asked GUFFEY what he plans to do for the veterans "if he is reelected." "I am going to give them everything I can. They deserve the best. I'm also going to vote to give the soldiers in the Army more money, too." As the interview ended GUFFEY reminded the reporter, "Now, don't forget to quote me on my stand about veterans."

PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[Mr. KNUTSON addressed the House. His remarks appear in the Appendix.]

FLYING PAY FOR NAVAL NAVIGATORS

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA. Mr. Speaker, I am today introducing a bill to do simple justice to those men who served as navigators in the Navy and Marine Corps. The bill would provide the same bonus provision upon discharge as that now paid to navigators in the Army Air Corps.

I am calling this matter to the attention of the House and particularly to the attention of the Committee on Naval Affairs, hoping that speedy consideration may be given this bill.

BROADCAST OVER STATION WOL

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, under date of April 29, 1946, a Member of the other body broadcasted a statement over Station WOL and the Mutual network, which, in my opinion, was an attack on at least two Members of this House. This is not a violation of the Rules of the House but goes far down the road in that direction. Later we may deem it advisable to answer these untruthful charges.

At this time I ask unanimous consent to extend my remarks in the RECORD and include the full statement by the Member of the other body to which I referred.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

(The matter referred to follows:)

ADDRESS BY SENATOR ROBERT F. WAGNER OVER STATION WOL AND THE MUTUAL NETWORK MONDAY, APRIL 29, 6:15 P. M.

My friends, in January of this year Wilson W. Wyatt became National Housing Expediter. Shortly after that he recommended an emergency housing program for veterans. This program required legislation.

Seldom has any program met with such widespread and enthusiastic popular acceptance.

President Truman approved the veterans' emergency housing program and recommended the necessary legislation to Congress.

All of the important veterans' organizations approved this program.

In every State the mayors of cities where veterans are desperately in need of homes welcomed this program.

The editorial pages of the press, with a rare degree of unanimity, have hailed this program as the best answer to the veterans' housing needs.

The National Association of Home Builders endorsed this program in convention assembled.

The executive vice president of the National Association of Real Estate Boards wrote a letter to Mr. Wyatt, expressing his enthusiasm for this program.

The American Federation of Labor and the CIO have pledged their full cooperation in this program.

When Mr. Wyatt first appeared before the House Banking and Currency Committee leaders of both parties, Democrats and Republicans, pledged their support to this program.

And so the veterans thought that housing was on the way.

But four long months have gone by since Mr. Wyatt became Housing Expediter—and Congress has not yet approved the legislation which President Truman called the very heart of the veterans' housing program.

What are the reasons for this legislative delay?

The reason cannot be that the housing emergency has miraculously disappeared. On the contrary the emergency is becoming worse every day, as more and more veterans return to civilian life. And everybody knows that it is becoming worse every day.

The reason for legislative delay cannot be that the American people have reneged on their solemn obligation to be fair and square with those who fought and won our greatest war. The American people never renege. Every public-opinion poll shows that the people overwhelmingly support the veterans' emergency housing program.

Nor can the reason for legislative delay be that flaws in the program have been discovered with the passage of time. Time has only served to make proposals which were

clearly right a few months ago, even more clearly right today.

Yet, the months of legislative delay have not occurred by accident. The delay has occurred by design. The delay has occurred through the deliberate efforts of those who do not want a veterans' emergency housing program. They do not want it for reasons that are selfish beyond description. They do not want it because some people and groups are profiting by the scarcity.

In the final analysis, the responsibility for this delay now rests with a relatively few Members of the Congress of the United States. These few persons, because of their strategic positions on certain congressional committees, have been able to wield an influence out of all proportion to the number of people whom they represent.

In fact, even the people living in the districts which these few persons represent, are not in sympathy with what they are now doing. I cannot believe that a majority of the people in any congressional district in the United States is opposed to taking every step necessary for the success of the veterans' emergency housing program.

The only thing that has enabled these few obstructionists to persist in their course, is that it has been a concealed course. When the veterans' housing bill was first up for consideration in the House, these obstructionists stated that they were for the program, but that it could all be done without legislation. When this statement was proved to be wrong, they admitted that legislation was required. But they said that it ought to be in a different kind of bill, and referred to a different kind of committee. These few obstructionists resorted to every old trick of those who do not want to say "Yes" but who are afraid to say "No." They even succeeded in avoiding a record vote, on the most critical items in the veterans' housing bill.

Through this manipulation and subterfuge, the House of Representatives as a whole did not have a full opportunity, when the bill was before it, to study the facts carefully and come to a just conclusion. For this, most of the Members of the House were not at fault.

Then the bill came up in the Senate, and the vital provisions for premium payments and guaranteed markets were inserted. Without these provisions to speed up production, the program cannot succeed. In this satisfactory form, the bill passed the Senate.

The situation now is that the veterans' housing bill is in conference between the Senate and the House. This means that Representatives of both bodies have been designated, to decide between the inadequate bill passed by the House and the satisfactory bill passed by the Senate. The conferees will be meeting again this week. I am confident that the House will be very likely to accept what its own conferees propose. In short, the life or death of the veterans' emergency housing program rests largely in the hands of the seven men, appointed by the House, to represent them in conference.

Some of these seven House conferees fought with all their strength to get a satisfactory veterans' housing bill, when it was first considered by the House. Who they are is a matter of public record. But there are one or two of these seven House conferees—and they, too, are a matter of public record—who did all they could to prevent the House from passing a satisfactory veterans' housing bill. In this, they succeeded. The critical issue now is whether these same obstructionists can succeed again in conference this week—or whether public opinion and the righteousness of the veterans' cause can make them change their minds and alter their course.

The veterans and the people of this country, who want and need the veterans' emergency housing program, have just one first job to do. It is easy for them to find out who is standing in their way. It should not be difficult for them to take these obstructionists to task.

If those working against the veterans' emergency housing bill are allowed to succeed, it will give heart and strength to the enemies of every program for the welfare of the veterans and the people.

The bill about which I have thus far been speaking, is essential to expedite the production of materials and houses for veterans. But the veteran already knows that houses alone are not enough. There must be the kind of houses which can be bought or rented at a price the veteran can afford to pay. The Senate recently passed another housing bill, sponsored by myself and two other Senators. It is known as the Wagner-Ellender-Taft bill. This bill is just as essential to the veterans' emergency housing program as premium payments and guaranteed markets. For without the Wagner-Ellender-Taft bill, there is every indication that most of the houses which get built will be far beyond the veterans' financial reach.

It is a matter of common sense that, if the housing bill now in conference is defeated, it will be just that much harder to enact the Wagner-Ellender-Taft bill. It will be just that much harder to enact any of the other measures, in which veterans have a tremendous stake—the improvement of social security, the development of better health measures, the reinforcement of the full employment bill with specific full employment programs.

One of the founding fathers said that eternal vigilance is the price of liberty. In more recent times, eternal public vigilance of what Congress is doing, has become the price of true democracy. Without this public vigilance, small and selfish groups can dominate decisions, and the public interest is lost sight of when laws are made.

This public vigilance must be exercised whenever vitally important measures are before Congress. Nothing is more certain than that Congress will make the right decisions, if it knows that the people as a whole are watching every step that is taken.

I have only one message to every veteran and his family, living in a trailer, crowded in a slum, or unable to find a home because of the housing emergency.

I have only one message to every fair-minded American, who revolts at the thought that the housing needs of veterans should be shabbily disregarded.

This message to every veteran and to every fair-minded American is that you should watch what is happening this week in Congress—and particularly what is happening in the conference on the veterans' housing bill. By this kind of watching, you will be able to penetrate the secret of why the veterans' emergency housing program has been delayed for so many months. By taking action, when your watching reveals the need for action, you will be able to assure satisfactory housing legislation. This alone will keep faith with the veterans of World War II, who are looking for homes in which to live and rear their families.

EXTENSION OF REMARKS

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD in three instances, in two to include editorials and in the third to include a letter.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a quotation.

Mr. KILBURN asked and was given permission to extend his remarks in the RECORD and include a resolution on the St. Lawrence seaway.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech made by Norris K. Carnes. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $135, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HOLMES of Massachusetts asked and was given permission to extend his remark in the RECORD in two instances, in one to include an article appearing in the Washington Post under date of April 29, and in the other to include a telegram from the Governor of Massachusetts and two other letters having to do with the feed shortage in that area.

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD in two instances and include statements from the official publication of the National Small Businessmen's Association.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include an editorial by Dave Kirk, editorial writer for the Spokane Chronicle.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD in three instances, in one to include an editorial, and in two to include articles by Samuel Crowther.

Mr. ROCKWELL asked and was given permission to extend his remarks in the RECORD and include an article by Jim Childress.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include excerpts.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include a telegram from Hon. Alfred N. Phillips, Jr., former Member of Congress, Fourth Congressional District, Connecticut.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD and include a letter from Captain Morrison.

GI BILL OF RIGHTS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include as part of my remarks a resolution passed by the Board of Supervisors of Washtenaw County, Mich.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, I am sure that the so-called GI bill of rights,

recently placed upon the statute books, has been as disappointing to many of us who participated in its enactment as it has to many veterans who have sought its benefits.

Be it remembered that this law had the support of all veterans' organizations and was a sincere and conscientious effort to assist the veteran over the difficult path of adjusting him to civilian life. Trial and error demonstrate that there should be some amendments to the law. Veterans' organizations are urging such amendments, and I call the attention of the House to this matter in the hope that the Committee on Veterans' Affairs will immediately give consideration to the whole matter.

As an expression of the people of the country, let me call your attention to resolutions adopted by the board of supervisors of Washtenaw County, Mich. The great University of Michigan at Ann Arbor, with its more than 6,000 veterans in attendance, is the center of Washtenaw County. The resolutions read as follows:

Be it resolved—

Whereas it appears under the GI bill of rights, certain servicemen by reason of occupation, training, or choice, receive greater benefits than others; and

Whereas it appears that for educational purposes, some servicemen may receive benefits and allotments as high as $6,000 without repayment. While no such provisions are made for servicemen desiring to continue or commence other activities without repayment. (For example: two returned veterans, who shared the same fox hole—one desires the educational program, and may receive benefits up to $1,500 per year, without repayment; the other one desires farming, and receives no benefits, without repayment); and

Whereas this is an agricultural county, where a great number of returned veterans desire to carry on their various projects: Therefore be it

Resolved, That this board of supervisors, Washtenaw County, Mich., go on record as favoring equal benefits, in outright grants or allotments, without interest or repayment, for said veterans, in the same manner and procedure as are granted other veterans for educational programs; and further

That a copy of this resolution be forwarded to our Congressman and Senators in Washington; to the State Association of Supervisors; and to all boards of supervisors in the State of Michigan.

Mr. Speaker, this board speaks with authority from experience and is not theorizing.

HIGHWAY SAFETY

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 586.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Clerk read the resolution, as follows:

Whereas the President of the United States, deeply concerned by the alarming increase in traffic accidents since the end of gasoline rationing, has taken positive action to devise ways and means of making our streets and highways safer; and

Whereas to this end the President has called into conference on May 8, 9, and 10 the representatives of States, counties, and municipalities having legal responsibilities in matters of highway safety, together with representatives of national organizations which are concerned with highway safety; and

Whereas established standards and techniques for traffic accident prevention have proved effective when intelligently applied by public officials in States and communities where strong public support exists for these activities; and

Whereas the President's highway safety conference will be dedicated to a review of these standards and techniques, and to the development of Nation-wide support for their prompt and uniform utilization: Therefore be it

Resolved, That each member of this body be encouraged to take all proper steps to bring before the American people their personal responsibilities for exercising utmost care in the avoidance of traffic accidents and supporting all sound and necessary highway safety programs.

The resolution was agreed to.

A motion to reconsider was laid on the table.

OPTOMETRY CORPS IN THE MEDICAL DEPARTMENT OF THE UNITED STATES ARMY

Mr. SHORT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3755) to establish an Optometry Corps in the Medical Department of the United States Army, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 19, strike out "an accredited" and insert "a recognized."

Page 2, line 20, strike out "college," and insert "college."

Page 2, line 20, strike out all after "the" down to and including "Association" in line 22, and insert "Surgeon General."

Page 3, line 3, after "therewith" insert "by the Surgeon General."

Page 3, line 3, after "therewith." strike out all down to and including line 6.

Page 4, line 3, strike out "(who shall be an ophthalmologist)."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, I am aware of what the amendments accomplish, but will the gentleman make a brief statement for the record as to just what the Senate amendments will bring about?

Mr. SHORT. I shall be very happy to do that.

The amendments simply place in the hands of the Surgeon General of the United States Army, instead of the American Optometric Association, the authority to decide who shall be commissioned in the service. There are only 50 or 60 persons this would affect.

Mr. MARTIN of Massachusetts. This bill was passed unanimously?

Mr. SHORT. It was reported unanimously by the House Committee on Military Affairs and passed the House unanimously. It was passed by the Senate yesterday unanimously. I talked to Senator BARKLEY and Senator HALE and the rest of those interested in this matter, and they want these amendments.

Mr. MILLER of Nebraska. If the gentleman will yield, can he tell me whether this will speed up the discharge of doctors from the Army? At the present time there are more doctors in the Army than there were when the war was at its height. There is 1 physician to every 130 enlisted men, 7.5 per thousand, while during the war there were 5.5 physicians to every thousand enlisted men. Can the gentleman say whether anything can be done to see that some of the physicians now in the Army can come home?

Mr. SHORT. May I say to my friend from Nebraska, in whose district I have been, and whom I love very much, that I believe that on the whole the Army has done a magnificent job of discharging these people; in fact, we perhaps discharged them too fast too soon.

Mr. MILLER of Nebraska. May I point out that there is 1 physician in the Army to every 130 enlisted men, or 7.5 per thousand. There are more physicians in the Army now than when the war was going full blast.

Mr. SHORT. That is true, but I do not want to get into any argument about it because that is irrelevant to this matter.

Mr. MAY. If the gentleman will yield, may I try to satisfy the mind of the gentleman from Nebraska on the question of the number of doctors in the armed forces at this time by saying that there are many thousand fewer physicians in the Army now than we did have, and they are being discharged as rapidly as possible under the point system and under the recommendations of the State procurement agencies.

Mr. MILLER of Nebraska. There are more doctors in the Army now in proportion than there were during the war.

Mr. MAY. On the basis of proportion, that is right.

Mr. MILLER of Nebraska. I am talking about the number of doctors in the Army proportionately.

Mr. SHORT. That is right.

Mr. MILLER of Nebraska. I hope the Committee on Military Affairs will recognize that.

Mr. MAY. There are more in proportion to the number of men in the Army now.

Mr. ANDREWS of New York. Mr. Speaker, if the gentleman will yield, I think it would do every Member of the House a great deal of good at this time to spend a day in a recognized Army hospital among the American wounded and see what they think of the discharge of good physicians and surgeons back to civilian life.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD.

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an editorial.

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. LANHAM] is recognized for 20 minutes.

TRIBUTE TO HON. PAUL BROWN, OF GEORGIA

Mr. LANHAM. Mr. Speaker, we who serve in these halls are well aware of the fact that the manifold duties of a Member of Congress involve very constant and very arduous work. Such service, despite its extreme importance, has often been called a thankless task. Here a faithful, able, conscientious, industrious public servant, of a type more interested in constructive accomplishment in accordance with American ideals than in sensational newspaper headlines, often receives more of criticism than of commendation. But the hope of our country must necessarily depend upon this kind of Representatives of the people, devoted to the fundamental principles of our Government. The interest of such a Member is in the common welfare, not in mere public acclaim. Helpful criticism that enables him the better to perform his duties he invites and gladly receives, but sometimes he is subjected to inaccurate, undeserved, misleading, and untruthful censure which unfortunately finds its way into the columns of the public press.

May I preface what I have to say with the statement that I have no purpose to criticize those columnists whose unbiased reports of the news we all read with pleasure, but I certainly have no praise for those who seek to advise the American people that any opinion at variance with their own is necessarily wrong. It seems most lamentable that some of these self-opinionated columnists who frequently endeavor to discredit the Congress could not have been present at the Constitutional Convention to advise Washington and Franklin and Madison and Hamilton and other celebrities in attendance just what kind of government they should advocate, for those early American patriots in their prescribed system of checks and balances were very firm in their conviction of the paramount importance of the Congress. And it might be well in these later days to bear in mind also that dictatorial and totalitarian regimes never rise to power until they attain either the impotence or the abolishment of the legislative branch of government.

One of our Members whom we all, regardless of party, admire and respect, has recently been the subject of such an unjustified columnist attack. I refer to our colleague, PAUL BROWN of Georgia. I doubt if anyone in this body is more highly esteemed and affectionately regarded for his sterling worth and outstanding ability and faithful performance of duty than our friend, PAUL BROWN. Who among us is less deserving of political censure than he? In the approximately 13 years of his service he has never dodged a vote and has never missed a roll call or a meeting of his committee.

And yet, one of the columnists, Drew Pearson, assuming to report the proceedings of an executive meeting of a conference committee which he himself, of course, did not attend, and which he insinuatingly stated was "held in the usual secrecy," took occasion, for what purpose you may judge for yourselves, to hurl his utterly unwarranted abuse upon our colleague, PAUL BROWN. He even left the very strong implication that PAUL BROWN is an enemy of the veterans of the late war, despite the fact that the gentleman from Texas [Mr. PATMAN] whose housing bill was the subject matter for the meeting of the conference committee, stated in the hearings on that measure, recorded at page 1411 of the printed proceedings:

> Mr. BROWN lost everything he had in this war and, of course, we sympathize with him very much. I do not think he has missed a roll call since he has been a Member of Congress. He is always active and alert to help veterans.

The gentleman from Texas [Mr. PATMAN] was referring to the fact that PAUL BROWN'S only son made the supreme sacrifice in World War II in order that you and I and all the people, including any critical columnists, might be able to continue to live under and enjoy our American system of government, of which the Congress is so vital a part and of which this hero's father is an eminent, honored, and distinguished Member. I do not understand the kind of mind or heart which could lead anyone under such circumstances to intimate in public print that PAUL BROWN is a foe of the veterans. And in stating my own judgment, I feel very confident that I state the judgment of all who serve in this House of Representatives of the Congress that PAUL BROWN'S district, his State, and his Nation have abundant cause to be proud of his record of service, not only to the veterans, but to all our American people in every walk of life.

The burden of Mr. Pearson's complaint with reference to the gentleman from Georgia [Mr. BROWN] as it appears in the Drew Pearson article on Wednesday, April 24, is to the effect that the gentleman from Georgia [Mr. BROWN] did not agree to the inclusion of subsidies in the conference report on the Patman housing bill. The bill as it had passed the Senate contained two main items that were not in the bill as it passed the House. One was the $600,000,000 provision for subsidies and the other a guaranty against loss on 200,000 prefabricated houses.

The conference committee on the Patman housing bill met for the first time on the morning of April 18, the day the House recessed. Early that day the gentleman from Georgia [Mr. BROWN] announced that, insofar as subsidies were concerned, he did not feel that he could vote to report that provision favorably in view of the fact that he believed such action would result in retarding the production of building material. The gentleman from Georgia [Mr. BROWN] was absolutely sincere in this position and it was entirely in accord with the fight he had made in the House to this effect. The gentleman from Georgia [Mr. BROWN] predicated his opposition to subsidies on the announced purpose of those who would have administrative control of them, which was that such subsidies, or so-called premium payments, were to be paid only for production by any person or firm or company or organization above and beyond its normal output, and he called attention to the fact that under existing conditions much of established business could not even reach its normal output and thus become eligible for such payments, but that any new business venture with little or no previous output could likely avail itself of such premiums. He realized also that, though these subsidy payments would not go to the veterans, it would be in considerable degree the responsibility of the veterans to repay them to the Federal Government in taxes.

All that Mr. BROWN asked, in spite of his well-known objections to the subsidies, was that the House be allowed to pass on this question again, which is the very usual procedure in conference reports with reference to matters not in agreement, and certainly his request had additional force in this instance inasmuch as on a teller count the House of Representatives had turned down the subsidies by a vote of almost 2 to 1. How, then, could he consistently have done otherwise than to urge that this question be brought back to the House when he was representing the previously expressed will of the House? That is all that Mr. BROWN did, and certainly no Member of this body would criticize him for such a course. In all fairness to himself and to the House his action is to be commended.

As Mr. BROWN had stated in the debate in the House, when the Patman bill was first considered in the committee it contained a type of subsidy to help the builders, but only one or two of the committee voted for this provision. It was eliminated before the bill was brought to the House for action. We are told also that at that time Mr. Wyatt did not express himself in favor of subsidies, but that later Mr. Wyatt and his advisers suggested a plan for a type of subsidies called premium payments and this was offered by way of amendment on the floor of the House, but was defeated in view of the arguments against it.

That Mr. BROWN has very great interest in the veterans is further evidenced by his energetic support of an amendment placed in the bill by the House, and tentatively agreed to in the Committee, providing $1,000,000,000 under title VI of the Federal Housing Act and another billion dollars in reserve. Under this provision veterans may have insured loans from the FHA up to 90 percent of the funds necessary to buy the material to build houses.

The great majority of the veterans do not have sufficient money for home building. The gentleman from Georgia [Mr. BROWN] urged the importance of this amendment to the veterans in view of the further fact that in practically all communities with a population of less than 10,000 banks and lending institutions seem loath to lend the money under the GI bill of rights. The Patman bill as it passed the House gave priority to veterans in the allocation of scarce materials, and it gave the Expediter extensive powers to help them. Therefore, the increase in funds for the

FHA assured them an opportunity to get the money and obtain the material.

It should be remembered that after some debate in the House it seemed doubtful if any bill of this character could be passed, but the gentleman from Georgia [Mr. BROWN] fought valiantly for the committee bill. Even the chairman of the committee and also the author of the bill, the gentleman from Texas [Mr. PATMAN], wanted certain amendments. The gentleman from Mississippi [Mr. RANKIN] even offered a motion to strike out the enacting clause. At the request of the floor leader, the gentleman from Massachusetts [Mr. MCCORMACK], the gentleman from Georgia [Mr. BROWN] replied to this attempt to nullify the measure, and his arguments prevailed and there were but a few more than 30 votes for the motion on a teller count. Upon similar request, the gentleman from Georgia [Mr. BROWN] spoke in opposition to a substitute bill which was defeated. Members on each side of the aisle will readily agree that the gentleman from Georgia [Mr. BROWN] made an honest, conscientious, and fearless fight for the bill, and he was congratulated by leaders of all factions for his diligent service in behalf of the veterans.

Not only did the floor leader, the gentleman from Massachusetts [Mr. MCCORMACK], praise the gentleman from Georgia [Mr. BROWN] for his outstanding labors for the veterans, as recorded on page 1961 of the CONGRESSIONAL RECORD of March 5, but at a later hearing of the Committee on Banking and Currency with reference to another measure, the gentleman from Texas [Mr. PATMAN], the author of the housing bill, again took occasion to compliment the gentleman from Georgia [Mr. BROWN] on his work for the housing measure and had this to say of his service in that regard:

> Mr. BROWN worked as hard on that bill as any man here and was as helpful as any man in the House in getting it through. He carried the burden sometimes when we could not carry it. That bill really means something.

This statement is found on page 1412, volume II, of the hearings on the extension of the Price Control Act.

Is it not strange, therefore, that in attacking Mr. BROWN and other conferees of similar views, Mr. Pearson, blindly overlooking the high praise Mr. BROWN had received for his service to the veterans, wrote in his column of censure the following statement with reference to these colleagues of ours:

> Their colleagues are betting, however, that after hearing from their war-vet constituents during the Easter recess, they won't come back happy.

Certainly any message Mr. BROWN may have received from his veteran constituents should have been one of unstinted praise for his labors in their behalf. And it remains for time to demonstrate even more forcefully the worth of that work which he so conscientiously performed.

In speaking of this beloved colleague, I cannot refrain from citing a few of the many instances of his service to America or from quoting a few attestations of his colleagues of the excellent record he has made. Mr. Ramspeck, of Georgia, who until his recent retirement was the majority whip of the House, once said of Mr. BROWN:

> He, better than anyone in the House, has the ability to talk with other Members personally and influence their action on legislation. He has often assisted me when we had a tight vote coming up. I would rather have his assistance in such a situation than that of any other Member.

That is high praise indeed from one eminently qualified to appraise congressional worth and usefulness.

I remember well that for a long period Mr. BROWN has been the leader each 2 years for the extension of the Commodity Credit Corporation, an agency designed, perhaps more than all others combined, to stabilize prices for agricultural products.

Mr. BROWN has been a most enthusiastic supporter of the Federal Deposit Insurance Corporation, and in his own State, as early as 1925 and 1926, before the law was passed, he was speaking to urge the wisdom of legislation of this character.

Two years ago he led the fight to help depositors and the little banks in his section of the country and the agricultural sections of the West in the bill relating to the absorption of exchange and collection charges. That bill passed the House by a vote of nearly three to one.

When the Bretton Woods agreement was being considered by the Banking and Currency Committee of the House, it was generally recognized that Mr. BROWN was the most potent factor in putting it through.

His effective work with reference to the Price Control Act is well known to all who serve in this Chamber. One of the outstanding members of his committee made this statement concerning the service of Mr. BROWN:

> He has been of great assistance in many important bills considered in the House. PAUL BROWN has rendered valuable work for the Government and this administration through his position as ranking Democratic Member on the Banking and Currency Committee. During the hardest part of the Bretton Woods fight when it looked as though we were defeated 14 to 13, PAUL BROWN managed to carry the ball and got a favorable report out without any damaging concessions with only 2 votes in the committee against it.
>
> His efforts in helping bring Members along on the difficult problem of reenacting the price-control bill a year ago, and helping in getting a satisfactory authorization for the Export-Import Bank proved of tremendous value in the passage of the administration program.

I have mentioned but a few of the many instances of PAUL BROWN'S distinguished congressional career, but they at least serve to indicate his abundant efforts to be helpful to all classes of people who need and deserve legislative assistance. He is held by us all in the highest esteem, and in view of the recent unjustified criticism spread through the country by a grossly misleading column, I could not refrain from voicing my tribute to this fine American gentleman and statesman.

Mr. MCCORMACK. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Massachusetts.

Mr. MCCORMACK. I did not see the item to which the gentleman referred in his remarks, but I have always felt that one of the greatest influences enabling democratic institutions of Government to function was respect for each other's views even where disagreement exists among persons in the exercise of their judgment. To me this is a very deep influence and one I try to follow as far as I humanly can. That is basic. If we do not have respect for one another's views, bitterness and hatred follow and we will have all of the debasing consequences that flow from that state of mind which carries bitterness and hatred. In other words, tolerance, understanding, and respect for each other's views must exist.

I have served with the gentleman from Georgia for 13 years. I concur in everything that the distinguished gentleman from Texas has said. I know of no Member who is more sincere, who is more hard working, who is more devoted to his duties. So far as the particular question of premium payments is concerned, I respect his views and I respect his motives. As a Member of the House and occupying the position of majority leader, and expecting to occupy that same position for the next 2 years, I have received nothing but complete cooperation from the gentleman from Georgia [Mr. BROWN].

In reference to the bill in question and the matters therein contained on which we were not in disagreement, I asked him to take the floor in opposition to certain amendments. In connection with bills that have come out of this committee, on which there is a fight, where amendments have been offered by Members which I felt should be opposed, I have gone to the gentleman from Georgia [Mr. BROWN] and without hesitation he has taken the floor and made his contribution, always very effectively.

I am sure Mr. Pearson upon reconsideration will recognize that in this case he has unconsciously and unintentionally made a very serious error and I hope he will rectify it because if there is one man that I have met in my journey through life who has impressed me with nobility of motive, with fineness of character, with sincerity of effort, it is our distinguished friend the gentleman from Georgia [Mr. BROWN]. I am sure that Mr. Pearson would not want to intentionally harm anyone. I trust he will read the remarks of the gentleman from Texas and appreciate the high regard that is entertained for the gentleman from Georgia [Mr. BROWN] by his colleagues in the House. Even though Mr. Pearson may be in disagreement with the gentleman from Georgia [Mr. BROWN] on this particular question, I am sure he will recognize that the gentleman from Georgia is entitled to respect even though Mr. Pearson may disagree with him. After all, it is the exercise of his judgment and conscience and, as I stated, I hope Mr. Pearson will rectify, as any man of character would do, the harm that he has unintentionally

inflicted upon the gentleman from Georgia.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Texas be extended for an additional 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Mr. Speaker, I should like the privilege of saying that I, too, concur in your very timely and appropriate remarks with respect to the course of conduct of our valued colleague from Georgia, PAUL BROWN, in the conference on the disagreeing votes between the two Houses on the so-called veterans' housing bill. The columnist, Drew Pearson, has done the gentleman from Georgia [Mr. BROWN] a very grave injustice. His criticism is without any foundation and without any support of any kind. Instead of being censured, the gentleman from Georgia [Mr. BROWN] is entitled to the commendation of the House for standing by the position of the House respecting subsidies and in asking that these views be given consideration in conference, by at least giving the House the opportunity of again voting on subsidies.

If there is one Member of the House who is more devoted than another to veterans and to all worthy measures in behalf of the veterans of all wars, and zealous for their welfare, that Member is the gentleman from Georgia, PAUL BROWN, who lost his only son, who lost his all, as you have so well said, in World War II.

Our faithful colleague, the gentleman from Georgia, is recognized for his efficient work as a member of the Committee on Banking and Currency. The House has high regard for his views and conclusion regarding all of the important legislation on which the committee submits reports; in fact, his presentation of important bills is always anxiously awaited. The House has come to rely upon his judgment and his wisdom. It is not too much to say that while he opposed subsidies and while the House followed his leadership in such opposition in a vote of two to one, no Member of the House was more influential in securing the final passage of the bill for veterans' housing than the gentleman from Georgia [Mr. BROWN]. It was evident throughout the debates that the gentleman from Georgia [Mr. BROWN], was most anxious to provide sound legislation that would result in housing for veterans. With the vast majority of the House, he believed that the benefits of subsidies would not accrue to the veterans but to others. The ceiling on prices of new housing was to be safeguarded. The funds provided by the Government should be made available to veterans rather than disbursed without a definite yardstick to those who might claim that they were instrumental in providing housing. The House backed his judgment. Mr. BROWN insisted that all moneys appropriated for veterans should be for the direct benefit of the veterans and not for distribution and disbursement for the benefit of materials men, builders or contractors, under the guise of helping the veterans. It was clear that Mr. BROWN was interested not only in providing housing for veterans but in providing such housing on a sound basis so that veterans could pay for the housing. In a word, the gentleman from Georgia wanted the veteran to get the benefit of funds made available for veterans' housing.

I am, therefore, glad to join in the very deserved tribute so well expressed by you, to the worth, the work and the effective and constructive services of the gentleman from Georgia [Mr. BROWN], not only as a member of the Committee on Banking and Currency but as one of the most capable Members of the House.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I have listened with great attention to the remarks of the gentleman from Texas as he has referred to the attack that has been made against the gentleman from Georgia [Mr. BROWN]. For the past several years the gentleman from Georgia [Mr. BROWN] has lived in the same apartment building where I reside. We have journeyed to and from the Capitol each day. We have discussed many matters. I have learned to know him well. While he is a Democrat, and I pride myself on being a member of the Republican Party, and we sometimes differ—in fact, we usually differ on political affairs and matters—I have learned to respect PAUL BROWN'S honor and integrity. I was with him at the time that word came of his son's death. I know of the sacrifice that he has made for his country, and anyone who attacks PAUL BROWN'S patriotism or his interest in the welfare of the veterans injures himself rather than the gentleman from Georgia, Mr. PAUL BROWN.

I want to congratulate the gentleman from Texas on taking the floor to defend the honor and the integrity of one of his colleagues.

Mr. MANASCO. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Alabama.

Mr. MANASCO. The distinguished chairman of the Committee on Public Buildings and Grounds, who is now addressing the House, will recall that when we were in executive session soon after the House voted on the so-called veterans' housing bill, that we were considering a bill to authorize an appropriation to move many of the temporary houses to be used by veterans. At that time Mr. Wilson Wyatt, Housing Expediter, was before our committee, and this question was asked him about the so-called subsidies in the Patman bill, whether or not any testimony was given before the Committee on Banking and Currency when that bill was being considered by that committee to show the House the necessity of subsidies for these veterans' houses, and he said, "No." The gentleman will recall that statement by Mr. Wyatt. Therefore, regarding any attack on Mr. BROWN'S position as to the votes on it, the amendment was not based on evidence before the committee and was not available to the House.

Mr. PETERSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Georgia.

Mr. PETERSON of Georgia. Mr. Speaker, I wish on my own behalf, and on behalf of the entire Georgia delegation, to express to the distinguished gentleman from Texas our appreciation of the splendid remarks which he has just made regarding our colleague, PAUL BROWN. The article to which he refers clearly indicates that the writer of this article does not know PAUL BROWN and is not familiar with his sterling qualities and outstanding patriotism.

His loyalty to his constituents and to his country cannot be questioned. His record as a Member of this House in several respects surpasses that of any other Member with whom it has been my privilege to serve. His constant attendance at the sessions of this House and at the committee of which he is a member, the able and aggressive manner in which he constantly strives to secure legislation for the benefit of his constituents and of the country as a whole, his studious devotion to his duties, his sincerity of purpose and integrity of character, together with his high sense of patriotism, certainly make PAUL BROWN one of the best legislators in Congress, as well as one who is devoted to the best interest of his people and his country.

He has given far more than many of us to his country, in giving his only son, who served as an officer on a submarine in the Pacific, and whose life was offered on the altar of human freedom.

It has been my pleasure during the 12 years I have been in Congress to be closely associated with PAUL BROWN. I count him among my closest friends and I depend upon him for counsel and advice. Likewise, the entire Georgia delegation, among whom the most cordial relations exist, seek and listen to his advice and counsel on legislative matters. His loyalty to his friends, his constituents, and to his country, together with his splendid ability and high patriotism, make him an outstanding Member of this House. The entire membership of the Georgia delegation realize and appreciate the worth of PAUL BROWN as a friend, as a legislator, and as a public servant.

I wish to again assure the gentleman from Texas that the members of the Georgia delegation appreciate what he has said this morning, and likewise we are deeply grateful for the fine and timely words of tribute that have been so well expressed by other Members on this occasion.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas be permitted to proceed for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Kentucky.

Mr. SPENCE. While I have often disagreed with some of the views of the gentleman from Georgia [Mr. BROWN], who is the senior majority member of the Committee on Banking and Currency, I think that all who have observed him know of his fidelity to duty and his constant and unremitting interest in the discharge of his duties. I do not believe he has ever missed a call of the roll in this House in all the years he has been here. He has been equally faithful in the discharge of his duties in the committee. He has the respect and confidence of the members of that committee. I hope we can always disagree with our colleagues and still retain respect and confidence for them. Certainly the gentleman from Georgia [Mr. BROWN], who lost his only son in the war, has by his sacrifice demonstrated that he must have a very deep and abiding interest in the veterans. I know how he has suffered by reason of this loss. I know that any statement as to his indifference to the welfare of the veteran must have deeply wounded him. I hope we can disagree and continue to disagree, but still have confidence, respect, and friendship for our fellow men and our colleagues.

Mr. LANHAM. That statement is most appropriate, coming as it does from the chairman of the Committee on Banking and Currency, upon which the gentleman from Georgia [Mr. BROWN] has served so diligently, ably, and faithfully.

Mr. ROBERTSON of Virginia. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. It has been my privilege to serve for nearly 14 years with our distinguished colleague and friend from Georgia [Mr. BROWN]. He is one of the finest men in the House, and one of its most useful Members. I am very happy that the distinguished gentleman from Texas has taken occasion today to call attention to his record and to give other Members of the House an opportunity to testify to the facts.

AMERICAN AVIATORS AND GENERAL MIHAILOVICH

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, on March 29 I inserted into the Appendix of the CONGRESSIONAL RECORD a letter published in the Washington Post entitled "In Defense of Mihailovich." This I prefaced with a few words urging upon this Government the suggestion that everything possible be done to insure a just and fair trial for this man to whose loyalty and courage some 600 American aviators owe their lives.

Today I would call to the attention of this House the treatment meted out to a special delegation of these airmen by their Commander in Chief and by our Department of State. These fliers left their homes, their jobs, and their families at considerable expense and inconvenience in order to present their point of view directly to the President and to the Acting Secretary of State. Their story is very simple: They owe their lives to General Mihailovich. During their stay with his troops not one of them nor any of their 600 companions similarly rescued had seen or heard reliably reported the slightest evidence of any collaboration between General Mahailovich and our common enemy—Germany.

A specially chartered airliner—the Mission of Mihailovich—brought them to Washington Sunday afternoon. They are leaving this afternoon greatly disillusioned and deeply disappointed, having been barred from even the briefest of audiences with their Commander in Chief, the President of the United States.

First interviewed by Mr. Barbour, chairman of Southern European Affairs, they finally were given opportunity to discuss the matter with the Acting Secretary of State, Mr. Acheson.

In telling me their experience they stressed the point that they understand Tojo is to have an inter-Allied trial. That is what they are asking for General Mihailovich. They do not ask for his release. They ask only for justice.

Mr. Speaker, I must express my deep regret at the lack of judgment of what is truly in the public interest which caused this refusal to permit these young men to present to their Commander in Chief resolutions urging him to do all possible to insure justice to the man to whom 600 living Americans owe the greatest debt one man can possibly owe to another—their lives.

I ask unanimous consent to include in these remarks a copy of the resolution of these loyal American aviators.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

(The matter referred to follows:)

RESOLUTION ADOPTED BY THE NATIONAL COMMITTEE OF AMERICAN AIRMEN TO AID GENERAL MIHAILOVICH AND THE SERBIAN PEOPLE, WASHINGTON, MAY 1, 1946

Whereas we, official delegates of the National Committee of American Airmen To Aid General Mihailovich and the Serbian People, have come to our Nation's Capital from all parts of the United States at our own expense, in order to present to the President of the United States and to the Acting Secretary of State our very considerable evidence upon behalf of the Allied general, Draja Mihailovich, of Yugoslavia, who has saved the lives of our delegation and the more than 600 additional Allied airmen whom we represent.

Whereas we have sought in vain to present at "top level" (that is, to the President and the Acting Secretary of State) positive and documented disproof of the charges made by Marshal Tito, of Yugoslavia, that Mihailovich is a "traitor" or "collaborationist";

Whereas we have been denied the right formally to petition, at first hand, our Commander in Chief personally to intervene to insure that we be subpenaed as material witnesses, and that testimony of Allied personnel attached to Mihailovich's headquarters in wartime Yugoslavia be submitted to the trial court;

Whereas, in addition, we have been denied the right personally to ask of our President and Commander in Chief and the acting chief executive of our Department of State that all documents from the files of the State and War Departments be admitted in the trial of General Mihailovich: Therefore be it

Resolved, That we, representing the National Committee of American Airmen To Aid General Mihailovich and the Serbian People, despite the failure of our President personally to grant us an audience to hear our case at the end of this vital mission—an omission which we ascribe to the Presidential Secretariat—and despite Mr. Acheson's flat refusal to receive us personally to set forth a case which the State Department already has championed in a weak and watery form, and despite the timorous and apparently insincere attitude of the United States Government toward the Tito regime in Yugoslavia, we shall unrelentingly continue the fight for a fair trial and absolute justice for General Draja Mihailovich. By this we mean that we shall, in our home cities and home States and through our Congressmen and our United States Senators, continue unfalteringly to insist upon a fair, interallied trial for Mihailovich, without which we American veterans consider that international justice and morality have ceased to exist.

National Committee of American Airmen To Aid General Mihailovich and the Serbian People; First Lt. William L. Rogers, Manteno, Ill.; Lt. Richard L. Felman, New York, N. Y.; Staff Sgt. Hal D. Souter, Milwaukee, Wis.; Lt. Oscar Menaker, Forest Hills, N. Y.; Tech. Sgt. Gerald E. Wagner, Roanoke, Va.; Lt. Donald F. Rice, Brooklyn, N. Y.; Lt. Charles L. Davis, Washington, D. C.; Lt. Charles F. Gracz, Chicago, Ill.; Staff Sgt. John F. O'Grady, Jr., Clifton, N. J.; Lt. George Salapa, Jr., Cleveland, Ohio; Tech. Sgt. Gus T. Brown, Jr., Luling, Tex.; Staff Sgt. Mike McKool, Dallas, Tex.; Staff Sgt. David J. O'Connell, Chicago, Ill.; Staff Sgt. Neal S. Janosky, Milwaukee, Wis.; First Lt. John E. Scroggs, Kansas City, Mo.; First Lt. John P. Devlin, Pittsburgh, Pa.; First Lt. Robert W. Eckman, Chicago, Ill.; Staff Sgt. David E. La Bissoniere, Milwaukee, Wis.; Staff Sgt. Denzil Radabaugh, Masontown, W. Va.

AMENDING DISTRICT OF COLUMBIA BLACK-OUT ACT

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H. R. 5719, an act to amend the act entitled "An act to authorize black-outs in the District of Columbia, and for other purposes," approved December 26, 1941, as amended, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out all after "15." down to and including "thereafter" in line 9 and insert "Up to and including December 31, 1947."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this merely provides a definite date for the expiration of the act.

Mr. McMILLAN of South Carolina. That is correct.

Mr. MARTIN of Massachusetts. And the committee is in favor of it?

Mr. McMILLAN of South Carolina. Yes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LECOMPTE (at the request of Mr. GWYNNE of Iowa), for 1 week, on account of sickness in the family.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2. An act to provide Federal aid for the development of public airports.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 333. Joint resolution to provide for the reappointment of Dr. Vannevar Bush as citizen regent of the Board of Regents of the Smithsonian Institution.

ADJOURNMENT

Mr. RYTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Thursday, May 2, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Commerce and Trade of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m., May 6, 1946.

Business to be considered: Public hearing on H. R. 4871 and S. 1367, providing for three additional Assistant Secretaries of Agriculture. Secretary Wallace will be the first witness.

COMMITTEE ON RIVERS AND HARBORS

Schedule for the closing days of hearings on the omnibus river and harbor authorization bill is as follows:

(Thursday, May 2, 1946)

Tombigbee-Tennessee Rivers.

(Friday, May 3, 1946)

Cumberland River, Ky. and Tenn.

Apalachicola, Chattahoochee, and Flint Rivers, Ga. and Fla.

Schuylkill River, Pa., deepening of channel.

Illinois River, small-boat harbor at Peoria, Ill.

San Diego Harbor and Mission Bay, Calif.

Columbia River, from Vancouver, Wash., to The Dalles, Oreg.

(Monday and Tuesday, May 6 and 7, 1946)

Big Sandy River, Tug and Levisa Forks, Va., W. Va., and Ky.

(Wednesday and Thursday, May 8 and 9, 1946)

Arkansas River, Ark. and Okla.

COMMITTEE ON INVALID PENSIONS

There will be a public hearing before the Committee on Invalid Pensions at 10:30 a. m. on Tuesday, May 7, 1946, in the committee hearing room, 247 Old House Office Building, on H. R. 3908, entitled: "A bill to provide increased pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein during other than a period of war," which was introduced by Representative LESINSKI, of Michigan.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1238. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1947 in the amount of $1,000,000 for the Federal Security Agency (H. Doc. No. 542); to the Committee on Appropriations and ordered to be printed.

1239. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of $600,000,000 for the United Nations Relief and Rehabilitation Administration (H. Doc. No. 543); to the Committee on Appropriations and ordered to be printed.

1240. A letter from the Chairman, Federal Trade Commission, transmitting the report of the Federal Trade Commission, entitled "International Phosphate Cartels"; to the Committee on Interstate and Foreign Commerce.

1241. A letter from the Acting Secretary of the Interior, transmitting one copy each of legislation passed by the Municipal Council of St. Thomas and St. John and by the Legislative Assembly of the Virgin Islands pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JACKSON: Committee on Indian Affairs. H. R. 4567. A bill to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians, or any tribe or band thereof, may have against the United States, and for other purposes," approved June 28, 1938; without amendment (Rept. No. 1975). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JACKSON: Committee on Indian Affairs. H. R. 4046. A bill authorizing the issuance of a patent in fee to Richard S. Fisher; without amendment (Rept. No. 1974). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 5631) for the relief of Joseph John Gmurczyk, Jr., and the same was referred to the Committee on Naval Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROBERTSON of Virginia:

H. R. 6259. A bill to amend the Criminal Code so as to make unlawful certain harmful and disruptive practices in commerce; to the Committee on the Judiciary.

By Mr. MANSFIELD of Montana:

H. R. 6260. A bill to amend the act of July 1, 1944, relating to contract settlement; to the Committee on the Judiciary.

By Mr. NORBLAD:

H. R. 6261. A bill to grant certain veterans the benefits of section 251 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. BARRETT of Wyoming:

H. R. 6262. A bill to transfer the United States Geological Survey of the Department of the Interior to Casper, Wyo.; to the Committee on Mines and Mining.

By Mr. BLAND:

H. R. 6263. A bill to amend the act of June 23, 1943, so as to authorize inclusion of periods of education and training in an Army Transportation Corps civilian marine school as "service in the merchant marine"; to the Committee on the Merchant Marine and Fisheries.

By Mr. BUNKER:

H. R. 6264. A bill to amend the act of July 1, 1944, relating to contract settlement; to the Committee on the Judiciary.

By Mr. HÉBERT:

H. R. 6265. A bill to create a Department of Corrections in the District of Columbia; to the Committee on the District of Columbia.

By Mr. KNUTSON:

H. R. 6266. A bill to decrease the debt limit of the United States from $300,000,000,000 to $275,000,000,000; to the Committee on Ways and Means.

By Mr. O'HARA:

H. R. 6267. A bill to provide additional compensation for certain commissioned naval air navigators; to the Committee on Naval Affairs.

By Mr. IZAC:

H. R. 6268. A bill to extend the time within which application for the benefits of the Mustering-Out Payment Act of 1944 may be made by veterans discharged from the armed forces before the effective date of such act; to the Committee on Military Affairs.

By Mr. MILLS:

H. R. 6269. A bill to decrease the debt limit of the United States from $300,000,000,000 to $275,000,000,000; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 6270. A bill to provide for the payment of members of the military and naval forces of the United States who enter or reenter civilian employment of the United States, its Territories or possessions, or of the District of Columbia while in military pay status prior to assignment to active duty; to the Committee on the Civil Service.

H. R. 6271. A bill to further amend the Classification Act of 1923, as amended; to bring about uniformity and coordination in the allocation of field and departmental positions under the grades of the Classification Act of 1923, as amended; and for other purposes; to the Committee on the Civil Service.

By Mr. RANKIN (by request):

H. R. 6272. A bill to provide that a veteran's pension, compensation, or retirement pay shall not be reduced during his hospitalization or domiciliary care; to the Committee on World War Veterans' Legislation.

H. R. 6273. A bill to provide an award for arrested tuberculosis cases of World War II; to Committee on World War Veterans' Legislation.

By Mr. McGEHEE:

H. R. 6274. A bill for the relief of certain postal employees; to the Committee on Claims.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to amend the Federal laws relative to matching by the Federal Government of amounts expended by States and their political subdivisions on account of old-age assistance; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to issue such orders as will prevent the closing of Fort Devens and the Lovell General Hospital; to the Committee on Military Affairs.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States with regard to removal from office of the present Governor; to the Committee on the Territories.

Also, memorial of the Chamber of Deputies of Chile, informing that the Day of the Americas will be celebrated at a session of the next regular legislature, which commences on May 21; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FERNANDEZ:

H. R. 6275. A bill for the relief of Leon H. Watson, doing business as Leon Watson & Associates; to the Committee on Claims.

By Mr. JUDD:

H. R. 6276. A bill for the relief of Tsunezo Tanaka and his wife, Michiko Tanaka; to the Committee on Immigration and Naturalization.

By Mr. KEOGH:

H. R. 6277. A bill for the relief of Carl D. Soresi; to the Committee on Claims.

By Mr. COCHRAN:

H. R. 6278. A bill for the relief of Patrick Dennis O'Connell; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

1848. By Mr. LEWIS: Petition of 121 citizens of Toronto, Ohio, and vicinity, protesting Senate bill 1678, to require the registration of firearms; to the Committee on the Judiciary.

1849. By the SPEAKER: Petition of A. C. Hargis, secretary, the Federal Land Bank of Houston, Houston, Tex., urging consideration of their resolution with reference to the suggestion that the lending power of the land bank commissioners be allowed to lapse; to the Committee on Agriculture.

1850. Also, petition of Donald Haahr and others, urging consideration of their resolution with reference to opposition to House amendments that would weaken price-control structure; to the Committee on Banking and Currency.

1851. Also, petition of the Texas Ports Association, urging consideration of their resolution with reference to the proposed St. Lawrence Waterway project; to the Committee on Rivers and Harbors.

1852. Also, petition of the Board of Supervisors of the City and County of Honolulu, Territory of Hawaii, urging consideration of their resolution with reference to endorsement of the $50,000,000 appropriation bill for the relief of sufferers from the tidal wave which occurred on April 1, 1946; to the Committee on the Territories.

1853. Also, petition of the executive board of the Texas State Industrial Union Council, CIO, urging consideration of their resolution with reference to effective price control; to the Committee on Banking and Currency.

SENATE

THURSDAY, MAY 2, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Msgr. John K. Cartwright, D. D., rector, St. Matthew's Cathedral, Washington, D. C., offered the following prayer:

O Lord Almighty, Father, Son, and Holy Ghost, we pray Thy blessing on us as we gather today to deliberate for our country's welfare.

Thou hast given us peace after war. Grant us the wisdom and the virtue to deserve peace and so to use the authority which our fellow citizens have given us as to make this world more to accord with Thy will and Thy holy purpose.

We pray that we may be able to please Thee in righteousness and that the darkness of many peoples may soon be light and that peace and freedom may heal their wounds as ours have been so greatly healed. Grant that with us they may seek for abiding peace, not in the accidents of casual circumstances but in Thy providence and blessing, for Thou art the very source of peace. Grant us the peace of Christ in the Kingdom of Christ. In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 1, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 1, 1946, the President had approved and signed the act (S. 1152) to effectuate the purposes of the Servicemen's Readjustment Act of 1944 in the District of Columbia, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5719) to amend the act entitled "An act to authorize black-outs in the District of Columbia, and for other purposes," approved December 26, 1941, as amended.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 2483. An act for the relief of the estate of Michael J. McDonough, deceased;

H. R. 3755. An act to establish an Optometry Corps in the Medical Department of the United States Army; and

H. R. 5719. An act to amend the act entitled "An act to authorize black-outs in the District of Columbia, and for other purposes," approved December 26, 1941, as amended.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on May 1, 1946, he presented to the President of the United States the enrolled bill (S. 2) to provide Federal aid for the development of public airports.

LEAVES OF ABSENCE

Mr. STANFILL. Mr. President, I ask unanimous consent to be absent from the Senate for the next 4 days.

The PRESIDENT pro tempore. Without objection, leave is granted.

Mr. McCLELLAN. Mr. President, in order that I may be able to keep an engagement and attend the bar association meeting in my State, which convenes tomorrow and the next day, I ask unanimous consent to be absent from the Senate on those days.

The PRESIDENT pro tempore. Without objection, leave is granted.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that I may be excused from attendance on the Senate until Tuesday next.

The PRESIDENT pro tempore. Without objection, the leave is granted.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to be absent from the Senate for the next few days.

The PRESIDENT pro tempore. Without objection, leave is granted.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to be excused from the Senate tomorrow and Saturday on official business as a member of the

Board of Visitors to the Coast Guard Academy. The Board expects to make an inspection tomorrow at New London.

The PRESIDENT pro tempore. Without objection, leave is granted.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF ATTORNEY GENERAL ON CERTIFICATES FILED WITH HIM REQUISITE TO THE PROSECUTION OF THE WAR

A letter from the Attorney General, transmitting, pursuant to law, the twelfth report of certain certificates filed with him by the Chairman of the War Production Board for the period December 1, 1945, through April 30, 1946, as to the doing of any act or thing, or the omission to do any act or thing, requisite to the prosecution of the war by any person or persons for which no prosecution or civil action shall be commenced under the antitrust laws or the Federal Trade Commission Act (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON PROGRESS OF LIQUIDATION OF FEDERAL RURAL REHABILITATION PROJECTS

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report of the Farm Security Administration on the progress of the liquidation of Federal rural rehabilitation projects (with accompanying papers); to the Committee on Appropriations.

INTERNATIONAL PHOSPHATE CARTELS

A letter from the Chairman of the Federal Trade Commission, transmitting a report of the Commission entitled "International Phosphate Cartels" (with an accompanying report); to the Committee on Interstate Commerce.

JANUARY 1946 REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of that Corporation for the month of January 1946 (with an accompanying report); to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CAPPER, from the Committee on Claims:

H. R. 2576. A bill for the relief of William F. Schmeltz; without amendment (Rept. No. 1272); and

H. R. 3125. A bill for the relief of Lovie M. Trotter; without amendment (Rept. No. 1273).

By Mr. ELLENDER, from the Committee on Claims:

S. 1748. A bill conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon the claim of Ivor E. Nicholas; with amendments (Rept. No. 1274);

H. R. 1394. A bill for the relief of William H. W. Komp; without amendment (Rept. No. 1275);

H. R. 1538. A bill for the relief of Robert J. Cramer; with an amendment (Rept. No. 1282);

H. R. 3228. A bill for the relief of Sam Dishong; without amendment (Rept. No. 1276);

H. R. 3340. A bill for the relief of Mrs. Merla Koperski; without amendment (Rept. No. 1277);

H. R. 3702. A bill for the relief of Maurice C. Ritter; without amendment (Rept. No. 1278);

H. R. 4750. A bill for the relief of C. C. Vest; without amendment (Rept. No. 1279);

H. R. 4757. A bill for the relief of Mrs. Gussie Feldman; without amendment (Rept. No. 1280); and

H. R. 4976. A bill for the relief of Mrs. Catherine Fortunato; without amendment (Rept. No. 1281).

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 1683. A bill for the relief of the estate of Mrs. Sufronia Andrus; without amendment (Rept. No. 1283);

H. R. 1852. A bill for the relief of R. H. White Transfer & Storage Co., of Nashville, Tenn.; without amendment (Rept. No. 1284);

H. R. 2665. A bill for the relief of Acchille Guillory and Olivia Guillory; without amendment (Rept. No. 1285);

H. R. 3270. A bill for the relief of James B. McCarty; without amendment (Rept. No. 1286);

H. R. 3676. A bill for the relief of Pershing W. Ridgeway; without amendment (Rept. No. 1287);

H. R. 3770. A bill for the relief of Lyndon T. Montgomery; without amendment (Rept. No. 1288);

H. R. 3781. A bill for the relief of Mabel M. Fischer; with amendments (Rept. No. 1292);

H. R. 4352. A bill for the relief of Ola L. Wright, Mrs. Margaret Wright, and the legal guardian of Betty Bea Wright, a minor; without amendment (Rept. No. 1289);

H. R. 4491. A bill for the relief of Vertie Bea Loggins; without amendment (Rept. No. 1290); and

H. R. 4640. A bill for the relief of Gladys Hastings; without amendment (Rept. No. 1291).

By Mr. GREEN, from the Committee on Foreign Relations:

H. R. 5244. A bill to authorize the appointment of additional foreign-service officers in the classified grades; with amendments (Rept. No. 1293).

By Mr. McFARLAND, from the Committee on Indian Affairs:

S. 115. A bill to modify section 4 of the Permanent Appropriation Repeal Act, 1934, with reference to certain funds collected in connection with the operation of Indian Service irrigation projects; with amendments (Rept. No. 1294).

INTERIM REPORT ON INVESTIGATION OF GOVERNMENT WARTIME PRICE CONTROLS AND SUBSIDIES AFFECTING THE LIVESTOCK AND MEAT INDUSTRY (REPT. NO. 1295)

Mr. THOMAS of Oklahoma. Mr. President, from the Committee on Agriculture and Forestry, I ask unanimous consent to submit, pursuant to Senate Resolution 92, Seventy-ninth Congress, first session, providing for an investigation of Government wartime price controls and subsidies affecting the livestock and meat industry, an interim report thereon. I request that the report be printed in the RECORD.

There being no objection, the report was received and ordered to be printed in the RECORD, as follows:

INVESTIGATION OF GOVERNMENT WARTIME PRICE CONTROLS AND SUBSIDIES AFFECTING THE LIVESTOCK AND MEAT INDUSTRY—INTERIM REPORT

The Committee on Agriculture and Forestry makes the following interim report on the production and distribution of livestock and meat as affected by wartime governmental controls.

The committee had before it representatives of the various segments of the livestock and meat industry from all parts of the United States, including producers, feeders, meat packers, and retailers. The findings and recommendations herein are based upon the testimony of these witnesses. Hearings were held in Washington on all phases of this subject over a 3-week period.

THE BLACK MARKET

The committee is convinced that an extensive and scandalous black market in meat and livestock exists today, and that the Government wartime controls that have been imposed upon the meat and slaughtering industries over a 4-year period have been in a large measure responsible for the black market.

Surveys made by independent marketing research agencies, whom the committee believes to be competent and reliable, showed that in late February 1946, five out of six retail stores, in 11 representative cities from coast to coast, were charging in excess of ceiling prices for meat, and that two-thirds of the meat cuts sold by these stores were sold at overceiling prices. The average overcharge for all meats as shown by these reports was 20 percent, and in the case of beef it was 26 percent. A repeat survey made in the latter part of March 1946 in the city of Washington, showed that in a 4-week period the overcharge on meat in Washington had more than doubled. These surveys were conservative in that reports could not be obtained covering sales to hotels, restaurants, clubs, and other of the more flagrant kinds of black market meat operations. The committee is convinced that most of the retailers who made overceiling charges were not vicious criminals, but merely were forced to buy the meat at wholesale at black-market prices in order to stay in business. This conviction was substantiated by the testimony of the executive secretary of the National Association of Retail Meat Dealers.

For the past several months cattle prices quoted by the United States Department of Agriculture at many of the principal markets have been in excess of the prices that slaughterers could pay for cattle and still comply with Government price regulations. With cattle being sold at these prices, it is obvious to the Committee that most beef must be moving in black-market channels. For example, the average of government qouted prices on choice steers at Chicago has been continually above the OPA maximum permissible price for this grade of cattle since early in 1945. Other grades of cattle at Chicago have at most times been equal to or above the permissible prices which the legitimate slaughterers can pay, and stay in compliance. Similar situations were shown to prevail at other important markets as well as at livestock auctions. Numerous instances were reported where even the over-riding ceiling price on cattle has been violated at local markets and auctions. Hog price ceilings are likewise being flagrantly violated in one way or another and particularly in the South. Cattle feeders frankly admitted to the Committee that they were in a position where they had to depend on black-market prices to stay in operation, and pointed out that the uncertainty of this situation resulted in confusion, fear and restricted production of livestock and meat.

Prevailing livestock prices prove, without doubt, the existence of a widespread black market in livestock and meat.

Unprecedented shipments of slaughter cattle from the principal livestock markets can be explained only by black-market buying and slaughtering. While the current situation is the most serious yet experienced, the committee was impressed by the fact that this diversion of cattle from normal slaughter channels commenced immediately with the institution of price control and has continued to grow to the present. For example, shipment of slaughter cattle from the Chicago market prior to price control amounted to only about 25 percent of the

salable receipts. In recent weeks, from 60 to 75 percent of the salable receipts of cattle at Chicago have been shipped out for slaughter elsewhere. Statistics from Government reports show a similar trend at other leading terminal livestock markets.

The counterpart of increased livestock shipments from the terminal markets is the drastic reduction in the volume of cattle being slaughtered by the old established slaughterers who normally purchase a large part of their requirements on these markets. Consequently, shipments of beef by them to eastern markets have been drastically curtailed. In February 1946, 10 national packers shipped only 7,700,000 pounds of beef into the New York area, compared with 27,700,000 pounds in February 1941. These same 10 national packers shipped only 3,500,000 pounds into the Boston area in February 1946, compared with 13,800,000 pounds in February 1941. Witnesses supplied the committee with individual company statistics showing that the shipments of beef to the East had been further curtailed since February 1946.

Slaughter cattle shipped out of terminal livestock markets, because legitimate slaughterers cannot compete with black-market prices, are going largely to new eastern slaughtering esablishments, and much of the meat undoubtedly is being distributed through black-market outlets.

The supply of meat available at wholesale ceiling prices in eastern markets such as New York is further curtailed by the decrease in slaughtering operations in the New York area by legitimate packers. These packers cannot buy at legal prices cattle for shipment to New York as in normal times. Out of 14 major slaughterers operating in the New York area in 1941, only 4 are slaughtering in 1946 under the same name, or in the same plant, or on the same basis as in 1941. In February 1946, these four packers produced only 1,300,000 pounds of dressed weight of beef compared with 4,200,000 pounds in February 1941, whereas other federally inspected packers in the New York area, under new names or in new plants, increased their beef production from 1,700,000 pounds in February 1941 to 4,600,000 pounds in February 1946. Consequently, the meat supply of an area like New York at the present time is almost entirely dependent upon the operations of those who are buying cattle at prices which the established and legitimate slaughterers cannot pay and remain in OPA compliance.

Further evidence of the extensive black market is the startling increase in the number of slaughterers during the wartime period. Prior to OPA there were approximately 1,500 commercial slaughtering establishments whose annual sales volume was in excess of $5,000. These slaughterers were capable of slaughtering all the livestock that came to market and of distributing the resulting meat throughout the country in an efficient manner. During the 1944–45 livestock slaughter-control program, over 26,000 slaughtering permits were issued to commercial establishments by the United States Department of Agriculture. However, only 12,168 commercial slaughterers filed claims for subsidy payments for February 1946. The balance evidently were able to survive without applying for subsidy, even though this subsidy averaged $22.50 per head on cattle and $4.25 per head on hogs. These facts show, first, that Government controls have resulted in an unwarranted increase in the number of slaughterers and, second, that black-market profits are so large that many are able to operate and expand without benefit of the large Government subsidies.

CAUSES OF THE BLACK MARKET

Meat packers have been in a price squeeze on at least one species of livestock most of the time since the inception of OPA. Beef was placed under price control in May of 1942, at which time ceiling prices were established on the basis of the packer's highest selling price in March 1942. This in itself brought about a squeeze, since cattle and beef prices had advanced between March and May 1942. No ceilings were imposed on cattle until January 1944, and the rise in cattle prices, without a compensating rise in wholesale ceilings, increased the incentive and opportunity for illegal operations. A year ago the subcommittee of this committee, in its report, stated "The committee are convinced from the testimony that at the present time substantial losses are being incurred by processors on both beef and pork operations. Many small packers have been forced to close, curtail their operations, go broke, or go 'black,' because of their inability to take these losses."

The Barkley-Bates amendment to the Stabilization Act of 1942, as amended, was enacted last June to remedy this situation. In administering this amendment the OPA promised increased subsidies in lieu of increased meat prices. The industry expected prompt and adequate relief. Instead, they received wholly inadequate and belated payments. Prior to the amendment losses had forced a southeastern slaughterer to close his beef operations. Relying on the amendment, he reopened his cattle kill in July 1945. His beef losses to the end of the year were about $10,000. His Barkley-Bates subsidy was not received until January 1946, and then totaled only $1,600. Other slaughterers testified to similar experiences.

The quoted conclusion of the subcommittee of a year ago is even more applicable today than it was then. Legitimate slaughterers have remained in a price squeeze during the past year. It is impossible for the average packer to pay maximum permissible or ceiling prices for livestock and sell the resulting fresh or cured meat at wholesale meat ceiling prices without loss.

The impractical and unenforceable regulation establishing ceiling prices for live cattle (MPR No. 574) has actually aided and abetted the black market in beef. Grading is the keystone of the regulation. The price that a slaughterer can pay for live cattle depends upon the grade and amount of the dressed meat that the carcasses yield. It is assumed that the grading of beef is an exact science and that the dressed grade and weight of cattle can be determined while the animals are alive. Neither of these assumptions is realistic or workable.

The situation is further aggravated by the fact that many slaughterers are permitted to grade their own beef with the result that the many who grade liberally are in a position to pay a higher price for live animals than slaughterers whose beef is government graded.

There is no end of loopholes by which the unscrupulous operator may pay illegal prices for cattle, then falsify his Government compliance reports and appear to stay within the legal price range and thereby collect Government subsidy. The OPA has admitted that this regulation cannot be adequately enforced. In the statement of considerations to amendment 4 to this regulation, issued February 1, 1946, it was stated: "This will place an upper limit on the extent of falsification, and should reduce the amount of subsidy paid out to slaughterers who are not entitled to receive it."

The maze of regulations which have been imposed on the livestock and meat industry have further fostered the black market in meat. For example, at least 111 price regulations, directives, and orders, and more than 1,110 subsequent amendments governing the conduct and prices of the beef and veal division of the industry alone have been issued. Even large slaughterers with legal staffs have found it difficult to keep abreast of regulations, and small slaughterers without legal aid have found themselves in an intolerable situation even though they were most anxious to comply with Government controls. It is obvious to this committee that the great mass of these regulations in itself has handicapped the legitimate slaughterer.

Livestock producers and feeders have been confused and discouraged by the many Government regulations and the frequent changes in them. They are unable to make necessary long-time plans in the face of the confusion and uncertainty. Cattle feeding in particular has been curtailed and discouraged by Government regulations and subsidy changes. The hazard of change has caused cattle feeders to limit the feeding period in order to minimize their risks. This has resulted in reduced supplies of beef, which in turn has increased the opportunities of the black-market operator.

RESULTS OF THE BLACK MARKET

The black market is seriously affecting the well-being and economy of the whole Nation. One of the more obvious results is the apparent shortage of meat brought about by the dislocations in normal distribution. Most of the large centers of population depend upon national slaughterers for a large portion of their meat supply in normal times. Now, such slaughterers are unable to purchase livestock in competition with the black-market operator. Therefore, the amount of meat available at ceiling prices for these areas has diminished to the extent that it is actually scarce. The evidence showed that the beef production of many legitimate slaughterers, including national slaughterers, had decreased from 50 to 90 percent by February and March and it has continued to diminish since then.

One large independent Texas packer testified that during the month of March 1946 he slaughtered only 649 cattle and calves, whereas his capacity was approximately 10,000 head per month. Established slaughterers in the St. Louis area in recent weeks have been able to kill less than 5 percent of their capacity even though their buyers have had emphatic instructions to purchase all cattle available at legal maximum prices. A national slaughterer was able to obtain only 7,300 cattle for the week ending April 5, 1946, whereas his normal volume would have been approximately 25,000 head for that week.

This decline in cattle slaughter by such representative packers is due to their inability to obtain the livestock at legal prices and not to a decline in the volume of cattle being marketed. The evidence showed that legitimate slaughterers are likewise unable to maintain their hog slaughter and pork production because of the diversion of hogs to black-market channels.

The result is that there are large supplies of meat in some places and extreme shortages in others, depending upon whether the eating place, the wholesaler, the retailer, or the consumer is willing to "pay the price" and patronize the black market.

The surveys made in the 11 representative cities throughout the United States show that at least $1,250,000,000 a year in excess of ceiling prices is being paid by the consumer for meat. In addition, approximately $750,000,000 of meat subsidy per year is being indirectly paid for meat by the taxpayers in this country. The result is that the American public is paying in excess of $2,000,000,000 a year over ceiling prices for its meat. This represents only the out-of-pocket cost and does not take into consideration the indirect loss caused by the black market such as waste, unemployment, and sickness.

The actual loss of meat through tissue shrinkage because of the excessive shipment of live animals into black-market channels

amounts to many millions of pounds annually. Black-market slaughterers for the most part are not equipped to handle many of the valuable and important byproducts obtained from livestock slaughter. Tremendous quantities of critically short products such as fats, greases, protein feeds and hides are completely lost by the black-market operator through ill-adapted facilities and the desire for quick, easy profits. It was conservatively estimated that the amount of the products so lost totaled at least 218,000,000 pounds a year on cattle alone.

As a result of diversion of livestock to black-market channels, it has been necessary for legal slaughterers to lay off thousands of employees with many years of service and valuable skills acquired through long experience. Additional thousands of employees have suffered a serious reduction in their hours of work because of the reduced volume of operations in legitimate slaughtering plants. These circumstances are causing a real hardship to many thousands of packing-house workers who rendered loyal and valuable service during the fighting war.

The black market in meat is seriously imperiling the public health. Legitimate slaughterers are subject to constant Federal and local supervision. Their plants are inspected for cleanliness, diseased animals are condemned, and the meat is inspected at all stages of processing, thus insuring that only clean and wholesome product reaches the consumer. Many black-market operators, on the other hand, are not supervised and make no effort to handle their product in a sanitary manner. The evidence before this committee showed that black-market slaughterers are currently operating in buildings wholly lacking in refrigeration, screens, and other sanitary conditions. This committee was shocked by photographs which were submitted showing the horrible conditions under which black-market operators slaughter livestock and distribute meat.

Further, the waste of glands and other byproducts needed for the manufacture of pharmaceuticals is causing a shortage of many vital drugs and preparations, such as insulin for the treatment of diabetes, adrenal-cortex extract for the treatment of Addison's disease, medicines prepared from pituitary glands for use in childbirth and in surgical cases, adrenalin for the treatment of asthmatic conditions, and liver extract for the treatment of pernicious anemia. Several national pharmaceutical laboratories reported that the situation was critical and that they could not obtain necessary raw materials because the black market was diverting livestock from legitimate slaughterers. This committee believes that the black-market threat to the public health is much more serious than any increase in meat prices which might result from the removal of Government controls on livestock and meat.

The open and notorious black market in livestock and meat is doing great harm to the morality of the country. Public observance of the Price Control Act and the livestock and meat regulations is the exception rather than the rule. Disregard of this act and these regulations breeds contempt for all law.

THE REMEDY

The committee thoroughly investigated the possible effect of the removal of Government controls on meat prices and is convinced that there would not be any skyrocketing or wild inflation in meat prices if controls were removed. In the first place, Government estimates show a meat supply this year of 150 pounds per capita, the largest amount available to consumers since 1911 and about 20 percent more than the 1935–39 average. Secondly, the evidence shows that there is no shortage of basic livestock numbers for the production of meat. In fact, there is an excessive population of cattle which should be finished for market in order to make more secure the future of the cattle industry. The restoration of competitive prices in the livestock and meat industry would instill confidence in the livestock producers and bring forth an increasing supply of meat for consumers.

A representative of the Department of Agriculture testified before the committee that the Department had recently completed a study for the purpose of determining what advance over ceiling price would occur if all subsidies and controls were removed from livestock and meat and the conclusion is that meat prices at retail would advance from 10 to 15 percent, representing a savings of from 5 to 10 percent of what the consumer is now paying the black market, as well as the $750,000,000 being paid out annually in subsidies on meat.

At the worst, the public would not have to pay any more for meat if price controls and subsidies were removed than it is now paying, considering black-market prices and subsidies. Except perhaps for a very temporary period, this committee does not believe that meat at competitive prices would cost the American public nearly as much as it is now costing.

All of the witnesses appearing before this committee—and the committee heard from all segments of the livestock and meat industry—were of one opinion, and emphatically stated that the current intolerable situation could only be cured by complete and immediate removal of subsidies and Government price controls.

When the OPA and USDA livestock slaughter-control program was submitted to the joint OPA cattle, hog, beef, and pork advisory committees on April 15, 1946, it was unanimously rejected by said committees as being an improvised regulation which would not remedy the situation. A representative of these joint OPA advisory committees placed in the record their resolution concluding that they "are unanimously opposed to the proposal that has been submitted today to the advisory committees and recommend that subsidies and price controls be immediately removed from the livestock and meat industry."

Significantly, the recommendation of the industry is fully endorsed by those packing-house workers represented by the American Federation of Labor.

Full legitimate production is the only answer to the inflation and the black-market problems in the livestock and meat industry. An increase in livestock and meat ceilings will not get full legitimate production or eradicate the black market. Improvised regulations are not a remedy. Additional investigations cannot bring about compliance with OPA regulations. Price control on livestock and meat has completely broken down. Effective enforcement is no longer possible.

Black-market operators cannot compete with legitimate commercial meat packers under a free economy. They are not interested in the meat business at the industry's normal margin. They are inefficient and wasteful operators. They will disappear from the market and go out of business if the legitimate meat packer is permitted to compete with them on even terms.

The only remedy is the removal of price and other governmental controls from the livestock and meat industry.

FINDINGS

From all the evidence, the committee finds:

1. Government controls and price regulations effecting livestock and meat have completely broken down; price ceilings on livestock and meat are a fiction; and as a result of the black market and subsidies, meat is costing the American public at least $2,000,000,000 a year in excess of ceiling prices.

2. Most meat is being sold at black market prices. Reliable surveys show that five out of six stores were selling meat at over-ceiling prices and the average price of all meat sold at retail was 20 percent above legal ceilings in February 1946. Facts from the surveys also show that the black market has become more serious since that time.

3. There is no shortage of livestock on farms and ranches, in fact, there is an excessive inventory of cattle, but there are severe shortages of meat in some places and in certain stores because of the black-market dislocation of distribution and because price controls and subsidies have impeded production by creating fear and uncertainty in the minds of producers and feeders of livestock.

4. The "price squeeze" placed on slaughterers by the OPA from 1942 to date has forced many legitimate slaughterers to close or curtail their operations, thereby fostering the black market.

5. Remaining legitimate slaughterers, both small and large, are willing and anxious to buy livestock at legal maximum prices but are unable to do so because black market operators pay higher prices with the result that livestock is being diverted from the normal channels of slaughter and distribution into the black market.

6. The black market in meat is imperiling the national health through insanitary slaughtering and curtailed production of essential medicinal byproducts.

7. Black market slaughtering is causing a complete economic loss of many millions of pounds of critically short byproducts such as fats, protein feeds and hides.

8. Widespread evasion of price controls on livestock and meat by those who are victims of the black market and must overcharge or go out of business, plus the failure of willful racketeering violators to be apprehended, has created a disrespect for all laws, and is rapidly undermining the moral fiber of the country.

9. Thousands of employees with long years of service and valued experience necessarily have been laid off by legitimate slaughterers because such slaughterers are unable to maintain their volume against black-market competition. Additional thousands of other employees in these packing plants have had their hours of work reduced for the same reason.

10. Four years of experience with Government controls, culminating in the present scandalous situation, shows conclusively the impossibility of controlling livestock and meat prices and meat distribution through Government laws, regulations, and directives, and any new or reinstated controls on the livestock and meat industry can only create greater confusion and further impede maximum production and legitimate slaughtering and distribution.

11. Removal of price controls and subsidies from livestock and meat will stimulate the marketing of livestock and the production of meat, drive the black-market operators out of business, save untold waste, safeguard the public health, and make a large supply of meat available to all at a competitive price which will be lower than consumers are now paying as a result of the black market and subsidies.

RECOMMENDATION

This committee recommends that all price controls and subsidies on livestock and edible products derived therefrom be removed at once.

ELMER THOMAS,
Chairman, Subcommittee.
HARLAN J. BUSHFIELD.
B. W. WHEELER.

My Small Business Subcommittee on Complaints studied the meat-control question and held hearings last winter. The Barkley-Bates amendment was considered. We recommended consideration be given to setting a program for gradual removal of price controls and subsidies by December 1946, at least,

but conditions have rapidly changed and I feel sure immediate removal of controls should be given.

TOM STEWART.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL:

S. 2138. A bill for the relief of Henry B. and Violet P. Backenstoss; to the Committee on Claims.

By Mr. TUNNELL (for himself, Mr. BUCK, Mr. HAWKES, Mr. SMITH, Mr. TYDINGS, and Mr. RADCLIFFE):

S. 2139. A bill authorizing the State of Delaware, by and through its State highway department, to construct, maintain, and operate a toll bridge across the Delaware River near Wilmington, Del.; to the Committee on Commerce.

PROPOSED LOAN TO GREAT BRITAIN—AMENDMENT

Mr. AIKEN submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes, which was ordered to lie on the table and to be printed.

INVESTIGATION OF CONDITIONS ADVERSELY AFFECTING THE AMERICAN WATCH INDUSTRY

Mr. SALTONSTALL (for himself, Mr. WALSH, and Mr. HART) submitted the following resolution (S. Res. 266), which was referred to the Committee on Finance:

Whereas the American watch industry is one of our oldest industries, and the necessity for this industry and the skill and workmanship of its workers was recognized by turning the entire industry 100 percent to war production;

Whereas during the years of the war the number of jeweled watch movements imported from Switzerland was several times the number imported in the years immediately prior to the war and many times the number imported in the years immediately prior to that;

Whereas the American watch industry is now returning to peacetime production;

Whereas the State Department has recognized by an exchange of memoranda with the Legation of Switzerland that undue interference with the return of this industry to peacetime production may exist;

Whereas these memoranda propose certain restrictions on importations and make certain proposals for review of the understandings;

Whereas the direct shipments of watches and watch movements from Switzerland are initially set at the amount of direct imports from Switzerland for 1945, the highest figure in history; and

Whereas the future of the watch industry and its skilled and patriotic workers is of vital concern to the Congress: Therefore be it

Resolved, That the Committee on Finance or any duly authorized subcommittee thereof is authorized and directed to conduct a full and complete study and investigation with respect to conditions adversely affecting the future of the American watch industry, with a view of ascertaining the extent to which further protection against foreign competition is necessary to insure the continued existence of such industry. The committee shall report to the Senate at the earliest practicable date the results of its investigation, together with such recommendations as to necessary legislative or other action as it may deem desirable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $_____, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

LABOR, WAKE UP! IT'S GETTING LATE!—EDITORIAL BY MAURICE R. FRANKS

[Mr. HAWKES asked and obtained leave to have printed in the RECORD an editorial entitled "Labor, Wake Up! It's Getting Late!" by Maurice R. Franks, published in the Railroad Workers' Journal of April 1946 which appears in the Appendix.]

PRICE CONTROL LEGISLATION—STATEMENT BY CHAT PATERSON

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a statement regarding pending price-control legislation, made before the Senate Banking and Currency Committee, by Mr. Chat Paterson, national legislative representative, American Veterans' Committee, which appears in the Appendix.]

NEW UNION OF PUBLIC EMPLOYEES—ARTICLE BY JERRY KLUTTZ AND EDITORIAL FROM WASHINGTON POST

[Mr. HOEY asked and obtained leave to have printed in the RECORD an article relating to the formation of a new union of public employees, by Jerry Kluttz, and an editorial from the Washington Post on the same subject, which appear in the Appendix.]

EFFECT OF OPA OPERATIONS ON BUSINESS

Mr. WILEY. Mr. President, I wish to say a few words in relation to the OPA. I am not one of those who are afraid of the old big bad OPA wolf. I have in my hands [exhibiting three aluminum pans] some exhibits to which I desire to refer in the course of my remarks on this subject.

Mr. President, I know that my brother Senators and I have received a vast number of communications from our constituents regarding OPA. An overwhelming percentage of these letters and telegrams, I believe, are directly traceable to the OPA fear propaganda which was unleashed on the American people by OPA's several-million-dollar publicity machine.

This machine has been working ceaselessly to influence pending legislation in Congress in a manner which I believe, but in which the Attorney General apparently does not believe, violates the criminal statute which bars use of government funds to influence Congress on pending laws.

It is a basic thing in this country of ours, basic by the letter and the spirit of the Constitution, that Congress is the policy-making branch of government. It is basic that the hireling should not dictate to the master. In other words, it was never contemplated by anyone until some of these New Dealers got into the saddle that the creatures of the legislature should dominate the legislature. That is just what is being done by these departments in government.

And that is why it is all important that the American people and the Congress of the United States take action that will clip the wings of these master-complex congressional creatures. The way to do that is to demobilize where demobilization should take place in the various bureaus. Of course, that would mean separating a lot of folks from their jobs and reducing the Government overhead, but it would mean doing what is necessary to be done.

Secondly, we should watch every appropriation and see to it that we do not create any more embryo Frankensteins that would destroy the constitutional function of the Congress as the policy-making branch of the Government.

I had previously suggested that a congressional committee investigate the whole publicity set-up of the executive branch in order to end that branch's unconstitutional attempts to dominate Congress through propaganda.

I want to refer specifically for a brief moment to one of the most serious charges which can be leveled rightfully at OPA and which I have leveled continuously for several years now.

CHARGE AGAINST OPA

It is this: OPA's inept pricing policy has grossly discriminated against old-line manufacturers who had before the war spent years and untold investment in manufactured products long familiar to the American home and American industry. OPA's price policy has discriminated in favor of new companies—Government darlings—which were eager and willing to play ball with the New Deal agencies. This Government favoritism represents, I believe, a type of fascism in which Government favors are dispensed among favorite manufacturers, and, in my opinion, it is one of the most deteriorating influences in our Government today.

ILLUSTRATION OF CASE AGAINST OPA

I hold in my hands the illustration of my point—three aluminum frying pans. The respective ceiling prices on these pans illustrate how OPA has put American business into the frying pan and into the fire at the same time. This illustration, I believe, will be understood by every housewife, and I trust by every Senator.

Item 1, which I hold in my hands, is a frying pan, a beautiful piece of goods, produced by a long-established manufacturer who had been producing quality goods before the war, who had patriotically met his wartime responsibilities. He now has the same labor and material costs as the company which produced the second item, of much lighter material, which I have in my hands—another frying pan developed by a new manufacturer and consisting of practically the

same gage aluminum. But item 2 has received an OPA ceiling price of $2.50, or more than double the price, $1.20, allowed the old manufacturer.

One dollar and twenty cents was the price of item No. 1 before the war. The old manufacturer must now sell this article at $1.20; but the new manufacturer, who never operated during the war, who never manufactured any of these articles, is getting more than double that price. Can that be called a scheme for getting production? In other words, the old manufacturer is penalized. He built communities in my State; he invested his money and created opportunities for labor. Now he is compelled to manufacture at a loss or go out of business. I have seen an article in a west coast newspaper, in which veterans on the west coast said substantially the same thing: That it seemed to them that OPA's policy is one to destroy rather than to create.

I now take item No. 3 also produced by the old established company and compare it with item No. 2, the new company's product. Just look at this piece of goods, item No. 3, almost twice as heavy in aluminum as item 1. Yet before the war item No. 3 sold for $1.98. That is the OPA price on the item now, an article manufactured by the old company. Yet, item 2, the cheap piece of goods, which has not a trade-mark on it, which no one will identify as his product, the OPA gave a price of $2.50. Item 3, this beautiful piece of goods (with a gage of .128, as against a gage on item 2 of .085) can get an OPA price of only $1.98, the old manufacturing price.

Mr. President, I repeat, for emphasis, it will be seen that item No. 3 is far superior to item No. 2. Yet the ceiling price of item No. 3 is $1.98, as compared with $2.50, the selling price of item No. 2, which cannot in any way compare with item No. 3.

A great quantity of aluminum goods are manufactured in Wisconsin. That business has been carried on in that State for a good many years. It means work, jobs, profits, and economic health. Wisconsin does not want to be penalized because it developed men of industry, of ingenuity, of vision, men who can build because they know the road to building. Yet, this OPA will do a thing such as I have pictured here this morning. This is just one sample of what is occurring all along the line, and it is why we are not getting production.

My purpose in presenting this matter is to bring out what has been a great fault of OPA. It is illustrated by the diversity of prices, penalizing the old manufacturer, and giving a premium to anyone else who will start up to cutthroat the old, to undermine those who stuck through the war.

Mr. President, my constituents, who manufacture these beautiful goods, turned from production of these articles to war production during the war, and now, when they come back to compete, they are asked to sell the goods at the same price at which they sold before, with labor costs up, and material costs up. Yet someone who did not make the articles before, can come in and get a price twice as great. But the old prices are frozen. What a brilliant piece of bureaucratic muddling that is!

Mr. President, it is not the business of Government to play favorites. It is the business of Government to be the servant of the people. Now that the fighting is over, there should be adequate recourse to the courts for our people when there is such an abuse as is here evidenced.

Why in heaven's name should any man who manufactured goods before the war not be permitted now to charge as much as someone who went into the manufacture of goods after the war? The labor costs and material costs are the same. There is no rhyme or reason in this treatment. That is why OPA must go or mend its ways.

OPA SOAKS THE PUBLIC

The public is the loser by inept OPA tactics. It is the public which gets soaked. How? Well, I do not have the exact figures, but I presume that the old manufacturer could have produced the goods—of a better quality—for less than the new manufacturer. For example, item 1 might be produced for, say, $2. The public is now paying the new manufacturer $2.50 for the inferior product. If the old manufacturer is not granted a price increase and loses money, as is undoubtedly the case, he will be forced to go out of production. And the public will be forced to pay the increased price to the new manufacturer for the inferior goods. Yes, under the OPA, the public is the loser.

I am not a member of the Senate Banking and Currency Committee, which is considering the OPA bill. I have not completely studied the House of Representatives bill. But I want to say that I am not afraid of the big bad OPA wolf that is scaring a large segment of our people.

Mr. President, if I can bring any light into this picture, so that OPA will function as it should, then I shall be following the course which I think I should follow.

SUGGESTIONS TO OPA

I have made repeated suggestions as to what is necessary for OPA to do, and I want to make an added suggestion now that might be incorporated in the Senate bill. It comes out of the illustration of these three aluminum frying pans which I have presented today, an illustration which proves the falsity of so much of OPA's propaganda.

My suggestion is that OPA should not be permitted to fix for substantially the same article two different ceiling prices.

Why should a new company get a larger ceiling price for producing the same article an old company made? Why should it be made twice as much? The goods I presented here today were bought in the largest store in Milwaukee, Gimbel's store, and right on them are marked the OPA prices. So I repeat, OPA should not be permitted to fix for substantially the same article two different ceiling prices. The ceilings should be uniform. Adoption of this suggestion would help to end the crippling of production; and I use the word "crippling" advisedly. It is a favorite word nowadays.

Production is still the greatest need in the American economy. When we get adequate and full production, OPA can go. Perhaps some folks do not want adequate and full production, preferring to keep their bureaucratic jobs.

I think that if the Congress only had a propaganda system, as OPA has, if Congress had the means to tell the story to the public so that the public could get the truth, we would see that people would not fall for a lot of synthetic thinking such as OPA has been feeding the public.

A couple of weeks ago I was out in my own State for 12 hours. I turned on the radio in the hotel, and the first voice I heard was that of Bowles, telling the story of OPA, by recorded transcription, all over the Nation. Full-page ads are also used.

Would it not be a wholesome thing if once in a while a Government official would admit he was wrong, that he could be wrong? Is there anything wrong in this illustration I have given? An old substantial firm manufactures beautiful goods, with increased cost for materials and labor, and it cannot get an increased ceiling price, but a concern which never before manufactured the same kind of goods gets twice the price, and better, at which the old firm was obliged to sell.

In times like these, when the world is hungry for everything that humanity needs, adequate Government supervision of prices or adequate Government price control is a necessity. But when that control stifles production, when it creates, by virtue of its inadequate approach, black markets, when it becomes so octopus-like, then the issue must be met—the issue of getting rid of its dangerous tentacles of maladministration—so as to make and encourage full and adequate production. That, Mr. President, is the very heart of my remarks.

The problem before us today is production. And, let me say, Mr. President, that we are going to have enough trouble to get production without Government officials "messing up" the picture.

THE LABOR CRISIS

The critical situation due to lack of coal production in this country and the lack of steel is quickly coming to a head, and perhaps only when it does come to a head will the public realize that it has been diverted from the main issue in the case, which is that of telling the Congress to pass a labor bill with guts in it, a pro-American bill, if you please, not antilabor, not antimanagement, but pro-American and protecting the rights of the public. When the situation due to lack of coal and steel and other products does come to a head, then the people will realize that they have been diverted from this real issue by a mass of boondoggling propaganda on the part of OPA over the radio and in the press which confuses the women of the country, the school teachers, and others, respecting the issue of production.

Think it over, Senators. Thirty days from now our manufacturing plants will be closing down unless we have, or especially unless the Chief Executive has, a

little iron in his system to see to it that coal goes into production and that the necessities of life go into production. If that will take place, Mr. President, we will be able to meet the humanitarian demands upon us from abroad. If we do not meet that issue head-on soon, we will be falling down all along the line.

OPA must clean its house and bring officials into that agency who can comprehend the tragedy resulting from the doing of such things as I have illustrated on the floor of the Senate today.

Mr. President, in conclusion I wish to read into the RECORD the text of two telegrams regarding the coal crisis which I have just received from my State. The first telegram is as follows:

RICE LAKE, WIS., *May 2, 1946.*

We have 4 days' coal supply on hand and advice from suppliers indicates we will have to close in about 10 days. Will be shut down until the mines resume work plus such time as it takes to get coal from the mines to plant. We are nearing peak production of milk with approximately 350,000 pounds of milk daily from 1,200 patrons with a monthly patron pay roll of about $300,000. If we shut down this milk will have to be dumped by the farmers as we can't even wash a can without coal. If these dairy farmers are to be protected immediate congressional action would seem imperative.

RICE LAKE CREAMERY CO.

The second telegram reads as follows:

APPLETON, WIS., *May 2, 1946.*

Hon. ALEXANDER WILEY,
United States Senate, Washington, D. C.:

Coal situation requires congressional action to prevent stoppage of milk products processing. This industry processing whey for recovery of milk sugar, riboflavin, and dried whey. We are largest supplier of milk sugar to penicillin and streptomycin processors. Stoppage in our plants would shut off over 60 percent of milk sugar production of Nation. Dried whey and riboflavin for feed products. Coal supplier advises less than 15 days' supply at head of lake. This serious condition immediately affects our northern Wisconsin plants. Milwaukee supplier exhausting supplies affecting our southern and central Wisconsin plants. Directives and priorities have only momentary value and are useless when supplies are exhausted. Fundamental action by Congress demanded for resumption of mine operations. What is being done? Advise.

WESTERN CONDENSING CO.,
I. C. ROBERTS.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. MCFARLAND].

Mr. CAPPER. Mr. President, it is my intention to vote against the pending legislation, Senate Joint Resolution 138, which would authorize a so-called loan to Great Britain of $3,750,000,000.

In the first place, this is not a loan.

It is in reality a grant, a gift, a subsidy which we are asked to approve under the penalty that if we do not Britain will continue certain trade practices and restrictions that will have bad results on our own foreign trade, and on world trade.

We are told that the United States must make this grant of credit, or be held responsible for the collapse of all our program to promote world peace. The present Congress has approved reciprocal trade agreements on similar pleas. Congress approved the Bretton Woods agreements on very similar arguments. We have expended some $40,000,000,000 in lend-lease goods all over the world.

Every time we are asked to sacrifice our own interests to promote world welfare, we are told that this fresh step is necessary to make previous programs work. I do not know what Congress will be called upon to do to make this British loan-subsidy work, but I am satisfied that even before the British have used up all this $3,750,000,000, some smart pseudo-economists and statesmen in our State Department will have found something else for the people of the United States to contribute to make this British loan-subsidy work.

We did a pretty sizable job of deficit spending before the war inside the United States. We did a bigger job of deficit spending for the benefit of ourselves and our allies during the war—which was to have been expected. No people ever had the courage to attempt to finance a war while the war was going on.

We have accumulated, through deficit-spending programs in the past few years, a national debt of around $275,000,000,000. There are those who seem to regard this $275,000,000,000 of public debt as an asset. With that proposition I cannot agree. That public debt is a liability, not an asset. Calling it an expanded basis of national credit does not change the fact.

I hope and trust that we are strong enough in natural resources, in productive ability, in financial astuteness, and in spiritual courage to carry that two hundred and seventy-five billions of national debt and survive the strain without disrupting our national economy, changing our form of government, and sacrificing the way of life which we professedly entered World War II to preserve.

But I feel very keenly that if we are to enter on a world career of continued deficit spending to take care of the admittedly desperate economic predicaments of the more than two thousand million persons of the entire world, that our 140,000,000 people do not have the strength and resources to carry the load.

It is all very well to say this is a special case, which will not set a precedent for similar loan subsidies to other nations and peoples, some of whom are in even worse plight than the United Kingdom.

It is all very well for us to say that. Perhaps the British people may believe it also, or at least say that they do. But I doubt if France and Russia and China and other countries in Europe, Asia, Africa—to say nothing of South America—will appreciate that rather fine distinction.

I stated in opening my remarks that this proposal is not that we make a loan of $3,750,000,000 to the United Kingdom; that it is a grant, a gift, a subsidy. I make that statement because I do not believe that anyone familiar with world conditions, world trade, and world history expects the $3,750,000,000 to be repaid. Considering our own experience after World War I, I am not at all certain that we in the United States would want it to be repaid in manufactured goods competing with the goods manufactured in our own country by American labor.

I am just guessing that neither American industry nor American labor would stand for repayment in manufactured goods. And Britain is not interested in repayment through raw materials such as rubber and strategic materials.

This proposed British loan-subsidy, to my mind, has been sold to the American people under false pretenses, or at least to some of the American people, for not all of them have been deceived by the stream of propaganda to which they have been subjected.

The American people, particularly the American workmen in mass industries, have been told and sold that this loan—and the similar ones to follow if this line of reasoning is followed—will create an additional market for exports of American-produced goods.

Now that argument for the loan-subsidy is one of those half-truths that cause more trouble in this world than out and out false statements. It is true that if we furnish other nations and other peoples with American dollars, or American-dollar credits, that will enable them to buy our goods. It will. But only as long as the supply of dollars or dollar credits which we supply to them holds out. When the supply of dollars or dollar credits runs out, the export market will disappear.

In the long run our exports abroad will amount to, and will be limited by, the amount of imports we are able and willing to take. My idea of a prosperous world trade does not embrace the proposition that we furnish both the goods exported and the dollars to pay for the goods exported. That is not even good common sense.

We found that out, to our sorrow, in decade that followed World War I. We found that out, but apparently we did not learn any lesson from it. We promoted a greatly increased export trade through several billion dollars of good American credits, largely furnished, it is true, by private capital.

But when the flow of American dollars and dollar credits from the United States to Europe ceased, the volume of exports to European countries dwindled to balance the imports of goods and services and our tourist expenditures in Europe.

Judging from the present trend of administration thinking and action, of which this proposed British loan-subsidy is only a part, we now propose to avoid the admitted mistakes we made in the field of foreign financing following World War I, by committing the same mistakes but on a two or three times greater scale.

The idea that making economic blunders in the forties three times larger

than the same blunders made in the twenties, will result in brilliant successes in the forties, where the same blunders of the twenties resulted in dismal failures and helped promote a world-wide depression, just does not make sense to me.

I am not particularly concerned about the rate of interest on the $3,750,000,000 it is proposed to advance to the United Kingdom. So long as the interest, by the very terms of the agreement, does not have to be paid, it is not particularly important whether it is 2 percent or 1.67 percent or 1.63 percent.

I have very good authority for the statement I have just made. The late Lord Keynes, the British economist who sold the New Deal administration in this country on the program that deficit spending is a good cure for economic ills, was largely responsible for the terms of the Anglo-British financial agreement—commonly known as the British loan subsidy—which the Senate now has under consideration. His statement has been quoted before in hearings and on the floor of the Senate, but I desire to read it again at this time.

While interpreting the terms of this agreement to the House of Lords last December 17, Lord Keynes said:

> We pay no interest for 6 years. After that we pay no interest in any year in which our exports have not been restored to a level which may be estimated at about 60 percent in excess of prewar.

Lord Barnaby wanted to know if that meant in volume or value.

Lord Keynes responded:

> Volume. That is very important. I should have said so.

So I say the interest rate is not a material consideration. The size of the interest rate does not matter much if the agreement is so drawn that the interest will not have to be paid "unless convenient."

I think there is some merit in the contention of the British that they cannot afford to take this $3,750,000,000 as a loan; that it can benefit them only if made as a grant—in other words, as a gift. The British know that American labor and industry, no matter how loudly their spokesman may declare in favor of free trade, on the show-down will not stand for imports into America of manufactured goods competing with our own, above and beyond the amount of home manufactured goods that we can export.

In other words, we cannot, and when the time comes will not, accept manufactured goods in payment of the debt. Britain's interest demands that Britain import raw materials and pay for these with manufactured goods—at a profit.

Therefore, I feel justified in saying that by the terms of the agreement itself Britain is not bound to pay interest unless it is convenient and profitable to do so. The realities of the situation make it highly improbable that either Britain or ourselves can allow the pricipal to be paid.

Just another word about the increased export trade which we will get from this loan and the loans which will have to be made to other countries after the British loan is made. Such exports as we do make, to be paid for with the proceeds of this loan, will be made just at the time when the manufactured goods are most needed to supply the demands of our own people. The net immediate result will be a decreased supply of goods in this country, accompanied by an increase in dollars, which will add to the fires of inflation.

As a business proposition, as a world trade proposition, I do not believe the loan-subsidy can be justified as a loan. The matter of the blocked balances has been better explained by others than I could hope to detail in the time I expect to consume on this subject.

There is considerable merit in the proposal made by the Senator from Ohio [Mr. TAFT] that we decide how much Britain immediately needs in dollar exchange to get needed materials and supplies in this country to start the British wheels turning, and supply American dollars sufficient to get those materials and supplies from us—and supply them as a direct gift; a sort of postwar lend-lease if we wish to call it that.

Such action, as I see it, would at least have the merit of being honest with ourselves, particularly with our taxpayers, as well as with the British. I can see why the British protest against the terms of this agreement. They have a right to say, "You Americans are compelling us to make agreements to repay a loan when you and we both know we cannot repay, and you will not allow us to repay."

I can see also considerable merit in the proposal of the Senator from Arizona [Mr. MCFARLAND] that in return for an advance of dollars needed by Britain for rehabilitation, islands and bases off our coast which are important to our national defense should be turned over to us by Britain. In this way we would contribute to Britain something that she immediately needs, and we would get in return something of potential future value, possibly necessary at some time to our continued national existence.

I expect to support the amendment of the Senator from Arizona, and if that fails, then the amendment offered by the Senator from Ohio.

But I cannot support the joint resolution as it came from the committee. The United States cannot afford to make a gift of $3,750,000,000 to Britain to sustain the British Empire, as I see it.

Also Britain cannot afford, down the road, to take the $3,750,000,000 as a loan with any understanding that either principal or interest are to be repaid in full.

Under those conditions, Mr. President, instead of buying good will with this loan-subsidy, we would insure the promotion of ill will between Britain and ourselves. If the British stint themselves and make repayments, every repayment will remind them that Uncle Sam became Uncle Shylock when the war emergency was over. Whenever they fail to make a payment, many of our own people will feel that Britain has "gypped" the American people again.

Under these circumstances, I feel compelled to vote against the loan proposed in the joint resolution. I feel that in the long run it will work against the interests of both the American people and the British people.

In my judgment the loan under the provisions contained in the agreement is unsound economically and dangerous politically to world trade and world peace.

I am ready to vote.

Mr. WILLIS. Mr. President, like all other Senators, I have studied every possible angle of the British loan proposal which we are now debating. I have read the arguments for the loan put out by the Department of State in reams of propaganda. I have listened to the radio speeches by various administration assistants.

Up to the present time I have not seen one sentence from these sources setting out any argument against the loan. Surely there must be something to be said on the other side of the question, but our tax-supported agencies are noticeably silent on the negative side of this issue, which in all fairness must be presented to the American people.

I have pondered the arguments pro and con from independent sources. There is no doubt but that there is real disagreement among the most thoughtful men of the Nation concerning this loan, just as there is violent disagreement among those not so noted for their sagacity and studiousness.

The advocates of this British loan have stressed two points of benefit to the United States: First, that it will build up a basis for world trade in which the United States will receive valuable returns. This argument is supported by a complex analysis of the relation of cartels, international exchange, and intricate priciples of foreign trade. Second, that it will promote good will with Great Britain, and thereby enhance the prospects of world peace. Both of these objectives are theoretical and conjectural, though laudable. I desire to discuss the problem realistically from the viewpoint of the common citizen of our country.

So far as I am concerned, I have attempted in my thoughts about the pending joint resolution to lay aside all arguments which are based on hatred of the British or other prejudices or petty considerations.

I have been guided in making my decision to vote against the pending resolution by three prime considerations:

First, the immediate fiscal condition of this Nation.

Second, the wish of the American people.

Third, long-range relations between our Nation and other nations—not just relations between our Nation and Great Britain.

Mr. President, I realize that to mention our present national debt and the scarcity of consumer goods in this Nation today is hardly a way to make friends and to influence people in some circles. But I submit that there could not be a better occasion to consider these things than in a discussion of the British loan proposal.

In my judgment, this is a particularly inappropriate time to bring up a proposal for this country to lend the British

Government—or any other government—any money or credits beyond that to which we have already committed ourselves. The American people, having just contributed the greatest amount of war materials, having sacrificed more than 300,000 men on the altar of war, and having taken it on themselves voluntarily to cut down on their own food to help feed the needy of all countries, do not deserve to be asked to contribute any more to the material welfare of the British Empire, or any other part of the world, right now, beyond our humanitarian desire and obligation to help the hungry and the homeless.

When I consider such arguments as the one made by the distinguished senior Senator from Michigan [Mr. VANDENBERG] the other day—that without this loan, Bretton Woods is all but nullified—I am constrained to ask why someone did not mention that when the Bretton Woods legislation was being debated here. If all the legislation to build a postwar world of peace and light depends on more and more gifts or loans from the American people, I ask in the name of the people themselves: "When will the end come to such things?"

For month after month, as the administration has unfolded its program of so-called international cooperation, many of us have gone along, thinking that each measure would be the last, and that somehow, sometime, somewhere, we would have surcease from the necessity of making huge new grants to other nations for this or that purpose. Yet, apparently, each proposal is but the genesis of another proposal which, it is said, is even more important than its predecessor. The operation of the process seems to have a chain effect. We were told that world financial stability, as envisioned in the UN, depended upon the passage of the Bretton Woods legislation. Now we are told that the success of Bretton Woods is dependent upon this loan. Perhaps in several more months, if we pass this resolution, we shall be told that it will be less than useless if we do not pass other resolutions providing for loans to Russia, France, China, or any of a dozen other nations.

Mr. President, I repeat that from an economic standpoint this is a particularly bad time to bring up a proposal to lend money on the part of this Government. The fact is, and every Senator knows it, that we are faced in this Nation today with the greatest burden of public debt ever faced by any nation which has not gone bankrupt or into a wild spiral of inflation. Every penny added to our public expenditure—and the over $4,000,000,000 provided for in this resolution is hardly chicken feed—adds to the burden of the American taxpayer.

It is an amazing thing to me, as I think of it sometimes, that anyone in this country seriously could talk of lending Government money in any amount for any purpose in view of the fact that we are head over heels in debt already. But we seem simply to overlook this huge public debt and to go on talking as if it did not really exist. But it does exist—and it is the biggest single economic problem before this Nation today.

The size of our public debt, Mr. President, determines in a very real sense the value of the dollars you and I and all our citizens spend each day. It determines how much control the Federal Government will have to retain over various facets of our lives in the coming months and years. There are some thoughtless persons who say that it would make no difference if the debt were trillions or if it were thousands. They say that it is just a paper figure and that most people do not ever know what the public debt is. They say that it has no effect on our lives.

But you and I, Mr. President, know differently. Every Senator ought to realize that our present huge public debt—brought about, as it was, by deficit financing of the Federal Government—means continued high and higher prices for many years to come. Just servicing the interest on the debt requires billions of dollars a year—and those dollars have to be raised through taxes.

Our debt represents a greater sum than the total amount which is owed by all the other people in the world put together, including those in the British Empire. The debt of the British Commonwealth and Empire, including Canada, New Zealand, and Australia, is less than one-half our public debt. Their debt is only $133,000,000,000. Our debt is at least $140,000,000,000 greater.

Yet, our area is less than one-tenth that of our allies in the late war, and they have 10 inhabitants for every 1 in America. In making this comparison, I include all the Allies who either have requested or will request, loans from us.

I submit that this is a poor time for us to be talking about lending anyone $4,000,000,000, when our own Government owes approximately $275,000,000,000; and especially is it a poor time to think of making such a loan to an empire which, if a true balance were taken of all its resources, is as financially well off as we ourselves are.

The British Empire embraces more than one-fourth of the globe, and includes within its broad expanses great diamond mines, gold mines, uncounted acres of farm land, oil fields, great areas of unexplored natural wealth. Its leaders have been telling a hard-luck story and crying on the shoulders of other nations for decades, while the average people have been sinking more and more into serfdom and voting blindly for more and more state control.

Of course, Great Britain suffered tragic losses during the war, and that country will require a long period of time to regain its economic normality. But, according to reports published in British newspapers, her plight is not hopeless. Since VE-day, while this country has been involved in great confusion due to the unholy admixture of state control and free enterprise, Great Britain has made, according to her business leaders, very gratifying advances. I quote from the London Daily Express of April 9, 1946:

BRITAIN'S TRADE FUTURE

Business confidence in this country is rising. It is not inspired by Government propaganda, nor for that matter by the Government's deeds, which have so far tended to depress rather than raise hopes. But it grows daily out of the facts as they become evident to the merchants and exporters now being let loose on the outside world—facts about markets, facts about competition.

For instance, one of the people who express confidence is Mr. Dowty—George Herbert Dowty, of Dowty Equipment, concerned with retractable undercarriages. Mr. Dowty started off in 1930 with an idea in a small room above a garage. Discouraged at home, his first useful order came from the Japanese. But by 1939 everyone wanted his equipment, and during the war the Government contracts with his company totaled 40,000,000 pounds. Mr. Dowty is just back from America, and it would do you good to talk to him. His verdict is: If we make the most of our chances, we shall be on top of the world again in no time.

He has seen a lot of the mighty American industrial machine, and he has the liveliest respect for it. But these are his conclusions:

First. America is concentrating on her home market. Export demand comes second with her manufacturers. The foreign buyer gets a warmer welcome in Britain.

Second. Immune from bombing, America threw her resources into vast wartime plants on new sites, capable of dealing with vast orders, but less suitably equipped, with their enormous overheads, for dealing with smaller peacetime orders at competitive prices.

Britain's industrial resources under bombing were dispersed. Trades swiftly converted to war uses are swiftly converted back.

So, Mr. Dowty concludes, Britain can go ahead in confidence, selling the goods abroad as fast as she can make them.

A grand and glorious feeling. Great energies released, great markets wide open, in a world starved of goods and eager for services, not next year or 3 years hence but now.

May the confidence of an able businessman be reflected in a budget of opportunity today. One good boost, and British production and export can astonish the world in the next 12 months.

Mr. President, the second reason why I shall vote in opposition to this loan is that I am convinced that it does not have the approval of the great majority of the people of my State of Indiana, and neither do I believe it has the approval of the majority of the people of the country. While it is the duty of an elected representative of the people to vote his conviction on a subject to which he has given searching study, in this instance I find my conviction to coincide with popular opinion. We should have faith in the innate good sense of the American people. I have more confidence in the common denominator of opinion of American citizens when it comes to matters of money than I have in the theories of philosophers or the conclusions of so-called financial experts who stand to profit whether the people who pay the bill win or lose. This loan will cost the average taxpaying family in America approximately $160, and that is not a sum to be voted lightly in these fast-pressing days of financial hardship. The white-collar low-salary small-income group have a right to say to whom their money shall be lent and whether they want to gamble that amount on a scheme of doubtful benefit.

I could vote for the pending joint resolution only if the amendment which will be submitted by the distinguished Senator from Colorado [Mr. JOHNSON] should be adopted. That amendment, as I understand, would provide for rais-

ing the money by a special British loan bond issue, with those Americans who feel they could afford to lend their money being allowed to do so, but those who do not want to lend money not being made to do so. In effect, by passing the pending joint resolution, in its present form, we would be obligating millions of taxpayers to lend money when they are opposed to the very idea. I do not think that would be fair to those who feel in their hearts that the loan, at this time, is utterly wrong.

My distinguished colleage the Senator from Michigan [Mr. VANDENBERG] stated that our Nation has the greatest industrial capacity of any nation in the world. He pointed out that in 1946 we possessed 60 percent of the world's factory output and otherwise painted a beautiful picture of conditions in America.

Yet, the sad fact remains, Mr. President, that many millions of Americans today cannot buy the consumer goods they need because our factories, for one reason or another, are not turning out a sufficient quantity of goods to meet the demands of our own country. It is all right for us to stand here on the floor of the Senate and tell what enormous productive capacities this Nation has, or for the administration to claim, rightly or wrongly, that more goods are being produced now than were produced in the best peacetime year before the war. But if anyone thinks that these claims, or these oratorical word pictures, can take the place of an automobile for which a man has been waiting month after month—and not getting—or if anyone thinks this makes the plight of a woman who needs a washing machine any easier, he is sadly mistaken.

I venture the assertion, Mr. President, that it will be years before American consumers can go into appliance stores, or automobile sales agencies, or other establishments, and buy what they need when they need it. And I declare that until that time comes, we should not lend American money which will be used to compete with the dollars of our own people for our American goods.

During the next 3 to 5 years, at least, and possibly for a much longer period, the American people will buy everything worth buying that is produced in this country. I do not believe some of my colleagues realize the tremendous pent-up consumer demand in this Nation today when they speak of trying to get other nations to do more trading here in the immediate future. In my judgment, the market for such things as automobiles, refrigerators, washing machines, and other household and farm appliances is well-nigh inexhaustible.

Looking at the pending resolution from the long-range standpoint, I cannot see how our Nation can promote the peace of the world by making the British more than ever dependent upon us. If this were an outright gift, with no strings attached, its importance as a barrier to future trade would not be as great as it will be as a loan. If approved, this loan, which likely will never be repaid, will hang like a millstone about the neck of the British and the Americans for many long decades to come.

It has been rumored that other demands for loans will be made upon us by other nations, Mr. President. These rumors are labeled "unfounded" by the same men who, only a year ago, labeled "unfounded" the rumors that the British were going to ask us for a loan. When Will Clayton first went to London in connection with this proposal, administration leaders here disclaimed any knowledge of the forthcoming discussions about the British loan. Yet, as we know, the loan proposals came about.

If we lend this vast sum—and it is four times the whole Federal pay roll in America in 1932—to Great Britain, other nations who are already standing in line for additional grants will feel hurt if their requests are not approved.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WILLIS. I yield.

Mr. TAFT. I do not know whether the Senator saw the statement in the New York Times this morning relating to the possibility of a loan to France, but the statement reads as follows:

PARIS, May 1.—In a 2¾-hour talk between Secretary of State James F. Byrnes and Foreign Minister Georges Bidault today, during which both spoke to President Truman by trans-Atlantic telephone, Mr. Byrnes told M. Bidault that the Cabinet had taken an important and favorable decision for France today. It is understood that he alluded to an Export-Import Bank loan and other credits that are expected to approach $1,000,000,000.

So already other nations are about to act on the basis of our lending policy toward Great Britain.

Mr. WILLIS. I thank the Senator for his contribution.

Mr. President, today France has in Washington a Socialist emissary, Leon Blum. He is seeking $2,500,000,000. China is about to ask for a huge loan. A Russian request for $1,000,000,000 was "found" in the State Department files after high administration leaders had denied for months that such a request had been made.

Authoritative estimates place at $15,000,000,000 the amount of loans which will be requested from us, including the British request. Yet, so far, the Congress has authorized expenditure of almost $10,000,000,000 in loans and gifts through the Export-Import Bank and other agencies.

While I have to admit that I do not know whether or not this body will be faced with similar proposals for other nations, I submit, Mr. President, that virtually the same arguments, with trimmings, could be made for loans to any nation under the sun, with the possible exception of Italy, Germany, and Japan.

If we are going to maintain an understandable and practical foreign policy through which we can have hopes for an enduring peace in the world it will have to be based on three clear policies: First, put complete confidence in the United Nations as the instrument for solving international problems. This confidence cannot be developed through bilateral agreements made without the consent and knowledge of the United Nations; second, refrain from entangling alliances in diplomatic problems of which we have no understanding and no matching skill of diplomacy; third, the maintenance of adequate military protection, so that our statements will not appear to be vain boasting.

In view of the British record, and the record of virtually all other nations, of failing to repay their international financial obligations, Mr. President, I am amazed that anyone should take seriously their statements, or the statements of any Senator, that this so-called loan will be repaid.

On July 1, 1945, foreign countries still owed the United States $14,791,340,307 in World War I debts, of which a large proportion was owed by the selfsame government with which the agreements embodied in the pending joint resolution were negotiated. All but one of these nations—Finland—were in default in varying amounts, and for all practical purposes the debts have been written off. In view of such a record, I repeat, I do not believe that any man could state seriously that he believes this miscalled loan will be repaid. I am convinced of this one point if of no other—that we shall never collect even one-half of this loan back from the British, in case it is granted.

Mr. President, the truth is that the proposed loan, if approved, will prove inflationary in our country. It will run our public debt up higher at a time when we ought to be cutting the debt regularly in fact and not in fiction. If the loan is approved, the cost of living will go up in America, but it will not go down in England. The money will be used to enrich the monopolists and to bolster a shaky Socialist regime in England. It will not help the average American or the average Britisher, both of whom already are so far in public debt it is likely that not one of them will live to see the day when his nation is financially solvent.

A great Englishman once said that a loan "oft loses both itself and friend." This loan, bitterly opposed by many high British officials, if approved by us may prove a stumbling block in our relations for decades to come. Even more important, it may prove a stumbling block in our relations with other nations whose friendship we desire as sincerely as we desire the good wishes of the British.

Mr. BUTLER obtained the floor.

Mr. WHERRY. Mr. President, will my colleague yield for a question?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Nebraska yield to his colleague?

Mr. BUTLER. I yield.

Mr. WHERRY. In view of the statement made by the distinguished Senator from Indiana, I should like to ask the distinguished Senator from Ohio a question relative to the sale of surplus property. In a speech delivered by him recently on the floor of the Senate, I recall, though I think the amounts were not recapitulated, that he stated what we cancel with England when we make this loan. As I caught it from the distinguished Senator from Ohio, we cancel,

or at least by implication cancel, the balance of the first loan, what we term "the First World War loan," and also cancel the net balance due on the second war. Then there came three or four items which have been furnished the United Kingdom since VJ-day, and, in addition, there were all of the unused materials in Britain, which I understand from the Jesse Jones' report exceeded in value $6,000,000,000. Does that include the surplus property mentioned in the Anglo-American financial and commercial agreement which was furnished in the amount of $532,000,000? What I am trying to get at is this: Have we had for the RECORD a complete statement of the total debts we are canceling to Great Britain when we make this loan, and does the statement include the total amount of the unused materials, listed at $6,000,000,000 in the statement made by Mr. Jesse Jones, which I think is taken from the Truman committee report? Does that include the amount for surplus property sold to Great Britain? The statement on page 5 of the report on Anglo-American financial and commercial agreement is $532,000,000.

Mr. TAFT. Mr. President, my impression is that, so far as surplus property is concerned, there is only one total and that is approximately $650,000,000.

Mr. WHERRY. I quote from a statement which was made by the distinguished Senator from Indiana [Mr. CAPEHART] and printed in the RECORD, as follows:

> Another point worth considering is that our executive departments have already sold Britain the more than $6,000,000,000 of our unused materials now in Britain or on the way there for about 10 cents on the dollar.

Mr. TAFT. The total lend-lease balance, that is for goods already delivered, amounted to about $20,000,000,000 which was canceled. In addition to this, about $6,500,000,000 worth of property, some of which had been lend-lease or was in the course of going to England or was in the lend-lease pipe lines, was sold to Great Britain for $650,000,000 or 10 cents on the dollar. The total which was sold amounted to $6,500,000,000 of which the great majority was military property in the hands of the British Army, something in the neighborhood, as I remember it, of $4,700,000,000, according to a statement of the lend-lease authorities. They divide up the $650,000,000 saying $118,000,000 of it was full payment for lend-lease goods declared surplus and $532,000,000 was less than 10 cents on the dollar on the rest of the goods transferred. So that altogether we have transferred $6,500,000,000 of goods for $650,000,000. However, it is fair to say that as to the part that was military lend-lease it is questionable what value it may have.

I pointed out, however, in my speech that of the grand total some $100,000,000 perhaps, represented goods which had a full value for civilian purposes.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. BUTLER. I yield.

Mr. WHERRY. Has any of that surplus property been purchased by UNRRA?

Mr. TAFT. UNRRA has nothing whatever to do with the $6,500,000,000 of surplus property.

Mr. WHERRY. These are materials which would not be purchased by UNRRA?

Mr. TAFT. No; they were goods that were already on the way to England or already in England, as well as the military property in the hands of the British Army.

Mr. WHERRY. It is stated in this report that the sale of these materials had been severely criticized by the Mead committee. Is it because it covered materials that were sold, or because they were sold at 10 cents on the dollar?

Mr. TAFT. No. I think that if the Senator will read the Mead committee report he will find they thought it was a very generous settlement. That is about all can be said.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. BUTLER. I yield.

Mr. JOHNSON of Colorado. With reference to the inquiry propounded by the distinguished junior Senator from Nebraska [Mr. WHERRY], it should be said that the complete settlement, whatever it may be—lend-lease, plus surplus property, plus everything else Britain owes us—is included in our settlement of $4,400,000,000, and that of course includes the $3,750,000,000 proposed loan. But that is all of it. The matter is very confusing, and I have searched diligently in an effort to ascertain how much of it was lend-lease, and how much of it was surplus property, and then a classification of the surplus property, a break-down. I have not been able to get a clear-cut, straightforward inventory of what we are settling in this final settlement with Great Britain.

Mr. WHERRY. That is exactly the information I was seeking.

Mr. TAFT. Will the senior Senator from Nebraska yield?

Mr. BUTLER. I yield.

Mr. TAFT. There is a reasonably detailed statement in the Mead committee report, giving the different types of material. It does not go into great detail, but I think it is the detail we could expect to get.

Mr. WHERRY. Mr. President, will my colleague yield for another question?

Mr. BUTLER. I yield.

Mr. WHERRY. There is one point I should like to press further. I should like to get information about it; I think it would be most helpful. We talk of what we are canceling with Great Britain upon making this loan. If I understood the able Senator from Ohio correctly a few days ago when he made his address, I think he stated, by implication at least, that first we cancel whatever debt Great Britain owes us as a result of the First World War.

Mr. TAFT. What I mean is that all calculations are based on the ability of England to pay, but it is assumed they are not going to pay anything on the First World War debt. I think it is fair therefore to say that by implication we have canceled the First World War debt. We told the British that we did not expect them to pay it. I think that is a fair statement.

Mr. WHERRY. Would the Senator care to give the amount at this time?

Mr. TAFT. The principal amounts to about $4,000,000,000, and the interest to about $2,200,000,000.

Mr. WHERRY. So that if we approve this agreement, we at least morally have written off, and do not expect to collect, any more money on loans incurred from the First World War?

Mr. TAFT. I never had expected we would collect any money on it, but we never have made any statement up to date, so far as I know, that we were forgiving it.

Mr. WHERRY. In addition to that amount, what is the total net amount we are canceling under lend-lease, surplus property, money advanced in any shape or form, that we are writing off, as a result of Second World War?

Mr. TAFT. Lend-lease amounts to about $20,000,000,000, and in this surplus-property agreement we write off—without discussing the fairness of the deal—the difference between 6½ billion and $650,000,000, or $5,850,000,000, in our costs. I do not say it is worth that amount to the British, but if that had been delivered it would have been added to the lend-lease bill which we are now forgiving.

Mr. WHERRY. So that the record would show now that if we cancel the amount of the First World War loan, and about 6½ billion dollars, and then if we cancel the net amount of the lend-lease, and the money advanced in every way, shape, and form to the United Kingdom, there would be another twenty billion?

Mr. TAFT. Those three items put together would total about $32,000,000,000, if the Senator wants the total figure.

Mr. WHERRY. I thank the Senator. Finally, we get the picture that if we add them all together and cancel every obligation it makes the amount we are to cancel nearly $32,000,000,000, and for that we get a loan of $650,000,000, without interest, that they would pay if they could. Is that it?

Mr. TAFT. What we are canceling is $32,000,000,000, and we are lending them $4,400,000,000 more.

Mr. WHERRY. But we are lending the $3,750,000,000 for one purpose, and the balance of it as a token payment for what we are canceling, are we not?

Mr. TAFT. That is correct. We are wiping out approximately $32,000,000,000, while $650,000,000 of goods are to be paid for later.

Mr. WHERRY. For the $650,000,000 loan we cancel $32,000,000,000 of debt, approximately?

Mr. TAFT. Not for it.

Mr. WHERRY. It is a consideration, is it not?

Mr. TAFT. We cancel $32,000,000,000, and we loan more. The consideration is on the same side.

Mr. WHERRY. They do not pay it to us. We lend it to them to pay it to us, and we cancel it.

Mr. TAFT. Yes. If the Senator wants to add it all up, the total outgo

from this country is $36,400,000,000, for which we get an obligation of $4,400,000,000, if the Senator wants to total everything up.

Mr. WHERRY. I should like to ask one more question, if my colleague will yield to me.

Mr. BUTLER. I yield, provided the majority leader does not object to my holding the floor for that purpose.

Mr. WHERRY. The majority leader seems to be engaged otherwise. I should like to ask one further question. It has been brought to my attention, regardless of the testimony and the statement made, that included in this surplus property there are some implements, some trucks, something that would be of service to UNRRA or to people in the United States. I should like to ask this question. If there is included in the surplus property we are settling, any usable machinery, or implements: If UNRRA does buy any of the surplus property, does not UNRRA pay the full value for it?

Mr. TAFT. If UNRRA buys it from the British—and I do not know that there is any absolute prohibition of that—I suppose they would pay the British the full value for it.

Mr. WHERRY. We contribute 75 percent of the funds to UNRRA. Now if we buy any trucks out of the surplus property we sell the United Kingdom, we not only have bought and paid for them in the first instance, but we turn around and give the British the full amount, for goods they buy for 10 cents on the dollar. We practically pay for that equipment twice.

Mr. TAFT. I have no evidence that UNRRA is buying from the British. We have much surplus property in this country, in addition to what we have sold to the British. My understanding is that UNRRA is buying some of this surplus property from us, for which they pay cash. I have no knowledge that UNRRA is going to buy from the British goods which the British have bought from us, but as the British have bought them from us, I presume they could sell them to UNRRA if UNRRA wished to buy them.

Mr. WHERRY. I thank the Senator for the information he has furnished. I thank my distinguished colleague also.

I should like to ask those who have gone into this case in detail to give us a break-down of what the total sum is. It seems to me there is something in this surplus property which can be used in this country, and if we are selling this surplus property at 10 cents on the dollar and permitting some agency to which we contribute 75 percent to buy back I think that is poor business, and the taxpayers will most certainly object to such business procedure.

Mr. TAFT. I suggest that the Senator put into the RECORD as a part of his remarks the table given on pages 28 and 29 of the Mead committee report. That is the greatest detail I know of on that subject.

Mr. WHERRY. Very well. I thank the Senator for his suggestion. I ask unanimous consent that at this point in my remarks there be printed the table, and any other table I can get from any other Government agency which will give some light on what the surplus property is that we are paying for twice, when we are canceling a debt in the amount of $6,500,000,000 at 10 cents on the dollar.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Undistributed civilian inventory (goods held in stock by civilian agencies of the United Kingdom):[1]	
Food products	$237,861,219
Raw materials	179,740,559
Manufactured items	19,622,515
Bunker coal	579,878
Miscellaneous in colonies	2,031,270
Total	439,835,441
Distributed civilian inventory (goods distributed through channels of British economy, excluding machine tools, which have been and will be paid for reparately):	
Agricultural machinery	36,300,000
Mining machinery	18,150,000
Miscellaneous machinery and equipment	18,573,500
Equipment in colonies	11,460,347
Total	84,483,847
Petroleum, both military and civilian (cost includes total ocean freight)	143,340,000
Noncombat aircraft (at average original United States cost):	
Noncombat aircraft transferred to United Kingdom	74,440,000
Noncombat aircraft leased to United Kingdom (lease price for 7,213 aircraft-months is $2,404,333)	67,100,000
Noncombat aircraft to be returned to United States	65,680,000
Total noncombat aircraft in inventory	207,220,000
Lend-lease interest in installations in United Kingdom and colonies (estimated United States cost)	34,000,000
Ships: Nonnaval vessels under 100 gross tons	4,000,000
All vessels transferred under the Lend-Lease Act other than those above shall be returned and where chartered, shall be returned in accordance with their charters.	
Total civilian type unconsumed lend-lease	912,879,288
Military inventory (goods held by the armed forces of the United Kingdom other than categories (c), (d), and (f) above):	
Food	129,403,034
RAF aircraft (combat types at average United States original cost)	851,199,000
RNAF aircraft (combat types at average United States original costs)	330,861,224
Ground Force equipment	$3,393,592,304
Naval equipment and aeronautical parts and equipment	(2)
Total military type unconsumed lend-lease	4,705,055,562
Total of all unconsumed lend-lease	5,617,934,850

[1] Pursuant to our request for an inventory, the pricing was done by us.

[2] Inventories not yet fully completed.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Nebraska yield?

Mr. BUTLER. I yield.

Mr. JOHNSON of Colorado. I join the junior Senator from Nebraska in asking the proponents of the loan to furnish us with a complete balance sheet, set out in detail, as to what amounts we are canceling and what we are paying, so that he who runs may read and know what this is all about.

I will admit that I have tried diligently to obtain that information for myself and I have failed. I have not been able to obtain it. The situation is very confused. First, one gets a report that carries with it a part of what he is seeking, and then some other report carries something else, and the first thing he knows he is wound up in a great many conflicts and carry-overs. I have not been able to break the thing down.

Mr. WHERRY. Neither have I.

Mr. JOHNSON of Colorado. I have not been able to break it down so that I can know what this all really amounts to.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. SHIPSTEAD. I wish to offer the suggestion that, in addition to the matters just referred to, there should be collected and published data with respect to the amount of exports of lumber and farm tractors and farm machinery. My information is that approximately 10,000 farm tractors are scheduled to be shipped abroad. My information also is that lumber cut into the shape of 4 by 4's or 6 by 6's, by reason of the regulations of OPA, is being sent to foreign countries by the hundreds of millions of board feet at a time when we here have a shortage of lumber—a material which is necessary in order to build homes, not only for the GI's but for all our people. I think data on that subject should be gathered so we may know where this material is going.

Mr. JOHNSON of Colorado subsequently said: Mr. President, the Senator from Minnesota [Mr. SHIPSTEAD] made some comments a moment ago with respect to merchandise which still seemed to be flowing to the United Kingdom. I tried to trace that down, and I discovered that the settlement agreement did cover merchandise which was in the pipe lines. I have a suspicion that the goods in the pipe lines do not consist merely of goods in transit on the ocean, but that they include goods in some of the ports in America.

So I believe that the statement made by the Senator from Minnesota will be supported by the facts when they are disclosed, and that it will be found that

currently merchandise is still going to the United Kingdom under the settlement, long after the settlement has been made.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. SHIPSTEAD. My information does not indicate where the lumber is going, but it is scheduled to go to foreign countries.

REQUEST FOR PERMISSION FOR AMERICAN FLYERS TO TESTIFY AT TRIAL OF MIHAILOVICH

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. O'DANIEL. Recently a delegation of about 23 World War veterans came to Washington, veterans who either crashed or bailed out over Yugoslavia during the World War, whose lives were saved by Gen. Draja Mihailovich because he kept them from being captured by the Germans. This delegation of about 23 former fliers came from all parts of the United States, except two who come from Canada. They represented about 600 American fliers who either crashed or bailed out over Yugoslavia or surrounding territory and were saved by the activities of General Mihailovich. These veterans came here for the purpose of seeking an interview with the State Department and with the President of the United States, to see if their testimony might be given in support of General Mihailovich at his coming trial.

Some of these boys were from Texas. Mike McKool is from Dallas, Tex., and Gus T. Brown, Jr., is from Luling, Tex. Their case is presented so clearly and precisely in a letter written by Mike McKool, of Dallas, one of the boys who bailed out over Yugoslavia, and owes his life to General Mihailovich for protecting him against capture by the Germans, that I want to read a copy of his letter addressed to the President of the United States, Harry S. Truman, as follows:

MARCH 25, 1946.

HARRY S. TRUMAN,
President of the United States,
Washington, D. C.

DEAR MR. PRESIDENT: It is not often, Mr. President, that the average citizen writes you. But I feel you are in a much better position to help me than anyone else.

Here is my problem: On February 5, 1946, there appeared in my local newspaper, the Dallas Times Herald, an Associated Press story which stated that the Russians at Nuernberg were preparing evidence for the coming trial of Gen. Draja Mihailovich, the leader of the Chetnik forces in Yugoslavia. The Russian prosecutors are claiming that General Mihailovich aided the Germans during the war. And today, March 25, in the Dallas Morning News a Reuter's story revealed that General Mihailovich had been arrested.

In 1944 I was a tail gunner on a B-24 in the Fifteenth Air Force in Italy, and the rumors circulating among our boys at the time were to the effect that "the Chetniks were cooperating with the Germans; that they were our enemies; that they would turn over all Americans to the Germans," etc.

On July 4, 1944, my crew was forced to bail out over "Yugo." The Chetniks rescued me and my crew from the Germans. When the Germans didn't catch any of us Americans, they took 20 hostages from among the peasants in the area, all of whom were sympathizers of the Chetniks. Ten of these hostages were shot when the Germans couldn't get any information from them as to where we escaped—and more than likely they didn't know. Is it possible that these Chetniks and their sympathizers would aid and cooperate with the Germans?

I walked some 500 miles during my 38 days with the Chetniks, and I had the opportunity to meet a lot of them. Very frequently during our travels we met women—old women—who on finding out we were Americans would kiss our hands and cry their hearts out to us. The story would nearly be the same every time—the Germans killed her sons, or carried her daughters away, or sent her sons to concentration camps or forced labor battallions, or burned her home, etc. Periodically the Germans sent troops to the different farms who helped themselves to whatever chickens, pigs, cows, fruits, vegetables, etc., which could be found. The peasants were given IOU's from the German Government for their products, and if any of the Serbians objected to this method, they were lined up and shot for questioning the German Government's authority. Is it possible that these Chetniks and their sympathizers would aid and cooperate with the Germans?

Once I passed through a small town by the name of Gor Milanovic, which in normal times had a population of about 3,000. But when I passed through it, the entire town with the exception of a church was completely burned to the ground—and I mean "to the ground" with flame throwers. The reason? A group of German soldiers were ambushed and wiped out near this town by the Chetniks. A strong German garrison was sent to seek revenge, which they did by killing all the inhabitants they could catch and burning out their city with flame throwers. Is it possible that these Chetniks and their sympathizers would aid and cooperate with the Germans?

The Chetniks took just as terrific a beating from the Germans as did any other group of people. They rescued and cared for hundreds and hundreds of other Americans like myself. In my group alone which was evacuated from "Yugo" on August 9–10, 1944, there were nearly 200 Americans and a few Englishmen, a few Frenchmen, a few Italians, and even a few Russians who were aided by the Chetniks. Is it possible that these Chetniks who aided all these Allied soldiers would aid and cooperate with the Germans?

While under their care, the Chetniks gave us everything they had to make us comfortable, even though they didn't have but a very little to offer. Many a time they gave us their last sip of "raykia" (whisky made from plums), last loaf of bread, last bit of cheese, etc. Whenever we were lucky enough to stay in a home, they gave us their own beds and they slept on the floor. Is it possible that these Chetniks and their sympathizers would aid and cooperate with the Germans?

For about 2 weeks I traveled with a band of 800 Chetniks and I became very friendly with the "capitan prima classa" who was in charge of these soldiers and also with the common soldiers. In fact during every day of my time spent in "Yugo," I was in constant contact with the Chetnik soldiers and sympathizers. I even met General Mihailovich on one occasion. And I can truthfully say I never ran across one single Chetnik soldier or sympathizer who did not carry in his heart a very intense hatred for the Germans who had invaded and were occupying their country. Is it possible that these Chetniks and their sympathizers would aid and cooperate with the Germans?

Of course, it is true that Mihailovich's Chetniks did not get along with Tito's Partisans and that they fought each other at every opportunity. But that was because of their different political beliefs. It is not fair nor just to try Mihailovich for aiding the Germans because he fought against Tito. If so, then for the same reasons, Tito should be brought to trial for aiding the Germans because he was fighting against the Chetniks.

I feel that I possibly owe my life to General Mihailovich and his Chetniks and I want to do everything I can to help him in his approaching trial. In this I'm sure I am expressing the feelings of hundreds of other American airmen who were aided by the Chetniks.

Here's what I would like for you to do, Mr. President. Please let me know how I can best use my personal knowledge and experiences to help General Mihailovich. Justice and fair play demand that all sides of this case be presented to the court so it can reach a just decision.

I would be more than glad to go to Nuernberg, Germany, at my own expense as a witness in behalf of General Mihailovich. I would also be willing to aid in Mihailovich's defense if I could be of any help to him. I took my Texas State bar examination last month, but it will be two more weeks before I hear whether I am or am not a lawyer.

Please let me know, Mr. President, whether or not I will be able to submit a deposition for the trial; whether or not I will be able to get priority for air travel to Nuernberg if I could be of aid to General Mihailovich's defense; and, also, how and where I will be able to get in touch with General Mihailovich's counsel.

Respectfully yours,

MIKE MCKOOL.

DALLAS, TEX.

Mr. President, there is nothing more laudable than for a man who owes his life to another offering to come to the defense of that other man when he is in trouble. I commend and congratulate the splendid patriotic American boys for their fidelity to their benefactor, General Mihailovich, when his life is threatened. The American airmen who were shot down over Yugoslavia are not attempting to dictate the policy of our State Department on international problems. They are not attempting to say whether Mihailovich is innocent or guilty. They simply want the opportunity to go to the trial as material witnesses. If they are not permitted to attend the trial and testify they ask that they be given an opportunity to send sworn testimony concerning the knowledge which they have regarding the attitude and actions of Mihailovich so far as acquired through personal contact and other first-hand knowledge. So I read this letter in order that Senators may understand just exactly what this problem is, as related by this American soldier, Mike McKool, who was shot down over Yugoslavia and who now comes to the defense of the man who saved him from the Germans.

These representatives of the 600 or more airmen who had similar experiences have just passed a resolution, signed by the National Committee of American Airmen to Aid General Mihailovich and the Serbian people. It is signed by a number of individuals. The petition is addressed to our President, Harry S. Truman, at the White House, asking that they be permitted to testify in defense of General Mihailovich or send depositions.

Mr. President, I believe that our President should give these representatives an audience, and give consideration to their earnest plea. I hope he does. I

also urge that our State Department give heed to their earnest plea and demand a fair trial for General Mihailovich before an honest and unbiased tribunal, where all evidence and testimony will be considered, and especially the testimony of these American fliers.

I ask unanimous consent that the petition which I just mentioned be printed in the RECORD at this point as a part of my remarks.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

The Honorable HARRY S. TRUMAN,
President of the United States,
White House, Washington, D. C.

MR. PRESIDENT: We, the undersigned, National Committee of American Airmen To Aid Gen. Draja Mihailovich and the Serbian People, representing the American fliers whose lives were saved by General Mihailovich and his Chetniks in Yugoslavia, and being motivated by the sense of justice and gratitude, wish to submit to you, Mr. President, the following petition:

"Considering the present decision of Tito's government to try Gen. Draja Mihailovich, his political rival, before the so-called people's court at Belgrade, Yugoslavia, we believe that a grave injustice will be done to General Mihailovich and the Serbian people, who have shown every loyalty and given every possible sacrifice for our American and the Allied cause during the Second World War, unless our Government takes immediate steps for defense of Gen. Draja Mihailovich.

"Wherefore, we most sincerely plead with you, Mr. President, to extend the influence of your high office and bring about the following:

"(a) That the United States intercede and demand that General Mihailovich be given a fair trial by an inter-Allied tribunal;

"(b) That American airmen and intelligence officers assigned to the headquarters of General Mihailovich be given an opportunity to testify as defense witnesses at such a trial, and

"(c) That the documents from the files of the War and State Departments pertaining to the case of General Mihailovich be immediately published."

We are confident that if given a chance to defend himself at a fair inter-Allied trial, and if our testimony is admitted in such a trial, General Mihailovich will be judged a worthy ally and not a war criminal, as Tito's government alleges.

National Committee of American Airmen To Aid General Mihailovich and the Serbian People: William L. Rogers, Lieutenant, Air Corps Reserve, Chairman; David J. O'Connell, Sergeant, Air Corps Reserve, Secretary; Charles L. Davis, Washington, D. C.; George Salapa, Jr., Cleveland, Ohio; Gus T. Brown, Jr., Luling, Tex.; Gerald E. Wagner, Roanoke, Va.; John F. O'Grady, Jr., Clifton, N. J.; David E. La Bissoniere, Milan, Wis.; John P. Durbin, Pittsburgh, Pa.; Donald F. Rice, New York City; Denzil I. Radabaugh, Masontown, W. Va.; Hal D. Sauter, Detroit, Mich.; Mike McKool, Dallas, Tex.; Neal S. Janosky, Milwaukee, Wis.; Robert W. Ekman, Chicago, Ill.; Oscar Menaker, New York, N. Y.; Charles F. Graez, Chicago, Ill.

BONUS PROGRAM IN CONNECTION WITH WHEAT AND CORN

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BUTLER. I yield for a short time.

Mr. LANGER. I wish to insert some letters and telegrams in the RECORD.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I have received from Hon. C. W. Buttz, a district judge in the State of North Dakota, which commends me for introducing Senate bill 2118, dealing with the 30-cent wheat bonus.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DISTRICT COURT CHAMBERS,
Devils Lake, N. Dak., April 29, 1946.

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR LANGER: Newspaper reports indicate that you have introduced a bill providing for a bonus payment of 30 cents per bushel to those farmers who marketed their wheat in 1945 and prior to the present offer in 1946. I want to congratulate you upon offering this legislation and I most sincerely hope that it may pass because of it being outstandingly meritorious. My thoughts in this respect are:

1. Those who marketed their wheat last year and paid the income tax thereon made it available for the use of the world without the attraction of the bonus now being paid to those who held their wheat.

2. A large part of the wheat held was held through Government agency loans and all holdings thus financed by the Government at a low rate of interest.

3. The present situation leaves those who were really most able financially to have marketed their grain to now be able to realize a large profit in return through their speculative holdings.

4. In any event, the ceiling price of hard spring wheat and other bread wheats have been entirely too low, so low in fact that the present addition of 30 cents per bushel does not hardly make a fair price in view of the excessive costs of the farmer during the past 3 or 4 years.

5. In this respect may I call your attention to what you probably already know, that although during World War I wheat brought $2.05–$2.07 and farm wages then ran from about $30 per month up while during World War II, and presently, prices of wheat have run from about $1.20 a bushel to $1.50 net locally (average grades) while labor has run from around $100 to as high as $165 per month for monthly help and 2 to 3 times that figure during the busy seasons such as haying, harvest, and threshing.

6. As a result of the conditions indicated in the last paragraph grain raisers' incomes have been reasonably fair only because of the very exceedingly high yields per acre, such as we had never before experienced in the history of the country and not due to prices received for the product. With yields in North Dakota during the past 3 years running higher than ever before during the lifetime of yourself and others living here, wheat could be raised at the prices received; with ordinary crops taking us back to the approximate 10 bushels per acre average as found by the AAA over a 10- to 15-year period prior to World War II, the great mass of our farmers would have been broke, ruined financially at present prices and our courts would have been clogged with foreclosures as they never were before.

I certainly hope that this bill may become a law from its strictly meritorious standpoint.

Kind personal regards.

Very respectfully,

C. W. BUTTZ.

Mr. LANGER. I may add that Mr. Buttz has lived in North Dakota for 35 years, and is one of the outstanding judges and farmers in North Dakota.

I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have received from Mr. Leonard Holje, of Maddock, N. Dak.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MADDOCK, N. DAK.,
April 29, 1946.

Senator LANGER,
Washington, D. C.

DEAR MR. LANGER: Just a few words in regard to the 30-cent wheat bonus. There are many, yes, most of the wheat growers in this area that will not benefit any by the 30-cent bonus as they have already hauled out and sold their grain earlier in the season before the bonus came on, and that was due mainly because they were more patriotic when the Government called for wheat to feed the starving peoples of other countries, and in some cases because the farmer needed the money. In fairness to those who responded early with their wheat I believe the bonus should be paid on all the 1945 crop or not at all, as this will only benefit the more rich farmers who could hold his wheat, and did not care so much helping the starving peoples of other lands.

There is a lot of dissatisfaction among the farmers out here on account of the bonus being paid only on wheat hauled out now.

I hope that all our Senators and Representatives from the wheat States will get behind this and try to get a square deal for all wheat growers.

I am sure you will do your best in this matter.

Your friend,

LEONARD HOLJE.

Mr. LANGER. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have received from C. W. Fine, president, and H. A. Hendrickson, secretary, of the Equity Cooperative Elevator Co., of Sheyenne, N. Dak. Mr. Fine was formerly a State senator in North Dakota.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EQUITY COOPERATIVE ELEVATOR CO.,
Sheyenne, N. Dak., April 29, 1946.

Hon. WILLIAM LANGER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: Below I am verbatim giving you the wire the board of directors of above company instructed me to send each of our North Dakota representatives in Washington, as well as a similar wire to F. U. G. T. A., St. Paul.

The vote was unanimous after considerable discussion, the main point being the disqualification of a very large number of farmers, who, in good faith, went along with the announced ceiling wheat price as first established, but who are, under present ruling, unfairly penalized.

"To the Honorable CLINTON ANDERSON,
"Secretary of Agriculture,
"Washington, D. C.:

"The board of directors of the Equity Cooperative Elevator Co., of Sheyenne, N. Dak., representing approximately 600 common stock-producing farmers, respectfully request you make the 30-cent wheat bonus appliable to the 1945 crop in justice to all producers.

"Respectfully yours,
"C. W. FINE, *President,*
"H. A. HENDRICKSON, *Secretary.*"

Mr. LANGER. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have received from Mr. Ted Chartier, of Tower City, N. Dak.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TOWER CITY, N. DAK., *April 27, 1946.*
Hon. WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR LANGER: I am writing you as a farmer and a taxpayer to bring to the attention of the Secretary of Agriculture and other Government agricultural representatives, the fact that the 30-cent bonus, which is to be paid farmers now for delivering their wheat, is an injustice to the farmers like myself and others, who sold their wheat last fall in order to pay their expenses and labor. It cost the farmer who sold his wheat last fall just as much to raise his crop as it did the farmer who had plenty of cash reserve, and therefore did not have to sell his wheat and can now sell for a 30-cent-a-bushel bonus. Unless this situation is changed so that all farmers who raised wheat in 1945 receive the bonus of 30 cents per bushel, it will be a plain case of discrimination against the small farmer and the farmer who sold his wheat last fall for any reason whatsoever.

I live and farm 40 miles west of Fargo, N. Dak., in Cass County, and speak for all the farmers in my territory who, like myself, sold their wheat last fall because we were led to believe by our Government agencies that the ceiling price on wheat would not be raised and there was no advantage to hold the wheat. Many farmers here did not take out wheat loans on their 1945 wheat due to this fact. We therefore feel this is an injustice to us as farmers and respectfully ask that this matter be brought to the attention of Secretary Anderson and our Government, in order that we may be treated on an equal basis with our neighbors.

If you will have petitions made up regarding this situation and send them to me I will deliver them to the surrounding villages and cities for the farmers to sign, so that the Secretary of Agriculture will see that this is not a fair deal to those farmers who sold their wheat before the bonus plan was announced.

Yours truly,

TED CHARTIER.

Mr. LANGER. I also ask to have printed in the RECORD at this point as a part of my remarks a telegram which I have received from an organization of 450 farmers known as the Walsh County Unit of the National Fair Deal Wheat Association, of which Mr. G. H. Hoople is secretary. An identical telegram was sent to my colleague [Mr. YOUNG], and we join in the request to have it printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HOOPLE, N. DAK., *May 2, 1946.*
Senator WILLIAM LANGER,
Washington, D. C.:

Four hundred and fifty farmers meeting at Adams, N. Dak., object to the injustice and inequity of the 30-cent-bonus program on wheat and corn put into effect by the administration. The 30-cent bonus should be paid on all wheat and corn produced in 1945. The 1945 crop is the income from which the farmer must live on in 1946 and from which he must pay his 1946 production expenses. The 1945 wheat crop was 90 percent marketed before the administration bonus program was put into effect, upon representations that ceilings would be held. Labor and industry have been granted 18½-percent increases, and these increases are now reflected in the living and production expenses of the farmer. It is essential that wheat and corn producers be paid the bonus on all wheat and corn produced in 1945 to be on a parity with labor and industry. We believe this is an opportunity to retard inflation, by paying the bonus or subsidy beginning with 1945 production, instead of raising price ceilings, which will continue the inflationary circle. Controlled prices on farm products demand subsidies in times of scarcity as well as in times of surpluses. Substantial part of wheat crop which was marketed before bonus program was put into effect was also used for famine relief. Those who marketed before bonus program were deceived and penalized.

WALSH COUNTY UNIT, NATIONAL FAIR DEAL WHEAT ASSOCIATION,
G. H. HOOPLE, *Secretary.*

Mr. BUTLER. Mr. President, before making my remarks on the subject which is under consideration by the Senate, the British loan, I wish to say a few words with reference to another matter which I think is of extreme importance to Senators from every State in the Union. It has to do with the recent 30-cent-bonus order with respect to corn and wheat, permitting a Government agency to enter the market and, by means of the 30-cent bonus, bid up the price of corn and wheat over the ceiling price.

I introduced Senate Joint Resolution 157 day before yesterday. I mention it at this time because it was referred to the Committee on Banking and Currency. Today I ask that the Committee on Banking and Currency give that joint resolution consideration and report it to the Senate promptly, because time is of the essence.

When this order was issued a few days ago permitting a Government agency to take over corn and wheat at a premium of 30 cents a bushel, it practically closed the market to every other user of corn and wheat in the country. I have no quarrel with the objectives of those who issued the order. Evidently it was issued to get delivery quickly of sufficient corn and wheat to cover the critical needs in Europe and elsewhere and permit our Government to fulfill its obligations with respect to that program.

Producers are answering this appeal for grain with a flood of shipments to all markets, and I have little doubt that enough grain will soon be in possession of Government agencies to fill all immediate needs.

But in the meantime let me ask what has happened and is still happening to the producers of dairy products, poultry, and meat, including those who operate feed lots of cattle and hogs? I have received scores of pitiful appeals from dairymen and producers of chickens, turkeys, cattle, and hogs, who are not permitted to meet the Government's price for grain, and whose flocks and herds must be fed or slaughtered. Their question is usually this: "How can I legally secure feed to continue my operations?" The feeding of livestock and poultry is not like operating a store or a manufacturing plant that can be locked up for a while and operations resumed later on. Livestock operators must feed their stock daily, regularly, and they cannot even vary the ratio of feeds without serious results. These people are producing food which is needed everywhere in the world today. We must make it possible for them to continue this most essential operation, and the only way they can do so is to be permitted to meet Government competition in securing their needed grain supplies.

Mr. President, at this point in my remarks I ask unanimous consent to have a copy of Senate Joint Resolution 157 printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 157) to enable private purchasers of corn and wheat to purchase at the same price as the Government, introduced by Mr. BUTLER, on April 30, 1946, and referred to the Committee on Banking and Currency, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, no person shall be deemed to have violated the provisions of the Emergency Price Control Act of 1942, as amended, or the Stabilization Act of 1942, as amended, or any regulation or order issued thereunder, by paying or receiving or agreeing to pay or receive a price for any sale of corn or wheat which is not in excess of the price (including any bonus) which the Government, through any department or agency, is, at the time of such sale, paying or agreeing to pay for corn or wheat sold or delivered to the Government.

Mr. BUTLER. Mr. President, I should also like to have printed in the RECORD a copy of a letter which I received from Mr. Guy Scudder, a feeder at Sumner, Nebr., and also a letter which he sent to Secretary Clinton Anderson, under date of April 30, 1946. In the letter, in effect, he asks the Secretary the same question which I asked the Secretary and Mr. Bowles a few days ago: Where are these people going to secure feed for their poultry, their dairy cows, and their livestock?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SCUDDER GRAIN AND LIVE STOCK CO.,
Sumner, Nebr., April 30, 1946.
Senator HUGH BUTLER,
Washington, D. C.

DEAR SENATOR: Enclosed you will find a telegram which I received yesterday from the Commodity Credit Corporation, of Chicago. This in answer to a telegram which I sent to Kansas City last week, asking how I could get corn for my cattle.

Senator, this is just about the last blow—we are now being forced out of business.

I have only a 30 days' supply of corn on hand for 1,400 head of cattle. A short time back I contracted 5,000 bushels of corn from one man and 7,000 bushels from another, this corn to be delivered right after corn planting. Now comes this 30-cent advance, and they want this advance if they deliver the corn, which I guess they are entitled to.

But, again, I cannot pay them this 30 cents.

In order for these men to collect the 30 cents the corn must go to the Government, and there is no way for me to get it.

No use in Mr. Anderson saying that we will get corn after expiration date of this 30-cent order, because what corn is left in the country will not move then until October.

During the war we feeders went along with the Government as best we could, fed more cattle and hogs, and we did our best to produce under very trying conditions. We bought bonds, and I worked harder than I

should have during the past 5 years, as it has cracked my health.

But with all this, now they simply are putting us out of business, and within a very short time, unless something drastic is forthcoming immediately.

This corn will leave the country during the next 2 weeks, and when it is gone it simply is gone, and there is nothing left to do but load cattle. Young pigs will again be selling for nothing per pound, because there will be no corn to feed them.

Yours very truly,

GUY SCUDDER.

SCUDDER GRAIN AND LIVE STOCK CO.,
Sumner, Nebr., April 30, 1946.

Mr. CLINTON P. ANDERSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. ANDERSON: Enclosed you will find telegram which I received from Commodity Credit Corporation, of Chicago. This in reply to my telegram to Commodity Credit Corporation at Kansas City last week, asking how I could get corn.

Now this order, granting 30 cents per bushel more for corn, for a limited time, with no provision for the feeder, is just about the last straw, and it will put us out of business in a very short time. It will bring forth the most acute shortage of meat of all kinds that this country has ever experienced.

I had 12,000 bushels of corn contracted to be delivered right after corn planting time. Now that your order is out granting this 30-cent increase these men want the increase which I feel they are entitled to. Yet, I cannot pay this increase and cushion the loss on my cattle. I am forced to stand by, and see this corn leave this section of the country because I am prohibited by the OPA on one hand to pay not over $1.09 per bushel delivered here for corn, which I need for these cattle, and on the other hand the Government will take it from here at $1.39 per bushel.

All the corn which is left in this country around here after expiration date of this 30-cent order will be held until October by the owners.

Mr. Anderson, I was good enough through these years of war to go along with the Government feeding more cattle and hogs and did my best to produce more corn and Atlas, putting up as much as 5,000 tons of silage per year, working harder the past 5 years than any time in my life, in fact too hard. It has cracked my health.

And now, in return for what I have helped during these years, you are putting me out of business and this within a very short time.

Now it appears this is your aim, and if so, I wish you would advise me as I can voluntarily liquidate $200,000 worth of cattle and hogs to a lot better advantage than trying to stay the limit and being forced out.

Yours very truly,

GUY SCUDDER.

Mr. BUTLER. Mr. President, the enclosure in Mr. Scudder's letter to me shows that he addressed a telegram to the manager of the Production and Marketing Administration at Chicago, Mr. Donald E. Smith, a few days ago. He asked him where he might secure feed for his cattle. By the way, Mr. President, Mr. Scudder has 1,400 head of cattle in the feed lot. The answer which he received on April 29 from Mr. Donald E. Smith, in Chicago—and Mr. Smith is in charge of the Production Marketing Administration there—was as follows:

No provision for resale corn purchased by Commodity Credit Corporation to feeders.

Mr. President, that telegram does not correspond with the information which I received from the OPA, from Mr. Bowles himself, a few days ago. He said that much of the 50,000,000 bushels of corn would be reallocated to domestic users where he and others in their wisdom felt it was needed the most.

I doubt whether all Members of the Senate appreciate the serious situation which is absolutely certain to develop unless some remedy is provided at once. I shall ask the majority leader, who is one of the most influential members of the Banking and Currency Committee, where the joint resolution introduced by me rests, if he will help to get it out and to have it acted upon immediately.

STATUS OF KEETOOWAH INDIANS OF CHEROKEE NATION IN OKLAHOMA

The PRESIDING OFFICER (Mr. HUFFMAN in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 341) relating to the status of Keetoowah Indians of the Cherokee Nation in Oklahoma, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. O'MAHONEY. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. O'MAHONEY, Mr. WHEELER, Mr. THOMAS of Oklahoma, Mr. SHIPSTEAD, and Mr. MOORE conferees on the part of the Senate.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. BUTLER. Mr. President, I now wish to refer to the proposed British loan. Before we conclude the discussion on this proposed loan, I should like to summarize for the benefit of the Senate some of the debate which occurred in the British Parliament during the questioning period which took place during the week beginning April 15.

The British Government is apparently already actively canvassing the sentiment of all business organizations in Great Britain and of all groups of labor and agriculture, with respect to a trade agreement with the United States. During the week of April 15, Hon. Herbert Morrison, Lord President of the Council, was asked in the House of Commons whether steps were already being taken to question labor groups, corporations, industrial groups, and agricultural groups with reference to concessions which they would like the United States to make, and whether they were being consulted with reference to concessions which Great Britain should make. Mr. Morrison said that the Government had already quietly addressed a letter to the Trades Union Congress, to the Federation of British Industries, and to a large number of trade organizations and associations, requesting their views on the problems to be discussed when they met with the United States and the other small group of trading nations with reference to tariff reductions, preferences, and modifications in trade barriers.

In all probability, our own State Department is holding up any such request for information in this country until it finds out what the Senate or what the Congress is going to do in the matter of the pending measure. The State Department apparently does not wish to solicit any real expression of opinion from our own people, for fear that it might interfere with the present drive to get congressional approval of the pending proposed loan of nearly 4 billion dollars.

But the British Government is not only making contact with the big organizations like the Trades Union Congress. The British Government has already sent out a detailed memorandum of guidance that attempts to elicit specific information about duties and preferences of interest to practically every producer not only in Britain but throughout the dominions. As a result, the British Government will have a mass of information that will enable the negotiators to find out just who are interested, in what measure of protection, British or foreign, and how strongly they feel about it.

Nor is the British Government merely asking about concessions which Britain should make. It is asking each producer in all of Britain "the extent of the reduction of existing duties that would be required to enable goods produced in the United Kingdom to compete in the foreign countries named." In other words, what it is asking is how much shall the United States reduce its duties so that Britain can ship manufactured goods into the United States, so that Canada can ship wheat, as well as dairy products, fruits and other products into the United States, so that Australia and New Zealand can ship wool and butter into the United States, and so that other dominions can ship their products into the United States. Of course, the British crown colonies, mandates, and other possessions are also to be included. Their survey will show how Britain can to best advantage control the American market for natural rubber, for tin, and for all the other products of the colonial empire.

In the British questionnaire every person is asked:

(1) What margin of preference is regarded as being of the highest importance to the United Kingdom industries; (2) which are regarded as being of some importance; (3) which are regarded as being of little importance.

In other words, they are working this thing out in such detail that they can make a few concessions of little importance, while refusing concessions which would be to the disadvantage of the British Empire. Labor, business,

and agricultural groups are being canvassed.

When questioned further on this subject, Mr. Morrison acknowledged that—

> the amount of work involved for all concerned is staggering * * * but the great effort is worth while because the trade of the British Empire hangs in the balance * * *. This is one conference where the British must be well prepared.

Mr. President, I find this discussion extremely interesting. Apparently the British are getting carefully prepared to negotiate with this country a trade agreement which has been definitely planned, but about which we know practically nothing.

I find on checking my files that last December the State Department issued an announcement about possible simultaneous negotiations with a number of countries, including Great Britain. But since then, so far as I am aware, no official information has been put out. At any rate, no definite announcement of intention to negotiate has been issued, nor any call for hearings or list of products to be considered. No contacts have been made with interested American producers or exporters, as far as I have been able to find out. Yet the British are apparently proceeding on the assumption that there will definitely be trade agreement negotiations in the near future, and they plan, as Mr. Morrison says, to be "well prepared."

It seems possible that the State Department is keeping its plans a little quiet in order not to alarm the people until after they have pushed this loan through Congress.

The least we can say is that there is no evidence that our State Department plans to be as well prepared as the British.

I suspect that as soon as this loan is out of the way the State Department will send out a sudden notice to producers of two or three thousand products in the United States to file a written brief if they are not agreeable to the reduction of our tariffs 50 percent in return for few, if any, foreign concessions of any value to us. They customarily go through these motions before they take final action to put into effect reductions they have already decided upon. Generally speaking, those reductions will probably be the full 50 percent permitted under the Trade Agreements Act, although in order to avoid the charge that all rates were reduced systematically a full 50 percent, some of the reductions may be only 40 percent or 33⅓ percent. In a few scattered cases which can be pulled out later as illustrations, the reductions will be only 10 percent. But the general pattern will undoubtedly be a reduction of the full 50 percent permitted by law. That has been the general pattern in the past.

Mr. President, those reductions are generally not merely reductions from the rates of duty prescribed in the Tariff Act of 1930. During the 10 years 1934–44 something like 25 different trade agreements were negotiated and reductions running up to 50 percent were already agreed to in the case of about 2,000 different commodities. Those reductions were made not merely to the country with which the trade agreement was entered into, but they were extended to all other countries—under the unconditional most-favored-nation program. At the present time the purpose is to make another 40- or 50-percent cut under the reduced rates so that the total reduction in the case of most items will be the equivalent of a 75-percent cut from the rates prescribed by Congress in the Tariff Act of 1930. In a few individual cases the reduction will be as much as 87½ percent inasmuch as the Tariff Commission had already made a preliminary cut in the rate of duty before the State Department took the matter in hand. There is no escaping from the fact that the program of the administration at the present time is to reduce practically all tariff rates to as near the zero point as possible. In other words, they would, if they could do it, remove all tariffs and commit the United States to an absolutely free-trade program.

Mr. President, of course I realize that the State Department has been granted authority to reduce our tariff protection in trade agreements. But the facts I have presented on the discussion in the British Parliament carry us to consideration of another question. It seems clear to me from these facts that there is a definite, intimate relationship between this loan and the trade agreement for which preparations are already under way in Britain. And the question I raise is whether we have already made virtually binding commitments to the British on reduction of our duties, as a part of the general negotiations on this loan.

A careful reading of the loan agreement, and an understanding of the reasoning of our high officials, will make clear the relationship which they believe exists between our trade policies and our loan policies. Even some of our high officials will admit that repayment of this loan is questionable, and they say that it depends on Britain's future international trade position. We have actually written it into the agreement that Great Britain will not be held for the interest if her exports do not increase about 60 percent by volume above the level of her prewar exports. In other words, we have made it clear to the British that she need not bother about repaying us unless her financial position makes it convenient for her to do so.

The next step in the reasoning of administration officials appears to be that we must provide those export markets for Britain. In other words, the thing has been so worked out that America, not Britain, will be responsible for enabling Britain to make those payments. America, not Britain, will be to blame if the British cannot find the dollars with which to service the loan. And anyone who refuses to go along with the drastic slashes at our tariff protection that are contemplated will be accused of making it impossible for Britain to repay her debts. America, not Britain, accepts the responsibility for keeping Britain's financial record clean. That appears to be the philosophy of our responsible officials.

Mr. President, we have learned during the past few months of a good many secret agreements which were entered into without our knowledge. We do not know, even yet, if all the secret agreements which were concluded at Yalta and elsewhere have been revealed. We now have an opportunity to pass on the terms of this proposed loan. If any commitments have been entered into of which we have not yet been informed, we should certainly defer further consideration of this proposal until we have received the full facts. If we have agreed to slash our tariffs so that the British can repay this loan, we should know it before we approve the loan.

The account of the debate in the British Parliament has come to my attention so recently that I have not even had time to draft a resolution requesting information on the proposed agreement. I am sure the matter can be handled more simply, however, if I request the able Senator from Kentucky, who has taken the lead in presenting this measure, to secure from the State Department a full disclosure of any additional commitments entered into with the British on trade or economic matters connected with this proposed loan, and of their plans for a negotiation of trade agreements with the British, their dominions and colonies. I should like particularly to secure answers to the following questions:

First. Have commitments been entered into with the British, their dominions, colonies, or other possessions, to reduce tariff duties on specific commodities?

Second. Have commitments been made as to the volume of trade which will be affected in any contemplated trade agreement with Britain, her dominions, colonies, or other possessions?

Third. Have commitments been entered into covering the amount by which British export trade to us is to be increased by tariff concessions made by us?

Fourth If no commitments have been made, have definite plans been made by the State Department covering questions 1, 2, and 3?

Fifth. Is there a trade agreement with Great Britain now in process of preparation?

Sixth. If such a trade agreement with Great Britain is in process of preparation, what stage have the preparations reached, and when may we expect formal announcement of the commodities to be considered?

Mr. President, I hope the Senate will not take a final vote on this measure until we have the answers to these questions, and until we have been assured that no commitments have been made beyond those which have been made to us. In addition, I hope that the State Department will give us a full and complete disclosure of their plans for a trade agreement with Great Britain and her Empire.

Mr. AIKEN. Mr. President, I rise to comment on the pending legislation approving the agreement with the United Kingdom for the extension of a line of credit in the amount of $3,750,000,000.

Lest my comments be misunderstood, I wish to state at the beginning that I am on the whole favorably disposed to-

ward the general objectives of the pending arrangements. I do wish to make certain, however, that the results which the proponents of this loan claim for it will actually be realized.

The stated reasons for the loan are:

First, Great Britain for some time to come will have a deficiency of foreign exchange to meet its current import requirements. This has been estimated at more than $5,000,000,000 over the next 5 years, and must be furnished from some source if British trade and commerce is to be restored and continued at a satisfactory rate.

Secondly, there is a tacit recognition in the pending arrangements that unless the dire need for foreign exchanges is met, the United Kingdom will have to continue restrictive trade and financial arrangements throughout the Empire and other countries within the sterling bloc in order to meet its foreign exchange requirements.

I do not entirely subscribe to this premise, but merely state it as one of the bases upon which the arguments of the proponents are founded.

In the third place, it is claimed that this arrangement with Great Britain is economic, and does not constitute a precedent for other similar undertakings.

It is economic, it is said, because the British depend so much upon foreign trade, and because the lack of balance in British imports and exports is in a magnitude all by itself.

Finally, it is claimed that the British loan will be favorable to American foreign trade because it will not only provide the means for the purchase of American goods by England herself but will open up new markets for our products by the elimination of restrictive practices by the United Kingdom without which many foreign markets would be closed to us.

I do not question the fact that Great Britain needs this assistance. I do look with some misgivings upon the assertion that the position of Great Britain is economic in this respect lest it be interpreted by world public opinion to mean that we are slowly edging toward a common front with the United Kingdom in both political and economic matters.

There are many other countries in the world where conditions similar to those existing in the United Kingdom are now prevalent.

The devastations and destructions of war have not been peculiar to the British. They have affected with equal force and drastic consequences other friendly Allies, such as France and China.

It cannot be effectively argued that the transitional-period requirements for credit and American goods and materials are any less in such countries as China and France, Belgium or Holland, than they are in the United Kingdom.

Our national interest is no less involved in the friendly cooperation of these Allies, I want to make it quite clear that in the position I shall take in this matter I shall be guided not by recognition of any special consideration for the United Kingdom, but by the broader desire to have the United States adopt an economic policy that will serve equally well favorable relations not only between our country and the British Empire, but with all others that want to live in a world of peace and economic prosperity.

Unless we make this point clear to the world, we will in the minds of many people come perilously close to recognizing certain broad hints recently made regarding fraternal association within the English-speaking world.

I am not against fraternal association, but I would broaden it to include through the United Nations all the peaceful countries of the world.

In its anxiety to see the British loan approved, the administration has gone too far in giving special recognition to the province of the British Empire.

This is likely to be misunderstood in other quarters of the world and will not facilitate a solution of many international problems some of which are outside the control of the United Kingdom.

I wish to emphasize this point also because in the economic, as well as the political field, our Government should ever be dedicated to the propagation and enforcement of general principles with equal emphasis, regardless of the territory, the interests, or the language of the areas affected.

All too often, by omission or commission, our representatives operating on the international level have given special consideration to interests of the British Empire, sometimes by openly siding with the British and sometimes by quiet acquiescence, thereby giving the impression throughout the world that we are applying a double standard to our international relations.

By these actions, we are losing our bargaining position. We are jeopardizing our position of mediator between contending forces in the world.

If we can possibly help it, we must not give any further encouragement to the impression that the United States is joining with the British Empire in economic as well as political unity of purpose against other powers.

I am, therefore, impelled to view the British loan on its own merits as a means of reviving world trade without closing the door to giving equally serious consideration to any similar purpose submitted by other friendly governments, such as China, France, Belgium, Holland, or Russia, if the ultimate objective is to improve world economic conditions and thereby promote the cause of lasting peace.

Viewing the British loan agreement purely as an economic proposition, what are some of the elements that should help us decide the wisdom of approving it in its present form?

It may be seen that viewed as a loan, or to put it in its limited sense, as a banking proposition, there are not many proponents who are willing to assert that the British will be able to repay either interest or principal.

However, we recall that at the close of World War II we were spending at the rate of $2,000,000,000 a week for war purposes. The actual cash cost entailed in any move we can make that will result in a longer period of peace, or in lasting peace, will be very small in comparison.

The witnesses of our State Department, the majority leader and the senior Senator from Michigan, have all emphasized that the British loan is in our national interest because of considerations that are superior to the repayment of the loan in the freer flow of world commerce by the elimination of restrictive practices on the part of the United Kingdom.

Our principal interest in the loan, therefore, is in articles 7 and 8 of the agreement by which the United Kingdom agrees to complete arangements—

As early as practicable and in any case not later than 1 year after the effective date of this agreement, unless in exceptional cases a later date is agreed upon after consultation, under which immediately after the completion of such arrangements the sterling receipts from current transactions of all sterling area countries (apart from any receipts arising out of military expenditure by the Government of the United Kingdom prior to December 31, 1948, to the extent to which they are treated by agreement with the countries concerned on the same basis as the balances accumulated during the war) will be freely available for current transactions in any currency area without discrimination; with the result that any discrimination arising from the so-called sterling area dollar pool will be entirely removed and that each member of the sterling area will have its current sterling and dollar receipts at its free disposition for current transactions anywhere.

8. Other exchange arrangements.

(i) The Government of the United Kingdom agrees that after the effective date of this agreement it will not apply exchange controls in such a manner as to restrict (a) payments or transfers in respect of products of the United States permitted to be imported into the United Kingdom or other current transactions between the two countries, or (b) the use of sterling balances to the credit of residents of the United States arising out of current transactions.

These provisions are the real justification for this loan from our point of view.

One may argue whether we should have to buy our way out of restrictions imposed by the British upon other countries. There may be alternative diplomatic or economic measures whereby we can have these restrictions lifted. The assumption that the British will or that they are entitled to impose restrictions upon the trade of other countries for the sake of upholding their own standard of living may be seriously questioned.

As a practical matter, however, I am willing to give the benefit of the doubt to those who present this loan as the best way of helping the British to relieve the trade of a good part of the world from commercial and financial restrictions.

I tend to agree with the junior Senator from Utah that this loan will enhance the power of London over the financial and economic transactions of the countries in the sterling bloc.

It will be recalled that a similar situation resulted in the extension of lend-lease aid when all lend-lease arrangements with British dominions and colonies had to be cleared through the British Government, thereby revitalizing what was then a very shaky economic and military relationship between the British Isles and its possessions.

The effect of this loan will be similar. It will enhance the power of London over the finances and foreign trade of other countries.

It may be that only by the use of this renewed power the United Kingdom will be able to fulfill its commitments in articles 7 and 8 of the pending agreement so that the United States will obtain the advantageous results which the proponents claim for this loan.

In considering the loan, therefore, I am principally concerned in the effective implementation of these provisions which are the essential concessions that the United Kingdom is to make to improve world trade.

I do not question the good faith of Lord Halifax and Prime Minister Attlee and the British Cabinet in approving this arrangement. I do not question their willingness to regulate all those restrictive arrangements so that commerce can flow freely among nations.

I do not question the sincerity and integrity of purpose of our Secretary of State and the Secretary of the Treasury, nor do I question their ability to carry through to successful conclusion the mutual arrangements contemplated by this agreement if they themselves personally could attend to the details which will inevitably require attention in the fulfillment of the obligations created by this arrangement both in this country and in the United Kingdom.

I do feel, however, that the reciprocal undertakings of the United Kingdom to lift these restrictions are so extensive and complex that it will require more than a willingness on the part of the top-policy officials of the two countries to effectuate them.

The economic relations of the United Kingdom with every one of its dominions and colonies, as well as other sterling-bloc countries, is the result of the long years of gradual, detailed, painstaking development of mutual arrangements carried out by a large number of bureaucratic functionaries in the civil service. These lower officials are required by the proposed arrangement to retrace their steps in detail to revise existing treaties and agreements and to abrogate rules and regulations long on the books. In a word, they must change the habits of thinking and action which they have acquired throughout their lifetime.

In our own interest, therefore, it is important to view the practical implementation of these undertakings with healthy skepticism and to follow through in detail their fulfillment which is essentially the only reciprocal advantage that we obtain from this loan.

It is not an uncommon experience in the history of nations, and the United Kingdom is no exception, that whereas policy makers make commitments the men on the operating level find many impediments in the way of achieving the objectives defined by their superiors.

I would not be surprised, therefore, if many difficulties, real or apparent, are encountered in the fulfillment of articles 7 and 8.

Many problems have long continued simmering with ill effects upon international relations even after satisfactory assurances have been given at high policy levels.

One reason or another is given why certain policies announced by the highest authorities cannot be carried out.

For example, take the toll charges on the Suez Canal. Even though we gave lend-lease grants to British shipping through the Panama Canal all through the war, our negotiators were unable to obtain reverse lend-lease arrangements on the Suez Canal, and our soldiers and war materials crossing that waterway had to pay the regular tolls because the issues were tossed back and forth without satisfactory resolution.

I would not be surprised if many of the detailed arrangements necessary to implement articles 7 and 8 receive the same treatment.

This has been true in the case of Palestine, in the case of India, in the case of Egypt. It is true in our relations with Italy.

It is the responsibility of Congress, therefore, to make sure that the undertakings which are the real value obtained by us in return for this loan are effectively carried out.

Let us not forget also that England did not approve the Bretton Woods agreement until she had secured the agreement which we are now asked to approve and has not yet made her contribution to the International Fund and International Bank. Apparently she does not contemplate doing so until she has secured this loan. Great Britain is a shrewd trader and business-like in business matters. Should the United States be any less so?

I propose, therefore, to offer an amendment to the pending joint resolution which will give the necessary incentive to our executive departments as well as those of the United Kingdom to apply their utmost faculties to the accomplishment of the purposes set forth in articles 7 and 8.

The amendment is on page 2, before the period in line 8, to insert a colon and the following:

Provided, That after the United Kingdom has drawn the first $1,000,000,000 of the proposed line of credit no further drafts upon the remaining $2,750,000,000 shall be allowed unless, within 1 year after the effective date of the agreement, the United Kingdom officially notifies the Secretary of State (such notification to be transmitted by him with his comments to the President and to the Congress) that elimination of (a) discriminatory financial and trade practices as provided by articles 7 and 8 of said agreement; and (b) discriminatory trade barriers (including preferential tariffs), established by the United Kingdom and its dominions and colonies which affect products of the United States, has been accomplished.

I send the amendment to the desk and ask leave to make correction of a word or two if I find it necessary to do so.

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). The amendment will be printed and lie on the table.

Mr. AIKEN. Mr. President, there is nothing in the agreement that makes the granting of the loan conditional on carrying out articles 7 and 8.

There is nothing to prevent the British Empire from contracting all or a substantial part of the loan in American manufactures for future delivery in the first year of the loan without making substantial progress in carrying out the provisions of articles 7 and 8.

There is nothing in the pending arrangement that guarantees the accomplishment of the purposes of articles 7 and 8 at the same time as the loan is being used.

There is nothing in the pending arrangements that puts the Secretary of State and the Secretary of the Treasury in a position to force compliance with articles 7 and 8 and there is nothing in the agreement that invokes penalties or limitations if articles 7 and 8 are not carried out.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. AIKEN. I have about concluded.

Mr. JOHNSON of Colorado. I wanted to ask the Senator a question respecting the amendment he just submitted. I do not have a copy of it before me.

Mr. AIKEN. It has been changed somewhat.

Mr. JOHNSON of Colorado. I heard the Senator read it. I should like to ask if it would amount to an estoppel against the Treasury to make any further payment to Britain unless Britain does certain things.

Mr. AIKEN. The Senator's understanding is correct; that after Britain has drawn the first $1,000,000,000, if she does not within 1 year carry out the provisions of articles 7 and 8 of the agreement she will not be able to draw any of the other $2,750,000,000. That is the purpose of the amendment.

Mr. JOHNSON of Colorado. And the amendment itself prevents the Treasury Department from making any further payment unless those conditions are met.

Mr. AIKEN. That is the intention. But I asked unanimous consent to make a correction in the amendment, if it is necessary to do so. It has just been typed, and I received it only this minute. It seems to me there are two or three words in it that may be wrong. But the Senator has stated the purpose of the amendment, which is to stop the payment of further funds after Britain has drawn the first $1,000,000,000 unless she has complied with the provisions of articles 7 and 8 of the agreement.

Mr. President, as I have indicated, there are many factors that will encourage delay in the fulfillment of articles 7 and 8, not at the policy level in our country or in Great Britain, but at the level of the lesser officials who can find a thousand and one reasons why they cannot make haste with progress.

In offering the proposed amendment, it is my purpose to support the present joint resolution upon condition that satisfactory guaranties are obtained that the purposes of articles 7 and 8 must be accomplished as a condition of the loan.

The proposed amendment does not limit the total amount of the loan. It does not prevent the United Kingdom from obtaining the full benefit from the total amount of the loan within the prescribed 5-year limit.

The proposed amendment makes available immediately $1,000,000,000 of the loan, but makes the rest of the proposed loan conditional upon the accomplishment of the purposes of articles 7 and 8.

Since the United Kingdom has already agreed that it will eliminate these restrictive financial and trade practices within a year in effect, no limitation is contemplated by the amendment.

However, it does provide that necessary incentive for the executive departments of our Government and of the United Kingdom to hasten the elimination of financial and trade barriers so that the world may enjoy the benefits promised by this loan as soon as possible.

It is my firm opinion that if we can assure our own people that these restrictive practices which have bedeviled world trade and have played an important part in inciting wars will be eliminated as a condition of this loan, then the joint resolution will acquire renewed strength and gain the support of public opinion.

I offer the amendment in a sincere effort to help the passage of this legislation by eliminating legitimate doubts in the minds of even those who have friendly disposition toward the pending proposition.

I offer it as a contribution toward the fulfillment of the ultimate objectives contemplated by the joint resolution.

I offer it as a contribution toward a continuance of friendly relations between the United States and Great Britain, for there is no surer way to provoke ill feeling between neighbors, either as individuals or as nations, than to transact business affairs in an unbusinesslike manner.

Mr. JOHNSTON of South Carolina obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, we have been considering the pending legislation for nearly 3 weeks. I make no complaint on that score, but I think the time has arrived when we ought to concentrate our attention on the possibility of a vote on something in connection with this measure. We ought to be able very soon to begin voting on amendments. I have no desire to shut off any Senator from legitimate discussion, but other bills are accumulating and we ought to reach a conclusion on this matter very shortly. I very seriously doubt whether the debate from now on will have much effect on the votes which will be cast upon the pending joint resolution.

I am therefore impelled to ask unanimous consent that, beginning with tomorrow and during the remainder of the consideration of the joint resolution, no Senator shall speak more than once nor longer than 1 hour on the joint resolution or any amendment thereto. The effect of that agreement, if made, would be that any Senator could speak for 2 hours on the proposal. It seems to me that that would give ample time for any Senator to express his views, whether for or against the joint resolution. I submit the request.

Mr. KNOWLAND. Mr. President, I must object to the Senator's request at this time. I would be happy if the distinguished majority leader could bring in a rule changing the existing cloture-rule provisions, to support it as an individual Senator on this side of the aisle; but at the present time I must object to the Senator's request.

The PRESIDING OFFICER. Objection is heard.

Mr. BARKLEY. I appreciate the suggestion of the Senator, but the Senator knows that he is committing himself to an impossibility. There is no way by which we can bring in a rule at this time modifying the cloture rule. I assume that that is what he has reference to.

I thoroughly understand the situation. Senators who are not present have asked other Senators to object to any limitation of debate. Senators of whom such a request is made feel an obligation to comply with it. I deny the right of any Senator who does not honor us with his presence to request another Senator, in his name and on his behalf, to object to any effort to limit debate.

I appreciate that situation. I feel that it is my duty to make the request. I am sorry that the Senator from California feels obligated to object, but I shall renew the request from time to time until we can make some progress toward a status in the Senate in which we can at least begin to commence to prepare to vote on something in connection with the pending measure. I am extremely sorry that the liberal proposal which I have made, which would give every Senator as much as 2 hours, after nearly 3 weeks of discussion, meets with objection. I am not complaining about the action of the Senator from California. I thoroughly understand the situation in which he finds himself.

Mr. KNOWLAND. Let me say to the distinguished majority leader that perhaps with more years of experience in the Senate I might be willing to admit that it is not possible to change the rule which permits unlimited debate and ties the hands of the United States Senate, the greatest deliberative body in the world. With more experience I might admit that it is not possible to amend that rule. As a new Member, I am not willing to concede that the Senate of the United States must tie its hands in that way. I am very hopeful that in the near future the existing provisions of the rules of the Senate may be amended so that cloture may be invoked more easily.

Mr. BARKLEY. I appreciate the attitude of the Senator. As I have stated, I am not complaining about his objection, although I am sorry that he feels compelled to register objection.

It seems to me that on a simple proposition like this, with respect to which every Senator now knows how he is going to vote, after nearly 3 weeks of discussion, we ought to be able, even though it must be done by unanimous consent and not by any motion which an individual Senator may make, to reach a decision as to when we are to bring this matter to a conclusion.

I dare say that there is not one citizen of the United States in a million who understands the legal and parliamentary technicalities by which the Senate is unable or unwilling to reach a vote on an important matter except by unanimous consent. I am sympathetic with the suggestion made by the Senator from California. I think there ought to be a more democratic way by which the Senate could bring itself to a vote upon important matters. But we know with what difficulty we obtained the meager pittance called cloture which we have in the rules.

No one Senator may move the previous question. The Senate of the United States is almost the only legislative body that I know anything about in which the previous question may not be moved and, if the motion is agreed to, debate thereafter limited. We cannot do that in this body. No individual Senator may make a motion to close debate. It must be done by 16 Senators, and then debate cannot be closed except by a two-thirds vote. Under that rule it is impossible to bring about the close of debate, because so many Senators feel that if they vote to close debate on one bill, they are committed forever to vote in favor of closing debate on every question that comes up thereafter. Time and again Senators have said to me, "I would not mind voting for cloture on this question, but if I vote for cloture in this instance I shall be bound to vote for cloture on something else." A Senator might as well say, "If I vote for a certain bill on the calendar, I am compelled to vote for every other bill on the calendar." There is no logic or reason in such a conclusion.

Be that as it may, in the present situation in the United States Senate we cannot get a two-thirds vote to close debate on anything. If I were to introduce a resolution to endorse the Ten Commandments and it were placed on the calendar and brought up for consideration and debated indefinitely, I could not get cloture to close debate on the question of endorsing the Ten Commandments, because Senators would say that if they voted to close debate in that instance they would be committed to vote for cloture on something else which might come up in the future.

So that is a futile hope. I felt that it was my duty to ask unanimous consent. That is the only way by which we can obtain limitation of debate. That request has been objected to. It seems to me—and I say this in all seriousness, and with some degree of disillusionment—that in the posture of our Nation and the world, the condition of legislation in the United States Senate, and the transcendent problems which face us before this Congress can come to a conclusion, we ought to give some faint gleam of hope to the people of our own country and the other peoples of the world that in this body, to which we refer so frequently as the greatest deliberative body in the world, and which I have sometimes described as the most deliberative body in the world, if not the greatest, we can proceed according to democratic processes, by which a majority of those who represent the people and who have been chosen by them, can reach a

conclusion and come to a decision, whatever that decision may be, in regard to important matters which may involve the destiny and welfare of our own country, and may make an impression for good or evil on our people as to our willingness to pursue democratic processes of majority rule in determining legislation for the American people.

I regret that I am unable to obtain unanimous consent for limitation of debate at this time, but I shall not be deterred in the future from making the same effort if the occasion arises when it seems proper to do so.

Mr. KNOWLAND. Mr. President, I should like to say once again to the distinguished majority leader, knowing his able leadership of the majority party in the United States Senate, that if he will propose to the Senate a rule under which the democratic processes may be invoked, so that some of the things which he has mentioned today may be done, and so that this body will not be tied so that it cannot function, so far as I am concerned he will have vigorous support from our side of the aisle.

Mr. BARKLEY. I appreciate the Senator's personal assurance of his own attitude. I also thank him for the compliment which he pays me with regard to my position at this desk. I doubt very much that it is deserved. I doubt very much if I am entitled to any compliment from him or from any other Senator with respect to the manner in which I discharge my duties at this desk; but I appreciate his remarks just the same.

This question does not involve partisanship. I do not know how far I or any other Senator would get with the Senate as a whole in undertaking to modify the rules so that we could reach a conclusion and come to a vote on any proposal with respect to which any considerable number of Senators did not desire a vote to be brought about.

PRICE CONTROL ON MEAT

Mr. WHERRY. Mr. President, will the Senator from South Carolina permit me to make an insertion in the RECORD and also a brief statement?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Nebraska for that purpose.

Mr. WHERRY. Mr. President, although I am not unmindful of the admonition expressed by the distinguished majority leader relative to having debate continued on the pending British loan joint resolution, I should like at this time to place an insertion in the RECORD and a brief statement relative to a statement made yesterday by the Secretary of Agriculture, Mr. Clinton Anderson. A newspaper article in the morning press relative to his statement bears the following headline: "Anderson for ending meat rules if test fails."

I shall quote from the article which follows that headline. I think it is most important, because, in my opinion, it is the most significant statement about price stabilization which has been made by an official of the Government since I have been in the Senate. It has to do with a very important segment of our economy. The statement is as follows—as it appears in the news release, and the Secretary's words are quoted in the release, of course; and I wish it so understood:

ANDERSON FOR ENDING MEAT RULES IF TEST FAILS—NEXT 90 DAYS CALLED DECISIVE PERIOD IN DETERMINING FATE OF PRICE CONTROLS

Secretary of Agriculture Anderson said yesterday that price control on meat should be abandoned unless a 90-day test period shows packers can get livestock in "something like normal" volume.

He agreed, in an appearance at Senate Banking Committee hearings, with the packers' cry that those who stay within ceiling prices have been unable to get stock for slaughter.

Mr. President, the Senate will recall that last week on the floor of the Senate I read the market reports which showed that the packing plants which we call the old established processors such as the processing plants in Omaha were running 20 percent of their normal capacity. That was an accurate indication, it seemed to me, that the order buyers were taking the animals out of the normal market and out of the regular processing channels and were diverting them into other channels.

I read further from the newspaper article:

Anderson said that two things may correct the situation: (1) new quotas designed to route to slaughterers the same volume they had in 1944 and (2) a campaign to prevent diversion to black markets and other abnormal sources of trade.

Of course, Mr. President, I think no comment need be made upon that, because I think later on in the statement a second suggestion which is most significant is made, in which the Secretary infers that the effort is hopeless. As a matter of fact, I think it did not prove successful when it was tried before. If it could not succeed then, it seems to me that it cannot succeed now.

Mr. Anderson then said this, according to the newspaper article:

CAN'T GET CATTLE

"This is about the last effort to see if it will work," he told Senator BARKLEY, Democrat, Kentucky, in a discussion of meat control.

BARKLEY had related that a man, "in whom I have every confidence" stated that while he normally slaughtered 7,000 head a week he can now get but 500. Anderson called this a typical case.

"Large, reliable companies can't get cattle in the price compliance range," he said. "They run up against people who don't care about the compliance range and these people take it away from them.

"That's why slaughter quotas were restored."

Mr. President, I think we all understand what the slaughter quotas are. If a drove of cattle comes into the central markets, it becomes necessary under the directive, for the packing companies to slaughter as many cattle in the AA class as it slaughters in the A, B, and C classes. The theory is that that would provide for the slaughtering of an equal number of cattle which had not been fed grain. Yet there are packing plants all over the eastern and western sections of the United States which are killing calves and beef cattle which go into the market, although such plants are not even equipped to handle AA cattle. On the other hand, there are special buyers in the East who buy through order buyers who are equipped to slaughter only AA cattle.

So, Mr. President, we now find that the quotas are brought back as a remedy—to do what? To obtain production of meat, in an attempt to do away with the black market.

I read further from the article.

Anderson said the quotas were effective earlier—

I do not know how they were. If they were, why were they taken off, and why is it planned to put them back on now?

I read further:

And they might turn the trick again, although he said packers were not convinced they would help enough.

Mr. President, the testimony is that it will decrease the production of meat and that we shall not have the meat products which we have now. Only 20 percent was coming through the legitimate market last week, and 80 percent was going through the black-market routes, thus increasing the cost to the processors—and ultimately to the consumers.

I read further from the article:

Senator BANKHEAD (Democrat, Alabama), asked what would be a reasonable period to see whether meat control can work.

"We would have to do something in 90 days or abandon it," Anderson replied. He added this includes successful blows against the black market and assurance that regular packers get "something like normal" volume.

Mr. President, the only way in the world we are going to get normal volume is for Mr. Bowles to put on fed cattle a price which will permit the feeding and processing of such cattle in adequate numbers. When cattle are produced in such numbers, the packers will kill them, and the meat will go through the legitimate market to the consumers of the United States; and when sufficient production is obtained, that will control the price—just as in the case of strawberries, the other day. If Senators do not know about that, they should obtain information about it. Recently price controls were removed from strawberries. The price of strawberries went up for a day or two, but within a short time, because of the production which was had—the price went down to a point far below what it had been for many months. It went down away below the ceiling prices.

The same thing can happen in the case of meat. If an opportunity is given for meat to go through the normal channels, it will be placed on the consumers' tables at a legitimate price, and will not move through the black market.

Mr. President, these meat quotas did little good before and Secretary Anderson knows now that they will not do any good in the next 90 days.

I read further from the article:

Senator TAFT (Republican, of Ohio) told reporters afterward he regarded the Secretary's 90-day statement as "very significant."

"If he's that uncertain," TAFT added, "maybe we'll find out very quickly whether it is going to work."

Anderson said that people aren't worrying much about food prices.

He amplified that when they are able to spend their money on automobiles, radios, and washing machines, they will be inclined to watch food prices more closely.

I do not know where the people get automobiles and washing machines, for they are not yet in production.

"Some people don't mind paying $1 a pound for butter," he observed. He said an end to meat ceilings might mean that pork would go to 70 cents a pound—"although I'm not saying it would stay there."

What the Secretary of Agriculture meant to infer was that the price of pork might reach that point, but that if it were obtained in sufficient volume the price would not stay that high. Mr. President, the way to get volume of meat production is to take off the restrictions and controls which are preventing our packers from buying from the feeders and are preventing the feeders from obtaining the corn they need to feed the animals. We are getting an economy of scarcity in this country, and there is no better evidence of it than the meat situation.

Senators know that we have 10,000,000 more cattle today than we had during the 10-year prewar period. Today we have more than 82,000,000 cattle, and the only thing in the world that it is necessary to do is to permit a price which will enable the feeders to feed corn to their cattle. When that is done, we shall get meat in such volume that it will do more to control inflation than all the OPA legislation which it is possible to place on the statute books.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. BARKLEY. Mr. President, I do not wish to object; but every Senator knows it is against the rule for a Senator who has the floor to yield to another Senator to make a speech. I shall not object now, but I hope Senators will not yield for speeches on other subjects, when we are discussing a question which is vital. I hope during the discussion of the pending measure Senators will not yield to permit other Senators to speak about matters which are not even before the Senate.

I appreciate the situation, but I wish to caution Senators not to violate the rule.

Mr. WHERRY. Mr. President——

Mr. LUCAS. I shall object.

Mr. WHERRY. Mr. President, does the Senator from Illinois object?

Mr LUCAS. I will object.

Mr. WHERRY. If the Senator from Illinois objects, I shall object to everything he ever does on the floor of the Senate, if I have a chance.

Mr. LUCAS. Then I do object.

Mr. BARKLEY. Mr. President, I do not think it is fair for one Senator to threaten another Senator if he asks for observance of the rule. I do not think that is proper.

Mr. WHERRY. Mr. President, has the Senator from South Carolina yielded to me?

Mr. JOHNSTON of South Carolina. I yielded to the Senator from Nebraska to make a brief statement.

Mr. WHERRY. I ask that the remainder of my remarks be printed at this point in the RECORD as a statement by me. I appreciate very much the opportunity the Senator from South Carolina has given me, and I thank him for his kind consideration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

If any further proof were needed to demonstrate the national-scale chaos and confusion into which we have been led by the administration of OPA, it was delivered in a manner which must be clear to everyone in the statements made on Thursday by Secretary of Agriculture Anderson.

In his statement on the meat situation before the Banking and Currency Committee of the Senate yesterday, Mr. Anderson forcibly brought to the attention of the people the state of demoralization in which Government regulation exists today.

His testimony reveals that the OPA has miserably failed in providing production and in stabilizing prices and eliminating the black market in meats. In fact, because of lack of production, Mr. Anderson states that it looks like the situation is hopeless.

Mr. Anderson states that the only move left to cope with the meat-supply problem is to again impose quotas, and that thereafter the Nation must try the method of removing meat and livestock from price controls.

Quotas did not gain production before, and they will not do it now. Quotas restrict production, and Mr. Anderson knows it. They are not the answer to the present situation, in which the public is paying black-market prices for its meat, if it gets meat at all. Neither will quotas restore to their jobs the packing-house workers and livestock men who are out of work because meat production is down 80 percent below normal in our regular slaughtering establishments in such cities as Omaha.

This is not price control. And it is not the function of any agency of government.

No other interpretation can be placed upon Mr. Anderson's statement than that he fully expects this last-ditch effort of slaughtering quotas to fail. Mr. Anderson says he would hate to see the quota system fail. But in the very manner in which he expresses his point, it is perfectly clear that he is preparing the American people in advance that quotas will fail and that the Government price-control program, insofar as meat is concerned, has become hopelessly muddled and is broken down.

I repeat what I said early this week in an address at Atlantic City, that this collapse in the regular meat industry of our country is the result of planned confusion in places high in our Government. The consumer is suffering for it and will suffer more in the near future unless more than "pious" hopes are called upon to solve the situation.

Mr. Anderson, being more realistic than have been most of our leaders in the Government's economic control program, says that we should remove meat from price control within 90 days if quotas fail to stabilize the needed production. He would give quotas a 90-day longer trial.

In the face of the Government's corn bonus buying program, which prevents any corn going into livestock feeding, the meat distribution plan can't possibly succeed, because cattle feeders have been forced to suspend or soon will be forced to suspend operations.

Once again he is emphasizing the distribution of meat, when the thing we should be emphasizing is the production of meat. Without corn, we are not going to have cattle at the markets. Oh, yes; temporarily you will get an influx of those which cannot be kept on feed. But when this spurt in marketing is over, then meat will be more scarce than ever. It will simply add to the confusion already existing.

Once again we see how confusion and muddled policies put the Government administrators in the position of setting up the barricades against themselves.

Mr. HICKENLOOPER. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield for a question, but I do not wish to be taken off the floor.

Mr. HICKENLOOPER. I do not intend to ask a question. I wish to obtain consent to have three short statements printed in the RECORD. It will not take more than a minute for me to request such consent.

The PRESIDING OFFICER. Does the Senator from South Carolina yield for that purpose?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HICKENLOOPER. In order that the Senator from South Carolina may understand, let me say that the matters to which I refer are in connection with the statement which has been made by the Senator from Nebraska.

Mr. LUCAS. Mr. President, I claim the floor.

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. JOHNSTON of South Carolina. I do not yield. I will not yield if I have to lose the floor. That is my statement. But I will yield for a question.

Mr. HICKENLOOPER. Mr. President, under no circumstances will I ask the Senator to yield if he has to lose the floor. But it is anomalous and peculiar that at this moment, while we are discussing an important subject, an objection is so promptly raised. I have witnessed on the floor of the Senate in the last several days constant divergencies from the discussion of the pending measure, and no objection was raised.

Mr. LUCAS. Mr. President, I claim the floor.

The PRESIDING OFFICER. The Senator from South Carolina states that he will yield only for a question.

Mr. HICKENLOOPER. Mr. President, I withdraw my request to the Senator from South Carolina, and thank him.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Illinois?

CALL OF THE ROLL

Mr. McFARLAND. Mr. President, will the Senator from South Carolina yield in order that I may suggest the absence of a quorum?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McFARLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bushfield	Eastland
Austin	Butler	Ellender
Ball	Capehart	Ferguson
Bankhead	Capper	Fulbright
Barkley	Carville	Gerry
Briggs	Cordon	Green
Brooks	Donnell	Guffey
Buck	Downey	Gurney

Hart	McMahon	Shipstead
Hatch	Magnuson	Smith
Hawkes	Maybank	Stanfill
Hayden	Mead	Stewart
Hickenlooper	Millikin	Taft
Hill	Mitchell	Taylor
Hoey	Moore	Thomas, Okla.
Huffman	Morse	Tunnell
Johnson, Colo.	Murdock	Tydings
Johnston, S. C.	Murray	Wagner
Knowland	Myers	Walsh
La Follette	O'Daniel	Wheeler
Langer	O'Mahoney	Wherry
Lucas	Pepper	Wiley
McCarran	Reed	Willis
McClellan	Robertson	Wilson
McFarland	Russell	Young
McKellar	Saltonstall	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] and the Senator from West Virginia [Mr. KILGORE] are necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from West Virginia [Mr. REVERCOMB] are necessarily absent.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. A quorum is present.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. JOHNSTON of South Carolina. Mr. President, for several months I have devoted a large amount of my time to a study of the proposal to extend an additional credit of $3,750,000,000 to the United Kingdom. More of my thought and study have been devoted to this proposal than to any question which has come before me during the time I have been a Members of the United States Senate.

We have been urged by numerous persons, among them the leader of our administration, to support this measure because, they claim, it will hasten the economic social recovery of a world torn by several years of destructive war, and that it will enable America to obtain a full measure of the beneficial world trade which would be stimulated by such a loan.

I submit, Mr. President, that, like all my colleagues, I favor the quickest possible recovery from the ravages of the war holocaust, and I am eager for America to enjoy the industrial and agricultural prosperity which would follow when world trade balances favored this Nation. However, in all my study I have been unable to gather substantial evidence that this magnanimous gesture would produce such results. In no way can I regard the proposed line of credit as anything more than a fantastic gamble, with all the evidence of history showing that the odds are against us.

America has reached the position in her financial life, Mr. President, when she can ill afford to gamble for such fabulous stakes. I am in favor of making further gifts to the stricken people of the world in the form of food, medicine, and clothing, but at the moment we are not called upon to pass on the justification or the desirability of charity. Along with a great majority of Senators, I voted for UNRRA, and for help not only to our Allies who are stricken, but even to the countries which we overran and which are now in poverty and want. That is charity.

Mr. President, we are asked to vote our unquestioning, unqualified approval to a loan. I am tempted to say that this in reality will not be a loan. It will be a gift to the United Kingdom. Bear in mind that nothing is to be done for 5 years after the agreement shall go into effect. I predict that after the 5 years rolls around, England will again find some excuse for not paying even the interest, much less the principal, of this huge amount.

I repeat, in requesting this loan, or gift, or whatever we may call it, Britain is not coming to us asking for charity. We are asked to authorize a loan, and the proponents of the loan insist that such a loan is good business for the United States. As I see it, the issue to be decided is whether such a loan would be good business for the United States and for the world, not merely for England alone. It is to me alarming that we are called upon at this time to add another three and three-quarter billion dollars, in the form of a so-called loan, to the gigantic American debt. As my colleague the junior Senator from Louisiana [Mr. ELLENDER] recently informed the Senate, the United States now owes approximately as much as the rest of the countries of the world combined. I repeat the figure, $279,000,000,000, which represents the indebtedness of the United States. In order for us to get the three and three-quarter billion dollars to lend to Britain, our Government must go into the money market and borrow the money from our people and pay interest at the rate of 2½ percent. We will then lend the money to Great Britain at 2 percent interest, with a 5-year prolog, from now until 1951, during which no interest would be charged. This would immediately cut the rate of interest which we could possibly receive to 1.62 percent.

It is further provided that Great Britain shall make no payments, either on principal or interest—that is, after 1951—in those years when her exports fell below the level of the 1936–38 average of her exports.

If Senators will only study the statistics of the business of the United Kingdom, and ascertain how it was prospering in those years, and then anticipate how it is going to be in the future, they will find that that prospect alone will almost give England a guaranty against paying interest for many years after 1951.

It might be interesting for us to look at the British export figures for those years. According to the United Kingdom Board of Trade Statistical Abstract for the British Empire, 1928 to 1937 and 1929 to 1938, the United Kingdom's exports for the years in question were as follows:

In 1936 the exports amounted to £441,000,000 sterling.

In 1937 they amounted to £522,000,000 sterling.

In 1938 they amounted to £471,000,000 sterling.

At this time I should like to call attention to a matter along the same line, showing how out of balance the United Kingdom's exports and imports happened to be. I hold in my hand a letter and some information furnished me by the Secretary of the Treasury of the United States. I wrote him on March 18 requesting information in connection with the proposed credit to Britain, and received a letter in reply. In the statistics for the foreign trade of the British Commonwealth, 1928 through 1938, a 10-year period, I notice that in 1928 the imports of the United Kingdom amounted to £196,000,000 sterling. I call attention to the fact that that figure is for the imports. The exports of the United Kingdom amounted to £724,000,000 sterling, sowing a deficit of more than £470,000,000 sterling. In other words, her imports amounted to that much more than her exports.

I call that to the attention of the Senate because England, or the United Kingdom, sitting over there on a little rock, has been living off the rest of the world. If it had not been for her shipping, she could not have existed. That condition applies not only to one year, but it will be found that the United Kingdom's imports year after year far exceeded her exports.

In 1929 the imports of the United Kingdom amounted to 1,221,000,000 pounds sterling. The exports amounted to 729,000,000 pounds sterling, even less than the year before.

In 1930 the imports dropped. It will be recalled that the depression was beginning throughout the United States. England's imports dropped, but let me show how exports, as well as imports, dropped. The imports dropped to £1,044,000,000 sterling in 1930. But what happened to her exports? Her exports in 1930 dropped to £571,000,000 sterling; almost down to one-half billion.

Then let us see what happened in 1931. In 1931 the United Kingdom imports dropped to £616,000,000 sterling. But what happened to her exports? In

1931 her exports dropped to £391,000,000 sterling.

Let us see what happened in 1932. In that year her imports amounted to £702,000,000 sterling. Her exports were still dropping. In 1932 the United Kingdom's exports dropped to the measly sum of £365,000,000 sterling.

These are not my figures, Mr. President. These figures were furnished to me by the Secretary of the Treasury of the United States.

In 1933 imports of the United Kingdom dropped to £675,000,000 sterling. The exports of the United Kingdom dropped to £368,000,000 sterling.

And so it goes.' In every year during the 10 years on up to 1937 her exports dropped. Even in 1938 it will be found that imports of the United Kingdom amounted to £920,000,000 sterling, but her exports were still down; in 1938 they amounted to £471,000,000 sterling.

I bring all this to the attention of the Senate to show that the United Kingdom can be saved for only a short while by our giving to her three and three-quarters billion dollars. Britain will be back on our doorstep again in a short time asking for another loan. I want Senators who are present today to remember that statement. Why do I make it? Because Britain's past has brought me to that belief. Is it not justified, I ask?

One year ago on this floor we were considering the Bretton Woods agreements. I voted for the agreements. Britain was pleading then that we pass the legislation dealing with the Bretton Woods agreements, and we did so, and paid billions of dollars into the agencies established under the Bretton Woods agreements. We were told at that time that the Bretton Woods agencies would be the saviors of the world.

Mr. President, two agencies were established under the Bretton Woods agreements. One is known as the International Monetary Fund and the other as the International Bank for Reconstruction and Development. I want to read to the Senate from a pamphlet which I notice was put out by the Treasury Department a little more than a year ago. It was published on March 15, 1945. It bears the signature of Henry Morgenthau, Jr., Secretary of the Treasury. I read from the pamphlet:

1. WHAT IS THE INTERNATIONAL MONETARY FUND?

The International Monetary Fund is one of two proposed institutions for which detailed plans were drafted at the United Nations Monetary and Financial Conference held at Bretton Woods, N. H., in July 1944. All of the 44 countries that participated in the Conference subscribed to the view that because international monetary problems concern all countries, they can be dealt with satisfactorily only through a cooperatively supported international agency.

2. WHAT IS THE FUND INTENDED TO DO?

The fund is intended to accomplish three things.

Mr. President, I did not say this. I am reading from the statement of the Treasury Department.

The fund is intended to accomplish three things.

First, it will stabilize the value of currencies in terms of each other. It will do this by requiring every member country to define the value of its currency in terms of gold and to refrain from changing this value without first consulting with the fund.

Second, the fund will hasten the removal of artificial barriers against the making of payments across boundary lines. It will do this by requiring member countries to eliminate existing exchange controls on trade as soon as possible—

The term "as soon as possible" has also been used in the agreement respecting the present proposed loan. I call particular attention to that. I continue to read:

and not impose new controls without the fund's approval.

Third, the fund will provide a supplementary source of foreign exchange to which a member, embarrassed because its international out-payments exceed its international in-payments—

That is the trouble with the United Kingdom today, and that is why the Bretton Woods proposals were agreed to—

embarrassed because its international out-payments exceed its international in-payments, may apply for temporary assistance. This assistance will give the member a breathing spell which may be all that is required to bring its international payments into balance. If unable to secure assistance, the member might be obliged to depreciate the exchange value of its currency—

Has England said anything about that?—

or resort to other measures that interfere with trade.

3. HOW WILL THE FUND OPERATE?

It will be helpful to think of the fund's operations in two steps.

First, the fund will be an international organization through which all member countries will cooperate to bring about stable currencies, freedom in exchange transactions, and the elimination of discriminatory currency practices.

Second, the fund will be a financial institution. In this capacity, it will make available to a member the particular currency, whether dollars, pounds, francs, or Mexican pesos, that may be required to keep the members' current international payments in balance. Such aid will be in the form of a sale of foreign exchange, in payment for which the member will surrender to the fund an amount of its own currency having the same gold value as the foreign exchange purchased. After a limited period, the member will be required to reverse the process. That is, it will repurchase its own currency held by the fund, tendering in payment foreign exchange or gold equal in value to the foreign currency originally purchased. The fund's assets, therefore, although continually paid out and returned, will always have the same gold value.

So we passed the measure implementing the Bretton Woods agreements. We put our money into the agencies established under it. We gave our share of the money. Nothing was said at that time on the floor of the Senate to the effect that England would come to us to obtain the money with which to put up her amount necessary to carry out this agreement. I call upon any Senator on this floor to prove, if he can, that when the debate was going on here on the floor in connection with what is known as the Bretton Woods agreements anything was said to the effect that we would put up our share, and that then Britain would put up so much, provided we lent her the money.

No; Mr. President, we put our share into Bretton Woods. We were called upon and we put up our share. Now Britain comes to us and asks us to furnish the money with which Britain may carry out her part of the agreement, so far as Bretton Woods is concerned. She even threatened us by saying, "If you do not lend it to me I will withdraw from the Bretton Woods agreements." There is no danger of that, but that is her threat.

Can Senators imagine that the United Kingdom level of exports, under all the attendant circumstances, will again reach the average of 1936, 1937, and 1938? I do not believe that it will—not in 5 years, not in 10 years, and I doubt whether it will reach it in 15 years. Remember that her exports must not only reach that level, but 60 percent above that point, and that during those years England received a great deal from her shipping—much more than she will receive in the future in her crippled condition—and she sold a great many of her foreign securities from which she was receiving money. It has been estimated that she would have to increase her exports 60 percent above the normal exports which she had in 1936, 1937, and 1938, in order to be able to pay interest under this agreement.

If one believed that Great Britain would be in a position to pay, and probably would pay interest each year, as promised in her agreement, provided all these things happen, he might be willing to purchase a part of the special bond issue proposed in the Johnson-Johnston amendment to Senate Joint Resolution 138.

Those among us who believe that Britain will fulfill the obligations of this financial agreement as to the matter of repayment have a beautiful faith in the moral integrity and financial soundness of our British friends in the matter of repayment of their contracted monetary obligations. This faith, childlike in its simplicity, is apparently blinding to our American negotiators. It has blinded them to all of the evidence of history.

The British have a long, consistent, and brilliant record as a bad credit risk.

As we are all aware, after the First World War, Great Britain was given 62 years in which to pay off her debt of $6,000,000,000. What she has paid today amounts to 6 cents on the dollar, of principal, including interest. Let no one think that that is a misstatement. She has not been paying interest all the time.

In 1932 she quit cold on the repayment of this debt. Since that time we have collected not one British pence.

In World War II, we gave England a credit of approximately $25,000,000,000, which we magnanimously termed as lend-lease. In order to give away money, the term must be somewhat changed. At that time it would not have done to say that we were giving money to Britain. The gift of $25,000,000,000 in the beginning would never have been approved if

it had not been termed lend-lease instead of a gift to Britain.

A considerable part of this credit was granted long before we entered the war. At that time the people of this country were assured that within a reasonable time following the close of hostilities we would be repaid in similar materials, or, at our option, in other goods of many kinds which the British can produce and which we, as a Nation, require. Today, with hostilities hardly halted, we have made a deal with the British whereby this debt will be settled for 3 cents on the dollar, and this 3 percent is to be paid—mind, you, it has not been paid—in equal yearly installments running until the year 2002.

Furthermore, none of this paltry pittance can be removed from the British Empire and brought back to the United States, either in dollar value, or as material goods. Some of our veterans who have returned to their homes here are wondering why they cannot buy jeeps. If they will go over to England they will find some of the British soldier boys who served in the trenches with them riding in jeeps. When we were lending this money we were promised that it would be paid back. Has it been paid back? No. Even the promise to repay 3 percent of the $25,000,000,000 loaned to her is a facetious gesture, a farce, and a mockery. I doubt whether we shall even get that paltry sum.

Mr. McFARLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from South Carolina yield to the Senator from Arizona?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McFARLAND. That is to be made in the form of a loan, is it not?

Mr. JOHNSTON of South Carolina. Yes; it is a loan. It goes with this, but we do not have anything to do with it. It is all tied together, so that we have no opportunity to vote upon it. The agreement to which the Senator refers has already been made. I do not want to have anything to do with it. We may hear more about it later, but I want the RECORD to be clear that I had nothing to do with that agreement.

This $25,000,000,000 transaction, I remind the Senate, was made as a loan. There was no suggestion that it was to be made as a gift. Thus, how can we say with any degree of honesty and sincerity that the $3,750,000,000 which we now propose to borrow and hand over to Great Britain, with apologies, is to be called a loan? I further submit, Mr. President, that it is not good business to lend such a sum of money for 55 years, which is considerably longer than the reasonable life expectancy of any Member of this body, without any suggestion of collateral or security to guarantee the repayment of this loan.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. The Senator from South Carolina knows that the assessed valuation of my State, for example, is less than $1,000,000,000. There are quite a number of States which have a lower assessed valuation. So we are making England a present of 7 of our 48 States. That includes all the land, all the horses, all the machinery, and all the money in the bank.

Mr. JOHNSTON of South Carolina. I cannot consider it good business to add another $4,000,000,000—and certainly considerably more when we include the interest it will cost us—to the already stupendous national debt to be inherited by generations yet unborn.

Do Senators realize what that amounts to? It means a gift to every Englishman in the British Isles—this involves only the United Kingdom and not all of the British possessions—of $80. It will make every man, woman, and child in the British Isles worth about $80 more. But do Senators know what it will do for us? It will result in every man, woman, and child in the United States having approximately $25 more debt hanging over his head. I cannot see wherein that is good business. Certainly, this negotiation is good business in one respect—marvelously good business. But the question is, Good business for whom? The answer is obvious: It is good business for England.

Mr. President, when will the United States stop trying to play Santa Claus to the world? We must remember that today we have a debt of approximately $280,000,000,000. Do not ask me how much a billion dollars is. Do not ask me how much a million dollars is. Until about 1909, Mr. President, the United States did not know what a total amount of appropriations of a billion dollars was. In fact, Mr. President, 20 years ago our total appropriations in the United States were much less than the interest on our bonded indebtedness today. Let that thought soak in. I wish to place that statement into the RECORD at this point. I also wish to read some of the amounts of the national appropriations for various years.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. I understand that the proponents of this measure claim that we do not owe $280,000,000,000 because we owe it to ourselves. What does the Senator have to say about that?

Mr. JOHNSTON of South Carolina. Mr. President, the debt is a debt of the Federal Government. If it is a debt to an individual, it is still a debt. The only difference is that we owe this $280,000,000,000 to the people of the United States. But when it comes to running the Government, we shall have to pay that in taxes, the same as if we owed it to some other nation. So far as the taxpayer is concerned, it makes no difference. So far as the Nation is concerned, it does make a difference—but only in the respect that we do not have to send the payments out of the United States.

Mr. President, at this time I wish to read from Senate Document 85 of the Seventy-ninth Congress, first session, at page 789, at which we find a list of total appropriations by sessions of Congress. In 1908, according to this document, our total national appropriations for that session amounted to $919,163,833.18; 1908 was the last year when we had less than a billion dollars of total appropriation.

In 1909, we went into the billion-dollar bracket. Some of our people heard a great deal about that in the campaign of 1910. The 1909 Congress was called the billion-dollar Congress. From that time our appropriations continued to increase slightly, until in 1916 we spent $1,114,490,704.09. That was 30 years ago. Today, the interest on our bonded debt will be more than four times the annual appropriations in 1916. At that time we had hidden away in the soil of the United States many billions of dollars' worth of various and sundry things which we have since dug out of the ground and have either shot away in cannon or have burned up in furnaces or have used in other ways, until today we are told that we are bordering on having used up a great many of the minerals in the United States. They are almost gone. After they are gone, after we no longer have them, what shall we do?

As I have said, Mr. President, in 1916 our total expenditures were much less than the interest payments we are called upon to meet today.

We were engaged in the First World War in 1917 and 1918, and, of course, we spent a great deal of money at that time. However, we find that after the war, in 1922, although we then had to provide for all the expenses resulting from the war, our total appropriation bill was only $3,909,282,209.46. That was after the First World War.

I notice that our Budget estimate for the present year is $66,000,000,000. That does not take into account the proposed British loan and many other expenditures which have been authorized since the Budget estimate was made and many items which it is hoped to make provision for in the future. Just think of it, Mr. President—a Budget estimate of $66,000,000,000 for this year. Again I call attention to the fact that in all probability the estimate of income for this year will be in the neighborhood of $45,000,000,000, which will mean a deficit of $20,000,000,000, plus $4,000,000,000 if the proposed loan is made to the United Kingdom—that much deficit, Mr. President, a year after the war is over, although, of course, we have the aftermath of the war, as we did after the First World War.

When I quoted the figure $66,000,000,000, I was quoting from memory, but I notice that the document to which I have referred contains an estimate. Therefore, I should like to put into the RECORD the correct figure, which is $66,841,827,235.38. That, Senators, is why I am calling to your attention the matter of the British loan. I am one who believes that we should balance the Budget and do so as soon as possible. We were told that the Budget would be balanced probably in 1946 or 1947. If the present rate of expenditure and national debt is maintained, we will do well to balance the Budget in 1957 instead of in 1947. Already, throughout the United Kingdom, we hear our country being denounced as Uncle Shylock because we are, it is said, so greedy as to require meager interest

payments, beginning after 5 years, for the use of the money, and then at the rate of only 2 percent per annum.

Numerous British newspapers are calling the United States another Midas. I submit that what has been proposed here is not a loan. In Great Britain it will be found that the Britishers, in talking about the loan, consider it to be a gift. I agree with what has been said in the Senate in regard to the ill feeling which will develop if the proposed loan is granted. The other day the senior Senator from Wisconsin [Mr. LA FOLLETTE] stated the situation well when he said that while we consider this money as a loan, the British people consider it as a gift, and that when the time comes for them to start making repayments, if they act as they have acted in the past, namely, by refusing to make the payments, the people of America will be found once again considering England to be not a good debtor.

Yes, Mr. President; we have given England credit on a prior occasion, and she did not and has not during the past 14 years—I repeat 14 years—even said "Thank you" for the first loan which the United States granted to her. When this loan was being discussed nothing was said about making payments on the former loan.

Mr. President, if a Senator, as a businessman, were to go to a banker and ask for a loan, when he already owed the bank money which had previously been borrowed, would not the banker ask him to pay something on the former debt before granting a further loan? If Britain means to pay her debts, why did she not include her former debt with the proposed one and say that she would pay both of them, the principal as well as the interest, and at a reasonable rate. The answer, Mr. President, is that she does not mean to pay her debt. Oh, yes; a moratorium was granted. That does not mean, however, that the British should not pay their just debts.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McFARLAND. How can we expect Great Britain to pay her former debt unless we let her know in some way that we expect her to pay it?

Mr. JOHNSTON of South Carolina. I cannot see why we should not make some reasonable disposition of the first debt before we lend them further sums.

Mr. McFARLAND. That is what I had in mind in offering the amendment which I have submitted. I think we should receive something from the British.

Mr. JOHNSTON of South Carolina. I am in favor of what the Senator from Arizona is trying to accomplish. In a few moments I shall read an amendment which I expect to propose.

Mr. McFARLAND. My amendment does not so much require England to give us anything as it requires her to allow us to use for commercial purposes certain bases in which we have invested many million of dollars.

Mr. JOHNSTON of South Carolina. I agree with the Senator that England should be required to make such concessions if she means to deal with us in good faith.

Mr. President, on the basis of the British record of nonpayment of her just and honest debts, I cannot even call this proposal a loan. It is, instead, the most munificent gift in history, and from the most heavily indebted nation in the world to a nation that will continue to be, as she always has been, unappreciative, unreliable, and totally without conscience in dealing with us. Britain has demonstrated conclusively, to her everlasting condemnation, that she is utterly without financial integrity and national honor with respect to the repayment of her just obligations into which she has entered presumably in good faith.

Britain has reached the point where she can no longer maintain her dominant position in world trade through conquest and exploitation of the natural resources and the subservient labor of her colonial possessions. That is what she has lived on in the past. She has resorted to flattery, chicanery, deception, and double dealing at the conference tables of the world. Mr. President, the facts should be revealed in their true light. I respect the ability of the British as horse traders but I have no desire to trade horses with them.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. JOHNSON of Colorado. Recently I talked with a United States Army officer who had returned from 2 or 3 years of service in India. In speaking of the famines which take place there year after year, he said that India produces a sufficient quantity of food for every person there, but that she has no transportation facilities which can be used in transporting the food from where it is produced to where it may be consumed. I asked him, "What is the explanation of an intelligent people like the Indians having not provided transportation sufficient to take care of their obvious needs?" He said, "Well, it is not in the interest of the British Empire to build roads. The British Empire does not encourage the development of transportation in India because it is to the advantage of the Empire not to have roads in India." He further said, "England herself can provide the trade, and she has a monopoly on the trading in India even in the absence of roads. If there were roads in India, England would lose her monopoly." That was his explanation.

Mr. JOHNSTON of South Carolina. In other words, England looks after herself.

Mr. JOHNSON of Colorado. Yes.

Mr. JOHNSTON of South Carolina. Can the Senator tell me whether the United Kingdom owes India, or whether India owes the United Kingdom?

Mr. JOHNSON of Colorado. The United Kingdom owes India.

Mr. JOHNSTON of South Carolina. Yes. So, instead of England helping India, she is borrowing from India.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McFARLAND. A few days ago a newspaper lady called me on the telephone and stated that she understood that a part of the proposed loan was to be used in repaying India some of the money which England owes to India, and she wanted to know what assurances were to be required that Great Britain would repay the money which she owes to India. Perhaps the Senator is in position to answer the question.

Mr. JOHNSTON of South Carolina. I do not know. This money is going to be turned over to the United Kingdom, and judging from the past, the way they do things, I think they will keep it unto themselves.

I would like to ask the Senator, does the United Kingdom borrow from Canada, or does Canada borrow from the United Kingdom?

Mr. McFARLAND. The United Kingdom borrows from Canada.

Mr. JOHNSTON of South Carolina. Is it not true that England is borrowing from Canada a billion and a quarter right now? She is borrowing from everybody she can get a dollar from. When I go to lend someone money, I like to find out if he is borrowing from anyone else, and if I find he is borrowing from everybody else, I certainly will let the other fellow do the lending.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from South Carolina yield further?

Mr. JOHNSTON of South Carolina. I yield.

Mr. JOHNSON of Colorado. Of course, the secret in that is that whenever Great Britain borrows from any other country, that country has to buy from her in order to get the money back. That is one of the reasons why she likes to borrow. She likes to borrow outside her own country. We borrow from our own people, and we do not have the advantage of selling American goods in settlement of the debts. We cannot export them, because we owe to our own people. But Britain owes outside folks, so they take her exports. It makes a very good market for her goods throughout the world.

Mr. JOHNSTON of South Carolina. That is true.

Mr. LANGER. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. A few moments ago the distinguished Senator said he did not know how much a billion dollars was. I have here the World Almanac for this year, and I was curious to ascertain how the proposed loan would affect the farmers. I find that all the farmers in the United States owe the Federal Land Bank $1,556,906,000.

Mr. JOHNSTON of South Carolina. What is the amount?

Mr. LANGER. $1,556,906,000.

Mr. JOHNSTON of South Carolina. In other words, we could more than twice cancel every mortgage the banks hold of every farmer in the United States?

Mr. LANGER. That is the Federal Land Bank.

Mr. JOHNSTON of South Carolina. Yes.

Mr. LANGER. The amount the farmers have borrowed from life insurance companies is less than a billion, it is $993,726,000.

The amount they have borrowed from banks is $449,452,000.

They owe the Farm Security Administration $178,936,000.

They owe individuals $2,151,458,000.

So the Senator is correct, the amount we are giving England would almost pay off every farm mortgage in the entire United States of America.

Mr. JOHNSTON of South Carolina. Just think of that. Believing as I do that placing this so-called loan on such an unbusinesslike basis in the future will lead to misunderstanding, distrust, and unhealthy friction between the Governments and the peoples of Great Britain and the United States, I feel that we should treat Britain as any businessman would treat a borrower approaching him for a loan. We should require that Great Britain furnish collateral for every cent we lend her.

I find that the United Kingdom has in the United States at the present time securities sufficient to justify and to guarantee a loan of a billion dollars, and we have provided for that in the amendment which the Senator from Colorado [Mr. JOHNSON] and I have offered to the joint resolution.

The securities which the British have in the United States are drawing interest sufficient in amount to retire the principal of a loan of a billion dollars over a long term of years, paying a rate of interest commensurate with the interest provisions of the joint resolution we now have under consideration.

A billion-dollar loan now to the United Kingdom, together with the billion and a quarter she is receiving from poor little Canada—and when I say that, I do not mean that Canada is poor in resources, but I mean that the mother country is coming to one of the children and getting a billion and a quarter dollars—these two put together would provide an amount sufficient for her to open up all the sterling-bloc areas she has established in certain parts of the world.

I further suggest that if the people of the United States, as individuals, desire to lend the remaining amount of $2,750,000,000, as specified in Senate Joint Resolution 138, they be permitted to do so as provided for in the Johnson-Johnston amendment.

Mr. President, I should like to read the amendment so that Senators can understand it, and see if what it proposes would not treat England fairly. It reads:

SEC. 2. (a) (1) In order to provide funds for carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is hereby authorized to borrow, from time to time, not in excess of $2,750,000,000, and to issue therefor bonds in the form and subject to the conditions hereinafter set forth. The Secretary of the Treasury is authorized to use the proceeds of such bonds for the purpose of carrying out the agreement.

(2) Bonds issued pursuant to the authority of this subsection shall be subject to the same provisions for amortization and interest (including waiver of interest) as are provided in the agreement with respect to repayment by the United Kingdom. Payments on account of principal and interest shall be made solely from amounts paid by the United Kingdom under the agreement, but the United States shall be under no obligation to the holders of such bonds with respect to principal or interest.

(3) Bonds herein authorized shall, from time to time, be offered as a popular loan under such regulations prescribed by the Secretary of the Treasury as will, in his opinion, give the people of the United States as nearly as may be an equal opportunity to participate therein.

(4) Except as otherwise provided in this subsection, the bonds herein authorized shall be issued in the same manner, so far as is consistent with the provisions of this subsection, as bonds issued under the Second Liberty Bond Act, as amended. They shall be of distinctive design and shall bear on their face a statement to the effect that they are not backed by the credit of, or guaranteed by, the United States.

(5) No payments shall be made to the United Kingdom under the agreement or this joint resolution except from the proceeds of bonds issued under the provisions of this subsection or from funds of the Reconstruction Finance Corporation as provided in subsection (b).

(6) Inasmuch as bonds issued under this subsection are not obligations of the United States, such bonds shall not be considered for the purpose of the debt limit of the United States.

(7) The Secretary of the Treasury shall provide by regulation for the distribution on an equitable basis among the holders of such bonds of payments of principal and interest received from the United Kingdom.

(b) The Reconstruction Finance Corporation is authorized to increase the amount of the loan heretofore made by it to the United Kingdom by $1,000,000,000 on the security now held by the Reconstruction Finance Corporation on such loan, and without restriction as to the purposes for which such loan may be expended; and hereafter the interest rate on the balance of the present loan and on the $1,000,000,000 additional hereby authorized shall be 2 percent, with all net earnings from such security to be applied, first, to the interest on the loan, and the balance on the principal. The Reconstruction Finance Corporation is authorized and directed to make available the amount of the loan herein authorized for the purpose of making payments to the United Kingdom under the agreement of December 6, 1945, except that repayment of any amount so made available shall be made in the manner provided in such prior loan agreement in lieu of the manner provided in the agreement of December 6, 1945: *Provided*, That payments under this joint resolution to the Government of the United Kingdom shall first be made out of the proceeds of bonds issued under the provisions of subsection (a), to the extent that such funds are available at the time any amount is drawn by the United Kingdom upon the line of credit extended in the agreement.

(c) No payment shall be made under subsection (a) or (b) of this section until the Government of the United Kingdom has completed arrangements relative to the sterling area as provided for in section 7 of the agreement of December 6, 1945, and has made agreements for a settlement covering accumulated sterling balances as provided for in section 10 of such agreement.

This amendment in effect would let Britain have $1,000,000,000 right now on good security. Britain has the securities over here which are drawing interest. Why should not those securities be put up if Britain means business? Then if the people of the United States are behind the proposal, let them buy the other $2,750,000,000 of bonds, and not force upon the other people of the United Statse the fear of having to pay the money back in taxes without their consent. The plan is very simple, is it not? But I imagine Britain does not want to do any such thing. Britain wants a gift, though she does not use that word.

I am reminded at this point of what was said to me yesterday. I was called out of the Chamber into the reception room and was met by a doctor who had been over to England some time ago. He said, "When I went up to the register to sign my name and give my address the clerk looked at what I had written and laughed. He said, 'You know, we did not pay you what we owed you after the last war, did we? We did not pay you that debt.'" And he laughed.

Mr. President, so long as the people of England assume that attitude toward their debt to us they will never pay any debt owing to us. Can Senators imagine a businessman in America lending money to people who talk that way and assume such an attitude toward a debt which they owe? I fear that the more we continue to lend them, and the more they owe us and do not pay back, the more it will tend to break a friendship with a nation which should cooperate and work with us.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. In connection with the proposed $3,750,000,000 loan I should like to ask a question or two. I take it that eggs are produced in South Carolina.

Mr. JOHNSTON of South Carolina. Yes, indeed.

Mr. LANGER. I wish to say that the total income in 1944 from the production of eggs all over the United States, according to the World Almanac, was $1,335,815,000. At that rate it would require the total income from all the eggs produced in the United States for 3 years to equal the amount now proposed to lend to England.

Now with respect to chickens; I suppose chickens are raised in South Carolina.

Mr. JOHNSTON of South Carolina. We raise a good many chickens in South Carolina, yes.

Mr. LANGER. In the whole of the United States in 1944 the total value of the chickens raised was $198,182,000. So it would take the total income from all the chickens raised in the United States for 20 years to equal the amount of the proposed loan.

Hogs are raised in South Carolina, I assume.

Mr. JOHNSTON of South Carolina. We raise hogs down there, yes.

Mr. LANGER. The Senator can tell his people in South Carolina that in the whole of the United States the hogs produced in 1944 were of the value of $2,795,000,000. So any time anyone who favors the loan sees a hog on any farmer's land he can tell him truthfully, "The value of the hogs raised this year by the farmers of the country is not great enough to equal the amount of the pro-

posed loan. It will take twice the number of hogs now raised by you farmers to equal the amount of the loan."

Let us now take the total production of cattle and calves in the United States in 1944. It was of the value of $2,606,000,000. If we take the value of every cow and calf produced in this country we would not have enough money to provide the proposed loan, and it would be necessary almost to double the production of cows and calves in order to obtain enough to make the loan.

Mr. JOHNSTON of South Carolina. That is correct. I am glad the Senator has brought this to our attention.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McFARLAND. In regard to the indebtedness of Great Britain which we were discussing a few minutes ago; I wonder if the Senator would not like to place in the RECORD data which was furnished by Secretary Vinson in regard to that indebtedness, which shows the amount of sterling Great Britain owes her colonies. Of course, that does not include Canada, because Canada is not in the sterling area.

Mr. JOHNSTON of South Carolina. I shall be glad to place the matter referred to in the RECORD. It appears on page 91 of the Senate committee hearings, and was placed in the record by Secretary Vinson.

Mr. President, I ask unanimous consent to have the table presented by Secretary Vinson for the record of the hearings, appearing on page 91 of the hearings, printed in the RECORD at this point, as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

Net sterling balances as of June 30, 1945, as shown by Colmer committee report

[In millions of dollars]

Dominions:	
Australia	473
New Zealand	254
South Africa	132
Eire	718
Total	1,577
Other major sterling areas:	
Iceland	69
Burma	44
India	4,465
Egypt and Anglo-Egyptian Sudan	1,598
Iraq	283
Total	6,459
British colonies, mandates, etc.:	
Palestine	464
Ceylon	245
Hong Kong	131
Malaya	340
East African colonies	326
West African colonies	366
Other British African colonies	147
Trinidad	78
Other British West Indies and Bermuda	160
Other colonies	347
Total	2,606
Total, sterling area	10,641

Net sterling balances as of June 30, 1945, as shown by Colmer committee report—Con.

[In millions of dollars]

Liberated areas of Europe:	
France	[1] 160
Belgium	150
Greece	220
Netherlands	274
Norway	363
Others	50
Total	1,217
European neutrals:	
Portugal	314
Others	118
Total	432
South America:	
Argentina	342
Brazil	147
Uruguay	57
Others	19
Total	565
Rest of world:	
Iran	87
China	91
Siam	52
Others	27
Total	257
Total, nonsterling area	2,471
Grand total	13,112
Grand total (revised)	13,228

[1] The French balances will be wiped out by the settlement of the United Kingdom loan to France.

Source: Part 2, eighth report of the House Special Committee on Postwar Economic Policy and Planning (H. Rept. No. 1527), Feb. 7, 1946, pp. 3 and 4.

Mr. McFARLAND. As the Senator will note, most of that sterling indebtedness of Great Britain she owes to her own colonies or dominions.

Mr. JOHNSTON of South Carolina. That supports what I was talking about a few minutes ago. She borrowed from every one of her colonies. Instead of her colonies borrowing from her, she is borrowing from them all the time.

Coming back to my amendment to the joint resolution under consideration, I want the Senate to note that it gives the people of America a right to purchase bonds knowing that the returns from these bonds will go to the United Kingdom. The people who purchase these bonds will be paid the rate of interest established therein when such payments are received from the United Kingdom. This will provide a ready opportunity for any person in the United States who wishes to enter into a financial agreement with the United Kingdom an opportunity to do so, and thereby support and carry forward this three and three-quarter billion dollar so-called loan. It will not do something of which I am fearful. I am fearful of pyramiding our debt. This would not result in our pyramiding our debt, because it would not be a debt against the United States. It would not pyramid a national debt that has already reached such proportions that it defies the comprehension of the average American citizen.

We must continue to bear in mind that the United States at the present time owes approximately $300,000,000,000, and that the annual interest alone on this debt is equal approximately to the total national appropriations bill of 20 years ago. While the United States has approximately 40 percent of the world's annual income, we cannot continue our policy of deficit financing indefinitely. The time to start our program of retrenchment is now. It is imperative that we stop issuing bonds backed by the American credit and stop borrowing money from the banks of the world and from our people; it is mandatory that we begin to retire our national debt in an orderly, a systematic, and consistent manner. I call to the attention of the Senate the fact that the per capita National Government indebtedness of the United States is in excess of $2,000 for every man, woman, and child. It matters not how young the child may be, he has a mortgage by reason of the Federal debt of $2,000 over his head at the present time. Interest on that $2,000 is being paid each year with money obtained through taxes. If we borrow three and three-quarter billion dollars to lend or give to the United Kingdom it will increase this indebtedness by $25 for each individual in the United States. A baby that was born a minute ago would have that debt around its neck also, and one born next week, when it comes into the world, would have a debt of $2,000 plus $25 represented by the proposed loan hung around its neck.

With only 6 percent of the world's population and less than 6 percent of the world's land area, America cannot hope to finance the rebuilding and future economic development of the entire war-torn world. It is our first duty to look after the human beings in the world, and at this time we have a problem in helping to feed the world. But is it the duty of America to pay to England approximately $4,000,000,000 to keep her from hijacking us in the market? She says, "I will remove the sterling area if you will lend me $3,750,000,000." If any individual in America were to undertake to impose similar restrictions on free trade, I have no doubt that we would put him in jail. But not so with Great Britain. She has the audacity to ask us for a loan of $3,750,000,000.

It is inconceivable that we can grant the demands of Russia, of France, of China, Holland, Belgium, the South American countries, and even of our former enemy nations, for tremendous loans for the purposes of reconstruction, or of economic expansion.

The amendment which I have offered jointly with the Senator from Colorado [Mr. JOHNSON] puts us in the position of saying, when other nations come to us and wish to borrow from us, "Put up good security, and we will let you have the money. We are willing to float the bonds; and if the people of the United States will buy those bonds on your credit, we will let you have the money."

We shall have a great many headaches in the future if we pass Senate Joint Resolution 138 as it now stands. France

is already knocking at our door. She wants $5,000,000,000. Other nations will be knocking at our door. If we let England have this money, how are we going to turn down other nations? I would rather lose the business between the United States and that little island over there than lose business from all the other nations of the world. That is what will happen. It is something to think about.

Suppose Russia should ask us for a loan and we should turn her down. Do Senators believe that Russia would not build up her blocs to as great an extent as possible to keep us from trading with her and with the nations over which she has control? Would not that be the natural thing to do? If we should turn France down, would she not establish trade areas in an effort to block us out, as Great Britain has done; would she not then say, "I will remove these restrictions if you will pay me, as you paid England"?

Those are the facts which we must face. We shall have to face them in the future. I predict that on this floor we shall hear about more wants than England's wants. If this were the only headache which Senators will have in relation to loans, it would not be so bad. But every nation in the world says, "Santa Claus is coming. It started with the United Kingdom, and I want my present, too." Other nations will be knocking on the door of the United States asking for money. So it is better for us to deal with them on a businesslike basis. We can deal with other countries in the same way when they come. But if we let down the bars and require no security from England, how are we going to ask all the other nations to put up security when they make their demands on the United States?

How can we, in keeping with our announced policy of equal consideration and fair treatment for all peoples of all countries everywhere in the world, enter into such an agreement with the United Kingdom, written by her negotiators, designed to perpetuate her advantage over the rest of the world—even over her colonies? At the present time she has them blocked out, and those in the sterling area cannot buy American-made goods unless and until the United Kingdom—that little rock over there—gives them the right to do so. We hear talk about the colonies buying our cotton. They cannot buy our cotton. They cannot buy our tobacco until they get permission from the United Kingdom. The British are telling us that they will remove those restrictions in the future if we lend them the money. Why do they not remove them first?

What nation, what corporation, what individual, anywhere in the world would not desire a loan on such terms as this loan has been proposed?

Mr. STEWART. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. STEWART. The Senator was making a comment a moment ago concerning the probable demands of other nations in the event the loan should be made to Great Britain by the passage of this joint resolution. At this time I should like to read a brief news item from the New York World-Telegram. It is a United Press report dated London, April 29:

BRITISH LABOR SEEKS SOVIET TRADE TIE-UP

LONDON, April 29.—A British Labor Party campaign to give Russia trade credits and establish an Anglo-Soviet economic accord appeared to be forming today.

Harold J. Laski, Labor Party chairman, said, in a speech at Bedford, that England should send an economic mission to Russia as the best method of improving Anglo-Soviet relations.

"Britain should give Russia long-term credits to enable her to rebuild her country with money to be spent in Britain, thus making employment for our workers," he said.

I thought the hearings showed that Britain was in dire need of money and did not have any money to lend. Had not the Senator so understood?

Mr. JOHNSTON of South Carolina. I understood that that was the reason why she was over here trying to borrow money. People should not try to borrow when they have plenty.

Mr. STEWART. Does the Senator think it is possible that the British would take the money we might lend them and in turn lend it to Russia?

Mr. JOHNSTON of South Carolina. I should think so. Later in my remarks I intend to bring out something else which may be done, and which may jeopardize the production of cotton and other products. I shall refer to the question of textiles, and show how Great Britain, by making slight changes, could use her sterling bloc to block us out with respect to cotton.

Mr. STEWART. Does the Senator believe that this loan would improve the cotton situation? Would it stabilize the price of cotton, or be helpful toward that end?

Mr. JOHNSTON of South Carolina. I do not believe that it would be helpful. I am asking every cotton grower in my State to write in chalk on his cotton house the price which cotton is bringing today, even under the present unfavorable conditions, and then go out 4 or 5 years from now and see what the price of cotton is after this loan is made, if it is made. I am willing to abide by the results which the cotton producers will find on their cotton houses, showing the price of cotton prior to the making of the British loan and the price some time after the making of the loan.

Under the terms of the loan we lend the United Kingdom the money over a period of five years between now and 1951 and she is to pay back the principal within 50 years after the beginning of the payment, which is to begin in 1951. She will not make the first installment until then, on principal or interest. No interest will be charged before that date, and interest will be charged after that date only under certain conditions. The repayment is predicated upon the conditions which are set out in the agreement signed in behalf of the United States by Hon. Fred M. Vinson, Secretary of the Treasury.

At this point I should like to read into the RECORD an excerpt from the public hearings before the Committee on Banking and Currency of the Senate. This is from the testimony of Secretary Vinson, beginning at page 38:

But I should like to put in section 5 (a) and (b) of the agreement. It is very clear that subsections (a) and (b) are conjunctive:

Waiver of interest payments: In any year in which the Government of the United Kingdom requests the Government of the United States to waive the amount of the interest due in the installment of that year, the Government of the United States will grant the waiver if:

(a) The Government of the United Kingdom finds that a waiver is necessary in view of the present and prospective conditions of international exchange and the level of its gold and foreign exchange reserves.

That almost lets them out; if we read that closely, we find that it almost turns them loose, just as their request.

(b) The International Monetary Fund certifies that the income of the United Kingdom from home-produced experts plus its net income from invisible current transactions in its balance of payments was on the average over the 5 preceding calendar years less than the average annual amount of United Kingdom imports during 1936-38, fixed at £6,000,000, as such figure may be adjusted for changes in the price level of these imports.

Mr. President, we often hear the expression "the nigger in the wood pile." Did you notice the use of the expression "the price level of these imports"? They would go back to the price level of the imports in 1936, 1937, and 1938. They think they had better protect themselves in that way. Boy, oh boy, Mr. President! Down South we sometimes speak about "a Philadelphia lawyer." The British must have had someone of that sort fixing this thing up for them.

I read further:

Any amount in excess of £43,750,000 released or paid in any year on account of sterling balances accumulated to the credit of overseas governments—

They are protecting everything—

monetary authorities and banks before the effective date of this agreement shall be regarded as a capital transaction and therefore shall not be included—

They are going to keep that out—

in the above calculation of the net income from invisible current transactions for that year.

Mr. President, I wonder why they did not put it in plain English all the way through, and just say, "We simply will not pay any interest in the future."

I continue to read from the agreement:

If waiver is requested for an interest payment prior to that due in 1955, the average income shall be computed for the calendar years from 1950 through the year preceding that in which the request is made.

Mr. President, the agreement is worded in such a way as to give the impression that no request for nonpayment of interest will be made. Notice that the expression used is "if waiver is requested."

Mr. President, I have been reading from the committee hearings at pages 38 and 39. The language of the agreement plainly indicates that waiver of the

payment of interest would, in all probability, require no more than a request by the British to have the payment of the interest waived. So why should we be worrying about the interest rate or when the interest will be paid? We all know from the preponderance of the evidence in our past dealings with the British that they will take advantage of any and every situation in the future to default in the payment of either principal or interest. Is not that so?

Mr. STEWART. Mr. President, no doubt the Senator means "or both." [Laughter.]

Mr. JOHNSTON of South Carolina. Yes, Mr. President—or both.

The way Britain has performed in the past is enough proof for me as to how she will act in the future. We must bear in mind that we have the signatures of the British on promises to pay, which are in our Treasury today. But when we read the hearings we find that when the Secretary of the Treasury was asked the direct question about British payments on the loans made after the First World War, he stated that he had not received any letters from them since 1932, 14 years ago, although in 1923 they entered into a solemn agreement to pay the interest and principal over a long period of years. That agreement was entered into approximately 5 years after the First World War had ended. Let us see what happened to it. I hold in my hand a statement showing exactly how the agreement was carried out and how the first payments were made. The statement to which I refer was included in the record of the committee hearings. From the statement it will be noticed that the annual installments to be paid on the principal were rather small at the beginning. The British were to pay only $23,000 in 1923. They paid that. But when they came to 1932, the principal payment was to be larger—$30,000. They did not pay that, and since then they have not paid any of the principal.

That statement was placed in the record of the committee hearings. The agreement to which it refers was signed after the First World War was over. The British had requested a new agreement and they made the offer to us. It was accepted by Andrew W. Mellon in 1923, and was signed by President Warren G. Harding. We have in the record all the statements to show that they knew what they were doing—what the agreement was, how much they were to pay on the principal, and how much they were to pay on the interest, each year. Mr. President, what has become of that agreement? Where is it?

Mr. STEWART. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BALL in the chair). Does the Senator from South Carolina yield to the Senator from Tennessee?

Mr. JOHNSTON of South Carolina. I yield.

Mr. STEWART. How are the British going to lend money to Russia if they cannot pay us the interest—and they have not been paying it for 25 years—on the debt which they have owed us since the First World War?

Mr. JOHNSTON of South Carolina. The British have not made a loan to the Russians as yet; have they? I think Britain will wait until she gets the money from us, and then she will lend some of it to Russia—perhaps for a little more interest, and thus make some money out of the transaction, and perhaps get some trade agreements.

Mr. STEWART. It is said that Russia may ask for money from us, in the event that we make the proposed loan to Great Britain. As a matter of fact, Russia has already made application to us for a loan, but it got lost in the State Department for several months. As a matter of fact, we might not have to lend any money to Russia. Britain might lend it to Russia. Does the Senator think that would be an "out" for us?

Mr. JOHNSTON of South Carolina. If I were Russia, I would not regard it as an "out." If the United States starts lending money to Britain, as is proposed, then, if I were Russia, I certainly would ask for a loan from the United States, too. And after I got money from the United States, I would wait and I would watch what the United Kingdom did, and I would see how they paid the money they owed the United States, and I would pay in the same way they did. Every other nation which borrowed from us after World War I stopped paying it back to us when they found that Britain had stopped paying. Has any nation paid us back, except little Finland? I would lend Finland money if she asked for it, because she has proved to the world that she will struggle and try to pay her debts. But if we lend to England and if she acts as she has acted in the past, and if we also lend to the other nations of the world when they request us to do so, and if we make loans to them on the same terms as those on which we make the loan to the United Kingdom, then when England fails to pay, can we expect the other nations to pay?

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me for a moment?

Mr. JOHNSTON of South Carolina. I am glad to yield to the Senator.

Mr. SHIPSTEAD. Of course, they all borrowed money from us after the First World War, but they never paid it back. They called us Shylock because we thought they ought to keep their pledges and should repay. They simply said they could not repay. But finally the effect of making the loans and the effect of failure to repay them was felt, and then came the depression; then came the awakening. All the money of the taxpayers had been used in Europe to build up armaments, and so forth.

Let us consider, for example, the proposed loan. On the 1st of last September the London Economist, in an editorial, dealt with the questions of loans. I have studied the London Economist for years. I, as well as other persons, consider it to be one of the most reliable periodicals on subjects of finance and statesmanship in the British Empire. The editorial to which I have referred stated that Britain needed $6,000,000,000 not for shelter and food, but for the purpose of supporting her armies of occupation throughout the world. Russia's armies are scattered throughout the Far East, the Near East, and even Europe, in the occupation of territories of which she has taken possession. Russia wants a loan for the purpose of supporting her armies of occupation and holding on to territory which she now occupies. We are asked to finance all those imperialistic activities at the expense of our own taxpayers.

Mr. President, I wish to compliment the Senator for calling to the attention of the Members of the Senate and the entire country the meaning of the proposal to lend Great Britain a vast sum of money.

Mr. JOHNSTON of South Carolina. I agree with what the Senator has said with regard to the dealings we have had with other nations of the world.

Mr. HOEY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HOEY. I have been interested in what the Senator has been saying. I do not believe it is quite accurate, however, merely to say that Great Britain quit paying. Great Britain paid us back, following World War I, $400,000,000 of the principal amount which she borrowed. She continued regularly to make interest payments in the total amount of approximately $1,600,000,000. The first time she defaulted in her payments was after we declared the moratorium. She had then paid approximately $2,000,000,000 in interest and principal. I do not justify the fact that she did not pay all of what she owed us, but I do assert that she had paid $400,000,000 on the principal and approximately $1,600,000,000 on the interest. She continued her payments until we granted the moratorium which applied not only to Great Britain, but to other nations as well.

Mr. JOHNSON of Colorado. The Senator will, however, agree to the statement of the Secretary of the Treasury of the United States to the effect that Great Britain owes us at the present time approximately $4,600,000,000. At least, it was that amount when the interest and principal were last computed.

Mr. HOEY. I believe that statement to be correct.

Mr. JOHNSTON of South Carolina. The Senator will also agree, I believe, that England had paid up to that time approximately 6 percent of the principal.

Mr. HOEY. I believe the Senator's statement to be correct. The point I was making was that England never defaulted on her obligation. She paid on the principal and continued to pay interest until we granted a moratorium which applied to other nations as well as to Great Britain. After the moratorium was granted no nation, except Finland, continued to pay.

Mr. McFARLAND. When did the moratorium expire?

Mr. HOEY. No effort was made to collect from Great Britain or from any other nation.

Mr. McFARLAND. I understand that a statement has been submitted to Great Britain, and that she has not responded even by acknowledging through a letter.

Mr. HOEY. As I have already said, with the exception of Finland, none of the nations who owed us money continued to pay after the moratorium. However, Great Britain continued to pay on her obligations longer than did any other nation, except Finland, and continued to pay until the moratorium was declared.

Mr. McFARLAND. So far as I am concerned, I cannot see why Great Britain should be excused merely because some other nation also owes us money. I think she is obligated to settle with us. Perhaps we ourselves have been somewhat at fault for not having been diligent in requiring England to settle with us in some manner. Perhaps we are partly at fault in allowing the situation to ride along, and for being easy in regard to claiming the repayment of the money which has been owing to us.

Mr. JOHNSTON of South Carolina. I believe that we are still sending statements to England. I believe that fact was brought out by the Secretary of the Treasury.

Mr. HOEY. I was not attempting to justify the action of Great Britain, or attempting to say that she had an excuse for not paying the money she owes us. I merely attempted to state the facts.

Mr. JOHNSTON of South Carolina. Does not the Senator believe that when England came back later for further funds, some definite understanding should have been reached with relation to the money she still owed us?

Mr. HOEY. I believe we should treat England in the same way that we treat other nations, and my understanding is that we do not expect to collect from any of them.

Mr. JOHNSTON of South Carolina. Does not the Senator believe that we should not loan England any further sums of money until we know what other nations will request in the form of financial aid?

Mr. HOEY. If the Senator asks me, I will say "No."

Mr. SHIPSTEAD. Mr. President, as a part of the agreement the British Government agreed that, upon request, in lieu of payments they would issue bonds payable to the Treasury of the United States. So far as I know, that agreement is still in effect. Those bonds would be British bonds payable to the Government of the United States, and they could be purchased from the United States Government by American citizens and others. The question of transfer is, of course, in the picture. It also represents a problem, because Great Britain borrowed more than she could repay by transfers from her trade. In my opinion, that situation represents a fear so far as the future is concerned. The fear is that England will not be able to obtain enough exchange to transfer payments on the loan. According to the terms of the agreement I doubt that any person believes that the loan will ever be repaid. As a business proposition, the loan cannot be considered in that light.

The Senator referred to other nations who may come to us for relief. If we grant relief to one nation we will have to grant it to others. It seems to me that if there were some hope of a peaceful settlement, and a peaceful world for the next 25, 50, or 75 years, and if the peace treaties, which are to be written and agreed to, were to be of such a nature as to permit people of the world to live in peace and harmony, that would be another matter. But peace cannot be had unless all nations abandon power politics in diplomacy, and abandon the theory that to the strongest belongs everything it can take.

The British and the Russians are now growling at each other all the way from Port Arthur in the Pacific to Iran. We do not know how long there will be a peaceful world. The more money we lend to other nations the greater will be the possibility of another war. All the money which we loaned to Europe following World War I was used for the development of armaments. The American bankers loaned millions of dollars to Mussolini. At the peace conference which was held in 1933 Britain was afraid of Russia, and we were induced, over the protests of France, to lift the ban on armaments to Hitler and permit him to rearm. American funds financed Mussolini and enabled him to rearm. It seems to me that the money which we have loaned to other nations to be used in the rebuilding of armaments and the promotion of dictatorships and war, has not redounded to the glory and credit of the United States or to its statesmanship.

Mr. JOHNSTON of South Carolina. I thank the Senator for his statement. I believe it to be entirely correct.

Mr. President, I wish to correct the statement which I made as to the amount of indebtedness owed by Great Britain to us. It is not $4,600,000,000. According to the statement of the Treasury, the total present obligation, including principal and accrued interest, is $6,491,614,782.58. I made a mistake in the figure which I previously gave. I read the wrong figure. I have now read from the statement of the Treasury of the United States.

Mr. President, we must all acknowledge that England has not fulfilled her agreement to pay the principal and interest on the former loan which we made to her. At the present time the United Kingdom owes the United States on that loan the sum of $6,491,615,000. That amount was owed when the interest was last computed several months ago. Why has nothing been said by the proponents of the joint resolution about the repayment of that loan? Why were not negotiations conducted for the repayment of that loan when our Treasury Department and State Department representatives were discussing with the British representatives the matter of the pending loan? I have not heard of any discussion having taken place. I wonder if the subject was brought forward or if it was thought that to bring it forward would be to hurt the feelings of the British representatives? I wonder if they thought they were that touchy about financial matters?

I can tell Senators why it was. The United Kingdom wants to forget all about it. We cannot blame them now. Many individuals in the United States in authority do not stir up the question just at this time. Not until they got another loan to Britain approved by the House and Senate would they dare bring this question up—that is, have our Treasury bring it up—and even ask them for payment. They may send a little note every 6 months stating what the interest is that should be paid. They might do that, but I venture to say they have never received a reply to any statement they sent over. If so, it would be in the record. If they could give any legitimate excuse, it would be in the record of the hearings. That is a good sign that nothing to help England out in getting the loan was left undone.

Mr. President, there is another thing which enters into the consideration of the loan which does not make me look with favor upon it. I never shall be able to understand why we should lend the United Kingdom three and three-quarter billion dollars in order to have her treat us fairly in trade relations. The United Kingdom, which is asking for this loan, or gift, even has the audacity to tell us that if we will let her have three and three-quarter billion dollars she will consider—notice the word she uses, "consider"—dissolving what is known as the sterling bloc, the sterling area control. Let me quote from the testimony in the hearings the statement of the Assistant Secretary of State, William L. Clayton. I read from the bottom of page 114 of the hearings:

> Let us say that some third country, India or the Argentine for instance, has extended a credit to Great Britain to finance the sale of its products in the British markets. Let us say that the trade in the opposite direction turns out not to be large enough to liquidate the credit promptly. It can be paid in the long run only in goods and services. To make surer of collection, therefore, the Indian or Argentine Government, in its own financial interest, will require its people to "buy British" all they can, and will enforce it by a system of exchange control or by the licensing of imports. American exporters and shipowners will soon find, in all these markets, that their customers are not at liberty to deal with them in any case where the same thing can be bought for sterling.
>
> Senator TAFT. Do you mean to say if we do not lend Britain money other countries will lend her money, and therefore they will get her business?
>
> Mr. CLAYTON. No, sir; I do not think that is it. I would say——
>
> Senator TAFT. Do you think we ought to lend money to poor creditors in order to get their business?
>
> Mr. CLAYTON. No, sir; I do not. But I would say this——
>
> Senator BARKLEY. Senator TAFT, we agreed not to interrupt Mr. Clayton while he was reading his statement.

On pages 11, 12, and 13 we find a statement by Hon. Fred M. Vinson, Secretary of the Treasury. He brings out how the British are treating us in the sterling area. Beginning on page 11, under the heading "The sterling area," he said:

> The sterling area now includes the countries of the British Empire, except Canada, and a number of other countries mainly in the Middle East. These countries do much of their business with England and they keep

most of their monetary reserves in the form of sterling in England.

Before the war sterling could be used by these countries to buy goods all over the world—in the United States—

The United States was not discriminated against then—

in the United States, Canada, Latin America, anywhere. For example, if Australia wanted to buy American cotton before the war, it sold the sterling for dollars and used the dollars to pay for American cotton. That is to say, sterling was freely convertible into dollars.

That was before the war. During the war the sterling area took on some new features. Because England didn't have enough gold and dollars, she no longer permitted sterling to be sold freely. She made sterling inconvertible. In practice, this means that the countries of the sterling area cannot use the sterling they receive for their exports to buy American goods unless they obtain permission from England.

That is from the written manuscript of the Secretary of the Treasury of the United States. That was not brought out by any questioning. He said further:

As it is now, Australia cannot use her sterling receipts to buy American cotton—

That is the way they are treating the cotton producers—

but she can use the sterling to buy cotton in India or Egypt.

I wish to digress for a few moments to speak of cotton. I live in a cotton-producing State, South Carolina. Cotton is known there as "King Cotton." If I thought for one minute that the lending of this amount of money would affect the cotton market, I might be found looking differently on this joint resolution. Notice, I said "might." I should have to weigh it in the balance and see if it would affect it to such an extent as to bring to the cotton farmer the additional amount he will have to pay in taxes to make up the amount of principal and interest we will lose.

Mr. President, I predict that if we let Britain have this money she will not buy American cotton from which to make textile goods, and I shall state why. She will continue to do business with India. Her past record shows that she wants to do business with India. Her past record shows that she wants to do business with Egypt. From a textile standpoint, the only thing she would have to do in order to use American cotton in her mills would be to change a little gear here and a little gear there on the various pieces of machinery. She cannot run American cotton in her machinery now without changing those gears. With long-staple cotton it is necessary to set up a different twist on the front roller in the mill; that is in order to get a twist in the long-staple cotton different from that in the short staple. American cotton is of a length between the two others; that is Egyptian and Indian. Our cotton is in between the Egyptian or long-staple cotton and the short staple which is grown in India. Britain's cotton-mill machinery is set up to use the other two. But with a few minor changes she can fit her machinery to take American cotton. It may be necessary to install other machinery in some mills. It may be necessary to place intermediates in the card room, and change the little gear at the end which operates the steel roller which is almost of the length of this room. It may be necessary to place more little cogs in the machinery so more twists can be given the cotton as it goes through. The change of a little screw at one point in the machinery permits the machinery to take in long-staple cotton or short-staple cotton.

But, Mr. President, I predict that if Britain gets this loan some of the money will be used to operate machinery using long-staple Egyptian cotton. Long-staple cotton makes a better garment than our staple makes, and makes a garment even better than the short-staple cotton garment.

Mr. President, there is the danger that if we lend Britain this money it is gone.

I predict another thing. Britain says she does not need all the money immediately, but if we pass this joint resolution, she can get all the money provided in it any time she wants it. My amendment provides for giving Britain $1,000,000,000, which is all she needs immediately and all she will need for a year or more. Then if the people of the United States want to let Britain have the remainder they can buy bonds for that amount. I ask Senators whether, representing their people, they want to do something that their people do not want done? Do Senators want to invest the people's money in something they do not want? Or do Senators want the people of the United States to use their money as they desire to use it?

Under my proposed amendment we would lend Britain a billion dollars, and take against it their securities, and then with respect to the remaining two and three-quarter billion dollars the people would be given the right to say whether they want to provide that amount with their own money. It is estimated that the people of the United States have about $100,000,000,000. If they are for this loan they would certainly buy bonds to the extent of two and three-quarter billion dollars for the purpose of lending that amount to the British. If they are against it, and would not buy that amount of bonds, we should not be desirous of passing legislation providing for such a loan.

Mr. President, I throw out a warning to the cotton growers of America. I have made a prediction, and I ask them to watch and see if they increase their sales to Britain in the event the loan is made. I ask them to see if Britain does not continue to procure her cotton from other sources.

Mr. President, I am proud of the fact that America is consuming almost all the cotton we grow. I shall be very glad indeed when the day comes when we manufacture every pound of cotton we grow in America. I shall be glad when we process all our cotton, when we make it into clothing, when we dye it, and make our own shirts, our own dresses, and not pay Britain to do so. Then our farmers will be better off. Then more people will be employed in America.

Talk about employing more people in America; the creation of new factories in America would result in the employment of more people. The mills in my State were built to operate one shift. Nearly every one of them today is running three shifts. My State has one-fourth of all the spindles in the United States. I predict that the manufacture of cotton in the United States will continue to increase. What profit is it for us to send raw materials to Britain in the form of big bales of cotton, when we have found that the New England States could not even continue in competition with the South because our mills in the South were close to the market for the raw material. If bales of cotton must be hauled to New York and placed on a boat and sent across the ocean, so that a profit may be made over in Britain, and the cotton is then sent back here in the form of manufactured goods, and we are charged the cost of manufacturing, how can it be expected that we will all profit from such an arrangement?

Mr. President, I am in favor of giving employment to the people of the United States, and I hope that Americans will consume every pound of cotton we grow and that we will not send 1 pound of cotton to Great Britain. That is my position. I believe that everyone listening to me now will have to admit that, so far as cotton is concerned, we have now no worries. The mills will have to be in continuous operation in order to catch up with the demands of those in this country who are complaining about not being able to buy shirts. For the next 2 or 3 years our mills must be operated as they have never been operated before, in order to catch up with the demand on the part of our own people. I am not worried about cotton for the next 4 or 5 years. For the next few years the United States is facing a period of great prosperity so far as our industries are concerned, because they cannot catch up with the demands for goods in 4 or 5 years.

Mr. President, I wish to refer again to the sterling bloc. I read from the testimony of Secretary Vinson in the hearings held by the Committee on Banking and Currency, as follows:

During the war the sterling area took on some new features. Because England didn't have enough gold and dollars, she no longer permitted sterling to be sold freely. She made sterling inconvertible. In practice, this means that the countries of the sterling area cannot use the sterling they receive for their exports to buy American goods, unless they obtain permission from England.

As it is now, Australia cannot use her sterling receipts to buy American cotton; but she can use the sterling to buy cotton in India or Egypt. In short, while trade among the sterling-area countries continues unaffected by these currency restrictions, the trade of all sterling-area countries with the United States is subject to the will of Britain.

We do not want England saying to Australia and other countries from which she imports, "You cannot use the sterling you acquire from us to buy goods in the United States." That would mean that American exporters would be discriminated against in all trade with the sterling area.

That brings us to blocked sterling. England had to go on buying goods in the sterling area, and meeting the costs of her

armies in India, Egypt, and other countries. She bought the goods and met her war expenses in these countries by paying in sterling. England did not have the means to convert the sterling into dollars; she could not export enough to let these countries use all of their sterling to buy goods. In effect, the accumulated sterling balances were blocked from use.

The amount of sterling accumulated by various countries during the war was very large. Although England sold $4,500,000,000 worth of her foreign investments, her wartime overseas expenditures were so enormous that sterling balances accumulated in rapid fashion. These balances now amount to $13,000,000,000.

That means that if we let her have $3,750,000,000 she will be back for nine and one-fourth billion more.

They are held by foreign countries in the form of sterling deposits in London banks and sterling securities of the British treasury. This is a tremendous sum for a foreign debt.

What is done about these blocked sterling balances will mean much to American trade. We do not want England saying to India and the other countries holding blocked sterling: "These balances wil be freed ony to buy goods in England." That would mean the exclusion of many American products from the whole stering area.

She is already saying today, "If you can buy from us, you must buy from us."

There was one thing—if nothing else—that I learned in law school, and that is that equity requires that any person wanting aid and assistance must come into court with clean hands. Can the United Kingdom come to us and ask for this loan or gift with clean hands, when she has created this sterling area to prevent our businessmen from carrying on a legitimate business with countries controlled by her sterling area? The United Kingdom has allowed this system to grow up. Why did she do it? In order to profit thereby. Yes; selfishness. If we were to do that with other nations, does anyone believe that England would allow us to get by with it, small as she is? Would we do it? I do not believe that we are that selfish.

The United Kingdom's attitude toward the United States in her treatment of us in setting up the sterling area and having sterling blocks reminds me of how borrowers usually treat their lenders. When the debtor sees the lender coming down the street the debtor crosses over to the other side. A person who does not pay his debt becomes an enemy of the lender. The United Kingdom, from a trade point of view, has proved that this is true in her relations to us. The reason I make this statement is the existence of the sterling bloc or sterling-area bloc. One of the countries in the sterling area cannot buy American goods without permission from the United Kingdom. They first have to find out if the United Kingdom has the goods to offer her. This blocks American commerce entirely.

The United Kingdom agrees that within 1 year after this agreement goes through she will consider discarding this system if we will lend or give to her $3,750,000,000——

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. How much longer does the distinguished Senator expect to speak? It is now half past five. If the Senator is to take a long time, I should like to know.

Mr. JOHNSTON of South Carolina. I do not know.

Mr. LANGER. I should like to hear all of his speech.

Mr. JOHNSTON of South Carolina. Frankly, the papers which I had to start with could have been read in 30 or 40 minutes. I am a little more than half through.

Mr. LANGER. Will the Senator require 2 or 3 hours more?

Mr. JOHNSTON of South Carolina. I do not know. It depends upon the questions which may be asked.

Mr. LANGER. Mr. President, I suggest a recess until tomorrow.

Mr. HATCH. Mr. President, I realize that it is half past five, but I am sure that the Senator from South Carolina desires to finish. I see no reason why he should not proceed.

At this time I ask unanimous consent that at the conclusion of today's business the Senate take a recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON of South Carolina. Mr. President, there is nothing in this agreement, as proposed by the administration and the United Kingdom, which requires or compels Great Britain to spend a single dollar for American goods or farm products. What guaranty have we that Great Britain will not go into the world markets and spend these dollars in competition with us? On the basis of the British record in world trade and world finance, I have every reason to believe that she would desire to spend this money in competition with American farmers and American manufacturers.

The tobacco farmers of the South have urged me to vote in favor of this proposed loan to Britain.

Mr. President, I am in favor of the Congress authorizing a credit to Britain for the next few years for the specific purpose of purchasing tobacco, cotton, or other farm products, manufactured articles, and durable goods of various kinds, provided that the amount of that credit is approximately the amount we can expect Great Britain actually to purchase from us on the basis of her imports from the United States in past years. However, I do not believe that our farmers will see the wisdom in giving Britain three and three-quarter billion dollars to spend anywhere in the world, for any goods or materials she wishes to buy.

Speaking of the tobacco farmers, in my State they sell their entire crop for probably $50,000,000. That is the highest sum which it has brought. In some years the return drops below that figure. A few short years ago it was between $15,000,000 and $20,000,000. In recent years we have gone more extensively into tobacco growing. But how can we justify a loan to Britain in order to increase the price of tobacco? Why do I ask that question? Those who manufacture tobacco are the ones who make the money from tobacco. A large percentage of the tobacco grown in South Carolina is manufactured in North Carolina. I am glad that our tobacco is manufactured in the United States. A little is sold to England. However, it will be found that the money made from tobacco is not made by the farmer. I have made speech after speech in South Carolina trying to stir up the people so as to get manufacturers into my State to manufacture cigarettes. I myself do not smoke. But I wonder how much the farmer receives for the tobacco in a pack of cigarettes which costs 15 cents. The money made from tobacco is made in the processing of tobacco. I wish that every pound of tobacco grown in the United States could be processed in the United States. I think the tobacco farmers would be better off. I know that the taxpayers of the Nation would be better off. If that were done, the difference in the tax paid on tobacco manufactured and sold in the form of cigarettes, some of which are now sold to England, would pay us more than we shall receive on this whole loan of $3,750,000,000. The taxes on tobacco which we send to England would bring us more than we get out of the tobacco which is shipped to England. We would get almost that much year after year in the future.

Mr. President, my studied opinion is that the making of this loan to Great Britain at the present time would fan the flames of inflation, if she were to spend a large percentage of the money in the United States. If more money is spent in the United States there will be more inflation. If we make this loan to Britain, and if a considerable amount of the money thus loaned is spent in the United States, that will make for an increase in inflation. It will make everyone living in the United States pay more for what he buys. I believe that every student of finance will agree that that is true. Our experts tell us that money is too plentiful at this time. If England obtains this loan from us and begins to use the money to make purchases in the United States, with the result that that much more money comes into circulation in our country, then there will be inflation, but we shall still have to pay our people for the money we borrowed from them in order to make the loan to Britain. This thing will work both ways.

Our production, retarded by several years of manufacture entirely for war and by the confusion and the restrictions of reconversion, has left us with a scarcity of goods for supplying our American market. We certainly have had plenty of restrictions on reconversion. I can say something about the OPA. I have stated that I believe the OPA has even brought about a great many of the strikes which have occurred in the United States. I believe that in numerous instances the corporations would have reached agreements with their labor if they had had leeway and had not been tied down by the OPA.

Speaking of the meat situation, Mr. President, let me tell the Senate that in my section of the United States the OPA has put out of existence all the

slaughterhouses. It has put out of existence all the slaughterhouses in South Carolina. It has caused a meat shortage there—a greater shortage than we have ever known before—although there are plenty of hogs and cows running around in the pastures.

So, Mr. President, the restrictions during the time of reconversion have left us with a scarcity of goods for our American market. Many of the things our people need would have been made if it had not been for the OPA. Several establishments in my State have been closed on account of the operations of the OPA. A handkerchief factory was closed for several months because the OPA said the handkerchiefs manufactured by it could be sold for only a certain price. When I explained to a man who knew something about textiles, he agreed with me that the OPA had set the price entirely too low. After the OPA had caused the handkerchief factory to be closed for approximately four months, the OPA then allowed another price, one which enabled the factory to resume operations. Things of that kind have retarded reconversion and have caused a shortage of many commodities in the United States. There is no point in giving credit to Britain or any other country until our production increases to the point where we can first supply the American consumer market. Mr. President, why should we holler so much about exporting to England, until we supply our own people here at home? Because of the war there is a great shortage of commodities in the United States at the present time.

British propaganda would have the cotton farmers of the South believe that by lending Britain this $3,750,000,000, Britain would buy more cotton from the United States. Yet we know that Sir Stafford Cripps, president of the British Board of Trade, recently announced—right in the face of the propaganda for the loan—that the British Government will discard its free cotton market which has been in existence for approximately 100 years. I say to the cotton farmers that that is the way the British are arranging to treat them, and they are making such plans and taking such action even now, right in the face of the request for this loan.

In the future, so Sir Stafford Cripps said, the British Government will buy its cotton wherever it can buy to the best advantage. That obviously means that Britain will buy less and less cotton from us as the years go by.

Mr. President, I favor the sale of cotton or tobacco or other farm products or any manufactured products to Great Britain on a credit basis, but I am not in favor of giving to them such a tremendous sum of money with absolutely no assurance as to how it will be spent, or where it will be spent, or that it will ever be repaid.

Mr. President, I believe that this loan, if made, will give the Senate and the people of the United States more headaches than will any other piece of legislation, not only because Great Britain will not pay back the principal and interest, but because other nations will ask us to extend to them the same favor that we show to Great Britain. If the United States gives Britain $3,375,000,000 under these conditions, how in the name of fair treatment can we turn down other nations when they come to us and ask us for a loan?

BUDGET PROGRAMS FOR GOVERNMENT CORPORATIONS—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. BALL in the chair) laid before the Senate a message from the President of the United States, which was read, and, with the accompanying document, referred to the Committee on Appropriations.

(For President's message, see today's proceedings of the House of Representatives on p. 4343.)

EXECUTIVE SESSION

Mr. HATCH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BALL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. BARKLEY, from the Committee on Foreign Relations:

Walter Thurston, of Arizona, now Ambassador Extraordinary and Plenipotentiary to Bolivia, to be Ambassador Extraordinary and Plenipotentiary to Mexico.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HATCH. I ask unanimous consent that the postmaster nominations be confirmed en bloc and that the President be notified immediately.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc, and the President will be notified forthwith. That completes the Executive Calendar.

RECESS

Mr. HATCH. As in legislative session, and in accordance with the previous order of the Senate, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 46 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Friday, May 3, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 2 (legislative day of March 5), 1946:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for promotion in the Regular Corps of the United States Public Health Service:

SENIOR SURGEONS TO BE MEDICAL DIRECTORS, EFFECTIVE DATES INDICATED

Marion R. King, March 16, 1946.
Egbert M. Townsend, April 1, 1946.

SURGEONS TO BE SENIOR SURGEONS, EFFECTIVE DATES INDICATED

James A. Crabtree, January 27, 1946.
Mark P. Schultz, January 27, 1946.

SENIOR DENTAL SURGEONS TO BE DENTAL DIRECTORS, EFFECTIVE DATES INDICATED

Alf E. Nannestad, February 26, 1946.
Robert C. Stewart, March 22, 1946.
Robert L. Robinson, March 26, 1946.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Ethelene D. Cobb, Harvest, Ala., in place of J. R. N. Power, retired.

ARIZONA

Dona E. O'Neil, Tiger, Ariz., in place of C. H. Lewis, declined appointment.

ARKANSAS

Jack V. Stockburger, Winslow, Ark., in place of Joe Davidson, transferred.

DELAWARE

Anne H. McCarthy, Delaware City, Del., in place of J. T. Webb, resigned.

INDIANA

Richard C. Beck, Griffith, Ind., in place of A. W. Govert, resigned.

IOWA

James F. Thompson, Whitten, Iowa. Office became Presidential July 1, 1945.

KANSAS

Walter William Koch, Fredonia, Kans., in place of Elbert Holcomb, resigned.

MICHIGAN

Marion W. Carter, Glennie, Mich., in place of Samuel Tyson, transferred.

Verner M. Godell, Watton, Mich. Office became Presidential July 1, 1945.

NORTH DAKOTA

Walter Emil Poulsen, Stanley, N. Dak., in place of J. A. Corrigan, deceased.

Kathryn L. Gallagher, Taylor, N. Dak., in place of J. D. Leadon, resigned.

OREGON

Anna C. Allen, Elgin, Oreg., in place of E. A. Rush, transferred.

PENNSYLVANIA

Margaret A. Haggerty, Crabtree, Pa., in place of Kathryn McCann, retired.

Gertrude C. Miller, Millerton, Pa., in place of Nona Tolbert, resigned.

UTAH

Roland H. Mortensen, Trenton, Utah, in place of K. M. Peek, transferred.

VIRGINIA

Rita S. Wallace, Buckroe Beach, Va., in place of W. E. Groves, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 2 (legislative day of March 5), 1946:

POSTMASTERS

COLORADO

Clifford I. Parsons, Central City.

GEORGIA

Jack H. Bowman, Rock Spring.

KANSAS

Georgie L. Hunt, Rolla.

LOUISIANA

Claire C. Mahaffey, Jennings.
Volene B. Bray, Jones.
Robert W. Collier, Sr., Oakdale.

MASSACHUSETTS

Wilfred E. Miller, Griswoldville.

WYOMING

Owen W. Cranney, Afton.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 2, 1946

The House met at 12 o'clock noon.

Very Rev. Father William J. Healy, S. J., president of the College of the Holy Cross, Worcester, Mass., offered the following prayer:

We pray Thee, O God of infinite wisdom and justice, through whom all authority is rightly administered, laws are wisely enacted, and full judgment decreed, assist, with Thy holy spirit of counsel and fortitude, the President of these United States. Let the light of Thy divine wisdom direct the deliberations of this Congress and shine forth in all the proceedings and laws framed for our rule and government so that they may tend to the preservation of peace, to the promotion of human happiness, to the realization of all the high aspirations of our people. We raise our hearts and minds to Thee in prayer, profoundly grateful that as a noble part of our American freedom we may thus beseech Thee and because it is our precious privilege as Thy children to call upon Thee. Bless, we entreat Thee, all our actions and carry them on by Thy gracious assistance so that every work of ours may begin from Thee and by Thee be happily ended. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on April 30, 1946, the President approved and signed a bill of the House of the following title:

H. R. 5856. An act to provide for trade relations between the United States and the Philippines, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1955. An act to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Interior.
3. Department of Justice.
4. Department of the Navy.
5. Department of the Treasury.
6. Department of War.
7. Bureau of the Budget.
8. Civil Service Commission.
9. Federal Security Agency.
10. Federal Works Agency.
11. National Archives.
12. Office of Price Administration.
13. Petroleum Administration for War.
14. Tennessee Valley Authority.
15. United States District Court for the Northern District of Iowa.
16. United States Employees' Compensation Commission.
17. United States Railroad Retirement Board.

EXTENSION OF REMARKS

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include a letter from Hon. S. Denmead Kolb, a member of the Maryland House of Delegates.

Mr. VURSELL asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

THE PUBLIC DEBT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I am this day introducing a bill to amend the Surplus Property Act of 1944, to provide that proceeds from the transfer or the disposition of surplus property be used for the reduction of the public debt.

Our income should equal our outgo in order to have a balanced budget, and I think a bill of this kind necessary in order to determine the income and outgo of public funds in the operation of the Government in peacetime. If we keep on spending the way we are doing, I fear we will be far from a balanced budget. President Truman in his budget message to Congress in January requested a $35,000,000,000 budget for next year, and a $25,000,000,000 budget for the 2 years thereafter. The public should know exactly what our financial position is going to be, and that is my reason for introducing this bill.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a release, the author of which is Mary Latham, of North Carolina.

INTEGRATION OF NATIONAL DEFENSE

Mr. ANDREWS of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANDREWS of New York. Mr. Speaker, Mr. Forrestal, the Secretary of the Navy, has made an unusually fine record in his Department, both as Secretary and during the earlier years of the war as Under Secretary, and I know the Congress and informed persons generally will agree with this statement.

It is to be regretted, however, that he saw fit on yesterday to express himself as he did in connection with the proposed so-called merger of the armed forces—referring particularly to the Marine Corps.

Personally, I dislike the words "merger" or "unification" in this connection. It should be "integration," if I have any understanding from enlightened opinion of what ought to be done for the best interests of our country.

Mr. Forrestal, to be sure, only stated that in his opinion the Marine Corps might be destroyed or relegated to a minor role, but this gave the press and commentators the lead to say "Destroy the Marines," when he must know that nothing of the sort would ever happen.

The Marine Corps, its record and prestige, of course, needs no defense by anyone, and certainly no one, professional or civilian, really informed on what it is hoped will be accomplished by integration has any idea that the autonomy of the Marine Corps would be infringed upon in the slightest degree. Quite the contrary.

For myself, I believe that the Marine Corps under integration should be given an even stronger position than it has enjoyed under the Navy. The Commandant of the Marines should be made a member of the Joint Chiefs of Staff along with the Army, Navy, and Air Force heads.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent that I may extend and revise the remarks I expect to make in the Committee of the Whole today and to include therein an article by Frank Kent.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Fargo Forum entitled "Spotlight Swings on Wheat Farmers."

Mr. HAND asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and to include brief editorials.

Mr. McGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include an essay written by a member of the American Legion, and in the other a newspaper editorial.

Mr. MARCANTONIO asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial and a copy of a letter he wrote in reply to the editorial.

Mr. McKENZIE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Shreveport Times.

Mr. LUDLOW asked and was given permission to extend his remarks in the Appendix of the RECORD and include two letters.

Mr. SABATH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial and an article.

Mr. HOFFMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include several letters.

Mr. NORRELL asked and was given permission to extend his remarks in the RECORD and include an address delivered by his colleague the gentleman from Arkansas, OREN HARRIS, before the United States Chamber of Commerce at Atlantic City, yesterday.

Mr. LEWIS asked and was given permission to extend his remarks in the RECORD and include a poem.

SPECIAL ORDER GRANTED

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

BONUS ON WHEAT AND CORN

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. ROBERTSON of North Dakota. Mr. Speaker, in connection with a recent order issued by the Secretary of Agriculture respecting a bonus on wheat and corn delivered before a certain date, I have received many communications of protest from farmers and farm organizations in North Dakota. I will not burden you with quoting a lot of them, but will read just one which sums up the situation from the standpoint of the farmer who has sold his grain:

HOOPLE, N. DAK.

Hon. CHAS. ROBERTSON,
Representative, Washington, D. C.:

Four hundred and fifty farmers meeting at Adams, N. Dak., object to the injustice and inequity of the 30-cent-bonus program on wheat and corn, put into effect by the administration. The 30-cent bonus should be paid on all wheat and corn produced in 1945. The 1945 crop is the income from which the farmer must live in 1946 and from which he must pay his 1946 production expenses. The 1945 wheat crop was 90 percent marketed before the administration bonus program was put into effect, upon representations that ceilings would be held. Labor and industry have been granted 18½-percent increases, and these increases are now reflected in the living and production expenses of the farmer. It is essential that wheat and corn producers be paid the bonus on all wheat and corn produced in 1945 to be on a parity with labor and industry. We believe this is an opportunity to retard inflation, by paying the bonus or subsidy beginning with 1945 production, instead of raising price ceiling, which will continue the inflationary circle. * * * Substantial part of wheat crop which was marketed before bonus program was put into effect was also used for famine relief. Those who marketed before bonus program were deceived and penalized.

WALSH COUNTY UNIT, NATIONAL FAIR DEAL WHEAT ASSOCIATION,
By G. H. HOOPLE, *Secretary.*

I am, today, introducing a bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn produced and sold between January 1, 1945, and April 18, 1946. The senior Senator from North Dakota has introduced a similar bill in the Senate. This is a forthright step to protect and stimulate the farmers of the grain section, and at a time when wheat is in such demand throughout the world.

Just as an example of what happened with respect to wheat. In the last war the farmers were getting $2.26 a bushel at Minneapolis. Instead of the price of wheat going up, when this war started the price was kept practically stationary. Today the farmers are receiving, aside from the bonus, from $1.50 to $1.60, although the prices of everything the farmer must buy have skyrocketed.

INFLATION

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Speaker, there are two things of which I have always been desperately afraid: One, a rattlesnake, and, the other, uncontrolled inflation.

There is one difference between the two, however, a rattlesnake will notify you before he bites you; inflation does not notify you but bites you just the same. That is the reason why I voted eight straight votes against restrictive amendments on the OPA legislation. I think I voted right, I hope I did; but regardless, I will take the consequences, whatever they are. Germany was destroyed by uncontrolled inflation and her people brought to famine and want after the First World War. China, Mexico, and many other Latin-American countries to the south of us are now in a rapid development of dangerous and deadly inflation. We are now suffering even in this country from a marked inflation, which but for the restraining influence of OPA would become uncontrollable and probably completely destroy our own country. I therefore suggest that we should move with great caution in such vitally important problems.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—TRANSMITTING THE CORPORATION SUPPLEMENT TO THE BUDGET FOR 1947

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee on Appropriations, and ordered to be printed:

To the Congress of the United States:

In this document, for the first time, I am transmitting for congressional consideration the budget programs of all wholly owned Government corporations. The submission of these programs is a long-delayed forward step toward rounding out the executive budget established by the Budget and Accounting Act of 1921.

The budget programs of the Government corporations are an integral part of the Federal Budget. They will be included hereafter in the Budget transmitted to the Congress in January. The present document is not a separate budget but a supplement to the Budget transmitted last January, necessary this year because the Government Corporation Control Act of 1945 became law too late for inclusion of these statements in the regular Budget.

The information contained in these budgets will provide a better opportunity than we have ever had before to present the interrelationships between the activities of corporations and those of other Government agencies. Thus, both the executive and legislative branches will be able to review the Federal program as a whole. Such a review means better appraisal of individual programs and better integration of the activities of each agency into the changing pattern of the Federal Government.

Corporations are used to carry out a broad range of Government programs largely of a revenue-producing type. They make loans and guarantee loans of private institutions to businessmen, farmers, home owners, foreign governments, and other borrowers. They insure private individuals against loss from crop failure, price declines, war damage, and other hazards. They have constructed and are now managing many vital war plants throughout the country as well as navigation and flood-control projects, electric-power plants, and other enterprises in the Tennessee Valley. They operate railroads, a steamship service, barge lines, and terminals. They purchase, stock-pile, and sell commodities in domestic and foreign markets. They administer many of the wartime subsidy programs, either through direct payments or through purchase and sale operations at a loss.

Each corporation is a unit, but each is a part of a broader Federal program. Hence appraisal of individual corporations should be based upon their contribution to achievement of these broader programs.

In the main, Government corporations operate in the borderland area where the general welfare requires action but the risks of loss are too great or the prospective return too small to attract adequate private capital. They supplement or assist private business rather than supplant it. Some corporations operate at a loss because of marginal operations designed to provide public services below cost, and this must be taken into account in interpreting their financial statements.

The chief source of loss by Government corporations during the war years has been the payment of production, transportation, and food subsidies authorized by the Congress. Several of these wartime subsidies have now been eliminated. Others, however, have had to be increased. Much as I regret the necessity, continuance of these programs is essential to hold the line against the forces of inflation. I have said before, and I repeat here, they will be reduced and discontinued promptly as soon as the inflationary pressure slackens. I hope and expect this will occur by the end of the fiscal year 1947.

Legislation is now pending which would provide premium payment subsidies from corporation funds to finance expansion in the supply of building materials and which would establish other aids urgently required for the veterans' emergency housing program. Enactment of the full program which I have requested is essential to provide an adequate supply of housing for our returning veterans. I also urge prompt consideration and enactment by the House of Representatives of the legislation approved by the Senate designed to raise the long-run housing level of the Nation.

Almost all of the corporations whose budget programs I am transmitting were organized to meet specific depression or war emergencies. Many have finished their jobs and are well on the road to liquidation. Others, however, will probably continue as more or less permanent Federal agencies, with major functions changing from time to time. The Reconstruction Finance Corporation, for example, has proved so useful during the depression and the war that it has become one of the major instrumentalities for conducting the postwar business activities of the Federal Government. I recommend, therefore, that its statutory authority be extended beyond the present expiration date of January 22, 1947.

Under the Government Corporation Control Act, all wholly owned corporations organized or acquired in the future must be federally chartered, and the 18 corporations not federally chartered must either cease activities (except for liquidation) or be reincorporated by act of Congress before June 30, 1948. Moreover, in any case where the activities of a corporation are more nearly analogous to nonbusiness services of the Federal Government, or where for other reasons it would be more practicable to handle its budgets like that of a regular Government agency, the Director of the Bureau of the Budget, with the approval of the President, is authorized to recommend such action to the Congress.

As part of the investigations necessary to carry out these provisions of law, I am requesting the Director of the Bureau of the Budget to reexamine and redefine the role of Government corporations. The findings of these studies will be useful, not only in effectuating the specific provisions of the act but also in determining the basic principles to be followed in reviewing the existing charters of federally chartered corporations as they come up for renewal. Thus, through successive steps, we shall continue to move forward in developing a more consistent and integrated organizational pattern for the business-type activities of the Federal Government.

In our business operations the Federal Government, like private business, needs greater flexibility than the customary type of appropriation budget ordinarily permits. Some Government corporations are committed by statute to support prices, furnish electric power, pay insurance claims, or meet other demands which may experience wide and unexpected variations because of circumstances beyond their control. Other corporations supply credit or other services to clients who often cannot forecast their own needs in advance, or who will request Government services only if and when the same services cannot be obtained from private institutions. These difficulties can be overcome by the use of business-type budgets.

The budget programs submitted place primary emphasis upon the types of programs specifically authorized by law or by the charter of each corporation. Many corporations have very broad grants of authority. Through their budgets, they apprise the Executive and the Congress of the manner in which they plan to use their available resources, and the funds they expect to devote to each type of program within the limits set by their authority.

In developing budgetary controls applicable to the corporations, the wisest course appears to be to progress carefully, through experiment and evolution. I recommend that the Congress approve the types of programs set forth in the budgets transmitted herewith, and, in addition, provide general authority for actions necessary to meet unforeseen emergencies or contingencies arising subsequent to approval of the budget. In such emergency situations, I suggest that corporations be permitted to initiate new programs, even though these are not specifically included in the Budget approved by the Congress, provided such programs are within their existing authority. Such new programs will be initiated, however, only after approval by the President and the new programs will be promptly transmitted to the Congress. No program will be undertaken prior to congressional approval if it requires increased borrowing authority. Enactment of these provisions is essential to preserve the flexibility required to meet changing business conditions while maintaining the necessary control of corporate activities.

The accompanying document consists of a summary narrative and supporting tables, followed by detailed presentations of the budgets of all wholly owned Government corporations and certain related noncorporate housing activities. Each budget contains narrative material together with financial statements.

These budgets have been prepared on the basis of existing accounting records. One byproduct of the budgetary and auditing requirements of the act which we hope to realize is an improvement in these records, with a corresponding improvement in future budgets. The present budgets provide more information on the current and future programs of Government corporations than has ever been previously reported.

The summary statements reveal that the level of operations for corporations as a group will decline during the fiscal year 1947 because of the continued liquidation of wartime programs. Commodity purchases of $3,100,000,000 will amount to less than half the 1945 levels. Funds received from the sale of fixed assets will exceed additions to these assets. Subsidy payment of $1,800,000,000 will be somewhat lower than in 1946. On the other hand, lending activity will jump from $2,500,000,000 to $4,400,000,000, as both domestic and foreign borrowers make use of the Government's financial facilities.

Total assets by the close of the fiscal year 1947 will be $16,100,000,000, a decline of over $300,000,000 during the fiscal year. Book value of plant and equipment will be $6,800,000,000. Outstanding loans will amount to $6,000,000,000. Inventories of $1,300,000,000 include $470,000,000 in metals and minerals declared surplus and available for transfer to stock pile.

For the group as a whole, a total net loss of $4,000,000,000 is anticipated in the fiscal year 1947. Subsidy payments and losses on sales of surplus property, war housing, and other assets account for an estimated loss of $3,400,000,000. Expenditures from appropriations to convert temporary war housing and losses realized on programs for agricultural price support and for procurement of strategic supplies and materials are responsible for the remaining loss. Expanded lending operations, power operations, and many other activities will show profits.

The programs of individual corporations fall into five major groups, which are discussed briefly in the following paragraphs.

The Reconstruction Finance Corporation and its subsidiaries expect to liquidate a substantial part of the plant and equipment constructed during the war. Outstanding loans to businesses and to finance the program of the Rural Electrification Administration, however, will expand rapidly.

Under the existing program of the National Housing Agency and its constituents, well over one-half of the expenditures during the fiscal year 1947 will be devoted to completion of the program for provision of 200,000 temporary housing units for veterans, financed from appropriated funds. War-deferred low-rent housing projects will be resumed. Insurance of loans to finance construction of new housing and repairs to existing homes will double the 1946 volume. Liquidation of wartime public housing and of the prewar loans of the Home Owners' Loan Corporation will progress rapidly.

Price-support operations and subsidy payments of the Commodity Credit Corporation will again involve large expenditures, but inventories will continue to decline from the high wartime levels. Under existing legislation, the Federal Farm Mortgage Corporation will cease making new loans. Most of the other

wholly owned corporations supervised by the Secretary of Agriculture expect a further decline in the volume of their financing activities.

With its broadened lending authority, the Export-Import Bank anticipates disbursements possibly as high as $2,000,000,000 on loans to finance purchase of American commodities and to provide the necessary minimum credit for postwar reconstruction abroad. The five corporations created by the Office of Inter-American Affairs by the close of the fiscal year will either be liquidated, in liquidation, or nearing completion of cooperative international programs.

The principal corporations engaged in the regional development of resources and transportation facilities, the Tennessee Valley Authority, the Panama Railroad Company, and the Inland Waterways Corporations, are all planning to make substantial expenditures on plant and equipment to meet peacetime demands.

Net new borrowing of the 34 corporations will amount to 2.8 billion dollars over and above retirement of debt. Outstanding obligations, almost entirely held by the Treasury Department, will amount to 15.8 billion dollars on June 30, 1947. New capital investments of 300 million dollars through purchase of Export-Import Bank stock, previously authorized, will provide additional funds. On the other hand, the budgets of eight corporations and three noncorporate housing programs provide for return of funds to the Treasury and payment of dividends totaling 122 million dollars.

By June 30, 1947, the Federal Government will have a total investment of 6.1 billion dollars in the capital stock and paid-in surplus of these corporations. This capital investment will be impaired to the extent of 9.8 billion dollars from cumulative deficits arising almost entirely from the heavy volume of subsidies and other loss-creating activities during the war period.

In this Budget I am recommending that the Congress appropriate 921 million dollars to restore the capital impairment of the Commodity Credit Corporation, as of June 30, 1945. This impairment has already been reflected in the public debt. Additional prospective impairment arising from losses in the fiscal years 1946 and 1947 will require appropriations in subsequent years. The remaining capital impairment for Government corporations is largley confined to the Reconstruction Finance Corporation and certain of its subsidiaries. Until the amount can be more accurately determined, I am not recommending any action by the Congress.

Neither continuance nor restoration of capital impairment alters the budgetary deficits or surpluses of the Federal Government. With minor exceptions, the financing of Government corporations is already handled by the Secretary of the Treasury, and net expenditures and receipts of corporations for the past 3 years have been included in the Budget total of expenditures. Consequently, appropriations to restore impairment involve merely transfers of funds between Government agencies. They do not affect the Treasury's borrowing requirements or the total public debt.

I also recommend a reduction of 1 billion dollars in the borrowing authority of the Federal Farm Mortgage Corporation. With the substantial liquidation of its depression loans and the broadened lending authority of the Federal land banks, the Corporation's borrowing authority is now far in excess of its foreseeable needs.

HARRY S. TRUMAN.

MAY 2, 1946.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include several articles.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD and include an editorial.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. WOODRUFF addressed the House. His remarks appear in the Appendix.]

TERMINAL LEAVE PAY FOR ENLISTED MEN

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, it was a matter of great jubilation not long ago to the rank and file of the GI's of this country when the House obtained enough signers on the discharge petition on the bill to give terminal leave pay to buck privates and all those who are not officers in the armed forces of the United States. I for one am happy that I had the opportunity to sign that petition. I hope that before long the House will pass this bill so that every GI will have the chance to collect some of that terminal leave pay that the officers of the armed forces have been able to get for the past few years.

What is fair for one rank is fair for all ranks. Certainly the private needs the extra money more than the general or the colonel. He should have this because it will come in handy in meeting his expenses in civilian life if he has already returned.

Terminal leave pay will come to many as a bonus, a just reward for staying on the job while they were so sorely needed at their posts.

CALL OF THE HOUSE

Mr. SPARKMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 100]

Adams	Fernandez	Martin, Iowa
Allen, La.	Fisher	Merrow
Almond	Flood	Miller, Calif.
Anderson, Calif.	Fuller	Monroney
Andresen, August H.	Gamble	Morrison
Arends	Gardner	Murray, Wis.
Baldwin, Md.	Gathings	Norblad
Barden	Gavin	Norton
Bates, Ky.	Gearhart	O'Brien, Mich.
Bell	Gifford	O'Konski
Bender	Gillie	Patrick
Bland	Gossett	Patterson
Bonner	Granger	Peterson, Fla.
Boren	Grant, Ind.	Phillips
Bradley, Pa.	Gwinn, N. Y.	Pickett
Brooks	Hagen	Powell
Brumbaugh	Harless, Ariz.	Price, Fla.
Buckley	Harness, Ind.	Rains
Bulwinkle	Hartley	Ramey
Byrne, N. Y.	Havenner	Reece, Tenn.
Camp	Hays	Reed, Ill.
Cannon, Fla.	Hedrick	Robertson, Va.
Carlson	Heffernan	Rodgers, Pa.
Case, S. Dak.	Hendricks	Roe, N. Y.
Celler	Henry	Rogers, Fla.
Chapman	Hobbs	Rooney
Chelf	Hoeven	Russell
Clason	Holifield	Shafer
Clements	Holmes, Wash.	Sheridan
Cochran	Hull	Short
Coffee	Jarman	Sikes
Cole, Mo.	Johnson, Ind.	Simpson, Ill.
Combs	Johnson, Lyndon B.	Simpson, Pa.
Cooley	Johnson, Okla.	Slaughter
Courtney	Keefe	Smith, Wis.
Crosser	Kelly, Ill.	Stevenson
Cunningham	Keogh	Stewart
Curley	Kerr	Stigler
Dawson	King	Stockman
Delaney, John J.	Klein	Sumner, Ill.
Dingell	LaFollette	Tarver
Dirksen	Landis	Taylor
Domengeaux	Lane	Thomas, N. J.
Doughton, N. C.	Lea	Wadsworth
Doyle	LeCompte	Weaver
Durham	Lemke	Weichel
Earthman	McDonough	White
Elliott	McGehee	Wickersham
Ellsworth	Madden	Wilson
Engle, Calif.	Maloney	Winstead
Feighan	Mankin	Wolfenden, Pa.
	Mansfield, Tex.	Wood
		Woodhouse

The SPEAKER. On this roll call, 275 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MEDICAL DEPARTMENT OF THE ARMY

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on Naval Affairs be discharged from further consideration of the bill (H. R. 6175) to credit to active and retired officers of the Medical Department of the Army all service performed as interns in Army hospitals on a civilian-employee status and that the bill be referred to the Committee on Military Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

STATE, JUSTICE, COMMERCE, AND JUDICIARY APPROPRIATION BILL, 1947

Mr. SABATH. Mr. Speaker, I call up House Resolution 588 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

Mr. SABATH. Mr. Speaker, later on, as usual, I shall yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, this rule waives points of order on the bill H. R. 6056, on which general debate has been concluded. From time to time I have stated that the Committee on Rules looks with disfavor on bringing in rules waiving points of order against legislation on appropriation bills, but in this instance, before the Committee on Appropriations had acted the Committee on Foreign Affairs reported, on December 17 I think, a bill providing authorization for a cultural program, and for other purposes. Unfortunately, the Committee on Rules delayed granting a rule on the bill at that time and has not yet granted the rule. However, I was informed a little while ago that agreement has been reached and that the chairman of the Committee on Foreign Affairs called a meeting this morning at which certain amendments recommended by some of the members of the Committee on Rules were agreed to by the Committee on Foreign Affairs. Consequently, we are really not waiving points of order on a bill that has not been considered and favorably reported.

As I understand, and I presume you have all been informed about it during the entire day of general debate, the bill carries about $358,000,000 of appropriations for the Departments of State, Commerce, Justice, and the Judiciary. For the State Department it carries $104,700,000, for the Department of Justice $95,000,000, for the Department of Commerce $143,000,000, and for the Judiciary about $15,800,000.

As you are all familiar with the bill, which was thoroughly explained and discussed during general debate, I do not believe it necessary for me to take any more time, except to say that I hope that the Committee on Appropriations henceforth will be guided by the suggestion that the Committee on Rules has made from time to time, namely, that it should not bring in legislation on appropriation bills. In this instance, however, I think it is justified. I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this House Resolution 588 makes in order consideration of the bill H. R. 6056 making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947. The rule provides that all points of order against the bill or any provisions therein be hereby waived.

The bill embraces regular annual appriations for the various branches of the Government services under the jurisdiction of the Departments of State, Justice, Commerce, and the Judiciary.

This bill carries an appropriation for the State Department of $104,783,408 for 1947, an increase of $11,306,994 over 1946. It carries an appropriation for the Justice Department of $95,168,250 for 1947, a decrease of $10,550,260 over 1946. It carries an appropriation for the Commerce Department of $143,024,000 for 1947, an increase of $39,635,475 over 1946. It carries an appropriation for the Judiciary of $15,850,100 for 1947, an increase of $118,550 over 1946.

The total amount recommended for the four departments encompassed therein is $358,825,758, an increase of $40,510,759 over the current fiscal year.

I am opposed to the rule as well as the bill itself, unless there is a drastic reduction.

In the report of the Appropriations Committee it is stated the need is for curtailment of expenditures. Still the fact remains that the committee is recommending an increase.

In the midst of war we were told the war necessitated large expenditures. Now at peace, the report states:

Increases have been allowed in a number of projects which is necessary to reestablish our peacetime economy.

The report continues:

There seems to have developed during the war years what some have termed "a spending psychology" and the committee is fearful that this spending psychology has become somewhat too deeply entrenched in the minds of the officials responsible for the operation of our Federal establishments.

Then they ask us to pass a bill with an approximate 15-percent increase. Is there any logic in that type of reasoning? Are we going to be so unstable as to follow such reasoning?

In the inaugural address of Mr. Roosevelt in 1933 he stated:

We have nothing to fear but fear itself.

Then immediately his administration did everything possible to make the people jittery. Since those days of 1933 all we have had is one emergency after emergency; one fear after another fear. Now the people, with the cessation of war, are fearful of the increased peacetime expenditures over the wartime expenses. Are they not justified in demanding a curtailment? Is it not our duty to help them? We talk so much about living within our income but do very little about it. Perhaps in November the people will weed out those who are bent on spending and electing. That is their only salvation if they desire to have their taxes reduced, if they desire to keep our Government solvent.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. SABATH. I wonder whether the gentleman would tell the House wherein he could reduce the appropriations called for in this bill? In what particular would he reduce the appropriations?

Mr. ALLEN of Illinois. I was going to discuss that phase later, but I will answer the gentleman's question now. With reference to the Department of Commerce, this provides for 50 political organizations throughout the United States, costing many millions of dollars, under the supervision of Henry Wallace. That should mean something. If the gentleman will excuse me for a moment, I will yield to him later and will explain where I would reduce the appropriations further.

This rule waives all points of order. That was brought about because the Committee on Foreign Affairs came before the Committee on Rules asking us to report out a rule designed to educate the people throughout the world. They had a bill at that time which they had reported out which called for the expenditure of $25,000,000 to provide libraries, radio stations, and publications throughout the world. The Committee on Rules in its wisdom did not report out that rule so the members of the Committee on Foreign Affairs went to the Committee on Appropriations and were successful in placing in this appropriation bill $10,000,000 for the sole purpose of sending thousands of personnel throughout the world to purchase and administer libraries, radio stations, publications, and newspapers in foreign countries if they are allowed to locate.

Are there any Americans that feel Russia is or could be justified in appropriating millions of dollars to spread their teachings by placing their radio stations, their movies, their libraries, their press in the United States?

Are there any Americans that feel that the Nazi Party was justified in their propaganda policies throughout the world before the last war?

Realizing our teachings would be for the betterment of the world, still I firmly believe:

We should do, not as some ungracious pastors do,
Show us the steep and thorny way to heaven,
While like a puffed and reckless libertine,
Themselves the primrose path of dalliance tread.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. REES of Kansas. In view of the gentleman's statement, we had better vote down this rule, had we not?

Mr. ALLEN of Illinois. There is no question about that.

Now, in answer to the gentleman from Illinois [Mr. SABATH] I would definitely take out $10,000,000 for the purpose of buying radio stations and libraries through India, China, Russia, and all throughout the world. There is a $10,000,000 reduction. In addition to that I would take away 50 or more of Mr. Wallace's organizations, branch organizations, throughout the Nation, designed to spend and spend and elect and elect, which amounts to some additional millions of dollars.

Does that answer the gentleman's question?

Mr. SABATH. I hope the gentleman will agree with me if I charge him that he is interested in increasing our commerce. The gentleman is in favor of increasing our commerce, is he not?

Mr. ALLEN of Illinois. It would depend upon what part you are talking about. Be more specific.

Mr. SABATH. The appropriations in the bill aim to increase our commerce, to

educate the people on what we produce, what we have, to teach them democracy and do all things that will be beneficial and helpful to our country. I believe the work that the Commerce Department is doing is in the interest of our industries, in the interest of our country, which means in the interest of our labor, which means prosperity for our Nation.

Mr. ALLEN of Illinois. To my genial chairman I will say what I have said many times before, that when it comes to spending, everything has a great appeal. For instance, we can say we are for the biggest Army in the world, for the biggest Navy in the world, for the biggest air force, for atomic-bomb experimentation. We are for taking care of the old people adequately. We are for Bretton Woods. We are for the Export-Import Bank. Some are for the British loan and the Russian loan, in fact loans and grants to all. But all those things which have a certain appeal nevertheless would amount to a hundred billion dollars if we supported all. Interest on our gigantic debt, adequate care of our veterans, peacetime military conscription also cost money.

They are for all these things, but at the same time those people want a reduction in taxes. They want the Congress to live within its income. Although they themselves would favor all those things, they would still want a reduction in their taxes, and they would want the Congress to live within its income. As for myself, I think it important to not only talk about a balanced budget but to act accordingly by voice and vote.

Mr. Speaker, in conclusion may I say I hope this resolution will be voted down. I hope this House in its wisdom will see fit to reduce the appropriations covered in this bill to at least what they were last year.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, when this resolution was before the Rules Committee I voted against it, because it provides that all points of order shall be waived on the items contained in this appropriation bill. This special rule has been granted in order to prevent the making of points of order against appropriations that have not been authorized by law, or passed upon by the regularly constituted legislative committees of this House.

One of the items included in this bill which would be subject to a point of order, if this rule is not adopted, is the item of $10,000,000 for the establishment of a cultural and informational service in the Department of State. Another item is for the establishment of a number of new offices in the Department of Commerce.

I believe the time has come when this Congress should insist upon appropriations being authorized by its duly established legislative committees of the House first, and not being passed upon only by the Committee on Appropriations. I am therefore opposed to this rule. I am opposed to the items which are included in this bill for the particular things I have just mentioned, and I am hoping this rule will be voted down and that we will thus return to the regular parliamentary method of considering legislation of this nature. I am therefore asking the membership to vote against this rule.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, in my opinion this rule should not be adopted and I believe I can convince you why. I wish to address myself particularly to those appropriations for the Commerce Department that are referred to on page 26 of the report.

CALL OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 101]

Adams	Fisher	Mankin
Allen, La.	Flood	Mansfield, Tex.
Almond	Fuller	Martin, Iowa
Anderson, Calif.	Gamble	Merrow
Andresen, August H.	Gardner	Miller, Calif.
Arends	Gathings	Monroney
Baldwin, Md.	Gavin	Morrison
Barden	Gearhart	Murphy
Bates, Ky.	Gifford	Murray, Wis.
Bell	Gillie	Norblad
Bender	Gore	Norton
Bonner	Gossett	O'Konski
Boren	Granger	Patrick
Bradley, Pa.	Grant, Ind.	Patterson
Brooks	Gwinn, N. Y.	Peterson, Fla.
Brumbaugh	Hagen	Phillips
Buckley	Harless, Ariz.	Pickett
Bulwinkle	Harness, Ind.	Powell
Byrne, N. Y.	Hart	Price, Fla.
Camp	Hartley	Rains
Cannon, Fla.	Healy	Reece, Tenn.
Carlson	Hedrick	Reed, Ill.
Case, S. Dak.	Heffernan	Robertson, Va.
Celler	Hendricks	Rodgers, Pa.
Chapman	Henry	Roe, N. Y.
Chelf	Hobbs	Rogers, Fla.
Clason	Hoeven	Rooney
Clements	Holifield	Russell
Cochran	Holmes, Wash.	Ryter
Coffee	Hull	Shafer
Combs	Jarman	Sheridan
Cooley	Johnson, Ind.	Sikes
Courtney	Johnson, Lyndon B.	Simpson, Ill.
Crosser	Johnson, Okla.	Simpson, Pa.
Cunningham	Keefe	Slaughter
Curley	Kelly, Ill.	Smith, Wis.
Dawson	Keogh	Stevenson
De Lacy	Kerr	Stewart
Delaney, John J.	Kilburn	Stigler
Dingell	King	Stockman
Dirksen	Klein	Sumner, Ill.
Domengeaux	Knutson	Tarver
Doughton, N. C.	LaFollette	Taylor
Doyle	Landis	Thomas, N. J.
Durham	Lane	Wadsworth
Earthman	Lea	Weichel
Eaton	LeCompte	White
Elliott	Lemke	Wickersham
Ellsworth	McDonough	Wilson
Engle, Calif.	McGehee	Winstead
Feighan	Madden	Wolfenden, Pa.
	Maloney	Wood
		Woodhouse

The SPEAKER pro tempore (Mr. MILLS). On this roll call, 273 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

STATE, JUSTICE, COMMERCE, AND JUDICIARY APPROPRIATION BILL, 1947

Mr. HALLECK. Mr. Speaker, I particularly want to address myself to the items in this proposal referred to on page 26 of the report of the Committee on Appropriations having to do with the appropriations for the Bureau of Foreign and Domestic Commerce. Before specifically referring to those items, I would like to make this general observation concerning what I believe to be the orderly procedures of the House of Representatives and of the Congress.

The Committee on Appropriations, as we know, is charged with the responsibility of handling the matter of appropriations. Authorizations for agencies, the creation of agencies, and the changing of the powers and duties and functions of agencies are for the legislative committees of the Congress.

In recent years we have seen a practice develop under which the Appropriations Committee, by making appropriations for agencies and functions not authorized by law, in truth and in fact, usurps many of the responsibilities, duties, and powers of the legislative committees. To my mind that is a practice which should be on the decrease rather than on the increase.

Now, having regard to this particular matter, there is a bill before the Committee on Interstate and Foreign Commerce, of which committee I am a member, which came from the Senate in late February of this year. That bill undertakes to provide for the appointment of three Assistant Secretaries of Commerce, and for certain reorganizations in the Department of Commerce. Some hearings have been held by a subcommittee of the Committee on Interstate and Foreign Commerce, and are to be resumed next Monday.

What do we find in advance of the work to be done by that committee and the exercise of the responsibility devolving upon that committee and the House? Here comes the Appropriations Committee with this suggested appropriation which, according to the report, provides for another entirely different set-up in the Department of Commerce.

The SPEAKER. The time of the gentleman from Indiana has again expired.

Mr. SABATH. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. HALLECK. In its justification the committee says this:

> The justifications for this Bureau were prepared in line with the provisions of Senate bill 1367 and House bill 4871 and in anticipation of the enactment of either of these companion measures into law. The Senate bill was recently passed and is now before the House Committee on Interstate and Foreign Commerce. This bill proposes the creation of three additional Assistant Secretaries of Commerce and a reorganization of the general functions of the Bureau.

Then the report from the Committee on Appropriations goes on to point out reason after reason why they think this proposal is highly questionable and why they are inclined to doubt the advisability of making this appropriation. This is what they said, in part:

> While the committee is of the definite opinion that our domestic and foreign trade will undergo considerable expansion during the next few years and that business generally should have the guidance and assistance of the Government, especially during the immediate postwar years, it is not convinced that such wholesale expansion as is

proposed is either advisable or necessary. Furthermore, the committee is somewhat fearful of the effects of the Department's superimposing on an established organizational structure a large group of high-salaried employees transferred from agencies established for a war purpose.

Then they go on and wonder about the effects of the Department's doing this, and they go on with other expressions of concern as to the advisability of making these appropriations.

Now, why should the Appropriations Committee in this manner, in violation of the right, yes, the responsibility of the Committee on Interstate and Foreign Commerce to pass on this matter, arrogate to itself the making of the appropriation, the granting of the money, the establishment of all these additional functions before the Committee on Interstate and Foreign Commerce and the House has had an opportunity to pass on it? Does it not make for just common sense and orderly procedure that the people down at the Department of Commerce, if they need more Secretaries, if they need reorganization, if they need regrouping of functions, as pointed out on page 26 of this report, should come up here and establish that need before the proper legislative committee and obtain such changes in basic law as may be desirable? Then if the legislation is enacted into law, let them come to the Appropriations Committee and get their money to carry on under the authority thereby established.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker——

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. JONES. I should like to suggest at this point in the debate on the policy of adopting rules to make in order legislation on appropriation bills, which items of legislation might be subject to points of order if the rule were not adopted, the fact that if amendments are offered from the floor to correct or perfect legislation so made in order, those amendments are subject to points of order so that only members of the Appropriations Committee can write the legislation and nobody can perfect it on the floor. I should like, if the gentleman from New York will permit, to ask the chairman of the Rules Committee, the gentleman from Illinois [Mr. SABATH], whether or not he would yield for an amendment to be offered to the present rule which would make in order any amendment offered to the State, Commerce, Justice appropriation bill?

Mr. SABATH. Unfortunately, I would have to call a meeting of the committee and that now is impossible. I do not see how I could comply with the gentleman's suggestion.

Mr. JONES. Why not?

Mr. SABATH. It would require a meeting of the committee, and it is impossible for me to call that meeting now.

Mr. TABER. Mr. Speaker, this bill calls for an increase in appropriations over the current year of about $40,500,000. It calls for embarking upon activities in the State Department involving the old OWI that are perfectly ridiculous. They have been getting out broadcasts all over the world which have made this country ridiculous and which are not of value. I have had these broadcasts and been over them. I have a lot of these broadcasts with me here on the floor. There is not a single one of them that could possibly do this country any good. We ought to be rid of that activity.

Mr. ELLIS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from West Virginia.

Mr. ELLIS. I wish to bring to the gentleman's attention that this week there was a lieutenant in my office just back from India. The subject of the conversation was a young lady who was in charge of the library of this service in India. He stated that the majority of the books concerned modern Russian economy and the modern Russian political philosophy. The young lady does not feel that she is serving any worth-while purpose, and the young lieutenant informed me that the American troops there thought the project was ridiculous and they wondered if the Congress was going to continue to spend money for this sort of thing.

Mr. TABER. That is just the situation. We ought not to go on with that activity at all. It has not been authorized by law and we should stop it right now.

There are other activities under the Department of Commerce, many of which are presently under hearings by the Interstate Commerce Committee which have not been authorized by law: Census projects, an enormous number of new secretaries and set-ups that will cost thousands and thousands of dollars. It is time we stopped that sort of thing and it is time we stopped this kind of rule.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Speaker, there never was a time since 1837 when the House adopted the rule that we would set aside today, that it was more needed to prevent legislation on an appropriation bill and the controversy that will ensue. I am familiar with the State Department's portion of this appropriation bill. The postwar plans of the State Department are all scrambled up; they are not now in the form of legislation because the Department has not yet made up its collective mind what it wants.

One of the bills for basic authority was introduced on March 29 and has had just half a hearing. Another of the bills went out of committee, but has been held up by the Rules Committee, and a number of amendments were put into it again this morning. The whole information program is still without any authority in law.

Mr. Speaker, if this rule is adopted, here is what you are going to do: In the face of the opposition of the Associated Press and the United Press you are going to permit the international short-wave broadcasting of spot news, a monopolistic Government propaganda program that goes all over the world. Ten million dollars will remain in this bill for information. Of that about $6,000,000 is needed for the short-wave-broadcasting program or it will be ineffective; about $3,000,000 for the mere physical equipment and the payment of rent for the seven stations that the Government now controls, and the other $3,000,000 for programs.

Of course, the Department would probably not spend nearly two-thirds of its information appropriation on this program. If this bill goes through as it is, and if the pending rule is adopted, you may have a mere part of a short-wave program. You are doing the same thing as if you constructed half of an airplane, gave it one wing, and expected it to fly and defend your country. The program is either good or bad. At present, in this bill, it is only half provided for because it is only half-baked. This short-wave-broadcasting program should be left out of this bill and considered carefully through hearings by a committee before we appropriate fractionally for it.

As far as the Associated Press and United Press are concerned the State Department takes this position: "We are for them; we are for the free spreading of news all over the world, even though we have a slight controversy in reference to this matter. We do not want to monopolize the flow of news."

But, Mr. Speaker, as far as short-wave international broadcasting is concerned, the State Department is now contemplating a complete monopoly. Let me quote part of a letter I received from Charles R. Denny, Acting Chairman of the Board of War Communications. This letter, dated April 22, 1946, is in answer to questions of mine about the seizure of Station WRUL, a privately financed station, which up to the time of its seizure was devoted entirely to international short-wave cultural and informational programs. Here is what Mr. Denny says:

> If the seizure order is lifted WRUL's status will then be exactly the same as all other international stations, namely, its facilities will continue to be licensed to a private group but it will in fact be operated by the State Department, which has entered into agreements with each of the international stations for the purchase of their entire time.

Note the words "all international stations," and "entire time."

A complete monopoly, therefore, is contemplated and it can go into effect unless we vote down the rule and postpone action on this most important international broadcasting program until the legislative committees can fully consider the matter. Plans are under way in the State Department to organize this short-wave program so as to preserve the free flow of news and information. These plans have not yet been made public. We should consider these plans in Congress and pass legislation protecting this program from Government monopoly, before we appropriate for it.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, with a national debt of $275,000,000,000, and with the expressions during the past months by many Members of the Congress that they are for economy in Government, well, if you are, here is the time either to show it by voting down this rule, or else speak up and say that you want to establish more functions of Government and permit that to go on, increasing bureaus and squandering money. In this bill you are giving $45,000,000 more to the Secretary of Commerce. Just remember how the Secretary of Commerce, when he was Secretary of Agriculture, burned wheat, plowed under the cotton, and killed all the little pigs. Something to remember. Now that is just about what is going to happen to your Department of Commerce, and if you set up these secretaries that he is asking for, just remember that you are going to have a terrible condition in this country, by your squandering—and it is about time to stop it. We now have too much Government here in Washington. These bureaucrats want to regulate and control the American people in everything they do. It is time to stop it. Now is the time to put a stop to all this bureaucratic regulation, this business of telling the farmer what he can, should, and must do. It is time to stop these bureaucratic and Hitlerized methods before the same thing befalls our people that came over Hitler's people; no more of it.

What can a man do in the Commerce Department who never was successful in business. It requires a competent businessman in the Department of Commerce to handle the business of America under the private-enterprise system. That is the system that built up America and created jobs along with our farmers. Let us build, not destroy. Vote down this rule.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, this rule brought to the floor by the Rules Committee of the House ought to be rejected. It prohibits a Member from submitting a point of order against any portion of the bill that would otherwise be knocked out on the ground such item in the bill is legislation with authority of law. This House should not adopt a policy permitting the Appropriations Committee to usurp and take over the authority of legislative committees. Under this rule, appropriations can be voted for agencies that have not been authorized by law to spend the funds appropriated. Under this rule hundreds of millions of dollars can be expended without justification before any one of our legislative committees. The expenditure of funds under this legislation involves the policies to be adopted not only by our own people, but millions of it relates between our people and our Government, and governments in other parts of the world. Tell me, if you will, why all of these items should not be justified by regular procedure adopted by the House. Why circumvent the legislative committees? Can it be possible that this House is so eager to spend these huge funds for the ever-expanding Department of State and the growing Department of Commerce, without at least holding hearings on millions of dollars of expenditure appropriated in this legislation? If they can be justified, of course, this House will grant every dollar it believes necessary to carry on the activities of these great departments of government.

If the House adopts this rule, we will give consideration to the expenditure of millions of dollars for purposes upon which no hearings have been held by committees that are expected to hold open hearings, receive testimony, and give approval or disapproval to the problems involved. We should defeat this rule and follow the regular procedure adopted and approved by this House many times before. That procedure is well known. The function of the Appropriations Committee is to recommend the amount of funds to be used and expended by the various departments of our Government, under legislation adopted by the House, after it is proposed by our regular legislative committees. If we adopt this rule, we violate that very important procedure.

This is a procedure of bringing legislation to the floor of the House through the back door. Such procedure should not be tolerated or approved by the House of Representatives. The rule ought to be rejected and regular procedure should be followed.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. WINTER].

Mr. WINTER. Mr. Speaker, there is one big reason why this rule should be defeated. This bill, which is to be considered, if this rule is adopted and all points of order against it are waived, is going to bring forth a bill which, if passed, will give birth to one of Henry Wallace's biggest idealistic dreams. He is asking for three additional assistant secretaries in his Department. I happen to be a member of the subcommittee of the Committee on Interstate and Foreign Commerce which is holding hearings on a bill which provides authorization for the particular program for which appropriations are asked in the bill to be considered if this rule is adopted. This matter is before our committee now. Hearings were started yesterday morning and they are to be continued next Monday morning.

Here is what is partially included in that bill: In the 3 minutes' time that I have I cannot begin to explain it, but Mr. Wallace is asking for an Assistant Secretary to supervise the program he has set up for small business. For what purpose? Mr. Wallace sets it out in his statement, something like three and one-half pages, containing the 14 sections Wallace desires to promulgate in his Department under the Assistant Secretary for small business. Now what are some of the things he wants to do? He wants to formulate and develop plans and programs for counseling prospective businessmen in establishing and operating a business. What does Henry Wallace know about successfully operating a business? He wants to formulate and develop plans for training business counselors in the field, establishing and maintaining business information services to provide information for those interested in entering and operating small business. I asked Henry Wallace on the stand yesterday, "What is the purpose of this? What do you want to do?" He said, "I want to put counselors out in the field, and agencies throughout the United States, the same as I did in the Department of Agriculture, with the county agents, to advise people and to keep them from going bankrupt and to show them how to run a business successfully." That is what he said he wanted to do. Mr. Gillette asked him, "Well, do you not think the bankers in our communities can advise us on our financial matters?" "Well," he said, "they might in some of the small communities, but that bankers generally did not have the knowledge to give the correct advice and that their interest would not be the same and that they would not have the technical knowledge that the Department would have to assist businessmen." Mr. Wallace said he wants to do for little business what the Department of Agriculture, under his leadership, has done for America and the American farmers and we are asked to adopt this rule, to waive points of order, so that Mr. Wallace can put his dream into effect without the Congress having authorized it. Mr. Wallace, in anticipation that the appropriation would be given him, has already set up the regulations in the Department of Commerce as of January 9, 1946. This rule should be defeated.

Mr. SABATH. Mr. Speaker, I yield the remainder of my time to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, if my colleagues will be kind enough to give me their attention, I shall undertake to tell them some things which I am sure they do not at the moment know—things which I think should influence the judgment that they make upon the issue now at hand.

I regret that my Republican colleagues on the Rules Committee take a different view than that which I hold. They know—and it is generally known—that I work harmoniously with them, and that on occasion we find ourselves in complete agreement.

I think probably my opposition to the cultural relations bill has been more noticeable than that of any other Member of this body. It is to that part of the bill that makes appropriations for the cultural programs set up by the State Department that I wish to address my remarks most directly. When the Committee on Foreign Affairs came before the Rules Committee on its application for a rule for the consideration of the so-called Bloom bill, I was active in stimulating opposition to it. My objection to the proposal was not so much on account of what the bill contained, but was due to a complete lack of confidence in those in the State Department to whom the administration of the measure would be given. I think it fair, not inappropriate, at least, to say that there has been an impression rather widespread that there

are too many undesirable people holding important places in the State Department, and too many of like character occupying positions of less importance.

I have no disposition to criticize the action of the President, but it was unfortunate that circumstances were such that he was probably compelled to cover into the State Department Elmer Davis' group and the Nelson Rockefeller set-up. The meaning of that was that many, many undesirable people were taken into the State Department.

I have always felt—and I feel now—that one of the worst organizations ever put together was the Elmer Davis outfit. I think they did a splendid job—a splendid job in misrepresenting our country to the rest of the world. I have never had any confidence in the Nelson Rockefeller group. I think, too, that outfit misrepresented our country to the so-called South American republics. That view I have unhesitatingly expressed publicly, in the committee, and to responsible people in the State Department. I have, with others, insisted that something be done in the State Department to improve personnel to the point of regaining public confidence.

I do not believe I am disclosing anything the public is not entitled to know when I tell you that the State Department has for weeks now been exerting itself to the limit in an endeavor to screen out of the Department and all divisions of the Department all undesirable people.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. COX. If the gentleman would defer for a moment, may I yield to him later? I am sure the gentleman agrees with what I am saying in that regard.

I have had a number of conferences with the Secretary of State and with Assistant Secretaries, and I want to say to you, and I speak advisedly, that the Secretary of State is running the State Department. I think I should go further and express the opinion, which is an advised one, that the free hand which the President has given the State Department has been by him extended to all of the other departments of the Government. I do not know that it is the result of this agitation, but I do know that the State Department many weeks ago, as I have stated, set about to clean out the Department from top to bottom. The FBI was called in and was given a free hand in the screening of personnel. I do not think there is any agency of the Government, certainly not one within my recollection, which because of the magnificent job that it has done, has more completely earned the confidence of the public such as it enjoys. The FBI has been at work. The State Department did not stop there. The Department went further and set up what is called, I believe, a security board or a security committee. Those that make up that board or committee were carefully selected. They got them from the Secret Service and from everywhere. For their Americanism, I vouch. I have complete confidence in the committee. That committee, working with the FBI, have thus far screened out hundreds of people in the Department, and they are going out daily. There is one difficulty the Department operates under. Many people in the Department are under the civil service. Of course, those that were under wartime civil service are not so difficult to deal with, but those who enjoy a permanent civil-service status are sometimes difficult to deal with effectively.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman.

Mr. TABER. I understand that the Department is having difficulty in getting rid of a lot of these people that it feels it should get rid of. I was wondering if the gentleman has reached the point where he would cooperate in bringing about the adoption of the amendment that will be proposed by the gentleman from Massachusetts [Mr. WIGGLESWORTH], which would prohibit the payment of any money to any of them who are transferred to the Department after September 1 until clearance as to loyalty has been certified by the FBI and the appropriate security committee or board?

Mr. COX. I am sorry, but I cannot make a responsive answer to the gentleman's question further than to say that such a vote on my part would be consistent with my record in this House on such matters.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. COX. Certainly, I yield to my friend.

Mr. DONDERO. The gentleman knows I greatly admire the position of the gentleman from Georgia.

Mr. COX. Yes; and that feeling is reciprocated. I have great respect for and great confidence in the gentleman from Michigan.

Mr. DONDERO. Will the gentleman advise the House when this Security Board was set up by the State Department?

Mr. COX. It was set up several weeks ago. I regret that I cannot give the gentleman the exact date. But that it is functioning, and functioning effectively, I can give positive assurance. I have been in the Department and I know whereof I speak. I am not indulging in extravagances. I am undertaking to be conservative in what I say.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the distinguished gentleman from Kentucky.

Mr. MAY. Can the gentleman tell us how it happens that the State Department got into such a condition that this purge had to be put on?

Mr. COX. Well, I do not want to criticize anybody. I can answer the gentleman this far, that with the relations that now exist as between the Department and the Executive, there will be no other bad people going into the Department.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Pennsylvania.

Mr. RICH. Do you believe we should adopt this rule and permit the Secretary of Commerce to set up the organization which he is trying to set up in this bill?

Mr. COX. I think the rule should be adopted. As I said a moment ago, I regret that my Republican colleagues find themselves in a position where they cannot support it. I would like to say to the gentleman from Pennsylvania, if he will examine the bill he will find that it provides for no assistant secretaries, but it provides for assistants to the Secretary. One of those assistants is for small business; another for international trade, and another for domestic trade. I am not an enthusiastic supporter of the Secretary of Commerce, but if he needs help, I think the Congress ought to give it to him.

Mr. RICH. With the knowledge that you know he has of business, how about his going out and trying to set up a business organization?

Mr. COX. Let me make further answer to the gentleman, that the adoption of this rule deprives the House of no power. It will, of course, work its will upon every item of the bill, and will in no way be crippled in its free consideration of the matter as a result of the adoption of the rule.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the distinguished gentleman from Michigan.

Mr. HOFFMAN The gentleman has many times opposed rules of this kind permitting legislation on appropriation bills. How does the gentleman reconcile his former position with the position he is now taking?

Mr. COX. No; I have not. There has been no rule brought into the House waiving points of order on appropriation bills which I did not favor in the Rules Committee, and which I did not support on the floor of this House. Let me say to my friend that when representatives of the Appropriations Committee came before the Rules Committee on this bill, they made out what I thought was an excellent case. I could not find it within my heart to oppose the granting of a rule which in no wise was different to rules that have been granted year after year and term after term on appropriation bills.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. COX. I am obliged to yield to my colleague on the committee.

Mr. ALLEN of Illinois. Does the gentleman have in mind that this would permit the Secretary of Commerce, Mr. Wallace, to place about 50 political appointees throughout the United States? The gentleman knows what Mr. Wallace recently had to say about purging the loyal Democrats. I am wondering if the gentleman from Georgia thinks he is included in that category?

Mr. COX. The adoption of this rule permits the Secretary of Commerce to do nothing. The Secretary of Commerce will have no power under this bill until Congress has worked its will upon it. Congress will have free and unlimited discretion to do whatever it pleases with the measure if the rule is adopted and consideration is permitted.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield further?

Mr. COX. Of course; I yield to the gentleman.

Mr. ALLEN of Illinois. I have always felt that the gentleman from Georgia was a very wise man, but I am beginning to wonder whether he is or not if he is willing to permit the Secretary of Commerce to make 50 political appointments throughout the United States.

Mr. COX. I have no disposition to attack anybody in any forum where he has no opportunity to defend himself. I am not however a special pleader for Mr. Wallace. He does not enjoy, I am sorry to say, my complete confidence as others in the Government do. I do not question his integrity or his sincerity, but I have a lack of confidence in his judgment. Now let me proceed further, please.

I wish to talk to you a little bit further about this so-called cultural relations bill. One, on a first reading of the bill, would, I am sure, be impressed with the thought that there is some, maybe considerable, "boondoggling" in it, but a careful examination of the measure will dissipate that view, and I have made an earnest and an honest endeavor to get information and to understand just what is in the making, what is proposed. The gentleman in the State Department who is in charge of this activity and who would be in charge of it in the event that the bill were adopted, and later if the Bloom bill is adopted, is Mr. Benton, one of the assistant secretaries. Originally I was not so confident of Mr. Benton, but I have gone into his record and have made a careful examination of it. I am here prepared to say to you that I believe in his Americanism just as competently as I do in yours, my brethren here on this floor. He is a wonderfully well-informed man. He knows the problem and is just as much opposed to Red influences getting into it as I am myself. I know that if this money is provided and this power is given him, he will use every possible care in putting together the organization that will administer the measure.

Now, Mr. Speaker, my position on public questions is well known, my position on political issues is likewise well known. I am motivated by but one thing and that is to do right; my only desire is to serve my country well, and I hope that my colleagues will not shut their hearts against this proposal, for it is something that our Government is obliged to do. It is something that every other government in the world is doing. Many of the governments are spending for this kind of work many times the amount provided for under this bill.

Mr. Speaker, again I say we are obliged to do what is here proposed. We are obliged to do something to maintain that prestige at the heights to which the Nation's sons of glory took us in that terrible conflict which has so recently ended. It is something we must do and I think we will be serving the best interests of this country if we support this measure and give the State Department the power to do this under assurances that care will be exercised in the selection of personnel and let them carry on the work. I have confidence in and am proud of the State Department as it is now carrying on.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. MAY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAY. Mr. Speaker, if the pending resolution is adopted, will it be in order during the proceedings in the Committee of the Whole to move to strike from the bill any of the legislative provisions included in it?

The SPEAKER. That would always be in order, of course. Any germane amendment is in order at any time under any rule.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. ALLEN of Illinois) there were—ayes 100, noes 106.

Mr. SABATH. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 141, nays 133, not voting 156, as follows:

[ROLL NO. 102]

YEAS—141

Abernethy	Hare	Patman
Andrews, Ala.	Harris	Pfeifer
Bailey	Havenner	Philbin
Barrett, Pa.	Hays	Poage
Barry	Hébert	Powell
Beckworth	Hoch	Price, Ill.
Biemiller	Hook	Priest
Bland	Huber	Quinn, N. Y.
Bloom	Izac	Rabaut
Boykin	Jackson	Rabin
Brown, Ga.	Johnson, Luther A.	Randolph
Bryson	Kee	Rayfiel
Bunker	Kefauver	Resa
Burch	Kelley, Pa.	Richards
Cannon, Mo.	Kilday	Riley
Carnahan	Kirwan	Rivers
Clark	Klein	Robinson, Utah
Colmer	Kopplemann	Roe, Md.
Cooper	Lanham	Rogers, N. Y.
Cox	Larcade	Rowan
Cravens	Lesinski	Sabath
D'Alesandro	Link	Sadowski
Davis	Luce	Sasscer
De Lacy	Ludlow	Savage
Delaney, James J.	Lyle	Sheppard
Douglas, Calif.	Lynch	Smith, Va.
Douglas, Ill.	McCormack	Somers, N. Y.
Drewry	McGlinchey	Sparkman
Eberharter	McMillan, S. C.	Spence
Ervin	Mahon	Starkey
Fallon	Manasco	Sullivan
Fernandez	Mansfield, Mont.	Thom
Flannagan	Marcantonio	Thomas, Tex.
Fogarty	May	Thomason
Folger	Mills	Torrens
Forand	Morgan	Traynor
Gallagher	Murdock	Trimble
Gary	Murray, Tenn.	Vinson
Geelan	Neely	Voorhis, Calif.
Gibson	Norrell	Walter
Gordon	O'Brien, Ill.	Wasielewski
Gore	O'Brien, Mich.	Weaver
Gorski	O'Neal	West
Granahan	O'Toole	Whitten
Grant, Ala.	Outland	Whittington
Green	Pace	Wolverton, N. J.
Gregory		Worley
		Zimmerman

NAYS—133

Allen, Ill.	Andrews, N. Y.	Auchincloss
Andersen, H. Carl	Angell	Baldwin, N. Y.
	Arnold	Barrett, Wyo.
Bates, Mass.	Goodwin	McMillen, Ill.
Beall	Graham	Martin, Mass.
Bennet, N. Y.	Griffiths	Mason
Bennett, Mo.	Gross	Mathews
Bishop	Gwynne, Iowa.	Michener
Blackney	Hale	Miller, Nebr.
Bolton	Hall, Edwin Arthur	Mundt
Bradley, Mich.	Hall, Leonard W.	O'Hara
Brehm	Halleck	Pittenger
Brown, Ohio	Hancock	Ploeser
Buck	Hand	Plumley
Buffett	Herter	Ramey
Butler	Heselton	Rankin
Byrnes, Wis.	Hess	Reed, N. Y.
Campbell	Hill	Rees, Kans.
Canfield	Hinshaw	Rich
Case, N. J.	Hoffman	Rizley
Chenoweth	Holmes, Mass.	Robertson, N. Dak.
Chiperfield	Hope	Robsion, Ky.
Church	Horan	Rockwell
Cleveuger	Howell	Rogers, Mass.
Clippinger	Jenkins	Schwabe, Mo.
Cole, Kans.	Jennings	Schwabe, Okla.
Cole, Mo.	Jensen	Scrivner
Cole, N. Y.	Johnson, Calif.	Sharp
Corbett	Johnson, Ill.	Short
Crawford	Jones	Smith, Maine
Curtis	Jonkman	Smith, Ohio
D'Ewart	Judd	Springer
Dolliver	Kean	Stefan
Dondero	Kearney	Sundstrom
Dworshak	Kilburn	Taber
Eaton	Kinzer	Talbot
Ellis	Knutson	Talle
Elsaesser	Kunkel	Tibbott
Elston	Latham	Towe
Engel, Mich.	LeFevre	Vorys, Ohio
Fellows	Lewis	Wigglesworth
Fenton	McConnell	Winter
Fulton	McCowen	Wolcott
Gerlach	McGregor	Woodruff
Gillespie		
Gillette		

NOT VOTING—156

Adams	Flood	Miller, Calif.
Allen, La.	Fuller	Monroney
Almond	Gamble	Morrison
Anderson, Calif.	Gardner	Murphy
Andresen, August H.	Gathings	Murray, Wis.
Arends	Gavin	Norblad
Baldwin, Md.	Gearhart	Norton
Barden	Gifford	O'Konski
Bates, Ky.	Gillie	Patrick
Bell	Gossett	Patterson
Bender	Granger	Peterson, Fla.
Bonner	Grant, Ind.	Peterson, Ga.
Boren	Gwinn, N. Y.	Phillips
Bradley, Pa.	Hagen	Pickett
Brooks	Harless, Ariz.	Price, Fla.
Brumbaugh	Harness, Ind.	Rains
Buckley	Hart	Reece, Tenn.
Bulwinkle	Hartley	Reed, Ill.
Byrne, N. Y.	Healy	Robertson, Va.
Camp	Hedrick	Rodgers, Pa.
Cannon, Fla.	Heffernan	Roe, N. Y.
Carlson	Hendricks	Rogers, Fla.
Case, S. Dak.	Henry	Rooney
Celler	Hobbs	Russell
Chapman	Hoeven	Ryter
Chelf	Holifield	Shafer
Clason	Holmes, Wash.	Sheridan
Clements	Hull	Sikes
Cochran	Jarman	Simpson, Ill.
Coffee	Johnson, Ind.	Simpson, Pa.
Combs	Johnson, Lyndon B.	Slaughter
Cooley	Johnson, Okla.	Smith, Wis.
Courtney	Keefe	Stevenson
Crosser	Kelly, Ill.	Stewart
Cunningham	Keogh	Stigler
Curley	Kerr	Stockman
Daughton, Va.	King	Sumner, Ill.
Dawson	LaFollette	Sumners, Tex.
Delaney, John J.	Landis	Tarver
Dingell	Lane	Taylor
Dirksen	Lea	Thomas, N. J.
Domengeaux	LeCompte	Tolan
Doughton, N. C.	Lemke	Vursell
Doyle	McDonough	Wadsworth
Durham	McGehee	Weichel
Earthman	McKenzie	Welch
Elliott	Madden	White
Ellsworth	Maloney	Wickersham
Engle, Calif.	Mankin	Wilson
Feighan	Mansfield, Tex.	Winstead
Fisher	Martin, Iowa	Wolfenden, Pa.
	Merrow	Wood
		Woodhouse

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Wickersham for, with Mr. Taylor against.

Mr. King for, with Mr. Henry against.
Mr. Holifield for, with Mr. Lemke against.
Mr. Dingell for, with Mr. Reed of Illinois against.
Mr. Morrison for, with Mr. Gavin against.
Mr. Sheridan for, with Mr. Rodgers of Pennsylvania against.
Mr. Keogh for, with Mr. Brumbaugh against.
Mr. Doyle for, with Mr. Fuller against.
Mr. Maloney for, with Mr. Gamble against.
Mr. Patrick for, with Mr. Adams against.
Mr. Miller of California for, with Mr. Hartley against.
Mr. Byrne of New York for, with Mr. Arends against.
Mr. Cochran for, with Mr. Johnson of Indiana against.
Mr. John J. Delaney for, with Mr. Harness of Indiana against.
Mr. Mansfield of Texas for, with Mr. Grant of Indiana against.
Mr. Heffernan for, with Mr. Ellsworth against.
Mrs. Woodhouse for, with Mr. Gillie against.
Mr. Lane for, with Mr. Carlson against.
Mr. Robertson of Virginia for, with Mr. Martin of Iowa against.
Mr. Roe of New York for, with Mr. Shafer against.
Mr. Hart for, with Mr. Thomas of New Jersey against.
Mr. Bulwinkle for, with Mr. Simpson of Illinois against.
Mr. Hendricks for, with Mr. Wilson against.
Mr. Buckley for, with Mr. Simpson of Pennsylvania against.
Mr. Rooney for, with Mr. Wolfenden of Pennsylvania against.
Br. Bradley of Pennsylvania for, with Miss Sumner of Illinois against.

General pairs until further notice:

Mr. Slaughter with Mr. Keefe.
Mr. Baldwin of Maryland with Mr. Wadsworth.
Mr. Cannon of Florida with Mr. Hoeven.
Mr. Healy with Mr. Bender.
Mr. Bell with Mr. Hagen.
Mr. Hobbs with Mr. Clason.
Mr. Coffee with Mr. Dirksen.
Mr. Bonner with Mr. Gifford.
Mr. Jarman with Mr. Holmes of Washington.
Mr. Combs with Mr. Anderson of California.
Mr. Boren with Mr. Stockman.
Mr. Lyndon B. Johnson with Mr. Reece of Tennessee.
Mr. Kelly of Illinois with Mr. Stevenson.
Mr. Brooks with Mr. Murray of Wisconsin.
Mr. McGehee with Mr. Smith of Wisconsin.
Mr. Domengeaux with Mr. LeCompte.
Mr. Monroney with Mr. Merrow.
Mr. Gossett with Mr. Case of South Dakota.
Mr. Stewart with Mr. August H. Andresen.
Mr. Granger with Mr. Gwinn of New York.
Mr. Johnson of Oklahoma with Mr. Welchel.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON THE RESCISSION BILL

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted a conference report and statement on the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year ending June 30, 1946, and for other purposes.

CONFERENCE REPORT ON SECOND DEFICIENCY APPROPRIATION BILL

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted a conference report and statement on the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes.

STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATION BILL, FISCAL YEAR 1947

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6056, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee last rose the first paragraph of the bill had been read.

The Clerk will read.

The Clerk read as follows:

TITLE I—DEPARTMENT OF STATE

OFFICE OF THE SECRETARY OF STATE

Salaries: For Secretary of State; Under Secretary of State, $12,000; Assistant Secretaries of State, $10,000 each; and other personal services in the District of Columbia and elsewhere, including the employment of aliens; and not to exceed $35,000 for the temporary employment of persons in the United States, without regard to civil service and classification laws; $17,400,000.

Mr. JONES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 2, line 5, after the word "Columbia", strike out the remainder of the line and all of lines 6, 7, 8, and 9, and insert "$15,066,473."

Mr. JONES. Mr. Chairman, my amendment would provide the exact amount that the committee allowed for the regular, ordinary services of the State Department, except the Information Service. The State Department originally requested for the services involved in this paragraph the sum of $23,861,000, which the committee cut down to $17,400,000. This amount, $17,400,000 allowed by the committee, is composed of items covering the regular functions of the Department and the office of the Secretary to the tune of $14,750,000. The committee allowed 52 percent of the request for the Information Service, or $2,284,663. It also allowed 56 percent for functions of the Foreign Economic Administration and for this purpose the committee allowed $316,473. This makes a total in round figures of $17,400,000.

The amendment I have offered will still provide the $316,473 that the committee allowed for the State Department's portion of the Foreign Economic Administration. My amendment will leave that $316,473 item in untouched, and it will allow everything that the committee wanted for the regular functions of the Secretary's office, amounting to $14,750,000. So that my amendment will leave in the bill $15,066,473.

Now that sum of money is not hay for the Secretary's office to use during the next fiscal year. I think it is fair, I think it is reasonable, I think it is adequate to conduct the head office for our affairs with the foreign nations of the world.

There will be other speakers under the 5-minute rule who will explain what has transpired before the Committee on Foreign Affairs and what their objections are to the Information Service conceived by the State Department. I feel it is unfair to include in an appropriation bill an amount for any major function, such as this Information Service, when there has been such a great deal of smoke as the matter was presented before the legislative committee and before the Rules Committee, and still not disposed of by either committee. A couple of members of the Rules Committee, who had opposed the legislation which would authorize and make legal the Information Service, by some kind of mental gymnastics, have found justification to vote for a rule which would authorize this Information Service in the State Department appropriation bill. I do not know of any reason why they should change their minds. It is still the same question and the same contemplated function whether you attach the legislation to an appropriation bill or authorize the function in a legislative bill. It is worse, however, to permit legislation in an appropriation bill, as I pointed out in the debate on the rule, because once the Committee on Appropriations adopts the language requested by the State Department and as written by the Budget Bureau, no one can rise here on the floor of the House and recommend legislation of a perfecting nature. Why? Should a Member offer such an amendment it would be subject to a point of order. It would be stricken on objection of any Member. If amendments are offered by members of the Foreign Affairs Committee who are familiar with the legislative history of bills to authorize and make legal the appropriations in this bill—this item alone amounting to $2,284,000 plus the total information service of $10,000,000—I daresay a point of order will be made against such a perfecting amendment. It is unfair and it is unjust to the will of the House to have rules reported out and adopted legalizing the illegal items and foreclosing perfecting amendments because they are "legislation on an appropriation bill."

The CHAIRMAN. The time of the gentleman from Ohio has expired.

WAIVING POINTS OF ORDER NOT A CLOSED RULE

Mr. SABATH. Mr. Chairman, I ask for recognition merely to make it clear that when a rule is brought in here waiving points of order, that does not deprive any Member of the opportunity to offer any amendment to any provisions in the bill. Apparently some gentlemen are under the impression that when a rule is brought in waiving points of order on any particular provision in the bill, that that provision is not subject to amendment. All of these provisions are subject to amendment, and amendments

can be offered to any of the provisions that are made in order by such a rule waiving points of order. Have I made myself clear?

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. JONES. I would like to correct the gentleman. If an amendment is offered that has legislation in it, in order to perfect a particular provision, any Member can make a point of order against such a legislative provision.

Mr. SABATH. Of course, if it is legislation in an appropriation bill and not authorized by law, a point of order will lie. That is the reason, however, that the Committee on Rules comes in with a rule.

Mr. JONES. At that point, will the gentleman yield?

Mr. SABATH. I am sorry; I cannot yield now. The rule provides that a point of order shall not lie if the rule, as in this instance, waives the point of order. I regret to note that it is frequently misunderstood, not only by the gentleman, but by other Members, that a rule waiving points of order precludes the offering of amendments. That is not so. To all such provisions amendments will lie. The amendments can be debated just as can any other provision not subject to a point of order. There are many Members, especially, perhaps, among the newer Members, who are under the misapprehension that waiving a point of order deprives Members of the House of some of their rights. On the contrary, such a rule gives Members an opportunity of speaking to or opposing provisions against which a point of order might otherwise lie. Many confuse the waiving of the point of order with a closed or gag rule, which does deprive Members of the right of offering amendments, or of speaking to the amendments. I am pleased to say that as long as I have been chairman of the Committee on Rules I have opposed the granting of closed or gag rules, except in the case of complicated revenue or tax bills.

HOUSE HAS POWER TO ACT

Now the adoption of the rule is up to the House. The House has complete jurisdiction to vote it up or down, so no one is hurt or denied any right by such a rule as this, with the exception, as I have said, and I pointed out instances some time ago, that I shall oppose any rule waiving points of order on any appropriation bill that attempts to legislate. That function belongs to the legislative committees. But in this instance a legislative bill has been reported by the committee. Originally I think 20 out of the 21 members of the Committee on Foreign Affairs voted to report that bill. But after the Committee on Rules had the bill before it, a few gentlemen thought that there ought to be some amendments. After discussion some of the gentlemen on this side felt the bill should be taken back to the Committee on Foreign Affairs, and we suggested that before a rule was granted they should take the bill back, have additional hearings, and agree to some of the amendments. That has been done.

LEGISLATION DESIRED BY ALL DEPARTMENTS

As I understand, and have stated—and I have given this matter a great deal of thought—this legislation is urgently desired, not only by the Department of State, but by the Departments of Agriculture, Commerce, War, Navy, and Treasury. I understand that several Republican members of the Rules Committee who opposed the rule in committee will oppose it also on the floor. I fear they are trying to make a political issue out of this legislation, which is beyond doubt in the best interest of the country, and aims to familiarize the world, not only with our democratic form of government, but with what we have and what we can produce and furnish to the world so as to compete on an equal basis with other nations who are spending millions for world trade and propaganda.

I am informed also that the gentleman from Ohio [Mr. VORYS] and other members of the Committee on Foreign Affairs have been browbeaten into opposing this legislation, notwithstanding that they voted for it in committee.

As one who has always advocated a policy that would encourage our foreign trade and benefit our country, I think it is more than ever necessary today to be sure of a market for our exportable surpluses which our tremendous productive capacity will furnish.

As to the three additional Assistant Secretaries in the Department of Commerce to which my Republican friends object because, they say, the bill to authorize these offices is in the Committee on Interstate and Foreign Commerce, I say to them they have had ample time in which to report such needed and constructive legislation. Moreover, the real objection is that it would give Secretary Wallace, our most efficient Secretary of Commerce, who is endeavoring with all his might to demonstrate to our industrial leaders—though he will sometimes criticize those who deserve it—that he has their interest and the interest of the country at heart. He is striving to bring about still greater efficiency, and to extend our foreign trade, and this is bound to improve employment opportunities for our American wage earners and to increase the output and therefore the profits of our manufacturers and businessmen, some of which will trickle back into the United States Treasury so that we can begin to reduce our national indebtedness.

Mr. RABAUT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as I understand the rule, it was to take care of a situation whereby any Member of the House could, by making a point of order against it, strike out a certain paragraph of the bill because of the fact that it was legislation on an appropriation bill. Under the rule we have just passed, any Member of the House can still seek to strike that same language, but it can be stricken only by the will of the House expressed by a majority vote. That is all the rule does.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Minnesota.

Mr. GALLAGHER. If that rule had not been adopted, one person could have brought about the striking of a paragraph. Such a procedure means that the House does not write the measure but the Senate does.

Mr. RABAUT. The gentleman is right.

The Subcommittee on Appropriations examined this program with great care. We concluded that it is necessary for the State Department to continue some information activities in peacetime. President Truman asked the State Department to carry on an information program as an integral part of our foreign relations.

Secretary Byrnes came before our committee and talked for nearly half an hour about the importance of that information program. I will now read just one paragraph from his testimony before our committee, and I hope the Members will give it their attention, because there are 10 paragraphs in this bill where similar amendments and similar attacks upon this measure may be attempted. Secretary Byrnes said:

> There was a time when we could afford—or thought we could afford—to be unconcerned about what other people thought of us. That time is past. We shall be making decisions, within the United Nations Organization, and independently, that will have repercussions affecting the lives of ordinary people all over the globe. Our attitude and our actions—and rumors thereof—will be matters of concern everywhere.

There will be rumors of what is taking place here today.

> As never before we shall have to explain ourselves—and explain ourselves thoroughly and promptly.

There is the gist of the argument, there is the most of it. This House is responsible today before the world, and its actions, the way we treat a program of this magnitude, will have repercussions all over the world.

This committee has used a paring knife, and in some quarters it has been accused of using it too liberally. That is for you to judge, but to go further at this time is certainly a step in the wrong direction.

In Russia no private information agencies are allowed to operate. The best hope of information that the Russian people, at least some of them, have, concerning what America is and does, as we Americans see it, is through the State Department program. If it is the ambition of Members of the House to cut it out, let them remember that information about America is being denied to those whom we would inform.

Mr. MASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am opposed to the establishment of an Office of Peace Information in the State Department.

The question this proposed Office of Peace Information poses to this Congress is, Do we want to ape the Hitler subsidized propaganda machine of yesterday or the Stalin subsidized propaganda machine of today? We know through recent bitter experience the effect of such

propaganda machines and the dangerous potentialities of such machines. Are we now to set up a Government propaganda machine to color and distort the news?

Mr. Chairman, we are told that the purpose of this new OPI—designed to replace OWI—is that the story of America, the American conception of democratic freedom, the American way of life, American thought, might be told to the world in the fullest and most unbiased manner. A very laudable and plausible objective, one that we all approve. However, the question is, How can the voice of America best be heard without compromising the integrity of the news, the objectivity of the news, which the voice of America is pledged to protect, and which our founding fathers guaranteed would be protected when they adopted the Bill of Rights?

Mr. Chairman, the State Department cannot afford to speak the truth after engaging as it has in power politics, and participating in world crimes. It is hard to see how the State Department, for instance, would dare tell all the truth in short-wave broadcasts to Poland explaining its partition which the State Department agreed to; or to Yugoslavia explaining its reign of terror; or to the Baltic States explaining the exiling and interning of large segments of their populations. The task, if it is to be done at all—truthfully and impartially—must be left to the American press. It alone has merited the respect of the American public and it alone should carry on the untrammeled exchange of unbiased news among nations. Truth is an American ideal. It must be preserved at all costs.

Mr. Chairman, there is another Ethiopian in this bill that I want to bring out and emphasize. It is in connection with order No. 24, issued by the Board of War Communications on November 4, 1942. That order provided for the seizure of the international radio broadcasting stations WRUL, WRUS, WRUX, and the use of those short wave world stations for Government propaganda purposes. This order was issued under the authority of Executive Order No. 8964.

These stations are the only privately owned international broadcasting facilities in the United States today that are subject to this seizure order and are now under Government control. The owner of WRUL, Mr. Walter S. Lemmon, president of World Wide Broadcasting Corp., has petitioned the State Department for the return of his stations. Mr. Lemmon contends that since the war is over the purpose for which the Government seized these stations no longer exists. Assistant Secretary of State William B. Benton has taken Mr. Lemmon's petition under advisement, hopefully awaiting favorable congressional action on the Bloom bill which would authorize the State Department to enter the broadcasting field, the newspaper field, and the movie field. The bill before us appropriates the money to pay the cost of doing so. The House Rules Committee, led by the gentleman from Georgia [Mr. Cox], has so far refused to give clearance to the Bloom bill. Yet we today have the spectacle of an appropriation bill carrying funds to put into effect the provisions of the Bloom bill.

Mr. Chairman, an editorial in the Boston Herald on Wednesday, December 26, 1945, called for the immediate release of WRUL, Radio Boston as it is usually called. I quote part of that editorial:

When America entered the war, it appeared necessary in Washington to take over WRUL, along with the commercial short-wave radio stations, to ensure that the voice of America would speak the authentic words of the Office of War Information. The wisdom of that action is debatable; there was no such governmental enlistment of the American press. But that issue is now moot. What should concern us is whether WRUL should continue to speak the official American line.

Though OWI is gone, there is a strong inclination in Washington to keep American short-wave stations under a semiautonomous agency in the State Department which is expected to handle American overseas propaganda. While this may possible be a suitable measure for the other stations, which are essentially commercial enterprises, it would be a tragic policy in the case of WRUL.

Radio Boston can serve America best in the American way. * * *

If the United States is to have a voice of democracy, it ought to be a democratic voice, and not one which echoes primarily what the Government says. WRUL should be returned to the World Wide Broadcasting Foundation without delay.

Mr. Chairman, in view of the foregoing facts and arguments, I urge that this committee refuse to sanction the establishment of a Government subsidized propaganda machine in the State Department. In order to prevent the establishment of an Office of Peace Information to replace the Office of War Information, we must adopt the amendment that is offered by the gentleman from Ohio [Mr. JONES].

[From the Washington Evening Star of February 1, 1946]

THE GREAT GAME OF POLITICS—BENTON CALLED UNCONVINCING IN EFFORT TO EXPLAIN INFORMATION AGENCY NEED

(By Frank R. Kent)

The effort of William Benton, the Assistant Secretary of State, who is endeavoring to establish for this country an official international information service, to explain that under him the distribution of news would be "objective" and, in no sense, propaganda, is singularly unconvincing.

No doubt, Mr. Benton is sincere in his belief and his intentions are pure. Even Elmer Davis believed that he, too, was "objective" in his conduct of the late and unlamented OWI, but the charges that quite often some very crude administration propaganda got mixed with American propaganda were fully substantiated and the agency never smelled very good. In time of war, propaganda, of course, is essential and proper; in time of peace, it is wholly out of tune with American precedents, principles and professions.

That is why the Associated Press board of directors, supported now by the United Press, have declined to furnish Mr. Benton's organization with their news for short-wave broadcasting now the war is over in the way they did the OWI when the war was on.

VIEW TAKEN BY AP

Their point is that no matter how well intentioned Mr. Benton may be no Government-sponsored news service, information service or publicity service, whether supplemental, background or whatever you choose to call it, can ever be really "objective"; that, no matter how it starts, it inevitably becomes propaganda in the end; that for us to establish such a service as is proposed is to do exactly the thing we have deplored in other nations; that soon or late it means an international propaganda race, sure to create friction and breed ill will, distinctly not in interests of world amity and accord.

Believing this, it is easy to understand why our great press associations refused to put their facilities at the disposal of Mr. Benton. And this refusal was strongly endorsed a few days ago by Mr. Christopher Chancellor, general manager of Reuter's the British news agency comparable to the Associated Press.

In a speech to newspapermen here Mr. Chancellor criticized British propaganda and deplored governmental news sponsorship anywhere at any time.

"News," he said, "is sacred. That is why any handling of news by government is so greatly to be feared. When governments go into the news business, it is very hard to get them out again. The appetite grows with the eating. If once you begin to tamper with the news, even with the highest motives, you find yourself sliding down the slippery slope toward a pit which is bottomless."

Exactly who conceived the idea of converting our wartime propaganda machine into a peacetime publicity machine is uncertain, but it took both clearheadedness and courage for the Associated Press to see through it and take a firm stand against it.

Neither the charges of the exasperated Mr. Benton that it is interfering with the foreign policy of the country and refusing to cooperate with the Government nor the ill-natured slurs of Mr. Davis over the radio, where he seems to be about as "objective" as he was as head of the OWI, diminish the basic soundness of the AP's position.

CAN'T DISGUISE FACTS

Nor do the local cries that America must not be left at a disadvantage by having no means of making her voice heard in the world disguise the facts, first, that we have gotten along pretty well in the past without this kind of business; second, that, call it what you will, it is certain ultimately, as Mr. Chancellor says, to put us into competition with the propaganda of other nations who can—and always will—beat us at that game.

Of course, there are other objections to the establishment of this far-flung "information service" aside from the one that it takes us along the propaganda road which we have always regarded as reprehensible in peace periods.

One of these is that it is expensive at a time when the great need of the Nation is for economy. Mr. Benton has mentioned a "six to ten millions" deficit, but conservative estimates put the cost at much more than that. A second is that the personnel of the organization is hardly first class. It is largely composed of the dregs of the OWI, which at its peak was none too good.

Several thousands, unable to get civilian jobs when the OWI was liquidated, succeeded in transferring to the State Department pay roll—and there they cling. The plan, it is said, is to man the new service with these.

A third objection is that the scheme is very unpopular with our career diplomats in all parts of the world who look with distaste at the prospect of having these former OWI employees thrust into their embassies and legations. They take a very dim view of the whole scheme—and their feeling is beginning to be reflected in Congress, where, naturally, they have friends.

It may be that that body, regarding this as no time to enter upon any new and costly experiment, will end the whole affair by simply declining to make the appropriation. Worse things could happen.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close now, because there are 10 paragraphs and there are similar amendments affecting those paragraphs that could be offered.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. TABER. Mr. Chairman, I object. This is the start of the whole thing, and if we are going to throw out any of it we ought to start right here. The debate on the other items ought not to be very long.

The CHAIRMAN. Objection has been heard.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this paragraph, and all amendments thereto, be limited to 35 minutes, the last 5 minutes to be reserved for the committee.

Mr. TABER. The committee should take the same as the rest of the Members.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Washington [Mr. SAVAGE] is recognized.

Mr. SAVAGE. Mr. Chairman, I could not help but respond to the gentleman from Illinois [Mr. MASON] when he compared the State Department of the United States, headed by a Cabinet Member appointed by the President, who is elected by the people, with Hitler's propaganda machine. I think it is very unfair to try to give the impression that we are setting up something similar to the propaganda machine of Hitler. Hitler was head of a group of gangsters that took over the government of Germany and carried on a campagn of hate and division in order to stay in power. This is international relations. It is entirely different from the function of the Hitler propaganda machine. That was set up to carry on Nazi propaganda inside Germany, as well as elsewhere. So I just wanted to point out that this is not to be confused by comparing democracy's information bureau with Hitler's propaganda machine.

The CHAIRMAN. The gentleman from Ohio [Mr. VORYS] is recognized for 2½ minutes.

Mr. VORYS of Ohio. Mr. Chairman, as one who feels that the United States should have an intelligent international postwar information program. I am supporting this amendment. This is the reason: The amendment would strike out just about the amount needed for programing of the short-wave broadcasting which is one of the most controversial items in the whole program, an item which under the appropriation provided by the committee will be either handicapped or necessitate the cutting down of the rest of the information program which is not in controversy.

We approach this matter, due to the rule that has been adopted, taking 10 bites at the program at various places in the bill, for there is no one time when we can intelligently take the thing by its four corners and examine it, and Members, including some who have already spoken, do not get time to explain what they know about the program. We approach this program when we have not yet heard in Committee from representatives not only of the Associated Press and the United Press but from any representatives of the press of the United States, many of whom feel that this program jeopardizes the free press. We have not yet heard anything from any representative of the radio industry, although this program contemplates a monopoly, a state monopoly, a government monopoly, if you please, in America, of all international short-wave broadcasting. So as a friend of the program I say let us hold up this program until we in the House can find out how it should run.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The gentleman from South Carolina [Mr. RICHARDS], is recognized.

Mr. RICHARDS. Mr. Chairman, the gentleman from Georgia very aptly stated that this bill includes appropriations for a program for a cultural relations and foreign information service that this Nation, in justice to itself, has got to perform, and a job that every other nation is already doing. It is a great pity, Mr. Chairman, that the American Government, the Congress, and the American people have not learned long ago that such a program will bring great benefits to us in the way of good will, and what it really means to the welfare of this country. My friend from Ohio, a little bit ago, said something about the Associated Press and the United Press not having been heard and being opposed to the short-wave broadcast portion of this program. So far as the Foreign Affairs Committee is concerned, and we have been considering legislation along this line for some time, the Associated Press and the United Press refused to testify on the subject before that committee. I understand that they did not appear and did not request to testify on the subject before the Appropriations Committee. But let it be said here that Mr. McLean, the president of the Associated Press, in a speech in North Carolina 3 months ago, wholeheartedly supported every item of this cultural relations program except one, and that was the short-wave broadcast program. It might be pertinent to mention to those who like myself cannot understand the position of the Associated Press and the United Press in regard to this matter, that they will not agree for the United States to use their news services and they refuse to operate their private news service in this information program, or have refused when asked by the State Department if they would do so. Let me emphasize, however, because many Members are puzzled over the position taken by two of our great news agencies, in whose accomplishments all of us take pride, that negotiations are now in progress which I hope and believe will settle the differences between the Government and those companies in the matter of short-wave news broadcasts.

The gentleman from New York [Mr. TABER] is recognized.

Mr. TABER. Mr. Chairman, in order to have an idea of what this is all about I have gone further perhaps than most folks have in connection with this item. I spent a very considerable time on it. I had furnished to me the broadcasts that this outfit has sent out over a large number of days during various periods. I have examined these myself and there is not a single item in any broadcast that would do the United States of America any good. Just to prove I know what I am talking about I have here 1 day's broadcasts by this outfit. Most of them are insipid, they are of a type that would not interest anybody and those that have anything in them at all just have a few items of ordinary news that are not particularly important from the standpoint of international relations.

Mr. Chairman, it seems to me that this is an utter waste of the people's money. Let me ask this question: If you were an ambassador to a foreign country, would you want somebody over here who has not the slightest idea of foreign affairs broadcasting to the country in which you were serving? You will not get anywhere by that kind of operation. You are just crossing up your wires. The AP, the UP, and the International News Service have set-ups all over the world and the information that they get out goes twice as far and it is twice as effective in getting things across as the items that the State Department sends out.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from Massachusetts [Mr. MCCORMACK] is recognized.

Mr. MCCORMACK. Mr. Chairman, it seems to me that the gentleman from New York and those who favor the pending amendment lose sight of the basic fact involved before the Committee of the Whole and the House today. That is the question of dynamic democracy. As we view the world we see a veil of silence over a great part of the world, with the exchange of information and views and thoughts and intercourse precluded. We have got to view this as a practical situation.

We must recognize that there are different forms of government, not only in form but in substance. Some governments place the state omnipotent with the individual as a cog in the wheel; others, like ourselves, place the dignity and personality of the individual foremost, with the government as the servant of the people. We believe in certain fundamental things that relate to the individual; other governments believe in a state omnipotent, directly the opposite to what we believe in.

Mr. Chairman, we have got to bring democracy forward. There is a clash in theories of government. We have to recognize that fact. Also, that democracy is not a negative proposition. It is a living institution, serving people, but in order to live and serve it has to work. You and I as public officials have got to make it work as effectively as possible, not only within our own country, but in the other nations of the world. We have the duty of showing that democracy is dynamic, that it has affirmative aspects, not adopt the attitude of defeatism but try to spread to the other people of the

world the knowledge of the institutions we have, bring to them in a sound, constructive way that knowledge in order to mold public opinion wherever we can impart the knowledge of what our institutions and Government stand for. We are no longer living in an isolated world. I contend that this is a matter of paramount importance. Constructively used as it will be, it will have a constructive objective. It has a very useful place in the life of America in bringing about not only strength from within, but knowledge to the peoples of the other nations of the world that democracy is a living, dynamic institution, and not an institution of a negative or of a defeatist nature.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, in general debate on this bill I went to great length on this item of informational service of the Department of State under the direction of Mr. William Benton. At that time I told the House that we left in the bill $5,000,000 for cultural relations in the Western Hemisphere and approximately $10,000,000 for the extension of that service to Europe and other parts of the world, leaving approximately $15,000,000 in the bill for the entire informational service. The cut was quite severe, but I have faith in Mr. Benton. He may be able to do a job with this amount.

I rise at this particular time to ask the author of the amendment just exactly what his amendment will do to Mr. Benton's department. Would it also affect Mr. Benton's salary? Does the gentleman plan to eliminate the entire program?

Mr. JONES. I will be glad to answer that question. This is the first of several amendments that will be offered to strike out the entire amount of $10,000,000 allowed by the committee for the information service. I do not want any misunderstanding among the membership of the House, because I am thoroughly out of accord with an information service sponsored, paid for, or subsidized by the United States Government to the exclusion of the private press services. I believe that if the United States Government is to make friends, it must rely upon the anvil of sound journalism. We did well for 150 years before World War II with that kind of information transmitted by private enterprise. I think it will be a sorry day for us when we start manufacturing the kind of a picture that we want to give to the other countries of the world. Let me say that if America starts on this propaganda road, down the road of information manufactured for our own aggrandizement, that our unofficial ambassadors—abroad in business, in agriculture, in education—will speak so loud that the world cannot hear this manufactured propaganda of the Government.

Mr. STEFAN. I want to thank the author of the amendment for being so frank to tell the Committee that he wants to eliminate the entire amount for informational service. This should not be done at this time. Mr. Benton should be given an opportunity to give this program a modest start. I feel it is needed now. Therefore, I oppose the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from South Caroline [Mr. HARE].

Mr. HARE. Mr. Chairman, one of the greatest difficulties in solving our domestic, our national, and international problems today is the lack of information. This country from now on will have more international problems than at any time in its history. Our Government will be involved in more and greater international problems in the near future than at any time in our history. It is indispensable, therefore, that the people of our own Nation and the Congress be thoroughly and definitely advised as to the policies adopted and to be adopted by our State Department, including policies of other nations. It is also indispensable if we expect our new policies to be understood by our own people, including other nations, all must be furnished with direct information. Magazine articles and radio commentators will not be sufficient. We have heard this afternoon about rumors, rumors here and rumors there, rumors about this and rumors about that. It is dangerous for people to act upon rumors. It is dangerous for Congress or the Government to act upon mere rumors. How then will we or the nations of the world be able to establish policies in harmony with ours or jointly with ours unless they have definite and accurate information as to the policies of our Government and our State Department? Who can furnish that information more accurately and more definitely than the State Department?

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. GILLESPIE].

Mr. MATHEWS. Mr. Chairman, will the gentleman yield?

Mr. GILLESPIE. I yield to the gentleman from New Jersey.

Mr. MATHEWS. This being an arm of the Executive Department, I am curious to know, if there were a dispute between the Executive Department and the action of this House, such as occurred a week or two ago, what kind of information would be broadcast to foreign countries concerning our Government?

Mr. GILLESPIE. I think the Executive Department would undoubtedly win that dispute.

It was stated here a while ago that the Associated Press and the United Press had been asked to appear before this committee. As far as I know, they never were asked to appear before the committee.

The gentleman from New York brought up the matter of the ambassador in any country being embarrassed by the information that might be beamed to that country. I think that is a very good point, and I think something should be done about that in case this appropriation is approved.

I had an opportunity to read some of the broadcasts that were beamed to the other side, and I consider many of them worthless. How they can ever strengthen relations between the United States and foreign countries is more than I can see. I think the regular press services of the United States operating in the way they have done for a great many years will do a better job selling the United States to Europe and other foreign countries than any governmental propaganda machine.

Mrs. DOUGLAS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GILLESPIE. I yield to the gentlewoman from Illinois.

Mrs. DOUGLAS of Illinois. In regard to the insipid programs that are broadcast, I understand that 40 percent of the programs that are broadcast short wave from New York in Hungarian are reprinted in Hungarian newspapers, and that is all of the news of the United States Hungary receives except that which the Russian Tass News Service sends. Apparently there is interest in these news services, in that so much of what is broadcast to these countries is reprinted.

Mr. GILLESPIE. I think that where so much has been broadcast, at least some of it ought to be good.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. GILLESPIE. I yield to my colleague, the distinguished gentleman from Ohio.

Mr. JONES. The hearings on page 432 contain this language:

> The figure of $19,000,000 before you is less than one-fourth the size of the peak budgets for the wartime information agencies.

Has four times the budget estimates helped our relationships with Russia? Why have the relations between these two countries been strained more than they ever have before?

Mr. GILLESPIE. Of course, no sane man would begrudge the use of a few million dollars if he thought that the spending of it would actually help the relations between the United States and the other nations of the world, but we know that our regular news services are already getting into friendly countries in a satisfactory manner. But, in those countries that we need to reach the most, neither the regular news services or any Government information service will be able to penetrate very far.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Chairman, it seems to me we ought to approach this matter very carefully. If this amendment prevails, then we have started whittling down the amount of money that is appropriated or sought to be appropriated to the State Department to do the job of selling this country, its principles, and its ideals, to the peoples in other countries of the world.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. JONES. I would like to know if the purport of the gentleman's argument is not to this effect: That the State Department is not isolated; in other words, the idea behind this informational program is that you have to own the radio stations and own the press services and

everything else before they are any good and they will not rely upon the regular press services and regular commentators to dispense information.

Mr. SPARKMAN. Of course, prior to this war, we relied very largely upon the regular press services to get news into the other countries. Yet, I dare say, the gentleman from Ohio or anyone else who traveled in foreign countries during that time, even here in our own Western Hemisphere, often wondered why it was that other nations had much greater influence there than our Nation did and wondered why so much more was known about other nations than was known about our own country. We boast of our bigness and of our greatness and our position of leadership in the world. We boast of the high standard of living that is ours and the position of leadership that we think naturally belongs to us. Yet, when a program is proposed whereby these principles and ideals may certainly be carried to other nations of the world, we immediately are confronted with an effort to hamstring and cripple it and eventually eliminate the program completely. I think that is a shortsighted policy.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. GILLESPIE. It seems that these other nations know enough about us to know where to go to borrow money.

Mr. SPARKMAN. That is all right. We ought to let them know enough to know where to come to borrow money to stabilize world economy; where to look for leadership; and where to come to buy their goods in the postwar world. It is going to be of vast importance to us for them to know enough about us in order to be willing to come here and look for markets in which to buy the things that we manufacture and have for sale.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from South Carolina.

Mr. RICHARDS. The gentleman said something about whittling down this program. Has not the committee whittled it down from $19,000,000 to $10,000,000?

Mr. SPARKMAN. Yes; they did. And to go beyond that is a danger we ought not to incur.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, it is just impossible for me to understand the opposition to this program. Here we are, having just come out of the most terrible war of destruction in all the history of the world, when almost every child knows that the great question before the nations of the world is whether or not the people are going to try to seek a solution of their problems through some kind of dictatorship or other or whether they are going to attempt to work them out under the institutions of freedom. There is only one effective leadership that can be given anywhere in the world to try to induce the peoples of distressed countries to believe it is possible to have both freedom and a reasonable economic security at the same time in the same country. That Nation is the United States of America.

I had a letter only a few days ago from a friend of mine who is in Paris at the moment. He tells me about certain attacks being made in a certain section of the French press against the United States. He says there is no answer being made to these. The only newspaper published in France that is an American newspaper is published in English and not in French.

Believe me, Mr. Chairman, America needs to tell her story. This is a small enough appropriation for that purpose. Upon the effective telling of America's story may well depend the future of free institutions in this world. To leave it to the press, and I say this without any intent to criticize whatsoever, which will so often feature the sensational and may well neglect the particular item of news or the particular view of American life or American purposes which is most important to the country in question, it seems to me is most shortsighted.

We have at the moment the job of trying to inform certain nations what the sources of the relief supplies that are coming to those nations are. Some of them do not know. There are some of those countries that I could mention where the government of that nation is of such a character that only an official representative agency of this or any other Nation can give out that news.

Are we going to say we do not want to do that job? I do not believe the House will do that. I am confident this amendment will be defeated and every other amendment like it. It is high time America spoke for the principles of America, yes, and acted for them, too, which will be the subject of another speech.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from Arizona [Mr. MURDOCK] is recognized.

Mr. MURDOCK. Mr. Chairman, a century ago two citizens of two great nations in Europe met. One was a haughty man representing a haughty people. The other gentleman said to him, "What do your people think of us?" The representative of the haughty nation said, "Sir, we do not think of you."

Now, that nation which the haughty man then represented has been humbled today. It is a dangerous and very false philosophy for a man representing any nation, to say to a man representing another people, "Sir, we do not think of you." We have got to think of the other fellows, and we must have them think of us. Certainly we ought to have them think of us aright.

Remember, it was in the Declaration of Independence that Thomas Jefferson said, "a decent respect to the opinions of mankind require us to state the reason for our actions." It is equally true in a broader sense today. Out of a decent respect for the opinions of men, it is necessary for America to let the world know the reasons for her every act.

I, too, have high respect for the great news agencies which have done such a remarkably fine job through the years, but I do not have idolatrous worship for them. If we furnish this news service to the State Department we do not exclude the great press agencies from the world-wide field, do we? We certainly do not. The Government simply supplements them. We will say that private agencies do present a fairly correct picture, but they do not present the whole picture, as the gentleman from California [Mr. VOORHIS] has just explained. I feel we must have this additional and governmental service to more nearly tell the world the truth, the whole truth, and nothing but the truth about America.

The supporters of this amendment would wipe out any news service by the State Department to the peoples of other lands, just exactly as they so often tried to minimize or destroy the work of the Office of War Information during the war. It seems to me just as necessary, if not more so, for our Government to furnish peace information abroad as it was to furnish war information abroad during the struggle, yet the proponents of this amendment have opposed both.

It matters not that a great newspaperman, who was earlier praised generally by everyone, Elmer Davis, did such splendid work with OWI; nevertheless, the time soon came when he was ridiculed, smeared, and seemed regarded by some as worse than useless while he served his country in that capacity. If he was a high-class newspaperman before his appointment to OWI, it must have been the appointment that changed him so. By that same token we must logically assume that the very greatest leaders in the established agencies, if appointed by the State Department to operate the office of peace information, as Elmer Davis was given charge of OWI, their very natures and characters would be transformed by such an appointment. It is a strange thing that all virtue and ability is found only in private business.

If we furnish funds to the State Department, what is this dangerous information which our Government would impart concerning America to the peoples of other lands? Or do they contend it would be merely superfluous? Do the supporters of this amendment, so fulsome in their praise of the great American private news agencies, claim that the peoples of other lands are given a correct picture of America? Do the regular private channels of information convey full and adequate knowledge to them? Would governmental information distort the picture?

I cannot see any logic on the part of the supporters of this limiting amendment except to shove America into a new form of isolation by seeing to it that the rest of the world knows nothing about America except what those who operate such private news agencies want other people to know. To my mind, such is a dangerous policy and one exceedingly apt to bring about misunderstanding, ill-will, and strife. No matter how good existing private agencies may be, individually or collectively, a governmental official news service will make them, as well as itself, better.

I am opposed to this amendment, and I trust it will be voted down.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

The gentleman from Michigan [Mr. RABAUT] is recognized for 5 minutes to close debate.

Mr. RABAUT. Mr. Chairman, a few days ago we had a demonstration in this House on price control. We saw a great number of people take a walk. It was far-reaching. The action of the House and its repercussions are vibrating throughout this land today. This afternoon we are attempting to take another walk. At this time we are walking out on the man charged with maintaining the peace of the world—the Secretary of State.

It is easy enough to come in here and use the newspapers for a shield, but the newspapers even in America are not present in the appropriation rooms at the time bills are written. Yes, there is freedom of the press and we love it; and very often, Mr. Chairman, there is license of the press in America. If you do not believe it take the working membership of the press who wrote the stories on Roosevelt and ask them whether they voted for him, and you will get the answer. We have no quarrel with the movies, but we do not expect them to do an herculean job for nothing, and we are glad for all the help that they can give us. We owe them a debt of gratitude. We have no quarrel with the press, but the press is in business, and when you are in business you are there for the purpose of making money; and you cannot make much money in some of the places where we must tell our story. The press has done much for this country and done much for the Government. It has kept us the most alert nation in the world. We are grateful for everything the press has done for us. We also have libraries in some parts of the world and we are grateful for the information that those libraries spread. I can talk about the libraries with authority because I visited libraries in Europe that were maintained by the OWI. I found almost as many people in a small library which I visited as there are in this room at the present time. They were eager and anxious to find out something about us in this country.

This is an attack upon those who would maintain the peace. If it came at a time far removed from the terrible ravages of war it might be understood, but not when we see our boys at times in wheel chairs—one comes in this room as I point my hand, coming into this very Chamber—who have laid a part of their lives down on foreign soil for the principles for which this House should stand. We come in here under the guise of saving money and a trifling sum compared to what has been expended for the war. Some talk and debate and argue for no other reason than to wreck and ruin and delay because it is not their policy, it is the policy of the majority.

The CHAIRMAN. The time of the gentleman from Michigan has expired, all time has expired.

The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 46, noes 63.

Mr. JONES. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. RABAUT and Mr. JONES.

The committee again divided, and the tellers reported that there were—ayes 50, noes 76.

So the amendment was rejected.

The Clerk read as follows:

Contingent expenses: For contingent and miscellaneous expenses, including stationery, furniture, fixtures; acquisition, production, and free distribution of informational materials for use in connection with the operation, independently or through public or private agencies, foreign or domestic, and without regard to section 3709 of the Revised Statutes, of an information program outside continental United States, including the purchase of radio time and the purchase, rental, construction, improvement, maintenance, and operation of facilities for radio transmission and reception; purchase of uniforms; microfilming equipment, including rental and repair thereof; translating services and services for the analysis and tabulation of technical information and the preparation of special maps, globes, and geographic aids by contract without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); communications services, including the rental of tie lines; purchase or rental, maintenance, and operation of printing machines, and the transportation thereof without regard to section 3709 of the Revised Statutes; purchase and presentation of various objects of a cultural nature suitable for presentation (through diplomatic and consular offices) to foreign governments, schools, or other cultural or patriotic organizations; the purchase, rental, distribution, and operation of motion-picture projection equipment and supplies, including rental of halls, hire of motion-picture projector operators, and all other necessary services by contract or otherwise without regard to section 3709 of the Revised Statutes; purchase and exchange of books, maps, and periodicals, domestic and foreign, and, when authorized by the Secretary of State, dues for library membership in societies or associations which issue publications to members only, or at a price to members lower than to subscribers who are not members, newspapers, teletype rentals, and tolls (not to exceed $300,000); maintenance, and repair of motortrucks and motor-propelled passenger-carrying vehicles; streetcar fare; traveling expenses, including not to exceed $30,000 for expenses of attendance at meetings concerned with the work of the Department of State when authorized by the Secretary of State; transportation and other necessary expenses in accordance with the Standardized Government Travel Regulations, refund of fees erroneously charged and paid for the issue of passports as authorized by law (22 U. S. C. 214a); and the examination of estimates of appropriations in the field; $6,100,000: *Provided*, That not to exceed $3,000 of this appropriation may be expended for the purpose of carrying into effect the provisions of section 4 of the act entitled "An act to amend the Tariff Act of 1930", approved June 12, 1934, as amended (54 Stat. 107; act of July 5, 1945, Public Law 130), this sum to be available in addition to the other authorized purposes of this appropriation for stenographic reporting services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes, and such other expenses as the President may deem necessary: *Provided further*, That notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), the Department of State is authorized in making contracts for the use of international shortwave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose, against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities.

Mr. JONES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES:

Page 2, line 11, after the semicolon strike out the remainder of line 11, all of lines 12, 13, 14, 15, 16, 17, 18, 19, and to the semicolon in line 20; also on line 25, after the semicolon, strike out the remainder of line 25.

Page 3, line 1, strike out all of lines 1, 2, 3, and the word "statutes" on line 4; in line 18, strike out "$300,000" and insert "$40,000"; line 21, strike out "$30,000" and insert "$20,000."

Page 4, line 4, strike out "$6,100,000" and insert "$1,944,134"; line 14, strike out the remainder of the line after the colon and all of lines 15, 16, 17, 18, 19, 20, 21, 22, and 23.

Mr. JONES. Mr. Chairman, this is second amendment where an information item is included and was allowed by the majority of the committee and so reported to the House. I have attempted by this amendment to cut back the money in this paragraph to the regular function appropriation for the State Department and 56 percent of the requests for the FEA, transferred to the Department of State, which the committee allowed. This does not hamper, hinder, delay, or impugn the integrity or the credit of the State Department. It will still have more than hay with which to carry on the regular functions of administration of our relationships with other countries. I firmly believe that if the membership of this House knew the road they were taking that they would not approve of this international propaganda. In the final analysis, we reach the contention of the administration which is seeking this propaganda program. The administration says, "We are isolated as a nation unless we own the telegraph keys, the transmitters, all of the vehicles of transmission of information in this country and abroad; that we will be perfectly isolated on a barren island and that we will be taking a step in retrogression if we do not purchase the wires, the papers, the magazines, and radio stations." I refuse to believe that American citizens employed in regular journalistic capacities and the regular commentators must be owned by the Government before they will tell the truth. I believe in free enterprise, and I believe in free enterprise in the dissemination of information. If the argument of the administration is carried to its bitter end, many of us on the minority side would have to contend that we did not have a fair shake at elections in the United States of America unless we owned—lock, stock, and barrel—the Federal Communications Commission, or at least half of the radio stations, radio chains, half of Western Union, and half of A. T. and T. Everybody knows that a broadcasting station has to comply with the rules of the Federal Communications Commission, which is appointed

by the President, and consists of a majority of his own party. Is it contended because we do not happen to like everything and anything that is said by the commentators on the air every hour of the day that we are getting an unfair shake? No. We will take our chances in this representative republican form of government, and we do not have to own the Federal Communications Commission. We do not have to own the transmitters; we do not have to own the radio stations; we do not have to own our own newspapers. No. We will throw our record open to the mercy of an unbiased and competitive system—the American way of life—unowned, unsponsored, and unsubsidized by the Government, regardless of what administration is in power.

I went to Europe with a subcommittee, and I will say I noticed no skyrocketing of friendly relationship with nations where we had a ballooned OWI personnel. I know you cannot charge this observation to politics, because I thought the three most aggressive Ambassadors and the three countries where we enjoyed the best friendships were represented by Ambassadors that were political appointees and not career service men of the State Department. One of those Ambassadors was in Portugal, and his name is Dr. Herman Baruch, brother of Barney Baruch, a political appointee of President Franklin D. Roosevelt. Another one was Mr. David Gray, whom I thought was an aggressive Ambassador for the cause of the United States of America. Another came from my home State, a political appointee, no longer, unfortunately, with the State Department. His name has long been well known in Ohio Democratic politics. I have a high regard for him because he was an aggressive representative of the American point of view. He made no sniveling apologies for anything we did in America. His name, known throughout Ohio, and I think more or less known throughout the Nation, is Charles Sawyer, of Cincinnati.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES. I repeat, you cannot charge this observation with being a political observation. I would to God that Charlie Sawyer with his point of view had stayed on and on representing the United States throughout the world. I wish he could have been given a better appointment than the appointment to Belgium. I should like to have seen him represent us at Moscow, I should like to have seen him represent us in Great Britain, I should like to have seen others with an aggressive point of view, unashamed of American policies and performances, represent us throughout the world. I am sure we would have had America marching down the road in clearer understanding with the United Kingdom and with Soviet Russia.

Does Joe Stalin have any respect for a nation that snivels at his toes? I should say not. He came up the hard way, and he respects and is entitled to earn the respect of a nation that is tough in its relations with him. I am sure that is the kind of a man he respects. I am sure that if the United States were represented by that point of view over a period of time the strained relations and the harmful propaganda that is going to the Russian people through Pravda and other official Russian publications, and over Russian radios, subsidized or owned officially, would not have occurred. I am sure that if we had the kind of representative Charlie Sawyer was, Dr. Herman Baruch, and David Gray, political appointees, if you please, but well founded and grounded in the American tradition, we would not have the situation that obtains today in Russia particularly. One of these men, Mr. David Gray, knew thoroughly the entire background and history of Ireland, a formidable agent for the government to have representing it in Dublin.

I appeal to you again, let us not send more people into the four corners of the world to represent the United States of America who are not grounded in the American point of view, who have not enough background in State Department work, who have not enough experience, men and women sent throughout the world who will never develop. I was amazed and astounded that so many people who represented us in foreign posts were little folks who had no conception of what America is striving for, little folks that could not develop into representatives that would be worthy to represent the Bank of the City of New York. I compared them with the representatives of England, and I tell you, England overshadowed us.

It is no wonder that we did not gain anything by all of our lend-lease gifts to Great Britain. It is no wonder that we did not gain anything with all of our lend-lease gifts to Russia. Russia now has a per capita debt of $115. We have a per capita debt of approximately $2,000. Do they appreciate the tremendous burden we shall have to bear for them over the long period of years it will take us to pay for the lend-lease expenditures? If you take the First World War loan out of the British financial statement you will find that their per capita debt is about $1,700 as against our nearly $2,000. Do they have an understanding of the sacrifice this country, with all the battery of OWI representatives we had there? It did not help and it will not help in the future, because we did not have at that time an aggressive person representing the American point of view who was able to trade punches in the British press just the same as you and you and you have to trade punches with the American press to get your point of view across to your constituents. I ask for nothing more in running for office, in representing my people in public life, than an opportunity to have one place around the table, even if all others are against me. If I cannot defend myself, I will quit, and I have not quit yet and I do not intend to quit tomorrow. All America needs is a place around the table of nations, with an aggressive man who knows thoroughly the history of his own country, to be one at the table who knows thoroughly its traditions and its policies, and who knows thoroughly the traditions of the country in which he serves.

Drop propaganda, pick up the power of able personalities. Adopt this amendment and save America from the hypocrisy of zealots with a mike, a magazine, and telegraph key bought by Uncle Sam.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. JONES. Mr. Chairman, reserving the right to object, this is the largest item included in the $10,000,000. I wonder if the chairman would not persevere for a little bit and defer his request for just a moment inasmuch as this will be the last major test vote on the measure.

Mr. RABAUT. How much time would the gentleman suggest?

Mr. JONES. At least another 5 minutes.

Mr. RABAUT. Mr. Chairman, in view of the fact that only 2 Members desire to speak, I ask unanimous consent that debate on this amendment close in 10 minutes with the last 5 minutes reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I notice that the galloping hounds of waste have again broken their leash and are running full tilt against the Federal Treasury. It must be a discouraging position for one who believes in economy in government to be on the Appropriations Committee where the spenders have an overwhelming majority, and those who plead for economy are howled down and voted down. That has been going on ever since the New Deal came into power and will continue until early next January when the spenders will begin the greatest exodus from Washington that this country has ever witnessed.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. BUFFETT. Does not the gentleman think about the greatest swindle this Nation has ever seen in a long time is the fact that the very inflation that our brethren piously plead against is contained in this expenditure and in all these new spending schemes that they bring out?

Mr. KNUTSON. The gentleman is asking me a hard question. I could not undertake to differentiate between the many swindles that have been perpetrated upon the American people in the last 12 years. As I understand this proposition, it involves the Government going into the broadcasting business and acquiring a broadcasting station. Well, that is not such an unusual suggestion. The Government now is in the railroad business, the steamship business, the hotel business, the mining, banking, and I believe under the New Deal we went into the distillery business down in the Virgin Islands, as I recall. So Uncle Sam is becoming a broad and seasoned

businessman and the American people are footing the bill. Mr. Chairman, I realize the futility of trying to stop the spenders. They have a majority of 50 here in the House and a majority of 15 in another body. But some day, like the pup, the American people will get their eyes opened, and then they are going to demand economy in Government. When they do, they are going to get it, make no mistake about it. It is a long lane that has no turn.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, this amendment offered by my distinguished colleague from Ohio [Mr. JONES] is in line with the amendment that was rejected by the committee just a few minutes ago.

In answer to the remarks of the gentleman from Minnesota [Mr. KNUTSON] about conditions in America and the times to which he evidently wishes to return, I would remind him of the national economy of this country when Franklin D. Roosevelt came into office. I am afraid if he took his people back to that economy of $38,000,000,000 they would not know the old place now. They would feel pretty badly about it. While it may be nice to talk about the old days and the old times, some of the conditions under which some of our people lived on the occasion to which he would like to return were anything but satisfactory to the people who had to face those conditions. So, for one, I am glad to stand here today and say that we could guide this country and do what we could for it during the days of peace, and thank God for the ingenuity which we had in steering it through times of war.

Oh, there is much talk on this floor about the OWI, but it really was a part of the war program. Who won the war but those who were engaged in it? A great magazine said that language and propaganda was as necessary in the war as was bread.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the distinguished majority leader.

Mr. McCORMACK. I listened with deep interest to the remarks of the gentleman from Ohio [Mr. JONES] in support of his amendment. The impression to my mind was that every argument he made against the action of the committee was in fact an argument in favor of the action of the committee. He talked about what would Joe Stalin think, and what respect he would have for a sniffling nation. The very purpose of this provision, and several other provisions with reference to the International Information Bureau, is to bring about a situation that enables us to not only exchange views but to bring to other nations the meaning of democracy in its affirmative and dynamic nature. It seems to me every argument made by our distinguished friend from Ohio was really an argument in favor of the provision.

Mr. RABAUT. The gentleman is correct. We are the most powerful nation in the world and everyone knows it. The blood of every race flows in the veins of America. It is the thing that has made us great. We have a give-and-take in our make-up, and we have those interests that are now asserting themselves and will assert themselves more powerfully in the United Nations Organization. We are going forward. With all respect to my friend the gentleman from Minnesota [Mr. KNUTSON], those old days are gone. They are gone. Like the song, they are gone with the wind. We are here today, and we are marching forward. Our heads are high. We face the future, and we have the encouragement of the young men who have come back to their native soil that the ideals of democracy may live.

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 50, noes 63.

So the amendment was rejected.

The Clerk read as follows:

Representation allowances, Foreign Service: For representation allowances as authorized by section 8 of the act of May 3, 1945 (Public Law 48), $800,000.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: Page 9, line 24, strike out the sum "$800,000" and insert "$400,000."

Mr. REES of Kansas. Mr. Chairman, my amendment provides for the reduction of the item of $800,000 to $400,000, cutting in half the $800,000. It ought to be cut more. The item is described in the bill as "representation," it is an item for expenditure to buy liquor to entertain foreigners abroad. Only about 3 years ago this item was $200,000 or $250,000. Then it grew to $400,000. Last year the item was $585,000, and our representatives seemed to run out of liquor before the end of the year—or I believe one of the members stated it cost more money—so they added $28,000 and made it something more than $600,000. Representatives of the State Department now say it takes more than a million dollars. The Bureau of the Budget said: "We will make it $900,000." And now our committee says: "We will make it $800,000." As a matter of fact, the distinguished member of the committee, the distinguished Member STEFAN, of Nebraska, is entitled to credit for demanding the cut of $100,000. So the bill provides for $800,000, almost a million dollars to be spent for liquor. About the best one can say for it is that the thing has become a sort of "racket" and at a time when the thousands of bushels of grain used for making the liquor is needed for food to save starving people in other parts of the world. It is a disgrace to waste the grain in this manner.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. Briefly, for a question.

Mr. KNUTSON. Of course, you are appropriating for a "rummy" crowd.

Mr. REES of Kansas. Now, it seems to me, and I am most serious in my statement, that our diplomatic service is falling to a pretty low ebb when it is suggested, in these most serious days, that it is necessary to buy liquor to entertain foreigners in order to deal with them. Just think of the tremendously important problems involving the welfare of our country and our relationship with the countries of the world. They indicate that in order to help solve these important problems it is necessary that they have this appropriation. We have heard statements here today with respect to our influence with our foreign representatives. Now we are told that in order to be influential in our dealings with foreign countries it has become necessary to spend a tremendous amount of money to entertain them so that we may get along with them and convince them with respect to our views. If that be true we have fallen to a pretty low ebb. Of course, that cannot be right. I do not think you believe it.

Mr. Chairman, in place of striking out the whole $800,000, which we ought to do, I am simply asking the Committee to cut it in half and save at least $400,000. Let me tell you, if you would use this $800,000 to buy food for those starving people abroad, instead of buying liquor for their representatives we would accomplish a whole lot more and get along a lot better in our dealings with them. I have been advised by Members of the House who have traveled abroad that a tremendous amount of our money has been spent and is being spent abroad in carrying on entertainment. I realize, as was testified by a member of the committee, that liquor does cost more than it formerly did; but let us use a little hard common sense now. We can at least compromise, and cut this down to $400,000. I think the people of this country will appreciate it if we will try to save a little of their money and not squander all of it. Then you can also save hundreds of thousands of bushels of grain now being used to make liquor.

Give this amendment the consideration to which it is entitled; go along with me and save at least $400,000 of the taxpayers' money. This is the least we should do. Also save the grain that ought to go for food. I hope the Committee will agree with me.

The Chairman said something about using the pruning knife on this bill. Here is a good place to start applying the pruning knife on this particular item. To spend this money does not make sense. I hope Members on both sides of the aisle will support my amendment. The expenditure of this fund and the use of the grain for liquor is not justified.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I have become a little discouraged today

as I sit here in the Chamber and listen to Members urge the necessity of strengthening our influence abroad. We have fallen to a very low level in the last few years. There was a time in the old days when this country was growing up, and not so many years ago, that the United States Government had a tremendous influence all over the world. That was a time when ambassadors were selected to serve in foreign nations who had ability and the courage to sell the spirit and the strength of America to the various nations of the world. In the last decade or so men have been appointed to represent this country in foreign nations without much care being exercised in their selection. They were appointed because of their political influence or the size of the check they were willing to turn over and see to it that the money got to the proper national committee. It is an indictment to a large extent of the party that has been in power most of the time during the last 20 years.

I wish we could have the confidence today that the Nation formerly had in their ambassadors and the people who represent us abroad. I wish the nations of the world could be justified in having the confidence in our representatives abroad that they had before we fell to such a low ebb.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Tennessee.

Mr. JENNINGS. I am just wondering how much this liquor has been worth to us. You know, they say that when a man mixes his drinks it befuddles his brain. When some of our representatives went over to Yalta they took, so the paper said, a lot of bourbon and a lot of Scotch with them, and the Russians brought down a lot of champagne and a lot of vodka and a lot of fish eggs, and I really believe that that was responsible for the terrible debacle that took place there.

Mr. VURSELL. At any rate, I will say to the gentleman from Tennessee that I am not one who believes that it is a part of wisdom in this bill to expend $800,000 for liquor for entertainment. I think that is again lowering the level of the representation of the United States Government at the conference tables abroad. I think the gentleman from Kansas said it would be much better to save the $400,000, and if we do not spend it, give it to UNRRA or somebody else and send food to the starving children of those countries. I think we need men of confidence and integrity and men of American spirit who will sit around the conference tables if they can be selected, and with their influence probably we can sell the American viewpoint and exert proper American influence in our diplomatic missions abroad.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I am wondering about this word "representation." Should it not be "wine, woman, and song" in order to give the right interpretation?

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman might also take into consideration the fact that the tremendous amount of liquor that is being used for the purpose of entertainment consumes a tremendous amount of food in its manufacture.

Mr. VURSELL. There is no question about that. But the thing that discourages me and many Members of the House is that we are following a policy of increased spending and waste. Is it not time for the leaders, for the administration, to lend we of the minority side some votes and help in our constant fight for economy?

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT] to close debate.

Mr. RABAUT. Mr. Chairman, I would remind the last speaker that there are more career men in the service today than at the time to which he referred. I would say further to the gentleman from Kansas that he cannot put his finger on the word "liquor" in this bill. Every year we have had his same talk. It is a splendid talk for the people of certain States of the Union. But I want to say that the word "liquor" is not in the hearings. The word "liquor" is not in the report and the word "liquor" is not in the bill. But every year the same Member gets up here and talks about liquor. I am somewhat surprised that some people know so much about liquor. Perhaps the committee ought to become informed.

Now, this is an entertainment allowance, and it is my position as chairman of this subcommittee to stand up and speak for a bill and an entertainment allowance that is just as necessary in governmental activities as it is necessary in the greatest business activities of this Nation. Why blow hot and cold? Why blow hot and cold on this subject? Why put your colleagues on the spot? You put them on the spot every year on the same subject, from the same voice, from the same State. Well, this colleague's shoulders are broad, and I recognize the activities and the manner in which these funds are used in business and in Government. If you are sincere about the whole thing, you will vote an entertainment allowance. Remember that a job in the foreign service of this country is not a rich man's job, so do not take money out of the pocket of the ordinary individual in order to avoid expense to your Uncle Sam, the richest nation in the world. Other people, representatives of other countries, are giving him entertainment. It has been found necessary to give this entertainment allowance. It is necessary in the Army, in the Navy, in the State Department, and in other branches of the Government, but we hear the same noise every year about the same subject. Let us hear the same vote that we usually have approving the entertainment allowance.

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired.

The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. REES) there there—ayes 37, noes 59.

So the amendment was rejected.

The Clerk read as follows:

Contingent expenses, Foreign Service: For stationery; blanks, record and other books; seals, presses, flags; signs; military equipment and supplies; repairs, alterations, preservation, and maintenance of Government-owned and leased diplomatic and consular properties in foreign countries, including minor construction on Government-owned properties, water, materials, supplies, tools, seeds, plants, shrubs, and similar objects; purchase, rental, repair, and operation of microfilm and motion-picture equipment; purchase, rental, operation, and maintenance of printing and binding machines, equipment, and devices outside the continental limits of the United States; purchase (from surplus Government stock) of two airplanes and maintenance and operation thereof; advertising in foreign newspapers without regard to section 3828 of the Revised Statutes (44 U. S. C. 324); newspapers (foreign and domestic), freight, postage, telegrams; advertising; ice and drinking water for office purposes; purchase (not to exceed 152 passenger automobiles), maintenance and hire of motor-propelled, horse-drawn, or other passenger-carrying vehicles, including purchase of 16 automobiles for chiefs of missions at not to exceed $3,000 each; insurance of official motor vehicles in foreign countries when required by the law of such countries; excise taxes on negotiable instruments; funds for establishment and maintenance of commissary service; uniforms; furniture; household furniture and furnishings, except as provided by the act of May 7, 1926, as amended (22 U. S. C. 292–299), for Government-owned or rented buildings without regard to section 3709 of the Revised Statutes; maintenance and rental of launch for embassy in Turkey, not exceeding $3,500, including personnel for operation; rent and other expenses for dispatch agencies established by the Secretary of State; traveling expenses, including the transportation of members of families and personal effects of diplomatic officers, Foreign Service officers, and other officers and employees of the Foreign Service in traveling to seats of government at which they are assigned other than the city of usual assignment and returning to the city of usual assignment; travel of diplomatic couriers carrying confidential official mail, without regard to section 10 of the act of March 3, 1933 (47 Stat. 1516); loss by exchange; radio broadcasting; payment in advance for subscriptions to commercial information, telephone and other similar services, including telephone service in residences as authorized by the Act of April 30, 1940 (31 U. S. C. 679); burial expenses and expenses in connection with last illness and death of certain native employees, as authorized by and in accordance with the act of July 15, 1939 (5 U. S. C. 118f); expenses of vice consulates and consular agencies for any of the foregoing objects; allowances for special instruction, education, and individual training of officers and employees of the Foreign Service at home and abroad; for relief, protection, and burial of American seamen, and alien seamen as authorized by the act of March 24, 1943 (57 Stat. 45), in foreign countries and in Territories and insular possessions of the United States, and for expenses which may be incurred in the acknowledgment of the services of officers and crews of foreign vessels and aircraft in rescuing American seamen, airmen, or citizens from shipwreck or other catastrophe abroad; for expenses of maintaining in Egypt, Ethiopia, Morocco, and Muscat, institutions for incarcerating American convicts and persons declared insane by any consular court, rent of quarters for prisons, ice and drinking water for prison

purposes, and for the expenses of keeping, feeding, and transportation of prisoners and persons declared insane by any consular court in Egypt, Ethiopia, Morocco, and Muscat; for every expenditure requisite for or incident to the bringing home from foreign countries of persons charged with crime as authorized by section 5275 of the Revised Statutes (18 U. S. C. 659); and such other miscellaneous expenses as may be necessary; $8,000,000: *Provided*, That this appropriation shall be available for reimbursement of appropriations for the Navy Department for materials, supplies, equipment, and services furnished by the Navy Department, including pay, subsistence, allowances, and transportation of enlisted men of the Navy and Marine Corps who may be assigned by the Secretary of the Navy, upon request of the Secretary of State, to embassies, legations, or consular offices of the United States located in foreign countries: *Provided further*, That reimbursements incident to the maintenance of commissary service authorized under this head shall be credited to the appropriation for this purpose current at the time obligations are incurred or such amounts are received: *Provided further*, That a detailed report shall be made to Congress annually of the receipts and expenditures of said commissary service: *Provided further*, That all passenger automobiles provided for under this head shall be purchased from surplus Government stock only.

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in discussing this question of expenditures for the foreign service, it ought to be made clear that our representatives abroad are furnished a tremendous amount of money for their personal expenses. They receive liberal transportation expenses for themselves and families. The Government transports their household goods and belongings, including automobiles, and so forth. Rents and all kinds of allowances are granted so they may live in the best of order. Our Government is liberal in that respect.

I take this time to clear up an inference that was injected in the debate on my amendment offered a few moments ago. The distinguished chairman of the subcommittee asked that only 10 minutes be allowed to consider my amendment to strike $400,000 from the pending bill to be used for so-called representation allowances. I alleged that practically all of it is spent for liquor.

The Chairman, suprisingly to me, took the floor and called the attention of the Members to the fact that they could not find the word "liquor" in this bill or in the committee report or in the hearings. I tried to get him to yield and explain what he claims it is being expended for, but he did not see fit to yield to me. Of course, he had the floor and was not required to yield unless he saw fit to do so. I understand that. But he did not tell you that this money is not being spent for liquor—not at all. I take this opportunity to call your attention to the fact that even though this subcommittee, of which the distinguished gentleman from Michigan is chairman, did not see fit to go ahead and write out in the bill just what they were spending $800,000 of the taxpayers money for, but used the term "representation allowance," why did they not come out and write the thing in the bill or put it in the report or in the hearings? That is the question I ask. Of course they did not want it to show up in this bill. I am surprised and chagrined that the chairman of the committee would rise on this floor and say that because you failed to put the words in the bill it would indicate and make us feel that it was not spent for that purpose. It may be a very small part of it is spent for flowers and dinners, but an examination of "representation allowances" will show, and I challenge the chairman of the committee to show otherwise, that almost all of this money is being spent for liquor; and he knows it very well.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. The gentleman made a speech for 5 minutes and defended the thing by telling us that the word "liquor" is not in this bill. He has defended this item on other occasions, but has never, to my knowledge, used that excuse before. He did not take the time to explain that it is used for any other purpose. He did tell us we should spend the money and that it was a policy to follow. He said it is done in the Army. He said it was done in the Navy. He says the Government should spend money but did not say what it is for except "representation." It is interesting to note with regard to other appropriations they are itemized and I quote "rent, heat, fuel, gas, and electricity," and again "leases for offices, buildings, grounds, living quarters, and so forth." They are carefully set out, but not this one.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I do not yield until I have completed my statement.

The gentleman is chairman of the subcommittee. He has charge of this bill. If he wants to defend this thing and give his explanation with respect to the purpose for which this money is spent, I shall be glad to have him do it. The time is not now limited for debate. I just want this House to understand that this money is practically being spent entirely for liquor and I want the record to so show. If you are for it, that is all good and well, but there is no reason just because the word "liquor" is not in the bill or in the hearings or the report to believe that none of it is being spent for liquor. Why, of course, it is, and the Members of this committee ought to know. I do regret my amendment was defeated and that I did not get any support from the other side of the aisle and pretty well controlled by the distinguished gentleman from Michigan. As I told you at the beginning, it is a waste of taxpayers' money, it is a waste of much needed grain that ought to go for food. I thought the committee would go along with me and save at least one-half of the $800,000 that I feel is being wasted.

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I think it is about time the House had called to its attention the serious situation that is confronting America today. I have a list of the probable expenditures that are not included in the President's Budget message which was sent up here the first part of the year. This list includes expenditures that will probably be made in 1947. I am using these figures on the basis of legislation that is presently in process before the Congress and which I am guessing will probably pass: Pay increases, civil and military, $2,000,000,000; British loan, $1,500,000,000; French loan, $1,000,000,000; terminal leave for enlisted men, $1,350,000,000. It may run more than that but that is the least that I can figure. Foreign relief, $2,000,000,000. That makes a total of $7,850,000,000. That figure will be the deficit for 1947 unless this Congress wakes up to its responsibilities and cuts down the appropriation estimates that are sent up here by the Bureau of the Budget.

The Clerk read as follows:

United States participation in United Nations: For all necessary expenses of participation by the United States in the United Nations for the fiscal year 1947, pursuant to the provisions of the United Nations Participation Act of 1945, including attendance at meetings of organizations concerned with the work of the United Nations; hire, maintenance, operation, and repair of automobiles; purchase of uniforms; and printing and binding without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111); $6,300,000, of which amount $5,300,000 shall be available for contribution to the United Nations.

Mr. HARE. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HARE: On page 20, line 14, after the word "nations" and before the period, insert the following: ": *Provided*, That the Department of State, when requested by the United Nations, is authorized to acquire surplus property in accordance with the provisions of the Surplus Property Act of 1944 (58 Stat. 765–784), as amended, with funds hereby appropriated for the United States' contribution to the United Nations. Such contribution shall be reduced by the value of the surplus property and necessary expenses, including transportation costs, incidental to the acquisition thereof."

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. CANNON of Missouri. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

The question recurs on the amendment offered by the gentleman from South Carolina [Mr. HARE].

The amendment was agreed to.

The Clerk read as follows:

Salaries and expenses: For salaries and expenses, regular boundary activities, including examinations, preliminary surveys, and investigations, $880,000.

Mr. HINSHAW. Mr. Chairman, I offer two amendments, which I have sent to the desk. One is on page 23, at line 9, and another one on page 24, line 21. I ask unanimous consent that the two amendments be considered together.

The CHAIRMAN. Is there objection to the request of the gentleman from

California, that the two amendments be considered together?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. HINSHAW:

On page 23, line 9, strike out the period, insert a colon and all the following: "*Provided*, That no part of this appropriation shall be expended for acquisition or leasing of real or personal property in connection with projects on the Colorado River except projects specified in reservation A attached to the treaty between the United States and Mexico, signed at Washington, February 3, 1944."

And, on page 24, line 21, strike out the period, insert a colon, and all: "*Provided further*, That no part of this appropriation shall be expended for projects on the Colorado River other than those specified in reservation A attached to the treaty between the United States and Mexico, signed at Washington February 3, 1944."

Mr. RABAUT. Mr. Chairman, I reserve a point of order against the amendments.

The CHAIRMAN. The gentleman from California is recognized in support of his amendments.

Mr. HINSHAW. Mr. Chairman, the purpose of these amendments is to make certain that language in the bill contained on pages 21 and 22, specifically on page 22 the language in line 18, which provides for "acquisition by donation, purchase, or condemnation, of real and personal property, including expenses of abstracts and certificates of title"; and the language on page 23, line 3, where it states: "and leasing of private property to remove therefrom sand, gravel, stone, and other materials," shall in nowise apply to any project on the Colorado River which is not specifically set forth in reservation A of the Mexican Water Treaty of February 3, 1944.

The reason for our concern is that the appropriation might be applied to some projects other than those projects set forth in reservation (a). I offer the amendment because there are on the statute books and cited as authority in this act certain other laws which might make it possible, which would indeed make it possible, for the Boundary and Water Commission to acquire property and to execute works on the Colorado River which are not desired by the people of the State of California.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. RABAUT. To what type of work does the gentleman refer?

Mr. HINSHAW. I am including the condemnation of land in connection with the projects on the lower Colorado which are not involved in the treaty but which are authorized under title 22, paragraph 277 of the United States Code, cited in here as the act of 1935, which is Public Law 286 of the Seventy-fourth Congress.

We requested of the committee that these limiting provisions should be attached to this provision of the appropriation bill and regret that the committee did not see fit to carry out our request. I am speaking now not only for myself but unanimously for the delegation from southern California of some 10 or 12 Members and a number from the northern part of California.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MILLER of Nebraska. The amendment the gentleman proposes would in a way put some obstacles in the way of a treaty between the United States and Mexico in order to make that treaty effective, would it not?

Mr. HINSHAW. No; it would place no obstacles whatever in connection with the treaty because my amendment states specifically that this money can only be expended for those things set forth in reservation (a) of the treaty insofar as the Colorado River is concerned, and nothing else but.

Mr. MILLER of Nebraska. Then what is the objective of the gentleman's amendment?

Mr. HINSHAW. We have reason to believe in the State of California that the boundary and water commission has in mind certain other projects that are not concerned with the treaty whatsoever but which may in their minds be desirable.

Mr. MILLER of Nebraska. Would the gentleman state what projects they might have in mind?

Mr. HINSHAW. There are a number of projects, including the rectification of the channel and other things. Let me read to you the projects that are authorized by reservation (a). Now, these things are in no wise affected whatsoever by the amendment that I have just proposed:

No. 1, which is not affected.

The joint construction of freeways and flood-control dams on the Rio Grande above Fort Pitman, Tex., mentioned in article 5 of the treaty.

No. 2 is not affected.

The dams and other general works required for diversion of flow on the Rio Grande, and so forth.

No. 3 is not affected.

Stream gaging stations which may be required under the provisions of section (j), and so forth.

Fourth. The Davis Dam and Reservoir.

Fifth. The joint flood-control investigations, preparations, and plans.

Sixth. The joint flood-control investigations on the Colorado.

Seventh. The joint investigations, preparation, plans, and so forth, on the Rio Grande.

Eighth. The studies and investigations and preparations of plans on the Tia Juana River.

Those are in no way affected by my amendment and the reservations to the treaty that were adopted by the United States said in effect that no other work should be done under the terms of the treaty except that set forth in reservation (a) and we want to make sure that no other works are undertaken on the Colorado. As I mentioned, however, there is the authority under title II, United States Code, paragraphs 277a–f to do almost anything that the Boundary and Water Commission desires to do without further authorization from Congress. We only request that the Boundary and Water Commission be limited insofar as the Colorado River is concerned to those projects that are set forth in reservation (a) of the treaty. It has no effect whatsoever on the treaty. It affects only the Boundary and Water Commission. Now, we requested the subcommittee in accordance with my testimony before the committee that in the event they wanted——

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Chairman, if they do not want to take the action which we recommended to them they should at least protect us from the things which we do not want done on our own part of the Colorado River. I think that this is entirely reasonable and we hope and trust that the Congress of the United States will agree with us in that respect and protect us from the things we do not want. We have had a hard enough time as it is to protect our interests.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Will the gentleman say then that the committee did consider the amendment that the gentleman is now proposing?

Mr. HINSHAW. I have no idea what the committee might have done in its executive sessions. I only say that the amendments which we recommended were presented to the subcommittee but they were not included in the bill. They may have been, and I presume they were, overlooked in the great volume of business that the committee has had before it. However, I assure the gentleman and the committee that those amendments have no effect whatsoever on any other projects that may be connected with the so-called Mexican water treaty.

The CHAIRMAN. Does the gentlemen from Michigan [Mr. RABAUT] insist upon his point of order?

Mr. RABAUT. No. I do not insist upon the point of order, but I am opposed to the amendment.

The CHAIRMAN. The gentleman withdraws his point of order.

Mr. MILLER of Nebraska. Mr. Chairman, I rise in opposition to the amendment and ask for recognition because it seems that the amendment proposed by the gentleman from California reaches quite far. In fact, I do not understand all of the various codes to which he referred in his remarks.

I am interested in seeing that the International Boundary and Water Commission has the authority to proceed under the treaty with Mexico, which we adopted, in getting certain water rights approved. The question I would like to ask of some member of the committee is, did that committee consider the amendment which the gentleman from California is now proposing?

Mr. RABAUT. I can say that the amendment as presented here was not presented to the committee. There was some little talk about the situation, but

the committee was not favorable to going along with it.

Mr. MILLER of Nebraska. Unless the Members know pretty thoroughly what the amendment proposes to do it might be a rather ridiculous procedure to adopt such an amendment which reaches so many parts of the present agreement.

Mr. HINSHAW. I can assure the gentleman from the depths of my heart that it reaches no part of the agreement whatsoever. It has nothing to do with the Mexican water treaty. It simply prevents the water commission from doing things to us that may be related to other acts. It has nothing to do with the Mexican Treaty. I should think that the Congress of the United States would and should protect us. I do not understand why the gentleman from Nebraska is so interested in this amendment.

Mr. MILLER of Nebraska. I am glad to have that assurance of the gentleman from California, yet I am not clear in my own mind what it would do. I may say to the gentleman from California that I am interested in getting the agreements approved between the United States and Mexico.

Mr. HINSHAW. That agreement has already been approved and is on the records of the United States. This amendment has nothing whatsoever to do with it.

Mr. MILLER of Nebraska. That is right, and the bill presently before us will implement the treaty that has been passed by the Congress of the United States.

Mr. HINSHAW. That is true; at the same time you will notice in the bill it cites a number of other authorities under which this money can be expended in addition to the Mexican water treaty. It is those other authorities we wish to protect ourselves against, not the Mexican water treaty.

Mr. MILLER of Nebraska. Mr. Chairman, I am of the opinion that the pending amendment should be rejected. I am sure that the committee that considered this bill would have placed it in the bill if the members thought it was necessary.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. WEST. Mr. Chairman, I move to strike out the last word.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WEST. I will be glad to yield.

Mr. TABER. Is there any provision whereby the people who use this water will have to pay for it the way they do on other irrigation projects?

Mr. WEST. Absolutely, sir. Under an act passed in 1935 calling for an investigation, and authorizing the President to carry out the terms of any treaty that might be made with Mexico regarding flood control, and so forth, the Department employed 16 outstanding irrigation engineers in the United States, and in pursuance of their investigation and report, which is known as project No. 5, there were three plans set up as to how the project would be paid for. That is the reclamation end of it.

The treaty with Mexico provides for the dams, and after diversion it is to be delivered to the Bureau of Reclamation which in turn sells the water to the users. Every drop of water I may drink I would have to pay for, and that is true of every resident of the country.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. WEST. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. Knowing the gentleman's great interest in this particular project, I would like to know if the bill as written takes care, in his opinion, of a stipulation contained in the Mexican-American Water Treaty signed in February 1944.

Mr. WEST. In 1945, I believe it was. It absolutely does.

The purpose of this amendment, in my opinion, is to vary the terms of a treaty between the United States and Mexico; in other words, the purpose of it is to cause the United States to welch on a treaty that it has solemnly signed, and ratified by both the United States Senate and the Mexican Senate. The Mexican Government, relying on the reputation of this country, has appropriated its part of the money necessary to carry out the terms of the treaty. If this amendment is adopted it means varying the terms of a treaty entered into between two countries. Certainly we have been in existence too long, and having established a reputation of living up to our treaty obligations, we cannot afford to repudiate it. To adopt this amendment or these amendments, in my opinion, would indicate to the people of the world, and especially Mexico and Latin America, that our word, as the United States Government, was no longer good. I do not believe this House or any other legislative body of Congress would be a party to such a proceeding, and therefore I ask that the amendments be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, as I understand, after several years of consideration and work between the two governments a treaty with respect to the use of waters was signed between the United States and Mexico.

My interest comes into this picture in this way. There is a great fertile valley down in Texas known as the Rio Grande. Many people from all over the United States have been attracted to that fertile valley, which grows very wonderful pink grapefruit, the finest in the world. Some of my closest friends, many of them from my district, have invested many thousands of dollars there, and they have written me about the situation. If we carry through as the Government intended we should carry through the provision they have through the treaty for this water, and follow on down, we can save investments running into hundreds of millions of dollars that people have placed in the Rio Grande Valley, and which have helped to encourage greater production of the finest citrus fruit in the world.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from California.

Mr. VOORHIS of California. May I say on behalf of the amendment offered by my colleague from California that, if I understand it all correctly, it is no violation of the treaty, it is only an attempt to protect our people against arbitrary action that might be taken under some of the broad language of other legislation. We do not want that to happen.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Michigan.

Mr. DONDERO. What the gentleman has said regarding the people of his district applies also to the people of my district. A good many people from Michigan have gone down there and invested their money in this valley.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Michigan.

Mr. WOODRUFF. I agree entirely with the gentleman from Illinois. Many of my friends have gone into Texas in years gone by and invested their money in the growing of citrus fruit and other products. If something is not done for those people, not only will they lose all their money but the people of the entire United States will be deprived of the finest citrus fruit that is grown.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I am merely asking for information. Would the adoption of this amendment in any way jeopardize the investments that constituents of mine have made down in the Rio Grande Valley?

Mr. VURSELL. Really, I do not know, but I understand that this was before the committee, and the committee has thought it through and has brought out a bill that does not contain these amendments. After listening to the gentleman from Texas, who has followed this matter very closely, I am fearful that it might jeopardize the treaty and it might cut off the water of these people who are growing this fruit that people all over the Nation want and in which a number of my constituents have made investments. I think it is my duty to help protect them.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from California.

Mr. HINSHAW. I should like to assure the gentleman from Minnesota and other Members of the House that this amendment has nothing whatsoever to do with the treaty and will in no wise jeopardize anything on the Rio Grande. It has to do solely with the lower Colorado and with matters that are not connected with the treaty whatsoever. If the gentleman will listen to me to that extent, I can assure him again that it

has nothing whatsoever to do with it. It merely protects us.

Mr. KNUTSON. I have the utmost confidence in my colleague from California, but in order to be sure that I am looking after the interests of the people I represent, may I suggest to my friend from California that he let this matter go over and make it a matter for special study by either the Committee on Flood Control or the Committee on Irrigation and Reclamation.

Mr. HINSHAW. We offered a bill the other day which would have straightened out the entire matter as far as California was concerned in respect to the treaty itself, and received serious opposition from other people interested, including people from Texas and people from some of the upper basin States. I wish the gentlemen who originally advocated some of these measures were here.

Mr. VURSELL. I believe the amendment offered by the gentleman from California, much as I hate to say so, should be defeated. I want to make certain this fertile valley be supplied with the water they must have and I urge the Republican Members on my side of the House to join with me in voting down the amendment as I am fearful it may deprive them of the water they must have to protect their investments, and might stop production of millions of acres now growing oranges, grapefruit, and vegetables the American people need. Let us take no chances on this vital matter.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I sincerely hope this amendment is defeated. Those of us who live on the Rio Grande are not finding fault with those along the Colorado or those who live in California who may be affected in some way by the flood waters of the Colorado, but there is a lot bigger question involved in this amendment than that. I have in my hand Public Law No. 286, that became law on August 19, 1935, and which set up the study looking to a treaty with Mexico covering the flood waters of the Rio Grande and the Colorado. Section 3 says:

> The President is further authorized to construct any project and works which may be contracted for in a treaty entered into with Mexico.

Pursuant to that law, a board of expert water engineers was set up. A complete study was made of the entire problem because I assure you it is a very serious matter in the Rio Grande Valley, as my friends, the gentlemen from Illinois, Michigan, and Minnesota have already said, and it is extremely serious at this very moment in the lower Rio Grande. But regardless of all that, a treaty was promulgated which was submitted to the United States Senate, and after weeks of debate covering all angles and all details of the problem, that treaty was ratified by the United States Senate and later was ratified by the Government of Mexico. Pursuant to that treaty and also in pursuance of what we sometimes refer to as the good neighbor policy, the Committee on Appropriations has now brought out the first appropriation bill looking to the construction of dams on the Rio Grande. I hope to see at least two in my district. Those along the Colorado are not precluded from their just rights, whatever they may be. They have their remedy and their time will come. There must be a beginning. The gentleman from California [Mr. HINSHAW] and, so far as I know, nobody else, appeared before this committee and submitted to the chairman or the committee the amendment which is now pending. I join with those who have spoken against the amendment in saying in my candid judgment it would be an absolute change in the terms of the treaty. Treaties between nations are solemn obligations and cannot be altered or modified in this manner. That treaty is an international obligation and an international contract.

If we adopt an amendment like this, I wonder what our friends in Mexico who have cooperated in a very admirable way would think about the situation. This is the first encroachment upon the treaty. This is not the way to alter, change, construe, or amend a treaty. Let them go to the Senate of the United States. Let them submit their proposals to the appropriate body and the appropriate committees. Last year, as some of you will recall, literally for weeks, those representing the great State of California, through at least one of their Senators held the floor of that body for days, urging certain changes in the terms of the treaty. After it was fought, it was ratified by an overwhelming vote. It is now the law of two great nations. California has had its day in court. Now when the very first bill comes up looking toward the carrying out of the terms of the treaty, particularly along the Rio Grande which is suffering so desperately, an amendment is offered which would absolutely alter the very terms of the treaty itself. You can understand the problem and visualize what the repercussions probably would be in the Republic to the south of us. This is not the time nor place to undertake to change or construe any of the terms of the treaty because, boiled down, that is exactly what this amounts to. This is not the place to undertake such action. My personal interest is in the recurring floods that have all but wiped out the great farming valley at and near Presidio, Tex., in my district. The farmers in that valley have been patient and long-suffering. Now that the treaty is the law, this appropriation should be passed, so that they can get the relief to which they are entitled. We should not be penalized or action delayed because we are first on the program. California will have its day and the State Department and International Boundary Commission can be trusted to do the right and fair thing. I beg of you to defeat the amendment and let this great program get started.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HINSHAW].

The amendment was rejected.

The Clerk read as follows:

> Construction: For detail plan preparation and construction of projects authorized by the Convention concluded February 1, 1933, between the United States and Mexico, the acts approved August 19, 1935, as amended (49 Stat. 660, 1370; 22 U. S. C. 277–277d), August 29, 1935 (49 Stat. 961), June 4, 1936 (49 Stat. 1463), and the projects stipulated in the treaty between the United States and Mexico signed at Washington on February 3, 1944, $9,250,000, to be immediately available, and to remain available until expended: *Provided*, That no expenditures shall be made for the Lower Rio Grande flood-control project for construction on any land, site, or easement in connection with this project except such as has been acquired by donation and the title thereto has been approved by the Attorney General of the United States: *Provided further*, That expenditures for the Rio Grande bank-protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the act approved April 25, 1945 (Public Law 40): *Provided further*, That expenditures for the Douglas-Agua Prieta sanitation project shall be subject to the provisions and conditions contained in the appropriation for this project as provided by the act approved July 2, 1942 (56 Stat. 477): *Provided further*, That expenditures for the Nogales sanitation project and an extension to the Nogales flood-control project shall be subject to the same provisions and conditions as to assurances by the city of Nogales, Ariz., as are required of the city of Douglas, Ariz., by this act in connection with the Douglas-Agua Prieta sanitation project: *Provided further*, That no expenditures shall be made for the acquisition of lands or easements for sites for boundary fences except for procurement of abstracts or certificates of title, payment of recording fees, and examination of titles: *Provided further*, That unexpended balances of appropriations for construction under the International Boundary Commission available for the fiscal year 1946 shall be merged with this appropriation and shall continue available until expended.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, and my colleagues, I would like to tell you—and I did not have an opportunity to reply to the gentleman from Texas [Mr. THOMASON] who spoke, my amendment had nothing whatsoever to do with this Mexican Water Treaty. Those gentleman from Texas have been very much afraid that I would offer an amendment which did have something to do with it. Consequently, they fought this amendment, thinking it might be the one they feared.

I want to tell you something else. Insofar as I can tell, these good friends of mine from Texas have really done a job on the State of California and do not fool yourselves. Insofar as we from California are concerned, we have lost great values in water in the course of this Mexican Water Treaty fight, and they have gained great benefit. We have lost some 950,000 acre-feet of water per annum, which is to be delivered to Mexico in the delta of the Colorado, and they have gained an equivalent amount from the Rio Grande tributaries in Mexico, to be delivered to them in Texas.

I do not like to make that statement, but I wish my friends from Texas would at least show a little reason and a little compassion for us who are meantime getting the bird in no uncertain terms.

I know that your people down there have written letters to people in the North in which they have made some unfortunate statements to the effect that if we of California attempt to protect

ourselves in this matter we are starting a fight as between the two States and between the irrigation and reclamation States; but I want to tell you we are not starting any fight. The fight was started on us. If you think it is necessary to carry on that fight, and if we cannot get a little consideration and justice, we will have to have a fight, because we are certainly getting it right square in the neck. I want you to understand that, and I want my colleagues on the Republican side to understand it and to realize that these people are getting away with a very large project which is probably not going to cost them very much money, but the taxpayers of the United States will pay for it to the tune of about $150,000,000 before they are through. The reimbursable features of the project in the State of Texas are almost nil. They are not going to repay very much of the cost of these projects that are so beneficial to them. Your constituents in your districts who happen to have been sold some property by some of these boys who go out and sell orange groves and what not at a distance may well take a look into the situation.

Public Law No. 286, Seventy-fourth Congress, introduced by the gentleman from Texas [Mr. WEST], on March 6, 1935, became section 277 (a)-(e), title 22, United States Code. Reference to that title will show very clearly that its purpose was to authorize the construction of any project or works which may be provided for in a future treaty entered into with Mexico in connection with the Rio Grande, the Colorado River, and the Tiajuana River. The authority granted in that act is complete except that no provision whatever is made for any reimbursement to the Treasury of the United States for the value of any project or works for the purpose of delivering water for domestic and irrigation uses, such as is mandatory in the reclamation laws.

In the Department of the Interior Appropriation Act for fiscal year 1942, enacted June 28, 1941 (55 Stat. p. 338), there is language which provides for the completion of investigation and commencement of construction of the valley gravity canal and storage project, Texas, known as Federal project No. 5, and which provides that the Secretary of State, with the approval of the President, shall designate the features of the project which he deems "international in character." This provision became section 277 (f) of title 22, United States Code.

It reads as follows:

Provided further, That of said sum, $250,000, shall, upon approval by the President of an allocation therefor, be available to the Secretary of State (acting through the American Commissioner of the International Boundary Commission, United States and Mexico) for continuing the investigations authorized by such act of August 19, 1935: *Provided further*, That the Secretary of State, with the approval of the President, shall designate the features of the project which he deems international in character, and shall direct such changes in the general project plan as he deems advisable with respect to such features; and the features so designated shall be built, after consultation with the Bureau of Reclamation as to general design, by the American section of the International Boundary Commission, United States and Mexico, and shall be operated and maintained by said Commission insofar as their operation and maintenance in such manner is, in the opinion of the Secretary of State, necessary because of their international character. The construction, operation, and maintenance of such project shall be pursuant to the Federal reclamation laws, except as hereinbefore provided and except that:

(1) In addition to the nonreimbursable allocation to flood control or navigation which may be made by the Secretary of the Interior under section 9 (b) of the Reclamation Project Act of 1939, the President, after consultation with the Secretary of State and the Secretary of the Interior, shall allocate such part of the total estimated cost of the project as he deems proper to the protection of American interests from drought hazards resulting from the uncontrolled and unregulated flow of the international portion of the Rio Grande below Old Fort Quitman, Tex. Provisions of law applicable with respect to allocations to flood control under section 9 (b) of the Reclamation Project Act of 1939 shall, insofar as they are not inconsistent with the foregoing provisions, be applicable in like manner with respect to any allocation made under this subparagraph; and

(2) All revenues received by the United States in connection with the construction, operation, and maintenance of such projects shall be covered into the Treasury as miscellaneous receipts.

On February 9, 1945, the Secretary of State, Mr. Hull, issued a memorandum, approved by the President, which promulgated to the effect that the following features of the valley gravity canal and storage project, Texas, being Federal project No. 5, are deemed to be strictly international in character, and in accordance with the provisions of the Interior Department Appropriation Act of 1942, above referred to:

All storage and diversion structures and their appurtenant works, including canal headings and sluiceways, which may be built on the international boundary portion of the Rio Grande. (See pp. 662 and 663, hearings, Department of State appropriation bill, 1947, 79th Cong., 2d sess.)

By that memorandum and promulgation of the Secretary of State, it is quite evident that the international dams to be built on the Rio Grande were made a part and parcel of Federal project No. 5, known as the valley gravity canal and storage project, Texas.

Under those circumstances the language contained in the Interior Department Appropriation Act of 1942 is apparently applicable to the Rio Grande dams. That language directs that the Secretary of State and the Secretary of the Interior in addition to the nonreimbursable allocation to flood control shall—

Allocate such part of the total estimated cost of the project as he deems proper to the protection of American interests from drought hazards resulting from the uncontrolled and unregulated flow of the international portion of the Rio Grande below Old Fort Quitman, Tex., (title 22, U. S. C., par. 277 (f)).

The language further provides that all revenues received in connection with the operation of such project shall be covered into the Treasury as miscellaneous receipts.

The language above quoted, namely, the "protection from drought hazards," is a new angle and new language in irrigation and reclamation law. It is the inverse of the actual intent of the language, which is the conservation of water for domestic and irrigation uses. Whoever designed that language in that appropriation bill pulled a cute trick. By that language it seems quite evident that it was intended to exempt the valley gravity canal and storage project and the treaty dams on the Rio Grande which are used for the storage of water for irrigation and domestic purposes from the reimbursement provisions of the reclamation laws.

The CHAIRMAN. The time of the gentleman from California has expired.

The Clerk read as follows:

International Fisheries Commission: For the share of the United States of the expenses of the International Fisheries Commission, under the convention between the United States and Canada, concluded January 29, 1937, including personal services, traveling expenses, charter of vessels, purchase of books, periodicals, furniture, and scientific instruments, contingent expenses, rent, and such other expenses in the United States and elsewhere as the Secretary of State may deem proper, to be disbursed under the direction of the Secretary of State, $28,000, to be available immediately: *Provided*, That not to exceed $750 may be expended by the Commissioners in attending meetings of the Commission.

Mr. RABAUT. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. RABAUT: On page 28, line 17, strike out "$28,000" and insert in lieu thereof "$30,000."

Mr. RABAUT. Mr. Chairman, this is an amendment to match funds that have been made available by Canada. The funds have always been matched. This is just a correcting amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

Contracts entered into in foreign countries involving expenditures from any of the foregoing appropriations shall not be subject to the provisions of section 3741 of the Revised Statutes (41 U. S. C. 22).

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: On page 32, line 23, after the period insert a new paragraph reading as follows:

"No part of any appropriation in this act shall be used to pay the salary or wage of any person appointed or transferred to the Department of State after September 1, 1945, until essential clearance as to loyalty has been certified by the Federal Bureau of Investigation and the appropriate security committee of the State Department."

Mr. RABAUT. Mr. Chairman, I reserve a point of order against the amendment.

Mr. WIGGLESWORTH. Mr. Chairman, I hope the distinguished chairman of the subcommittee [Mr. RABAUT] will not make the point of order against this amendment. It seems to me the amendment should be unanimously adopted.

Recent testimony by the State Department indicates that no less than 4,000 people have been transferred to the rolls

of the department since last September, from the OWI, from the OSS, and from other interim agencies, and that this personnel has not yet been properly cleared as to loyalty.

The testimony shows that 243 out of the 4,000 have been eliminated as unsuitable by the State Department; that 3,000 have been given temporary clearance on the basis of spot checks only, and that apparently 757 have not as yet been investigated.

In other words, there are 3,757 people on the rolls of the State Department at the moment who have not been given proper clearance as to loyalty.

The representative of the State Department said, and I quote:

> It has become quite evident that the standards employed by the interim transfer agencies in the selection, investigation, security, and clearance of their employees until October 1945 do not conform by a considerable measure to those general standards of the Department of State governing personnel clearance.

And he added that:

> The investigative files as such are fragmentary and in many cases consist only of limited spot checks.

All of us know, Mr. Chairman, the charges that were made here year after year in reply to OWI personnel and how hundreds, if not thousands, of this personnel were carried without proper clearance. We all recall how we waited year after year for the determination of specific charges against specific individuals without any satisfactory results, and yet today we find that 3,757 persons from the OWI and other interim agencies have been turned over to the State Department and have not received proper clearance.

It seems to me that the people of this country are entitled to assurance in respect to the State Department, above all other agencies of government, that the people on the rolls of the Department are loyal to this country and to our form of government.

All this amendment does is to provide that no money shall be paid to anyone transferred to the rolls of the State Department since September 1 last until he has been given proper clearance as to loyalty by the FBI and the appropriate security agency of the State Department.

I hope that the amendment will be adopted, and adopted unanimously.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I think the gentleman's amendment is a laudable one and that it should be adopted, but I think we should go far enough to make certain that when one of these employees has been rejected he is not given a place in some other department of the Government. I notice many times when they are taken out of one department we find them showing up in some other department of our Government. We should take them clear off the pay roll of the Government entirely. The amendment ought to be adopted, and I trust the chairman of the committee will not insist upon his point of order.

Mr. WIGGLESWORTH. They should be investigated immediately and either eliminated or given the clearance to which they are entitled.

Mr. REES of Kansas. That is correct.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RABAUT. Mr. Chairman, I renew my point of order and insist on it for the reason it is a direction under the guise of a limitation which casts a serious reflection on the personnel of the State Department and it will cripple their activities. I know all Members of the House appreciate how serious my own thoughts have been along the very same lines. I have expressed myself time and time again on this and the hearings are replete and filled with statements made by the chairman and other members of the committee on that subject. We have brought this forcibly to their attention, but this is too drastic an amendment.

Mr. Chairman, I insist on the point of order.

The CHAIRMAN. Does the gentleman from Massachusetts wish to be heard on the point of order?

Mr. WIGGLESWORTH. Mr. Chairman, I am very sorry that the gentleman from Michigan [Mr. RABAUT] or any other Member of the House should raise a point of order on an amendment of this character.

In reference to the point of order I merely wish to make the following statement. If I understood the gentleman from Georgia [Mr. COX] correctly this morning, the FBI is already cooperating with the proper security committees of the Department of State in this work. If that is a fact, and if the Chair takes knowledge of existing practices, as I believe he is bound to do, then it seems to me that the amendment is not subject to a point of order because it imposes no duties in addition to those which are already in force. All the amendment provides is that no money shall be provided in terms of salaries or wages until the work which is apparently already under way is brought to a conclusion. I hope the Chair will overrule the point of order.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Michigan [Mr. RABAUT] makes the point of order that the language contained in the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH] imposes additional burdens upon agencies of the Government that they are not under law required to perform, therefore it goes beyond the ordinary limitations.

The language through the figures "1945" is nothing other than a limitation, perhaps; but the remainder of the language does impose responsibilities and duties upon the Federal Bureau of Investigation which it may not now be called upon to perform under existing law.

The Chair is, therefore, constrained to sustain the point of order made by the gentleman from Michigan.

Mr. VORYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. VORYS of Ohio: On page 32, after line 23, insert a new paragraph, as follows:
>
> "No part of any appropriation contained in title I of this act shall be used to pay any salaries or expenses for international radio broadcasting after September 1, 1946, nor for any international spot news radio broadcasting which is not identified as to its source, nor for the purchase from any private short-wave radio station of any time which would otherwise be devoted to broadcasting international information or cultural programs."

Mr. VORYS of Ohio. Mr. Chairman, this is an amendment which is an attempt as best we can to take the controversial features out of the short-wave international broadcasting program which has caused so much criticism from the Associated Press and the United Press.

The amendment does three things. First, it winds up international broadcasting under this appropriation by September 1. By that time the new system I shall mention should be in operation. Second, until September 1 it requires that no spot news be broadcast without identification of its source. This answers a criticism made by the press services. And third, it provides that no money shall be spent for acquiring radio time from stations which would otherwise be devoting the same time to privately sponsored informational and cultural international programs.

At the present time the Department of State is considering a plan to eliminate the controversy from this program and to set up some sort of corporation or foundation, with a board controlled by outstanding private citizens, which would have charge of this important part of our postwar propaganda program, the short-wave broadcasting. That program should be brought to the Congress, and if approved we can then have a program which will be carried on which will preserve and protect the freedom of flow of information. Congress should legislate on it at this session.

As I said earlier this afternoon, however, at present the Department contemplates a monopoly of short-wave international broadcasting. That is contrary to the spirit of free flow of information to which we all give at least lip service. It is contrary to the principles which the State Department itself has expressed with respect to its controversy with the Associated Press and the United Press.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Michigan.

Mr. RABAUT. When a Member talks about monopoly of the short-wave broadcast, what does he mean by that? How much of a short-wave broadcast band is there? How many points are there on the dial?

Mr. VORYS of Ohio. I mean just this. The gentleman apparently was not paying too much attention earlier when I read the letter from Mr. Denny, acting chairman of the Board of War Communications, in which he stated that this program will be "in fact operated by the State Department, which has entered

into agreements with" not part of but "each of the international stations for the purchase of their entire time." There is no question but that the State Department contemplates a complete monopoly of short-wave international broadcasting from the United States. Now if they are going to have such a monopoly of the stations at least they should provide what is provided for in this amendment; they should not monopolize the time which these stations—one of them a nonprofit station and others commercial stations—are willing to devote to international information and cultural programs. We all say that we believe that the United Press, the Associated Press, our magazines, and our books under the free American way of individual expression should go across the seven seas and tell of the American way of life. Why do we not provide, as in this amendment, that short-wave broadcasting, the most important method of all to get into the so-called barren spots of Europe where censorship forbids the flow of other news, should not be monopolized by Government; that where under free American private enterprise facilities for information, culture and news programs are provided, the State Department shall not monopolize that particular time of any station but permit that sort of broadcasting to go ahead. That is what is provided by this amendment.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6056), making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mrs. BOLTON (at the request of Mr. MARTIN of Massachusetts) was given permission to extend her remarks in the RECORD on the award given by the Golden Rule Foundation.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an address she delivered at Boston on April 27.

Mr. RANDOLPH and Mrs. DOUGLAS of Illinois (at the request of Mr. MCCORMACK) were given permission to extend their remarks in the RECORD.

Mr. LINK asked and was given permission to extend his remarks in the RECORD and include an article from the Evening Star.

INTER-AMERICAN HIGHWAY

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a resolution of the Constitutional Congress of Costa Rica transmitted to the Speaker of the House of Representatives today by the president of the Constitutional Congress of Costa Rica, Dr. Rafael A. Grillo.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution referred to is as follows:

Whereas the President of the Constitutional Congress of Costa Rica, Dr. Rafael A. Grillo, is to leave shortly for the United States; and

Whereas there is before the Congress of the United States a bill providing for the appropriation of the funds necessary to terminate the Inter-American Highway—a project of enormous importance to Costa Rica and to the other countries of America—which will be a bond of unity and of closer contact between the Americas.

The Constitutional Congress of Costa Rica resolves:

1. To entrust to Dr. Rafael A. Grillo, President of the Constitutional Congress, a cordial and affectionate greeting from the members of the Congress of Costa Rica to the Members of the Senate and House of Representatives of the United States; and

2. To invest in Dr. Grillo the representation of the Congress of Costa Rica before the afore-mentioned high legislative Chambers of the United States, that he may express the sentiment of its membership, which is the sentiment of the Nation regarding the bill that is pending in both Houses, providing for the appropriation of funds necessary to the termination of the Inter-American Highway of transcending importance to Costa Rica and to all the American Republics.

Done at San José, Costa Rica, this 3d day of April 1946.

FRANCISCO FOMSECA CHAMIER,
Vice President.
ARISTIDES BALTODANO B.,
Secretary.
ALVARO CUBILLO A., *Secretary.*

HOUR OF MEETING TOMORROW

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ARENDS (at the request of Mr. MARTIN of Massachusetts), for 1 week.

To Mr. GWINN of New York (at the request of Mr. MARTIN of Massachusetts), for the balance of the week, on account of official business.

To Mr. MONRONEY (at the request of Mr. GORE), for 10 days on account of the death of his mother.

To Mr. JARMAN (at the request of Mr. SPARKMAN), for an indefinite period, on account of official business.

To Mr. CHAPMAN (at the request of Mr. GREGORY), for today, on account of official business.

To Mr. WILSON (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of illness in family.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1955. An act to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator; to the Committee on the District of Columbia.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2483. An act for the relief of the estate of Michael J. McDonough, deceased;

H. R. 3755. An act to establish an Optometry Corps in the Medical Department of the United States Army; and

H. R. 5719. An act to amend the act entitled "An act to authorize black-outs in the District of Columbia, and for other purposes," approved December 26, 1941, as amended.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2483. An act for the relief of the estate of Michael J. McDonough, deceased;

H. R. 3755. An act to establish an Optometry Corps in the Medical Department of the United States Army; and

H. R. 5719. An act to amend the act entitled "An act to authorize black-outs in the District of Columbia, and for other purposes," approved December 26, 1941, as amended.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, May 3, 1946, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Commerce and Trade of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m., May 6, 1946.

Business to be considered: Public hearing on H. R. 4871 and S. 1367, providing for three additional Assistant Secretaries of Agriculture. Secretary Wallace will be the first witness.

COMMITTEE ON RIVERS AND HARBORS

Schedule for the closing days of hearings on the omnibus river and harbor authorization bill is as follows:

(Friday, May 3, 1946)

Cumberland River, Ky. and Tenn.

Apalachicola, Chattahoochie, and Flint Rivers, Ga. and Fla.

Schuylkill River, Pa., deepening of channel.

Illinois River, small-boat harbor at Peoria, Ill.

San Diego Harbor and Mission Bay, Calif.

Columbia River, from Vancouver, Wash., to The Dalles, Oreg.

(Monday and Tuesday, May 6 and 7, 1946)

Big Sandy River, Tug and Levisa Forks, Va., W. Va., and Ky.

(Wednesday and Thursday, May 8 and 9, 1946)

Arkansas River, Ark. and Okla.

COMMITTEE ON INVALID PENSIONS

There will be a public hearing before the Committee on Invalid Pensions at 10:30 a. m. on Tuesday, May 7, 1946, in the committee hearing room, 247 Old House Office Building, on H. R. 3908, entitled "A bill to provide increased pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein during other than a period of war," which was introduced by Representative LESINSKI, of Michigan.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1242. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to provide for two heads of departments of military science and tactics in the public schools of the District of Columbia, which they request be introduced and enacted into law; to the Committee on the District of Columbia.

1243. A letter from the chairman, the Textile Foundation, transmitting the annual report of the Textile Foundation for the fiscal year ending December 31, 1945; to the Committee on Interstate and Foreign Commerce.

1244. A communication from the President of the United States, transmitting a proposed provision pertaining to an estimate of appropriation for the fiscal year 1947 for the Navy Department in the form of an amendment to House Document 501 (H. Doc. No. 545); to the Committee on Appropriations and ordered to be printed.

1245. A letter from the Secretary of War, transmitting a draft of a proposed bill for the relief of the estate of Carmen Aurora de la Flor, deceased; to the Committee on Claims.

1246. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1247. A letter from the Chairman, Reconstruction Finance Corporation, transmitting a report of its activities and expenditures for the month of January 1946; to the Committee on Banking and Currency.

1248. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1947 in the amount of $21,940 for the legislative branch, House of Representatives (H. Doc. No. 546); to the Committee on Appropriations and ordered to be printed.

1249. A letter from the Attorney General, transmitting the twelfth report of the Attorney General covering the period from December 1, 1945, through April 30, 1946; to the Committee on Banking and Currency.

1250. A letter from the director, national legislative committee, the American Legion, transmitting the final financial statement of the American Legion for the year ending December 31, 1945; to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LESINSKI:

H. R. 6279. A bill to facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States; to the Committee on Immigration and Naturalization.

By Mr. HAND:

H. R. 6280. A bill to authorize the sale of grain for domestic consumption, and for other purposes; to the Committee on Banking and Currency.

By Mr. MAY:

H. R. 6281. A bill to amend further the Pay Readjustment Act of 1942, as amended; to the Committee on Military Affairs.

By Mr. RICH:

H. R. 6282. A bill to amend the Surplus Property Act of 1944 to provide that proceeds from the transfer or disposition of surplus property be used for the reduction of the public debt; to the Committee on Expenditures in the Executive Departments.

By Mr. ROBERTSON of North Dakota:

H. R. 6283. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn produced and sold between January 1, 1945, and April 18, 1946; to the Committee on Agriculture.

By Mr. COLE of New York:

H. R. 6284. A bill to require immediate reestablishment of rationing in the case of butter; to the Committee on Banking and Currency.

By Mr. TRAYNOR:

H. R. 6285. A bill authorizing the State of Delaware, by and through its State highway department, to construct, maintain, and operate a toll bridge across the Delaware River near Wilmington, Del.; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLVERTON of New Jersey:

H. R. 6286. A bill authorizing the State of Delaware, by and through its State highway department, to construct, maintain, and operate a toll bridge across the Delaware River near Wilmington, Del.; to the Committee on Interstate and Foreign Commerce.

By Mr. WALTER:

H. R. 6287. A bill to amend title 3 of the first War Powers Act, as amended, to permit the shipment of relief supplies; to the Committee on the Judiciary.

By Mr. MILLER of Nebraska:

H. J. Res. 345. Joint resolution to authorize the selling and buying of corn and wheat without penalty; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS:

H. R. 6288. A bill for the relief of Eugene J. Bearman; to the Comimttee on Claims.

By Mr. DOLLIVER:

H. R. 6289. A bill for the relief of Mrs. Maja V. Capek; to the Committee on Immigration and Naturalization.

By Mr. HAYS:

H. R. 6290. A bill for the relief of the legal guardian of Robert Lee Threatt, a minor; to the Committee on Claims.

By Mr. JUDD:

H. R. 6291. A bill for the relief of Thomas Milton Culbertson; to the Committee on Claims.

By Mr. KILDAY:

H. R. 6292. A bill for the relief of Farmers Rural Telephone Association; to the Committee on Claims.

By Mr. LARCADE:

H. R. 6293. A bill for the relief of William W. Maddox; to the Committee on Claims.

By Mr. LESINSKI:

H. R. 6294. A bill for the relief of William T. Skrzycki, proprietor and owner of the Consolidated Baking Co.; to the Committee on Claims.

By Mr. POWELL:

H. R. 6295. A bill for the relief of Sam S. Suddin; to the Committee on Immigration and Naturalization.

By Mr. SAVAGE:

H. R. 6296. A bill for the relief of public utility district No. 1 of Cowlitz County, Wash.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1854. By Mr. ANDREWS of New York: Petition from a group of citizens of Niagara County, N. Y., requesting that the Congress pass a joint resolution authorizing the President of the United States and the Secretary of Agriculture to issue a directive preventing the use of grain for beverage purposes until the world's food shortage is relieved; to the Committee on Agriculture.

1855. By Mr. REED of New York: Petition of Dunkirk Aerie, No. 2447, the Fraternal Order of Eagles of Dunkirk, N. Y., requesting that the new veterans' hospital being built in Buffalo, N. Y., be named the John E. Butts Memorial Hospital; to the Committee on World War Veterans' Legislation.

1856. By The SPEAKER: Petition of the United States War Ballot Commission, urging consideration of their resolution with reference to termination of the activities and office of the Commission; to the Committee on Election of President, Vice President, and Representatives in Congress.

1857. Also, petition of the Philadelphia County Council of Amvets, urging consideration of their resolution with reference to granting priorities to veterans engaged in the business of building and renovating homes, in the allocation of building materials; to the Committee on Banking and Currency.

1858. By Mr. LUTHER A. JOHNSON: Petition of Sidney Harrison, of Fort Worth, Tex., favoring House bill 5204; to the Committee on Military Affairs.

SENATE

FRIDAY, MAY 3, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. James J. Davies, minister, First Methodist Church, Fort Dodge, Iowa, offered the following prayer:

Eternal God, fountain of all good, we bless Thy name for the noble heroes, living on earth or in heaven, who by their work and sacrifice made our way of life more beautiful and abundant.

We thank Thee for our country, its government, its laws, and its customs, making for liberty and opportunity for all. We praise Thee for freedom of worship as practiced in our churches, for educational privileges as offered in our schools, for natural resources which industry transforms by the skill and energy of labor into our many daily comforts.

May we continue to develop all that is noble in our heritage. As American citizens, help us to conserve and extend such blessings throughout the world. Give us a lively interest in all peoples and nations, whatever be their culture or religion. Open our hearts to new friendships in this hour of desperate need. Give food, O Lord, to those that have it not, and discipline us in service for the

common good. Increase our respect for spiritual values such as teach the dignity and worth of Thy creatures everywhere. Bless the President of the United States and all those who give their time and talent in the upbuilding of our Nation. These mercies we ask in the Master's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 3, 1946.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. CARL A. HATCH, a Senator from the State of New Mexico, to perform the duties of the Chair during my absence.

KENNETH MCKELLAR,
President pro tempore.

Mr. HATCH thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 2, 1946, was dispensed with, and the Journal was approved.

LEAVE OF ABSENCE

Mr. HUFFMAN. Mr. President, I ask unanimous consent to be absent from the Senate tomorrow because of a previous engagement of long standing.

The ACTING PRESIDENT pro tempore. Without objection, leave is granted.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 2101) to amend the Trading With the Enemy Act, as amended, to permit the shipment of relief supplies.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	O'Mahoney
Austin	Hawkes	Pepper
Ball	Hayden	Radcliffe
Bankhead	Hickenlooper	Reed
Barkley	Hill	Revercomb
Brewster	Hoey	Robertson
Briggs	Huffman	Russell
Brooks	Johnson, Colo.	Saltonstall
Bushfield	Johnston, S. C.	Shipstead
Butler	Langer	Smith
Byrd	Lucas	Stewart
Capehart	McCarran	Taft
Capper	McFarland	Taylor
Carville	McMahon	Tunnell
Cordon	Magnuson	Tydings
Donnell	Maybank	Wagner
Downey	Mead	Walsh
Eastland	Millikin	Wheeler
Ellender	Mitchell	Wherry
Ferguson	Moore	Wiley
Fulbright	Morse	Willis
Gerry	Murdock	Wilson
Green	Murray	Young
Gurney	Myers	
Hart	O'Daniel	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Louisiana [Mr. OVERTON], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. KILGORE], and the Senator from Tennessee [Mr. MCKELLAR] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from California [Mr. KNOWLAND], the Senator from Wisconsin [Mr. LA FOLLETTE], and the Senator from Kentucky [Mr. STANFILL] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Delaware [Mr. BUCK] are necessarily absent.

The ACTING PRESIDENT pro tempore. Seventy-three Senators have answered to their names. A quorum is present.

ABOLITION OF OFFICE OF PRICE ADMINISTRATION—RESOLUTION OF ASSOCIATED NEEDLE INDUSTRIES, OMAHA, NEBR.

Mr. WHERRY. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the Associated Needle Industries, of Omaha, Nebr. This is an organization of garment and other midwestern textile concerns with headquarters in Omaha. These businessmen support substantial pay rolls and have prided themselves in doing business by honorable means and in full compliance with all laws and regulations of Government. As they set out in their resolution, they have come to the point where onerous regulation leaves them the choice of suspending or obtaining a revision of Government controls which do not discriminate against small business enterprises.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas the Associated Needle Industries of Omaha, an association of the apparel manufacturers of Omaha, as an association is greatly concerned with the welfare of the Nation, of this community and of its own members; and

Whereas this association has seen the employment figures of its member firms drop steadily from a peak of about 1,800 to a current figure of less than 250 during a period when increased production is an obvious need of the Nation; and

Whereas continued conscientious attempts to cooperate with the Office of Price Administration, the Civilian Production Administration, and the War Assets Administration (and its predecessors) have been essentially fruitless in securing permitted materials even when priority authorizations have been obtained due to the Nation-wide shortage of material while at the same time several of its member firms have had opportunity to secure material through other channels; and

Whereas this association and its members have factual evidence that continued attempts to operate under the existing system will result in liquidation of these firms, increased unemployment, and further curtailed production contributing further to black market activity and a long run inflation: Be it

Resolved, That this association go on record as recommending in the public interest the abolition of the OPA and CPA controls unless workable procedures which do not discriminate against small businesses be formulated and put into effect immediately, and that such governmental efforts as are authorized be directed primarily toward the elimination of the diversion and hoarding of materials and speculative activity with respect to same.

N. B. LAMM,
President, Associated Needle Industries.

RESOLUTIONS OF ST. JOSEPH COUNTY (IND.) MINISTERIAL ASSOCIATION

Mr. WILLIS. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD resolutions adopted by the St. Joseph County (Ind.) Ministerial Association.

There being no objection, the resolutions were received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas with the invention of the atomic bomb mankind is threatened with more extensive tragedy than any yet experienced; and

Whereas the possibility of such tragedy is fundamentally due to the moral and spiritual illness and the economic and social maladjustments of mankind; and

Whereas improved human relations will be attained only through the conversion of men to the divine way of life as exemplified in Jesus Christ and through the building of a social order based on justice and good will; and

Whereas the responsibility of this critical hour rests upon all persons in every area of our social order, including church, home, school, press, industry, labor, and government: Therefore be it

Resolved—

1. That as members of the St. Joseph County Ministerial Association we first repent of our sins and acknowledge our failures in the service of God and man and dedicate ourselves anew to giving primary place and forceful proclamation of the full Gospel of Jesus Christ.

2. That the church in this community be called to a spiritual awakening and an immediate strengthening of its whole program.

3. That all men everywhere be called upon to repent and accept the Gospel as the only way to a prosperous social order and the only hope for life here as well as hereafter.

4. That we reaffirm our confidence in the overseas missions enterprise of the Christian church as a movement for the highest welfare of backward peoples, spiritually, socially,

and materially, and pledge ourselves to contribute to its fullest advancement.

5. That we announce our faith in the United Nations as a step toward successful international cooperation and urge the development of that organization into a true, inclusive world government.

6. That all leaders of the United States of America be encouraged to lead this country in the sharing of our scientific, industrial, and agricultural knowledge and skills with other countries, to the end that all nations may help themselves achieve increasingly higher standards of living.

7. That the President of the United States, the State Department, and Congress be urged to call upon the United Nations for an immediate study and revision of the Potsdam policy and that increased relief immediately be offered famine-stricken peoples.

8. That copies of the above resolutions be forwarded to President Harry S. Truman, United States Senators Homer E. Capehart and Raymond E. Willis, Representative Robert Grant, the South Bend Tribune, and the members of the St. Joseph County Ministerial Association, and that copies of these resolutions and the article "A Christian Answer to the Atomic Bomb," by Dr. Frank Laubach, be sent to the Federal Council of Churches of Christ in America, the Christian Century, and local labor, industrial, and educational agencies.

Respectfully submitted.

ROY W. MICHEL,
GLEN WEIMER,
ROBERT H. DAUBE,
Committee.

INCLUSION OF EMPLOYEES OF NATIONAL FARM LOAN ASSOCIATIONS UNDER CIVIL SERVICE RETIREMENT BENEFITS

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by all secretary-treasurers of the Seventh Farm Credit District, in conference assembled at St. Paul, Minn., and the Klaus National Farm Loan Association, favoring the enactment of legislation to include employees of national farm loan associations under the same provisions for civil service retirement benefits as are now accorded to the employees of the Federal land banks.

There being no objection, the resolutions were received, referred to the Committee on Civil Service, and ordered to be printed in the RECORD, as follows:

Whereas national farm loan associations are an integral part of the Federal land bank system, and are wholly and entirely subject to the supervisory authority of the Farm Credit Administration; and

Whereas by an act of Congress, passed January 24, 1942, the employees of the Federal land banks were covered under the Civil Service Retirement Act (sec. 3 (a)); and

Whereas employees of national farm loan associations, most of whom have been in the employ of these associations for more than 12 years, are not covered by any system of retirement benefits: Therefore be it

Resolved by all secretary-treasurers of the Seventh Farm Credit District in a conference assembled at St. Paul, Minn., on the 20th day of March 1946, That we urge the speedy enactment by the Congress of legislation which shall provide for the inclusion of all employees of national farm loan associations under the same provisions of civil service retirement benefits as are now accorded to the employees of the Federal land banks; and be it further

Resolved, That a copy of the resolution be forwarded to all United States Senators and Members of Congress from the States of North Dakota, Minnesota, Wisconsin, and Michigan.

MARCH 20, 1946.

We, the directors of the Klaus National Farm Loan Association are wholly in accord with the contents of the above resolution and do recommend and urge our Members in Congress to support such legislation as referred to in said resolution.

The secretary-treasurer of this board is instructed to forward a copy of this to the North Dakota Senators and Members of the United States Congress.

Dated this 9th day of April 1946.

JACOB C. YAEGER,
Jamestown, N. Dak.
U. H. JOHNSON,
Montpelier, N. Dak.
ERWIN S. KEIM,
Robinson, N. Dak.
CHRIST CHRISTENSEN,
Medina, N. Dak.
FRED J. SHIPLEY,
Steele, N. Dak.

DISTRIBUTION OF SURPLUS WAR GOODS IN NORTH DAKOTA

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the American Legion Clarence Larson Post, No. 23, at Rugby, N. Dak., dealing with the matter of the inability of veterans to obtain more surplus goods. The criticism contained in the resolution is that these goods are concentrated in places hundreds of miles from North Dakota, and a North Dakota veteran who wants to buy a Diesel Ford tractor must go to St. Louis, Mo., nearly 1,000 miles away. The resolution asks that a point of distribution of surplus goods be established in North Dakota.

There being no objection, the resolution was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the United States Government has set up machinery for the purpose of selling war surplus goods; and

Whereas the intention of the governmental procedure for the disposition and sale of said property is to give preference and priority to veterans; and

Whereas the governmental agency consists of Smaller War Plants Corporation, with its principal offices in the State of North Dakota in the Walker Building at Fargo, N. Dak.; and

Whereas it appears that the present setup for the distribution of surplus war goods to veterans is wholly inadequate and insufficient to properly supply the needs of returning veterans in the State of North Dakota; and

Whereas it appears that the veterans in the State of North Dakota have not been receiving surplus war goods as intended under the act for the distribution for such war surplus goods: Be it therefore

Resolved, That the American Legion Clarence Larson Post, No. 23, at Rugby, N. Dak., go on record recommending legislation to change or alter the existing procedure for the distribution of war surplus goods for the purpose of establishing within the State of North Dakota, warehousing, storing, and shipping facilities for the resale of said war surplus goods at some depot, warehouse, or where such commodities or goods will be available to the veterans of the State of North Dakota and thereby making it possible for the veterans of the State of North Dakota to have an opportunity to check such commodities or goods; be it further

Resolved, That such surplus war commodities and goods be allocated to the State of North Dakota in proper proportion to the goods and commodities allocated to the remaining States, and that due notice of goods and commodities for distribution be given so that all veterans will have an equal opportunity to purchase the same; be it further

Resolved, That the original resolution be spread upon the minutes of the Clarence Larson Post No. 23, at Rugby, Department of North Dakota, and that true and correct copies thereof be forwarded to the congressional delegates for the State of North Dakota.

Dated at Rugby, N. Dak., this 12th day of April 1946.

CLARENCE LARSON POST, NO. 23, OF RUGBY, DEPARTMENT OF NORTH DAKOTA.
By C. G. JOHNSON, *Post Commander.*
Attest:
DENNETT L. HUTCHINSON,
Post Adjutant.

FEDERAL AID TO SCHOOLS

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by members of the Ray Farmers Union Headquarters, Local No. 1462, relating to Federal aid to schools.

There being no objection, the resolution was received, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

Whereas the schools of North Dakota and the Nation in all too many cases are financially unable to maintain adequate schools; and

Whereas we as residents of North Dakota contribute through our purchases to large Nation-wide industries, yet we do not share in their tax payments: Therefore be it

Resolved, That we, the members of the Ray Farmers Union Headquarters, Local No. 1462, in session assembled this 15th day of April 1946, do petition for Federal aid to schools; and that copies of this resolution be sent to President Truman, Senator William Langer, Senator Milton R. Young, and Representatives Charles Robertson and William Lemke.

Members present and voting, 21.

ARNOLD L. ANDERSON,
Secretary-Treasurer.

POOLING OF WORLD FOOD RESOURCES—PETITION

Mr. MEAD. Mr. President, I have here a letter recently addressed to me by the Community Church of New York, which encloses a petition. In order that the petition may have wide circulation I have been requested to have it inserted in the CONGRESSIONAL RECORD. It is a petition, addressed to the President and the Congress, which was adopted last Sunday by 1,000 members and friends of the Community Church of New York, assembled at Town Hall, calling upon the President and the Congress to take the necessary steps required for the pooling of all our food resources with those of the other nations of the world. I ask to have it printed in the RECORD and appropriately referred.

There being no objection, the petition was received, referred to the Committee

on Foreign Relations, and ordered to be printed in the RECORD, as follows:

To the President and to the Congress of the United States:

We, the members and friends of the Community Church of New York, assembled together in the solemn worship of the God of hosts, the Father of all mankind, do declare our faith that all human beings are precious, regardless of race, nation, creed, or class, whether they be enemy, ally, or neutral. We believe that all are equally the children of one Father.

In the light of this faith, we are hurt beyond all power of expression by the failure of our country to share its food abundantly with the fainting, famine-torn peoples of the rest of the world. We are horrified at the prospect that the Europe and Asia for which we have taken our share of responsibility are rapidly become one gigantic death chamber of starving bodies and stunted minds, while we Americans dance and sing and live in luxury. Our souls are filled with anguish. The cake of luxury is turning to dust and ashes in our mouths as we remember that a few short hours away by air, little children piteously cry and die for want of a dry crust of bread. There is a tremor of tears on the wind from the east; there is a wail of anguish from the west; we cannot stop our ears tightly enough to close them to the tired cries. We are filled with shame as we stand before our great God-Father. We can no longer hold up our heads in self-respect.

Therefore, as members of this congregation of free worshipers, we do together, in deepest earnestness and sincerity:

1. Declare our desire as Americans to pool all our food resources with those of the rest of the nations of the world, and to share alike with all, enemy, ally, or neutral, until this emergency is over.

2. Request an immediate return to rationing in the United States, and the shipment of sufficient foodstuffs abroad to maintain life and health everywhere.

3. An immediate appropriation by the Congress of whatever funds are necessary to underwrite this miracle of mercy.

Finally, we call upon all our brethren, in all churches and synagogues throughout this land, to bow their heads in penitence as they assemble before God, and then to rise up and support this petition to the President and the Congress of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BUSHFIELD, from the Committee on Indian Affairs:

S. 1074. A bill designating American Indian Day; without amendment (Rept. No. 1296).

By Mr. YOUNG, from the Committee on the District of Columbia:

S. 2110. A bill to amend section 4 of the act of August 25, 1937, so as to provide a filing procedure in cases of adoption outside the District of Columbia, and for other purposes; without amendment (Rept. No. 1297).

By Mr. HOEY, from the Committee on the District of Columbia:

H. R. 4654. A bill to exempt transfers of property to the American National Red Cross from the District of Columbia inheritance tax; without amendment (Rept. No. 1298).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. GURNEY introduced Senate bill (S. 2140) to provide that there shall be no liability for acts done or omitted in good faith by an employer with respect to reemploying veterans in accordance with regulations of the Director of Selective Service or in accord with any applicable court decision, and for other purposes, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

By Mr. JOHNSON of Colorado (for Mr. THOMAS of Utah):

S. 2141. A bill to amend the act entitled "An act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes," approved March 4, 1923, as amended, in order to extend the Commission's authority to all areas in which our armed forces have operated during World War II, and for other purposes; to the Committee on Military Affairs.

By Mr. HOEY:

S. 2142. A bill to provide for two heads of departments of military science and tactics in the public schools of the District of Columbia; to the Committee on the District of Columbia.

(Mr. TAFT (for himself, Mr. SMITH, and Mr. BALL) introduced Senate bill 2143, to coordinate the health functions of the Federal Government in a single agency; to amend the Public Health Service Act for the following purposes: To expand the activities of the Public Health Service; to promote and encourage medical and dental research in the National Institute of Health and through grants-in-aid to the States; to construct in the National Institute of Health a dental research institute and a neuropsychiatric institute; and for other purposes, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. MORSE (for himself and Mr. CORDON) introduced Senate bill (S. 2144) to authorize the Veterans' Administration to reimburse State and local agencies for expenses incurred in rendering services in connection with the administration of certain training programs for veterans, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. MORSE introduced Senate bill 2145, to amend secs. 112 and 113 of the Internal Revenue Code, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. MORSE also introduced Senate bill 2146, to provide for reasonable attorney's fees in the case of any suit by or against the United States, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

SENIORITY IN REEMPLOYMENT OF VETERANS

Mr. GURNEY. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to provide that there shall be no liability for acts done or omitted in good faith by an employer with respect to reemploying veterans in accordance with regulations of the Director of Selective Service, and so forth.

The regulations of the Director of Selective Service require recognition of the principle of seniority in connection with the reemployment of veterans, even to the extent of displacing employees with 10 or more years' service with the employer. In effect, Selective Service says an employer must rehire a veteran, even though that means firing an employee with greater seniority.

The recent decision of a United States circuit court of appeals in the Fishgold case holds that the Congress did not intend that a veteran should have seniority rights superior to those of employees with longer service with the employer.

Most employers have been rehiring all veterans seeking their old jobs back again. Such employers have been following the regulations of the Director of Selective Service, even though such policy means displacing other employees who had been with the employer continuously since and for several years before the veterans ever worked for the employers.

The decision in the Fishgold case has made the situation very unsettled, and it will remain unsettled until the Supreme Court has decided the question. A petition for a writ of certiorari is now pending before the Supreme Court, but an early decision cannot be anticipated with any certainty.

In the meantime, all employers required by section 8 of the Selective Training and Service Act to reemploy veterans may be subjected to liability for following either the regulations of the Director of Selective Service or the decision in the Fishgold case. All employers are taking a chance no matter which policy they pursue during the present period, as they may incur liability either from the veteran or from the union on behalf of nonveterans.

There is a bill, H. R. 6035, now on the Consent Calendar of the House, seeking to accomplish the same objective.

I also ask unanimous consent that the bill may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the bill (S. 2140) to provide that there shall be no liability for acts done or omitted in good faith by an employer with respect to reemploying veterans in accordance with regulations of the Director of Selective Service or in accord with any applicable court decision, and for other purposes, introduced by Mr. GURNEY, was received, read twice by its title, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That no liability shall be predicated in any case on any act done or omitted in good faith by any employer in accord with any regulation, order, ruling, or administrative interpretation issued with respect to the provisions of section 8 of the Selective Training and Service Act of 1940, as amended, by the Director of Selective Service or by any other authorized person within the Selective Service System, or in accord with the decision of any duly constituted judicial or quasi-judicial authority construing such section, notwithstanding that such regulation, order, ruling, interpretation, or decision may, after such act or omission, be amended, rescinded, or reversed, or otherwise nullified: *Provided*, That the provisions of this act shall not be applicable with respect to any act done or omitted subsequent to the date of rendition by the Supreme Court of the United States of any decision construing the provisions of such section 8, if such act or omission is not consistent with the construction or interpretation of such section 8 adopted in such decision.

DEVELOPMENT AND CONTROL OF ATOMIC ENERGY—PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 1211

Mr. McMAHON submitted the following resolution (S. Res. 267), which was referred to the Committee on Printing:

Resolved, That there be printed 2,000 additional copies of Senate Report No. 1211, cur-

rent session, accompanying S. 1717, a bill for the development and control of atomic energy, for use of the Special Committee on Atomic Energy.

EFFORT TO PURGE SENATORS WHO ARE NOT "SAFELY INTERNATIONALIST"—EDITORIAL FROM CHICAGO DAILY TRIBUNE

Mr. LANGER. Mr. President, I wish to read into the RECORD an editorial published in the Chicago Daily Tribune of Wednesday, May 1, 1946. The editorial is entitled "Snobbery." It is as follows:

The so-called Women's Action Committee for Victory and Lasting Peace, made up of eastern internationalists, is campaigning to defeat seven Senators who are not "safely internationalist."

The home of the organization is, of course, New York. The Senators to be purged are from North Dakota, Indiana, Montana, Minnesota, Nebraska, Massachusetts, and Mississippi. The women went to Louisville, Ky., to announce their meddling in affairs of the Middle West and South.

These easterners consistently have followed the New Deal line. They have insisted on knee-bending subservience to the empire. They have viewed Stalin with worshipful regard.

This meddling organization follows the internationalist line. It is difficult to believe that any middle westerners will fall victim to their snobbery.

THE CHALLENGE TO THE CHRISTIAN PRESS—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address on the subject The Challenge to the Christian Press, delivered by him before the Associated Church Press, Washington, D. C., April 25, 1946, which appears in the Appendix.]

IS THE BRITISH LOAN GOOD BUSINESS? ADDRESS BY WILLIAM L. BATT

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD a radio address entitled "Is the British Loan Good Business?" delivered by William L. Batt, president, SKF Industries, Inc., Philadelphia, and former vice president of the War Production Board, on May 2, 1946, which appears in the Appendix.]

LEFTIST PURGE IN STATE DEPARTMENT—ARTICLE FROM THE CHICAGO SUN

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a news release entitled "State Department Leftist Purge Hits Hundreds," from the Chicago Sun, which appears in the Appendix.]

PRICE CONTROLS ON MEAT—ARTICLE FROM THE WASHINGTON POST

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a news release entitled "Truman Backs Anderson on Meat Prices," from the Washington Post, which appears in the Appendix.]

ELMIRA AREA SOARING CORP.—CONFERENCE REPORT

Mr. EASTLAND. I submit a conference report on Senate bill 842, for the relief of the Elmira Area Soaring Corp.

The ACTING PRESIDENT pro tempore. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 842) for the relief of the Elmira Area Soaring Corporation, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

JAMES O. EASTLAND,
WAYNE MORSE,
Managers on the Part of the Senate.
W. G. STIGLER,
ALBERT M. COLE,
Managers on the Part of the House.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the conference report?

Mr. WHERRY. Reserving the right to object, I should like to have an explanation of the report.

Mr. EASTLAND. It is simply a matter of a few dollars involved in a claim filed by the Elmira Area Soaring Corp. The House amended the bill and the Senate did not agree to the House amendment, so it went to conference, and the Senate conferees have agreed to the House amendment.

Mr. WHERRY. I have no objection.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. MCFARLAND].

Mr. WHEELER. Mr. President, I appreciate the fact that, after the long debate which has already been had on the subject of the proposed British loan, anything I may say will not change any votes in the Senate, but by reason of my opposition to the measure, I feel that I should at least state some facts concerning the proposed loan.

Mr. President, no one has a greater liking for the British people than have I. No one has a greater admiration for the heroism and sacrifice which helped to make possible their contribution to the Allied victory over Fascist tyranny. Never have I begrudged the fact that the British have consistently labored and fought to protect British interests. Under no condition would I have my opposition to this legislative proposal now before us be interpreted as a blind and unyielding refusal to recognize the desperate predicament of the British people in this hour of their need, or as an unwillingness to extend a helping hand.

I oppose this legislation primarily not because its very title—"British Loan"—is in my judgment, a fraudulent misnomer, nor because, by the fondest stretch of the imagination, it is only a fleeting panacea for the basic world economic problems that have issued from this war. I oppose this legislation from the point of view of America's highest interest.

I have yet to see a single one of the proponents of this alleged loan demonstrate what they claim to be America's crucial stake in its acceptance. Instead, Mr. President, the once solid front of American internationalism is fast becoming Balkanized into hostile factions. As a result, our pro-British friends are pleading for Great Britain at the expense of America and our pro-Russian fellow travelers are pleading for Russian interests, again at the expense of America.

It is high time that our American statesmen, our policymakers in the State and Treasury Departments, began to champion the legitimate and crucial American interests that are involved in the whole gamut of wild-eyed international schemes through which the American people are now being dragged.

Mr. President, no sane man would deny the gravity of the economic distress of the British Empire. There is no question of Great Britain's desperate need. But this is merely another way of admitting that while they won an empty military victory the British, in reality, actually lost the war—financially, economically, and politically. They lost the war at Yalta and at Teheran.

All the propaganda about all the blessings—economic and otherwise—that will accrue to America, to England, and to the rest of the world by the passage of this legislation cannot obscure the plain fact that this alleged loan would not have a chance in the United States Senate were it not for the rising chorus of pleas that again we must save the British Empire. Every Senator on this floor knows that this legislation was doomed to defeat at the start until the propaganda was spread that the passage of this bill was an utter necessity if we were going to save Britain from the clutches of Russia, a theory to which I cannot subscribe.

This is the plea on which the passage of this legislation now depends:

If we do not make this loan to Britain she will go down and Russia will take her place. Britain continues to be our first line of defense.

That is what we have been told throughout the years on every occasion whenever Great Britain was in trouble.

We have been assured, time and time again, that the terms of this loan were mutually acceptable to both parties. We have been further assured that these financial agreements would serve to strengthen and cement Anglo-American understanding and good will.

Indeed, America has an interest in this primary relationship in a world where the rising tide of anarchy and autocracy is in full flood. But even this understanding and good will has been seriously jeopardized by Britain's reaction to America's refusal to make an outright gift to the British Empire.

It seems to me that no one can reach any other conclusion than that what the British really wanted was an outright gift. The debates in the House of Commons clearly show that that was exactly what they wanted. While I am on that subject, let me say that, in my humble judgment, the proponents of this measure would have been much more honest with the American people if they had said, "We are going to give this money to Great Britain as a gift, rather than make a loan."

The fact of the matter is, Mr. President, that this British resentment is born of a realization that their whole economic structure as an empire is beyond repair, on the basis of America's present international policies. Because of these policies, England is literally fighting for her life now, more furiously and on more fronts than ever before in her history.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Colorado?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. In the Senator's opinion is it possible to mix obligations with loans? If we owe England anything—and I am not saying whether we do or not—we ought to pay it, whatever it amounts to, and not pretend to pay it by extending a so-called loan favor. That makes a bad loan, and it makes a bad liquidation of whatever debt may be involved.

Mr. WHEELER. I thoroughly agree with the Senator.

Mr. WHERRY. Mr. President will the Senator yield?

Mr. WHEELER. I yield.

Mr. WHERRY. Following the observation of the distinguished Senator from Colorado, let us review the situation. Is the proposed loan a straight out-and-out loan, or is it a proposal for the cancellation of other indebtedness due us? Yesterday it was stated on the floor of the Senate that this is not only a loan, but, as I understand, an agreement definitely to cancel—by implication, at least—the balance of the debt resulting from the First World War. I understood the distinguished Senator from Ohio [Mr. TAFT] to say that, with interest, that represented about six and a half billion dollars. It definitely cancels the net balance of the result of the Second World War, which exceeds $20,000,000,000. I stated yesterday that I felt that it was the consideration for settling, on the basis of 10 cents on the dollar, the balance due us from the sale of surplus property and unused materials, the value of which, I understand, exceeded $6,000,000,000. Does not this loan involve the cancellation of whatever debt there is, in whatever amount? I think it was agreed that the total was approximately $32,000,000,000.

Mr. WHEELER. I believe the Senator is correct. I am not certain as to the exact amount, but I understand the figure which he has stated is approximately correct.

Mr. WHERRY. So it is not a straight out-and-out loan of $3,750,000,000. If we approve this agreement we go further than making a loan. We cancel all the indebtedness owed to our Government by the United Kingdom.

Mr. WHEELER. I agree with the Senator. When the lend-lease bill was before the Senate, and it was called lend-lease, I stated at that time that that was a misnomer; that it was not lend-lease, but that in reality it was a gift; that whatever we loaned we were actually giving away; and that we would never get back one cent. That statement was disputed on the floor of the Senate by the leaders on both sides, who were in favor of the bill. My statement was ridiculed, but subsequent events have proved exactly what I said with reference to that legislation.

In the April issue of the authoritative British publication, the Nineteenth Century and After, Mr. F. A. Voigt, its brilliant editor, made the following tragic admission:

> In September 1939, England went to war, not because her political order differed from Germany's, not for reasons of doctrine or of ideology, but, as before against Napoleon and against the Empire of the Hohenzollerns, in defense of her security. Every assertion that the Second World War was "a war of ideas," an "ideological war," a "war against fascism" is a falsification of history.
>
> Not that ideas and "ideologies" are unimportant. But the purpose of British foreign policy is, or ought to be, the preservation and consolidation of security, the security of these islands and of the Empire. A foreign policy that does not place security first, and always first, is to be condemned in advance, as a menace to security itself—a menace, therefore, to the continued existence of Great Britain as an independent power, to the Empire as a community, to the happiness of the millions who inhabit these islands and the Empire, a menace, indeed, to mankind, for today it is certain that if these islands and the Empire have not security, the world will have none.
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> Russia, partly through her martial prowess, partly through her sharpness of perception and singleness of purpose, and partly through the catastrophic political defeats suffered by Great Britain during the war, has determined and continues to determine the character of the peace.
>
> She alone of the victorious powers has achieved more than the defeat of the common foe. She has conducted a combined offensive against enemies, allies, and neutrals—against enemies by military means, against allies and neutrals by political means—and has, in less than 5 years, made conquests which must rank amongst the greatest in history. But her conquests have but begun, and will not have been completed until she is master of all Europe, until she has established a hegemony over Asia, and until the extent of her power is such that she will be able to intervene decisively in all the major affairs of the world.

These are the reasons, Mr. President, which are assigned, not publicly, but privately, as to why we must pass this legislation.

Mr. President, as I said a moment ago, if it were not for those reasons which have been assigned by the British themselves, and which are repeated by most of the members of the internationalist group in this country who favor making this loan, the loan would not have a chance to pass the Senate of the United States, because it seems to me that the more intelligent people who are in favor of the loan recognize that from an economic standpoint, both for the United States and Great Britain, it will not do the job that it is claimed it will do.

It is my solemn conviction, Mr. President, that on the basis of our present policy, the granting of this gift to Britain will set in motion forces which will drain the resources and disastrously alter the structure and the liberties of our American way of life.

Mr. President, my distinguished colleague the senior Senator from Michigan [Mr. VANDENBERG] justified his support of the British loan as a matter of judgment "whether America, now the greatest creditor country on the globe, can best protect her own essential and unescapable position by these means." My colleague went on to say that he would not summarize his reasons in a maze of figures that can be made to prove or disprove almost anything, but in what he believed to be the preponderant logic in respect to the realities of today and tomorrow.

Mr. President, I want wholly to disagree with my distinguished colleague that the question of this British loan, as it relates to American security, is wholly a matter of judgment or that, in this case, figures and facts can be made to prove almost anything. If it be correct to say that we have to make this loan for American security, what becomes of the argument that the UNO is the instrumentality which is going to preserve for years to come the peace of the world? If we make this loan on the plea of the British, as set forth in the editorial which I have just read, then of course it means that the UNO is not functioning as the people who favored it expected it to function, but that what we must do is, in effect, to continually support the British Empire in all its undertakings, and that we must do what Mr. Churchill suggested, namely, have practically a military alliance with the British Empire.

The figures and the facts connected with this British loan point toward the sole conclusion that, by committing herself to this kind of international financing, America is caught in a vicious circle of recurring need and demand from which, since the pattern of the future has already crystallized, America cannot escape. Once we are hooked on this British loan, there is no escape.

Mr. President, as has been pointed out in the Senate heretofore, if we are going to make this loan to the British Empire on the basis of aiding her security against Russia, what in the name of goodness is going to prevent us from continually having to make other loans and gifts to the British Empire in order to protect her from the clutches of Russia in the future? All that it will be necessary to do will be to say that Russia is going to take over Europe and England, and then we shall have to go to the rescue of England again.

Furthermore, as has been pointed out in the debates in the Senate, if we make this loan to Great Britain, how are we going to turn down France, Italy, the Dutch Empire, the Belgian Empire, and every other country which has been ruined financially by the recent war, and which comes to the United States and says, "We want a loan on similar terms"? If we do not make such loans when they are requested of us, we shall make enemies of every country to which we decline to make a loan, and they will say that we are not impartial and that we are playing with England, as against all the other nations of the world.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. REVERCOMB. I wish to address a question to the able Senator upon the

point he has just made with respect to loaning or advancing money to Britain as a defense against Russia. Is it not a fact that negotiations are now proceeding for a similar loan to Russia?

Mr. WHEELER. As I shall point out a little later, Mr. President, not only is a similar loan to Russia pending, but I am told that prominent persons within the Treasury Department already are saying, "We must make a loan to Russia on exactly the same terms as those on which we make the loan to Great Britain." So, Mr. President, on the one hand, we are told that we must make this loan in order to protect the British Empire, and on the other hand we are told that we must make a loan to help Russia. Of course, that simply does not make common sense.

Mr. REVERCOMB. Mr. President, will the Senator yield further?

Mr. WHEELER. I yield.

Mr. REVERCOMB. In connection with the question which has been raised here as to making loans to other countries, and the point that if we make this loan to Great Britain we are fixing a policy which will almost require us in good faith to make loans to other countries, I call the attention of the able Senator to the wording of the joint resolution, Senate Joint Resolution 138, which is called the British loan resolution, which provides that it is in implementation of the Bretton Woods agreements.

Mr. WHEELER. Exactly.

Mr. REVERCOMB. I wish to ask the Senator if the Bretton Woods agreement was made with a number of nations for international cooperation among all the signatory powers, and if this loan is made to implement that agreement, then, in good faith, how can we turn down a similar loan to other nations which entered into the Bretton Woods agreement?

Mr. WHEELER. I do not see how we can, in good faith.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. LANGER. Would not it be good statesmanship first to take care of the Western Hemisphere? Within the last 18 months there have been two revolutions in one country in South America and one revolution in another. Every time they occurred we were told that it was because the radicals or the Communists, or whatever the people of those countries chose to call them, had taken possession of the government there. Those countries want loans from the United States. Is it not to the best interests of the United States to take care of South America first and to take care of Mexico, and, if necessary, Canada, rather than to cross the ocean and attempt to take care of the British Empire or to go over into Asia?

Mr. WHEELER. I thank the Senator for his contribution.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. It seems to me that the contest between Russia and Great Britain is working out to our disadvantage in several ways. Today the shoe is on one foot. We are being urged to make a loan to Great Britain as a bulwark against Russia. Tomorrow the entire picture will change, and it will be urged that we must make a loan to Russia. Both sides of the question have strong supporters in this country and, as a matter of fact, in the Senate. A great many Senators are in favor of a loan being made to Great Britain merely because those Senators have a fear of Russia. There are other Senators who are in favor of the loan because it will place us in position later to make a sizable loan to Russia. It seems to me that the United States is in the middle.

Mr. WHEELER. I agree with the Senator.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BUSHFIELD. According to press reports, negotiations are now taking place in Great Britain with respect to the loan of money by Great Britain to Russia. If such a loan should be granted, I presume that it would consist of our money.

Mr. WHEELER. Why should Great Britain loan money to Russia when she, in turn, must borrow money from us? We are all familiar with Laski's statement to the effect that England should make a loan to Russia.

Mr. JOHNSON of Colorado. I believe the evidence, according to the press, is that Great Britain is making a $40,000,000 loan to Greece, that she proposes to make a loan of about the same size to Czechoslovakia, and that she is also contemplating a rather large-sized loan to Russia.

Mr. WHEELER. I thank the Senator for his statement.

Mr. President, the proponents of this loan continually insist that it in nowise sets a precedent. Yet it is perfectly obvious that, as the Treasury Department itself stated in January 1946, "It must be remembered that aside from the United States and Canada nearly all the capital-lending countries have been physically devastated by war and are themselves in need of aid. Therefore England must look to the United States for the bulk of the credit she desires." Where else can the other nations turn, along with England, except to the United States? By making this loan to Britain we are again ostensibly underwriting the British Empire. Why, then, should we not underwrite the French, the Dutch, the Portuguese, and the Russian Empires as well, and on as liberal terms?

Senators, if this loan is made to Great Britain, every pro-Communist organization in this country will say to the Congress of the United States, "You made a loan to England in order that she might maintain her empire and her position in India, Hong Kong, and elsewhere; how can you refuse to make a loan to a great democratic country like Russia?" And if we do not make the loan to the Soviet we will be looked upon as being Fascist, anti-Russian, antiliberal and thoroughly reprehensible.

I have been authoritatively informed, Mr. President, that in spite of all the protestations from the Treasury Department that this British loan is not to set a precedent, at least one important Treasury officer is beating the drum, behind the scenes, for a Russian loan of $1,000,000,000, and on the basis of the identical terms we are offering to Britain.

Is there any Senator who believes that the United States can or should pile billions of dollars on top of the present debt because of which each and every American taxpayer will be forced to sweat for the balance of his life?

I ask those who are constantly expressing a desire to balance the Budget, How in the name of common sense can we balance the Budget of the United States if we pour out the money of the taxpayers of America and give it to this, that, and the other country?

Later on I shall demonstrate that the proposed loan would be a gift because, as will be conclusively shown, Great Britain will not be able to pay it back. Not only that, Mr. President, but it is apparent because of the relief clauses which are contained in the agreement, that the British themselves do not expect to pay it back. We talk about balancing the Budget and cutting down our indebtedness. How inconsistent are those who in one breath say that we must balance the Budget, and in the next breath say that we must loan nearly $4,000,000,000 to Great Britain and at the same time cancel her debt of approximately $30,000,000,000, which she owes on lend-lease and her World War I debt.

Mr. President, when the bill to establish the Reconstruction Finance Corporation was before the Senate I opposed it. I told Senators then that if we passed the bill to make it possible to loan money to the railroads, the insurance companies, and banks of this country, it would be only a question of time before others would be coming to the Congress of the United States and saying, "Inasmuch as you passed a bill to help the great insurance companies, the banks, and business institutions, you should help us," and, I asserted, Members of Congress would not be able to stand up against the pressure which would be placed upon them to make loans out of the Treasury of the United States. And, Mr. President, what I predicted was exactly what took place. I remember very distinctly that the leaders on both the Republican and Democratic sides of the Chamber said to me, in effect, "If this bill is enacted into law smoke will soon be coming out of the chimneys and industry will pick up, the railroads will be prosperous, and the farmers, as well, will be prosperous." Of course, nothing of the kind took place. We made loans and after once launching on the program it was never stopped. A similar program of foreign loans or of other domestic gratuities cannot be stopped, Mr. President, if the proposed loan is made to Great Britain. If this loan is approved, I should like to see Members of Congress who will dare to stand up and say to war veterans, "Yes; I voted to give the loan to Great Britain, but I cannot vote to give a loan to American citizens who are in a deplorable situation." I wonder if Senators will then

return home and say to their constituents, "Yes; I voted to give money to Great Britain, but I cannot vote to give money to American citizens." If Senators or Representatives should do that, I wonder how far they would get. Some Senators believe that the money can now be loaned because our country is prosperous. However, we cannot stand up against that kind of pressure and long remain Members of the House of Representatives and of the Senate of the United States.

The reason I am opposed to the loan is not because I do not want to help Great Britain in her hour of need. It is not because I am against Great Britain. No one sympathizes more than I do with Great Britain because of the condition she is now in. But I am looking at the entire situation purely from the standpoint of American interests, and what is best for the United States of America. I say to the Senate, make this loan, if you will, but when a depression sets in and our farmers, our workers, and returned veterans come to the Congress for help, do not turn them down.

Statements have been made with reference to a desire to balance the Budget. Are we going to tax American citizens in order to give money to Great Britain, Russia, France, the Dutch, and other countries, so as to make it possible for them to maintain their imperialism and their empires, and at the same time use the budget-balancing argument as an excuse to refuse to give help to American citizens? Mr. President, when that time arrives we will have done more to destroy the morale of the American people, free enterprise, and our form of government than anything else which we could possibly do.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TUNNELL. I should like to ask the Senator a question. He suggested that in World War II Great Britain has lost economically. A great deal has been said in this debate about the precedent which would be established so far as other nations are concerned, and the Senator is discussing that question. I have been wondering if the Senator intends to discuss at any length this loan as a precedent so far as Great Britain is concerned. If there should occur another economic crisis, such as has brought about this loan, is there anything to prevent other demands from the same source?

Mr. WHEELER. Of course not. As I have said, this British loan would not have a chance to pass the Senate, in my humble judgment, if it were not for the view expressed to me not only by Senators but by many people on the outside, and by members of the administration who favor this loan, that it is necessary to make the loan in order to keep England out of the clutches of Russia. If the loan is made upon that basis, as I shall point out, because of economic conditions that exist in Great Britain and because of the tremendous influence that Russia has in Europe, then we shall have to continue to make loans to Great Britain time and time again in order to keep her out of the clutches of Russia.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield to the Senator from Oklahoma.

Mr. MOORE. Referring to the Reconstruction Finance Corporation and the power it exercises of lending money in this country, the Senator is aware of course that the Reconstruction Finance Corporation is lending, and has loaned, large sums of money to foreign countries.

Mr. WHEELER. Exactly. The Reconstruction Finance Corporation was set up for the purpose of loaning money to American citizens in this country, but it is also loaning money to Great Britain and other countries. When the law providing for the Reconstruction Finance Corporation was passed no one ever dreamed that that was going to be one of its purposes or that it would be done.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield there?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. I think a very great distinction should be made between RFC loans and political loans or charity loans. The RFC loans have been business loans, and very few losses have followed. Of course, the principle which the Senator has so well stated holds, but there ought to be a distinction between a business loan made on a business basis and a loan made on a political basis or on a charity basis.

Mr. WHEELER. Of course, I agree entirely with the Senator. If this loan to Great Britain were being made on a business basis, if we were getting some security for it, I certainly would not stand on this floor and object to the loan. But I say it is purely a political loan; it is a gift which everybody knows cannot be paid back. I say "everybody knows"; perhaps that is too broad a statement, but the thinking people of the country who have considered Great Britain's obligations know that it cannot be paid back, as I shall point out a little later in my argument.

Mr. JOHNSON of Colorado. If the loan were made on a business basis then the danger of establishing a bad precedent would not be so important, because then we could say to the Dutch, to Belgium, and to all the other countries of the world "Come on and put up your security and we will make you a business loan just as we made England"; but if we make this on a charity basis or on a political basis, then any political claims or any charitable claims which may happen to work on our sympathy will have to be recognized by us.

Mr. WHEELER. I agree. I remember distinctly a conversation I had in Moscow with Mr. Checherin of the Russian Foreign Office in 1923. He asked me, "When are you going to recognize Russia?" I replied, "When are you going to pay your debts?" He said, "This is a new world." I answered, "It may be a new world to you, but it is not a new world to the American people. After all, our money in the form of loans has gone into building up your railroads and other industries. We feel we have a lien and a right to collect them." I said further to him, "After all, the American people believe in paying their debts; that is fundamental with them; it is ingrained in all of us that we should pay our debts." He replied, "Our people will not stand for it." I said "If they want recognition, and you tell them that is the only way they can get it, do you not think they will agree to repay?" He said "Do you think France is going to pay her debts?" I said "Frankly, I do not; but the American people still think she is." He said, "Of course, France is not going to pay her indebtedness."

Of course, when other countries do not pay their indebtedness to the United States, how could we expect Russia to pay her indebtedness? How can we expect Holland, Belgium, France, Italy, Greece or any other country to pay their debts, when they believe Uncle Sam is a Santa Claus and is giving money away, why should he not give some of it to us? If, Mr. President, you make a loan or a gift to one of your relatives who happens to be poor and do not make a similar loan or gift to another relative who is in the same circumstances, everyone knows what happens. The second relative is resentful; ill-feeling will result. That is human nature, and in this matter we are dealing with human nature.

I ask, what right has the Congress to vote the taxpayers' money to give away to some other country? Let those who are in favor of making this loan to Great Britain provide, as the Senator from Colorado has suggested, for a subscription loan to the people themselves, but not make it a compulsory burden on all the taxpayers of the United States.

I do not believe that the Government of the United States was set up as a lending agency or an agency to give away the American taxpayers' money. It is definitely argued of course that we have no right under the Constitution to take money or property away from one class of people in this country and give it to another class. We have heard that argument upon the floor of the Senate. If we have not the right to take the taxpayers' money away from one group in this country and give it to another, what right have we to take the taxpayers' money and give it to a foreign country?

Can those who have spoken on behalf of the workingman or in the interest of economy or tax reduction square their statements with a vote for this loan?

Who is going to pay for this loan? After all, there are only three ways by which new wealth can be created. It comes either out of the land, the water, or the air. Our natural resources combined with the brain and brawn of the people of the United States are what create new wealth. So, the workingmen of the country and the farmers of the country will have to pay it.

Someone said to me last year while I was in Montana, "Why are you worrying about the great debt of the United States? Why not let the Morgans, the Rockefellers, the du Ponts, the Fords, and the rich people pay the debt?" I answered, "Has it ever occurred to you that if the Government took all the money and all the property they have, it would not pay the interest upon the in-

debtedness of the United States for 1 year?" After all, it is the people who work with their hands in the factories, those who work and slave upon the farms from early morning until late at night, and those who work with their brains who will have to pay this indebtedness. It is not only an indebtedness the present generation will have to pay, but it will be their children and their grandchildren who will have to pay for this gift we are asked to make to Great Britain at the present time.

I ask the Senators who are going to support this legislation what they are going to say to the farmers of America, to the millions of GI's and to the 20,000,000 underprivileged in this country when another depression strikes? Do they think it will be sufficient to lament the fact that we have not made any provision for such an emergency. We cannot help you out because we have squandered our resources abroad?

The stupidity of committing America to such a future is most graphically exposed by the very figures which the distinguished Senator from Michigan, Senator VANDENBERG, said could be used to prove anything.

They present such a fantastic financial agreement that no sane businessman or banker would have anything to do with them. To present such financial arrangements as a basis for America's future role as banker to the world is not only fantastic—it is suicidal. For both America and Britain, this loan is an economic absurdity.

From the point of view of American interest, let us state the simple facts: There are three separate agreements involved. One is for a definitive settlement of our lend-lease claims against Great Britain; the second is an agreement with Great Britain in which we undertake to make the British loan; the third is Britain's promise to support America's trade proposals at an international trade conference this coming summer.

In the first agreement, namely, the settlement of our lend-lease claims against Great Britain, she is enabled completely to liquidate all her wartime loans of arms and supplies as well as cash which she received under lend-lease—all of which amounts to over $25,000,000,000—for the sum of $650,000,000. This amounts to a settlement of 2½ cents on the dollar, and exposes lend-lease for what I charged it with being at the time of its passage on the Senate floor—a gift that would never be repaid.

Furthermore, the American taxpayer will continue to take a loss of $500,000,000 a year to pay the interest on the lend-lease loans we are canceling.

Five hundred million dollars a year is what the American taxpayer will have to pay in interest on the lend-lease loans.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Montana yield to the Senator from Colorado?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. It is all very well for us to cancel the lend-lease with Britain and with every other nation in the world, but there is one people with whom we do not cancel it, the people of the United States, who put up the money.

Mr. WHEELER. Certainly.

Mr. JOHNSON of Colorado. They put up the money, and we cannot cancel that. We still owe them, and we must pay them, and pay them interest on the money they put up.

Mr. WHEELER. The Senator is correct. We are preparing the way for repudiation of our indebtedness or for wild inflation, which amounts to the same thing. We cannot continue to pile up indefinitely billions upon billions of dollars of indebtedness without at some time in the future absolutely destroying the whole economy of the United States, and either going to inflation, as the countries in Europe did, or to repudiation. Regardless of how many OPA's or anything else there may be, if we pile up the indebtedness high enough we are going to have inflation, because that is the easy way, as so many other countries have found in the past.

Mr. JOHNSON of Colorado. That is the only answer. When we so blithely and so generously talk about cancellation of lend-lease, and make it easy to cancel all lend-lease obligations all over the world, we should remember that there is one lend-lease obligation we are not canceling, and which we can never cancel, except in the way the Senator has indicated.

Mr. WHEELER. Certainly. I recall, when we had before the Senate the veterans' bonus bill, to pay the soldiers of World War I a few years in advance what we owed them, a very distinguished Senator stood on the floor of the Senate and said payment of the bonus would destroy the economy of the United States and cause great inflation. I remember the President sending a message to Congress vetoing the bill, on the ground that it was not in accord with his program and would tend to upset the financial situation in the United States.

Senators will recall when we had bills before us for WPA it was asserted that the expenditure was going to destroy the economy of the United States. Yet we find the same people who were denouncing those programs that they said would cause an indebtedness which would destroy the economy of the United States—these programs which cost a pittance in comparison—now saying we should cancel lend-lease, not only cancel it, but give the British nearly $4,000,000,000 more, and loan and give to this country and that country, notwithstanding the fact that when we cancel lend-lease the American taxpayer will have to continue to take a loss of $500,000,000 a year alone in paying the interest on what we are canceling.

Mr. WHERRY. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. WHERRY. The Senator recognizes that it will not be long now before we will have to give our utmost consideration to the veterans, their applications for bonuses and loans, and all the other forms of aid which must be given them in the coming years.

Mr. WHEELER. The Senator is correct.

Mr. WHERRY. Which will add untold billions of dollars to the debt which we now have and which we cannot even compute. Is not that true?

Mr. WHEELER. The Senator is correct. Frankly, I am very much disturbed because we are piling up our debt, and I see no end to it. I say in all sincerity that I am very much afraid, not as to what is going to happen to some other country, but what is going to happen to the United States of America, when we proceed to spend money so freely.

We are asked to cancel the lend-lease debt owed by Great Britain but will we not have to cancel it for Russia, and for all the other countries? Will anyone tell me that Russia will pay if we cancel the debt to Great Britain? Will we not have to cancel the Russian debt? So, in addition to the burden of $500,000,000 interest on the lend-lease loans which we are canceling, American taxpayers are going to have to pay hundreds of millions of dollars more in taxes for the lend-lease we cancel to the other countries.

So far as this first agreement which settles the lend-lease claims is concerned, England will pay back the $650,000,000 in sums of $50,000,000 at no specified time.

The second agreement provides for an outright loan of $3,750,000,000 by this Government to the Government of Great Britain. This loan is to be repaid to us in 50 annual installments at an annual interest rate of 2 percent. Yet the interest, while ostensibly at 2 percent, really amounts to a rate of but 1.62 percent a year since it will not start being paid—if it is ever paid—until after a 5-year period of grace. This means that the American Government will have to pay $93,750,000 annual interest to borrow this money from the American people at the rate of at least 2½ percent. Even if the British were able to work the miracle of repaying the annual interest of $60,750,000 at the end of the 5-year moratorium, the American Government would be taking an annual loss of $33,000,000 a year to finance the interest on this loan, in addition to the annual deficit of $500,000,000 to pay the interest on the lend-lease debt we are forgiving.

On the basis of these simple figures, is there anyone who would defend this alleged loan as a justifiable economic undertaking from the point of view of America's interest?

So far as the third agreement is concerned, Mr. President, there is not a Republican or a Democrat on the floor of the Senate who would dare to tell the American people he is willing to support any kind of a trade proposal which would lower our tariffs to permit America's standard of living to be watered down to the level of the peasant agrarian economies of the Orient, or to the low labor production costs of England and Europe, or to the economic level of existence of Russia and her satellites, where labor costs are purely a political item.

Let me say with reference to Europe that some of us who have been there recently know perfectly well that the people in practically every country on the Continent would be willing to work for

almost anything, so long as they received enough to eat, a few clothes to wear, and a roof over their heads.

I voted against the Smoot-Hawley tariff bill after the last war. I believed the tariffs were too high. But there is no end to misery in store for the American people if the United States opens its tariff gates to the indiscriminate flood of the products of low-subsistence economies and cheap labor, which it will be necessary for us to do in order to provide the markets that will be needed for the reconstruction of the endless line of borrowing nations with which we are now confronted and for the repayment of these alleged loans.

For labor this means that wages would have to be reduced here in America to meet the competition of low foreign wage standards. It means that our farmers and businessmen would in many instances become bankrupt. Certainly the businessmen would become bankrupt and the farmers as well would become bankrupt unless labor costs went down so we in America could compete with Europe.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. We hear a great deal about the necessity for world trading. There is a universal desire in this country to export. Of course, trading is not a one-way street. If we are to export, we must import, and the amount of our exports will depend entirely upon the amount of our imports. The two must eventually balance each other. Of course, some of the big-business interests of our country want us to make the loan so we may increase our exports, but when the loan is paid, if it ever is paid, it must be at the expense of our exports. So the only way we can increase world trading so far as we are concerned is by increasing our imports. Yet businessmen, including businessmen who are Members of the Senate who are interested in that very question, refuse to face that issue.

Mr. WHEELER. The greatest market in the world is right here in the United States. Of course, we want world trade, but our exports represent about 8 percent of our business. Some industries, such as the automobile business and others in the United States, can compete in a free market any place in the world because we turn out a cheaper and superior product. But the great bulk of the industries in this country cannot compete with the cheap labor of Japan, Britain, and many other countries.

The Senator from Colorado refers to American businessmen favoring the loan. Some of them have been misinformed. Some of those who favor the loan and are more actively for it than others, for instance, banking interests who make their money out of international loans and international finance. They would get a "take," a profit out of it. But they do not want to make such a loan themselves. If the loan were any good they would make it themselves. But they know it is not good, so they want to have the burden placed on the American taxpayers, and the taxpayers' money used for the purpose, so that after a while they can make loans and make profits from them.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. WHERRY. I can see, as a result of the debate that has taken place on this issue for many days, that if we simply wish to build up a tremendous export trade, and if our exported goods will not be paid for, but will be given to various countries, it will, of course, result in helping labor, and giving everyone a job. But if the exports are to be paid for, and we are to preserve the stability of our own country, then what the Senator has said so forcefully is true, that they must be paid for by imports. Is that not correct?

Mr. WHEELER. Yes.

Mr. WHERRY. The Senator said that we can export automobiles and some other products by reason of their superior quality, and the volume of production in this country. But if Great Britain is to repay the loan it must be done through the importation into this country from Britain of watches, textiles, and other goods which she manufactures. The importation of such goods will bring about direct competition with our own labor markets.

Britain can use the proceeds of the loan to employ her labor to manufacture products to sell in the best market in the world in competition with American labor, which should be given the opportunity to produce the commodities here. Is that not correct?

Mr. WHEELER. Yes. I cannot for the life of me understand how anyone who comes from a textile-manufacturing State, or a State in which shoes, jewelry, watches, and similar articles are manufactured—such as Massachusetts, from where I came originally—can favor the loan, because if the agreement is entered into—and I shall point out later what Mr. Churchill has had to say about the matter—and present practices are continued, it will result in the ruin of the industries of such States.

Mr. President, while I am a Democrat, I have never been for free trade, for the simple reason that I recognize that a country cannot compete in the free-trade market unless its labor costs are on a basis comparable with the labor costs in other countries. The labor costs in the United States are higher than they have been at almost any time, and far higher than they are anywhere else in the world. How in the name of common sense labor can be in favor of this loan, how the American farmer can be in favor of this proposal, and the letting down of the tariff barriers, is beyond my comprehension. But I want to say that the propaganda that has emanated from the State and Treasury Departments in order to put across this loan, has completely misled a great many people in the United States.

As for the British, Mr. President, it is perfectly obvious that this financial agreement cannot be kept. The British will not be inclined nor able to repay either the principal or the interest in any foreseeable future, any more than they were able to pay their World War I debts, or their lend-lease debt. Does anyone deny that England's present financial and economic predicament is infinitely worse than it was following the last war? Yet she said she was not able to pay her indebtedness after the last war.

On December 17, the late Lord Keynes stated in the House of Lords, in speaking of these financial arrangements:

> I am hopeful that the various qualifications which have been introduced, the full significance of which cannot be obvious except to experts, may allow in practice a workable compromise between the certainty they wanted and the elasticity we wanted.

What does that mean? He said their full significance "cannot be obvious except to experts." And that the qualifications "may allow in practice a workable compromise between the certainty they wanted and the elasticity we wanted." What was the elasticity "they" wanted? The elasticity they wanted was an outright gift.

Mr. President, the figures and facts having to do with Great Britain's present financial and economic condition force us to interpret the late Lord Keynes' description of the "elasticity" the British want, as a tacit admission that these escape-clause-riddled agreements serve only to cover Britain's inability to pay even the interest, to say nothing of the 50 annual installments of the principal, even after the 5-year period of grace has elapsed. It was Lord Keynes, himself, who stated in the debate in Parliament that:

> I shall never so long as I live cease to regret that this is not an interest-free loan. The charging of interest is out of tune with the underlying realities. It is based on a false analogy. The other conditions of the loan indicate clearly that our case has been recognized as being with all its attendant circumstances a special one.

Lord Keynes went on to say:

> Assuming, however, that the principal of charging interest had to be observed almost everything possible has been done to mitigate the burden and to limit the risk of a future dangerous embarrassment.

Why was it not a gift? The reason it was not a gift was the fact that it was masked by so-called escape clauses. It was known that the American people would not stand for an outright gift, so it was covered up with a great many escape clauses by which the British could get out from under the loan, and make it, in effect, a gift, whereas it would be sold to the American people as a loan.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. McFARLAND. As to the interest which is charged, a part of it is a gift, is it not?

Mr. WHEELER. Certainly.

Mr. McFARLAND. And to that extent it costs the American people more.

Mr. WHEELER. Yes.

Mr. McFARLAND. A part of the interest is a gift. For some years we do not charge any interest, and we do not know how long that period may last.

Mr. WHEELER. That is correct.

Mr. McFARLAND. Therefore so far as the loan is concerned, a part of the loan is a gift.

Mr. WHEELER. That is correct. Without any question it is an outright gift.

Continuing the quotation from Lord Keynes:

> We pay no interest for 6 years. After that we pay no interest in any year in which our exports have not been restored to a level which may be estimated at about 60 percent in excess of prewar.

I remind you, Mr. President, that this figure of 60 percent increase in exports over 1938 refers to the volume of trade and not to the value. Is there any Member of the Senate who would dare to assert that he can conceive of Britain's ability to increase her exports 60 percent over the 1938 average in the foreseeable future, particularly with the economic conditions which prevail today throughout Russia, and particularly with Russia taking over all the Middle East, the Baltic States, the Balkans, Poland, and a part of Germany. It is in that area that Great Britain must have a tremendous amount of export trade in order to live. It will be recalled that on other occasions I have pointed out that British statesmen have repeatedly said that whoever controls middle Europe controls Europe. That is, whoever controls that part of Europe from the Baltic down to the Aegean controls all of Europe.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. We talk about Britain increasing her productive capacity so that she may export 60 percent more than her prewar exports; and yet we know that her productive capacity has not increased that much, and will not and cannot increase to any such extent.

Mr. WHEELER. Exactly.

Mr. JOHNSON of Colorado. She has a shortage of manpower. She had reached her top productive capacity before the war. The British have the same labor problems which we have—shorter hours, improved working conditions, and a lessened output per man.

Mr. WHEELER. That is correct.

Mr. JOHNSON of Colorado. So there is no chance whatsoever that Britain can increase her exports 60 percent; and if she does not, she will not have to pay any interest.

Mr. WHEELER. That is correct.

Mr. JOHNSON of Colorado. But the interest rate which our people will have to pay is not dependent upon that factor. Our people must pay their 2½ percent interest day by day, month by month, and year by year. Their interest is not forgiven.

Mr. WHEELER. That is correct.

Mr. Robert Boothby, leader of the young conservatives, stated in the House of Commons during debate on the loan:

> A close examination of this document indicates it will be very easy for England to escape paying either interest or principal whenever it suits her purpose.

That is not a statement by someone who does not like England. That is what a conservative member of Parliament said.

In other words, Mr. President, the conditions of this loan, while they purport to be a financial agreement embodying the obligation and expectation of repayment in full, with interest, make it exactly impossible for England ever to be obligated to repay. In the first place Britain emerged from this war with a $15,000,000,000 debt to the sterling bloc countries. There were other countries which helped finance Britain's war expenses besides the United States, Britain owes India over $6,000,000,000 as just one item of her sterling debt. We are informed that by the terms of this loan these sterling debts are to be refunded or written off. But who can say that England can get such countries as Malaya, Palestine, Egypt, Eire and India to transform their sterling fund into low-interest long-term loans to Britain, or to write them off entirely? And, if they are not able to do so, what chance has England to pay the loan or to increase her trade with these countries?

At Bretton Woods, India sought the release of her sterling funds but when she attempted to raise the issue, America joined with Britain in silencing her. I know of no other interpretation to place on this proceeding than that it is a step toward forcing the acceptance by the British colonies of an American-dominated gold standard by which we begin to underwrite the British Empire and become its protector.

If one who owed a large indebtedness to a great many people, so that he was in a state of bankruptcy or facing bankruptcy, went to a banker and asked him for a loan, the banker would not say to him "I will make you a loan." He would say "Go out and comprise your debts with these other people and then I will consider making you a loan."

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. McFARLAND. If one went to a banker to whom one already owed money, the first thing the banker would say would be "How about giving us something on your old debt?"

Mr. WHEELER. Of course.

Mr. McFARLAND. That is what I am seeking to do by the amendment which I have proposed. Unless there is a different type of banker in England than we have here, that is a banking principle. One would hardly expect to obtain another loan from a bank unless he showed some promise of being able to pay something on the first loan.

Mr. WHEELER. In my judgment, English bankers are much shrewder than American bankers.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BREWSTER. I understand from reports which I have read that the British gave assurances to some of our comrades that none of this money would be used to develop cotton in other areas of the world. Was there not some discussion of that question?

Mr. WHEELER. Yes.

Mr. BREWSTER. I do not know whether that pledge extended to the two or three billion dollars in assets which the British have in this country, outside the loan.

Mr. WHEELER. I could not say as to that.

Mr. BREWSTER. Would it not be entirely feasible to use assets which they had either in this country or elsewhere without violating what was alleged to be a pledge that they would not use the proceeds of the loan? It would not make a particle of difference whether they used any part of this loan or not. After all, how is Great Britain going to prevent an English businessman from going to one of the colonies and increasing cotton production? It could not be prevented without setting up a totalitarian government over there; and they are not going to do that. So in my judgment a promise of that kind does not mean a single thing. Of necessity Great Britain will try to produce cotton in her colonies, or produce anything else which will enable her to buy cheaper than she can buy in the United States. It would not make sense for her not to do so. I would expect England to do exactly what she has always done, namely, look after the best interests of the British Empire. If she is going to look after the best interests of the British Empire, she is going to buy cotton wherever she can buy it the cheapest; and if she can buy it cheaper by improving the situation in her own colonies, she is going to do so.

Furthermore, of course, she owes India a great amount of money. Does anyone think for a moment that Britain is not going to encourage the production of cotton in India, so that she can buy it cheaper there than she can buy it in the United States, where it is produced with high labor costs?

Mr. WHEELER. Of course, the price of our cotton is materially affected by the subsidy which we are paying.

Mr. BREWSTER. That is correct.

Mr. WHEELER. I believe that we are paying a subsidy of 4 cents.

Mr. BREWSTER. I do not know what the price is. I am not an authority in the cotton field.

Mr. WHEELER. Neither am I.

Mr. BREWSTER. But is it not the policy of this Government to oppose what is called dumping?

Mr. WHEELER. Definitely.

Mr. BREWSTER. In other words, any government which subsidizes a product is considered as dumping that product if it puts it into its export trade; is not that correct?

Mr. WHEELER. That is correct. Of course, England wrote a prohibition of such a policy into the trade agreements which we made with her in 1938.

Mr. BREWSTER. In what way is the cotton subsidy, insofar as export cotton is concerned, distinguishable from dumping? Does the Senator from Montana know?

Mr. WHEELER. I would say that if the United States puts a premium on the cotton that is sold abroad, in effect it is dumping, and it is one of the things which it was complained that the totalitarian governments in Europe were doing.

Mr. BREWSTER. That was the very policy which we considered a violation of the free economy which we advocate.

Mr. WHEELER. Exactly. Let me say that in the trade agreements which we

made with England in 1938, that was one of the things which we agreed the two countries would not do.

Mr. BREWSTER. Mr. President, let me ask the Senator whether the production of cotton in other parts of the world is cheaper than the production of cotton in the United States.

Mr. WHEELER. Certainly it is.

Mr. BREWSTER. Is that a fair assumption?

Mr. WHEELER. There can be no question about it.

Mr. BREWSTER. What prevents foreign cotton from coming into our country?

Mr. WHEELER. Nothing whatever.

Mr. BREWSTER. Is there not an absolute quota limitation on the importation of foreign cotton into this country?

Mr. WHEELER. I am not sure about that.

Mr. BREWSTER. I discussed this matter with Mr. Will Clayton, whom I am sure the Senator from Montana recognizes as an authority.

Mr. WHEELER. He certainly is an authority on cotton.

Mr. BREWSTER. Yes. He assured me that there was such an absolute quota. Before the Finance Committee, a week or two ago, Mr. Clayton very vigorously attacked the policy of what he termed "absolute quotas," under which one country cannot export to another more than a certain amount of a commodity. He said that was absolutely contrary to the principles and policies of the Department, although that is the precise policy which he tells me prevails with regard to cotton; that there are absolute quotas on the importation of cotton into this country, fixed by administrative action.

Whether that is distinguishable from the protective-tariff theory, to which some of us still adhere, seems questionable. Does the Senator think it would come within that general principle?

Mr. WHEELER. I should think so, undoubtedly.

Mr. BREWSTER. I gather that Mr. Clayton considers it much worse than a protective tariff, because under a protective tariff at least there is a limit on what can be done, whereas under an absolute quota there is no limit.

Mr. WHEELER. That is correct. The principal complaint about what was going on in Europe was that there were put into effect certain tariffs and absolute quotas and nothing could be shipped into those countries unless the government gave its permission.

Mr. BREWSTER. Yes.

The Senator from Montana has been a Member of the Senate for a long time and he has observed over a period of many years the discussions and debates in the Senate about those who were alleged to be tariff barons and about the old high tariffs, such as the Payne-Aldrich tariff, and the evils thereof. So let me ask the Senator this question: When we recall the diatribes which were directed at the so-called tariff barons, questioning and criticizing their action, does it seems to the Senator that their actions were so extreme as are absolute quotas? People used to talk about the steel barons and others who were said to have monopolies in this country. If those gentlemen—Mark Hanna and all his ilk—could have had an absolute quota against the importation of foreign commodities, what would some of the comrades of the Senator from Montana, on his side of the aisle, have had to say about that?

Mr. WHEELER. I am afraid that I and my comrades on this side of the aisle would have denounced it from the hilltops.

Mr. BREWSTER. Yes. Would you not have denounced it as far worse than any tariff policy which we had?

Mr. WHEELER. There is no question about that.

Mr. BREWSTER. But now we find that some of those who protested most vigorously against protective tariffs are themselves sheltered by an absolute quota against the importation of the commodity with which they are concerned. Is not that correct?

Mr. WHEELER. Yes; that is entirely correct.

Mr. BREWSTER. They are assured now that their position is not going to be prejudiced by the British loan agreement, the advocates of which, according to reports in the newspapers, have now appeased them; for although they were at first very much concerned, now they have received assurances that the British loan agreement will not disturb the absolute quota on cotton, or that Britain will not purchase cotton elsewhere—insofar as such assurances may be considered to have appeased them.

Does the Senator from Montana believe that they may be considered to be a trifle naive in their view that their present position will not be disturbed?

Mr. WHEELER. Mr. President, as I have said, I cannot conceive that the British people or the officials in charge of the British Government, whether it be a Labor government or a Conservative government—because when foreign policy is concerned, there is no difference between a Labor government and a Conservative government in Britain, and they both have the same policy; namely, to preserve the British Empire.

Mr. BREWSTER. Mr. President, would it be fair to say that, in Britain, Prime Ministers come and go, but the British Foreign Office and the British Colonial Office go on forever?

Mr. WHEELER. That is correct.

Mr. President, as I said a while ago, I am opposed to a tariff which protects a monopoly in the United States of America.

Mr. BREWSTER. And the Senator from Montana would also be similarly opposed to an absolute quota, I assume.

Mr. WHEELER. Yes; much more so.

Let me say that I am in favor of a tariff which will protect American industry and American farmers and American workers against the competition of cheap labor in other countries. There may be a Utopian idea that we are going to have free trade throughout the world, but I cannot conceive how any man who believes in the United States of America and wishes to protect our high standards of living can say that he wants to tear down completely the tariff laws of the United States, so that England, even though her standards of living and her labor costs are far below those of the United States, can, without limit, ship her goods into the United States. There can be only one result of permitting that to be done, and that will be to bring the living standards in the United States down to the living standards of the countries of Europe and of Asia with which we would have to compete under those conditions.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. HAWKES. I thoroughly agree with what the Senator from Montana and the Senator from Maine have said about the tariff. I would put it this way: We never can expect to have what is called free trade and a free interchange of goods throughout the world, except in conversation, unless and until all the living standards and all the relationships of all the people throughout the world are on the same basis.

Mr. WHEELER. Of course.

Mr. HAWKES. That is the only way it can ever be done as a practical matter, and at the moment that is an unadulterated Utopian conception.

Mr. WHEELER. Of course; and the people who talk about tearing down our tariffs, are in my opinion advocating the complete destruction of the economic standards and Government of the United States.

Mr. HAWKES. Mr. President, will the Senator permit me to make another observation at this point?

Mr. WHEELER. Certainly.

Mr. HAWKES. I am very deeply interested in seeing the United States of America do its full duty as a leader in the world, but I know very definitely that we never can do so and we never can accomplish any such results unless we preserve and maintain ourselves.

In this connection let me say that I have felt all along—whether I am right or wrong, never have been able to change my opinion on this matter—that we have, as yet, no knowledge whatsoever regarding the effect of the reciprocal trade agreements. They came into being at a time when we were suffering because of abnormal conditions. The Senator knows, as I know, that it requires 5 or 10 years for the industries of the various nations to build themselves up and get ready to take advantage of the opportunities which may have been created. Therefore, to open the garden market of the world—that is what we are being asked to do—to all other nations without any knowledge or experience as to what it will do to our people, can bring the wrath of God down on the heads of the American people. I do not know how I shall vote on the proposed loan. I agree with the Senator from Montana that we must think of our own people, and that any Senator who acts without regard for the ultimate welfare of the people of the United States, will be required to answer long before the judgment day.

Mr. McFARLAND. Mr. President, will the Senator yield so that I may

propound a question to the Senator from Maine?

Mr. WHEELER. I yield.

Mr. McFARLAND. Under what law did Mr. Clayton say that the quotas were made?

Mr. BREWSTER. As I recall, it was the Agricultural Adjustment Act. Mr. Clayton cited a couple of laws under which the quotas were made. I believe that he said that advice had been received from the Tariff Commission, concerning the matter, but I further believe that the final determination was made in the Department of Agriculture.

Mr. McFARLAND. I may say to the Senator that cotton is grown in Arizona, and we are interested in the price of cotton. Is there anything in the proposed loan which would require Great Britain to purchase cotton in the United States if she could obtain it at a cheaper price in some other country?

Mr. BREWSTER. Mr. Clayton insisted that, under the terms of either this agreement or some other agreement, it is provided that any State trading shall be done on an economic base. He defended that situation before the Finance Committee where he said that if we offered Great Britain cotton at a price as low as that for which it could be obtained from Egypt, Brazil, or some other country, Great Britain would be morally obligated to take the cotton from us. The position seemed to me to be a rather tenuous one, but that is all he could claim.

Mr. McFARLAND. Suppose Great Britain did not choose to buy our cotton; then what?

Mr. BREWSTER. I do not know how we could compel her to buy it. I believe that she may buy cotton wherever she can obtain it. England may say, "You are dumping this cotton, you are paying a subsidy of, for example, 4 cents a pound. That practice is one which you yourselves condemn. Certainly we are not obliged to buy from you when we have the free economy of other countries, such as Egypt, India, or Brazil, with whom we prefer to deal."

Mr. WALSH. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. WALSH. A few months ago Congress extended the reciprocal trade agreements law which authorized the President of the United States through the State Department to reduce tariffs. I should like to ask the Senator if he takes the position that interlocking with the passage of the pending joint resolution is a movement, which will assert itself shortly, to open up the markets of the United States to the products of various other countries, particularly the British Isles, by negotiating a further reduction of tariff duties. In that event we would not only be giving money to be used in rehabilitating the industries of Great Britain, but in extending her markets into our own country.

Mr. WHEELER. Very definitely, that is a part of the plan.

Mr. WALSH. Does the Senator from Maine have the same opinion?

Mr. BREWSTER. I may say to the Senator from Massachusetts, who I believe joined in opposing the extension of the powers of the Reciprocal Trade Agreements Act, that it has been expressly provided that an economic conference shall take place. Moreover, it has been reported in the press that actual discussions are in progress concerning reciprocal trade agreements or further concessions. The matter interested me so much that I asked for a report on the situation. Following World War I, when the Senator from Massachusetts was a Member of the Senate, it will be recalled that we were inundated by foreign goods, particularly British imports, to our country, and particularly in the textile field, which involves a matter of great concern to New England. The figures concerning the situation were astounding. World War I lasted for only 18 months, so far as the United States was concerned, but the British, in spite of having been engaged in the war for 4 years, were able to resume their normal production much more rapidly than perhaps they will now. However, there is every reason, so far as I know, to anticipate that not alone under the reciprocal trade agreements which have reduced our tariffs from the high point of, let us say, an average of 32 percent—we are within 4 points of that—but under the extension of the authority they may now go to 16 percent, which will be 12 points under the Underwood tariff. The Underwood tariff was so tragic in its consequences in 1920 that the Congress enacted immediately an emergency tariff law, and subsequently the Fordney-McCumber Tariff Act, neither of which proved adequate to prevent the destruction of our economy. The parallel which we now face is, to me, very menacing.

Mr. WALSH. The agreements already made under the reciprocal trade agreements with Great Britain cover more than a thousand items.

Mr. BREWSTER. Yes.

Mr. WALSH. Practically all those items are manufactured in this country mostly along the Atlantic seaboard in the States of Maine, New Jersey, and other States, including my own State of Massachusetts. The Senator will recall that when the proposal was made to increase the power to decrease tariff duties, we were inundated with protests from many manufacturers. It seems to me that a clear declaration, if it is possible to make one, should be made that no other effort will be made further to reduce the tariffs and flood our country with imports.

It is generally believed that one of the purposes behind the agreement is not only to rehabilitate and reconstruct the industries of Great Britain, but also to unite her to use our markets. To do so might be destructive of our economy. How at this time any Senator could vote for a proposal which would take business away from our producers and employment from our workers is difficult for me to understand. The Senator will recall that in the woolen industry alone, the figures show that the wages paid in Great Britain are one-third of those paid in this country. I think that we should stress that fact not only when dealing with the proposed loan, but when dealing with the problem of opening up our own markets and putting barriers against the free and preferential opportunities for our own industries and our own workers to trade in the domestic market without competition from goods produced under cheap-labor conditions.

Speaking of the effect of lowered tariffs on the wool industry, we must not overlook the fact that this would have disastrous effects upon the western wool producers. Every ounce of woolen goods imported reduces the American market for the wool growers.

Mr. BREWSTER. It has been generally understood, and testified to, that Great Britain must expand her exports by 60 percent in order to escape from her present situation.

Mr. WHEELER. Not only 60 percent, but 60 percent more than her exports were in 1938 or 1939 with a closed economy.

Mr. WALSH. Where is she to obtain her markets? It will be impossible to do so in Russia and in the Middle East. It must be in this country.

Mr. BREWSTER. If we were to provide an opportunity for Great Britain to increase her exports by 60 percent, would not the Senator from Massachusetts agree that the great bulk of those exports would inevitably be in the textile field?

Mr. WALSH. There can be no doubt about it.

Mr. BREWSTER. The impact on our Atlantic coast industries would be tragic in the extreme.

Mr. WALSH. The Senator's statement is correct. So, I consider that in voting and passing upon this joint resolution we are also indirectly, perhaps, directly, extending an invitation to foreign competitors to come here and take our own domestic markets away from our own producers and our own workers. Does the Senator agree with that?

Mr. BREWSTER. Are we not going to be told, inevitably, "If you want your money back, you must take our goods, because that is the only way you can get your money back"? That must come in conflict with the interests of everyone of our local industries which is affected, as the Senator from Massachusetts has said.

Mr. WALSH. It is a very serious step we are asked to take.

Mr. WHEELER. I have said, I cannot for the life of me understand how anyone who comes from a manufacturing and industrial State in this Nation, such as the New England States, and other States, can possibly be for this joint resolution, for the very reasons which have been stated. It not only provides for a loan, but it is said there will be some time next fall an agreement, when, the officials say, we are going to open up world trade. A little later I intend to quote at length what Mr. Churchill said with reference to this matter. He stated that the British are not committed to make payments and give up their preferences unless there is world-wide letting down of the tariff barriers, free trade, which he does not expect will happen.

Mr. WALSH. In other words, we are to make a large loan or gift to a country

for the purpose of enabling it to compete with our own producers.

Mr. WHEELER. That is correct.

Mr. WALSH. I do not know of any person in private affairs who would make a loan to his competitor for the purpose of destroying himself.

Mr. WHERRY. Mr. President, will the Senator from Montana yield so that I may make a suggestion to the distinguished Senator from Massachusetts?

Mr. WHEELER. I yield.

Mr. WHERRY. It is along the line the Senator has already mentioned. We voted a recognition of the schedules in the last agreement, with special reference to watches. The Executive made up the quotas. That is the one feature of the agreements as to which I think we go wrong. The Congress does not control; we delegate the power to the Executive.

I think the quota was 7,000,000 watches. I cannot remember the exact figure, but we received protests from the watch producers of America. The protests flooded the Small Business Committee, the statement being they could not start to compete with the importations of watches from abroad.

The Senator comes from Massachusetts, where large number of watches are manufactured.

Mr. WALSH. To such an extent that my colleague the Senator from Connecticut [Mr. HART], and I myself yesterday offered a resolution to have the matter investigated.

Mr. WHERRY. Certainly. That is an outstanding example of paying exports with imports, an example of the very thing that is going to destroy the watch industry. We might go further and say it will destroy the textile industry.

When we cancel loans already made we do one thing, when we make a new loan we do another, but when we go further, in reality we determine what the imports will be, and when it is done by quotas, the economy of the country is thereby determined.

Mr. CAPEHART. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. Has the Senator from Massachusetts concluded?

Mr. WALSH. For the moment. I may ask another question later.

Mr. WHEELER. I yield to the Senator from Indiana.

Mr. CAPEHART. It is a normal operation for a manufacturer in business to want to sell merchandise on long terms, which in reality is lending the money to the purchaser during the term of payment. One of the amendments I have offered to the joint resolution provides that we lend Great Britain a billion and a half dollars, or the difference between what we buy from them and what they buy from us. There is nothing particularly unusual about that in business transactions. It is a good business transaction. I do not like the term of 50 years, but that is something that was set up. Under my amendment the money we lend to England will inure directly to our own manufacturers, our own producers, our own farmers, and our own laborers. In other words, we will be manufacturing the merchandise, growing the food, producing the goods, selling them to England, and figuring the difference between what we sell to her and what she sells to us.

I am willing to lend the British the amount of the difference, not to exceed $1,500,000,000. That is a practical, normal business transaction, one which I think we should be willing to enter into, because it eliminates what the able Senators have been discussing, namely, that we put the British in competition with ourselves, because under the plan of lending $3,750,000,000 we give England the money to do with as she sees fit.

Mr. WALSH. Will either Senator inform me where there is any constitutional right for the United States to lend its taxpayers' money to a foreign government?

Mr. WHEELER. I called attention to that a short time ago.

Mr. WALSH. I am sorry I was not in the Chamber at the time.

Mr. WHEELER. I asked what right, under our Constitution, has the American Congress not only to lend to a foreign country, but to give it money? There is nothing in the Constitution whereby we would be permitted to set up our country as a bank concerned with lending money to foreign countries. But what is proposed is not even a loan, it is a gift, because by the terms of the joint resolution the British can keep it.

Mr. WALSH. It is difficult enough for us to have to tax our people, through the taxing system, when we appropriate money to be used for the promotion of the general welfare of this country, but it is much different for us to tax our people for the benefit, and use, and rehabilitation of some other country. I cannot see how we can do it in times of peace. In time of war we might be justified in doing it in order to have assistance and support given to our war effort, but it seems to me it is a very dangerous precedent.

I should like to call the attention of the Senator from Nebraska and the Senator from Maine to the fact that no one yet knows to what destructive ends the Reciprocal Trade Act may lead, because since the agreement was made with Great Britain in 1939 there has been no way of determining how far and to what extent British exports might have come to this country. Since 1939 Great Britain has been prostrate, her industries were converted to war purposes, there were no facilities for transporting goods. It is now a very different situation, in view of the fact that we do not know how the present agreement will work out, and because there is a possibility, and a probability, as the Senator indicates, that in the next few months there will be further reductions made and a further opportunity to turn our domestic markets over to foreign countries.

Mr. WHEELER. It is provided for in the agreement with Great Britain. I shall call attention to the British statements on this subject in a very few moments.

Mr. CAPEHART. Mr. President, will the Senator from Montana yield further?

Mr. WHEELER. I yield.

Mr. CAPEHART. Further in line with what we were discussing a moment ago, I do not think I would object to extending the period of the billion-and-a-half-dollar loan I have recommended over a period of 10 years. I do not know that I would object if we raised the amount to $2,000,000,000, or two and a half billion, over a period of 10 years, if it is done on the basis of a normal business transaction, where the total value of the loan, as I stated before, inures to the benefit of our own producers and manufacturers.

Mr. President, I am anxious to help England, as I think every other Senator is, but I am opposed to giving any nation which is a competitor of ours $3,750,000,000 to use as they see fit. I am perfectly willing to sell them merchandise they may need, over a period of 10 years, if necessary, and lend them the money with which to buy, because that is a normal business transaction.

Mr. WHERRY. Mr. President, will the Senator from Montana further yield?

Mr. WHEELER. I yield.

Mr. WHERRY. I should very much like if the Senator from Montana would permit me to have printed in the RECORD an open letter to the President of the United States from the national president of the American Watch Workers' Union, of Boston, Mass. The letter was written on April 6. I know the Senator is well aware of it.

Mr. WALSH. I am very much pleased to have the Senator put the letter in the RECORD. I had intended to do so myself. Not only that letter, but other letters along the same line, have been printed. The watch industry in my State is prostrate.

Mr. WHERRY. Certainly.

Mr. WALSH. In my opinion, the same fate will befall other industries if we are to permit this flood of imports.

Mr. WHERRY. If the distinguished Senator from Montana will yield further, I should like to read a paragraph or two of a letter, so that it will be brought to the attention of Senators not now on the floor when they read the RECORD. The national president of the American Watch Workers' Union protests because the workers were transferred from their regular work to war industries, and now when they are going back, this is what he says:

> In the 15 years prior to the war, Mr. President, 34,000,000 watches were imported into the United States, or an average of 2,100,000 per year. The high year was 1941 when more than 4,000,000 watches were imported. Contrast this with the 28,000,000 watches which have been dumped into the United States since Pearl Harbor.

Think of the dumping that has occurred already. Think what will happen if we reduce the schedules further, or enter into the agreement now proposed to be made in June. We give over the domestic market, in this one instance of the watchworkers, to those making watches abroad under the standards in those countries, compared with the conditions here.

Mr. WALSH. And those workers, who went to serve our country, and fight, some of them to die, who were willing to give

up their privileges for the purpose of preparing war materials, are now left without any work or jobs to which to return.

Mr. WHERRY. Let me read just another paragraph of this letter:

Under Secretary of State Acheson informed the domestic manufacturers that the State Department had tried to obtain agreement to a quota of 3,000,000 watches, but the Swiss had refused to agree; also, that the State Department had tried to negotiate a revised quota of 5,000,000 and the answer of the Swiss was still "no." Mr. Acheson stated that the State Department had no course except to negotiate the best agreement possible, and insisted that he had no right to deprive the Swiss of the United States market if they chose to participate in this market.

Just think of that. The letter continues:

Mr. President, you made a pledge as President of the United States when you urged the extension of the Reciprocal Trade Act in 1945. You pledged that no American worker, no American industry would be hurt because of the extension of the reciprocal trade act which you urged the Congress to pass. Mr. President, as the representative of the American watch workers, who are small in number, whose national union does not belong to the CIO or the AFL, who are but a voice crying in the wilderness—I now call upon you to redeem that pledge.

The American jeweled-watch industry has been hurt. The American watch worker has been hurt.

Here is the point I wish to emphasize:

Dean Acheson told the American watch manufacturers that the Swiss agreed that when the American domestic manufacturers could not find a ready market for their product, they would again sit down to discuss the question. Mr. President, what Dean Acheson says, in effect, is that when the market is so saturated that the salesman for the American jeweled watch companies, of which there are only three—Elgin, Hamilton, and Waltham—can no longer sell their watches, the Swiss would then agree to sit down and discuss the subject.

Mr. President, I ask unanimous consent that the entire letter may be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 6, 1946.

The Honorable HARRY S. TRUMAN,
President of the United States,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: I take the privilege of writing you this letter, because as a representative of 6,000 American watch workers, I find no other alternative left to seek relief except to write to you directly.

For five long years the American watch worker has been out of the American domestic market because the United States Government and its allies needed the production of these American workers to produce timing mechanisms for war. Switzerland, with 60,000 watch workers, the only other source in the world of timing mechanisms, supplied the Axis with the timing mechanisms essential to carrying on their battle against the Allies. More than 90 timing mechanism plants were found in Germany after its defeat, all of which were equipped with watchmaking machinery obtained from Switzerland.

Mr. President, because our Government needed the production of the American watch worker, our Government called upon these workers to labor long hours so that the Allies might have the vital mechanisms to time the attack.

The record of production of the American jeweled watch industry is second to none in the production of armaments in this country. While the American watch workers were at war, and were receiving letters of commendation from the War Production Board and urgent appeals by the Army and Navy to produce more, this same Government of ours, through the State Department, allowed Swiss watches to flood the United States.

In the 15 years prior to the war, Mr. President, 34,000,000 watches were imported into the United States, or an average of 2,100,000 per year. The high year was 1941, when more than 4,000,000 watches were imported. Contrast this with the 28,000,000 watches which have been dumped into the United States since Pearl Harbor.

The American public could obtain hardly any item other than the necessaries of life during the war, except Swiss watches. The American watch worker, Mr. President, is in the same position as the American boy who was across fighting for his country and when he returned home found that his sweetheart had married someone else. The American watch worker has now returned to civilian production.

In 1941, 8,200 persons were employed in the production of jeweled watches in the United States; today, fewer than 6,000 watch workers are employed. The industry has no prospect for the future. They have not the will to expand—they are afraid of the future. The manufacturers have been to Washington. They have pleaded for relief from these excessive imports. In 1945, more than 9,200,000 watches were imported into the United States. In October 1945, more than 2,100,000 watches were imported. In January of 1946, 887,000 were imported, and in February 1946 more than 900,000.

The American watch workers' representatives were greatly heartened last November 29 when Under Secretary of State Dean Acheson assured us that we would be protected for the future. The State Department on that day issued a press release saying that it had presented the Government of Switzerland a note in which protection was demanded for the American jeweled watch industry.

Mr. President, in that note to Switzerland a quota of 3,000,000 was sought for the period from December 1, 1945, to January 1, 1947. At that time we thought 3,000,000 was too high because of the excessive imports which were allowed during the previous 4 years. After all, there are only 130,000,000 people in the United States. Each can wear only one watch.

The only watches that our boys in the service could buy at the post exchanges were Swiss watches. American watches were not available at these post exchanges because the entire production of American jeweled watch factories was being used by our Government and its Allies for military use.

These Swiss watch importers, who numbered 50 in 1941, now number 500. They made excessive profits during the war selling the only item which was available to the American public, and they immediately protested the action of the State Department. These same importers sent telegrams to every jeweler in the United States. They appealed to the basic selfishness of some of these jewelers who could make from 80 to 125 percent profit on every Swiss watch they sell. These same jewelers maintained their enterprises intact during the war while the retailer who sold automobiles, refrigerators, electrical appliances, and many other items which were available before the war, had no products to sell. They had to close their doors.

Not so the American jeweler, whose average sales were 7,500,000 watches per year during the war, whereas from 1926 to 1941 he had sold an average of 3,475,000 watches per year, with a low of 898,000 for 1932 and a high of 5,139,000 for 1929.

Mr. President, many retail jewelers flooded Congress with letters asking that Swiss watches be allowed to come into this country. These 500 Swiss watch importers beat the tom-tom with their salesmen and were able to arouse some of the American jewelers into protesting the first constructive action taken by the State Department for our American industry in 14 long years.

These jewelers disregarded the fact that the American jeweled watch industry is essential to national defense, and, together with the Swiss watch importer, marched arm in arm to deprive American watch workers of their future employment. The State Department was flooded with protests, and the protests were led by a Democratic Congressman from New York, Representative EMANUEL CELLER, whose law firm represents the Benrus Watch Co., one of the largest Swiss watch importers in the United States.

In February of this year the State Department informed the American jeweled watch manufacturer that it was increasing its 3,000,000 quota to 5,000,000. The industry protested to no avail. Negotiations continued between Switzerland and the United States.

Mr. President, on Wednesday, April 3, 1946, we were informed that an agreement had been reached with the Swiss which would allow them to import into the United States as many watches in 1946 as they imported into the United States in 1945—an all-time high.

The American watch manufacturers were able to obtain a conference with Under Secretary of State Dean Acheson at noontime, April 4, through the courtesy of Representative JOHN W. MCCORMACK, the House majority leader.

Under Secretary of State Acheson informed the domestic manufacturers that the State Department had tried to obtain agreement to a quota of 3,000,000 watches, but the Swiss had refused to agree; also, that the State Department had tried to negotiate a revised quota of 5,000,000 and the answer of the Swiss was still "no." Mr. Acheson stated that the State Department had no course except to negotiate the best agreement possible, and insisted that he had no right to deprive the Swiss of the United States market if they chose to participate in this market.

Mr. President, you made a pledge as President of the United States when you urged the extension of the Reciprocal Trade Act in 1945. You pledged that no American worker, no American industry would be hurt because of the extension of the Reciprocal Trade Act which you urged the Congress to pass. Mr. President, as the representative of the American watch workers, who are small in number, whose national union does not belong to the CIO or the AFL, who are but a voice crying in the wilderness—I now call upon you to redeem that pledge.

The American jeweled watch industry has been hurt. The American watch worker has been hurt.

Dean Acheson told the American watch manufacturers that the Swiss agreed that when the American domestic manufacturers could not find a ready market for their product, they would again sit down to discuss the question. Mr. President, what Dean Acheson says, in effect, is that when the market is so saturated that the salesman for the American jeweled watch companies, of which there are only three—Elgin, Hamilton, and Waltham—can no longer sell their watches, the Swiss would then agree to sit down and discuss the subject.

When that time is reached, Mr. President, it will be too late for action, for then the

workers will have been laid off and the industry will perish. The American watch manufacturers will have become Swiss watch importers, and the United States will have lost an industry which is vitally essential to national defense. The American watch workers will have to look for jobs in other industries to utilize their skills. Switzerland, if the program of the State Department is carried out, will have accomplished its purpose, and will be the world's only producer of jeweled watches.

Oh, I know that the State Department says: "Prove you are hurt." In 1941 there were 8,200 employees in this industry; today there are fewer than 6,000. Since 1941, 28,000,000 watches of Swiss origin have been sold in the United States and the American domestic manufacturer had no opportunity to compete in this market.

Mr. President, the American domestic manufacturers, as domestic manufacturers, naturally will not be able to compete under the program worked out by the State Department. They can and will become importers and will join the other 500 importers in the distribution of Swiss watches. Where, over a 20-year-period, these domestic manufacturers averaged $1 per watch, on their imports they will average $10 per watch. As a matter of good, common business sense, they would make more profits as importers than they have made as domestic manufacturers, but because these men have a pride in their factories, pride in their product, they have taken the long, hard road of producing watches domestically. They now are ready to throw in the sponge.

On the other hand, the American watch worker must change over to other industries. Job opportunities in the American jeweled-watch industry will be lost to them forever. If you do not keep your pledge to them, the United States Government will have broken faith with these 6,000 citizens.

Mr. President, if the American jeweled-watch industry is allowed to perish, the skills of the American watch worker will have been lost forever to the national defense of the United States. While the American watch worker will utilize his skills in other industries, the employees of other industries cannot do the work required in the precision-jeweled-watch field. The Army and Navy should recognize their responsibility in this matter and urge you to exercise your powers so that these skills will be preserved for the United States.

After all, the consumer does not benefit through these Swiss watch imports. He doesn't obtain as good a watch for his money. The only beneficiaries are the Swiss watch importer and the jeweler who distributes them. Both make more profit handling Swiss watches than they do American watches.

In desperation, Mr. President, I urge you to stop these Swiss watch imports. I urge that you protect the American jeweled-watch industry and the job opportunities of its employees. I urge that you keep your pledge to the people that no American worker and no American industry will be hurt by the extension of the Reciprocal Trade Act.

Mr. President, you are our last resort. Congress has given you the authority. To wait for the new Congress to act will be too late. The industry will have been destroyed. The responsibility is now yours. We await your action.

Respectfully yours,

WALTER W. CENERAZZO,
National President, the American Watch Workers' Union.

BOSTON, MASS.

Mr. WHERRY. Mr. President, I submit that what I have just read presents an outstanding example of what the Senator from Montana has so forcefully brought to the attention of the Senate, and which has been concurred in by the distinguished Senator from Massachusetts; that if we are to proceed on the theory that we need export trade, unless that trade is paid for in money, it will be paid for, indirectly at least, by imports, and if the imports contain items which are among the 1,000 respecting which we negotiated the agreement, especially textile, shoes, and watches, as well as many other items, they will come into direct competition with American labor, and we will have to reduce our standards in this country.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CAPEHART. I think it is correct to say that almost everyone who has spoken in favor of the British loan measure as it is written has admitted that the loan was not a good business loan, and that it should not be made upon the basis of a business loan. They have admitted that they are supporting the loan for evangelistic or sentimental reasons. Others have stated in substance, not in so many words, or at least have left the impression with me, that they were afraid to vote against the loan for fear of what might happen. I wonder if the able Senator from Montana has any information with respect to what might happen, or has he been able to read the minds of those who take that position as to what they think might happen? What is this mysterious thing of which they are afraid if they do not go along with the loan proposal as written?

Mr. WHEELER. I stated at the very beginning of my speech that the loan would not have a chance of passing the Senate of the United States were it not for the fact that the propaganda which has been put out has instilled into the minds of many that unless the loan is made the British Empire may collapse and that Russia will take over, and that we are making the loan in order to build up England so that she may stand up against Russia. At the same time many of those who are advocating the loan in order that England may stand up against Russia are also advocating a loan to Russia which makes their position wholly inconsistent. That, however, is the propaganda which is being broadcast.

I may state to the Senator from Indiana that a very high Government official, whom I told the people of Montana were unalterably and overwhelmingly opposed to the loan, stated to me very plainly, "If we do not make the loan, then the British Empire will probably fall and Russia will take over." I do not for one moment want that to happen. But I do not agree that a $4,000,000,000 loan to Great Britain is alone going to save the British Government from the clutches of Russia, as some advocates of the loan say it will. If we are making the loan on that basis, then at the end of two more years the British may come back and say, "We are still afraid that Russia will take us over, and we must have $4,000,000,000 more." Then we will be committed to a policy of underwriting the British Empire constantly. That does not make good sense.

Mr. CAPEHART. Then the mysterious something is that some people are afraid that Russia will take England over, and that if we loan England $3,375,000,000 we will save England.

Mr. WHEELER. Yes.

Mr. CAPEHART. And that therefore we are siding with England against Russia.

Mr. WHEELER. Yes. On the other hand, as has been pointed out, there are some who want to make a loan to Russia, who say, "Of course, if this loan is made to England, then we will have to make a loan to Russia on the same basis." The Senator and I, as practical men, know that if we make this loan to Britain we will have to make a loan—at least that is my judgment—to Russia, and we will have to make it on the same terms, and if we do not do so we will immediately be accused of siding with England against Russia.

When we were considering the subject of the United Nations—and I supported the United Nations, although I said at the time that I was fearful the organization would not work because of what is happening in Europe at the present time and because of the attitude taken by Russia—we were told that the establishment of the United Nations would take care of everything. Now it is said, "We must make this loan." Instead of depending upon the United Nations to save the world, to preserve the peace, and to maintain the "four freedoms," now it is said, "We have to make this loan in order that Great Britain may be able to stand up against Russia." Those who make that statement obviously admit that the United Nations is already a failure.

If we turn to the British white paper—and I call particular attention to this—the official explanation and interpretation of the loan agreement, to discover the terms under which the British expect to be able to reduce the huge deficit in their balance of payments, which continued to mount, we find that the British Government anticipates a continuing deficit up to the year 1950 of an amount almost double the suggested figure of this loan.

According to the white paper:

> On the basis of a $3,000,000,000 deficit in 1946, it would not be safe to base policy on the assumption of a further deficit of less than $2,000,000,000 to provide for the 2 years 1947 and 1948 taken together and for some more modest deficiency in 1949 and 1950 before the attainment of stable equilibrium.
>
> This leaves us with a cumulative deficit which may well be $5,000,000,000, or even higher. It must be emphasized once again that these estimates are very precarious. They are fully as optimistic as any prudent person would adopt as the basis of a decision, in view of the extreme uncertainty of the conditions which will prevail in Europe and elsewhere in the years immediately ahead of us.

Mr. President, even this anticipated minimum deficit can only be achieved by increasing the British volume of exports by nearly 75 percent over their prewar level, which is almost six times their 1944 level. According to the white paper:

> It may be, therefore, that the full restoration of a reliable equilibrium, which can persist without measures of restriction—

Mind you, the white paper says "without measures of restriction"—

or the other defensive mechanisms of the type with which it is hoped to dispense, may require a volume of exports nearer 75 percent than 50 percent in excess of the prewar level.

That, Mr. President, is not an American speaking. That is the British white paper. I repeat what it said:

It may be, therefore, that the full restoration of a reliable equilibrium, which can persist without measures of restriction or the other defensive mechanisms of the type with which it is hoped to dispense, may require a volume of exports nearer 75 percent than 50 percent in excess of the prewar level.

As I pointed out before, this is in volume, and not in terms of money.

And even this estimate, Mr. President, is based on the assumption of an increase of 100 percent in both export and import prices compared with the 1936–38 level.

In addition to these deficits Britain has an estimated annual expense by reason of her occupation of part of Germany of $1,200,000,000. At the end of 3 years, at this rate, with her continuing deficit in her balance of payments, she will have to come back to the United States for another grant-in-aid to maintain her German occupation alone.

We ought also to call to mind a statement in the London Economist of last September to the effect that Britain did not need this loan except to finance her armies of occupation all around the world. Mr. Rhys Davies, Member of Parliament, recently stated in the House of Commons that Britain's plan for a peacetime army of 2,000,000 men and a large navy and air force will eat up the amount of this British loan annually.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. The current military expense of the United Kingdom this year is $4,500,000,000.

Mr. WHEELER. Yes.

Mr. JOHNSON of Colorado. And of course, if she maintains an army of 2,000,000 men and her large navy and air forces her military expense cannot drop very much below $4,000,000,000.

Mr. WHEELER. That is exactly what Mr. Davies said.

On March 4, 1946, Mr. Davies stated in the House of Commons concerning the British white paper plan for standing postwar armies:

I now pass to the question of costs. I am surprised at the glib way in which honorable members talk about these 2,000,000 men and the cost of their upkeep. Has it occurred to them, I wonder, that we are spending on these forces referred to in the white paper more than the total sum we are about to borrow from America? It is twice as much as the total sum we intend to spend on the social services, including education, housing, unemployment insurance, health insurance, and pensions.

In other words, Mr. President, the basis of our present international policy agreed upon at Teheran, Yalta, and Potsdam is forcing us to finance not only our own armies of occupation around the world, but Britain's as well.

In the light of these facts, all the concessions to American interests which are claimed by Mr. Acheson become the sheerest fantasies. According to Mr. Acheson, Great Britain promises, first, "not to restrict payments to Americans for goods imported into England or for other current transactions." What kind of a concession is this, Mr. President, which permits American businessmen to be paid in dollars for the goods they export in England?

Even this concession, as stated by Mr. Acheson, is misleading. For instance, no such agreement is applicable to the $650,000,000 settlement for lend-lease which the British have agreed to repay in occasional $50,000,000 installments. But, rather, whenever before December 31, 1951, we demand a payment we will notify the British, who will transfer to us pounds sterling. This is what we have agreed to do with these installments:

The Government of the United States will use these pounds sterling exclusively to acquire land or to acquire or to construct buildings in the United Kingdom and the colonial dependencies for the use of the Government of the United States and for carrying out educational programs in accordance with agreements to be concluded between the two Governments.

In other words, we agree to spend the $650,000,000 for which we are settling in buying land or erecting buildings in the British Empire.

The second concession Great Britain has made, according to Mr. Acheson, is that within a year Great Britain agrees to make arrangements for the free interchange of pounds sterling and dollars in countries whose principal international currency is the British pound. But I submit, Mr. President, that in the text of the trade agreement between the United States and the United Kingdom, of November 17, 1938, we find the following statement, in article 4, paragraph 2:

No prohibition or restriction shall be imposed or maintained on the exportation of any article from the territories of either high-contracting party to the territories of the other, to which the exportation of the like article to any other foreign country is not similarly subject.

This is what they agreed to back in 1938, if I interpret the language correctly.

The British further agree that within a year they will apply the same rule to transactions with all countries. Yet, in the publication Planning, issued by the Political and Economical Planning Association in London, on January 4, 1946, the following observation is found. I may say that the Political and Economical Planning Association represents the British Government organization similar to our own planning organization. I read:

Multilateral release of the balances (sterling) represents a major concession to the United States. This is a most drastic departure from the Bretton Woods agreement, which allows a "breathing space" of 5 years before such restrictions are to be removed. It represents the surrender of the most effective means of protecting our balance of payments at a time when that balance will still be in a state of acute disequilibrium.

However, two important protective provisions of the Bretton Woods plan still apply to us: First, the right of any member country, subject to authorization by the International Monetary Fund, to introduce discriminatory exchange restrictions against a currency which becomes "scarce"; second, the right, in any circumstances, to maintain the necessary controls to regulate international capital movements; the latter will be of first importance in preventing flights of "hot" money for political or other reasons.

Even Lord Keynes himself admitted that they were committed to reduce the dollar pool with or without the loan. In other words, no additional concession is being made.

Lord Keynes stated during the debate in the House of Commons:

This arrangement is only of secondary use to us, save in the exceptional wartime conditions when those countries were, very abnormally, in a position to lend to us. We cannot force these countries to buy only from us, especially when we are physically unable to supply a large quantity of what they require. It seems to me a crazy idea that we can go on living after 1947 by borrowing on completely vague terms from India and the Crown Colonies.

In other words, he again says that the concession they made does not mean anything, because they could not keep those countries from buying from some other country when they themselves could not produce the goods.

Mr. Acheson also claims that the United Kingdom promised that after the end of 1 year it would not discriminate against this country in the administration of its quotas upon the quantity of imports. Yet, in the same issue of Planning to which I have already referred, the following statement was made:

The right to maintain quantitative import restrictions under clause 9 of the Financial Agreement must be regarded as a concession on the part of our creditor.

Who is the creditor? The United States. Mr. Acheson says that we are getting a great concession, but the English publication Planning says that it is a concession on the part of the creditor.

Retention of a system of import licensing is indeed essential if we are to avoid squandering the American loan in an orgy of reckless importing which might well more than offset any success in our export effort. It is important, however, to explain to American opinion why we set such store by continued austerity in imports. We are not reverting to prewar restrictionism. The plain fact is that, until we can pay in goods and services for our current imports, we cannot start repaying our overseas debts. It is no more than the prudent action of the good debtor to restrict his purchases until he is out of debt.

So instead of being a concession by Great Britain to this country, the publication Planning says that it is a concession to England.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	O'Mahoney
Austin	Hatch	Pepper
Ball	Hawkes	Radcliffe
Bankhead	Hayden	Reed
Barkley	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Huffman	Saltonstall
Bushfield	Johnson, Colo.	Shipstead
Butler	Johnston, S. C.	Smith
Byrd	Langer	Stewart
Capehart	Lucas	Taft
Capper	McFarland	Taylor
Carville	McMahon	Tunnell
Cordon	Magnuson	Tydings
Donnell	Maybank	Wagner
Downey	Mead	Walsh
Eastland	Millikin	Wheeler
Ellender	Mitchell	Wherry
Ferguson	Moore	Wiley
Fulbright	Morse	Willis
Gerry	Murray	Wilson
Green	Myers	Young
Gurney	O'Daniel	

The ACTING PRESIDENT pro tempore. Seventy-one Senators have answered to their names. A quorum is present.

The Senator from Montana has the floor.

Mr. BARKLEY. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. In view of the fact that many Senators have asked whether the Senate will be in session tomorrow, I wish to announce that when we conclude the business of the Senate today I shall move to recess until tomorrow.

Mr. WHEELER. Mr. President, Mr. Acheson also claims that the United Kingdom promised that after the end of 1 year it would not discriminate against this country in the administration of its quotas upon the quantity of imports. Yet, in the same issue of Planning to which I have already referred, the following statement was made:

> The right to maintain quantitative import restrictions under clause 9 of the Financial Agreement must be regarded as a concession on the part of our creditor. Retention of a system of import licensing is indeed essential if we are to avoid squandering the American loan in an orgy of reckless importing which might well more than offset any success in our export effort. It is important, however, to explain to American opinion why we set such store by continued austerity in imports. We are not reverting to prewar restrictionism. The plain fact is that, until we can pay in goods and services for our current imports, we cannot start repaying our overseas debts. It is no more than the prudent action of the good debtor to restrict his purchases until he is out of debt.

So, Mr. President, instead of a concession being made by Great Britain, a concession is made to her.

Even Mr. Attlee, the Prime Minister of Great Britain, stated in the House of Commons that this legislation recognized the fundamental facts that:

> It is essential to clear the obstacles to our exports of manufactured goods without abandoning the right to control our imports, so long as this is essential to our balance of international trade.

According to Mr. Acheson the British have agreed to support the American proposal to reduce and eventually eliminate the imperial preference system. Mr. Attlee interpreted this concession in its true light when he said:

> It is recognized that reduction or elimination of preferences can only be considered in relation to and in return for reduction of tariffs and other barriers to world trade in general.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TAFT. I do not know whether the Senator saw the quotation which was referred to yesterday by the Senator from Nebraska. A British questionnaire which was sent to all British manufacturers and businessmen engaged in trade and commerce contained the following questions:

> (1) What margin of preference is regarded as being of the highest importance to the United Kingdom industries; (2) which are regarded as being of some importance; (3) which are regarded as being of little importance.

Evidently Great Britain is trying to find out what she may concede as of little importance to the British Empire. Therefore, I believe that the agreement to change imperial preferences is not to be very seriously undertaken by the British. Of course, there is nothing definite in the agreement about the matter in any way.

Mr. WHEELER. No; Great Britain merely agrees that she will talk about it.

Mr. TAFT. Yes.

Mr. WHEELER. But, Mr. President, this propaganda is being distributed throughout the United States, and we are told that the great concession which Great Britain is making to American businessmen is in the reduction of preferences. However, that is not a correct statement of the fact, and the propaganda is misleading. It is misleading to the American businessmen and to the American people.

Mr. Attlee very clearly says—I repeat his statement:

> It is recognized that reduction or elimination of preferences can only be considered in relation to, and in return for, reduction of tariffs and other barriers to world trade in general.

As for the promise to abolish the imperial trade policy system, Mr. Churchill during the debate on this loan made the following grim observation in the House of Commons:

> At my first meeting with President Roosevelt at Argentia in 1941, I was very careful that the terms of the Atlantic Charter in no way prejudiced our rights to maintain the system of imperial preference. Those were not easy days. The United States was neutral. It was very hard to see how the war could be won, but even then I insisted upon that. Similarly when it came to the mutual-aid agreement, I received from President Roosevelt the explicit assurances which have since been published that we were no more committed by article 7 to abandoning imperial preference than was the United States to abolish her tariffs. What we are committed to, and have been long committed to, in good faith and in good will, is to discuss both these matters.

All they are called upon to do is to discuss these matters, and unless the United States agrees to lower her tariffs, then the British are in nowise committed to reduce their tariffs. Mr. Churchill says it goes even further than our reducing our tariffs. He stated:

> It is, therefore, in my view, quite untrue to say that we are at this time being committed by the Government to any abandonment of imperial preference and still less its elimination. Of course, if we find ourselves in the presence of proposals to effect a vast, sweeping reduction of tariffs and trade barriers and restrictions all over the world of a character to give a great exporting power to this island and to British shipping, which is a vital element in the services we render to other countries and a vital feature in our means of earning our daily bread, if we are faced with that, then, undoubtedly, we should be confronted with a new situation to which we should have to do justice.
>
> I make no concealment of my personal view that if all this came to pass the vision before mankind to be would be brighter than we imagine. I do not see any probability of such a point being reached. It is more likely, on the other hand, that tariffs and trade restrictions of all kinds, even though reduced, will still be maintained at levels which severely hamper progress toward the ideal of the free interchange for mutual advantage of goods and services throughout the world. In that case, no one could in good faith demand of us to forego the immense moral and material advantages which have flowed to us by the special development and fostering of interimperial trade.

So, Mr. President, Mr. Churchill says that unless they are confronted with world-wide free trade they are in no way committed. Not only that, but in their direst hour, when they were afraid of losing the war, he made the positive statement to President Roosevelt that they would not give up their trade preferences, and the President told him they were no more committed to doing so than we were to lowering our tariffs. So they are committed only to discuss these matters. Yet the American people are being told from one end of the country to the other of the great benefits which are to flow from the joint resolution; that trade preferences are to be removed, and that everything will be well with the country as a whole.

Mr. ELLENDER. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Louisiana?

Mr. WHEELER. I yield.

Mr. ELLENDER. I tried to argue yesterday and the day before that, insofar as the trade preferences are concerned, they are more or less a thing of the past. As the Senator knows, Canada is now going out for herself, and it is my humble opinion that Canada will become one of the chief competitors of Great Britain in South America.

During the war Canada developed tremendously industrially, and she is now in a position where she does not have to buy many goods from Great Britain, but, on the contrary, she is going to have many herself to sell. The same applies to Australia. So, it strikes me that the argument about imperial preference is a mere whistle in the dark. I cannot see how Great Britain can expect her colonies to give her the advantages which were hers in the past. Does not the Senator feel that way?

Mr. WHEELER. Yes. To the extent that Great Britain can do it with her colonies, she will do it, because British exports to the continent of Europe are going to be reduced tremendously. As I have pointed out, England exported largely to Poland, the Balkans, the Baltic States, and also to Germany. With the closed economy which has come about because Russia has taken over control, England will lose out to the extent that those countries are closed to her exports. I do not at all blame England for keeping her trade preferences, much as I dislike the practice.

What will imports from England do to those engaged in the textile industry, the watch industry, and thousands of other workers in this country, if our tariffs are reduced to such a point that, with the cheap labor of England and of European manufacturers, England can ship anything into our country? It will put our workers on a lower standard of living.

Mr. ELLENDER. The point I was going to make was that exports and imports are really a two-way street.

Mr. WHEELER. The Senator is correct.

Mr. ELLENDER. One country will not trade with another unless both can get something. If Canada is able to dispose of much of her exports, and by doing so can get raw materials in exchange, and thereby increase her export trade, does not the Senator think Canada will be prone to do that, rather than deal with the mother country?

Mr. WHEELER. Certainly.

Mr. ELLENDER. That is why, then, that, so far as I am concerned, in spite of all the arguments which have been made by Churchill, Attlee, and others about the imperial preferences, I cannot see that they are going to be of great advantage to the British in the future.

Mr. WHEELER. They will be of advantage to them if they can keep them in vogue, but I agree with the Senator that it is very doubtful that they can keep them, particularly with some of the colonies.

There is one other vital factor in this economic equation which made these British concessions a contradiction in terms. England has a Socialist government. I do not want anyone to misinterpret what I am saying, because I think the present Government of Great Britain, the Socialist government, will do far more for the working classes of that country than was accomplished under the previous government. Anyone who has visited England in the past few years, and who has seen the economic conditions and the living standards of the workers in the coal mines and the general factories of England, knows they have been very far below the standard of living of the workers of this country.

The Government has already taken over the Bank of England and the coal mines, and is now proceeding with legislation to take over the transportation, power, and communications systems. An integral part of this nationalization program is the so-called Beveridge plan, which provides for social and economic security from the cradle to the grave. This plan cannot be put into effect without establishing the most extensive regimentation of industry, business, and labor as well. This type of a planned economy cannot stop at the English Channel. The trade which flows into Britain from without, as well as the exports which flow into the British Empire, will be compelled to come under the supervision and control of the British Government. And I submit, Mr. President, that a planned imperial economy and planned foreign trade make these alleged concessions of the British a mockery.

There is no questioning the fact, Britain desperately needs aid to help her through this transitional period, but again the question America must answer is how this legislation will safeguard America's interest and security.

We are told—indeed, we are solemnly assured—that by making this grant to Britain we are hastening the transition of the economies of the world from a wartime basis to a high production and high consumption world economy. Mr. Acheson recently stated that:

> The pound sterling and the dollar: these are the two great currencies in which international business is transacted. In 1938 over one-half of the world's foreign trade was carried on in pounds or dollars. With the war over and Germany and Japan pretty well out of the picture the figure will be still higher, perhaps as high as 70 percent. In other words, by far the greater part of all the world's foreign commerce is paid for in pounds or dollars. If these two currencies are freely interchangeable at a stable rate, businessmen all over the world can start up their factories, employ workers, produce goods and buy and sell nearly everywhere—confident that the purchase price will be paid in money which they can use anywhere.

With the conditions which prevail throughout Europe today, how can anyone say that the exports of England can increase 70 percent, when her people do not have anything with which to buy goods?

But in order to achieve this, Mr. President, Mr. Acheson tucked away the following prerequisite at the end of his speech:

> The hope for both of us is to expand prosperity and trade around the world and, to do that, special deals that discriminate against third countries must be eliminated.

Does Mr. Acheson for one moment think that the special deals entered into by Russia are going to be eliminated? We have heard a great deal on the floor of the Senate about isolationists. We have heard such talk on the part of liberals, we have heard it on the part of conservatives, and we have heard it on the part of Communists. Which is the greatest isolationist country in the world today? Of course there is only one great isolationist country in the world, and that is Russia, which is completely isolated in every respect from the rest of the world.

The tragic truth is, Mr. President, that all of the international plans and conferences that have been drawn up or are anticipated in the future were premised on the kind of a world that no longer exists in reality. They were premised on Russian participation, on the basis of a genuine international cooperation in all financial, economic, social, political, and military problems of the postwar era; on the assumption that the countries which have now fallen into the Russian orbit would be willing and able to participate as independent and sovereign nations; on a theory of international trade, which Russia has now repudiated by erecting an iron curtain on a state-controlled, closed-door trade monopoly around half the world; and on the anticipation of a new flow of private investment and capital into channels through which stable elements of the liberated countries would be able to rebuild those nations on the basis of the free enterprise system.

Mr. Stalin is a realist, we have been told, and he does not permit his hopes to carry him away, as the hopes of some of the internationalists of this country have carried them away.

Of one thing we can be certain, namely, if the present world forces continue to move in the direction they are going, and if the pattern of peace—which has already been traced across the world—crystallizes into a new status quo, America shall find herself the inescapable victim of one of the most stupid political blunders in all history.

It is at this point that I again want earnestly to assert that those proponents of this legislation who continue to support American foreign policy on the basis of the Yalta and Potsdam decisions, and who, at the same time, claim this gift to Great Britain will in any way serve to strengthen the security of either Great Britain or the United States, are either lacking in foresight or are trying to fool the people of the United States.

The grim facts of the international realities with which we are now confronted point unanimously to a wholly different conclusion. We are no longer living in one world. By the tragic decisions reached in the conferences of the Big Three we have carved the world in two and left Russia in control of the Eurasian Continent—from Berlin to Port Arthur. Russia's action since the end of the war cannot possibly be interpreted in any other way than as a deliberate and determined effort to consolidate and extend her own empire at the expense of the smaller nations on her borders.

It is merely a statement of simple facts to assert that politically this means we have been parties to the destruction of the whole system of sovereign and independent nation states upon which all of our international law of the past 400 years has been founded.

The full significance of this revolutionary development has been successfully concealed behind political catchwords and expediency of propaganda in recent years. It has been the fashion to wave the banner of a pathological internationalism in order to postpone a day of reckoning while all those who challenged its pretension in the name of America's interest and security were slandered and reviled.

Mr. President, I am not one who wants to go back to the old reactionary governments in Europe controlled by the exploiters of the poor. I want to see liberal democratic governments set up. But

now, Mr. President, the war has been over for a year. The new status quo is rapidly taking shape. I submit that in the bleak dawn of this era we rediscovered once again the fact that the need for human decency, the need for food, clothing, and shelter and medicine, the need for a standard of living based on economic as well as political freedom have not vanished or become outmoded.

On February 8, 1946, the House Special Committee on Postwar Economic Policy and Planning issued the following statement:

A new type of Soviet control joining economic and political advantages is emerging which makes a substantial extension of multilateral trading with those countries impossible.

The economic agreement reached between Rumania and Russia which was signed on May 8, 1945, furnishes us the pattern of Russian economic expansion over half the earth. Mr. Constantine Brown, of the Washington Star, recently summarized the significance of this agreement by stating:

The Rumanian economic agreement provides for the formation of Soviet-Rumanian syndicates for the exploitation and development of all the resources of that country. It is, in fact, a most stringent monopolistic agreement, aimed at the exclusion of all other foreign interests.

The most important clause of the economic agreement, as far as the outside world is concerned, is not only that the arrangements exclude any third power from doing business in Rumania but also provide that Rumania must purchase whatever she needs in Russia. In the event Russia is not able to deliver certain tools or manufactured products, Rumania must purchase them abroad through the Union of Soviet Socialist Republics, which through the banking syndicate will maintain complete control over the Rumanian currency and banking system. Thus, Rumania henceforth will be prevented from transacting any business deals with the capitalistic countries. It will be Moscow which will act as an intermediary in all such cases.

Is it any wonder then that Mr. Churchill said:

It is more likely, on the one hand, that tariffs and trade restrictions of all kinds will still be maintained at levels which severely hamper progress? In that case, no one in good faith can demand of us that we forego the immense moral and material advantages which have flowed to us by the special development and fostering of interimperial trade.

Mr. President, frankly, unless we reduce our tariffs to the point where it will materially lower our standards of living, then of course in my judgment Great Britain, if she is going to survive, will have to retain the imperial preference.

With the situation as it exists, Britain is not obliged to and of course will not change unless—as Mr. Churchill says:

We find ourselves in the presence of proposals to effect a vast, sweeping reduction of tariffs and trade barriers and restrictions all over the world of a character to give a great exporting power to this island and to British shipping.

And on April 15, 1946, Mr. John Chabot Smith wrote to the New York Herald Tribune from London that:

Great Britain is preparing for the forthcoming international trade conference on the assumption that the Soviet Union will take no part in international trade in the foreseeable future, neither contributing to it nor asking anything from other nations, it was learned today.

Mr. President, Russia does not have to meddle further in the international state outside her spheres of influence in any way to make what remains of Western Europe and Eastern Asia a millstone about the neck of British and American economy. The simple fact is that western civilization in Europe can never maintain itself with Europe torn in two and divided against itself. The French know perfectly well that they cannot continue to exist as an independent nation so long as Russia remains in control of the eastern half of Europe. The British know this even better than the French, and our statesmen who are now in Paris are confronted with the inescapable fact that on the basis of the Yalta and Potsdam agreements, not only the British, but the European economy, can never again become self-sustaining.

I have pointed out before on the floor of the Senate what the British statesmen have repeatedly said, which is that whoever controls middle Europe controls all of Europe.

Mr. John Hanna, writing in the New York Herald Tribune on March 31, 1946, points out the added tragedy of the stupidity of the vicious Morgenthau proposal by which 25 percent of the world productive capacity and skills in Germany, which are so desperately needed for the reconstruction of European economy and to provide part of that vastly enlarged world market that Britain must have, are being ruthlessly destroyed. Says Mr. Hanna:

The Morgenthau notion that Germany can lose 25 percent of her arable land, can feed about 66,000,000 people in its restricted territories, and in an agrarian economy have an export surplus of agricultural overproduction to pay for enough imports to maintain a decent scale of living is economic nonsense. The western nations will not long support such a policy of revenge, if for no other reason that combined with the inclusion of the German satellites within the Russian economic system it is a method of economic suicide for themselves.

In other words, Mr. President, on the basis of America's present commitments, on the one hand we are being asked to help save the British Empire from Russia, and on the other hand we are asking Russia to make application for a large loan to supplement what we are pouring into Russian-satellite countries. To me, these policies just do not make sense. They create the breeding ground for another war. They are dividing the American people into three groups: Those who are pro-British, those who are pro-Russian, and those who are pro-American—and I want to be classed with the latter. Furthermore, not only are we building up rival forces in the Eurasian Continent which threaten our own security as well as that of the British, but in order to meet our increasing commitments abroad, to maintain the deficit economies of the rest of the world outside of the Russian sphere, we shall be drained of our already vastly depleted resources and we shall be compelled to transform our own internal economy into a militant bureaucracy which will extend increasingly stricter controls over an ever-widening area of American life.

Mr. President, at this very moment the whole world stands at a tragic impasse, waiting for America once again to reassert her moral leadership in the world. The approval of this British loan by the American Congress not only is not the answer—instead, it is an act which, at best, can only postpone for a brief time the inevitable decision the American people are going to be forced to make. I cannot endorse this British loan on the basis of our present policy, for it will set in motion the forces which cannot help but contribute to the swift deterioration of the present tragic world condition and precipitate a crisis no sane man dares to contemplate.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. JOHNSON of Colorado. I have understood from the proponents of the joint resolution that the purpose was to unblock the blocked currency of the sterling bloc. Of course, the agreement does not provide for any such thing. The agreement provides for the perpetuation of all the blocked currencies which accumulate up until December 31, 1948.

Section 7 of the financial agreement reads as follows:

7. Sterling area exchange arrangements: The Government of the United Kingdom will complete arrangements as early as practicable and in any case not later than 1 year after the effective date of this agreement, unless in exceptional cases a later date is agreed upon after consultation, under which immediately after the completion of such arrangements the sterling receipts from current transactions of all sterling-area countries (apart from any receipts arising out of military expenditure by the Government of the United Kingdom prior to December 31, 1948, to the extent to which they are treated by agreement with the countries concerned on the same basis as the balances accumulated during the war) will be freely available for current transactions in any currency area without discrimination; with the result that any discrimination arising from the so-called sterling area dollar pool will be entirely removed and that each member of the sterling area will have its current sterling and dollar receipts at its free disposition for current transactions anywhere.

8. Other exchange arrangements.

That takes all the blocked sterling out of the agreement, as well as any which accumulates between now and December 31, 1948. The worst feature of that, as I see it, is that the Dominions and other independent countries which hold these claims cannot do otherwise than blame the United States for participating in the general bloc. No doubt the Dominions and various countries in the British Commonwealth of Nations feel pretty bitter toward Great Britain for blocking the currencies. Great Britain has blocked the currencies so that those countries cannot even purchase in Great Britain, let alone other parts of the world. Now we come along and become a party to that agreement and make it effective. I do not see how we are going to escape severe criticism on the part of Australia, India, and other countries if this agreement goes through.

Mr. WHEELER. Earlier in my remarks I called attention to the fact that India tried to get away from blocked currency. She tried to be released from it so that she could buy in other countries. Not only did England object, but America joined with England to prevent India's effort to unblock. How could the Indian people feel other than unfriendly toward the United States because of our attitude in that matter, and also because of the provision in the financial agreement which the Senator has pointed out?

When I was in Cairo last summer I happened to meet one of the Government leaders. He asked me, "Why do you permit the British to treat us as we are being treated?" I replied, "What have we to do with it?" He said, "If you would just say the word to England, she would not dare to do it."

I was told by our own American representative that he could get between $12,000 and $14,000 for a second-hand Chevrolet automobile which he had. I asked the Government representative who took me back to the hotel, and who had a seven-passenger car of American make, what that car would cost him there. He said, "About $22,000." He also stated that a tractor which he wanted, and which would cost about $700 in this country would cost him between $3,000 and $4,000 over there. So England is getting a tremendous advantage, because when she buys from the United States and sells to those people over there she gets the difference between $700 and $3,000 or $4,000. When she buys a seven-passenger American automobile for $3,000 or $3,500, it costs the Egyptian $22,000.

Mr. JOHNSON of Colorado. Of course, the Egyptian Government has a very large investment in the claims which are banked with the Bank of England.

Mr. WHEELER. That is correct.

Mr. JOHNSON of Colorado. They will all be blocked. I can well understand why the bankers of Egypt and the people of Egypt are indignant. The administration in the United Kingdom has repeatedly stated that Britain cannot hope to carry the bloc system beyond the war; that it was entirely a war measure. They make that statement openly. They say that they cannot possibly continue that kind of an arrangement. But now they have persuaded us to accept the responsibility for blocking currencies which accumulate up to January 31, 1948. There are already $14,000,000,000 of such currencies which will be blocked forever; and by December 31, 1948, the blocked currencies will amount to probably $16,000,000,000, and perhaps a little more, because they are accumulating all the time, and we are becoming a party to that very arbitrary action.

Mr. WHEELER. I thank the Senator.

Mr. President, I am not speaking out of enmity, antagonism, or bitterness toward any country—I am trying to point out some simple facts. I am speaking out of a deep concern for the future of America and of civilization itself. As I have previously stated, and now repeat, that the future trade agreements which we are expected to make to reduce our tariffs will not only seriously affect the manufacturers and farmers of this country, but they are bound to affect the laboring people of this country and our standards of living. I am also thinking of the proposal in the sense that if we make the loan to Great Britain we shall have to make loans upon a comparable basis to other countries. Then when we give this money to Great Britain, we shall be in the position of saying to our own people, to the soldiers who have been overseas, "We cannot deny you anything you want, regardless of what it may be."

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. JOHNSTON of South Carolina. Would it not be better to lend some of this money, if we are going to lend it, directly to India, instead of lending it to the United Kingdom? Perhaps we could trade directly with India, rather than through the United Kingdom.

Mr. WHEELER. Probably the British would be able to block any such trade, if we were to make a loan directly to India. Britain would say to India, "You cannot buy in the United States." She could do so even though we might lend India the money, because India is so dominated by Great Britain that apparently Great Britain has the power to prevent India from engaging in such trade directly.

Mr. JOHNSTON of South Carolina. Is it not true that if we lend this money to Great Britain she will have a debt, and will have to pay back the debt with interest if she carries out her agreement? That being so, England will owe us money, and instead of selling to England we shall have to buy from England in order to balance exports and imports and carry on trade.

Mr. WHEELER. I thank the Senator.

I am reliably informed that at this moment Britain is pleading with the United States Government to join her in forcing a modification of the outrageous Potsdam decisions which already are directly responsible for human agony and suffering and starvation unknown to civilized nations.

The terrifying truth is, Mr. President, that the catastrophe that has already developed in central Europe renders any attempt to implement either the directives of the Potsdam Declaration, or the recent 4-year plan of the Allied Control Council, or any other paper schemes for the reorganization of the German economy, a meaningless gesture.

The victor powers ought to declare an immediate moratorium on reparations in kind by which the whole of Europe is being stripped of desperately needed industrial production capacity, which is being destroyed, and without which neither England nor Europe can survive.

Unless this step is taken, even with all the aid we shall be able to furnish, Europe may be faced next winter with an even more hideous calamity than the last.

Time and again, Mr. President, I have advocated the necessity for a federated Europe, at least for an integrated European economy, and passing events have only confirmed my conviction. If I had the slightest intimation that this gift would in any way contribute to that happy solution of the problems we confront, I would give my unyielding support either to this or to some other similar proposal. But I cannot give my consent to a measure which I am convinced throws away the one last bargaining power of the American people by which some measure of their hopes and prayers for a decent, just, and enduring peace might be realized.

COORDINATION AND EXPANSION OF FEDERAL GOVERNMENT HEALTH ACTIVITIES

Mr. TAFT. Mr. President, at the conclusion of my remarks I shall introduce a bill to coordinate the health functions of the Federal Government in a single agency; to amend the Public Health Service Act for the following purposes: To expand the activities of the Public Health Service, to promote and encourage medical and dental research in the National Institute of Health and through grants-in-aid to the States, to construct in the National Institute of Health a dental research institute and a neuropsychiatric institute, and for other purposes.

Mr. President, this is a comprehensive bill intended to extend Federal aid to accomplish the further extension of health work throughout the United States. In the first instance, the bill sets up a national health agency, an independent agency, to which shall be transferred all the various bureaus and various activities of the Federal Government dealing with the subject of health. It requires that a doctor of medicine be at the head of the National Health Institute and that the health work or the contributions of the Federal Government to health work be concentrated therein, under the direction of such a doctor.

The bill undertakes to encourage the States, through grants-in-aid, to set up comprehensive systems by which free health service and medical service shall be extended to all those who are unable to pay for such medical service. That is not a new principle in this Government. In the States and the localities we have long recognized the obligation of the Government in those States and localities to provide free medical care for people who are unable to pay for such care. While admitted in principle, it has not been universally extended. The health work has grown up here and there, without any over-all plan, and there are many gaps in the service. There are gaps in various rural districts in various States and in various groups to whom the medical service has not been successfully extended.

The general plan of this bill is to extend to States Federal aid at a total cost of approximately $230,000,000 a year, on condition that the State survey all its health activities dealing with the indigent and undertake to see that a comprehensive system is set up, reaching all sections and all persons who are unable to pay for the service, thus probably extending medical care to from 20 percent to 25 percent of the population. However, the States will receive aid from the Federal Government only if they

make their systems comprehensive and if they cover the entire field to be covered.

The heart of the proposal is contained in the provision that the State program shall be designed and calculated to provide, within 5 years—

(a) Hospital services, surgical services, and medical services in hospitals, clinics, or similar institutions, for all those families and individuals in the State having insufficient income to pay the whole cost of such services.

In other words, it provides for medical services, hospital services, and surgical services, but not actual medical services in the home, which is a far more expansive proposition than medical services in clinics or hospitals.

Subparagraph (b) of section 702 (a) (4) provides health inspection services for all children in elementary or secondary schools in the State.

I may say that most of the defects which were revealed in the draft medical inspections which were in any way preventable arose from failure to discover various defects in teeth and other physical difficulties of school children at a sufficiently early age.

The bill further provides:

Such plan may also, at the option of the State, provide medical care in the home or physicians' offices for such families and individuals.

In other words, the State may extend its medical care and may use the Federal money for the purpose of such extension of medical care, in various cases or in the case of particular diseases, to the home or the physicians' offices.

The bill then provides:

Such plan may also provide for the furnishing of such services to such families and individuals by means of payments of premiums or partial premiums by the State, in behalf of those families and individuals unable to pay the whole cost of such insurance, to any voluntary health, medical, or hospital insurance fund operated not for profit.

In other words, instead of providing medical aid directly, the State may pay the premiums of a voluntary health insurance fund.

Today in the State of Michigan there is such a voluntary health insurance fund which is sufficiently established so that the Veterans' Administration has employed that fund to look after the medical care of most of the veterans in that State; and, in effect, the Veterans' Administration pays the premiums to the insurance fund for those veterans.

This provision of the bill provides that the State may do so, and may thus encourage those funds, which then, of course, would make available to people in the middle-income group who desire health insurance an opportunity to take out health insurance, if they wish to do so. Hospital insurance plans are now very general throughout the United States, and funds to provide medical and surgical service are increasing rapidly. This plan would encourage and promote the development of such plans, as a rule under the organization of the doctors themselves.

The bill then provides that—

Such plan shall provide for the collection of proper charges of less than the total cost of such services from persons unable to pay in whole, but able to pay in part therefor.

In addition to the extension of aid to States which undertake to provide general medical care to the indigent and inspection for the children in the public schools, there is also a provision for State aid in one-tenth the amount—$20,000,000—for States which set up a dental plan which is confined solely to the inspection of the teeth of children in the public schools. Dental service is much more extensive. It is not usually included in health-insurance funds; and all we have undertaken to do in this bill is to encourage the States to set up a complete inspection service for the children in the primary and secondary schools, and service free for those who are certified by the principal of the school to be unable to pay for such dental service. That, I may say, is the system now in force in the District of Columbia, and this provision of the bill would simply encourage all States to provide such a system and to make it universal throughout the schools.

Furthermore, the bill provides funds for research. There has long been a provision to authorize the Surgeon General to undertake medical research, but no funds have been provided. This bill authorizes the appropriation of the sum of $4,500,000 for general medical research, and also some aid for dental research and neuropsychiatric research.

I may that that those aids are embodied in separate bills which perhaps may be passed at this session of Congress, and thus render it unnecessary to include them in general bills.

Mr. President, this plan represents a contrast to the plan proposed by President Truman for universal Federal compulsory health insurance. The philosophy of the approach of this bill is completely and entirely different. Under the plan advanced by the President every person in the United States—not only those unable to pay, but everyone—must contribute a percentage of his pay roll, or otherwise, to a compulsory Federal fund for which he is supposed to receive medical service. That means that between $3,000,000,000 and $5,000,000,000 would pour into the Federal Treasury in Washington, and would then be expended by a vast administrative organization in paying all the doctors in the United States. The doctors would be directed as to what they could do in the way of furnishing medical service, how often they could call, for what kind of diseases they could call, what kind of medicine they could prescribe, if it were an expensive medicine, and all the details of medical service. In effect, all the doctors in the United States would become employees of the Federal Government. That is not only socialization of medicine, but it is a complete nationalization of the medical profession.

I cannot conceive that the Congress will enact a measure which would cause such a tremendous change in the present system. Today we have excellent medical service in the United States—probably as good as that which any other country has, with perhaps the exception of some very small, concentrated countries. We do not have to throw that system away and begin with a new one, but we may build upon the system already in existence. The proposal I submit would fill up the gaps in the service performed by the present system. So, under the existing system, with its freedom of doctors and the freedom of medicine which we have enjoyed, and which has made this country almost outstanding in the progress of medical science, we would retain those characteristics and enable every person in the United States to receive adequate medical services.

Mr. President, the bill proposes, therefore, fundamental differences from the other plan. First, it would place the entire responsibility on the States and on the local governments where it now rests. Instead of federalizing the whole undertaking and turning over this tremendous field to bureaucrats in Washington, it would place, as I have said, the responsibility under the State and local governments. In the second place, it attempts to provide only for those who are unable to pay for essential medical service, leaving those who are able to pay free to do as they choose with reference to obtaining medical service. The bill would encourage the development of health-insurance funds for persons who may wish to take advantage of such insurance and protect themselves against the future occurrence of some form of catastrophic illnesses.

Mr. President, so far as I am concerned, the provisions of the bill represent a part of a program which I set forth in a speech printed in the CONGRESSIONAL RECORD of October 22 last year. It is based on the general principle that this country has sufficient wealth and production to prevent hardship and poverty which exist under any free-enterprise system. Those who are so unfortunate as not to be able to work and those who cannot obtain work or, for some reason have to work at jobs which do not return a sufficient income to provide a decent living, may take advantage of the provisions under this proposal.

I believe this country can and should provide a floor under certain essential services such as health, education, housing, and subsistence. We have long recognized our obligation to provide such facilities, but we have not fulfilled it, largely because of the limited funds available to the States for such purpose. I believe the Federal Government should assist in providing funds to stimulate the States in order that they may undertake a more thorough job in this field. We passed the so-called housing bill to provide houses to those who could not purchase houses from private enterprise. The Senator from Alabama [Mr. HILL] and I recently introduced a bill providing a minimum basis of education in districts and States which are unable to provide such educational facilities.

Through the bill which I will introduce we are attempting to provide a minimum floor under medical service, and provide that all those who are so unfortunate as to be unable to pay for necessary medical services may receive them free.

Mr. President, throughout the program I believe we should insist upon State responsibility. I think we should insist that the Federal Government's interest is not only in those who are unable to meet the expenses, leaving the remainder of the population—about 75 percent—free to work out their own problems and lives, and free to develop and act under the same principles of freedom, energy, and initiative which have made progress possible in this country. That energy and initiative is always present in the 75 percent of the people who are able to pay their own way.

The program as a whole, must not be too expensive, or we will impose a burden upon the 75 percent of the people, and thereby deter them from proceeding with the necessary work, initiative and risk-taking which will make them progress. Those are elements which we seek in the general average advancement of the population.

Mr. President, the particular program to which I have reference will cost approximately $300,000,000 for health, $250,000,000 for education, and $150,000,000 for housing, or a total of approximately $700,000,000. I do not believe that is too much to spend on the extension of social-welfare services in a total budget which will certainly run as high as $20,000,000,000 a year. I believe that the American people are willing to pay as much as $700,000,000 for the aditional service which is here being promoted. Certainly, I think it is something in which they will take much greater interest than, for example, the granting of $4,000,000,000 to Great Britain in order to carry out a theory of international trade which no one has yet approved.

Mr. President, I ask unanimous consent to introduce this bill in behalf of myself, the Senator from New Jersey [Mr. SMITH], and the Senator from Minnesota [Mr. BALL].

The ACTING PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred.

The bill (S. 2143) to coordinate the health functions of the Federal Government in a single agency; to amend the Public Health Service Act for the following purposes: to expand the activities of the Public Health Service; to promote and encourage medical and dental research in the National Institute of Health and through grants-in-aid to the States; to construct in the National Institute of Health a dental research institute and a neuropsychiatric institute; and for other purposes, introduced by Mr. TAFT (for himself, Mr. SMITH, and Mr. BALL), was read twice by its title and referred to the Committee on Education and Labor.

Mr. SMITH. Mr. President, I wish to say a word in support of the bill which has been introduced by the distinguished Senator from Ohio, and in which I am happy to join.

I have the privilege of being a member of the Committee on Education and Labor. We have engaged in hearings on the entire question concerning a proper health program. I wish to point out the difference in approach which is being resorted to in meeting this over-all national program.

No one feels more deeply than do I concerning the need of our providing an adequate health service for the people in the lower income brackets in this country. We must find ways and means of doing so practically. The whole issue lies between those who believe that the matter can be handled federally by an over-all compulsory program to be managed from Washington with our dollars, and those who believe in the philosophy of the bill which has been introduced, and which deals in terms of grants-in-aid to States, and puts the responsibility directly up to the States to determine their own health programs with aid from the Federal Government, and requires that they match the Federal aid and provide their own programs.

The difference in approach, Mr. President, is on the one hand, the difference between centralized control and an overall bureaucratic form of handling the problem and, on the other hand, asking the States to assume their responsibility. We believe that the bill which has been introduced affords the more practical method of the two.

All through our history we have profited by the fact that we had 48 States which were, in a sense, laboratories in which new programs and methods could be put into effect. In carrying out the proposed program, we will not be required to go to the Federal Government for a centralized control. We will ask the States to show us the way, and thereby enable all our people to be protected through a medical and health program. Those who are proposing this bill wish to obtain the best health system which can be obtained for the people of this country. We are thinking particularly in terms of those in the lower income brackets. I submit that the method of trial and error, the method of evolution in our progress in difficult and complicated subjects such as this, and our desire to have wholehearted support of the medical profession represents the proper approach to a blueprint for the future.

So, Mr. President, I am happy to join with my distinguished colleague in sponsoring the bill which he has introduced.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. HOEY. Mr. President, I shall speak very briefly concerning the proposed British loan. I shall not go into many details, because the matter has been so thoroughly discussed from every angle that I do not deem it worth while to trespass upon the time of the Senate.

The settlement of our international problems is closely linked with the economic stabilization of Great Britain. We cannot afford to deal with this grave issue upon the basis of political expediency. It calls for the exercise of the highest qualities of statesmanship. A narrow or purely selfish view of this situation would deny to America the opportunity to maintain her world leadership and to establish a mighty bulwark of defense against a third world war.

We have learned many lessons since World War I. We must not fail to measure up to the opportunities and responsibilities of this hour. Following the close of the fierce fighting and terrible slaughter of World War II, we gave definite promise of having completely recovered from our isolationism and determined to exert the full measure of our power and prestige to preserve world peace. In order to accomplish this purpose, the Congress, with the full approval of the American people, passed several important measures to implement world economy and stabilize the other nations, especially those countries with us in the recent war.

At least five enactments of the Congress could be designated as measures calculated to help other nations achieve some measure of economic stability and reestablish their trade and get back on a basis of reasonable productivity and prosperity. They might be classified as follows: First, the renewal of the Reciprocal Trade Treaties Act; second, the Bretton Woods Proposals involving the establishment of the International Bank and the International Fund; third, the International Food Council; fourth, the increase in capital of the Export-Import Bank; fifth, the ratification of the United Nations Charter by the Senate and the later measure establishing the United Nations Organization. All of these measures were essential, and I believe will prove effective in aiding the world in recovering in some degree from the ravages of war, and the devastation of business, industry, and resources occasioned by the war.

The British loan is another step in the world recovery program. The question confronting us now is, Shall we falter in this final effort to complete our work and thus negative much that we have already done and probably fail in the accomplishment of our ultimate goal, or shall we courageously face the stern facts and measure up to our full duty, with the reasonable assurance that this action on our part will result in saving the economy of Britain and give the whole world a better chance to survive? There can be but one safe course to pursue, and but one choice for us to make.

America cannot be oblivious to what is happening in the rest of the world. We know what did happen, and we should know what may happen again. This war has cost us $300,000,000,000 in treasure, not to mention over 1,000,000 casualties, with more than 200,000 deaths of our bravest and best soldiers. Is it too much to invest $3,750,000,000 additional to help make secure the peace of the world, and to safeguard our own national security for the future? This loan would represent only about 2 weeks of the cost of the war to the United States toward its close. Surely Great Britain saved us

more than that in shortening the war for us—especially since she expended her men and resources without limit in the first part of the war in holding Germany at bay while we prepared to fight.

The making of this loan will not be an altogether altrustic gesture on our part. We are going to reap a commensurate financial or material benefit. America cannot be prosperous for long in an impoverished world. America cannot have plenty in a world in want. Hunger was responsible for Mussolini and for Hitler. Hunger causes revolutions. The one sure way to spread communism is for hunger and want to stalk through the earth. If these forces overrun other nations we need not lay the flattering unction to our complacent selves that we in sheltered America will escape the blight and devastation of a communistic world. Our best insurance policy against the flood tide of communism and revolution is to enable Britain to live and maintain her economy and exercise her influence over her far-flung dominions. This loan will be worth all it costs as an insurance policy for our material prosperity, not to say anything of the higher value in contributing to the maintenance of world peace.

There are several specific reasons why this loan would be beneficial to America and why I think it should be made. The following are just a few of them:

First. Great Britain is our best customer for tobacco, cotton, and many other surplus products. The prices of these staple products have often been sustained by British purchases.

Second. This loan will stabilize Great Britain and the whole sterling bloc, and will thus serve to prevent the depreciation of the currency of the participating nations in the International Bank and International Fund, and, hence, make possible the establishment and maintenance of foreign markets for our surplus products.

Third. Great Britain is the one great nation of the whole world that we can depend upon to stand by the United States in any world conflict.

Fourth. Britain is the only great nation sharing our democratic faith and spiritual kinship in the struggle for liberty, freedom, and justice. We shall need her in the world of tomorrow, and we cannot afford to let her fail.

I do not know how popular opinion is divided on this vital question of a loan to Britain, and it is of no concern to me. It is quite easy to join the crowd in saying that America should look after her own interests and cease financing the world. That is an old shibboleth, but it is out of harmony with the duty and destiny of America today. In this high hour of our opportunity and responsibility we must recognize that the one way to safeguard our own interests and make secure our own future is to lend the weight of our influence and resources in helping the one nation without whose valued assistance and powerful cooperation we will not be able to maintain either a prosperous or peaceful world.

If we are to grant this loan, we should make it upon the basis recommended by our own President, our State and Treasury Departments, and those who represent us in the councils of the nations, and upon the terms already approved by Great Britain. Believing that this course will best serve the material interests of our own country and the cause of world peace, I shall support the resolution as reported by the committee.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Arizona [Mr. McFARLAND].

Mr. JOHNSON of Colorado. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Millikin
Austin	Hawkes	Mitchell
Briggs	Hayden	Moore
Butler	Hickenlooper	Radcliffe
Byrd	Hill	Revercomb
Capehart	Hoey	Russell
Capper	Johnson, Colo.	Saltonstall
Donnell	Johnston, S. C.	Smith
Downey	Langer	Taylor
Eastland	McFarland	Wiley
Ellender	McMahon	Willis
Ferguson	Maybank	
Gerry	Mead	

The PRESIDING OFFICER (Mr. McMAHON in the chair). Thirty-seven Senators having answered to their names, a quorum is not present. The clerk will call the names of absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. BALL, Mr. BARKLEY, Mr. CORDON, Mr. FULBRIGHT, Mr. HATCH, Mr. HUFFMAN, Mr. MURRAY, and Mr. TAFT answered to their names when called.

The ACTING PRESIDENT pro tempore. Forty-five Senators have answered to their names. A quorum is not present.

Mr. BARKLEY. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. YOUNG, Mr. HART, Mr. BROOKS, and Mr. SHIPSTEAD entered the Chamber and answered to their names.

The ACTING PRESIDENT pro tempore. Forty-nine Senators having answered to their names, a quorum is present.

Mr. HAWKES. Mr. President, I ask unanimous consent to be excused from attendance on the Senate until next Tuesday.

The ACTING PRESIDENT pro tempore. Without objection, leave is granted.

Mr. LANGER. I suggest the absence of a quorum.

Mr. BARKLEY. Mr. President, I make a point of order that no business has been transacted since the last quorum call.

The ACTING PRESIDENT pro tempore. The Chair is of the opinion that the request of the Senator from New Jersey [Mr. HAWKES] for unanimous consent to be absent from the Senate having been acted upon by the Senate, business has been transacted.

Mr. BARKLEY. Is that what is called business? If a Senator asks unanimous consent of the Senate to be absent, is that business, within the meaning of the rule?

The ACTING PRESIDENT pro tempore. That is the advice which the Chair receives from the Parliamentarian.

Mr. BARKLEY. I think that is a very fine stretching of the rule and the precedents. If any similar requests are made from now on I shall object, if that is to be regarded as the transaction of business. I am sure the Senator from New Jersey did not intend his simple request to be regarded as the transaction of business which would make possible another quorum call within 2 minutes after we have just had one.

The ACTING PRESIDENT pro tempore. The Chair is advised that it has been held in a number of instances that when a unanimous-consent request is made and action is taken on it by the Senate, it constitutes the transaction of business.

Mr. BARKLEY. I am not taking an appeal from the ruling of the Chair, but I think it is a ridiculous situation when, immediately following a quorum call and the development of a quorum, the mere request of a Senator to be absent for a day or two constitutes the transaction of business which justifies another quorum call.

Mr. HAWKES. Mr. President, I am sure that the Senator from Kentucky did not intend to reflect on my request to be absent from the Senate, because such requests are made by Senators every day. It just so happens that the Senator from Kentucky is raising this issue following my request to be absent from the Senate.

Mr. BARKLEY. That is true.

Mr. HAWKES. I know that the Senator has enough faith in me to know that I did not make the request with any idea that it would affect a quorum call.

Mr. BARKLEY. Of course I know; and I make no reflection whatever on the Senator from New Jersey.

Mr. HAWKES. I wish the RECORD to be clear.

Mr. BARKLEY. Other Senators have asked that they be permitted to be absent for a day or two. No point of order has been made, no objection has been made, and no request for a quorum call has been made on the pretext that business has been transacted.

Mr. TAFT. Mr. President, the subject of the business is not the question. It seems to me that always under the rules of the Senate action by the Senate upon a unanimous-consent request is necessarily the transaction of business. I do not see how we can distinguish between different kinds of business because of the importance or lack of importance of the particular subject. I cannot understand the objection to the ruling of the Chair. It seems to me to be in accord with past rulings by presiding officers of the Senate.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Capper	Ferguson
Austin	Cordon	Gurney
Ball	Donnell	Hart
Barkley	Ellender	Hatch

Hawkes	Mead	Walsh
Hill	Murray	Wiley
Johnson, Colo.	Radcliffe	Willis
Langer	Revercomb	Young
Lucas	Shipstead	
McMahon	Smith	

The ACTING PRESIDENT pro tempore. Twenty-eight Senators having answered to their names, a quorum is not present.

The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. CARVILLE, Mr. DOWNEY, Mr. HAYDEN, Mr. JOHNSTON of South Carolina, Mr. MAGNUSON, Mr. MAYBANK, Mr. MCFARLAND, Mr. MYERS, Mr. O'MAHONEY, Mr. RUSSELL, Mr. TAFT, and Mr. WAGNER answered to their names when called.

The ACTING PRESIDENT pro tempore. Forty Senators have answered to their names. A quorum is not present.

Mr. BARKLEY. I move that the Sergeant at Arms be directed to request the attendance of the absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. HOEY, Mr. SALTONSTALL, Mr. BRIGGS, Mr. PEPPER, Mr. GREEN, Mr. GERRY, Mr. FULBRIGHT, Mr. CAPEHART, Mr. MITCHELL, Mr. TAYLOR, Mr. MILLIKIN, Mr. MOORE, and Mr. HICKENLOOPER entered the Chamber and answered to their names.

The ACTING PRESIDENT pro tempore. Fifty-three Senators have answered to their names. A quorum is present.

Mr. BARKLEY. Mr. President, earlier in the day I announced for the information of the Senate that at the conclusion of today's session I would move a recess until tomorrow, which I shall do. Under the present posture of legislation in the Senate, and the importance of numerous matters which are before the country and the Congress, I am unwilling that the Senate be in recess tomorrow.

I have been asked by many Senators whether it is my purpose to move to lay aside the pending joint resolution at any time between now and the 15th of May in order that the Senate may consider a proposal to extend the present draft law. For the information of the Senate I now announce that I not only will not move at any time between now and the 15th day of May to lay aside the pending business in order to take up the measure to extend the draft law, but I will resist with all the power and influence I possess any motion which may be made by any other Senator to lay aside consideration of the pending legislation in order to consider the extension of the draft law, even though the law expires on the 15th of May. I make that statement in order that Senators may understand that they may make, if they choose to do so, the motion to which I have referred, but that in doing so they must accept such responsibility by a majority vote. However, it will not have my sanction or support.

Mr. President, we have been debating the pending joint resolution for 3 weeks. We have not yet even voted on an amendment. No one knows how long it will take to discuss, consider, and dispose of amendments to the joint resolution. I feel in my own heart that the repercussions and the consequences of the pending legislation upon our own economy, and upon that of the world of which we are a part, transcends in importance the extension of the draft law on the 15th of May of this year. Other Members of the Senate may not agree with me on that point, and, if they do not, it is their right to vote for a motion which may be made at any time between now and the 15th of May to set aside consideration of the pending legislation for the purpose of considering the extension of the present draft law. I shall not only not make such a motion, but I shall resist it, and I hope it will be defeated. I think the Senate is entitled to that information and, so far as I am concerned, in order that we may go forward with the pending legislation, and in the hope that we may dispose of it in ample time to take up the extension of the draft in whatever form the Congress may see fit to extend it, I repeat that I am unwilling to lay aside at this juncture, or at any time between now and the 15th of May, the pending joint resolution which is the key, in my judgment, to the foreign economic policy of the United States, and which has been endorsed by our Government, by every branch of our Government, and by the overwhelming sentiment of the American people insofar as they have been able to speak through any organization which represents them. Mr. President, I repeat once again that I am not willing to move that the Senate lay aside consideration of the pending joint resolution until we have completed action upon it.

If any Senators are hoping, whether they favor or oppose the proposed legislation, that the Senate will lay it aside for the consideration of the draft bill, and then, perhaps, by the time the draft bill is disposed of, that we may have the OPA bill on our doorstep, and that we may have a further extension of the consideration of the pending proposal, so far as I am concerned, I have no such plan, and will not endorse or support such a movement.

I thought the Senate was entitled to this statement from me, and I hope it will be accepted in good faith. In making it, I make no implications remotely against any Senator in connection with the whole subject. But I have been asked repeatedly, indeed, I am asked every day and every hour of the day, whether we are going to lay the pending business aside for the draft bill, and my answer is "no," and, insofar as I am concerned, and so far as my influence and my efforts are concerned, the answer is "no."

Mr. President, I do not know that it is necessary to say anything more.

Mr. JOHNSON of Colorado. Mr. President, I am sure that our very distinguished majority leader, who has the devotion of the whole Senate as no other man in the Senate holds it, and is usually very patient, will agree that the debate for the most part has been constructive and to the point. Outside of perhaps a few instances, there have been no delaying tactics.

The Senator has stated that the pending joint resolution is a very important measure, and it is, and it certainly is entitled to complete and thorough discussion by the Senate; and that we have had. I assured the Senator that, so far as I was concerned, the general debate on the joint resolution would be over, not later than Monday, and that every Senator was anxious to start voting on the amendments on Tuesday. Yet the Senator insists that we have a session tomorrow, when he knows that a great many Senators have been excused from attendance, and knows that most Senators like to reserve Saturday to clean up some of their office work. Nevertheless, we have to have a session on Saturday.

We have been sitting late each evening all this week, and Senators have accommodated themselves to that situation. I had hoped we would not have a session Saturday, but our floor leader says we are to have one; so we will have a session. However, I do not think it is quite fair to the Senate. It is not going to speed up the debate on the question—not 1 hour, not 5 minutes. It will leave us in the same circle we are in. The general debate will undoubtedly be concluded on Monday, and voting will start on Tuesday, whether we have a session tomorrow or whether we do not.

Mr. BARKLEY. Mr. President, I said in my remarks that I made no implication against any Senator, as to his motives or anything else. I have no way of knowing how much more debate there will be on the pending measure. The Senator from Colorado is correct in stating that he said to me privately that in his opinion the debate would end so that we could begin to vote on Tuesday. I do not know how many more speeches there are to be, and how much general debate there is to be. If anyone had wandered into the galleries of the Senate during the last two weeks and observed the attendance, or lack of attendance, on the floor of the Senate, he would have been convinced that no Senator was behind with his mail because of his attendance on the floor of the Senate.

If Senators have not caught up with their mail by now, one more day, Saturday, will not help any.

I feel that inasmuch as we have gone on for 3 weeks in the debate—admitting that most of it has been to the point; some of it has not been, some of it has been wide of the mark, and on other subjects—the Senate owes it to itself and owes it to the country to give the impression that it is willing to sacrifice a little of its mail, if necessary, in order to devote its time to the duties which the people chose Senators to perform in the Senate of the United States.

I feel that the time has come when we must determine when we are to act upon the joint resolution now pending. If the Senate is in a mood to defeat it, let Senators vote against it. It should not be defeated by indirection. New amendments are being offered every day, and discussed, and we have to vote on them. Of course I do not object to that. Any Senator has a right to offer an amendment who desires to do so, but I do feel, and I feel very strongly, that if the Senate desires to defeat the agreement which has been entered into between our

Government and the United Kingdom; it should vote against it directly, and not kill it by pouring hot lava down its throat in the form of an amendment of some kind.

Senators might as well understand now, as I have tried to emphasize all along, that any amendment which requires the renegotiation of the agreement is tantamount to its defeat. I think the Senate should go on record about it in a direct way. If it wants to vote against it, vote it down, and I shall make no complaint, although I will feel in my heart that the Senate is wrong about it. But the Senate should vote it up or down, and not require a long series of negotiations again in order to satisfy the judgment of someone who thinks something else should have put into the agreement that was not included when it was negotiated, after weeks and months, by both governments.

Mr. TAFT. Will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, I merely wish to call the attention of Senators to the fact that we have a serious conflict in the Senate. During the entire week, both morning and afternoon, two committees of which I am a member have been sitting, the Committee on Banking and Currency on the OPA bill, both morning and afternoon, and the Committee on Education and Labor on the health bill, both morning and afternoon. The Committee on Appropriations has also been in session both morning and afternoon. I do not think the Senator is fair in implying that Senators who fail to attend the meetings of the Senate are looking after their mail. Whether the conflict can be resolved in some way, so that we will not have to have committee meetings proceeding when the Senate is in session, I do not know, but certainly that situation is primarily responsible today for the lack of attendance on the floor of the Senate the past week, during the afternoons.

Mr. BARKLEY. I agree with what the Senator from Ohio says. I am in the same situation. I am a member of the Committee on Banking and Currency, and I have tried to attend the hearings on the extension of the OPA. The Foreign Relations Committee has been meeting, and I have not been attending the meetings. The Committee on Finance has also met. As chairman of the conference on the housing bill, I have not had a chance to call the conferees together. But I was referring to the suggestion that we should not have a session tomorrow so that Senators could catch up with their mail. All Senators are not members of the Committee on Foreign Relations, the Committee on Banking and Currency——

Mr. TAFT. And the Committee on Education and Labor. With the Committee on Appropriations, that makes four committees, which include nearly all Senators, as a matter of fact.

Mr. BARKLEY. Of course, where there is an urgency to complete hearings, committees take the chance of holding afternoon sessions. The Committee on Banking and Currency has done that, but the Committee on Foreign Relations has not, nor has the Finance Committee. Whether the Committee on Education and Labor holds afternoon sessions I do not know. I have not been advised about that. The Committee on Appropriations of course, naturally, particularly the subcommittees, hold hearings in the afternoon. That is always true.

Mr. PEPPER. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. PEPPER. I wish to supplement what was said by the Senator from Ohio [Mr. TAFT] which, in my opinion, emphasizes the necessity of the Senate, before we adjourn this session, giving consideration to the report of the La Follette committee, which contains some constructive suggestions as to how the time of Senators can be divided between sessions on the floor and attendance on committee meetings.

The second suggestion I venture to make is, frankly, that since I have been in the Senate, for nearly 10 years, it has been my observation that, although we may have a burning issue before us for discussion, Senators do not attend all the sessions, because too often other Senators are making fixed and prepared addresses to the Senate, and while Senators always like to show courtesy and honor to their colleagues, and show interest in what they have to say, nevertheless, every Senator has demands on his time.

I believe that if the Senate should adopt the rule which prevails in the House of Commons in England, that no one except the members of the government, or, perhaps, a leader of the opposition, should be permitted under the rules to use a manuscript upon the floor in debate, and we really debated measures, instead of each one of us delivering a declamation on the general subject, when we had before us an important measure, we would have a full attendance of Senators, and we would have real give-and-take in debate, such as is contemplated in a legislative body when a vital issue is under discussion.

I should like to invite the attention of our able leader to seeing, when burning issues are under consideration, if he cannot in some way or other have real debate, the give and take of opinion, upon the Senate floor, rather than Senators delivering carefully prepared declamations on the general subject. I think we would have a larger attendance.

Mr. BARKLEY. The Senator from Florida knows, as we all know, that neither I nor anyone else has any control over whether a Member shall speak from a manuscript or speak extemporaneously. I remember an unfortunate episode in which I was involved. I had been invited to address my alma mater, not to deliver a commencement address, but what I thought was an important address to the alumni association of my college, and I spent 6 weeks preparing a manuscript. When I arrived there was a great crowd on the campus, and I proceeded to read my speech. The chairman of the committee who had invited me to speak asked me home with him for lunch. I went home with him. I expected some response to my speech, I expected some comment upon it. But nothing was forthcoming. Finally, after a respectable period of waiting, I asked him what he thought of my address. He said, "I have three criticisms to make, and I hope you will accept them in the spirit in which I offer them." I said, "Shoot. I asked for it." "Well," he said, "in the first place you read it, and in the second place you read it poorly, and in the third place it was not worth reading." [Laughter.]

That, Mr. President, applies to me only. It does not apply to other Senators, because it was my experience in reading a speech.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McFARLAND. I do not wish to make any comment on the manner in which Senators speak. That is something which is up to the individual Senators. I am willing to proceed here in the American way, and I do not care anything about adopting the British system, or their manner of speech in Parliament.

Mr. PEPPER. Not even about the loan.

Mr. McFARLAND. We will talk about that later.

Mr. BARKLEY. Of course, the Senator knows that no one in this Chamber is in favor of adopting the British system, although we might learn some lessons from every other parliamentary body in the world, and also their methods might help us in working out our problems.

Mr. McFARLAND. Yes, but I understood the Senator from Florida to say we could improve ourselves by adopting some of their methods. I merely want to say I prefer the method and manner which has been carried on here for 150 years. But the proposition, as I see it, is, When are we going to have a vote? I have been anxious to get to a vote. If we have a session tomorrow would the Senator from Kentucky be willing that we vote?

Mr. BARKLEY. I would be willing, yes. But I have been advised privately that we are not going to be permitted to vote on anything until next Tuesday, on the theory that by next Tuesday general debate, as we call it, will be exhausted. As I said, I have no way of knowing how much general debate there will be, but I think we ought to have a session tomorrow to get rid of whatever part of it remains. If we cannot vote on Monday, let us get rid of the general debate, if that is what it is called, so we may get down to voting on the amendments. The amendment of the Senator from Arizona is one of the first to be voted on.

I understand the Senator from Colorado [Mr. JOHNSON] is going to make a constitutional point against this legislation on the ground that it violates the Constitution. That is subject to debate. We will have to argue that out and vote on it, because under the precedents and practices the Chair does not pass upon such a question. The Chair has to submit it to the Senate for a vote. Under those conditions no one knows whether we will be able to vote on amendments before Tuesday or even Wednesday.

Mr. McFARLAND. Mr. President, one can never tell, when we reach this stage

of the debate, when we may reach the point of voting. Things might change tomorrow. If we are forced into a session tomorrow the situation might change.

Mr. BARKLEY. I do not know what the Senator has in his mind about things changing tomorrow.

Mr. McFARLAND. Senators who say they are not now willing to vote might change their minds.

Mr. BARKLEY. If they do, very well. If the Senate is in session tomorrow and ready to vote, let us vote. I am willing to vote. I am not willing on my own volition to postpone a vote simply because a few Senators have gone out of town, no matter whether they are for or against this legislation. That is their responsibility and not mine.

Mr. McFARLAND. If that is the Senator's position——

Mr. BARKLEY. Yes; that is my position.

Mr. McFARLAND. Then, I wish to say that I will be present; and if the Senate is ready to vote, I will vote.

Mr. BARKLEY. I realize that some Senators have to go out of town, and I realize that some others do not have to go.

Mr. President, I did not rise to get into a controversy. I rose simply to announce that, so far as I am concerned, I shall not move or support any motion to lay this legislation aside in order to take up the draft legislation, even if the draft act expires on the 15th day of May.

The ACTING PRESIDENT pro tempore. The question is on the amendment of the Senator from Arizona [Mr. McFARLAND].

SEVERAL SENATORS. Vote! Vote!

Mr. LANGER obtained the floor.

SEVERAL SENATORS. Vote! Vote!

The ACTING PRESIDENT pro tempore. The Chair will state that the Senator from North Dakota has been recognized.

Mr. ELLENDER. Mr. President, I demand order.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota has been recognized.

Mr. PEPPER. Mr. President, will the Senator from North Dakota yield to me?

Mr. LANGER. I yield.

Mr. PEPPER. I wish to say to my able friend the Senator from Arizona [Mr. McFARLAND] that I think the United States and its people have adopted the King James version of the Bible, and they have profited by the British common law without any great detriment or subserviency; and they have been rather proud to be the co-heirs of English literature, without feeling that we are less American. I thought that, perhaps, it might be worthy of mention that they seem to have made a little better progress by a rule which has prevailed in the House of Commons, and I merely submitted my observation upon it. I still think it is worthy of consideration, and I hope the able Senator will not feel that the suggestion of a practice that prevails in another and distinguished parliamentary body is unbecoming for one whose first and only allegiance is to America.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. BARKLEY. I wish merely to suggest also that, although we do it imperfectly, we still speak the English language. [Laughter.]

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. McFARLAND. I wish to say to my good friend, the distinguished Senator from Florida, that I made no insinuation. I merely wanted to say that I was satisfied with our own system.

Mr. LANGER. Mr. President, I want to say first of all that I suggested the absence of a quorum after the distinguished Senator from New Jersey [Mr. HAWKES] had received permission to be excused from the Senate, for the reason that when the roll was called only 49 Senators, a bare quorum, answered. The moment the Senator from New Jersey was excused it meant that a quorum was not present; so I suggested the absence of a quorum in order that a quorum might be present.

Mr. President, night before last the Senate remained in session after 7 o'clock. One of the most important reports made to the Senate for a long time was submitted by the junior Senator from New York [Mr. MEAD]. Present were the Presiding Officer, the Senator from Nebraska [Mr. WHERRY] and I. Only three Senators were upon the floor in addition to the Presiding officer. That report of the Mead committee was long and extended and important. If we are to take up important matters such as the report of the Mead committee, and can begin with the reading of the report at half past six in the evening, as was done the other day when only three Senators were on the floor, then I submit that a quorum call is very much in order.

SPOILAGE OF POTATOES IN NORTH DAKOTA—DEVELOPMENT OF THE ST. LAWRENCE

Mr. President, I wish to call the attention of the Senate to another matter. Last week the Secretary of Agriculture, Mr. Anderson, and Mr. LaGuardia, head of UNRRA, were in North Dakota. There was a great deal of publicity connected with their visit to North Dakota. They went there to obtain wheat, and they did get a great deal of wheat, and made a good impression. Yet at the very time they were there getting wheat we find, according to an Associated Press dispatch which I have in my hand, that 4,000 carloads of potatoes were rotting in North Dakota.

Mr. President, I do not know who in the administration is responsible, but in North Dakota Government officials would not pay us what our wheat was worth. In January, February, and March they said "We need wheat," and the farmers delivered it. The patriotic farmers who were anxious to help, delivered their wheat. Then when the month of April came the farmers were told, "To all of you who did not deliver we are going to give 30 cents more a bushel for your wheat." And the Secretary of Agriculture and Mr. LaGuardia flew to North Dakota and, as I said, they held a meeting there.

I wish to read to the Senate this Associated Press dispatch telling about the rotting of 4,000 carloads of potatoes. They are right in the heart of the potato country, at Grafton, N. Dak.:

More than 4,000 carloads of potatoes (about 80,000 tons) which could have been used to help feed starving Europe and Asia, have rotted in this community because Government agencies failed to provide transportation facilities, Harley Kingsbury, prominent potato grower, charged today.

Mind you they had the potatoes. They were there ready to be shipped, and there were no facilities with which to ship them.

Kingsbury, one of the largest potato factors in the country, said the AAA, the Commodity Credit Corporation and the ODT had ignored his pleas and that of scores of North Dakota potato growers for help. He said:

"All we got in the way of help was a letter from the ODT in Chicago calling us alarmists because we were worried about the lack of transportation.

"And now, 4,000 carloads of potatoes have spoiled and are no longer fit for human consumption. It seems to me to be a frightful waste when the whole world is so badly in need of food."

PLANTERS ALL LOST

Kingsbury said that all potato growers had been exhorted by Federal agencies to produce maximum crops because of world food shortages. He said:

"I planted 400 acres of potatoes after the AAA promised to take them at $2 per 100 pounds. But they never took them. All of us have had to take our own losses."

Last spring when the time came to seed these potatoes the Federal agencies begged the farmers in the Northwest to plant potatoes. After they were planted the agencies said they had no use for them. For example, the Army had contracts for 10,000,000 pounds of dehydrated potatoes. They signed contracts for dehydrated potatoes all over North Dakota. Yet when the time came to dehydrate the potatoes after the farmers had raised them, the Department of Agriculture announced that it was cheaper to let those potatoes remain on the farms than to have them dehydrated, although the dehydrating facilities were available in North Dakota and Minnesota.

Kingsbury estimated that out of 100 carloads he produced, less than one-third had been salvaged for food.

In neighboring potato-growing areas, similar conditions have resulted in huge wastage, although not as extensive as in Walsh County, Kingsbury said.

He estimated that losses would run as high as 40 percent in other areas compared with a two-thirds loss in the Grafton section of Red River Valley.

Mr. President, 4,000 carloads, or 80,000 tons of potatoes, have spoiled in the vicinity of Grafton, N. Dak. I wish to call the attention of the Senate to the fact that other parts of North Dakota are also engaged in the potato-growing industry. In the northern part of the Red River Valley millions of bushels of potatoes are raised. Both my colleague [Mr. YOUNG] and I have received telephone calls on the subject. We obtained refrigerator cars and sent them out, but the net result is that hundreds of thousands of bushels of potatoes spoiled.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from North Dakota yield to the Senator from Vermont?

Mr. LANGER. I yield.

Mr. AIKEN. Do the people of North Dakota and other States in the Northwest realize that their transportation problems would be largely solved, and the immense losses which they sustain year after year upon their crops would be eliminated, if the St. Lawrence seaway were constructed so that they could get their crops to the markets of the world, to feed the starving peoples of the world?

Mr. LANGER. I will say to the distinguished Senator from Vermont, who is strongly in favor of the St. Lawrence waterway development, that beginning in 1938, the North Dakota Legislature appropriated $2,000 so that we could contribute our portion to what was known as the St. Lawrence Waterway Council, at Duluth, Minn. We appropriated $2,000 in 1930, $2,000 more in 1933, and $1,000 in 1935. We have been continuing that appropriation. I know that both my distinguished colleague [Mr. YOUNG] and I have done everything possible to bring about the construction of the St. Lawrence waterway. I think the Senator knows that I joined with him in sponsoring a bill to that end.

Mr. AIKEN. Mr. President, I believe that no one is more strongly in favor of the St. Lawrence waterway, or has worked harder to secure it, than the Senator from North Dakota. I think it is about time for this country to take to task the obstructionists who for years have delayed the construction of this great waterway. They are themselves responsible for the loss of millions of tons of food in this country which could be transported at reasonable cost to starving people throughout the world, as well as to market on the Atlantic coast, if this great natural resource of America were developed.

I am disgusted by the receipt of letters from people asking me to support the British loan, when I know that the very same people are working their heads off to obstruct the development of the natural resources of our own country. I am inclined to favor the British loan; but I am sorely tempted to vote against it when I see the very same people who are advocates of the British loan working against the construction of the St. Lawrence seaway.

Mr. LANGER. I ask the distinguished Senator if it is true that the Committee on Interstate Commerce has now reported our bill?

Mr. AIKEN. No. I understand that a subcommittee of the Committee on Foreign Relations has made a favorable and comprehensive report to the full committee, but that the bill is still delayed in the Committee on Foreign Relations, and was not reported because the chairman of the committee asked the committee not to act upon it until he gets home; and no one knows when that may be. I do not know that the committee has agreed to that request.

Mr. LANGER. How long has the Senator himself advocated on this floor the development of the St. Lawrence waterway?

Mr. AIKEN. I have advocated it ever since I first became a Members of this body, and for years before that time.

Mr. LANGER. Has the Senator ever been successful in obtaining a vote on it, aside from the time when he added it as a rider to another bill?

Mr. AIKEN. No. The real opposition to the measure consists of the power companies of the United States. I do not care what they use as a front. The tactics have been delay, obstruction, and the raising of technical points. Those are the tactics which they are practising. They are obstructing the progress and delaying the strengthening of the security of this country. The Joint Chiefs of Staff have said that this great development is necessary for the protection of the United States, and still those people put their unwarranted profits above the security of the Nation.

Mr. LANGER. It is not true that the last four Presidents, Republicans as well as Democrats, have advocated the St. Lawrence waterway?

Mr. AIKEN. That is perfectly true. The Senator can go back further, to the second inaugural address of Abraham Lincoln, and find that he raised the question of always maintaining an adequate waterway for the people of the Central States to the North, to the South, and to the East. Abraham Lincoln predicted in that inaugural message that some day there would be 50,000,000 people living in the Central States, who would be served by this great waterway.

Not only did all the Presidents for the past generation advocate this project, but the Governors of States, Secretaries of State, Secretaries of War, Secretaries of the Navy, and Secretaries of Agriculture all urged this waterway; and yet the utility companies have been sufficiently strong to prevent its approval by the Congress. I think it is a national disgrace that we have let this great development, which means so much not only to the security of the Nation, but to our economic welfare, be delayed and obstructed by this little group of men who are simply concerned with their own profits.

If the Senator from North Dakota wishes to know what the real reason is for the obstruction placed in the way of the St. Lawrence seaway, it is this: In 1944 the power companies of New York and New England charged their customers $319,000,000 more for power than it would have cost at TVA rates, and yet power from the St. Lawrence can be developed much cheaper than it is produced by the Tennessee Valley Authority. That is the real reason for the opposition. The railroads know that it would not hurt them. Others who are opposing it know that it would not hurt them. The real reason is this three or four hundred million dollars a year overcharge for power.

Mr. LANGER. Including the saving that we would experience from the lowering of shipping costs, how much does the Senator estimate the development of the St. Lawrence waterway would save annually?

Mr. AIKEN. I do not know how much it would save a year. About 15 years ago Henry Harriman, president of the Boston Chamber of Commerce, and a year or two later president of the United States Chamber of Commerce, estimated that the increased amount of shipping between New England ports and the Northwest would be not less than 6,000,000 tons a year. I do not know what could be saved on that shipping. The saving would be millions of dollars.

Mr. LANGER. If we had had the St. Lawrence waterway for the past 5 or 6 years, does not the Senator think that we would have saved enough to make this loan to England, and have money left?

Mr. AIKEN. Of course we would, and we would save enough every year in the cost of electricity paid for by the people of New York and New England to pay the entire United States share of the cost of this development. War Department officials inform us that there is no telling how many lives would have been saved and how many days the war would have been shortened had this development been made before the Second World War. The saving would have been considerable, both in lives and time.

The Senator from North Dakota will recall that President Roosevelt, Secretary Stimson, Secretary Knox, and Secretary of Commerce Jones, William Knudsen, and others appealed to Congress in 1941 to get this development under way, because they knew that a war was coming, and they knew that the project would be needed in the war. Yet in spite of the urging of those men, who knew what they were talking about, the Congress would not enact the needed legislation.

Today we see the project being delayed again. The same forces which were against it in 1934 and 1941 are against it today, using the same tactics. Consider the coal strike which is now in progress. Thousands of tons of coal are going down the St. Lawrence River every day unused, that is to say, the power which is going to waste there represents the equivalent of thousands of tons of coal a day. How handy it would be to have 2,200,000 horsepower of electricity available for the people of New York and New England, and even points as far away as Chicago, at a time when we are having brownouts, and may possibly have blackouts, because of the lack of fuel to produce electricity from other sources.

Mr. LANGER. I ask the Senator whether he agrees with me. A few days ago the announcement was made that we were to have a recess sometime in July. Does the distinguished Senator believe that there ought to be any recess until after we act on the St. Lawrence waterway?

Mr. AIKEN. I certainly hope that the waterway will be acted upon before there is any recess. I will remain here as long as will any other Senator to see that such action is taken. We have a shortage of

electricity. There is talk of wars and more wars. It is little short of a national disgrace to allow this greatest potential resource in all North America to remain undeveloped because of a few obstructionists who put their profits above the needs of the country.

FEDERAL PAYMENT OF SUPERVISORY COSTS OF VETERANS' ON-THE-JOB TRAINING

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. MORSE. Mr. President, I ask unanimous consent to introduce on behalf of my colleague, the senior Senator from Oregon [Mr. CORDON] and myself a bill and to make a brief statement with relation thereto.

The PRESIDING OFFICER (Mr. HOEY in the chair). Is there objection to the request of the Senator from Oregon?

There being no objection, the bill (S. 2144) to authorize the Veterans' Administration to reimburse State and local agencies for expenses incurred in rendering services in connection with the administration of certain training programs for veterans, introduced by Mr. MORSE (for himself and Mr. CORDON) was read twice by its title and referred to the Committee on Finance.

Mr. MORSE. Mr. President, I thank the Senator from North Dakota for the courtesy he has extended to me. I wish to point out that a very serious situation exists throughout the country in regard to the administration of the GI bill of rights and its application to certain veterans' problems. The Senate will recall that the bill provides for what is called on-the-job training. However, there is no provision in the bill which permits the Veterans' Administration, under General Bradley, to pay out of Veterans' Administration funds for the cost of supervision of on-the-job training. Thus, as the bill is now being administered, a local school district, such as School District No. 1 of Portland, Oreg., or a State department, such as, in my State, the State apprentice training department or the vocational training department, must pay out of State funds, if they are available, or out of school district funds, if they are available, for the costs of supervising on-the-job training. I am sure that such a situation never was contemplated by the Congress of the United States when the GI bill of rights was passed. I have taken up the matter with the Veterans' Administration, both with General Bradley and with the general counsel, Mr. Odom. They have been exceedingly gracious and courteous in regard to the matter; but the reply is an unanswerable one, it seems to me, as the law now stands on the statute books. They took the position that legally they have no power to use Veterans' Administration money to pay the supervisory costs.

Mr. President, I submit that not only was it not contemplated by the Congress that these costs should be borne by the States and subdivisions thereof, such as school boards and school districts, but it is a cost which ought to be met by Federal dollars under the national Veterans' Administration program.

Let us consider School District No. 1 of the city of Portland, Oreg.: There has been a great increase in the population in that district, during the war, because of an influx of war workers, many of whom went into the armed services. The families of many of them have sons who went into the armed services. They have now returned to Portland. Many of those families prefer to stay there, rather than to return to the States whence they came, which decision, let me say, from the standpoint of local pride, I can well understand. I cannot imagine why some of them would wish to return to the places where they formerly lived even if they had to stay in my State on relief. That seems to be the decision of many of them; but it is rather hard on my State, and, I think, quite unfair. I think that the additional expense which has been placed upon State agencies under this veterans' program should be borne by the Federal Government.

So, Mr. President, as a result of my conversations with the Veterans' Administration, I received from them the answer that they cannot use a dollar to defray these costs unless the law is amended. Let me make perfectly clear that they did not recommend an amendment, nor did they recommend against an amendment, because it is a Federal agency, and as an official of that agency, General Bradley is very cautious and very careful—and rightly so—not to involve himself in any proposal for legislation. But he gave me a correct statement of the law, in my judgment, when he pointed out that, as the law now stands on the statute books, he cannot use Veterans' Administration money for this purpose.

Therefore, Mr. President, because I think it is a Federal obligation and because the persons who are suffering as a result of the failure of the GI bill of rights to contain specific provision for the payment of such expenses are the veterans themselves, I think the Congress, before it takes a recess in July—and I hope one will be taken in July—should proceed to pass the bill I have introduced this afternoon on behalf of myself and my colleague the senior Senator from Oregon, which proposes to amend the GI bill of rights. The emergency nature of the situation is very clear and will be made perfectly understandable to any Member of the Senate who will take the time to ascertain what actually is happening in his State in regard to on-the-job training, because I have made a sufficient investigation of the matter, Mr. President, to assure myself that this problem is not peculiar or singular to the State of Oregon. It is Nation-wide in scope.

All the bill which we are introducing seeks to do is to authorize the Veterans' Administration to use Veterans' Administration money, Federal money, as a sort of a grant-in-aid, to the State agencies which, under the present system, General Bradley asks to perform the supervisory service for the Federal Government. In a locality such at Portland, Oreg., where the school board simply does not have the money, what is the result? The result is that adequate supervision is not given, and the veterans suffer. Either they cannot get the jobs or they are taken advantage of, because in some instances it has been found that applications for on-the-job training have resulted in certain abuses. General Bradley himself, in my conversation with him, pointed out that some serious abuses are developing; that although the Veterans' Administration has jurisdiction over the veterans, it does not have any jurisdiction over the employers; that as fast as they discover that abuses exist, they have authority to take the veteran off the job, but great injury is already done; and, of course, it is simply common-sense, efficient administration to provide that the supervision and the placement shall be combined at one and the same time when the certificate is issued. In this way the veterans' rights will be protected and funds will be made available by the Federal Government, so that both jobs may be done at one and the same time, and in an efficient manner.

Hence, Mr. President, we propose the following amendment to the law:

That section 3 of Public Law No. 16, Seventy-eighth Congress, as amended, is amended by inserting at the end thereof a new sentence, as follows: "Any such appropriation shall also be available for use by the Administrator in reimbursing State and local agencies for reasonable expenses incurred by them in (1) rendering necessary services in ascertaining the qualifications of industrial establishments for furnishing on-the-job training to veterans under the provisions of part VIII of such Regulation, and in the supervision of industrial establishments furnishing such training, or (2) furnishing, at the request of the Administrator, any other services or facilities in connection with administration of programs for training on the job under such provisions."

Mr. President, I submit that this amendment will correct the very serious administrative problem which now exists in this country in administering on-the-job training services to the veterans of the United States. I submit further that this bill offers an additional opportunity for the Congress of the United States to put into real practice some of its fine speeches about wanting to do the fair thing for the veterans of World War II.

If the Congress wishes to do the fair and right thing for the veterans, insofar as on-the-job training is concerned, the bill which I have just introduced and which has been referred to the Committee on Finance will be considered without delay by the committee, reported back to the Senate within the space of a few days, and passed by the Senate and sent to the House of Representatives, because without its passage there will be a continuation of the very serious problem which now exists in connection with the on-the-job training program.

Mr. LANGER. Mr. President, will the Senator yield to me, to permit me to ask a question?

Mr. MORSE. I am glad to yield.

Mr. LANGER. The bill which the Senator has introduced which provides for an amendment of the GI bill of rights does not relate to farming in any way. Why is farming excluded?

Mr. MORSE. Let me say to the distinguished Senator from North Dakota that I shall be glad to join with him in advocating any piece of legislation which he thinks is necessary in order to do justice, on the merits, to the farming industry. But the bill I have introduced pertains to the on-the-job training program which is provided for by the existing GI bill of rights, and that is all it applies to.

Mr. LANGER. I understand from the wording of the bill that it applies chiefly to industry.

Mr. MORSE. That is what the on-the-job training provides.

Mr. LANGER. Very well. But consider the case of a farmer and his boy who is helping him. In my State the farmers farm with power machinery. When the boy is taken by the Selective Service System and the farmer asks them to let the boy stay on the farm until he and the boy can put in a crop, they say to him, "Go to an employment agency and get yourself a man." When the farmer who is told that goes to an employment agency and find a man, if he is lucky enough to find one there, the man he gets has never driven a tractor in all his life and he knows nothing about farm machinery, yet there is on the farm machinery which has cost the farmer four or five or six thousand dollars. He is supposed to turn it over to a man who knows nothing about, for example, Diesel engines. Under the Senator's amendment, I assume that that situation would not be covered.

Mr. MORSE. Allow me to make it very clear that all my amendment seeks to do is to provide Federal money for the supervisory work now encompassed in the present GI law as it involves on-the-job training. All I am trying to point out to the Senate is that, as the law is now written, not a single Federal dollar within the budget of the Veterans' Administration may be used to pay for supervisors in connection with on-the-job training. All I am seeking to do is to effectuate in an efficient manner the training which the law now on the statute books affords veterans. If the Senator from North Dakota wishes to propose that the entire coverage of the GI bill of rights be enlarged so as to provide a type of on-the-job training for workers on the farm, I assure him that I shall give very favorable consideration to such an amendment to the GI law. But it would not be germane, I submit, to the proposal which the Senator from Oregon has submitted today. All my proposal does is to empower General Bradley of the Veterans' Administration to use Veterans' Administration funds with which to defray the cost of on-the-job supervision. After my proposal has been adopted, if, at a subsequent date, the Senate proceeds to amend the GI bill of rights in the manner suggested by the Senator from North Dakota, my amendment would still be in form, and would cover any enlargement of the act which the Senator from North Dakota might succeed in having passed.

Mr. LANGER. May I ask why such an amendment as I have suggested would not be germane? Industry is to be taken care of. Why would not an amendment to the law taking care of the farmer be just as germane and just as logical?

Mr. MORSE. When I seek merely to provide funds for the administration of the law as it is presently written, that is one thing. To come forward with a proposal not only to provide funds for the administration of the law as it is presently written, but at the same time to enlarge the scope of the act, would raise many issues which would not be raised during the consideration of a much narrower proposal.

Mr. LANGER. Does the Senator have in mind the schools of science?

Mr. MORSE. Oh, yes. So far as the schools of science are concerned, they are already covered by the educational provisions of the act. My amendment is limited to the so-called on-the-job training, where a veteran is placed, we will say, in a machine shop in order to learn the trade of a machinist, or is placed under the direction of a construction engineer in order to learn the trade of a carpenter or a builder, or is placed so as to learn any of the various skilled occupations connected with the construction industry.

Mr. LANGER. Are there any tractor schools in Oregon?

Mr. MORSE. Yes; and they would be covered under the GI provisions. The bill introduced by me is limited entirely to supervising on-the-job training programs.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. FERGUSON. With reference to on-the-job training, does the present law give to the Veterans' Administrator the right to determine whether or not on-the-job training has been sufficient, so that if the Senator's proposal is enacted the Veterans' Administrator will be in the position to ascertain the facts and have power to act?

Mr. MORSE. Mr. President, the Senator has raised a very vital question. That is why during my first presentation of this matter to the Veterans' Administration I felt that it was clear, at least by implication, in the present law that General Bradley has the power now to use Federal money in order pay for supervisory work. However, the law is so drawn that his power is limited to taking the man off the job. He does not have the power to pass, in the first instance, on the qualifications of the employer. That is left to the State officials. The Veterans' Administrator so interprets the law, and I believe rightly so, although I think it would not have been stretching the language of the law too much for him to have taken the position which I took originally in discussing the matter with the Veterans' Administration.

I am very frank to say, however, that I think the general counsel of the Veterans' Administration is making a sound literal interpretation of the law as it has been written. Hence, I cannot quarrel with him. He takes the position that, after a State agency, or a school district, if the school district has the authority under the State law, has provided supervision of the employer, all the Veterans' Administration can do is to pass judgment upon the employer. The Veterans' Administration has the right through its inspectors and say—and this is the type of abuse which is growing up—"Here is a veteran who was sent into this garage to learn how to be a garage mechanic, but we note that for the past 3 months since he started to work for the garage his duties have been to learn how to run the freight elevator in the garage, and take cars from the repair shop to the place where they are made available to the customer after they have been repaired."

Mr. FERGUSON. I have received similar complaints from my State. I have received complaints to the effect that the training is not essentially connected with the job which the veteran wishes to learn. Only this morning I received a complaint that a veteran was using a broom to do sweeping, although the Federal Government had been paying for on-the-job training.

Mr. MORSE. General Bradley has evidence of the following type of abuse: The employer and the potential employer are splitting fees. That is, the employer offers the veteran a so-called job, and he takes a part of the allowance which the veteran receives from the Veterans' Administration to pay for on-the-job training. That type of abuse is developing. As General Bradley pointed out to me, the Veterans' Administration is doing its best to check that type of abuse. My point is that the Federal funds should be available so that when the veteran is placed in the first instance, adequate supervision and adequate inspection will be exercised by competent supervisors and inspectors before the man is ever placed in the on-the-job training. As the law is now administered, such supervision is left to the States, and the States are saying, in effect, "We would like to do a good job, but we do not have sufficient money." The result is that a very superficial and inadequate job is being done in placing veterans. I say that the point for correction is the one which I make in my amendment, namely, to authorize the Veterans' Administration to use Federal money as a grant-in-aid, so to speak, and authorize General Bradley to enter into a contract with school district No. 1 in Portland, Oreg., for example, to do the necessary supervisory work for which it will be reimbursed out of funds of the Veterans' Administration. Mr. President, I think the problem is national in character, and that it should be handled by the Veterans' Administration.

While I am on my feet, I ask unanimous consent to introduce, out of order, two other bills, and ask that they be referred to appropriate committees.

Mr. HILL. Mr. President, I did not hear the request.

The ACTING PRESIDENT pro tempore. The Senator from Oregon asks unanimous consent to introduce two other bills.

Mr. HILL. I do not wish to object to the Senator's request, but only a few minutes ago we had a quorum call. If we grant the Senator's request the Senate will have been placed in the position of doing business, and another quorum call will be in order. I wonder if the Senator will not withhold his request until a little later. If the Senator finds that in the meantime he must leave the Chamber, and will give me the bills which he desires to have introduced, I will introduce them for him.

Mr. MORSE. Mr. President, I think the Senator from Alabama has overlooked the fact that only a few minutes ago I asked for unanimous consent to introduce another bill, which consent was given me, and I have now made a unanimous-consent request to introduce two other bills.

The ACTING PRESIDENT pro tempore. The present occupant of the chair was not in the chair when the first request was made by the Senator from Oregon. The Parliamentarian advises the Chair that the request was not agreed to. It was not submitted to the Senate.

Mr. MORSE. Mr. President, I make a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MORSE. I do not think the matter is of great importance except in the interest of accuracy. I have a very good pair of ears. I know the request which I made. I am sure that I know what the Senator from North Carolina, who occupied the chair at the time, said after I made my request. I am sure that other Senators on the floor have hearing which is good as mine. In view of what I am absolutely certain was the ruling of the Chair, Mr. President, I must appeal from the decision of the Chair because, irrespective of what the Parliamentarian may tell the Acting President pro tempore, I do not know what the Parliamentarian might have been doing at the time the Senator from North Carolina ruled. However, I know for an absolute certainty, Mr. President, that the Senator from North Carolina, who occupied the chair at the time, said that consent had been granted. Therefore I must appeal from the decision of the Chair.

Mr. HILL. Mr. President, if the Senator will withhold the appeal for a moment——

Mr. MORSE. For a moment.

Mr. HILL. The rules of the Senate are such that it is very difficult to expedite if a Senator does not want expedition, because of course a Senator has the right to appeal from a decision of the Chair. Then the Senate will have to act on that decision, and of course when it acts on it, the Senate will be doing business.

Mr. President, I do not believe that at this hour anyone is going to suggest the absence of a quorum. So I join the Senator from Oregon in requesting that both the bills he has introduced may be accepted at this time.

Mr. MORSE. I appreciate the courtesy very much.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon, joined in by the Senator from Alabama? The Chair hears none. The request is granted.

The bills were read twice by their titles, and referred, as indicated:

S. 2145. A bill to amend sections 112 and 113 of the Internal Revenue Code; to the Committee on Finance.

S. 2146. A bill to provide for reasonable attorney's fees in the case of any suit by or against the United States; to the Committee on the Judiciary.

Mr. LANGER. I yield the floor.

THE COAL STRIKE

Mr. LUCAS. Mr. President, the Senate has occupied about 3 weeks in debate on the British loan. It has also discussed the OPA and reference has been made to the extension of the draft law, but in the opinion of the Senator from Illinois the paramount question before the American people is the settlement of the coal strike.

The State of Illinois is in some confusion at this moment as a result of the strike, and as time goes on, unless a settlement shall be reached, there will be a worse state of confusion in that State, as well as in every other State in the Union. So tomorrow, at noon, if I can get the floor, I shall make some remarks about the situation as I see it at the present time.

VETERANS' HOUSING

Mr. MEAD. Mr. President, recently I introduced two bills pertaining to veterans' housing facilities. The bills were referred to the Committee on Education and Labor.

One of those bills makes provision for the use of excess buildings, other than barracks, surplus from Army and Navy facilities, for our colleges and universities. The second bill authorizes financial assistance for colleges and universities on the part of the Federal Works Agency.

Mr. President, I believe that it will be necessary to pass both those bills in the very near future if we are to meet the rising veterans' educational program. Within a year or two, I am reliably informed, a million of our veterans will be seeking the educational opportunities afforded by the GI bill of rights, and the American colleges under existing conditions will be unable to accommodate them. So, Mr. President, I suggest to my colleagues that they take cognizance of the rising importance of the veterans' training program, and the emergency which will confront us in the very near future.

In that connection, I have here an editorial from the Washington Post entitled "Veterans in Colleges." This appeared in the Post on May 2, and I should like to have it inserted in the RECORD.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VETERANS IN COLLEGE

To meet the increased demands on higher education facilities caused by returning veterans, the New York State Legislature has passed two bills giving material assistance to colleges. One makes available portions of a $35,000,000 emergency housing appropriation to provide additional classrooms and laboratories as well as living quarters for veterans. The other empowers the State department of education to make up operating deficits incurred by colleges and universities in the education of veterans. This liberal action resulted from a conference of educators called by Governor Dewey to consider the problem of accommodating veterans. It is a constructive local application of what Reconversion Director Snyder's Interagency Committee on Veterans' Affairs has been set up to do nationally.

Estimates place college enrollment next fall at 25 percent above the prewar high. The log-jam of applications has given rise to the complaint that some colleges have adopted a questionable policy of "making it tough" on veterans in order to rid themselves of the excess and make way for new high-school graduates. This may be true in some cases; and, of course, it is indefensible. All students should have an equal chance. At the same time, there probably are a good many veterans attracted by educational provisions of the GI bill of rights who are not qualified and do not belong in college. And it is true that if colleges gave over all their facilities to veterans, there would be none for persons graduating from high school, or even for servicemen discharged late. The essential problem for educational institutions has been to strike a balance so that the interests of all their clientele may be served with the limited expansion facilities at hand.

The failure of Congress to supplement the GI bill with concrete provisions to accommodate veterans has placed the burden on individual schools. Hampered by personnel shortages as well as inadequate facilities, many will be unable to meet the demands unless there is outside aid; and it is obvious that the expansion problem must be tackled immediately to mitigate the disadvantages of education under pressure. New York has pointed the solution for at least part of the difficulty. Fortunately, some other States are in an advantageous position to help their colleges and universities because of wartime tax surpluses. Only through such help can veterans be assured of a fair chance to benefit from the education Congress has provided them.

Mr. MEAD. Mr. President, I have also an article from the New York Times dated May 2. It is a summary of a recommendation by the American Legion in New York City on the housing problem, including a recommendation for the financing of renovation of old buildings in New York City and the construction of low-cost one- and two-family dwellings by low-interest bonds and funds set aside by both State and Federal Governments for construction of temporary housing. The article is headed "City legion calls for 50,000 homes; veterans in 350 posts give plan for renovation and new construction this year." The article calls attention to the great emergency in housing which confronts the Nation.

I also have an editorial from the New York Herald Tribune of May 2, which is rather conservative and moderate, and which takes some of the sting out of the criticism from certain sources on the recent procedures established in the veterans' housing program.

Because of the importance of the subject, not because I am in agreement with everything that is said in this editorial,

I should like to have them printed in the RECORD.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 2, 1946]

CITY LEGION CALLS FOR 50,000 HOMES—VETERANS IN 350 POSTS GIVE PLAN FOR RENOVATION AND NEW CONSTRUCTION THIS YEAR—USE OF ROOFS SUGGESTED—ERECTION OF QUONSET HUTS ATOP BUILDINGS IS HELD WAY TO PROVIDE MORE LAND

A committee of the American Legion representing 350 posts in New York City adopted yesterday a program to provide 50,000 homes here and 1,200,000 dwellings throughout the country. One recommendation was for immediate erection of Quonset huts on the roofs of flat-topped buildings so that vacant land might be left free for permanent construction.

The Legion is sponsoring "Operation Housing," a rally to be held in the Sixty-ninth Regiment Armory on May 18 to dramatize its program. The major new proposal calls for creation of 50,000 dwelling units by the New York City Housing Authority before January 1.

According to the committee, this can be achieved in the following ways:

1. Ten thousand such units to be created by renovation and remodeling of existing unused facilities such as boarded-up buildings, as in the city's current rehabilitation program.

2. Forty thousand other units to be provided by construction of low-cost one- and two-family dwellings.

3. Both the above to be financed by low-interest bonds and funds set aside by both State and Federal Governments for construction of temporary housing.

[From the New York Herald Tribune of May 2, 1946]

TEMPERING THE HOUSING RULES

Since order No. 1 under the veterans' emergency housing program was issued on March 26, official interpretations have in general tended toward relaxation of its more drastic strictures. The building-trade employers in this city note in their News and Opinion that "the cooling-off period has disclosed that the rules may not be as drastic as they were at first purported to be." Assurances have come from administrators of the new controls that industrial building projects are likely to be approved if they will not affect housing adversely and if they will benefit their communities. Ralph A. Parker, regional director of the Civilian Production Administration, has said that availability of materials will be the chief factor in determining whether commercial projects will be approved. Local offices of the CPA, advised by citizens' committees, are now processing requests for permits according to rules laid down in Washington. Permits may be granted if a project is deemed essential and nondeferrable, or if it will not jeopardize housing, or even if hardship is proved. Factory construction for the production of essential food or scarce materials would ordinarily be deemed essential. Consideration is given to the needs of new communities for, say, a drug store, movie, or church if those facilities are lacking.

Even though commercial buildings are approved, they must compete against dwelling priorities for building materials—and most building materials are scarce. An analysis made by the Architectural Forum lists lumber, soft plywood, brick, gypsum board and lath, bathtubs, cast-iron soil pipe, and radiators as critically short; clay tile, concrete blocks, sheet and strip steel for heating systems, clay pipe, and asphalt roofing as seriously short. Possibly short is structural steel—with the coal strike adding to the possibility.

There are other headaches for would-be builders resulting, as was perhaps to be expected, from confusion about the rules. But as experience is gained by the citizens' committees, and as the administrators weigh community needs with the essential housing program, a tempering process promises reasonable interpretation of the curbs on nonessential building. Relief from its undeniable strictures will be a boon. The faster the housing program is speeded the sooner can that relief come.

ONE HUNDRED AND FIFTY-FIFTH ANNIVERSARY OF THE POLISH CONSTITUTION

Mr. MEAD. Mr. President, today is the one hundred and fifty-fifth anniversary of the Polish Constitution. It seems to me appropriate that the people of the United States and the Members of this body take this occasion to consider the present situation confronting the Polish people in their age-long effort to attain stability and independence as a nation in the community of nations.

Poland's history as the battleground of Europe, torn between powerful conflicting forces surrounding her, the partitions and the frequent changes in sovereignty over the areas inhabited by Polish peoples, is well known. Poland's contributions to art and science are also well known. Poland's aid, through great leaders in the cause of our own independence, has frequently been recognized by the American people. The suffering of the Polish people through the vicissitudes of power politics in Europe through the centuries and the persistent courage of her people and her leaders in fighting unflaggingly against overpowering forces seeking to thwart Polish independence have aroused the admiration of mankind.

Not the least in Poland's long history of oppression and tribulations is the history of the Polish people in World War II. The world will long remember the courage of the Polish people in 1939, when they refused to submit to the unrighteous demands of the powerful Nazi war machine. The world will not forget the million military casualties and 9,000,000 civilian casualties and the devastation of Polish cities and farms as armies surged back and forth across Polish territory in World War II.

Mr. President, the nations of the world owe an obligation to Poland and other smaller nations like her to make certain that this continual conflict and unrest resulting from the conflicting ambitions of power politics shall cease. A tremendous responsibility rests upon the United Nations Organization to guarantee and assure the opportunity to peoples like the Polish people to live their lives and enrich their existence without molestation and oppression from any source. The nations of the world owe a duty to the Polish people and others similarly situated under the chaotic conditions existing in the aftermath of the war to guarantee that the people themselves shall have a right to select the kind of government they desire in a free election in which there cannot be any doubt that the results are the expression of the free will of the citizens without coercion or improper influence exerted by outside forces. Mr. President, this is a tremendous responsibility, and the United Nations must not fail, the United States must not fail, and we must not fail.

Mr. President, the nations of the world have a further obligation to Poland now to relieve the distress, suffering, and hunger which were the inevitable consequences of the war. In contemplating this responsibility, Mr. President, I shudder to consider what would have been the plight of Poland and other unfortunate peoples in devastated areas if we had failed to establish the United Nations Relief and Rehabilitation Administration.

I think, therefore, that it is appropriate on this occasion to make public certain information which I have obtained from the United Nations Relief and Rehabilitation Administration concerning its aid to Poland. The total shipments to Poland, cumulative through March 1946, have been as follows:

	Tons
Food	364,278
Clothing, textiles, and footwear	81,426
Agricultural rehabilitation	134,566
Industrial rehabilitation	147,033
Medical and sanitation	10,720
Total	738,023

FOOD SHIPMENTS

First. Bread grains: The following shipments of bread grains, on a clearance basis, were made in 1946:

	Tons
January	16,000
February	21,000
March	31,500
April	54,000

April grain shipments include two vessels diverted from British to Polish destinations. Receipt of these bread grains during late April and May will, when added to the anticipated 15,000 tons of stock in Poland as of May 1, bring the total up to 69,000 tons available for May—which is about 16,000 tons short of the 85,000 tons required for the minimum subsistence of 13,000,000 nonagricultural population at 220 grams per head per day.

Second. Meat, fish, and dairy products: Through March 1946 over 23,000 tons of meat and meat products, 34,000 tons of fish, 45,000 tons of eggs and dairy products, and 22,000 tons of vegetables, fruits, nuts, and preparations were shipped to Poland.

Hatching eggs were also shipped to Poland, and about $1,000,000 worth of fish is now going forward from Denmark.

Third. Agricultural rehabilitation: Through March 1946 over 1,000 tons of seeds and plants, 84 000 tons of fertilizers and almost 16,000 tons of agricultural machinery shipped. This includes close to 6 000 tractors

Close to 8,000 head of livestock—horses, bulls, heifers, have been sent to Poland, including 2,000 horses contributed to UNRRA by Denmark. These horses were shipped directly to Poland from Denmark and helped materially in Poland's spring plowings.

Fourth. Industrial rehabilitation: Over 33,000 tons of motor vehicles, 7,900 tons

of communication and transportation equipment, and over 50,000 tons of fuel, lubricants, petroleum, and coal shipped to Poland.

Through March, Poland had received over 13,000 trucks and 3,200 trailers; 28 locomotives and 600 railroad cars; and 3 trainloads of engineering and industrial equipment—including a number of mobile railroad repair shops and other types of repair shops.

Poland also received the "United States Army Willow Run of England"—the huge Army repair base in England capable of doing 3,000 major truck repair jobs per month—cost a million dollars; left England for Poland on March 28.

Twenty-nine thousand four hundred tons of raw cotton and 16,000 tons of raw wool (greasy basis) were also shipped to Poland.

Fifth. Medical supplies: Through March UNRRA provided some $13,000,000 worth of medical supplies, including 21 hospital units of 1,000, 750, and 500 beds.

Mr. President, substantial as this assistance has been, we all know that it falls far short of meeting the needs of bare existence in Poland. We must redouble our efforts. We must increase our contribution. We all are aware of the acute food shortage in Europe. We all must pledge individually our enthusiastic support of conservation programs in this country which will permit an increase in food shipments to the areas suffering from the effects of the war, which we in these United States, sheltered from combat devastation, can hardly fully appreciate.

In conclusion, Mr. President, on this important Polish anniversary, I urge that the Senate and the people of the United States recognize the challenge that confronts us in the immediate alleviation of suffering in Poland and in the assurance of an opportunity for independence and self-expression of the Polish people. The manner in which we accept this challenge and meet this issue as one of the leaders in the community of nations will determine in large measure the success of our efforts to establish a stable and peaceful world.

Mr. WILEY. Mr. President, as the distinguished Senator from New York has said, today is the one hundred and fiftieth anniversary of the Polish Constitution, and in the next few days General Bor, a distinguished world citizen, who led the Poles in the 60-day revolt in Warsaw, and who afterwards escaped to London, will arrive in this country. As we know, he was the commander in chief of some 120,000 Poles, and he led them as their general on the western front. They were primarily in the English set-up, and they are going to be demobilized.

Mr. President, this great man, without a country, and these 120,000 men who are also without a country, who fought with our sons, are entitled to the consideration of America. In my own State for three generations the Poles have helped build the commonwealth. They have made good citizens. They have added to the wealth of the State.

I agree fully with what the distinguished Senator from New York has said, that the United Nations Organization owes an obligation to seek to carry out in Poland itself the principles about which we so glibly talk.

At this moment there is a question where 120,000 men are going to find homes. That is the matter to which I think Congress or some committee of Congress should give consideration. I understand that General Bor will be in Washington and will consult with the appropriate officials of our Government in relation to this subject.

It has been suggested, Mr. President, and it is something which we must think about, that America create a foreign legion. There are no better fighters in the world than these men. They are in Europe. They have no place to go. When Congress speaks on the subject of creating a foreign legion, we will have the answer. If such a force should be authorized, it would mean that 120,000 more of our boys could stay home and go to school and catch up their education along the lines in which so many of them lost out during the war, especially along scientific lines. I drop that suggestion for the RECORD and for the consideration of my brethren of the Senate.

THE COAL STRIKE AND THE FOOD SITUATION

Mr. President, I have just one other thought I wish to present. The distinguished Senator from Illinois [Mr. LUCAS] said that the great problem in America—he thought the most important one—was that of procuring coal. Yesterday I emphasized that fact in my remarks and placed in the RECORD telegrams from people in my State describing the conditions there. I said that what the Congress and the President needed was guts to do something in this important matter. There is no redress, apparently, for the public against strikes that interfere with public health and safety; nor will there be until Congress enacts laws to regulate the rights of so-called minority groups to inflict loss and privation on majority groups. There are times when the responsibility is as much that of the employers as it is that of the employees. The much abused and criticised Connally-Smith Act is still on the books. Why does not the President act? Who runs this country? Whose job is it in a great emergency such as this? And that is not all. The strike epidemic is again sweeping the Nation. The workers in the greatest industry in Wisconsin went on strike the other day. Thousands of men are out. And we of America are going to feed the world. The milk factories in my State, the condenseries which require coal in order to process the milk, must close down, and unless something is done milk will run in the gutters of the streets. Yet we sit here fiddling. It is time that something be done. Why is it not done?

Mr. President, why has not the Committee on Education and Labor reported the bill which has the stuff in it? The American people want something done respecting this issue. The rights of the ordinary man are entitled to receive the consideration of Congress.

So I agree fully with the distinguished Senator from Illinois that particularly in the case of the coal issue immediate action must be taken. Is it fear that prevents action? Is this great people which pushed back the Hitler horde, the Mussolini cut-throats, and the ruthless fighters of the Orient afraid of labor leaders in this country? Is the public to be continually jeopardized because groups are organized? Is our production to be interfered with? Are we going to fall down on the job of feeding Europe? Senators heard the statement made by the distinguished Senator from North Dakota showing how the Government muddled the job, and that millions of bushels of potatoes rotted in North Dakota. That has all occurred because something is missing in our ability to handle the situation, and the something that is missing is iron; we do not have the iron in us to proceed as our boys proceeded in the recent conflict.

Mr. President, I think the situation is very well outlined in an editorial written by David Lawrence, published the other evening in the Washington Star. I ask unanimous consent to have it printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COAL STRIKE NEARING CLIMAX, SAYS WRITER—GOVERNMENT SEIZURE OF MINES STILL A POSSIBILITY, HE HOLDS

(By David Lawrence)

The coal strike is nearing a climax. For a month the two sides have been drifting along. Each has been placing the responsibility on the other and a United States Conciliation Service representative says neither side has budged in a month of negotiations.

But the truth is both sides know that, as the available coal supply dwindles, pressure to settle the strike will intensify. In the end, Government seizure is a possibility inasmuch as the Smith-Connally law is still on the statute books. Under that law, the President can operate the mines indefinitely till the two sides are ready to make an agreement.

There have been some indications that John L. Lewis, head of the miners' union, with customary planning and characteristic strategy, has figured out that the country can stand a few weeks of a coal strike without forcing a seizure. He probably has had in his mind the exact basis on which he would settle and hence the lapse of time merely inflicts loss on the public and on the operators—both of which are no concern apparently to the miners' union which, it is said, wanted a holiday anyway after energetic, if not excessive, time spent in mining coal for war purposes.

USUAL WINDUP

Usually the coal strikes wind up with a wage increase for the miners and a price increase for the public. With the OPA in the picture, this is not so easy, but in due time the OPA will crumble, too, in its determination to keep prices of coal down and eventually the public will pay the bill again.

It is probably in the interest of the coal miners to promote scarcity at this time, because there will be overtime pay and other incentives offered later to make up lost production. It probably doesn't disturb the miners either to point out that other forms of fuel could benefit by the rising cost of coal for the simple reason that the costs in the oil business are rising, too, and new drillings are delayed by shortages of machinery.

Mr. Lewis has sent for his 200-member policy committee. This is a significant development. Ostensibly the purpose is to review the negotiations. The purpose really is to arrange the strategy of the next few days and to make sure that all the local unions understand what is planned.

It would be assumed normally that the policy committee was coming here to negotiate a settlement. Actually, Mr. Lewis does all the negotiating. He is the single chieftain of the whole organization, but he is skillful enough to avoid giving the impression that he is a dictator or boss of the union. He always manages to get in a consultation with his big policy committee when negotiations reach a climax.

NO REDRESS FOR PUBLIC

Strikes are proving costly to the reconversion era and Congress is not in the mood evidently to deal with the strike problem. The Democratic Party in Congress is responsible for squelching legislation dealing with arbitrary activities by unions under the collective-bargaining process. The miners' union can refuse to bargain collectively or to negotiate, but if an employer did so, he would be subject to action under the Wagner labor-relations law.

There is no redress for the public against strikes that interfere with public health and safety unless Congress enacts laws to regulate the so-called right of minority groups to inflict economic loss and privation on majority groups, and there are times when the responsibility is as much the employer's as the employees'.

To discover the facts in particular disputes and to set in motion a better machinery than is in existence today to settle industrial disputes, President Truman offered a legislative program of the mildest character, but he does not seem to be pressing for it. His own leaders are helping to kill legislation in Congress. Maybe what the country will discover next autumn is that its protest can be effective only when it turns out of office those Members of Congress, Republican and Democratic, who have shown themselves indifferent to the public interest by pigeonholing bills to curtail strikes.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nomination on the calendar.

FOREIGN SERVICE

The legislative clerk read the nomination of Walter Thurston to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. HILL. I ask that the President be notified forthwith of the nomination just confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

RECESS

Mr. HILL. As in legislative session, I move that the Senate take recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 19 minutes p. m.) the Senate took a recess until tomorrow, Saturday, May 4, 1946, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate May 3 (legislative day of March 5), 1946:

FOREIGN SERVICE

Walter Thurston to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 3, 1946

The House met at 11 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, whose bountiful providence supplies all our needs, grant that in these days of struggle and challenge we may be assured of Thy guiding and sustaining presence.

We humbly confess that we frequently feel that the good hopes and high ideals which we cherish are merely illusions, and far beyond our reach and realization.

We pray that when our minds are baffled and our hearts are burdened, we may seek that divine wisdom which never errs, and that strength which never fails.

Grant that as God-fearing patriots we may be loyal partners and comrades with all who are building that glorious highway where men and nations shall walk together in unity and peace.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate insists upon its amendments to the bill (H. R. 341) entitled "An act relating to the status of Keetoowah Indians of the Cherokee Nation in Oklahoma, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. WHEELER, Mr. THOMAS of Oklahoma, Mr. SHIPSTEAD, and Mr. MOORE to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD and include a letter from the American Legion of Washington, D. C.

Mr. SULLIVAN asked and was given permission to extend his remarks in the RECORD and include an editorial from the St. Louis Post-Dispatch.

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD and include an address by Hon. Edward J. Flynn.

Mr. QUINN of New York (at the request of Mr. LYNCH) was granted permission to extend his remarks in the RECORD and include an address by Mr. Robert E. Hannegan.

Mr. RABIN asked and was given permission to extend his remarks in the RECORD and include an address by Hon. ROBERT F. WAGNER.

Mr. BUCKLEY (at the request of Mr. RABIN) was granted permission to extend his remarks in the RECORD and include an address by Hon. JAMES M. MEAD.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD.

Mr. SAVAGE asked and was given permission to extend his remarks in the RECORD and include an article from Labor, the official organ of the brotherhoods.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include a letter from the commissioner of agriculture of Massachusetts, together with statements from commissioners and secretaries of agriculture of the Northeastern States, on the feed situation.

Mr. DWORSHAK asked and was given permission to extend his remarks in the RECORD and include an editorial from the Idaho Statesman.

THE LATE ROY MILLER

Mr. LYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LYLE. Mr. Speaker, you and I, the membership of the Texas delegation, and, in fact, a large portion of the entire membership of the House of Representatives, have lost a highly valued friend. The State of Texas has lost one of its outstanding men.

Funeral services are being conducted this morning in Corpus Christi, Tex., my home city, for Roy Miller, who more than 30 years ago served as its "boy" mayor.

Through all of those 30 years he has continued to serve, not only his city but his State, and his efforts have been of incomparable benefit to the people of Texas.

His interests were many and his friends legion. For more than a quarter of a century he worked toward the establishment and development of the great intracoastal waterway, now nearing completion, and was president of the Intracoastal Canal Association of Louisiana and Texas at the time of his death.

He played a leading part in the movement that resulted in establishment of the port of Corpus Christi.

For 18 years he served as Texas president of the Navy League, at all times working untiringly for the maintenance of a strong and adequate Navy.

In addition to his position with the Intracoastal Canal Association, he was vice president of the Trinity River Improvement Association, a director of the National Rivers and Harbors Congress, a director of the Mississippi Valley Asso-

ciation of St. Louis, and legislative representative in Washington for the port of Corpus Christi.

He was a leader in the Democratic Party in Texas and in the Nation. He managed the first Roosevelt-Garner campaign in Texas.

Mr. Speaker, I wish to pay tribute to a distinguished and able leader and to express a sense of great personal loss. It is a sense of loss and sincere regret in which I know that I am joined by the many thousands who knew and loved him.

THE COAL STRIKE

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, I am receiving many protests from people about the coal strike. This is a sample:

What do you intend to do to curtail the power of one individual who has succeeded in doing what neither Germany nor Japan could have done? We are confronted with closing down because of the lack of fuel. Who represents Americans and not minorities in Washington?

Many like communications are coming in. They are all predicated upon the belief that Congress can and should execute the laws. Under our Constitution, that is the duty of the President. Congress is only the legislative branch of the Government.

The SPEAKER. The time of the gentleman from Illinois has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. STEFAN Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

[Mr. STEFAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mrs. LUCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein an exchange of telegrams between myself and Mrs. Julius Y. Talmadge, president general of the National Society of Daughters of the American Revolution.

The SPEAKER. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mr. GROSS. Mr. Speaker, an exsergeant has expressed himself with certain insulting remarks.

I ask unanimous consent that the balance of my remarks and the article may appear in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOFFMAN asked and was given permission to extend his own remarks in the Appendix of the RECORD.

AMENDMENT OF TRADING WITH THE ENEMY ACT

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table for immediate consideration the bill (S. 2101) to amend the Trading With the Enemy Act, as amended, to permit the shipment of relief supplies.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Trading With the Enemy Act, as amended, is amended by adding the following new section at the end thereof:

"SEC. —. (a) Notwithstanding any other provision of this act, it shall be lawful, at any time after the date of cessation of hostilities with any country with which the United States is at war, for any person in the United States to donate, or otherwise dispose of to, and to transport or deliver to, any person in such country any article or articles (including food, clothing, and medicine) intended to be used solely to relieve human suffering.

"(b) As used in this section—

"(1) the term 'person' means any individual, partnership, association, company, or other unincorporated body of individuals, or corporation or body politic;

"(2) with respect to any country with which the United States was at war on January 1, 1946, the term 'date of cessation of hostilities' shall mean the date of enactment of this act;

"(3) with respect to any other war the term 'date of cessation of hostilities' shall mean the date specified by proclamation of the President or by a concurrent resolution of the two Houses of Congress, whichever is the earlier."

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman from Texas yield?

Mr. SUMNERS of Texas. I yield.

Mr. MARTIN of Massachusetts. Will the gentleman explain the bill?

Mr. SUMNERS of Texas. Mr. Speaker, I shall be very glad to explain the bill.

This bill comes from the Senate. I believe it passed the Senate unanimously. Its purpose is to make permissible the shipment of goods to relieve human suffering, food, medicine, and so forth. It would include shipments to Germany, Austria, and Japan.

Mr. MARTIN of Massachusetts. It would give private individuals in this country an opportunity to help people in Europe and other lands?

Mr. SUMNERS of Texas. That is true. I desire to call attention to the fact since some concern has been indicated by some Members of the House that the Senate by its own action struck out the word "sell" originally in the bill, so as to eliminate any possibility of these goods being sent for the purpose of sale. I mean the word "sale" having been in the bill originally and having been directly and specifically stricken out precludes any possibility of the right to sale being claimed by implication or otherwise.

Mr. MARTIN of Massachusetts. The purpose of the bill is simply to make it possible for private individuals to help the Government in its relief efforts.

Mr. SUMNERS of Texas. Yes; individuals and organizations interested in relieving human distress, to help individuals in certain foreign countries who are in desperate need of relief.

Mr. MARTIN of Massachusetts. I think the legislation should have been enacted long before this.

Mr. SUMNERS of Texas. I think so too.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. SPRINGER. As I understand, private individuals have had difficulty in sending any articles to needy people in certain foreign lands for relief and this will eliminate that situation in those instances.

Mr. SUMNERS of Texas. Yes.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. McCORMACK. The gentleman from Texas has referred to the fact that the Senate struck out the word "sale" so that the bill now reads: "To donate or otherwise dispose of to." It is my distinct understanding, and I wish to ask the gentleman so that the RECORD will show, that the words "or otherwise dispose of to" are related to "donate" and are not put in for commercial purposes, that the goods are not to be sold in any commercial way. Those words relate to the giving of power to make donations of food, clothing and other things without going into the commercial field, is that correct?

Mr. SUMNERS of Texas. That is correct.

Mr. McCORMACK. I agree with the gentleman from Massachusetts [Mr. MARTIN] and the gentleman from Texas [Mr. SUMNERS] that this is very deserving legislation. I am very glad to see action taken by the House.

Mr. SPRINGER. Mr. Speaker, am I correctly informed that this applies to certain parts of Europe only?

Mr. SUMNERS of Texas. Germany, Austria, and Japan are covered by this bill. Italy, Rumania, Bulgaria, and Hungary are already taken care of.

Mr. SPRINGER. May I say that I am in full accord with the suggestion that has been made by the majority leader regarding the commercialization of this particular matter.

Mr. McCORMACK. There is no intent by the passage of this beneficent, important, and humane legislation to give authority to go into the commercial field. The whole thing is humanitarian and for relief purposes.

Mr. SUMNERS of Texas. That is correct.

Mr. O'HARA. Will the gentleman read what the reference is as to the part of Europe that is covered? What is the language?

Mr. SUMNERS of Texas. There is a statement here in the Senate report on this bill, as follows: "This bill would amend existing law so as to make the

shipment of relief supplies to all defeated enemy countries possible."

Mr. O'HARA. That covers it.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Illinois.

Mr. SABATH. Mr. Speaker, for over 9 months I have been endeavoring to arrange with the Post Office Department and with other organizations with reference to shipments abroad. Many of these presents of American citizens have been sent abroad but when they reached certain places in Europe they could not be transported. At that time I urged that the War Department permit the use of the many trucks that they had which were not working in order to aid in transferring from the ports to the interior the many thousands of packages that have been sent there by American citizens for the suffering people of Europe. Does the gentleman know whether all of the arrangements have been made through the Post Office Department or with UNRRA or with the War Department so that these shipments can go on from the ports to the interior?

Mr. SUMNERS of Texas. I am not able to advise the gentleman in detail with reference to all the matters about which he inquires; however, I do understand that there is a general disposition and a general purpose on the part of the Government to utilize all of its facilities in order to get these contributions as soon as possible to the people who need them very badly.

Mr. SABATH. This bill will tremendously aid thousands upon thousands of deserving and starving people.

Mr. SUMNERS of Texas. Unquestionably that 's true.

Mr. BIEMILLER. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Wisconsin.

Mr. BIEMILLER. Mr. Speaker, in connection with the remarks of the gentleman from Illinois, I, too, have been in touch with the Post Office Department and have been endeavoring to make sure these avenues can be opened up. As I understand it, UNRRA cannot now enter these particular areas.

Mr. SUMNERS of Texas. I believe that is true.

Mr. BIEMILLER. This is simply an effort to let individuals help individuals on a charity basis with no commercialization involved. I hope the Post Office Department and the War Department, as the gentleman from Illinois suggested, will take the necessary steps to open up these channels. Certainly the churches of this country have been trying to get this action for some time and I hope the bill will pass.

Mr. LYNCH. Mr. Speaker, further reserving the right to object, as I understand the bill, it would permit individuals who have heretofore not been able, to send packages to persons in Germany, Italy, and the other countries with which we were at war.

Mr. SUMNERS of Texas. Germany, Austria, and Japan, and any other countries that are blocked off, if there are any. I may say to my colleague that this bill is for the purpose of removing the blockade against private individuals who have a humanitarian purpose and want to do something for the suffering people in devastated countries. They are not now permitted to do it among the peoples mentioned. If this bill is enacted, it would give them permission.

Mr. McCORMACK. It would permit religious organizations, for instance, to conduct drives, and we expect our Government to cooperate with them in getting transportation for the shipment overseas of large quantities of food. This applies not only to individuals who want to do so, but to religious and charitable organizations whose purpose is to help these unfortunate people.

Mr. HOFFMAN. Mr. Speaker, what is the situation? May a Member reserve the right to object?

The SPEAKER. It has been done several times and it may be done again.

Mr. HOFFMAN. I want to reserve the right to object just to ask a question, that is all. The gentleman from Wisconsin [Mr. BIEMILLER] said that he hoped this bill would pass and that there would not be too much opposition to it. Does the gentleman know of anyone who is against it?

Mr. SUMNERS of Texas. No, sir. The people of this country are deeply, humanely concerned for the hungry, needy peoples of the world, who are the victims of the world's greatest, most devastating tragedy of all times.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BATES of Massachusetts asked and was given permission to extend his remarks in the RECORD and include an article bearing on the question of unification appearing in the Omaha (Nebr.) Morning World-Herald.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include a letter and other written data.

Mr. ELLIS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD.

CALL OF THE HOUSE

Mr. O'HARA. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 103]

Adams	Andrews, N. Y.	Bender
Allen, Ill.	Arends	Bennet, N. Y.
Allen, La.	Baldwin, Md.	Bland
Almond	Baldwin, N. Y.	Bolton
Anderson, Calif.	Barden	Bonner
Andresen, August H.	Bates, Ky.	Boren
	Bell	Bradley, Mich.
Bradley, Pa.	Gossett	Murray, Wis.
Brooks	Granger	Norton
Brumbaugh	Grant, Ind.	O'Konski
Buckley	Gregory	Pace
Bunker	Griffiths	Patrick
Byrne, N. Y.	Gwinn, N. Y.	Patterson
Byrnes, Wis.	Harless, Ariz.	Peterson, Fla.
Camp	Harness, Ind.	Pfeifer
Cannon, Fla.	Hartley	Phillips
Carnahan	Hays	Pickett
Celler	Hedrick	Powell
Chapman	Heffernan	Price, Fla.
Chelf	Hendricks	Quinn, N. Y.
Clason	Henry	Rains
Clements	Herter	Rayfiel
Cochran	Hobbs	Reece, Tenn.
Coffee	Hoeven	Reed, Ill.
Combs	Holifield	Rich
Cooley	Holmes, Wash.	Robinson, Utah
Courtney	Hull	Rodgers, Pa.
Crosser	Jarman	Roe, N. Y.
Cunningham	Johnson, Ind.	Rogers, Fla.
Curley	Johnson, Lyndon B.	Russell
Daughton, Va.	Johnson, Okla.	Ryter
Davis	Keefe	Schwabe, Mo.
Dawson	Kelly, Ill.	Shafer
Delaney, John J.	Keogh	Sheridan
Dingell	Kerr	Sikes
Domengeaux	Kilday	Simpson, Ill.
Doughton, N. C.	King	Slaughter
Douglas, Calif.	LaFollette	Smith, Wis.
Doyle	Landis	Somers, N. Y.
Durham	Lane	Stevenson
Earthman	Lea	Stewart
Elliott	LeCompte	Stigler
Ellsworth	Lemke	Stockman
Engle, Calif.	McDonough	Sumner, Ill.
Feighan	Madden	Tarver
Fisher	Maloney	Taylor
Flood	Mankin	Thomas, N. J.
Fuller	Mansfield, Tex.	Vursell
Fulton	Martin, Iowa	Weichel
Gardner	May	White
Gathings	Merrow	Wickersham
Gavin	Miller, Calif.	Wilson
Gearhart	Monroney	Winstead
Geelan	Morrison	Winter
Gifford	Mundt	Wolfenden, Pa.
Gillie	Murphy	Wood
		Woodhouse

The SPEAKER. On this roll call 261 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

STATE, JUSTICE, COMMERCE, AND JUDICIARY APPROPRIATION BILL, 1947

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H. R. 6056, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose yesterday the gentleman from Ohio [Mr. VORYS] had offered an amendment and had spoken for 5 minutes on behalf of his amendment. The gentleman from Michigan [Mr. RABAUT] is recognized.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that the amendment offered by the gentleman from Ohio [Mr.

VORYS] be read again for the information of the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. TABER. Mr. Chairman, reserving the right to object, I think we ought to have a little more time.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk reread the pending Vorys amendment.

Mr. RABAUT. Mr. Chairman, the gentleman from Ohio has submitted a very complicated amendment. But the meaning of the amendment is very simple.

Unless this Congress passes new legislation and new appropriations for short-wave broadcasting before September 1 of this year, the radio voice of America will be silenced.

The gentleman from Ohio is trying to set a deadline for this Congress to act on a very delicate issue in our international relations.

I know this issue is complicated because the Secretary of State came before our committee and discussed it. So did Assistant Secretary Benton. They both told us that the State Department and the Federal Communications Commission are working on new legislation to cover short-wave broadcasting. These agencies have been studying the problem for 6 months. They expect to have a message for Congress on this subject in the near future.

The Secretary of State told our committee that the State Department was given the job by the President. The State Department considers this a temporary arrangement until a thorough study can be made by the FCC and the Congress. The funds contained in this bill would only enable the State Department to carry on the broadcasting until the Congress can decide on a permanent plan for short wave.

Now the gentleman from Ohio knows that this Congress cannot hold hearings, and pass legislation, and then appropriate new funds for broadcasting, all before the deadline of September 1. The gentleman is fully aware of the plans for a summer recess.

The net effect of the amendment of the gentleman from Ohio is to silence the radio voice of America after September 1 and to leave to other governments, some of them hostile governments, the interpretation of American policies on the radio.

The gentleman may argue that private licensees in the United States can do this job. They admit themselves that they cannot finance an adequate broadcasting schedule to all major language areas of the world. Obviously no private licensee in the United States can operate the relay transmitters in foreign countries, without which most of the world cannot hear our broadcasts.

I do not believe that foreign policies of the United States, particularly on such delicate subjects as this, should be jeopardized by any deadline on their consideration by Congress. As soon as the information has been submitted by Secretary Byrnes, and the Congress has reached a mature judgment, a permanent broadcasting policy for this Government will be determined by the will of Congress.

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired.

Mr. VORYS of Ohio. Mr. Chairman, a point of order.

Mr. TABER. Mr. Chairman, that consent request was never put.

The CHAIRMAN. The consent request was put, and no one objected to it.

Mr. VORYS of Ohio. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS of Ohio. I objected, Mr. Chairman. I was on my feet and was objecting at the time.

Mr. RABAUT. Mr. Chairman, I was in the room and I did not hear it.

Mr. VORYS of Ohio. The gentleman from New York and myself were both on our feet.

The CHAIRMAN. There were several Members on their feet, but the Chair did not hear anyone object, and the unanimous-consent request was put.

Mr. VORYS of Ohio. I objected, Mr. Chairman.

Mr. RABAUT. I ask for a vote on the amendment, Mr. Chairman.

The CHAIRMAN. The question recurs on the amendment.

Mr. VORYS of Ohio. Mr. Chairman, I have an amendment, which I send to the Clerk's desk.

The CHAIRMAN. Is it an amendment to the pending amendment?

Mr. VORYS of Ohio. Yes, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

Mr. RABAUT. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. RABAUT. On what ground is this amendment considered?

The CHAIRMAN. The gentleman from Ohio has offered an amendment to his amendment.

Mr. RABAUT. But debate has been closed and the gentleman cannot be recognized for debate.

The CHAIRMAN. The Chair does not recognize the gentleman for debate.

Mr. VORYS of Ohio. Mr. Chairman, no debate could possibly have been closed on this amendment which was not offered.

The CHAIRMAN. The gentleman from Michigan's unanimous-consent request was that all debate close within 5 minutes on the pending amendment and all amendments thereto.

Mr. VORYS of Ohio. No, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio to his amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS of Ohio to the amendment offered by Mr. VORYS of Ohio: After the words "September 1, 1946," insert "not specifically authorized by act of Congress."

The CHAIRMAN. The question recurs on the amendment to the amendment.

Mr. TABER. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The Clerk will report the preferential motion.

The Clerk read as follows:

Amendment offered by Mr. TABER: Mr. TABER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. TABER. Mr. Chairman, I think it is about time that this Committee of the House understands what this amendment does. I was sorry to note from the statement of the gentleman from Michigan that apparently he had not understood the amendment.

This amendment would not prevent the operation of radio stations by the State Department, but it would prevent them from giving out news, the source of which was not identified, and it would prevent them from purchasing private short-wave stations which would otherwise be devoted to broadcasting international information or cultural programs, and prevent them from maintaining a monopoly of the whole short-wave broadcasting.

There are seven short-wave stations at the present time operating out of this country. The Government has them all. This amendment would prevent only the use of those when private programs are available. There is no such thing as its preventing the operation by the Government of broadcasting stations.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. If it had not been for the trick that has been perpetrated on me in the last few minutes, I would be able to explain that the amendment to the amendment which has just been sent to the desk makes it clear that the broadcasting will go on as soon as it is authorized by the Congress. If the Members will read the amendment to the amendment in the context, they will see clearly the purpose of the first limitation on time to speed up this new program which is being considered by the State Department. If the Members will read the remarks of yesterday or listen to the gentleman from New York they will realize that it has two other purposes; first, to take care of the objection of the AP and UP by providing for giving the source of all spot-news broadcasts; and, second, the amendment prevents the radio monopoly in international broadcasting which would otherwise be contemplated under the existing bill.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. Talking about tricks, the very manner in which the floor is obtained right now to continue the debate is one of the worst tricks that could be practiced.

Mr. TABER. Of course, that indicates that the gentleman was trying to put something over when he got this permission.

Mr. RABAUT. To which gentleman is the gentleman referring?

Mr. TABER. Right at this time it is necessary that the House understand this amendment. That was the object of my taking the floor at this time. It was necessary. I am sorry the gentleman put me in a position where it was absolutely necessary that I do this in order that the House might understand the amendment.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Is there any good reason why the House should not know what this amendment is about and have it thoroughly explained and debated?

Mr. TABER. The amendment will stand the light of day, and I hope the amendment will be adopted.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from North Carolina.

Mr. FOLGER. Now that we have gone into the matter of tricks, is it not true that neither one of you gentlemen who happened to be on your feet objected to the request?

Mr. TABER. The request never was put. I was here watching.

Mr. RABAUT. The record of the House is here. Let us have it read, if the gentleman wants it read.

Mr. TABER. I was here, I was on my feet to object, and I could not hear it put; and I am sure it was not put.

The CHAIRMAN. The Chair has already emphatically stated for the benefit of those who apparently were not listening at the time that the request was put and that the Chair did not hear any objection to the request.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, I think upon reflection, my friend, the gentleman from New York [Mr. TABER] will withdraw that last observation he made. There is no question but what there is a misunderstanding, an honest misunderstanding. I know that neither the gentleman from New York nor the gentleman from Ohio would challenge the statement made by the Chairman of the Committee of the Whole.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. VORYS of Ohio. This is the first time that I know of a Chairman of the Committee of the Whole, after stating that he did not hear an objection, refuse to give countenance to an objection when a Member stated that he had made an objection.

Mr. McCORMACK. The gentleman knows that intervening business had transpired. A speech had been made. If you were in the chair as Chairman of the Committee of the Whole, the only way you could have remedied the situation was if some other Member asked unanimous consent to vacate the unanimous-consent order previously made on the ground that there had been a mistake or a misunderstanding. I can conceive of no occupant of the chair who would not protect the right of every Member. I know the present occupant of the chair would. But this colloquy about the misunderstanding took place after the gentleman from Michigan had made a speech for 5 minutes and intervening business had transpired. Therefore, the position of the Chairman and his responsibility under the circumstance was entirely different from what it would have been if the unanimous consent request had been submitted and nobody objected and then a few seconds afterward some Member interposed an objection. Under those circumstances, of course, the present occupant of the chair, or any occupant, would have handled the situation in the practical and realistic manner that it should be handled. But that is all over. There is no question but what the decision of the Chair is correct, based on the Chair's understanding. There is nothing else the Chair could do and nothing else anyone of us could do. Even if my friend, the gentleman from New York [Mr. TABER] were sitting in the Chair, if his party were in control, if a unanimous-consent request had been submitted and there was no objection so far as he had heard and then some Member had spoken for 5 minutes, there would be nothing else that he could do except to entertain another unanimous-consent request to vacate the order, which in this case had not been done.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. GILLESPIE. Before the echo of our Committee Chairman's voice had died, the gentleman from New York [Mr. TABER] was on his feet. I am sure the Chairman did not hear him, but he was on his feet as quickly as anybody could possibly be and asked for recognition.

Mr. McCORMACK. Then taking your own statement, there was no objection made. He was on his feet asking for recognition when the unanimous-consent request was made. But let us not go into that further because there has been an honest misunderstanding.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. McCORMACK. We have had 10 minutes of debate. When I finish, any Member can put a unanimous-consent request.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield for a question.

Mr. JONES. May I say in order to preserve the integrity of the RECORD that I was sitting here next to the gentleman from Ohio [Mr. VORYS] and he did reserve the right to object immediately. I did not hear the question put. It may have been put, but I did not hear it. I did hear the gentleman from Ohio [Mr. VORYS] reserve the right to object.

Mr. McCORMACK. In any event, there has been a misunderstanding. Why charge each other with bad faith? In all the years that I have been here, there has never been any such charge as that. Certainly, the gentleman from Arkansas, who is one of the most honorable and fairest Members of the House, has decided the issue based on his understanding, properly and fairly. If the unanimous-consent request was submitted and nobody objected to it, as Chairman, he must make the decision that was made in this instance.

Now, with reference to the amendment offered by the gentleman from New York, I am not going to criticize the fact that he offered it. It is perfectly within the rule. It should not be adopted. With reference to the amendment offered by the gentleman from Ohio [Mr. VORYS] we decided that yesterday on two other votes. The same matter was considered on at least two other votes and the Committee of the Whole decided against it.

The amendment is not in accordance with dynamic democracy, and I am surprised that the gentleman from Ohio [Mr. VORYS] has offered the amendment that he has offered. I hope the amendment as amended by the same gentleman will be defeated.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MCCORMACK] has expired.

Mr. VORYS of Ohio. Mr. Chairman, I ask unanimous consent that the cloture rule on this amendment and amendments thereto be vacated, as suggested by the majority leader.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. HOOK. Mr. Chairman, I object.

The CHAIRMAN. The question recurs on the motion offered by the gentleman from New York [Mr. TABER].

The motion was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Ohio [Mr. VORYS] to the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken, and the Chairman being in doubt, on a division there were—ayes 76, noes 71.

Mr. RABAUT. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. VORYS of Ohio.

The Committee again divided; and the tellers reported that there were—ayes 88, noes 106.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

Salaries and expenses, Antitrust Division: For expenses necessary for the enforcement of antitrust and kindred laws, including traveling expenses, and experts at such rates of compensation as may be authorized or approved by the Attorney General, except that the compensation paid to any person employed hereunder shall not exceed the rate of $10,000 per annum, including personal services in the District of Columbia, $1,700,000: *Provided*, That none of this appropriation shall be expended for the establishment and maintenance of permanent regional offices of the Antitrust Division: *Provided further*, That no part of this appropriation shall be used for the payment of any person hereafter appointed at a salary of $8,225 or more unless such person is appointed by the President, by and with the advice and consent of the Senate.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: Page 35, line 4, strike out "$1,700,000" and insert "$1,900,000."

Mr. VOORHIS of California. Mr. Chairman, this amendment has to do with the appropriation for the Antitrust Division of the Department of Justice. The Antitrust Division of the Department of Justice is the one agency of government upon which we depend to defend the American theory and we hope the American practice of a free economic system. It is the one thin line that stands between the people of America, the small business of America, and the control of the American economy by great monopolies. We propose to appropriate in this bill $1,700,000 for that great purpose.

Mr. Chairman, I would not offer this amendment had the committee not seen fit to cut the Budget recommendation by $200,000. The effect of the committee's action is to give the Antitrust Division exactly the same amount of money it had last year, but since the Congress has authorized certain increases in salary, so that the net effect of this action is to say to the Antitrust Division: "You have got to fire 35 professional employees."

Mr. Chairman, it is utterly impossible under these circumstances for the Antitrust Division to carry on anything like an effective job, not solely of prosecuting offenders against the law but of surveying the situation industry by industry in America in order that remedial action may be taken to prevent monopolistic control from being increased. In order to do that kind of job I am frank to say I do not think $5,000,000 would be too much for the American Congress to spend. For certain it is that every Member of this House knows that during the war the power of monopoly has increased in America. Whether it could be avoided or not is another question. The fact is that 70 percent by volume of all the Government's war contracts went to no more than 100 corporations. The further fact is that case after case brought by the Antitrust Division had to be suspended during the war because forsooth we were told, and the Department of Justice was told, that there was only one supplier of these things that were absolutely essential for the war and they must not prosecute the antitrust suit because all the vice presidents of this huge company would get jittery and they would not supply the goods that the soldiers needed. So we could not enforce the law because, indeed, our whole Nation was dependent upon one source of supply.

One of these cases the carrying forward of which will be severely crippled unless my amendment is adopted is the antitrust suit against the Imperial Chemical Industries and the Du Pont Corp., a case involving the world chemical cartel which for years was dominated by the I. G. Farben company of Germany. That cartel came within an ace of completely controlling the chemical industry of the world and would have done so if it had not been for our antitrust laws which prevented the American companies from signing foreign cartel agreements, thus preserving a certain degree of competition in that industry. The prosecution of this action is going to be very much crippled unless my amendment is adopted. Such cases as those having to do with the price of farm machinery, plumbing supplies, the small-loan monopoly, the matter of fluorescent lamps, which is a story in itself, and a lot of other cases are going to have to be let go by the board unless we give this agency at least the number of people they have now. That is all I am appealing for. The Congress has authorized these salary increases, and unless you give them the additional amount of money necessary to pay those salary increases they will have no choice except to fire a part of their personnel.

Mr. Chairman, it might be different if we had, as we ought to have, a true national policy of an antimonopoly nature. It would be different if we had a whole program here of trying to promote small business and competitive industry in America. But instead of that we let the matter drift, depending entirely upon the action of the Antitrust Division to try to protect this Nation against the hold of monopoly upon it.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. VOORHIS of California. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. The truth of the matter is that in Germany it was the monopolists and the cartelists who set Adolf Hitler up in business, who financied him, who raised the money to put him in power, who supported him after he was in power, and who were the primary support of the whole German war of aggression from that time on. In Japan at this very moment the American occupational authorities under General MacArthur are doing a job, and I believe an effective one, of taking from off the Japanese people the absolute domination over their whole economic life of no more than five families. That kind of task has got to be done if you want to preserve peace in the world. It simply is not being done in Germany, as I shall prove to the House at an early date. The question is, Do we believe in American economic liberty? The job begins at home. The effective enforcement of antitrust laws can, and it must be, a part of the great task for peace of breaking the hold of international cartels as well as monopoly at home. I appeal to the House to adopt this amendment. To keep the Antitrust Division in the same position it now is, with the same personnel it now has, is all I am asking. I am, frankly, somewhat ashamed that I am not proposing the sort of expansion of this work which the times so desperately demand.

Mr. BUCK. Mr. Chairman, I move to strike out the last word.

I would like to ask the gentleman from California if the retention of these 35 men would help break up the monopoly which is now denying coal to the people and the industries of America?

Mr. VOORHIS of California. I think that it might very well; yes. I think that it is most important that monopolistic control in coal as well as elsewhere should be broken down, I will say to the gentleman.

Mr. BUCK. I thank the gentleman.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes, and I ask for recognition.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, there is perhaps no Member in this body that I more admire than my distinguished colleague from California who has just addressed us on the Antitrust Division. His sincerity and devotion to his job is known to every Member of this House. He is a tireless worker. But I want to say that every bill that comes before this House is put in charge of some person who happens to be chairman of a committee, and I find myself in that position today.

There is hardly a page in this bill where more funds could not be asked for and properly expended in this country at this time, but we must have some consideration for the taxpayers' pocketbook. When we realize that every man, woman, and child in America is indebted on account of the war in the sum of close to $2,000, that is not "hay," as it is used in the vernacular of the street. A hillside farmer with five boys and a wife, who perhaps never owned a suit of clothes in his life, is indebted for $14,000. That is a tremendous sum. It is time that we used the railroad slogan of "Stop, look, and listen," and act, and this committee of the Congress has acted on this bill.

As far as the Antitrust Division is concerned, it has had no greater friend in this House than the committee that has this bill in charge today. In previous times we raised this appropriation above the Budget.

What my friend from California says about cartels is very true. Our hearings this year and other years are burdened with the investigation of our committee on this very subject and our urging of the Antitrust Division to do its utmost in getting to the bottom of this evil.

When I went to Frankfurt, Germany, and saw the great office building of the cartel preserved among the ruins that completely surrounded it, I was shaken. When I saw that preservation of the warmongers of Europe, while every little house in the whole vicinity was ruined, I voiced myself so vehemently that someone said some of our officers turned green.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from California.

Mr. VOORHIS of California. I agree with the gentleman about his work in this field. I thank him for what he has just said, which I honestly think is

in favor of my amendment. My amendment only seeks to restore the Budget figure. As a matter of fact, over a period of years the income from fines imposed as a result of the action of the antitrust division has exceeded the appropriation made to it in many, many instances.

Mr. RABAUT. When we go back into the House I am going to ask permission to insert in my remarks the provision in the report on the Antitrust Division that time will not now permit me to read. I may say, however, that the cut in the Antitrust Division is $200,000. I hope the gentleman's amendment will be defeated. If we have treated the Division unjustly, this matter still goes to another body, where it may be taken up and put in if necessary.

Antitrust Division: The amount of $1,700,000, a reduction of $200,000 under the Budget estimates, and $175,000 less than current requirements, is approved for this activity. While it is generally agreed that our free-enterprise system must be kept free of the restrictions inherent in price fixing and other monopolistic practices, it is the sense of the committee that the Division is gradually losing its perspective in this field by devoting too much personnel and effort to minutiae to the harassment of business generally. A number of instances of misguided investigations and prosecutions of the little businessman have come to the attention of individual members of the committee, and it is with the thought of having the Division direct its efforts more to the real monopolistic dangers in this Nation rather than to the detailed control of the small establishments that this reduction in funds is made. Furthermore, it is the feeling of the committee that much of the work load of the Division may be attributed to the small penalties presently imposed, and the Division and the Department should immediately inaugurate studies with the view of recommending an increase in fines and penalties and, perhaps, imposing civil penalties in addition to the present criminal penalties.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. VOORHIS].

The question was taken; and on a division (demanded by Mr. VOORHIS of California) there were—ayes 26, noes 65.

So the amendment was rejected.

The Clerk read as follows:

FEDERAL BUREAU OF INVESTIGATION

Salaries and expenses, detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; for the protection of the person of the President of the United States; the acquisition, collection, classification, and preservation of identification and other records and their exchange with the duly authorized officials of the Federal Government, of States, cities, and other institutions; for such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General; personal services in the District of Columbia; purchase of not to exceed fifty (for replacement only), and hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; purchase at not to exceed $7,000 of one, and maintenance and operation of not more than four armored automobiles; firearms and ammunition; stationery, supplies, floor coverings, equipment, and telegraph, teletype, and telephone service; not to exceed $10,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph; traveling expenses, including the cost of a compartment or such other accommodations as may be authorized by the Director for security when authorized personnel are required to transport secret documents or hand baggage containing highly technical and valuable equipment, and including expenses, in an amount not to exceed $4,500, of attendance at meetings concerned with the work of such Bureau when authorized in writing by the Attorney General; not to exceed $1,500 for membership in the International Criminal Police Commission; payment of rewards when specifically authorized by the Attorney General for information leading to the apprehension of fugitives from justice; and not to exceed $20,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, who shall make a certificate of the amount of such expenditure as he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended; $8,600,000.

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: On page 41, line 2, before the period, insert "*Provided*, That effective on the first day of the first pay period next following the approval of this act, the compensation of the Director of the Federal Bureau of Investigation shall be $14,000 per annum, so long as the position is filled by the present incumbent."

Mr. RIZLEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirteen Members are present, a quorum.

Mr. McCORMACK. Mr. Chairman, my purpose in offering this amendment is to give deserved recognition to one of our outstanding officials and Americans of this generation, J. Edgar Hoover. I know of no man who has more militantly acted in the true tradition of Americanism based upon the spirit and heritage of our Constitution and our institutions of government than this distinguished gentleman. I might say that I introduced a bill to increase his salary to $15,000. A hearing was held before the subcommittee of the Committee on the Judiciary. The members of that subcommittee, Democrats and Republicans, unanimously reported the bill to the full committee. By offering my amendment today, an opportunity is afforded the House to give quick action and quick recognition which is so much deserved. I have offered the amendment in the sum of $14,000 because the Attorney General receives $15,000, and I believe it is more appropriate on this occasion the amendment should provide for a sum less than that received by the head of his Department.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. TABER. I might express the hope that this deserved recognition be granted to the head of the Federal Bureau of Investigation.

Mr. McCORMACK. I thank my friend, the gentleman from New York, for his observation.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Nebraska.

Mr. STEFAN. So far as I am concerned, as ranking member of this committee, I hope that the entire committee will accept the amendment. I support the amendment and am very happy that the gentleman from Massachusetts has introduced the amendment.

Mr. McCORMACK. I appreciate the remarks of the gentleman very much.

Mr. STEFAN. This is giving well-deserved credit to a man who has performed a gigantic task during the war. The gentleman from Massachusetts will recall on several occasions I have taken the floor to state that there was not one case of organized sabotage in the United States throughout the war as the result of the fine work of the FBI directed by Mr. Hoover.

Mr. McCORMACK. I remember well the splendid remarks made on several occasions by my distinguished friend. May I say in support of the amendment that I took the matter up with the gentleman from Pennsylvania [Mr. WALTER], a member of the subcommittee of the Committee on the Judiciary which held hearings as I have pointed out. I did so for the purpose of letting some members of the subcommittee know of my intention to offer this amendment so that they would be aware of it. He wholeheartedly approved of the action.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. May I say to the gentleman from Massachusetts that I am probably the only Member of the House who has been a United States attorney who dealt directly with J. Edgar Hoover for 4 years. I know of his work. It is probably unsurpassed in the annals of criminal procedure in the United States or anywhere in the world. He is an outstanding man. He has contributed more to the prevention of crime than any man in America. As a member of the Committee on the Judiciary, I am only too glad to support the gentleman's amendment.

Mr. McCORMACK. I agree with the gentleman. His work, in his responsible position, is unsurpassed in the history of our country. Those words coming from the gentleman from Pennsylvania [Mr. GRAHAM] are not only correct, and I agree with him, but I know they will bring a sense of satisfaction to the distinguished gentleman to whom we are referring.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Tennessee.

Mr. JENNINGS. I wish to say in support of the gentleman's amendment, it should be passed unanimously. As a member of the Committee on the Judiciary, I favor it. I favor it as a citizen of this country. J. Edgar Hoover has contributed more to law enforcement and safety in the Nation than any other one man in it.

Mr. McCORMACK. I thank the gentleman for his remarks.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. MICHENER. I want to join this testimonial meeting. I have an especial interest in the FBI because I was a member of the Judiciary Committee when the agency was set up. I first knew J. Edgar Hoover when he was a clerk in the Department of Justice. He is a career man who has made more than good. He has risen to the place of distinction he now occupies on merit alone. He is not a politician. It has been a source of great pride and satisfaction to see him develop and to become the outstanding man he is today. He has the respect and confidence of the American people. We honor him because we trust him. If there are any indispensable men in the Government, he is one of them.

Mr. McCORMACK. I appreciate the observation of the gentleman from Michigan.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. WOODRUFF. I wish to say I have known J. Edgar Hoover since the day he entered the Department of Justice. I have looked upon him and his career with great pride and satisfaction. He is a man of great ability and capacity. I agree with everything that has been said today about this very distinguished American.

Mr. McCORMACK. I appreciate very much the observation of the gentleman from Michigan.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. RABAUT. We were aware that the majority leader was anxious to offer this amendment increasing the salary of the director of the FBI. The committee held a meeting, and I can say the decision of the committee was almost unanimous. The committee is very happy to accept the amendment. The committee is very much in favor of it.

Mr. McCORMACK. I thank the gentleman. The suggestion that I offer this amendment came from the committee itself and the gentleman from Michigan [Mr. RABAUT]. Not only is this a deserved recognition, but this action of the House will constitute an answer to the unfair critics of this great man, and to show that in this body he has friends.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. HARE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, supplementing what the majority leader and other Members have said with reference to the Director of the FBI, I am taking this opportunity to say to the House that last year, at the suggestion of the committee, Mr. Hoover and his associates prepared a booklet entitled "The Story of the FBI," which outlined in considerable detail the organization, functions and activities of the FBI. The thought was that if the youth of the country were familiar with the facilities of this agency for apprehending crime, there may be a great deal less of it.

These publications are available to Members of Congress for distribution, and it was thought that if they would ask for them they could be distributed throughout the many congressional districts.

I thought that the Members of the House would be interested in knowing that this publication is now available and can be obtained upon request from the FBI. I want to read the statement made by our chairman during the hearings. I quote as follows:

> It is nice to have money and the things that money can buy, but it is very necessary that we check up ourselves from time to time to see that we do not lose the things that money cannot buy.

This was a tribute to Mr. Hoover during the hearings; and I believe that if this publication to which I have referred is sufficiently distributed throughout the country it may be instrumental in reducing crime.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last three words and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman——

Mr. RABAUT. Mr. Chairman, will the gentleman yield for a consent request?

Mr. SMITH of Ohio. I yield.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto end in 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, we have heard a lot said over the radio and have read a great deal in the newspapers about this appropriation.

The inference has been made that it represents a stiffening on the part of Congress against the habitual wild spending that has been carried on by this body in the last 13 years. I cannot understand why anyone should get this idea. The most that was spent for the Departments of Commerce, Justice, and State during the war years was in 1944, which was $398,749,000. The appropriation requested for these three departments for 1947 is $369,976,000. This is only $28,775,000 less than the expenditures for the year 1944, the high point of the war years.

The expenditure for these departments in the last prewar year, 1940, was $145,915,000. This appropriation for 1947 is greater by $224,061,000, or about 150 percent, than the expenditure in 1940.

The expenditure for the Departments of Commerce, Justice, and State in 1933 was $82,463,000. This appropriation calls for $287,511,000, or approximately 350 percent more than the expenditure in 1933.

This appropriation is in my opinion so wrong that words fail me to properly characterize it. It indicates to me an almost total lack of appreciation on the part of this body of the dire and menacing financial straits the Nation is in. The Congress seems hell-bent on completely bankrupting the Treasury and plunging the Nation into chaos.

Expenditures of the Departments of Commerce, Justice, and State for the years 1932 through 1947:

	Commerce	Justice	State	Total
1932	$33,983,000	$43,169,000	$19,053,000	$96,205,000
1933	28,666,000	38,192,000	15,605,000	82,463,000
1934	20,168,000	26,369,000	12,161,000	78,998,000
1935	27,031,000	25,697,000	18,679,000	71,407,000
1936	31,113,000	30,477,000	17,228,000	78,818,000
1937	27,298,000	32,195,000	17,121,000	76,614,000
1938	27,441,000	52,942,000	18,305,000	98,688,000
1939	40,017,000	49,325,000	19,715,000	110,057,000
1940	65,968,000	55,944,000	24,003,000	145,915,000
1941	94,914,000	62,473,000	26,100,000	183,487,000
1942	156,530,000	83,825,000	[1] 33,376,000	273,731,000
1943	186,243,000	100,072,000	48,849,000	335,164,000
1944	223,306,000	117,459,000	57,984,000	398,749,000
1945	164,014,000	108,300,000	76,533,000	248,847,000
1946	----------	----------	----------	[1] 278,173,000
1947	----------	----------	----------	[1] 369,576,000

[1] Appropriation.

The CHAIRMAN. The gentleman from South Carolina [Mr. RIVERS] is recognized for 3 minutes.

Mr. RIVERS. Mr. Chairman, this amendment, of course, will pass. The distinguished majority leader is to be congratulated on making it possible for us to vote on the amendment which recognizes the achievement of an organization which Hoover had handled so ably and which has no counterpart throughout the world in efficiency and achievements. During the few years I spent in the Department of Justice I got to know Edgar Hoover quite well. I know the fine organization which he heads and the many, many things which he has done. I understand that at the present time he is losing very valuable men because he cannot pay them a proper living salary for the fine work they are doing. The majority leader tells me that in the immediate future additional money will be made available to pay these men so that Mr. Hoover can maintain his fine organization and keep these splendid young men who are now in his organization.

Mr. Chairman, this recognition is long overdue. It is the answer to those Communists and the Bureau of the Budget who have been after Hoover's scalp for some time. It is the answer to those who want to get rid of Mr. Hoover. The House today is affirmatively telling them where we stand so far as this great American is concerned.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

The amendment was agreed to.

The Clerk read as follows:

Salaries and expenses, detection and prosecution of crimes (emergency): For salaries and expenses, during the national emergency, in the detection and prosecution of crimes against the United States; for the protection of the person of the President of the United States; the acquisition, collection, classification, and preservation of identification and other records and their exchange with the duly authorized officials of the Federal Government, of States, cities, and other institutions; for such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General; personal services in the District of Columbia; purchase of not to exceed 150 (for replacement only), and hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; firearms and ammunition; stationery, supplies, floor coverings, equipment, and telegraph, teletype, and telephone service; not to exceed $3,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph; traveling expenses, including the cost of a compartment or such other accommodations as may be authorized by the Director for security when authorized personnel are required to transport secret documents or hand baggage containing highly technical and valuable equipment; payment of rewards when specifically authorized by the Attorney General for information leading to the apprehension of fugitives from justice; and including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General who shall make a certificate of the amount of such expenditure as he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended, $20,000,000.

Mr. RABAUT. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. RABAUT: On page 42, line 18, strike out the sum "$20,000,000" insert in lieu thereof "$23,000,000."

Mr. RABAUT. Mr. Chairman, since the committee reported out this bill, events have transpired which make necessary a revision of the original estimates recommended for the Federal Bureau of Investigation. Accordingly, this committee amendment is offered.

At the time Mr. Hoover, the very able Director of the FBI, appeared before the committee, we were impressed by his testimony as to the crime conditions developing in our country. The committee recommended, in approving the budget estimate for this Bureau in the amount of $28,700,000, that if the crime wave developed to such proportions as to make it difficult to cope with because of appropriation limitations, the Bureau should request supplemental funds.

I am not an alarmist, yet I know, as does every Member on this floor, that crime has increased in such proportions in the very recent past that the law-abiding, God-fearing citizens throughout our country are apprehensive as to where the present trend will lead us.

Many criminals today are finding means to flout the law. Not a day passes but that we read in our papers, we hear by broadcast of crimes committed which are revolting to us. I, for one, say that now, as never before, we must have strong and virile law enforcement. If we cripple effective law enforcement now, we can only expect the present crime wave to increase to such an extent that the lives and property of all of us will be endangered.

The committee, at the time hearings were held, felt that it might be possible to continue the full activities of the FBI with the amount recommended. However, since that time events have transpired which necessitate increasing our recommendation for this item from its present amount of $28,700,000 to $31,700,000, an increase of $3,000,000.

I have been privileged to be a member of the Subcommittee on Appropriations handling the Justice appropriation since 1937. I have been chairman of this subcommittee since 1942. Through these years I have become intimately acquainted with Mr. Hoover, the Director of the FBI, and have come to know the excellent manner in which his Bureau has assumed heavy additional responsibilities with a heretofore unknown degree of success.

My every effort, both as a private citizen and as the representative of my people in the Halls of Congress, has been directed to the continued protection of the home and to the safety of our country. I have continuously endeavored to zealously protect that which we hold dear—our ideals, our democracy.

Victory has been achieved, but we cannot rest on our laurels in the face of increasing unrest and strife on our home front.

Consider the following which concerns the future generation, those who will take the reins of government from us as we pass on: In 1945, as published in Uniform Crime Reports, issued since conclusion of hearings on the bill, more persons aged 17 were arrested than in any other age group; a survey of 543,852 arrest records revealed that approximately 114,000, or 21 percent, were under 21 years of age. Arrest of girls under 21 years of age showed an increase of more than 109 percent over the last peacetime year, 1941. Two thousand cities, representing a population of 65,000,000, reported increases in serious crimes in 1945 over 1944, in nearest percentages, as follows:

	Percent
Robberies	24
Auto theft	19
Burglaries	17
Manslaughter	16
Murders	10
Rape	6

More recently, the committee has been advised that further increases in crime have been reported. In comparing the 2-month period of January and February, 1946, with the same period for 1945, we find that murder has increased more than 33 percent; manslaughter has increased 32 percent; robbery has increased 47 percent; burglary has increased 27 percent; larceny has increased 15 percent and auto theft has increased more than 37 percent. This information reflects a dark future if these trends continue. We must make certain that adequate funds are made available.

I am not unmindful of the need for utmost economy in Government operation. The bill presently being considered reflects the attitude of the committee. Every economy possible has been effected.

A certain amount of uninformed criticism to the effect that some cuts were too severe has been voiced since the bill was reported. Destructive criticism is cheap and comes easy. The committee is continually faced with the problem of appropriating adequately but not extravagantly and at the same time bearing in mind the interests of the public which pays the bills.

In the estimate for the FBI which I am proposing be increased by an amount of $3,000,000, we are buying insurance for the future of the country; we are underwriting decent lives and living conditions for our children; we are assuring them that their world will be more peaceful—more law-abiding than we in our turbulent generation have experienced.

It is true that this Bureau has shown tremendous growth, yet this growth as I know is not self-perpetuation but one made necessary through increased responsibilities which have been so adequately shouldered by Mr. Hoover and his staff during the past years. This staff which is overworked now by any standard of measurement must be assured of our continued support. I have faith through knowledge that Director Hoover will maintain the solid front of law enforcement through our every community which will make possible prompt control over those elements of lawlessness which are so desperately endeavoring to gain a foothold in our economic life today.

We all know the record of the FBI under the able guidance of its Director, J. Edgar Hoover. In Mr. Hoover the country is blessed with an humble civil servant who has for years turned aside personal profit to work for humanity as a whole.

I earnestly recommend to my colleagues that the amendment increasing this item be approved.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Ohio.

Mr. JONES. I want to state to the Chairman that for the purpose of curbing the crime wave this amendment is very necessary, and I therefore want to register my support in favor of the gentleman's amendment.

Mr. RABAUT. I thank my colleague.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is a committee amendment, not the amendment of any individual. It is an amendment which the committee has had under consideration for some time, and the committee is now unanimous in asking the Committee of the Whole to adopt the amendment.

You will recall that in general debate on this bill I took the floor and discussed at some length the story of the FBI. In that statement I indicated to the House that the FBI had voluntarily returned to the Treasury of the United States millions of dollars. The organization is a conservative one, made up of

people of high type, of high quality, of great efficiency, whose services are demanded many times by private industry. This amendment will help the FBI to keep many of these valuable employees in service. The committee in reaching the totals for the operation of the FBI for the next fiscal year may have overlooked the many additional duties which have been placed upon the FBI. After reviewing these totals your subcommittee now feels this additional amount is necessary. Therefore, Mr. Chairman, I urge the adoption of this committee amendment.

Mr. HAND. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HAND. Mr. Chairman, I support this amendment. I am glad the committee offered it, although I am very reluctant to see an additional $3,000,000 go into this bill. I am also delighted with the action of the House in giving deserved recognition to Mr. J. Edgar Hoover. I only wish that I could be as satisfied with the remainder of this appropriation bill as I am with that section which devotes itself to the Federal Bureau of Investigation.

I am not able to support the appropriations for the Department of State and other departments contained in H. R. 6056, for reasons which are made perfectly plain in the report of the committee itself, which attempts to justify these appropriations. No amount of explanation can overcome the fact that this appropriation bill shows an increase of $40,510,759 over the expenses of the previous year. I note with misgivings that the Budget estimates of the departments involved were $56,191,930 in excess of even the increased amounts allowed by the committee. This bill appropriates $30,500,000 of new items not carried in the current year's appropriation.

The committee is very well aware of the need for the curtailment of expenditures. They say in their report on page 3:

NEED FOR CURTAILMENT OF EXPENDITURES

This matter was discussed at some length by the committee in its report on the appropriation bill for the current fiscal year. The change from war to peace and the further increased Federal indebtedness gives added reason for the reduction of Federal activities by the elimination of many desirable and well-meaning functions and the retention only of those functions which are necessary to the proper administration of Government and the maintenance of the national economy and the national welfare. Increases have been allowed in a number of projects which seem to the committee to be necessary to reestablish our peacetime economy but the committee wishes to state at this time that as reconversion progresses, it will become increasingly more determined to limit appropriations, not only to the extent of eliminating increases but even reducing the base on which those increases are established.

That "even reducing" should be considered now.

The committee goes on to say:

There seems to have developed during the war years what some have termed "a spending psychology" and the committee is fearful that this spending psychology has become somewhat too deeply entrenched in the minds of the officials responsible for the operation of our Federal establishments. It must be eliminated.

But when? When are we going to eliminate that war spending psychology?

The committee continues:

There can, of course, be no such thing as a return to conditions which existed prior to the war years. Responsibilities of government have increased through the enactment of additional legislation, wages are on a higher level, certain war-created activities must be continued for some time, and problems attendant to the reestablishment of our national economy have arisen. All call for increased activity on the part of the Federal Government. Nevertheless, a concerted effort must be made by all concerned to reduce the cost and limit the size of our Government. It would seem to the committee to be more logical for the departmental officials who are more familiar with their activities to initiate reductions in expenditures, rather than to have them reduced by the committee, pursuing, performance at times, an arbitrary course.

I would like to refer to another statement of the Committee on the testimony of Col. Alfred McCormack of the Department of State, that there are 80 or 90 agencies of Government gathering various types of information abroad. And the committee says it does not know this to be a fact, but it recommends that the Bureau of the Budget should institute remedial measures. Without being critical of this able and hard working committee, I should think this was a fact which should be ascertained.

For the fiscal year 1946, the appropriation for the Department of State was $90,139,314. This Department, in estimating its requirements for the fiscal year 1947, sought to obtain $127,885,308. Just prior to the war, the Department of State operated on a budget of approximately $17,000,000. As to this, the committee says it views with some apprehension the rapid increase in personnel and other requirements of this Department, which has taken place during the war years, with every indication of a continued expansion in the postwar years. It does not do any good to "view this continued expansion with some apprehension"—the only remedy is to stop it by curtailing appropriations.

In one matter after another, the Congress views with alarm increased expenditures and expanding personnel. It is time we do more than view with alarm.

There seems to be a general attitude that while these things annoy and disturb us, we cannot do anything about it now; we will do it next year. I say the time to do it is now.

There is not the slightest use of denouncing the administration's budget of $36,000,000,000—which is entirely too much for peacetime—and then support appropriation bills which go to make a total of that amount.

On page 5 of the report, the committee suggests that the rebuilding of the world calls for a strong Department of State. While there are undoubtedly some who desire the world rebuilt at the expense of the American taxpayers, I am not aware that the Congress has subscribed to any such ultra ambitious program. I think the people and the Congress are united in their desire that the United States should accept its full share of responsibility in the United Nations and in world cooperation. I am equally sure that neither the people, nor the Congress, have authorized that the world be rebuilt by our appropriations.

What is before us in this bill is a specific illustration of a fearsome and continuing trend, not to rebuild the world, but to continue to build a tremendous Federal bureaucracy. In a 6-months' period, since the end of the war in August 1945, the old-line departments and agencies have increased by 140,000 the number of their employees. Apparently those who were dismissed from war agencies are immediately taken on in the regular departments of government. In the Department of Commerce, which is involved in this bill, there is an increase of 2,508 from December 1945 to January 1946, and a further increase of 1,503 from January to February 1946. In the Post Office Department there was an increase of 6,144 from December to January, and a further increase of 9,879 from January to February. Despite this increase of over 16,000 employees, the Department wrote me, on April 10, that it was unable to give me some very simple information that I required, because of a shortage of clerical help. It is hardly an exaggeration to say that if this trend continues unchecked, the time will come when the minority of our population will be working and paying taxes in order to support a majority on the Federal pay roll. And it is passing strange that these increases are most noticeable in election years.

I am not one who insists that the primary object of government should be a balanced budget, although this is highly desirable from every standpoint, and is a stronger check against inflation than most of the measures suggested. I am not opposed to appropriating, even very large sums of money, when I am satisfied that public good will be the result. But I am most unalterably opposed to the attitude that having spent $100,000,000,000 in wartime years we can continue a lavish scale of expenditures for a lavish number of Government clerks indefinitely.

It is just useless to keep talking about economy and efficiency and not raise a voice against constantly increasing appropriations. I, therefore, cannot support this or other similar appropriation bills, unless amendments substantially reducing them are passed.

Mr. DONDERO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. RABAUT. Mr. Chairman, if there are no other Members who desire to speak on this amendment, I ask unanimous consent that all debate on this amendment be concluded in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, will the gentleman yield further?

Mr. DONDERO. I yield.

Mr. RABAUT. Mr. Chairman, I am very happy that my colleague the gentleman from Michigan will make the closing argument in favor of the amendment.

Mr. DONDERO. I thank the gentleman.

Mr. Chairman, it is not very often—in fact, it is most unusual—that I take the floor in support of an amendment calling for an increase in an appropriation bill. But my judgment in this case demands that I do that very thing. It so happens that I have had some contact and experience with the Federal Bureau of Investigation, and particularly with J. Edgar Hoover, the capable and splendid Director of the Bureau. There is going on in this world a struggle between two ideologies of government—one which believes that the individual is the master of his government and is everything; the other ideology of government is that the individual is a subject and a number only and that his government, the state, is the master of all. Within the United States that struggle is now going on. This increased appropriation is to place in the hands of the Federal Bureau of Investigation additional power and equipment with which to combat that foreign ideology and uphold our own concept of human order and society—the Republic of the United States. I might say that it has come to my attention, and it has been a great disappointment to me, that in some instances the efforts of the FBI have been almost completely frustrated in attempting to deal with this condition within our own country.

This House has heard something about that quite recently when I addressed it on a resolution which was passed by an overwhelming vote, of better than 2 to 1, that we may take a look at the inside and see what is going on within our Government by people who have no sympathy with our form of freedom and self-government. If I had my way about it I would pass a law which would take the FBI out of all departments of government and make it a separate and independent agency, free from all control, except subject to and responsible only to the Congress of the United States. If that were done, its hands would be free, and it would more fully be able to work its will in behalf of the people of this country.

Three million dollars is not too much money as we count it in this day and age in which you and I live to be added to the defense and protection of the Nation. I am pleased to take the floor and raise my voice in defense of an agency of this Government which has earned the confidence and respect of the American people for the record it has made.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Colorado.

Mr. GILLESPIE. I believe, if the gentleman had sat in the committee and heard the testimony, his opinion would be strengthened. We listened to Mr. Hoover for some time, and I think the best money we can spend today is to strengthen the FBI and make it as independent as possible.

Mr. DONDERO. I thank the gentleman, and I agree with him thoroughly.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DONDERO] has expired.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Michigan [Mr. RABAUT].

The amendment was agreed to.

The Clerk read as follows:

IMMIGRATION AND NATURALIZATION SERVICE

Salaries and expenses, Immigration and Naturalization Service: For all expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration; including personal services in the District of Columbia; care, detention, maintenance, transportation, and other expenses incident to the deportation, removal, and exclusion of aliens in the United States and to, through, or in foreign countries; payment of rewards for information leading to the apprehension or conviction of violators of the immigration laws; stationery, supplies, floor coverings, equipment, and telegraph, teletype, and telephone services; traveling expenses, including not to exceed $5,000 for attendance at meetings concerned with the purposes of this appropriation; purchase for replacement only (not to exceed 300), hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; maintenance and operation of aircraft; firearms and ammunition; lawbooks, citizenship textbooks for free distribution, books of reference, and periodicals, including the exchange thereof; refunds of head tax, maintenance bills, immigration fines, and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money; mileage and fees of witnesses subpenaed on behalf of the United States; stenographic reporting services by contract; and operation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto; $24,500,000: *Provided*, That the Attorney General may transfer to, or reimburse, any other department, agency, or office of Federal, State, or local governments, funds in such amounts as may be necessary for salaries and expenses incurred by them in rendering authorized assistance to the Department of Justice in connection with the administration and enforcement of said laws; for detention of alien enemies, including the construction of temporary buildings, and for all necessary expenses, including household equipment, incident to the maintenance, care, detention, surveillance, parole, and transportation of alien enemies and their wives and dependent children, including transportation and other expenses in the return of such persons to place of bona fide residence or to such other place as may be authorized by the Attorney General, advance of cash to aliens for meals and lodging while en route, and for the payment of wages to alien enemy detainees for work performed under conditions prescribed by the Geneva Convention: *Provided further*, That the Commissioner of Immigration and Naturalization may contract with officers and employees for the use, on official business, of privately owned horses: *Provided further*, That provisions of law prohibiting or restricting the employment of aliens in the Government service shall not apply to the employment of interpreters in the Immigration and Naturalization Service (not to exceed 10 permanent and such temporary employees as are required from time to time) where competent citizen interpreters are not available.

Mr. CURTIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I arise to make some observations in reference to the legislation pending in the other body pertaining to the British loan. It seems to me that a clear analysis of this bill or legislative proposal would indicate that it should have been initiated in the House of Representatives.

The theory upon which this observation is based is that the major premise in the arrangement that has been arrived at with Great Britain is one involving trade, including quotas, tariffs, and other factors involved in trade between nations. Tariffs, customs, and all sorts of import duties are revenue-raising measures. In section 7 of article I of the Constitution, it says:

> All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

It has long been the established practice and interpretation that any measure which affects these revenue-raising bills, which impose duties and customs, likewise originate in the House of Representatives. The trade-agreements acts, and all the amendments thereto, which delegate to the President authority to enter into trade agreements with foreign nations originate in the House of Representatives, and they are referred to the committee dealing with revenue and taxation, to wit, the Ways and Means Committee. Within recent weeks the Congress passed the Philippine Trade Agreement Act. This act dealt with tariffs, customs, import duties, import quotas, and other factors which will determine the future trade agreements between the new Republic of the Philippine Islands and the United States. That bill rightly originated in the House of Representatives and was referred to the Ways and Means Committee.

Permit me to say that I have no personal reasons for suggesting that the legislation implementing our arrangement with Great Britain be referred to the Ways and Means Committee. It is a controversial subject and I am not out hunting for participation therein merely for the sake of having something to do. In addition to that, that committee is tied up with an over-all study of the Social Security Act. It has many other measures pending before it, and it is the hope of the minority members, at least, that we have a tax bill this year. Consequently, what I have to say about the jurisdiction of the legislation, which includes the British loan, it not motivated by any personal desire to have it referred to a committee of which I am a member. The rules of the House do provide that all legislation relating to the revenue and such measures as purport to raise revenue and the bonded debt of the United States shall be referred to the Committee on Ways and Means. This is in section 2 of rule 11.

In support of the contention that the major factor in the current proposal per-

taining to Great Britain is that of trade, I wish to quote from a pamphlet published by the Office of International Trade Policy of the Department of State. It is dated January 1946, and written by one Clair Wilcox, director. Mr. Wilcox says:

These agreements—there are three of them—are broad in scope, and they conform to establish a pattern of American policy. They provide, first, for the settlement of the war accounts.

The second part of these agreements is an understanding on commercial policy, in which the United Kingdom expresses its full agreement with the American proposal, pledges itself to participate in this summer's negotiations for the reduction of barriers to trade, and undertakes to support the American proposals at the world conference in the fall.

Continuing on quoting from the same pamphlet we read as follows:

The third item, and the one that has attracted the widest public attention, is the financial agreement.

Certainly, if the second part of these agreements, which deal with trade, tariffs, trade mergers, import quotas, and the like, is the most important of the entire arrangement, then, the bill should have originated in the House of Representatives and should have been referred to the Committee on Ways and Means. Let us see what the leaders in this administration and the British leaders have to say on that subject.

In a pamphlet entitled "Anglo-American Financial Agreement" published by the United States Treasury, January 1946, the Honorable Fred M. Vinson, Secretary of the Treasury, says:

The American people want a world of peace and prosperity. So do the people of all countries. This will be possible only through international cooperation to establish fair currency and trade practices that will make it possible for world trade to expand and grow.

Mr. Vinson also says:

England can secure imports only by paying for them by exports.

Mr. Vinson goes on to say:

And they agree that with this help, England could abandon wartime currency and trade discrimination and join with the United States in a program of international economic cooperation. This is the essence of the financial agreement between the United States and England which is now before Congress for approval.

It is apparent that Secretary of the Treasury Vinson feels that the trade-agreement features of our proposal with England are foremost. In other words, it involves trade negotiations, reductions in tariffs, and possibly import quotas. It should have followed the same legislative procedure as the trade-agreements legislation and the Philippine Trade Act.

The Chamber of Commerce of the United States has published a factual book entitled "Financial Agreement With the United Kingdom." It is dated February 1946. On page 7 of that booklet, it is stated the United States agrees "to join with other nations in eliminating or modifying trade barriers, the commitment implying a further reduction in tariffs under the Reciprocal Trade Agreements Act."

In that same chamber of commerce booklet on pages 16 and 17, we find this interesting observation:

The two Governments, it is further stated, have also agreed upon the procedures for the international negotiation and implementation of these proposals. Preliminary negotiations with other nations already have commenced for the purpose of developing concrete arrangements to carry out the proposals, including definitive measures for the relaxation of trade barriers of all kinds. The negotiations will relate to tariffs and preferences, quantitative restrictions, subsidies, State trade, cartels, and other types of trade barriers discussed in the State Department document.

On January 12, 1946, the Secretary of the Treasury, Fred M. Vinson, and Acting Secretary of State, Dean Acheson, took part in a Nation-wide radio broadcast. In that broadcast, Dean Acheson said:

In some ways, the joint American and British statement on commercial policy is the most important part of the agreement.

This joint American and British agreement which deals principally with the question of trade, tariffs, and quotas, is a grant of authority that extends several years beyond the life of our present Trade Agreement Act. President Truman in his message to Congress said:

It is not too much to say that the agreement now transmitted will set the course of American and British economic relations for many years to come.

Quoting again from the United States Chamber of Commerce bulletin, they say:

Whether the loan would prove to be a gift or a loan without interest may well be a moot point.

They go on to say:

Whether the loan actually is repaid as to principal as well as interest may depend to a considerable extent upon the willingness of the United States to accept payment in goods.

It is apparent that this is an agreement involving trade. It follows in the same pattern as our Trade Agreements Act and as the act dealing with our trade relations with the new Philippine Republic. It involves revenue, it is a tariff measure. It should originate in the House of Representatives.

I have referred to the publication by the United States Chamber of Commerce on this American-British arrangement. I wish to quote from that same pamphlet some of the British opinion in reference to this law. They quote Winston Churchill as saying on December 13, 1945:

If the United States had seen fit to say, "We shall give a grant-in-aid or a loan without interest" it would have been very natural to share their benevolent act and understanding on other matters. As it is, we seem to have the worst of it both ways. Everyone has drawn attention to the proposal that sterling be convertible into dollars within so short a time as 15 months, whereas at Bretton Woods it was contemplated that there should be a delay of as much as 5 years before we accepted convertibility as a definite legal obligation.

The convertibility within 15 months appears to be a proposition so doubtful and perilous that in practice we can only hope it will defeat itself. It is—in fact we hope—too bad to be true.

The London Economist places a number of criticisms against the proposal. Their discussion of it indicates that they consider it a matter relating to trade and to tariff, thus supporting the contention that the legislation authorizing this arrangement is tariff and trade legislation. I wish to quote from the London Economist as follows:

This crippling of Britain's bargaining strength is the first of the major objections. We cannot accept the American doctrine of nondiscrimination and hope to get our exports up to the required level. We cannot survive without the methods that are called reciprocal by those who practice them and bilateral by those who object. * * * Every nation in the world practices discrimination in one form or another. The Americans discriminate quite openly and powerfully in their loan policy, in their shipping laws, and most ostentatiously in their immigration restrictions. We have at least as much right as they to employ the methods of discrimination that we find useful.

The second major defect of the proposals is that they virtually rule out the possibility of a planned expansion of international trade. * * * The only way in which a state can plan its trade upward is by entering into agreements with other states for the mutual assurance of export markets—and that is to be banned.

I also wish to quote from the speech of Lord Keynes in the House of Lords at the time of ratification of the financial agreement. He said:

It is relevant, I think, to remind your Lordships that the maximum charge to use in respect of the early years is not much more than half of what is being charged in respect of loans which the United States is making currently to her other Allies, through the Import and Export Bank or otherwise; whilst the minimum charge percent, to which we have been asked to commit ourselves in the early years is only one-fifth of the annual service charge which is being asked from the other allies. None of these loans is subject to a 5-year moratorium. All the other loans which are being made are tied loans limited to payments for specific purchases from the United States. Our loan, on the other hand, is a loan of money without strings, free to be expended in any part of the world.

The most favorable terms sometimes allowed as, for instance, in the case of France, for the purpose of clearing up what she obtained through the lend-lease machinery, are 2⅜ percent, with repayment over 30 years, beginning next year; that is to say, an annual debt of 5⅝ percent, so that an amount equal to 34 percent of this loan will have been paid by France during the 6 years before we have begun to pay anything at all. The normal commercial terms in the Export-Import Bank are, however, 3 percent, repayable over 20 years commencing at once, so that payments equal to 48 percent of the loan would have been paid during the first 6 years in which we pay nothing.

Mr. Chairman, I submit that the legislation now pending in the other body should have been originated in the House of Representatives and that the House should so declare.

The Clerk read as follows:

BUREAU OF THE CENSUS

Salaries and expenses, age and citizenship certification: For salaries and expenses necessary for searching census records and supplying information incident to carrying out

the provisions of the Social Security Act, and other statutory requirements with respect to age and citizenship certification, including personal services at the seat of government, travel, microfilm, and binding records, books of reference, periodicals, and photographic supplies, $150,000: *Provided*, That the procedure hereunder for the furnishing from census records of evidence for the establishment of age of individuals shall be pursuant to regulations approved jointly by the Secretary and the Social Security Board.

Census of business: For the work of collecting, compiling, and publishing (including printing and binding) the census of business or distribution, as authorized by the act of March 14, 1903 (5 U. S. C. 604), including the employment by the director of personnel at the seat of government and elsewhere without regard to the Classification Act of 1923, as amended, $10,000,000.

Mr. JONES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 51, line 22, strike out lines 22, 23, 24, and 25, and on page 52, line 1, strike out lines 1, 2, and 3.

Mr. JONES. Mr. Chairman, this amendment would strike the entire paragraph for the proposed census of business.

The amount provided by the committee in this bill is $10,000,000. According to the testimony in the hearings the number of people required for this business census will be about 3,027 in the field, and 1,593 man-years in the District of Columbia, new years. The total would be 5,000 man-years required for the taking of this business census.

I call your attention to the fact that the Bureau requested of the Budget $14,305,329 for this business census. The Budget Bureau cut them down to $11,000,000 plus, and the subcommittee allowed the $10,000,000 which you have before you in this item.

I call your attention to page 266 of the hearings where the following colloquy occurs:

Dr. HAUSER. If we could refer back to the matter of the taking of this census, this cut of the Budget Bureau will bring the business census down to about the amount of information collected in 1940, and it does not go beyond that.

Mr. STEFAN. You will get for approximately $12,000,000 the job that you did get for $8,000,000 before?

Dr. HAUSER. Taking the census of agriculture took $10,000,000 in 1939–40, and it took $15,000,000 in 1945. Increased costs, largely in the field due to salary increases, raises in labor cost generally throughout the country, as well as other costs account entirely for the difference. It is about the same amount of work accomplished, but it just costs more to do it.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. SPRINGER. Is it not a fact that the census taken in 1945 was practically identical with the census here proposed?

Mr. JONES. The 1945 census was a sample census of business. The one provided for in the pending bill is an actual full-dress census with questionnaires, and so forth, on business.

Mr. SPRINGER. And that sample census of business cost $15,000,000.

Mr. JONES. I am not sure about the cost.

Mr. SPRINGER. It was almost $15,000,000 as I recall it.

Mr. JONES. That may be what was proposed for the sample census a year ago.

Mr. SPRINGER. The item in the bill is $10,000,000 for the taking of a complete census of business.

Mr. JONES. The gentleman is correct. I want to make this point: I do not believe the census can be taken for this $10,000,000 allowed by the committee. I do not believe the cost will be kept within that limit because the difference in cost for the agricultural census of 1940 and 1945 was a 50-percent increase for the latter year. It is only reasonable to assume that if we start this business census we will spend $15,000,000 before we complete it.

My proposal is to cut out the entire business census this year, and I offer the amendment for the simple reason that never before in the history of the United States Government has our Government known more about business in the United States than at the present time. Just examine for a minute the number of questionnaires that are forwarded to all types and manner of business by the Office of Price Administration. That is current. They are furnished every 3 months and also on an annual basis. Information from businessmen furnished to the OPA is the last word, straight from the horse's mouth. The OPA claims such detailed information they know everything about American business from top to bottom, big and little.

In addition, the Civilian Production Administration has control of the allocation of materials and must of necessity know exactly what the inventories and stocks of materials are in order to make the allocation of short supplies of civilian goods as well as the goods of heavy industry.

Never before in the history of the country has government known more about business, and it is current, it is up to date. Particularly with reference to the Office of Price Administration, there has been a flood of businessmen and concerns trying to get an increase in price and the reports required of businessmen are therefor even more frequent than quarterly. I therefore ask that you vote down the $10,000,000 for the business census by adopting my amendment.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. RABAUT. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. VURSELL. I yield to the gentleman from Michigan.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes, 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. VURSELL. Mr. Chairman, I rise in support of the amendment to strike out this $10,000,000 item for a business census. The people have been censused out of patience. The Government knows more now about every business concern than ever in the history of the Nation. This census will add 3,000 people to the Federal pay roll.

The President has promised the American people to try to balance the Budget, but you of the President's party have refused to join with us of the minority almost solidly on every roll call when we have offered amendments to strike millions from this bill. Henry Wallace, head of the Department of Commerce, will never get as much money as he wants for his Department. He has asked for $39,000,000 more this year than he had last year. He, as you well know, is a spendthrift and a wastrel of the taxpayers' money.

Mr. Chairman, this amendment to strike the $10,000,000 should prevail because as you of the majority pile up the national debt on almost every piece of legislation and as you increase the number of people on the Federal pay roll, you are driving this country constantly forward toward inflation. It seems to me that you Members of Congress should join with those of us who are for economy in an effort to help demobilize bureaucracy and in any effort to stop waste and deficient spending. The chairman of this committee has stated on the floor of the House that the national debt for every man, woman, and child in America today is around $2,000.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Minnesota.

Mr. PITTENGER. May I ask the gentleman if he does not believe that if we do not start in cutting out some of these $10,000,000 items, such as the present one, which will accomplish no purpose except to put some people on the pay roll looking forward to the elections this fall that this country is going bankrupt and the dollar will become practically worthless?

Mr. VURSELL. I think the gentleman from Minnesota is quite right in his observations. I have hoped against hope during the over 3 years I have been a Member of Congress that the House of Representatives would set an example of economy, that probably the other body would follow, and that we could reduce the number of people on the Government pay roll who are a constant drain upon the taxpayers of this country.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Indiana.

Mr. SPRINGER. It has been mentioned that business has had practically every kind and type of questionnaire which they have had to fill out and send down to a department in Washington. Is it not a fact that practically every department of government knows all about business, what the businessmen have and everything connected with business at this particular moment?

Mr. VURSELL. The gentleman is quite right. There has never been a time in all the history of this country when the business people have been so bedeviled with questionnaires as to the

state of their business as at the present time.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I just want to emphasize the last statement the gentleman made. Does not the gentleman think the American people, especially businessmen, are getting pretty tired of having to submit to answering questionnaires and furnishing information with respect to their business? Does not the gentleman think this is a pretty good time to halt in some degree at least this unnecessary gathering of data that will not do the country very much good?

Mr. VURSELL. The gentleman from Kansas is right.

The businessmen in the areas where they have labor shortage facing the country today and have for the past 2 or 3 years, have spent millions upon millions of hours filling out questionnaires. I must remind the House that there are something like 35 or 40 different organizations in this Nation today that are gathering some sort of census. Undoubtedly we can afford to save this $10,000,000 and save the people further aggravation and waste of time in making out these questionnaires. I hope you will help us make this saving.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, can it be possible that the Members of this House have forgotten the vacant stores that stood all over this Nation after World War I, after they had the spiral of inflation and the grand crash? Can it be possible that they have forgotten all that? Can it be possible that they have forgotten all about the people that were wiped out financially? Can you forget your own conditions because you are Members of the House of Representatives? Due to the very things that you went through yourselves, can you forget that now because you want to thwart a policy; a policy of study? That is hard to understand. Is it possible that Members sitting here representing 300,000 people from their individual districts can be so unmindful as to think that what happened before cannot happen again, under worse conditions, because the spiral of inflation is threatening by the very action that was taken recently; when the public debt is two hundred and seventy-nine billion as compared with thirty-two billion before and when inflation following World War I was only thirteen billion? What it will be after this war, with a $279,000,000,000 debt, no man knows, but it is very essential that this House should act and have this study made.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I will yield when I have finished my statement.

Now as to the census of business. How can any man who knows anything about business stand here on this floor and maintain that we should have no statistics about business conditions now; not study it; let the businessman find out for himself; do not have an over-all picture of the situation at all; that is unnecessary? That, to my way of thinking, does not make sense. It just is not cricket. Now I yield to the distinguished gentleman from Pennsylvania.

Mr. GROSS. Is the object of this census to find out how many little businesses have been closed by the autocratic action of the OPA?

Mr. RABAUT. No; it is not. I will tell the gentleman what it is, and I will not inject politics into any answer. It is for the purpose of protecting the fellow that will go into small business so that he might have some information before he risks his all. That is the answer, and I hope the gentleman will remember that.

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Ohio.

Mr. THOM. When was the last census of business taken under the provisions of this law?

Mr. RABAUT. In 1939.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Illinois.

Mr. VURSELL. This is a friendly question. Is it not a fact that the chambers of commerce in the very small towns, and the banker members of the chambers of commerce are taking the keenest interest in and are in the best position to advise returning veterans and others who want to go into business as to what the business conditions are in the particular localities?

Mr. RABAUT. I have no quarrel with the chambers of commerce in any of the towns or in the largest cities, nor with the bankers, but they were advising people when we had the crash just the same as they are advising us now, and it was this Government that bailed them all out. In some cities that I know of, they even sold the chamber of commerce buildings because they could not hang on to them themselves.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the distinguished gentleman from Kansas.

Mr. REES of Kansas. Is it not also true that we have a half dozen other Government agencies that are gathering information similar to that which the gentleman has in mind? Does not the gentleman believe there is a lot of duplication going on with respect to this matter?

Mr. RABAUT. I would be glad to answer the gentleman, but my time has expired.

Mr. Chairman, I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JONES].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 55, noes 44.

Mr. RABAUT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. JONES.

The Committee again divided; and the tellers reported that there were—ayes 86, noes 76.

So the amendment was agreed to.

Mr. STEFAN. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. STEFAN: On page 52, line 4, strike out lines 4 to 10, inclusive.

Mr. STEFAN. Mr. Chairman and members of the Committee, you have just voted to eliminate the business census which would require the employment of over 5,000 at an expense of about $10,000,000. My amendment deals with the manufacturers' census which would require the employment of over 1,600 people at a cost of $5,000,000. My argument is very similar to that of the gentleman from Ohio [Mr. JONES] and others who feel that the people and the country are now harassed by so many questionnaires and so much office work and requests for information by the Government that they have very little time to take care of their own business.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. REES of Kansas. In addition to that, the Bureau of Labor Statistics is taking this very census and getting this same information right now.

Mr. STEFAN. There should be no duplication of this sort. This census may be valuable, but I feel we perhaps could defer this expense for the time being.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. RABAUT. I want to understand the gentleman's amendment.

Mr. STEFAN. My amendment is on page 59, line 4. It strikes out the manufacturer's census, $5,000,000.

Mr. RABAUT. Not these other items to which you are referring?

Mr. STEFAN. Not at all. I am merely trying to explain to the House what a tremendous amount of money this proposed program will cost the taxpayer. We really should be curtailing expenses, and eliminate unnecessary Government employees. How can we, by any stretch of the imagination, meet the President's request to balance the Budget if we do not curtail some of these expenses which I think could very easily go over until some future time?

I hope you will support my amendment.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, one of the fundamental requisites for the successful transaction of business is information—data, which can be secured only through a Federal census. It is an aid the importance of which has been recognized from the beginning of the Government. It is one of the few mandates embodied in the Constitution of the United States—the taking of a census. Under that mandate

the Government has been taking censuses from 1790 on down to this date. It was not only recognized as one of the prime business requisites by the founders of the Republic, but in 1903 we passed a specific statute in which we provided for this particular phase of the census. It has been followed consistently since that time.

There has never been any question about the value of the data secured through this census. It has never been questioned. The businessmen of the United States have come to rely upon it and to expect it. There is practically a unanimous demand from the business of the country for the information that is secured through this census as indicated by numerous letters submitted to the committee and not a single letter of objection or criticism.

But the thing that should particularly concern us at this time is its especial value to small business. The great business organizations of the country have their own sources of information, and within a limited field they compile their own statistics. Of course, such data is not as full or as complete as the Government supplies, and they welcome the additional information furnished by the Government. But the small businessman does not have even this information. The pending appropriation which the amendment proposes to strike out is not only a proposition to help business generally in the United States, but is provided for the purpose of putting the small businessman on an equal footing with his larger and wealthier competitor. It gives the small businessman of the country a chance to get information which the big man with whom he competes is already able to secure and does secure in some measure for himself.

There has never been any criticism of this census from any of the business interests of the country. The only criticism has been purely political. I ask opponents of the appropriation to cite a single instance in which any business organization has opposed it. Without exception the business associations and organizations of the Nation favor it.

The census here proposed is one of the keys to business recovery and reconversion. It is the people to be served by this appropriation upon whom we must depend to lead us in this critical period of readjustment. They are pleading with us for this information. Can we deny them the tools with which to work?

In this connection, I want to pay tribute to the Director of the Bureau in charge of this work. He is one of the efficient men of the Government. Considering the rapid expansion of the business of this Bureau, both in volume and scope, in his effective administration has reflected credit both on the Bureau and the Department.

But I especially want to plead with the Members here today to give the little businessman this chance to conduct his business on a par with the large corporations and associations and to give the business of the country in general a fair chance in this respect to start back upon the road to reconversion. We must implement him with the tools he needs to successfully conduct the business of the Nation in this critical hour.

Mr. BROWN of Ohio. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Ohio is recognized for 5 minutes.

Mr. BROWN of Ohio Mr. Chairman——

Mr. RABAUT. Mr. Chairman, will the gentleman yield for a consent request?

Mr. BROWN of Ohio. I yield.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that al debate on this amendment and all amendments thereto close in 20 minutes, the last 5 to be reserved to the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROWN of Ohio. Mr. Chairman, I rise in support of this amendment because of my conviction and knowledge, as a small businessman and manufacturer, that the taking of this particular census is not only unnecessary but is a waste of public funds. The information which is gathered through this census from the small businessmen of the country, from manufacturers such as myself, does not become available for a long time after the census has been taken; and when it does become available is obsolete and worthless.

The only result to come from the taking of this census, other than to give employment to a few more people on the public pay roll, is to bother small business and to increase the tax burden upon the small manufacturing enterprises of the country in whom the gentleman from Missouri claims to be so greatly interested. If the gentleman from Missouri really wants to do something to help the small manufacturers and the small businessmen of America, let him reduce these huge appropriation bills that are being brought in by his committee to the floor of the House and are being passed by party votes.

I say to you, if we really want to help business, if we want to take a load off of the small manufacturers and make it possible for them to show a profit, then, in the name of Heaven, stop sending them a lot of Government questionnaires to fill out, and thus give their employees at least a little time to devote to the manufacturing business. Adopt this amendment, eliminate this census, and the small manufacturers of the United States will not only suffer no injury, but will actually be benefited.

There is no demand that I know of, or that anyone else can point to, that comes from small business or small manufacturers for this census. I do not know of a single small manufacturer in America who uses this census or gets any benefit from it. So I am hoping this amendment will be adopted so this costly expenditure of Government may be eliminated and thereby benefit somewhat the taxpayers and the business interests of the Nation.

The CHAIRMAN. The gentleman from Minnesota [Mr. GALLAGHER] is recognized.

Mr. GALLAGHER. Mr. Chairman, I am a member of the Census Committee. When I first heard of this measure I was opposed to it because it did not provide for a thorough census, although it was a rather accurate estimate. However, small business and large business sent recommendations to that committee asking that the census be taken. There seems to be an almost unanimous desire on the part of both small and big business that the information be made available so that they can determine the possibilities for the future development of their business.

We also inquired, when a particular department of the Government secured statistics, whether they used the same statistics as gathered by the census or gathered independent statistics and it was stated that the figures of the other departments of Government would be utilized, not especially those accumulated by the census.

The CHAIRMAN. The gentleman from Kansas [Mr. REES] is recognized.

Mr. REES of Kansas. Mr. Chairman, I rise in support of the pending amendment. This expenditure, in my opinion, is really a waste of public funds. I disagree with the gentleman from Missouri, the distinguished chairman of the Committee on Appropriations, who would have you believe that the businessmen of this country are asking us to appropriate $5,000,000 to get this information. I represent a pretty good segment of the people of this country, about 500,000 of them. There are a good many business interests in my district. There are a good many manufacturers in my district. I have never heard of any demand or request that we ask for this appropriation from the Federal Treasury. As a matter of fact, they would be most grateful to learn that this House for once had decided to cut off some of these unnecessary expenditures. They would like to see us save this $5,000,000, for one thing, and they would like to keep from being pestered with so many questionnaires and demands for information from various agencies of government. If you look into this thing you will find that the Bureau of Labor Statistics has been recently and is now gathering information along the same lines as is provided by this particular appropriation.

Mr. Chairman, our Government has overdone this thing at the expense of our people. We have about a dozen different agencies of government that are gathering all kinds of information and statistics. After it is secured they do not seem to know what to do with it. The people of this country, I am sure, will be most grateful to find that the House has decided to cut just a little bit on these appropriations and save some of the taxpayers' money. You will find that our businessmen are not demanding this particular thing. They would like to catch their breath and attend to their own business for a while and not be required to answer so many questionnaires and information blanks.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to my distinguished chairman of the Civil Service Committee, reminding him, too, that these appointees are outside of the

civil service. Incidentally, the gentleman from West Virginia knows a lot about this matter.

Mr. RANDOLPH. It is my feeling that perhaps 90 percent of the statistics which are gathered by the Federal Government are never used for any constructive purpose after they have been forwarded to the respective governmental agencies, whether in Washington or in some other part of the country. That is my first contention.

Mr. REES of Kansas. I agree with the gentleman. He knows whereof he speaks. I appreciate his statement.

Mr. RANDOLPH. The second is that today we have statistics on the number of employees in business in this country, those figures being gathered by the Bureau of the Census in the Department of Commerce and also in the Bureau of Labor Statistics in the Department of Labor.

Mr. REES of Kansas. The gentleman is exactly right.

Mr. RANDOLPH. In this instance there is unnecessary duplication of the gathering of identical figures. That should be done away with, and I think every effort by this House, regardless of whether the amendment originates on one side of the aisle or the other, should be supported where waste and overlapping of governmental functions occur.

Mr. REES of Kansas. I quite agree with the gentleman [Mr. RANDOLPH], and I do hope that the Members on the right of the aisle will joint with those on the left of the aisle and adopt this amendment and show the people of this country that it is not a political matter at all but that this House wants to save $5,000,000 for the taxpayers, who will have to foot the bill. I trust you will see fit to support the amendment of the gentleman from Nebraska, a member of this committee, who has gone into this entire matter most carefully and knows whereof he speaks.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, the gentleman from Missouri [Mr. CANNON] told us that the census was provided by the Constitution, and that it has been taken ever since 1790. Let us not forget the purpose that the writers of the Constitution had in mind when they placed that provision in it.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from New York.

Mr. TABER. That was a population census entirely, was it not?

Mr. SMITH of Ohio. That is correct. I just looked up the definition of "census" in Webster's New International Dictionary, and here is what it says:

> In the United States, a decennial general census, provided for by the Constitution (primarily to determine the number of Members of the House of Representatives and to enable the apportionment of direct taxes to be made) has been taken since 1790.

Now, there was never any thought in the minds of the makers of the Constitution when they wrote that provision that we should have anything like a Sample Census of Population, Monthly Report on the Labor Force, Quarterly Expansion of M. R. L. F., Consumers Income Study, Census of Religious Bodies, General Population Statistics, Agricultural Statistics, Business Statistics, Foreign Trade Statistics, Government Statistics, Industrial Statistics, and so forth. The taking of the census in the United States is at the present time, and has been for many years, a purely political matter. Politics is the main consideration for placing the census provisions in this bill. That is why they should be stricken out.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Colorado.

Mr. GILLESPIE. Has the gentleman had any demand from businessmen in his section, in his district, for this census?

Mr. SMITH of Ohio. The only demand I have had from my constituents is to keep the bureaucrats off their backs.

Mr. GILLESPIE. So far as I can see, the businessmen do not want it. I have had but one tell me that he wants it.

Mr. SMITH of Ohio. I have not had that many.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, I was rather surprised to listen to the remarks of my distinguished friend the gentleman from Ohio [Mr. BROWN] when he came out flatly as one of the leaders of the Republican Party in the House—and he certainly is one of the recognized leaders, and I recognize him as such of the minority party of the House—as being against this census, and calling it all a waste of public funds.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I would like to call the gentleman's attention to the fact that I did not brand all censuses as a waste of money, but I did brand this specific census of manufacturers a waste of money. And I wish the gentleman would add to his mention of my record that I am also a small manufacturer and know whereof I speak.

Mr. MCCORMACK. The gentleman pleads guilty and I will accept his plea of guilty to being opposed to a census of manufacturers in any form at any time. And as far as being a small manufacturer, why the gentleman, I know, as such, is deeply indebted to the Democratic Party for the great assistance we have given to the small manufacturers as well as the big ones during the trying days of the Hoover depression and the years thereafter.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I am sorry to learn that I have just been demoted and I was no longer the recognized Republican leader of the House.

Mr. MCCORMACK. No; never would I agree to that. I said one of the recognized leaders. No; never would I say that. My friend from Ohio takes his place many seats behind my distinguished friend from Massachusetts, and I know that he will approve of my observation.

Mr. BROWN of Ohio. Just how far back does the gentleman place the gentleman from Ohio? Let us get this thing fixed.

Mr. MCCORMACK. One thing certain, I am very glad that my friend from Ohio is not the new chairman of the Republican National Committee, because, with his versatility and his flexibility, we would have more difficulty in portraying to the people of America the things we intend to do than we will with the present chairman.

Mr. BROWN of Ohio. Let the record speak for itself.

Mr. MCCORMACK. Nobody has a higher regard for my friend from Ohio than I, and he knows it.

Coming to the question of the census of manufactures, of course, this is such a terrible thing that it has been going on for 129 years. It first started back in 1810. So I am pleased to note that my friend from Ohio is the first Member of the House in 129 years who finally recognizes the fact that a census of manufactures is no good at any time and under any conditions. The fact is that the Republicans have conducted these censuses while they were in power, and properly so. The census of manufactures has a useful place in our economic life now. I am sorry the Committee of the Whole voted out the census of business. I am hopeful that when we get back into the House we will have a roll call so that the people of the country will know just where the two parties stand and the members thereof, because this is a matter of vital importance transcending party considerations. The people should know where the parties in this House stand on this important question, the census of business. It has been stricken out, temporarily, I hope. We ought to have a roll call.

The census of manufactures having gone on for 129 years, and being needed now, I hope that the amendment to strike that out will be defeated.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from North Carolina.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. FOLGER. Mr. Chairman, will the gentleman from Michigan yield to me?

Mr. RABAUT. I yield to the gentleman from North Carolina.

Mr. FOLGER. I was going to ask the majority leader if in his opinion there had ever been a time when the census of business and the census of manufacturers were more important to the people of this country.

Mr. RABAUT. I yield to the majority leader to answer the question.

Mr. MCCORMACK. There is no question but that the taking of these censuses now, in view of the disturbances caused by the war and the readjustment

we are going through, is of vital importance not only to the business of America but to the people of America.

Mr. FOLGER. And political or party considerations ought to yield to the country's welfare, is not that so?

Mr. McCORMACK. No question about it. Of course, it is a good thing to have politics but it has no place in this discussion. However, the injection of politics into this has of course been on the most pleasant plane.

Mr. RABAUT. Mr. Chairman, as a direct aftermath of the war the department must expand, first, just to catch up on its regular work and responsibilities, for example, bringing up to date its vast commodity and industrial information, and, second, to handle its many postwar assignments, for example, those resulting from recent extension of trade agreement laws, participation in the formation and work of the new international economic agencies, and the work of the new Council of Economic Advice.

The majority leader has developed the subject, and I will not talk further on it. I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. STEFAN]

The question was taken; and on a division (demanded by Mr. STEFAN) there were—ayes 77, noes 58.

Mr. RABAUT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. RABAUT and Mr. STEFAN as tellers.

The Committee again divided; and the tellers reported there were—ayes 89, noes 70.

So the amendment was agreed to.

The CHAIRMAN (Mr. MILLS). The Chair desires to make a statement.

Earlier today, immediately upon the House resolving itself into the Committee of the Whole House on the State of the Union for the consideration of the present bill, H. R. 6065, the chairman of the subcommittee handling the bill propounded a unanimous-consent request which the Chair endeavored to understand. The Chair, in attempting to understand the unanimous-consent request, failed, however, to understand that request as it was transcribed by the official reporter. The Chair has before him the transcript of the record as taken by the official reporter, of the request made by the gentleman from Michigan. The request of the gentleman from Michigan was that all debate on the pending amendment close in 5 minutes. The Chair misunderstood the gentleman so that when the gentleman from Ohio [Mr. VORYS] offered an amendment to his amendment, the gentleman from Ohio, instead of being recognized for the 5 minutes to which he was entitled, was barred by the Chair from speaking in support of his amendment to the amendment.

The Chair wishes to apologize to the Committee and to the gentleman from Ohio [Mr. VORYS] for making a most unintentional misinterpretation of the request of the gentleman from Michigan. The Chair trusts the apology of the Chair may be accepted both by the gentleman from Ohio and the Committee.

The Clerk read as follows:

Compiling census reports, etc.: For salaries and expenses necessary for securing information for and compiling and publishing the census reports provided for by law, the collection, compilation, and periodic publication of statistics showing United States exports and imports; temporary employees at rates to be fixed by the Director of the Census without regard to the Classification Act; the cost of transcribing State, municipal, and other records; preparation of monographs on census subjects and other work of specialized character by contract or otherwise; travel expenses, including not to exceed $4,000 for attendance at meetings of organizations concerned with the collection of statistics, when incurred on the written authority of the Secretary; reimbursement for actual cost of ferry fares and bridge, road, and tunnel tolls, and not to exceed 3 cents per mile for travel performed in privately owned automobiles within the limits of their official posts of duty, of employees engaged in census enumeration or survey; maintenance, repair, and operation of five motor-propelled passenger-carrying vehicles; construction and repair of tabulating machines and other mechanical appliances, and the rental or purchase and exchange of necessary machinery, appliances, and supplies, including tabulating cards and continuous form tabulating paper; books of reference, periodicals, maps, newspapers (not exceeding $200), $13,000,000: *Provided*, That all functions necessary to the compilation of foreign trade statistics shall be performed in New York, N. Y.

Mr. WADSWORTH. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak for 5 minutes out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WADSWORTH. Mr. Chairman, the Members will recall that while the OPA extension bill was under consideration in Committee of the Whole, something like 10 days ago, I taxed the patience of the members of the Committee with an attempt to describe the distressful condition which presently affects the livestock industry, and to explain in some detail how it is that OPA regulations have resulted in a Nation-wide black market.

The Members will also remember, in all probability, that I offered an amendment to the OPA extension bill which, if adopted, would have lifted the OPA entirely from the field of the livestock industry and food products derived from such industry. The amendment finally, on roll call, was defeated in the House itself.

I note with some interest, Mr. Chairman, that but a day or two ago the Secretary of Agriculture, before a committee of the Senate, if I recollect correctly, has acknowledged, in effect, that a black market in meat is prevalent all over the United States. He is quite uncertain as to what can be done about it. Perhaps efforts might be continued for another 90 days, and if they do not work better than they have been working, perhaps something else could be tried, the inference being that OPA would withdraw from that field. I note also that in a press conference at the White House the President of the United States acknowledged the situation as recognized by the Secretary of Agriculture and indicating that perhaps after all it might be well to take OPA out of the field. Then, too, the Senate Committee on Agriculture has recommended that OPA be withdrawn from the livestock field. In other words, Mr. Chairman, the acuteness and distressfulness and scandal of this situation are now being acknowledged by those in power and I am glad to hear it.

It is not important, and it may not even be interesting, for me to say to you that I have just returned from the Chicago stockyards, where I spent Monday, Tuesday, and Wednesday transacting business of my own. During that period I had an excellent opportunity to observe at first hand the utter demoralization of the livestock market, especially with respect to slaughter cattle. I have not time under the 5-minute rule to describe that situation more in detail than I attempted to describe it in general debate on the OPA extension bill, but I may say to you, Mr. Chairman, that my observations in Chicago on Monday, Tuesday, and Wednesday of this week confirm all my statements made before the Committee of the Whole and, indeed, would have justified me at that time in using more vigorous adjectives.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. RAYBURN. I think the membership of the House in general will understand that I was not enamored of all the amendments offered to the OPA bill.

Mr. WADSWORTH. Does the Speaker mean my amendment?

Mr. RAYBURN. Amendments. But if I had my way I would have joined the gentleman from New York in passing his amendment insofar as it related to cattle, because I feel that I know that with 80,000,000 cattle in the United States there is a number and production that is sufficient.

I may say to the gentleman from New York and to others that I have spoken to people in high places and told them that I think that cattle ought to be removed from control.

Mr. WADSWORTH. Mr. Chairman, this is not the first time that I and the Speaker of the House have been in agreement on certain fundamental things.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Clerk read as follows:

Establishment of air-navigation facilities: For the acquisition and establishment by contract or purchase and hire of air-navigation facilities, including the equipment of additional civil airways for day and night flying; the construction of additional necessary lighting, radio, and other signaling and communicating structures and apparatus; the alteration and modernization of existing air-navigation facilities; the acquisition of the necessary sites by lease or grant; personal services in the District of Columbia and elsewhere; and hire, maintenance, repair, and operation of passenger automobiles, $18,000,000, and the War and Navy Departments are authorized, during the fiscal year 1947, to transfer without charge, subject to the approval of the Director of the Bureau of the Budget, air navigation and communication facilities, including appurtenances thereto, the Administrator of Civil Aeronautics: *Provided*, That the consolidated appro-

priation under this head for the fiscal year 1946 is hereby continued available until June 30, 1947.

Mr. RANDOLPH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: On page 54, line 18, strike out "$18,000,000" and insert "$18,100,000."

Mr. RANDOLPH. Mr. Chairman, the purpose of the amendment which has been offered is to increase the amount by $100,000 to which this paragraph refers. I do this to bring to the attention of the Committee the very definite need, as I understand it, on the basis of economy and not a further expenditure of funds, to bring about a program of air marking in the United States of America under proper jurisdiction of the Civil Aeronautics Administration.

I call your attention to page 781 of the hearings where Mr. Lample, of the Civil Aeronautics Administration, was testifying and was being questioned by the distinguished chairman of the subcommittee, the gentleman from Michigan [Mr. RABAUT]. The gentleman from Michigan made the statement that this matter of air marking is most important. He realized, as do all of us, that the development of aviation in this country is not based alone, although it is important, upon the increase of the air-transport systems of our Nation but on the great stimulus already being given to private flying in this country.

When we were attacked at Pearl Harbor in 1941, we had approximately 24,000 privately owned and operated aircraft in the United States. We know that within the next few years, possibly a matter of 10 years, we will have five to six hundred thousand privately owned and operated aircraft in this country. Those planes will need not only the facilities for greater satisfaction of the air traveler but from the standpoint of safety. These air markings cannot be neglected for the communities of this country. Mr. Burden, Assistant Secretary of Commerce for Air, stated that the amount proposed of $25,000 was not enough to do the job. The gentleman from Michigan [Mr. RABAUT] very appropriately said:

I do not know what you would do with $25,000 for the whole country, but I am wondering how you could expend this money.

Mr. Burden replied:

I do not think it is enough.

Mr. Lample went ahead to say that it would just allow for certain salaries and expenses of a very small staff. In other words, there would be no program of air marking in the United States of America. He is a safety expert and he knows the value of safety aids for the private flier.

Mr. Chairman, that program is absolutely necessary if we are to provide the standardization of basic facilities throughout the thousands of communities in this country which need to have air marking. It was my privilege, through the courtesy of the subcommittee, to appear and to advocate $200,000 for this particular item because I believed it was absolutely necessary in the development of our over-all air transportation; however, I have cut this request to $100,000. The Civil Aeronautics Administration can, in conjunction with the communities, where the counties and States can cooperate on a matching basis, do a necessary job. We cannot put that in the amendment, but we must necessarily do an important and coordinated job of air marking for the advantage and the safety of the private fliers of this country. The air transport craft do not need them. The communities of our Nation, in the interest of safety and in the interest of the development of this most important means of transportation in our country, need these air markings.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Colorado.

Mr. GILLESPIE. I think it is very essential that we add this amount to the appropriation, and I want to support the gentleman's amendment.

Mr. RANDOLPH. I appreciate the gentleman from Colorado making that statement because he uniformly believes in economy; however, as we develop the air transportation system of our country, with emphasis on private flying, we must do this job, and it can be done, at least partially, with the amount of money which the amendment proposes.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. HINSHAW. Mr. Chairman, I rise in support of the pending amendment.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Michigan.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 8 minutes, 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

There was no objection.

Mr. HINSHAW. Mr. Chairman, of course, everyone knows that the Army and the Navy and the Coast Guard and the air lines are the principal users of the air-navigation facilities that are established and operated by the Civil Aeronautics Administration. The private flier frequently is not so instrumented in his airplane that he can use these facilities to advantage. He is the young fellow who is traveling around over the country from small airport to small airport, and if he happens to lose his bearings by passing through an area of fog or something of that sort, of course he must locate himself when he gets out. Consequently, it is absolutely necessary for the protection of our private fliers, for their safety, that these air markers be placed wherever possible to direct them when they need direction.

Mr. D'EWART. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Montana.

Mr. D'EWART. I would like to rise in support of the amendment. My State is the third largest State in the Union, and we have the east and west lines as well as the north and south lines into Alaska. These markers are especially important both for the east and west fliers and for the north and south fliers. I am heartily in favor of this amendment.

Mr. HINSHAW. The gentleman is quite correct, and I trust that the House will aid the private fliers of the country, those young fellows who were the backbone of the Army and the Navy Air Forces, by permitting these direction markers to be installed all over the United States wherever necessary to guide them.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, the Committee on Appropriations is charged with the responsibility of keeping as far as possible within bounds the expenditure of funds. I have in my hand here the Civil Aeronautics Administration chart showing the money that has been given to this Administration since 1938. In that year it was in excess of $10,000,000. In 1939 it was $15,000,000 plus. In 1940 it was $25,000,000 plus. In 1941, which included civilian pilot training and developing landing areas, it was $104,000,000 plus. In 1942 it was $227,000,000 plus. In 1943 it was back to $38,000,000. Of course, in those years we started pouring it into the Army and the Navy. In 1944 it was $43,000,000 plus. In 1945 it was $36,000,000 plus. In 1946 it was $51,000,000 plus, and in 1947 it is $63,450,000. Now, these are real figures.

I am surprised at my colleague on the committee getting up out of the clear sky, after the way he has been talking in the subcommittee when the CAA asked for $25,000 for this purpose, and now asking openly and strongly for $100,000 for the same purpose. That comes as a shock to the chairman of the committee when he has worked long from the time of the closing of the Christmas recess practically up to the day the bill is brought on the floor.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from California.

Mr. HINSHAW. I am sure that the distinguished gentleman from Michigan, who has this subject in the lap of his committee, is very happy that the Civil Aeronautics Administration had installed all over the country a good system, although not the best system, of radio ranges in order to guide the military and naval aircraft flying from coast to coast and north and south when war came to this country.

Mr. RABAUT. As the gentleman knows, this committee had as much to do with providing funds for it as anybody in this House. We brought it here time and time again and are not making any complaints about it. But how far are these expenses going to go? We have a great many great air lines in this country. We have municipalities in this country that ought to be able, at least, if some paint is furnished them, to get a brush and paint the name of their town on a roof. I am for all the things that bring about improvement, but old John Doe, Taxpayer, U. S. A., with that little dinner pail in his hand, bent over with a load right

now as he goes down the street, is paying these bills.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Ohio.

Mr. JONES. I certainly heartily agree with what the gentleman says. I think the Federal Government has taken the commercial air lines on a free ride for too long a time. There are a lot of folks that are getting something for nothing from the Federal Government to encourage the air lines. It ought to be spread out and the expense paid by some of these other people.

Mr. RABAUT. Let me tell you something about the air lines. They are outrailroading the railroads today. Every time they take on some new personnel they give you some astounding figures as to what they can pay for it. They are outrailroading the railroads. The only time they are weak and in their infancy is when they come up before the Congress. I am glad that a former famous Member of this House now has a great deal to do with it. I had a conference with him and told him to present it to his people. The Federal Government cannot continue these expenses. It is up to these big industries to bear some of them.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I was very careful in my presentation of this amendment to say that the amendment is not for the benefit of the air transportation systems of this country. It would not help them one cent. It would assist the private flier, and is offered in his behalf. He is the flier who needs it in the development of one growing phase of aviation in this country.

Mr. RABAUT. We know all about who needs it.

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired.

The question is on the amendment offered by the gentleman from West Virginia [Mr. RANDOLPH].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 48, noes 21.

So the amendment was agreed to.

Mr. VORYS of Ohio. Mr. Chairman, in view of the statement made a few minutes ago by the Chair, which I greatly appreciate because of my fondness and respect for the present occupant of the Chair, it has occurred to me that the matter could be straightened out best by returning to the amendment on which debate was closed through the mistaken ruling of the Chair. I, therefore, ask unanimous consent for the reconsideration of the amendment which I offered last night and the amendment I offered to it this morning.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. GALLAGHER. I object, Mr. Chairman.

The Clerk read as follows:

Maintenance and operation of air-navigation facilities: For necessary expenses of operation and maintenance of air-navigation facilities and air-traffic control, including personal services in the District of Columbia and elsewhere; purchase (not to exceed thirty-four), hire, maintenance, repair, and operation of passenger automobiles; and not to exceed 3 cents per mile for travel, in privately owned automobiles within the limits of their official posts of duty, of employees engaged in the maintenance and operation of remotely controlled air-navigation facilities; $32,000,000: *Provided*, That none of the funds hereby appropriated shall be used for the employment of personnel for the operation of air-traffic control towers: *Provided further*, That there may be credited to the appropriation "Maintenance and operation of air-navigation facilities" sums received from States, counties, municipalities, and other public authorities for expenses incurred in the maintenance and operation of airport control towers.

Mr. PRIEST. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PRIEST: On page 55, line 10, strike out the sign and figure "$32,000,000" and insert in lieu thereof the sign and figure "$35,541,000,"; and strike out lines 11 and 12; and in line 13, strike out all through the colon and strike out the word "further."

Mr. PRIEST. Mr. Chairman, this is an amendment in which a great many Members of the House, I am sure, are interested. I know the gentleman from California [Mr. HINSHAW] had planned to offer an identical amendment. The gentleman from Illinois [Mr. SABATH] had planned to offer this amendment. A great many others have expressed a great deal of interest in it.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. The gentleman will also note that I have exactly the same amendment on the Clerk's desk.

Mr. PRIEST. The gentleman from Pennsylvania is correct. Also, the gentleman from South Carolina [Mr. RIVERS] had an identical amendment.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. ANGELL. I am in favor of the amendment.

Mr. PRIEST. The gentleman from Oregon also had planned to offer such an amendment.

Mr. Chairman, the purpose of this amendment is quite clear. The Bureau of the Budget recommended an appropriation of $3,060,582 for the operation by the Civil Aeronautics Administration of 110 air traffic control towers. This figure is increased somewhat in the amendment because the CAA had approved and recommended 16 other air traffic control towers. I have a list of them here. I shall not take the time to read them. The control of these towers is now being relinquished by the Army gradually or will be within the next few months. As you will recall, no appropriation for the operation of these towers was made to the Civil Aeronautics Administration for the fiscal year 1946, but they received $3,000,000 from the War Department for the operation of these towers during the fiscal year because at that time we were still operating during a great deal of the time under war conditions. Mr. Chairman, it seems hardly necessary for anyone who has ridden on the commercial air lines, or who has spent much time around airports recently observing the great increase in private flying, to recognize the tremendous importance of a uniform, well regulated, and well correlated system of air traffic control.

The private fliers, particularly, are at this very time giving this matter a great deal of attention because when they want to land at an airport, sometimes they are kept in the air for quite some time until the way is clear. It is important that trained personnel using a uniform system of signals and operating under uniform regulations throughout the country operate these air traffic control towers. In the debate on the amendment just a few minutes ago a great deal was said by my good friend, the gentleman from Michigan [Mr. RABAUT], about the commercial air lines. This, as I see it, is of as great importance to the private flier as it is to the commercial air lines. They would get along somehow pretty well themselves. But to the private flier it is of great importance. It is also of great importance in the interest of safety in air traffic to have these towers adequately staffed with trained personnel and subject to certain uniform regulations in the control of air traffic. It will become increasingly more important in the days ahead as every airway in the country is becoming more crowded day by day with additional aircraft of all kinds from the very large commercial planes down to the little one-passenger privately flown plane. This is a comparatively small amount. I am interested in economy as much as any Member of the House, but I am not interested in economy, Mr. Chairman, if that economy jeopardizes the safety of the airways of the United States.

I sincerely hope that this amendment will be agreed to. I wish the distinguished gentleman from Michigan [Mr. RABAUT] might be willing to accept the amendment approving this amount for the operation of these air traffic control towers. During the war, they were under the control of the armed forces. Now the time has come when they are going back under one type of control or another, either to municipal operation or to operation under the Civil Aeronautics Administration.

I note the committee recommends in the report that the municipalities operate these control towers, but recommends that they hire trained personnel, registered and certified by the CAA. Of course, that is only a recommendation.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to my distinguished colleague from Tennessee.

Mr. JENNINGS. I was not present when the amendment was read. Will the gentleman state briefly what it is?

Mr. PRIEST. The amendment adds a total of $3,541,000 to the appropriation for the Civil Aeronautics Administration for the purpose of operating 126 air traffic control towers, including one in the gentleman's home town.

Mr. JENNINGS. I wish to say I am in entire accord with my distinguished colleague from Tennessee. The appropriation is of urgent and vital necessity to save human life, not only the men operating the planes but the passengers.

Mr. PRIEST. I appreciate the comment of the gentleman, and I hope this amendment will be agreed to.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. PRIEST] has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. HINSHAW. Mr. Chairman, I object.

Mr. RABAUT. What time does the gentleman suggest?

Mr. HINSHAW. I suggest that you allow the debate to run along for a little while.

Mr. RABAUT. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 30 minutes, reserving the last 3 minutes for the committee.

The motion was agreed to.

Mr. RIVERS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RIVERS. How much time will that give every Member who wishes to speak, with the exception of the committee?

The CHAIRMAN. Each Member will be recognized for approximately 2¼ minutes.

The gentleman from California [Mr. HINSHAW] is recognized for 2¼ minutes.

Mr. HINSHAW. That is not half enough time to do a decent job in discussing this measure.

Mr. Chairman, I hold in my hand a volume entitled "Air Accident Reports by the Nichols committee," which was a select committee of the House of Representatives to investigate air accidents. I was a member of that committee and participated in investigating the causes of 28 serious air accidents. One of the first things that committee discovered in its investigations was the absolute necessity to have air traffic control towers at airports staffed and operated by the CAA rather than by municipal employees. They found that municipal employees were frequently most highly inefficient; that the equipment used was certainly not up to standard; and that it was impossible to operate in that manner with any degree of safety to the public. That committee found that the inefficient operation of control towers by incompetent and underpaid municipal employees was in part responsible for several serious air accidents, and that is why they recommended to the House in 1940 and 1941 that the operation of these towers be taken over by the Civil Aeronautics Administration.

Members of the Committee are making some statements to the effect that air lines do not pay their way in taxes—that air freight and air passengers do not pay any taxes. I wish to read some statistics. For 1945 the income, excess-profits, and undistributed-surplus taxes paid by air lines were $23,531,000; the transportation taxes—15 percent on passenger and 3 percent on express and freight—amounted to $31,048,000; gas and oil taxes, $2,305,000; and air-mail profits to the Government amounted to $67,000,000; or a total take by the Government of $128,884,000 for the year 1945 from air-line operations; and it is estimated that by 1950 that amount will go up to nearly $174,000,000. This is income to the United States, due to the fact that we have air lines in operation. I would like to hear somebody say that these people do not pay their way, and, of course, the public pays for it in the long run by their fares and freight charges and postage rates.

It is ridiculous to say that the air lines make no contribution toward the expenses of the CAA. Actually, perhaps 30 percent of the services of the CAA and CAB are chargeable to air-line operation. But no charge is made to the inland-waterway carriers who benefit from our $2,000,000,000 worth of inland waterways; no special charge is made to ocean carriers for our lighthouses and buoys, the Coast Guard, and the deep-water river and harbor work done; no important special charge other than gas taxes is made upon the highway carriers; and the railroads have exclusive use of their own rights-of-way. Before making a big special charge upon the air lines, it might be well for this Subcommittee on Appropriations to make a study of our entire transportation system and learn the facts.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from South Carolina [Mr. RIVERS] is recognized for 2¼ minutes.

Mr. RIVERS. Mr. Chairman, this is one amendment which is vital to the safety of those who fly airplanes in this Nation. Three million five hundred thousand dollars is not a drop in the bucket to the loss of one life.

We have spent $15,000,000 on an airport in my town. All the eastern air lines, the air lines which fly in the East, run to my city. Today they do not have this air control. Today those airships come in at their own peril. And then someone would rise and want to deny 1 cent, 5 cents, $5,000,000, or any figure to the furtherance of air safety. Air control is the heart and nerve of air travel. When a pilot is above the ground he has to have contact with the ground. This is the only way he can get it. He cannot grope in darkness, rain, wind, and sleet; he has got to have contact with the ground. This is the only way he can get it. When I was flying the Pacific a little while ago we started down toward New Caledonia from Guadalcanal. An equatorial front was coming toward the north. We had to turn. We wanted to go to Espiritu Santo, but we could not go there. We wanted to go to the Fijis, but we could not go there. We had to make a direct left turn and go way up to Kwajalein. One of our group wanted to stop at Tarawa, that great base in the Pacific where so many Americans lost their lives. They had no air control tower there and we had to pass over for we did not know what was there, this fine airplane, these fine pilots did not know, they had no contact with it. But wherever that plane went where they had air control they had contact with the ground. That is something for you to think about.

If we do not pass this amendment we will indeed be very, very short-sighted, we will be penny-wise and pound-foolish, we will show no vision, we will indeed be very, very shortsighted.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

The gentleman from Oregon [Mr. ANGELL] is recognized for 2¼ minutes.

Mr. ANGELL. Mr. Chairman, I hope we will not attempt to economize by failing to vote for this amendment. Those of us who have had the opportunity and occasion lately to use airfields throughout the country realize that this is one of the most important things we need for safety in air travel.

I have just returned by air from the Pacific coast, where my district is. We had occasion to land in the night by instruments, due to storm conditions, and I had impressed upon me very forcibly, more forcibly than ever before, the importance of these air-safety devices and the need for everything possible to make air travel safe. This amendment will give uniformity; it will give Federal regulation where we need additional regulation and not spasmodic regulation from airport to airport. Many of our cities will not be able to finance these control towers. It certainly should be provided by the Federal Government.

Mr. CASE of South Dakota. Mr. Chairman will the gentleman yield?

Mr. ANGELL. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I have had a similar experience to that which the gentleman from Oregon had and I feel that in lives saved and in planes saved this amendment will be for economy and progress. Certainly, what has been developed in the matter of air control ought to be put to its best use and made available for civilian safety as well as military.

Mr. ANGELL. I thank the gentleman. I hope every member of the committee will give his support to this very worthwhile amendment.

The CHAIRMAN. The gentleman from Illinois [Mr. SABATH] is recognized.

AIR PASSENGERS' LIVES SHOULD BE SAFEGUARDED

Mr. SABATH. Mr. Chairman, I have read the report of the amendment of

the gentleman from Tennessee [Mr. PRIEST]. I feel that the additional appropriation is justified and should be voted for. When it comes to saving lives we cannot be too liberal. Surely, if this amendment should save only a few lives it deserves our favorable consideration. I observe that some gentlemen are opposed on the grounds of economy. That is false economy. I, too, am for economy; I am against the appropriation of any moneys not actually required for proper administration of our Government; but this appropriation is necessary to safeguard the lives of our citizens, and I am for it.

Mr. Chairman, I well remember when the gentleman from Indiana [Mr. MADDEN] and I worked and voted for the appropriation of the first million dollars for air-mail traffic. There was much opposition at that time; but I am sure that those who opposed it then must now concede it was an appropriation in the right direction, and so is this amendment offered by the gentleman from Tennessee. I have at all times, and for many years past, advocated adequate safety devices on railroads. It is our duty to protect the lives of our citizens. We all know air traffic is constantly increasing, and air travelers are entitled to protection equal to that provided on railroads. We appropriate large sums of money for lighthouses and other safety devices. I do not know why there should be any question about appropriating for this much-needed protection to hundreds of thousands of American citizens who use the air lines. Therefore I am in favor of the amendment and I hope it will pass.

The CHAIRMAN. The gentleman from Colorado [Mr. GILLESPIE] is recognized.

Mr. GILLESPIE. Mr. Chairman, the very nature of the control of traffic moving into airports is a function that has to be handled by one head. I am afraid if we leave it to the various cities to handle it will be a mistake. If handled by the Government through the CAA we will have the same rules at Salt Lake City, Utah; Birmingham, Ala.; Denver, Colo.; and all over the country. That is what we want.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. GILLESPIE. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. The gentleman's contention is certainly correct because we will have a hit-miss, a hodge-podge, sprawling and unsegregated program otherwise. We need coordination, and we need it for this method of travel today, because it supplements, and does not supplant, the amounts of money which have been properly spent by the Federal Government through appropriation by Congress for land travel, for the sea lanes, and also for the railroads of this Nation.

Mr. GILLESPIE. I agree with the gentleman and I thank him for his contribution. May I say further that perhaps the air lines should pay their part of this expense. However, we have not the machinery set up right now to do that, and I am afraid if we attempt to make the cities pay for it we might run into difficulty.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. GILLESPIE. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. I think too much stress has been placed on this from the point of view of the air lines. It seems to me uniformity of signals is absolutely necessary for pilots of private planes more so than for the pilots of air liners. I hope the amendment will be agreed to.

Mr. GILLESPIE. I am certain the gentleman is right, because if the private planes do not have a safe method of getting in and out of these airports they become a great hazard to the commercial air liners, as after all, this is a matter of safety and with increased air travel we should take no chances on this vital issue.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, it seems to me that it is essential that the Federal Government should have control and should make the necessary appropriations to maintain these traffic control towers. It is necessary that they be coordinated and that they be manned with competent people who are equipped to discharge their duties to the public. Now what is the alternative if we do not make this appropriation? Many of the cities have gone deeply into debt to build the necessary buildings and to acquire the necessary lands for the continued operation of the airports after these properties were put into their possession. They did not anticipate that they would have to make the expenditures that are necessary to maintain the air traffic control towers, and as a result many of these airfields will be abandoned. The expenditure necessary to maintain an air traffic control tower for a single year is $35,000. That is a considerable expenditure for a city or any other political subdivision. Certainly this expenditure should not fall upon them, but that is where it is going to fall if this appropriation is not made at this time. In many instances very necessary airports will be abandoned to the detriment of the air service and public-spirited cities that have supported them and have attempted to make them useful airports. I know that in my district an airport board has gone deeply into debt to build the necessary buildings and has relied upon the income of the airport to pay the indebtedness. They did not anticipate this additional expenditure and they will be hard pressed to pay out if burdened with it. It is doubtful that they can continue to operate this most useful airport for a large section of the country under these conditions. I agree that we ought to effect all economies possible, but I think it would be short-sighted not to make this appropriation for this most necessary purpose.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Chairman, I rise in support of the amendment. It is one of the appropriations that is necessary for safe flying both north and south, and east and west.

Mr. Chairman, I have received telegrams from the mayors of Billings and Great Falls, Mont., the two principal cities in my congressional district, and from the airport commissions and chambers of commerce of these cities, concerning the Civil Aeronautics Authority funds in the appropriation measure now under consideration. I am including these telegrams as a part of this statement.

These gentlemen are particularly concerned because the measure as reported by the committee does not provide sufficient funds to permit continued operation by the CAA of traffic control towers at the Billings and Great Falls airports.

Billings and Great Falls are the principal crossroads of air-line traffic and private flying in my district. Billings is served by eight daily transcontinental flights of Northwest air lines. In addition Western Air Lines, connecting Denver and midwestern points with the cities of Canada, operates four flights daily through Billings. Pilots engaged in sowing and dusting operations in a large area of the Yellowstone Valley use the Billings airport, and the importance of these activities and of other private flying is steadily growing. Billings also serves as an important point on military air traffic routes.

Great Falls is served by Northwest Airlines on four daily transcontinental flights, and by Western Air Lines on eight flights between Denver and Canadian points and between Los Angeles and Canadian cities. Private flying at Great Falls is comparable to that at Billings; and the traffic situation is complicated by the location within a few miles of the municipal airport of an army air base which is an important overhaul depot and the terminal of air transport to Alaska.

Safe operation of these important airports depends upon adequate traffic control. The cities of Great Falls and Billings are not able to operate control towers. Aside from financial considerations, they believe that the control of interstate air traffic is a duty of the Civil Aeronautics Authority.

Montana cities are interested also in other CAA activities, which we are informed may be seriously curtailed if the suggestions of the committee are adopted. I refer to the lighting of airports, very high frequency radio ranges, and instrument approach facilities. In my district there are large and growing airports, in addition to Great Falls and Billings, at Livingston, Glasgow, Cut Bank, Lewistown, Miles City, Havre, and Glendive. It is important that these aids to flying safety be installed and maintained in accordance with CAA rules and regulations at these places.

Aviation is a rapidly expanding industry in Montana, as it is everywhere in the Nation. Several applications are now filed with the Civil Aeronautics Board for additional air routes serving Montana cities. We hope for favorable action on these petitions in the near future. The appropriations asked for the Civil Aeronautics Authority are small in

comparison to those requested by many other agencies of the Government, but their benefits to safe and orderly air operations are very great.

BILLINGS, MONT., *April 10, 1946.*
Congressman WESLEY D'EWART,
Washington, D. C.:

Will you give us your support on CAA bill tomorrow in the House regarding appropriation for operation of airport control tower? Cannot operate this airport without control tower and city cannot finance it alone. This is serious with us.

CITY OF BILLINGS,
H. E. BIDDINGER, *Mayor.*

BILLINGS, MONT., *April 10, 1946.*
Hon. W. A. D'EWART,
Washington, D. C.:

Understand House Appropriations Committee reported Commerce Department appropriation bill eliminating all funds for CAA financing and operation traffic control tower at Billings Airport for fiscal year beginning July 1. This operation vital to all commercial, military and private flying, including personnel and passengers, in area bounded by Twin Cities, Spokane, Great Falls, Cheyenne. Impossible for municipality to assume this responsibility. Urgently request you do everything possible to have this appropriation restored.

BILLINGS AIRPORT COMMISSION.

BILLINGS, MONT., *April 10, 1946.*
Hon. WESLEY D'EWART,
House of Representatives,
Washington, D. C.:

Informed House Appropriations Committee eliminated Commerce Department funds to operate CAA traffic control towers next year. This facility important device for safety of public air travel, especially at Billings where north-south, east-west routes cross and heavy private flying developing. This is an interstate, hence Federal, responsibility. Urge your support of amendment restoring appropriation.

BILLINGS COMMERCIAL CLUB.

GREAT FALLS, MONT., *April 10, 1946.*
Congressman WESLEY A. D'EWART,
Washington, D. C.:

Re debate commencing tomorrow on amendment restoring CAA appropriation for maintenance of traffic control tower. While favoring Federal expenditure curtailment wherever possible and plausible, Great Falls is terminal of western and inland air lines, also serviced by Northwest. Also contemplated headquarters Northern Air Lines if CAB approves their application. Also have invited National Guard unit headquarters here. Also faced with servicing rapidly growing base operators and private flying. Advised that while CAA might not require control tower maintenance here at this date, quite likely would require its maintenance if reasonable safety standards imperiled by any considerable increase in flying such as we anticipate and reasonably expect. Our potential airport income, including legal tax levies, not adequate to permit us to operate traffic control tower.

It strikes us economy might better be practiced in cases less seriously involving lives and property. Use your best judgment under the circumstances.

FRITZ NOREY, *Mayor.*

GREAT FALLS, MONT., *April 10, 1946.*
Hon. WESLEY A. D'EWART,
United States Congressman,
Washington, D. C.:

Informed that certain elimination of Commerce Department appropriations jeopardizes moneys for traffic control at Great Falls Airport. We believe in curtailment of Federal expenditures and in Government economy all right, but further believe that with such great increase in commercial airways future development in and through Montana, and particularly at Great Falls, traffic control upkeep in important cities such as ours should not be hindered. You know the picture of this certain appropriation curtailment and only ask your best judgment and efforts in having it restored, taking everything into consideration. Thanks.

GREAT FALLS CHAMBER OF COMMERCE,
A. J. BREITENSTEIN, *Secretary.*

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I am very much surprised at the action of the subcommittee in cutting out this $3,000,000. I want the Members of the Committee to understand that we are not asking for $3,000,000 to be put in the bill that has not previously been paid to the operators of these municipal airports. Airports have been receiving the money to pay the operators of the air traffic control towers for the past 6 years. Now, instead of wanting to keep the same system as to safety, the subcommittee is asking that different policies be substituted insofar as air traffic control is concerned; in other words, what they want done is to have the air traffic control towers personnel paid for by the municipalities who are already losing many, many thousands of dollars in the operation of their airports. The Federal Government wants to maintain control and supervision over the hiring, the firing, and the hours and the operations, but then they want the operators of the municipal airports to pay back money to the Federal Government which it cost for the salaries and maintenance. That is a principle that certainly to my mind is going too far and I do not think any Member of the Committee believes in such a principle if they ever gave it any thought for a moment.

I want to call your attention also, Mr. Chairman, to the fact that the Civil Aeronautics Administration is charged with the responsibility of fostering air traffic in behalf of national defense. Most of the commerce originating at airports is interstate. People do not fly intrastate as a rule. They fly from one State to the other. Therefore it is a necessary expenditure on the part of the Federal Government for safety reasons, for the promotion of commerce and the national defense, to spend this money, and I hope the amendment will be agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I hardly think it is necessary for me to undertake to add to what has been said in this matter. I rather believe it was a lapse of the fullest recognition of the importance of having uniform air control facilities throughout the Nation that the subcommittee failed to leave this amount in the bill. The bill provides:

That none of the funds hereby appropriated shall be used for the employment of personnel for the operation of air traffic control towers.

Every man who flies in the United States is interested in the safety of every airport that he at some time may visit. For instance, there is one in my district, at Winston-Salem. The men in charge of it, and not only they but citizens of the city—and they are very economical minded, themselves and for the Federal Treasury, they do not waste money—said that it is impractical and probably impossible for them to provide these air controls and the personnel to man them. If this amendment is not adopted, there will be a spotty condition all over the country. At one airport you may have good facilities for air control, at another the facilities may be only half as good, and at still another they may be not so much as that. It jeopardizes particularly the lives of the private fliers all over the United States. Whether there be an airport in one's district does not matter so much. I am interested and as a flier, if I did operate a private plane, I would be interested in facilities that would provide uniformity of operation for safety in the airports of all the States in the United States. I hope this amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Chairman, I oppose this amendment because I think the Federal Government is being taken on a ride in the form of a top-hat WPA for the chambers of commerce in the various States of the United States. We have forgotten one thing. The Federal Government has built a great many of these airports. Many of these airports were constructed with CAA funds, and have cost $100,650,000. What the relief funds total for airport construction in addition is not known. The interest on CAA construction funds alone every year costs $2,500,000. Not only that, the Federal Government subsidizes the cities further. We have to rent space on airports that we built. The total annual rental is $57,702,000 for the privilege of furnishing the service. It is unfair, it is unconscionable.

If you follow to its ultimate conclusion the argument proposed by the proponents of this amendment, which I suppose is offered in good faith, that the Federal Government must pay the air traffic control officers, then you might as well say that in order for a man to be safe in a plane between airports the Federal Government ought to pay the pilots. Is that true? Certainly we know it is not necessary to hire the pilot to insure safety of flight. Certainly not. The pilot does not have to be on the Federal pay roll in order for the passengers to be safe.

You members of the Committee on Interstate and Foreign Commerce can draft legislation requiring safe regulations under which these tower operators can operate in the several municipalities. You can require the standards of air control tower operators. Who licenses the pilots? That is the secret of the success of the safety of air transportation in America. The Civil Aeronautics Administration licenses the pilots. Who licenses the airplanes? The Civil Aeronautics

Administration. Is it necessary, then, for the Civil Aeronautics Administration to have on the payroll the air traffic control officers? No, it is not. If you think it is necessary to have uniform standards, then get off the doorknobs in your committee and write legislation setting up standards for the municipal governments to pay, and quit sucking the Federal Treasury.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. RAMEY].

Mr. RAMEY. Mr. Chairman, I wonder if any of us have recognized the fact that the Federal Government takes care of the towers for the lighthouses of our country, and rightly so. We maintain them along the shores of all of our lakes and coasts, and properly so. The question now before us is of much greater scope and involves the safety of even greater numbers. I am in favor of the amendment.

Yesterday you voted for an appropriation for so-called entertainment of ambassadors, and so forth, to buy good will. Should we appropriate taxpayers' money for subsidizing in this manner, yet at the same time deny the Federal support to our pilots and their crews and passengers?

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr RABAUT. Mr. Chairman, as I step into the well of the House I feel like putting my hand to my head and saying, "Poor Uncle Sam." Poor Uncle Sam—every time they are up against it, they take it out on the poor old man. How we talk about economy. But let something happen in the individual district and a speech goes out the window. Now, the safety feature is not involved here—that is number one; and every speaker here has gotten behind the safety feature. We are as anxious as anyone on earth that it shall be kept under the CAA. When you talk about figures, there is $32,000,000 written here and not $3 500,000. That is what ycu are adding to it. Of course, it is for the gentlemen's individual districts. We are trying to point a clear-cut way so that some of the burden shall be borne by someone other than the Federal Government.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. JONES. And the very committee that is sponsoring this amendment to increase Uncle Sam's contribution is the committee that has charge of legislation that would set the standards so the Civil Aeronautics Administration could license municipally paid employees?

Mr. RABAUT. The gentleman is correct.

Now, I want to read to you what is in the bill on page 55, line 13:

Provided further, That there may be credited to the appropriation "maintenance and operation of air-navigation facilities" sums received from States, counties, municipalities, and other public authorities for expenses incurred in the maintenance and operation of airport traffic control towers.

The committee expects to get beaten this afternoon. You are probably surprised to hear me say that, but I say to you that we gained our objective, and we have told the air lines and we have told the people of this country and we have told the municipalities of this country that they have to quit leaning on Uncle Sam.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

All time has expired.

The question recurs on the amendment offered by the gentleman from Tennessee [Mr. PRIEST].

The question was taken; and the Chairman being in doubt, on a division there were—ayes 55, noes 27.

So the amendment was agreed to.

The CHAIRMAN. The gentleman from California [Mr. HINSHAW] has an amendment at the Clerk's desk at this point.

Mr. HINSHAW. Mr. Chairman, that amendment was the same as the amendment offered by the gentleman from Tennessee, and I desire to withdraw it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Maintenance and operation of aircraft: For all expenses necessary for the maintenance, operation, and overhaul of 231 aircraft for the use of all the activities under the Office of the Administrator, and the repair of aircraft engines and other aircraft parts, including personal services in the District of Columbia, $1,500,000, and the War and Navy Departments are authorized to transfer to the Civil Aeronautics Administration aircraft (for replacement purposes only), aircraft engines, parts, and accessories, and hangar, line, and shop equipment surplus to the needs of such Departments, such transfer to be without charge therefor, and the appropriation "Maintenance and operation of aircraft" is hereby made available for the costs of transportation and storage incident to the procurement and care of such items.

Mr. RANDOLPH. Mr. Chairman, I cffer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH:

On page 56, line 25, strike out "$1,500,000" and insert "$1,200,000"

On page 57, line 9, strike out the period, insert a colon and the following: "*Provided*, That no funds in this paragraph shall be expended for the pay of any employees of the Civil Aeronautics Administration for the maintenance of more than one parts warehouse, nor for the repair or overhaul of aircraft costing more than $100 per airplane: *And provided further*, That all repair and overhaul on Civil Aeronautics Administration airplanes costing more than $100 shall be done on contract after submission of bids."

Mr. RABAUT. Mr. Chairman, I reserve a point of order on the amendment.

Mr. RANDOLPH. Mr. Chairman, this amendment would reduce by $300,000 the amount proposed in the bill which we now have under consideration. It is offered to direct the attention of the committee to what I believe is a violation of the original language and intent of the Civil Aeronautics Act of 1938. In that bill which later became effective law we said that we would regulate, we would foster, we would encourage the development of aviation in this country. We did not say then that we would, and we should not say now that we will, put the Civil Aeronautics Administration into competition with private industry in this country.

There are throughout America not a few, there are many, operators who do a good job in the business of the repair of aircraft. I would direct your attention to the fact that the Commerce Department appropriation bill for 1946 carried a total of $892,894 for the maintenance and operation of the aircraft that are owned by the Civil Aeronautics Administration. A summary of the requirements of the Civil Aeronautics Administration indicates that it is believed necessary today to have $2,000,000 for a job on which they then gave us a figure of $892,000. The committee has reduced the $2,000,000 and made it $1,500,000. I propose to reduce further by $300,000 the amount requested.

I direct your attention to the fact that whereas in 1946 the Civil Aeronautics Administration was dealing with the repair and maintenance of aircraft that were becoming obsolete in some instances, that certainly were not easily kept in condition by the expenditure of small sums of money, that now with the purchase of surplus planes that have been made available, it is an unwarranted request of the Civil Aeronautics Administration, and partly agreed to by this committee, to allow the use of Government funds to put the Government in the business of general repair. I feel that there is an obligation to encourage, to foster, and to regulate; there is no reason, however, why the Civil Aeronautics Administration should go into direct competition with the operators of this country who are in the business of general repair of aircraft and who on the record—if I had time to point it out—have done a commendable job and have done it economically for the Civil Aeronautics Administration.

I trust that although I offered an amendment earlier this afternoon to provide $100,000 for air markers and the committee, properly, I believe, approved that amendment, that in this instance when I ask you to cut an appropriation that you will give attention to it as well. I feel that we are allowing an entering wedge here—it may not be so apparent at the beginning—but if we allow the door to be opened just a little way, you may find that next year and the year following the Civil Aeronautics Administration will come to the Congress and request funds to enter a field which is not within its province.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. RABAUT. Mr. Chairman, I insist on my point of order. The amendment is a directive under the guise of a limitation in the last proviso.

The CHAIRMAN. Does the gentleman from West Virginia desire to be heard on the point of order?

Mr. RANDOLPH. Not at this point.

The CHAIRMAN. The Chair is prepared to rule.

Mr. RANDOLPH. I am ready to hear the Chair.

The CHAIRMAN. The gentleman from West Virginia offers an amendment to page 56, line 25, and page 57, line 9, to the bill H. R 6056. The amendment down to and including the word "airplanes" and the comma, is perhaps

nothing more than a limitation and in order. The language following the comma after the word "airplane" seems to require of the Civil Aeronautics Administration other responsibilities and to impose additional duties upon that agency of Government. Therefore it would be legislation and subject to a point of order. The Chair sustains the point of order.

Mr. RANDOLPH. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH:

On page 56, line 25, strike out "$1,500,000" and insert "$1,200,000."

On page 57, line 9, strike out the period, insert a colon and the following:

"*Provided*, That no funds in this paragraph shall be expended for the pay of any employees of the Civil Aeronautics Administration for the maintenance of more than one parts warehouse, nor for the repair or overhaul of aircraft costing more than $100 per airplane".

Mr. RANDOLPH. Mr. Chairman, I believe this takes care of the point of order made by the gentleman from Michigan and I hope the newly offered amendment will be agreed to by my colleagues. It is following a line of action in connection with economy. It strikes at the heart of what may be the beginning, as I have said, although the danger may not be too apparent, of a policy in this agency of Government by going into a field that it should not properly embrace.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman's amendment says nothing about the storage warehouse at Oklahoma City, to which his original amendment referred. Would his amendment eliminate the warehouse at Kansas City where we are planning to store approximately $9,000,000 of surplus airplane parts to be turned over to the CAA?

Mr. RANDOLPH. It would not. It would go only to the proposition of establishing the CAA in the business of extensive aircraft repairing. It would not mean that these plane parts could not properly be kept and used.

Mr. STEFAN. The committee should know that the CAA is now acquiring a large number of surplus craft from the Army which it badly needs, approximately 235 which they will have, all told. In addition to that, the Army has approximately $9,000,000 worth of spare airplane parts which are vital to the repair of these particular aircraft which the CAA wants to use. It is necessary for them to have a place to store those parts, otherwise it will result in a loss to the taxpayers. The gentleman's amendment would not eliminate the warehouse for these spare parts?

Mr. RANDOLPH. No; that would be preserved.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment end in 10 minutes, 4 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Illinois [Mr. DIRKSEN] is recognized.

Mr. DIRKSEN. Mr. Chairman, I hope that the Committee of the Whole will adopt the amendment offered by the gentleman from West Virginia. There might be a little more here than meets the eye.

The aviation business is a growth industry. If you have any doubt about that, look in on any airplane passenger office anywhere in the United States of America and see how crowded they are. In proportion as aviation is a growth industry today, the CAA will be a growth agency in Government and it will grow year after year. If you permit them to start repairing airplanes where the repairs cost in excess of $100 or no limit, then as they acquire more airplanes obviously more people in the capacity of aerial mechanics will go on the Federal rolls and enjoy a Federal status. Do not forget that no airplane can fly today, whether it is private or public, unless it has certification from the CAA. From the repair of a CAA plane by its own staff to the repair of almost every plane in the United States of America before it can get certification could be just a single transitory step. If we permit them to get into this business now, we may be inviting aviation garages all over the country where certificates for flying are conditioned upon whether or not the repair work has been done by a CAA mechanic. Now it is one thing to have automobiles repaired in Government garages because you do not need any certificate in order to drive them, but in the case of a flying machine it requires a Government certificate, and while I would not be so bold as to say this will actually take place in the near future, the possibility is definitely there.

I hope the amendment offered by the gentleman from West Virginia will be resoundingly adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. GILLESPIE].

Mr. GILLESPIE. I rise in support of the amendment offered by the gentleman from West Virginia [Mr. RANDOLPH]. At the present time the CAA has about 230 planes which they are operating, and when they get these new ones they will have about the same number because they will discard the old ones. The cost of operating the old planes last year was around $900,000. Under this new system that they want they are asking for a little over $2,000,000 for operating and maintaining about the same number of planes. There is no skill in the automotive industry that has had greater growth since the war than the mechanical maintenance of airplanes. With that in view we have so many returning soldiers and servicemen of all kinds who want to get into that line of business and are working in it and setting up shops all over the country now. They have shops everywhere, wherever a plane may need repairs. At the best the CAA could not set up but very few shops in the country even for the money they asked for originally. So I think this amendment is a good thing, and I think we should keep this work in private enterprise and let the men returning from the services handle it in an independent way.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, what is this all about? Mr. Wright, the able administrator, who is famous for his knowledge of aviation, drove a great bargain with the Army and took over the entire supply of certain type of planes that are now discontinued in manufacture. On top of having all these planes he has the parts that accompanied the planes; extra fuselages, extra wings, brand new motors. The planes are valued at $6,000,000 and parts at $1,300,000. This association of parts and planes will keep these planes going, it is estimated, for at least 5 years, and if we ground a few of them for a while, which the committee did, for an even longer period; if we disregard this and let these parts go into private channels, Uncle Sam will incur a loss from the transfer of surplus property at junk prices, and you are going to force the United States Government to buy parts at exorbitant prices because they will be specialty parts demanded by no other agency of Government and no private individuals. You are making a de luxe proposition to sock Uncle Sam, hit him hard, and play into private hands at the expense of the American taxpayer. Anybody in business would not call that a good business deal. I am particularly surprised at my friend from Illinois, who spoke on this subject.

The Army and the Navy have planes, and who repairs them? They repair them themselves. Why does not the distinguished gentleman from West Virginia offer that sort of an amendment? No, it would not be offered here because it would have no consideration, but take it out on the CAA, where the public is involved.

I say to you, in justice to the Government this amendment should be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. RANDOLPH].

The question was taken; and on a division (demanded by Mr. RANDOLPH) there were—ayes 39, noes 24.

So the amendment was agreed to.

The Clerk read as follows:

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Departmental salaries and expenses: For personal services (not to exceed $4,200,000) and other necessary expenses of the Bureau of Foreign and Domestic Commerce at the seat of government in performing the duties imposed by law or in pursuance of law; maintenance, operation, and repair of passenger automobiles; travel; newspapers (not exceeding $1,500), periodicals, and books of reference; and other contingent expenses in the District of Columbia; $4,600,000: *Provided*, That expenses, except printing and

binding, of field studies or surveys conducted by departmental personnel of the Bureau shall be payable from the amount herein appropriated.

Mr. WINTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WINTER: On page 63, line 3, strike out "$4,200,000" and insert "$1,800,000"; and on page 63, line 10, strike out "$4,600,000" and insert "$2,055,000."

Mr. WINTER. Mr. Chairman, the purpose of this amendment is to reduce the amount of funds appropriated to the Department of Commerce for which Secretary Wallace is setting up three new agencies within the Department. I might say that those agencies are being set up without authority of Congress. At the present time, the Committee on Interstate and Foreign Commerce of the House of Representatives is holding hearings on this matter. The hearings started day before yesterday. I have in my hand the bill which authorizes the Secretary of Commerce to appoint three new Assistant Secretaries and gives him authority to reorganize the Department as he sees fit. A subcommittee of the Interstate and Foreign Commerce Committee, is now holding hearings on that matter and the Congress has not yet determined whether or not it wants to adopt the policy that Mr. Wallace is proposing to put into effect in the Department of Commerce.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I am very glad to yield to the gentleman.

Mr. PRIEST. The gentleman is a member of the subcommittee holding these hearings and is a very able member. But I wonder if he will not agree that the Department of Commerce as now constituted contains a Bureau of Foreign and Domestic Commerce, and that this appropriation is a rather meager appropriation for that Bureau and would in my opinion be justified regardless of what our committee might do in connection wtih the reorganization plan that the gentleman mentioned.

Mr. WINTER. No; I cannot agree with the gentleman's statement because this provides for additional personnel for the Department to set up the very thing that we are holding hearings on at the present time. Under the funds provided in this bill, the Secretary would be able to put additional personnel to work in the Department. One of the things that he would do would be to put someone in as an assistant secretary in charge of small business.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WINTER. Yes; I would be very glad to yield to the gentleman.

Mr. JENNINGS. Would not that be in effect giving Henry Wallace power of attorney over small business?

Mr. WINTER. That is exactly what it would be doing.

Mr. JENNINGS. I would not give him power of attorney to get a bucket of water.

Mr. WINTER. If the gentleman from Tennessee would listen for a moment he will see what Mr. Wallace wants to do. He wants to set up a program within that department whereby he will be able to take care, as he says, of small businessmen. To find out what they want; what their market conditions are; what the conditions are in the small merchant's home town; and what is necessary for the small retail merchant to successfully operate a business.

On cross-examination I asked Mr. Wallace what he intended to do in this proposed program to assist the small businessman. He said, among other things, "We intend to come in and make a survey if these people want it, to determine what is necessary for the small businessman to successfully operate a business and what he can cut out to make it profitable." He went so far as to say, "We are going to determine whether or not he can have a telephone in his business and still run it on a profitable basis."

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I yield to the chairman of the subcommittee.

Mr. RABAUT. I wonder how far the gentleman wants to go in really cutting a great department like the Department of Commerce. On this item, the request of the Bureau of the Budget was $7,757,000. We have got it down now to $4,600,000. Now the gentleman wants to cut it down to $2,055,000. Why not wipe it out and tell the people to do all this themselves?

Mr. WINTER. As far as I am concerned, if Henry Wallace is going to try to develop a program in the Department of Commerce comparable to what he did in the Department of Agriculture, we better wipe it out or we are going to have business controlled worse than it has ever been by a Federal agency.

Mr. RABAUT. Of course, it is not a question of running the House of Representatives on a heat propaganda. We are talking about a great department and not about Henry Wallace.

Mr. WINTER. I am talking about the Department and Henry Wallace. All this amendment does is to cut the appropriation for the Department of Commerce to what it was last year for this particular use in the Department.

Mr. RABAUT. When we were at war.

Mr. WINTER. Yes. When we were at war.

Mr. RABAUT. And now at peace, we are going back to commerce.

Mr. WINTER. When we were at peace, before the war, the Department of Commerce, before Henry Wallace had anything to do with it, was spending approximately fifty or fifty-five million dollars a year. This year Mr. Wallace asked for $165,000,000 for his new, expanded program.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. WINTER] has expired.

Mr. WINTER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GILLESPIE. Will the gentleman yield to me?

Mr. WINTER. I yield.

Mr. GILLESPIE. It is true that the Secretary asked for some $7,000,000. We are not cutting him down. He had $2,393,000 last year.

Mr. WINTER. That is right.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I yield.

Mr. REED of New York. I was very much interested in what the gentleman had to say in regard to Mr. Wallace having the power to regiment everybody. But it is in line with the philosophy of another distinguished person. Mrs. Eleanor Roosevelt, in My Day, said:

It has been a long fight to put control of our economic system in the hands of the Government, where it can be administered in the interests of the people as a whole.

Mr. WINTER. That is right. I think that is a part of this program.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I yield.

Mr. PITTENGER. You know we were going to get rid of these wartime expenditures in peacetime and get back to a peacetime basis. I wonder if the gentleman will agree with me that these increased expenditures are a part of the program to create more departments and new bureaus and waste more of the taxpayers' money, looking forward to 1948?

Mr. WINTER. There is no question in my mind about it.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I yield.

Mr. JENNINGS. May I read from the report of this committee:

With respect to the departmental activities, for which the amount of $4,600,000 is recommended, the committee is of the opinion that many of the proposed aids to business are superfluous, and many of the proposed services reach too deeply into the problems of individual management. The average businessman may need and will undoubtedly gladly accept guidance, but he certainly does not want to be led by the hand. Moreover, it is extremely doubtful that much in the way of productive assistance can be rendered general business so long as our wartime controls are still in effect. With respect to the development of the foreign trade of this country, the committee could not help but feel that much of the program as presented duplicates present activities of the Department of State.

Mr. WINTER. That is right. After making that statement in their report, however, the committee gave Mr. Wallace these additional funds.

Now, I would like to proceed for a moment without interruption, if I may, to read this very short statement by Mr. Henry Wallace, which explains exactly what he wants to do:

The small businessman should be able to come to us and find out at least a good part of what he wants to know about the business outlook, potential, industrial, and consumer markets at home and abroad, and the special position his particular industry may have in his business or region.

Second, we have drawn a blueprint for a program of scientific and technological services that should enable the small businessman who cannot afford expensive scientific and engineering staffs, et cetera, to carry on his business, and he should be able to come

to us and get answers in all types of business problems concerning his day-to-day affairs.

Further he states:

I know most of you must be thinking that this is a very big order, but without trying to minimize the difficulties of the task, I am prepared to state unequivocally that, given the necessary backing and cooperation, it can be done. I say this on the basis of my experience as Secretary of Agriculture. We should be able to do for the other types of small business what the Department of Agriculture did for agriculture in this country.

That is what Henry Wallace wants to do to the ordinary businessman in your home town. Your small businessman has not had an opportunity to appear before our committee to tell us whether or not they want this magnificent service, and yet we find the Administration here trying to get in the back door and get appropriations for the Wallace dream before Congress authorizes Mr. Wallace to set out upon such a gigantic program in aid of our small businessmen throughout the country. About all the aid the small businessman of my district needs is for big government to let him alone.

I know as far as the businessmen of my district are concerned they will be exceedingly well pleased to know that Henry Wallace is not going to have some organization sending its representatives throughout the country trying to tell them how to run their business; and I believe you in your districts will have the same reaction from your businessmen. This amendment, in my opinion, is one that certainly should be adopted if we want to economize and have less Government interference with business by bureaucratic dreamers and planners.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. CANNON of Missouri. Mr. Chairman——

Mr. RABAUT. Mr. Chairman, will the gentleman yield for a consent request?

Mr. CANNON of Missouri. I yield.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, the last 5 to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. HALLECK. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. CANNON of Missouri. Mr. Chairman, if there is any item in this bill which should be considered on its merits this is that item. We are in a critical time in the business development of the country. We stand at the crossroads. I would not deprecate the importance of economy; it is one of the crying needs of the day. But we are confronted suddenly with conditions requiring expenditures in Federal and international activities to a degree hitherto unprecedented in our national economy.

Overnight the United States has had world leadership thrust upon it. We are today not only the most powerful military Nation in the world; not merely the most advanced people in science and industry; not only the richest Nation on earth, but we are incomparably the leading Nation of the world in business and commerce.

We developed during the war, in every industrial center, the best equipped plants and factories ever erected. Under the pressure of war production we trained armies of workers, mechanics and artisans to operate these plants at capacity and minimum mass production costs. To supply voracious war demands we streamlined raw materials on feeder assembly lines into these plants and under the hands of these workers. In brief, we have the plants to turn out every manufactured product required by mankind. We have the workers to operate the plants and the raw materials to supply them.

And what is important in the discussion of this appropriation bill and this appropriation and this amendment—we have the markets of the world into which to feed the output of these plants and this labor. Germany, once our formidable competitor in the production of manufactured goods does not have a plant left today. Japan, which once put manufactured goods into our own domestic markets at a price cheaper than we could manufacture them ourselves has been eliminated. England under the blows of a destructive enemy and the inevitable attrition of war is left with depreciated, antiquated, obsolescent plants, depleted manpower and all but insurmountable capital requirements. Every international market is ours if we will but take advantage of it.

But there is the rub. Will we take advantage of our opportunities in these international markets? At this zero hour, when world trade is beginning to crystallize, we need the service of the Bureau of Foreign and Domestic Commerce. It is indispensable. American business needs it. American capital needs it. American labor needs it. American industry needs it. And here is an amendment which calmly proposes to wipe it out. It does not make sense.

Mr. Chairman, the close of the war has thrown upon us vastly expanded international responsibilities. War agencies which cannot be abruptly terminated entail continuing expense and in many instances increasing demands—even though temporary. All the problems of reconversion must be solved or at least temporized. New world relations are being molded into permanent patterns which cannot be readily changed. For the time being we cannot count the cost too closely.

True, we must reduce the national debt. Certainly we cannot permit a further increase. But the most practical and expeditious road to debt reduction is through conditions which will insure higher production and wider distribution of American goods.

The money carried in this paragraph will give us that assurance. The adoption of this ill-advised amendment will hamper the realization of that objective.

In this connection we should not overlook the support this proposed expenditure by the Bureau of Foreign and Domestic Commerce will contribute to our national economy, our way of life, our system of free enterprise. In most of the nations of the world free enterprise as we know it—and under which we have become the leading commercial nation of the world—is being smothered by national control. In Russia, for example, individual business does not operate. The state controls, operates, and administers. In many nations of the world cartels, combinations, and coalitions control and our businessmen are handicapped in dealing with them. Our system of free enterprise must negotiate with economic totalitarianism. The services of the Bureau of Foreign and Domestic Commerce are needed and will be increasingly needed to meet these constantly recurring and changing situations.

In fact, this Bureau is the nerve center of the business program of the Department of Commerce. Even the most biased must concede that if we are to depend on the Bureau at all it is inadequately financed. As originally proposed, the amount recommended by the President for the Bureau in the 1947 budget represented only 7.4 percent of the total recommendation for the Department. Even this relatively small amount was reduced by the committee before reporting the bill to the House. As now submitted in the pending bill it is a little less than 4 percent of the appropriation proposed for the Department. It has been cut to the irreducible minimum.

And just a word in response to any animadversions to the Secretary of Commerce. I trust I misunderstood them. This is no place for personalities. Certainly any suggestion of detraction not directly related to the Department provided for in this bill could not affect either the bill or the great scholar, scientist, and statesman who has served in the cabinets of two Presidents, carried the portfolios of two departments, presided over the United States Senate, lived for years within the shadow of the Presidency, contributed so largely to American literature and science and administered so admirably vast governmental activities for more than a decade. The only purpose Henry Wallace seeks to serve or has ever sought to serve—as demonstrated by his years of service in positions so eminent as to be open to the gaze of all the world—is the common good, the freedom, comfort, and prosperity of every American family, the welfare of all mankind.

Let us give him the tools with which to achieve these ends. Let us here supply the facilities with which to promote American business, secure capacity production, provide full employment, insure the highest standard of living and establish here in America a dominant world commerce.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. HALLECK. I yield to the gentleman from New York.

Mr. TABER. Is this not one of the items that has been under consideration by the Interstate and Foreign Commerce Committee and being brought in here only because of the rule? It really ought to be considered in the form of legislation reported by the Committee on Interstate and Foreign Commerce before we go into this angle?

Mr. HALLECK. Of course, the gentleman is exactly correct. It would seem to me that no member of the Appropriations Committee would contend otherwise in view of the language contained on page 26 of the report in these words:

> The justifications for this bureau were prepared in line with the provisions of Senate bill 1367 and House bill 4871 and in anticipation of the enactment of either of these companion measures into law. The Senate bill was recently passed and is now before the House Committee on Interstate and Foreign Commerce. This bill proposes the creation of three additional Assistant Secretaries of Commerce and a reorganization of the general functions of the bureau.

Mr. Chairman, I yield to no one in the matter of interest and solicitude for the problems of small business. I seriously doubt whether Mr. Wallace is the best man to solve them. If he undertook to solve their problems like he has undertaken to solve some other problems before the country I think small business would wind up on the little end of the horn.

I mentioned my interest in small business.

Why, I was chairman of the first House committee set up to try to do something for small business, and it was my privilege to serve as the ranking Republican member on the official Committee on Small Business, a committee created by resolution adopted in this House. I served on that committee for a number of years. No one has been any more interested in their problems than have I.

But we might debate at great length about what is the best thing to do for small business. If you take some of the restrictions and limitations and hamstringing operations off of small business, small business will do much better than it would under the gentle guidance of Mr. Wallace, having regard for some of his operations in the past.

That is not the only proposition that is here involved. The Committee on Appropriations—maybe it is too harsh to say has the effrontery—but it certainly approximates it—to come in here and just brazenly say, "We are asking for this appropriation, this expansion of the agency, this reorganization, and money for the organization, in anticipation of what the legislative committee is going to do in the enactment of legislation." Now what sort of business is that? I have not heard anyone point out any such immediate urgency for this action as to justify the short circuiting of the legislative committee and the orderly procedures of the House of Representatives and to grant to the Committee on Appropriations the right to come in here in this manner and undertake to bring about reorganizations and expansions and other things in connection with the Department of Commerce. Why, I see here the gentleman from Tennessee, who is chairman of the subcommittee on which I serve, the Subcommittee of the Interstate and Foreign Commerce Committee, having this bill in charge. I said to him privately today, and I say it here now in the course of the debate, that if this is to be adopted and we are to surrender to the Committee on Appropriations these prerogatives, we might as well adjourn the meetings of our subcommittee and just let the Committee on Appropriations run it all.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, for the information of the last speaker let me say that justifications were based on the proposed legislation, and the appropriation in this bill was based on existing law, and the interpretation as given by the gentleman is not at all in conformity with the action of the committee nor with the wording of the report. I say that so that he may be informed.

We are talking about business today and we are talking about the Department of Commerce. One of these three Assistant Secretaries who appeared before us has already left the Department and was taken over by none other than the Ford Motor Co. to be one of its principal buyers. So it is too bad that your judgment is so warped because you want to climb behind the screen of a hate psychology and shout "Henry Wallace!"

Mr. WINTER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Kansas.

Mr. WINTER. I just want to ask the gentleman this: The Ford Motor Co. did not take Henry Wallace, did they?

Mr. RABAUT. They took a man that we were trying to place in here, a position that you sought to strike from the bill. Now he has gone. He is the type of person that they are putting in the Department of Commerce at the present time but which you, in your judgment, think is an erroneous thing to happen for the benefit of the Nation.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Illinois.

Mr. SABATH. In view of the question propounded about Henry Wallace, does the gentleman not think that that company or any other large company would be only too pleased to pay him twice as much he is receiving now, if they would get him to serve them? But he is serving the public and not the private interests.

Mr. KNUTSON. Name the company.

Mr. SABATH. Any of them.

Mr. KNUTSON. Oh, that is too general. Name one.

Mr. SABATH. All of you combined have not got the wisdom or the ability that he has.

Mr. RABAUT. Business has many new operating problems growing out of the change-over from war to peace. With new products being introduced, decisions have to be made by businessmen on what markets to go after, selection of the best distribution channels, decisions on transportation techniques, and selection of location of plant or business.

The war has left many businesses with surplus capacity, and businessmen have to make decisions on what to do with the surplus capacity. Other businessmen face expanding postwar markets, and they have to decide how much capacity expansion could be absorbed by the economy.

To make the best decisions in all these instances, the businessman needs not only good judgment but he needs the facts and a sound review of these facts. For facts and essential know-how the forward-looking businessman turns to the Department of Commerce. And to supply such needs, the Department has to increase such services as periodic review of economic progress in each industry, construction cost studies, collection of market data, and analysis of freight, traffic patterns, and rate structure.

While everyone recognizes the importance of small business in our economic life, very little has been done in the past to reduce the large number of failures among small businessmen which occur even in prosperous times.

Oh, we have a great championship here for big business, and we have lip service for small business. Small business cannot compete with some of the techniques of big business, and naturally small business will get the run-around when it comes to spending some money for their benefit.

The Department of Commerce is now setting up an office devoted entirely to help small business out of some of the difficulties that have plagued it in the past.

Many businessmen who failed would not have gone into business had they known about the problems confronting them and realized the financial and technical resources needed to get along in that particular business. And do not forget, under the GI bill of rights we are making more loans to small businessmen.

Mr. PRIEST. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, since I happen to be the chairman of the subcommittee of the Committee on Interstate and Foreign Commerce that is now holding hearings on a bill that would provide for three assistant secretaries in the Department of Commerce and would give authority for some reorganization of that Department, I feel that I should make a brief statement at this point, since my good friend and the ranking member of the subcommittee, the gentleman from Indiana [Mr. HALLECK], and my other good friend, the gentleman from Kansas [Mr. WINTER], a very valuable member of the committee, have also referred to that legislation.

We have held only one session on the legislation pending before the subcommittee. Mr. Wallace came before the subcommittee last Wednesday and we had a rather lengthy session in which the whole program was discussed somewhat at length.

Mr. WINTER. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Kansas.

Mr. WINTER. It was discussed somewhat at length, but the only witness that has been before our committee so far has been Mr. Wallace. Is not that true?

Mr. PRIEST. That is true. May I say, however, as the gentleman will recall, that another session has been set for next Monday.

Mr. WINTER. That is right.

Mr. PRIEST. At that time we hope to hear from the United States Chamber of Commerce, export shipping organizations, and representatives of small business as well.

Mr. KOPPLEMANN. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. Further concerning Mr. Wallace, who appeared before the gentleman's committee, is 't known to his committee that Mr. Wallace in his own capacity as a businessman has made a huge and successful venture in the line of small business, which has developed into good business for the benefit of other small businessmen throughout the country?

Mr. PRIEST. I am sure the Committee is aware of those circumstances.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. The gentleman realizes, of course, that there is not a dollar proposed for appropriation in this bill which is based upon any legislation under consideration in his committee. The only appropriations proposed in the pending bill are based upon legislation carried in existing law.

Mr. PRIEST. I was just coming to that.

I yield to my friend the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Of course, there is an authorization for the Department of Commerce, and the Committee on Appropriations could appropriate whatever money it wanted to appropriate. But the fact of the matter is, as the report states, that this money in the larger amount is being provided because of this program which it is contemplated will be put into effect by the Department of Commerce.

Mr. PRIEST. In response to my friend, the gentleman from Indiana, may I say it is my opinion that under the present organization of the Department of Commerce in the Bureau of Foreign and Domestic Commerce, all of the programs that might be envisioned under the new legislation can be carried out as the department is now constituted. It is my opinion also that the department greatly needs this appropriation even if we do not pass the legislation raising the position of what is now the chief of a bureau to the level of an assistant secretary. I think whether he is a chief of a bureau with certain responsibilities in a certain field of endeavor or an assistant secretary, the department needs this appropriation in this postwar period.

I yield to the chairman of the subcommittee.

Mr. RABAUT. I rise simply to say that the gentleman is absolutely right and has explained the situation perfectly.

Mr. PRIEST. However, may I say that I do have some feeling of jealousy for the prerogatives of the subcommittee of which I am chairman, and of the full Committee on Interstate and Foreign Commerce.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. VORYS of Ohio. We had legislation before the Committee on Foreign Affairs which caused me to think that all of this same sort of thing was to be conducted by the Department of State. Has the gentleman's subcommitte heard the views of the Department of State with reference to the creation of another kind of activity with reference to our foreign affairs?

Mr. PRIEST. No; the subcommittee has not up to this time heard from the Department of State because the Department of State, of course, is primarily interested in the political aspects of foreign relations. They are not altogether concerned with that feature, but primarily the emphasis is on that phase of the question.

Mr. VORYS of Ohio. If the gentleman will yield further, the Department of State has presented to us the imperative importance of having the Department of State interested not only in political but in economic affairs affecting our foreign relations.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. PRIEST. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. PRIEST. May I say in conclusion I feel seriously that Secretary Wallace, whatever personal opinion you have of him, is making a very serious effort today in his position as Secretary of Commerce, to enable the Department of Commerce to serve the business and commercial world to the same degree, or to a comparable degree, as the Department of Agriculture now serves agriculture.

I find in my contacts with businessmen in my district that so very few of them have an understanding of what services are available to them through the Department of Commerce. I find that the farmers of my district know exactly where to go. If something develops in the burley tobacco market, they know they have to call Jack Hutson. They know him by name. They believe he can do something for them. He can give them some advice and suggestions that will be helpful. But I doubt if there is a businessman in my district who would know as well whom to call in the Department of Commerce to get some assistance and to get some advice, to find out about market conditions in foreign or domestic commerce, or to get information about many other matters which would be equally helpful to him, as the information from the Department of Agriculture is to the farmer.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Ohio.

Mr. McGREGOR. Does not that thought carried to its logical conclusion prove the inefficiency of the Department of Commerce under its present head?

Mr. PRIEST. I may say that this goes back over a long period of years—that is, the failure of the Department of Commerce to get close to the business and commercial interests of the country. The present Secretary has been there only a very short time, and most of that time has been under war conditions. I do not feel it should be attributed to that.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last three words.

Mr. RABAUT. Mr. Chairman, will the gentleman yield to me for the purpose of making a unanimous-consent request?

Mr. McCORMACK. Certainly, I yield.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. McCORMACK. Mr. Chairman, there is certain information I would like to receive because I think there is a great deal of honest misunderstanding. Certainly from the debate I have not drawn any inference that there is any desire on the part of any Member to do anything but the right thing. We all recognize that the Bureau of Foreign and Domestic Commerce is the real heart of the Department of Commerce. I would like to ask the chairman of the subcommittee a question: My understanding is that the appropriation for the Department of Foreign and Domestic Commerce for the present fiscal year is $2,055,000. Is that correct?

Mr. RABAUT. That is correct.

Mr. McCORMACK. That is what the gentleman from Kansas has provided in his amendment on line 10, page 63.

Mr. RABAUT. That is correct.

Mr. McCORMACK. Does that take into consideration the increase in salaries that we have already voted or will vote for the employees of the Department of Domestic and Foreign Commerce?

Mr. RABAUT. It does not.

Mr. McCORMACK. It does not. It is apparent from that, that $2,055,000 is too low.

Now, may I ask the gentleman again: Is there any legislation which this body has passed with reference to veterans, imposing additional duties upon the Department of Commerce, which means additional expense and money to be appropriated, of vital concern to the veterans of this country?

Mr. RABAUT. Yes. They are to advise the veterans before they go into business. The Government is vitally interested in the success of the veteran. The Government is not only interested in the success of the veteran as a man, but because it guarantees at least a part of the loan.

Mr. McCORMACK. It is very apparent that the amendment offered by the

gentleman from Kansas [Mr. WINTER] did not take into consideration that very important matter. It means that the increases in salary voted by the Congress cannot be paid, if his amendment were to be finally enacted into law.

Furthermore, there would have to be elimination of the activities in the Department of Commerce with reference to our veterans. Certainly, from the statement of the chairman of the subcommittee that is a very important activity.

I realize there is a great deal of intense feeling in some limited places against Secretary Wallace. I have a very high regard for him. I do not like to talk politics in connection with pending legislation, although I love politics. In the political arena I like to discuss it, and I have and I shall, whether in or out of this body, I hope, as long as I live. But from the angle of criticism, talking as a Democrat, the more my Republican brethren criticize Secretary Wallace, frankly speaking, and giving you an open confession and taking you into my confidence, the more I like it, because the more you make a martyr of Henry Wallace, and the more the people of the country and those who admire what he stands for are determined to follow his leadership and respond to his influences, the more that response is directed in favor of the Democratic Party.

I see the chairman of the Republican Congressional Committee rising and I know he has a momentous observation to make and I await it with hesitation.

Mr. HALLECK. I just wanted to remark that I understand the majority leader is not on Mr. Wallace's purge list, and for that I am very happy.

Mr. McCORMACK. The gentleman's observation is not as momentous as I feared it might be. My enemies overlook the fact that the last day for filing was last Tuesday and neither party entered a candidate against me. So it appears as though I am going to be here for 2 years longer; and I confidently predict for the benefit of my distinguished friend from Indiana that next January the Democrats will again be in control of the next Congress, that I hope my Democratic colleagues will extend me the kindness of reelecting me their majority leader.

Mr. HALLECK. I congratulate the gentleman on his success in getting by the primary and say to him that next Tuesday I go into the primary with an opponent, but I think I will be back.

Mr. McCORMACK. All I can say is that if a Republican must come back from the gentleman's district the gentleman from Indiana [Mr. HALLECK] is one of the most likable fellows I have ever met.

I did not have much time to talk on the amendment, but I think I have made two pertinent observations: The veterans and the Federal employees, both of whom will be affected if the amendment of the gentleman from Kansas is adopted in its present form.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The gentleman from Colorado [Mr. GILLESPIE] is recognized.

Mr. GILLESPIE. Mr. Chairman, I cannot make as illuminating a talk on politics as the leader of the majority, but he mentioned advice to veterans. I wonder who in this House, if he were lending money to a veteran to start into business, would want that veteran to take very much advice from the young men who would be sent out by the Department of Commerce to tell him how to run a business. I wish I had brought with me some of the large number of books I have in my office, furnished by the Department of Commerce, telling people how to open a business. Everything is there, from how to paint the signs to how to install the telephone, and whether or not you should have a telephone One of these books tells how to start a filling-station business. They tell you what to do the day you open the business, to see that everything is in its place, to have gasoline in the tanks in case somebody should want to buy any, to have lubricating oil for sale, to have an air pump to inflate people's tires, and to have a clean rag to wipe off windshields; and the rest rooms must be ready, and they say you must have a clean towel and toilet paper in place. In fact, they make it seem quite simple, indeed.

I am wondering if with what they are doing they will not induce a lot of veterans to go into business with no hope of success. I would hate to be responsible for inducing a veteran to take all his money and all the money he could borrow from his mother-in-law and all his relatives, when we know that over 90 out of every 100 businesses that start are doomed to fail.

Mr. GOSSETT. Mr. Chairman, will the gentleman yield?

Mr. GILLESPIE. I yield.

Mr. GOSSETT. Does that book tell them how to stay in business? They overlooked an awfully important feature there, I think.

Mr. GILLESPIE. That is right. Starting a business and staying in it are two different things, as I know from experience. I do not feel that there is a solitary thing they can advise anyone on in regard to business. Business is a vital thing, it is a thing that has life, it is not something static about which anyone can tell exactly what to do under all circumstances. I am sure you will agree that the advice furnished to veterans by the Department of Commerce will be of very little real value. I hope we will not permit this extra expenditure to advise veterans how to start in business.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

The gentleman from Illinois [Mr. SABATH] is recognized.

DEMOCRATS LED IN AID TO SMALL BUSINESS

Mr. SABATH. Mr. Chairman, I listened wih a great deal of interest to the remarks of my colleague from Indiana when he talked about the aid and assistance he gave on his committee to small business. May I remind the gentleman that after I had made several pleas for small business, he organized a few of the reluctant minority, namely, Republicans, to follow my advocacy and urging. I hope he will continue his efforts because we on this side have tried in every way to help small business since 1932. In those days we passed the Reconstruction Finance Corporation, and authorized the RFC to make loans to small business. We gave the Federal Reserve authority to make loans to small businesses. Finally, we adopted laws to be of direct aid to small business.

Consequently, I hope that the gentleman will continue to aid small business, especially in view of what the gentleman from Colorado said, that 93 percent out of 100 percent of the small businessmen fail. Of course, he was referring to Hoover days. This is due to the fact that we here most of the time look after the interests of big business instead of trying to help small business. I fully appreciate that many fail because they cannot compete with large businesses which obtain all advantages and special favors.

Now, let me answer the attacks upon one of the greatest and most efficient of all Secretaries of Commerce, Mr. Wallace. He possesses much more intelligence and business ability than most of these gentlemen drawing $50,000, $100,000, or $200,000 a year as officials of large corporations. I know many of them would be only too pleased if Mr. Wallace would consent to serve them; but his aim is to serve the country, serve the people, and no amount of money or inducement can sway him from his desire to be of service to his country and to the small business people and the masses of the Nation that he loves so dearly.

Let me refer for a moment, Mr. Speaker, to this matter of the services rendered by the Department of Agriculture and the Department of Commerce. One of the Republican Members—I fear I do not recall which—pointed out the much greater services rendered by the Department of Agriculture than by the Department of Commerce. In this bill, Mr. Speaker, the Department of Commerce is given $143,000,000. The Department of Agriculture receives from us over $1,000,000,000, or a little more than seven times as much as the Department of Commerce. Naturally, then, the Department of Agriculture can furnish more information and be of greater service to the farmers and other people of the country than can the Department of Commerce, which even in this bill receives only one-seventh as much money.

Let me say to you in all candor that it is absolutely in the interest of our country that we aid commerce, that the Secretary of Commerce shall have sufficient help to increase his efficiency and his ability to serve American manufacturers and American businessmen. We must face a world that is ready to compete with us and we must do everything in our power to increase our exports so as to get rid of the great surpluses that will be ours in every line.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The CHAIRMAN. The gentleman from Illinois [Mr. VURSELL] is recognized.

Mr. VURSELL. Mr. Chairman, during and after the war it seems to me we have meddled in business long enough. Now we are about to usurp the functions

of a committee which should go into detail with reference to this reorganization of the Department of Commerce and its set-up. If we fail to agree to this pending amendment we will be sending word to the little businessmen of the country that we are imposing the views and the meddling of Henry Wallace upon them. If they could speak to the Members of Congress who represent their districts, I am sure most of them would say, "God forbid!"

Now, you know, Henry Wallace has held a Cabinet position before, and we remember the days when certain things were plowed under and other things were killed off. I am afraid we are giving him too much power. He might decide to kill off and plow under too much of the small business as he did other things after the New Deal took charge some 14 years ago.

Another thought comes to me. They talk about the advice that he is going to give the small businessman. To begin with, I think if we should take a poll of the wishes of the small businessmen of the country they would say, "We do not want this Bureau set up. We do not have sufficient confidence in Mr. Wallace or in any other bureaucrat in this country to superimpose him on us with power to advise us. We do not want an army of people prying into our business." No; I do not think they want that. If you will recall when Mr. Wallace was nominated for the Department of Commerce that all of the big corporations were divorced from the department, and that there was so much objection raised that a great deal of time was taken up before he could be confirmed by the Senate.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Illinois.

Mr. MASON. The small businessmen in my district are crying for goods on the shelves, and no advice, or at least, a good deal less advice than they have been getting.

Mr. VURSELL. That is quite right. They would rather have a little surcease from meddling for a while. Now we have Mr. Wallace head of the Department of Commerce, and we recall that recently, when the General Motors strike was on, he furnished some statistics. He said that the company could pay a very much larger increase in wages without any increase in the price of their products, and you will recall that quite recently he made the statement in effect that he was not right, and that his statistics were really not official.

This is a serious matter, and I think we better go slow on this, because the gentleman from Ohio [Mr. VORYS] raised the question about the State Department taking care of some of this commerce business, especially foreign commerce, and if we short-cut across and run in front of the regular committee and cause this action to be taken today we will set up a great duplication in this Government costing many millions of dollars that will be wasted.

Let us approve this amendment. Small business does not want further meddling and annoyance from the Government.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Chairman, I hope that in the consideration of this amendment we will not allow our personal prejudices to overshadow the issue what is best for the business interests of the country. I personally think that Mr. Wallace is a good administrator and that he will handle this department in good fashion. He has proven his ability as a first-rate executive. He knows the problems of business and especially of the small businessman. I may not agree with everything he has to say, but after all we want to look at what a man can do as an administrator. This Department is set up to render a real and vital service if we give it the means to operate with. Let us remember, gentlemen of the Committee, that the healthiest thing this country can have and the most beneficial thing that this country can have toward perpetuating our system of government and of keeping the principle of free enterprise is healthy independent businesses and particularly small businesses. In the years to come small businesses are going to need a lot of assistance. Let us make no mistake about that. Big business has gotten larger and big business is in a position to continue its concentration of economic power. The best way we can combat the monopolies and keep a healthy economy in America is by assisting individual small businesses. The situation is that big businesses, large corporations, have their representatives in Washington to advise them of the latest developments that may be available for the benefit of business, about how they can manufacture for export, of the various technological developments that may be available. But the small businessmen in the communities, which are the backbone of our economic life, do not have those services easily available to them. He cannot send representatives here to Washington, he cannot maintain agents in Washington to keep up with all the developments that are necessary if he is going to be in a competitive position.

Further, I think we should consider that this agency has taken over the work of the Smaller War Plants Corporation, and most of the services that were rendered small business by the Smaller War Plants Corporation are now going to be performed by this Department whose appropriation we are now considering. If anyone thinks that the small businesses of America were not for the Smaller War Plants Corporation, that they did not think that the Smaller War Plants Corporation rendered them an absolutely necessary service, then he should have attended some of the hearings the Small Business Committee had in connection with its abandonment. I think the least we can do for the small businesses of the Nation, in giving them information about what they can export, how they can manufacture for export, and giving them information about the latest scientific developments and about their marketing problems, is to see that this appropriation is kept in the appropriation bill.

Incidentally, when we reach the next item for field offices, I anticipate offering an amendment to increase the $2,500,000 to $6,500,000, which is recommended by the Budget Bureau, because I think those field offices are necessary. But there is little use of having field offices unless we are going to have a staff here in Washington to consolidate, assimilate, and direct the work that is to be done.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. WINTER].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 83, noes 59.

Mr. KEFAUVER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. WINTER.

The Committee again divided; and the tellers reported that there were—ayes 90, noes 73.

So the amendment was agreed to.

The Clerk read as follows:

Field office service: For salaries, travel, and all other expenses necessary to operate and maintain regional, district, and cooperative branch offices for the collection and dissemination of information useful in the development and improvement of commerce throughout the United States and its possessions, including newspapers (not exceeding $1,000), periodicals, and books of reference, and not to exceed $90,000 for personal services in the District of Columbia, $2,500,000.

Mr. JONES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 63, line 22, strike out the sum "$2,500,000" and insert "$585,000."

Mr. JONES. Mr. Chairman, my amendment reduces the amount for the field service of the Foreign and Domestic Commerce Bureau to exactly the same amount they had last year, plus the within-grade promotions and Public Law No. 106, which is the increase-in-pay bill. The Committee of the Whole House has just adopted an amendment which cuts down the departmental salaries, the Washington office, for the Foreign and Domestic Commerce to last year's figures. My amendment makes funds for the field office service consistent with this action of the House.

Mr. Chairman, I yield back the balance of my time.

Mr. KEFAUVER. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from Ohio [Mr. JONES].

The Clerk read as follows:

Amendment offered by Mr. KEFAUVER as a substitute for the amendment offered by Mr. JONES: Strike out the sum "$585,000" in the Jones amendment and insert "$6,500,000."

Mr. KEFAUVER. Mr. Chairman, this amendment would place the appropriation in line with the budget request. The budget estimate for the operation of the field offices of the Department of Commerce was $6,500,000. It was reduced by the subcommittee to $2,500,000. I think it should be restored to the budget estimate for this reason: The Smaller War Plants Corporation, as we all know, had

offices in the principal cities of this country. In those offices they rendered small businesses various kinds of service— engineering advice, marketing advice, various kinds of assistance that have been of great benefit to the small businesses of this Nation. If you do not believe that, just talk to some small business people in most any line of industry who come here to Washington who have had contacts with the small business offices in all of the cities where they have them.

There is great need to give assistance to small businesses in this Nation. The Smaller War Plants offices have been taken over by the Department of Commerce. If you adopt this amendment which I have offered it will allow the Department of Commerce to continue the services that were rendered by the Smaller War Plants Corporation. During this time of reconversion, in the matter of helping them secure surplus property, in making use of patents which we have secured from Germany and other enemy countries, in the matter of helping them know what they can manufacture for foreign export, and in securing customers so that they can do an export business, and in hundreds of ways these offices have been of great benefit to the small businessmen of this Nation.

We do a lot of talking about helping small business. We do a lot of talking about wanting to maintain free enterprise. But the best way we can maintain small business and help them is to give them this assistance through these offices which are in a position to serve every section of our country. At least 55 field offices will be closed unless the amendment which I have offered is agreed to. I was sorry the committee did not accept it. Now is the time for us to show whether we want to be of real assistance to small business. The Department of Commerce has a staff that is able to do this work. For the most part they have taken over the personnel of the Smaller War Plants Corporation. Those men are there. They are available. They have the background to render aid to the business in these sections. I think it would be a crime now not to carry on this service for the little businessmen of America.

I hope this amendment is agreed to.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. KEFAUVER] has expired.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Department of Commerce should have no further appropriations. They have only one objective and that is political. They are not interested in the big businessman or the little businessman, and neither are they interested in any foreign commerce. They are interested in electing a Democratic Congress.

Henry Wallace in York on last Saturday night said:

> I am here at this Jefferson-Jackson dinner because the fight is now on—the fight to elect a progressive Democratic Congress in 1946.

And he went on to say:

> And right here and now in this fight, I want to give my unqualified endorsement of your senior Senator from Pennsylvania—my very good friend, JOSEPH GUFFEY—

Who had just a few minutes before insulted an ex-service man by asking him where he bought his service button. He went on to say:

> Senator GUFFEY never once faltered in his support of that greatest of all disciples of Jefferson and Jackson, Franklin Delano Roosevelt.

Then he went on to pay his respects to me by saying that ever since I have been in Congress I have deserted the people, and he gave me the usual line that comes from a man who has only one objective, that of getting votes to keep the New Deal in power.

And he told the people:

> In the voting record of your present Congressman—

Which is me—

> you can add up the cost to your own interests and the national interest for this lack of political vigilance and political action.

There he was spanking the people of my county for not electing a New Dealer to Congress.

He closed his speech by saying:

> In recent weeks I have been over quite a bit of the country, speaking in behalf of a progressive Democratic Congress. I intend to keep it up until election day, and I will be back again in Pennsylvania. I want to go to Philadelphia to speak in behalf of the solid Democratic bloc of Representatives from that city. * * * And I intend to speak elsewhere in Pennsylvania in behalf of a bigger Democratic representation from your State.

And he goes on to say:

> I am doing this because of the heritage which Franklin Roosevelt left to the Democratic Party.

Get that! Not to America, not that Franklin Delano Roosevelt left a heritage to America or to the entire world, but to the Democratic Party, to the New Deal forces who now want these appropriations so they can have their agents sent out to run roughshod over the country to keep the New Deal in power.

And I want to say to your majority floor leader, who said he was going to continue to be the floor leader for a long time, and others who said they were coming back, and to JOE GUFFEY, who is going to run over the entire country to help the Democrats come back, that I am going to be in Congress when some of them cannot be found in the dust.

Mr. MURPHY. Mr. Chairman, a point of order. I call the Chair's attention to the fact that the gentleman from Pennsylvania has violated the rules of the House on 12 occasions in this reference to a Member of the other body by name.

Mr. RANKIN. Just a minute, he is within his rights in calling attention to a thing like that, he certainly has the right to make answer to a scurrilous attack on Members of the House in the RECORD of just a few days ago. I will meet the gentleman on that issue.

Mr. MURPHY. I want to see the rules of the House observed.

Mr. RANKIN. If there is going to be comity between the two Houses, we must expect both Houses to observe it.

Mr. GROSS. I was simply quoting from the RECORD.

The regular order was demanded.

The CHAIRMAN. The gentleman is in order. The gentleman's time has not expired.

Mr. GROSS. I do not yield, Mr. Chairman; I was simply quoting from the RECORD.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Tennessee.

The substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Ohio [Mr. JONES].

The question was taken; and the Chair being in doubt the Committee divided, and there were—ayes 80, noes 71.

Mr. RABAUT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. JONES

The Committee again divided; and the tellers reported that there were—ayes 89, noes 81.

So the amendment was agreed to.

The Clerk read as follows:

> Photolithographing: For producing copies of weekly issue of drawings of patents and designs; reproduction of copies of drawings and specifications of exhausted patents, designs, trade-marks, and other papers, such other papers when reproduced for sale to be sold at not less than cost plus 10 percent; reproduction of foreign patent drawings; photo prints of pending application drawings; and photostat and photographic supplies and dry mounts, $350,000: *Provided*, That the headings of the drawings for patented cases may be multigraphed in the Patent Office for the purpose of photolithography: *Provided*, That hereafter 25 cents per copy shall be charged for uncertified copies of specifications and drawings of patents.

Mr. LANHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to direct attention to the second proviso in this paragraph which reads:

> *Provided*, That hereafter 25 cents per copy shall be charged for uncertified copies of specifications and drawings of patents.

Of course, this is purely legislation on an appropriation bill, but the rule which has been adopted precludes the making of a point of order. The members of the Committee on Appropriations are properly solicitous with reference to the prerogatives of that committee, and I wish they would manifest a similar solicitude with reference to the legislative committees of the House of Representatives. This matter should have been brought before the Committee on Patents, which deals exclusively with matters pertaining to the Patent Office and the Copyright Office. I do not know whether this is justified or not. I realize that the cost of printing has increased. I realize also that under the fee which has been charged the receipts have been sufficient or more than sufficient to meet the costs. I would offer an amendment to strike out this proviso if I had the information that would justify me in doing so, but that information should have been given to the Committee on Patents.

The legislative committees of the House of Representatives should rise up in their might and demand that the members of the Committee on Appropriations practice what they preach and discontinue this practice of placing legislative provisions upon appropriation bills.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Michigan.

Mr. RABAUT. I want to say for the information of the gentleman that we contacted the chairman of the Committee on Patents and had a talk with him about this and many other items, and we felt that he was very much in favor of this particular item, and he even intimated that he may bring in some other items today and put them in as amendments to this bill.

I want the gentleman to know that we did not override the committee. The evidence before the committee was such that they were losing money every day of the week. They have books one-half inch thick going out for 10 cents.

Mr. LANHAM. The gentleman will certainly adhere to the opinion that this is legislation on an appropriation bill and that the Committee on Patents has jurisdiction of matters of this character, and it can certainly be stated that the Committee on Patents has not met with reference to this matter and has taken no action concerning it. This may be fully justified; I do not know. But it is the function of the Committee on Patents to find out about a provision of this kind and to make the proper recommendations and then let the Committee on Appropriations, in accordance with the rules of the House, proceed as they should proceed in the correction of any errors that may exist. I certainly think that the Patent Office should be self-supporting. But the Committee on Appropriations is decidedly inconsistent in coming in with bill after bill with legislative provisions on these appropriation measures and then becoming very, very insistent against anything that smacks of an appropriation when a legislative bill is considered in the House.

The Clerk concluded the reading of the bill.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. RABAUT. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. RABAUT. Yes, Mr. Speaker. A separate vote is demanded on the amendment relating to the census of business and the amendment relating to the census of manufactures, and I ask unanimous consent that these amendments be considered en bloc.

I also demand a separate vote on the amendment relating to the maintenance and operation of aircraft.

I further demand separate votes on the two amendments relating to the Bureau of Foreign and Domestic Commerce, and I ask unanimous consent that these two amendments be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. DE LACY. Reserving the right to object, Mr. Speaker, the gentleman is not lumping the last two amendments, relating to the Bureau of Foreign and Domestic Commerce, with the amendment with regard to aircraft?

Mr. RABAUT. No. The amendment relating to the maintenance of aircraft will be considered separately. There will be three separate votes.

Mr. RANDOLPH. Reserving the right to object, Mr. Speaker, do I correctly understand the gentleman to say that he is demanding a separate vote on the amendment involving some $300,000, but is not demanding a separate vote on the amendment relating to air-control towers, involving some $3,000,000?

Mr. RABAUT. I am demanding a separate vote on the amendment relating to the maintenance and operation of aircraft.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gross.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 51, line 22, strike out lines 22, 23, 24, and 25, and on page 52, line 1, strike out lines 1, 2, and 3.

The SPEAKER. The Clerk will report the next amendment or which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 52, strike out all of lines 4 to 10, inclusive.

The SPEAKER. Under the unanimous-consent agreement, these two amendments will be considered en bloc.

The question is on the amendments.

Mr. RABAUT. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 125, nays 128, not voting 177, as follows:

[Roll No. 104]

YEAS—125

Allen, Ill.	Gerlach	McGregor
Andersen, H. Carl	Gillespie	Martin, Mass.
Angell	Gillette	Mason
Arnold	Goodwin	Mathews
Auchincloss	Graham	Michener
Barrett, Wyo.	Gross	Miller, Nebr.
Bates, Mass.	Gwynne, Iowa.	Norblad
Beall	Hagen	O'Neal
Bennett, Mo.	Hale	Pittenger
Bishop	Hall, Edwin Arthur	Ploeser
Blackney	Hall, Leonard W.	Ramey
Brehm	Halleck	Randolph
Brown, Ohio	Hand	Reed, N. Y.
Buck	Heselton	Rizley
Butler	Hess	Robertson, N. Dak.
Campbell	Hill	Robsion, Ky.
Canfield	Hoffman	Rockwell
Carlson	Holmes, Mass.	Rogers, Mass.
Case, N. J.	Hope	Schwabe, Mo.
Case, S. Dak.	Horan	Schwabe, Okla.
Chenoweth	Howell	Scrivner
Chiperfield	Jenkins	Sharp
Church	Jennings	Short
Clevenger	Jensen	Simpson, Pa.
Clippinger	Johnson, Calif.	Smith, Maine
Cole, Kans.	Johnson, Ill.	Smith, Ohio
Cole, Mo.	Jones	Springer
Cole, N. Y.	Jonkman	Stefan
Crawford	Judd	Sundstrom
Curtis	Kean	Taber
D'Ewart	Kearney	Talbot
Dirksen	Kilburn	Talle
Dolliver	Kinzer	Tibbott
Dondero	Knutson	Towe
Dworshak	Kunkel	Vorys, Ohio
Ellis	Lanham	Vursell
Elsaesser	Latham	Wadsworth
Elston	LeFevre	Wigglesworth
Engel, Mich.	Lewis	Winter
Fellows	McConnell	Wolcott
Fenton	McCowen	Wolverton, N. J.
Gamble		Woodruff

NAYS—128

Abernethy	Hays	Poage
Andrews, Ala.	Healy	Price, Ill.
Bailey	Hébert	Priest
Barrett, Pa.	Hook	Rabaut
Beckworth	Huber	Rabin
Biemiller	Izac	Rankin
Bloom	Jackson	Resa
Boykin	Johnson, Luther A.	Richards
Brown, Ga.	Kee	Riley
Bryson	Kefauver	Rivers
Bulwinkle	Kelley, Pa.	Robertson, Va.
Bunker	Kirwan	Robinson, Utah
Burch	Klein	Roe, Md.
Cannon, Mo.	Kopplemann	Rogers, N. Y.
Colmer	Larcade	Rowan
Cooper	Lesinski	Sabath
Cox	Link	Sadowski
Cravens	Ludlow	Sasscer
D'Alesandro	Lyle	Savage
Dawson	Lynch	Smith, Va.
De Lacy	McCormack	Somers, N. Y.
Dingell	McGehee	Sparkman
Douglas, Calif.	McGlinchey	Spence
Douglas, Ill.	McKenzie	Starkey
Earthman	McMillan, S. C.	Sullivan
Eberharter	Mahon	Sumners, Tex.
Ervin	Manasco	Thom
Fallon	Mansfield, Mont.	Thomas, Tex.
Fernandez	Mills	Thomason
Flannagan	Morgan	Torrens
Fogarty	Murdock	Traynor
Folger	Murphy	Trimble
Forand	Murray, Tenn.	Voorhis, Calif.
Gallagher	Neely	Walter
Gary	Norrell	Wasielewski
Gordon	O'Brien, Ill.	Weaver
Gore	O'Brien, Mich.	Welch
Gorski	Outland	West
Granahan	Pace	Whitten
Grant, Ala.	Patman	Whittington
Green	Peterson, Ga.	Worley
Hare	Philbin	Zimmerman
Harris		
Havenner		

NOT VOTING—177

Adams	Andrews, N. Y.	Bates, Ky.
Allen, La.	Arends	Bell
Almond	Baldwin, Md.	Bender
Anderson, Calif.	Baldwin, N. Y.	Bennet, N. Y.
Andresen, August H.	Barden	Bland
	Barry	Bolton

Bonner	Gillie	Mundt
Boren	Gossett	Murray, Wis.
Bradley, Mich.	Granger	Norton
Bradley, Pa.	Grant, Ind.	O'Hara
Brooks	Gregory	O'Konski
Brumbaugh	Griffiths	O'Toole
Buckley	Gwinn, N. Y.	Patrick
Buffett	Hancock	Patterson
Byrne, N. Y.	Harless, Ariz.	Peterson, Fla.
Byrnes, Wis.	Harness, Ind.	Pfeifer
Camp	Hart	Phillips
Cannon, Fla.	Hartley	Pickett
Carnahan	Hedrick	Plumley
Celler	Heffernan	Powell
Chapman	Hendricks	Price, Fla.
Chelf	Henry	Quinn, N. Y.
Clark	Herter	Rains
Clason	Hinshaw	Rayfiel
Clements	Hobbs	Reece, Tenn.
Cochran	Hoch	Reed, Ill.
Coffee	Hoeven	Rees, Kans.
Combs	Holifield	Rich
Cooley	Holmes, Wash.	Rodgers, Pa.
Corbett	Hull	Roe, N. Y.
Courtney	Jarman	Rogers, Fla.
Crosser	Johnson, Ind.	Rooney
Cunningham	Johnson, Lyndon B.	Russell
Curley	Johnson, Okla.	Ryter
Daughton, Va.	Keefe	Shafer
Davis	Kelly, Ill.	Sheppard
Delaney, James J.	Keogh	Sheridan
Delaney, John J.	Kerr	Sikes
Domengeaux	Kilday	Simpson, Ill.
Doughton, N. C.	King	Slaughter
Doyle	LaFollette	Smith, Wis.
Drewry	Landis	Stevenson
Durham	Lane	Stewart
Eaton	Lea	Stigler
Elliott	LeCompte	Stockman
Ellsworth	Lemke	Sumner, Ill.
Engle, Calif.	Luce	Tarver
Feighan	McDonough	Taylor
Fisher	McMillen, Ill.	Thomas, N. J.
Flood	Madden	Tolan
Fuller	Maloney	Vinson
Fulton	Mankin	Weichel
Gardner	Mansfield, Tex.	White
Gathings	Marcantonio	Wickersham
Gavin	Martin, Iowa	Wilson
Gearhart	May	Winstead
Geelan	Merrow	Wolfenden, Pa.
Gibson	Miller, Calif.	Wood
Gifford	Monroney	Woodhouse
	Morrison	

So the amendments were rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Weichel for, with Mr. Patterson against.

Mr. Taylor for, with Mr. Combs against.

Mr. Corbett for, with Mr. Bender against.

Mr. Gillie for, with Mr. Doyle against.

Mr. Grant of Indiana for, with Mr. Holifield against.

Mr. Harness of Indiana for, with Mr. Keogh against.

Mr. Johnson of Indiana for, with Mr. Morrison against.

Mr. Wilson for, with Mr. Camp against.

Mr. Landis for, with Mr. Rayfiel against.

Mr. Byrnes of Wisconsin for, with Mr. Coffee against.

Mr. Bennet of New York for, with Mr. James J. Delaney against.

Mr. Mundt for, with Mr. Lane against.

Mr. Rich for, with Mr. King against.

Mr. Henry for, with Mr. John J. Delaney against.

Mr. Fuller for, with Mr. Cooley against.

Mr. Lemke for, with Mr. Heffernan against.

Mr. Hartley for, with Mr. Clark against.

Mr. Reed of Illinois for, with Mr. Quinn of New York against.

Mr. Gifford for, with Mr. Cochran against.

Mr. Arends for, with Mr. Byrne of New York against.

Mr. Adams for, with Mr. Mansfield of Texas against.

Mr. Brumbaugh for, with Mr. Sheridan against.

Mr. Rodgers of Pennsylvania for, with Mr. Marcantonio against.

Mr. Gavin for, with Mr. Rooney against.

Mr. Buffett for, with Mr. Miller of California against.

Mr. Eaton for, with Mr. Pfeifer against.

Mr. Keefe for, with Mr. Barry against.

Mr. Ellsworth for, with Mr. Hart against.

Mr. LeCompte for, with Mr. Maloney against.

Mr. McMillen of Illinois for, with Mr. Bradley of Pennsylvania against.

Mr. Rees of Kansas for, with Mr. O'Toole against.

Mr. Martin of Iowa for, with Mr. Monroney against.

Mr. Simpson of Illinois for, with Mr. Patrick against.

Mr. Thomas of New Jersey for, with Mr. Roe of New York against.

Mr. Smith of Wisconsin for, with Mr. Sheppard against.

Miss Sumner of Illinois for, with Mr. Buckley against.

Mr. Wolfenden of Pennsylvania for, with Mr. Wickersham against.

Mr. Gwinn of New York for, with Mr. Hoch against.

General pairs until further notice:

Mr. Allen of Louisiana with Mr. H. Carl Andersen.

Mr. Davis with Mrs. Bolton.

Mr. Bland with Mr. Herter.

Mr. Flood with Mr. Holmes of Washington.

Mr. Baldwin of Maryland with Mr. Anderson of California.

Mr. Domengeaux with Mr. Stevenson.

Mr. Kilday with Mr. Baldwin of New York.

Mr. Bates of Kentucky with Mr. Plumley.

Mr. Peterson of Florida with Mr. Stockman.

Mr. Ryter with Mr. O'Hara.

Mr. Bell with Mr. Merrow.

Mr. Slaughter with Mrs. Luce.

Mr. Bonner with Mr. Cunningham.

Mr. Brooks with Mr. Gearhart.

Mr. Stewart with Mr. Hoeven.

Mrs. Woodhouse with Mr. McDonough.

Mr. Cannon of Florida with Mr. Clason.

Mr. Chelf with Mr. Andrews of New York.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote was demanded.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH:

Page 56, line 25, strike out "$1,500,000" and insert "$1,200,000."

Page 57, line 9, strike out the period, insert a colon and the following: "*Provided*, That no funds in this paragraph shall be expended for the pay of any employees of the Civil Aeronautics Administration for the maintenance of more than one parts warehouse, nor for the repair or overhaul of aircraft costing more than $100 per airplane, and provided further, that all repair and overhaul on Civil Aeronautics Administration airplanes costing more than $100 shall be done on contract after submission of bids."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. RABAUT) there were—ayes 133, noes 88.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next two amendments on which separate votes have been demanded.

The Clerk read as follows:

Amendment offered by Mr. WINTER: On page 63, line 3, strike out "$4,200,000" and insert "$1,800,000"; and on page 63, line 10, strike out "$4,600,000" and insert "$2,055,000."

Amendment offered by Mr. JONES: On page 63, line 22, strike out "$2,500,000" and insert "$585,000."

The SPEAKER. The question is on the amendments.

Mr. RABAUT. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 127, nays 127, answered "present" 2, not voting 175, as follows:

[Roll No. 105]

YEAS—127

Abernethy	Gibson	McKenzie
Allen, Ill.	Gillespie	Martin, Mass.
Andersen, H. Carl	Gillette	Mason
Angell	Goodwin	Mathews
Arnold	Graham	Michener
Auchincloss	Gross	Miller, Nebr.
Barrett, Wyo.	Gwynne, Iowa	Norblad
Bates, Mass.	Hagen	Pittenger
Beall	Hale	Ploeser
Bennett, Mo.	Hall, Edwin Arthur	Rankin
Bishop	Hall, Leonard W.	Reed, N. Y.
Blackney	Halleck	Rees, Kans.
Brehm	Hand	Rizley
Brown, Ohio	Heselton	Robertson, N. Dak.
Buck	Hess	Robsion, Ky.
Butler	Hill	Rockwell
Campbell	Hinshaw	Rogers, Mass.
Canfield	Hoffman	Schwabe, Mo.
Carlson	Holmes, Mass.	Schwabe, Okla.
Case, N. J.	Hope	Scrivner
Case, S. Dak.	Horan	Sharp
Chenoweth	Howell	Short
Chiperfield	Jenkins	Simpson, Pa.
Church	Jennings	Smith, Ohio
Clevenger	Jensen	Springer
Clippinger	Johnson, Ill.	Stefan
Cole, Kans.	Jones	Sumners, Tex.
Cole, Mo.	Jonkman	Sundstrom
Cole, N. Y.	Judd	Taber
Crawford	Kean	Talbot
Curtis	Kearney	Talle
Dirksen	Kilburn	Tibbott
Dolliver	Kinzer	Towe
Dondero	Knutson	Vorys, Ohio
Dworshak	Kunkel	Vursell
Ellis	Lanham	Whitten
Elsaesser	Latham	Wigglesworth
Elston	LeFevre	Winter
Engel, Mich.	Lewis	Wolcott
Fellows	McConnell	Wolverton, N. J.
Fenton	McCowen	Woodruff
Gamble	McGregor	
Gerlach		

NAYS—127

Andrews, Ala.	Hays	Peterson, Ga.
Bailey	Healy	Philbin
Barrett, Pa.	Hébert	Poage
Beckworth	Hook	Price, Ill.
Biemiller	Huber	Priest
Bloom	Izac	Rabaut
Boykin	Jackson	Rabin
Brown, Ga.	Johnson, Luther A.	Randolph
Bryson	Kee	Resa
Bulwinkle	Kefauver	Richards
Bunker	Kelley, Pa.	Riley
Burch	Kirwan	Rivers
Cannon, Mo.	Klein	Robertson, Va.
Colmer	Kopplemann	Robinson, Utah
Cooper	Larcade	Roe, Md.
Cox	Lesinski	Rogers, N. Y.
Cravens	Link	Rowan
D'Alesandro	Ludlow	Sabath
Dawson	Lyle	Sadowski
De Lacy	Lynch	Sasscer
Dingell	McCormack	Savage
Douglas, Calif.	McGehee	Smith, Va.
Douglas, Ill.	McGlinchey	Somers, N. Y.
Earthman	McMillan, S. C.	Sparkman
Eberharter	Mahon	Spence
Ervin	Manasco	Starkey
Fallon	Mansfield, Mont.	Sullivan
Fernandez	May	Thom
Flannagan	Mills	Thomas, Tex.
Fogarty	Morgan	Thomason
Folger	Murdock	Torrens
Forand	Murphy	Traynor
Gallagher	Murray, Tenn.	Trimble
Gary	Neely	Voorhis, Calif.
Gordon	Norrell	Walter
Gore	O'Brien, Ill.	Wasielewski
Gorski	O'Brien, Mich.	Weaver
Granahan	O'Neal	Welch
Grant, Ala.	Outland	West
Green	Pace	Whittington
Hare	Patman	Worley
Harris	Pepper	Zimmerman
Havenner		The Speaker

ANSWERED "PRESENT"—2

Johnson, Calif. Smith, Maine

NOT VOTING—175

Adams	Ellsworth	Marcantonio
Allen, La.	Engle, Calif.	Martin, Iowa
Almond	Feighan	Merrow
Anderson, Calif.	Fisher	Miller, Calif.
Andresen, August H.	Flood	Monroney
	Fuller	Morrison
Andrews, N. Y.	Fulton	Mundt
Arends	Gardner	Murray, Wis.
Baldwin, Md.	Gathings	Norton
Baldwin, N. Y.	Gavin	O'Hara
Barden	Gearhart	O'Konski
Barry	Geelan	O'Toole
Bates, Ky.	Gifford	Patrick
Bell	Gillie	Patterson
Bender	Gossett	Peterson, Fla.
Bennet, N. Y.	Granger	Pfeifer
Bland	Grant, Ind.	Phillips
Bolton	Gregory	Pickett
Bonner	Griffiths	Plumley
Boren	Gwinn, N. Y.	Powell
Bradley, Mich.	Hancock	Price, Fla.
Bradley, Pa.	Hariess, Ariz.	Quinn, N. Y.
Brooks	Harness, Ind.	Rains
Brumbaugh	Hart	Rayfiel
Buckley	Hartley	Reece, Tenn.
Buffett	Hedrick	Reed, Ill.
Byrne, N. Y.	Heffernan	Rich
Byrnes, Wis.	Hendricks	Rodgers, Pa.
Camp	Henry	Roe, N. Y.
Cannon, Fla.	Herter	Rogers, Fla.
Carnahan	Hobbs	Rooney
Celler	Hoch	Russell
Chapman	Hoeven	Ryter
Chelf	Holifield	Shafer
Clark	Holmes, Wash.	Sheppard
Clason	Hull	Sheridan
Clements	Jarman	Sikes
Cochran	Johnson, Ind.	Simpson, Ill.
Coffee	Johnson, Lyndon B.	Slaughter
Combs		Smith, Wis.
Cooley	Johnson, Okla.	Stevenson
Corbett	Keefe	Stewart
Courtney	Kelly, Ill.	Stigler
Crosser	Keogh	Stockman
Cunningham	Kerr	Sumner, Ill.
Curley	Kilday	Tarver
Daughton, Va.	King	Taylor
Davis	LaFollette	Thomas, N. J.
Delaney, James J.	Landis	Tolan
	Lane	Vinson
Delaney, John J.	Lea	Wadsworth
	LeCompte	Weichel
D'Ewart	Lemke	White
Domengeaux	Luce	Wickersham
Doughton, N. C.	McDonough	Wilson
Doyle	McMillen, Ill.	Winstead
Drewry	Madden	Wolfenden, Pa.
Durham	Maloney	Wood
Eaton	Mankin	Woodhouse
Elliott	Mansfield, Tex.	

Mr. JOHNSON of California. Mr. Speaker, I have a live pair with the gentleman from Illinois, Mr. ARENDS. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mrs. SMITH of Maine. Mr. Speaker, I have a live pair with the gentleman from Massachusetts, Mr. GIFFORD. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The SPEAKER. On this roll call the yeas are 127, the nays 126, and 2 answered present. The Chair votes "nay."

Mr. MARTIN of Massachusetts. Mr. Speaker, I demand a recapitulation of the vote just cast.

The SPEAKER. The Chair thinks that the vote is close enough so that, if there is no objection, there will be a recapitulation. The Clerk will call the names of those voting in the affirmative.

The Clerk called the names of those voting "yea."

The SPEAKER. Are there any corrections to be made? The Chair hears none.

The Clerk will call the names of those recorded as voting "nay."

The Clerk called the names of those voting "nay."

The SPEAKER. Are there any corrections to be made? The Chair hears none.

So the amendments were rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Wadsworth for, with Mr. Cochran against.

Mr. Gifford for, with Mrs. Smith of Maine against.

Mr. Taylor for, with Mr. Combs against.

Mr. Weichel for, with Mr. Patterson against.

Mr. Corbett for, with Mr. Bender against.

Mr. Gillie for, with Mr. Doyle against.

Mr. Grant of Indiana for, with Mr. Holifield against.

Mr. Harness of Indiana for, with Mr. Keogh against.

Mr. Johnson of Indiana for, with Mr. Morrison against.

Mr. Wilson for, with Mr. Camp against.

Mr. Landis for, with Mr. Rayfiel against.

Mr. Byrnes of Wisconsin for, with Mr. Coffee against.

Mr. Bennet of New York for, with Mr. James J. Delaney against.

Mr. Mundt for, with Mr. Lane against.

Mr. Rich for, with Mr. King against.

Mr. Henry for, with Mr. John J. Delaney against.

Mr. Fuller for, with Mr. Cooley against.

Mr. Lemke for, with Mr. Heffernan against

Mr. Hartley for, with Mr. Clark against.

Mr. Reed of Illinois for, with Mr. Quinn of New York against.

Mr. Arends for, with Mr. Johnson of California against.

Mr. Adams for, with Mr. Mansfield of Texas against.

Mr. Brumbaugh for, with Mr. Sheridan against.

Mr. Rodgers of Pennsylvania for, with Mr. Marcantonio against.

Mr. Gavin for, with Mr. Rooney against.

Mr. Buffett for, with Mr. Miller of California against.

Mr. Eaton for, with Mr. Pfeifer against.

Mr. Keefe for, with Mr. Barry against.

Mr. Ellsworth for, with Mr. Hart against.

Mr. LeCompte for, with Mr. Maloney against.

Mr. McMillen of Illinois for, with Mr. Bradley of Pennsylvania against.

Mr. Rees of Kansas for, with Mr. O'Toole against.

Mr. Martin of Iowa for, with Mr. Monroney against.

Mr. Simpson of Illinois for, with Mr. Patrick against.

Mr. Thomas of New Jersey for, with Mr. Roe of New York against.

Mr. Smith of Wisconsin for, with Mr. Sheppard against.

Miss Sumner of Illinois for, with Mr. Buckley against.

Mr. Wolfenden of Pennsylvania for, with Mr. Wickersham against.

Mr. Reece of Tennessee for, with Mr. Drewry against.

Mr. August H. Andresen for, with Mrs. Woodhouse against.

Mr. Shafer for, with Mr. Byrne of New York against.

Additional general pairs:

Mr. Davis with Mrs. Bolton.

Mr. Bland with Mr. Herter.

Mr. Flood with Mr. Holmes of Washington.

Mr. Baldwin of Maryland with Mr. Anderson of California.

Mr. Domengeaux with Mr. Stevenson.

Mr. Kilday with Mr. Baldwin of New York.

Mr. Bates of Kentucky with Mr. Plumley.

Mr. Peterson of Florida with Mr. Stockman.

Mr. Ryter with Mr. O'Hara.

Mr. Bell with Mr. Merrow.

Mr. Slaughter with Mrs. Luce.

Mr. Bonner with Mr. Cunningham.

Mr. Brooks with Mr. Gearhart.

Mr. Stewart with Mr. Hoeven.

Mr. Allen of Louisiana with Mr. McDonough.

Mr. Cannon of Florida with Mr. Clason.

Mr. Chelf with Mr. Andrews of New York.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. JONES. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. JONES. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read, as follows:

Mr. JONES moves to recommit the bill H. R. 6056 to the Committee on Appropriations with instructions to eliminate $10,000,000 for the Department of State information program, $15,000,000 for the Bureau of Census items for census of business and manufactures; eliminate $1,992,200 from the item "Field Office Service" of the Bureau of Foreign and Domestic Commerce, and eliminate $2,270,000 from Department Salaries and Expenses item of the Bureau of Foreign and Domestic Commerce.

Mr. RABAUT. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. HOFFMAN. Mr. Speaker, I demand the reading of the engrossed copy of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order that the demand for the reading of the engrossed copy of the bill comes too late.

The SPEAKER. The gentleman from Massachusetts [Mr. MARTIN] is correct. The point of order is sustained.

The bill was passed.

A motion to reconsider was laid on the table.

ADDITIONAL COPIES OF HEARINGS HELD BEFORE THE SENATE COMMITTEE ON INTERSTATE COMMERCE

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 1978) a privileged concurrent resolution (S. Con. Res. 60) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Senate Committee on Interstate Commerce be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of parts 1 and 2 of the hearings held before the said committee during the Seventy-ninth Congress on S. 1253, a bill to amend the Interstate Commerce Act, as amended, and for other purposes, relative to modification of railroad financial structures.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JESSIE E. JONES

Mr. BOYKIN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 611) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Jessie E. Jones, wife of B. F. Jones, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $250 toward defraying the funeral expenses of the said B. F. Jones.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the New York Times.

Mr. LYLE asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. I take this time to inquire of the majority leader the program for next week.

Mr. McCORMACK. On Monday the Consent Calendar.

On Tuesday the Private Calendar.

House Resolution 385, a resolution to provide for a study and investigation of the operation of the program for the disposition of surplus property.

Wednesday, Thursday, and Friday the Interior Department appropriation bill, 1947.

Conference reports may be brought up at any time they are ready for consideration.

There are primaries on Tuesday in four States. The leadership on both sides recognizing the situation, where Members have primary contests in their districts in those States they may be governed accordingly. I think it is only fair to state that, so that those Members can proceed with an understanding of the situation. The leadership on both sides have agreed that no roll call will take place before next Thursday.

Mr. MARTIN of Massachusetts. That also includes any roll call that may come on a conference report?

Mr. McCORMACK. That includes any roll call, any action requiring a roll call. I understand the conference reports will not be brought up until next Thursday.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CANNON of Missouri. The ranking minority Member, the gentleman from New York [Mr. TABER] informs me that so far as he is aware there is no matter in the conference report on the second deficiency appropriation bill which may be expected to precipitate a roll call. I wonder if it would be agreeable to call up that report on Monday or Tuesday, and take up the rescission bill on the following Thursday?

Mr. McCORMACK. That will be agreeable to me and I am sure it will be agreeable to the gentleman from Massachusetts, with the understanding that if a roll call arises it will go over until Thursday.

Mr. MARTIN of Massachusetts. That is perfectly agreeable to me.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. BROWN of Ohio. Are there any plans for calling up H. R. 2788, which was reported by the Rules Committee some time ago?

Mr. McCORMACK. I am frank to state that my plan does not contemplate programing that bill.

Mr. BROWN of Ohio. A rule for the bill having been reported more than 7 days, it is the intention of the gentleman from Ohio now addressing you to call that bill up at the earliest opportunity unless the majority leader and the leadership wishes to make some arrangement for its consideration.

Mr. SABATH. Is that the bill on which the rule was called up and considered and then withdrawn?

Mr. McCORMACK. No. That is the Gwynne bill, reducing the statute of limitations in certain cases to 1 year. That is pending.

Now, the gentleman from Ohio is a member of the Rules Committee. Under the rules, when a rule is out over seven legislative days, any member of the Rules Committee may call it up. Of course, no member has ever had to do that.

Mr. BROWN of Ohio. It is not my desire to do so if the leadership will schedule the measure for hearing within a reasonable time.

Mr. McCORMACK. The gentleman desires it to be brought up?

Mr. BROWN of Ohio. I do.

Mr. McCORMACK. I shall program it for the week after next week. Of course, the gentleman recognizes that important legislation will take priority. The gentleman from Ohio having been courteous enough to inform me about his intentions, I will take it up just as soon as possible, but it cannot be taken up next week.

Mr. BROWN of Ohio. I thank the gentleman very much. It is my understanding that the measure will be brought up at the earliest opportunity.

Mr. McCORMACK. That is correct.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CASE of South Dakota. I have listened to the colloquy wth reference to the Gwynne bill. I am not a member of the Rules Committee and I cannot make the suggestion that the gentleman from Ohio [Mr. BROWN] has made, but would the gentleman from Massachusetts be able to give us any assurance when he will call up the rule for the consideration of the so-called Indian claims bill which has been reported by the Committee on Indian Affairs and for which a rule has been granted.

Mr. McCORMACK. The gentleman from Massachusetts is similarly situated in that bill as in the case of the Gwynne bill. I am sitting back complacently and do not intend to program it unless there is interest manifested from a direction that can prompt me to respond.

Mr. CASE of South Dakota. You mean by a member of the Rules Committee?

Mr. McCORMACK. My friend has not that interest.

Mr. CASE of South Dakota. Unfortunately that is true, but perhaps some member of the Rules Committee may have an interest in this matter of justice which proposes to carry out a plank that was in the Democratic national platform as well as in the Republican national platform in the last Presidential election.

Mr. McCORMACK. I want to be frank with the gentleman.

The regular order was demanded.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. The gentleman from Missouri [Mr. COCHRAN], as the membership knows, is very much interested in the bill, but he is in the hospital. I am in the situation where so far as I am concerned I would not want to program it until he is back. If some member of the Rules Committee forces my hand then, of course, I will program the bill.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CHURCH. The majority leader just spoke of the gentleman from Missouri [Mr. COCHRAN] being very much interested in a certain measure. Has the gentleman programed the so-called Slaughter duplicating investigative bill for surplus property next Wednesday? Or is that another bill?

Mr. McCORMACK. The one I have put down for next Wednesday is the resolution coming out of the Rules Committee introduced by the gentleman from Missouri [Mr. SLAUGHTER].

Mr. CHURCH. That is a bill in which the gentleman from Missouri [Mr. COCHRAN] certainly is very much interested, as well as the entire Committee on Expenditures.

Mr. McCORMACK. But the gentleman from Missouri [Mr. SLAUGHTER] himself is a member of the Rules Committee; the rule has been out for seven legislative days, and he has clearly manifested an interest in its being brought up.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND ON THE STATE, COMMERCE, JUSTICE BILL

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H. R. 6056, the State, Commerce, Justice appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. PLOESER asked and was given permission to extend his remarks in the RECORD and include an article by Raymony Moley.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include a letter on the subject of compulsory conscription.

Mr. BATES of Massachusetts asked and was given permission to extend his remarks in the Appendix of the RECORD and insert a statement by Hon. CARROLL REECE, chairman of the Republican National Committee, on Polish Constitution Day.

Mr. HAYS asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain quotations.

Mr. RANDOLPH asked and was given permission to extend his remarks in the Appendix of the RECORD and include a very splendid address delivered by Lieutenant Commander Bremner in West Virginia last night.

Mr. BOYKIN asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials.

Mr. PATMAN (at the request of Mr. RABAUT) was given permission to extend his remarks in three different instances and to include certain statements and extracts.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Pittsburgh Catholic concerning the Westinghouse strike.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

Mr. WOODRUFF of Michigan asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. DWORSHAK asked and was given permission to extend his remarks in the Appendix of the RECORD and include some statistics prepared by the Library of Congress.

Mr. SHORT asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein two brief articles by William Philip Simms, which appeared in yesterday's and today's Washington Daily News.

Mr. D'EWART asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and to include certain telegrams.

Mr. NORBLAD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

WASTAGE OF FOOD BY THE NAVY

Mr. NORBLAD. Mr. Speaker, the cans of food here on the desk are not, as you might imagine, recently purchased from the grocery store, but they were obtained within the past few weeks from the Navy garbage dump at Astoria, Oreg. I call your attention, first, to this can which I hold in my hand, which is marked "Luncheon meat pork, with natural juices. Ingredients: Chopped pork, salt, sugar, sodium nitrite, spice. The Rath Co., Waterloo, Iowa. Contents 12 ounces avoirdupois." It is stamped on the back "U. S. Navy emergency ration."

This can states on the outside that it is "Lemon juice powder," and is manufactured by the Mutual Citrus Products Co., of Anaheim, Calif. I took this can from a large container which held, I should judge, 100 to 200 of these cans. This entire carton, completely wrapped and encircled with a very tight metal strip, was likewise dumped by the Navy at their garbage dump, and was retrieved by a friend of mine. I removed it from the carton and have brought it here.

This can is marked "Ocean Spray dehydrated cranberries." It is manufactured by the Cranberries Canners, Inc., at Hansen, Mass. This is likewise an item which the Navy apparently considers as garbage. Yet you will notice, all of these cans are new and in very good condition.

The next item which I have in my hand is a package of Kellogg's shredded wheat, containing two biscuits. This is one package taken from two cases of shredded wheat, each containing about 300 of these cartons. I saw the carton and the shredded wheat, and have taken this one from the lot for your inspection.

The next can is powdered whole milk, manufactured by the Kraft Cheese Co., of Chicago, Ill.

All of these items which I have shown to you were taken from that particular dump. I procured this food while at my home in Astoria, Oreg., this week. I was advised by several people of conditions there where the Navy was throwing away foodstuffs and other items, and was invited to visit the home of a friend of mine who showed me, not only these items which I have presented here today, but others, including large perfect tins of corned beef and of Australian corned lamb. I saw in another storeroom in his basement probably 20 or 30 large cans of paint, unopened, and several cans of turpentine, likewise in perfect condition and unopened. He also had several nylon bristle paint brushes which sell for approximately $12.25 each. In his ice box he had a considerable quantity of Canadian bacon, which he had likewise retrieved from the dump. The bacon was in perfect condition, and he advised that when he took it from the Navy dump that it was perfectly wrapped and in condition to keep for a long time. He also showed me a large case of powdered soap, containing, I should judge, about 50 packages in perfect condition. He showed me cartons of oatmeal, a large case of toilet paper, a brass fire nozzle, and other similar items. I am advised that a resident of Astoria, Oreg., has so much of this in his basement that he has quit salvaging food from the dump as he says he has enough food for his family and himself for the rest of his life. I understand that until the Navy made him leave the area, that a certain man made a living from salvaging these items from the garbage dump and that there was considerable competition between himself and those who came to the dump at the time the Navy trucks arrived to be the first to procure these items.

With the country facing shortages of food and with millions of people in Europe starving, this, to me, is a very serious situation. I observe in several of the eastern papers a statement by Capt. Ligon B. Ard, as carried by the wire services yesterday, that I was making a mountain out of a molehill regarding this matter. The matter of this waste of food may not be a serious one to him and one of no consequence, but I do not believe that the taxpayers of the United States or the starving millions of Europe would agree with him. The press wires further quoted the captain as stating that he is going to make an investigation of the matter. I personally feel that an investigation is just a waste of money as we certainly have enough of them at the present time. My interest is to see that the practice is discontinued and that the men of his command are immediately ordered to discontinue it. In all due justice to the Navy Department, however, I do not believe he reflects the sentiment of the Department, as Rear Adm. W. J. Carter, Chief, Bureau of Supplies and Accounts, has advised that he is very disturbed over the matter and wishes to go over this entire situation with me.

So that there may be no question as to whether this food that the Navy considers garbage is edible or not, I wish to advise the Members of the House that I shall eat this food in the House Restaurant tomorrow noon, and any of you who wish to have a sample thereof are very welcome to do so.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, during the afternoon the gentleman from Ohio [Mr. JONES] offered an amendment to reduce the appropriation to the Census Bureau by $10,000,000, and the gentleman from Nebraska [Mr. STEFAN] submitted a further amendment to reduce by $5,000,000 appropriation to the same agency. I addressed the House in support of these amendments and voted for both of them when considered during the

afternoon. Late in the afternoon I left the floor for a brief period to discuss matters concerning the so-called pay bill that will be considered in conference tomorrow. During my brief period of absence from the floor a roll call was demanded on these items. I did not hear the sound of the warning bell calling attention to the vote. When I arrived on the floor the roll call had concluded. Had I been present, I would have again voted for the amendments striking these items from the bill. I realize my vote would not have changed the situation or the final result but feel this brief explanation is due.

SPECIAL ORDER

The SPEAKER. Under previous special order of the House, the gentleman from Wisconsin [Mr. WASIELEWSKI] is recognized for 2 hours.

Mr. WASIELEWSKI. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, I have a special order for 30 minutes for today. I have spoken to the gentleman from Wisconsin and he is agreeable to my taking my special order at this time.

The SPEAKER. Without objection, the gentleman from Tennessee is recognized for 30 minutes.

There was no objection.

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include as a part thereof a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

TVA WORKSHOPS GROW CROP OF NEW MACHINES FOR FARMERS

Mr. KEFAUVER. Mr. Speaker, within the past few weeks the press has reported an exhibit held in one of the buildings of the State University at Knoxville. The Wall Street Journal of April 18 carried a feature article on page 1, which describes the exhibit. I ask unanimous consent to include it in the RECORD following my address.

It was a floor demonstration for the benefit of manufacturers, of newly developed types of farm equipment. I think it is important enough to call to the attention of Members of this House. It illustrates in specific fashion the remarkable way the TVA is working to help private business, particularly small business, in the Tennessee Valley. It may help some of the business enterprises in your districts, or its methods may be copied by other Government agencies if they are known widely enough.

No intelligent person from the Tennessee Valley needs to be reminded of how greatly TVA has aided business generally. An abundant supply of electric energy at low cost helps private industry, a river highway helps private industry, and protection from floods gives industry security for development. A program of land restoration helps the private business of farming directly, and indirectly all business enterprises in the area. A whole new industry, recreation, is based on the beauty and the diversion offered by the chain of beautiful manmade lakes. We appreciate the far-reaching benefits of this Government program in my State and in the region, and let me interject that we are mildly entertained at the frantic efforts of one private industry to convince the rest of the country that the creation of similar agencies would be a blow to private enterprise. Only one region in the United States can speak out of experience. Our verdict is firm. We think TVA is the best thing that ever happened to private business in the Southeast. In big ways and little ways it is helping to bring our section of the country the kind of stable prosperity that will permit us to contribute more abundantly to national well-being.

Compared to the construction of dams, the operation of a power system, and the production of new types of fertilizer, the activities responsible for this manufacturers' exhibit that I want to tell you about may seem slight. To me they are impressive. They are important in themselves, and important because they show how TVA works with State, local, and other Federal agencies to mobilize all the resources of the region for its development, how it is developing a pattern for a relationship between government and business that will achieve great results.

WORK DONE IN COOPERATION WITH LOCAL AGENCIES

As I said at the beginning, the exhibit was to display models of new types of farm equipment. They were developed by the United States Department of Agriculture Tillage Machinery Laboratory, Auburn, Ala., the agricultural experiment stations of North Carolina and Tennessee, and the agricultural engineering departments of Virginia Polytechnic Institute, University of Georgia, and TVA. The need and the market for each item of equipment had been discovered by the men working in the agricultural programs of the region. All had been tested in actual farming operations. Now, the final step, the models were gathered together so that the representatives of manufacturers would inspect and study them with a view to production on a wide scale and for a profit. The work of TVA and the cooperating institutions is finished when the research, testing, and demonstration is completed. Production is a matter for private business. When private business takes over it means increased pay rolls, it means better living, it means an advance in the people's well-being.

I wrote to TVA for more information about the demonstration. I brought with me today to the House a sample or two of the material which came in response to my request. Here is a simple clear folder illustrating the various items of equipment displayed. Here is, for every item, an analysis of the potential market which a manufacturer would hope to reach. I want to mention a few of the models just as examples of the kind of work the display presented.

THE BARN HAY DRIER

The Tennessee Valley, with 50 inches of average rainfall, provides some of the best hay-growing weather and at the same time some of the worst hay-curing weather in the country. Prior to the TVA development there were commercial hay dehydrators to be had, but they were expensive and suited chiefly to large dairy farms; now, however, a low-cost dependable barn drier practical for small farms has been developed. It was displayed at this exhibit. Five hundred are already in use in the Southeast. Half of them were installed during 1945 in spite of material shortages.

The value of this development to the farmers in the area can be appreciated by the estimate of the Virginia Extension Service that hay losses in that State in 1942 amounted to about 375,000 tons, or about a quarter of the total crop. In addition to the direct loss, there is also the loss of feeding value which results from leaching and weathering in field curing. For example, samples collected in 1942, 1943, and 1944 from a number of Virginia farms were graded by the United States Department of Agriculture. The results showed that 54 percent of the barn-dried hay graded U. S. No. 1, while only 9 percent of the field-cured hay came in that class. Sixty-five percent of the field-cured hay graded below U. S. No. 2, as against 12 percent barn-cured.

The Virginia dairy extension specialist estimated that a farmer with a 30-cow herd would save up to seven tons of high protein concentrate feed by curing his hay in the barn instead of in the field. For the first time this economical hay drier offers him a practical way to do it. While work on this project was undertaken by TVA to meet a regional need, I want to emphasize that the benefits have spread already beyond our watershed. There are known installations of the TVA type hay drier in 22 States outside the region, while requests for plans and information have come from Iceland, Columbia, Russia, Switzerland, Alaska, and Australia. The hay drier was one model shown at the exhibit. Let me mention some others.

ADDITIONAL MODELS SHOWN

A small feed grinder, a kitchen flour mill, a seed scarifier, electric equipment for sweetpotato curing, a hand seed distributor, an electric pump-sink cabinet, a peanut harvester, a peanut sheller, a fertilizer and lime spreader, a windrow attachment for mowing machines—models of all these items were offered to private manufacturers for production. All of them will aid farmers of the Tennessee Valley to raise their incomes, to follow the best conservation practices in their farm management. Many of them will be useful to farmers over the country.

This kind of practical research is not new for TVA and the other public agencies to undertake together, although, so far as I know, this is the first time so many models have been shown together for the convenience of manufacturers' representatives.

From the beginning, TVA has recognized that the resources of the region would be developed largely through private enterprises and that the stability of those enterprises is of major importance to the TVA objective. And that all research facilities of the public agencies, and institutions should be available to,

and directed to, this end. It recognized that it was as important to help those business enterprises overcome their problems as to help land owners who deal more directly with a national resource. To my mind, some of the most significant contributions in this field are results of research on the processing of food.

FOOD PROCESSING

TVA's experiments in food processing have resulted in the organization or substantial expansion of at least 11 commercial freezing and several dehydration food processing plants in the States of the Tennessee Valley.

The development began several years ago, when the TVA and the University of Tennessee commenced experiments in quick-freezing. This was directed first toward processing of strawberries in a Tennessee area where strawberry growing had suffered because of the difficulty of marketing the berries, but the experimentation has since been adapted to the processing of other berries, vegetables, and meats.

The Chickamauga Cooperative in my district was organized as a direct outgrowth of this word, for when the research and development work was completed, the TVA and the university leased the plant to the producers' cooperative which has since reached a profitable operating basis. In 1943, the Chickamauga producers expanded by opening a new $75,000 freezing plant, financing the expansion partially by selling $18,000 worth of preferred stock to farmers and businessmen in Rhea County, the remainder by a loan. In 1944 the organization built a freezer-locker plant at Cleveland, Tenn., at a cost of $40,000. During the 1942 packing season, the cooperative processed slightly over 1,000,000 pounds of strawberries, peaches, apples, and youngberries, worth nearly $105,000. In the 1943 season, it had expanded to produce 1,730,500 pounds, including strawberries, peaches, beans, blackberries, broccoli, corn, and pumpkin, with an approximate sales value of nearly $300,000. In 1945 the total pack was 1,466,500 pounds, with gross sales totaling $253,552.

The assistance provided by the TVA in this instance had for its primary objective putting the private business of farming in this area on a sounder basis. Instead of "dumping" their fresh produce on the market, farmers are able to process and hold it for the higher prices that come with processed products which can be stored and used virtually the year round.

But private industry has profited too. I have mentioned the Chickamauga Cooperative. In the same way TVA assistance has been given, among others, to a Kentucky cooperative which built two plants to dehydrate food for the Army; to a large locker-freezer company which expanded to build a modern freezing plant for strawberries, peaches, string beans, okra, and other products; to an Alabama concern freezing fruits and vegetables with the use of two machines, one of them the immersion quick freezer developed by the TVA. Fortunately, research had been sufficiently advanced so that the war food production could be aided. Three to four million pounds of wild blackberries, a crop which hitherto has gone largely to waste, were packed during the 1943 season by five food processors to supplement the wartime diet. Incidentally, the Tennessee wild blackberry makes a luscious cobbler.

Such research, however, is a continuing process, for improvements must be sought, new methods tested, and adaptations made to include new products. It is the type of research which is available ordinarily only to large business organizations. Usually it is beyond the means of the small businessman and producers. TVA's program, therefore, is of special importance to small business. A mobile food research and processing pilot plant has been established on three barges, now located at Spring City, Tenn. Here the experimental processing of fuits, vegetables, meat, poultry, and fish continues, going beyond the processing itself to test the marketability of the product by sales to TVA construction camps as well as to local markets. In the end the benefits will be reaped by the private business which will establish new facilities, or improve existing services.

I am not attempting to give a full accounting to the House of this little-known feature of TVA's work. I want to mention only a few more examples of this practical help the Authority offers to business enterprises, to farmers, to consumers, to all of us.

THE COTTONSEED OIL COOKER

Prior to TVA, little progress had been made in the process of cottonseed oil production. Attempts had been made to improve the process, particularly by the University of Tennessee. In 1929, at the request of the Tri-State Cotton Oil Superintendents' Association of Memphis, the university had begun some experiments which showed promise. But no facilities were available to carry the experiments through the pilot plant stage and to bring them into commercial use.

With the assistance of the TVA and contributions of machinery from interested mill owners, the university set up a full-sized pilot plant and exhaustive tests resulted in an improved pressure cooker for cottonseed and other vegetable oil seeds and a semiautomatic process which increases the efficiency of cotton oil mills and produces a more uniform grade of oil.

Here a typical regional problem was attacked through the combined efforts of TVA and several agencies, with resultant benefits to the cotton oil industry, the manufacturers who make equipment, and to agriculture.

THE TRAILER THRESHER

A new kind of thresher is being manufactured today as a result of TVA's research. Within the Tennessee watershed there are approximately 350,000 farms and 80 percent of them have less than 40 acres of tillable land. For a long time it had been recognized by experts that not enough small grain, grass, and legumes were being grown and that one reason was because farmers in the hill areas were not growing and saving enough seed. There was little or no threshing service available because it did not pay to own and operate a standard threshing machine. That was the problem, but nothing had been done about it until TVA came along.

In 1936 TVA commenced its studies, and by 1940 the Authority had designed and tested a machine to the point where it could be produced commercially. Six of the machines were ordered for testing and demonstration. The thresher was built to be easily pulled behind a car or light truck and was run by a motor mounted on the frame, eliminating the need for a tractor and permitting the thresher to be set up for a job in a minimum of time. It has about half the capacity of the standard thresher.

The machine is now manufactured under license by a North Carolina company. By June 1942, 57 of the machines were in operation; and by November 1943, the number had increased to 106 in the seven valley States and South Carolina, along with several sold in other States. By 1946, 228 were in use, some of them having been shipped abroad. Now the manufacturer has an order for 500 of the machines from UNRRA for use in central Europe, and orders for 250 for export to South America in addition to the local demand.

Some operators claim to have paid all expenses and practically retired their thresher investment in the first year. In a number of communities one machine proved ample to provide service the first year, but the next year increased planting required a second, and sometimes a third, machine. As a result, the State extension services reported that it was not uncommon to have a threefold increase the first year in the amount of grain, grass, and legume seed harvested, followed by another threefold increase the second year. This piece of TVA research has provided multiple benefits—it has placed a new industrial product, manufactured by private business, on the market; it has increased the efficiency of farming; and it has made a step foward in the fundamental task of protecting the basic resource of soil fertility by encouraging cover crops to diminish erosion.

TVA AND FOREST PRODUCTS

Let me illustrate from its work in relation to forest products. Remember that more than one-half of the Tennessee Valley area is in forests and woodlands and all but 17 percent is privately owned. In normal times the timber resources of the valley provide employment for more than 70,000 workers and supply the raw material for a $1,000,000 annual business. This ranks high among other industries of the area. The forestry activities of TVA are designed to supplement and strengthen the efforts of local, State, and Federal agencies to secure general adoption of forestry practices which will not only maintain but increase the value and yield of these resources and protect them against fire.

It is estimated that if good forest management were adopted to replace the wasteful methods now in vogue, the forest resources of some 14,000,000 acres could sustain a wood-using industry three times as great as the 3,500 sawmills

and wood-using industries now operating in the valley.

To meet this challenge, to promote improved forest management, TVA foresters have cooperated with State forestry divisions and extension services in the establishment of more than 375 forest management demonstrations to show owners the advantages of good management. On these thousands of acres of farm woodlands chosen as demonstrations, about 52,000,000 board-feet of timber and 50,000 cords of other wood have been cut selectively in order to provide critically needed wood for war uses while at the same time improving the quality of the remaining timber stands. These management demonstrations have shown that it is possible to meet increased demands without destroying future productivity.

In addition to these farm woodland demonstrations, and working with State forestry divisions, TVA provides technical advice and assistance to owners of large forestry properties. As a result, the lumber company which owns 70,000 acres in the Highland Rim area of Tennessee has already converted its operation from one of resource liquidation to one of permanent production. Instead of stripping the entire forest after the fashion of old logging methods, it is using the selective cutting which provides for a continuous growth of trees. If they can be shown they can make money while following good practices, most forest owners are willing to change their traditional practices, and they must change or a great resource will be destroyed.

At the present time, under wasteful methods, the valley's reserves of the better classes of timber are gradually being depleted. Saw-timber in 1940 was being cut faster than it was replaced by growth, while the growth of cordwood size trees was increasing only slightly faster than it was being used. Since that time, accelerated cutting due to war has no doubt put growth and depletion even further out of balance. It is estimated that the average acre in the Valley is producing less than 100 board feet a year; with proper forestry practices, which the TVA is encouraging and demonstrating, production could be twice or three times as great with vast benefits to the owners who are the businessmen of the Valley.

One way to encourage good practice is to show how culls can be utilized in industry. TVA is doing just that. It has successfully carried through the pilot plant stage a project designed to produce laminated lumber for flooring from cull hardwoods. The process is now being demonstrated to wood products manufacturers who will be offered the development for commercial operation. A continuous glue press produces the laminated lumber in desired length from slats of wood. Its preliminary design and construction was done under contract with the Georgia Engineering Experiment Station. The Forest Products Laboratory of the United States Department of Agriculture suggested this activity as a way of encouraging selective forestry, has given advisory assistance, and is making tests of the flooring.

TVA AND HOUSING

I cannot conclude a brief summary of ways in which private business has profited from TVA research without a reference to a subject much in the news these days. I am talking about housing. In the course of building 16 dams, some of them in remote areas, in a region as large as England, TVA had to make provisions for the housing of thousands of engineers and workmen. Since much of the housing was temporary, mobility was desired.

TVA architects developed a house which could be constructed on assembly lines in sections small enough so that they could be trucked to the homesite and bolted together. They did not need to be built at the congested and remote site. With electric wiring and such utilities as bath, kitchen sink, refrigerator, stove, and water heaters already installed, they were ready for occupancy as soon as the sections were joined and the water, electric, and sewer connections were made.

Success of this type led one step farther when TVA commenced construction of Fontana Dam in the mountains of North Carolina, where housing for some 5,000 persons had to be provided. Here, TVA advanced to the design of a sectional house so light in construction that each section could be hauled behind a car or a light truck.

Up to this point, the TVA had been building its houses with its own crews by force account, but with the light sectional house design TVA commenced a program of spreading its ideas to industry. It ordered 100 of the houses, each of two sections, for the Fontana Village from a manufacturing concern in Indiana, which constructed them and trucked them to the North Carolina mountains for assembly. The work was done on a cooperative basis, with the TVA acting both as purchaser and as instructor and consultant on the manufacture. They proved so successful that the design was extended to make possible the construction of two- and three-bedroom houses, made up of three or four sections.

The development began to pay dividends outside of the TVA. Large war projects being built for the Army by private concerns made necessary large housing developments. The TVA sectional house provided the answer to the plaguing question of how to provide housing economically in congested areas. Five thousand of the TVA designed houses were built by six large private manufacturers for the atomic bomb projects at Oak Ridge, Tenn., and Hanford, Wash. The TVA developed working relationships with each of these manufacturers by which it assisted them in working out and improving the techniques of production. One of these manufacturers, at peak production, was turning out 20 two-bedroom houses a day.

Subsequent to the completion of his contract, this manufacturer continued his research to adapt the TVA's ideas to postwar housing, and is well-prepared to continue in this important field now. Once more in helping private business meet a regional problem, acute during wartime, TVA has given an impetus to a program which will have benefits for years to come, not confined to the valley, but spread far and wide.

NEW FARM AIDS—TVA WORKSHOPS HATCH IDEAS FOR MACHINES—SOME FOR FARMER'S WIFE—THEY CURE SWEETPOTATOES, GATHER PEANUTS, AGE HAMS, MILL FLOUR IN KITCHEN—UNRRA ASKS 500 THRESHERS

(By Warner Ogden)

KNOXVILLE, TENN.—A crop of bright new farm machines has blossomed this spring in the agricultural experiment workshops around the waters of the Tennessee Valley Authority project.

These aids will help farmers cure sweetpotatoes, thresh wheat, mill flour, scarify seeds, dry hay, irrigate fields, and harvest and shell peanuts. Other new implements will make life in the farmhouse pleasanter.

The experimental workshops are run by the TVA's Agricultural Engineering Development Division.

The wraps were taken from the new aids at a public demonstration in the University of Tennessee here. Manufacturers in particular were invited to this unveiling so they could be induced to start producing the new machines. Some, however, are already on assembly lines.

Although designed especially for the farming conditions of the seven States touched by the TVA project, these new devices will benefit farmers all over the world. They were developed under TVA's agricultural engineering program, which is cooperatively conducted with land grant colleges.

SWEETPOTATOES CURED ELECTRICALLY

For sweetpotato growers there is a new electric curer and a harvester for the vines.

Curing improves the taste of the sweet potatoes and preserves them from early decay. The loss from uncured potatoes averages 25 percent; curing cuts this wastage to 5 percent.

A farmer raising 50 bushels of potatoes, which bring about $1.25 a bushel on the market, could save about $12.50 by using a curer. Complete assemblies with one heater might be produced to sell for $17.50, while larger units would cost $35. Electricity used would come to about 6 cents per bushel. These curers could be purchased and used on a community basis.

With the new sweetpotato vine harvester the farmer can gather his vines more easily and quickly. Fodder made from these vines compares favorably in palatability and green weight yield per acre with corn-derived ensilage.

The machine has two sets of knives which cut the vines loose from the tubers and a gang of spoked wheels with specially designed fingers for lifting and moving the vines into rows for drying. It has maximum harvest efficiency with minimum damage to tubers and is adapted for use in small or large fields.

THRESHER FOR SMALL FARMS

One machine developed especially for the needs peculiar to the Tennessee Valley is the trailer thresher. This device is only about half the size of a standard thresher and it can be towed easily behind an automobile from one small hill field to another. It threshes a wide variety of grains and is adapted for areas which have little or no threshing service.

Demand is heavy for this thresher, both domestically and from abroad. South American buyers have placed 250 orders for the machine with the Turner Manufacturing Co., of Statesville, N. C. UNRRA wants 500 of them for use in central Europe.

A feed grinder has also been developed to meet the needs of the small farm. It weighs only 45 pounds, exclusive of hopper, motor, and control, and can be powered by a one-half, three-quarters, or a one horsepower motor. It is a hammer-type mill with re-

movable semicircular screens of different mesh. An electric control attachment automatically regulates the flow of grain into the mill and does not require the constant attendance of the farmer.

Tests have demonstrated that this mill can grind all the grain needed during a year for a farm which has 500 chickens, 20 cows, and 12 pigs. It grinds from 1 to 10 bushels an hour, depending on the fineness of the feed desired. It is also adaptable as a community flour mill.

FARM WIVES WELCOME HOME-AIDS

Farm wives have welcomed the development of the kitchen flour mill and the electric pump-sink cabinet. The flour mill is the hammer type, with screens similar to the small feed grinder. It turns out as many as 60 pounds an hour, and can grind wheat flour of any fineness, whole wheat breakfast cereal, corn meal, corn grits and chicken feed.

The electric pump-sink cabinet eliminates the need for a pump-house, and also reduces freezing hazards. It is an assembled unit, consisting of an attractive kitchen sink with faucets, a pressure tank, a motor-driven pump, automatic electric controls, an extension cable with plug-in connections and the necessary pipe fittings to reach into the well. Connections can be made to supply bathroom and other farm needs, and it can be installed without the services of a skilled plumber.

A new machine has also been devised to scarify seeds—in other words, break the hard seed coating to speed germination. Laboratory experiments show that 85 percent to 90 percent of bush clover seed will germinate within 21 days, if it has been scarified. Only 20 percent of the unscarified seeds germinate in the same period.

Driven by a 1-horsepower motor, the machine consists of an abrasive disc and fan. It has a capacity of 200 to 300 pounds of seeds per hour, and can scarify and hull such seeds as buttonclover, sweetclover, and annual lespedeza. Seeds are scarified in only one run through the machine.

HOW PEANUT HARVESTER DEVELOPED

The use of plows, potato diggers, hay rakes and other conventional equipment has not proved satisfactory in harvesting peanuts. A special peanut harvester has now been developed for farmers who grow more than 5,000,000 acres of peanuts annually. It is tractor-drawn and equipped with a series of moving forks that pull the peanuts from the ground, shake the dirt from them and throw them into loose rows for effective drying.

One man can operate this harvester and by working two rows at a time he can pull and shake 15 to 30 acres of peanuts a day.

A small tung nut huller makes it possible to hull the fruit in the orchard at the time of harvesting and is especially adapted for use by the small growers. The machine is operated by an 8- to 10-horsepower engine. Its capacity is 1,500 to 2,000 pounds of fruit per hour.

In line with the increasing practice in the TVA area of using overhead irrigation, a new portable sprinkler has been designed. It consists of a motor-driven pump, a series of sprinklers, and durable lightweight pipe with connections that can be readily detached so that distribution lines can be easily moved from one place to another over the fields.

Two of these wide coverage sprinklers with two 150-foot laterals of light-weight pipe extending from the main distribution line can irrigate a strip of land 450 feet wide.

Research in east Tennessee showed that irrigation boosted strawberry production 62 percent, a net gain of $395 an acre. Seven acres of irrigated white clover yielded 466 percent more pasture, a net gain of $17.50 an acre, and in addition produced seed which otherwise would not have been produced, worth $58 an acre.

POLAND

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the adoption of the Constitution of Poland on May 3, 1791, symbolized the fruition of man-made effort to achieve individual liberty.

The earliest chronicled history of Poland goes back to the latter half of the tenth century, when in A. D. 966 that Nation was converted to Christianity. Throughout subsequent centuries the Polish people fought and suffered for the survival of their belief in those principles of freedom under God which, if practiced, would effectuate peace on earth.

The Polish Constitution, a democratic constitution adopted 2 years after the Constitution of the United States, became effective without violence, consonant with the idealism which inspired those leaders of humanity whose names we as Americans revere as the fathers of our country.

The Diet of Poland at the time of the adoption of the Polish Constitution was composed entirely of nobility who, in the general interest of their people, renounced many traditional privileges and granted rights which erased the barriers separating themselves from freemen and peasants. Anarchy and slavery by the stroke of the pen were destroyed. A government based upon the protection of the natural rights of the individual came into being. Royalty and laborer alike benefited. A new era, foreshadowing government of, by, and for the people, was on May 3, 1791, inaugurated and dedicated to the preservation of peace on earth.

The Polish Constitution, comparable to the principles of the Magna Carta and our own Declaration of Independence, was more than a rule of action for the Poland of that day. The constitutional ideals set forth in that document have almost exact counterpart in the rules of political action defined in the Constitution of the United States which constitutes the supreme law of our land.

The preamble of the Polish Constitution unmistakably evidences the desire of man to be free:

Persuaded that our common fate depends entirely upon the establishing and rendering perfect a national constitution; convinced by a long train of experience of many defects in our government, and willing to profit by the present circumstances of Europe, and by the favorable moment which has restored us to ourselves; free from the disgraceful shackles of foreign influence; prizing more than life, and every personal consideration, the political existence, external independence, and internal liberty of the nation, whose care is entrusted to us; desirous, moreover, to deserve the blessing and gratitude, not only of our contemporaries, but also of future generations; for the sake of the public good, for securing our liberty, and maintaining our kingdom and our possessions; in order to exert our natural rights with zeal and firmness, we do solemnly establish the present constitution, which we declare wholly inviolable in every part, till such period as shall be prescribed by law, when the nation, if it should think fit, and deem necessary, may alter by its express will such articles therein as shall be found inadequate. And this present constitution shall be the standard of all laws and statutes for the future diets.

Article V of the Polish Constitution declared that all power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, the civil liberty, and the good order of society, on an equal scale and on a lasting foundation. Three distinct powers were established as composing the Government of the Polish Nation: The legislative power in the states assembled, the executive power in the king and council of inspection, the judicial power in jurisdiction existing, or to be established. These governmental principles closely follow the ordinations of the Constitution of the United States of America set forth in article I, section 1 thereof, that all legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives; in article II, section 1 thereof, that the executive power shall be vested in a President of the United States; and article III, section 1 thereof, that the judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as Congress may from time to time ordain and establish. The philosophy of government underlying the separation of legislative, executive, and judicial power set forth in each constitution would lead one to believe that the designers of the American and Polish Constitutions found inspiration at the same time from the same source.

The Polish Constitution portrays a picture of humanitarianism and tolerance in the ideal. Unfortunately, man has never approximated in actuality this ideal. The Polish Constitution states:

We publish and proclaim a perfect and entire liberty to all people, either who may be newly coming to settle, or those who, having emigrated, would return to their native country; and we declare most solemnly, that any person coming into Poland, from whatever part of the world or returning from abroad, as soon as he sets his foot on the territory of the republic, becomes free and at liberty to exercise his industry, wherever and in whatever manner he pleases.

The "four freedoms" of the Atlantic Charter may well have had intellectual birth in the Polish Constitution. Rule by majority, secret ballot at public elections, and freedom of religion were therein proclaimed:

The same holy religion commands us to love our neighbors, we therefore owe to all people of whatever persuasion, peace in matters of faith, and the protection of government; consequently we assure, to all persuasions and religions, freedom and liberty, according to the laws of the country, and in all dominions of the republic.

Within a few short years after this declaration of independence, tragedy struck. Poland was partitioned and dissolved. The child of democracy in

Europe, born with the signing of the Polish Constitution, was, however, strong. The Polish people, peace-loving, freedom-loving, justice-loving, have suffered the ravishment of war upon war. Their spirit, however, has never been conquered. Their nation is unconquerable.

Great men are never satisfied with past accomplishment. Neither is a nation. Man may revere man in retrospect but man admires man for the deeds of today. The romantic grandeur of Poland lies in her historic struggle for the freedom of the individual. The strength of Poland rests in her present determination to become the nation of the dreams of her historic forefathers who signed the Polish Constitution 155 years ago today.

A nation is great as her individual citizens are untrammeled and free from despotic influence and tyrannic rule. Freedom of speech supplemented by the exercise of the natural right of every man under a democratic form of government to choose his leader at a secret election without undue or unfair influence which makes impossible a true expression of the will of the electorate is a condition precedent to national greatness. Poland must have the freedom of a secret election of governmental leaders. Corrupt and illegal practices in elections, as defined in the laws of this Nation, should insofar as possible be eradicated from Polish elections to the end that the citizens of Poland may have a government of their own free choice in which they have pride and trust. Then will Poland take her rightful place among the United Nations.

There are several party programs presently existent within the Polish Nation. No election would be successful in any country unless all groups, organized or unorganized, enjoy the right to express their uncontrolled opinion as to their desires for national leadership. Poland is entitled to, and must have, freedom of speech in elections. Poland through her suffering in World War II has won world acclaim for her struggle for democratic ideals. Poland has merited the right to a free and secret election.

Poland has never broken faith as a nation. She has never denied her strong tradition. She has been true to the intellectual and cultural history which gave the world the music of Chopin, the discovery of Madame Curie, the glory of Paderewski. The world needs Poland in the community of nations. The world needs the courage, the valor, the dignity, and the faith which have inspired Poland throughout the centuries if the world is ever to enjoy universal peace.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, all over the world men and women of Polish descent today celebrate what has long been cherished as their day of independence. This is the anniversary of the promulgation of the document which clearly defined the liberties and the freedom of the Polish people.

No people on earth prize freedom more highly than do the Polish people. No people ever sacrificed more for freedom than the Poles. In many lands and on many battlefields they have fought for freedom—not alone for Poland but for peoples everywhere.

They were in the front of America's battle for liberty; they fought under the tricolor of France for the freedom of the common people. They turned back the Asiatic legions when they threatened to overrun all of Europe and destroy Christianity. The pages of history are full of the gallantry and sacrifices of the Polish people. No call for liberty ever failed to strike a responsive chord in the breasts of this sturdy, industrious, intelligent, and progressive race.

For centuries they were denied liberty. That probably made them appreciate it more than do people who have always possessed it.

Knocked prostrate by the German military juggernaut at the beginning of World War II, they fought on under other flags and in other lands. They made it unmistakably clear there would be no compromise. They were in this war to a successful end.

They had faith in the glowing light of the Atlantic Charter, which promised freedom and justice for the smaller nations of the world. They could not believe that their unyielding patriotism and tremendous sacrifices and privations would go unrewarded.

Today freedom-loving people in every country in the world sympathize with the people of Polish ancestry. They grieve with them that there is not the full freedom in Poland which it so justly merits. They deplore the loss of sacred territory and the domination of the country by an outside power. They regret no one held out in conference for their just cause.

A people who have waited for centuries will still cling tenaciously to the faith and the hope that justice will eventually come to Poland. And it will. Eventually Poland will stand once more among the nations of the world—a free nation—a nation which will not bear the shackles of any foreign power.

America should help to make this hope of the people of Poland become a reality.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, today marks another bright milestone in the irresistible march of the people toward a democratic way of life. One hundred and fifty-five years ago, on May 3, 1791, in a period fraught with peril and pregnant with the future, like our own times, the liberal Polish Diet proclaimed the Magna Carta of Poland, the forward-looking Polish Constitution.

I shall not today, in the brief time I have available, attempt to go over the resplendent history of Poland—her wars and battles, triumphs and defeats, dreams and aspirations for freedom, liberty, and self-determination; nor speak of the magnificent accomplishments of the Polish people in culture, art, music, industry, trade, letters, and in every phase of human endeavor; nor shall I attempt to do justice to the aid given America by General Kosciusko and General Pulaski in our own struggle for freedom and independence.

Nor, Mr. Speaker, shall I now restate my own activities and cooperation with President Wilson in the struggle for Polish freedom after World War I, for that is a matter of record too well known to history to need restatement. Neither do I need to review the glorious history of brave Polish resistance to the Nazi hordes when the Polish Republic was wantonly violated, and for six bitter years the people stubbornly resisted fire and sword and kept alive the form of a government when the substance had been annihilated by the invaders until the conquerors were driven from Polish soil.

Now the Polish people are rebuilding their shattered nation; the republic is reestablished; their freedom, independence, and sovereignty, which they enjoyed for 20 years, has been restored and guaranteed by the United Nations; they are reviving their industry, their farming, and their cultural centers and universities. With the same supreme courage with which they resisted the Nazi blight, they are facing the problems of peace and reconstruction, and fervently seeking that perfect liberty and unity of purpose to which I have alluded more than once heretofore on this floor.

I have profound faith, Mr. Speaker, in the ability of the Polish people to work out their own destiny, freed from foreign influences and the push and pull of old European power politics. Soon the broad masses of the Polish people will once again go to the polls and elect the national representation of their choice, without interference either from Russia or Great Britain. The conditions are difficult. Poland is just arising from the desecrated ashes left by the Nazi terror. The country does not yet have the political, economic, and political stability with which we, in America, surround our elections to achieve democratically the will of the people.

Yet, I hope and I believe this election will be free and will achieve national solidarity. There are no vast differences of aims among the major parties in Poland; they all are devoted to the one great cause of Polish freedom. They are entitled to a free election, and it should not be denied or abridged. The whole world will rejoice at the restoration of a national government, based on full popular support, which can begin to reestablish Poland, heal the wounds of war and strife and suffering, and bring about peace, prosperity, and harmony to the ravaged people, and firmly reestablish freedom of religion, freedom of the press, and freedom of thought and speech and conscience.

Mr. WASIELEWSKI. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, today marks the one hundred and fifty-fifth anniversary of Poland's Constitution of May 3. In free Poland this was a national holiday, comparable to our July 4. However, the May constitution is not the property of Poland alone, for it is rightly one of the world's greatest documents of freedom, like the Magna Carta, the Declaration of the Rights of Man, and the American Declaration of Independence. It is the common property of liberty-loving peo-

ples of all times in their ageless struggle for progress and freedom.

The great statesman, Edmund Burke, more aptly than anyone else, summarized the significance of the Polish Constitution and its means of accomplishment. He stated:

> We have all seen disorder and servitude at once removed; a throne strengthened for the protection of the people without trenching on their liberties * * * not one man incurred loss, or suffered degradation. All, from king to the day labourer, were improved in their conditions. Everything was kept in its place and order. But in that place and order, everything was better. To add to this happy wonder—this unheard of conjunction of wisdom and fortune—not one drop of blood was spilled; no treachery, no outrage, no system of slander more cruel than the sword; no studied insults on religion, morals or manners; no spoils; no confiscation, no citizens beggard; none imprisoned, none exiled. The whole was affected with a policy, a discretion, a unanimity such as have never been known before on any occasion; but such wonderful conduct was reserved for this glorious conspiracy in favour of the true and genuine rights and interests of men. Happy people, if they know how to proceed as they have begun.

How different was this dignified, inspiring, and bloodless revolution carried through by Poles when compared to the degrading violence, treachery, outrage, confiscation, dispossession, looting, robbery, exile and rape of liberty witnessed in the present revolution in Poland, conducted by Russian citizens and Communist agents with the apparently tacit consent and approval of her allies in the war just won. One is inclined to wonder at this time whether Poland was on the winning or the losing side in the conflict.

In other respects, however, history is repeating itself, as is evident to anyone who reads the pages between the years 1791–95, and compares it with what happened from 1939–46. The same forces and violence that attempted to destroy the Polish Nation under Czarist imperialism are today, under Communist totalitarian imperialism, practicing the same methods of persecution and extermination of all patriots, using the same deception and pretenses to lull the vigilance and deafen the protests of freedom-loving people the world over.

The revolution of May 3, 1791, abolished forever the liberum veto and all the intricate and obstructive machinery of the anomalous old system. It is interesting to note that the United Nations in certain of its counsels requires unanimous approval by the so-called Big Four or Big Five. Thus, in this modern age again, the exercise of liberum veto might jeopardize the peace and security of the world.

The Constitution introduced a modern principle in the sphere of national defense, providing:

> The Nation must act for her own defense against attack and to preserve her integrity. Therefore, all citizens are defenders of the integrity and liberty of the Nation.

Social reforms provided for enlarging the rights of burghers and abolished many differences between them and the nobility. It was the first in Europe to grant the protection of the State to the peasants. Schools were introduced in the villages and a kind of ministry of education established. Principles were laid down governing the relations of masters and peasants, providing that they be based on agreements binding upon both parties. This was utterly new in those times.

In 1795, Kosciusko, the hero of both hemispheres, in the spirit of the May constitution, granted full civil rights to the peasants and called them to arms as free citizens. Kosciusko led the first really people's volunteer army in Europe, fighting with farm tools, it is true, but with incredible valor and patriotism, nevertheless.

Another principle enunciated in the constitution, which was rather new in those times, was the recognition that the sovereignty of the nation rests with the people. It provided that all power in society is derived from the will of the people.

The constitution confirmed the principle of complete religious tolerance, which had been practiced in Poland since the fourteenth century.

Slightly less than 4½ years after the adoption of the May constitution, Poland's third dismemberment was accomplished by the absolute rulers of Poland's despoilers. Poland was despoiled because she was centuries ahead of her times, and because her political freedom was considered dangerous to the continuation of the totalitarian governments of her despoilers. Poland's freedom, independence, and democracy were contagious and so recognized by the despotic rulers of Russia, Prussia, and Austria. Thus, Poland was doomed. Had Poland been less progressive in her political philosophy and more devoted to maintaining her military might she undoubtedly would not have been considered dangerous to the totalitarian states around her and she would never have been partitioned. But the cause of liberty and freedom-loving people would have suffered a terrible set-back.

Let us but look at modern Poland, at the time the Nazi forces attacked her with all their might. With but 15 divisions on Germany's western front, the resistance of the Polish forces gave France and Great Britain at least 5 to 6 weeks' time to organize their forces and prepare either to aid Poland or defend themselves. Poland had a nonaggression and mutual assistance pact with Russia.

Three weeks after the Nazi attack, when the Russian forces began to come into Poland from the east, many Poles were of the opinion that Russian aid was coming pursuant to the pact, and little or no resistance was offered the Russian armies until their full intent and purpose was learned.

For nearly 2 years the Russians collaborated with Hitler and his Nazi forces, sending supplies and equipment for use against Britain, France, Norway, and the Low Countries. At that time Russia and the American Communists labeled the conflict as a British imperialist war while she in her own right absorbed the Baltic states of Lithuania, Latvia, and Estonia, and made war on little Finland. Today, although for all practical purposes Russia considers nonexistent the nations of Lithuania, Latvia, and Estonia, we continue to recognize the envoys and ministers of these little brave countries. This is indeed an anomalous situation since to date we have neglected to challenge Russia's claim that these countries no longer exist, but merely chose through silence to ignore Russia's contention. This is indeed a ludicrous position for a great country and leader in world affairs to assume.

Under the guise of wanting security, the Soviet Government extorted from Great Britain and the United States the right to create a "friendly administration" in all the countries along its borders. President Roosevelt and Winston Churchill yielded to these demands made by Generalissimo Stalin at Tehran and Yalta for the sake of Big Three unity.

Poland particularly was made the goat in this appeasement policy to humor the Soviet dictator who threatened to withdraw from the conflict unless he might have his way. Apparently at that time our leaders did not appreciate their own strength and felt compelled to yield.

The Poles fought the Germans to the bitter end and even after they became aware that Russia demanded a large slice of their country. The Polish people were persuaded that it would be worthwhile losing the eastern half of Poland provided they maintained their complete sovereignty.

Under the Yalta agreement the Lublin committee was expanded to include two members of the government in exile out of a total of twenty-odd. But this was a mere camouflage since the representatives of the exile government were relegated to minor inconsequential offices.

A brief survey of principal members of the Moscow-picked Warsaw government fully demonstrates that Russia wanted not a "friendly neighbor" but a "vassal state" at its borders.

The president of the Warsaw government is Boleslaw Bierut. This is not his real name but a contraction of two aliases he used at different times. He has been a Russian citizen since 1923 and as a comintern official lived in Moscow, Vienna, and Prague, where he was entrusted with certain delicate missions by his superiors.

He belonged to none of the underground movements which took great risks and endured severe hardships in fighting the Germans. He fought the war from Moscow and went to Poland after the Germans were practically evicted.

Hillary Minc, the Minister of Industry, has been a Russian citizen since 1928. Like Bierut, he is well indoctrinated with Communist ideals and hastened to nationalize the Polish industries, banks, and so forth, in accord with the best Communist traditions.

Another Soviet citizen, Zygmunt Modzelewski, is Minister of Foreign Affairs. He was assistant to the chief of the Soviet Purchasing Commission in Paris for 10 years. As an avocation at that time he helped organize the French Communist Party.

Michael Zymerski, marshal of the Warsaw Government and commander of its armies, is the only Pole holding a

really responsible position, but his record is said to be somewhat unsavory for a field marshal. He was demoted from the rank of brigadier general to that of a private before the war and sentenced to prison for 5 years. It is said that not his political activities, but merely conduct unbecoming an officer, is responsible for his disgrace. After serving his sentence he went to France, where he became active in smuggling arms and supplies to the Spanish Loyalist Armies across the Pyrenees.

The Minister of Security is a White Russian, Bronislaw Radkiewicz, who does not even speak the Polish language. He is a most important officer in an undemocratic state. He is on the active list of the Russian secret police, the N. K. V. D., and enjoys more power than any other member of the Warsaw Government. He holds the power of life and death in his hands—no authority in the land can override his decisions.

The rest of the ministry are mere puppets and must obey orders of these Russian citizens. What other conclusion can one draw but that Poland is merely a vassal under its present regime.

On April 19, the Associated Press from Warsaw reported that—

> Soviet Russia probably will get virtually all of Poland's coal exports for the next year * * * and coal is the principal produce which Poland at present is able to export. * * * Thus although she recently joined the European coal organization which opened the western markets to her, there now appears little likelihood that western Europe will see much, if any, Polish coal the coming year. * * * One member of the embassy of a western power who asked that his name not be used, said officials of the Polish ministry of navigation and foreign trade told him, concerning coal, that "We have none to sell."

Thus apparently Poland is not to be open to trade with Europe, Britain, and America, on equal terms, notwithstanding the recent agreement made by the Warsaw Government in connection with the $90,000,000 loan we approved.

The London weekly, Whitehall News, reports that Poland is receiving but 42 zlotys a ton for the coal sold to Russia whereas it actually costs 150 zlotys to mine. The zlotys today on the official market are valued at 100 to the dollar, in the black market one can get as much as 500 zlotys for a dollar. Thus Russia buys Polish coal costing the Polish Government $1.50 per ton to mine for 42 cents and resells it in the world market at $7 to $8 per ton. Can a people whose labor and natural resources are thus exploited attain anything but bankruptcy and eventually slavery under the present Moscow-dominated puppet government?

Under the terms of the $90,000,000 loan we recently made to the Warsaw government, about one-half that sum was allocated to the purchase of railroad locomotives and coal cars. Apparently this rail equipment will be used to deliver the coal to Russia for which the Soviets pay practically nothing. One is inclined to wonder whether this loan is actually being made to Poland or is it a gift to the Russians? Certainly they are the ones who stand to benefit. If the Warsaw regime continues to make such trade agreements with the Soviets can we hope ever to be repaid?

Mr. Speaker, it is high time that we insisted a house cleaning be held in Poland as well as in the other Russian-occupied Allied countries like Estonia, Latvia, Lithuania, Czechoslovakia, Yugoslavia, Korea, and China. That the Russian troops and secret police leave each of these countries to its peoples in order that free elections may be held. If we are to erase tyranny and assure a lasting peace in the world, self-determination of even the smallest nations is imperative.

While the Poles await an election, their best people, political leaders, champions of democracy, are being assassinated, liquidated, thrown into concentration camps, or otherwise neutralized in the hope that the will of self-determination and self-government may be broken. If a free election were held in Poland today, even though more than 2,000,000 of her staunchest democrats are in voluntary exile, 90 percent of the people would vote against the puppet Soviet-controlled government now in power. Let us insist on an election now while some whole-bodied and sound-minded men are still available to restore dignity and liberty to a country that has sacrificed so often and so much in the cause of freedom.

It should not and shall not be necessary for us to go to war with Russia in order to fulfill our pacts and agreements with our allies if we demonstrate sincere determination and firmness. The Soviets will take all they can get for nothing over a conference table, but we are advised by those in the know that she shall not fight at this time. The Russian people are as war weary as we are. However, our repeated yielding does not satiate her desires but merely encourages her to enhance her demands. The Soviets apparently look upon our willingness to sacrifice principles for unity of the Big Three as weakness on our part. Our actions have not aggrandized our stature nor that of democracies by our giving in to practically every Russian whim. Within recent weeks, particularly at the UN conferences in New York, our State Department stiffened its position and was approvingly applauded at home and abroad. Let us pray that we may continue to have open covenants openly arrived at in the future. Let us have no more secret Big Three or Big Four meetings. Tehran, Yalta, and Potsdam should have cured us. Let us not repeat our mistakes but benefit from our experiences in the past.

Mr. DINGELL assumed the chair as Speaker pro tempore.

Mr. WASIELEWSKI. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Speaker, I would certainly be very glad if I could convey today to the Polish people my warmest congratulations on the one hundred and fifty-fifth anniversary of the adoption of the democratic constitution of Poland and I would certainly feel happy if I could express how deeply satisfied I am that upon the victorious conclusion of the Second World War, freedom and independence were restored to the Polish people.

It would have been most appropriate to extend these congratulations to the Polish people today when we are about to celebrate the first anniversary of the downfall of Adolph Hitler's Nazi Germany and all it stood for, because it was certainly our most fervent hope that on that day we would be able to welcome liberated Poland into the family of free nations, united and devoted to the pursuit of peaceful endeavors.

Unfortunately, Mr. Speaker, I have to make it plain, with deep sorrow, that in spite of all the oral and written pledges which were given to the Polish nation during the war by all the leaders of the United Nations—despite Poland's heroic fight and people's undaunted devotion to our common cause—freedom and independence were not restored to Poland in result of the victory achieved by our Army, a victory to which the entire Polish nation contributed so much.

I wish to remind you of a few facts.

First. Discarding all her legal obligations clearly and unequivocally stated in its treaty of alliance with Poland, Great Britain agreed through Mr. Winston Churchill and Mr. Anthony Eden—and will stand accused before history—to Stalin's request for Polish territory amounting exactly to 46 percent of Polish prewar internationally recognized national possessions.

Second. At Tehran this shameful British betrayal of its most faithful ally was secretly condoned by the representatives of the Big Three Powers.

Third. At Yalta the partition of Poland was made official and the future fate of Poland was decided without any participation of the recognized constitutional and legal government of Poland which led its nation in its fight on our side during the war.

Fourth. Also at Yalta and later during the late Harry Hopkins' secret mission to Moscow, the Polish Nation was saddled with a group of Communist agents posing as a provisional Polish government of national unity.

Thus, insult has been added to injury. This group of Communists now ruling Poland is neither provisional because it wants to be permanent; nor is it Polish because it is Russian; nor is it a government because it is a bunch of professional propagandists and terrorists; it is not national because it is foreign; and there is no unity, because there is totalitarianism in present-day Poland. The whole name of the outfit and every word of this pompous title is simply a lie.

The truth of the entire situation is this and I think it is about time to face it.

The Polish people have no say whatsoever in shaping up their own life as a nation and evidence is piling up every day to the effect that Poland's great imperialistic, antidemocratic and ruthless neighbor is doing all it can in order to make of Poland a completely subservient province of this monstrous concentration camp for 180,000,000 people which is known to the world under the name of the Soviet Union.

Now, Mr. Speaker, from time to time when our conscience disturbs our sleep,

we make here and there a half-hearted effort to remedy a situation which we ourselves helped to create. We insist that we will recognize our responsibility in the disastrous trend of the Polish events and we stress our interests in seeing to it that the Polish Nation be given the opportunity to express itself in free and unfettered elections. We try to keep in our minds the noble words spoken by our late President, Franklin D. Roosevelt, in this very Chamber and I quote him:

> Our objective was to help create a strong, independent, and prosperous nation * * * the objective of making Poland a strong, independent, and prosperous nation, with a government ultimately to be selected by the Polish people themselves.

We also try to remember the words spoken by President Harry S. Truman in his last Navy Day speech of October 27, 1945, and I quote him again:

> We shall refuse to recognize any government imposed upon any nation by the force of any foreign power. In some cases it may be impossible to prevent forceful imposition of such a government. But the United States will not recognize any such government.

In order to make our promises good and not fail on our word, our Government is trying hard to make sure that some time this year these "free and unfettered elections" will be held in Poland. Our Government even went so far that, by granting to Poland a loan, it exacted from the Warsaw rulers a renewed pledge concerning those elections. A man whose name I do not want to mention here out of my high esteem for this House, a man who perjured himself when he was taking his oath as a naturalized citizen of the United States and who now poses as the "Ambassador of Poland" in this country, recently sent a note to our Secretary of State assuring him that "general elections will take place this year" in Poland. In the same note, however, the same perjurer submitted to our Secretary of State a statement which at this time I shall call—also out of my esteem for this House—only a "misrepresentation of facts." Contrary to all evidence, this man assured our Secretary of State that "a referendum will be held in Poland soon in order to determine whether the Polish people want its future parliament to be composed of one or two houses." The man who lied to the American court when he swore that he "renounces and abjures all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty" and who declared under oath of naturalization that he will "bear true faith and allegiance to the United States of America"—this same man lied once more, this time to our Secretary of State.

Mr. Speaker, the referendum which the masters of Poland are planning now has a much broader scope than just the determination of whether Poland's future parliament should be composed of one or two houses.

In fact, through this referendum, to be held under duress and under foreign military occupation, the Polish people are supposed to endorse fully the complete Sovietization of Poland outlined not in one point, as our Secretary of State was misled to believe, but in 10 points and among them such as the rupture of Poland with the Vatican, nationalization of private ownership, full subservience to Soviet Russia in matters of international policies, and the complete penetration of all Polish political parties by specialized fifth columnists, trained in the central offices of the Commintern in Moscow. This is the full truth which the perjured has concealed from the Secretary of State.

I am certainly glad that our Export-Import Bank has seen fit to grant a modest credit for the purchase of railroad equipment for destitute, hungry, and ruined Poland. I would most urgently like to encourage all our institutions concerned to expedite further relief for Poland, but I cannot abstain from making the point that the financial credit to Poland was granted on false premises. Assurances given in a misleading statement by a perjurer have no validity. Moreover, the holding of free and unfettered elections in Poland is impossible as long as the present foreign rulers of Poland are kept in their offices by their Soviet protectors.

Within the last few days the American press brought plenty of reliable reports pointing out to the fact that the last independent elements in Poland are being pressed into accepting elections patterned on the by now famous elections held in Yugoslavia, in which only one set of hand-picked candidates will be permitted to run for offices. Such one-ticket elections will be just what could be expected from the Communist group now running the affairs of Poland.

This totalitarian fraud was made possible by the decisions reached at Yalta, and the subsequent recognition of the government imposed upon Poland. It is exactly through this Hitlerian one-ticket device that the present rulers of Poland will prevent the Polish nation from getting rid of them.

The intimidation and direct pressure applied by the rulers of Poland on political parties and their leaders who refuse to be a party to this totalitarian deal proves that the powerful foreign sponsors of the Warsaw puppets are out to destroy every vestige of independent political thinking in Poland. In these circumstances, most probably within a few months, we will be presented with the result of a so-called election held under foreign terroristic pressure, just as we were presented with a similar result after the elections held in Yugoslavia.

Should we permit that to happen, we will once more fail to substantiate our pledges given to Poland during the war.

Mr. Speaker, we do have ways and means to see to it that this shall not happen. We are powerful enough to ask for an international supervision both of the preparation of elections in Poland and of the electoral proceedings there. We should go on record and request from the Governments of Soviet Russia and of Poland that an American mission, in which Members of the United States Congress would participate, be permitted to enter Poland immediately, in order to observe and to supervise the forthcoming elections, and we should make it clear to the Government of Poland that should such a mission not be permitted to enter Poland or to discharge freely its duties—the diplomatic recognition conditionally granted by our Government to the Warsaw group will be withdrawn.

The sending of an American mission to supervise the elections in Greece was unanimously applauded by all Americans. The sending of a similar mission, including Members of the United States Congress, would at least give us facts on the basis of which we will be able to judge for ourselves whether or not the Polish nation had any chance of free expression.

If we fail to demand from the present rulers of Poland the admission of our congressional and governmental observers, and if we continue to watch silently and helplessly the sinister dealings which are going on beyond the Soviet iron curtain—we will not discharge our obligations toward the civilized world. We will compromise our world leadership and we will further endanger American prestige among the nations of the world. Just as the British, we will stand accused before history for having proceeded on the road of appeasement further than our own security, our own moral standing, and our own interest permitted it.

Mr. LESINSKI assumed the chair as Speaker pro tempore.

Mr. WASIELEWSKI. Mr. Speaker, I yield 6 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, much has been said about the famous Polish Constitution of the 3d of May. Extolled and reviewed many times were its virtues here on this floor and throughout the civilized world. Wherever freedom and independence were implanted or the idea cherished in the human breast, the heart of humanity thrilled and throbbed for the want of realization of the objectives of this great human document of liberty, which has taken its rightful and historic place beside the American Constitution, and the British Magna Carta.

It is ironic, Mr. Speaker, it is tragic indeed that the principles of the Constitution of the 3d of May are, because of the draped Russian Communist iron curtain, denied to the valiant people of Poland. Poland today is a sealed tomb insofar as the outside world is concerned. She is not much better off, except for our relief, than she was when she lay prostrate beneath the cloven hoof of the German Nazi demon. The press is shackled, the church is persecuted there is no democracy, and no liberty. In Poland the scourge of communism, like hunger and disease, stalks the land. The great liberal and genuinely democratic leaders, their followers, and their press are hunted like criminals and treated as such. They are in every respect restrained and constrained to maintain censorship, almost to the point of silence. Censorship of the most vicious and repressive kind effectively stifles freedom and democracy and it dies a-borning.

The soul of Poland, today as always, liberal, Christian, and free of Communist infection, cries out to the heavens for relief and for vengeance. Think of it, my colleagues, our original and by choice

most loyal ally, Poland, being sold into hated Russo-Communist slavery. Nearly 300,000 of her remaining heroes who fought the good fight for the cause and for Poland's restoration, and who have sanctified with their blood every major battle area on land, in the air, and upon the sea, outside of the Pacific theater, from the first day of war until the last day, now receive as their reward exclusion from their homeland. Bloody Joe Stalin rules, they may enter only as individuals, singly, under the opprobrious declaration—official too, you must remember—that they are traitors, collaborators, and in every way disloyal to Poland. Return to their native land under such conditions would be sheer madness preliminary to mass suicide for these worthy heroes. The senseless, yes, the galling "letters of security" so magnanimously offered by Britain in payment of her debt to these bemedaled veterans who helped save the Empire is the extent of her intercession. Britain, like all the rest of the world, has forgotten the days of agony and of the blitz when the enemy was seemingly invincible in perfect alinement with "our Russian ally" and when her devoted friends were so discouragingly few and becoming by attrition and defeat less as time went on. The heroes of Poland are entitled to as much credit as are their British allies for holding the thin and wavering line of freedom and Christianity. Proportionately, they have done as much as any other nation or element on the firing line. They were always on the one side—the right side—never on both sides, and they chose their side of the firing line in defense of freedom and democracy. Poland, abandoned and betrayed by her friends into the hands of her enemy, arrived at her Golgotha and like her Master whom she served so faithfully, is about to be crucified between two thieves, German and Russian, neither of them good, as was one who died upon the Cross beside Our Lord, and who because of his contrite heart was assured by Jesus that upon that very day he would be with Him in Paradise. Poland will, as a Democracy and a Christian nation, linger and die unless the great nations of the world intercede in her behalf, or unless Russia experiences a deathbed change of heart and, like the good thief, changes her attitude and her actions.

I pray the day will come when Russia awakens to her centuries old weakness of conspiracy and betrayal of the Slavic races. The enslavement of the millions of Slavs could not have been accomplished without a renegade Russia. If only at this late day she will experience a change of heart, will recant, reform, and express genuine regret, there is hope for her and peace for a war-weary world. There will never be peace upon Russia's horizon unless Poland is treated fairly, with the dignity to which she is entitled. There is no security in depth, Russia's theory has been exploded. There is safety and peace only in fair and honest neighborly dealing.

Warfare in depth did not save Russia when her half-starved, ragged armies ran pell-mell and out of breath and munitions toward Vladivostok as their goal and jumping-off place into the Pacific Ocean, with the German Hun at her heels. Oh, no! It was American buckshot, barbed wire, and baled hell, plus our beans, bread, and butter which arrested their frenzied flight at Stalingrad and later turned the tide. Stalingrad was only a way station on the way to the Urals, Siberia, and a cold, suicidal ducking in the far off Pacific. Stalingrad was not a part of their plan; it was but an accident which became historic. American lend-lease did the trick, saved Russia and the world from extinction or the enslavement by the pursuing and heartless Hun.

The SPEAKER pro tempore (Mr. LESINSKI). The time of the gentleman from Michigan has expired.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, I thank the gentleman from Wisconsin for giving me this opportunity to express the great admiration, respect, and regard which I hold and which I know the people who live in my district hold, and particularly those of Polish descent, for the people of Poland.

It is my sincere hope that it will not be long before free communication without any censorship whatsoever will bring about a better understanding between all of the nations of the world, and particularly bring to all of the nations of the world the conditions not only in Poland but also in other countries of the world.

I think it highly desirable that free elections be held in the near future. I have faith and confidence that as time goes on human brotherly love will shine forth again in all its beauty among all of the different nationalities of the world, and I pray that that time may not be long.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as she may desire to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, the traditional rallying cry of Polish patriots for over a century and a half has been: "Poland is not yet lost!"—Jeszcze Polska nie zginela! Never has that trumpet call of free souls reached so many people or stirred so many hearts as it does today—155 years after the signing of the justly famed Polish Constitution on May 3, 1791.

We Americans have honored and revered the contributions of Poland's Pulaski and Kosciusko to freedom on the battlefield, of Poland's Copernicus and Madame Curie to the freedom of science, and Poland's Paderewski and Sienkiewicz to the freedom of the arts. We acknowledge with equal vigor the great gifts to civilization made by each generation of millions of Poles in their beloved homeland. We venerate the magnificent role played by Americans of Polish ancestry in building our own Republic.

It is the sacred duty of those of us who live under the protection of the Constitution of the United States to turn our thoughts to the Polish people on this their Constitution Day. For my part, I pledge myself to do all within my power to conquer the enemy, starvation, which threatens Poland. I further pledge myself to do all within my power to see to it that the Polish people shall once again enjoy the right to hold free elections under their Constitution. Mine today is the battle cry of Polish heroes of more than fifteen decades: "Poland is not yet lost!"

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. SADOWSKI].

Mr. SADOWSKI. Mr. Speaker, today the Poles, the world over, are celebrating their national holiday, the one hundred and fifty-fifth anniversary of the 3d of May constitution that marked their nation's spiritual rebirth. The 3d of May 1791 marks Poland's new birth of freedom. It commemorates the Polish Constitution, one of the world's greatest documents of freedom, like Magna Carta, the declaration of the rights of man, and the American Declaration of Independence.

The freedom of the individual and the freedom of the nation, these two fundamental features of Poland, constituted not only the main principles of Polish policy during the period of enslavement but gave the Polish cause a universal character. Wherever the struggle for freedom was fought, there Poles were to be found.

The May 3 constitution stated, among others, the principle that "All power in civil society is derived from the will of the people." Since 1573 Poland had religious toleration. The constitution restated this principle, as follows:

> For us the same sacred faith enjoins us to love our neighbors; therefore, we should guarantee to all people peace in the faith and government protection, and therefore freedom to all rites and religions in the Polish lands, according to the country's law.

As a result of the adoption of this constitution, the state system of Poland took on a form different from that of other European states. The disproportion which thus arose between Poland and the other states was bound up with problems of essential state importance. Poland, with a system based on liberty, found herself surrounded by countries governed by absolute monarchs.

The liberals of England and France were loud in their praise of Poland. Sweden and Holland and the Pope all sent messages expressing sincere and profound good wishes.

No such expressions, however, came from the Tsaritsa Catherine II or from the Prussian King Frederick. They took a hostile attitude to the Polish reforms. "The Poles have outdone all the insanities of the Paris National Assembly," the Tsaritsa declared and dreamed only of the day when she would be able to punish the Poles.

Poland had been previously partitioned in 1772, by her imperialistic, powerful, and greedy neighbors—Russia, Prussia, and Austria. She was, however, still the third largest state in Europe when, 19 years after this partition, she proceeded to pass a constitution recognizing the equality of all men and extending religious liberty to all.

In 1793, just 2 years after the adoption of her constitution, Catherine the Great, the Tsaritsa of Russia, the King of Prussia and the Emperor of Austria decreed the death penalty for Poland. They envied Polish culture and progress; they feared that Polish love of liberty and democracy might infect their own subjects. So, because Poland was free, independent and democratic, these greedy and bloodthirsty militarists ordered the second partition of Poland. Poland was doomed. But Kosciusko started the insurrection and resisted the Russian armies until October 24, 1795, when Warsaw capitulated.

So, from then on the Polish people and their great leaders like Kosciusko and Pulaski have continuously fought for freedom and justice in all parts of the world. We can well understand why Poland will always fight tyranny and aggrandizement.

Poland will always support every lawful expression of international morality. In this they are joined by all freedom- and liberty-loving Americans who cherish justice and fairness.

In defense of Poland's freedom and independence, all Poles are united and of a single mind. Nothing can loosen or weaken this unity. All attempts to impose upon Poland a government or a regime from the outside, or to meddle in her internal affairs, or to dictate her foreign policy, will always and everywhere meet with unanimous resistance.

JUSTICE FOR POLAND

Poland has scrupulously discharged her obligations in the war against Hitler. All collaboration with Germany has been refused. There has never been even any suggestion of contact or any understanding with Hitler. Poland, although the first attacked and subsequently, for the last 6 years, subjected to every Nazi trick and scheme, threat and cajolery, has nevertheless stood firm and unyielding. Poland's gallant and unswerving fight against German aggression, Poland's immaculate moral and idealogical record, give her the undeniable right to full justice, and to compensation for the incredible sacrifices made by the Polish people in their fight for world freedom.

The sacrifices of the Polish Nation are greater than those of any of her allies. More than one-fifth of the entire Polish Nation have laid down their lives in the fight for freedom.

TWO LONG CENTURIES OF SUFFERING

For the past two centuries Poland and her people have been partitioned, ravaged, despoiled, murdered, and enslaved by greedy and imperialistic nations. No nation, no people, have suffered so much in the last two centuries. National honor, national integrity, after two centuries of suffering, are sacred things to every Pole—young and old, rich and poor. Two long centuries of Polish tears, prayers, songs of sorrow, have made it so. For two long centuries their women and children were starved and slaughtered; husbands, fathers, and brothers shot and sabered or condemned to prisons for life. Two long centuries of the most cruel and inhuman practices upon a peaceful and agricultural people, of persecution, brutal barbarism, and savagery have instilled in every Polish heart a deep consciousness of national honor and national integrity.

Why did they fight the powerful Nazi military machine? Why did they not submit to the territorial demands of the Germans? Did they not know defeat was inevitable? Had not all the other nations conceded to German demands?

Yes; the Poles knew all this.

They had to fight—or cease to exist. They chose to fight. It should be plain that they will not tolerate aggression by anyone.

POLAND A CHRISTIAN NATION—PRACTICED RELIGIOUS FREEDOM

Poland is one of the strongest Catholic nations in the world. Her people are deeply religious, and devotedly attached to their churches and clergy. Poland has been referred to as the "Knight among nations." She has been the bulwark of Christianity, religious freedom for all, and the opponent of persecution. She has been faithful to her pledges, promises, and agreements. She was always the haven of refuge for those religiously persecuted.

REBIRTH OF THE POLISH ARMED FORCES

Everyone knows today that the Polish Army, defeated in September 1939, by overwhelming mechanical and numerical superiority, did not lay down its arms, did not lose its morale, and did not leave its mother country defenseless. All who avoided capture by the Germans or escaped from prison camps arrived in France by way of Hungary and Romania. There they entered the army then being rebuilt by Gen. Wladyslaw Sikorski.

Six months after the German attack on Poland, General Sikorski had about 100,000 men under arms in France, and Polish aviation was rendering a good account of itself in the dog fights over the front.

The Polish Highland Brigade, under General Szyszko-Bohusz, fought in Norway and distinguished itself at Narvick.

Out of the French collapse Poland salvaged its government and its army. Following the reorganization of the Polish Army in Scotland a new Polish Army sprung into being in Russia. The forces which left Russia are now among the Polish divisions in Italy. These are the men of Monte Cassino. These are the men who broke the Nazi's back in Italy. The bloody losses of the Polish Army in Italy paved the way for the allied armies to a quick advance to the north.

The part played by the destroyer *Piorum* in the sinking of the *Bismarck*, the successes of Polish submarines, the unceasing work of the Polish naval and merchant vessels offer endless evidence of Poland's determination to fight on all fronts.

It was that little Polish destroyer, *Piorun*, that was the first to sight and attack the mammoth German warship *Bismarck*. It was likewise this little *Piorum* that first sighted and attacked the giant German warship *Tirpitz*. The courage, bravery, and the fighting spirit of the Polish naval men surpass all comprehension and has won the stout praise of the American and British seamen. The Polish Navy had been built up by the Americans and British to the extent that it had more warships and was more powerful than it was in 1939, when Poland was attacked by the Germans.

It was the Polish Air Force that had really enraptured the hearts and minds of the English people. Their gallant fighting during the German air blitz on London and the English and Scotch cities was so heroic and so marked with bravery and fearlessness that the praise and gratitude of the British people resounded throughout the British Isles. Those were dark and grim days for the British. The eagerness and fearlessness of the Polish aviators to meet the Hun inspired the British with confidence and deep respect for their Polish allies. The Poles then had an air force of 15 squadrons—larger and stronger than that of Holland, Belgium, Free French, Norway, and Czechoslovakia all combined. It was the fourth largest allied air force. The Polish Air Force was engaged in fighting the enemy every day, side by side with the fourth largest Allied air force. The Polish Air Force had taken continuous participation and had been actively engaged in bombing and fighting the enemy ever since September 1939. This is really some record. One Polish bomber squadron had sunk seven German submarines.

There were more than 30,000 in the Army Corps with the motorized division in England. There were two fully equipped Polish divisions on the Italian front fighting side by side with the French and Canadian divisions and with our American forces.

All told, the Polish armed forces totaled over 250,000 men and occupied fifth place among the United Nations, ranking after the United States, England, Russia, and China.

POLISH RELIEF

Yes, on this anniversary of the Polish Constitution it is right and proper that we review the contribution of the Poles for an Allied victory. Yet, what is more important is that we discuss the state of the Polish nation, and what we can do to give them aid and assistance now. Just recently I received a letter and an appeal from the Vice Premier of Poland, Stanislaw Mikolajczyk. I will let the appeal speak for itself:

AN APPEAL FROM POLAND TO AMERICANS

To our Brethren in America:

It is not pleasant to write to you that our conditions here at home are most difficult, but, unfortunately, grim reality makes it necessary for us to tell you about things sad and tragic.

For some months already the free nations of the world have been building up their homes in an atmosphere of freedom, yet our people are still unable to forget about that fact that there was a war, together with its cruelties, hatred, and crimes.

Many UNRRA gifts have already reached us bringing to our tortured Polish land the hope of a brighter future.

However, there are territories in Poland for which the war is not yet over. There are still large sections of Poland where misfortune continues to extend new hardships, despair, and hopelessness.

We write to you on behalf of those territories and their inhabitants. We do not

know whether you have already heard of the counties of the so-called "front" or of the territories ruined by war. There are many such counties in Poland. Look at the map, if only at the district of Kielce, for example, where out of 11 counties, 6 were completely ruined. There is no home, no settlement left intact. Not one piece of land is fit for cultivation. The houses are burned down or leveled to the ground; the fields are ruined by bombs, artillery craters or tank ditches, planted with mines. There is no place fit for human beings. The fields do not yield crops. The houses offer no shelter against the cold.

Nevertheless, all these counties are populated. It would seem that each inch of this cemetery throbs with life.

If you were to stand at the brink of such a ruined part of the country, you would see vast empty spaces, since even the trees are burned down. But smoke comes out of the earth here and there. People are living in ditches; their stoves are smoking; life is there.

The peasants driven out of their homes by the Germans have returned there. Instead of finding homes they have found ashes. Instead of gardens and fertile farms they found ruined fields. They returned, however, and stay there. They returned without anything, without clothes or farm stock. They came with their families and small children. And they remained. For they came back to what they sprang from—the soil. It remained faithful to them, and service to it was their first objective.

They entered upon it as if entering a mother's embrace and decided to persevere. They built small huts, bunkers, and ditches. However, month after month has passed, and their misery, which was to last only a short time, finds no end. On the contrary, the misery only increases and grows.

Now the earth gives haven not only to the living but also to the dead. Uncultivated soil will not feed anyone, and the men of the ruined counties had nothing to make it fertile. There are no horses, no inventory, no fertilizer, no seeds.

There are localities in which for entire months the children see no bread. Bread baked on live coals is their only food, often considered as a luxurious dainty, but we are too poor to come to the aid of these miserable peoples of the devastated counties. Their need is great. Amid humidity, hunger, malnutrition, misery, disease is spreading. Tuberculosis and scurvy is spreading beyond imagination. Typhus is beginning to spread and in summer there will be dysentery. We see this horrible reality but we are powerless to help them as we would like. It is beyond us to render immediate aid.

We send you a list of the needs of some of the territories ruined by war operations. We have compiled it from letters and appeals we receive. Remember, this is not a complete list. If we are to consider the needs of all the ruined territories, then pounds of fats and oils, anti-scurvy salve, medicines, food, clothing will rise to thousands and hundreds of thousands of tons.

Why do we write all this to you?

It is simple. We beg you to help us. We have only one motherland—Poland, so ruthlessly ruined by the enemies, but ever so dear to us. We served her during the most ruthless occupation of all and during her enslavement. We serve her now.

You also served her as best you could. Each word from you which reached us over the radio during the war was to us a joyful confirmation that there is a free world and free peopies who will bring us freedom and peace.

And now both you and we must join in the help for this country and her most faithful sons—the Polish peasants. We beseech you to join us in this work, fully cognizant that you would never forgive us had we not done so. We know that you consider service to your "old country" not as a duty, but as your highest and sacred obligation such as a son has toward his mother.

In beseeching your help we make no limitations. We merely stress: Food is essential so that people will not starve. Clothing is necessary so that the children could again go to schools and leave their underground shelters to see the light of day. Bed clothing and blankets are needed so that people can cover themselves when sleeping. Medicine is needed and hospital equipment. Building material, farm stock, horses for plowing. Agricultural implements, seeds.

Look into your possibilities and start your help campaign. Remember that the sad eyes of the Polish mothers are looking for all your gifts and that even the smallest gift will bring joy to a Polish child who has proved during this war that he can guard the honor of his country equally well as his elders did.

This appeal should be printed in every newspaper in the country and should be read by every American. Herbert Hoover has recently stated that no country in Europe has been so devastated and so completely destroyed as Poland. No people in Europe have suffered more. No people in Europe are in greater need.

Bishop Stephen S. Woznicki, of Detroit, Mich., who recently returned from Poland after a 4 months' tour, has made an impassioned plea over the radio, and has called for intensification of all relief activities if thousands of Poles are not to die this year. The Committee for American Relief for Poland, of which he is the chairman, is starting today a campaign calling for a million food packages a month. In his radio speech, Bishop Woznicki stated:

The first assurance that I give you is that the aid sent by the American Relief for Poland Committee, and other similar relief organizations, reaches the people in need, and is distributed without any kind of discrimination. We were present in many localities where our gifts were distributed and we were witnesses of the great joy of the children, as well as the aged.

The bishop also announced that the gift packages shipped from the United States were arriving with greater regularity to Gdynia, and that their delivery had been facilitated by UNRRA, which had provided the trucks for the Polish postal system.

Bishop Woznicki's report on the destitution, poverty, and misery prevailing in Poland, should spur all relief organizations throughout the United States to greater activity. There should be no doubt in any one's mind of the terrible plight of the Polish people and the great need for immediate assistance to save thousands of those people from death.

That the packages are arriving there has been definitely proven by the letters now being received from the joyful recipients.

In this regard, I should say that the number of gift packages being sent to Poland has increased considerably in the last couple of weeks. As of today, the total weight of the postal packages sent from this country to Poland amounts to 3,312,359 pounds. In order to find out how extensively the people of Detroit and the State of Michigan were participating in this program of sending gift packages to Poland, I asked the Postmaster General, Robert E. Hannegan, to make a spot check at the New York Post Office before the packages were consigned to the ships for overseas shipment. This spot check showed that out of a shipment of 4,896 11-pound gift packages, that 1,254 come from the State of Michigan. That means that nearly 26 percent of the packages in this shipment originated in and were donated by the people of the State of Michigan. Naturally, I am very proud of this splendid record for relief that the people of Michigan have established. Special credit is due to the Polish organizations in Detroit, Hamtramck, and in the State of Michigan, who have given so much of their time, money, and effort toward this humanitarian program.

In recent days I have received many letters, urging increased UNRRA aid for Poland. These letters are undoubtedly inspired because of the pitiful and heartrending appeals that have been received from the poor people of that devastated and ruined country. I have asked UNRRA for their latest report and I have just received a statement as of April 1, 1946. The report follows:

UNRRA AID TO POLAND

(a) Over-all shipments to Poland (cumulative through March 1946):

		Tons
1.	Total	738,023
2.	Food	364,278
3.	Clothing, textiles, and footwear	81,426
4.	Agricultural rehabilitation	134,566
5.	Industrial rehabilitation	147,033
6.	Medical and sanitation	10,720

(b) Food shipments:

1. Bread grains: The following shipments of bread grains (on a clearance basis) were made in 1946:

	Tons
January	16,000
February	21,000
March	31,500
April	54,000

April grain shipments include two vessels diverted from British to Polish destinations. Receipt of these bread grains during late April and May will, when added to the anticipated 15,000 tons of stock in Poland as of May 1, bring the total up to 69,000 tons available for May, which is about 16,000 tons short of the 85,000 tons required for the minimum subsistence of 13,000,000 nonagricultural population at 220 grams per head per day.

2. Meat, fish, and dairy products:

Through March 1946, over 23,000 tons of meat and meat products, 34,000 tons of fish, 45,000 tons of eggs and dairy products, and 22,000 tons of vegetables, fruits, nuts, and preparations were shipped to Poland.

Hatching eggs were also shipped to Poland and about $1,000,000 worth of fish is now going forward from Denmark.

3. Agricultural rehabilitation:

Through March, 1946, over 1,000 tons of seeds and plants, 84,000 tons of fertilizers, and almost 16,000 tons of agricultural machinery shipped. This includes close to 6,000 tractors.

Close to 8,000 head of livestock—horses, bulls, heifers—have been sent to Poland, including 2,000 horses contributed to UNRRA by Denmark. These horses were shipped directly to Poland from Denmark and helped materially in Poland's spring plowings.

4. Industrial rehabilitation:

Over 33,000 tons of motor vehicles, 7,900 tons of communication and transportation equipment, and over 59,000 tons of fuel, lubricants, petroleum, and coal shipped to Poland.

Through March, Poland had received over 13,000 trucks and 3,200 trailers; 28 locomotives and 600 railroad cars, and 3 trainloads of engineering and industrial equipment, including a number of mobile railroad repair shops and other types of repair shops.

Poland also received the United States Army Willow Run of England—the huge Army repair base in England, capable of doing 3,000 major truck repair jobs per month—cost a million dollars; left England for Poland on March 28.

Twenty-nine thousand four hundred tons of raw cotton and 16,000 tons of raw wool (greasy basis) were also shipped to Poland.

5. Medical supplies: Through March UNRRA provided some $13,000,000 worth of medical supplies, including 21 hospital units of 1,000, 750, and 500 beds.

This report shows that shipments to Poland have increased considerably in the last 3 months. Of course, we know that it was impossible to make any shipments into Poland, at all, until late last fall. We tried sending some through the port of Constanza last summer, and, of course, this proved unworkable, but since the ports of Gdynia and Gdansk have been made available, the goods are reaching Poland in increasing volumes.

Complaints have been received that Greece, Italy, and Yugoslavia were receiving far more aid and assistance than Poland. This is true because those countries were more readily accessible and were liberated earlier. They received not only UNRRA aid and assistance, but also a great deal of United States Army supplies. If the United States Armies had been able to reach Poland, I am sure that they, likewise, would have taken care of the Polish people under their protection.

UNRRA should not be criticized for its work, however. They are doing a splendid job and the supplies for Poland are increasing every month. To show that the distribution of supplies is being made on a fair and equitable basis, I want to submit the following figures of allocations approved by the Central Committee of the Council for UNRRA. These allocations are exclusive of shipping costs and are for the period ending June 30, 1946:

Poland	$375,000,000
Yugoslavia	369,000,000
Italy	359,000,000
Greece	316,000,000

I am submitting these figures so that those people interested in UNRRA's work may be properly informed.

We, from Michigan, are proud to have two of our outstanding citizens as UNRRA observers in Poland. They are: Anthony J. Rathnaw and Edward Z. Wrobleski. Their titles have now been changed to "regional delegates." I have just been advised by the UNRRA office in Washington that Edward Z. Wrobleski has been appointed chief of the regional delegation. They arrived in Poland on January 12, 1946, and are doing a splendid job.

I shall quote from a letter recently received from Mr. Wrobleski:

Rathnaw was assigned to the upper regions of Poland, Gdynia, Gdansk, Koszalin, Szczecin, and Olsztyn. I was sent to the center region—to the city of Lodz, Wojewodztwo, Lodzkie, and Kieleckie. That's when we were sent out, each on his own, to establish quarters and office space and the necessary facilities. The weather was splendid, as far as my districts were concerned. I saw snow in Poland for only 10 days—since the first part of January—the sun shined in my districts every day, execpt 9, in the last 100 days. Tony told me he had plenty of snow up north, even as much as 2 feet of it.

They changed our titles from observers to regional delegates. At first there were 4 regions; now we have 6 regions, but 12 regional delegates operating from such regions. The headquarters expects a few more. The duties are multifarious—checking warehouses, hospitals, schools, welfare centers; getting reports on the distribution; getting prices fixed; and the free market. There is no such thing as the black market here. The Government does endeavor to hold the free-market prices down, but they are sky high, nevertheless. Each delegate has a car and a lot of work. The Government does try to cooperate and cope with the situation. The UNRRA is doing a most wonderful job in Poland. Now, on the highways, over 14,000 auto trucks, all UNRRA; 8,000 UNRRA tractors plowing the fields; warehouses loaded with food being distributed regularly. The UNRRA-used clothing which was turned over to the welfare department has done its bit. In Lodz, my territory, over 40,000 people clothed completely this way. In other parts I believe it is the same, but people need more and more and then some.

I am somewhat surprised at the people in the United States criticizing UNRRA. Gee! the people here idolize UNRRA. If it wasn't for UNRRA half of Poland's population could not survive. Well, it's strange how good things and good people are criticized. Why, even Christ was crucified for doing good for the people.

Only a few days ago I was recalled to Warsaw to work at UNRRA headquarters. John Rozanski was sent to Lodz to take over my region there. They want me here to help on the distribution angle and in contacting the several ministries connected with UNRRA affairs. I'm just getting on to my new bearings. It will take a little while. The Polish Government is completing a new (remodeled) building for UNRRA headquarters. It is a five-story building. The UNRRA will occupy four floors. We expect to move in May 1.

One can write books on the work UNRRA is doing in Poland and on the conditions the Government and the people are confronted with. It even takes time to barely scan the highlights.

The prices are so much out of reach for the workingman. One who has money here can get almost anything his heart desires, but you must have the money. The worker earns about 3,000 zlotys a month tops—the average lawyer, up to 10,000 zlotys a month—the doctor up to 15,000 zlotys a month. Butter costs 200 zlotys a pound; a pair of shoes, 6,000 to 10,000 zlotys. How can the people carry on under such conditions? The UNRRA supplies help a lot. People who work for the government or in factories are entitled to Category I cards. With these cards they can buy at fixed prices. UNRRA shoes on Category I cards cost about 350 zlotys.

Some people in the United States of America ask: Why must people pay for UNRRA goods? Well, they don't understand that UNRRA helps the government and the people to help themselves to reestablish—that is the UNRRA program, but the UNRRA does not take this money out of Poland. The government will, out of the proceeds, build bridges, hospitals, centers, schools, or something else, on a major scale, to benefit all of the people. This money is not to be used just for rebuilding government buildings or Warsaw. But Warsaw is a ruined city. Gdansk, about 85-percent gone—Gdynia, 60 percent—Poznan, 60 percent. Hundreds of villages wiped out; roads in poor condition. Oh! Poland does need help, and a lot of it. Red Cross helps. The Quakers are doing nice work. The Swiss and Swedish Governments are helping. The American Relief for Poland started a splendid program just about a month ago. Yes, you do find people here also, who complain about everything and some, even about UNRRA, but those are selfish reasons—not well founded.

These quotations from Mr. Wrobleski's letter explain UNRRA's problems better than I could, and certainly give first-hand information as to the situation that prevails in Poland.

Now, I wish to quote from the letter that I have received from my good friend, Anthony Rathnaw, who is the other regional delegate:

If you get a chance to come over, George, I think you should come and see how devastated Warsaw is. The Germans certainly did a systematic job of destruction. House after house, block after block, and street after street lie in ruins. They spared nothing, churches, schools, offices, homes, farm houses—even fences and innocent trees were in their way. Sure, Poland is free today, but what of it? It is in ashes and rubble. Parts of this city are blocked off so that people cannot get near it. The big, beautiful Cathedral of St. John lies in complete waste. Nothing is left of it. Only by seeing it can you fully realize the horrid, most devilish work that only the Germans knew how to do. Gdansk Poznan, and many other Polish cities lie in waste. I inquired about your friend on Senatorska Ulica, but all the buildings on this street are ruined. There are no people living there. I inquired of people 3 blocks around, but no one seemed to have any information. I am in Gdansk now as regional director of UNRRA for the four Baltic states of Poland. My work is very interesting, and I have enjoyed every bit of it. UNRRA has done a fine job here. They call it "Ciocza UNRRA," or American UNRRA. They surely go big for an American. We have gotten all the cooperation from the local authorities possible, and I am sure it will continue.

With kindest personal regards, and I hope you get a chance to come over.

Respectfully yours,

TONY.

I cite these words from the letters of my friends who are in Poland in connection with UNRRA to show what are the existing conditions over there, and the great responsibility that rests upon each and everyone of us to give every aid and assistance to those heroic people who have suffered so much and have given so much to beat the German Nazis.

POLISH POLICIES

Yes, there is more that we can do for Poland. Relief aid in the form of food, clothing, transportation equipment, machinery and supplies, and so forth, is naturally of paramount importance, but above all of this, Poland is entitled to political freedom. By this I mean that free and unfettered elections must and should be held as quickly as possible. Our Government, the United States of America, and all of our people are pledged to see that this is carried out. I am glad to read that the Polish Ambassador to the United States has given the pledge of the present provisional government in Poland that this will be carried out. I am also glad to see that the United States Government has requested these pledges in connection with the $90,000,000 loan which is being made to Poland. Of course, I am not satisfied with the amount of this loan. We

are proposing to give to Great Britain, with only twice the population of Poland, a loan of $3,750,000,000. But Great Britain's devastation and loss in human life and property cannot compare in the slightest degree with the loss of life and destruction in Poland. Yes, I am for a loan to Great Britain, because I believe that all nations and all peoples should be assisted and aided after this terribly devastating war. But Poland should receive a real substantial loan from us that will give her every opportunity to rebuild the nation from its ruins. I am firmly convinced that such a substantial loan will be made just as soon as a permanent government is established in Poland by the processes of free and unfettered elections.

No other thing raises the ire and resentment of people as the censorship of the press and private mail and correspondence that still exists in Poland. The people seem to be more incensed about this than any other thing that I have heard. Of course, censorship is something that is absolutely foreign to the American mind. It smacks and smells of the Gestapo, of dictatorship, of a police government. It is a most stupid and asinine policy. This is the thing that is resented most of all. Let the people correspond freely. Everyone knows that wrongs have been committed by the Russians. Everyone knows that the Russian armies had no home-based food supply system and lived off the land, and that they can be charged with looting Poland of food supplies. Everyone knows that robbery and rapine did take place, because there were, after all, 10,000,000 Russian soldiers, prisoners of war, slave laborers, who crossed and recrossed Poland. And besides that, there were hundreds of thousands of stragglers and deserters who roamed over the land. Certainly many crimes were committed, but why hide it? Why the censorship? Without a doubt the Polish ministry of censorship is following a stupid and foolish policy. It is abhorrent to every American that I have met.

Now, as to the secret police: likewise, this policy is all wrong. The people look upon the soldiers in the Polish armies in France, in Italy, in England and Scotland, who had fought so valiantly and heroically, as real heroes. They cannot understand why anyone who has fought the Nazis and Hitlerism should be afraid to return to their homes. There is no justification for this policy of maintaining secret police and placing so-called suspects in jail to be questioned and threatened.

Now, as to the boundaries, everyone is in favor of the Oder and the Neisse Rivers as the western boundary line as established at Potsdam, and everyone gives Russia her due credit for supporting Poland at the Potsdam Conference in reobtaining this territory for the Poles that was stolen from them by the Germans years ago. Everyone agrees that this territory belongs to the Polish people, and should have been returned to them after the First World War, and would have been if President Woodrow Wilson had had his way. But Lloyd George and the English connivers wanted to protect the Prussian landowners and to keep that part of Europe in constant chaos. No one that I have met will say that Wilno and Wlow should have been ceded to Russia. Or that the oilfields of Drohobicz should have been given away.

On the other hand, the vast majority of people will agree that a policy of friendship and cooperation with Russia is essential and should be maintained with Russia. Of the many thousands of people that I have talked with in the United States and with those who have returned from Poland, the consensus of opinion is that they do not want the return of the Sanacja—the Polish prewar government—nor do they want a Communist government. They want a liberal democratic government, chosen from amongst the people who have fought and suffered together. It is my firm belief that the Polish people shall attain their desires. They are a sturdy and rugged race. Let us give them food, clothing, machinery, and equipment. Let us give them substantial loans, aid, and assistance. They are an honorable people. The loans will be paid back. They are thrifty and industrious. They are not beggars. They have fought for liberty and freedom for centuries. They know what it means, and I am sure that they will attain it.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. LINK].

Mr. LINK. Mr. Speaker, today throughout the United States and throughout the liberty-loving nations of the world, men and women of Polish descent proclaim the greatness of the constitution of May 3 as adopted by the Polish Government in 1791.

Today, also, hundreds of thousands of soldiers of the Polish Army who fought throughout the Italian campaign are proclaiming their faith in this constitution of May 3—and are fervently praying that they will soon be able to return to their native Poland and to take part in its reestablishment. Their intense love of freedom is so inherent that they prefer not to return to their native land until such time as the intent of the constitution of May 3 may again be established in Poland.

The constitution of May 3, which was the first of its kind adopted in Europe, truly is a great document—and in its objectives it follows very closely those of our own Constitution. I am inserting for the RECORD the preamble thereof:

Persuaded that our common fate depends entirely upon the establishing and rendering perfect a national constitution; convinced by a long train of experience of many defects in our government, and willing to profit by the present circumstances of Europe, and by the favorable moment which has restored us to ourselves; free from the disgraceful shackles of foreign influence; prizing more than life, and every personal consideration, the political existence, external independence, and internal liberty of the nation, whose care is entrusted to us; desirous, moreover, to deserve the blessing and gratitude, not only of our contemporaries, but also of future generations; for the sake of the public good, for securing our liberty, and maintaining our kingdom and our possessions; in order to exert our natural rights with zeal and firmness, we do solemnly establish the present constitution, which we declare wholly inviolable in every part, till such period as shall be prescribed by law, when the nation if it should think fit, and deem necessary, may alter by its express will such articles therein as shall be found inadequate. And this present constitution shall be the standard of all laws and statutes for the future Diets.

Throughout the May 3 constitution runs a philosophy of humanitarianism and tolerance, such as:

We publish and proclaim a perfect and entire liberty to all people, either who may be newly coming to settle, or those who, having emigrated, would return to their native country; and we declare most solemnly, that any person coming into Poland, from whatever part of the world or returning from abroad, as soon as he sets his foot on the territory of the Republic, becomes free and at liberty to exercise his industry wherever and in whatever manner he pleases, to settle either in towns or villages, to form, and rent lands and houses, on tenures and contracts, for as long a term as may be agreed on; with liberty to remain, or to remove, after having fulfilled the obligations he may have voluntarily entered into.

We find in this Polish Constitution, adopted almost contemporaneously with our own Federal Constitution, rule by majority, secret ballot at public elections, and the language relating to religion that:

The same holy religion commands us to love our neighbors, we therefore owe to all people of whatever persuasion, peace in matters of faith, and the protection of government; consequently we assure, to all persuasions and religions, freedom, and liberty, according to the laws of the country, and in all dominions of the Republic.

Thus it was on May 3 in 1791, barely 2 years after the adoption of its Constitution by the United States in 1789, that Poland without a bloody revolution or even without disorder succeeded in reforming her public life and in eradicating all her internal causes of decline.

(Mr. LINK asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. GORSKI].

Mr. GORSKI. Mr. Speaker, this is Poland's national holiday and freedom-loving Poles all over the world are today celebrating their one hundred and fifty-fifth anniversary of the adoption of the Polish Constitution of May 3, 1791. We join with them in celebrating this occasion and take this opportunity of conveying to them our sincerest best wishes for their future well-being and for a strong, free, and independent nation, so that the Polish people may enjoy the freedom for which cause they have contributed so generously with their fortunes, their blood, their lives and untold sufferings.

Poland was one of our great allies in the war just ended. Early in 1939 it was evident to all that the democracies either had to submit to the Germans, accept slavery and domination by Hitler, or fight to maintain their self-respect, freedom, and independence. It was Poland who said "No" to Hitler when he threatened the peace of the world. We can now see what would have happened to the democracies and to freedom-loving

people everywhere, if Poland had submitted to his demands. Hitler wanted to rule the world and the more time he got, the stronger Germany became, gaining on the spoils of his victims whom they mercilessly robbed, plundered, and murdered. He was not interested in human welfare any more than any bandit is in the people he robs. His object was to enslave other people and keep them in poverty, darkness, and ignorance, so that they would be subservient to the German people, who were to be the masters of the world, living and thriving on the sweat and toil of other people. Brutality was to be the instrument of accomplishing these means.

Germany has been defeated. Poland, one of our allies who fought so gallantly to bring about the victory, suffered more than any other country in the war.

Today she is dominated by a Russian picked government and her brave soldiers who fought so gallantly are in fear and in danger in returning to their homeland and they would rather stay in the army wherever they are than to return and live under a Russian-dominated government. They want the freedom they so bravely fought for and to which they are justly entitled.

I congratulate the Polish freedom-loving people on their great national holiday and hope that the high ideals for which their brave soldiers so gallantly fought for on all of the battle fronts of the world will soon be realized by them and that the Polish Nation will fully enjoy complete freedom and independence under a government elected by the Polish people in a free, open, and unfettered election, which has been promised and pledged to them and which they have a right to have under the supervision of disinterested Allied Powers.

Poland can then join the other great nations of the world in maintaining a just and lasting peace.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. GORDON].

Mr. GORDON. Mr. Speaker, in connection with the present discussion, dealing with the anniversary of the ratification of the Constitution of Poland in 1791, I am inclined to tie-up a few statements of general concern.

The significance of the Constitution of Poland has already been broadly considered in this House by the preceding speakers and during the past years. I shall then refrain from repeating the facts, which give unquestionable evidence that the Polish Nation, since the adoption of the constitution, in its almost unceasing struggle for freedom and independence, found inspiration and strength to carry on in the very spirit and essence of that constitution. The source of the inspiration lay in the democratic idealism and national consciousness, incorporated in the respective articles of this historical document.

Mr. Speaker, and colleagues, I would like to emphasize but a single statement from its preamble, namely, that the Poles are "prizing more than life and every personal consideration, the political existence, external independence, and internal liberty of the nation." This statement was true in 1791, when this constitution was written and adopted by the Polish Parliament; it remained true throughout the 150 years of Poland's struggle for liberty and independence; and it is just as true today in the bleak days of bitter distress, besetting the Polish nation as a consequence of the compromises of Teheran and Yalta.

In the last World War, Poland fought for the ideals of liberty and independence. She favored neither appeasement nor compromise with Hitler, in fidelity to the conscience, the heart, and the mind, imbued with the dicta of the 3rd of May constitution. The heroic and determined manner in which the Polish nation faced the menace to world freedom gave occasion to the well-known statement of the late President Roosevelt, who called Poland's attitude "an inspiration not only to the people of the United States, but to liberty-loving people everywhere."

Gentlemen, please permit me to ask: Of what avail to the Polish Nation was this attitude and struggle with its uncounted bloody sacrifices? Of what advantage to the Polish Nation is the Allied victory and the glorious slogans of the Atlantic Charter and the "four freedoms"? Shall I tell you what Poland gained as a result of the victory of our and her ideals? She received a president who is a foreigner, a prime minister who is a notorious agent of a foreign power, and a police chief who is also a foreigner as well as an agent of a foreign power. Is this sufficiently conclusive, or shall I add that the most patriotic leaders of this nation were given free tickets to Siberia, or to domestic prisons and concentration camps, operated by cruel N. K. V. D. officers.

In plain terms, such is the reward which the Polish Nation received for her heroic struggle for ideals. A very unencouraging reward, indeed. In person have I seen what Poland gained from "liberation" Russian-style, and I can assure you that no one here present is desirous of liberty of this kind. Furthermore, the case of Poland is not isolated. There are today in central and eastern Europe more than a dozen nations which share the fate of Poland. Liberty became for them an aim worthy to fight and die for. We speak here in this House much about peace and postwar reconstruction. But there, in Europe, a war—cruel and bloody—is going on and will last until tens of millions of people who love freedom will regain it or succumb.

I take the liberty to call to the attention of this House a certain incident, which through effective influences was removed from the notice of the American public. A few weeks ago, here in Washington, an organization was formed under the name of Federation of Americans of Central and Eastern European Descent, embodying almost 12,000,000 Americans who are descendants of immigrants that helped to build our great country. This federation pledged itself—I quote:

To exert every effort to preserve and promote our American way of life.

To urge our Government to work for a just and lasting peace based upon our own Bill of Rights and the principles embodied in the Atlantic Charter and the "four freedoms," for which our sons and daughters fought and died.

To promote the security and welfare of the United States by insisting upon policies which will bring lasting peace to all nations of the world, including the countries of central and eastern Europe.

This federation pledged itself—I quote:

To counteract the sinister Communist and other antidemocratic influences which are infiltrating into every group represented in this federation.

These are patriotic aims and intentions of good Americans, who understand better than the average American the great danger of Red fascism and totalitarianism, that threaten the freedom and the democratic way of life not only of a dozen of European nations, but equally of our own American homeland.

We here in this happy country cannot with impunity close our eyes and ears to the facts which take place in the very heart of Europe. To the world Europa irredenta is surely not a pledge of peace. We refused to deal with a Europe dominated by Hitler quislings, and we cannot accept collaboration with a Europe dominated by Red quislings. What we want is a sincere collaboration with a Europe in which each nation is free and democratic, free and democratic in our American meaning—not in a distorted and falsified one.

We may deliver and hear in this House hundreds of speeches more, glorifying the heroism of the Poles and Jugoslavs, praising the love of liberty of the Slovaks and Lithuanians, of the Slovenians and Croatians. If we are not prepared to do something for these nations and their real fredom, all our speeches are mere lip-service, appeasing through our passivity the enemies of liberty.

If we are willing to give consent to the suppression of liberty in one nation or a dozen of nations, we appease alike these forces of evil which sooner or later will attack our own freedom and our own democratic way of life. This fundamental truth needs always be present in our mind and must provoke active help to all nations and peoples whose rights to liberty are endangered or violated.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. ROWAN].

Mr. ROWAN. Mr. Speaker, as the representative of a large segment of people of Polish lineage in the Chicago area, I have been impressed and inspired with the splendid spirit of patriotism that they have manifested during recent years. I have great admiration for their loyalty to America and the small nations of the world.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. PRICE], the gentleman from Ohio [Mr. FEIGHAN], the gentleman from New York [Mr. EDWIN ARTHUR HALL], the gentleman from Wisconsin [Mr. BIEMILLER], the gentlewoman from Illinois [Mrs. DOUGLAS], the gentleman from Oregon [Mr. NORBLAD], the gentleman from Delaware [Mr. TRAYNOR], and the gentleman from Maryland [Mr. D'ALESANDRO] may be

granted permission to extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, since 1791 the 3d of May has been celebrated by the Polish people as their chief national holiday—the day of the signing of their constitution. What the Declaration of Independence means to an American, and the Magna Carta to an Englishman, the constitution of the 3d of May means to the Pole.

This year marks the one hundred fifty-fifth anniversary of the signing of a document similar in many respects to the Constitution of our United States. Tragically, however, it has not brought to the Polish people the blessings which our great document has brought to us. Even today, when Poland theoretically and according to the Potsdam agreements has a free and independent government of its own, the people of Poland, according to the few reports that filter out of that ravaged land, still do not enoy the blessings of democracy.

It would be easy for me to commemorate Polish Constitution Day by giving fulsome praise to the great Polish people for their centuries-long fight for political and religious freedom. It would be easy to count over the exploits of Polish heroes, both at home and abroad, but I feel that such words would be small comfort to the Polish people themselves in their present predicament. The greatest testimony of my esteem and the greatest contribution to their cause must, I feel, lie along other lines. I wish to make that contribution and express that esteem by calling the attention of the House to a current situation in which the future of Poland's true interests is deeply involved.

On April 24 the State Department announced that it had concluded an agreement granting Poland a credit of $40,000,000 conditioned on the holding of free and unfettered elections in that country in accordance with commitments made at Yalta and Potsdam. In a letter of reply, Mr. Oscar Lange, representative of the Warsaw regime, gave assurance that these free and unfettered elections would be held this year, and added that representatives of the Allied press shall enjoy full freedom to report to the world upon developments in Poland before and during the elections.

Mr. Speaker, I wish to call the attention of the House to developments which have already occurred and which seem to cast grave doubts upon the good faith of the regime which we propose to further strengthen by our loans and credits. I feel that I am serving the real interests of the Polish people by pointing an emphatic finger at these developments. Four days after Mr. Lange's letter, which apparently reassured our State Department and others who opposed the loan, there appeared a dispatch in the New York Times to which little attention has been paid. This dispatch from Warsaw revealed that Stanislaw Mikolajczyk and his Peasant Party went into open opposition and abstained from the vote of confidence when this year's budget was approved. The Peasant Party declared that the whole present session of the National Council has been utilized for an attack and a campaign of calumny against our party.

I call the attention of the House to the fact that this was the party which was taken into the government at the insistence of the United States to broaden its base by the addition of democratic elements not dominated by Soviet Russia.

The Peasant Party further charged the security police with unlawful arrests and detention and seizure of property, alleging, also, that their action endangered the liberty of citizens.

It is evident to me, Mr. Speaker, and should be to all the Members of the House, that the developments taking place now in Poland should be watched most carefully. What will it avail to have so-called "free and unfettered elections" in the fall if no one opposed to Soviet domination remains to vote. The pattern is evident. It has been followed many times before. The opposition is removed by all the various means which the Soviets know so well how to use. Then elections are held and the vote is announced as nearly unanimous.

We have made our credit conditional on the holding of free and unfettered elections. Mr. Lange has promised that the Allied press will be permitted to report upon developments in Poland before and during the elections. If our Government is serious in its desire to see that free and unfettered elections are really held and proposes to use this loan as a means of insuring this objective, then there is one thing that must be done, and be done immediately. Our State Department should demand an investigation of the charges made by the Peasant Party and demand further that the Allied press enjoy full freedom at once to report to the world upon developments in Poland. This is the time—before the elections, which is all-important. The whole character of those elections is being determined now. If the Warsaw regime is sincere in giving its assurances in return for the loan, then it should not object to the fullest investigations of the Polish situation from this date to the holding of the elections.

The golden promises of the constitution of 1791 will never be fulfilled in Poland until her people are truly free and independent. By all means, let us, out of our abundance, give her noble people every aid we can, but let us make certain that we do not, through ignorance of the true situation, entrench by our financial support, a regime which blots out the freedoms which that constitution enshrines.

I therefore request that the State Department assure itself that the conditions upon which it is making the loan are even now being carried out.

Mr. TRAYNOR. Mr. Speaker, Poland fought alone in 1939, permitting her two allies—France and Great Britain—to prepare their forces. It is made clear now at the Nuremberg trial that the entire German might was used against Poland and that less than 15 divisions were left by Hitler on the western front. The Polish armed forces fought alongside other United Nations and their deeds, performed on every European front, on all the seas and in the air, particularly during the Battle of Britain, and the heavy bombing of Germany, were praised by every United Nations leader in the war.

The Poles fought and suffered for their independence, for their freedom, and for the common cause of the United Nations. They lost 6,000,000 people, killed on battlefields, murdered, or starved by the Germans, deported into Soviet camps and starved there. There are millions of orphans in Poland. The cities of Poland are destroyed and the majority of them were destroyed beyond reconstruction. Starvation and misery prevails in Poland. The country was cut in half. One half of it was handed over to Russia and the other half was deprived of its freedom and independence by Poland's own allies.

This is the price the Poles paid for their devotion to the cause of the United Nations, for their belief in the pledges which were made to them, and for their devotion to the democratic and Christian ideals of the Western World.

Poland for its valorship, its sacrifices, should receive aid to help it out in the reconstruction of its devastated cities and towns and be given every aid to feed the starved people of that Allied Nation that fought arm and arm with the Allies. Further Poland should receive every aid that a free and unfettered election could be executed under the guidance of Allied occupational forces.

Mr. D'ALESANDRO. Mr. Speaker, today we celebrate the one hundred and fifty-fifth anniversary of a great event in the history of Poland—the adoption of the Polish Constitution. This historical document was adopted by the freedom-loving people of Poland on May 3, 1791, less than 3 years after the ratification of the Constitution of the United States. The first written democratic constitution to be adopted by a European nation, it resembles our own Constitution. It recognized the fundamental principles of democracy.

Polish patriots fought that our Constitution might come into existence and it is only proper today that America demands that Poland be restored to its former independence. A free and independent Polish Nation will render the world services still more valuable than those given in previous years and centuries.

Willingly the Poles offered their lives for their freedom and for the liberty of other peoples. A free Poland will constitute a guaranty of peace and will help to maintain the European equilibrium.

We have millions of Poles in America as our fellow citizens, and they have added enormously to our strength and to our progress.

We in the United States, who have been reared in the democratic tradition, believe that right still makes might and that there must be a triumph of good over evil.

We must not permit their suffering to have been in vain. We must not allow their courage to go unrewarded. We

must not permit others to crush them, but we must aid them to become a strong, independent, and prosperous nation, in a world living in peace.

To the Polish Nation, therefore, on this occasion, we send our salute, our praise, our faith, and our prayers.

In this hour of hard decision, it is our duty and obligation to give aid and support to a friendly nation, and hope that, out of the peace to come, there will be a better understanding of the problems of the Polish people.

The United States must help Poland economically and in every way she can. We want her to become a strong, independent, and prosperous nation, under a government selected by the Polish people. Once and for all, Poland must become and remain a nation of Polish people not under any alien government, and take her place among the leading nations of the world.

God bless America and God bless Poland.

Mr. PRICE of Illinois. Mr. Speaker, no people in the history of the world have ever been more deserving of their freedom and national sovereignty than the people of Poland, for none have fought harder to preserve these priceless things than they.

Poland was the first to forcibly resist the ruthless advance of Hitler. Had it not been for her courage to brave combat with the tyrant who sought to bully the whole world, all the people of the universe might today be under Hitler's heel. The Fuehrer was moving to world conquest and courageous Poland was the first to try to check him.

Poland's small army, ill-equipped for modern warfare, may have failed to withstand the conqueror's march, but it gave to the world a heroic inspiration. The spirit of Poland lived on after the fall of Warsaw and her sons continued their resistance to Hitler until victory came to the United Nations.

Now the United Nations owe something to Poland. A nation which contributed so much is certainly entitled to its complete freedom and her people are entitled to the right to choose their own leaders. Poland will seek no trouble with other nations—she wants just to be free from the danger of aggression, free from the fear of interference from stronger nations, free to run her own government in her own way.

Her sons have always believed in freedom—they have fought not only for the independence of their own country, but they have contributed much to win independence for others. America owes much to brave sons of Poland.

Among the sturdiest group of people in America today are those who came to the New World from Poland and their descendants. They contribute much in the life of every community in our Nation. They are leaders in our civic life. They are among our best professional men, workers, and farmers. They show the spirit of progress which have made them a great people.

Our armed services were filled with young sons of Polish parents who now regard the United States as their first love, but who still have memories and ties that hold their interest in their native land. These Polish-American veterans of World War II want the land of their parents and their grandparents to receive fair treatment at the council tables of the great powers. They do not want the sacrifices of Poland to have been in vain.

I am proud to add that I have served shoulder to shoulder with many of these gallant Polish soldiers, whose fine loyalty to America was evident in their every action.

The world should never forget the debt of gratitude it owes to Poland.

I believe Poland should be restored to its full sovereignty—it has earned its place among free nations and its rights as such should be preserved.

Mrs. DOUGLAS of Illinois. Mr. Speaker, during the grim winter of Valley Forge, Washington declared:

> This liberty is going to look easy when men no longer have to give their lives for it.

A decade later a friend and Revolutionary colleague of Washington's, General Kosciusko, was rejoicing over the new constitution of his own country, which marked the birth of freedom for Poland. This constitution, like the other great documents of the eighteenth century, the Declaration of Independence and the declaration of the rights of man, recognized the equality of all men and the rights to religious freedom.

Unhappily Poland had only 2 years to think that liberty was "easy." Her greedy and powerful neighbors assassinated that liberty and gobbled up the nation. During the next century a Pole could never fancy that liberty was anything but very difficult but passionately to be desired. Men continued to be ready to give their lives for it, as they did once more in the First World War and recently in the Second.

No country, indeed, has suffered more excruciatingly than Poland. It was the first to take its stand against the juggernaut of evil, the Nazi panzer troops. The gallant Polish cavalry stood up against mechanized might and paid the price for it. Only later when the Nazis blitzed the rest of Europe, did we realize the miracle of pure valor which had slowed the Nazis for 1 month. But not only was Poland the first to feel the steel of the Nazis but for 6 years it endured the agonies of Nazi occupation. Three major campaigns were fought through this unhappy land and there was a systematic drive to exterminate the population. And when the Nazis were defeated, much of the agony continued. Today the plight of Poland is as pitiful as that of any land, standing in the backwash of war with famine and pestilence starkly confronting the people, and little political news trickling through "the iron curtain."

This liberty does not yet look easy to the Poles, but as Kosciusko once said:

> All that the Poles have done, and all that they will still do in the future, proves that albeit we, the devoted soldiers of that country, are mortal, Poland is immortal.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent that all Members may have three legislative days in which to extend their remarks in the RECORD on the subject of Poland.

The SPEAKER protempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may require to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Speaker, year after year we here on this floor take time off on Polish Constitution Day to salute the brave people of Poland, recall their sacrifices on the altars of liberty, and recount our debts to them. Yet Poland continues to suffer, and within days we have the report from former President Hoover that nowhere in Europe is there more starvation than in the land whose people first stood off the attacks of the Nazi hordes. We have the word of General Eisenhower that destruction in Poland was the worst. Salutes and encomiums do not feed the hungry, do not rebuild homes, and do not restore freedom. As the Big Four meet in Paris to plan the boundaries of Europe and promote world peace, it must be the hope of liberty-loving people everywhere there will be action to provide immediate relief and safeguard the rights and liberties of the Polish people.

Mr. ROWAN. Mr. Speaker, the shooting war is over, but to multitudes in America the war will not have terminated until the small nations have been restored to their place in the sun. As an American, not of Polish extraction, but intensely sympathetic to the people of Polish ancestry, and to the people of Poland, because of the similarity of the troubles of my forebears with those of the people in Poland, I personally feel that until the Polish Constitution has been restored, until the Polish Republic has been reestablished, and until freedom again reigns in that heroic nation, America cannot say that its job in World War II has been completed.

It was brave little Poland that first issued the ultimatum to the German Nazi Army, "They shall not pass," when World War II became a reality. Until Poland again becomes the nation that it was before 1939—the Polish people have the right of self-determination—and Poland again becomes one of the sovereign nations of the world, our efforts in World War II will have been in vain.

On this, the anniversary of the Constitution of Poland, I, with millions of other Americans, want to rededicate myself to the cause of the restoration of free Poland and its constitution.

The largest nationalistic group in the city of Chicago which I represent is of Polish extraction. May I pay tribute to the people of Polish lineage in Chicago by stating that no people in the second largest city of our Nation have been more loyal to America, more progressive, more patriotic, than those who trace their ancestry to the great, brave little nation that was the first to resist Hitler and his hordes, bent upon the subjugation of the small, independent countries of this world. Chicago reveres the patriotism and the loyalty of the people of Polish origin. Chicago, with a population of 3,500,000 people, salutes the people of Polish birth and ancestry on this great, heroic, freedom-loving occasion—the

anniversary of the institution of the Polish Republic.

Every American, notwithstanding his nationalistic origin, can wholeheartedly join in paying tribute to the oppressed people of Poland on the anniversary of the adoption of their constitution, a document which was inspired by our great American Constitution. Poland sent some of her most gallant military strategists to the struggling Colonies to help make possible our glorious Republic.

Our debt to Poland did not, however, end with the culmination of the successful struggle of the Thirteen Colonies for their independence. Since that day until the present the United States of America and freedom-loving people everywhere have reason to be grateful to the sons and daughters of Poland for their continuing contributions to our republic. Millions of men and women from Poland have been attracted to the United States, and their descendants have made and are making colossal contributions to the well-being and the progress and development of our Nation. Throughout the length and breadth of this Nation the influence of the people of Polish lineage is felt and it would be impossible to tabulate the magnificent effects of what the people of Polish ancestry have done for the United States.

Imbued with a spirit of liberty and freedom, closely akin to that of the people of the United States, people from Poland have come to the United States and have cherished our ideals of liberty. They have educated their children and taught them to revere and appreciate American institutions and ideals. There are no more patriotic people in our land today than those of Polish origin. Their patriotism, their zeal, and their willingness to sacrifice have been emphasized in the present World War II.

The sons and daughters of Polish ancestors in America today are never hesitant to express their appreciation of the services of World War I President Woodrow Wilson for his attempt to repay Poland for its services to our Republic in the days when it was struggling to obtain its freedom. Poland revered Woodrow Wilson and as a manifestation of its gratitude for his services one of the principal thoroughfares in Warsaw bore his name until the disciples of mechanized mass murder invaded that unfortunate land for its services to our Republic in the mocracy which had been guaranteed it by the illustrious American President who guided the destinies of this Nation in the cause of democracy a quarter of a century ago.

There was no such word as appeasement in the lexicon of the patriotic Poles. Little Poland resisted the onslaught of the most ruthless conqueror the world has ever known. It was in Poland that the world for the first time learned of the might of the German armed forces, but Poland carries on today in all parts of the world and eventually, in the victory of the United Nations, America looks forward to the restoration of that great little Republic.

All the world can take cognizance and emulate the heorism of Poland in the sad days that have visited that land. In the meantime, the people of Poland can take courage in the fact that in this great Nation of ours its citizens, regardless of the ancestry of their forebears, look forward to the day when Poland will live again. Then, too, the Polish people realize that America offers asylum to them now as it has in the past; that America appreciates the services of the people whose ancestors came from Poland. America appreciates the wide variety of services those individuals have given to this land and to the cause of democracy for which we are again fighting.

Chicago, the city which I represent, is proud of the fact that one-third of its representation in the Congress of the United States is of Polish origin.

Mr. WASIELEWSKI. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. SAVAGE].

Mr. SAVAGE. Mr. Speaker, it is a great honor for me to stand on this floor, appreciating not only the Polish people's freedom in Poland, but in appreciation for what they did to bring about a free America; to furnish the soldiers and generals to help America become a free nation. It was only a few years after we adopted our Constitution that a constitution was adopted by Poland. A great many of those people helped to free this country. A great many people of Polish descent served in our Army to help defend our Nation in this war, and we have a great many Polish people on the west coast who are doing all they can to help preserve freedom as they did in the past.

Mr. KEARNEY. Mr. Speaker, today, May 3, is the one hundred and fifty-fifth anniversary of the adoption of the Polish Constitution—a great and glorious day for the Polish people.

It was the first democratic constitution adopted by a European people and naturally the liberty-loving people of Poland were the first to adopt such a democratic document.

The people of Poland gave many of their illustrious sons in defense of our own country during the dark days of the American Revolution. Their names will be enshrined in the hearts of our people down through the ages.

Today we celebrate their day of days, and to those millions of Americans of Polish descent, we celebrate with them. Thousands and thousands of their sons and daughters served the country of their adoption during the war just concluded. Polish names adorn the honor rolls of every community in our land. Thousands of them won decorations on the field of battle and by their magnificent contribution of their financial resources during the several war-bond drives, they gave testimony to their love of their adopted country.

Today we who believe that right still makes might will aid them to become a great Nation, free and independent in a world, the future of which will be dedicated to the road to Peace.

During the long and terrible years of World War II, Poland was the only nation that can boast of "No Quisling." Through the magnificent services rendered by the Polish underground, valuable information was collected almost daily and forwarded to our Allied headquarters. Hundreds and hundreds of Allied soldiers were hidden by the Polish underground and later returned to the safety of their comrades.

It is our bounden duty to assist Poland in every way possible to become strong, prosperous, and independent. Poland must remain a nation governed by Polish people and not under an alien government.

Today there are thousands of soldiers of Poland's courageous army wandering over alien fields—practically men without a country.

Our Government can do no more than allow these men a safe haven in our country—regardless of quotas.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LAFOLLETTE for 30 days on account of official business.

To Mr. ANDERSON of California (at the request of Mr. MARTIN of Massachusetts) on account of official business.

To Mr. BYRNES of Wisconsin (at the request of Mr. MARTIN of Massachusetts) for 3 days on account of official business.

To Mr. CHAPMAN (at the request of Mr. SPENCE) on account of official business.

To Mr. GREGORY (at the request of Mr. SPENCE) on account of official business.

ADJOURNMENT

Mr. WASIELEWSKI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 52 minutes p. m.) the House, under its previous order, adjourned until Monday, May 6, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs at 10:30 a. m. on Monday, May 6, 1946, in the committee hearing room, 246 Old House Office Building, to hear statements of members of the Sioux Tribal Council of the Pine Ridge Reservation, S. Dak., on pending legislation.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Commerce and Trade of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., May 6, 1946.

Business to be considered: Public hearing on H. R. 4871 and S. 1367, providing for three additional Assistant Secretaries of Agriculture. Secretary Wallace will be the first witness.

COMMITTEE ON RIVERS AND HARBORS

Schedule for the closing days of hearings on the omnibus river and harbor authorization bill is as follows:

(Friday, May 3, 1946)

Cumberland River, Ky. and Tenn.

Apalachicola, Chattahoochie, and Flint Rivers, Ga. and Fla.

Schuylkill River, Pa., deepening of channel.

Illinois River, small-boat harbor at Peoria, Ill.

San Diego Harbor and Mission Bay, Calif.

Columbia River, from Vancouver, Wash., to The Dalles, Oreg.

(Monday and Tuesday, May 6 and 7, 1946)

Big Sandy River, Tug and Levisa Forks, Va., W. Va., and Ky.

(Wednesday and Thursday, May 8 and 9, 1946)

Arkansas River, Ark. and Okla.

COMMITTEE ON INVALID PENSIONS

There will be a public hearing before the Committee on Invalid Pensions at 10:30 a. m. on Tuesday, May 7, 1946, in the committee hearing room, 247 Old House Office Building, on H. R. 3908, entitled "A bill to provide increased pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein during other than a period of war," which was introduced by Representative LESINSKI, of Michigan.

EXECUTIVE COMMUNICATIONS, ETC.

1251. Under clause 2 of rule XXIV a letter from the Secretary of War transmitting a draft of a proposed bill to amend the act entitled "An act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes," approved March 4, 1923, as amended, was taken from the Speaker's table and referred to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BULWINKLE: Committee on Printing. Senate Concurrent Resolution 60. Concurrent resolution authorizing the Senate Committee on Interstate Commerce to have printed for its use additional copies of hearings held before said committee on S. 1253, Seventy-ninth Congress, relative to modification of railroad financial structures; without amendment (Rept. No. 1978). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. Senate 7. An act to improve the administration of justice by prescribing fair administrative procedure; with amendment (Rept. No. 1980). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOYKIN: Committee on Accounts. House Resolution 611. Resolution granting 6 months' salary and $250 funeral expenses to Jessie E. Jones, wife of B. F. Jones, late an employee of the House; without amendment (Rept. No. 1979). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BIEMILLER:

H. R. 6297. A bill to amend the Social Security Act, as amended, so as to change the age for old-age and survivor benefits from 65 to 60; to the Committee on Ways and Means.

By Mr. JENKINS:

H. R. 6298. A bill to protect and facilitate the use of national forest lands in T. 2 N., R. 18 W. Ohio River Survey, township of Elizabeth, county of Lawrence, State of Ohio, and for other purposes; to the Committee on Agriculture.

By Mr. VOORHIS of California:

H. R. 6299. A bill relating to the exemption from claims of creditors of United States savings bonds of series E; to the Committee on Ways and Means.

By Mr. IZAC:

H. R. 6300. A bill to authorize the Secretary of the Navy to lend Navy Department equipment for use at the Twenty-eighth Annual National Convention of the American Legion; to the Committee on Naval Affairs.

By Mr. MASON:

H. R. 6301. A bill to supplement existing laws against unlawful restraints and monopolies, and for other purposes; to the Committee on the Judiciary.

By Mr. RANDOLPH:

H. R. 6302. A bill to authorize the payment of compensation for time lost in the case of certain veteran and nonveteran employees of the United States restored to active duty after disproval of charges against them; to the Committee on the Civil Service.

By Mr. FLANNAGAN:

H. R. 6303. A bill to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 6304. A bill to authorize the furnishing of motor equipment to seriously disabled veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. MAY:

H. R. 6305. A bill to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments; to the Committee on Military Affairs.

By Mr. ROE of New York:

H. R. 6306. A bill amending section 1, act of July 20, 1942 (56 Stat. 662; 10 U. S. C. 1423a); to the Committee on Military Affairs.

By Mr. GRANAHAN:

H. Res. 610. Resolution favoring a temporary peace agreement with Italy; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Pennsylvania:

H. R. 6307. A bill for the relief of Francesco D'Emilio; to the Committee on Claims.

By Mr. BEALL:

H. R. 6308. A bill for the relief of John F. Guthridge; to the Committee on Claims.

By Mrs. DOUGLAS of Illinois:

H. R. 6309. A bill for the relief of Rudolf Alt; to the Committee on Claims.

By Mrs. DOUGLAS of California:

H. R. 6310. A bill for the relief of Hsi Tseng Tsiang; to the Committee on Immigration and Naturalization.

By Mr. FARRINGTON:

H. R. 6311. A bill for the relief of Mitsuo Arita; to the Committee on Claims.

H. R. 6312. A bill for the relief of Yukiko Kimura; to the Committee on Immigration and Naturalization.

H. R. 6313. A bill for the relief of the estate of Yoshito Ota; to the Committee on Claims.

H. R. 6314. A bill for the relief of Dementina Camara, Mary Kapola Kaleikini, and John Kaleikini, Jr.; to the Committee on Claims.

By Mr. GARY:

H. R. 6315. A bill to continue in full force and effect patent No. 1,990,645; to the Committee on Patents.

By Mr. KLEIN:

H. R. 6316. A bill for the relief of Nandor Frieder; to the Committee on Immigration and Naturalization.

By Mr. O'HARA:

H. R. 6317. A bill to authorize the Secretary of War to appoint Henry A. Veillette a second lieutenant in the Army of the United States; to the Committee on Military Affairs.

By Mr. PATRICK:

H. R. 6318. A bill for the relief of the Alabama Flake Graphite Co., a corporation; to the Committee on Claims.

By Mr. PATTERSON:

H. R. 6319. A bill for the relief of Flora Palmer; to the Committee on Claims.

H. R. 6320. A bill for the relief of Mrs. Fenno W. Newman; to the Committee on Claims.

H. R. 6321. A bill for the relief of Dr. Theodore A. Geissman; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1859. By Mrs. DOUGLAS of Illinois: Petition signed by 1,285 operating and nonoperating railroad employees, offering an amendment to House bill 1737 for a 30-year pension or 60 years of age at $150 a month, two-thirds for the widow, providing she is 55 years of age and does not remarry, the petition supporting the Cosgrove plan and protesting pension amendments (S. 293 and H. R. 1362); to the Committee on Interstate and Foreign Commerce.

1860. By Mr. GAVIN: Petition of Mrs. L. E. Chapman, Warren, Pa., and also other residents of Tidioute, Warren County, Pa., protesting against enactment of Senate bill 1606 and House bill 4730; to the Committee on Interstate and Foreign Commerce.

1861. By Mr. LUTHER A. JOHNSON: Petition of Dr. N. E. Hunt, Charles Huff, N. B. Jordan, Joe B. McNeely, Rev. Harley Ritter, James M. Corley, Emanuel M. Castellanos, Leslie E. Wood, P. J. Waddell, Haven Tackett, Sam P. Owen, Everett Bishop, L. A. Varnes, James E. Bratcher, Ralph A. Jackson, Thomas G. Beckham, and Daniel Speegle, from Waxahachie, Tex., favoring House bills 5689 and 5746; to the Committee on World War Veterans' Legislation.

SENATE

SATURDAY, MAY 4, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, closer to us than we are to ourselves, in this quiet moment make our hearts and minds sensitive to Thy presence. We who through another week have urged on all our mental and physical powers with strain and stress would now grow still and responsive before the highest we know. Refresh our faith that the tensions of life may not

break our spirits. Remind us that beyond the appraisals of man there falls upon our lives the searching light of Thy judgments. Widen our sympathies, expand our understanding, override our prejudice until the whole earth be our fatherland and starving, stricken humanity under all skies our care. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, May 3, 1946, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary for the fiscal year ending June 30, 1947, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to Senate Concurrent Resolution 60, as follows:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Senate Committee on Interstate Commerce be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of parts 1 and 2 of the hearings held before the said committee during the Seventy-ninth Congress on S. 1253, a bill to amend the Interstate Commerce Act, as amended, and for other purposes, relative to modification of railroad financial structures.

REPORTS OF FOREIGN-TRADE ZONES BOARD AND FOREIGN-TRADE ZONE NO. 1

The PRESIDING OFFICER (Mr. MCMAHON in the chair) laid before the Senate a letter from the Secretary of Commerce, Chairman of the Foreign-Trade Zones Board, transmitting, pursuant to law, the annual report of the Foreign-Trade Zones Board for the fiscal year ended June 30, 1945, and the annual report of the city of New York covering operations of Foreign-Trade Zone No. 1 during the calendar year 1944, which, with the accompanying reports, was referred to the Committee on Finance.

PETITION

The PRESIDING OFFICER laid before the Senate a resolution adopted by the City Council of the City of Boston, Mass., favoring the continuation of the Office of Price Administration, which was referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WHEELER, from the Committee on Indian Affairs:

S. 763. A bill to provide for the leasing of allotted lands on the Crow Indian Reservation; with amendments (Rept. No. 1302);

S. 1681. A bill to provide for adjustments in connection with the Crow irrigation project, Crow Indian Reservation, Mont.; with amendments (Rept. No. 1300); and

S. 2077. A bill to amend section 1 of the act of June 4, 1920 (41 Stat. 751), entitled "An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes," as amended by the act of May 26, 1926 (44 Stat. 658); without amendment (Rept. No. 1301).

By Mr. BYRD, from the Committee on Rules:

S. Res. 260. Resolution creating a special committee to consider certain matters relating to the reorganization of the legislative branch of the Government; with an amendment (Rept. No. 1299).

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDING OFFICER laid before the Senate a report for the month of April 1946 from the chairman of a certain committee, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMITTEE

MAY 1, 1946.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of April 1946, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Mrs. Alma B. Kidwell	113 Park Blvd. SE.	Federal Communications Commission.	$1,800

B. W. WHEELER, *Chairman.*

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CARVILLE:

S. 2147. A bill for the relief of Howard A. Yeager; to the Committee on Claims.

By Mr. WHEELER:

S. 2148. A bill authorizing the conveyance of certain lands in Fallon County, Mont., to John J. Reiger; to the Committee on Agriculture and Forestry:

S. 2149. A bill authorizing the issuance of a patent in fee to Victoria Bird;

S. 2150. A bill authorizing the issuance of a patent in fee to Thomas A. Pickett; and

S. 2151. A bill authorizing the conveyance of certain lands in the State of Montana to James O. Garden; to the Committee on Indian Affairs.

By Mr. MITCHELL:

S. 2152. A bill authorizing the Secretary of the Interior to pay salary and expenses of the chairman, secretary, and interpreter of the Yakima Tribal Council and other committees appointed by said Yakima Tribal Council, and official delegates of the Yakima Tribe, and for other purposes; to the Committee on Indian Affairs.

HOUSE BILL REFERRED

The bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary for the fiscal year ending June 30, 1947, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

THE TRIAL OF MARSHAL MIHAILOVICH IN YUGOSLAVIA

Mr. TYDINGS. Mr. President, at the end of every war there is always an overflow of passions which war and strife engender. We have all noted that one of the areas in which this factionalism or internal division of opinion seems to exist and flourish is Yugoslavia, a war-torn country where there were two military leaders, one Marshal Tito and the other Marshal Mihailovich. I do not know anything about the reasons behind this cleavage, nor do I want to interfere in the affairs of Yugoslavia, but I have read in the press recently that Marshal Mihailovich is to be tried as a war criminal. Without knowing the facts, I have read this with some regret, because it has come to my attention that he has been instrumental in aiding many American aviators who were shot down over Yugoslavia and neighboring countries to escape capture and to return to their own commands, after which the same aviators rendered very valiant service in overcoming the Axis Powers.

One of the young aviators who was shot down comes from a very representative Maryland family, and his brother had a similar experience to that which he himself shared in the stirring days of combat. He has written me a letter which I shall take the liberty of reading, in the hope that war passions may subside sufficiently to enable the services rendered to be appraised on the scales of justice as evenly as it is possible to weigh them, without malice or factional or partisan advantage or consideration.

The letter is dated Eccleston, Baltimore County, Md., April 9, 1946, and reads as follows:

Hon. MILLARD E. TYDINGS,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR TYDINGS: During the war, I was a fighter pilot and had the misfortune to have to leave my plane returning from a mission to Ploesti. I spent a month and a half in Yugoslavia in 1944, among Mihailovich's Chetniks before returning to Italy, and have nothing but thanks to offer for the care I received and nothing but praise for the way a badly oppressed people were bearing up under the buffets of both sides.

Whether Mihailovich's ideas on the unification of Serbia and the methods he used to accomplish this were right or wrong, the fact remains that for every British and American foray, for every bridge destroyed, for every German troop and supply train blown up, the price was paid by the indiscriminate slaughter of the first 20 people the Germans encountered the next day in Belgrade. These people who were paying with their lives for the privilege of having British paratroops harrass the Germans in their own backyards were Mihailovich's people, nor was Tito ever

bothered by such scruples being simply the leader of anyone who wanted to fight.

At the time I was in Yugoslavia there were 14 separate groups of confused guerilla soldiers. Mihailovich is an intelligent, sensitive man who worked his way up to a position of respect in his own country, and his hope was to bring Serbia through this conflict as a unified country instead of a squabbling mass of 20 or 30 dissenting groups, as there are today. In no sense of the word could he be considered a war criminal, subject to the same punishment as, for example, Goering and his ilk, nor was he a traitor, having told the British and the world exactly what he was trying to do.

Whatever the merits of the controversy between Mihailovich and Tito may be, and whatever may be the decision of the Government which one ought to be recognized, it seems a pity that a brave man and a representative of a very large group of people should be sacrificed in a quarrel that is local.

On behalf of myself and all American airmen like me, and because I think it is only just, I hope that this Government will use its influence to prevent this man being sacrificed simply because for the moment his rival leader has the ascendency.

Very truly yours,

HOWARD BAETJER II.

Mr. President, the letter speaks for itself. I know nothing about the internal conflict and clash of ideologies and loyalties in Yugoslavia, but I do know that Mr. Baetjer is a very well-balanced, well-informed and well-seasoned young man in the affairs of this world. I know that he had a gallant war record. I know that he escaped from Yugoslavia largely through the aid of Mihailovich, and I sincerely hope that the good offices of our Government, within proper limitations, will be used and our influence exerted at least to see that one who has helped so many of our captured airmen to return to their commands during the war will not be unfairly dealt with in this hour of strife and passion, which is an overflow from the closing hours of the great conflict we call World War No. 2.

I am happy to present this as one of several letters along the same line from gallant men who had attempted to free Yugoslavia from the yoke of the oppressor and who were helped by Marshal Mihailovich to achieve their freedom, when, without his help, they would have been captured by the Axis Powers.

CALL OF THE ROLL

Mr. LUCAS obtained the floor.

Mr. HILL. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCMAHON in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Cordon	Hill
Austin	Donnell	Hoey
Ball	Downey	Johnson, Colo.
Bankhead	Eastland	Johnston, S. C.
Barkley	Ellender	Langer
Brewster	Ferguson	Lucas
Briggs	Fulbright	McFarland
Brooks	Gerry	McMahon
Bushfield	Green	Magnuson
Butler	Gurney	Maybank
Byrd	Hart	Mead
Capehart	Hatch	Millikin
Capper	Hayden	Mitchell
Carville	Hickenlooper	Moore
Murray	Russell	Tydings
O'Daniel	Saltonstall	Walsh
O'Mahoney	Shipstead	Wherry
Pepper	Stewart	Wiley
Reed	Taft	Willis
Revercomb	Taylor	Wilson
Robertson	Tunnell	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], the Senator from Ohio [Mr. HUFFMAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Louisiana [Mr. OVERTON], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Utah [Mr. MURDOCK], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Nevada [Mr. MCCARRAN], the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from New York [Mr. WAGNER] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Jersey [Mr. HAWKES], the Senator from California [Mr. KNOWLAND], the Senator from Wisconsin [Mr. LA FOLLETTE], and the Senator from Kentucky [Mr. STANFILL] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Delaware [Mr. BUCK], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The PRESIDING OFFICER. Sixty-three Senators having answered to their names, a quorum is present.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. BARKLEY. Mr. President, will the Senator from Illinois yield to me?

Mr. LUCAS. I yield to the Senator from Kentucky.

Mr. BARKLEY. I ask unanimous consent that when the Senate convenes on Monday, and thereafter during the further consideration of the pending joint resolution, no Senator shall speak more than once nor longer than 1 hour on the joint resolution or any amendment thereto.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Colorado. I object.

Mr. BARKLEY. Mr. President, will the Senator from Illinois yield further?

Mr. LUCAS. I yield.

Mr. BARKLEY. I ask unanimous consent that, beginning with the session of the Senate on Tuesday next, and thereafter during the further consideration of the pending legislation, no Senator shall speak longer than 1 hour on the joint resolution or any amendment thereto.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, I wish to say that at this time it is hard to tell what debate will be required to discuss the amendments to the pending joint resolution. I doubt very much whether any Senator will want to speak more than an hour after Tuesday. On Monday, personally I want to speak more than an hour, but on Tuesday I am very doubtful that any Senator will need to speak more than an hour. But one never can tell.

Mr. BARKLEY. I will say to the Senator that the proposal I have made for an hour on the joint resolution or any amendment thereto would give each Senator 2 hours.

Mr. JOHNSON of Colorado. Yes. It would seem to me that would be entirely reasonable, and I doubt whether any Senator would use the full 2 hours. But without such a gag rule I think we can pretty well depend on no extended speeches being made on amendments. So far as I am concerned personally, I shall object to the unanimous-consent request at this time; but if there are delaying tactics, or if a filibuster develops, I will join the Senator from Kentucky in attempting to meet that situation and I will do everything I can to expedite action on the joint resolution.

Mr. President, this is an important measure. Perhaps no measure which has come before the Congress in recent years has been of greater importance. I object to a gag rule being imposed on the Senate at this time.

The Senator from Kentucky pointed out that the attendance of Senators has not been very flattering during the past week. That is true, and it is extremely unfortunate. In my opinion, the word has gone out to the proponents of the measure not to interrupt opposition speakers, to ask no questions, to make no replies to arguments that are made. As a matter of fact, the only Senator who has challenged statements here on the floor is the Senator from Arkansas [Mr. FULBRIGHT], and he has done a very fine job. He has brought out some points that have been extremely helpful and constructive in this debate. But, aside from the Senator from Arkansas, there has been very little challenging of arguments made against the loan, and in my opinion—and it is my private opinion—the debate as carried on by the proponents of the joint resolution has been

a disgrace to the Nation and to the Senate. The proponents have not made a case. They have not stated their position. They have not answered arguments.

The Senator from Nebraska [Mr. WHERRY] asked for some important data. It has not been furnished. The senior Senator from Nebraska [Mr. BUTLER] issued a strong challenge, which has never been accepted. Other Senators have done the same thing. The Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Illinois [Mr. BROOKS], the Senator from Louisiana [Mr. ELLENDER] and many other Senators have asked for information and have challenged the proponents of the measure to furnish them information, but it has not been forthcoming. They did not reply. In my experience in the Senate I have never seen a time when so many Senators have not reached a final decision on a measure as is the case at the present moment in connection with the pending joint resolution. The debate has extended over a considerable length of time, and still there is indecision in the Senate. It would appear to me to require not only further debate, but more constructive debate. I cannot see the wisdom at this juncture of attempting any sort of gag rule.

Mr. BARKLEY. Mr. President, I wish to comment briefly on one phase of the Senator's remarks. He stated that the debate on the joint resolution, so far as the proponents are concerned, has been a disgrace to the Senate and to the United States. That is a rather harsh description of an honest effort which has been made from the very beginning. During the preliminary discussion of the joint resolution 3 weeks ago I spent a couple of hours trying honestly to answer questions propounded to me. I have sent out no word to any proponent of this measure not to ask questions of Senators opposing it. I myself have asked a great many questions. The other day the Senator from Arkansas [Mr. FULBRIGHT] and I spent most of the afternoon inquiring of the Senator from Louisiana [Mr. ELLENDER] with respect to the arguments which he was making against the joint resolution. I do not believe that any opponent of the joint resolution has a right to complain that while he is speaking Senators do not interrupt him and thereby make him speak longer than he intended to speak. Certainly no Senator who opposes this legislation has any legitimate right to complain if other Senators do not interrupt him or ask him questions.

The Senator from Colorado refers to this request as a gag rule. We all know that we cannot obtain a limitation of debate without unanimous consent, except by a two-thirds vote of the Senate under what we call cloture. My request is more reasonable and more generous, it seems to me, than the average request made for limitation of debate. One hour on the joint resolution and 1 hour on any amendment would give any Senator 2 hours if he desired to occupy that length of time.

I realize that the Senator from Colorado does not agree, but it seems to me that after 3 weeks of debate—whether it has been largely taken up by the proponents or the opponents is of no consequence—the request for limitation of debate to 1 hour on the joint resolution or on any amendment, which is really, in effect, a limitation of 2 hours, is not an unreasonable request for the limitation of debate on a matter which I concede is as important as any legislation we have had, or probably will have before the United States Senate.

Am I to understand that the Senator from Colorado objects to my last request?

Mr. JOHNSON of Colorado. Yes; I object to the request that the debate be limited on next Tuesday. I repeat that I am sure the debate will not exceed 2 hours on the part of any Senator. I feel certain of it. As I understand, the first amendment to be considered is the amendment of the Senator from Arizona [Mr. MCFARLAND]. I should be greatly surprised if debate on that amendment lasted more than 3 or 4 hours. Probably the debate on no other amendment to the joint resolution will last more than a few hours. But it is difficult to predict. We cannot tell what kind of stormy weather we may run into in connection with amendments, or what information we might require in order to resolve them. I do not believe that we should tie our hands at this time. Therefore, I feel that the request of the Senator from Kentucky ought not to be granted.

Mr. BARKLEY. Mr. President, I make this further request: I ask unanimous consent that at an hour not later than 5 o'clock p. m. on next Thursday the Senate proceed to vote on the joint resolution and all amendments thereto to final passage.

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, personally I feel that probably we shall reach the moment for final decision at least by Thursday. However, I do not believe that we need to do it by tying our hands. I think we will do it in the normal course of events. I therefore object.

The PRESIDING OFFICER. Objection is heard.

THE COAL STRIKE

Mr. LUCAS. Mr. President, America is the land of plenty and the land of opportunity. America has more material wealth, a better standard of living, and higher wages than any nation in all the history of time. Business, labor, and agriculture have never experienced such sustained prosperity as they have had during the past few years. Yet, with all her wealth, with the manpower and ability to make even greater industrial progress, and with the vast knowledge recently accumulated to guide her in the future, America is now confronted with problems of such major portent as to threaten her economic stability. It may take a depression to bring us to our senses.

If we should be so unfortunate as to be plunged into an economic dilemma which takes us through an inflationary boom and another destructive depression, the cause can be laid on the doorstep of greed and selfishness. These two horsemen of destruction are riding high. They continue to leave in their wake strife, misery, and turmoil.

Hardly had the last gun been fired in the Japanese war when the reign of selfishness began. It has never ceased. The great victories we have won in battle at a staggering cost in human blood and treasure are almost forgotten in the mad scramble of dog-eat-dog and the devil take the hindmost. It is a sad commentary—a severe indictment of a nation to which the world looks for leadership and stability in the arduous days ahead. We seem to be utterly blind to conditions in the rest of the world. We fail to give the proper attention and respect to the fact that we are the most fortunate of all God's children.

We all should be grateful for the heritage of plenty. We should be humble in the progress we have made. We should extend more than the yardstick of tolerance to one another because there is plenty in America for everyone.

Mr. President, America is at the crossroads. As Bernard Baruch recently said, "The whole world is watching us, amazed at the exhibition of the giant who cannot pull himself together even to take care of his own needs." We have seen labor and management battle for months for prestige and power. We have witnessed one strike after another—all of which have seriously curtailed and impeded our program of reconversion back to a normal peacetime economy. We have seen Government intervention in an earnest and courageous attempt to lend a helping hand in the titanic struggle between these economic powers.

Let me say that all the obstinacy and selfishness in this case has not been on one side, but what a great many people have forgotten in this row between labor and management is that the public interest is involved. No one can deny that the public interest has suffered an irreparable loss in the last 6 or 8 months. What the public has suffered in previous strikes is a mere bagatelle as compared with what it may suffer if the bituminous-coal strike is not settled at once. All America should awaken to these plain and unmistakable facts and the dire consequences which will follow if there is a failure to produce coal.

I shall use my own State of Illinois as a typical example of a situation produced by this strike—a situation which will become intolerable unless men responsible for these conditions take to heart the meaning of domestic tranquility and the general-welfare clause of the Constitution of the United States.

This morning's newspaper carries, under a Chicago date line, the following:

[From the New York Times of May 4, 1946]

CHICAGO DIM-OUT THREATENS TO MAKE THOUSANDS JOBLESS—CITY AND ITS SUBURBS ENTER ON AN EMERGENCY CURTAILMENT TO A 4-HOUR DAY—THEATERS CLOSE DOWN AT 6 P. M.

CHICAGO, May 3.—Reduced hours of employment and in some cases total idleness for thousands of wage earners loomed today as Chicago and its suburbs went on a virtual 4-hour work and entertainment day schedule as the emergency electric power curtailment tightened.

The unprecedented dim-out, which was extended today to central Illinois, was or-

dered by the Illinois Commerce Commission to save dwindling coal supplies resulting from the strike of John L. Lewis' United Mine Workers Union, AFL, and the Independent Progressive Mine Workers Union.

In Indiana the State public service commission yesterday authorized the Northern Indiana Public Service Co. to ration its power in 22 up-State counties, tentative plans for a "brown-out" of the rest of the State were being laid tonight.

Illustrating the seriousness of the situation in this city, which is overlapped by the vast industrial belt of northern Indiana, was the preparation by manufacturing plants, most of which worked only 4 hours today, of operating schedules for next week which would put thousands of employees out of work or on substantially reduced hours not to exceed 3 days a week.

Employers, most of whom maintained 4-hour operating schedules today, estimated that because of the Illinois Commerce Commission's order production will be cut from 40 percent for those working a 5-day, 40-hour week up to 60 percent for those operating 6 days a week on three shifts.

The Chicago Association of Commerce estimated tonight that the city will suffer a minimum production loss of $10,000,000 a week from the power order, although the figure probably will be much higher.

After 2 days of conferences Republic Steel Corporation tonight began closing down its south Chicago plant, which will remain closed as long as the power order is in effect, said C. P. Cutler, district manager. About 3,500 employees will be thrown out of work. Its coke oven and blast furnaces will remain in operation, however.

In compliance with the dim-out, more severe even than in wartime, Chicago's Big Loop stores, affiliated with the State Street Council, and other groups, announced that starting tomorrow they would remain open only between 2 and 6 p. m. Outlying stores voted likewise.

In similar manner all Chicago movies shut down at 6 o'clock today, and will open only between 2 and 6 p. m. weekdays and will close Sundays.

Legitimate theaters likewise were to close nights, except for the Shubert chain of six Chicago theaters, whose manager, Sam Gerson, asserted he would defy the night ban.

Whatever the cost of the power curtailment, it is a necessary step, declared William Parrillo and Frank Peska, members of the Illinois Commerce Commission. They repeated the warnings publicly made by the Commonwealth Edison Co. and associated utilities responsible for the generating and supplying of vital electric power, that, unless coal is mined and distributed by May 14, coal stocks now available will be exhausted, and electric power will be virtually ended by May 21.

Collection and distribution of rail freight have been thrown into turmoil by the dim-out order, William Crawford, general counsel for the Cartage Exchange of Chicago, Inc., said. He said irregular hours maintained by various stores, warehouses, and other businesses as a result of the power curtailment have hindered pick-ups and deliveries of freight.

He said truckers may appeal to the commerce commission to set a uniform schedule to eliminate these delays, and added that the trucking industry is considering operating only on the first 3 days of each week during the emergency.

Only one major concession was made, with consent of the Commonwealth Edison Co., the commission authorized minimum sufficient elevator service in office buildings between 9 a. m. and 6 p. m. However, electric power for lighting and other purposes is banned except between 2 p. m. and 6 p. m. The modification of the order does not contemplate use of all elevators in any building at any one time—only the fewest number that can handle passenger loads. More than 150 office buildings will benefit.

Some of the day's conferences were with spokesmen of the State Street Council and the Chicago Retail Merchants' Association. Stores affiliated with these groups began reducing current consumption the moment the emergency dim-out was ordered, but said it might be necessary to continue other normal operations until Tuesday.

Chicagoans adjusted themselves a little better today to the emergency conditions. Greatest confusion occurred in buildings with elevator service. The original order stipulated normal elevator and lighting service between 2 and 6 p. m., with use of limited elevator service, such as on Sundays, outside these hours.

We have in Illinois a dim-out which is more serious and more restrictive than anything which was imposed in time of war. But it is absolutely necessary in view of the short supply of coal in the stock piles of the public utilities which furnish power and light.

Telegrams and letters are reaching my office in large volume from individual citizens and those operating the industries in my State, all of whom are filled with alarm and bitterness.

Mr. President, I refer the Senate and call its attention to the large group of telegrams which I now have on my desk. I have not had an opportunity even to read all of them. They come from people in my State who communicate with me with respect to the coal strike, and all have come in the last 3 days. They represent only a part of the communications which are coming from the people of Illinois who are tremendously disturbed about what is going to happen to the economic conditions in that State. I undertake to say that what happens there will happen in similar fashion throughout the entire Nation.

Mr. President, as a result of the coal shortage, industrial and commercial paralysis threatens my entire State; and what is true in Illinois is obviously true in every other industrial section of the Nation.

The last action of the Office of Defense Transportation in issuing emergency orders cutting rail-freight shipments to bare necessities and reducing passenger service to 50 percent below that of April 1 speaks volumes as to the seriousness of this crisis.

The latest survey of railway fuel stocks as of April 29 shows an average of 27.3 days' supply. On that date the railroads were using approximately 260,000 tons or 5,000 cars daily, but this rate of consumption has been considerably reduced during the past few days as a result of emergency conservation measures now effective on all railroads.

Any statement of average stocks, however, does not properly reflect the seriousness of the present railroad fuel situation. Several railroads, large and small, are confronted with a real emergency, and the necessity of drastic curtailment of fuel usage as well as the furnishing of every possible measure of assistance to these roads is plainly indicated. For example, as of May 2 we have the following situation on those railroads now reported dangerously low on coal stocks:

Supply:	*Railroads*
Below 10 days	2 large, 3 small
10 to 14 days	9 large, 3 small
15 to 19 days	8 large, 2 small

Everyone knows that the railroads have been and will continue taking vigorous and necessary action to help themselves. For example, one large eastern railroad has made heavy curtailment on Sunday freight service, reduced local freight service to a triweekly basis, and effected a substantial reduction in switching schedules. Through these conservation measures this railroad has reduced coal consumption since April 25 by approximately 30 percent.

One large railroad operating out of Chicago with only 16 days of coal on hand has made heavy curtailment in freight and passenger service and is now considering still further action in this respect. As a result of these economies, coal consumption of this line has been reduced 15 percent as compared with the first part of April. In Chicago they are also studying suburban passenger service and will doubtless have to reduce commuter trains within the next few days.

Another large midwestern line has been forced to limit all passenger service between Chicago and St. Louis. Within the past few days two railroads, one operating in the East and one in the South, have had to call on the Association of American Railroads to request emergency fuel allotments from the Solid Fuels Administration in order that they might continue operations over the week end.

Mr. President, these are only a few of the highlights, and the tragedy grows by the hour.

These facts and figures should alarm every American, even John L. Lewis, if he is anxious to see his country secure and strong. But apparently, Mr. President, John L. Lewis ignores and flouts these dangerous facts. He has no concern for our national necessity. He treats with utter contempt the urgent pleas of the President of the United States and his representatives. He is running true to form. His haughty disregard for his Government and the people, in the strategic position he now occupies, is a serious threat to our democratic way of life. But, Mr. President, no man in America is bigger than his Government. The democratic processes, even though they be slow and painful, shall continue to operate, John L. Lewis to the contrary notwithstanding.

It may be said in passing that there are 600,000 bituminous coal workers now on strike. No one was disturbed about that during the first 2 or 3 weeks, because the miners during the war had done a magnificent job and had earned a well-deserved vacation. But the tactics of John L. Lewis are serving no good purpose for the miners in the controversy before the Nation. The miners are fine people. Many of them are my friends. We know that they are engaged in dangerous and hazardous work. We know that further reforms are needed in order

to protect them from sickness and accident. We know also that other reforms should be brought about, and I am willing to give to the miners the proper help at the proper time. But it cannot be done through methods employed by Lewis at the expense of the remaining 137,000,000 Americans. The greatest disservice of all times is now being done to the miners through the arbitrary and dictatorial methods of their leaders.

Mr. President, I submit that the time has passed when these conditions can continue. Confusion reigns in my State and throughout the Nation. It will be added to tenfold within another 10 days or 2 weeks, unless those who are responsible for this strike come to their senses and realize what an economic impasse means to the future of this Nation.

Mr. President, what the Congress of the United States can do in the short space of time that is allotted is extremely questionable. I presume we would take as much time in this crisis in debating labor legislation as we have in debating the British loan. In the meantime our commercial and transportation activities would be completely paralyzed. The health and sanitation of the Nation would be impaired, and chaos would reign. I do know that time is running out. We cannot toy and play with this crisis any longer. Unless John L. Lewis bows to reason, the President of the United States must seize the mines under his wartime power and request the men to return to their jobs. The people and the Government will vigorously applaud and support such a move.

Mr. President, I am certain there are many men in the rank and file of the miners' organization who do not agree with John L. Lewis in his present exorbitant demands. It is almost unbelievable that any one man in this Nation would take the position Mr. Lewis has taken in his negotiations with the operators. For weeks he met with them, discussed literature, quoted from the Bible, and stomped out in his aged, blustering, prima donna fashion. During all that time he knew, and the country knew, that the coal supply was growing smaller and smaller. He knew, and knows now, that the future stability of America depends upon an adequate solution of this coal strike. This strike presents the unusual. It is different from previous strikes. In those strikes collective bargaining was employed for the purpose of obtaining better wages. In this strike the wage question has not been discussed unless it has been taken up within the last 48 hours. The operators are willing and ready to meet a reasonable and fair increase. But, instead of bargaining for increased wages, John L. Lewis, monarch of the mines, has presented a royalty plan asking for 10 cents a ton, which would net him annually between fifty and sixty million dollars for the purpose of establishing a health and benefit fund for the miners. No one will disagree with the humanitarian purposes for which the proposal allegedly is made, but certainly there will be plenty who will disagree to turning fifty to sixty millions of dollars, with no strings attached, over to John L. Lewis, autocrat of the union.

Mr. President, under this set of facts no economic strike is involved. These facts utterly failed to come within the opinion of the Supreme Court, which declared economic strikes justifiable and necessary. I assert, under these facts, that this is not an economic strike. This is one of those new breeds of strikes which are beginning to harass the United States, and which have no legal or moral justification.

Mr. President, if Lewis can call a strike of his miners under those conditions, and, for example, he does not like me or the President of the United States, he can call a strike of his miners under any other conditions. I assert that that principle is wrong legally and morally, and that it should not prevail. The truth of the matter is that this is a political strike, waged by John L. Lewis for the purpose of obtaining more power. This is the kind of a strike which seriously challenges the fundamental concepts of free government. It is revolutionary in character and scope. It is the kind of a strike which has been used to destroy governments in other nations. It is somewhat similar in character to the strike which John L. Lewis called in the winter of 1945 when he had a separate quarrel with the employers and with the Government over his attempt to organize supervisors. At that time, as now, the question of wages as between the employer and employee was not involved.

Mr. President, we have come a long way in the last 50 years. Our industrial strength was never greater. Large communities are so utterly dependent upon the maintenance of essential services that constitutional guaranties of liberty become practically meaningless if the Government does not protect citizens from being deprived of life, liberty, or property by use of organized private force. I assert with all the emphasis at my command that no minority group should ever be entrenched with a power which can be used to strangle the industrial and commercial life of this Nation.

When I think of what could happen to the public health and safety of this Nation if this strike should continue for another 30 days, I am compelled to assert that a political strike of this character could easily become an insurrection against the Government, and that if this Government has not the power under the Constitution to outlaw strikes of this character it has no power of self-preservation.

Mr. President, the free institutions of America are involved in this question. Every American citizen should awaken to the danger that lies ahead. I respectfully submit that this is the paramount issue before the country today. Every Member of Congress should seriously and immediately consider the question of what legislation could be prepared to aid in this extraordinary emergency.

In conclusion, I should like to say that this last performance of John L. Lewis has dealt a heavy blow to the cause of labor. It must be remembered that there is always a legalistic line of demarcation which can be drawn in this Republic when favored groups abuse the privileges which they enjoy. Industry has had a similar experience. It was only a short while ago that industry ruled supreme. It took suffering and bloodshed and a sympathetic Government to break a power which was too often abused. John L. Lewis was one of the leaders who helped labor gain its rightful place in the economic sun. But having reached the top, and drunk with power, he becomes enamored with his own greatness. He follows in the footsteps of those economic royalists whom he helped tumble from the throne in the years gone by.

STATE DEPARTMENT POLICY AND MERCENARY TROOPS

Mr. TAYLOR. Mr. President, I rise to call the attention of the Senate to developments now in progress within our State Department which I take to be of the gravest concern to the American people. You may recall, Mr. President, that at the beginning of this year Raymond Daniell, the correspondent of the New York Times, disclosed that the American Army had clothed and armed two bodies of troops in the American zone, one calling itself the Royal Yugoslavian Army, and the other consisting of a part of those Polish troops who have not returned to their homeland. Mr. Daniell at that time raised the question whether these troops were not in effect a mercenary group, and reported that some observers said these troops were to be used as a nucleus of a foreign legion constituted by us for then undeclared purposes. You may also recall, Mr. President, that after these reports were confirmed by Mr. Homer Bigart, of the New York Herald Tribune, and other correspondents, the Secretary of State himself, Mr. Byrnes, issued a statement saying that orders had been given to the American commanders in the zone to cease any and all actions which supported these London Polish and Royal Yugoslav troops.

The whole situation caused alarm to men everywhere who concern themselves with the winning of the peace in Europe and in the world. Mr. Byrnes' action quited the fears, and were accepted in good faith. But now in the last few days three things have happened which not only raise up the old alarm but also threaten to change the whole structure of the relations of this Government with the rest of the world.

I refer first to the appearance of Secretary Byrnes before the Senate Foreign Relations Committee just prior to his departure for Paris. It was an executive session. Some of us perhaps learned for the first time what went on when we read Mr. Drew Pearson's column Wednesday morning of this week, May 1. Among other matters Mr. Pearson reports:

> Senator VANDENBERG then pressed for an answer as to how the State Department feels about disposition of the Polish armies of General Anders, which fought in Italy with the Allied forces and now don't want to go back to Soviet-dominated Poland. Again Byrnes dodged an answer, saying it was up to Congress to determine whether these Polish troops might be granted American citizenship as members of our armed forces.

or might be taken into the American Army as a sort of foreign legion.

What amazes me about this report is the assumption which lies behind Mr. Byrnes' suggestion, that we are in the habit of granting American citizenship, as members of our armed forces, to troops who are citizens of another government with whom we have full and recognized relations. What also amazes me, if this report be true, is the baldness of Mr. Byrnes' further suggestion that these troops might be taken into the American Army as a sort of foreign legion.

But let me at this moment continue with the rest of Mr. Pearson's story. He goes on:

Byrnes made it plain that the Russians have indicated definite hostility toward American acceptance of these anti-Warsaw Poles.

Then adds this note:

NOTE.—Byrnes did not indicate that the State Department is studying the question of what to do with the exiled Poles. However, members of the Military Affairs Committee have been discussing with the War Department the idea of using these Polish soldiers to cut our own draft calls. This idea was proposed some months ago by James Cromwell, former United States Minister to Canada, and the War Department has asked the State Department's advice regarding what the repercussions would be from Russia.

I said there were three things which have happened in the last 10 days which give me pause. The second confirms this note of Mr. Pearson's, that the State Department is studying the question of what to do with these so-called exiled Poles. It is reported to me that on Thursday, April 25, the State Department dispatched notes to the other governments of the Western Hemisphere to inquire whether those governments would be willing to take portions of these Polish troops, I judge, in proportion to the respective countries' size and, I assume, in company with ourselves.

If I had heard that the British Foreign Office had sent such notes, if I had heard that members of the House of Commons had suggested that British citizenship might be one answer to the difficulties the British Government is having in demobilizing Gen. Wladislav Anders Second Polish Army Corps in Italy, if I had heard that the British Cabinet had considered the formation of a foreign legion from among these Polish forces who, in the air, on the sea, and on the land have for so many years been financed by the British Government, I would not stand in such amazement. I know there are strong elements in Britain, the chief spokesman of which is Winston Churchill, who would conceivably like to see such steps taken. At the same time I know, as you do, Mr. President, that the British Government has been following a much wiser policy and has been in direct consultation with the Polish Government itself in Warsaw as to the return of these troops to their rightful home, and that the Polish Government has declared itself ready to receive them back to work in the restoration of their nation.

If it were not for the third incident which I shall shortly bring to the attention of the Senate, I would be content to believe that Mr. Byrnes' words before the Senate Foreign Relations Committee and the notes dispatched by the Department of State were merely steps taken in coordination with all our allies and not a part of a deliberate policy to create and support mercenary elements for potential war use. I would then assume that we had been in touch with the Polish Government itself. I would assume that the matter might properly have been on the agenda of either the Foreign Ministers' meeting in Paris or of the Security Council of the United Nations.

But what are the facts? Not only is there no evidence that the Polish Government has been consulted in these schemes to distribute its citizens round the world and to constitute them as foreign legions, but there is this third astounding fact: At this moment the commander in chief of all these landless Polish forces is flying the Atlantic Ocean to land in this country on an American visa. He is General Bor-Komorowski, the man who is blamed by the Polish Government for the destruction of Warsaw; the man who, when four German armored divisions were moving on Warsaw from the west, gave the signal for an uprising which left the city in ruins and its citizens dead. He was head of the so-called home army, the military arm of the discredited Polish exile government in London. He has since been made, in an attempt to exploit the notoriety he gained for his part in the Warsaw uprising, the head of all the exiled Polish forces.

It may be said: "Well, let him come; let him make his speech in Chicago Sunday on Polish Constitution Day. Let Mayor Kelly welcome him. Let him go about, to Detroit, to Buffalo, to New York, to all centers where Polish Americans are concentrated. And let him go back to London and look after his troops."

But wait. Here is where what Mr. Daniell reported in January, what Mr. Byrnes had to say to the Senators, and the notes of the Department of State all come together in what appears to me to be a conspiracy fraught with danger for all of us. For General Bor-Komorowski is the head of that Army and brings with him the whole conspiracy of the old London Polish regime and this newest development of it, the creation of a foreign legion out of these landless Polish forces.

I want the Senate to have a clearer picture of this Bor-Komorowski. I want my colleagues to know, first of all, that the British Government has refused to deal with him in any discussions of the Polish troops. I want them also to know how he came to his present position. He is an old-line cavalry officer useful to stronger men behind him. I have been informed that outstanding among them all is one man, the man who made Bor-Komorowski, a man who in the years before 1939 was close to the Colonel's Group of Beck and the others who betrayed Poland. This man was then head of Polish G-2, the secret service. He is now the moving hand behind Anders, Bor-Komorowski, and the whole mischievous use to which the 100,000 odd Polish troops left stranded in Europe by the war's end are being put. He is General Pelczynski, and it is he with whom we will have to deal if we permit Bor-Komorowski to settle down in our midst.

This, then, is the pass it appears to me the policies of Mr. Byrnes and our Department of State have got us into. We will have as our guest from Sunday on the head of an army without a country, floating loose like a mine in the international sea. Our Department of State appears to be contemplating transporting this man's troops to the Western Hemisphere. I will say, Mr. President, as a footnote here, that we have enough Fascists in the Western Hemisphere, in our own country, without importing any mercenary Fascists from abroad. Our Department of State has proposed to the governing committee of this body on foreign affairs that we might give these troops American citizenship or constitute them into some sort of "foreign legion."

Such a legion would be something new in the political and military life of the United States, and I for one think the American people ought to know about it. It is an act in direct contradiction to our tradition. In fact, it was with the use of such mercenary troops, the Hessians, that the British tried to defeat this people in their War of Independence. At that time the American Army was proud to have in its ranks such distinguished foreign officers as von Steuben, Lafayette, and Kosciusko, men who led American troops, members of an American Army that has never had any mercenary tradition, never any foreign soldiers serving under American command for money.

In the past we have seen many nations fall that tried to base their military power, not in a national army, but in one recruited among foreigners. In Rome, it led to the downfall of the empire, in Byzantium, and in Turkey. In each case, the consequence was the creation of an armed force independent of the nation, and capable of fighting not so much for the nation as against it.

What James Cromwell suggested and what, if Mr. Pearson's report is correct, is now a contemplated policy of the War Department to cut our own draft calls, the idea of using these Polish troops, is the first step in a direction which spells doom for us as a people.

And do not think that I exaggerate. With the conditions in Europe today there is no shortage of candidates for such a legion. After the Poles we shall have the royal Yugoslavs. We shall have all the Russians and Ukrainians from the puppet Wlasow Army, the Russian Quisling who fought on the German side against the United Nations. And shall we not have the Germans and Italians, the dissident elements, the cadres of discontent, always waiting for such an opportunity? We could see gathering in under the American uniform an army constituted of people who fought against us in the past and who will readily, if the objective is "right," fight for us in a foreign nation. Fight for us? For

whom? For the American people? Have the American people been asked? Have they said they want to hire mercenaries? Have any of us heard of this, except Mr. Byrnes?

I propose, therefore, to ask:

First, that the visit of this Bor-Komorowski be fully explained by the Department of State, his whole itinerary published, and the date of his return to England be immediately determined and publicly announced;

Second, that the Department of State make public any and all negotiations which have been carried on with any Western Hemisphere nations in regard to the disposal of Polish troops; and

Third, that the Foreign Relations Committee report to this body the full text of Mr. Byrnes' remarks concerning the use contemplated of these troops, and ask for the information of the Senate, a full report of the Department of State on this whole question.

THE COAL STRIKE

Mr. BROOKS. Mr. President, I wish to emphasize what has been said by my colleague the senior Senator from Illinois [Mr. LUCAS] concerning the desperate situation that is now presenting itself in Illinois. The State having been put on a 24-hour basis for power by virtue of the shortage of coal affecting our utilities, hundreds of thousands of our laboring men are reduced to half time. Among the messages which have been pouring in to me the last 2 days are many from veterans who have returned from their service overseas asking if that is what they fought for.

Because of the danger of fire hazard and utility shortage, I called the Secretary of War yesterday to see if the War Department would cooperate with the Sanitary District of Chicago in giving what permission they can for an increased flow of water from Lake Michigan, to add to the power that is being created at the power plant at Lockport, in order to protect the water supply of Chicago and provide adequate fire and sanitary protection. I am happy to report that he immediately called the Chief of Engineers, and they said they would give us all support possible.

Mr. President, if this strike continues longer, what has happened in Illinois will happen in every other State, and then perhaps we will realize that it is now the responsibility of the administration of the United States to protect the people of this country.

Great powers—greater powers than were ever given to an Executive in the history of our Nation—were given to the President of the United States during the war, and he still has all those powers, and has a right to use them to protect the people. I say that it is the responsibility now of the President of the United States to utilize the powers which have been placed in his hands by the representatives of the people, and if they are not sufficient, then it is the responsibility of the administration which controls Congress to initiate legislation promptly, without delay, to afford whatever remedy we may find to be necessary in the event of a failure of the administration to act.

Mr. ELLENDER. Mr. President, I do not know of an individual who lives in or out of this country who is an uglier menace or a greater threat to our form of government than John L. Lewis. As the absolute monarch, the despot, and tyrant of the Nation's coal miners who produce the life blood of industry, this Mussolini of the mines stands in position to paralyze the commerce and virtually all activities of the greatest Nation on earth. I do not deny that some of the reforms he advocates for the benefit of the miners are entirely worthy, but the methods employed by him in attaining his goal are inimical to, and not in accord with, our form of government. He is the unashamed exponent of the most dictatorial and totalitarian methods that could be imposed on a free people. He is sly and cunning, this Lewis, and he is most cautious in timing his demands. As in the ruinous coal strike now in progress, he has selected a period when our country is vitally in need of fuel for its frantic attempt and effort toward reconversion and sustained production of goods that are so greatly needed by our people.

When I first came to the Senate, in 1937, my initial speech was in criticism of the plans and methods employed by this obnoxious bully in his attempt to force his will on industry. In March 1937, when the sit-down strike method of coercion was in full sway, Lewis made brazen attempts to force management to do his bidding. I said on March 19, 1937, respecting the so-called sit-down strikes:

> This new method of attack on the part of some labor leaders in their desire to force employers to meet their demands is a force which if continued to be exercised will be destructive of our Government.

I said further:

> The sit-down strike method is abhorrent to me, is un-American, is nothing short of a hold-up, and should no longer be tolerated * * *
>
> I sympathize with these strikers, but I am against the methods employed by their leaders. I cannot believe that the strikers are responsible for the method now in vogue. I blame their leaders.

I quote further from my remarks made in 1937:

> I do not know who is responsible for this. I am told that John L. Lewis is the leader of the movement. If Mr. Lewis is, I brand him as a traitor to American ideals and a menace to the peace and prosperity of our Nation.

Today, Mr. President, with all the emphasis and force at my command, I repeat the charge made by me in 1937, unqualifiedly, in the light of subsequent events. He is the same Lewis.

It will be recalled that in October 1941, at the height of this Nation's defense effort and only 5 weeks before Pearl Harbor, all industry was crippled and was seriously threatened with a complete shut-down by a general coal strike impudently called by this traitor Lewis. On October 29, 1941, in the course of my remarks in the Senate, I recalled to the Senate the statements I made in 1937, excerpts from which I have just read, and I said further in the remarks made by me in 1941, and I quote:

> At the time I made the charge against Mr. Lewis—

That is, at the time I made the charge in 1937—

> I was in doubt because I did not have positive knowledge of who the traitor was. In the impending labor trouble we know that the leader is Mr. Lewis—

That is, in the strike that was called in 1941—

> he has come to the surface in his usual arrogant and defiant manner. I now take occasion to renew affirmatively my charges against Mr. Lewis, not only branding him a traitor to our American ideals and a menace to the peace and prosperity of our Nation but a traitor to the boys who are now preparing themselves to defend our Nation and preserve our cherished liberty.

I repeat the charge, Mr. President, and add that he is doing violence to the principles for which so many of the young men of our country gave their lives to preserve.

I quote further from my speech of October 1941:

> I further brand John L. Lewis as a menace to the labor movement in this country.

Permit me to say in passing, Mr. President, that it was a great pity that this agitator, this arrogant dictator, was taken into the folds of the great labor organization known as the American Federation of Labor. I predict that the membership of this fine organization will soon disown him and regret that he was ever permitted to again sit in their councils. Further quoting:

> The present administration has leaned backward in its efforts to help the workingman. * * * I now desire to warn labor * * * not to follow this labor agitator, this labor bully, who seeks advancement not through the usual orderly and democratic methods heretofore adhered to, and in normal times, but who seeks to accomplish his purpose at a time and with full knowledge that noncompliance with his demands will threaten our very existence.

Again quoting from the same speech:

> I plead with the laboring man to foster a movement to oust such leadership before it is too late. Do not force Congress * * * to pass laws that will take away from labor some of its most cherished rights. The patience of Congress and of the American people is almost at an end.

Mr. President, on this occasion I wish to reiterate in toto the sentiments expressed by me in 1941. There is no doubt in my mind that if the laboring people of this Nation retain such a rascal as Lewis as their leader the Congress will be compelled to pass legislation that may be most hurtful to labor. I, for one, do not care to take drastic steps against labor, but I can see no other course for many of us who have been friends of labor to take.

Mr. President, what will be the effect of this coal strike to the coal miners and to the people as a whole? As pointed out by the distinguished Senator from Illinois [Mr. LUCAS], who spoke a few minutes ago, it is crippling to our whole industrial, agricultural, and commercial fabric. The coal miners are not able to withstand a long strike. They are losing heavily. It is costing them about $5,000,000 a day in the loss of wages alone. It is costing them in excess of $100,000,000 a month. The "holiday" in April has cost them that amount. They

are bound to suffer more as time goes on, because the longer the strike lasts the more scarce will commodities become, and with that the cost of living will rise and black marketing will thrive.

What about the idleness that is bound to follow in the steel industry? Unless coal is made available, all of us know that that industry will have to close down, and every manufacturer who requires steel will likewise be compelled to shut down his plant.

What about transportation, which is now so necessary? The farmers in many parts of our country are now in need of transportation to carry and distribute perishable foods in various parts of the country. What about electric power, which is now so essential? What about lighting in the streets, in the stores, and in the homes? What about the power necessary to keep refrigerating plants of all kinds in operation in order to preserve food? Why, Mr. President, there is no telling the extent to which this strike may affect the lives of our people.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. I do not rise to praise Mr. Lewis or to try to protect him. But I ask this question: What law is Mr. Lewis violating at the moment? What is he doing that leaders of all other labor organizations have not been doing during the past year or the past many years?

Mr. ELLENDER. If Mr. Lewis were violating any law at the moment, I would be the first one to swear out an affidavit against him that would lead to his arrest. Unfortunately he has been able to get by. So far as I am concerned, I am willing to vote today for any law which will prevent a leader of his character undertaking to obtain relief under such an un-American way, as I will attempt to point out in a moment. It is true that other labor leaders have sought to improve the lot of the laboring man, but the most of them have resorted to the usual and customary manner of reaching their goal.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. ELLENDER. Yes.

Mr. CAPEHART. Does not the Senator think that possibly a little bit of the responsibility lies with the Congress in not writing a labor law that is fair to both the employers as well as the employees?

Mr. ELLENDER. That may be, and I may say further there can be no question about that. We cannot, of course, anticipate what the future holds after a law is enacted by Congress. In many instances laws are not administered so as to carry out the will of Congress. I may state further that the responsibility lies not only with the Congress but with the administration itself. Both Congress and the administration have been leaning backward in order to assist labor. Of that there can be no doubt. I am very hopeful that in the near future the Congress will enact laws which will prevent the development of such a crisis as we now face. The Senator from Indiana was not a Member of the Senate at the time the so-called Smith-Connally Act was passed, some time in 1941, as I recall, or early 1942, the purpose of which was an attempt to curb the actions of such men as John L. Lewis. There is no question in my mind that what prompted Congress to enact the Smith-Connally Act was the activities of John L. Lewis in 1941 in respect to the coal strike I mentioned a while ago and——

Mr. CAPEHART. Mr. President, will the Senator further yield to me?

Mr. ELLENDER. Yes.

Mr. CAPEHART. Is it not a fact that the administration for some 14 years has encouraged such movements, and had laws passed which made it possible during the past 6 to 12 months for such conditions to exist as do exist today in respect to strikes?

Mr. ELLENDER. No; I would not say that. There are always two sides to almost any question. I do not intend to go into any details in respect to the circumstances surrounding the passage of labor legislation in the past 10 or 12 years. But I would say that industry itself was as much to blame, if not more so, than was labor for the enactment of the labor laws to which the distinguished Senator has expressed dissatisfaction. If industry had come to Congress with clean hands back in 1933, when the Wagner Act was considered by the Congress, I am satisfied that a less drastic law would have been passed. But no. What did industry do? Industry kept in the background fighting to the extent of its ability to the enactment of any labor laws. It assumed a negative attitude, notwithstanding existing evils. Industrialists thought they could defeat the passage of the Wagner Act; and if they failed in that, they assumed they could influence the Supreme Court of the United States to declare it unconstitutional. I think I am fully justified in saying that industry did all it could to defeat the act when it was under consideration by Congress, and then tried to have it declared unconstitutional. It strikes me very forcibly that, if management had taken part and itself had come before Congress at that time with clean hands and had tried to cooperate, the Wagner Act would not have been passed in its present form. With all of the so-called one-sided phases of the Wagner Act, I think that most of the trouble was brought about by the manner and method in which some of its provisions were interpreted and administered.

Mr. CAPEHART. Does not the Senator feel that the time has come, in the name of labor, industry, the farmer, and all Americans, to enact laws which are fair and equitable to all—just as fair to labor as they are to industry—so that this question can be settled once and for all, before our Nation is ruined?

Mr. ELLENDER. I may say to the Senator that I am privileged to be a member of the Committee on Education and Labor. In the consideration of recent legislation I have taken the position that some positive steps should be taken. If and when the bill now on the calendar known as the Case bill comes before the Senate for consideration, I expect to vote for some of its provisions—in a modified form; not all of them by any means. I expect to support at least two proposals which I intend to discuss in my remarks—one in regard to supervisory employees and the other respecting secondary boycotts. As for the remaining provisions, I expect to oppose them.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. John L. Lewis needs no defense at my hands, and I am sure he is not asking for it. He does not expect it. He does not ask anyone to defend him. He can take care of himself in any arena anywhere.

I do not agree with my friend from Louisiana in his appraisal of John L. Lewis. I have known John L. Lewis for a great many years, and I have witnessed the great fight which he has made for the coal miner—not only for a better standard of living for the coal miner but for safety measures for the coal miner. We know that in spite of the good work he has done and the faithful service he has rendered to the workers in coal mines every few months disastrous accidents occur in some of the great coal mines of the country. In almost every instance the disaster can be laid to negligence on the part of persons who should have looked after the safety measures.

The slaughter of coal miners in this country is a terrible thing. While John L. Lewis is the target at the moment, nevertheless, the cause which he serves so faithfully and so well should not be overlooked. In our antagonism to John L. Lewis we can vent our feelings against him, and he will not mind it. But we should not lose sight of the problem to which the efforts of John L. Lewis have been directed.

Mr. ELLENDER. I am not unmindful of the problems confronting the coal miners. Theirs is a most hazardous occupation. What I am complaining about are the methods resorted to by Lewis to correct allegedly existing evils. I hope that the distinguished Senator from Colorado does not think that the sit-down strike was a valid method which should have been resorted to by Mr. Lewis in attempting to coerce industry to do his bidding.

Mr. JOHNSON of Colorado. No; I do not defend the sit-down strike.

Mr. ELLENDER. Of course, the Senator does not defend it. It is a product of totalitarianism and yet Lewis advocated that method in this country to attain his goal. If John L. Lewis could have had his way he would have coerced industrialists to do his bidding by having the workers sit down in their plants and saying, "Unless you do as we demand, you cannot come into your plants and operate them. We shall retain possession until you meet our demands." I am simply trying to show that the methods employed by Lewis are un-American and are of the type used by Hitler and Mussolini in the height of their power. As I shall demonstrate in a few moments, the demands now being made by Lewis upon the coal operators do not involve the question of wages or hours or security, but the proposition of obtaining tribute through the imposition of some form of excise taxes. He is attempting to exercise the functions of the sovereign.

Mr. JOHNSON of Colorado. As I see it, it is a demand on the part of John L. Lewis that the welfare and safety of the coal miners be protected. As to the tribute which is supposed to be exacted, that is another thing. I am not discussing the methods at all. What I am discussing is the objective. I say that the objective of John L. Lewis to safeguard the miners is worthy of any man's great effort.

Mr. ELLENDER. I am not inclined to disagree with the distinguished Senator from Colorado as to the objectives. However, from the information that I have at hand I am inclined to believe that he has grossly exaggerated the case. I shall read the views from an official of the Bureau of Mines in a moment to show the progress that has been made in recent years to safeguard the lives and the health of miners. What I am finding fault with is the undemocratic methods used by this dictator to attain those objectives. I repeat the methods are un-American and are foreign to the precepts of a democratic form of government as I shall try to show in the course of my remarks.

Before I was interrupted—and I do not mind interruptions—I was trying to show what a continuation of this strike will mean. Coal is necessary for the production of steel. Steel is essential for the manufacture of almost every commodity from a locomotive to a hairpin, from an automobile to an ice box. In fact, today it is really the main ingredient in industry. Without it the wheels of industry are bound to cease functioning.

Coal is necessary for the preservation of food. In this country there have been developed new methods of preserving food. Instead of canning, one of the methods employed is quick freezing, which is extensively used. If this strike is permitted to continue it may mean the loss in great refrigerating plants of vast quantities of food which is so necessary to our people at the present time.

Mr. President, our reconversion plans will be almost stalemated. Our returning soldiers, who are now trying to obtain employment or continue in such employment as they are now engaged in, will be denied that opportunity. Few of them have reserves to maintain themselves. If this strike lasts from 30 to 40 days longer, there is no telling what hardships every citizen of the American Republic will suffer.

What, Mr. President, is the cause of this strike? Speaking for myself, I would at no time vote for any measure designed to deny labor the right to strike. I think it is a sacred right of the workingman which must be preserved. We have today on the statute books the so-called Wagner Act, which was referred to by the distinguished Senator from Indiana [Mr. CAPEHART] a moment ago. In that act methods are set out for negotiating and finally entering into contracts between labor and employers. There is the well-known method of collective bargaining, under which labor sits on one side of the table and industry on the other, and both discuss various methods of settling controversies and the terms of future agreements. It is a method that has been long recognized as the best way for labor and management to come to a mutual understanding governing their working relationship. Has that method been resorted to in this case? I am told it has not.

Mr. President, what is at issue? Is it wages? That cannot be, because I am informed that that phase of the controversy has not been discussed at all by Mr. Lewis. He has simply shunned it, although the strike is now almost 5 weeks old.

Let us see what the miners were receiving as wage earners just before the war, back in 1941. At that time the basic pay was 85 cents an hour. The average hourly wage, including overtime, was 88½ cents. It will be recalled that the Little Steel formula was instituted some time in 1941, and the month of January 1941 was established as the period at which there existed fair relationship between what workers were then receiving and what the cost of living was. When the Little Steel formula was promulgated a 15-percent allowance was to be permitted in order to level off, in the case of some wage earners, any differences which might exist between the cost of living and their wages. At that time, which was soon after that method was resorted to, the base pay of the coal miners was immediately increased from 85 cents an hour to $1 an hour, and the hourly earnings averaged $1.07 with overtime considered.

By January 1946, because of overtime and fringe adjustments, although the basic was maintained at $1 an hour, the hourly rate had increased to $1.26. That came about by allowing the miners to work somewhat longer hours and by paying them for the time required to go from their homes to the place where they worked, that is, down in the mines. Before that time such payment was not made. I believe that change was one of the victories, if it is to be called that, which John L. Lewis obtained in the contract with the mine owners in his controversy back in 1941, which I discussed a while ago.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. I am certain that the Senator from Louisiana will not object to having me correct one statement which he made, because I know he desires to be fair. I think the arrangement which was entered into was that pay was to be allowed, not for the time the miner took to go to the mine from his home, but for the time it took him to go from the mouth of the mine to his place of work in the mine.

Mr. ELLENDER. I am sorry. I understand that most mine workers live on the property of the mine owner.

Mr. CAPEHART. Of course, if they live within 100 yards of the mouth of the mine, the time they take to go to their place of work in the mine will be included as a part of their hours of work, except for the time it takes them to travel the 100 yards from their homes to the mouth of the mine.

Mr. ELLENDER. Of course, prior to that time the mine workers were not paid for the time it took them to reach their places of work. Their pay was received only for the time they were actually at work, and not for the time it took them to go from the entrance of the mine to the places where they worked. That change has meant, as I understand, that the miners now receive pay which they did not receive in prior years. I recall now that it is called portal-to-portal pay.

Mr. President, as I have indicated, by January 1946, the hourly wages of the mine workers had increased to $1.26. That meant that from 1941 the wage increased 42.6 percent. According to the Bureau of Labor Statistics the cost of living rose only 33 percent. So it can readily be seen that the miners did receive a fair increase in their wages.

In a few moments I shall show that they are the highest paid workers in America.

Now I revert to the wage adjustment which was made in April 1941, to fit the pattern of the Little Steel formula. It meant an increase of 18.2 percent. In February 1943, when the 6-day week was established, the increase in take-home pay made it possible for them to receive more money than that received by any other class of workers in industry.

Mr. President, I wish to quote from the data furnished by the Bureau of Labor Statistics, which for some reason or other differs just a little from the figures I have just quoted. The figures I have quoted come from the report made by the coal producers themselves, and they show that in January 1941, the hourly pay received by the miners was 88.5 cents, and in December 1945 the average was $1.23 an hour—or an increase of 44 percent, whereas the cost of living, as I have just indicated, had increased 33 percent.

In 1941 the take-home pay was $26 a week, and by early 1946 it had increased to $54 a week.

Mr. President, let me contrast the wages which have been paid to the coal miners with those received by workers in various other industries.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. Do the statistics represent an annual wage, a weekly wage, a daily wage, or an hourly wage?

Mr. ELLENDER. They show the average weekly earnings of all workers in various industries, and I am about to state them.

Mr. JOHNSON of Colorado. But the figures the Senator from Louisiana has already given are not on an annual basis. Of course, the Senator knows that in many sections of the United States coal mining is a seasonal occupation, and that the miners are compelled to take long lay-offs. I wondered whether the statistics the Senator submitted took that fact into consideration.

Mr. ELLENDER. The figures were prepared by the Bureau of Labor Statistics.

Mr. JOHNSON of Colorado. I simply inquire whether they are prepared on an annual basis or a weekly basis.

Mr. ELLENDER. That should make no difference, because for the period taken the miners were well occupied. I presume they are in the same category as other industrial workers. As the Senator knows, the coal miners are fairly well occupied the year round—at least, they were for the past several years—and the same is true as to the workers in the industries to which I shall refer.

Mr. JOHNSON of Colorado. The figures the Senator has presented are for the war years, I assume.

Mr. ELLENDER. I obtained the most recent figures. They are as of December 1945. They are the last statistics which I have been able to obtain.

Mr. JOHNSON of Colorado. I think they will be very valuable, but I think it should be remembered by everyone that a coal miner has to live 12 months of the year, even though he works only a part of the year.

Mr. ELLENDER. Why is it that he cannot work the whole year round? Can the Senator tell us that?

Mr. JOHNSON of Colorado. Because the occupation is seasonal. Sometimes they have to take long lay-offs.

Mr. ELLENDER. Why?

Mr. JOHNSON of Colorado. Because during a part of the year there is decreased demand for coal, and sometimes the mines do not want to store coal. The result is that in many coal fields the coal miners lay off more than they work.

Mr. ELLENDER. I hold in my hand a statement by Mr. Charles O'Neill, who is spokesman for the operators in the negotiations which now are going on between the coal operators and Mr. Lewis. I quote from his statement:

> The miners are the highest paid workers in any large labor-employing basic industry. The average daily earnings are $11.50 for every person employed at the mines. Reports to the United States Treasury for withholding taxes show actual average earnings in 1945 to be $2,885. Adjusting this for 18-percent absenteeism shows an average potential wage of $3,500 per year. Some mine workers actually made over $7,000 in this same year.

Reverting now to the wages or weekly earnings of labor in other industries; as I have indicated, bituminous-coal miners receive average weekly earnings of $58.20; anthracite miners, $54.73; metalliferous metals, which include copper, magnesium, and other metals, $44.78; crude petroleum, $52.93; electric light and power, $49.78; all manufacturing, $41.43; durable goods, $44.33; nondurable goods, $38.67.

So the issue in the pending strike is not one of wages. I will endeavor to point out in a few minutes further reasons why I think wages are not at issue.

Mr. President, can the issue be one of hours worked? No; because the hours worked per week have been reduced to 36. For all hours more than 36 per week the miners receive compensation at the rate of time and a half. Today a miner may work 56 hours a week, but for every hour he works more than 36 hours, he receives compensation at the rate of time and a half.

As I have indicated, Mr. O'Neal has pointed out that the average pay of miners, year in and year out, is $2,885. Some miners receive as much as $7,000 a year, or pay amounting to almost $600 per month.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. Does the figure which has just been given by the Senator from Louisiana contemplate overtime pay, or only 36 hours a week?

Mr. ELLENDER. Oh, no; it represents take-home pay.

Mr. JOHNSON of Colorado. For 56 hours.

Mr. ELLENDER. No. Although the miners may work 56 hours, the record shows that their average number of hours worked per week is between 43 and 44. However, of that average, from 4 to 5 hours are spent by the miners in traveling from the mouth of the mines to their places of work, for which time they are now paid. So, as a whole, the average number of hours worked does not exceed 40 a week, and consequently the cause of their strike cannot be hours.

Then, Mr. President, is the issue one of safety? My good friend, the Senator from Colorado, raised that question. I am informed that for many years the coal operators have been making every effort possible to make more effective the safety methods with relation to the work of coal miners. Recently the coal operators suggested the appointment of a commission to be composed of an engineer chosen by the miners, another to be chosen by the operators, and a third to be chosen by the head of the Bureau of Mines. The commission was to be authorized to investigate all the laws of the various States in which coal is mined with the view of suggesting that the State laws be unified and made more effective so as to assure increased safety for the miners; so as to protect the lives and the health of miners. But, Mr. President, did Mr. Lewis accede to the suggestion? No. He wants to have created a large fund at the expense of the operators to take care of the miners in the event they are injured or in case some are killed or the health of others is impaired.

Mr. President, I shall now read from a statement which was made by Mr. O'Neill and which, in a measure, will answer my good friend from Colorado who raised the question of safety. What I am about to read is from a speech by Mr. Charles O'Neill, spokesman for the operators negotiating committee of the National Bituminous Coal Wage Conference. The speech was delivered on Wednesday, May 1, over the American Broadcasting System. This is what he said on the question of safety:

> Mr. Lewis has been in the industry for a great many years and his sudden interest in safety is suspected by the operators. The so-called investigation that he and his employees presented to the conference was found to be exaggerated 100 percent when the number of fatalities in the 14-year period used by him was really only one-half as large as stated, by figures of the Bureau of Mines. Lewis' proposal to substitute recommendations of the Federal inspectors service, lacking police powers, for the State laws is unsound. The exaggerations and distortions, isolated instances, and part truths used by Mr. Lewis to bolster his assertions about safety, are denied by such authorities as Dan Harrington, Chief of the Safety Division of the Bureau of Mines, who said in February 1946:
>
> "The over-all picture in health and safety in coal mining—both anthracite and bituminous—in the United States in 1945 is one of outstanding accomplishment and of hope for the future, immediate and distant. The trends, with few exceptions, chiefly promise continued reduction of accident rates—fatal and nonfatal."

That quotation, which is taken from the statement of the Chief of the Safety Division of the Bureau of Mines and shows that, after all, the question of safety is not one of the problems confronting the negotiators. I have been informed that the coal operators are willing to do anything within reason to give further protection to the lives and health of the miners.

Mr. President, it seems to me that the issue is not one of wages, hours, or safety methods now in use. The paramount issue is that Mr. Lewis has said to the coal operators of this country, "I will not deal with you unless you agree to pay 10 cents per ton so that we may put the money into a fund in order to protect the health of the miners." That is what he wants. He is seeking to exercise a governmental function by suggesting the imposition of a tax on the coal operators. That is what is in that man's fiendish mind. I will ask the Senator from Colorado if he thinks that such power should be used by this agitator in order to accomplish his ends?

Mr. JOHNSON of Colorado. I think the safety of the miners and welfare of the miners' families should be protected. I think the coal industry is rich enough to enable such protection to be afforded.

Mr. ELLENDER. No one questions that the health of the miners should be protected and that provisions should be made for their families. I may say to the Senator.

Mr. JOHNSON of Colorado. I have answered the question which the Senator propounded. For a great many years we have imposed in the State of Colorado a tax per ton of coal mined which went into the State treasury and was used for the protection of miners and to increase safeguards.

Mr. ELLENDER. I have no objection to that method of approach. Let the State, the county, or the municipality do the taxing and not Mr. Lewis or any other labor leader. That is the main bone of contention between the coal operators and Mr. Lewis. The issue is whether Mr. Lewis will be able to force the coal operators to pay tribute to his union by way of what amounts to a tax.

Mr. JOHNSON of Colorado. If the Senator will permit me to answer the

question he has called on me to answer, he is correct in saying that the State or the Federal Government should collect a tax, and at least, whether they collect a tax or not, they should look after the welfare of the miners and place reasonable safeguards around them. But when the Government does not do that, when no one else does it, when there is disaster after disaster, when men are killed and maimed and injured all over the country day after day——

Mr. ELLENDER. What about employment-compensation laws and social-security laws which are now in effect in all States of our Union?

Mr. JOHNSON of Colorado. Oh, the compensation law, $14 a week!

Mr. ELLENDER. It may be that it should be increased; I would be willing to vote for an increase if it is within the function of Congress, which I doubt, and if a just case can be made. What I am objecting to, and I know the Senator from Colorado objects to it, is giving to Mr. Lewis the power to tax the coal operators, because that is all it is. If the coal operators permit Mr. Lewis to get by with this, there will be nothing to prevent Mr. Reuther, head of the CIO auto union, from levying a tax on the production of automobiles, or some other labor leader levying so much for the production of an electric fan, so much for the production of an ice box, and so much in the case of various other products of industry. That is what is going to happen. So far as I am concerned, I do not want that to occur. I want the power of taxation to remain where it is now lodged. It is bad enough as it is.

Mr. JOHNSON of Colorado. Does the Senator want me to answer, or does he want to preach to me?

Mr. ELLENDER. I do not want to preach to the Senator. He has as much common sense as I have, if not more.

Mr. JOHNSON of Colorado. I thank the Senator, but I do not agree with his last statement. However, what I am trying to say is that it is the duty of the Government in some way to place safeguards around miners so as to prevent disgraceful and tragic mine disasters occurring as they have been occurring. If Government does not do that, if Government does not arrange for safeguards, if Government does not provide compensation for the families of men who have suffered death, as many men have, then it is time that John L. Lewis or somebody else attempted to do something about it. That is the point I am trying to make.

Whenever the Senator from Louisiana is able to come forward and say that the Government, or the State, or some other authority, has placed safeguards about the miners, and that the mines of the country are operating on a safe basis, I shall be ready to agree with him that tribute is not warranted, but until such time I cannot blame John L. Lewis or the organization which he represents for fighting for the safety and for the lives of the miners and for the compensation of the families of the sufferers from accidents and death.

Mr. ELLENDER. Mr. President, I wish to say to my distinguished friend from Colorado that I approve of the objectives he is discussing, except that I do not want to put into the hands of Mr. Lewis or any other labor leader——

Mr. JOHNSON of Colorado. I shall not quarrel with the Senator about methods.

Mr. ELLENDER. The power of taxation or the privilege of exacting tribute. If ever the coal operators give way to Mr. Lewis in the fight that he is now engaged in, the Senator will witness what will happen to other industries as time goes on. The power to tax and to exact tribute by the individual will mean destruction of our free enterprise system. There are no strings attached to the tribute now sought to be exacted. Ten cents per ton of coal will mean a fund of $60,000,000 per year and the union may use the money for any purposes it sees fit.

Mr. President, as I stated a while ago, it is not a question of wages, it is not a question of hours, it is not a question of safety; it is a question of the power of taxation. That power is what this unscrupulous schemer Lewis wants.

Another issue is the power of the union to take in supervisory employees. As all of us know, safety devices must be placed in coal mines, the interest of operators must be protected, and this must be by agents of the owners of the mines, men who owe allegiance to the employers. What Mr. Lewis has been trying to do for the past 3 or 4 years has been to force the coal operators to make it possible for all supervisory employees in the mines to be members of his union.

Permit me to say that one of the amendments I propose to present to the Senate if and when the Case bill comes up will be an amendment which will prevent the supervisory employees from being forced to join a union. I will not now take up the time of the Senate to further discuss this phase of Mr. Lewis' demand. I am in hopes of fully discussing that issue at the proper time.

Mr. President, as authority for the statement that the operators have been willing to negotiate, and that Mr. Lewis has been adamant on the subject, I point to the efforts put forth by the coal operators, as evidenced in the speech to which I referred a while ago by Mr. O'Neill, who said:

> To speed a settlement and to bring peace and harmony in the industry, the operators made a proposal to Mr. Lewis on March 25. The proposal provided, first, a shortening of the workday and the workweek; second, an adjustment of wages in accord with Government wage-price policy.

As all of us know, in recent months the wages for various workmen were increased anywhere from 2 to as much as 20 percent, which meant an increase in the hourly wage of scores of workers of about 18½ cents. The mine operators have offered to raise the wages of miners to that extent, that is, to 18½ cents, if permitted under the prevailing wage policy of the Government; so that, as I said a while ago, wages are not the issue.

Third, the safety proposal which I discussed a while ago was likewise considered. The operators were willing to furnish a distinguished engineer provided the miners furnished one, and provided further that the Bureau of Mines of the Federal Government furnished one—the three men to serve on a commission to investigate all the laws throughout the United States in every State where coal is produced, and recommend the strengthening of State laws so as to afford better safety devices in order to protect the health as well as the lives of the miners. But seemingly no attention has been paid by Mr. Lewis to the suggestion of the operators who are willing to cooperate.

The fourth proposal was to establish a reasonable fund for hardship cases, the mine workers to bear one-half the cost and the operators to bear the other half.

There was a proposal wherein the operators agreed to pay half the expenses of taking care of the aged who were no longer able to mine coal. That proposal was also refused by power-mad, bloodthirsty Lewis.

The coal operators offered to collect from the mine workers, without cost, assignments they might make for hospitals, medical services, and so forth, and turn the money over to the union for such disposition as it cared to make of the funds. That was likewise rejected.

I am informed that every effort has been made by the coal operators to settle the strike, all to no avail. Mr. Lewis is insistent that there shall be no settlement unless the coal operators agree to pay to his union 10 cents a ton tribute. Mr. President, I am informed that this tribute would amount to about $60,000,000, which is far in excess of the annual profits made by the entire industry during recent years.

Mr. President, I wish to take occasion to compliment the distinguished Representative from Virginia [Mr. ROBERTSON], who has introduced in the House of Representatives House bill 6259, the objective of which is to prevent the collection by any union of any funds that smells of taxation, or excise taxes. I hope the House will act favorably on the bill at an early date, and that the Senate will follow suit.

Mr. President, I ask that the bill to which I have just referred be printed in the RECORD.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Is there objection?

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

A bill to amend the Criminal Code so as to make unlawful certain harmful and disruptive practices in commerce

Be it enacted, etc., That the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended, is amended by adding after section 245 a new section to read as follows:

"SEC. 245A. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

"(b) It shall be unlawful for any representative or agent of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value, for the use of such representative or in trust or otherwise.

"(c) The provisions of this section shall not be applicable with respect to any money or other thing of value payable by an employer to an employee or former employee as compensation for, or by reason of, his services as an employee of such employer, and shall not be applicable with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other similar fees payable by such employee to such labor organization.

"(d) Any person who willfully violates any of the provisions of this section shall upon conviction thereof be subject to a fine of not more than $10,000 or to imprisonment for not more than 6 months, or both.

"(e) The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (U. S. C., 1940 ed., title 28, sec. 381), to restrain violations of this section, notwithstanding the provisions of sections 6 and 20 of such act of October 15, 1914, as amended, and the provisions of the act entitled 'An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes,' approved March 23, 1932.

"(f) As used in this section—

"(1) 'commerce' means trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia or any Territory of the United States and any State or other Territory, or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia or any Territory, or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign country.

"(2) 'goods' means goods, wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof.

"(3) 'produced' means produced, manufactured, mined, handled, or in any other manner worked on in any State, Territory, or the District of Columbia; and for the purposes of this section an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in anyother manner working on such goods, or in any process or occupation necessary to the production thereof, in any State, Territory, or the District of Columbia.

"(4) 'representative' means any individual who or organization which is authorized or purports to be authorized to deal with an employer, on behalf of two or more of his employees, concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work."

Mr. ELLENDER. Mr. President, I understand that the Senate is about to recess, and I do not wish to further indulge on the patience of Senators. I have much more I could say. I will reserve my further views pending future developments. It is my hope that Congress will take action at once so as to prevent the imposition of a tribute in favor of any organization, as is now being sought by Mr. Lewis. Should coal operators accede to the payment of an excise tax supposedly for the purpose of safeguarding the health of miners, I can visualize a pernicious system which will be destructive of our cherished freedom. It is my belief that the payment of such tribute to a few overlords of labor, particularly of the John L. Lewis type, would lead, I repeat, to the destruction of our form of government by giving to them a power greater than that of a Caesar and more dangerous than that of a Hitler.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arizona [Mr. MCFARLAND].

Mr. BALL. Mr. President, under rule XXII of the Senate, I wish to file a motion to bring to a close debate on the pending joint resolution.

I desire to make a brief statement. Two Senators, the Senator from West Virginia [Mr. KILGORE] and the Senator from California [Mr. KNOWLAND], have requested that their names be added to this motion, but I understand that under the precedents of the Senate, Senators must sign in person, so I cannot ask to add their names.

One Senator who signed the motion yesterday, the Senator from Oregon [Mr. CORDON], asked me to delete his name, because he did not want the cloture to apply to the point of order which it is reported the Senator from Colorado [Mr. JOHNSON] may raise to the joint resolution.

The PRESIDING OFFICER. The rule requires that the Presiding Officer shall at once state the motion to the Senate. The motion is as follows:

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the resolution (S. J. Res. 138) entitled "Joint resolution to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes."

JOSEPH BALL, H. ALEXANDER SMITH, WARREN R. AUSTIN, ALEXANDER WILEY, THOS. C. HART, CHAN GURNEY, LEVERETT SALTONSTALL, HOMER FERGUSON, WAYNE MORSE, CLAUDE PEPPER, GLEN TAYLOR, THEODORE FRANCIS GREEN, J. W. FULBRIGHT, SHERIDAN DOWNEY, ROBERT F. WAGNER, JAS. M. MEAD, WARREN G. MAGNUSON, SCOTT W. LUCAS, CARL A. HATCH, FRANCIS J. MYERS, BRIEN MCMAHON.

Rule XXII requires that—

The Presiding Officer shall at once state the motion to the Senate, and 1 hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate.

Mr. BARKLEY. Mr. President, I understand that under the rule the vote on the motion will be had at 1 o'clock on Tuesday next, Sunday not being counted as a calendar day.

The PRESIDING OFFICER. Sunday is not a calendar day. The rule provides that:

One hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate.

Mr. BARKLEY. Assuming that the Senate meets on Monday, then the vote would occur on the motion at 1 o'clock on Tuesday, assuming that the Senate meets at 12 o'clock on Tuesday.

The PRESIDING OFFICER. As the Chair understands, that is a correct statement.

Mr. TAFT. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Does the Chair take the position that Sunday is not a calendar day?

The PRESIDING OFFICER. The Chair is so advised.

RECESS TO MONDAY

Mr. BARKLEY. Mr. President, in view of the filing of the motion to close debate, which cannot be voted on until Tuesday, I see no particular purpose in prolonging the session today; and, there being no Executive Calendar, I therefore move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 16 minutes p. m.) the Senate took a recess until Monday, May 6, 1946, at 12 o'clock meridian.

SENATE

MONDAY, MAY 6, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty and everlasting God—

"The busy tribes of flesh and blood,
With all their cares and fears,
Are carried downward with the flood
And lost in following years";

but Thy eternity outlasts all worlds; before Thee the nations are as the dust of the balance. Yet swiftly passing as is our brief stay here Thou deignest to use us with all our blots and blemishes as the channels for Thy surging purpose for a redeemed earth, freed from the blight of hate, fit for the habitation of all Thy children.

As servants of the people, may we be the agents of Thy will and Thy kingdom, that Thy will may be done and Thy kingdom come, as it is in heaven so on the earth. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, May 4, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the

President had approved and signed the act (S. 1757) to amend the Surplus Property Act of 1944 with reference to veterans' preference, and for other purposes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 842. An act for the relief of the Elmira Area Soaring Corporation; and

S. 2101. An act to amend the Trading With the Enemy Act, as amended, to permit shipment of relief supplies.

INTER-AMERICAN MILITARY COOPERATION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Foreign Relations, and ordered to be printed.

(For President's message, see today's proceedings of the House of Representatives on p. 4518.)

PETITION

Mr. GREEN presented a joint resolution of the General Assembly of the State of Rhode Island, which was referred to the Committee on Foreign Relations:

Joint resolution requesting the President of the United States of America, the Secretary of State of the United States, the Director General of the United Nations Relief and Rehabilitation Administration, and the Senators and Representatives from Rhode Island in the Congress of the United States to use every effort to prevent the reduction of the daily bread ration in Italy and to endeavor to devise means to supply that country with larger shipments of wheat and flour

Whereas we have been told that interested Government agencies and the United Nations Relief and Rehabilitation Administration in Washington are considering reduction of the daily bread ration in Italy to 150 grams, which will mean starvation for the Italian people; and

Whereas the present ration there of 200 grams is the lowest of any European country receiving the assistance of the United States of America; and

Whereas such contemplated reduction should be ruled out and instead extraordinary means devised to supply Italy with larger shipments of wheat and flour; and

Whereas we recall that the late President Roosevelt solemnly promised a minimum ration of 300 grams of bread to Italy; and

Whereas denutrition, hunger, and diseases are claiming a large toll among masses of people and further reduction of the present low bread ration will aggravate already tragic conditions and increase social unrest in Italy: Now, therefore, be it

Resolved, That no effort be spared to afford the Italian people in Italy a livable daily bread ration and that the President of the United States of America, the Secretary of State of the United States, the Director General of the United Nations Relief and Rehabilitation Administration and the Senators and Representatives from Rhode Island in the Congress of the United States be, and they are, earnestly requested to use every effort not only to prevent the reduction of the daily bread ration in Italy but to endeavor to devise means to supply that country with larger shipments of wheat and flour; and be it further

Resolved, That duly certified copies of this resolution be transmitted by the secretary of state of Rhode Island to the President of the United States of America, the Secretary of State of the United States, the Director General of the United Nations Relief and Rehabilitation Administration, and the Senators and Representatives from Rhode Island in the Congress of the United States.

COLUMBIA VALLEY AUTHORITY

Mr. CORDON. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the La Grande Farm Bureau, La Grande, Oreg., relating to the Columbia Valley Authority.

There being no objection, the resolution was received, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Whereas the development of the resources of the Columbia Basin has a direct bearing on the life and prosperity of the people living within that basin: and

Whereas the people living within the Columbia Basin are entitled to be represented on any commission or other group created to direct and control the development of the Columbia River and its tributaries; and

Whereas the present bills pending before Congress creating a Columbia Valley Authority would vest complete control over the development of the Columbia Basin in a small commission under the Federal Government and without the States involved, or the people residing in said basin having any representation thereon: Now, therefore, be it

Resolved by the La Grande Farm Bureau, That we object to the bills as now pending before Congress for the creation of a Columbia Valley Authority by reason of the concentration of power as hereinbefore set forth; and be it further

Resolved, That we urge our Representatives and Senators in Congress to vote against said measures, and to work for the introduction of a bill or measure that would vest the control of the Columbia Valley Basin in a commission that would have representatives from the States involved as members thereof. We feel that a commission so constituted is the only way that the people of this area can have a voice in the development of the resources of the whole basin.

Further, that copies of this resolution be mailed to the Senators and Representatives from Oregon.

Approved and adopted April 18, 1946.

RENWICK A. CLARK,
President.

ALLEGED SELECTIVE-SERVICE DRAFT ABUSES

Mr. WALSH. Mr. President, recently I received a letter from one of the selective-service draft boards in one of the communities in Massachusetts. I was amazed to learn of a certain practice alleged to be in operation at one of the induction stations in Massachusetts. Perhaps in has become Nation-wide. The writer states:

We refer to our April inducted group, whereby 18-year-old youths who were inducted by this local board were assigned to the Army of the United States and then discharged immediately from the Army of the United States to enlist in the Regular Army.

Furthermore the writer adds:

We have had several telephone calls from the parents of these youths requesting information on this procedure and they have informed us they considered it their personal privilege, due to their sons' ages, to discuss this matter with them prior to their being inducted, especially in view of the fact their sons had every opportunity to enlist in the Regular Army, if they desired to do so, prior to their receipt of their order to report for induction. The members of this local board unanimously endorse the parents' attitude in this matter.

I ask that this letter be printed in the RECORD, be treated in the nature of a petition, and referred to the Committee on Military Affairs for attention and investigation.

There being no objection, the letter was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

SELECTIVE SERVICE SYSTEM,
LOCAL BOARD NO. 56,
SUPERIOR COURT HOUSE,
Dedham, Norfolk County, Mass.,
April 30, 1946.

Senator DAVID I. WALSH,
Washington, D. C.

DEAR SENATOR WALSH: The members of this local board voted unanimously at their meeting held April 26, 1946, not to forward any registrants of this local board for induction during the month of May. This action taken after serious consideration and due to the fact it is quite evident to the members of this local board the Members of Congress are in an uncertain frame of mind as to what they are going to do in regard to conscription.

We also wish to state at this time we are definitely opposed to the practice which we understand now is in operation at the Fort Banks induction station. We refer to our April inducted group whereby 18-year-old youths who were inducted by this local board were assigned to Army of the United States and then discharged immediately from the Army of the United States to enlist in the Regular Army.

We have had several telephone calls from the parents of these youths requesting information on this procedure and they have informed us they considered it their personal privilege, due to their sons' ages, to discuss this matter with them prior to their being inducted, especially in view of the fact their sons had every opportunity to enlist in the Regular Army, if they desired to do so, prior to their receipt of their order to report for induction. The members of this local board unanimously endorse the parents' attitude in this matter.

Members of local boards throughout the country have served loyally and conscientiously to preserve American tradition and have won the confidence and cooperation of the registrants and their families in their respective communities. We cannot now violate this trust simply because Members of Congress seem reluctant at this time to take definite action.

Yours very truly,

PATRICK B. CARR,
Acting Chairman, Local Board No. 56.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 2153. A bill to contribute to the effective maintenance of international peace and security pursuant to the objectives and principles of the United Nations, to provide for

military cooperation of the American States in the light of their international undertakings, and for other purposes; to the Committee on Foreign Relations.

By Mr. SALTONSTALL:

S. 2154. A bill for the relief of Howard Samuel Warnock; to the Committee on Claims.

By Mr. DOWNEY:

S. 2155. A bill for the relief of Robert B. Jones; to the Committee on Claims.

S. 2156. A bill for the relief of Mrs. Amelia Shidzee Nagamine Toneman; to the Committee on Immigration.

SALARIES OF OFFICERS OF INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK

Mr. BUTLER. Mr. President, the second meeting of the International Monetary Fund of the International Bank for Reconstruction and Development opens this week. At the first meeting, held at Savannah in March, directors of the fund and bank were elected. The salaries of the executives were also agreed upon.

Now the fund and bank directors are anxious to set up offices and begin operations. There is good reason why these men should be so willing to get down to work. Not only are the duties pressing, but their salaries are sufficiently attractive to make any man eager to devote his life to international finance.

Here are the salaries which were established: The managing director of the fund and the president of the bank are each to get $30,000 a year, after taxes. The fund is to pay, in addition, "any reasonable expenses incurred by the managing director in the interest of the fund." On top of that, the fund is to reimburse the managing director for traveling expenses for himself, and for his family, and his personal effects in moving to the seat of the fund before his term of office and in moving away after his term of office.

In the United States a married man with two children must have an income of nearly $60,000 a year in order to have $30,000 after taxes. In any other country the gross salary must be much more. I think $60,000 a year is a worth-while salary.

The directors of the fund and bank, both appointed and elected, are to receive $17,000 a year after taxes. Here again, the fund is to reimburse each director for "reasonable" expenses, when he is on designated service away from the seat of the fund. The fund, too, is to pay traveling expenses of each director and his family and his personal effects. A married man with two dependents must earn about $25,000 in this country to net $17,000 after taxes.

Each director of the fund and of the bank appoints an alternate who is to act for him when he is not present, and who is to receive $11,500 a year, tax free. Expenses for which directors are reimbursed are also allowed alternates. In order to have $11,500 after taxes a married man with two dependents, living in the United States, must earn about $14,000. In many other countries he would have to earn two or three times that in order to retain $11,500 after paying his personal income taxes.

These salaries compare most favorably with those earned by United States Government executives. The President himself with a salary of $75,000 receives little more than the managing director of the fund. Our Supreme Court Justices receive $20,000 a year, which, after taxes, yields less than an executive director's income.

A director of the fund is to receive twice the net income of RFC Board members. The Reconstruction Finance Corporation handles many billions of dollars more than the fund and bank will manage. Yet, fund directors will have the equivalent of $25,000 before taxes, whereas board members of RFC get $10,000 a year.

Here is another comparison. The General of the Army, charged with all his wartime responsibilities, received a salary of $8,000 on which he paid taxes.

When we look at the incomes of officials in other countries the exorbitance of these salaries becomes more apparent. An article in a recent issue of the Commercial and Financial Chronicle stated:

> Whereas in this country a married man with two dependents needs a before-taxes income of at least $25,000 if he is to have left $17,000 after taxes, in Britain such a man would need a before-taxes earned income of about $80,000 so as to net $17,000. In Czechoslovakia the highest-paid cabinet member draws, with all allowances, only $5,600 gross, and has to pay much heavier taxes than those levied in this country. India's executive director of the fund will earn considerably more after taxes than the Governor of the Reserve Bank of India who selected him for the fund job.

The driving force to establish this salary scale was Mr. Harry White, supported by Mr. Vinson. Mr. White argued that Wall Street bank salaries would attract good men away from the fund and bank unless high salaries were offered. Harry White's competence at imposing his viewpoint upon others is well known and almost unexcelled. And here he campaigned exceptionally well in his own behalf since he is an executive director.

This good-men argument is particularly specious. The argument does not stand up under analysis. Presumably, Harry White has been a premium worker for years and still is, since he is not attracted by Wall Street salaries. Are we to understand that the men who direct the Reconstruction Finance Corporation or the Federal Reserve banks are not good men? It would be interesting to know just how many men the administration considered before deciding that Harry White was best qualified to be an executive director. Then too, I cannot believe that the many small countries which have so much to gain from the Bretton Woods plan would have appointed any second-best directors, or sent them as delegates to the Savannah meeting.

There was practically no opposition to Mr. White's scheme. The reason for this lack is readily understood. As one correspondent, Mr. Herbert Bratter, has said:

> Various foreign delegates with whom the writer discussed the subject of salaries shared the (opposing) British view, but—since their governments expect to apply for dollar loans—they did not dare to raise their voice against the American proposals.

Only the British were outspoken on this issue. After consulting the Chancelor of the Exchequer, Lord Keynes made this report to the delegates at Savannah:

> We feel that it would lead to severe and well-justified public criticism to load the budgets of these new bodies with such high emoluments for so large a body of officials. It is all the worse at a time before we have even begun to consider the costs of their actual staffs, who will, we hope, be mainly responsible for the burden of daily business, and when the available income for such expenditure is still uncertain.
>
> * * * * *
>
> If we had foreseen at Bretton Woods what was going to happen * * * we should certainly have proposed that the remuneration of the executive directors and their alternates, who, as distinct from the staff, are national delegates, should be provided or shared by the governments appointing or electing them and not by the institutions themselves This would have allowed the necessary elasticity for adjustment to the widely differing levels of official salaries in different countries. Unfortunately, that course was not followed. The difficulty facing us has been greatly increased by the decision to provide for whole-time service by directors, a decision which we believe to be inconsistent with the best efficiency of the institutions; and still further aggravated through the wholly unexpected provision for whole-time services by alternates, not merely in the absence of their principals, but in addition to them. Nor do we believe that most countries can wisely spare from their own pressing problems the services of so many individuals of the caliber indicated.
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> * * * * *
>
> In our view so large a body of persons cannot properly be remunerated on the very high level proposed, which equals or greatly exceeds the highest remuneration available in most countries for public service.
>
> My country feels, therefore, that they cannot share in any way the responsibility of this decision.

The insidiousness of Mr. White's new plan becomes more obvious when we remember that he was confirmed by Congress as executive director of the Fund before he went to Savannah. Congress confirmed Mr. White without ever knowing the salary scale of the International Fund and Bank. Without being informed of what we were doing, we left it to Mr. White, with all the pressure of the Treasury Department behind him, to fix his own salary. He did this with lavish generosity. Confirmed and secure in the position, he proceeded to feather his nest. He did a good job. As Assistant Secretary of the Treasury, Harry White's income was $9,800, subject to all United States taxes. Now, he has more than a hundred percent increase in income, tax-free.

According to Newsweek magazine, Mr. White also plans to do a good job for his friends. Newsweek reports that Mr. Ansel Luxford and Mr. E. M. Bernstein—Mr. White's coworkers at the Treasury—are also slated for lucrative jobs with the International Fund or Bank. Those who remember the Bretton Woods hearings in the House and Senate will recall

that Luxford and Bernstein were the chief Treasury propagandists in the campaign to put over the Bretton Woods proposals. Mr. Luxford even sat here on the floor of the Senate, beside the chairman of the Banking and Currency Committee, until the Bretton Woods plan was safely written into law. Now, I take it, he is to get his reward.

Mr. President, the Bretton Woods articles of agreement state that:

> The Board of Governors shall determine the remuneration to be paid to the executive directors—

Before this Board was even set up to act, Mr. White drove through this fancy salary schedule over the protest of that late international spender of American money, Lord Keynes. Even Keynes could not swallow such a salary grab. But Harry White was taking no chances. When the Board of Governors meet this week, they will have before them the salary schedule fixed up by Mr. White. It will have behind it all the prestige of the American Treasury acting through Mr. White and his friends. Since the United States puts up most of the real money behind the Fund and Bank—which other nations want to borrow—the Board of Governors are not going to question Mr. White's liberal salary schedules. That would not be the way to build up their own good will for the time when they will need Mr. White's influence for their loans.

The total cost of these salaries is nearly $750,000 a year tax free. Fifty full-time positions are to be filled. This does not include the cost of a supporting staff, which will run several hundred thousand dollars more. It does not include all other costs of maintaining the Fund and Bank.

Mr. LANGER. Mr. President——

The ACTING PRESIDENT pro tempore (Mr. HATCH). Does the Senator from Nebraska yield to the Senator from North Dakota?

Mr. BUTLER. I yield.

Mr. LANGER. How much is White's salary before taxes?

Mr. BUTLER. It is provided that his salary shall be $17,000, tax free, which would mean about $30,000, I think, in round figures, if he had to pay taxes. In addition to that, it is provided that all expenses shall be paid.

The American people will be paying the bulk of these salaries and costs, just as we are now practically paying Great Britain's share of the fund and bank through the pending loan proposal. And once this international salary grab gets established, there is little that Congress or the American people can do about it, especially when our own delegates write their own salary tickets, as Mr. White and his friends have done at Savannah. Even the British could do nothing about it, as we can see by the failure of their protest.

Mr. President, what are we getting into here? Is this lavish international lending and spending of the United States going to put another layer of irresponsible Government agencies on top of those which are now dominating the American people at home? Are we heading for an international treasury at the expense, but beyond the control, of the American people? Will this be followed by an international OPA, an international WPA, and other irresponsible bureaus financed with the money of the American taxpayer?

When these outrageous salaries were set at Savannah, very little appeared in the press about them. The news coming from that meeting was very meager. It is in keeping with the prevailing tendency of administration officials who spread plenty of glittering generalities about the beauties of international cooperation and one world, while their real operations are carried on behind the dark curtain. We have had this same reluctance to give us full information in the pending case of the British loan. So far as the American people are concerned, this is the same old policy of "keep them sweet and tell them nothing."

Mr. President, the Board of Governors of the fund and bank are going to meet this week. I earnestly hope they will not blindly—or through pressure—approve this White—or black—salary schedule. Before this meeting takes place, I hope Senators, the newspapers, and the people of this country will express their opinion in no uncertain terms that salary rackets like these may go far to discredit international organizations in the eyes of our people at the very moment when we need to build up our faith in world cooperation.

DISFOSAL OF SURPLUS ELECTRONICS EQUIPMENT

Mr. WILEY. Mr. President, on no fewer than four previous occasions, I have commented on the floor of the Senate on the failure of the War Assets Administration properly to dispose of surplus electronic and communications equipment in the manner intended by Congress when it enacted the surplus property law.

I shall continue to draw attention to this failure until the charges which I have made are satisfactorily answered and corrected by WAA.

The importance of this subject is underlined by the current investigation of the Senate Judiciary Committee into the sale of radar equipment to foreign powers. Electronic and communications equipment is, of course, the heart of future national defense and security of America. That is why our schools must receive electronic surplus, as Congress intended, in order that our young scientists may be adequately trained in our Nation's colleges and universities.

Last Friday, May 3, in response to my earlier communication of April 15 to General Gregory, I received a letter from the general. In it he purported to answer charges and questions which I had specified in the earlier letter and in an additional letter of mine of April 2.

In the letter received May 3, General Gregory revealed the astounding fact that he is setting aside 20 percent of electronic equipment for priority claimants, including veterans and educational institutions. Yet at the very time General Gregory had ordered this arbitrary setaside, the President of the United States was signing a law by which veterans and schools would be entitled to receive up to and including 100 percent of surplus property if they so desired and before nonpriority claimants could even be allowed to acquire this surplus.

In view of this shocking situation and in view of the serious abuses inherent in the manufacturer-agent system by which WAA disposes of surplus, I sent an additional letter to General Gregory last Saturday, May 4.

I ask that the text of General Gregory's letter of May 2 and the text of my letter of May 4 be inserted at this point in the CONGRESSIONAL RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WAR ASSETS ADMINISTRATION,
Washington, D. C., May 2, 1946.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: Reference is made to your letter of April 15, in which you propose certain courses of action in behalf of veterans and educational institutions in the disposal of surplus radio and radar equipment and supplies.

Representatives from our Veterans' Service Division and the office of the Director of Capital and Producer Goods Disposal have been, and are still, screening all declarations from the armed forces to determine items which can be used by the colleges and schools of the country and those items most frequently requested by veterans. We are in the process of separating the items which can be used by educational institutions into one group for donation and a second group which has commercial value but which can be sold to schools at special prices commensurate to the public benefit which will accrue from their use by such institutions. This screening operation in the Washington office allows the exercise of priorities prior to shipment of the material to dealer-agents. The material in the possession of the dealer-agent is also subject to priority claimants' requests.

Our review of records discloses that 96 percent of the requests from veterans for electronic items call for small-type testing units. Inventory records contain extremely few of this type of item. The Navy advises us that it does not have enough small testing apparatus to fill its own requirements for laboratory and training program use, and the Army states that it has been necessary to award a new contract for the manufacture of needed testing units. In view of this veteran demand, which is confined to items in extremely short supply, it appears that a freezing of all surplus electronic equipment would be an unnecessary delay of the total program.

Several representatives of WAA are now in the field reviewing sales records of dealer-agents to determine rate of sales and suitability of items on hand for veteran and educational institutions. These representatives are scheduled to return to Washington during the week of April 29. Very soon after their report we will activate our program with the educational institutions and make other changes in electronic material disposal methods which will benefit all priority claimants.

I feel sure that you realize that our staff has been engaged in overhauling many former disposal practices, merging three formerly independent organizations and preparing procedures to implement the O'Mahoney-Manasco amendment and that all goals cannot be attained as promptly as we had hoped.

Several of the Signal Corps Depots have sent their declarations directly to representatives of the Washington office who had been

sent to appropriate regional offices for the purpose of processing documents in the field. This procedure was used only in cases where the electronic material was stored in locations that had to be vacated promptly. To expedite the movement of the materials prior to the termination of leases or for other emergency reasons the items were turned over directly to dealer-agents. Priority rights are preserved by the dealer-agents who are instructed to hold for priority claimants 20 percent of all salable items.

I want to assure you that every possible effort is being made to improve our program for the equitable and efficient disposal of surplus electronic materials in a manner satisfactory to the Congress, the priority claimant, and to me.

Sincerely yours,

E. B. GREGORY,
Administrator.

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
May 4, 1946.

Lt. Gen. E. B. GREGORY,
Administrator, War Assets Administration, Washington, D. C.

DEAR GENERAL GREGORY: I am in receipt of your letter of May 2, 1946, in response to my communication of April 15, 1946, regarding the acquisition by veterans and educational institutions of surplus electronic and communications equipment.

Although I hesitate to pursue the various points which I have raised in my earlier letters, I humbly but firmly feel that:

(1) These points have not been satisfied;

(2) There are seeming inconsistencies in your reply; and

(3) The subject is of such crucial importance to the national defense as to merit continued attention.

I need not tell you of the paramount importance of adequate training of young scientists, including veterans, in the Nation's colleges, universities, and other educational institutions. Our country is lagging far behind in building up a reservoir of skilled young scientific personnel to offset the short-sighted application of the Selective Service Act in drafting and improperly utilizing during the war so much of our young scientific manpower—something which was not done, I understand, either by our allies or by our enemies.

We both recognize that:

(1) Our country is at present in a crisis of national defense and security.

(2) We must have an all-out program of preparedness against all future military emergencies, possibly involving atomic and guided-missile attacks upon us.

(3) Electronics is the heart of the Nation's defense and productive effort of the future.

These facts, then, serve to underline and emphasize the importance to which I attach all that follows and all that has preceded in my correspondence with you.

I would like to make three specific points:

(1) The failure of WAA to fulfill the donation provision of the surplus law.

(2) The seeming illegal and arbitrary reserve of only 20 percent set aside for all priority claimants.

(3) The scandalous defects of the manufacturer-agent system of surplus disposal.

I

Generally speaking, in spite of publicity statements made by WAA, I am unable to confirm by any reliable source that a single gift of electronics equipment, as such, has been made by War Assets Administration to any class of priority claimants. Yet, the surplus property law in section 13 (b) makes specific provision for such donations.

II

I have diligently studied the surplus property law and am unable to find any provision therein which limits the acquisition of priority claimants to 20 percent of surplus electronic and communications equipment which you state in your letter of May 2 you have reserved for such claimants. Indeed I find your statement to this effect shocking in view of the fact that on the very day when the priority amendment of the surplus law was signed by President Truman (which in fact strengthens the position of priority claimants) telegrams were released by WAA to the manufacturer agents who handle surplus electronic equipment, directing them to reserve only 20 percent of such material for the needs of priority claimants.

I refer you to sections 12, 13, and 16 of Public Law 457 of the Seventy-eighth Congress, second session, which unequivocably state or imply that "priority" and "preference" signify a favored class of purchasers whose needs for surplus material shall be satisfied to their full extent up to and including 100 percent, if necessary, before nonpriority purchasers may acquire this material.

Obviously, your creation of a one-out-of five status for the priority claimants results in a most distressing prejudice against them in further violating, I believe, the letter and the spirit of the surplus property law.

May I respectfully call your attention, General, to section 2 of the surplus property law which states some 20 objectives which are to be attained in the administration of this statute. Subsection (d) of section 2 states that one of these objectives is "to discourage monopolistic practices and to strengthen and preserve the competitive position of small business * * *." Moreover, subsection (1) states that it is the purpose of this act "to effect broad and equitable distribution of surplus property." But a ratio of 4 to 1 against priority claimants makes for a monopoly in favor of your manufacturer agents whose operations are speculative within the meaning of subsection (h) of section 2, "to assure the sale of surplus property in quantities and on such terms as will discourage disposal to speculators or for speculative purposes."

Even if I were convinced that the acts of screening, pricing, etc., which are described in your letter, are as you state, all of these operations would be infected with a basic injustice. This injustice results from administering the law on the basis of allowing all preferred claimants a mere 20 percent of the surplus electronic and communications equipment.

May I ask directly by what authority in the law you have established this 20 percent basis for meeting the claims of all priority claimants? I can find no such statutory authority, for if it did exist, it would nullify the mandatory purposes of the law. If the 20-percent reserve results from a WAA regulation, your attention is drawn to section 13 of the law which provides regulations which implement the mandatory purposes of the law stated in section 2.

III

I should like to make a few comments regarding the present system of surplus distribution by manufacturer agents on a 10 percent commission plus all expenses. It seems that the operation of this system of indirect and costly distribution results in the recovery for the United States Government of only a pitiful fraction of the inherent value of the surplus because of such expenses as transportation, handling, storage, accounting, sales, and overhead, which may amount to untold millions of dollars. Much of this expense loss might be saved to the taxpayers if there were a system of direct distribution from the depots to the claimants and consumers.

I am reliably informed of one particular instance in which a manufacturer agent, having sold $130 worth of material in 1 month, submitted an expense account for approximately $13,000 for that period, and of course, received a 10-percent cut on the $130 sale. It would seem possible that monthly expense claim could be submitted by manufacturer agents for payment, although they may not have made a single sale during the current month for which these expenses were claimed. In other words, this method of manufacturer agent operation is an invitation and a temptation to unload upon the Government the expenses of these agents' private reconversion programs by lumping their private expenses into their claims for sales service allegedly on behalf of the Government. This system thus involves the wholesale and unnecessary subsidization to a very small segment of private manufacturers by government funds.

The President of the United States has recently deplored what he described as selfish acts on the part of a few against the many. This manufacturer agent system, I believe, is a glaring instance wherein private greed of a few is violating and thwarting the public need of the many.

I believe that it is imperative that the abuses which are inherent in the manufacturer agent system be eliminated in the interest of our Government and our people.

It is requested now that I be furnished with sample copies of contracts made by WAA with manufacturer agents for electronic disposal. I also ask for a list of manufacturer agents throughout the country who have a current inventory of this surplus material, the declared value of which is in excess of $5,000,000. I also ask for the estimated current value of such inventories.

In closing, may I reaffirm that all of the above is submited to you in a spirit of constructive assistance on behalf of the fulfillment of the law.

Looking forward to hearing from you, I remain

Respectfully yours,

ALEXANDER WILEY.

Mr. WILEY. I may also note that in view of the above charges which I have made, I have addressed copies of this correspondence to the Attorney General and asked that he investigate the matter for purposes of protection of the best interests of the United States.

OPA AND THE PROBLEM OF PRODUCTION

Mr. President, I desire now to refer to another subject. On a number of occasions I have spoken on what I have said was the inability of OPA to sense what the appropriate remedy should be for the lack of production. We know that certain basic American industries have had no reconversion problems. Yet 8 months after VJ-day the products of these manufacturers are not available. Sometimes I wonder if this is the result of mere dumbness on the part of OPA or whether there is some sinister influence back of it.

The evil genius of OPA was illustrated by me recently on the floor of the Senate when I exhibited three aluminum pans and called attention to the unjust discrimination that existed. The situation to which I called attention, as illustrated by the three aluminum pans, is apparent in practically all the necessities of life. Why cannot our people get towels, sheets, pillowcases? Whipping cream becomes butter in our kitchens—not in mine, but in a good many of them—at $1.50 a pound. Why is it? I think the answer is very plain. What the answer is was demonstrated by my exhibition of the aluminum pans, on which occasion I "panned" the OPA.

I ask unanimous consent that there be printed in the RECORD following my remarks an editorial which appeared in the Milwaukee Journal of May 3, 1946. This editorial endorses the position which I have taken on the floor of the Senate to this effect: That OPA has pursued an absurd and arbitrary policy of pricing which has in numerous cases discriminated against old-line manufacturers in favor of new manufacturers. I ask that this editorial be printed in the RECORD not because it endorses my position on this subject but because it represents the sentiments of a major newspaper in my State, and I believe the sentiments of an overwhelming number of my constituents.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR WILEY'S FRYING PANS

OPA price-fixing policies have frequently resulted in permitting a new manufacturer to charge higher prices than an old-established firm for practically identical articles. There has been much wholly justified criticism of this, but it remained for our own Senator WILEY to make for his colleagues a really graphic demonstration of the evil.

Mr. WILEY recently appeared in the Senate with three aluminum frying pans. Two were practically identical. One was made by an old reliable manufacturer; its ceiling price was $1.20. The other was made by a newcomer; its ceiling was $2.50. The third pan was made by the old-timer. It was much superior to either of the others, but its ceiling price was only $1.98.

The newcomer in the frying-pan field is, of course, turning out pans in quantity. The public, which needs these utensils, is taking all he can produce. The old-timer is also making some pans and selling them at the low price allowed him, but his margin is too small to encourage him to maximum output in the face of a hundred and one problems.

The result is that the public is paying more than it should for its frying pans, an old-established business is languishing, and a newcomer is gouging the consumer. The average price of the pans to the consumer is probably about $2, whereas, if the established maker were given a little more and the newcomer were limited to the same amount the general price might well be around $1.50.

What the OPA apparently cannot see is that its present policy of setting up different standards for those with previous manufacturing experience and those without such experience is, in effect, creating a sort of authorized black market within many industries. The policy is making it possible for newcomers to market, for example, radios at $30 which are no different from receivers the established manufacturers may have to sell at $25. The old makers cannot do business under such restrictions, so the market goes to the new and frequently irresponsible entrepreneur.

Senator WILEY's frying pans made the essential facts more graphic than a hundred pages of figures and arguments. The country owes him thanks for a job well done.

THE COAL STRIKE

Mr. LUCAS. Mr. President, on Saturday last the Senator from Illinois discussed at some length the coal strike as it now exists in this Nation. At the same time the President of the United States was giving to the country a somewhat detailed report of exactly what was happening throughout the Nation as a result of the present coal crisis. In that statement the President of the United States called the coal strike a national disaster, and released to the public an industry-by-industry appraisal of its impact. I commend the President and the Office of War Mobilization and Reconversion for collecting those facts and for presenting them to the American people.

It occurred to me that perhaps the Senate and the country ought to know just what is going on in the State of Illinois as a result of the present conditions. Over the weekend I attempted to obtain some factual information which would bring this picture to the Senate and the country, and show the desperate conditions which exist in my State due to the lack of coal. For example, I read in the Chicago Sunday Times, of May 5, 1946, this kind of a story:

CITY'S FUTURE IS COAL BLACK

When you turn on the light switches in your home next Thursday, it is high probable that nothing will happen.

Your radio undoubtedly will be dead and the vacuum cleaner won't work. The same will be true of the elevators, lights and electric machinery and devices in your store, office or factory.

There just won't be enough electric power to do more than to keep hospitals going, operate food preservation plants, pump water, supply the police and fire departments and otherwise guard the public health and safety.

STATE-WIDE BLACK-OUT

It will take 2 weeks after the settlement to get coal out of the ground, ship it to Chicago and put it into the fireboxes to operate the generators that produce the current, experts said.

There seemed to be no way to avoid a 100-percent electrical black-out of homes, shops, stores, theaters, and factories throughout Chicago, and Illinois as well.

Such a catastrophe would cripple all commercial trading, put manufacturing at a standstill, cost millions upon millions of dollars loss, leave hundreds of thousands unemployed and cause extreme hardships. But the experts saw little, if any, chance of avoiding it.

* * * * *

None of the experts would predict exactly what might happen to Chicago in a 100-percent black-out. Streetcars and elevated lines would provide only emergency service, it was assumed. But with electricity denied to stores, theaters and factories, there would be few places to go.

A serious warning came from Commissioner of Public Works Oscar E. Hewitt, who declared that the city's pumping stations must be kept going.

"The Fourteenth Street pumping station is down to an 8-day supply of coal," he said. "The other stations also are hard hit. Five of them are electrically operated and depend on Commonwealth Edison for fuel.

"It is essential that we have coal for these stations. Sickness, and possibly death, would result if the city was forced to cut off the water supply."

Every newspaper in the city of Chicago carried similar news items. This desperate economic plight is not confined to Chicago alone. This is what is happening in down-State Illinois.

For example, in Canton approximately 4,500 workers are employed in industry. They are on a 24-hour-a-week basis. The serious thing at Canton is that the International Harvester plant which does all the repair work for the other International Harvester plants may close down. There is an estimated coal supply of approximately 2 weeks. If that harvester plant closes in Canton, Ill., every other plant making farm machinery in this country will also have to close, regardless of any other condition.

At Kankakee two of the largest industries are the David Bradley Co. and the Bear Brand Hosiery Co., which employ approximately 1,000 workers each. Operations are such that they must close down entirely in a day or two. They cannot operate much longer. Of course, the city is on a 24-hour basis.

At Moline the Tricities have a utility company which has plenty of coal. That is one of the few sections of Illinois which is not affected. But it is affected as a result of the railroad situation. The Rock Island has discontinued two trains, which passed through the Tricities.

In Joliet, Ill., there are 18,000 industrial workers, all on a 24-hour-a-week basis. A complete paralysis within 10 days is predicted. They are worried principally about their water supply. They anticipate that within a week they will be without water. There is no coal with which to operate the plant. That, of course, will automatically affect fire protection.

That is the kind of a catastrophe which is coming to this country in hundreds of sections in every State in the Union unless something is done immediately with respect to the coal strike.

In Peoria there are 36,000 industrial employees. They are all on a 24-hour-a-week basis. The Caterpillar Tractor Co. had to cut down its force. It employs approximately 15,000 workers.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAYBANK. In my opinion the distinguished Senator from Illinois is not only doing a great service to Illinois but to the entire United States, and every State in the United States, by calling attention to the situation which exists. With his permission, at the conclusion of his remarks I should like to have printed in the RECORD an editorial from the Charlotte Observer.

The Senator referred to what might happen in other States. In my section of the country several hundred thousand textile workers and others will be out of work within the next 3 weeks unless something is done quickly.

Mr. MAYBANK. The present coal-strike situation means that the clothing and the other textiles that are so greatly needed throughout this land will be unavailable or in short supply, not only for 2 or 3 weeks but for many, many months to follow. I commend the Senator from Illinois for his action in this respect.

The ACTING PRESIDENT pro tempore. Without objection, the editorial submitted by the Senator from South Carolina will be printed in the RECORD following the remarks of the Senator from Illinois.

(See exhibit A.)

Mr. LUCAS. Mr. President, I thank my friend the able Senator from South Carolina for his remarks. I think he will

agree with me that there is nothing as important in the United States today as the settlement of the coal strike. The loan to Britain, the OPA, the draft, and all other matters of legislation which now are before the Congress are mere bagatelles as compared with this Nation-wide problem.

Mr. President, just think what conditions will be in this country if the coal strike is not settled. We shall not have to talk about the OPA or the draft if a solution to the controversy is not found. Yet, we in the Senate debate for weeks the consideration of a British loan resolution as if it were the most important piece of legislation which ever came before the Congress. Mr. President, I do not know what can be done, but I do say that every Member of Congress, as a result of what is happening in this country, owes it to himself and to his country to give every bit of consideration that he can give, somehow, in some way, to aid in this situation. All the Senator from Illinois is attempting to do is to bring the matter to the attention of the Senate and to point out what is happening in the State of Illinois and what will happen to the health, the safety, and the general welfare of our people when the economy of the country is paralyzed as a result of the failure to obtain sufficient coal to enable our utilities and industries to carry on.

Mr. MAYBANK. Mr. President, will the Senator further yield?

Mr. LUCAS. I yield.

Mr. MAYBANK. I thoroughly agree with what the Senator has said, Mr. President. As an illustration, let us consider the OPA. Of what use would it be to have an OPA if we had no production? The fact of the matter is that in the southeastern part of the United States we shall not have any production of textiles or of the other essential commodities unless something is done about the present coal-strike situation, and unless something is done soon. The time for action is now, Mr. President. We have waited too long.

I thank the Senator.

Mr. LUCAS. Mr. President, in Springfield, Ill., there are 10,000 industrial employees. The Sangamo Electric Co. is on a 24-hour basis with its 3,500 employees. Two plants had to close completely because they could not operate on a part-time basis during the week. Those plants are the Baker Manufacturing Co. and the Hummer Manufacturing Co., and there are approximately 500 employees between the 2 plants.

In Decatur, Ill., there are 15,000 industrial employees, and they are now on a 24-hour week. The Staley plant, a food-processing plant, does not have to restrict itself to a 24-hour week but it has a coal supply for only 3 weeks, and it cannot operate longer than 3 weeks. Therefore, it has curtailed its operations voluntarily, and is running at about two-thirds of its usual capacity with respect to employees, employing about 2,000 persons.

Another situation in Decatur which is desperate concerns the Wabash Railroad, which has shops there, and many people depend on them for their livelihood. Some parts of the industry are out of gear because they have only a few weeks' supply of coal to carry on efficiently the necessary work.

In Freeport there are 4,000 industrial employees who are operating on a 24-hour-week basis. One plant employing 50 people has had to shut down completely because it could not operate on a part-time basis.

In Streator, 3,500 workers are employed in industry. The Owens-Illinois Glass Co. is the largest concern, with 1,600 employees. They are on a 3-days-a-week basis. The water plant is coal-operated, and its operators are worried about how long they can continue operations.

East St. Louis is dependent upon railroads for the employment of approximately 7,000 workers. It has been necessary to lay off several hundred employees who do coal hauling for the railroads. Twenty-three trunk railroad lines have connections in East St. Louis, as well as several connecting railroad lines. This city will be hard hit if the railroads are forced to discontinue their public service.

In Rockford, the entire city is on a 24-hour week basis as far as factories are concerned. About 35,000 persons are employed there. Of the 35,000 approximately 10 percent have had three shifts working. They have cut down to 8 hours each, so that means one 24-hour stretch for each employee.

In Champaign, Ill., the workers are operating on the basis of a 24-hour week. Four industries, with a total of 500 employees, have closed down entirely because they cannot work part of a week.

Mr. President, as this situation grows worse, every hour some concern is going out of business. The little fellows are the ones who are going to be affected—the small concerns employing 50, 75, or 100 men, which have only a week's or 10 days' coal supply on hand. Such concerns have been operating on that kind of coal reserve for a long time. I repeat, Mr. President, that the small industries which do not have large coal reserves are the ones which will suffer first as a result of what is happening. It is indeed a dark day for them.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FULBRIGHT. I regret that I was not in the Chamber when the Senator began his remarks. Let me inquire whether he has made any suggestions regarding what he thinks we might do. I thoroughly agree with what the Senator is saying.

Mr. LUCAS. I shall make suggestions when I finish this statement.

Mr. President, in Harvey, Ill., 24,000 workers are employed in the industrial area, and they are working on a 24-hour-week basis. However, one plant, the Wiman Gordon Co., had to lay off outright 1,000 workers, last Friday, without any work whatsoever. Another plant, which employs 500, had to shut down entirely.

At Danville, Ill., there are 4,000 industrial workers, and all of them are working on the basis of a 24-hour week. The Chicago & Eastern Illinois Railroad, which has a number of ships in Danville, has laid off outright 700 workers, due to numerous causes. Three hundred workers in the railroad shops have been laid off. The brickyards at Danville have closed with 200 people losing their jobs. All industries there will have to close outright on Thursday of this week.

Mr. President, that gives a brief résumé of what is occurring in Illinois at the present time.

At this point I wish to read into the RECORD some telegrams which I have received. Let me say that there has not been a single telegram or a single letter which has arrived at my office—and hundreds are coming in—which has not asked the Congress and the President of the United States to do something about this situation. Not a single telegram or communication of any kind or character upholds the position of John L. Lewis in this strike.

Mr. President, here is the first telegram, which I shall read:

HARVEY, ILL., *May 4, 1946.*

Hon. SCOTT W. LUCAS,
Senate Office Building:

We, the 600 members of Harvey Post, No. 155, the American Legion, Department of Illinois, unanimously protest the unnecessary delay in settlement of the controversy in the coal-mining industry, which is causing serious delay in the reemployment of returning veterans, and insist that you as our public servant take immediate steps to correct this deplorable condition.

JOSEPH M. COOK,
Commander.
FRANK CUNNINGHAM,
Adjutant.

Here is a telegram from Erie, Ill.:

ERIE, ILL., *May 3, 1946.*

Hon. SCOTT W. LUCAS,
United States Senate,
Washington, D. C.:

If we are curtailed more than 1 week on electricity, will be out of business. We handle perishable casein and will spoil in 3 days. Are we going to permit one man to wreck our country? Is this a democracy? Give the Government back to the people. Please reply.

ERIE CASEIN DRYERS,
A. F. REISENBIGLER.

Here is a telegram from Chicago, Ill.:

CHICAGO, ILL., *May 3, 1946.*

SCOTT W. LUCAS,
Washington, D. C.:

Coal shortage is causing shut-down of our business and may bankrupt us. Two hundred jobs involved. What are you going to do to stop this and future stoppages?

THE EDWAL LABORATORIES, INC.,
U. S. GUTTMANN.

Here is a telegram from Cicero, Ill.:

CICERO, ILL., *April 27, 1946.*

Hon. SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

With steel production being curtailed because of coal strike our manufacture of steel building products, many of which are used in veterans' housing, until recently under full production in our 12 plants throughout the country will shortly cease because of lack of steel. It is our opinion that the Congress should insist upon immediate settlement of this strike. We ask your cooperation in taking some step toward that end.

CECO STEEL PRODUCTS CORP.,
C. LOUIS MEYER, *President.*

Mr. President, that shows what the veteran is going to get as a result of the

housing situation if this coal strike continues much longer.

I also read the following telegrams:

CHICAGO, ILL., *April 24, 1946.*

Senator SCOTT W. LUCAS:

River Raisin Paper Co., Monroe, Mich., who furnish us with fiber shipping containers, will close their plant Friday, April 26, due to the coal strike. The closing of this plant will eventually stop shipments of meat from our plant if we are unable to obtain shipping containers. Will appreciate any help in settling coal strike.

WILLIAM DAVIES CO., INC.

CHICAGO, ILL., *May 2, 1946.*

Senator SCOTT LUCAS,
United States Senate,
Washington, D. C.:

Started back in business here recently our building. Field building closes tomorrow for lack of power. This isn't the America I fought for.

FRED B. WELCH.

CHICAGO, ILL., *May 4, 1946.*

Hon. SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

This company engaged in manufacture large quantities fractional horsepower a. c. motors and dynamotors and other highly essential products, both Navy orders and civilian business, and employing several hundred workers Chicago and Oglesby plants. Facing heavy loss account coal strike and Illinois Commerce Commission order drastically reducing permissible electric power. Is business and our economic life to be devastated by arrogance of one man and one union or is Congress and Government helpless? Quick relief imperative if this compay is to survive. Can you help in any way?

EICOR, INC.,
JOSEPH NADER.

STERLING, ILL., *May 4, 1946.*

Senator SCOTT LUCAS,
United States Senate,
Washington, D. C.:

We respectfully urge immediate action of the passage of the Case bill which was passed by the House of Representatives. It is time for action. The liberty of American people is being shackled. We are forced to go from a 55-hour week to a 24-hour week. Terrific loss to labor, necessary production, etc. Things are going from bad to worse. Courageous statesmanship is necessary to deal with this serious condition in behalf of the entire American nation, not a favorite minority. This after all should be a government of the people, by the people, and for the people. We likewise are in hearty favor of discontinuing OPA, the source of most of our trouble.

THE CHAS. O. LARSON CO.

MENDOTA, ILL., *May 4, 1946.*

Hon. SCOTT W. LUCAS,
Senator from Illinois,
Senate Office Building,
Washington, D. C.:

Coal strike now limiting manufacturing operations to 24 hours per week. Therefore, in behalf of our 500 employees and ourselves, we beg immediate action to settle strike be taken concurrently with drastic legislation to insure forever no royalty payments on products and to make sure no one man or group can ever again throw a nation into turmoil at a tremendous cost to labor, as well as to industry. Chaos is bound to follow.

CONCO ENGINEERING WORKS,
O. J. ELLINGEN.

LOUISVILLE, KY., *May 1, 1946.*

Hon. SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

Louisville & Nashville Railroad has approximately 2 weeks of supply locomotive fuel. Effective next Monday some curtailment is being made in freight and passenger service so as to extend the time more essential service can be operated. Unless some settlement of the coal strike is made and mining operations begun shortly, complete curtailment of a steam railroad transportation service is inevitable. This would be a severe blow to production in many industries which in themselves will also shortly suffer from coal shortages. This country and its business must necessarily look to such action by national legislators as will promptly remove the devastating menace now threatening them.

LOUISVILLE & NASHVILLE RAILROAD CO.,
J. B. HILL.

CHICAGO, ILL., *May 4, 1946.*

Senator SCOTT W. LUCAS,
Senate Office Building:

As a veteran who served this country 4 years, I object to losing my business and life savings because of this coal strike. When are you going to do something?

Dr. W. S. GUTHMANN EDWAL LABORATORIES.

CHICAGO, ILL., *May 3, 1946.*

Senator SCOTT W. LUCAS,
Senate Office Building:

The Chicago black-out has cut our employees' wages to 50.5 percent of normal and they are greatly disturbed about this calamity over which they have no control. Your immediate action is imperative.

THE MUTER CO.,
LESTER F. MUTER, *President.*

CLINTON, ILL., *May 3, 1946.*

Senator SCOTT LUCAS:

At a mass meeting of 150 businessmen this morning they voted that we secure your cooperation in ending the coal strike immediately.

H. D. BERIGHNER,
President of the Business and Professional Men's Club, Inc.

BLOOMINGTON, ILL., *May 3, 1946.*

Hon. SCOTT LUCAS,
United States Senator:

Emergency order of Illinois Commerce Commission prohibiting the utilizing of electric power is working a great hardship on our company, as well as entire community. We urge you to propose immediate Government operation of coal mines pending settlement of strike.

WELLS OIL CO.

CHICAGO, ILL., *May 3, 1946.*

Hon. SCOTT W. LUCAS,
United States Senate:

If there is no law to protect the public in disputes like this coal strike we expect you as our Representative to initiate one immediately. Our organization at a standstill and costing us thousands of dollars. We expect prompt action from the administration or Congress to prevent future tie-ups.

NATIONAL 4-H CLUB COMMITTEE,
G. L. NOBLE.

WAUKEGAN, ILL., *May 3, 1946.*

Senator SCOTT W. LUCAS:

The commercial division of the Waukegan North Chicago Chamber of Commerce requests that action be taken to settle coal strike at once in view of the tremendous hardship and public health, and the immediate danger of discontinuance of power due to shortage of coal unless coal production is resumed at once power will cease after May 14 in this area.

COMMERCIAL DIVISION,
WAUKEGAN NORTH CHICAGO
CHAMBER OF COMMERCE,
SAM BERMAN, *Chairman.*

CHICAGO, ILL., *May 3, 1946.*

Hon. SCOTT W. LUCAS,
House Office Building:

If coal situation is not cleared up immediately we will be definitely out of business. Request you do your utmost to expedite an immediate settlement.

WINZELER MANUFACTURING
& TOOL CO.,
JOHN WINZELER.

STERLING, ILL., *May 3, 1946.*

Senator SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

In the face of extremely tight and critical steel situation we have been directed by our source of electrical power to limit our operations to one 24-hour period out of 7 days. You are aware of the extreme necessity of continued production of wire nails, bale ties, fencing, and other wire products required by the farmer for continued food production. We suggest immediate action on the part of constituted authorities imperative in order that production of coal be resumed immediately. Housing program, food production, and entire reconversion program is held up account of coal strike.

NORTHWESTERN STEEL &
WIRE CO.,
PAUL W. DILLON, *President.*

CHICAGO, ILL., *May 5, 1946.*

Senator SCOTT LUCAS,
Senate Building, Washington, D. C.:

Some Chicago business already under candle light. Post office curtailing electric lights. As a postal worker, I can't read addresses under candle light. Stop the coal strike before the world's largest post office gets messed up.

H. WILLIS GLOVER.

CHICAGO, ILL., *May 4, 1946.*

Hon. SCOTT W. LUCAS,
Senator From Illinois,
Senate Office Building:

Our organization has a membership of 150 retail merchants in the Republic Building, 209 South State Street, Chicago. A resolution was unanimously adopted respectfully urging you to make every effort to settle the coal strike so business may return to normal.

THE REPUBLIC MERCHANTS ASSOCIATION,
A. E. WANFALT, *President.*

EVANSTON, ILL., *May 5, 1946.*

Senator SCOTT LUCAS,
Senate Office Building,
Washington, D. C.:

What legal right has one individual to put 139,000,000 Americans in chaos? Act now.

A. W. MEYER,
T. G. MURDOUGH.

VIRGINIA, ILL., *May 6, 1946.*

Senator SCOTT W. LUCAS,
Washington, D. C.:

Congratulations on action on coal strike. Trucks delivering gasoline to farmers allowed electricity for loading only 4 hours a day. Food cannot be produced without gasoline for power. Situation critical.

JOHN H. TAYLOR.

CHICAGO, ILL., *May 5, 1946.*

Senator SCOTT LUCAS,
United States Senate, Senate Building, Washington, D. C.:

We represent 1,000 cleaning and dyeing plants in Illinois. The coal strike is so critical that restrictive use of light and power is ruining our business and will cause irreparable hardship and loss unless the most drastic action is taken immediately. We appeal to you to use your good offices to relieve this State and the Nation from the present deplorable infringement on the rights of the American people.

EDWARD BREEN,
President, Illinois State Cleaners and Dyers Association, La Grange, Ill.

CHICAGO, ILL., *May 3, 1946.*

Honorable SCOTT W. LUCAS,
Senate Office Building, Washington, D. C.:

Recent order of Illinois Commerce Commission substantially placing Illinois business on 24-hour week on account of power restriction, due to coal shortage, now clearly indicates that entire business economy of our State will stop completely in a short period of time. You are wholly familiar with coal picture in Illinois and its relationship to the health and economic welfare of every citizen here. We believe our Federal Government should take immediate steps to settle the coal problem, and since leadership has obviously been lacking, we are convinced that our own Illinois delegation in Congress could well be the means of bringing about the solution everyone is looking for. On behalf of Illinois business, as well as all citizens of the State, we urge you and your colleagues in the Illinois delegation to assume the leadership which we know you have the ability to give this problem. Kindest regards.

ILLINOIS STATE CHAMBER OF COMMERCE,
JAMES F. STILES, JR., *President.*

CHICAGO, ILL., *May 3, 1946.*

SCOTT W. LUCAS,
United States Senator, Washington, D. C.:

Our own business faces entire demoralization through failure to settle coal strike. Operating restaurant concessions, in connection with transportation systems, as we do throughout the United States, public health and welfare is definitely endangered through threatened lack of fuel and electrical energy. We respectfully protest disregard of public interest evidenced by procrastination in reaching agreement between operators and union and as respectfully to urge that you use your best efforts to end a situation which has tragic and irreparable consequences for America.

THE INTERSTATE CO.,
LESLIE C. CALDWELL, *President.*

ABINGDON, ILL., *May 3, 1946.*

SCOTT W. LUCAS,
United States Senator, Senate Office Building, Washington, D. C.:

It is not often that our company requests a few moments of your valuable time but the recent power restrictions order in our State, coupled with freight embargoes, forces us to turn to our duly elected Representatives in Congress for help in finding an immediate solution toward a fair settlement of all controversies which are seriously affecting the economy of every man, woman, and child in our community and State. The largest percentage of our production is plumbing fixtures for GI homes and our goods are essential to the health of the Nation. We have been forced to close down this division of our business today and this will result in unemployment for hundreds of men in the community and at a time when full employment is so essential for a sound economy. We earnestly suggest that you do everything in your power to impress on the proper authorities in Washington the necessity for prompt and decisive action in this emergency. If we continue to permit the few trouble-makers to dominate our very existence, we can well expect a continuance of strife. Please advise us in what way we can help you to find a solution to the serious problems which are stifling industry. Kindest regards.

ABINGDON POTTERIES, INC.,
R. E. BIDWELL, *President.*

CHICAGO, ILL., *May 3, 1946.*

Hon. SCOTT LUCAS,
Senate Office Building, Washington, D. C.:

As manager of one of the Loop office buildings in Chicago it is my wish that you could be here in our lobby this morning and see the confusion and consternation caused by the power shortage in Chicago due to the coal strike. As I have to answer to my tenants, please wire me what steps you are taking to relieve this situation. There are over 2,000 people in this building alone whose jobs are affected by this situation.

L. B. HERINGTON, JR.,
Manager, Garland Building.

The following telegram is from Chicago:

CHICAGO, ILL., *May 2, 1946.*

The Honorable SCOTT W. LUCAS,
Senate Office Building, Washington, D. C.:

When a situation arises wherein willful men are allowed to paralyze the industry of the Nation it is time for action. The closing of industry due to the shortage of coal, a situation controlled wholly by one man, is beyond all reason in a Nation of freemen. My employees have neither been absent due to strike or to lack of work. They have been faithful to the war production required from them and faithful in times of peace as well. However, today I am forced to send them home through no part of their own due entirely to the necessity of protecting public welfare threatened by domineering union leaders. The time for action is now.

BRAKE EQUIPMENT & SUPPLY CO.,
J. G. ALBERSON, *President.*

I refer now, Mr. President, to a situation in which I think the Senate may be interested. It has to do with a large plant in the city of Washington, D. C. I called up the Government Printing Office this morning to find out how long that important institution would be able to operate if the coal strike should continue. If Senators should fail to receive the CONGRESSIONAL RECORD, the seriousness of the situation resulting from the coal strike may be brought home to them. Mr. Russell H. Herrell, executive officer of the Government Printing Office, advised me that the GPO gets all its power from the Potomac Electric Power Co. Last Friday, May 3, the Potomac Electric Power Co. notified the Government Printing Office that unless they got additional supplies of coal they would not be able to furnish any power after about 10 days. The Government Printing Office would have to figure on shutting down in 10 days.

In other words, Mr. President, at the end of this week debate on all pending bills will be very short, for if what a Senator has to say on the floor of the Senate cannot be printed and read in the CONGRESSIONAL RECORD the following morning, the Senate will be able to do business with expedition and dispatch.

There is one more telegram which I desire to read. It is as follows:

ROCKFORD, ILL., *May 6, 1946.*

SCOTT LUCAS,
Senate Office Building:

Where can I send money to buy Lewis diamond crown?

ATWOOD VACUUM MACHINE CO.,
SETH B. ATWOOD.

Mr. President, while I am reading other material into the RECORD, I want to read from an article written by Dan Tobin, of the teamsters' union. The article is in the May issue of the International Teamster, and, in my opinion, it contains much good, common horse sense. I shall read merely certain parts of it. The title of the article is "Good Leaders Can Avoid Strikes—Must Have Courage To Resist Unwise Demands."

The article begins with these words:

I am satisfied that many of these strikes that have taken place in recent months might have been avoided by careful management of the affairs of the unions involved and by the leaders of the union exemplifying their leadership by proving they had the courage to disagree with their members when they believed their members were going too far or asking too much. Or when they believed—as their judgment should have led them to believe—that even though they were right, it would be better for all concerned to pursue the doctrine of compromise.

Mr. President, I am wondering on tomorrow, when the executive committee of the United Mine Workers meets with John L. Lewis, how many of them, in view of the national disaster approaching, will have the courage to do what Dan Tobin said ought to be done in the paragraph I have just read. How many will stand up and debate this issue in executive session with Mr. Lewis, and ask him if he has not gone too far and suggest that a compromise should be made immediately. Surely these men realize that their country is nearing the brink of disaster.

I continue to read from the article:

In other words, as leaders of our unions we cannot expect to get everything that the members believe they should have. Very often we have to take a step backward, which perhaps is the wisest thing to do when conditions warrant such action. A general in an army who refuses to retreat in the face of destruction is a very poor general.

Mr. President, you know what is done to a general who refuses to retreat when he positively knows that his men will be annihilated. He is removed and court-martialed. Our Nation is in a desperate condition as a result of this strike. Someone has to retreat.

Mr. Tobin goes on to say:

These statements should not be construed as approving the action of the employers, especially General Motors, where the President of the United States appointed an unprejudiced commission; and after that commission made a decision it was the duty of General Motors to follow out the decision of that fact-finding board.

What would be the criticism of labor by the press of the Nation if labor took the position that it would refuse to accept the

decision of the unprejudiced fact-finding commission?

Mr. President, what would be the position of labor today in connection with this crisis if the shoe were on the other foot? In other words, if labor wanted to work, if laboring men were hungry and demanding the right to dig coal, and the operators closed the mines, locked the doors, and walked away, what would be the condition under those circumstances here in the United States Senate? Every Senator would be on his feet denouncing the industrial tycoons for doing a thing of that kind to the laboring men of this Nation and paralyzing industry. Yet that is exactly what is happening as the result of the failure to mine coal.

In his article Dan Tobin proceeds to say:

I do not, however, approve of prolonging the strike, even though the men had to surrender the 1 cent an hour which was in dispute. I also condemn the General Motors management for refusing to submit the differences between themselves and their workers to arbitration. It looked very much like a defiance of governmental authority, a thorough disregard for the public, and a determination to weaken or destroy the union.

What we are leading to in this strike is a total disregard of the public welfare and an apparent determination upon the part of some men to weaken, if not destroy, government. Mr. President, it cannot be done.

Mr. President, I have said about all I expect to say on this subject today; but I am convinced that under the Constitution of the United States there is a remedy. I desire to read two or three sentences on the question of strikes from the dissenting opinion of Mr. Associate Justice Brandeis—concurred in by Mr. Justice Holmes and Mr. Justice Clarke—in the case of *Duplex Company* v. *Deering* (254 U. S. 443, 488).

Because I have come to the conclusion that both the common law of a State and a statute of the United States declare the right of industrial combatants to push their struggle to the limits of the justification of self-interest, I do not wish to be understood as attaching any constitutional or moral sanction to that right. All rights are derived from the purposes of the society in which they exist; above all rights rises duty to the community.

The conditions developed in industry may be such that those engaged in it cannot continue their struggle without danger to the community.

That, Mr. President, is exactly what is happening in the case of the coal strike. The struggle is continuing to the point where it involves grave danger to every community in the United States.

Mr. Justice Brandeis goes on to say:

But it is not for judges to determine whether such conditions exist, nor is it their function to set the limits of permissible contest and to declare the duties which the new situation demands. This is the function of the legislature which, while limiting individual and group rights of aggression and defense, may substitute processes of justice for the more primitive method of trial by combat.

Mr. President, I maintain that under section 19 of the Criminal Code, as it exists at the present time, those who stifle the economy of this Nation to the point where men and women are bound to suffer for lack of the necessities of life can be prosecuted. If it cannot be done, if there is any question about it, if there is going to be any quibbling over that section of the Criminal Code, the Congress of the United States could pass a simple joint resolution declaring the right of American citizens to continuous public-utility services, and making it unlawful to conspire to stop such services. In other words, it is the same proposition I submitted here on Saturday last, and I maintain with all the power I possess that no minority group can ever be entrenched with power to such a point that it can injure every segment of society, even its own members. Six hundred thousand people are involved in the miners' strike, and, as a result of the action of the 600,000 and their leaders, they are injuring and impairing the rights of the other people of this Nation.

I maintain that under the Constitution of the United States this Government has the power to step in, and if it has no power to step in under these conditions, then we might as well kiss government good-by, so far as a democracy is concerned.

As I stated last Saturday, Mr. President, one of these strikes may start with good intent; there may be no reason to expect that it will proceed to the point where industry and commerce become paralyzed, but as time moves on and conditions grow worse, and government begins to sag to the point of danger, I submit that it then becomes automatically a strike against the Government of the United States.

I take that position, Mr. President, and I am going to prepare legislation, which I am working on now, which will at least give the Congress of the United States an opportunity to pass upon the question of whether or not we can make it a criminal offense for the leaders of this country, whether it be a labor leader or an industrial leader, or any other leader, to conspire to break down and paralyze the industries of this country to the point where the public welfare suffers. It can be done, Mr. President, and it should be done.

Mr. McCLELLAN. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Illinois yield to the Senator from Arkansas?

Mr. LUCAS. I yield.

Mr. McCLELLAN. Does not the Senator regard the problem he has been discussing as of greater importance than any other before the Nation, the Government, and the Congress? Does it not transcend in importance any other legislation now pending before the Congress?

Mr. LUCAS. The Senator from Arkansas probably was not in the Chamber when I had a colloquy with the able Senator from South Carolina [Mr. MAYBANK], and made the same statement to him which the Senator has now made. In my humble opinion there is not anything before the Congress today that is as important as the question now confronting us.

So far as I am concerned, if the Congress wanted to meet in a body to study this question as a whole, I would agree to the suspension of everything until every Member of the Senate of the United States, in executive session or otherwise, had an opportunity at least to discuss the question, to bring in the experts, to analyze it from every angle, and determine whether or not there is not something that can be done.

Mr. McCLELLAN. I agree with the Senator, and I should like to join him in whatever he does in that direction.

Mr. LUCAS. I thank the Senator. In conclusion I wish to state that I will have more to say on this subject soon.

EXHIBIT A

[From the Charlotte Observer]

ALREADY TOO LONG DELAYED

The coal crisis is reaching the bursting point.

The Nation's economy is being shot to pieces by the continuation of the shut-down in the mines.

Coal reserves are dwindling to a fearful degree.

Industrial consumers are running so short that many of them have been compelled to close down their plants outright, while the great steel industry, largely dependent upon this fuel, has been reduced to a dangerous minimum in operation of its plants.

This latter situation has complicated the capacity of around 50 percent of the Nation's productive potential.

The situation has become so acute and there is so little hope of settling the strike by negotiation between employers and John L. Lewis that the President is said to be of a mind to step into the picture with all of the force and finality of governmental intervention.

This can mean but one thing and that is that Mr. Truman is at long last feeling compelled to take over the mines in the name of the Government and operate them in the public interest.

If such a step should be in the making at this time, it would be generally recognized as having been already too long delayed.

Virtually at the outset of this strike it was obvious that the normal and recognized processes of collective bargaining between Lewis and the coal operators would be inadequate to bring them together.

As the strike has dragged on from day to day and from week to week, it has become increasingly obvious that settlement by compromise, negotiation, or arbitration, or any other technique except the direct action of the Government was out of the question.

In all of his career as an arrogant, sinister, and vicious leader of the United Mine Workers, Lewis has never played for higher stakes than when he sat down to this present game.

His attitude has been that of an uncompromising tyrant. He has refused even to allow a discussion of increased wage schedules until the operators would agree beforehand to hand over to him a per-ton royalty on all of the soft coal mined in this country.

This was to constitute a tribute which he would personally exact from the mine owners under the guise of a welfare benefit fund for the miners costing the mine companies around $50,000,000 a year.

His refusal to move a peg in attempted negotiations on other points of controversy until the operators abjectly caved in to this demand would indicate that he is determined to settle the coal strike on his own personal terms or that it will not be settled at all.

Such a situation demands, and has demanded, more of the Government than that

of offering the services of its conciliators and referees in ordinary labor disputes, and now, belatedly, the President must face the realities of the case.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. JOHNSON of Colorado. Mr. President, as an ardent supporter of the Bretton Woods agreement and as one who urged the creation of the United Nations Organization and who still supports it, I regret that I cannot approve the proposed loan to the United Kingdom in its present form. I have profound respect for the Secretary of the Treasury, Mr. Vinson, and the Assistant Secretary of State, Mr. Clayton, who are sponsoring the loan for this administration, and it gives me no great comfort to oppose it. Nevertheless, it is a serious matter which may adversely affect the United States and the causes for which we fought the recent wars, and, therefore, I and every other Member of Congress must decide the issue for himself. It does not worry me to be in the minority. It does worry me to have my country in the wrong. Those of us who are opposed to the loan are determined to make a record based on facts, and not on fiction.

I think it is very important, Mr. President, that a good record be made in this matter, and that of course is my first objective. I know that there is pending now before the Senate a cloture motion. I think the motion is premature and that it is offensive to every Senator who wants to know what the facts are pertaining to the loan. At this time I am attempting to give the facts. This is my first opportunity to discuss this question, and I do not like to have my colleagues on the floor of the Senate attempt to shut me off by a gag rule through a cloture motion.

Mr. President, it cannot be denied that the United States and the British Empire must collaborate closely in the postwar era. No one in the whole world—and that of course includes Americans—should be more interested in keeping the United States strong and solvent than is England. Twice we have saved her from conquest and slavery. Anything that will weaken the United States is not good for the United Kingdom or the world. The titanic program of lavish lending which this loan launches is, in my opinion, the beginning of the end of a great and good experiment in real democracy. Feeling deeply, as I do, it is my plain duty to oppose my friends of the administration in this matter.

Despite the unfavorable reaction in this country to Winston Churchill's mischievous proposal—and that is what it was, a mischievous proposal—for a formal military alliance, and regardless of the cool reception here to the Union Now movement, the man in the street understands and approves the existence of an eternal alliance, not on parchment nor in perishable granite but secure in the hearts of the citizens of both countries.

A careless observer of Anglo-American relations might err in thinking that such surface manifestations as the petty jealousies, the temperamental display of ill-will, and the narrow nationalism which occasionally crop out here and abroad dominate the situation, but that is not the case. Good-naturedly we poke fun at the British, and they, in turn, with an adorable brand of bombastic conceit, sneer at us, but underneath the pretense and bluster there is devotion and understanding on both sides. In the subconscious minds of Americans, Britain will always be the mother country.

When the United Kingdom runs into a shooting war, we immediately start convincing ourselves that it is our war, too; and when financial distress haunts the Bank of England, we start orating about "our enlightened self-interest." Among her own dominions and member nations, the United Kingdom has no more loyal and dependable an ally in good times and bad than the United States of America. We are her stanchest supporter and her best friend. Because of our impulsive devotion to her, we must be careful to not do the wrong thing now—the wrong thing for the United States and the wrong thing for the United Kingdom.

Nothing is quite so precious to the two nations as the preservation of that basic friendship and that unwritten alliance of which I have spoken. It cannot be measured in billions of dollars. It must be measured in the progress of mankind and in the ultimate destiny of the human race.

However, the most beautiful lifelong friendships are often shipwrecked on the rocks of bitter quarrels over money matters. In Hamlet, Britain's magnificent master writer, Shakespeare, said:

> Neither a borrower nor a lender be: for loan oft loses both itself and friend, and borrowing dulls the edge of husbandry.

This admonition, as did most of Shakespeare's advice, grew out of bitter and intimate human experience. Today the most vital international friendship in history is threatened by the proposed loan to the United Kingdom.

Everyone who has been following the comments in the English press must know that this loan is a threat to the friendship of the United States and the United Kingdom. This is what the London Times had to say in an editorial published in its issue of September 12, 1945:

> By any computation, the bargain is hard.

The editorial is discussing the proposed loan and the agreements incident to the loan.

> A labor amendment asks the House to refuse its consent to a dollar credit which disregards the principle of mutual aid on which the war effort was based, which must deprive this country of effective control over its own currency and trade, and under which the Nation will be committed to undertakings impossible of fulfillment.
>
> Sir Hubert Henderson even contends that the conditions attached to the loan are "calculated to insure default."

Sir Hubert Henderson says that the conditions of the loan are calculated to insure default.

> The proposed payment of over 35,000,000 pounds a year for half a century is frankly a concession to the "business principles" of the American Congress—and is no more likely to run its full course unaltered than the elaborate schedules of the Dawes and Young plans.

What is the London Times saying there? It is saying that the repayment feature of this loan is a concession to the—and it puts the word in quotation marks—"business principles" of the American Congress. In other words, they are laughing at us. They say that they threw these conditions in simply as a concession to us in order to have the agreement carried through, and that it "is no more likely to run its full course unaltered than the elaborate schedules of the Dawes and Young plans."

At least that statement is frank. The editorial states the case exactly as it is. Yet the Senate of the United States is swallowing the bait, the Senate of the United States is rising to the lure; it is about to grab the hook with the fly on it.

Mr. Mallory Browne, of the New York Times staff in London, in a dispatch to his paper, the New York Times, of December 16, 1945, has this to say:

> Not for many year, not since the British defaulted on the last war loan, and perhaps not even then, has there been so much resentment, such widespread bitterness against the United States as one finds expressed in Parliament, in the press, and by the general public in Britain today.

I just said that the most beautiful, lifelong friendships are often shipwrecked on the rocks of bitter quarrels over money matters. It looks as though Mr. Browne in his report to the American press on what he finds in England today bears out my statement.

Mr. President, I desire to read into the RECORD excerpts from speeches which I found in going through the debates which were held in the House of Commons on this question. The first excerpt I desire to read is from a statement made by Mr. Boothby, who represents Aberdeen and Kincardine, Eastern. Among other things Mr. Boothby had this to say:

> I conscientiously believe that this country is not, and will not be, in a position to discharge the obligation she is being invited to undertake by the Government.

Mr. Boothby says Britain will not be able to pay or discharge the obligation. That is his statement to the House of Commons. He continues:

> I have never believed that you can get out of debt by getting into more debt; and I do not think this is going to make our position any stronger.

He is referring to the loan and says he does not believe that the position of Great Britain will be made stronger by going deeper into debt. I am offering this evidence, Mr. President, to indicate that this loan proposal is not making for good friendship between the United States and the United Kingdom. I quote further from Mr. Boothby:

> I submit that the conditions put forward for our approval are far too onerous. It is

not untrue to say that comparable terms have never hitherto been imposed on a nation that has not been defeated in a war.

He calls them "onerous" terms.

To get through, and pay our debt, on the admission of the Government, we shall have to increase our exports by 75 percent; not 50 percent anymore, but 75 percent over prewar. It there ever was any chance of our achieving this aim, it has been removed by the conditions attached to the loan which is now being given us. Lord Baldwin has been much criticized for the 1923 debt settlement; but the terms he obtained then were princely in comparison with these terms. And our position was incomparably better then. But we were compelled to repudiate, as we shall be compelled to repudiate this time.

And, Mr. President, whenever they repudiate, what will be said in the United States about that repudiation?

I now want to quote from Mr. N. Smith in the House of Commons on the 12th day of December 1945. This is what he said on the question being debated:

The honorable member for East Aberdeen—

That is Mr. Boothby—

said we should certainly repudiate this loan. "Repudiate" is a very harsh word, and it is not a word that I like, but I do think I ought to point out that we shall inevitably default on the loan. Lest any honorable member think this is merely what might be called the opinion of an irresponsible back-bencher, let me invite the House to read the letter from Sir Hubert Henderson which appeared in The Times this morning, a letter to which that paper gave a pride of place. His very first sentence is this:

"The financial agreement with the United States is for a loan upon conditions which are calculated to insure default."

I read an excerpt from that editorial a moment ago.

That is not the view of an irresponsible Socialist back-bencher. That is in The Times newspaper. Of course, we shall never repay this loan for the same reason that we did not repay the war debt on World War I; and unless America will accept a surplus of goods from us, we cannot repay; and there is no evidence that she will accept a surplus of goods. Is it honest to accept a loan well knowing that you are never going to repay it? It may be smart business, but I submit in the long run that it will create such ill feeling between the two countries as will lead us bitterly to regret what we are being asked to do today.

Mr. N. Smith and I seem to agree on that point.

Captain Drayson, of Skipton, had this to say the 12th of December 1945, in discussing the loan:

I am sorry the Minister of Agriculture did not tell us these things himself. I am sorry he is not sitting in his place at the present time. During the week end he must have been most uneasy on this matter because, when speaking in the north of England, he referred to this loan as "a pawnbroker's loan." Is that the view of His Majesty's Government?

The Minister of Agriculture calls it a pawnbroker's loan. I join Captain Drayson in asking: Is that the view of His Majesty's Government?

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. ELLENDER. I wonder how he could classify it as a pawnbroker's loan. As I understand, very few pawnbrokers make any loans unless they are pretty well secured.

Mr. JOHNSON of Colorado. I thought of that myself. I do not believe that a pawnbroker would make that kind of a loan. I shall touch on that point later in my remarks.

Captain Drayson continued:

They have not called it so today. The honorable member for Doncaster (Mr. Walkden) called it a stern, harsh measure, and also referred to it as "a pawnbroker's loan." If these ideas were in the mind of the Minister of Agriculture when he used that term, I am led to believe that his reaction was that he would not be able to carry out the policy which he told us some days ago was the Government's plan. Is he going to welcome this loan and this motion on which we are to vote tomorrow?

Mr. Kendall, of Grantham stated in the House of Commons on the 12th of December, in speaking of America:

I used to live there. I went to school there, and I have paid frequent visits there since leaving that country a few years ago. I claim to know the people of America at least as well as my honorable friend does. The loan of 1,000,000,000 pounds is going to cost us our economic liberty and the development of our Empire. * * * I am sure that taking a loan from the United States of a thousand million pounds, with all the strings that are attached to it, will not help our relations with the ordinary people of that country. They will say that they had to come over and help us to win a second war, they will say they had to refinance us after the war, and in the end they will say we were not even able to repay that loan. We shall not be able to repay it in any circumstances whatever.

Mr. Kendall continues:

To sell out the markets of the Empire for a thousand million pounds is a preposterous idea. If only there were a free vote tonight, if only the honorable members on the labor benches and even Cabinet Ministers could vote as they pleased without doing down their Government, many of them would go into the lobby against this proposed loan. I wonder what the right honorable gentleman, the Minister of Health, would do if he were a free man tonight? He has done great service to the House and the country in the past. What would he do on this occasion? What would the Minister of Fuel and Power, and the Joint Undersecretary of State for Scotland, the honorable member for Gorbals [Mr. Buchanan], do if there were a free vote?

What would the parliamentary secretary to the board of trade, for whom I have great affection, do if there were a free vote? I think the answer is obvious. Do not sell out the Empire.

Mr. Kendall continues:

The Chancelor of the Exchequer—I think it was he—quoted one example about business over here, and mentioned the machine-tool trade. I know something of that. He said we should need to import machine tools from America to reestablish our industries.

We hear that argument in this country. It is said that we are going to sell machine tools. But this is what the British say:

The president of the board of trade and his parliamentary secretary know that in this country today there are some hundreds of thousands of machine tools in either Government factories or storage. If they were let loose on today's British market it would ruin the machine-tool manufacturers of England for a long time to come, and perhaps for all time. And the Government talk about importing more American machine tools. We are perfectly capable of making machine tools here for ourselves providing—and I say this to the Chancelor of the Exchequer—that we throw away EPT altogether—the 60 percent—to stimulate the industry and get more labor back into industry. Just those two things, nothing else.

Mr. Davies, from Westhoughton, on the 12th day of December 1945, among other things, had this to say:

In spite of all that, I regard the terms of the loan as very hard. I could not understand how it came about that these two great nations, who pooled their gunpowder, navies, armies, and air forces, and also pooled 500,000,000 pounds in the discovery of the atomic bomb, could not, after pooling all these discoveries and inventions of destruction, pool their food supplies as well.

That is the first time I knew that Great Britain contributed to the atomic bomb experiment. I understood that we had made an appropriation of more than $2,000,000,000 and that we obtained from Great Britain and Canada valuable assistance of a technical nature, but I did not know that they put up all that money.

If honorable members would realize how low we have sunk in our home situation in relation to footwear, utensils, and furniture, they only need to live in America for a month or two, and see the difference.

Mr. Davies was very strong for the loan. The quotations which I am reading into the RECORD are from men of all parties. They are talking very frankly in their own House of Commons. Many of them are for the loan. Some of them are against it. But I am taking them just as they come, and trying to show their own feelings in the matter. I am trying to establish the argument that this loan would make for unfriendly relations between the two countries.

My next witness in the House of Commons is Squadron Leader Hollis. This is what he had to say:

But, with that one reservation, I yield to no man in my desire for Anglo-American cooperation and friendship. I do not suppose there are many honorable members in this House who have had more American friends and who have traveled more widely in America than I have. But when the Chancelor said today that if we had turned down this loan that would have been the end of another chance of Anglo-American cooperation and friendship, I venture to think he was saying exactly the opposite of the truth. I think this will be the most dangerous enemy to Anglo-American friendship there ever has been.

On the next page the same gentleman continued his remarks. He was discussing an excerpt from an editorial in World Economy from the United States Department of Commerce. I quote a portion of the editorial:

Based on the experience of the entire interwar period, strongly reenforced by events toward the end of that period, it is clear that whatever may be the other requirements, stability and economic relations generally, and in foreign exchange rates in particular, cannot be assured solely or chiefly through

technical financial arrangements, but must be firmly based on a vigorous and regular functioning of domestic economy.

Then he said:

It is not that it is undesirable, it says it is impossible. That is what the Americans ask us today—something that is impossible. I, therefore, call on honorable members to oppose this motion—

That was the motion for the passage of the loan agreement—

for I say in all sincerity, that if it should be passed, I have a great fear that it will prove to be nothing less than a suicide pact between the last two great free nations of the world.

Mr. President, this loan agreement, in the view of that member of the House of Commons, is a suicide pact.

Now I wish to quote from the remarks of one of the lady members of the House of Commons, Miss Lee. I wish Members of the Senate to listen to what she had to say about the American administration which is offering this loan agreement to Great Britain:

The honorable member obviously has a different interpretation, but there are different interpretations in this House, and grave trouble is going to be caused, because when the nations begin to interpret those measures there will be different interpretations in America and in Great Britain. I have a basic lack of confidence in the present American administration, and I believe that along with American anti-Semitism and anti-trade unionism and all the rest there will be an anti-British feeling. A government which has no rational economic solution to its difficulties has to do what Hitler did; it has to look for scapegoats. I want our real friends in America—the real progressives in America—to get after their reactionary government and to point out to them that they are at least a generation, if not 100 years behind the times, that this settlement is neither in their interest nor ours, and those of us in this House of Commons who are most deeply distressed about it are distressed not for old-fashioned Tory imperialist reasons but because we want to see real international friendship and real pacts of mutual advantage to Great Britain and America. It is folly to assume that any of those things lie in this present agreement.

I wish Mr. Vinson and Mr. Clayton might have the benefit of what Miss Lee had to say on this subject. If they did, I presume they would not have so much confidence that this loan will make for undying friendship between the United Kingdom and the United States.

Mr. President, all the statements which I have read, except that of Miss Lee, were made on December 12, 1945. Miss Lee's statement was made on December 13.

Now, I wish to read what Mr. Alfred Edwards, of Middlesborough, East, had to say:

They have repudiated the spirit of lend-lease. I go so far as to say that the greatest cause of the cost incurred in this war was American procrastination. That is true and I do not say it in an offensive manner. In two wars that has happened. They—

The Americans—

cannot get over the fact that the great cost and the greatest dangers have been due to the procrastination of America. As we continued absolutely alone for a year in holding the fort, is it asking too much that they should continue lend-lease for a brief period after we have finished the fighting?

Think of that, Mr. President: "after we have finished the fighting."

I read further:

I think not, and I should not be afraid to say that to America. That is what the Americans call "talking turkey," being plain and not misunderstanding one another. Have our negotiators really put it quite so plainly as that?

This is not mutual aid. It is not going to procure full employment. Why? Let us put this plain question to America. For 5 years we are to receive all these materials free of cost—in effect. Six years from now we have to begin to repay America. At the end of the fifth year we should say to America, "Will you kindly let us have a schedule * * * of the goods you require to be offered next year in repayment." But then there is this document, according to which we are not allowed to do that. It is the one thing that is objected to. Are the American people then going to have an important surplus? Have we asked them that? Can anyone in this House, knowing the history of America and knowing the Americans at this moment, really believe that they are going to say to themselves and to the world at the end of 6 years, "We will reverse all our policy and have an import surplus"? It is no good our fooling ourselves. No other way can be evolved. Why do not we tell them this? Do they know it? They do not know it.

When I read the testimony before the Banking and Currency Committee of our labor leaders and our farm organization representatives, I wondered whether they really understood that the only way this debt can be repaid is by the acceptance of importations of British goods. There is no other way. When that time of importation comes, where will they be and where will they stand? I think I know. They will say, "We cannot afford to let these goods come in, because it will mean bread out of the mouths of American workingmen." That is what they should be saying at the time when the making of the loan is being considered.

I continue to read from the speech Mr. Edwards made in the House of Commons:

I want to say, finally, to our American friends, and the word I shall use may be unparliamentary, Mr. Speaker, "This agreement is pediculous."

I have not yet looked up that word, but I am sure it is at least "pediculous"—

That is all I have to say to the Americans on this particular agreement. They are hitting people when they are down. It is like two survivors on a raft, and the physically strong is pushing off the raft the physically weak. I hope they will think again, realize what has been done for them, and see if they cannot give the quid pro quo, which I do not see in these agreements.

Our next witness is Mr. Stokes, who spoke as follows on December 13, 1945, in the House of Commons.

I come to the loan. As other members have said, it is a dishonest thing to enter into a loan which one knows one cannot repay. I know we cannot pay this back because the whole American approach is wrong. The only way in which this loan can be paid back is by America taking goods in exchange. Not only that; America has to become a surplus importer of goods, a surplus which must equal her overseas loans and interests. That is not a proper approach. The American thinks of the world as a glorious place in which he can dump all his surplus production to his best advantage and to the advantage of the rest of the world that can pay for them. He has not realized that the only fundamental safeguard, the only way the system will work in the end is by an exchange of goods for goods.

I wonder if the leaders of the pressure groups understand that statement. I fear they do not.

I now come to a third distinguished gentleman, namely, Mr. Churchill himself.

Everyone is aware of the many objections to the agreement which is now before us. The Government have in no way concealed their disappointment.

That is, Mr. President, the Labor Party, the administration of England, is not trying to conceal their disappointment. Mr. Churchill, representing the Tory group, is now speaking.

They tell us that they have not been able to procure easier terms, and I think I shall say that we wholeheartedly share their disappointment. Not only is there disappointment, there is deep misgivings as to what the consequences will be and also our ability, however hard we try, to discharge successfully the obligations now to be imposed upon us.

Obligations to be imposed upon them. I hope that Senators will understand that language.

For these reasons, upon which it would be easy to expatiate, we on this side of the House—

Mr. Churchill is speaking of the Tory side—

refuse altogether to accept any responsibility for this set of transactions. We recognize that it is the duty of the Government to decide. In international matters it is always our desire to associate ourselves, so far as possible, with them. I very much regret that we cannot do so on this occasion. The task falls to me, as leader of the conservative party, to give advise to my honorable friends as to what our conduct should be in this present bleak and difficult situation.

Mr. Churchill says that it is a bleak and difficult situation. He refers to the acceptance of a loan of nearly $4,000,000,000 from the United States.

It would be a great pity and would weaken us for our future tasks, which are heavy, if we all voted in different lobbies on a question of this kind.

Here someone shouted "Why?" And Mr. Churchill continued:

My honorable friend asks "why." I would have thought that even the simplest processes of ratiocination would have enabled him to supply the answer to that. We therefore thought it better and wiser to abstain as a body—

Then the honorable members in a loud chorus shouted "Why, why?" And Mr. Churchill continued:

We thought it wiser to abstain as a body, and that is the course we intended to pursue.

The Secretary of State for Foreign Affairs, Mr. Bevin, interrupted to ask:

How can you pursue it when you are sitting still?

Mr. CHURCHILL. We are discussing the movements of the mind, and not the much bulky shiftings of the human body. This course is thoroughly justifiable in an opposition whose vote cannot, in any case, decide the issue. There is no reason at all why we

should share the responsibility of the Government. The responsibility lies wholly upon them, and they have the power to discharge it. Whatever we did with our votes in this House, we could not affect the position.

There was then an interruption, and Mr. Churchill said:

I am not asking for any advice from below the gangway on the opposite side of the House as to what I should say by way of guidance to my own supporters.

Later Mr. Churchill said:

Whatever may be said to the contrary, our relations with the United States have definitely become more distant and more difficult since the establishment.

There were some shouts of "No." Mr. Churchill continued—

Honorable members surely want to hear the case deployed. Otherwise the great gifts of the Foreign Secretary will not have full scope in answering them.

Later Mr. Churchill said:

Whatever may be said to the contrary, our relations have deteriorated. Both the great parties in the United States are wedded to the principle of free enterprise, and are opposed to the collectivist and totalitarian conceptions which underlie and animate socialist policy.

Mr. Bevin, Secretary of State for Foreign Affairs, said during the course of his address:

I do not know anybody who ever came away from a money lender's office—

The Treasury of the United States is a money lender's office—

and calculated the repayment who ever felt comfortable.

There are many other statements which were made in the House of Commons and which I should read. I wish to read an excerpt from a statement made by Lord Atrinchan as reported in the Hansard Parliamentary Debates of the House of Lords, and set forth in volume 138, No. 40, of Monday, December 17, 1945:

I fear, therefore, that these obligations may be the cause of grave misunderstanding in the future, and that the people of the United States should understand this, which is absolutely fundamental to these agreements. They do not understand that the conditions attaching to our acceptance of this line of credit—the only conditions on which we can pay for the credit if we take it up—involves a complete transformation and, indeed, a transfiguration of the American economic system if they are not to compel default. The Foreign Secretary in another place said very truly that what this is going to depend upon is not an argument as to whether or not the customs have been sufficiently reduced. It is going to be answered by the practical, the concrete, unavoidable test of whether our goods are actually going into the United States. The whole thing turns on that. I honestly wish I could feel that the American public understood that.

Lord Atrinchan further said:

I am convinced that both His Majesty's Government and the Government of the United States will before long find reconsideration of these agreements imperative as the situation develops. Fortunately, as the noble lord (Lord Balfour of Burleigh) and others have pointed out, there is full provision for that in clause 12 of the financial agreement which Lord Balfour of Burleigh read out.

Lord Croft interrupted and said:

What is the heavy lasting grudge of the United States against this old country in spite of the reasons for great, real, and lasting friendship? It is that we who, at least at that time—the War of Independence—where the sovereign power interfered with the fiscal liberty of British colonists in America. But this today is the Boston Tea Party in reverse and an interference with the freedom of our country to manage its own affairs, an interference that I regard as unparalleled in the history of the world.

It is a Boston Tea Party, Mr. President, which is being held in the House of Lords in London, England, in protestation against the proposed loan. We know something about the Boston Tea Party and its effects. Even yet they have not altogether worn out. A Boston Tea Party is, apparently, now being held in the House of Lords and in the House of Commons.

The most regrettable feature of the transaction is the long life of this irritating loan. Each year for 50 years when the payments fall due, shouts of "Uncle Skinflint Shylock" and "double-crossing defaulter" will echo and reecho across the Atlantic. Payments, if they are made, will be made out of the sweat and the toil of the underprivileged British working classes, and they will resent it and they will say so.

A banker who has spent a lifetime in the credit business related the other day that in his long experience he had never yet made a loan on a friendship basis which did not produce lifelong enemies. On the other hand, he said, the loans made on a sound business basis never ended in misunderstandings. Mr. President, there should be no sentiment involved in a loan. Our free and easy money-lending policies which followed World War I made us the most hated people on this planet. The burned child usually fears the fire. But, without profiting from bitter experiences, we again deliberately invite all of the nations of the world to hate us. Because of our good intentions, the first mistake should be pardoned. This time we are flying in the face of history, and there is no excuse for it. Promoting disrespect and hate in the world is not worthy of a nation of intelligent and enlightened people. To grant this loan would not move us in the direction of a brave, new, peaceful world.

Britain became mighty through expanding her commerce and exploiting weaker peoples, practicing trade discriminations, creating trade barriers, developing trade restrictions, arbitrarily imposing quotas and embargoes, and by granting preferential trade privileges whenever and wherever it was in her interest to do so. Through political, economic, and military power she has attained her objectives. Her government has been an investor and silent partner in business enterprises all over the world. She has been a wise trader, ruthless and determined. When it was necessary to go to war to protect her life lines she went to war. But World War II has wrought tremendous changes everywhere; and Great Britain, along with all the rest of us, is caught in a world-wide revolution of ideals and methods. Nations which do not adjust to the changed conditions are inviting want and misery to sit at the tables of their unfortunate citizens.

No one knows so well as the merchants and the bankers and the politicians of the tight little island that the jig is up, and that in a free world a continuance of her privileged trade practices will only destroy her and force her vast commercial empire to disintegrate. They know, too, that permanent world peace is essential to her existence. Henceforth wars to promote commerce will sink her, and the balance of the world, deeper in the mire of despair.

World War II completely eliminated the trading capacity of Germany, Italy, and Japan—Britain's toughest prewar competitors; but it gave her two new competitors, who, through mass-productions techniques, generously supported by raw materials, manpower, unlimited capital, and know-how, are certain to destroy her position as the leader of world commerce. The United Kingdom, with her limited supply of raw materials, manpower, and manufacturing facilities has small chance against the mass-production competition of the United States and Russia. She must adjust herself to these new conditions, and the United States Congress must not expect her to do the impossible.

Mr. President, I wish to quote again from the debate in the House of Commons, this time from Mr. Eccles. This is what he said, referring to England:

I see this country, a small country * * * standing between the revived imperialism of Russia and the commercial aggression of America. There is nothing surprising in that. In our time we have been actively imperialist and aggressively commercial. But the lesson of these documents is that our very best friends in the world today are young, ambitious, and strictly realistic, and if we want to maintain our position between them—it is enormously to the advantage to the peace and the prosperity of the world that we should—we, too, must be ambitious and realistic, and we must temper our dreams of perfection and universal brotherhood to the winds that come from the west as well as those that come from the east. I have made my suggestion, and I sum up my whole argument in this way. We must have the loan, for very serious reasons it is inevitable. Then we can go on and have Bretton Woods, which is all right when the fair financial weather comes; but having done that, I think we ought to place the united experience of this country, which in these commercial matters is far greater than that of any other country in the world at the disposal of American and Russia, and show them just how they can and should contribute to a real multilateral trading system as much as we have been asked to contribute in these one-sided and obscure proposals.

Mr. President, I think Mr. Eccles has made a very important statement, that the whole matter of world commerce should be worked out around the table before we start making loans and agreements which will be binding and upsetting, and will be a severe handicap whenever we get around to the point of working out multilateral trading.

To save their political hides, the statesman of the present labor government are searching diligently for a temporary escape from the impact of the frightfully changed conditions of the new world in which they find themselves.

They have just come into power in England, they are having a difficult time, and they are trying to find a way out. We cannot blame them for that. One cannot blame politicians for looking after their own fences. That is how they remain in office. The politician is the world's foremost optimist. He believes that every blind alley eventually winds up at the entrance to the palace.

Originally they sought a gift from us of five or six billion dollars. Our State Department countered by offering them a $4,000,000,000 loan instead. They accepted reluctantly, because they knew it would not solve their problem. They had no other choice. They calculated correctly that such a loan would carry them at least 5 years, and that is about as far ahead as any politician figures.

In the opinion of many financial experts here and abroad, however, the United Kingdom will require an additional $4,000,000,000 loan every 5 years, if conditions do not grow worse. British officials do not admit publicly now the need for additional periodical loans, and neither does our State Department; but as certain as the sun will rise in the east tomorrow, such loans will be as urgently needed every 5 years as the present loan is today, if the British trading empire is to be saved.

I said a moment ago that I wanted to make the record clear, and I do want to make it clear, because, just as certainly as that we are sitting in this Chamber today, 5 years from now there will be another loan application, another loan agreement, before the Congress. Incidentally, I call attention to the fact that the present proposed loan does not draw interest, nor do repayments start for a period of 5 years.

If the Congress of the United States is laboring under the delusion that the present pending loan of $3,750,000,000 will make England well, it is not being realistic. The politicians in the administration and in Congress are only passing the buck for a 5-year interval. What a shameful way to measure up to their responsibilities. The patient requires a major operation and not a little salve rubbed on his chest and they know it. A quack has no conscience and this solution is unadulterated quackery. There is no escape from these recurring loans once we start making them if we really mean to establish multilateral trading. Unless we face the issue squarely and courageously now, and do what is required to solve Britain's current economic dilemma on a permanent and sound basis, we are pouring the taxpayers' money down a rat hole as the Senator from Louisiana [Mr. ELLENDER] said a few days ago.

Why Americans picture themselves as shrewd Yankee traders I do not know. The rest of the world considers Americans a soft touch. Nevertheless, the State Department developed what they deemed a very clever trade. They canceled the World War I debts at least by implication, wiped off the balance due us on lend-lease, including $700,000,000 worth of valuable surplus civilian goods, many billions of war equipment of lesser value, for an I O U of $650,000,000, and they granted the United Kingdom a 50-year loan of $3,750,000,000 at a very low fluctuating and undetermined rate of interest. The United Kingdom had already agreed in the Bretton Woods compact to abolish the sterling-area system of trade and currency restrictions within 5 years. Now, under the terms of the proposed loan they agree amid an avalanche of "ifs" to do this 1 year after the loan is consummated. Winston Churchill says 15 months. I think 15 months is the correct time. The virtue of 1 year over a 5-year period is not apparent. Frankly there is no advantage to us in this over-emphasized, over-advertised, projected reduction in time for the elimination of trade restrictions. As a matter of fact there is no provision to eliminate the existing sterling bloc in the agreement, as I shall show in a moment or two.

I want to read into the RECORD some of the provisions of the Bretton Woods agreements, in which it was agreed to eliminate the sterling bloc within 5 years. I read section 3 of article VIII, which deals with the general obligations of members. Section 3 reads as follows:

> No member shall engage in, or permit any of its fiscal agencies referred to in article V, section 1, to engage in, any discriminatory currency arrangements or multiple currency practices except as authorized under this agreement or approved by the fund. If such arrangements and practices are engaged in at the date when this agreement enters into force the member concerned shall consult with the fund as to their progressive removal unless they are maintained or imposed under article XIV, section 2, in which case the provisions of section 4 of that article shall apply.

Now let us see what section 2 of article XIV provides. Section 2 reads as follows:

> In the postwar transitional period members may, notwithstanding the provisions of any articles of this agreement, maintain and adapt to changing circumstances (and, in the case of members whose territories have been occupied by the enemy, introduce where necessary) restrictions on payments and transfers for current international transactions. Members shall, however, have continuous regard in their foreign exchange policies to the purposes of the fund; and, as soon as conditions permit, they shall take all possible measures to develop such commercial and financial arrangements with other members as will facilitate international payments and the maintenance of exchange stability. In particular, members shall withdraw restrictions maintained or imposed under this section as soon as they are satisfied that they will be able, in the absence of such restrictions, to settle their balance of payments in a manner which will not unduly encumber their access to the sources of the fund.

Section 4 of the same article relating to the transitional period makes this provision:

> ACTION OF THE FUND RELATING TO RESTRICTIONS
>
> Not later than 3 years after the date on which the fund begins operations and in each year thereafer, the fund shall report on the restrictions still in force under section 2 of this article. Five years after the date on which the fund begins operations, and in each year thereafter, any member still retaining any restrictions inconsistent with article VIII, sections 2, 3, or 4, shall consult the fund as to their further intention. The fund may, if it deems such action necessary in exceptional circumstances, make representations to any member that conditions are favorable for the withdrawal of any particular restriction, or for the general abandonment of restrictions, inconsistent with the provisions of any other articles of this agreement. The member shall be given a suitable time to reply to such representations. If the fund finds that the member persists in maintaining restrictions which are inconsistent with the purposes of the fund, the member shall be subject to article XV, section 2 (a).

That is the Bretton Woods agreement. The United States of America signed it. The United Kingdom signed it. It is the law of the land. It is an international agreement which has already been accepted, and the whole plan for working out the restrictions is laid in the language which I have read.

The proponents of the pending measure are basing their arguments on the alleged fact that the loan agreement we are now considering speeds up this whole matter to 1 year. Of course, it does not do anything of the kind. If Senators will read the agreement very carefully they will discover in it some provisions which may startle them . It does not speed it up at all. It is surrounded by "ifs" of all kinds. There is no apparent advantage, so far as I have been able to see, in the provisions of the loan agreement as compared with the provisions of the Bretton Woods agreement.

In the loan agreement there is one peculiar thing to which I want to call attention—and I shall discuss it a little later—which contradicts all the arguments that are being made on behalf of the loan agreement and the lifting of restrictions.

Since the proponents of the British loan in America are resting their whole case on the quick elimination of the sterling bloc, that aspect of the matter merits careful study and analysis. A great deal of hocus-pocus is being indulged with respect to the sterling area and the sterling bloc. During the war, when goods and services disappeared from the market places and there was no competition of any kind, at home or abroad, the sterling bloc and its dollar pool were 100 percent effective. They were a war measure pure and simple, and so considered by everyone. To believe that such drastic practices can exist in a competitive world and that they can operate satisfactorily to claimants during peacetime is being absolutely unrealistic. Lord Keynes in his report to the House of Lords on December 17, 1944, frankly admitted that the United Kingdom was giving away nothing by its agreements with respect to the elimination of the sterling bloc. If the United States desired to do so and were willing to fight fire with fire it could knock the sterling bloc and its dollar pool into a cocked hat before sundown.

But we do not need to take action. We do not need to start a trade war. These arbitrary blocs would fall of their own weight, except for one thing, and that is that under this agreement we are not eliminating them, but are giving them approval. The United States is assuming responsibility for their continuance.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Does the Senator from Colorado yield to the Senator from Indiana?

Mr. JOHNSON of Colorado. I yield.

Mr. WILLIS. Last Friday the Senator from Colorado read into the RECORD a statement appearing on page 7 of the pamphlet entitled "Financial Agreement With the United Kingdom," in which the following appears:

> The United Kingdom agrees: 1. To eliminate within 1 year the sterling area dollar pool restricting the use of dollars and other currencies received by member nations.

I am informed through Mr. E. F. Thompkins, of the editorial staff of the New York Journal-American, that while the pending joint resolution has been under debate in the Senate, England has negotiated new monetary agreements with all her western European allies except France, and with Switzerland, Denmark, Sweden, and Czechoslovakia. The Swiss deal was closed only a few days ago. The terms are that England and the other countries will accept payments in each other's currencies, but that no balances will be used to obtain dollar exchange except with the consent of the Bank of England. This would seem to ignore pledges under the Bretton Woods agreements and the Anglo-American loan agreement, which has recently been ratified by Parliament, and would continue the sterling area under a new guise.

This would indicate either that the United Kingdom does not anticipate the ratification of this agreement, or that she is going ahead to maintain the sterling bloc in spite of the agreement.

Mr. JOHNSON of Colorado. The truth of the matter is that Great Britain has prosecuted a policy of bilateral agreements. She signed the Bretton Woods agreements, and yet, as the Senator has indicated from the telegram he has just read, she has been negotiating with the countries of western Europe and with other countries. She is even negotiating with Russia, but she has already negotiated with six of the countries of western Europe, and has made bilateral agreements with them, even though the Bretton Woods agreements provide for multilateral agreements.

A moment ago I indicated that instead of freeing anything, the pending agreement contains this paragraph, which I hope Senators will understand, study, and ponder. In section 7 headed "Sterling area exchange agreements," we find this language:

> The Government of the United Kingdom will complete arrangements as early as practicable and in any case not later than 1 year after the effective date of this agreement, unless in exceptional cases a later date is agreed upon after consultation—

That is agreements as to restrictions. Then we find the following language in parentheses—

> (apart from any receipts arising out of military expenditure by the Government of the United Kingdom prior to December 31, 1948, to the extent to which they are treated by agreement with the countries concerned on the same basis as the balances accumulated during the war).

That language means that the sterling bloc currencies amounting at the present time to $14,000,000,000, and which soon will increase to $18,000,000,000, are to be locked up, are to be closed, are to be put in cold storage until December 31, 1948, and it is going to be done by agreement with the United States of America. What will happen to them after that I do not know; but all the countries that now have their claims pending in the Bank of England for balances due them by this agreement which the Congress of the United States is entering into with the United Kingdom are going to find that their accounts are frozen until December 31, 1948. That is what we are getting into. What are the countries in the sterling bloc going to think of us? I understand very well, as I think other Senators do, that the smart bankers in England will say, "What could we do? We were helpless. This is one of the conditions of the loan. We had to have a loan, and one of the conditions is that your claims must be frozen until December 31, 1948."

We are not freezing anything. We are putting the blocked currency in cold storage. That is a very important phase of this loan which must not escape any student of the loan.

The United Kingdom can agree to eliminate the sterling restrictions within 1 year under our pressure; but when that object is achieved on paper it will amount only to a paper elimination. The claims will still exist. So long as the sterling claims remain unliquidated preferential trading within the sterling area must continue, since trading is the only method whereby such claims may be satisfied. We are fighting a symbol, and blindly ignoring the fundamental issue. We say, in generalities, that we are freeing trade, and that we are working for multilateral trade when, as a matter of fact, what we are doing is freezing the currency of the sterling area until December 31, 1948, so that it cannot enter into trade. We shall be blamed for it.

The real problem before the world and before the Senate is the liquidation of the sterling claims. The only certain way by which the sterling area and its trade restrictions can be eliminated is through the liquidation of the sterling commitments. We are not solving anything by putting these claims in cold storage. We are not solving anything when one of the provisions of the loan makes it impossible, at least until December 31, 1948, for the sterling area claims to be liquidated or have any payments made on them.

The blocked sterling currencies will shortly approximate $14,000,000,000, and they will continue to grow unless and until they are liquidated. By December 31, 1948, they are expected to amount to $18,000,000,000. Forever they must plague trading unless a way is found to eliminate them. The current blocked sterling balances are owned primarily by the central banks of countries within the sterling area, and these balances are deposited chiefly with the Bank of England. They were created by importations of goods into Great Britain during the war, such as the purchase of the entire cotton crop of Egypt and the entire wool clips of Australia and New Zealand; also through expenditures by the British armed forces in various countries of the sterling area.

Let me say to our friends in the Cotton Belt that at the present time the United Kingdom owns $1,000,000,000 worth of cotton in storage in Egypt. It is in her name. She has title to it. It is there in storage, to be shipped to Britain as she needs it, and it is paid for by the claims which we are freezing until December 31, 1948. I may add that she has half a billion dollars' worth of wool in storage, which she bought from Australia with the frozen credits. But she is entitled to it. She can sell it for cash if she desires to do so. What are Australia and Egypt going to say about Uncle Sam? They will probably not have much to say to him, but they will have something to say about him when they try to get some money on that cotton and wool, and are told by the bankers of the United Kingdom, "We cannot pay you anything. The United States Treasury insisted that your claims be frozen, so you cannot get any money."

How are they going to feel toward us? I know how they are going to feel, and so do other Senators. Why we are dipping into that kind of a situation I do not know. Of course, it is true that during the war, when the claims were first frozen, it was a war measure. The United States agreed to the dollar pool and agreed to the freezing of the currencies. It was not for us to agree, but we had no objections for the reason that we had no goods that we could ship in exchange for the dollars which the sterling area had accumulated. We were engaged in a war, fighting to the death, and we needed all the food, munitions, supplies, and materials we could manufacture and get together to fight the war. So we were glad enough not to have those dollars belonging to the sterling area come into our markets and siphon off any of our goods.

The United Kingdom avoided external debts during the war by depositing sterling credits in the Bank of England for the goods and services of the sterling area countries which were given to her. The goods went into British warehouses and the sterling commitments into British banks. The United Kingdom can not continue as a sterling banker in such a one-sided deal. One nation can impose a bad bargain during a war, but it takes two to make a good bargain that will stand up during peace. England knows that just as well as we do. She cannot carry on business on that kind of a basis; but if she can get us to assume responsibility for such an obnoxious arrangement during peacetime, she is smart enough to take advantage of us.

The American proponents of the proposed loan speak eloquently of the value to world trade to be found in substituting multilateral trade agreements for the restricted operations of the sterling bloc. What they say is true; but a $4,000,000,000 loan to the United Kingdom can not release $14,000,000,000 worth of commitments belonging to the whole sterling area. An honorable and straightfor-

ward method of liquidating sterling area credits should be undertaken. That should be our objective if we are honestly trying to establish multilateral trade in the world. Why we should try to shift these credits is not clear. The sterling area was created originally to injure our trade. It has been operated to our detriment; and now we are asked to rescue it from certain failure or to assume responsibility for its permanent imposition. We are very foolish if we bail it out without some sort of understanding; and we are very foolish if we assume the responsibility for keeping these claims in storage.

It is true that the imported raw materials which the United Kingdom would purchase with our dollars constitute but 25 percent of the value of finished goods which she would supply to her creditors in the sterling bloc. Unfortunately, however, England must import practically all her foodstuffs, too; and so she literally eats up all the margin between the relatively low value of her imports and the higher value of her exports, with no opportunity to liquidate the claims held against her by the other members of the sterling bloc unless someone furnishes the raw material free and supports her while she creates finished goods with which she can settle her present family debts. We have been selected to furnish the raw materials free.

My complaint is that we refuse to face the facts involved in this whole transaction. Apparently our effort is directed toward deceiving ourselves. In addition to earning a living out of her factories for her citizens Britain feels compelled to maintain a huge navy and army, at a tremendous outlay of cash.

I recall, as I know most other Senators recall, the very able speech made by the Senator from Maryland [Mr. TYDINGS] with respect to rearmament the world over. During the current year Britain is spending the following amounts on rearmament: For her navy £250,000,000, for her army £682,000,000, for her air force £256,000,000, for her supply and aircraft production £474,000,000, or a total of £1,667,000,000. When we reduce that to dollars, it is approximately $4,500,000,000. That is the amount which she is spending on rearmament at the present time. Of course, we know that some of that expense is necessary; but again I say that the world ought to follow the advice of the Senator from Maryland. In his plea for a world disarmament program he pleaded that the United States get behind a world-wide program and see what we can do about the terrible expense of rearmament. No doubt Britain is in bad shape. She cannot afford to spend $4,500,000,000 on a rearmament program. Neither can the other countries of the world.

Mr. President, I wish to quote from the eloquent address which the Senator from Maryland [Mr. TYDINGS] delivered on the 28th day of January in this body. It created a sensation throughout this country and throughout the world. But not enough has been done about it. Something should be done about it, and something should be done about it before we begin to make loans. The cart should not come before the horse. We are making a terrible mistake. This loan proposal is premature in many respects. It should follow other arrangements which should first be made.

I now quote from the speech made by the Senator from Maryland:

> It will be recalled that following World War I, mostly between the years 1920 and 1930, the people of America bought $14,000,000,000 worth of foreign bonds. With this borrowed money, foreign governments were able to mantain great armaments, as it released funds that would not otherwise have been available for such purposes.
>
> To illustrate, in 1927 Japan borrowed $300,000,000 from our people and in the same year spent $200,000,000 on her total national-defense program.

We loaned Japan the money.

> Thus, we furnished Japan with $100,000,000 more than the cost of her entire national defense program in that year. Other examples are readily available in many cases.
>
> There is now pending before this body a loan to the British of $4,400,000,000. This loan is likely to be followed by requests for similar treatment from Russia, France, China, and other nations. There is no restriction, direct or implied, in these proposals that such borrowed money shall not be used for armaments. Such a proposal would be difficult to carry out, for even if such money were not used directly for armaments it could be used indirectly for that purpose.
>
> Thus it seems apparent that if these loans are granted, the borrowed money will assist foreign nations in maintaining their gigantic armaments with the hard-won dollars of the American people. Thus, it will relatively weaken the ability of our Government and people to defend themselves should war strike us again.
>
> These circumstances, Mr. President, are in the main the cause of my remarks today.

Mr. President, the Senator from Maryland continued, and said that he would not be willing to vote for a loan until some sort of arrangements had been made about repayment.

On top of her great problem of supplying her military needs of the present time, the United Kingdom has a huge social benefit program and a veterans' care problem which would almost sink any treasury. I think we can scarcely visualize the size of Britain's problems unless we take a good look at our own problems in those respects. We have a social benefit program and a veterans' care problem which are going to make this very rich Nation plenty of trouble in the years to come.

Mr. President, a moment ago I referred to the frozen and unpaid sterling balances. Those frozen and unpaid balances constitute claims on British production, and as such they become a powerful stimulus for British exports, if and when they are freed. Sterling area sellers must take British goods to collect their claims. But the United Kingdom cannot afford to sell her goods for a cancellation of war claims. She must sell for cash. Everyone realizes that she is merely the manufacturing middleman. If Britain had free raw materials or the money to procure raw materials, she would have no problem, and neither would the owners of the claims. But she has neither free raw materials nor the unlimited buying power to acquire them, and that is where the shoe pinches. In my opinion the sterling area will receive no relief regardless of whether we make the loan. But if the loan is not made, it certainly will be the members of the sterling area who will hold the sack of the loan, and I agree with them that this is the sterling area's opportunity to gain the benefits of multilateral trading, even if their claims remain forever frozen. If they ever are going to bail out and ever are going to get this matter straightened out, it should be done before this loan is made. This is the time when the United States and the United Kingdom and the whole sterling area should be at work trying to find a solution of the frozen assets. But an American loan, if properly supported and supplemented, could and would bail out the whole sterling area. That should be our objective. If we are interested in multilateral loans, we should be at work trying to figure out some plan or some scheme for doing that.

Mr. President, I wish to emphasize the importance of the amount of the loan in connection with the size of the task we are undertaking. My contention is that Britain cannot liquidate her sterling commitments, consisting of upward of $14,000,000,000 with a $4,000,000,000 loan. It will require not less than $14,000,000,000 to do this job, whether it be done on a piecemeal basis or otherwise. The question is, Are we ready to commit ourselves to a loan program of such dimensions? To undertake a tremendous task on an insufficient scale is penny wise and dollar foolish. Anything worth doing at all is worth doing well. Either we should hurl our whole might into solving Britain's sterling problem or we should remain aloof and let it resolve itself naturally. No one can do a fourteen billion job with $4,000,000,000. The proposed token loan of $4,000,000,000 is nothing more than a start in eliminating the sterling area's blocked currencies. Rather, this loan will perpetuate the bloc, as I have already indicated. Once the camel's nose of such a loan policy is in our tent, it will be merely a case of the United States throwing good money after bad. Always we shall have the bugaboo of the sterling area haunting us. In my opinion we never can establish a system of multilateral trading in the world until we solve this sterling area problem.

The sterling area was originally a loosely organized currency bloc consisting of governments which abandoned the gold standard in 1931. Originally it included Bolivia and Japan. At present it consists of the British Empire, its mandates, protectorates, and dominions, except Canada and Newfoundland. It also includes Eire, Iceland, and Iraq. During the year bilateral financial trade and currency arrangements have been made by the British with Belgium, Sweden, France, Turkey, Denmark, the Netherlands, and several South American countries. That is a matter to which the Senator from Indiana [Mr. WILLIS] referred a moment ago. Canada, in another type of bilateral agreement, has agreed to lend the United Kingdom a billion and

a quarter dollars, with the significant stipulation that all proceeds of the loan be spent in Canada. These last-named nations are not actually in the sterling area or sterling bloc. By treaty arrangement they would profit through a back-door association with the sterling area group. British statesmen, in vigorously pushing such bilateral agreements, are not displaying much confidence in the Bretton Woods agreements which were created to do this very thing on a world-wide multilateral basis.

In my opinion the present British bilateral agreements border on sharp practice and bad faith. The United Kingdom entered into the Bretton Woods agreements and signed them, and the very object of those agreements is to work out such problems on a multilateral basis. Yet even while signing the Bretton Woods agreements, they went ahead and prosecuted those arrangements with the countries of western Europe and with South American countries.

We should not make a loan to strengthen this vicious sterling area system without making some hard-boiled reservations of our own. I do not mean by that that we should make reservations to freeze the currency. Instead of freezing it, our efforts should be in the other direction. We should be trying to free it. Before the United States undertakes to bail out the whole sterling area, a conference should be held with all countries composing it and with the countries which recently have made bilateral agreements with the sterling area. They should be told plainly that they themselves must make a worthwhile credit contribution to help us wipe out this unfriendly institution to unrestricted world trade before we make the loan. Certainly it is to their enlightened self-interest to put their commerce on a free basis and to protect their own investments. If we do not make the proposed loan to the United Kingdom, their claims can never be paid. We should demand that they scale down those claims and forgive a sizable portion of their commitments before asking us to come to their rescue. For the United States Treasury to undertake this task alone is not only stupid, it is sabotaging our own magnificent effort to establish a multilateral trading system the world over.

Canada has proved that she is willing to help. The other component parts of the British Empire should do the same. The proposed loan to Great Britain is a bilateral concept. We must place our credits, as well as our trade, on a multilateral basis. To do otherwise is not only inconsistent but it is foolhardy. It seems to me, Mr. President, that is a mistake we are making. We are attempting to place trading on a multilateral basis, and then continue with credits on a bilateral basis. There is nothing consistent in that kind of a policy, and there is nothing constructive about it. It can only end in disaster. The two should and must go together.

I refer now to a discussion on that point which took place in the House of Commons. I read what Mr. Churchill had to say on the 13th day of December 1945:

> Here I must digress for a moment upon a matter which I have not heard mentioned, but which should certainly be taken into consideration. Many honorable members have said the American terms are severe; they are even harsh upon a debtor who has reduced himself to his unfortunate plight by his faithful, unstinted exertions in the common cause. But these considerations apply to other creditors, as well as the United States. We are told we owe £1,200,000,000 sterling to the Government of India and £400,000,000 sterling to the Government of Egypt. No proposal has come from either of those countries similar to the great measure of lend-lease. Everything has been charged against us, without the slightest recognition of the common cause. In the case of Egypt, she would have been ravaged and pillaged by the Italian and German armies, and would have suffered all the horrors and indignities of invasion and subjugation had it not been that we had defended her with our life's blood and our strong right arm. We are now told that we owe her £400,000,000 sterling. Is there to be no reconsideration of that? Are we not entitled to say, "Here is our countercharge which we set forth for having defended you from the worst of horrors?"
>
> My colleagues in the late coalition know quite well that this is no new idea of mine. The same arguments apply to the Government of India. I especially reserved this matter in the Cabinet in 1942, when I saw with disquietude these immense debts mounting against us night after night. I sympathize with the United States line of argument in connection with the loan. They did not wish to be the only creditor of Britain who had to scale down his wartime credits and balances. I welcome the perfectly clear implication of these agreements—that it would be right and proper for Great Britain to insist upon a proper scaling down of these war charges, and that it is unreasonable for the Americans to be expected to pay large sums of money across the exchange, not with the object of getting Britain on her feet again as a going concern, which is a prime United States interest, but of enabling Britain to pay off other creditors against whom Britain has a far higher moral claim for easy treatment than she had against the United States. This, however, is all a matter which lies within our own hands, and I do not pursue it further in this debate.

Mr. President, I wish to God that Winston Churchill were a member of this body. In the House of Commons he makes a plea for us. We do not have sense enough and courage enough to go to Great Britain and tell her that we want this whole problem surveyed, and all of it corrected at one time, and that we will do our part. Winston Churchill, in his eloquent and forceful way, makes a powerful plea for us and for the entire world. I hope that we may listen to what he has said.

I now read another excerpt along the same line. This time it is Mr. Stokes who is speaking. This statement was made on the same day, namely, December 13, 1945. Mr. Stokes said:

> The second is, Would it not be possible to arrange a loan in exchange for British credit for raw materials to be supplied from the British Commonwealth to America at some future date?

I recall that the Senator from Louisiana [Mr. ELLENDER] raised the same question on the floor of the Senate a few days ago. He asked the Senator from Arkansas [Mr. FULBRIGHT] the very same question which Mr. Stokes asked.

Mr. Stokes continued:

> They consume lots of tin and rubber.

He was referring to the consumption of tin and rubber by America:

> Why it is not possible to arrange a loan to tide us over our immediate difficulty against goods which could be supplied from these areas at a later date? Has that been asked or considered, and if so, what was the result?
>
> Third, has any effort been made to get what I call a collective-sterling group to approach the Americans with the view to getting a collective arrangement? Have the Dominions been consulted? It would seem to me that if the whole of the sterling group went as a body and said, "What sort of arrangements can be made?" we should have got a much more satisfactory arrangement than is the case now.

Mr. President, I am sure that a solution would have been worked out. The problem is the blocked sterling credits of $14,000,000,000 which will soon amount to $18,000,000,000. In this agreement we are leaving them hanging, and are freezing them until the 31st day of December 1948. We do not face the problem. We postpone it. We are asked to grant this loan to England, and in the same breath we are being asked to require that the sterling currencies be frozen and kept in cold storage until 2 years from now. That is what I am complaining about. I cannot see any logic in such a procedure. It is illogical. It is inconsistent, and it does not get us anywhere. It is not a sensible procedure.

The other day I noticed in the press that our own Henry Wallace had made a statement something along the same line with reference to a multilateral approach to problems instead of a bilateral approach or a unilateral approach which we are now attempting in this matter. The statement to which I referred was dated April 28, 1946, and was carried by a United Press dispatch from Boston. It reads as follows:

> Secretary of Commerce Wallace urged today that the Big Three pool their resources to raise the standard of living in the Near and Far East instead of considering how to exploit those regions.
>
> Speaking before the Massachusetts Independent Voters' Association, Wallace said that the first step in the proposed joint action of the United States, Britain, and Russia would be to have the British come clean. The British, he said, "are skilled in world affairs if they would only stop worrying about empire."
>
> Wallace advocated a Jordan River Valley authority, modeled after the Tennessee Valley Authority, and available to Jews and Arabs alike. He also suggested an international loaning agency—

That is the point I wished to emphasize—

> to channel private funds on a self-liquidating basis for the production of power and for flood control.
>
> Cooperative action in the Near East and Far East, he said, would be successful only if all the nations involved would join in forgetting their political rivalries. He declared that only a temporary change in Amer-

ican eating habits could defeat starvation abroad.

The headline of the statement read, "British selfish, says Wallace." I do not agree with it. I think the headline should read, "America is foolish." She is not trying to work out the problems of the world on a collective basis. We should let others join with us. The sterling credits are the same as our lend-lease. We forgave, according to Britain, a $15,000,000,000 balance of lend-lease. I think it is a little more than that, but it is at least that much, according to the British themselves. We wiped it completely off our books. Yet, Mr. President, nothing has been sacrificed concerning the sterling bloc, and nothing has been scaled down. The claims are maintained complete, and we evade them by putting them in cold storage.

Mr. ELLENDER. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. ELLENDER. I listened with a great deal of interest to the statement against the British, attributed to my good friend Henry Wallace. Is it not a fact that Mr. Wallace is strongly in favor of the loan and is advocating it throughout the country?

Mr. JOHNSON of Colorado. I presume he is. I do not know that, but Mr. Wallace makes a statement that something should be done by a collective approach.

Mr. ELLENDER. Does it not seem inconsistent for him to be advocating the loan and then taking a shot, as it were, against the British, as he did in the article from which the Senator just read?

Mr. JOHNSON of Colorado. Yes; of course, it is inconsistent. It is inconsistent for Senators to stand on the Senate floor and claim they are friends of Great Britain and that they are advocating the loan because they are friends of Great Britain. I think I have read enough in the way of excerpts from the press of London, and from the statements of members of the House of Commons, to show that the loan is not being received on a friendly basis in England.

Mr. McCLELLAN. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I am glad to yield to the Senator from Arkansas.

Mr. McCLELLAN. The Senator spoke about Secretary Wallace suggesting that we should undertake to solve the problems of international credit and rehabilitation, and the like, by collective arrangements and negotiations. I thought when we were passing Bretton Woods and establishing the International Bank and the International Monetary Fund, we were undertaking then to do that in the manner suggested by Secretary Wallace. Now we find it is said that even then it was contemplated that that would not meet the situation, that this Government would be expected—and we are now pursuing the expectation—to grant individual loans to different countries.

Mr. JOHNSON of Colorado. At the time the Bretton Woods agreements were before the Senate it was my understanding that we were going to approach the world-credit problem on a multilateral basis, that that was what the fund was for, and that that was what the International Bank would do. That was the proposal, that was the understanding. We heard nothing about this loan at the time the Bretton Woods agreements were before us. We thought we were finding a solution; and I considered it to be the right solution. I notice that some Britishers say that the fund is misnamed, that it should be also called a bank, and of course it should. But the fund and the bank were set up especially to work out international credits on a multilateral basis. That was the whole argument, and it was a good argument, a sound argument. I supported Bretton Woods, and I wish to continue to support the idea that is back of Bretton Woods. If the pending proposal were one to put more money into the International Bank and more money into the fund, I should not be here opposing it.

Mr. McCLELLAN. In other words, if that was the mechanism we all agreed upon, and which we understood at the time was to be set up by the nations which joined in the fund and in the International Bank, if we thought that was the right system to pursue at that time, it is still the best solution. If the funds required to do the job are not adequate as provided in the original measure, then we should expand those institutions, because they do have the authority, as I see it, to do much of what the British claim they want to do with the money obtained under the loan.

Mr. JOHNSON of Colorado. Of course. At least we should give the International Bank an opportunity to operate. It is set up internationally, somewhat along the plan of the RFC in this country. The RFC, contrary to some of the statements which have been made on the floor since the debate started, has loosened credit, and made credit available to businesses in the United States on such a scale as never was envisioned by any man, and it has done it with very little capital outlay. It simply guaranteed loans, the loans were made privately, and the money is repaid without very much loss, and with some profit. Although the RFC is not organized for profit, it has had no losses. It has saved countless railroads and big businesses and small businesses throughout the country by extending credit when credit was needed, on terms which could be handled by industry. All the loans are going to be paid back, and the RFC has put up very few dollars.

The International Bank is organized on the same basis. It is going to have guaranteeing capacity of approximately $10,000,000,000. Of course, that can be extended. We do not want to start out with too big an idea, but the idea can be expanded, more capital can be found for the Bank, and its guaranteeing capacity can be increased until it can do the job which should be done.

Mr. President, it is a foolhardy arrangement we are getting into. Even before the Bank starts into operation, inside the orbit in which the Bank is supposed to operate application is made for a bilateral loan.

Mr. ELLENDER. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. ELLENDER. Is it not true that the same arguments advanced for the passage of the Bretton Woods proposals by the Senate are made for the loan? I am wondering why there should be such propaganda from our own Government. I have been in the Senate now 10 years, and it is very, very seldom that there is placed on our desks what we call propaganda on any pending measure. However, I find on my desk this morning a pamplet entitled "We Quote," issued by the Committee on International Economic Policy in Cooperation with the Carnegie Endowment for International Peace. The pamphlet is addressed to all Members of this body, and on the envelope appears the following:

THIS IS OF INTEREST TO MEMBERS OF CONGRESS

It contains press editorials, special articles, views of churchmen, views of labor leaders, views of public-opinion spokesmen from your section of the country on the British loan agreement.

I cannot understand why there should be so much propaganda issued in regard to this matter.

Mr. JOHNSTON of South Carolina. Mr. President, has the Senator from Louisiana read the pamphlet?

Mr. ELLENDER. I have not had time to read it through.

Mr. JOHNSTON of South Carolina. Does the Senator find anything in the pamphlet which gives him any light against the loan?

Mr. ELLENDER. No; I am sure there is not anything, because it is all for the loan.

Mr. JOHNSON of Colorado. I thank the Senators for calling the matter to the attention of the Senate. So far as I am concerned, I want all the light I can get, I want all the information I can receive, from whatever source it may come. I am not at all afraid of being corrupted by propaganda, and while I have a pretty good-sized wastebasket and throw much material into it day by day, I do occasionally find in the chaff some wheat is very valuable to me.

I have never been afraid of lobbyists. In my experience in the State Legislature in Colorado and here in the Congress of the United States, I have always received a great deal of information from people called lobbyists, because sometimes they are very well-informed on certain points. We do not have to believe everything they tell us, as we do not have to believe everything that is in this pamphlet.

I notice that the committee, which issued the pamphlet, is incorporated, and that the board of directors consists of such men as Mr. Aldrich, the chairman, and many other bankers. Then there is a special committee, consisting of the heads of pressure groups in the United States.

I asked the Department of Commerce this morning how much money the people of this country had invested abroad, and I was told the amount was in excess of $10,000,000,000, private investments,

private loans made by the banks of this country to industries abroad. That may disclose, to some extent, at least, the interest of some of the bankers in the pending question. They have loans abroad which they would like to be able to liquidate in time. They want to make them good. They are very anxious that this loan be approved and ratified for that reason.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. I merely wanted to suggest that the only prominent editorial I have seen against the loan—and there appear many editorials in the pamphlet—has already been discussed at great length on the floor of the Senate. It is the one written by Jesse Jones, and published in the Houston Chronicle.

Further, I think it is not quite fair to say that the only people on this list are heads of pressure groups. John W. Davis is not the head of a pressure group, nor is the chairman of the board of directors of the General Electric Co. the head of a pressure group. I do not think Mr. Paul G. Hoffman could be considered the head of a pressure group.

Mr. JOHNSON of Colorado. I did not refer to all those named as heads of pressure groups. I referred to the special committee.

Mr. FULBRIGHT. Mr. Reed is on that committee. The president of the League of Women Voters is on the committee. I do not think it is proper to describe it as a pressure group. They have activities other than those connected with legislation or this particular legislation. This legislation is not important to them. It is not of profit to the League of Women Voters whether this measure is passed or not. I do not think it quite fair to describe them as forming a pressure group. Eric Johnston is president of the American Chamber of Commerce. Perhaps that is a pressure group. But I think it is generally accepted as a respectable organization. I do not think it fair to class William Green as a member of such a group.

The other day a pamphlet quite similar to this, prepared by Mr. Trevor, of the American Coalition, was widely distributed over the Senate Chamber, and, as I remember, the Senator from Louisiana did not complain.

Mr. ELLENDER. It was not placed on the seats of Senators by pages of the Senate, as this blue pamphlet was.

Mr. FULBRIGHT. It was placed on the desks of Senators. I do not know whether it was placed there by Senate pages or not. I do not see that there is any distinction between whether a Senator places a pamphlet on the desks or whether pages place the pamphlet on the desks.

Mr. ELLENDER. I did not see the pamphlet to which the Senator refers.

Mr. FULBRIGHT. That pamphlet was on every desk in the Senate Chamber. I saw it on the desks of Senators. If a pamphlet favorable to one side was placed on the desks of Senators I think it perfectly proper that a pamphlet in favor of the other side should be distributed. If we want to eliminate them all, that is another matter. I am not so sure that I would object to eliminating all such pamphlets. But I see no reason to criticize some literature in favor of the loan when there has already been placed on the desks of Senators a pamphlet against the loan. The fact that the number against the loan is very limited is simply a reflection of the widespread support of the loan.

Mr. JOHNSON of Colorado. Mr. President, I thank the Senator for his expression of opinion. I still think that many of these organizations are pressure organizations. I did not mean the term in any offensive way. I meant it in a descriptive way.

Returning to the suggestion of the Senator from Louisiana with regard to what we might be able to obtain in the way of a contribution towards multilateral credits from some of the component parts of the British Empire, I have a clipping from a Denver mining periodical in regard to the ore which is being produced in South Africa, and I should like to place it in the RECORD at this point. I shall not impose on the time of the Senate to read that news story into the RECORD, but it is important, and the British Government itself has an interest in the gold-mining industry of South Africa.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOUTH AFRICA GOLD STRIKE HAS STIMULATED MINING—ORE WORTH $2,170 PER TON IN METAL IN NEW PROPERTY—GOLD MINING SHARES MAKING SENSATIONAL ADVANCES AS RESULT OF STRIKE

JOHANNESBURG, SOUTH AFRICA.—A wild gold rush and feverish speculative buying is sweeping South Africa with the reported rediscovered secret of a fabulous strike in northwestern Orange Free State.

The gold fever was fanned to epidemic proportions by announcement by Western Holdings, Ltd., a mining firm, of deposits yielding 62.6 ounces of gold per ton of ore in early tests—about $2,170 a ton. The usual yield here is a quarter ounce per ton.

Buying orders from the United States for Orange Free State gold shares were one of the features of the Johannesburg Stock Exchange activity yesterday. "They must be dreaming over there of the California gold rush," one broker commented.

For years the secret had been locked in the graves of two forgotten prospectors who were said to have found a rich deposit near the surface close to the little village of Odendaals-Rust.

SCRAMBLE IS ON

Speculators rushed to the area near Odendaals-Rust, while in this capital business was virtually at a standstill as many joined a mad scramble to buy property in the neighborhood of the strike.

(On the London Stock Exchange, Johannesburg gold-mining shares soared to record highs. In the first hour of trading the market valuation of securities of the seven leading South African companies jumped by $50,000,000. Gold mining has been stimulated over the entire world by the big boom in gold shares on the London Stock Exchange.)

The area near the village is filled with people milling about in search for property in scenes reminiscent of the wild days of California, the Klondike, and Cripple Creek.

FROM $20 TO $4,800

Farmers who once had difficulty scraping a bare living from the unproductive soil now are gathering option money running into millions of pounds. The streets of the little village are crowded with people offering $4,800 or more for tiny plots which once would have sold for $20.

Fortunes were being made and lost in a matter of minutes as prices fluctuated wildly. In Johannesburg, clerks, typists, merchants, and brokers joined the rush, and there was scarcely a person to be found without a story of good or bad luck. Prices steadied somewhat during the day, but the floor of the exchange was jammed.

The two prospectors who made the discovery years ago died without disclosing the exact location.

When big mining companies came into the field, they sank bore holes over a wide area. But thus far the only strike was the one reported Wednesday.

TEN MINES SEEN

Preliminary observations indicated the new field might accommodate 10 mines. But completion of shafts will require years of development. Railways are busy with surveys to link the village with the nearest line, 30 miles away. Power lines must be built to Vereeniging, 120 miles distant. Water must be piped at least 50 miles.

The strike recalled the rich Witwatersrand vein, now running out. It was discovered in 1886 and by 1936 had produced 1,200 tons of gold, worth $4,800,000,000.

Mr. JOHNSON of Colorado. I should now like to call the attention of Senators to an article which I found in The Index, which is published quarterly by the New York Trust Co., of 100 Broadway, New York. The article deals with the blocked sterling balances. It goes into their origin and their operation:

BLOCKED STERLING BALANCES—PART I: THEIR ORIGIN AND OPERATION

One of the difficult international problems—

According to this article—

arising out of the war for which a solution is now being actively sought is that of dealing with the blocked sterling balances of Great Britain. The negotiations for a loan from the United States to Great Britain recently completed in Washington centered around these balances. As the result of the negotiations, it has been announced that a proposal will be placed before Congress for a $3,750,000,000 line of credit with an additional $650,000,000 to close out Britain's lend-lease account.

This is found in the winter issue of the Index.

This and other factors make the solution of the sterling balances problem of great interest to the United States, since it vitally affects the economic and commercial relationships of this country not only to the United Kingdom but with the other countries of the sterling area. Its bearing upon the postwar foreign trade of the United States will influence our domestic economy.

According to this story.

Finally, without a solution of this problem the general stabilization of exchange rates, removal of exchange controls, and the establishment of world trade on a multilateral basis would be difficult if not almost impossible of achievement.

Those are the objectives. All of us, I know, must agree that it would be a splendid thing for world trading, a splendid thing for the future peace of the

world, if some solution might be found for the blocked sterling balances. If anyone should pick up this periodical and read it he would jump to the conclusion, as I did when I first read it, that the agreement we have before us would provide a solution to the blocked sterling currencies. I thought that is what this was all about at first, until I began to look into it. In the same periodical, in the very back of it, something else may be found. Senators have seen insurance contracts with large type on the face, the part the company wants one to read, and then the part they do not want one to read is put in fine type in some obscure place.

In the back of this publication, The Index, I find this statement, which I have already read into the RECORD, but I am going to read it again because it is all-important. This is in section 7 of the financial agreement between the Governments of the United States and the United Kingdom. This is in fine print. Everything is taken care of except the very thing that needs taking care of. They worked out all the sterling problems except the only problem that the sterling area has, and the only problem that the world has, in connection with that problem. Here is the exception; here is the thing that the agreement does not do; here is the fine print:

Apart from any receipts arising out of military expenditure by the Government of the United Kingdom prior to December 31, 1948, to the extent to which they are treated by agreement with the countries concerned on the same basis as the balances accumulated during the war.

That is the proviso which puts blocked currencies in cold storage until December 31, 1948. That is the problem we wanted solved; it is the problem that needs to be solved; but it is the problem which is not solved—merely postponed.

I ask that the remainder of part I of the article in The Index be placed in the RECORD. It is very comprehensive, outside of the misleading conclusions that one is apt to acquire in reading it hastily that the agreement does solve the blocked sterling balances. It furnishes a table of "Sterling Balances and Offsetting Sterling Debts by Owning Countries," and the debts of the United Kingdom to the nonsterling area are all listed. It goes on to describe how these debts were acquired, and for what purposes.

There being no objection, the remainder of part I of the article was ordered to be printed in the RECORD, as follows:

This article will attempt to explain briefly the origin of the blocked sterling balances, the history and operation of the sterling controls, some of the proposals made to deal with the balances, and to relate these matters to our own situation in the United States.

ORIGIN OF THE BALANCES

The blocked sterling balances, according to the best available estimates, amount at present to about $14,000,000,000. To this should be added another $4,000,000,000 representing the probable accumulation, during the transition period of reconstruction, of debits in Great Britain's balance of payments. As a partial offset to this total of some $18,000,000,000, it is estimated that Great Britain has acquired balances in this country of approximately $2,200,000,000 through the operations of the so-called "dollar pool."

While they grew out of the war, the sterling balances are not, in the strict sense of the term, war debts. They are inter-bank balances arising out of commercial and foreign exchange transactions. To acquire needed dollar resources, goods and services, the British gave sterling credits in the Bank of England to the central banks of the countries owning the balances which paid out their own local currencies to obtain the foreign exchange, goods or services, or accumulated foreign exchange in other ways, such as by exports. These balances are now blocked, being payable only in sterling or British production, and are not freely interchangeable into other currencies. Since Britain does not have the gold, foreign exchange, or exports to settle the balances at present without disturbing her economy, potential purchasing power which might be used to buy goods in foreign trade is not now available to the countries owning the balances.

In 1939, when Great Britain realized that the Empire could not supply the materials needed to prosecute the war and maintain her civilian economy and that these would have to be purchased from the United States, the only country from which such materials could be obtained in requisite volume, it became apparent that British dollar resources would have to be conserved and used most effectively.

To accomplish this Britain required the members of the Empire to credit to London all dollars acquired, in return for which London was obligated to supply from the dollar pool so formed the dollars needed to buy all materials that could not be furnished within the sterling area. The dominions, with the exception of Canada and the satellite countries, such as Egypt, accepted the same provisions.

The plan not only concentrated in London all dollar resources but all trade by the sterling area with the United States. From the time it became effective, all purchases by sterling-area countries were contingent upon definite proof that the materials could not be furnished within the sterling area, that they were essential to maintaining the civilian economy and that no satisfactory substitutes were available.

Freedom of trade between the sterling area and the United States, thereby denied, has not been restored as these restrictions are still in operation.

OPERATION OF STERLING CONTROLS

A corollary effect of this war move by England to control dollar resources was to cause international balances of the independent countries in which England made large purchases to tend to be carried in sterling. Since she could not afford to give up either gold or dollars to pay for the purchases, England induced these countries to take sterling in payment. In the regions where it was necessary for the United Kingdom to maintain armies, local currencies were obtained for the purpose by having the central banks of the countries issue local currencies against sterling at a fixed rate. As a result, the support of the currencies in many of these countries today is sterling. Since sterling is only a claim upon British production, except as London decides to release gold or dollars against it, the trade of these countries will tend to be with Great Britain as long as the sterling controls remain in effect.

Even after lend-lease started, there was no relaxation of the sterling controls, which varied greatly in their impact upon the various countries. For example, countries such as Egypt, with an unfavorable dollar balance in most years, can now get more dollars from the pool in London than would normally be acquired through trade. On the other hand, countries like Palestine, which obtains through exports, remittances, and advances more dollars than London permits her to spend, must restrict imports from the United States in favor of those from England. For all the countries, however, England in the long run determines how many dollars can be used in supplying their needs which cannot be met within the sterling area, thus reducing the possibilities for the United States to increase our trade with them.

* * * * *

CHARACTERISTICS OF THE BALANCES

The current blocked sterling balances are owned primarily by central banks of countries within the sterling area, are deposited chiefly with the Bank of England, and in many instances constitute part of the currency reserves of the owning countries. Estimates of these balances and the outstanding sterling debts of the owning countries which may be considered offsets are listed below:

Sterling balances and offsetting sterling debts by owning countries

[In millions of pounds]

	Sterling balances	Outstanding sterling debt	
		Government	Provincial or corporation
Sterling area:			
India	1,240	----	7
Australia	250	281	82
Eire	230	22	----
New Zealand	62	115	4
South Africa	46	5	16
Egypt	340	----	----
Malaya	90	4	----
Palestine	80	3	----
West Africa	35	65	----
East Africa	25		----
Iraq	65	----	----
Iceland	11	----	----
Other currency boards	38	----	----
Total	2,512	----	----
Nonsterling area:			
Canada	186	----	19
Argentina	110	10	12
Brazil	45	93	21
Portugal	52	6	----
Uruguay	10	25	----
Iran	14	----	----
Greece	43	29	----
Norway	65	3	----
Belgium	20	11	----
France	40	----	----
Total	585	----	----
Grand total	3,097	672	161

The balances were created chiefly by:

1. Imports into Great Britain paid for in sterling, largely government buying of commodities.

2. British purchase of goods and commodities in sterling in overseas markets, such as the purchases of the entire cotton crop of Egypt and the entire wool clips of Australia and New Zealand.

3. Acquisition of United States dollars and other useful foreign currencies by the Bank of England, arising out of exports from sterling area countries other than Great Britain to the United States and other countries outside the sterling area.

4. Acquisition of dollars from the expenditure by United States servicemen in the sterling area other than Great Britain.

5. Expenditures by the British armed forces in countries in the sterling area outside Great Britain.

6. Acquisition of United States dollars resulting from remittances and advances to

sterling area countries other than Great Britain from countries outside the area.

In other words, aided tremendously by lend-lease, and profiting by her experience in World War I, Great Britain has avoided any really large external debts during this war by paying for required goods and services in sterling. In the process, sterling balances accumulated in England by extension of sterling credits to cover the goods and services paid for in local currencies by the owning countries and also to cover the acquisition of dollar resources from these countries.

British exports which reduce the balances actually represent savings by the British economy, since the balances, like those in British banks originating in the ordinary course of business, amount to claims on British production. The cost of the exports which settle these claims abroad consists largely of British labor, materials, power, and overhead, because the share of the imported raw materials in the export costs in most instances is relatively small. Even for cotton textiles the imported cotton is estimated to represent only 25 percent of the export prices. Consequently, Great Britain regards the balances as a potential stimulus for exports, and apparently has used them as assets in the negotiations for a loan from the United States.

The largest balances, owned by India, Eire, and Egypt, can be liquidated in ordinary trade only over a long period of years. India's balances, estimated at £1,240,000,000, are used in part as a currency reserve, providing the exchange resources for linking the rupee to the pound. Eire's balances, totaling £230,000,000, likewise comprise in part the country's currency reserve. The Australian balances of £250,000,000 and the New Zealand balances of £62,000,000 include wool bought by the British Government and awaiting resale, estimated to amount to £120,000,000. The Australian balances, which also constitue the country's currency reserve, are more than offset by sterling debts of £363,000,000. Egypt's balances, amounting to £340,000,000, include British purchases of cotton stocks currently being held in Egypt and are otherwise partially accounted for by the relatively large Allied military expenditures in Egypt.

ENGLAND'S NEED FOR IMPORTS

While lend-lease to England and the Empire decreased her immediate need for dollars, its effect upon her export trade increased England's need for dollar reserves, which have risen from about $200,000,000 at the beginning of lend-lease to about $2,000,000,000 at present. Under lend-lease England could get imports without going through the normal process of exporting goods to pay for them, and in this way she could concentrate her industry pretty largely upon the primary task of producing goods to meet war needs. As a result, England's export trade has decreased to about one-third of its prewar volume. Since England "must export to eat," a decline in exports results in a lower standard of living.

This situation helps to account for the protest that arose in England upon the cessation of lend-lease at the end of the war. When lend-lease ceased, no substitute was available for the portion of lend-lease goods, such as foodstuffs, previously devoted to meeting the needs of the civilian economy. No substitute will be available, in all likelihood, until reconversion has proceeded far enough to provide England with enough goods to maintain the standard of consumption at the prewar level. Consequently, the British standard of living, drastically lowered during the war, has not been materially raised by the coming of peace, nor is it likely to be raised without outside help for some time.

Thus, the whole problem of the sterling balances is closely linked to British import needs. Britain must import even a major portion of the raw materials required for the functioning of modern industry within the British Isles. In addition, she must import agricultural foodstuffs in large volume in order to live. Before the war Great Britain imported approximately two-thirds of her food requirements. Through intensive cultivation and curtailment of consumption during the war, she was able to produce about two-thirds of her food requirements. The wartime diet, however, is not expected to be satisfactory for long, nor can British agriculture compete successfully with producers of bulk commodities in other countries. Even in the field of dairying and meat raising, where considerable success was met during the war, large quantities of animal foodstuffs had to be imported.

In prewar years British imports tended to increase in proportion to advances in the national income. Britain spent 22 percent of net national income upon imports in 1937, as compared with about 5 percent in the United States. In 1929 the ratio in Great Britain was 28 percent and in 1913 it was 29 percent.

Britain's dependence upon imports is so great that even during the depression these tended to decline far less in volume than did her exports. At the lowest point of the depression, British imports were only about 11 percent below the 1929 level in volume, whereas her exports decreased by 36 percent.

These purchases were paid for by exports, overseas investments, and such services as shipping, insurance, and banking. In 1937 Britain's exports accounted for only 54 percent of her retained imports, with overseas investments paying for about 20 percent, shipping services 13 percent, and miscellaneous services for the remaining 13 percent. Normally, somewhere in the neighborhood of 40 percent of Britain's imports were paid for by investment and service income, so that these factors have an important bearing upon the British trade position. During the war, however, Britain sold some of her investment holdings in this country and elsewhere, thereby reducing her income in addition to the cut suffered by loss of exports.

Even before the war there were many indications of significant changes taking place in the British financial and economic position, and particularly in some of these fields. It had become clear, for example, that the once great opportunities for large-scale investment of British capital abroad were no longer open, at least for the time being, even though England's net income from overseas investments in 1938 amounted to £200,000,000. Shipping services, sensitive to fluctuations in world trade activity, decreased by about 50 percent between 1929 and 1933, while between 1933 and 1937 this source of income practically doubled—amounting in 1937 to about £130,000,000. The need, therefore, of a major reorganization of the basic exporting industries had become plain if Britain were to continue to carry on the volume of foreign trade upon which her existence as a major power depended. Technical improvements were made in these industries and a drive for markets begun. Some success attended these efforts but the war prevented definite evidence being returned that would show whether Great Britain is to continue to be a major competitor in foreign trade, especially in the freer foreign markets proposed in the Bretton Woods agreement.

BRITISH BALANCE OF PAYMENTS

At any rate, Great Britain is no longer a creditor nation, but a debtor, without either dollar or gold reserves sufficient to permit the sterling balances to be exchanged into dollars, francs, or any other currency. To settle the balances would require about $14,000,000,000, a sum larger than the total value of British merchandise exports for the 7 years preceding the outbreak of the war. In gold and dollar reserves Britain has only about one-fifth of that amount, if the highest estimates available are accepted as accurate.

PROPOSALS FOR HANDLING THE BALANCES

It has been reported that one of the considerations during the loan negotiations is that part of the loan be earmarked for the liquidation of part of the blocked sterling balances so that Britain may thereby induce the Commonwealth countries owning the balances to forgive at least part of the claims as a contribution to the war effort and for the additional reason that the balances were built up at inflated war prices. Should this arrangement be completed, the unblocked sterling would constitute purchasing power for United States products available to the Commonwealth countries.

One of the proposals discussed, it is reported, assumed that the United Kingdom will be able to prevail upon the Commonwealth countries to scale down their balances by one-third in return for the placing at their disposal of 10 percent of the balance in free exchange and funding of the remainder at long term—possibly for a period and under conditions similar to the arrangements with the United States. As yet no negotiations with the members of the sterling bloc have occurred.

Alternative suggestions are understood to include the purchase of sterling balances in London by the United States Treasury against dollars thus financing Britain's current needs, leaving the blocked sterling balances to be funded or arranged within the Empire; also the purchase by the United States Treasury, and other countries, or their nationals, from Britain's sterling creditors for dollars of long-term sterling bonds at a heavy discount.

Should the owning ccuntries refuse to write down their balances, alternative suggestions are said to include the following:

1. That governments of the countries owning the balances take over the claims and arrange with Britain for their funding and reduction over a long period at an interest rate low enough to permit the interest charges to be met with amortization from British production of goods and services.

2. That the new International Bank or Monetary Fund make dollars and other currencies available against the blocked balances, in return for which the British Government would agree to retire the balances over a long period out of goods and services.

3. That the British Government pronounce certain balances or parts of them inconvertible into other specific currencies and let them work themselves out over the years, so that Great Britain could enter the International Monetary Fund relieved of the problem of the balances, with the understanding that all current transactions and future balances would be freely convertible into all other currencies.

Mr. JOHNSON of Colorado. This is something I wish to call to the attention of those who are interested in king cotton. The Senator from South Carolina [Mr. JOHNSTON] I know is very much interested in this. The article says:

The Australian balances, which also constitute the country's currency reserve, are more than offset by sterling debts of £363,000,000. Egypt's balances, amounting to £340,000,000, include British purchases of cotton stocks currently being held in Egypt and are otherwise partially accounted for by the relatively large Allied military expenditure in Egypt.

That is, the United Kingdom which purchased the cotton of Egypt and had it in storage in Egypt, had paid for it with these claims which are deposited in the Bank of England. The cotton is in storage in Egypt, and the United Kingdom have title to it, and whenever they get read to use it they will have it shipped to them. The American cotton grower who expects to sell cotton to Great Britain should remember that Great Britain, or the United Kingdom, have an enormous supply of cotton now in Egypt that belongs to them, and it will be shipped to England whenever England is ready to use it.

Mr. FULBRIGHT. Does the article indicate how much it is?

Mr. JOHNSON of Colorado. No, it does not. It says the total is £340,000,000.

Mr. FULBRIGHT. Of cotton?

Mr. JOHNSON of Colorado. No; it says:

> include British purchases of cotton stocks currently being held in Egypt and are otherwise partially accounted for by the relatively large allied military expenditures in Egypt.

So the £340,000,000 represent not only the total cotton crop of Egypt, but also some military expenditures in Egypt. I think that is a matter which ought to be called to the attention of the cotton producers who are very much interested in this loan, because they think that it is going to help them sell cotton to Great Britain.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. Is it not true that we buy some Egyptian cotton? There is no secret about the British always having bought cotton in Egypt, but there are certain special types of Egyptian cotton which some of our mills have bought in the past. It is certainly nothing new. We have all known for years that the British have always bought cotton from Egypt and India.

Mr. JOHNSON of Colorado. The only thing new about it is that some of the cotton producers in the United States believe that as soon as the loan goes through they will have a great cotton market in the United Kingdom. The United Kingdom not only has cotton stored in Egypt, but it has large supplies of cotton in India as well. That cotton was taken on the same basis; and that is perfectly all right.

Mr. FULBRIGHT. My only point is that even when we sold a great deal of cotton to Great Britain 20 or 30 years ago, at that time she bought cotton from India and Egypt. There is nothing new about it.

Mr. JOHNSON of Colorado. There is nothing new about it except that it has not been considered in connection with this loan by some of those interested in cotton.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. JOHNSTON of South Carolina. Is it not true that on every pound of cotton which England buys from us we must pay her so many cents to get her to take it? We now pay a subsidy of 3 or 4 or 5 cents on every pound, to meet competition.

Mr. JOHNSON of Colorado. My understanding is that we do have to subsidize exports of cotton; and that brings up another point. My understanding of this agreement is that subsidies paid on exports of cotton from this country are prohibited. They are supposed to be trade discriminations, and we shall not be able to subsidize our exports of cotton under the agreement.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. I do not believe that to be true. I do not know of anything in the agreement that would prohibit subsidies.

Mr. JOHNSON of Colorado. If the Senator does not believe that paying subsidies on exports is discriminatory, then, of course, he does not agree with my statement.

Mr. FULBRIGHT. The agreement does not deal with tariffs. It involves no agreement with respect to tariffs or subsidies. Does the Senator agree with the Senator from South Carolina that we pay the British 4 cents a pound to take our cotton?

Mr. JOHNSON of Colorado. Whatever subsidy we pay on cotton which we export.

Mr. FULBRIGHT. Do we pay it to the British?

Mr. JOHNSON of Colorado. In effect, we pay it to whomever we export it to. We make it possible for them to buy our cotton. A subsidy is in reality a payment to a foreign nation. We sell cotton abroad for less than we sell it to our own people.

Mr. FULBRIGHT. I merely asked to whom we paid the subsidy. The Senator from South Carolina stated that we paid the British 4 cents a pound to take our cotton.

Mr. JOHNSON of Colorado. We pay it to whomever we ship it.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. JOHNSTON of South Carolina. The British would not buy our cotton if we did not pay 4 or 5 cents a pound on each pound they buy, would they?

Mr. JOHNSON of Colorado. No; they would not pay the American price.

Mr. JOHNSTON of South Carolina. So in principle, if we do not subsidize the exportation of cotton, the British will not buy any cotton. That is the point I am bringing out.

Mr. JOHNSON of Colorado. That is correct; and under the agreement which we are entering into we would be prohibited from doing that sort of thing, because that is a trade discrimination. It is a dumping of our goods.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BREWSTER. The other afternoon when this subject was discussed there were no cotton authorities in the Chamber, so I think we were rather at a loss to know how this agreement would operate with respect to cotton. I have been very much interested in finding out. Perhaps the Senator from Arkansas can explain to us how, under the theory of freedom of international trade, our practice can be distinguished from dumping.

Mr. JOHNSON of Colorado. I am sure that it is a form of dumping.

Mr. BREWSTER. I do not believe the Senator from Arkansas so regards it.

Mr. JOHNSON of Colorado. I am glad to yield to the Senator from Arkansas.

Mr. FULBRIGHT. It is my understanding that it is a form of dumping, a practice which we agreed to abandon in 1938; but we persisted in doing it. However, it is not my understanding that we pay the British anything to take the cotton. We reimburse our exporters to the extent of 4 cents a pound, I believe, and the British pay what is equivalent to the world price for the particular quality of cotton. But, if I remember correctly, we agreed not to do that.

Mr. BREWSTER. Then the Senator does not see any distinction in principle between that practice and the dumping which we agreed not to do?

Mr. FULBRIGHT. In practical effect I see very little difference. My only point is that this agreement does not change the practice which we have been following for the past 8 or 10 years. It does not change any tariff. It merely contemplates that if and when there is an economic conference—and I understand that one is anticipated for this summer—these questions may be discussed. It is contemplated that some agreement may be arrived at. There is nothing in this agreement to change tariffs in any way or to change the practices referred to.

Mr. BREWSTER. As I read the spirit of all these agreements they look toward what is called the freeing of trade from all hampering restrictions and unfair practices.

Mr. FULBRIGHT. Yes.

Mr. BREWSTER. Dumping has always been considered an unfair practice, has it not? Has not that been the theory?

Mr. FULBRIGHT. I believe that is correct.

Mr. BREWSTER. Mr. Will Clayton, Assistant Secretary of State, has repeatedly declared his firm opposition to that whole policy and theory, has he not?

Mr. FULBRIGHT. That is correct.

Mr. BREWSTER. Is it now in contemplation by those primarily concerned with cotton that they will follow Mr. Clayton's theories or continue the prevailing practice?

Mr. FULBRIGHT. That is a matter to be decided entirely apart from this particular loan. I do not know what will happen in that field. Generally speaking, I believe that most of those in the South—I would not undertake to speak for most of the people in the South—but I will say that some feel that the solution of the cotton problem is not in increasing or maintaining subsidies, but in lowering the cost of production, primarily through mechanization, so that we can compete on an economic basis over a long period. What will happen in the immediate future with respect to continuing a subsidy or increasing it I do

not know; nor does this loan agreement attempt to dictate. That is the only point which I make.

Mr. BREWSTER. Coming from the North, where we have been disciples of protection against the prevailing free-trade theory of other sections, I have been somewhat startled and concerned to find those who had always been desciples of freer trade sheltered behind an absolute quota, which is considered in all circles the very worst form of protection. I wonder whether or not the Senator from Arkansas, in his advocacy of these measures, subscribes to that philosophy?

Mr. FULBRIGHT. To quotas?

Mr. BREWSTER. Yes.

Mr. FULBRIGHT. No. I think the closer we can approach freer trade the better it will be for everyone concerned. I do not believe for a moment that we should tomorrow try to abolish all tariffs or restrictions. It is a very gradual process. But I believe that all of us would benefit by what I call a better opportunity to trade. There are many instances, some of them connected with national defense, in which we cannot abandon our present practices. There are a great many aspects to be considered in connection with each type of restriction which it is proposed that we abandon. Some industries require protection. I do not believe that the picture is all black or all white. I do not believe that the attitude of the Southerner must be that of absolutely no restrictions, or, on the other hand, complete self-sufficiency. The correct policy lies somewhere between those two extremes. The emphasis is on fewer restrictions. During the 1930's especially there was a very rapid return to the theory of selfsufficiency, and the idea of trying to barter only for specific articles. There was no freedom of trade. Everything was managed and protected, I believe primarily with the objective of self-sufficiency for the prosecution of war in that instance.

Mr. BREWSTER. The Senator speaks of the period of the 1930's. During that very period the United States was pursuing a policy of seeking to eliminate barriers, and was extending very generous concessions to other countries in an effort to achieve that end. Yet, as I understand the Senator from Arkansas, during all that period, restrictions, instead of being removed, were accentuated. Is that a fair appraisal?

Mr. FULBRIGHT. Particularly with regard to Germany. I do not believe that our reciprocal trade agreements had the slightest effect on Germany. She built up her bilateral barter agreements with most of the countries of eastern Europe, and with some in South America. Of course, Russia was not involved in that operation. So the area of application of the reciprocal trade agreements was relatively small. Within the area where we were able to make that policy work at all, it did make some progress; but that was not a very large area. The agreement before us seeks to enlarge the area in which there will be permitted some free opportunity of trading, particularly by private individuals.

Mr. BREWSTER. In which direction would the Senator from Arkansas think we were moving to the extent we adopted State trading?

Mr. FULBRIGHT. I disapprove of State trading. I think that is a move in the wrong direction.

Mr. BREWSTER. While we are considering this agreement our most important single customer wipes out the private purchase of cotton, which is the most important single item of our exports. How does the Senator reconcile that with his theory?

Mr. FULBRIGHT. She did not wipe it out. She merely extended the system pursued during the war.

Mr. BREWSTER. I understand that that was a war measure.

Mr. FULBRIGHT. Whether or not she will continue that policy indefinitely, I do not know. I believe that that is a sample of what will take place to a greater and greater extent if agreements along the line of the agreement before us are not made.

Mr. BREWSTER. How does the Senator appraise the significance of the British Labor Government having announced this policy while this loan was pending? Is it an indication that if they had adopted it after the loan were completed, it might have been considered bad faith on their part? They have apprised us that this is the policy which prevails at present, and we must assume that it may continue. We cannot complain if it does continue. If we approve the loan and they continue the State purchase of cotton, certainly we will have done it with our eyes completely open. Is that a fair statement?

Mr. FULBRIGHT. We certainly would, as to cotton.

Mr. BREWSTER. With this principle established with respect to the most important single item of our exports to Great Britain, is there any reason why the British could not extend the same policy to other segments of their economy without any violation of good faith toward us if, in the course of time, it should be necessary in the protection of their interests?

Mr. FULBRIGHT. The purpose of the loan, of course, is to avoid the necessity for her doing so. She has not received the loan. The conditions under which she is operating today are very stringent and very severe. Of course, I cannot guarantee, and no one else can guarantee, what she will do in other areas of business. I can only refer to the fact that she reached her greatest period of prosperity under free trade, and has always been an advocate, relatively speaking, of free trade—that is, freer than any other great trading nation. That was the basis of her prosperity. I believe that everything indicates that, so far as it is at all possible, she will pursue that policy in the future. But there is no absolute assurance that any of these things will come about. I do not pretend absolutely to assure the Senator that this plan will solve the problem. I only say that, as between the two alternatives, we would at least give free trade an opportunity in this way. I refer to freedom of opportunity to individuals and private interests to trade. Under the other plan I do not believe that there would be any opportunity. It is a gamble; and I am not here to guarantee anything. I do not believe that that is the spirit of any of the proponents of this measure. It is simply a choice between some very difficult alternatives—not only in this field, but in our own domestic-labor field. I believe that this plan involves the least risk.

Mr. BREWSTER. How would the Senator appraise the significance if 1, 2, or 3 months after this loan were completed—assuming that it were completed—Britain had then adopted the policy which she has now announced, of State trading so far as cotton is concerned? Would he consider that a somewhat questionable procedure?

Mr. FULBRIGHT. It would depend entirely upon an examination of the merits of why she had to do it. I do not know why she thought she had to do it. The Senator from Maine is examining me on something I do not know about. I do not know why she had to do it, at this particular time. But the purposes of this particular loan would not be advanced by adding further restrictions.

Britain specifically agrees to remove certain of the restrictions within 1 year. The agreement mentions that step, but not the one the Senator from Maine has mentioned.

Mr. BREWSTER. Mr. President, I think the Senator from Arkansas should not be too modest in referring to his knowledge of the British trade situation, since it is on the basis of the prospect in that regard that we are being asked to approve a $4,000,000,000 loan. If the Senator from Arkansas is entirely unaware of the reasons which impelled the British to announce 2 weeks ago that the private cotton exchanges would be abolished, I think that does affect the standing of the Senator from Arkansas as a cotton expert and an expert in this field.

Mr. FULBRIGHT. Mr. President, I am sorry the Senator from Maine considers me to be an expert on British trade. I never have professed to be. I am merely a member of the committee, many of the other members of which do profess to be experts on the matter. On the committee I am associated with the Senator from South Carolina, who does know the cotton business and who in this instance agrees with me regarding the effect on the cotton industry.

But as I said before, Britain has not suddenly taken a divergent view of the situation with regard to the Liverpool Cotton Exchange. She will now purchase cotton wherever she can obtain it at the best price, and that is the way she purchased cotton all during the war. She simply decided to continue it. She did not say she never will return to private trading in cotton. I do not know whether she will or not. But from all evidence we had in the committee, it is

perfectly certain that if she is not able to obtain a substantial loan similar to the one now pending, that practice will be a necessary part of her economy. I think it is perfectly evident that that will be the case, for she does not have any choice about it.

She is forced to conserve her assets and to decide very carefully where to buy, and especially she must be careful not to squander her dollar resources or her gold resources—not because of any enmity or dislike of this country, but because of economic necessity which is imposed upon her because of a limited amount of exchange. It grows out of a situation which is not inconsistent with the history of our trade relations over the period of the past 30 years. We have always had a favorable balance of trade with England. Usually we sold her approximately $500,000,000 worth of goods, and we purchased from her about $150,000,000 worth of goods. A part of the difference was made up by tourist trade and some invisible matters, but the two never balanced. She was able to approximate balancing it by trading with other nations. But we have eliminated that possibility by requiring her to engage in bilateral trade.

Mr. BREWSTER. I did not mean to question the realistic way in which the British must approach this situation. I think we must be equally realistic in realizing that whenever the beneficial effects of this loan are exhausted, the British must then continue their trade with primary consideration of their own economy and the development of their world relations.

Mr. JOHNSON of Colorado. Mr. President, I thank the Senators for their discussion of a very interesting and important feature of this whole controversy. I am especially pleased with the frankness of the Senator from Arkansas in admitting that this agreement does not do anything specific insofar as dumping and subsidy payments and tariff considerations are concerned. I should like to ask him what it does with respect to Imperial preferences.

Mr. McMAHON. Mr. President——

Mr. JOHNSON of Colorado. I should like to yield to the Senator from Connecticut, and I shall do so if he will wait for a minute or so. I wish to have the Senator from Arkansas answer my question, and then I shall yield.

Mr. FULBRIGHT. It does require a change. Imperial preference is but another name for a tariff on the other side, as I understand. As I have said, it is contemplated that the British will agree to have a conference in which the matter will be considered. If any change is made in our tariffs or in their tariffs, it will be as a result of such negotiations. It is simply contemplated that they will do that—but only by agreement. There is no binding understanding that either one will change it.

But the agreement specifically provides for abolition of the restrictions on exchange which the British now have. In the first place, it provides for abolition within a year of the dollar pool. I could not understand very clearly what the Senator said a moment ago about blocked balances. I do not understand that the agreement will eliminate the blocked balances at all. If the agreement is made, in all current transactions from now on pounds will be convertible into dollars, and so on, and they can be used any place it is desired to use them. That will apply to anyone who is trading with Britain, whether he is a member of the Commonwealth or one of the other countries the Senator mentioned a moment ago. But as to the accumulated balances, the balances which already exist, the British expect to make their arrangements with their creditors—for that is what they are; all these blocked sterling balances are debts of the British—to fund them over a long period of time. I think that is provided for under agreements no more favorable than ours is, and they contemplate paying those off within a 50-year period, in much the same way as they discharge any other debt. Even if everything went well, Britain would certainly be 50 years in working things out, I think. It is not an easy thing to do.

Mr. JOHNSON of Colorado. Mr. President, the Senator says the agreement does not affect the balances which have accumulated. He says it will apply only to future balances. But the agreement contains the following words:

> with the countries concerned on the same basis as the balances accumulated during the war.

Both the future balances and the war balances are going to be handled on the same basis, and they are going to be locked up in cold storage until December 31, 1948. I do not know how anyone can interpret any differently the language which appears in section 7.

Mr. President, a little later in my speech I shall deal with the British understanding of imperial preferences and tariffs and that phase of the debate. But I am glad now to yield to the Senator from Connecticut, and I am sorry I was not able to yield to him sooner.

Mr. McMAHON. Mr. President, I thank the Senator for yielding. I had intended to ask the Senator from Maine [Mr. BREWSTER] a question, but I see that he has been called from the Chamber. Perhaps I can ask the question of the Senator from Colorado.

I take it from what I heard of the comments of the Senator from Maine and of the statement which has been made by the Senator from Colorado that the Senator from Maine and the Senator from Colorado do not like state trading.

Mr. JOHNSON of Colorado. That is correct. I am in favor of multilateral trading, but I am in favor of multilateral credits to go along with multilateral trading. What I object to in the pending agreement is that we are approaching credits on the basis of bilateral agreements and are trading on a multilateral basis. I am in favor of multilateral trading and multilateral credits. That is the burden of my argument.

Mr. McMAHON. Will the Senator explain to what extent and to whom the multilateral credits would go?

Mr. JOHNSON of Colorado. The multilateral credits which are involved in the present agreement, amounting to $3,750,000,000, will go to the United Kingdom. That would be bilateral credit. The propaganda which is accompanying the proposal of this loan would have us believe that, by making the loan, we will be wiping out all the discriminations which now exist with regard to controls on trading. However, that, unfortunately, is not true.

Mr. McMAHON. The Senator said that he was in favor of multilateral credits.

Mr. JOHNSON of Colorado. The Senator is correct.

Mr. McMAHON. Will the Senator state what kind of multilateral credits he has in mind, to what extent we should grant them, and to what countries we should grant them?

Mr. JOHNSON of Colorado. I shall be very glad to do so. The International Bank, which was set up under the Bretton Woods Agreements, as well as the International Monetary Fund, are along the line of multilateral credits. But in the present instance we are attempting to solve the problem of restrictions in the sterling area. We are pretending—I say it is merely a pretense because we do not do anything of the kind—we are pretending that by the proposed loan we are freeing and removing the trade restrictions throughout the whole sterling area. Of course, we are doing nothing of the kind. Before the loan is granted, I should like to see a conference held of all the members of the sterling area. I should like to find out to what extent the component parts of the British Empire and the members of the sterling area are willing to scale down their claims. Then I should like to see the remainder of those claims scaled down at least 50 percent. We scaled down our lend-lease claims—and they are similar claims—by wiping them out completely. According to the British, we forgave $15,000,000,000 worth of lend-lease. According to some Senators the amount was nearly $25,000,000,000. I do not know what was the exact amount, but whatever it was we scaled it down by wiping off the slate completely the entire burden of claims. I should like to see the sterling area scale its claims down at least 50 percent. Then I should like to see the remaining sterling area claims placed on a long-term payment basis. I should like to see them placed on the same basis as that upon which our proposed loan would be placed. If that were done I would see some sense in making the loan. But, to make the loan without even attempting to solve the problem of blocked currency, and without attempting to remove any of the trade restrictions about which we have heard so much discussion, seems to me to be illogical and not at all sensible.

Mr. McMAHON. Is it the Senator's belief that to grant the proposed loan would be to dictate Britain's entering into a state of trading arrangement? In other words, if we do not loan them the money does the Senator believe they will be forced to go into a state trading system?

Mr. JOHNSON of Colorado. No; I do not believe it. I do not see how they could be forced into that sort of an arrangement to any greater extent than they have already forced themselves. The sterling-bloc system is a one-sided system which Britain and the sterling area know cannot be continued during peacetime. It was a war measure. For example, I know that the Senator from Connecticut would not like to put his money in a bank and then have the banker tell him, "Now, we have your money in here, we will tell you when you may draw it out."

Mr. McMAHON. That is what the banker might tell me if he did not have the money or the goods with which to pay. In that case the bank would go broke, would it not?

Mr. JOHNSON of Colorado. My argument is that the proposed loan of $3,750,000,000 will not enable the banker to correct such an evil practice.

Mr. McMAHON. But if the loan could correct such a situation, it would be wise to make the loan, would it not?

Mr. JOHNSON of Colorado. Yes; if the loan could correct the situation, and if the sterling area would make some commitments.

Mr. McMAHON. But the primary object is to correct the situation.

Mr. JOHNSON of Colorado. Yes; the primary object is to get rid of the restrictions.

Mr. McMAHON. And the Senator's contention is that the loan would not correct the situation?

Mr. JOHNSON of Colorado. Yes; that is my contention.

Mr. McMAHON. And that is the Senator's main reason for being against the loan?

Mr. JOHNSON of Colorado. The Senator is correct.

Mr. McMAHON. While I do not depreciate the Senator's view with regard to the question, yet I assert that it must be measured against the opinions of our ablest bankers who believe that the loan would place Great Britain in such a position that they could do business in the way in which we would like to have them do it.

Mr. JOHNSON of Colorado. I do not know about the big bankers to whom the Senator has referred. I should like to refer to men like Leo Crowley and Jesse Jones. Jesse Jones is the most successful banker the world has produced up to the present time. He does not agree with the viewpoint which has been expounded by the Senator from Connecticut.

Mr. McMAHON. Of course, we can argue all day about the merits and the capacities of the gentlemen who have given advice with reference to the proposed loan. After all, it is a question of each of us making our own individual choice.

Mr. JOHNSON of Colorado. It is a question of Senators exercising their own good judgment.

Mr. McMAHON. But there are men such as, for example, Mr. Eccles, of the Federal Reserve Board, and others, who have made a case for the loan. As I say, however, there is not much point to arguing about the matter, because Senators must decide for themselves.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. SALTONSTALL. A few minutes ago the Senator from Colorado stated that he wished the sterling bloc areas would decide what they would be willing to do for England before we make a decision with respect to the loan.

Mr. JOHNSON of Colorado. That is correct. I believe that a conference should be held of all members of the sterling area and the problem worked out before we make the loan.

Mr. SALTONSTALL. Is it not a question of correct judgment as to whether it is necessary or advisable that the making of the loan be determined first, or that the sterling bloc area question be determined first? One reason which causes me to favor granting the loan is that, from what I have learned, the settlement of the sterling bloc area question will not be of sufficient assistance to cure the situation. We must determine first what we will do in order to enable the sterling bloc area to determine what it will do.

Mr. JOHNSON of Colorado. I do not know why any person should be in favor of putting the cart before the horse. I do not know why such a conference as I have suggested should not be held before the loan is made, and why we should not have an understanding all the way around. I fear that we will make the loan and not gain any of the objectives which we seek. I fear that we will merely make the loan and continue to have before us unsolved and postponed, the whole problem with reference to sterling bloc currencies. It seems to me that Mr. Churchill made a strong point in the House of Commons when he advocated something along the line which I have suggested. He said that the holders of these claims should scale them down. It seems to me that what he said was merely plain common sense. What we are doing is to make a loan and deceiving our own people into believing that we are solving the sterling area problem when, as a matter of fact, we are not solving it at all. We are not doing anything about it except to put it in cold storage. That is the tragic part of the loan proposal. If we want to make a loan of the size proposed, we should see that the entire problem is first straightened out and settled. I think we should try to remove the present restrictions, but we are not going about it in the right way.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. The Senator has made reference to the claim that the proposed loan would settle everything. The statement is very much like the statement which the Senator from Montana [Mr. WHEELER] made the other day in which he said that we were told that the UNO would solve everything. I think that such statements are entirely erroneous. We never contended that the UNO would solve everything. We were merely trying to make it possible to solve certain problems by adopting certain policies which would afford an opportunity to solve the problems. No one is contending that if we do not grant the proposed loan everything will be lost, and that if we do grant it everything will be rosy.

Mr. JOHNSON of Colorado. Of course, Mr. President, the Senator's statement is true. It is not fair to criticize the United Nations, or to refer to it as an instrumentality which will solve all our problems and difficulties. The United Nations merely consists of machinery which can be used in attempting to solve certain problems.

Mr. President, in this proposal the machinery is not set up. There have been no conferences with the sterling area countries. Those nations are left out entirely. They have no part in it. What I am pleading for is that there shall be some sort of an organization of those concerned before the loan is made, not afterward.

Mr. FULBRIGHT. It is very difficult to follow both the Senator from Colorado and the Senator from Louisiana. On the one hand it is insisted that Britain dominates all the countries, that she practically owns all the mines, the gold, and everything from South Africa, clear over to Hong Kong. Then on the other hand it is said there is nothing she can do about it. The fact is, of course, that she has undertaken, and states here in article X, that she will undertake to do what we are discussing. She divides the undertaking into three parts, that is, for making the accumulated balances convertible; second, for the amount to be voted; third, for the amount to be canceled.

While she could not tell us, and no one knows exactly how much, it was generally rumored—I think it was in the newspapers—that it was expected that about one-third of the accumulated balances would be eliminated as a contribution of those countries as their part of this balance. Canada has already canceled a part of hers. It was in the story I put into the RECORD a few days ago.

Mr. JOHNSON of Colorado. Is it not a pretty flimsy argument to say that a rumor is floating around somewhere?

Mr. FULBRIGHT. This is not a rumor.

Mr. JOHNSON of Colorado. I should like to have the Senator read to what extent the sterling balances are to be scaled down.

Mr. FULBRIGHT. It does not give the figures.

Mr. JOHNSON of Colorado. Of course, it does not.

Mr. FULBRIGHT. It is said in article X:

> The settlements with the sterling area countries will be on the basis of dividing these accumulated balances into three categories (a) balances to be released at once and convertible into any currency for current transactions, (b) balances to be similarly released by installments over a period of years beginning in 1951—

That is the part which I say would be voted—

> and (c) balances to be adjusted as a contribution to the settlement of war and postwar indebtedness and in recognition of the

benefits which the countries concerned might be expected to gain from such a settlement. The Government of the United Kingdom will make every endeavor to secure the early completion of these arrangements.

That is her undertaking. It does not say how much.

Mr. JOHNSON of Colorado. That is what I am complaining about. Those are the matters which should be resolved before we come blundering in with a loan that is going to make it very difficult for a solution to be found, for the agreements to be reached. It will be much easier to reach them before we make our loan than afterward. I still would like to keep the horse ahead of the cart.

Mr. LUCAS. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Illinois.

Mr. LUCAS. The Senator is talking about having a conference of the members of the sterling bloc, along with this country, to find out exactly where we stand.

Mr. JOHNSON of Colorado. Yes; and where they stand, too.

Mr. LUCAS. I am including, of course, the entire group. All would be included if there were a conference of that kind. What would be the position of the able Senator if, after the conference were held, we found ourselves just where we are now?

Mr. JOHNSON of Colorado. If we had a conference and the nations which are the component parts of the British Empire said, "We are not going to scale down any, we are going to keep our lend-lease at full value, we are going to sit tight on our claims. We are not going to participate in this thing at all," then I would say, "All right; we cannot do anything about it. It is beyond us. If that is the position of the countries holding these claims, if they do not want to do anything about their own problem, of course we cannot solve it for them."

Mr. LUCAS. Let me ask the Senator if he has given it any thought to what extent he would expect these countries to scale down at the present time? Can the Senator give me any suggestion about that?

Mr. JOHNSON of Colorado. I think it should be at least 50 percent. I would not think we could even consider scaling the claims down less than 50 percent, when we entirely wipe out our lend-lease, which is comparable to their claims, anyway. We wipe them out completely. We do it under this agreement. It seems to me that if we had all these nations participating in a conference, instead of wiping out all lend-lease, we would have that as one of the points in the negotiations. The United States would say, "All right. We will wipe out our lend-lease; how much are you folks ready to wipe out?" In that way, it seems to me, an agreement could be reached.

Canada has shown her complete willingness to cooperate all the way. She has wiped out "mutual aid," which is the same as our lend-lease. She has reduced it. She is willing to go along. She is willing to do her part. She is even willing to make a loan. The Canadian loan and our loan should not be made until all parts of the sterling area tell us what they will do.

Mr. LUCAS. Can the Senator compare Canada with a country like India, for instance?

Mr. JOHNSON of Colorado. Yes; I think so.

Mr. LUCAS. Does the Senator think they are in the same status, so far as natural resources are concerned?

Mr. JOHNSON of Colorado. They are not in the same political status. I am sorry the Senator was not in the Chamber when I read the statement of Mr. Churchill on that point, regarding Egypt; and he said it applied to India as well. He said, in the effective way that only Churchill can say such a thing, that the blood and treasure of the United Kingdom saved Egypt from the Italians and from the Germans, which, of course, we know to be true. Yet, he said, these nations are holding their claims 100 percent against the United Kingdom, without scaling them down. Churchill made a plea for the very thing for which I am pleading. Churchill would prefer to have a conference. Churchill would prefer to have these nations reach an agreement, and do it now; not at some future time, not at some time in the indeterminate future which may never come.

Mr. LUCAS. I do not suppose the fact that Churchill is out of power had anything to do with his statement.

Mr. JOHNSON of Colorado. No; I really think that if Churchill were in power he would have made the same approach to the problem.

Mr. LUCAS. Let me ask the able Senator one more question, and then I shall be through. I should like to know what the Senator believes would happen to England and to this country in the event this loan should not be made, insofar as restrictions on trade are concerned, insofar as further controls are concerned? And what would be the effect on the economy of this country?

Mr. JOHNSON of Colorado. I do not think it would have very much effect on our economy. England will want to buy in our markets all she can buy. She will want to buy our cotton, our tobacco, and our other raw products, to the greatest extent of which she is capable.

Mr. LUCAS. I am thinking about the unilateral agreements which I remember one time arose in the world as a result of certain tariff acts we passed in this country, and we had to raise our barriers, and finally became what I would call isolationists, from an economic angle. I am wondering whether that is not to be given some consideration in connection with the proposed loan, whether the same thing will not happen again if we have nothing to do with attempting to relieve England in her dire economic distress, whether she will not have to look after herself and do the same thing that was done once before, insofar as raising trade barriers is concerned, creating economic chaos throughout the world.

Mr. JOHNSON of Colorado. She will not have to renew them. She has them already in effect. The imperial preferences, which of course are the same as our tariffs, are still in effect.

Mr. LUCAS. I understand that.

Mr. JOHNSON of Colorado. We have a reciprocal-trade agreement with Great Britain at the present time.

Mr. LUCAS. She had to adopt the imperial preference system on account of the war. She could not do anything else during the war. But I understand she is going to make every effort to eliminate those controls, so far as possible.

Mr. JOHNSON of Colorado. I do not think the Senator has been reading what the members of Parliament have been saying in the House of Commons, if he thinks they are going to eliminate the imperial preferences.

Mr. LUCAS. I do not know what is being said in the House of Commons, but I wonder if we can depend upon what is said in the House of Commons any more than what is said in the Senate, because we can get five different versions on any subject in the United States Senate.

Mr. JOHNSON of Colorado. The whole burden of the debate in the House of Commons and the House of Lords, and in the press of the United Kingdom, bears out what I am saying, that they are not going to abandon or change their imperial preferences. They say a conference will be held after the loan is made with the United States, and that to the extent the United States reduces her tariffs and makes concessions of that kind they will make concessions to us. That is what they state in the Parliament of England. It has nothing whatever to do with this loan. That is what I object to so strenuously in connection with the loan. Many of those who are supporting the loan are laboring under the allusion that the loan will resolve these questions of trade preferences and tariffs, when the loan will do nothing of the kind. There is not one word in the agreement which does anything of a positive nature, as the Senator from Wisconsin said when he made his very eloquent statement in regard to it. He said there is only one thing positive in the loan agreement, namely that the United States will lend England $3,750,000,000. He says that is the only positive and specific thing in the agreement, and it is the only thing I can find that is positive and specific. Whatever else there may be is in the form of rumors and hopes and fine, glittering generalities of one kind or another, surrounded completely by "ifs" and "unlesses" and such other weasel words and weasel phrases.

Mr. FULBRIGHT. Mr. President, will the Senator again yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. I may say that I did not want to leave the other subject concerning the contribution of the other countries, such as Egypt, India, and Australia. I am in agreement with the Senator on the principle that they ought to contribute a reasonable or equitable amount, taking into consideration what they have done in the past, and so on, because, as the Senator pointed out, Canada made some outright grants-in-aid of the war. I believe the amount was $1,000,000,000. I have forgotten the total, but it was a very substantial sum.

Mr. JOHNSON of Colorado. Yes; it was a very substantial sum.

Mr. FULBRIGHT. I agree with the Senator in principle. We may agree as to the amount they can reasonably give. Our only difference is this: The Senator says it should have been done before the agreement was negotiated. I know that conversations or conferences have been held on the subject; but I do not think that any agreement as to the amount has been arrived at.

On the other point to which the Senator referred a moment ago when he read section 7, I did not have it in my hand, but as the Senator read it it seems to me a very positive undertaking that a year after the agreed-upon date they will do away with the sterling area dollar pool, as one example. I do not see where there is any weasel language about that undertaking.

Mr. JOHNSON of Colorado. Of course, the Senator knows that the dollars which are in the dollar pool will find their way to settlement whenever England lets them do so. They will come right back to the United States. Chickens come home to roost, and our dollars will come home to us, and the British will buy goods from us. There is no difficulty about the dollar pool. The only bad thing about the dollar pool is that Britain takes the dollars from all parts of the sterling area and pools them and then doles them out on the basis of need.

Mr. FULBRIGHT. That is correct.

Mr. JOHNSON of Colorado. That was an arrangement during the war that was very satisfactory to us.

Mr. FULBRIGHT. The fact is we participated in it.

Mr. JOHNSON of Colorado. If we did not, we should have.

Mr. FULBRIGHT. We did participate.

Mr. JOHNSON of Colorado. It was in the interest of the war effort.

Mr. FULBRIGHT. I do not wish to draw the Senator out. All I point out is that that is a very definite, positive undertaking. The Senator said they agreed to do nothing, but I say that the language in paragraph 7 represents a very positive undertaking.

Mr. JOHNSON of Colorado. I still insist that it does not. It is merely a natural development. We do not have to compel people to eat their breakfast in the morning. We should not have to compel people to go to bed at night or to do the ordinary things in life. We ought not to have to compel the United Kingdom to turn loose the dollars in the dollar pool. They know that they cannot handle that proposition by such high-handed method of gathering the dollars from everywhere and saying to other nations, "Now you can cash in so many dollars, and later you can cash in so many more dollars." That simply cannot be done. England knows that. Her bankers know that they cannot continue such a practice. So they agree to eliminate the dollar pool. But if they did not agree to it, they would have to do it under the weight of demand on the part of the people who own the dollars.

Mr. FULBRIGHT. Would the Senator say the same as to restrictions on payments and transfers for current transactions of exchange? I think it is natural that people normally—and particularly the British—do not like restrictions on their transactions of any kind such as referred to here. But necessity forced them to do it.

Mr. JOHNSON of Colorado. But the British have long prided themselves on being good bankers.

Mr. FULBRIGHT. And on being free traders in the past.

Mr. JOHNSON of Colorado. By doing things in the way good bankers do them the British bankers gained the place in the banking world which they held. So we do not have to compel them to do that. They know enough to do it anyway. But what I complain about in section 7 is the provision which appears in parentheses, which freezes the sterling bloc currencies, not only those which were accumulated during the war, but which will be accumulated after the war, and according to the article appearing in the Index——

Mr. FULBRIGHT. But only the amount for military expenditures. Military expenditures are not the only ones.

Mr. JOHNSON of Colorado. The amount that is going to be accumulated after the war aggregates $4,000,000,000. The amount accumulated in the frozen currencies during the war is $14,000,000,000. And according to the article in the Index, $4,000,000,000 more will be added. So on December 31, 1948, the blocked currencies will amount to $18,000,000,000, according to the statement published in the Index, which is dealt with in the discussion of the blocked sterling balances.

Mr. FULBRIGHT. I think the language in parentheses applies only to the military expenditures of the Government in these years. It does not apply to all expenditures. To me that is obvious.

Mr. JOHNSON of Colorado. They were all military expenditures, just as our lend-lease was considered a military expenditure.

Mr. FULBRIGHT. But the war is over, and from now on the expenditures will be for civilian purposes.

Mr. JOHNSON of Colorado. I cannot say whether the amount is to be $4,000,000,000 or $1,000,000,000. I am not an authority on that matter. I do not know anything about it. But the article in the Index states that it will be $4,000,000,000.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Vermont.

Mr. AIKEN. I am sure the Senator is familiar with the amendment which I offered the other day which would prohibit the extension of credit beyond $1,000,000,000 until England complies with the provisions of sections 7 and 8 of the agreement. Has the Senator made a study of my amendment which would enable him to say whether the adoption of the amendment would result in achieving the results which are claimed for the agreement?

Mr. JOHNSON of Colorado. I see some merit in the Senator's amendment. I have studied it very carefully. I think perhaps if his amendment were adopted it would bring about an early conference between the member nations of the sterling area. The amendment does not exactly provide for that, but I believe it might have that effect.

Mr. AIKEN. The wording is that no further draft upon the remaining $2,750,000,000 shall be allowed unless the provisions are complied with. It appears to me that this would take care of the needs of England for the first year. As I understand, they claim that they require only about $1,000,000,000 for the first year, and during the 1 year's time conferences could be arranged which would result in the elimination of the discriminatory trade practices to which we are objecting, and which we ask to have removed as a consideration for making the loan. It appears to me that there is nothing unfair to Great Britain in my amendment. It is simply a trading proposition, but it means that the agreement would have to be carried out on the part of Great Britain before the entire amount of the line of credit would be expended upon our part.

Mr. JOHNSON of Colorado. Yes. I would be very enthusiastic about the Senator's amendment if it were not for the words in parentheses in section 7, which freeze the blocked currencies. I think it might solve the whole problem, because then it would force a convention of the member nations and bring the whole thing to the table where it might be resolved, and where the matters might be worked out.

Mr. AIKEN. It is a fact, however, that our own State Department and Treasury Department can take care of the situation and force compliance with the provisions of the agreement if they so determine, is it not?

Mr. JOHNSON of Colorado. Yes; under the language of the Senator's amendment.

Mr. AIKEN. As I said the other day, the reason I offered the amendment is that agreements may be reached between the higher policy levels, but the details of the agreements have to be carried out by a lower operating level which may be far removed from the policy level which makes the agreement. It has so happened in the past that the functionaries who are in charge of the operating levels find many an excuse for not carrying out the agreements which are made by their superiors. I thought that this simple requirement in the measure, which does not affect the international agreement at all, would insure the carrying out of the terms of the agreement.

Mr. JOHNSON of Colorado. I think the Senator's amendment is a long step in the right direction. It might possibly bring about such a conference as I have been advocating. If it did, perhaps the whole matter could be worked out.

Mr. AIKEN. It would require such a conference, and it would require compliance with the agreement unless England decided that $1,000,000,000 would meet her own needs.

Mr. JOHNSON of Colorado. As I stated before, I look with favor on the Senator's amendment.

(At this point Mr. JOHNSON of Colorado yielded to Mr. LUCAS, who reported from the Committee To Audit and Control the Contingent Expenses several resolutions, the debate and action on which, on the request of Mr. JOHNSON of Colorado and by unanimous consent, were ordered to be printed at the conclusion of his remarks.)

(At this point Mr. JOHNSON of Colorado yielded to Mr. WILEY, who discussed the coal strike. On request of Mr. JOHNSON of Colorado and by unanimous consent Mr. WILEY's remarks were ordered to be printed following the remarks of Mr. JOHNSON of Colorado.)

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BUTLER. The very brief remark which I am about to make has to do with the discussion of the British loan. I ask unanimous consent to have inserted in the RECORD at this point, as a part of my remarks, the complete article—it is not long—which appears in today's issue of the Wall Street Journal. It is from Paris. The headline reads as follows:

France may have to sell British Empire holdings to pay London debt.

Paris hoped they would be used only as collateral. Sees United States loan to Britain as help.

Near the close of the article the following paragraph appears:

It is hoped here that if the United States loan is arranged, new talks will be begun between the British and French to loosen trade restrictions between the countries and open credit facilities.

That indicates, Mr. President, what some of us have been claiming right along, namely, that if we make a loan to one country in order to reestablish trading conditions, it will be necessary, if we are to be consistent, to make similar arrangements with all our other friends abroad.

Mr. JOHNSON of Colorado. Not only that, Mr. President, but the entire problem of international debts should be considered and handled around one table, and not by piecemeal. The article to which the Senator has referred, and from which he has read, illustrates what I have been contending. If we make the proposed loan on a bilateral basis and we find that something is wrong with the credit between England and France, it will have to be straightened out eventually. The entire problem should be worked out before we make a loan.

Mr. BUTLER. Mr. President, if I have not done so, I ask unanimous consent to have inserted in the RECORD at this point as part of my remarks the article from the Wall Street Journal from which I previously read.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRANCE MAY HAVE TO SELL BRITISH EMPIRE HOLDINGS TO REPAY LONDON DEBT—PARIS HOPED THEY WOULD BE USED ONLY AS COLLATERAL—SEES UNITED STATES LOAN TO BRITAIN AS HELP

PARIS.—The new agreement under which France will repay loans to Britain between now and 1949 indicates the extent to which France has lost her position as a world creditor, how much she was impoverished by war, and the indirect prejudice to world trade caused by the delay in the United States ratification to the loan to Britain.

In order to liquidate during the next 3 years the balance of her $440,000,000 debt to Britain, France will probably have to sell nearly all the British Empire securities she holds, it is reported here on good authority. These securities will undoubtedly include holdings in South African gold mines in which French capital participated before the First World War. But the French will probably keep their interest in the Suez Canal.

Financial quarters had hoped repayment would be arranged without the need to sell securities, and that they would be used as collateral on the British credit.

The extent to which the French portfolio will be liquidated will depend how the British exercise their option under the repayment agreement to choose the securities to be sold.

It is understood that an order requisitioning nearly all arbitrage stocks will be issued here within the next few weeks.

In the loan arrangements, the British refused to increase substantially their import quotas on French luxury goods which still represent France's chief products available for export. Normally this position would have been bitterly criticized, but it is recognized here that the British can't grant such concessions until they know whether they will get a loan from the United States.

It is hoped here that if the United States loan is arranged, new talks will be begun between the British and French to loosen trade restrictions between the countries and open credit facilities.

Meanwhile, France must restrict her purchases in the British sterling area. France is contemplating a campaign to increase exports to the sterling area, especially the dominions. Egypt is seen as a big potential market for French luxuries.

Mr. JOHNSON of Colorado. Mr. President, I wish to proceed with my remarks, and I hope I shall not be interrupted from now on, because the hour is growing late.

I wish to be sure that the article entitled "Blocked Sterling Balances, Part II, Their Relation to the United States," which appeared in the winter issue, 1945, of the Index, be printed in the RECORD in full.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BLOCKED STERLING BALANCES: PART II—THEIR RELATION TO THE UNITED STATES

In view of the close relationships between the United States and the countries of the sterling area and, further, that justification for the loan to Britain is being found in the promise of more employment for United States workers through removal of exchange controls and trade restrictions in the sterling area, it is worth while to consider our foreign trade and the proportion conducted with the sterling area.

During the period 1900–44, inclusive, our exports in peace years ranged from $1,361,000,000 in 1902 to $5,241,000,000 in 1929, while in the war years the high points were $8,228,000,000 in World War I and $14,000,000,000 in World War II, including lend-lease. In World War I, imports rose to $5,278,000,000, far exceeding the peak of $3,913,000,000 of World War II.

The trade balance of the United States has been favorable since 1894. From a high of more than $4,000,000,000 in 1919, it declined to a low point of $33,000,000 in 1936. The figure in 1944 was $10,000,000,000, but since more than $11,000,000,000 of our exports were on lend-lease account our cash and commercial trade balance showed an import surplus of $958,000,000, the largest in our entire national history.

As concerns our trade with the sterling area, exports in peace years have ranged from $382,000,000 in 1932 to $1,351,000,000 in 1925. Imports have been as low as $170,000,000 in 1932. The peak was $1,063,000,000 in 1926. Our favorable balance of trade with the sterling area in 1936 was only $133,000,000 and our best peace year was 1921 with a balance of $708,000,000. This analysis indicates that our trade with the sterling area through good and poor peacetime years constitutes about 25 percent of our foreign trade which is in itself less than 8 percent of our domestic business and in some years amounts to only about 4 percent. A practical view of the loan proposal would take this into consideration. Will the loan contribute substantially to employment in this country? Will the loss of a portion of our business with the sterling area, if the loan is not made, contribute to unemployment in the United States?

DEBTOR POSITION OF UNITED STATES

Another practical consideration is our own capacity to continue grants-in-aid on very long-term loans, the collectibility of which is in any way uncertain. The National Industrial Conference Board, through Garet Garrett, has prepared a study of our international account, after our erasure of our total lend-lease expenditures of more than $41,000,000,000 in the last 5 years. In summary, our net indebtedness on open account is about $6,000,000,000, principally in the form of bank deposits here by foreign countries, together with some short-term account items. Our further commitments, in millions of dollars, include investments as follows:

International Monetary Fund	$2,750
International Bank for Reconstruction and Development	3,175
Export-Import Bank	3,500
Total	9,425

In addition the following amounts have been provided for these purposes;

Relief by Army	$1,000
Relief by UNRRA	1,350
Lend-lease	2,000
Total	4,350

Thus, we appear as a debtor Nation in a current account of almost $20,000,000,000, not including reference to a trade deficit in 1943 and 1944 of $1,700,000,000 or the new loan to Britain of some $4,000,000,000. Further, there are other implied obligations to assist the Philippines, China, Latin America and to provide a market for the securities of the International Bank.

OTHER CONSIDERATIONS

There is a possibility, as yet intangible and unassessable, that our foreign trade in general and particularly that with the sterling area, may increase due to the demand for manufactured goods hitherto supplied by Germany and Japan which under the surrender terms will be largely de-industrialized. Great Britain will naturally be a competitor for this business.

Public discussion has also dealt with the advantages to the United States of modification of the Empire preference system. However, the creation of greater opportunities for American goods in the Empire areas should be offset in some measure by according Empire goods larger access to the huge American market through modification in our tariffs.

Opposition to the loan to Britain has been voiced in some areas in this country following the move to nationalize the Bank of

England and some of the leading British industries on the ground that by granting the loan this country is financing in part at least the present British program of nationalization and similar proposed social experiments.

In general there is a recognition of the interest of the United States in reaching stability in international economic relations, the reconstruction of Britain's position, the enlargement of the world area in which the free-enterprise system can function, the stabilization of exchange rates and release of all forms of governmental restrictions and controls which hamper international trade. An economic conflict between a sterling and a dollar area would be a calamity with far-reaching consequences.

CONCLUSIONS

To summarize, Britain has paid in sterling for required goods and services during World War II without incurring any really large external obligations. In the process, however, the blocked sterling balances of some $14,000,000,000 have accumulated, presenting a difficult international problem affecting foreign exchange and trade. To help in its solution, a loan from the United States to the United Kingdom has been negotiated, the terms of which are subject to approval by Parliament and the Congress.

It has been observed that there is a limit to the aid which 30,000,000 families in the United States can give to 300,000,000 families abroad, and also that the recovery and financial stability of the United States are of first importance to the world. What are the lending and taxpaying capacities of the American people?

There is the added consideration that to the extent such loans succeed in reviving industry abroad in certain lines, such as shipping, they may retard the revival of those industries in the United States, unless the loans are safeguarded in these respects by protective provisions.

Finally, the assumption may be accepted that for political reasons, both international and domestic, a way must be found to assist Great Britain in the present emergency, and that without such help, exchange rates cannot be stabilized, exchange and trade restrictions cannot be removed, and confidence among nations and foreign traders restored. However, the clear fact remains that in the long run Great Britain still must solve the basic problem of increasing world consumption of British goods and services, which must be satisfactory as to quality and price. Loans may be of assistance but are not a permanent solution.

Mr. JOHNSON of Colorado. Mr. President, multilateral world trade understandings are important in the promotion of world peace, but they are not a one-way street upon which the United States can travel alone. We cannot remove trade restrictions by assisting the restrictors and enabling them to continue their evil practices.

It is suggested in this maturing crisis of trade restrictions that the United States assume world leadership, and attempt to steer the disabled craft of the entire world into a safe port. To the best of her ability that she should do, but such leadership does not imply that the United States should pull the whole load. No leader is a slave. The first action of a real leader is to convert and asquire followers. Such followers should be organized and mobilized to hit the vexatious sterling trade restrictions and the world credit problems as a team, and not with everyone except the leader in the cheering section of the grandstand. In this trying period every nation must put its shoulder to the wheel.

I do not agree that we can or should attempt the futile task of lending the world out of trouble, but if such a policy is to be our course the very first thing we should do is to make a complete survey of the capital requirements of the whole world. If the Congress is determined to hang the three balls—the emblem of the money lender—over the entrances to the Treasury building in Washington, we ought to adopt the money lender's techniques and proceed with our loans in a rational and businesslike fashion. We cannot escape the money lender's bad name, regardless of how generous and unselfish we may try to be. There are no scruples anywhere against taking advantage of the money lender. There is always an open season on him. Once a loan is consummated, the lender becomes a first-class jackal in the eyes of all. To make loans on a piecemeal basis, and in the first instance in insufficient amounts, can only end in disaster for us. Every banker knows that the worst loan he can make is the inadequate loan.

World War II has left much of the world emotionally and politically upset and on the verge of bankruptcy and insolvency. This goes for the United States, as well as for the rest of the world. Here our national debt nearly equals our total assets. Soaring prices, shortages of goods, and endless strikes ought to tell us that all is not well within our own gates. Lower living standards and higher prices for goods to American workmen must follow any ill-advised fiscal policy by the administration. Before we launch a world-wide loaning program on a blind and lavish scale, common sense and ordinary prudence require that we take an over-all view of the whole deplorable world situation, and that we do not overlook conditions here at home. Congress dare not, in justice to ourselves and to the world which we would serve, proceed on any other theory.

A foreign loan is always a risky loan. It cannot be collected by force. Foreign debts cannot be collected in court. Judgments are not entered. Mortgages are not foreclosed. The sheriff does not evict nations for nonpayment of debts. Years ago the British tried to collect a debt in Venezuela, but Grover Cleveland with customary vigor objected, and that was that. Once we occupied the customhouse in San Domingo to collect money that had been loaned. Fortunately, we too have abandoned the policy made so effective by Julius Caesar.

The State and Treasury Departments and the proponents of the British loan in the Congress have reiterated over and over that granting the British loan is not and cannot be deemed a precedent for other foreign loans. The constant official repetition of this statement, which is so obviously not true, has aroused unconcealed suspicion. It was Hitler, the world's loudest and most expert falsifier, who preached that if you tell a whopper often enough and make it preposterous, it will be accepted as the truth. The fact is that all the nations of Europe and Asia are looking to the United States for huge loans. Leon Blum, representing the French Government, has been in the United States many weeks actually negotiating a very large loan. Recently Mr. Blum appeared before the Senate Committee on Foreign Relations and painted for the Senators a pretty dark picture of conditions in his country.

Lord Keynes said in the House of Lords, at the time of ratification of the financial agreement:

It is relevant, I think, to remind your Lordships that the maximum charge to use in respect of the early years is not much more than half of what is being charged in respect of loans which the United States is making currently to her other Allies, through the Import and Export Bank or otherwise; whilst the minimum charge percent, to which we have been asked to commit ourselves in the early years is only one-fifth of the annual service charge which is being asked from the other allies. None of these loans is subject to a 5-year moratorium. All the other loans which are being made are tied loans limited to payments for specific purchases from the United States. Our loan, on the other hand, is a loan of money without strings, free to be expended in any part of the world.

The most favorable terms sometimes allowed as, for instance, in the case of France, for the purpose of clearing up what she obtained through the lend-lease machinery, are 2⅜ percent, with repayment over 30 years, beginning next year; that is to say, an annual debt of 5⅝ percent, so that an amount equal to 34 percent of this loan will have been paid by France during the 6 years before we have begun to pay anything at all. The normal commercial terms in the Export-Import Bank are, however, 3 percent, repayable over 20 years commencing at once, so that payments equal to 48 percent of the loan would have been paid during the first 6 years in which we pay nothing.

A loan directly out of our Treasury to any nation is a precedent for loans to other nations. To deny it is fraudulent nonsense. I should like to see the proponents of such a doctrine convince France, Russia, China, Turkey, Poland, and all the other nations of Europe and Asia that the British loan is not a precedent for loans to them. The strange fact is that the present historic debate in the Senate is being watched with far more interest by the foreign embassies in Washington than by our own people. Every day the cables to Europe are burdened with reports on what we do here.

Mr. President, along this line I should like to read an article under the headline "Capitol capsules," by William D. Murray, as follows:

CAPITOL CAPSULES

(By William D. Murray)

Foreign soil in Washington totals 1,300,000 square feet of space on which District police may not encroach. This is the total of 41 foreign diplomatic headquarters. There are 24 others who do not own embassies, and 3 others are sequestered as enemy. A well-advised commentator estimated that Washington has a constant population of 40,000 foreign emissaries and clerks of various degrees on official missions. Lend-lease and American sources for other desired items or influences seem to have placed this country far ahead of all others in concentration of visiting nationals. The British Empire leads these with 65 separate agencies, thousands of

individuals. Diplomats and all their retinues are immune from civil and legal processes, and the laws of their native lands rule their embassies.

China is anticipating a sizable loan here. Nearly everyone is familiar with the hopeless economic situation in the Orient. For centuries they have existed from famine to famine. Their very serious and ancient problem cannot be cured by a loan either. They, too, need a major operation.

It is whispered about that if we do not lend generously to Britain, France, China, Turkey, and the other applicants, these nations will go communistic. Are we to change the world's political trends with nicely placed loans? Is there money enough in the vaults of America to do that? Are we to exert political pressure through the medium of bribes? When did the internal political decisions of our neighbors become our concern? Then we learn that Russia would like a loan of $6,000,000,000. What political reform will we cook up for her?

What should be the long-range policy of our friends, the citizens of the United Kingdom? If there is a way out, what is it? To get the answer, we must get down to the level of the individual Britisher. If my colleagues will pardon a personal reference, my mother was born in Liverpool and my father in Sweden. They migrated to America to improve their opportunities. It was hard for them to break the home ties and come to a strange and unknown land. But that is exactly what our forebears did. The present Britisher is a "stout fellow," to use his own apt description, and he is very competent. He should migrate, too. Canada, Australia, South Africa, and many other areas of the British Empire badly need the solid men and women from old England. Dislocations and readjustments are the order of the day. It is tough medicine, but millions of Americans have taken it.

America has two overshadowing objectives, so potent and so vital that all others shrink to less than pigmy stature. First, we seek world-wide peace on a good-will basis. Even though we are supporting a Carthaginian peace in Germany, we are not happy about it. We want above all else a peace founded on justice, righteousness, equity, and law. We do not subscribe to a Roman peace. We do not believe in peace at the point of a bayonet. We want a peace that is based on tenets of the Christian religion.

As our second objective, we would conquer capitalism's most virulent and fatal disease—inflation. America has won many notable victories and perhaps she will win the two current contests for a permanent world peace and against a demoralizing inflation, but the odds are overwhelmingly against her on both fronts. Certainly we shall lose both if Congress continues to push us into an unsound fiscal policy. The present inflationary drift is full of evil portent. A disgraceful collapse is almost upon us. The United States is careening crazily to its own destruction at a break-neck speed. If this capitalistic democracy is to endure, our strongly inflationary trend must be subdued, and at once. It should be emphasized right now that the world has never experienced such a peace as we vision, nor has any nation in history ever averted wild and uncontrolled inflation once it has made the headway which it has now attained in these United States.

The late President Franklin Delano Roosevelt said at Chautauqua, N. Y., on August 14, 1936:

> Thousands of Americans seeking immediate riches * * * would tell you that, if they could extend credit to warring nations, that credit would be used in the United States to build homes and factories and to pay our debts. They would tell you that America once more would capture the trade of the world.
>
> It would be hard to resist that clamor. It would be hard for many Americans, I fear, to look beyond—to realize the inevitable penalties, the inevitable day of reckoning, that comes from a false prosperity.

Did not our great former President in that speech accurately predict the arguments of many of the present-day Americans who are pleading for this loan?

Mr. President, we are contemplating loans of many billions of dollars through the Bretton Woods agreement, the Import-Export Bank, and directly out of the Treasury. Our whole program may finally total $20,000,000,000. The Secretary of the Treasury testified before the Banking Committee that from December 1941 to December 1945 the net deterioration in our international capital position was about five billions. That decline or deficit can only be satisfied with American goods. The world's production of gold, which is considerable, has been added to the balance against us.

The United States already owes more money than all the remainder of the world combined. It is no comfort to say that we owe it to our own people. That very fact ought to sober Congress and make it exceedingly cautious. The holders of our securities, our own fellow citizens, our banks, and our insurance companies, are entitled to every possible protection by the Congress.

According to our own Department of Commerce, Alvin Slater, speaking about our gross public and private debts as of July 1, 1945, estimates them to be $441,000,000,000. That is the total of our public and private debt. I ask unanimous consent that Mr. Slater's statement on the subject may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

> After more than 3½ years of war, outstanding indebtedness in this country surpassed all prior records. Continued public deficit financing engendered by war requirements and, to a lesser extent, expansion of short-term private business liabilities to meet the needs of increased business activity, resulted in raising total public and private indebtedness, as of the middle of 1945, to an estimated $441,000,000,000 in gross amount and $384,000,000,000 after elimination of certain duplicating debts.

Mr. JOHNSON of Colorado. The National Industrial Conference Board estimates our total wealth in 1938 to be $309,430,000,000. The dates, however, are not identical. The estimate of our debt to be $441,000,000,000 is of July 1, 1945, and the estimate of our wealth is for 1938. But since the date on which we were supposed to have that much wealth the war effort has depleted our mines and our forests, our oil fields and our soil, and it would be hard to argue that our wealth has increased during this period.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. ELLENDER. The amount of $441,000,000,000, to which the Senator has just referred, must include all the county and municipal debts, as well as State obligations, and includes the $278,000,000,000 owed by the National Government itself. Am I correct in that assumption?

Mr. JOHNSON of Colorado. The Senator from Louisiana is correct.

The London Economist apparently takes the position that the loan agreement is tariff and trade legislation. This is what they say with respect to the matter:

> This crippling of Britain's bargaining strength is the first of the major objections. We cannot accept the American doctrine of nondiscrimination and hope to get our exports up to the required level. We cannot survive without the methods that are called reciprocal by those who practice them and bilateral by those who object. * * * Every nation in the world practices discrimination in one form or another. The Americans discriminate quite openly and powerfully in their loan policy, in their shipping laws, and most ostentatiously in their immigration restrictions. We have at least as much right as they to employ the methods of discrimination that we find useful.
>
> The second major defect of the proposals is that they virtually rule out the possibility of a planned expansion of international trade. * * * The only way in which a state can plan its trade upward is by entering into agreements with other states for the mutual assurance of export markets—and that is to be banned.

Mr. President, I ask to have printed in the RECORD an article from the Denver Bulletin of April 25 last.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BRITISH LOAN AND EMPIRE PREFERENCE

As the United States Senate was debating the proposed loan of $3,750,000,000 to Great Britain, the British Commonwealth (nee Empire) of Nations was opening, on Tuesday, April 23, a conference to last some weeks. After political problems all over the world have been considered, the talks will turn to economic problems—in particular, the Empire preferential tariff system.

Great Britain, traditionally free-trade, went protectionist after the financial crisis of 1931. Twelve bilateral trade agreements were consummated at the Ottawa Conference of August 1932 for tariff concessions between the mother country and the dominion or colonies, also among the latter. The idea was to increase purchases from within the Empire of many commodities which had been obtained largely from outside the Empire.

In the loan agreement now before the Senate, Great Britain does not commit herself directly to abandon or to relax this preferential system. The British negotiators pointed out that treaties with the dominions were involved, and that the consent of the

dominions would be needed before the treaties could be abandoned or altered.

However, the British Government does commit itself to work for general relaxation of all international trade barriers. The United States also would have to make concessions on its side. A general trade conference is to work out multilateral tariff concessions like those in the bilateral agreements negotiated by the United States of recent years.

If the British loan agreement is ratified without crippling amendments, and if the United States is prepared to make at the forthcoming conference tariff concessions equal to those made by other countries, the British preferential system would certainly have to be materially relaxed if the spirit of the loan agreement were to be observed.

Mr. JOHNSON of Colorado. Mr. President, at this point in my remarks I ask to have inserted in the RECORD excerpts from various documents which have been issued by our Department of State and Treasury Department, as well as the Chamber of Commerce of the United States, with respect to one phase of the question which is whether or not tariffs are to be reduced, and what the position of our Government is respecting imperial preferences and the tariff question. I have outlined in red the parts I wish to have inserted, and ask that they may be printed in the RECORD at this point.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

ANGLO-AMERICAN FINANCIAL AND COMMERCIAL AGREEMENTS—DECEMBER 1945

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3. Purpose of the line of credit: The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

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10. Accumulated sterling balances: * * *

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11. In consideration of the fact that an important purpose of the present line of credit is to promote the development of multilateral trade and facilitate its early resumption on a nondiscriminatory basis * * *.

UNITED STATES TREASURY DEPARTMENT,
Washington, D. C., January 1946.

QUESTIONS AND ANSWERS ON THE ANGLO-AMERICAN FINANCIAL AGREEMENT

FOREWORD

When the financial agreement with England was announced, the Treasury received many inquiries about the proposed credit. These questions came from Members of Congress, from business and civic organizations, and from private citizens interested in the urgent problems dealt with in this Agreement.

It seemed to me that millions of our citizens must be asking themselves these same questions. They want to know the facts about the financial agreement. They want to know why the proposed credit is necessary. I have, therefore, asked the Treasury staff to present in plain language the questions that we have received and the answers that we have given on the financial agreement.

The American people want a world of peace and prosperity. So do the people of all countries. This will be possible only through international cooperation to establish fair currency and trade practices that will make it possible for world trade to expand and grow. We have made a good deal of progress toward this goal. Unfortunately, England will not be able to commit herself to the prompt application of these principles until she is sure that she will be in a position to secure her essential imports of food and raw materials.

For 6 years, England devoted most of her resources to fighting the war. She converted her export industries to war production. She sold foreign investments and incurred a foreign debt of $13,000,000,000 to pay for her world-wide war expenditures. But now the war is over. England can secure imports only by paying for them with exports. She can meet her huge foreign debt only by finding markets for her products. With some help, it will take a few years for England to restore her export industries and to reestablish her export trade. In the meantime, England must import. Otherwise the health of her people will be impaired and her industries will decline.

If England can secure a credit that will help pay for her essential imports during the next few years, she can immediately accept the principles of fair and nondiscriminatory currency and trade practices. In fact, England will be greatly benefited by an expansion of trade on such a basis. That is the policy England would prefer.

But if England cannot secure such a credit, she will have to take drastic steps to curtail her imports and to force her exports on other countries. Our exports would be excluded, as far as possible, from British Empire countries which would concentrate on trade with each other. Such a policy would inevitably divide the world into conflicting economic blocs. In blunt language, the world would be at war—economic war.

The consequences of such a policy would be tragic for the United States, for England, and for the entire world. That is why the representatives of the United States and England went over this problem in discussions that lasted more than 3 months. They agreed that England would need help in maintaining essential imports and that part of this help should be in the form of a credit of $3,750,000,000 from the United States. And they agreed that with this help England could abandon wartime currency and trade discriminations and join with the United States in a program of international economic cooperation. This is the essence of the financial agreement between the United States and England which is now before Congress for approval.

This financial agreement, and the proposed credit, will be a big step in preventing economic warfare. It will also be a big step in building a world in which countries live and work together in peace and prosperity. For England, it will mean a chance to feed her people and reconvert her industries in a world of expanding trade. For the United States, it will mean opening the markets of our best customer, England and the British Empire, to the products of our factories and farms. For all countries, it will mean a chance to reconstruct a war-shattered world, with expanding trade, greater employment, and higher standards of living.

The people of the United States and the United Nations have agreed on a program in which countries cooperate to maintain peace and prosperity. The United Nations Organization, with its Security Council, General Assembly, Economic and Social Council, and International Court of Justice, constitute one side of this program. The International Monetary Fund and the International Bank for Reconstruction and Development and the proposed International Trade Organization constitute another side of the same program. The financial agreement with the United Kingdom is essential to the realization of this entire program for peace and prosperity. This is what I hope the people and Congress will bear in mind in considering the financial agreement.

FRED M. VINSON,
Secretary of the Treasury.
WASHINGTON, D. C., *January 1946.*

QUESTIONS AND ANSWERS

1. What is the Anglo-American financial agreement?

The financial agreement between the Governments of the United States and the United Kingdom is an agreement under which—

(a) The United States will extend to the United Kingdom a line of credit of $3,750,000,000 which can be drawn upon until December 31, 1951.

(b) The United Kingdom will end a series of wartime financial and commercial restrictions and practices which have the effect of discriminating against American trade and reducing the flow of world trade.

The loan will be repaid in 50 equal installments, beginning in 1951. The amount to be paid each year for principal and interest of 2 percent is fixed at $120,000,000 on the $3,750,000,000 credit, plus an additional $20,000,000 on the $650,000,000 settlement for lend-lease and surplus property. This makes a total of $140,000,000 a year. The portions of the payment that will be credited to principal and interest, respectively, will vary from year to year, the portion to be credited to principal increasing and that to interest decreasing.

The financial agreement is associated with a far-reaching agreement on commercial policy and a settlement of the outstanding lend-lease and surplus-property problems of the two countries. The commercial policy statement proposes the establishment of an international trade organization which would aim to expand world trade by reducing trade barriers, avoiding trade discriminations, and eliminating cartel practices.

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4. How did England get into this position?

England got into these foreign exchange difficulties because she devoted most of her resources to the war. In the next few years her earnings from overseas business will be lower than before the war because—

(a) British exports are lower. During the war England's export industries were converted to war production or shut down. In 1944 she exported only 30 percent as much goods as in 1938. It will take several years to reconvert these industries and restore their trade.

(b) British foreign investments were sold. During the war England sold over $4,500,000,000 of her foreign investments, and thereby lost forever the income which they formerly yielded. The proceeds were used to buy war goods from us and other countries. In addition, England incurred foreign debts of $13,000,000,000.

(c) England's income from shipping and other services has fallen off. Part of her merchant fleet was sunk in the war. Many of the other services she sells abroad, such as banking and insurance, are linked with the revival of her trade.

While the war has reduced England's earnings of foreign exchange, some of her foreign expenditures will be increased. The destruction from bombing has to be replaced, and this means increased imports of raw materials. Much of the capital equipment in her factories deteriorated during the war, and this too must be replaced, in part by means of increased imports.

5. What will England do with the credit?

Section 3 of the financial agreement states: "The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements."

Since England needs a large quantity of the kind of goods which the United States can best supply, it is probable that a large part of the credit will be used to finance direct exports from the United States to England. The British will also use the credit to pay other countries for imports, when these countries want dollars to buy imports from the United States. Thus India, for example, will be able to use the proceeds of her exports to England to pay for her purchases in the United States.

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9. Is the rate of interest reasonable?

The rate of interest is 2 percent on the outstanding amount of the loan, and interest payments begin in 1951. The effective rate of interest will be somewhat lower than 2 percent, if either substantial amounts of the credit are used before 1951, as is probable, or the interest payment in any year is waived, as is possible under the agreement.

The rate of interest is low compared with what American banks would charge a foreign government. It is not low compared with what England can undertake to pay in dollars. Even with the rate of interest at 2 percent, the payments of interest and principal will be about $140,000,000 a year for 50 years on the $3,750,000,000 credit and the approximately $650,000,000 which the British will owe for the settlement of lend-lease and surplus property. This is a large sum of dollar exchange which the British will have to earn each year and transfer. Over the 50 years the total of interest to be paid will be $2,600,000,000. This is additional to the principal.

The rate of interest should be considered together with the other provisions of the financial agreement, many of which England would not have agreed to in return for a loan whose carrying charges she would consider beyond her capacity. It should also be remembered that before the negotiations there were many persons who felt that only a grant would make it possible for Britain to abandon the wartime financial and commercial restrictions of the sterling area.

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12. Can England repay this credit?

As world trade recovers after the war, it is expected that England will have an expanding income from exports and from insurance, shipping, and overseas investments. By 1951, when the first annual payment on the loan is due, England's foreign exchange income from these sources should be large enough to enable her to make payments without unduly curtailing essential imports. England will use a portion of her foreign exchange income to meet the annual installments on the credit instead of increasing her overseas purchases or adding to her monetary reserves.

Of course, no one can predict with certainty what will happen in the next 50 years. It is possible that world trade will sometimes break down. England made payments on her World War I debt to us until 1931, when President Hoover proposed that payments be suspended on all war debts for 1 year. Because during the depression our imports were reduced and our foreign investments stopped, England was unable to obtain sufficient dollars to resume payment on her war debt.

A primary purpose of the loan is to prevent a break-down in world trade. This purpose will be furthered by the establishment of the International Monetary Fund and the International Bank and the proposed International Trade Organization. If we succeed in achieving a high level of world trade, there can be little question as to the ability of England to meet her obligations under this loan.

13. Will we have to increase our imports?

Ultimately we must import more goods if we intend to export on a large scale and derive the full benefits of increased international trade. During the immediate postwar period, however, we shall probably be a net investor in foreign countries and the amount of this investment will enable us to export without equivalent imports.

At a later stage we shall not only have to import more, but we shall want to import more. Our population will be greater. Our national income will be greater. In addition we are very likely to need more imports of many raw materials in the future. Some of these raw materials we do not produce at all. Of others, our own resources will be too small for our growing needs.

In the long run increased imports will have the effect of raising our standard of living so long as we maintain employment at a high level, because increased imports mean more goods available for consumption.

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19. Why shouldn't the credit be financed by allowing citizens to invest in British obligations directly?

The people who make this proposal overlook the fact that regardless of the terms of the loan, no foreign bond issue of this size could be floated in our markets. Furthermore this is not a practical proposal because the financial agreement involves many considerations other than the extension of a credit.

As explained elsewhere in this document, the real question is whether the long-range interest of the United States requires that England be offered this financial assistance at this time. The credit is designed to make it possible for England to remove discriminatory restrictions on international trade and to associate herself fully with the United States in a program designed to encourage the world-wide expansion of trade.

In other words, the credit to England must be viewed as an integral part of the financial agreement with all of its benefits to American business. It cannot be judged as an ordinary commercial credit.

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25. Will England discriminate against us by means of import restrictions?

In section 9 of the financial agreement each Government undertakes not to discriminate against the other through import quotas or like devices. Since England's imports are mainly controlled through import permits, this is an important protection to American exporters. It will last until 1951, when it is expected that the rules of the proposed International Trade Organization will govern.

In practice, this should mean that quotas will not be so administered as to refuse permits for American goods while granting permits for similar goods from other countries.

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27. Does the loan give England an advantage over the United States in world markets?

On the contrary, the proposed loan will put American exporters on an equal competitive basis with the British in selling to the countries of the sterling area. Any country that has funds, say sterling, that can be used to buy in England will be able to use the funds to buy in the United States if their people prefer to buy here. No country will be forced to discriminate in its trade as between the United States and the sterling area.

When the accumulated sterling balances are released, it is agreed by England that the money may be used for current payments anywhere. The money can be used to purchase American, British, or any other goods.

28. Is the British credit a precedent for other loans?

It is not. No other country has the same crucial position in world trade as England. The wide use of the pound sterling in world trade, the large proportion of the world's trade which is carried on by the countries of the British Empire, the extreme dependence of England upon imports—these and other factors mean that the financial and commercial practices of Britain are of the utmost significance in determining what kind of world economy we shall have.

We expect that as a general rule the needs of foreign countries for help will be met through UNRRA, the International Fund, the International Bank, and the Export-Import Bank. If any special case could not be handled through these established organizations, the question of a loan would be put to Congress for its authorization.

29. How is the loan related to the objectives of the United Nations Organization?

The proposed credit to England is vital to the objectives of the United Nations Organization. We have learned from long experience that world peace depends on world prosperity. It is not enough to deal with the political problems that threaten world security. We must also deal with the economic problems that can lead to conflict between nations. The Charter of United Nations Organization recognizes this fundamental interrelationship between peace and prosperity by establishing an Economic and Social Council to encourage and facilitate international economic cooperation.

By promoting a high level of world trade on a multilateral basis, the financial agreement will make an important contribution to world prosperity. It will help assure closer friendship and greater commerce between England and the United States by eliminating the harmful currency and trade practices. It will prevent the danger of economic warfare. In addition, the agreement provides the basis for a broader understanding on international trade practices to be drawn up at the forthcoming conference on trade and employment. The elimination of currency and trade restrictions and discrimination and other forms of economic warfare is essential to the building of a peaceful and prosperous world. That is a major purpose of the financial agreement.

30. What does the United States gain from the financial agreement?

Broadly speaking, each provision of the financial agreement benefits the United States because each is part of the whole structure of cooperation between the two countries in establishing international commercial and financial policies designed to promote the balanced growth of international trade.

THE BRITISH LOAN—WHAT IT MEANS TO US

(A radio broadcast by Fred M. Vinson, Secretary of the Treasury and Dean Acheson, Acting Secretary of State, January 1946)

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ACHESON. The British have agreed to support the American proposals to reduce and eventually eliminate these special privileges. In some ways, the joint American and British statement on commercial policy is the most important part of the agreement. The United States has made certain proposals for consideration by a United Nations trade conference, which we expect will be held late next summer. The British have joined us in these proposals for tariff reductions and an end to hampering restrictions of all sorts.

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ACHESON. I think it's wrong to think of the loan simply as a business arrangement. We're not in this to make money out of

Britain. We made what everybody thought was a "businesslike arrangement" after the last war. Foreign governments floated loans, with engraved bonds and all the trimmings, including much higher rates of interest than we're asking the British to pay now. But after the last war the foreign governments found it impossible to repay those loans. And why? Because we tried to collect payments and interest on our loans, while at the same time we refused to let our debtors sell us goods to get the dollars they needed to pay off these debts to us.

VINSON. This time, we are making the loan on terms we believe will make repayment possible. We have a foreign economic policy now which we believe will permit other nations to trade with us and increase the total world trade. In fact, we are working hard to establish a system which will cause trade to expand so much that the British will find it easy to repay us.

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ACHESON. The proposed loan, Mr. Fisher, is a financial and economic agreement between two great nations. We did not attempt to use the leverage of the loan to obtain territorial concessions. To demand such concessions as part of the loan agreement would have been like saying to Britain, "Sure, we'll help you get back on your feet, but not unless you hand over some of your territory, and do things our way from now on." You can imagine how any self-respecting nation would react to that. They would have felt we were taking advantage of their necessities to drive a sharp bargain in a totally different field. No, the proposed loan is an economic question. It is as essential to the foreign economic policy of the United States as it is to the future economic prosperity of Great Britain. It's a mutual arrangement for mutual benefits, arrived at out of mutual necessity. And if a lot of extraneous, noneconomic matters had been injected into the discussion, it's doubtful whether an agreement could ever have been reached.

VINSON. * * * And the principal purpose of this loan is to increase international trade generally.

ACHESON. It isn't competitive trade that we fear, it's discriminatory trade—trade hampered by high tariffs, exchange restrictions, quotas, and so on. The British loan enables us to move away from these devices, which limit our ability to sell abroad.

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FISHER. To summarize what you've said, then, the proposed British loan is an essential step toward the expanding world trade that we need if we are to remain prosperous. Its terms offer great advantages to both parties. It's a loan, not a gift, and the total credit we shall advance will be very small compared to the benefits we shall receive. The alternative to the loan would be a reversion to destructive economic nationalism such as we had in the period between the last two wars.

THE CREDIT TO BRITAIN—THE KEY TO EXPANDED TRADE

(Address by Dean Acheson, Under Secretary of State, February 1, 1946)

This ability to exchange British money for American money has been disrupted by two wars. After the last war we started to exchange our money on the old basis—$4.86 to the pound sterling—but we were forced to give that up in the 1930's. In this war Great Britain was in the fighting for 6 years. The British poured everything they had into the war and war production. They converted their industry almost completely, cut their civilian standards to a bare minimum, and suffered destruction at home that we were spared. In particular, they cut their exports to the bone. In 1945 they sold abroad less than one-third of what they sold in 1938. It will take a long time to rebuild that trade.

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First, we agree, if Congress approves, to extend to the United Kingdom a line of credit of $3,750,000,000, which can be drawn on as needed at any time until December 31, 1951.

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These are the arrangements about money. The United Kingdom also promises, effective at the end of 1946, not to discriminate against this country in the administration of its quotas upon the quantity of imports.

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We are starting on that too. On the same day that the financial agreement was signed there were made public the American proposals for expansion of world trade and employment. With their immediate financial problem cared for by the loan, the British Government was able at once to endorse all of the important points in these proposals. Under them we shall sit down this summer with 14 important countries to reduce all kinds of barriers to trade under the Trade Agreements Act, and we hope shortly afterward to meet in general conference of the United Nations for the same purpose.

In trade, our interest, the British interest, the interest of all countries is in expansion rather than restriction, in greater production rather than scarcity, in equal opportunity rather than discrimination.

We have proposed the framework of an agreement that advances these objectives, and we have asked the people of this country and the governments and peoples of other countries to give it their most serious consideration. One main advantage of the loan agreement with Great Britain is that it makes it financially possible for the world's largest purchaser of foreign goods to join us in that project. They are back of it as thoroughly as we are.

One thing should be made perfectly clear in connection with these trade proposals. They do not involve any present agreement about any American tariff rates, and they do not increase in any respect the President's authority to enter into such agreements. That authority remains exactly what it was before, and is stated in the Trade Agreements Act as that act was last renewed by Congress in June 1945.

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The provisions of the loan agreement with Great Britain have been called stiff, and the length of the discussions truthfully suggests that they were not all easy to negotiate. But they all had to do with the commercial and financial facts which were the reason for the credit and with the measures needed for the growth of trade which is the ultimate main source for its repayment. The terms were therefore all germane to the transaction. In the end this had to be admitted.

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I have talked a good deal tonight about trade and money, and little about the political foundations of the peace. The political foundations are essential, but one thing we have learned since 1918 is that they are not enough. The organization of the peace means its organization on all fronts. We need not only the Security Council of the United Nations, but the Economic and Social Council also. We need not only the International Court of Justice, but the International Monetary Fund. We need not only the International Labor Organization, but the Food and Agriculture Organization of the United Nations. We need not only the United Nations Educational, Scientific and Cultural Organization, but the International Bank for Reconstruction and Development, and the International Civil Aviation Organization. And I am convinced that when we search our minds we shall decide that we need the International Trade Organization also, and the British loan that makes it possible.

WHY LEND TO BRITAIN?

(By Clair Wilcox, Director, Office of International Trade Policy, the Department of State, January 1946)

We have proposed:

1. That a common code be adopted to govern the regulation of commerce by the nations of the world.

2. That tariffs be substantially reduced and that preferences be eliminated.

3. That quantitative restrictions—quotas and embargoes—be limited to a few really necessary cases and that they be administered without discrimination.

4. That subsidies, in general, should be the subject of international discussion, and that subsidies on exports should be confined to exceptional cases, under general rules.

All of these proposals relate to the reduction or the removal of barriers that governments have placed in the way of private trade. In many cases, however, governments themselves have established public enterprises to buy and sell abroad. And in the Soviet Union the Government has assumed a complete monopoly of its foreign trade. Here we have proposed:

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As a means of implementing and supervising all of these undertakings, it is proposed:

9. That an International Trade Organization be created, under the Economic and Social Council, as an integral part of the structure of the United Nations.

These are the proposals that relate to trade. If they are to gain acceptance, assurance must also be given that the nations of the world will seek, through measures that are not inconsistent with them, to achieve and maintain high and stable levels of employment. For this reason, it is proposed, finally:

10. That each nation should agree, individually, to take action designed to provide full and regular employment; that no country should attempt to solve its domestic problems by measures that would prevent the expansion of world trade; that no country, in short, should be free to export its unemployment.

These proposals were not prepared in haste; they date back to article VII of the mutual-aid agreements of February 1942 and have been actively developed by a series of interdepartmental committees, meeting successively under the chairmanship of Under Secretary Acheson and Assistant Secretary Clayton since the spring of 1943. They are not utopian or visionary; they have been hammered out in great detail to meet the actual situation that exists in the world today. They are distinctively American; in substance, if not in detail, they embody the recommendations that have been made by such representative bodies as the Committee on International Economic Policy of the Carnegie Endowment, the Council on Foreign Relations, the National Planning Association, the National Foreign Trade Council, and the Committee on Economic Development. The world that is pictured in these proposals is the kind of a world that Americans want.

This Government will ask the United Nations Organization to call an international conference to consider its proposals sometime during the fall of 1946. In preparation for this conference, it intends to go forward, in the summer, with actual negotiations with several countries for the reduction of barriers to trade, under the provisions of the Trade Agreements Act. Fourteen nations have already accepted our invitation to attend this meeting. It is our belief that these negotia-

tions will afford the greatest contribution that we could make toward the success of the conference itself.

What are the prospects? Can we persuade the other nations of the world to go along with our program? This question brings us to a consideration of the Anglo-American economic agreements which were announced 6 weeks ago. I think that it is fair to say this: If Great Britain is able to join hands with us in this enterprise, the prospects will be very good indeed; if she is unable to do so, the prospects will be very bad. Before the war, the British Empire accounted for a third of the world's trade. The dollar or the pound sterling was involved in half of the exchanges between nations. After the war, this figure will be closer to three-fourths. The United States and Great Britain are the mainstays of the world's economy. Economically, there is no other nation that is anywhere nearly as important to us. It is this fact that gives the Anglo-American understandings their peculiar significance.

These agreemens—here are 3 of them—are broad in scope, and they conform to the established pattern of American policy. They provide, first, for the settlement of the war account. As to materials delivered under lend-lease and reverse lend-lease and consumed, before VJ-day, in the prosecution of the war, the slate is wiped clean. Each of us had made his contribution to the common victory. We did not attempt to place a monetary value on blood, sweat, and tears. This time, at least, our relations with our comrades-in-arms are not to be disturbed by an irritating controversy over the war debts. With respect to lend-lease goods still in British hands, American surpluses remaining in the British Isles, and a multitude of individual claims, running both ways, a balance has been struck and the resulting sum of $650,000,000 is to be paid us, with interest, over 50 years.

The second part of the agreement is an understanding on commercial policy, in which the United Kingdom expresses its full agreement with the American proposals, pledges itself to participate in this summer's negotiations for the reduction of barriers to trade, and undertakes to support the American proposals at the world conference in the fall.

The third item, and the one that has attracted the widest public attention, is the financial agreement. Under its terms, this country would extend to the United Kingdom a line of credit of $3,750,000,000 against which it could draw at any time during the next 5 years. The sums actually borrowed are to be repaid, with interest at 2 percent, beginning in 1951. The United Kingdom, however, may request the United States to waive the collection of interest (but not of principal), and our Government will grant the request in any year in which dollars are practically unobtainable and the International Monetary Fund certifies that British exports—visible and invisible—have been running too low to enable her to earn her prewar volume of imports.

This, in brief, is the British loan. It is an integral part of the pattern of the Anglo-American understandings, just as those understandings are an integral part of the pattern of American foreign policy. But it is unlike other peacetime loans in its size, in its terms, and in its purposes. And it understandably raises a number of questions in the minds of the American people. Each of these questions requires an answer. Do they need it? What will they do with it? Can they repay it? What do we get out of it? Can we afford it? What will happen if we don't make it?

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Will the loan really be repaid? That is certainly our expectation. Great Britain is a good risk. She has great assets in business reputation, productive power, commercial skill, and strong political and economic ties with many countries of the world. All that she needs is a chance to come back. The willingness of our negotiators—headed by Mr. Clayton and Mr. Vinson—to extend her a loan was a profession of their faith in her ultimate solvency.

It should be recognized that the circumstances surrounding this transaction are entirely different from those that accompanied the debts arising from World War I. Let me state the differences:

1. Last time, reparations from Germany were payable in cash and our debtors relied upon their share of reparations to get a large part of the money to pay us. When Germany defaulted, they lost the funds on which they had relied. This time, reparations are payable in kind and no one relies on them for money to pay debts.

2. The last war's debts, in the main, represented goods destroyed in battle. They created no new wealth and no new earning power. This time, we are not trying to collect for dead horses or smashed tanks. This loan is for new goods. It will finance the production of new wealth. Like any good commercial loan, it will create the means of its own payment.

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5. And this is most important. Last time, we raised our tariffs—in 1921, in 1922, and again in 1930—thus denying our debtors an opportunity to earn the funds with which to pay us. This time we start with the Trade Agreements Act in force, with our proposals for the reduction of trade barriers published to the world, and with conferences to act on these proposals projected for the summer and the fall. This time we intend to let our debtors earn the funds with which to pay us. We have come to recognize our creditor position and to adopt the commercial policy which that position requires. We have demonstrated, at last, that we can learn from history.

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6. We get her agreement, by the end of 1946, so to administer her import quotas that they do not discriminate against the United States, thus giving the American exporter, who sells for scarce dollars, an equal opportunity in the British market with exporters who sell for more plentiful currencies.

7. We get Britain's promise to work with us, this summer, toward the reduction of tariffs and the elimination of preferences. Specifically, it is agreed that her existing commitments to Empire countries are not to stand in the way of this program. And it is further agreed that every cut in tariffs, within the Empire, will cut the margin of imperial preference by the same amount. This, again, will enable American businessmen to enter Empire markets more nearly on a basis of competitive equality.

8. We get British support for the American trade program. And this is not a socialist or an imperialist program; it is a liberal program. In short we have obtained Britain's pledge that her foreign economic policy will henceforth be devoted to restoring an international order that is favorable to the preservation and expansion of private enterprise.

All of these matters are directly related to the loan. They are commitments that Britain is enabled to make by virtue of the loan. They are commitments that she could not make if she didn't get the loan. Our negotiators did not seek concessions that would have been extraneous to the loan, concessions that would have challenged British sovereignty and affronted British pride. These agreements are economic, not political. It would have been unwise for us to attempt to push our bargaining power further than it would go. It cannot be said with sufficient emphasis that the American people want the economic freedom and the trade expansion that are involved in this loan fully as much as the British people want them. In short, we are getting plenty.

INTERNATIONAL FINANCIAL PROBLEMS—FINANCIAL AGREEMENT WITH THE UNITED KINGDOM—RELATED SETTLEMENTS AND UNDERSTANDINGS ON TRADE POLICIES

(Finance department, Chamber of Commerce of the United States, Washington D. C., February 1946)

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Settlements and understandings: Pertinent to the financial agreement although not requiring ratification by Congress is an additional obligation of approximately $650,000,000 assumed by the United Kingdom in settlement of lend-lease and reciprocal aid, acquisition of surplus war property, and settlement of claims. This amount, which brings the total British loan to $4,400,000,000, is to be paid under the same terms as the line of credit.

Also pertinent to the line of credit although not requiring action by Congress is an understanding on commercial policies relating to such matters as tariffs, quotas, discriminations and preferences, world surpluses of primary commodities, cartels, an international trade organization, and international aspects of domestic measures to maintain employment. These subjects are slated for consideration in an International Conference on Trade and Employment. The Governments of the United Kingdom and the United States are in agreement on a set of proposals as a basis for international discussion.

Quid pro quo: Under the financial agreement and related settlements and understandings, both the United States and the United Kingdom make commitments.

The United States agrees:

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4. To join with other nations in eliminating or modifying trade barriers, the commitment implying a further reduction in tariffs under the Reciprocal Trade Agreements Act.

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IV. LEND-LEASE AND OTHER SETTLEMENTS

Wartime lend-lease policy: * * *

Under article VII of the Anglo-American mutual aid agreement of February 23, 1942, it was provided that in the final determination of benefits to be provided to the United States the terms and conditions there shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of worldwide economic relations. To that end, it was stated that the settlement should include provision for common action by the nations directed to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers.

In general, the purpose was stated to be attainment of all the economic objectives of the Atlantic Charter of August 14, 1941, in which President Roosevelt and Prime Minister Churchill pledged their countries to further the enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity.

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V. COMMERCIAL POLICIES

The understandings with respect to commercial policies are based on a printed pamphlet of 28 pages entitled "Proposals for Expansion of World Trade and Employment" which was prepared by a technical staff within the Government of the United States in

preparation for an international conference on trade and employment. The document, which is sponsored by the State Department, is referred to in the joint statement of the United States and the United Kingdom regarding the understanding on commercial policy.

The joint statement sets forth that the proposals have the endorsement of the executive branch of the United States Government and have been submitted to other governments as a basis for discussion preliminary to the world trade conference scheduled to take place not later than the summer of 1946.

The Government of the United Kingdom is stated to be in full agreement on all important points in these proposals and accepts them as a basis for international discussion. That Government, it is asserted, will, in common with the United States Government use its best endeavors to bring such discussions to a successful conclusion, in the light of the views expressed by other countries.

The two Governments, it is further stated, have also agreed upon the procedures for the international negotiation and implementation of these proposals. Preliminary negotiations with other nations already have commenced for the purpose of developing concrete arrangements to carry out the proposals, including definitive measures for the relaxation of trade barriers of all kinds. The negotiations will relate to tariffs and preferences, quantitative restrictions, subsidies, state trade, cartels, and other types of trade barriers discussed in the State Department document.

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As to irregularity in production and employment it is proposed that the world conference promote a general agreement by which each country would seek to maintain full and regular production without using measures which would damage other countries and that all should cooperate in exchanging information on antidepression policies. It is held to be important that nations should not seek to obtain full employment for themselves by exporting unemployment to their neighbors.

INTERNATIONAL TRADE ORGANIZATION

The proposed International Trade Organization would be the central world agency dealing with trade and would be related to the Economic and Social Council of the United Nations Organization in the same manner as the various organizations having to do with currency, investment, agriculture, labor, and civil aviation.

The purposes of the organization, according to an outline of the principles proposed to be incorporated in the articles of the Organization, should be:

1. To promote international commercial cooperation by establishing machinery for consultation and collaboration among member governments regarding the solution of problems in the field of international commercial policies and relations.

2. To enable members to avoid recourse to measures destructive of world commerce by providing, on a reciprocal and mutually advantageous basis, expanding opportunities for their trade and economic development.

3. To facilitate access to all members, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity.

4. In general, to promote national and international action for the organization of the production, exchange, and consumption of goods, for the reduction of tariffs and other trade barriers, and for the elimination of all forms of discriminatory treatment in international commerce; thus contributing to an expanding world economy, to the establishment and maintenance in all countries of high levels of employment and real income, and to the creation of economic conditions conducive to the maintenance of world peace.

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Increased external indebtedness: * * *

External liabilities of the United Kingdom at the time of the outbreak of the European war amounted to only $1,920,000,000, which has been converted from pounds at the present exchange rate to facilitate comparison with recent figures. The total increased to $5,235,000,000 in December 1941, when the United States entered the war, and to $13,525,000,000 on June 30, 1945. Of the $13,525,000,000, $12,300,000,000 was in the form of net quick external liabilities and $1,225,000,000 in loans.

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Total loss in national wealth: The above statistics deal entirely with Britain's external position. The total wartime losses of national wealth are estimated in the official British statistics at $30,000,000,000, a reduction of 25 percent from the prewar national wealth of $120,000,000,00. The $30,000,000,000 includes, besides about $17,000,000,000 for loss of external wealth, $6,000,000,000 for physical destruction on land, $3,000,000,000 for destruction of shipping and cargoes, $3,500,000,000 for the amount by which industrial and other enterprises have been compelled, by shortages of materials and labor, to allow arrears of normal depreciation and obsolescence to accumulate, and an unestimated amount for deterioration of residential property.

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Commerce Department estimate: * * *

The net income from overseas investments in 1952 is estimated at the equivalent of $705,000,000, which is somewhat below the prewar income, and that from shipping at $665,000,000, which is much higher than before the war.

Price levels: The large increase in export and import price levels in the United Kingdom complicates the problem in attaining a balance of international payments. Such prices are said to be at present more than 90 percent above prewar levels. Average import prices increased 91 percent between 1938 and 1944 while average export prices increased by 78 percent. Domestic prices have been held down by subsidies.

If the British are correct in figuring the future price level at a level greatly above that of 1938, an increase in exports of from 50 to 75 percent in volume over 1938 would mean a much greater percentage increase in value.

Invisible items, such as income from shipping and foreign investments, might not reflect fully the increase in export and import prices in the United Kingdom.

Experts of our Department of Commerce apparently do not accept the British figures but have estimated the future British export and import price level at from 25 to 50 percent above prewar. One of these experts used 33⅓ percent as a rough estimate of the increase in the level of British prices for 1946–49 over 1938.

Prices double the level of 1938 were apparently used by Lord Keynes in a calculation in a speech in the House of Lords in which he emphasized the very large increase in exports which must take place before the British are required to pay any interest on the loan from the United States. Lord Keynes asserted that no interest would be paid for 6 years and after that not until exports have reached a level at least 60 percent greater in volume than before the war.

Lord Keynes said further that the maximum payment in any year, £35,000,000, or $140,000,000, which is the total annual payment of principal and interest on $4,400,000,000, does not become payable until our external income—that is from exports and shipping and the like—is, in terms of present prices, 50 times that amount." He added that the minimum payment for principal, £13,000,000, or $52,000,000, is less than 1 percent of the external income which must be reached.

Basis of Keynes estimate: * * *.

Exports of British merchandise in 1936–38 averaged £477,000,000. A 60 percent increase in volume of such exports, as held by Lord Keynes to be necessary, would mean a value of £763,000,000, without taking account of a change in the price level. If the price level is assumed to be doubled, the total would be £1,526,000,000.

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Expansion of British export trade: By the time the 5-year transition period has elapsed it is expected that the income from British foreign investments and from shipping services will increase substantially over present totals. However, major reliance in the program for an enduring adjustment of the British balance of payments must be upon an expansion of exports to a level far higher than before the war.

Part of this expansion may be facilitated by a reorganization of British manufacturing industries with a view to attainment of efficiency approaching that of American industry. A large part of the expansion may be possible, however, only if there is a general lowering of trade barriers by other nations.

The foundation of the financial agreement and the accompanying understandings with respect to the elimination of exchange controls and trade restrictions is a broad plan for an expansion of the foreign trade of all nations on a basis of multilateralism and freely convertible currencies.

While there is considerable skepticism in Britain as well as in the United States as to the possibility of reaching the goal for British exports, officials of the United States Government express confidence that it can be done. Comments in the leading editorial article in a recent issue of the Federal Reserve Bulletin are significant in this connection.

An excerpt from the article follows:

"The proposed American loan to the United Kingdom is intended primarily to meet the deficit in Britain's balance of payments during the period of transition from a war economy to a peace economy. Once this period of readjustment has passed, it is anticipated that the United Kingdom will be able to pay for its necessary imports with the proceeds of exports and with income from overseas investments, shipping, insurance, etc., while at the same time making payments of principal and interest on both its foreign loans and its accumulated sterling obligations. With a sound program for rebuilding and modernizing British industries, it should be possible for them to expand exports sufficiently to realize this goal. And once a balanced position is achieved, gradual payment of its overseas obligations will not place a serious strain on the British economy.

"A balanced international position will not occur automatically, however, but only as the result of a well-planned policy of trade expansion. A prerequisite to trade expansion is modernization of British industry. Many British industries have not kept pace with their American counterparts in the adoption of technological improvements. As a result, costs of production in the United Kingdom have tended to increase relative to costs for similar products in the United States. * * *

"Since coal, textiles, and textile products accounted for more than one-fourth of the volume of prewar exports, it would appear that modernization of these industries is essential to the establishment of postwar exports on a sound basis. * * *

"With modern and efficient plant and equipment and a conscious effort to adapt production to the changing requirements of Britain's customers the competitive position of the United Kingdom in world markets should be better than it was before the war. But British exports obviously cannot be kept at a high level without a high and sustained level of world income. A prolonged world depression, such as was experienced in the early thirties, would seriously impair the ability of the United Kingdom to liquidate its external debts, and might well lead to an intensification of the trade controls and exchange restrictions which the present agreement between the United States and the United Kingdom is intended to reduce.

"The establishment and maintenance of this high level of world income will depend to a large extent upon developments in the United States."

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IX. FUTURE FOREIGN TRADE OF THE UNITED STATES

The financial agreement and related understandings with the United Kingdom have a conspicuous place in the program of the United States Government for an expansion of American foreign trade.

The credit would facilitate purchases of goods and services from the United States not only by the United Kingdom but also by other nations which may receive dollars from the United Kingdom. It would tide over the period in which the United Kingdom otherwise would be unable to assume the obligations of multilateral trade, held to be essential for an expansion of American foreign commerce.

Department of Commerce goals: Without a widespread removal of present exchange controls and trade restrictions, our Government officials would not venture to talk of a possible $10,000,000,000 in exports and $7,000,000,000 in imports annually. These totals, which have been put forward as goals rather than as estimates of actual trade, would be balanced by such items as foreign loans and investments and imports of gold.

The total of $10,000,000,000 of exports would be almost double that in the boom year of 1929, while $7,000,000,000 in imports would be nearly 60 percent greater than the 1929 figure. Exports in 1938 were a little in excess of $3,000,000,000 while imports were slightly below $2,000,000,000.

The projected $10,000,000,000 of exports contemplates an increase in shipments to the United Kingdom and other British Empire countries proportionate to the total increase to all countries.

An excerpt from the Department of Commerce analysis of trade possibilities follows:

"If the British Empire and Latin America are to maintain approximately their prewar standings, a $10,000,000,000 export total would mean exports of about $4,000,000,000 to the British Empire and of half that amount to Latin America. To be more specific, a $10,000,000,000 export volume would mean, on the basis of the prewar distribution of trade, sales in the order of $1,500,000,000 both to the United Kingdom and to Canada, our foremost customers before the war.

"Looking at some of our numerous smaller markets, we should have to sell between $200,000,000 and $300,000,000 to each of the following countries: Mexico, Cuba, Brazil, Argentina, Australia, Union of South Africa, Belgium, the Netherlands, Sweden, and Italy. On the same basis exports would have to total between $100,000,000 and $200,000,000 to Colombia, Venezuela, Chile, New Zealand, and India.

"These figures are all much higher than we ever achieved in the past, and some of them may appear wholly improbable. For instance, exports to the United Kingdom averaged about $840,000,000 during the peak years 1926–30 and did not greatly exceed $500,000,000 in any year after the great depression and up to the war.

"Unless, with American aid, the United Kingdom achieves a truly remarkable recovery from its present difficulties, it may seem that our exports to that country could not exceed $1,000,000,000 per year at the most. If so, we should either have to find markets elsewhere for an additional $500,000,000 of our goods beyond the individual country figures already suggested, or be forced to conclude that a $10,000,000,000 goal is unrealistic."

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XII. POSSIBLE DANGERS IN PROPOSED CREDIT

Various possible weaknesses in the proposed credit to the United Kingdom have been pointed out by critics. These have to do with such questions as the ultimate repayment of the loan, aid to a government which is committed to socialistic principles, inflationary effects and possible interference with the reconversion of domestic industry, protection of industry and agriculture, and fiscal and monetary aspects.

Gift or loan: Whether the loan would prove to be a gift or a loan without interest may well be a moot point. In the light of the experience with the indebtedness of World War I, the waiver clause applying to interest is more realistic than any arbitrary requirement for its repayment. Complete assurance even as to the full payment of principal is not possible. There is, however, an important difference between the proposed credit and the World War I debt. The latter was for war expenditures and was comparable to Lend-Lease aid of the recent war.

Lend-lease assistance to the United Kingdom without expectation of repayment has been accepted as having justification because of common interests in the war effort. There is support in the United States for the British view that the same considerations would have justified continued aid on a Lend-Lease basis until wartime dislocations are corrected.

Whether the loan actually is repaid as to principal as well as interest may depend to a considerable extent upon the willingness of the United States to accept payment in goods.

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Protection of industry and agriculture: The credit to the United Kingdom and other features of the program, including any lowering of our tariffs, might place British manufacturers in a better position to compete with American industry and agriculture in world trade. British products might be sold more readily in our domestic markets.

Offsetting these factors, however, would be the opening of new markets to American manufacturers and agricultural producers through the elimination or lightening of British restrictions, including the dollar pool and other sterling area arrangements, Empire tariff preferences, quotas and exchange controls. Trade barriers of nations other than the United Kingdom would be lowered as part of the agreements of the International Conference on Trade and Employment.

In general, there is recognition that increased imports are desirable in our own as well as in the world interest. To the extent that greater imports would widen our export markets they would contribute to domestic employment.

Reduction in some United States tariffs under the liberalized Reciprocal Trade Agreements Act may be disturbing to specific industries and agricultural enterprises which must rely upon protection against foreign producers whose wage scales and other costs are lower.

XIII. TRENDS OF BRITISH OPINION

Large majorities in the favorable votes for ratification of the financial agreement by the British Parliament testify to a preponderance of opinion in the United Kingdom in its support. At the same time, there has been considerable opposition from those who view the terms of the loan as needlessly harsh and from those who would prefer a strengthening of sterling area restrictions and bilateral agreements to the multilateral, nondiscriminatory trade contemplated under the present program.

Speech by Lord Keynes: In his speech in the House of Lords at the time of ratification of the financial agreement, Lord Keynes, who was a conspicuous member of the British delegation which negotiated it and who also was chairman of his country's group at the Bretton Woods Conference, emphasized by striking comparisons the very liberal terms granted to the United Kingdom.

An excerpt from Lord Keynes' speech follows:

"It is relevant, I think, to remind your Lordships that the maximum charge to use in respect of the early years is not much more than half of what is being charged in respect of loans which the United States is making currently to her other allies, through the Export-Import Bank or otherwise; whilst the minimum charge percent, to which we have been asked to commit ourselves in the early years, is only one-fifth of the annual service charge which is being asked from the other allies. None of these loans is subject to a 5-year moratorium. All the other loans which are being made are tied loans limited to payments for specific purchases from the United States. Our loan, on the other hand, is a loan of money without strings, free to be expended in any part of the world. * * *

"I have heard suggestions made that we should have recourse to a commercial loan without strings. I wonder if those who put this forward have any knowledge of the facts. The body which makes such loans on the most favorable terms is the Export-Import Bank. Most of the European allies are in fact borrowing or trying to borrow from this institution. The most favorable terms sometimes allowed as, for instance, in the case of France, for the purpose of clearing up what she obtained through the lend-lease machinery, are 2⅜ percent with repayment over 30 years, beginning next year; that is to say, an annual debt of 5⅝ percent, so that an amount equal to 34 percent of this loan will have been paid by France during the 6 years before we have begun to pay anything at all. The normal commercial terms in the Export-Import Bank are, however, 3 percent, repayable over 20 years commencing at once, so that payments equal to 48 percent of the loan would have been paid during the first 6 years in which we pay nothing."

Lord Keynes said that the amount of the credit did not allow a sufficient margin for unforeseen contingencies and yet was substantial. He said he would never cease to regret that it was not an interest-free loan.

Winston Churchill: A more critical note was sounded by former Prime Minister Winston Churchill in the debate in the House of Commons on December 13, 1945.

Mr. Churchill said:

"If the United States had seen fit to say 'We shall give a grant-in-aid or a loan without interest' it would have been very natural to share their benevolent act and understanding on other matters. As it is, we seem to have the worst of it both ways. Everyone has drawn attention to the proposal that sterling be convertible into dollars within so short a time as 15 months, whereas at Bretton Woods it was contemplated that there should be a delay of as much as 5 years before we accepted convertibility as a definite legal obligation.

"The convertibility within 15 months appears to be a proposition so doubtful and perilous that in practice we can only hope it will defeat itself. It is—in fact we hope—too bad to be true."

London Economist: Many criticisms of the financial agreement and related proposals have been voiced by the London Economist. Excerpts from comments by this well-known publication immediately following the signing of the agreement follow:

"In 1938 the exports of the United Kingdom were just over 10 percent of the world total, so that if they are to rise by three-quarters an extra volume of trade must be won equal to 7½ percent of the world total, either by taking it away from others or by securing the lion's share of any likely increase in the total. This by itself would be a gigantic task. But it understates the real problem. The whole of the increase will necessarily be concentrated on manufactures, and if the total is to rise by 75 percent the volume of manufactured exports, which were 72 percent of the total before the war, will have to rise by just over 100 percent. But British manufactured exports in 1937 amounted to 19 percent of the world total in this category. In short, in this decisive field, the British task is to secure additional markets equal to one-fifth of the whole international trade of the world.

"Clearly, if this can be done at all, it will require the use of every possible bargaining weapon in the armory, of every trump card in the pack. It is all very well to say that reciprocal bargains, preferences, quotas, subsidies, blocked balances, and exchange controls can be abused. Of course they can; but they can also be used legitimately and they certainly will have to be used if the task is to be accomplished * * *. It is very difficult to understand how any man in his senses can think that the obligations now to be assumed can possibly be fulfilled * * *.

"This crippling of Britain's bargaining strength is the first of the major objections. We cannot accept the American doctrine of 'nondiscrimination' and hope to get our exports up to the required level. We cannot survive without the methods that are called 'reciprocal' by those who practice them and 'bilateral' by those who object. * * * Every nation in the world practices discrimination in one form or another. The Americans discriminate quite openly and powerfully in their loan policy, in their shipping laws, and most ostentatiously in their immigration restrictions. We have at least as much right as they to employ the methods of discrimination that we find useful.

"The second major defect of the proposals is that they virtually rule out the possibility of a planned expansion of international trade. * * * The only way in which a state can plan its trade upward is by entering into agreements with other states for the mutual assurance of export markets—and that is to be banned."

The Economist concluded its analysis of the proposals with the comment that "all this, no doubt, is unavoidable" and that "beggars cannot be choosers" but "they can, by long tradition, put a curse on the ambitions of the rich."

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XIV. EXCERPTS FROM STATEMENTS IN SUPPORT OF PROGRAM

President Truman: In his special message to Congress transmitting the financial agreement for its approval, President Truman said, in part:

"It is not too much to say that the agreement now transmitted will set the course of American and British economic relations for many years to come. In so doing it will have a decisive influence on the international trade of the whole world. Those who represented the United States in these discussions and those who represented the United Kingdom were fully aware of the fundamental nature of the problems before them. After long and careful consideration they agreed upon the arrangements which in my opinion will provide a solid foundation for the successful conduct of our economic relations with each other and with the world. * * *

"The financial agreement will enable the United Kingdom, through the prompt relaxation of exchange restrictions and discriminations, to move side by side with the United States toward the common goal of expanded world trade, which means expanded production, consumption, and employment and rising standards of living everywhere. * * *

"The financial agreement also makes it possible for the United Kingdom to give wholehearted support to the proposals for expansion of world trade and employment which the United States has recently put forward as a basis for international discussions by the United Nations. * * *

"The implementation of the financial agreement will be a great contribution to the establishment of a permanent state of peace and prosperity. We are all aware of the dangers inherent in unchecked economic rivalry and economic warfare. These dangers can be eliminated by the firm resolution of this Nation and the United Kingdom to carry forward the work which has been so well begun."

Secretary of the Treasury Vinson: In an address seeking public support for the financial agreement, Secretary of the Treasury Vinson said, in part:

"It is unfortunate that there have been some intemperate statements concerning the terms of the proposed loan. In Britain they have been called too hard, in the United States, too easy. They are, in my judgment, fair to both countries. They take account of Britain's need for aid and her ability to repay. They take account of the financial cost to this Government of providing aid to Britain. The interest charged Britain is reasonable comparable to what it costs this Government to borrow money.

"The amount of the proposed British credit is large, but it is needed to do the job. Three billion seven hundred and fifty million dollars is a lot of 'do-re-mi' in anybody's book. But war, including its aftermath, is costly business. This loan represents about 2 weeks of our expenditures for war toward its close. In my judgment, this is not an expenditure but an investment. It is sound business for America. * * *

"The significance of the financial agreement with Britain goes far beyond its economic effects, important though they are. This is a world in which all countries must work together if we are to live in peace and prosperity. The alternative—God save us—is to perish together. Mankind surely has the wit and the will to choose not death but life."

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United States Associates: The executive committee of the United States Associates of the International Chamber of Commerce in a report approving the financial agreement set forth following conclusions:

"1. The committee believes that the extension of the line of credit on the terms and conditions proposed would be a major step in the restoration of world commerce and toward the elimination of state direction and control. The forces of private enterprise throughout the world would be strengthened.

"2. The proposed loan would by no means solve Britain's fundamental economic problems. That can be done only through rehabilitation and modernization of her productive facilities, and the rebuilding of her export trade on sound and efficient lines. The credit would, however, give Great Britain a breathing space in which to readjust her economy to her new economic position.

"3. This credit arrangement must not be regarded as establishing a pattern for similar loans to other countries. For reasons that are stated herein, the British case is unique. The committee is concerned over the growth of inflationary tendencies in all countries, and urges prudence in the development of our foreign lending program. Excessive lending of public funds will not only mean a heavier burden upon the United States taxpayer, but we may find that, instead of financing a sound recovery, we are repeating the experience after World War I when we contributed to financing a boom and generating the economic dislocations which brought on depression."

XV. CHAMBER POLICIES

Endorsement of the financial agreement with the United Kingdom and related trade proposals has been voted by the board of directors of the Chamber of Commerce of the United States. Text of the board's statement is printed as a preface to this pamphlet.

The board's advocacy of ratification of the agreement by the Congress is consistent with formal declarations of policy approved by the member organizations of the chamber in recent years. These declarations have to do with stabilization of currencies, the removal of controls and other restrictions upon world trade, a wider production and distribution of goods among the nations, and a reciprocal adjustment of tariffs.

A basic premise, that stability of the pound sterling in relation to the dollar is a prerequisite to any program for stabilization of currencies, is a part of chamber policy under a declaration approved by member organizations in a referendum in June 1944. In that declaration it was urged that "endeavors should be encouraged to establish definite rates between the dollar and pound sterling, which are so greatly used in world trade, with subsequent relation thereto of the currencies of other countries as they make necessary adjustments." Without substantial assistance to the United Kingdom during the transition period there appears little likelihood of early establishment of stable currencies which are freely convertible and not subject to present exchange controls.

Removal of controls and restrictions upon world trade, as contemplated in understandings with the United Kingdom, was urged in a referendum on postwar foreign trade approved by the chamber membership in June 1945 as well as in statements of policy in earlier years.

In the 1945 declaration, the chamber endorsed the principle that "a greater production and wider distribution of goods at lower prices to all peoples from all sources of the world will improve the level of world prosperity and promote a gradually rising world standard of living." Approval was given to "the principle of nondiscriminatory, multilateral economic relations" as the basis for this country's foreign economic policy.

In the same declaration, it was maintained that "the existence of excessive and unreasonable tariffs and all forms of discrimination, whether through exchange controls, quotas, preferential treatment, monopolies, subsidies, bilateral trade and exchange agreements and other trade restrictions seriously obstruct such wider production and distribution."

The 1943 annual meeting of the chamber declared that "as soon as war conditions permit, it should be the objective of the Government to pursue a policy that will maintain and increase the volume of export trade and foreign business transactions of American enterprises." At the same meeting it was held that the policy of the Reciprocal Trade Agreements Act should be continued with a view to the negotiation of effective agreements for the reciprocal and selective

adjustment of tariffs, quota restrictions, and other obstacles to the reasonable flow of goods and services. Under that declaration it was stipulated that the agreements should not be permitted to cause destructive competition in American agriculture or industry.

It was with the background of these policy declarations that the board of directors expressed conviction that "the proposed credit and related understandings would be to the advantage of the United States," that "no other program offers equal assurance of world trade on a multilateral and nondiscriminatory basis," and that "the alternative is extensive and harmful economic warfare among rival groups of nations."

The board, however, held that the United Kingdom should not have "priority of purchases as against the needs of the American economy" and that "the amount or terms of this credit should not become a precedent for transactions with other nations whose particular situations may justify assistance by the United States."

Mr. JOHNSON of Colorado. Mr. President, few Americans stop to consider that the bonds of the United States are tied directly to our currency. Federal securities and Federal bonds are convertible into paper dollars at par value any day of the year. So, for all practical purposes, every outstanding bond is printing-press money. We have already debased the dollar until it is now only worth 50 cents. Further action along this line is the road to ruin. The living standards of America go down and prices go up with each turn of the wheel. Our printing presses are hard at work night and day printing dollars by the truckload. If any Senator wants a bad case of the jitters let him go down to our paper-money factory right here in Washington and watch the flood destroying America roll out in a never-ending stream.

The only way our Treasury can secure the dollars to make the huge foreign loans now contemplated is by floating new bond issues which in time will be converted into additional printing-press money, and so the spiral spins and the volume of paper dollars grows. This never-ending chain reaction will eventually debase the currency of this country to the breaking point. Recently before the Banking and Currency Committee of the Senate, America's beloved elder statesman, Bernard Baruch, uttered some ringing sentiments of wisdom and logic with respect to the dangers of inflation which should be drilled into the mind of every Member of Congress. He put it, as he said, in capsule form. Here is one of his atomic-bomb capsules: "Stop increasing money supply."

The gladiator, with the Stars and Stripes for his banner, impatiently awaits the supreme moment when he shall enter the arena to engage in mortal combat. He is to fight for an equitable peace against the tradition of frequent wars, the pressure of power politics, and the cruel policy of dollar diplomacy. His splendid armor glistens in the bright sunlight of humanity's hope; and then as he waits for the bell he sips moderately of the intoxicating beverage of inflation. It makes him feel strong and gives him a new confidence. He indulges a little more and his voice grows loud and his language profane; he is full of fight; he enters the arena now, but his legs wobble and his strong right arm strikes a feeble blow and in the wrong direction. He is dead drunk. Inflation has got him. The Stars and Stripes that floated so proudly in the wholesome breeze of the liberty he intended to defend lies bedraggled at his feet. He has lost the fight for which he trained 150 years.

Congress and Congress alone must assume responsibility for the destruction of America by capitalism's ancient enemy—inflation.

I wish to emphasize and summarize some of the arguments which I have made. The proponents of the pending measure have evaded these specific points and have indulged all too much in glittering generalities in this historic debate. Here are the points upon which I demand clear-cut, unequivocal comment from the proponents of the iniquitous pending resolution:

First. The proposed loan to the United Kingdom will destroy the traditional friendship between the United States and the United Kingdom and will be the source of world-wide jealousy, hatred, and ill will.

Second. A world-wide disarmament conference should precede the granting of credits by the United States. The United Kingdom is currently spending four thousand three hundred and sixty-four millions this year on rearmament.

Third. There is said to be considerable support for the British loan in the United States because of fear of Russia. I do not share that fear in any degree, but, if I were afraid of Russia, I should not want to weaken the United States by lavish world-wide loans or otherwise.

Fourth. It is not sterling-area trade agreements, it is the unliquidated sterling-area claims which will upset world trade. A loan of three thousand seven hundred and fifty millions cannot and will not liquidate the fourteen thousand million in sterling-area claims. At best it can only provide temporary relief, and the initial loan must be followed by periodic loans of an equal amount each 5 years if we are to keep the sterling area solvent until all of its claims are liquidated.

Fifth. Sterling-area blocked credits should be scaled down 50 percent, which is only halfway along the road we have traveled in our ultragenerous cancellation of lend-lease credits. After such a scaling down, the balances of blocked-sterling claims should be refunded on the identical terms of our projected 50-year loan before we make the loan.

Sixth. Exports can be increased only by increasing imports or by giving other countries American dollars. Money loaned by us will increase exports while the loan is being spent, but, while it is being repaid, exports must diminish in an amount equal to such payments.

Seventh. The proposed loan to Britain is a unilateral concept, and does not fit into our multilateral scheme for world commerce. Multilateral lending should accompany multilateral trading. We should have one policy, not a senseless mixture of unilateral credits on this front, and multilateral trade agreements on some other.

Eighth. Inasmuch as additional bond issues floated by the United States Treasury are in reality printing-press money since they may be readily converted to Federal Reserve notes, we can only stop increasing the supply of money when we stop issuing Federal bonds. The dollar, already debased, will be worthless if the cycle from loans to bond issues to printing-press money does not stop.

If the proponents of the proposed loan continue to ignore these arguments, one must conclude that there is no convincing answer.

Mr. BREWSTER. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BREWSTER. I have before me certain figures dealing with the subject of our trade relations during the past 35 years. They should be placed in the RECORD before we conclude the discussion of the pending joint resolution. Therefore, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement entitled "Analysis of Increased Import Trade in 1920, Together With a Table Showing Indexes of Changes in Quantity, Price, and Value of Imports and the Domestic Wholesale Price Index 1913 to 1927."

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

ANALYSIS OF INCREASED IMPORT TRADE IN 1920

The accompanying tables contain a summary and analysis of the import trade with particular reference to the increase in the value of imports which occurred in 1919 and 1920. This memorandum discusses these tables and some of the factors which influenced the trade.

Table 1 gives the United States imports by years under each of the tariff acts from 1909 to date and breaks down the statistics to show the amount of the trade that was free and the amount of the trade subject to duty. As will be seen from the table, the value of our total imports increased rather steadily under the Tariff Acts of 1909 and 1913, reaching a peak in 1920 which was considerably above any previous or subsequent year.

In analyzing the situation, it is to be noted that the ratio of the free imports to the dutiable imports increased in every year from 1910 through 1918. In 1919 there was a small decrease in the ratio of free imports and in 1920 a marked decrease. Stated another way, the increase in total trade which occurred in 1920 was largely accounted for by a substantial increase in the proportion of dutiable commodities—a relationship that was held in 1921 and 1922 and increased substantially in 1923 in spite of the increased duties in the Emergency Tariff Act effective in May 1921 and the Fordney-McCumber Tariff Act of September 1922.

Another interesting point which is brought out in this table concerns the equivalent ad valorem on dutiable imports. Under the Underwood law the equivalent ad valorem of the duty decreased rather steadily between 1914 and 1920, with a marked drop in 1920. This was followed by a marked increase in 1921 and 1922, the equivalent ad valorem in 1922 being practically the same as in 1914. As indicated in the headnote of the table, these changes in equivalent ad valorem are not to be taken too seriously, but the comparisons are interesting.

Tables 2a and 2b list the principal groups of items imported in 1912, 1920, and 1925 and

give a good general idea of what made up the total imports for those years. Since the principal increase in 1920 occurred in the dutiable list the discussion is confined to dutiable items. It should be noted in connection with this discussion that there were some shifts between the dutiable and the free list brought about under the Emergency Tariff Act and the Tariff Act of 1922, and to the extent that the transfers affect these principal groups of items the figures for the respective years are not comparable. It is probable, however, that with the exception of the group covering "wool and manufactures," the transfers don't have to be given much consideration. (Raw wool was dutiable in 1912, whereas imports of raw wool for use in carpets was made free in the Tariff Act of 1922 and represents a substantial item in the import trade.)

The interesting point that is evident from a study of table 2a is the importance of sugar, and cotton manufactures in the total. Of the total dutiable imports in 1920 amounting to $1,980,000,000, these two groups accounted for $1,040,000,000, or 52 percent.

Table 3 goes one step further in the analysis. That table gives the trade in the principal items making up the important groups covered in table 2a and 2b. The items represent about 60 percent of the group totals. It shows, in addition to the value, the quantity of the imports so that you can judge the change in trade not only from the point of view of value but also of quantity and thus see the effect of price changes during this period on the value of our imports. In some cases the items shown make up almost the entire group total; in other cases they fall far short of it. For example, cane sugar was taken from the total sugar group and accounts for most of it. Wool, unmanufactured, and woolen and worsted cloth were taken from the wool and manufactures group but cover a much smaller percentage of the total than in the case of sugar. The outstanding thing to be noted in table 3 is the increases in unit value which occurred between 1912 and 1920. In some cases these unit values by 1925 had returned to the 1912 level; however, in the majority of cases, although the 1925 values were lower than in 1920, they still remained higher than 1912.

As previously mentioned, sugar was the most important single item in our 1920 imports. The unit value of cane sugar was 2.8 cents in 1912, 12.4 cents in 1920, and 2.6 cents in 1925. Although the imports of sugar in quantity were somewhat higher in 1925 than in 1920, the total value of the imports in 1925 was only $200,000,000 as compared with $912,000,000 in 1920.

In connection with the change in prices it is of interest to study the following indices for imports and for domestic wholesale prices covering the period under discussion. The index for quantity of imports indicates that the imports in 1920, while somewhat higher than in 1919 and 1921, were lower than in the years which followed.

Indexes of changes in quantity, price, and value of imports and the domestic wholesale price index, 1913–27

Year	Imports			Domestic wholesale price index
	Quantity	Price	Value	
1913 taken as 100:				
1913	100	100	100	100
1910–14 [1]	(2)	(2)	94	98
1921–25	151	126	192	161
1919	125	174	218	206
1920	139	213	294	226
1921	120	117	140	146
1922	154	113	174	149
1923	161	132	212	154
1924	156	129	201	150
1925	166	142	236	159
1926	178	139	247	151
1927	180	130	233	147

[1] Fiscal years.
[2] Indexes not calculated for 1910–14.

Source: Statistical Abstract of the United States, 1928.

Mr. BREWSTER. I ask unanimous consent to have printed in the RECORD a table numbered 1 showing the average ad valorem rates of duty on imports into the United States, by years, under specific tariff acts, from 1910 to 1944.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Average ad valorem rates of duty on imports into the United States, by years, under specified tariff acts*

[There are 2 fundamental difficulties in measuring average rates of duty under different tariff acts by the use of statistics of imports: (*a*) The change in the character and quantity of the articles imported from year to year, and still more from decade to decade; (*b*) the change in the general price level and even in the prices of single major commodities. Unless due regard is given to these changes, comparisons between different years are likely to be misleading]

[Values in thousands, i. e., 000 omitted]

Fiscal years 1910–18; calendar years 1919 and succeeding years	Imports for consumption						Equivalent ad valorem rates	
	Free	Percent free	Dutiable	Percent dutiable	Total	Duties collected	Dutiable	Free and dutiable
Payne-Aldrich law (effective Aug. 6, 1909):							*Percent*	*Percent*
1910	$761,353	49.2	$785,756	50.8	$1,547,109	$326,562	41.6	21.1
1911	776,964	50.8	750,981	49.2	1,527,945	309,966	41.3	20.3
1912	881,513	53.7	759,210	46.3	1,640,723	304,899	40.2	18.6
1913	986,972	55.9	779,717	44.1	1,766,689	312,510	40.1	17.7
Annual average	851,701	52.6	768,916	47.4	1,620,617	313,484	40.8	19.3
Underwood law (effective Oct. 4, 1913):								
1914	1,152,393	60.4	754,008	39.6	1,906,400	283,719	37.6	14.9
1915	1,032,863	62.7	615,523	37.3	1,648,386	205,747	33.4	12.5
1916	1,495,881	68.6	683,153	31.4	2,179,035	209,726	30.7	9.6
1917	1,852,531	69.5	814,689	30.5	2,667,220	221,659	27.2	8.3
1918	2,117,555	73.9	747,339	26.1	2,864,894	180,590	24.2	6.3
1918 (July–December)	1,149,882	79.1	303,079	20.9	1,452,961	73,854	24.4	5.1
1919	2,711,462	70.8	1,116,221	29.2	3,827,683	237,457	21.3	6.2
1920	3,115,958	61.1	1,985,865	38.9	5,101,823	325,646	16.4	6.4
1921 [1]	1,564,278	61.2	992,591	38.8	2,556,869	292,397	29.4	11.4
1922 [1]	1,888,240	61.4	1,185,533	38.6	3,073,773	451,356	38.1	14.7
Annual average	1,903,268	66.3	968,211	33.7	2,871,479	261,279	27.0	9.1
Fordney-McCumber law (effective Sept. 22, 1922):								
1923	2,165,148	58.0	1,566,621	42.0	3,731,769	566,664	36.2	15.2
1924	2,118,168	59.2	1,456,943	40.8	3,575,111	532,286	36.5	14.9
1925	2,708,828	64.9	1,467,390	35.1	4,176,218	551,814	37.6	13.2
1926	2,908,107	66.0	1,499,969	34.0	4,408,076	590,045	39.3	13.4
1927	2,680,059	64.4	1,483,031	35.6	4,163,090	574,839	38.8	13.8
1928	2,678,633	65.7	1,399,304	34.3	4,077,937	542,270	38.8	13.3
1929	2,880,128	66.4	1,458,444	33.6	4,338,572	584,837	40.1	13.5
1930 (Jan. 1–June 17)	1,102,107	64.6	603,891	35.4	1,705,998	269,357	44.6	15.8
Annual average	2,565,490	63.8	1,458,080	36.2	4,023,570	561,615	38.5	14.0
Hawley-Smoot law (effective June 18, 1930):								
1930 (June 18–Dec. 31)	979,016	69.5	429,063	30.5	1,408,079	192,528	44.9	13.7
1931	1,391,693	66.6	696,762	33.4	2,088,455	370,771	53.2	17.8
1932 (see note)	885,536	66.8	439,557	33.2	1,325,093	259,600	59.1	19.6
1933	903,547	62.1	529,466	36.9	1,433,013	382,681	53.6	19.8
1934	991,161	60.6	644,842	39.4	1,636,003	301,168	46.7	18.4
1935	1,205,887	59.1	832,918	40.9	2,038,805	357,241	42.9	17.5
1936	1,384,937	57.1	1,039,040	42.9	2,423,977	408,127	39.3	16.8
1937	1,765,248	58.6	1,244,604	41.4	3,009,852	470,509	37.8	15.6
1938	1,182,656	60.7	766,928	39.3	1,949,624	301,373	39.3	15.5
1939	1,397,280	61.4	878,819	38.6	2,276,099	328,034	37.3	14.4
1940	1,648,965	64.9	891,691	35.1	2,540,656	317,711	35.6	12.5
1941	2,030,919	63.0	1,191,035	37.0	3,221,954	437,751	36.8	13.6
1942	1,767,592	63.8	1,001,693	36.2	2,769,285	320,117	32.1	11.6
1943 [2]	2,180,826	64.5	1,200,054	35.5	3,380,880	391,540	32.6	11.6
1944 [2]	2,707,103	69.9	1,164,693	30.1	3,871,796	368,234	31.6	9.5

[1] The Emergency Tariff Act became effective on certain agricultural products on May 28, 1921, and continued in effect until Sept. 22, 1922.
[2] Preliminary.

NOTE.—Subsequent to June 21, 1932, certain commodities which had previously been on the free list were made taxable, and since that date have been reported as dutiable commodities. The principal commodities affected were petroleum, copper, lumber, and coal.

Mr. BREWSTER. Mr. President, I invite the attention of the Senate to a very interesting revelation as to what transpired in 1919 and 1920, after World War I, under the Underwood Tariff Act, then effective, when the average ad valorem rates on dutiable imports fell as low as 21.3 percent. The average for the period was 27 percent. The imports in 1919 doubled what they were in 1914 and 1915, and in 1920 they increased to more than $5,000,000,000.

It is further interesting to note that under the Fordney-McCumber Act, which followed as a result of the impact of the Underwood Act on our trade conditions, the ad valorem rates in spite of the much higher duties which prevailed, averaged 38.5 percent. The present average, under the Smoot-Hawley Act as modified by the Reciprocal Trade Act, is 31.6 percent, which is only four points above the average under the Underwood law during the 10-year period in which it was in effect.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks, a table numbered 2a, showing United States imports for consumption of principal dutiable articles in selected years, 1912 to 1925.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2a.—*United States imports for consumption of principal dutiable articles, in selected years, 1912–25*

[In millions and tenths of millions of dollars]

	1912[1]	1919	1920	1925
Sugar	104.2	382.5	920.7	201.2
Wool and manufactures	48.3	18.0	49.5	162.8
Fibers, vegetable and textile grasses and manufactures	65.4	26.5	49.9	146.8
Precious stones and imitations	31.2	103.4	74.4	73.3
Cotton manufactures	63.4	49.4	114.9	71.3
Tobacco and manufactures	31.1	51.6	63.8	60.9
Seeds, including oilseeds	15.1	51.0	60.5	55.6
Fruits and nuts	23.2	49.8	71.2	54.0
Meats and dairy products	11.1	7.0	25.6	37.5
Silk manufactures	27.1	53.7	61.2	36.6
Iron and steel manufactures	18.6	10.3	20.7	33.7
Vegetables	17.9	20.0	21.4	28.3
Chemicals, drugs, dyes, and medicines	32.7	48.7	60.5	28.2
Oils, animal and vegetable	10.6	51.3	46.3	26.9
Fish	12.3	4.4	6.0	24.1
Paper and manufactures	12.4	6.1	10.1	21.6
Total above imports	524.6	933.7	1,676.7	1,071.8
Total dutiable imports for consumption	759.2	1,116.2	1,985.9	1,467.4
Percent: Above items to dutiable imports	69.1	83.6	84.4	73.0

[1] Fiscal year ending June 30.

NOTE.—Items may not be strictly comparable due to shift from dutiable schedules to free schedules and vice versa in the various tariff acts.

Source: Official statistics of the U. S. Department of Commerce.

Mr. BREWSTER. The present average, under the Hawley-Smoot law, as modified by the Reciprocal Trade Act, is 31.6 percent, which is only 4 points above the average under the Underwood law during the 10-year period in which it was in effect.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table numbered 2b showing United States imports for consumption of principal dutiable articles in selected years, 1912 to 1925.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2b.—*United States imports for consumption of principal articles, free of duty, in selected years, 1912–25*

[In millions and tenths of millions of dollars]

	1912[1]	1919	1920	1925
Rubber and similar gums, unmanufactured	105.0	221.6	248.9	435.3
Silk, unmanufactured	69.5	341.9	301.0	408.4
Coffee	117.8	261.2	252.5	286.2
Petroleum and products	4.1	32.4	66.7	107.7
Printing paper	1.2	43.7	68.6	103.7
Paper base stock	5.9	7.2	18.5	103.7
Furs, undressed	17.4	69.3	84.4	101.6
Wood and manufactures	17.5	105.8	195.3	101.3
Hides and skins, raw (except furs)	102.4	306.5	243.8	96.7
Tins	46.2	71.3	92.2	95.2
Copper and manufactures	45.0	88.8	88.8	83.9
Fertilizers	10.0	11.9	50.9	76.7
Cotton and manufactures	21.9	75.0	147.3	60.8
Fibers, vegetable and textile grasses and manufactures, except cotton	20.7	151.4	174.8	65.9
Oils, vegetable and animal	17.3	79.3	68.3	61.0
Cane sugar	11.2	9.3	46.6	43.0
Wool, unmanufactured	-------	212.8	124.4	38.4
Chemicals, drugs, dyes, and medicines	58.2	68.2	145.6	20.0
Breadstuffs	1.7	36.4	102.3	19.8
Total above free imports	653.3	2,194.0	2,520.9	2,309.3
Total free imports for consumption	881.5	2,711.5	3,116.0	2,708.8
Percent: Above items total free imports	74.1	80.9	80.9	85.3

[1] Fiscal year ending June 30.

NOTE: Items may not be strictly comparable due to shift from dutiable schedules to free schedule and vice versa in the various tariff acts. Imports of products of Philippine Islands and Virgin Islands ordinarily dutiable are included.

Source: Compiled from official statistics of U. S. Department of Commerce.

Mr. BREWSTER. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table numbered 3, showing United States imports for consumption of selected items during the years 1912, 1920, and 1925.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—*United States imports for consumption of selected items, 1912, 1920, 1925*

Commodity	Unit of quantity	Quantity	Foreign value	Unit value
ITEMS SUBJECT TO DUTY				
			1,000 dollars	
Cane sugar:				
1912[1]	1,000 lbs.	3,710,433	104,106	$0.028
1920	do	7,384,624	912,570	.124
1925	do	7,859,148	201,236	.026
Wool, unmanufactured:				
1912[1]	do	193,771	33,141	.171
1920	do	4,436	2,343	.528
1925	do	174,968	89,869	.514
Cloth, woolens and worsteds:				
1912[1]	do	4,214	4,684	1.112
1920	do	4,840	12,695	2.623
1925	do	10,538	21,775	2.066
Jute burlaps:				
1912[1]	do	403,158	25,846	.064
1920	do	571,036	89,288	.156
1925	do	621,311	84,500	.136
Diamonds, cut but not set:				
1912[1]	Carats	(2)	24,512	-------
1920	do	302,920	45,240	149.35
1925	do	514,771	49,724	96.59
Cotton cloth:				
1912[1]	1,000 sq. yds.	26,042	7,639	.293
1920	do	123,904	44,803	.362
1925	do	110,080	26,746	.243
Filler tobacco:				
1912[1]	1,000 lbs.	37,125	20,718	.558
1920	do	48,567	46,627	.960
1925	do	56,022	50,290	.898
Wrapper tobacco:				
1912[1]	do	5,466	6,120	1.12
1920	do	6,964	11,138	1.60
1925	do	6,007	14,583	2.43
Flaxseed:				
1912[1]	1,000 bu.	6,859	13,016	1.90
1920	do	24,617	74,520	3.03
1925	do	16,510	39,683	2.40
Cheese:				
1912[1]	1,000 lbs.	46,017	8,684	.189
1920	do	14,592	5,238	.359
1925	do	62,632	17,562	.280
Fabrics, wholly or chiefly silk:				
1912[1]	do	2,072	9,217	4.45
1920	do	2,871	27,714	9.65
1925	do	3,416	18,003	5.27
Olive oil, edible:				
1912[1]	1,000 gal.	4,761	6,066	1.27
1920	do	4,071	11,566	2.84
1925	do	11,691	15,115	1.29
Wool rags, noils, waste, etc.:				
1912[1]	1,000 lbs.	362	168	.464
1920	do	6,973	4,247	.609
1925	do	34,490	16,462	.477
ITEMS FREE OF DUTY				
Rubber, unmanufactured:				
1912[1]	do	202,218	105,035	.519
1920	do	603,128	248,900	.413
1925	do	942,274	435,338	.462
Raw silk in skeins, etc.:				
1912[1]	do	21,610	67,173	3.11
1920	do	30,080	285,007	9.48
1925	do	63,216	394,579	6.24
Coffee, raw or green:				
1912[1]	do	878,229	117,823	.134
1920	do	1,297,439	252,451	.195
1925	do	1,283,695	286,235	.223
Newsprint paper:				
1912[1]	do	111,251	2,121	.019
1920	do	1,459,687	68,599	.047
1925	do	2,896,850	103,717	.036
Furs and fur skins, undressed:				
1912[1]	Thousands	(2)	17,405	-------
1920	do	130,371	84,390	.647
1925	do	160,474	101,592	.633
Hides and skins, except furs:				
1912[1]	1,000 lbs.	546,663	102,372	.187
1920	do	510,157	243,769	.478
1925	do	302,214	96,737	.267

[1] Fiscal year ending June 30.
[2] Not imported.

TABLE 3.—*United States imports for consumption of selected items, 1912, 1920, 1925*—Continued

Commodity	Unit of quantity	Quantity	Foreign value	Unit value
ITEMS FREE OF DUTY—con.				
Tin bars, blocks, pigs, grain and granulated:			*1,000 dollars*	
1912	1,000 tons	111,420	46,192	$0.415
1920	do	125,590	73,441	.585
1925	do	171,686	95,121	.554
Wood pulp:				
1912 [1]	do	1,084	14,214	13.11
1920	do	809	89,468	110.59
1925	do	1,492	81,864	54.87
Crude petroleum:				
1912 [1]	1,000 gals	146,788	2,550	.017
1920	do	4,459,354	55,798	.013
1925	do	2,596,618	75,407	.029
Copper in pigs, ingots, plates, and bars:				
1912 [1]	1,000 lbs	279,504	35,297	.126
1920	do	353,440	65,945	.187
1925	do	479,091	62,700	.131
Cotton, unmanufactured:				
1912 [1]	do	143,335	21,868	.153
1920	do	299,994	138,744	.462
1925	do	193,072	56,502	.293
Boards, planks, deals, etc., not further advanced than sawed, planed, tongued and grooved (except cabinet woods):				
1912 [1]	M ft	900,780	15,577	17.29
1920	do	1,338,078	56,517	42.24
1925	do	1,815,984	55,055	30.32
Sodium nitrate:				
1912 [1]	1,000 tons	482	15,423	32.01
1920	do	1,322	63,121	47.75
1925	do	1,112	52,531	47.24
Cane sugar:				
1912 [1]	1,000 lbs	438,620	11,242	.026
1920	do	318,157	46,636	.147
1925	do	1,006,641	43,012	.043
Wool, unmanufactured:				
1912 [1]				
1920	1,000 lbs	254,905	124,400	.488
1925	do	132,733	38,439	.290

[1] Fiscal year ending June 30.

NOTE.—Items may not be strictly comparable due to shift from dutiable schedules to free schedule and vice versa in the various tariff acts. Imports of products of Philippine Islands and Virgin Islands ordinarily dutiable are included with free items.

Source: Compiled from official statistics of the U. S. Department of Commerce.

Mr. BREWSTER. Mr. President, in this connection, I invite attention to the provisions in the Agricultural Adjustment Act of 1933, with the addition which was made in 1935 of section 22, authorizing the President to impose quantitative limits on imports of products when found necessary after investigation by the Tariff Commission. Under the act an investigation was made concerning the cotton program. It was found necessary to impose quotas, and the quotas on short-staple cotton were based on the average annual imports during the previous years, or the legal minima, whichever was lower. The quotas on long-staple cotton were based on the average imports of the two highest years of the previous decade.

During the war certain exceptions were made in order to procure needed supplies, and the quota on the basis of countries was suspended in favor of a total global quota. But the import quotas have necessarily remained on cotton because of our high domestic prices compared with prices in other cotton-producing countries.

Mr. President, I invite attention to that fact because of the difference existing between tariffs and quotas, and the fact that cotton is protected in this country by the absolute quota system.

Another thing which concerned me—I do not know whether the Senator from Colorado has given attention to it—was the absence of certain very conspicuous authorities regarding foreign trade as witnesses at the hearings concerned with the proposed loan. I refer particularly to Bernard Baruch, Jesse Jones, Leo Crowley, and Herbert Hoover. They are four men whom I believe would be recognized as competent witnesses in this connection. It has been generally reported that at least three of those men were invited to appear before the Senate Banking and Currency Committee in connection with the pending matter. At least, that was my understanding. I hold in my hand a telegram from Bernard Baruch in response to my request, in which he states as follows:

> Answering your inquiry as to whether I would be willing to appear as a witness on the British loan; if I had been requested before I undertook the representation of America on the Atomic Energy Committee, I would, of course, have responded. I doubt whether I would now have the time to give a well-rounded expression of opinion that would be of any help in the situation. I had hoped to talk with you about it before I became involved in my present task.

In his Texas publication Jesse Jones has expressed his views. Mr. Crowley, who has expressed briefly his views, has not been heard publicly, for reasons which may be good and sufficient, and Mr. Herbert Hoover is in the same status. I speak of this fact, Mr. President, because of my regret that, in a matter of the present importance, the full resources of those Americans, so far as their experience, competence, and counsel in matters of this kind are concerned, were not availed of.

It has been a matter of profound regret on my part that in the development of the British loan arrangement the same course was not pursued which was pursued in the development of the United Nations Organization. If it had been so followed, and consultations had been had with Members of the Senate in connection with hearings held by competent committees of the Senate, in my judgment the situation might well have been very different from what it is at the present time. I think the matter may well be borne in mind in any future consideration of questions of such extreme importance and consequence as is the pending one, in order that the position of the Congress, in connection with the formation of foreign policy, may be given more consideration than was manifested in the case of the pending British loan.

Mr. JOHNSON of Colorado. I thank the Senator from Maine.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. I have understood that all four of the gentlemen who were named by the Senator from Maine were invited to appear.

Mr. BREWSTER. Mr. President, will the Senator present to the Senate copies of letters of invitation sent to the men to whom I have referred?

Mr. FULBRIGHT. I did not write them. I was not the chairman of the committee. The Senator from Kentucky [Mr. BARKLEY] was the acting chairman of the committee, and I understand that invitations were issued.

Mr. TAFT. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Ohio?

Mr. JOHNSON of Colorado. I yield.

Mr. TAFT. I requested the Senator from Kentucky to call these four gentlemen, that is to say, to request them to testify. The Senator from Kentucky did not request them to testify. He wrote them letters asking them if they would like to testify or not, and none of them felt they were called upon to testify unless the committee requested them to do so.

Mr. BREWSTER. To volunteer their evidence?

Mr. TAFT. Yes; on a volunteer basis. I think all of them felt that they did not care to testify in a matter which, after all, involves a question of opinion, and not fact, unless they were formally requested by the committee to do so. That was never done.

Mr. FULBRIGHT. I do not think any of the witnesses were subpenaed to testify before the committee. Of course, representatives of the Government always come and testify. I think others came voluntarily, and were not forced to come.

Mr. TAFT. None of these gentlemen asked to be subpenaed, but they did not care to testify unless they were formally requested by the committee to do so. I asked that the committee request them to testify, and I thought they had been requested to testify, but I found subsequently that no such invitation was issued. They were merely asked whether or not they wished to volunteer their testimony.

Mr. JOHNSON of Colorado. Of course, they were private citizens, and we can understand their position in the matter. They were willing to testify, I understand, but they were not going to chisel in on a hearing at which they might or might not be welcomed.

Mr. BREWSTER. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BREWSTER. It has been a matter of considerable comment and of certain investigation on my part, because of my being puzzled as to what went on. That is why I asked Mr. Baruch particularly as to the situation. Certainly, he makes it entirely clear. He says, "If I had been requested," which I think indicates rather clearly that he was not requested to appear.

Mr. FULBRIGHT. If he had been requested in time. I do not know what the time was. I repeat, I was not the one to invite them. I am unable to see the fine distinction the Senator from Ohio draws. I think the matter should be brought up when the Senator from Kentucky is present. I only heard rumors as to what occurred, and I cannot say specifically what was done, though I do

not quite appreciate the distinction that is drawn between a letter which says, "You may testify" or "Will you volunteer to testify," and a request to testify. We did have some opposition witnesses. I doubt whether former Representative Hamilton Fish was specifically requested, but he was certainly welcomed and everyone listened to him. So did Mr. Trevor appear, and General Coxey came and took up a whole morning, and everyone listened to his testimony.

Mr. BREWSTER. I am sure that the Senator from Arkansas will recognize that, so far as banking and foreign trade is concerned, there is quite a gulf separating the gentlemen he has named and the gentlemen we have named. While there is no question about the right and the propriety of any citizen to come forward, I think that men such as Mr. Baruch, Mr. Jones, Mr. Crowley, and Mr. Hoover might well not think they should come forward and volunteer their views in a matter of this character unless they were requested. I think it is most unfortunate that the Committee on Banking and Currency of the Senate should have left any doubt. I trust that the Senator from Arkansas will take steps to find out the exact course which was taken, and, if it seems proper, that we have a copy of whatever invitation was issued, so that there may be no doubt regarding exactly what transpired.

Mr. JOHNSON of Colorado. I thank the Senator from Maine. Of course, the men whom he has named are not in the same category with "One-Eyed" Connolly, who crashed every gate he wanted to crash. These men are not in that kind of activity. They are entitled to a request to testify, as the country needs their testimony, and the country would be tremendously interested in what they have to say. It would have added to the understanding of the Senate and the country had they testified. I think it is most unfortunate that they did not do so.

HEARINGS BEFORE COMMITTEE ON INTERSTATE COMMERCE—LIMIT OF EXPENDITURES

During the speech of Mr. JOHNSON of Colorado,

Mr. LUCAS. Mr. President, will the Senator from Colorado yield to me so that I may report several resolutions?

Mr. JOHNSON of Colorado. I yield.

Mr. LUCAS. I ask unanimous consent that the unfinished business be temporarily laid aside in order that I may report several resolutions from the Committee To Audit and Control the Contingent Expenses of the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois? The Chair hears none.

Mr. LUCAS. From the Committee To Audit and Control the Contingent Expenses of the Senate, I report favorably, without amendment, Senate Resolution 254, and ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution was read, as follows:

Resolved, That the limit of expenditures authorized by Senate Resolution 9, agreed to January 6, 1945, authorizing the Committee on Interstate Commerce to hold hearings during the Seventy-ninth Congress, is hereby increased by $5,000.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

Mr. HICKENLOOPER. Mr. President, has the Senator from Illinois consulted the minority leader with regard to this resolution?

Mr. LUCAS. I consulted the Senator from Maine [Mr. WHITE] before he left the Chamber. I told him that I wished to report two or three resolutions involving funds for standing committees. It is agreeable to him. These are all resolutions which have been favorably reported by standing committees. They ask for additional money. For example, the Committee on Banking and Currency needs more money.

Mr. HICKENLOOPER. The Senator from Maine has now entered the Chamber. He had left the Chamber and had asked me to take his seat. I am not familiar with the resolution.

Mr. LUCAS. I am glad that the Senator from Maine has returned to the Chamber, because I am about to get into trouble.

Mr. BREWSTER. Mr. President, may I ask what is being considered?

The ACTING PRESIDENT pro tempore. The Senator from Illinois has asked unanimous consent for the immediate consideration of Senate Resolution 254.

Mr. WHITE. Mr. President, as perhaps the Senator has observed, I have been absent from the Chamber for a moment. I have just returned. Will the Senator repeat his request?

Mr. LUCAS. I made a request for the immediate consideration of Senate Resolution 254, providing an additional sum of money for the Committee on Interstate Commerce. The committee needs more money. If the Senate does not wish to grant it, it is all right with me. I do not care whether it gets any more money or not.

Mr. WHITE. It would be very difficult for me to object to the request, because I am a member of that committee.

Mr. LUCAS. I knew that the Senator was a member of the committee, and I know how busy he is on that committee. It is my understanding that the committee needs more money. All that the Committee To Audit and Control the Contingent Expenses of the Senate is trying to do is to accommodate the committee.

Mr. WHITE. The Senator does not give me a clear understanding as to what the money is needed for, but I have great confidence in the committee and in its chairman, and I have no disposition to object.

Mr. LUCAS. I was hoping that some member of the committee might give me a little more information as to why the money was needed. I did not make any objection to it; but it having been reported from the committee of which the able minority leader is a member, I was sure that he could give me and other Senators information as to why the money is needed.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 254) submitted by Mr. WHEELER on April 9, 1946, was considered and agreed to.

HEARINGS BEFORE COMMITTEE ON AGRICULTURE AND FORESTRY—LIMIT OF EXPENDITURES

Mr. LUCAS. Mr. President, from the Committee To Audit and Control the Contingent Expenses of the Senate, I report favorably, without amendment, Senate Resolution 250 and ask unanimous consent for its present consideration. The resolution was originally reported from the Committee on Agriculture and Forestry by the Senator from Oklahoma [Mr. THOMAS]. That committee has been investigating matters relating to food production and consumption.

The able Senator from Vermont [Mr. AIKEN] is present. He is a member of the subcommittee. If there is any question about this resolution, I call upon him to help me. I ask unanimous consent for the present consideration of the resolution.

Mr. WHITE. Mr. President, how much money is requested?

Mr. LUCAS. $5,000.

Mr. WHITE. Is there any indication as to what line of investigation is to be pursued?

Mr. LUCAS. The subcommittee is a regular subcommittee of the Committee on Agriculture and Forestry.

Mr. AIKEN. Mr. President, I think I can explain the situation. The original appropriation, made more than a year ago, was for $5,000, and permitted the subcommittee to investigate certain situations respecting agriculture without the necessity of having a bill before the committee. I understand that the first $5,000 was practically exhausted some time ago. I know that the subcommittee has since held quite a few hearings on the meat situation and the grain situation, and I suspect that perhaps some of the $5,000 now asked for has been obligated.

Mr. WHITE. Mr. President, I have no objection.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ELLENDER. Can the Senator tell us how many times the committee has come to the Senate for money during this session of Congress?

Mr. LUCAS. The Committee on Agriculture and Forestry?

Mr. ELLENDER. Yes.

Mr. LUCAS. I cannot tell, but I know that the meat situation has been pretty well investigated.

Mr. ELLENDER. I know that. As I recall, this is the fourth time.

Mr. LUCAS. Does the Senator wish to have the resolution go to the calendar?

Mr. ELLENDER. No; I am not objecting. I merely wished to know how

much money was being spent to investigate OPA, taking that function away from some other committee.

Mr. AIKEN. Mr. President, I believe that this is the second request for $5,000.

Mr. LUCAS. I think probably that is true. I am not sure.

Mr. ELLENDER. Aside from the original request?

Mr. AIKEN. Aside from the original request.

Mr. JOHNSTON of South Carolina. Mr. President, is this an investigation of something for agricultural purposes? Does it have to do with the investigation of the meat situation?

Mr. LUCAS. I yield to the Senator from Vermont [Mr. AIKEN] to explain.

Mr. JOHNSTON of South Carolina. Is this an investigation of the meat situation?

The ACTING PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 250) was read, as follows:

Resolved, That the limit of expenditures of the Committee on Agriculture and Forestry under Senate Resolution 92, Seventy-ninth Congress, agreed to March 19, 1945 (concerning the investigation of matters relating to food production and consumption), is hereby increased by $5,000.

Mr. JOHNSTON of South Carolina. I have no objection, if the amount is only $5,000. We have been talking about billions of dollars.

Mr. FULBRIGHT. Mr. President, I should like a little information. Suppose we do not appropriate the $5,000. What will happen?

Mr. LUCAS. The committee will be stalled on dead center.

Mr. FULBRIGHT. Will the members have to pay it?

Mr. LUCAS. The members will not have to pay it.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 250) submitted by Mr. THOMAS of Oklahoma on April 5, 1946, was considered and agreed to.

HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. LUCAS. From the Committee To Audit and Control the Contingent Expenses of the Senate I report favorably, without amendment, Senate Resolution 265 and ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 265), submitted by Mr. HATCH for Mr. CONNALLY on April 26, 1946, was read, as follows:

Resolved, That the Committee on Foreign Relations, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $5,000, in addition to the amount of $10,000 heretofore authorized.

Mr. LUCAS. Mr. President, the resolution was submitted by the able Senator from New Mexico [Mr. HATCH], who now occupies the chair. It was submitted in behalf of the Senator from Texas [Mr. CONNALLY], chairman of the Committee on Foreign Relations. All the committee wants is an additional $5,000. It has run out of money.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

SPECIAL ASSISTANT TO COMMITTEE ON BANKING AND CURRENCY

Mr. LUCAS. Mr. President, from the Committee To Audit and Control the Contingent Expenses of the Senate, I report favorably, with an amendment, Senate Resolution 264, and ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution, submitted by Mr. WAGNER on April 24, 1946, was read, as follows:

Resolved, That the Committee on Banking and Currency hereby is authorized to employ a special assistant to be paid from the contingent fund of the Senate at the rate of $6,000 per annum from April 1 to October 31, 1946.

Mr. LUCAS. In the Committee on Banking and Currency there is an expert who has been handling all the OPA problems. I know that he is an expert if he can do that. As I understand, the man who formerly held that position has returned from the military service. All the committee wants is enough money to pay this expert from April 1 to July 1, at which time a request for an appropriation will be made of the Appropriations Committee, so as to put him on the pay roll permanently. In view of the unusual circumstances, I believe that this should be done. I have talked with the minority leader about this case, and he agrees that the request should be granted.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ELLENDER. How has the man been paid prior to this time?

Mr. LUCAS. Prior to this time he has been on the regular pay roll of the Committee on Banking and Currency; but under the law which Congress enacted the man who returned from the military service immediately took his old job, so the other man was left out temporarily.

Mr. ELLENDER. He was not barred from any department, was he?

Mr. LUCAS. No; he was not barred from any department. He has been on the regular pay roll of the committee.

Mr. HICKENLOOPER. Mr. President, I should like to ask the Senator from Illinois to hold this resolution up for another day, if he will. I do not know that I have any objection to it, but I have the impression that this would add another clerk to the Committee on Banking and Currency.

Mr. LUCAS. It would add another clerk between now and July 1; but the clerk who holds on is not now being paid. In other words, the man who has done all the work for the Committee on Banking and Currency in the OPA hearings is going along without any money at this moment. The veteran who has returned from the service, and who formerly held that position, took over the job. I think it is a very small matter not to give this man the consideration which he deserves.

Mr. HICKENLOOPER. As I have stated, I may have no objection. If the man has gone along for some time without receiving compensation, perhaps another day will not matter. I should like to look into the case.

Mr. LUCAS. I shall not bring it up again. I told the Senator from New York [Mr. WAGNER] that if I could not have the resolution approved he would have to look after it himself. If the Senator wishes to object on a little matter of this kind, I withdraw the resolution.

Mr. HICKENLOOPER. Mr. President, I object to consideration of the resolution at this time. I may have no objection whatsoever to it but I should like to have a little more knowledge than I now have.

The ACTING PRESIDENT pro tempore. Objection is heard, and the resolution will be placed on the calendar.

Mr. LUCAS. Mr. President, I do not want it placed on the calendar. I ask to withdraw it.

The ACTING PRESIDENT pro tempore. Without objection, the report of the resolution is withdrawn.

Mr. HICKENLOOPER subsequently said: Since I made an objection a moment ago to the unanimous consent request of the Senator from Illinois [Mr. LUCAS] to report a resolution, I have made some inquiries. I see that the Senator from Illinois is not now present in the Chamber. Under the assurance of the chairman of the Banking and Currency Committee that the resolution would not have the effect of creating a permanent addition to the staff of the Committee on Banking and Currency, and as a result of the explanation given to me as to what the resolution would accomplish, I am perfectly willing to withdraw my objection. I understand, however, that the Senator from Illinois withdrew his request.

Mr. WAGNER. Mr. President, the Senator from Illinois authorizes me to report the resolution in his behalf.

Mr. HICKENLOOPER. I have no objection.

Mr. WAGNER. Mr. President, from the Committee To Audit and Control the Contingent Expenses of the Senate, I report favorably, with an amendment, Senate Resolution 264, and ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The resolution will be read by title for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 264) authorizing the Committee on Banking and Currency to employ a special assistant to be paid from the contingent fund of the Senate at the rate of $6,000 per annum from April 1 to July 1, 1946.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 264) submitted by Mr. WAGNER on April 24, 1946, which had been reported from the Committee To Audit and Control of the Contingent Expenses of the Senate with an amendment on page 1, line 4, after the word "to", to strike out "October 31" and insert "July 1", so as to make the resolution read:

Resolved, That the Committee on Banking and Currency hereby is authorized to employ a special assistant to be paid from contingent fund of the Senate at the rate of $6,000 per annum from April 1 to July 1, 1946.

The amendment was agreed to.

The resolution as amended was agreed to.

THE COAL SITUATION

During the speech of Mr. JOHNSON of Colorado,

Mr. WILEY. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. WILEY. Last Friday I brought to the attention of this body the coal situation. I was pleased to see that on Saturday the two distinguished Senators from Illinois jumped into the arena and showed very clearly how critical the situation was becoming. Today I received a letter from the executive secretary of the Wisconsin Canners Association, who writes as follows:

WISCONSIN CANNERS ASSOCIATION,
Madison, Wis., May 3, 1946.

Hon. ALEXANDER WILEY,
Member of Congress,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: At a special meeting of Wisconsin canners held in Milwaukee on Wednesday of this week, the executive secretary of the Wisconsin Canners Association was directed to convey to Wisconsin Senators and Representatives the serious concern of the canners of the State that perishable food crops may be lost this summer because of lack of coal. The pea-canning season is only about 45 days hence and continuance of the coal strike will mean that Wisconsin canneries will not be able to operate.

If negotiation is not successful in settling the strike soon, Government operation of the mines appears to be the only recourse. Advocacy of this step, we realize, represents a dangerous tendency of increasing reliance on Government but when such loss of food in a starving world is threatened, we see no alternative and we believe aroused public opinion will force such action.

We are reporting the situation to you as it affects the Wisconsin canning industry, merely for your information. We realize, of course, that were it in your power to end the coal strike, it would have ended before this.

Very truly yours,

MARVIN P. VERHULST,
Executive Secretary.

Mr. President, some of us who in school studied the United States Constitution remember that the preamble provides that—

We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity—

I emphasize these words—

provide for the common defense, promote the general welfare.

I particularly emphasize the last words, in view of the present critical world situation.

We who believe that our Constitution has vitality in its every word, including the preamble, feel that it is time that the Congress of the United States took definite action.

The strike situation, of which the coal strike is the part which brought the whole matter to a head, is very serious. Why we have not met it before I do not know. A few moments ago the Senator from Colorado used a phrase which I think is most pertinent. He said, "The chickens have come home to roost." Yes, Mr. President, they have. They have come home to roost, and now we are faced with a situation involving much more than was mentioned earlier today by the Senator from Illinois. He said that because of the present strike situation industrial plants will be closed, public utilities will shut down, and schools will be closed this fall. But, Mr. President, in addition to all that, as bad as it is, we are faced with the fact that food will not be produced. Wisconsin produces more than 50 percent of the peas canned in the United States, and a considerable amount of the corn.

So, Mr. President, what do my colleagues think should be done? Has anyone come forth with a definite proposal? The answer is "Yes."

Away back on October 4, 1945, speaking in the Senate of the United States, I said that the following steps should be taken at once:

First. Revaluate the entire Wagner Act. That act obviously filled a certain need in bygone years, but it is hopelessly obsolete and even harmful today to the best interests of the American people, including labor. It is a segmental act, designed for only one segment of our population. It must be revised in the interest of the public welfare. We have legislated segmentwild. We have made legislation for this segment and that segment, but one great over-all segment has not been regarded, and that is the public. And now if we have any vision we are going to see to it that the public is not disregarded.

Second. Immediately enact legislation to have compulsory arbitration protect the public interest.

Third. Establish the policy of having representatives of the public participate in every labor-management conference.

Fourth. Enact any necessary clarifications of the draft law to insure full protection of the reemployment rights of veterans.

Fifth. Insure full protection by law-enforcement officers to all veterans and others who want to take up jobs vacated by strikers.

Sixth. Establish the legal responsibility of unions for all violations of contract in the form of wildcat strikes, and so forth.

Seventh. Require the full and accurate reporting of union finances and officers in the same manner as we require such reports from corporations.

Eighth. Establish the labor-management-public conferences in Washington on a continuing basis rather than on a one-time basis.

Ninth. Request of labor leaders that they themselves come forth with suggestions for legislation that will end the menace of strikes.

Mr. President, I say now, as I said before we went into this war, that if I were in the councils of labor I would say to labor, "This is your opportunity. Come forth with suggestions for constructive legislation in your field which will protect the public interest." I repeat that idea. This country does not belong to any one group. It does not belong to the Democrats or the Republicans, to management or labor, or to the farmer. It belongs to all of us, and in this great world crisis if we are going to meet this situation head-on, it must be by a unity of spirit within us which will bring about constructive action.

Tenth. Amend the Sherman Antitrust Act to make labor organizations whose members are engaged in Interstate Commerce subject to that act. Prohibit them from engaging in unreasonable restraints of trade, for example, those restraints designed to compel the hiring of useless labor, to prevent the use of cheaper material, improved equipment, or more efficient methods.

Mr. President, in my humble opinion, it is time for this great body to speak. It is time for us to sense that the voice of the people speaks through us. It is time for us to act, not with rancor, not with love of one and hate of the other, but with the hope in our breasts that we can go forward to solve this problem. It is only by measures such as these that we can protect the paramcunt rights of the public.

I also said at that time:

Mr. President, the strike situation in this country, as we all know, is very serious. What do my colleagues think would be the reaction of the American people, including the striking unions of our country, if they were to read in the newspapers that the President, his Cabinet, the Supreme Court, and the Members of Congress had gone out on strike, and had thrown picket lines around Government buildings in order to prevent Federal employees from working? No doubt the reaction of all Americans, including the unions, would probably be, "In this critical period, this is close to rebellion." They would be correct, because a strike against the Government is only one step removed from rebellion against it. President Coolidge said that on one occasion.

* * * * *

A strike against the people which deprives them of such essential services as food, fuel, transportation, communication, and other crucial goods and services is well nigh an act of treason.

* * * * *

Mr. President, the situation is pretty serious in this country. I say it can no more be tolerated in a government of law and order than can any crime against law-abiding citizens. But at the present moment, in this critical period, every strike, no matter what the field in which it is occurring, is an act of sabotage against American reconversion. We might well dwell upon that.

* * * * *

America is now suffering from the New Deal's false education of the past decade, which taught labor that it could do no wrong. The air is black with New Deal chickens coming home to roost, chickens of a false philosophy, of fundamentally wrong thinking. But the American public, not the New Deal, is the real sufferer now, and because of that, it is going to remember this strike disease in the years ahead, in 1946 and 1948, and it is going to act to eradicate it forever from the American scene.

Mr. President, the crisis is with us; we are nearer to the brink than we think, and the crisis must be met now. A mere watch-and-see attitude is unthinkable.

* * * * *

Mr. President, we can see how the ramifications extend. The situation calls for something to be done by government. It calls for us in this legislative body to have a little more iron in us. We, as individuals, are our brothers' keepers, and we in Congress have the same obligation generally.

In the course of my speech on October 4, 1945, I also said:

Labor has an atomic bomb in its hands. It is playing with it recklessly and wildly. That atomic bomb must be controlled by the Government before it blows up labor and America. End strikes or strikes will end America.

But, Mr. President, we did not do anything. So now "the chickens have come home to roost." Would it not be a strange thing if, a few years from now, someone writing about the present period would say that the Congress was asleep and that it took a John Lewis to awaken it to its responsibility and to point out the dangers inherent not only in labor but in capital and in every other segment of humanity when power gravitates to it to such an extent that it becomes autocratic. Mr. President, history shows that, even in religion, four or five centuries ago the Protestants and the Catholics of Europe burned each other at the stake. It took the American concept, as stated in our Constitution and Bill of Rights—by which a system of checks and balances was created in our Government machinery—to insure the equitable working of a government for 150 years. But at the time when our Government was established the founding fathers had no conception of what our experience was to be, namely, the gravitation of power into the hands of capital. Not so many years ago a man of great wealth said, "The public be damned." Thereafter our Congress enacted laws which operated as checks and balances on capital.

In recent years the Congress has enacted certain legislation which was thought adequate: the Wagner Act. From it has grown the great power of certain groups in this country which now menace not simply the safety of the Government but the health of our people. So the real question is, What are we going to do?

Mr. President, to give an example of how the law operates, let me point out that last winter the Ohio courts upheld the right of the president of the Brotherhood of Railway Trainmen to oust a member of that union because the member actively supported Wendell Willkie in the 1940 campaign. The union member had been an employee of the Baltimore & Ohio Co. for 34 years and a member of the Brotherhood of Railway Trainmen for 27 years. He did not lose his job with the railroad company because the union did not have a closed-shop arrangement with the railroad. But suppose the union had had a closed-shop contract with the railroad. Then what would have happened? But here we sit, and do nothing about it.

Mr. President, today there came to my desk an editorial from the Milwaukee Journal, published on May 3. I wish to read a portion of it:

WILL MINERS PARALYZE THE NATION?

It takes little crystal-ball gazing to hazard a guess that most of the country is just as alarmed over the coal strike as Mr. Truman says he is. John L. Lewis, of course, is commonly picked for blame, as though he, personally, were the cause of the crisis.

His leadership is strong, but the unfortunate fact is that the soft-coal miners are almost unanimously behind Mr. Lewis. Whether right or wrong, in defiance of Government or not, he has led successful strikes right through the war, which have won ever higher wages for the miners. As long as he continues to gain victories for the miners, they will follow him—no matter what happens to the rest of the country, in war or reconversion or normal times.

The coal strike today is beginning to paralyze the Nation. Our railways are taking emergency measures to reduce fuel consumption. Great cities are slowing down their power production. Chicago is already a dramatic example. Steel production is falling. All along the line industry will be slowed down; once more reconversion will be knocked out of gear.

I continue to read from the editorial, and I call especial attention to this part of it because it is indicative of a condition of mind which one can scarcely appreciate. Listen:

One would expect resentment from thousands of workers thrown out of jobs because of the coal strike. But this is not the case. Labor seems to take the coal strike, as it took many of the great strikes that preceded it, almost in a holiday mood. In part, this may be due to the feeling that the strikes have brought widespread gains, though the facts—when everything is considered—do not fully support this view. The still partly concealed losses due to the strikes are incalculable. Savings have vanished. Some corporate losses have been caused. Taxable income has generally been reduced in struck industries, and this will affect all of us.

Yet, since most workers who were thrown out of employment due to strikes in which they are not directly concerned are paid unemployment insurance, there is little labor opposition to basic stoppages such as the miners' strike, despite its paralyzing effect on the country.

John Lewis is not even bargaining with the mine owners. Wages and hours have not even been discussed. Mr. Lewis has issued a ukase and until the owners accept it, he will not even discuss basic pay issues. He insists that his union be granted the power to levy a private tax on coal production—the tax to be collected by and administered by the union, as it sees fit, for the benefit of miners. This is an untenable position. If coal is to be taxed for the miners' benefit, only Government can be permitted to impose such taxation.

The editorial concludes as follows:

The Nation cannot allow itself to be exploited by the dictatorial Mr. Lewis.

Mr. President, we must act. We must do whatever it is necessary to do to meet this situation head on.

Today there also came to my desk a poem by a distinguished lawyer, James P. McGovern, of Milwaukee. It is really his poem which has caused me to speak extemporaneously on this subject. I read it at this time:

LAW AND PEACE

(By James P. McGovern)

What is the brotherhood of him who knows
no brother?
What is the faith of him whose creed respects
no other?
What is the kin of him who wrongs dust, all
men's mother?
What is the peace of him who sets it for
another?

Solon made laws for Greece, Aurelius for
Rome;
Moses wrote rules for Hebrews, Christ taught
all Christendom;
Hammurabi's code graced a Babylonian dome;
All Europe has justice stored in many an
ancient tome.

The law is always dead in parchment, marble,
stone,
Unless each generation relives it as its own;
"A scrap of paper," adorned with names,
tempts power on its throne
As fuel for worldwide flames by all the four
winds blown.

When the spirit transcends the law, men see
beyond the letter,
When justice frames the law, revenge has no
abettor,
When mercy guides the law, virtue holds vice
its debtor,
When hearts enshrine the law, peace stands
free from fetter.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Edward Dana Durand, of Minnesota, to be a member of the United States Tariff Commission which was referred to the Committee on Finance.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Douglas W. McGregor, of Texas, to be an Assistant Attorney General, vice Samuel O. Clark, Jr.;

Raymond E. Plummer, of Alaska, to be United States attorney for division No. 3, district of Alaska, vice Noel K. Wennblom, term expired;

Respess S. Wilson, of Arkansas, to be United States attorney for the western district of Arkansas, vice Clinton R. Barry, term expired.

John D. Clifford, Jr., of Maine, to be United States attorney for the district of Maine;

Benjamin B. Mozee, of Alaska, to be United States marshal, division No. 2, district of Alaska; and

Noble V. Miller, of Arkansas, to be United States marshal for the eastern district of Arkansas, vice Virgil Pettie, deceased.

By Mr. WALSH, from the Committee on Finance:

Sundry candidates for promotion in the Regular Corps of the United States Public Health Service.

RECESS

Mr. ELLENDER. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 7, 1946, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 6 (legislative day of March 5), 1946:

UNITED STATES TARIFF COMMISSION

Edward Dana Durand, of Minnesota, to be a member of the United States Tariff Commission for the term expiring June 16, 1952. (Reappointment.)

HOUSE OF REPRESENTATIVES

MONDAY, MAY 6, 1946

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, who hast given unto us a life of high vocation, we pray that we may sense the sanctity of all the tasks and responsibilities of each succeeding day.

Grant that our President, our Speaker, and the chosen representatives of our beloved country may come to the sacrament of public service with clear minds and courageous hearts. May they be richly endowed with wisdom and understanding as they seek to achieve the triumph of those ideals and principles which Thou has ordained for mankind everywhere.

We pray that Thy hand of blessing may be extended to the struggling and suffering members of the human family. May the nations of the earth go forward as a commonwealth of free people, united by those bonds of friendship and fraternity which nothing can break and which shall match our common need.

In Christ's name we pray. Amen.

The Journal of the proceedings of Friday, May 3, 1946, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on May 2, 1946, the President approved and signed a bill and a joint resolution of the House of the following titles:

H. R. 5400. An act making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes; and

H. J. Res. 333. Joint resolution to provide for the reappointment of Dr. Vannevar Bush as citizen regent of the Board of Regents of the Smithsonian Institution.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 842) entitled "An act for the relief of the Elmira Area Soaring Corp."

THE LATE HON. FRED A. BRITTEN

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I have today the truly unpleasant duty to announce the death of one of our outstanding former Members, the late Honorable Fred A. Britten, of Illinois. Fred Britten was a useful Member of the House of Representatives for 22 years. Born in Chicago the year of the great Chicago fire, he entered politics by his election as an alderman. He came to Congress in 1913, and was chairman of the Committee on Naval Affairs from 1928 to 1931. He was long a personal friend of mine, although politically we disagreed widely from time to time. In this death the country has lost a sincere, able, aggressive and courageous citizen. As a Member, and especially as chairman of the Naval Affairs Committee, he was recognized as an extremely assiduous, efficient, and capable legislator having to do with that branch of our national defense. A stalwart advocate of a big navy, he was aggressive and, right or wrong, always ready to debate any question he considered of importance to the Nation. During the last several months of his service in the House he served the then leader of the minority, Mr. Snell, as first assistant. He came to Congress well prepared for legislative duties, inasmuch as he had served in the Chicago city council and had had successful business experience. He was a sharp and discomfiting debater.

I know that older Members who had the privilege of serving with and knowing him and his good wife join me in expressing to the widow heartfelt sympathy at the passing of this sound legislator. The city of Chicago has lost a gentleman who was always ready and willing to help a good cause. Although he was on the other side of the political fence from most of our delegation, when it came to helping the city of Chicago or the State of Illinois he was always willing to cooperate wholeheartedly. He was a forceful advocate of the St. Lawrence waterway. It goes without saying that he was at all times active in legislation looking to the best interests of our whole Nation. We have lost an outstanding American whose honesty and sincerity of purpose could not be questioned, however strongly we might disagree with his views and his manner of presenting them.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Mr. Speaker, having served in the House with Fred Britten, I desire to join in the justly deserved tribute that has been paid him by the distinguished gentleman from Illinois [Mr. SABATH], who is now addressing the House, and to say that the Nation has lost a very able man and a man whose memory will forever abide in the hearts of those who served with him.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. McCORMACK. Mr. Speaker, the passing of Fred Britten is a matter of great sorrow to me. Those of us who served with him will always remember him for his unusually fine personality—his nobility of character. As a legislator, I never served with one who was more sincere in his devotion to his duty. He was also one of the ablest debaters I have ever served with in any legislative body. A great American, he has rendered during his lifetime his contribution in his day to not only the preservation but the progress of our country.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. ALLEN of Illinois. Mr. Speaker, it is my sad duty to announce to the House the death of the Honorable Fred Albert Britten, former Representative from the State of Illinois. He was born in Chicago, Ill., November 18, 1871; attending the public schools and Healds Business College at San Francisco, Calif.; engaged in general building construction world fair at Chicago in 1893; member of Chicago City Council, 1908–12; member of the city civil-service committee in 1909, and served as chairman; chosen a member of the American group of the Interparliamentary Union in 1923, and was chosen vice president in 1927; elected as member of the Republican National Congressional Committee in 1926; elected as a Republican to Congress in the Sixty-third Congress, and served as a Member of Congress for 22 years, until March 4, 1935.

We who so well remember him know that he faced each task with the heroic courage of those who do not count the cost. His character rested upon a foundation deep and sure.

Fred Britten stood foursquare with the world. His passing leaves a deep impress upon all of us who in the vigor of life were privileged to know and serve with him. It may not be out of place to suggest to those who more intimately mourn, that in his life he typified the most sacred meaning of the soul in life's devotion, and with this realization there will come a peace that no black cloud of today's sorrow may obscure and no lonely threat of tomorrow defeat.

At an appropriate time the Members of the House will have opportunity to express their friendship and devotion for our colleague and friend.

Mr. REED of Illinois. Mr. Speaker, in the passing of Fred A. Britten, Congress loses one of its former and beloved Members and the Nation loses another of the statesmen who contributed so much to the era that is now drawing to a close.

Fred Britten was one of the notables that Illinois has contributed to the Nation. Born in Chicago on November 18, 1871, he received his early education in the public schools of that city. After graduating from business college at San Francisco, he chose general building construction for a career and established a successful business which rapidly expanded to such an extent that he promoted and completed numerous national projects in many cities throughout the United States.

His interest in public affairs actively began in 1908, when he offered himself as a candidate for alderman of the twenty-third ward of Chicago and was triumphantly elected. His keen interest in civic affairs and his unselfish energies in behalf of the citizens of his ward insured his reelection by a large majority. That his colleagues on the city council early recognized his exceptional qualifications is evidenced by the fact that during his first term he was made chairman of the important committee on civil service.

After two terms, during which he became one of the council leaders, he was

urged by his constituents to seek higher honors and more extensive opportunities to exert his talents. He acquiesced, and in 1912 became the Republican nominee for Congress in the Ninth District of Illinois, which was then represented by a Democrat. Shortly after achieving the nomination, the Republican Party was split in twain by the Taft-Roosevelt convention contest. As a result thereof, the Progressive Party came into being and a candidate of that party was entered in the lists against him. In spite of that handicap, Fred Britten, emerged from that memorable battle of ballots successfully and with the distinction of being the only Republican congressional candidate in the United States who had succeeded an incumbent Democratic Member for the Sixty-third Congress.

Early in his service in the House of Representatives, he evinced an intense interest in the United States Navy. In due time he was elected a member of the Committee on Naval Affairs and in 1928 became its chairman. He believed that the Navy was our first line of defense and the determined vigor he exercised to make it the most powerful in the world, will long be remembered. He was a firm believer in the doctrine that peace can be best attained by adequate preparation for war.

He sincerely believed that our participation in World War I could have been averted and although realizing that his course would be unpopular, he courageously voiced his convictions and voted against the declaration of war. When war was declared, however, he energetically supported its prosecution to a successful conclusion.

When peace came, his energies were directed toward constructive policies that would insure domestic stability and promote international good will. In 1923 he was made a member of the American group to the Interparliamentary Union and was its vice president in 1927.

For 22 years Fred Britten served his State and Nation in this body. Sincere and energetic in the exercise of his public duties, he will be remembered in his personal association with his colleagues as a kind, generous, courteous man who possessed a keen sense of humor.

Fred Britten's service to the Nation typifies that of many of our earlier statesmen, who had the ability to develop within themselves the forces, the powers, and the inspirations that have meant so much to our national progress. His passing will be mourned by all who knew him and his contribution to our greatness among the nations.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. MARTIN of Massachusetts. I wish to join with the Illinois delegation in expressing sorrow at the death of Fred Britten. He was an able, aggressive, and outstanding Member of the House for many years. We all admired and loved him for his rugged Americanism and his devotion to the State and Nation. He will long be remembered as an ardent champion of the upbuilding of the Navy. As chairman of the Naval Affairs Committee he did much to maintain the efficiency and the size of the Navy. A good American is dead and his passing will be regretted by all who knew him.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. CHURCH. Mr. Speaker, I arise with deep regret and personal grief to announce the passing on Saturday, May 4, 1946, of Fred A. Britten, who served from 1913 to 1935 as Representative in Congress from the Ninth Illinois District.

Seldom has a man served so long, so honorably, and so ably. His entire life is a record of devotion to the country which he loved and for which, as chairman of the Naval Affairs Committee of this House, he did as much as any man in America to build far-seeing and adequate defense.

Mr. Britten's experience and knowledge of localities and people was wide and contributed to his human understanding, quick thinking, and just estimates of men and affairs. Mr. Speaker, I want to emphasize his friendliness, his kindliness—these are the traits which made Fred Britten loved, and won cooperation.

Born in the city of Chicago on November 18, 1871, he went as a young man to the west coast where he became known nationally as a star athlete. In fact, he won the Pacific coast amateur boxing championship in 1892, the central championship in Chicago in 1893, and the eastern championship in Chicago in 1894. He was also a crack runner and swimmer.

Mr. Britten went into politics as an alderman in Chicago in 1909 and served until 1912. In 1913 he began his 22 years' service in this House. His nimbleness of tongue and wit quickly made him a colorful and respected Member. With his gift for debate with lightning comprehension and forceful barbs—helped him become a formidable opponent in any debate. That power of thought and speech he devoted for 22 years to the cause of Americanism—a cause for which he never ceased to fight after his retirement, even during these last months of his honorable life.

It was, however, as an early and constant advocate of a big navy that Fred Britten was best known nationally. He was indeed a big-navy advocate, even when, in the early twenties, this country was more interested in scrapping warships than in building them.

He helped lead the fight for the huge 1916 Navy program. He, with rare foresight, bitterly opposed the scrapping of that program under the Navy Limitation Treaty of 1922. While chairman of the Naval Affairs Committee, in 1928 to 1931, he threw his weight immediately toward the passage of the act of February 13, 1929, which provided for the construction of 15 cruisers. He never ceased to urge the necessity for a large, adequately manned, and powerful navy.

That the United States had the background of such a navy in the dark days of 1941 is part of Fred Britten's contribution to his country—and would be the only monument that his stout heart would wish.

Fred Britten loved his country and served her well. His sound devotion to the principles which have made America great among the nations, and his unswerving loyalty to her best interests constitute a challenge to the generation of men to whom now fall the task of preservation of our American ideals.

Mr. Speaker, Members all extend their heartfelt sympathies to his dear wife.

Mr. MICHENER. Mr. Speaker, will the gentlemen yield?

Mr. SABATH. I yield.

Mr. MICHENER. Mr. Speaker, I also served with Fred Britten. He was all that has been said of him. In addition, he was a live-wire concerning everything having to do with the efficiency of the House. For instance, as I recall, he had as much, if not more, to do with securing an attending physician for the House as any man in the House. I think Dr. Calver came here directly through the efforts of Mr. Fred Britten, then a member of the Naval Affairs Committee.

He also arranged to have the Army-Navy football game played in Chicago one year. His interests were varied. He was a personable man and took delight in helping others. His family has our sympathy.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. REED of New York. Mr. Speaker, I had both the pleasure and honor of serving with Mr. Britten during almost his entire congressional career.

I agree with what has been said in reference to Hon. Fred Britten, but one point has been omitted. He was a lover of athletics. He felt a great interest in the health of the Members of the House, and I know of no man who took greater interest in establishing a gymnasium where the Members might have exercise for their health, than did Hon. Fred Britten. He was a friend of every man on the floor of the House with whom he served, regardless of their political affiliations. We all loved and respected him. I feel in his death a personal loss and my sympathy goes out to his wife, who I understand survives him.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I too served in the House with Fred A. Britten. I shall never forget him as long as I live because he was always alert and active. If there was anything suggested on the floor of the House with which Fred Britten did not agree he would oppose it on its merits. He was one of the best debaters we had on this side of the House. He was sincere in everything he did, he was capable, and lent all his energies toward accomplishing the things he felt should be done. I shall always remember Fred Britten and the many things in which he was interested, and the activity he displayed in trying to see that they materialized.

Fred Britten well deserves the many fine tributes that have been paid to him this morning.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. RESA], representing the district formerly represented by the late Fred Britten, may be permitted to extend his remarks at this point in the

RECORD, as he has been delayed in reaching the floor.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RESA. Mr. Speaker, the death of Hon. Fred A. Britten, formerly a Member of this honorable body, marks the end of a career which Chicagoans will long remember. As an alderman of the city of Chicago and later as a Member of this distinguished body Mr. Britten was a colorful and aggressive public servant. While I did not have the privilege of personal acquaintance with him I know that the people of my home city as well as people in Washington who knew him and Members of the House of Representatives who served with him have recognized in Mr. Britten those qualities of mind and personality which naturally win many friends and lead to success in public life.

It is a tribute to Mr. Britten that so many who served with him in the Congress of the United States remember him with respect and affection. His death removes a national figure who made effective use of the opportunities which America offers to all her sons. To emulate those qualities which won for him so many friends is a worthy ambition for all of us.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, the passing of Fred Britten offers at least a moment for what I consider to be an interesting retrospect.

It was in October of 1871 that Mrs. O'Leary's cow kicked over the lantern that started the Chicago fire and accounted for probably the greatest conflagration in the history of this country. It was a month later that Fred Britten was born in the smoldering ruins in Chicago. Just as that great city on Lake Michigan has risen to a preeminent position in the world, so Fred Britten through indomitable courage and resolution rose along with the city and with the country. He had a remarkable career as an amateur champion boxer in the Navy, as an enlisted man in the Navy, as the lightweight champion of the Navy, as I recall; he served on the Chicago City Council, became a contractor, became sponsor of a great navy, and finally became chairman of the Naval Affairs Committee of the House of Representatives.

It was in 1913 that he was elected to this House. That appeals to me for this reason: He came to this House about 2 months before I graduated from high school. I remember those days. With avidity, I used to examine the CONGRESSIONAL RECORD and glean preparatory material for debates on various subjects such as the freedom of the Philippines—that was a favorite subject back in those days—so I used to encounter his name in the CONGRESSIONAL RECORD. He came here when the present beloved Speaker was a Member of the House. He came here when in the Senate were such men as Borah, Root, La Follette, Allie James, Cummings, Brandegee, and others; in the House was our present Speaker, Crisp, of Georgia, Barkley, of Kentucky, Mann and Madden, of Illinois, and others, some of whom I did not know personally. Those names made a deep impression on me. They sharpened my interest in history and developed a deep appreciation for contemporary history. The history of each day, each week, each month, each year is after all but the impress of human personality on the moving pageant of time.

Fred Britten lived in a tremendous period of American history from 1913 to 1934. It was in those days when they were considering the direct election of Senators and when the Constitution was amended to provide for the income tax. He lived in a colorful and spiritual period of American history when there was prosperity and when we heard so little about those strange isms which challenge the thinking of Americans today.

He lived and served through World War I and enriched his country by his contribution to victory.

He lived through the depression of 1893, the dislocation of 1907, the upheaval of 1921, the economic disaster of 1929 and somehow he knew from life itself that each generation has its recurring pattern of problems and troubles which challenge the ingenuity of each generation.

The perspective of a long and fruitful life and his own experience in these periods of moral and economic dislocation taught him the value of patience, the importance of courage and the need for a happy outlook upon the current scene. It accounts for that exuberance of spirit which he forever displayed and which was the delight of his friends and enemies alike if he had any enemies. He was a great public servant, a great legislator, a great citizen, and in every sense he was the typical American, in whom one found those virtues which are a part of the grand tradition of this Republic.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, it was never my pleasure to serve in the House of Representatives with Fred Britten. I came to Congress for my first term just at the time Fred was concluding his long, long period of service to the people of this Nation. However, I soon became well acquainted with him through personal contact from time to time.

Fred Britten was a fine man, loved and respected by his colleagues. As chairman of the great Naval Affairs Committee of the House, he courageously sponsored and supported a large Navy feeling it necessary in our national defense. He had foresight and vision and was fearless in promoting any belief that he held. Yes, Fred Britten was a real man and will be missed by many of us who were privileged to call him our friend.

ELECTION AS MEMBER OF COMMITTEE ON FOREIGN AFFAIRS

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 612) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That THOMAS E. MORGAN, of the State of Pennsylvania be, and he is hereby, elected a member of the Standing Committee of the House of Representatives on Foreign Affairs.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks in the RECORD and to include a brief article on the food situation abroad.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD in two instances, to include in one an article from the Sunday Star and in the other an article from the Milwaukee Journal.

Mr. KOPPLEMANN asked and was given permission to extend his remarks in the RECORD and include an address by Bishop Henry J. O'Brien of his district in which he particularly calls on the people of America to take an active part in the affairs of this country and the world.

Mr. PIÑERO asked and was given permission to extend his remarks in the RECORD and include a radio interview with the President of the Senate of Puerto Rico, Hon. Luis Munoz-Marin.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the RECORD and include a letter from the students of St. Xavier Academy, Latrobe, Pa., on the subject of feeding the starving children of the world, and also to include the names of those who signed the letter.

Mr. GRANGER asked and was given permission to extend his remarks in the RECORD and include a letter from the Honorable Robert E. Hannegan, chairman of the Democratic National Committee.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and include the text of a memorial presented to the President and the Secretary of State.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include an editorial from the Mount Vernon (Ohio) News.

Mr. O'HARA asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article taken from the July 1945 Rotarian entitled "An American Assays His Heritage."

SPECIAL ORDER GRANTED

Mr. JOHNSON of Illinois. Mr. Speaker, I ask unanimous consent that on tomorrow, Tuesday, May 7, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PRISON BREAK AT ALCATRAZ PRISON

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, we have just had a very tragic prison break at Alcatraz prison in California resulting in the death of several guards as well as several prisoners. It is my intention to present an amendment to the Criminal Code of the United States to provide that any prisoner who participates directly or indirectly or conspires to assault or injure a guard in order to escape have his term of confinement increased by an amount equal to the term which he is serving. In the event he is serving a life term he shall be executed, which is the law in California and it has operated very well to hold desperate and reckless criminals in check.

I hope the Judiciary Committee also looks into the circumstances surrounding this prison break—not only to see if there are any flaws in the law which could be eliminated but also if there were flaws in the administration of the prison.

EXTENSION OF REMARKS

Mr. MASON asked and was given permission to extend his remarks in the RECORD on the subject of the genesis of the present coal strike, and include a letter to his constituents, and also an article by Mark Sullivan on the same subject.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD in two instances, and include a letter and an essay on food in each instance.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include a prize-winning essay of a high-school student in Ohio, winner among 7,000 contestants.

Mr. STOCKMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by Hon. Henry Cabot Lodge, Jr., on Saturday, April 27, in Portland, Oreg., before the State convention of the Young Republican Federation of Oregon. I heard this speech when it was given, and it aroused such favorable comment that I wish to place it in the RECORD and make it available for all Members of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. McCOWEN asked and was given permission to extend his remarks in the RECORD and include a statement he made before the Committee on Ways and Means in connection with the broadening of the Social Security Act.

SPECIAL ORDER GRANTED

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, the gentleman from New Jersey [Mr. HAND] may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RENAMING BOULDER DAM HERBERT HOOVER DAM

Mr. BENNET of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BENNET of New York. Mr. Speaker, I would like to have the House know that I am today introducing a joint resolution providing, in substance, that Boulder Dam on the Colorado River shall be renamed Herbert Hoover Dam in recognition of the fact that former President Hoover was the prime factor in the planning and construction of this dam and also as some form of tribute to the exceptional services which Herbert Hoover rendered to his country in World War I, in the office of the President, and in the present food crisis, all of which services were performed without compensation.

I sincerely hope that there will be unanimous, nonpartisan support for this resolution which does belated justice to a great American who was forced to serve his country at a time of desperate economic crisis and who, as a result, endured abuse and ridicule to a degree unequaled since the days of Abraham Lincoln.

EXTENSION OF REMARKS

Mr. BUFFETT asked and was given permission to extend his remarks in the RECORD.

Mr. WELCH asked and was given permission to extend his remarks in the RECORD and include an editorial published in the San Francisco Call-Bulletin.

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD and include a memorandum on the proposed Chinese loan.

UNITED STATES MARINE CORPS

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BARDEN. Mr. Speaker, I notice this morning's newspaper quotes Gen. Alexander A. Vandegrift, who is now Commandant of the United States Marine Corps, as follows:

The Marine Corps feels that the question of its continued existence is a matter for determination by the Congress, and not one to be resolved by departmental legerdemain or a quasi-legislative process enforced by the War Department General Staff.

The bended knee is not a tradition of our corps. If the marine as a fighting man has not made a case for himself after 170 years of service, he must go.

But I think you will agree with me that he has earned the right to depart with dignity and honor, not by subjugation to the status of uselessness and servility planned for him by the War Department.

Mr. Speaker, the American people with grateful hearts will never stand by, nor will this Congress, and permit the United States Marine Corps to be kicked around. It has made a great record. They are now, and always have been, a great bunch of fighting men. I certainly would be quick to rise to my feet to defend them against any kind of attack from anybody or department anywhere, anytime. For 170 years they have never retreated or failed to do with credit and distinction any job assigned them, and they have certainly been assigned some tough ones. It was the Marine Corps, with very limited equipment, that not only stopped the Japs at Guadalcanal but kept them on the run until their surrender. It took the Army, Navy, Marine Corps, and the Coast Guard to win this war. There is enough glory for all. Let us let each branch of service stand on its record, and in so doing the United States Marine Corps will need no defense from anyone. The Marine Corps belong to the United States, and the people of the United States will not tolerate any tinkering with it.

THE COAL STRIKE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, we need not deceive ourselves, our Government is on trial.

This coal strike that threatens to paralyze the Nation is one of the most brazen challenges this Government has had in all its history. It is a question now whether the President of the United States and the Members of the House and the Senate are ready to meet that challenge and to give the American people to understand that we are going to have a government by laws, and not a government by men, or a misgovernment by racketeers.

For my part, I am ready to go to meet the challenge now.

This attempt to force the American people to pay tribute on every ton of coal, or to force the American Government to take over the coal mines, smacks very much of the dictatorships that are now wrecking Europe.

If we cannot govern our own country, how can we teach the peoples of other countries how to run theirs?

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I agree that it is almost unfortunate that the country is now threatened with a critical

coal shortage as the result of the deadlock between John L. Lewis and the mine owners and I deplore the situation facing the country; but the coal-mine operators and the Republican Party must bear their full share of responsibility.

Personally, of course, I have no special love for John L. Lewis; but I have a deep feeling for the miners for whom he essays to speak. You gentlemen on the Republican side have upheld John L. Lewis; you have repeatedly pointed to him as the ideal labor leader, because he swung over his peculiar kind of support to Republicans when he found he could not dictate to Franklin D. Roosevelt, and though you found Lewis could not dictate to the miners when it came to voting for Roosevelt; you have sung and danced to the music of the coal-mine operators as far back as memory runs; and between the operators and you of the Republican side Lewis has been deluded into thinking he is greater and more powerful than the country itself.

UNHOLY ALLIANCE BLOCKS EFFORTS

I think that something should be done, and without delay, to resolve the present stalemate. I hope that the President will, as usual, take a strong and forthright position and bring an end to strikes and lock-outs of this kind which involve the well-being of the entire Nation.

But what do the critical Republicans suggest be done? As long as they coddle John Lewis, on one side, and the coal operators on the other, and can unfortunately effect a coalition to block every effort made by the administration, is it not up to that unholy alliance to aid, and, if they have any, to display their capacity for constructive leadership and come to the rescue of the Nation, since they can make it impossible for the President to end this deplorable impasse?

REPLY TO CRITICS

I am receiving many letters and telegrams, Mr. Speaker; I presume most Members are getting the same kind. In answer to those communications, I am sending substantially this answer:

DEAR SIR: The coal strike is indeed unfortunate. However, you ought to address the Republicans who have been coddling and encouraging John L. Lewis, who has for 9 years cooperated with them, and they with him, while at the same time they have supported the coal operators in their resistance to decent wages and living conditions. All three are equally responsible now.

And that is a fact, Mr. Speaker.

The Republicans were taken in by Mr. Lewis, who courted their favor for his own devious purposes. They created the Lewis myth of a great Republican labor leader, and now they are stuck with it. If I were vindictive, I should enjoy their discomfiture. Since I am not vindictive, I will only add that I agree fully the situation is critical, and I seriously suggest that Republican leaders call in John L. Lewis and the spokesmen for the coal-mine operators and beg them humbly to go to work for the sake of the country and the party. Lewis is the Republicans' baby; they should be able to do more with him than anyone on the administration side of the aisle.

THAT OLD LOAN

Some of the Republicans on the floor will, I know, bring up that old story of the loan—I repeat, loan—made to the Democratic National Committee in 1936, but never saying a word about the fifteen or twenty millions in gifts made to the Republican Party.

Certainly such a loan was made; but subsequent events proved that neither John L. Lewis nor John J. Raskob nor anyone else could dictate or influence or control Franklin D. Roosevelt, who considered only the best interests of the people. That was a welcome change for the country from the days of Silent Cal Coolidge and of Hoover, who, as the late liberal Republican editor and wit, William Allen White, once pointed out, used to signal across La Fayette Park to the United States Chamber of Commerce office for instructions before breakfast every morning.

The Republicans should be able to sway both groups, and to do more toward a settlement than can the President unless he takes over the mines.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Illinois certainly is ungrateful. It has not been so very long since John L. Lewis contributed $770,000 through his United Mine Workers for the reelection of Franklin Delano Roosevelt.

Where is the consistency in taking their money, what is the sense of protecting the union politicians, and then coming down in the well of the House and attacking them? The Democratic administration, or rather the New Deal administration, has been in absolute control of the Government of the United States for more than 12 years. What have you done? You have encouraged every racketeer and every profiteer who ventured to raise his head to carry on his unlawful activities. What are you doing over in the other body today? On the 12th day of April 1943 we sent over the antiracketeering bill—the Hobbs bill to end racketeering by Dan J. Tobin's teamsters union, which has always supported the New Deal. It lies buried over there. When you go out in the Hall you can smell it, yet you have the nerve to profess as a party to be against these unlawful activities.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, apropos of the remarks made here about the coal strike, I thought I would bring you a message which I received this morning concerning two of my prominent constituents. One, a businessman, called me and said that he had just been put out of business by the coal strike. So he called up my other constituent, his neighbor, Mr. John L. Lewis, at 7 o'clock this morning. He reported to me that Mr. Lewis was very indignant that he should have been awakened at that time. My other constituent asked Mr. Lewis when he was going to call this coal strike off so that the country could get back on its feet. Mr. Lewis said that he was not going to call it off until the mine owners did what he told them to do. I thought you gentlemen would be interested in that conversation.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, I think it is time to emphasize to the country and to the Congress what some ex-servicemen in my district think of the Lewis coal-strike situation. They write, in part, as follows:

CHICAGO, ILL., *May 4, 1946.*

Hon. RALPH E. CHURCH,
Representative in Congress,
Washington, D. C.

DEAR SIR: Please introduce a bill before the House of Congress to curb the present power of one John L. Lewis who calls strikes so often against the coal miners, as a result all of Chicago has to suffer because of new dim-out rules and regulations. Are servicemen recently discharged entitled to earn a full week's salary in Chicago. How are they able to do this when their plants have been cut to 24 hours of work weekly because of this new dim-out because of lack of coal in Chicago.

Why not introduce a bill to put John L. Lewis in jail and throw the keys away. The servicemen and civilians are fed up with this one-man powerhouse in Washington, D. C. Someone must start the ball rolling to oust this man from power in the ranks of the coal miners unions.

We in Chicago hope and pray Congress will curb John L. Lewis immediately; for once and for all stop his power. Chicago suffered last night in a partial dim-out, factories had to send their employees home ahead of time, and informed them they will only be able to work, Tuesday, Wednesday and Thursday of next week a total of 24 hours. How can a serviceman with a wife and children live on a salary like this. Please introduce a bill against the power of John L. Lewis at present like the same one against on Petrillo. Thanking you for your past kindness and courtesy.

With kindest regards,
GEORGE ROBERT BROWN,
Pvt. EDWARD GEORGE BROWN (Army),
EDWARD FRANK HITCHCOCK (sailor),
LEROY W. THORPE (Army),
GEORGE THORPE (Navy),
JAMES W. BLANCO (Air Corps),
JOHN ROBERT THORPE (Air Corps).
Forty-fifth Ward, Tenth Congressional District Residents.

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

[Mr. SAVAGE addressed the House. His remarks appear in the Appendix.]

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, I was rather amazed to hear the gentleman from Chicago [Mr. SABATH], tell how the Republican Party had coddled John Lewis. Why, Mr. SABATH, but your memory is short. I remember that the New Deal built up this Frankenstein which is kicking us in the face today and is now challenging our Government. What would happen to the country if the farmers did not have any more sense than to listen to John Lewis? Instead of having no coal, we would have no food. The farmers have been loyal right straight through. They did not follow the advice of the administration or the leadership of John L. Lewis or you would not have milk for your children today or anything else. It is time that you fellows on the Democratic side, instead of blaming us Republicans, begin thinking of the situation as it actually is.

Have you forgotten how Browder was released from the penitentiary to help reelect Roosevelt by getting the Commies together?

Have you forgotten how Harry Bridges was kept here for the same purpose after he was convicted by the courts of nearly all the crimes on the calendar, then ordered to be deported but finally given his citizenship papers after he was here raising hell for more than 21 years?

We stuck our necks out and passed the Hobbs bill and the Case bill. It is the other body which refuses to act. I tell you that the country is beginning to realize that the men in public positions and executive positions in the New Deal leadership who are appeasing the gangsters from within and the aggressors from without are worse than the aggressors and gangsters themselves.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES ON INTER-AMERICAN MILITARY COOPERATION ACT

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I submit herewith for the consideration of the Congress a bill to be entitled "The Inter-American Military Cooperation Act," authorizing a program of military collaboration with other American states including the training, organization, and equipment of the armed forces of those countries. I recommend that the Congress give this bill its favorable consideration and enact it.

For several years our Army and Navy have maintained cordial relations of collaboration with the armed forces of other American Republics within the framework of the good neighbor policy. Under authorization of the Congress, military and naval training missions have been sent to various American Republics. During the recent war, even prior to Pearl Harbor, this collaboration was intensively developed on the basis of inter-American undertakings for hemisphere defense. Training activities were expanded, and under the Lend-Lease Act limited amounts of military and naval equipment were made available to the other American Republics as part of the hemisphere defense program. Forces from two of the American Republics participated in combat overseas, and others joined in the defense of the shores and seas of the Americas at a time when the danger of invasion of our continents was all too great.

More recently the American Republics have assumed new responsibilities, for their mutual defense and for the maintenance of peace, in the Act of Chapultepec and the Charter of the United Nations. The close collaboration of the American Republics provided for in the Act of Chapultepec, the proposed treaty to be based upon that act, and other basic inter-American documents, makes it highly desirable to standardize military organization, training methods, and equipment, as has been recommended by the Inter-American Defense Board.

Under the bill transmitted herewith, the Army and Navy, acting in conjunction with the Department of State, would be permitted to continue in the future a general program of collaboration with the armed forces of our sister republics with a view to facilitating the adoption of similar technical standards. Certain additional training activities, not covered by existing legislation, would be permitted. The President would also be authorized to transfer military and naval equipment to the governments of other American states by sale or other method.

The collaboration authorized by the bill could be extended also to Canada, whose cooperation with the United States in matters affecting their common defense is of particular importance.

A special responsibility for leadership rests upon the United States in this matter because of the preponderant technical, economic, and military resources of this country. There is a reasonable and limited purpose for which arms and military equipment can rightfully be made available to the other American states. This Government will not, I am sure, in any way approve of, nor will it participate in, the indiscriminate or unrestricted distribution of armaments, which would only contribute to a useless and burdensome armaments race. It does not desire that operations under this bill shall raise unnecessarily the quantitative level of armament in the American republics. To this end the bill specifies that amounts of nonstandard material shall be sought in exchange for United States equipment.

It is my intention that any operations under this bill, which the Congress may authorize, shall be in every way consistent with the wording and spirit of the United Nations Charter. The bill has been drawn up primarily to enable the American nations to carry out their obligations to cooperate in the maintenance of inter-American peace and security under the Charter and the Act of Chapultepec which is intended to be supplanted by a permanent inter-American treaty.

It is incumbent upon this Government to see that military developments in which we have a part are guided toward the maintenance of peace and security and that military and naval establishments are not encouraged beyond what security considerations require. In this connection the bill provides that operations thereunder are subject to any international agreement for the regulation of armaments to which the United States may become a party. In addition provision will be made for continuing coordination of the actual operations under the legislation with developing plans and policy in the field of armaments regulation.

In executing this program it will be borne in mind, moreover, that it is the policy of this Government to encourage the establishment of sound economic conditions in the other American Republics which will contribute to the improvement of living standards and the advancement of social and cultural welfare. Such conditions are a prerequisite to international peace and security. Operations under the proposed legislation will be conducted with full and constant awareness that no encouragement should be given to the imposition upon other people of any useless burden of armaments which would handicap the economic improvement which all countries so strongly desire. The execution of the program authorized by the bill will also be guided by a determination to guard against placing weapons of war in the hands of any groups who may use them to oppose the peaceful and democratic principles to which the United States and other American nations have so often subscribed.

In entering into agreements with other American states for the provision of training and equipment as authorized by the bill, the purposes of this program will be made clear to each of the other governments.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 6, 1946.*

[Enclosure: Draft bill entitled "Inter-American Military Cooperation Act."]

APPENDIX A

DRAFT BILL

MARCH 19, 1946.

To contribute to the effective maintenance of international peace and security pursuant to the objectives and principles of the United Nations, to provide for military cooperation of the American States in the light of their international undertakings, and for other purposes

Be it enacted, etc., That this act may be cited as the Inter-American Military Cooperation Act.

SEC. 2. The President is authorized to enter into agreements with the governments of other American States to provide: (a) for the instruction and training of military or naval personnel of such countries, (b) for the maintenance, repair, and rehabilitation of military or naval equipment in possession of such countries, and (c) for the transfer to such countries of any arms, ammunition, and implements of war as de-

fined in the President's Proclamation No. 2549 of April 9, 1942, or any superseding proclamation: any other aircraft or vessels; stores, supplies, services, technical information, material and equipment: *Provided*, That such transfer shall be consistent with the military and naval requirements of the United States and with the national interest.

SEC. 3. Notwithstanding the provisions of any other law, the President is authorized in order to carry out agreements made under section 2: (a) to provide instruction and training to military or naval personnel of any other American State, including but not restricted to instruction and training at service schools maintained and administered by the United States Army or Navy, or which may be established for this purpose, within territory under the jurisdiction of the United States, (b) to furnish to such students instruction and training, material and supplies required for instruction and training, clothing for use while under instruction and training, medical treatment in military and naval establishments, and such subsistence, quarters and Government transportation to and from their home countries and within the United States as it may be practicable to furnish in kind, (c) to furnish or transfer such services, technical information, and materials as may be necessary to test, inspect, prove, repair, recondition, or otherwise to place in good working order, military or naval equipment in the possession of such countries, and (d) to transfer, provide, provide for the use of, dispose of, or to facilitate the sale of, to such countries any arms, ammunition, or implements of war as defined in the President's Proclamation No. 2549 of April 9, 1942, or any superseding proclamation; any other aircraft or vessels; stores, supplies, services, technical information, material, and equipment.

SEC. 4. (a) Any agreement made pursuant to this act shall contain an undertaking by the foreign government (1) that it will not, without the consent of the President of the United States transfer title to or possession of any property transferred to it pursuant to this act; (2) that it will not permit use of any property so received or disclosure of any plan, specification, or other information pertaining thereto, or any technical information furnished, by or to anyone not an officer, employee, or agent of such government or for any purpose other than those set forth in this act; and (3) that such foreign government will make provisions comparable to those customarily made by the United States, for the security of any article or information received pursuant to this act.

(b) Any agreement for the disposition of any article or information under this act shall fully protect the rights of all citizens of the United States who have patent rights in and to any such item which is hereby authorized to be disposed of and the payment collected for royalties on such patents shall be paid to the owners and holders of such patents.

SEC. 5. The terms and conditions upon which the cooperation authorized under section 3 is extend to any country shall be such as the President deems satisfactory, and the benefit to the United States may be payment or repayment in kind or property, or any other direct or indirect benefit which the President deems satisfactory: *Provided*, That the terms for material or equipment transferred under section 3 of this act, which is procured by the Government of the United States for the purpose of transferring it to a foreign government, shall be payment of not less than the cost to the United States; and, that the terms for material or equipment transferred under section 3 of this act which is procured for the armed forces of the United States and is not declared by the Secretary of War or Navy, as the case may be, to be excess to the needs of the armed forces of the United States, shall be payment of a fair value, giving consideration to age, condition, and cost to the United States of replacement of such material or equipment: *And provided further*, That in arranging the terms and conditions for the transfer of any arms, ammunition, and implements of war, as defined by the President's Proclamation No. 2549 of April 9, 1942, or any superseding proclamation, first consideration shall be given to requiring the transfer by the foreign government to the United States of any similar articles, weapons, aircraft, or vessels not adapted to tables of organization and equipment of the armed forces of the United States. The value of such equipment received from the foreign government shall be computed on the same basis as the value of similar equipment disposed of, under existing laws and regulations, by the armed forces of the United States as surplus to their needs, and may be included as part of any compensation required.

SEC. 6. Any agreement, transaction, or undertaking made by the United States pursuant to this act shall be subject to any general system for the regulation of armaments which may be adopted by the United Nations, and to any other international treaty or convention for the regulation or limitation of armaments or arms traffic to which the United States may become a party.

SEC. 7. (a) There is hereby authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this act.

(b) All moneys which may be received from the government of any American state in payment for any property procured by the War or Navy Department or furnished by such Department from stocks on hand and transferred pursuant to this act shall, except as hereinafter provided, revert to the respective appropriation or appropriations out of which funds were expended in carrying out the transaction for which money is received. Such moneys shall be available during the fiscal year in which such funds are received and the ensuing fiscal year to replace the funds utilized for procurement or to replace the property so furnished from stocks on hand: *Provided*, That where the Secretary of War or the Navy determines that such replacement of funds or property is not necessary, the amounts received shall be covered into the Treasury as miscellaneous receipts.

(c) The President is authorized, when he deems it in the public interest, to accept advances of funds from the governments of other American states for all or part of the expenses of any portion of the program authorized in this act, and the amount so received shall be credited to appropriate appropriations or funds so as to be available to carry out the purposes for which the advance payment was made: *Provided*, That where the Secretary of War or the Navy determines that such replacement of funds or property is not necessary, the amounts received shall be covered into the Treasury as miscellaneous receipts.

SEC. 8. The President may, from time to time, promulgate such rules and regulations as may be necessary and proper to carry out any of the provisions of this act, and he may delegate any power or authority conferred on him by this act to such department, agency, or officer as he shall direct.

SEC. 9. The President shall provide that the Congress be informed annually of all operations under this act unless in any particular case he may deem the disclosure of information incompatible with the public interest.

SEC. 10. If any provision of this act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 11. The act of June 15, 1940, entitled "An act to authorize the Secretaries of War and of the Navy to assist the governments of American Republics to increase their military and naval establishments, and for other purposes" (22 U. S. C. 521 et seq.) is hereby repealed.

SEC. 12. The authority conferred by this act is in addition to any authority conferred by the Surplus Property Act of 1944 or any other provision of law authorizing transfers or disposals of property of the United States, and shall not be subject to regulations issued under any such laws or to the provisions of any law inconsistent herewith.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

THEODORE ROOSEVELT NATIONAL PARK, N. DAK.

The Clerk called the bill (H. R. 4435) to establish the Theodore Roosevelt National Park; to erect a monument in memory of Theodore Roosevelt in the village of Medora, N. Dak., and for other purposes.

Mr. DE LACY. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice for 2 weeks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

RAILROAD REORGANIZATIONS

The Clerk called the bill (H. R. 5924) to enable debtor railroad corporations, whose properties during a period of 7 years have provided sufficient earnings to pay fixed charges, to effect a readjustment of their financial structure without further proceedings under section 77 of the Bankruptcy Act, as amended.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to to the request of the gentleman from New Jersey?

There was no objection.

ADJUSTMENT OF CERTAIN INDIAN DEBTS

The Clerk called the bill (H. R. 2231) to authorize the Secretary of the Interior to adjust debts of individual Indians, associations of Indians, or Indian tribes, and for other purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

BRIDGE ACROSS THE SUSQUEHANNA RIVER IN LUZERNE COUNTY, PA.

The Clerk called the bill (H. R. 5403) to revive and reenact the act entitled "An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River at Bridge Street in Plymouth Borough, between Plymouth and Hanover

Townships, in the county of Luzerne, and in the Commonwealth of Pennsylvania."

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

BEACH-EROSION CONTROL

The Clerk called the bill (H. R. 2033) authorizing Federal participation in the cost of protecting the shores of publicly owned property.

Mr. ROCKWELL. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

REGULATION OF THE MARKETING OF ECONOMIC POISONS AND DEVICES

The Clerk called the bill (H. R. 5645) to regulate the marketing of economic poisons and devices, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ALLEN of Illinois. Mr. Speaker, I object.

WILDLIFE RESTORATION

The Clerk called the bill (H. R. 3821) to amend sections 4 and 8 of the act of September 2, 1937, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BARDEN. Mr. Speaker, reserving the right to object, I wish the gentleman from Virginia [Mr. ROBERTSON] would explain this bill to the House.

Mr. ROBERTSON of Virginia. Mr. Speaker, this is a bill which authorizes the States to use not exceeding 25 percent of the Pitman-Robertson Act grants in aid for maintenance purposes.

Some of the States have bought more areas than they can properly maintain under the original act. They could spend that money only for the purchase of land for scientific research and for restocking. The States have asked a little more leeway and only those that need this money for this purpose will so expend it. It is limited to 25 percent of the total fund. It has the endorsement of the National Association of State Game Commissioners, it has the endorsement of the Fish and Wild Life Service, and it has received the unanimous report of the House Committee on Agriculture.

Mr. BARDEN. May I ask the gentleman, Does this reduce the amount of funds available for restocking?

Mr. ROBERTSON of Virginia. It does not. The States could use all of it for restocking if they want to. The total fund is not changed, but if the State is in the position that it needs a little for maintenance, it can so use it. However, the discretion is in the States as to how they shall use the fund under the provisions of the previous law.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act of September 2, 1937 (50 Stat. 917; 16 U. S. C. 699), is hereby amended by striking out the provisos thereof and inserting in lieu thereof the following: "*Provided*, That such apportionments shall be adjusted equitably so that no State shall receive less than one-half of 1 percent nor more than 5 percent of the total amount apportioned to all the States."

SEC. 2. That section 8 of said act is amended so as to read as follows:

"SEC. 8. Maintenance of wildlife-restoration projects established under the provisions of this act shall be the duty of the States in accordance with their respective laws: *Provided*, That beginning July 1, 1945, the term 'wildlife-restoration project,' as defined in section 2, shall include maintenance of completed projects, but not more than 25 percent of the total amount apportioned to any State under the provisions of this act may be expended for such maintenance."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COORDINATION OF ACTIVITIES FOR THE CONSERVATION OF WILDLIFE, FISH, AND GAME

The Clerk called the bill (H. R. 6097) to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BARDEN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Virginia just how far this goes toward taking over the control of this work that is now exercised by the States?

Mr. ROBERTSON of Virginia. Mr. Speaker, this bill gives the States more jurisdiction than they now have and it was introduced because of the fact that we have authorized an appropriation of approximately a billion dollars for flood control and similar purposes. The States felt that in going into such a vast scale of impounding water it was highly desirable that the Federal Government make adequate provision for the servicing of wildlife and that there be provision for the States to have jurisdiction over those areas with respect to all types of wildlife, except migratory birds that are reserved to the Federal Government under our treaty-making powers, as under our treaty with Canada and Mexico and laws passed pursuant thereto.

This bill was amended at the request of the Western Association of Game Commissioners who felt that the original bill did not go quite far enough in protecting States' rights. The bill in its present form now has the support of the National Association of Game Commissioners. I was speaking day before yesterday with Mr. Feast, of Denver, Colo., who asked about the status of the bill. He told me that the western commissioners were very much concerned and hoped we would soon get the bill through.

Mr. BARDEN. I may say to the gentleman that my interest in these two bills is due to the fact that I have observed in the past few years and few months a great deal more emphasis is being placed upon management, inspection, and investigating than in restocking. I am interested in some restocking work being done and I think when we put on a program of this kind that should be emphasized rather than so much management and investigation of these new areas.

Mr. ROBERTSON of Virginia. The gentleman is fundamentally right. It is more game and more fish they are working for.

Mr. BARDEN. That is exactly what I want and you are going to have to restock in order to get them.

Mr. ROBERTSON of Virginia. The bill that relates to that matter is the one that was just passed. That bill had the approval of the State of North Carolina and this bill also has the approval of the State of North Carolina.

Mr. BARDEN. May I say that I am not altogether in accord with the policy of North Carolina, even though it is a great State and I am from North Carolina. I want more restocking in North Carolina if they are going to continue to use these funds.

Mr. ROBERTSON of Virginia. The gentleman is right, but the bill we have under consideration now relates only to new impounded water areas. When our rivers are dammed up, or the streams are dammed, we want to see that provision is made for the salmon, for instance, to go up to the spawning beds and if other streams are dammed up that suitable plans are made for the protection of the fish. Then when that area is developed we want to turn it over to the States that are close to the people who under the common law are entitled to the wildlife in those States. The only thing we took away from them is that under the treaty-making powers of the United States we turned migratory birds over to the Federal Government. That is all the Federal Government should attempt to administer.

Mr. BARDEN. Mr. Speaker, on the theory that more emphasis will be placed on restocking, I withdraw my objection.

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, can the gentleman tell the House what this will cost?

Mr. ROBERTSON of Virginia. It would be quite impossible for us to say what it would cost in dollars. I can say to the gentleman that it is the best investment that we could make. It preserves a great natural resource which is valuable to us in money and of inestimable value in its recreational opportunities for 140,000,000 people. The program is under way, and this just amends an existing law for coordination, and primarily provides that the States shall have jurisdiction over this wildlife when these waters are impounded. That is the primary purpose of the bill. But it also does provide that in planning a future dam or reservoir area, consideration shall be given to the effect upon wildlife. It might not cost anything at all. Again, if it is out in the West where you are damming up a stream, it would cost the ex-

pense of a fish ladder, but that is already authorized by law. I do not know of any investment that we can make at the present time that will pay us a larger and a richer dividend than to conserve our natural resources. Not only are the hunters and fishermen increasing by leaps and bounds, but we need the food and we need to teach our farmers land practices that will save their soil, and whatever will be good for them will also be good for the wildlife that finds habitat on the farmer's farm or in his streams.

Mr. SMITH of Ohio. No one questions the desirability of the project, but what we can seriously question though is, Can we afford it?

Mr. ROBERTSON of Virginia. We cannot afford not to do it, is my answer to that question.

Mr. SPARKMAN. Mr. Speaker, reserving the right to object, and I do not intend to object, but I serve notice that when the bill is called up, if it is called up and passed, it is my intention to offer an amendment which would be an additional section, section 10, to read as follows:

The provisions of this act shall not apply to the Tennessee Valley Authority.

The reason for that amendment is that the TVA is a multiple-purpose project, whereas this bill is really aimed at your single-purpose project. The TVA has its fish and wildlife department. The program is already set up. It is operating in agreement with the Fish and Wildlife Service and with the various State departments of conservation in the Valley States, and this would upset that entire program, which is, I think the gentleman from Virginia would say, operated with complete satisfaction today.

Mr. KEAN. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from New Jersey.

Mr. KEAN. Has the committee acted on that amendment?

Mr. SPARKMAN. The committee has not acted yet. I talked with the gentleman from Virginia [Mr. ROBERTSON] this morning and with the gentleman from Virginia [Mr. FLANNAGAN], chairman of the Committee on Agriculture, and they agree to the proposed amendment.

Mr. KEAN. Has the gentleman talked to the minority members?

Mr. SPARKMAN. I looked for the gentleman from Kansas [Mr. HOPE], and I did not see him, and I did not see any other members of the committee.

Mr. ROBERTSON of Virginia. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. The bill does not affect any existing establishment. It only affects new establishments. Naturally, we did not draw the bill to exempt any particular agency from it. The gentleman from Alabama explains to me that the Tennessee Valley Authority is now doing just what this bill is going to require of future establishments; that is, it gives full consideration to wildlife interest in all of its developments, and then turns the management over to the States. They have two relatively small projects which I understand will complete their program; is that correct?

Mr. SPARKMAN. That is my understanding.

Mr. ROBERTSON of Virginia. And they would like for the integrated program to be on the same basis that they have had it on, and I frankly admit that the Tennessee Valley Authority has been doing very good work with respect to wildlife in the area it has been administering. Naturally, I did not seek this amendment and I did not frame the bill exempting anybody. But in view of the explanation that the gentleman from Alabama nas made and the urgent necessity to get this bill through this House now, if we are going to get any action before Congress adjourns about the middle of July, I told him I would raise no objection to letting these two small projects step from under the provisions of this bill.

Mr. KEAN. Mr. Speaker, until such time as the gentleman talks to the minority members of the Committee on Agriculture and then gets their approval, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

LAKE WINNEPESAUKEE, N. H., MAIL SERVICE

The Clerk called the bill (H. R. 5820) relating to mail service on Lake Winnepesaukee, N. H.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby repealed the proviso (30 U. S. C. 208) appearing in the first section of the act of February 28, 1919 (40 Stat. 1189, 1194), entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1920, and for other purposes", providing as follows: "*Provided*, That hereafter the compensation for the carrier of mail on Lake Winnepesaukee from the post office at Laconia, N. H., who furnishes his own equipment, shall be $1,800 per annum."

The bill was ordered to be engrossed and read a third time was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES MERCHANT MARINE ACADEMY

The Clerk called the bill (H. R. 1751) to authorize the course of instruction at the United States Merchant Marine Academy to be given to not exceeding twenty persons at a time from the American republics, other than the United States.

Mr. KEAN. Mr. Speaker, at the request of the gentleman from New York [Mr. BUCK], I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

INTERSTATE COMPACT WITH RESPECT TO WATERS OF COSTILLA CREEK

The Clerk called the bill (H. R. 4510) granting the consent and approval of Congress to an interstate compact between Colorado and New Mexico with respect to the waters of Costilla Creek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent and approval of Congress is hereby given to the compact between the State of Colorado and the State of New Mexico designated as the Costilla Creek compact signed in the city of Santa Fe, State of New Mexico, on the 30th day of September A. D. 1944, by Clifford H. Stone, commissioner for the State of Colorado, and Thomas M. McClure, commissioner for the State of New Mexico, and thereafter approved by the legislatures of the States of Colorado and New Mexico, which compact reads as follows:

COSTILLA CREEK COMPACT

The State of Colorado and the State of New Mexico, parties signatory to this compact (hereinafter referred to as "Colorado" and "New Mexico," respectively, or individually as a "State," or collectively as the "States"), having resolved to conclude a compact with respect to the waters of Costilla Creek, an interstate stream, have designated, pursuant to the acts of their respective legislatures and appointment by their respective governors, as their commissioners: Clifford H. Stone, for Colorado; Thomas M. McClure, for New Mexico; who after negotiations, have agreed upon these articles:

Article I

The major purposes of this compact are to provide for the equitable division and apportionment of the use of the waters of Costilla Creek; to promote interstate comity; to remove causes of present and future interstate controversies; to assure the most efficient utilization of the waters of Costilla Creek; to provide for the integrated operation of existing and prospective irrigation facilities on the stream in the two States; to adjust the conflicting jurisdictions of the two States over irrigation works and facilities diverting and storing water in one State for use in both States; to equalize the benefits of water from Costilla Creek, used for the irrigation of contiguous lands lying on either side of the boundary, between the citizens and water users of one State and those of the other; and to place the beneficial application of water diverted from Costilla Creek for irrigation by the water users of the two States on a common basis.

The physical and other conditions peculiar to the Costilla Creek and its basin, and the nature and location of the irrigation development and the facilities in connection therewith, constitute the basis for this compact; and neither of the States hereby, nor the Congress of the United States by its consent, concedes that this compact establishes any general principle or precedent with respect to any other interstate stream

Article II

As used in this compact, the following names, terms, and expressions are described, defined, applied, and taken to mean as in this article set forth:

(a) "Costilla Creek" is a tributary of the Rio Grande which rises on the west slope of the Sangre de Cristo Range in the extreme southeastern corner of Costilla County in Colorado and flows in a general westerly direction crossing the boundary three times above its confluence with the Rio Grande in New Mexico.

(b) The "canyon mouth" is that point on Costilla Creek in New Mexico where the stream leaves the mountains and emerges into the San Luis Valley.

(c) The "Amalia area" is that irrigated area in New Mexico above the canyon mouth and below the Costilla Reservoir which is served by decreed direct-flow water rights.

(d) The "Costilla-Garcia area" is that area extending from the canyon mouth in New Mexico to a point in Colorado about 4 miles downstream from the boundary, being a compact body of irrigated land on either side of Costilla Creek served by decreed direct-flow water rights.

(e) The "Eastdale Reservoir No. 1" is that off-channel reservoir located in Colorado in sections 7, 8, and 18, township 1 north, range 73 west, and sections 12 and 13, township 1 north, range 74 west, of the Costilla Estates Survey, with a nominal capacity of 3,468 acre-feet and a present usable capacity of 2,000 acre-feet.

(f) The "Eastdale Reservoir No. 2" is that off-channel reservoir located in Colorado in sections 3, 4, 9, and 10, township 1 north, range 73 west, of the Costilla Estates Survey, with a nominal capacity of 3,041 acre-feet.

(g) The "Costilla Reservoir" is that channel reservoir, having a nominal capacity of 15,700 acre-feet, located in New Mexico near the headwaters of Costilla Creek. The present usable capacity of the reservoir is 11,000 acre-feet, subject to future adjustment by the State engineer of New Mexico. The condition of Costilla Dam may be such that the State engineer of New Mexico will not permit storage above a determined stage except for short periods of time.

(h) The "Cerro canal" is that irrigation canal which diverts water from the left bank of Costilla Creek in New Mexico near the southwest corner of Section 12, Township 1 South, Range 73 West, of the Costilla Estates Survey, and runs in a northwesterly direction to the boundary near Boundary Monument No. 140.

(i) The "boundary" is the term used herein to describe the common boundary line between Colorado and New Mexico.

(j) The term "Costilla Reservoir system" means and includes the Costilla Reservoir and the Cerro canal, the permits for the storage of water in Costilla Reservoir, the 24.52 cubic feet per second of time of direct flow water rights transferred to the Cerro canal, and the permits for the diversion of direct flow water by the Cerro canal as adjusted herein to 75.48 cubic feet per second of time.

(k) The term "Costilla Reservoir system safe yield" means that quantity of usable water made available each year by the Costilla Reservoir system. The safe yield represents the most beneficial operation of the Costilla Reservoir system through the use, first, of the total usable portion of the yield of the 24.52 cubic feet per second of time of direct flow rights transferred to the Cerro canal, second, of the total usable portion of the yield of the direct flow Cerro canal permits, and, third, of that portion of the water stored in Costilla Reservoir required to complete such safe yield.

(l) The term "usable capacity" is defined and means that capacity of Costilla Reservoir at the stage above which the State engineer of New Mexico will not permit storage except for short periods of time.

(m) The term "temporary storage" is defined and means the water permitted by the State engineer of New Mexico to be stored in Costilla Reservoir for short periods of time above the usable capacity of that reservoir.

(n) The term "additional storage facilities" is defined and means storage capacity which may be provided in either State to impound waters of Costilla Creek and its tributaries in addition to the nominal capacity of Costilla Reservoir and the Costilla Creek complement of the Eastdale Reservoir No. 1 capacity.

(o) The term "duty of water" is defined as the rate in cubic feet per second of time at which water may be diverted at the headgate to irrigate a specified acreage of land during the period of maximum requirement.

(p) The term "surplus water" is defined and means water which cannot be stored in operating reservoirs during the storage season or water during the irrigation season which cannot be stored in operating reservoirs and which is in excess of the aggregate direct flow rights and permits recognized by this compact.

(q) The term "irrigation season" is defined and means that period of each calendar year from May 16 to September 30, inclusive.

(r) The term "storage season" is defined and means that period of time extending from October 1 of one year to May 15 of the succeeding year, inclusive.

(s) The term "points of interstate delivery" means and includes (1) the Acequia Madre where it crosses the boundary; (2) the Costilla Creek where it crosses the boundary; (3) the Cerro Canal where it reaches the boundary; and (4) any other interstate canals which might be constructed with the approval of the Commission at the point or points where they cross the boundary.

(t) The term "water company" means the San Luis Power & Water Co., a Colorado corporation, or its successor.

(u) The word "commission" means the Costilla Creek Compact Commission created by article VIII of this compact for the administration thereof.

Article III

1. To accomplish the purposes of this compact, as set forth in article I, the following adjustments in the operation of irrigation facilities on Costilla Creek, and in the use of water diverted, stored, and regulated thereby, are made:

(a) The quantity of water delivered for use in the two States by direct flow ditches in the Costilla-Garcia area and by the Cerro Canal is based on a duty of water of 1 cubic foot per second of time for each 80 acres, to be applied in the order of priority: *Provided, however,* That this adjustment in each instance is based on the acreage as determined by the court in decreeing the water rights for the Costilla-Garcia area, and in the case of the Cerro Canal such basis shall apply to 8,000 acres of land; and: *Provided further,* That, in order to maintain a usable head, any ditch supplying water for the Costilla-Garcia area in Colorado shall be permitted to divert for beneficial consumptive use not less than 1 cubic foot per second of time under its water right.

(b) There is transferred from certain ditches in the Costilla-Garcia area 24.52 cubic feet per second of time of direct flow water rights, which rights of use are held by the water company or its successors in title, to the headgate of the Cerro Canal. The 24.52 cubic feet of water per second of time hereby transferred represents an evaluation of these rights after adjustment in the duty of water, pursuant to subsection (a) of this article, and includes a reduction thereof to compensate for increased use of direct flow water which otherwise would have been possible under these rights by this transfer.

(c) Except for the rights to store water from Costilla Creek in Eastdale Reservoir No. 1 as hereinafter provided, all diversion and storage rights from Costilla Creek for Eastdale Reservoirs No. 1 and No. 2 are relinquished and the water decreed thereunder is returned to the creek for use in accordance with the plan of integrated operation effectuated by this compact.

(d) The Cerro Canal direct flow permit shall be 75.48 cubic feet per second of time.

(e) There is transferred to and made available for the irrigation of lands in Colorado a portion of the Costilla Reservoir complement of the Costilla Reservoir System Safe Yield in order that the storage of water in that reservoir may be made for the benefit of water users in both Colorado and New Mexico under the provisions of this compact for the allocations of water and the operation of facilities.

2. Each State grants for the benefit of the other and its water users the rights to change the points of diversion of water from Costilla Creek, to divert water from the stream in one State for use in the other and to store water in one State for the irrigation of lands in the other, insofar as the exercise of such rights may be necessary to effectuate the provisions of this article and to comply with the terms of this compact.

3. The Water Company has consented to and approved the adjustments contained in this article; and such consent and approval shall be evidenced in writing and filed with the Commission.

Article IV

The apportionment and allocation of the use of Costilla Creek water shall be as follows:

(a) There is allocated for diversion from the natural flow of Costilla Creek and its tributaries sufficient water for beneficial use on meadow and pasture lands above Costilla Reservoir in New Mexico to the extent and in the manner now prevailing in that area.

(b) There is allocated for diversion from the natural flow of Costilla Creek and its tributaries 13.42 cubic feet of water per second of time for beneficial use on lands in the Amalia Area in New Mexico.

(c) In addition to allocations made in subsections (e), (f), and (g) of this article, there is allocated for diversion from the natural flow of Costilla Creek 51.42 cubic feet of water per second of time for Colorado and 88.28 cubic feet of water per second of time for New Mexico, subject to adjustment as provided in article V (e), and such water shall be delivered for beneficial use in the two States in accordance with the schedules and under the conditions set forth in article V.

(d) There is allocated for diversion from the natural flow of Costilla Creek sufficient water to provide each year 1,000 acre-feet of stored water in Eastdale Reservoir No. 1, such water to be delivered as provided in article V.

(e) There is allocated for diversion to Colorado 26.5 percent and to New Mexico 63.5 percent of the water stored by Costilla Reservoir for release therefrom for irrigation purposes each year, subject to adjustment as provided in article V (e) and such water shall be delivered for beneficial use in the two States on a parity basis in accordance with the provisions of article V. By "parity basis" is meant that neither State shall enjoy a priority of right of use.

(f) There is allocated for beneficial use in each of the States of Colorado and New Mexico one-half of the surplus water, as defined in article II (p), to be delivered as provided in article V.

(g) There is allocated for beneficial use in each of the States of Colorado and New Mexico one-half of any water made available and usable by additional storage facilities which may be constructed in the future.

Article V

The operation of the facilities of Costilla Creek and the delivery of water for the irrigation of land in Colorado and New Mexico, in accordance with the allocations made in article IV, shall be as follows:

(a) Diversions of water for use on lands in the Amalia area shall be made as set forth in article IV (b) in the order of decreed priorities in New Mexico and of relative priority dates in the two States, subject to the right of New Mexico to change the points of diversion and places of use of any of such water to other points of diversion and places of use: *Provided, however,* That the rights so transferred shall be limited in each instance to the quantity of water actually consumed on the lands from which the right is transferred.

(b) Deliveries to Colorado of direct flow water below the canyon mouth shall be made by New Mexico in accordance with the following schedule:

Deliveries of direct flow water to Colorado during irrigation season

Usable discharge of creek at canyon mouth gaging station (c. f. s.) (1)	Incremental allocations to Colorado (c. f. s.) (2A)	(2B)	Point of interstate delivery (3)	Cumulative allocations to Colorado (c. f. s.) (4)	Remarks (5)
25.00	6.55	.....	Acequia Madre	.....	When the usable discharge of the creek is less than 25.00 c. f. s., deliver to Colorado 26.20 percent of usable discharge adjusted for transmission losses.
.....	2.53	.....	Cerro Canal	9.08	When the usable discharge of the creek is less than 25.00 c. f. s., deliver to Colorado 10.13 percent of usable discharge adjusted for transmission losses.
36.88	.38	.....	Acequia Madre	.....	When the usable discharge of the creek is in excess of 25.38 c. f. s. and less than 36.88 c. f. s., deliver to Colorado 3.26 percent of usable discharge adjusted for transmission losses.
.....	4.04	.....	Cerro Canal	13.50	When the usable discharge of the creek is in excess of 25.38 c. f. s. and less than 36.88 c. f. s., deliver to Colorado 35.11 percent of usable discharge adjusted for transmission losses.
38.62	.....	1.00	Creek	14.50	When the usable discharge of the creek is in excess of 37.62 c. f. s. and less than 38.62 c. f. s., deliver to Colorado all of usable discharge adjusted for transmission losses.
44.91	2.24	.....	Cerro Canal	16.74	When the usable discharge of the creek is in excess of 38.62 c. f. s. and less than 44.76 c. f. s., deliver to Colorado 36.5 percent of usable discharge adjusted for transmission losses.
50.91	.....	6.00	Creek	22.74	When the usable discharge of the creek is in excess of 44.91 c. f. s. and less than 50.91 c. f. s., deliver to Colorado all of usable discharge adjusted for transmission losses.
56.48	.13	.....	Cerro Canal	22.87	When the usable discharge of the creek is in excess of 55.35 c. f. s. and less than 56.48 c. f. s., deliver to Colorado 11.18 percent of usable discharge adjusted for transmission losses.
61.48	.....	1.00	Creek	23.87	When the usable discharge of the creek is in excess of 60.48 c. f. s. and less than 61.48 c. f. s., deliver to Colorado all of usable discharge adjusted for transmission losses.
64.22	.....	.....	.....	.....	At usable creek discharge of 64.22 c. f. s. the Cerro Canal direct flow permit becomes operative after 1,000 acre-feet has been stored in Eastdale Reservoir No. 1.
139.70	27.55	.....	Cerro Canal	51.42	When the usable discharge of the creek is in excess of 64.22 c. f. s. and less than 139.70 c. f. s., deliver to Colorado 36.5 percent of usable discharge adjusted for transmission losses.

The actual discharges of Costilla Creek at the canyon mouth gaging station at which the various blocks of direct flow water become effective shall equal the flows set forth in column (1) increased by the transmission losses necessary to deliver those flows to the headgates of the respective direct flow ditches.

The delivery of ditch water at the boundary shall equal the allocation set forth in column (2a) reduced by the transmission losses between the headgate of the ditch and the point where the ditch crosses the boundary. The allocations to be delivered to Colorado through the Cerro Canal represent in each and all cases 36.5 percent of those blocks of direct flow water of the Costilla Reservoir system which are subject to adjustment as provided in subsection (e) of this article.

The delivery of water in the creek at the boundary shall equal the allocation set forth in column (2b) increased by the transmission losses between the boundary and the headgate of the Colorado ditch which is to receive the water.

The above table is compiled on the basis of the delivery to Colorado at the boundary of 36.5 percent of all direct flow water of the Costilla Reservoir system diverted by the Cerro canal and the delivery at the boundary of all other direct flow water allocated to Colorado, in the order of priority, all such deliveries to be adjusted for transmission losses. In the event of change in the usable capacity of the Costilla Reservoir, Colorado's share of Cerro canal diversions, to be delivered at the boundary and adjusted for transmission losses, shall be determined by the percentages set forth in column (4) of the table which appears in subsection (e) of this article.

(c) During the storage season, no water shall be diverted under direct flow rights unless there is water in excess of the demand of all operating reservoirs for water from Costilla Creek for storage.

(d) In order to assure the most efficient utilization of the available water supply, the filling of Eastdale Reservoir No. 1 from Costilla Creek shall be commenced as early in the spring as possible and shall be completed as soon thereafter as possible. The Cerro canal or any other ditch which may be provided for that purpose shall be used, insofar as practicable, to convey the water from the canyon mouth to Eastdale Reservoir No. 1. During any season when the Commission determines that there will be no surplus water, any diversions, waste, or spill from any canal or canals supplying Eastdale Reservoir No. 1 will be charged to the quantity of water diverted for delivery to said reservoir.

The Commission shall estimate each year the safe yield of Costilla Reservoir system and its component parts as far in advance of the irrigation season as possible, and shall review and revise such estimates from time to time as may be necessary.

In the event the usable capacity of the Costilla Reservoir changes, the average safe yield and the equitable division thereof between the States shall be determined in accordance with the following table:

Usable capacity of Costilla Reservoir	Average annual safe yield (acre-feet)	Division of safe yield			
		Colorado		New Mexico	
		Acre-feet	Percent	Acre-feet	Percent
(1)	(2)	(3)	(4)	(5)	(6)
0	1,800	1,510	83.9	290	16.1
1,000	3,400	2,000	58.8	1,400	41.2
2,000	4,900	2,450	50.0	2,450	50.0
3,000	6,400	2,910	45.5	3,490	54.5
4,000	7,900	3,370	42.7	4,530	57.3
5,000	9,300	3,800	40.9	5,500	59.1
6,000	10,700	4,220	39.4	6,480	60.6
7,000	12,000	4,620	38.5	7,380	61.5
8,000	13,200	4,990	37.8	8,210	62.2
9,000	14,300	5,320	37.2	8,980	62.8
10,000	15,200	5,600	36.8	9,600	63.2
11,000	16,000	5,840	36.5	10,160	63.5
12,000	16,600	6,020	36.3	10,580	63.7
13,000	17,000	6,140	36.1	10,860	63.9
14,000	17,400	6,270	36.0	11,130	64.0
15,000	17,700	6,360	35.9	11,340	64.1
15,700	17,900	6,420	35.9	11,480	64.1

Intermediate quantities shall be computed by proportionate parts.

In the event of change in the usable capacity of the Costilla Reservoir, the Costilla Reservoir complement of the Costilla Reservoir system safe yield shall be divided between Colorado and New Mexico in accordance with the percentages given in columns 4 and 6, respectively, of the above table.

Each State may draw from the reservoir in accordance with the allocations made herein, up to its proportion of the Costilla Reservoir complement of the Costilla Reservoir system same yield and its proportion of temporary storage and no more. Colorado may call for the delivery of its share thereof at any of the specified points of interstate delivery.

Deliveries of water from Costilla Reservoir to the canyon mouth shall be adjusted for transmission losses, if any, between the two points. Deliveries to Colorado at the boundary shall be further adjusted for transmission losses from the canyon mouth to the respective points of interstate delivery.

Water stored in Costilla Reservoir and not released during the current season shall not be held over to the credit of either State but shall be apportioned when the safe yield is subsequently determined.

(f) The Colorado apportionment of surplus water, as allocated in article IV (f), shall be delivered by New Mexico at such points of interstate delivery and in the respective quantities, subject to transmission losses, requested by the Colorado member of the Commission.

(g) In the event that additional water becomes usable by the construction of additional storage facilities, such water shall be made available to each State in accordance with rules and regulations to be prescribed by the Commission.

(h) When it appears to the Commission that any part of the water allocated to one State for use in a particular year will not be used by that State, the Commission may permit its use by the other State during that year, provided that a permanent right to the use of such water shall not thereby be established.

Article VI

The desirability of consolidating various of the direct flow ditches serving the Costilla-Garcia area, which are now or which would become interstate in character by consolidation, and diverting the water available to such ditches through a common headgate is recognized. Should the owners of any of such ditches, or a combination of them, desire to effectuate a consolidation and provide for a common headgate diversion, application therefor shall be made to the Commission which, after review of the plans submitted, may grant permission to make such consolidation.

Article VII

The Commission shall cause to be maintained and operated a stream-gaging station, equipped with an automatic water-stage recorder (at each of the following points, to-wit:

(a) On Costilla Creek immediately below Costilla Reservoir.

(b) On Costilla Creek at or near the Canyon Mouth above the headgate of Cerro Canal and below the Amalia area.

(c) On Costilla Creek at or near the boundary.

(d) On the Cerro Canal immediately below its headgate.

(e) On the Cerro Canal at or near the boundary.

(f) On the intake from Costilla Creek to the Eastdale Reservoir No. 1, immediately above the point where the intake discharges into the reservoir.

(g) On the Acequia Madre immediately below its headgate.

(h) On the Acequia Madre at the boundary.

(i) Similar gaging stations shall be maintained and operated at such other points as may be necessary in the discretion of the Commission for the securing of records required for the carrying out of the provisions of the compact.

Such gaging stations shall be equipped, maintained, and operated by the Commission directly or in cooperation with an appropriate Federal or State agency, and the equipment, method, and frequency of measurement at such stations shall be such as to produce reliable records at all times.

Article VIII

The two States shall administer this compact through the official in each State who is now or may hereafter be charged with the duty of administering the public water supplies, and such officials shall constitute the Costilla Creek Compact Commission. In addition to the powers and duties hereinbefore specifically conferred upon such Commission, the Commission shall collect and correlate factual data and maintain records having a bearing upon the administration of this compact. In connection therewith, the Commission may employ such engineering and other assistance as may be reasonably necessary within the limits of funds provided for that purpose by the States. The Commission may, by unanimous action, adopt rules and regulations consistent with the provisions of this compact to govern its proceedings. The salaries and expenses of the members of the Commission shall be paid by their respective States. Other expenses incident to the administration of the compact, including the employment of engineering or other assistance and the establishment and maintenance of compact gaging stations, not borne by the United States shall be assumed equally by the two States and paid directly to the Commission upon vouchers submitted for that purpose.

The United States Geological Survey, or whatever Federal agency may succeed to the functions and duties of that agency, shall collaborate with the Commission in the correlation and publication of water facts necessary for the proper administration of this compact.

Article IX

This compact shall become operative when ratified by the legislatures of each of the signatory States and consented to by the Congress of the United States.

In witness whereof, the Commissioners have signed this compact in triplicate original, one copy of which shall be deposited in the archives of the Department of State of the United States of America, and one copy of which shall be forwarded to the Governor of each of the signatory States.

Done in the city of Santa Fe, N. Mex., on the 30th day of September, in the year of our Lord, 1944.

(Signed) CLIFFORD H. STONE,
Commissioner for Colorado.
(Signed) THOMAS M. MCCLURE,
Commissioner for New Mexico.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 15, line 4, at the beginning of the line insert "(e)."

Page 20, at the end of section 2, insert the following: "Neither this act nor the compact hereby ratified shall be construed as amending, modifying, or affecting in any way the obligations of any of the parties to the Rio Grande Compact, dated March 18, 1938, approved by the Congress by the act of May 31, 1939 (53 Stat. 785)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIRECTOR OF SELECTIVE SERVICE

The Clerk called the bill (H. R. 6035) to provide that there shall be no liability for acts done or omitted in accordance with regulations of the Director of Selective Service, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOOK and Mr. DE LACY objected.

CLAIMS OF THE UTE INDIANS

The Clerk called the bill (H. R. 4567) to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians, or any tribe, or band thereof, may have against the United States, and for other purposes," approved June 28, 1938.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 8 of the act of June 28, 1938 (52 Stat. 1209, 1211), entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians, or any tribe, or band thereof, may have against the United States, and for other purposes", approved June 28, 1938, be, and the same hereby is, amended so as to read in full as follows:

"Upon the final determination of any suit, cause, or action instituted hereunder, whether by judgment, compromise, or otherwise, the Court of Claims, in the event of success by any plaintiff, or in the event any claim asserted by any of said bands of Indians shall be compromised or settled without the institution of any suit hereunder, the Secretary of the Interior shall decree that there shall be paid to the attorney or attorneys employed therein by said plaintiff under contracts negotiated or entered into as provided by existing law, such fees as, based upon a quantum meruit, it or he shall find reasonable. In no case shall the fees decreed by said Court of Claims and/or by the Secretary of the Interior be in excess of the amount stipulated in the contracts approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and in no event to exceed 10 percent of the amount of the recovery, and shall be paid upon money being appropriated for the benefit of any bands of Ute Indians pursuant to any judgment or settlement hereunder whether distributable thereto or not. In determining the amount of fees payable to the attorney or attorneys the Court of Claims, or the Secretary of the Interior, as the case may be, shall consider all services rendered by such attorney or attorneys, including services rendered before the Members and committees of Congress, any department or commission of the Government, and the courts. The actual expenses of said attorney or attorneys heretofore or hereafter incurred or expended in prosecuting any suit, cause, or action instituted under this act shall be paid as provided in the contracts approved by the Secretary of the Interior under which such suit, cause, or action is instituted and the tribal funds of the Ute Indians represented in such suit, cause, or action are hereby made available for expenditure for that purpose."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the eligible bills on the Consent Calendar.

THE BRITISH LOAN

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, the new British budget, in my opinion, sheds a great deal of light on the question of whether the American Congress should ratify the proposed British loan. Great Britain asks our aid in what she feels is a financial crisis. What steps is she herself taking to meet that crisis?

Before going into details, I should like to make some general observations about this proposed first major American venture into peacetime international finance.

One of the main stumbling blocks to the loan has been widespread lack of sympathy in this Nation with the socialistic commitments of the new ruling party in England, together with an anxiety lest the determination to overthrow capitalism in England carry with it an intention to seek its undermining in our own Nation.

This apprehension is widespread. It has not been wholly satisfied. Even if it were true, as is sometimes represented, that Great Britain had promised to make major trade concessions to us, and not as the agreement stipulates, merely to discuss them some time in the future, many Americans would still object to turning their money over to a foreign government for a social and economic experiment in which they do not believe.

This uneasiness accounts for the difference of American reaction to England's problems and those of our neighbor, Canada. As is well known, Canada has been able to attract substantially the same amount of American capital as England seeks, and do it without fanfare through the simple means of selling her bonds to American investors.

In the early discussions of the British loan there were not lacking those who charged directly that the purpose of the loan was to finance British socialism—specifically, to pay the costs of buying up and nationalizing industries held in private hands.

These charges were denied categorically by the White House. It was asserted that the money was for Britain's exterior needs, not those of her internal economy.

But what has never been satisfactorily answered is the statement that, while it may be true that the American dollars would not themselves be used for buying up underlying industrial and banking securities, nevertheless the loan would free other British governmental funds, so that the indirect effect was precisely that which had been charged the subsidizing by America of British socialization.

Instead of attempting to answer this argument, which in fact may not be answerable, it has been my observation that protagonists of the loan retreat to a new line of defense, in which they assert that it is none of our business what type of government or economy the Britons adopt.

And it has been my further observation that those who advocated this hands-off policy toward Great Britain were precisely those who in the past termed such views, applied to other nations, by such unpleasant names as "isolationism."

One does not need to be an internationalist, with all the word now implies, to know that the internal economy of foreign lands may greatly affect our own. Germany's did, for example; and Italy's; and Russia's political and economic concepts are affecting the whole world today.

In England's case we have a special interest; she is asking our money. We have the natural concern of all those whose loans are solicited. We want to know what the money is to be used for, and what the prospects are of its being repaid.

Such an interest holds even if the consideration of the loan is to be transferred from the field of businesslike financing to that of sentiment. The loan is described as a gesture of friendship. But there is no surer booby trap for friendship than a loan which is not going to be repaid. As Shakespeare said:

> Neither a borrower nor a lender be, for a loan oft loses both itself and friend; and borrowing dulls the edge of husbandry.

The proposed loan comes to Congress as a definite plan, with conditions and stipulations set forth in detail over responsible signatures. What we have before us is not the broad question of whether to extend aid or withhold it, but the narrow problem of whether it is to be granted under the terms and arrangements of the present agreement. Various alternative plans have been advanced. Any of them, of course, become available in the event the present proposals are rejected.

Although I observe that many British citizens are reported to consider the terms harsh and exacting, for myself I consider them lax and unbusinesslike. The interest rate is substantially less than our own Government has been paying on its own borrowings. There are elaborate provisions for waiving the interest. So far as concerns the present Government in Britain, which is the one that will likely spend the money, it is highly improbable that they will pay 1 cent in debt charges, either as interest or repayment of principal.

As a business proposition, no one will assert that there is anything in the record of the British Government's handling of American loans in the past 25 years which justifies such optimistic provisions as these.

Far from being harsh, these terms are generous to the point of recklessness. The amount involved is approximately $30 from the possessions of every man, woman, and child in America. This is to be turned over to a foreign government in a midst of experiments which have failed everywhere else they have been tried.

On a per capita basis, my own State of Pennsylvania would contribute $300,000,000 of the loan. That is a sum which considerably exceeds the tax cost of running our State government each year. Actually, as an industrial State, Pennsylvania would have to carry a much larger share than I have indicated.

On the other hand, large as it is, I am not criticizing the loan merely on the basis of its size. Our Federal Government wastes more, in a matter of weeks, than the sum supposed to put England's books in order for 50 years. In the single item of Federal jobs, if we are to accept the figures of experts from the Democratic side of the United States Senate, our Government could save more than the entire suggested loan by merely dropping needless job holders for a single year.

But it has not been hinted that our Government will raise the money by economy in its own operations. There are only two sources under contemplation—one, to "borrow it from ourselves" and thereby add it to the mountain of debt which we are accumulating as our principal bequest to future generations; or, by simply printing the money on the backing of these innumerable evidences of debt.

Under either alternative, if the loan is granted, and, as with others, never repaid, then it will have to be absorbed by American citizens, either directly through their taxes or indirectly through further currency inflation.

The key to our decision on these questions is to be sought in the British budget. What plans are being made to handle Britain's own share of her financial problems?

Let me confess that I had assumed the British Government would make the same realistic adjustments which I would expect of an individual who came asking the loan of a sum large enough to be embarrassing to lose.

I would expect such a person to demonstrate that he was putting his own affairs in order; that he was curing the ills which led to the debt; that he was preparing to live within his means; that he was drawing upon his other resources as well as my own generosity; and that by retrenchment and prudence he was assuring me of his good faith in promising to repay my loan.

It came to me rather as a shock to find no such reassurance in the British budget. The financial program it pictures is bizarre and unrealistic to American standards, as that painted by correspondents, of its being read by the Chancelor between sips of rum and milk from a silver coffee pot.

Translated into dollars, the budget provides for spending approximately $15,650,000,000, against tax revenues of $12,650,000,000. This is a deficit of $3,000,000,000. It calls for spending approximately 25 percent more than is received.

The one deficit, you will note, would consume the major part of the $3,750,000,000 loan we are discussing as a 55-year arrangement.

It will be argued that the budget is emergency in nature and involves large one-time expenditures which will disappear from future budgets; perhaps the budget is in balance in other respects.

The British Chancelor himself disposed of this argument for us. In a special calculation, he carefully eliminated all nonrecurring items from both expenditures and receipts. He found that the budget was still in the red by upwards of 10 percent.

Such figures confirm the first impression—that the Labor Party government of Great Britain is committed to living beyond its means. Whether by 10 percent or 25 percent is immaterial. Either rate would mean that long before time for the first interest to be paid on the loan, the principal would have been eaten up by internal deficits. Exactly the same arguments which are being heard today would again be in order to justify further dipping into Uncle Sam's pockets.

Under such a program, it is idle to speak of loans; the proper word is subsidies.

We have heard much of the belt-tightening supposedly going on in England. Let us ask another question about the budget: Do its revenues call for a maximum contribution by the British people toward the support of their own Government?

The answer is no. It will be a further affront to the American sense of right and wrong to learn that the British Labor Party has picked this occasion to pay some of its political debts by reducing the so-called unpopular taxes.

Half a million persons—those very ones to whom the Labor Party has promised the most costly benefits from the Government—are to be excused from paying income taxes. A selected list of articles of special interest to these principal beneficiaries of British socialism is to be eliminated from the sales tax. Other sales taxes are reduced as much as two-thirds.

What this means, of course, is that as the British Government proceeds with its drive against the institution of capitalism, capitalism still is called upon to pay a larger share of the taxes. British free enterprise is to be required to finance such of the costs of its own execution as do not come from America. In simple language British free enterprise is compelled to furnish the money to sharpen the razor to cut its own throat.

Could England have balanced her budget?

I do not believe anyone will dispute it who carefully examines the figures. It seems obvious that a little more economy on the one hand, and on the other a little more insistence that all, not merely some, of the British people support the costs, would have made ends meet.

Remember that American generosity already has freed the British people from most of that most onerous budget problem, debt funding. We have relieved them of the need for interest and principal of our past loans, and, for the life of the present Government, of future ones as well.

Should the budget have been balanced?

I do not see how it can be argued otherwise. It appears to me that any government which calls upon another—not in the military crisis of war but in peacetime—for substantial financial help ought to show the most earnest proof of an intention to live within means. It ought jealously to husband its own resources, as the best assurance of grateful good faith and a sincere intention to repay.

What does the British Government propose to do with the money it does not have but plans to spend?

That, of course, brings up the delicate questions, first, of the objectives of the labor administration, and, second, how it came about that Britain never paid her debts of the First World War.

I could ask no better source for the answer than a handbook published some months ago by the British Information Services, an agency of the British Government, entitled "Britain's Future in the Making."

During the time when unpaid interest was raising the total of her debt to the United States, what was England doing with her money?

Let me read you the answer from this official booklet:

> In the years between the two world wars * * * one-third of the people were rehoused, improved health added 9 years to human-life expectancy, schools were free to every child, and 9 out of 10 of the working population were insured against sickness and unemployment.

In themselves these objectives may be splendid, but does not the chain of circumstances make it clear that American taxpayers paid for them?

Now our Government asks us to call upon those taxpayers again for what it calls a loan—a vast extension of credit under little restriction as to use and no assurance of its return.

What does the British Government plan to do with its expenditures? Again we have a glimpse of its projects from the same booklet. Let me read the following:

> Britain has found time to introduce measures to insure everyone against the financial hardships of all major risks of life; sickness, unemployment, accident disability, maternity, and old age. The government plan, based on the Beveridge report, covers everyone without exception; rich and poor, employers and employees, men and women and children, the young and the old. * * *
> The plan is a radical—

The word is theirs, but most of us will agree—

> a radical extension of Britain's progressive and long-established social-insurance system—

And the booklet adds that it will be—

> put into effect with the least possible delay after the war.

Now, I have no quarrel with any of these plans as social objectives, but I do question the morality of one nation expecting another to pay for them.

I cannot quite see the rightness of asking my constituents and yours to dig into their pockets to make up deficits in a British budget which, in the words I just read, undertakes to insure "everyone against the financial hardships of all major risks of life."

Let me make myself clear. Up to its ability to do so, I would applaud any society which extends its sheltering arm to those it considers underprivileged.

But only folly carries such a program beyond the ability of the whole people to finance it.

Therein lies the great fallacy of the communistic and socialistic doctrines. Under them, between the exaggerated extent of government aid and the overhead of the bureaucratic system invariably used to administer it, any conceivable national economy is crushed.

Forces profoundly disturbing to all the world are thus released. England calls upon America to feed the kitty for her new experiments. Similarly, when Hitler promised more than the internal resources of Germany could supply, he was driven to seek other resources outside her borders and thereby precipitated the Second World War. The aggressions of Italy had a similar economic drive rising from precisely the same causes.

In the case of Russia, long ago that nation found itself forced to rely on the exploitation of a slave population, in which ill-fated political prisoners played a large part. The number has been estimated at more than 20,000,000. Yet this exploitation of a tenth of the population has been unable to meet the mounting costs of top-heavy communistic economy, and Russia, as in the other instances, is driven to seeking to seize from her neighbors the wherewithal to feed the insatiable economic fires she has lighted.

Behind the extravagant objectives to which the Labor Party in England has dedicated itself lies a shift in the political balance of power in that nation. Control has transferred from where it used to lie—and still does in the United States—in a partnership between labor and capital and has fallen into the hands of those who feel no direct interest in the financial stability of their nation's economy.

The British movement started in the old, hackneyed share-the-wealth basis; but England's wealth has been shared so long that it has virtually ceased to exist. Now the wealth which the Labor Party proposes to share, through the medium of loans such as that being discussed, is American wealth.

Grandiose schemes of extravagance are blinding the British people to financial realities.

Once again the government plans to rebuild British houses—four and a half million of them—they plan to pay the doctors' bills for all the nation's citizens, rich and poor alike. All financial hardships are to be insured against.

Amid all this, the only sound mainspring for national solvency and prosperity, that of the profit incentive of free enterprise, is to be liquidated by the nationalizing of banking and basic industries.

Under such circumstances, I am driven to the conclusion that the worst thing which could happen would be for Congress to ratify the British loan in its present form. Not the worst for us perhaps; for after all the money is only a drop in the bucket to what we already owe.

But worst from the point of view of the British people themselves.

Granting the loan would merely stave off the day of reckoning when the British must face the facts of economic life, when they learn that nations, like individuals, cannot take out more than they put in; that to acquire, one must earn; to have, one must save.

Granting the loan would merely delude the British people into thinking something is working which never will—the economic fallacies to which their government is committed. It would blind them to the fact that plans upon which they are embarking are beyond the capacity of any economic structure, no matter how prosperous, to support.

England nearly died as a nation as a result of her appeasement of the German dictator. Her people were too fascinated by their so-called social gains to wish to be realistic about the rest of Europe. Only when England swung over to the blood, sweat, toil, and tears of Winston Churchill did she regain the path to national unity, integrity, and victory.

Now again the British people are trying appeasement—a new form of it: Appeasement of the laws of economics.

They are trying to spend themselves rich.

I oppose the extension of American aid in trying to balance any such budget as that submitted by the British Government.

As for the British people themselves, I deplore their privations and I sympathize with their hardships; but before they can be helped from outside they must first be willing to help themselves; they must face their finances with courage and realism. They must put their own house in order.

When the day comes that the British people are of a mind to apply to peace the same belated philosophy that won them the war, then they may become a good international risk for American dollars; then a loan to them may indeed be a loan in fact as well as in name.

But pending that day, such a loan is purely a gift—and a gift spectacularly ill-advised both from their point of view and ours.

EXTENSION OF REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article which appeared in the Washington Times-Herald on May 4. This article contains excerpts from a recent speech by the well-known clergyman and educator, the Reverend Wilfred Parsons, S. J.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MCCORMACK (at the request of Mr. KELLEY of Pennsylvania) was given permission to extend his remarks in the RECORD and include the text of the famine statement issued by the administrative board of the National Catholic Welfare Conference.

Mr. SABATH asked and was given permission to revise and extend his remarks and include two letters he re-

ceived and his answer thereto on the coal strike and the activities of Mr. Lewis.

Mr. WOODRUFF (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD in two instances and in one to include a newspaper article by Samuel Crowther and in the other an article by Fred Brenckman appearing in the Grange Monthly.

CONSENT CALENDAR

Mr. BROOKS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BROOKS. Mr. Speaker, would it be in order to ask unanimous consent for the immediate consideration of the bill H. R. 2325, which is No. 419 on the Consent Calendar that was called today?

The SPEAKER. The Chair announced some time ago that since those known as the objectors had examined only the eligible bills on the Consent Calendar the Chair would not recognize Members to take up the remaining bills, unless they involved emergencies.

EXTENSION OF REMARKS

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD on two subjects.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. WASIELEWSKI] is recognized for 15 minutes.

MILWAUKEE AIR TRANSPORTATION

Mr. WASIELEWSKI. Mr. Speaker, in March of last year the Civil Aeronautics Board, through its examiner, F. Merrit Ruhlen, held extensive hearings on the so-called North Central case, covering air travel facilities in the various cities of the Northwest and Middle West.

Several of the air lines proposed routes to and through Milwaukee to augment the present inadequate and insufficient service now enjoyed by that metropolitan area. The proposed routes were: United Air Lines would give Milwaukee through fast service to San Francisco in the West and to Philadelphia, New York, and Boston in the East, merely by running a switch-off from the main line through Chicago. A westbound flight, for instance, would leave the main line at Toledo, stop at Milwaukee, and rejoin the main line at Moline, Ill., adding only 50 miles to the distance, a minor matter for high-speed planes.

The American Airlines would extend its lines from Chicago to Milwaukee, giving Milwaukee direct flight to St. Louis, Tulsa, Dallas, Fort Worth, and Mexico City; Los Angeles, and the Southwest; Indianapolis, Cincinnati, Washington, Philadelphia, New York, and Boston.

Chicago and Southern Air Lines would extend its route from Chicago to Milwaukee and the Twin Cities, giving this area one carrier service to St. Louis, Memphis, and New Orleans.

The Eastern Air Lines also would extend its route from Chicago, to Milwaukee and the Twin Cities, giving this area one carrier route to Indianapolis, Nashville, Atlanta, Jacksonville, and Miami.

Mid-Continent Airlines would move east into Chicago, Milwaukee, northern Illinois, and Wisconsin to set up an elaborate system mainly for local service, giving Milwaukee direct service to Des Moines, there connecting with Kansas City and the South.

Pennsylvania-Central Airlines would extend its Milwaukee-Detroit route to the Twin Cities to give the latter an outlet to FCA territory. As far as Milwaukee is concerned this would merely duplicate service already given by the Northwest Airlines to the Twin Cities.

On these proposals the examiner made the following recommendations: He turned down the proposed American Airlines, United Air Lines, Eastern and Southern proposals because of Chicago's accessibility by fast railroad transportation, although it is not so fast when one takes into account the 75 or 90 minutes for train travel added to the extra hours of getting out to the Chicago airport and waiting for connections. It takes longer to travel from Milwaukee to the Chicago airport by rail and limousine than to fly from Chicago to Washington.

The examiner gave Mid-Continent Airlines even more than it asked in a complex of local routes tying up the Twin Cities, Duluth, Marquette, Mich., Milwaukee, Chicago, and the communities in between. He took the position that Mid-Continent should be Milwaukee's outlet to the Southwest. He also emphasized that service to Milwaukee from the west was to be a "part of a local route serving the small cities in the area." He proposed that Mid-Continent provide a local route between Milwaukee and Chicago, the last thing that Milwaukee apparently needs with all the surface transportation he spoke about. It must be remembered, too, that the local routes do not go to American Airlines, Chicago and Southern, or Eastern, or any of which could carry Milwaukee passengers through to major cities to which it has no aerial access, or to United Air Lines which could tie up with at least one carrier service coast-to-coast, but to Mid-Continent Airlines whose officials themselves say this expansion will have to be gradual because it will mean expensive installations in all cities. According to the figures submitted by Mid-Continent it would have to spend nearly $1,500,000, $1,200,000 of which would go for planes to furnish the service it asks.

On the other hand, United Air Lines would have to invest only $40,000 in ground equipment in Milwaukee to take care of the switch-off on the transcontinental route. American, Eastern, and Chicago and Southern figure its cost would be about $27,000 each for the Milwaukee segment.

The examiner gave Milwaukee something else—he gave Milwaukee a route to the Twin Cities, again something Milwaukee did not need, in an extension of PCA's Milwaukee-Detroit route, although he indicated that the CAB's 1940–41 "test" months did not indicate sufficient potential traffic over the thinly traveled Milwaukee-Twin Cities route to support two carriers, saying it could only be justified by the through service which could be provided to the Twin Cities. This reasoning was applied to a 300-mile extension for FCA. Milwaukee, the present FCA gateway to the Northwest, seized the validity of this move to expedite service through FCA territory but Milwaukee cannot understand why this industrial and commercial area, the tenth most important city in the Nation, should be denied an 82-mile extension to provide through service to the South, or a 50-mile-longer switch-off to provide through service to San Francisco and Los Angeles.

The examiner makes another interesting point in arguing against giving American Airlines the Twin Cities route through Chicago when he says that Chicago is now serviced by eight air lines and "will be one of the most heavily congested air stations in the country after the war," and makes the further observation, "also to be considered is the fact that the Chicago airport is frequently closed down for weather when flying operations in the Twin Cities are possible." So he recommends that the PCA Twin Cities leg go through Milwaukee and not Chicago. Certainly, the last argument given by the examiner would appear a reason why United Airlines should be allowed to run some of its flights through Miliwaukee, not only to give this area the service it needs and deserves, but to take some of the load off Chicago. Such a move would help and not hurt Chicago and would tap a new traffic source.

Milwaukee in this air age should be considered a coterminal of Chicago and not a substation. They are hardly a half hour apart by air, making them closer than most cities and their suburbs are by ground travel. With adequate service generating the full potential traffic many south-bound flights could be started from Milwaukee and bypass the bottleneck in the Chicago terminal. All this could be accomplished by merely adding an extremely short segment to the present routes.

Contrast the examiner's liberality toward Minneapolis and St. Paul which certainly are no more important industrially or commercially than Milwaukee. Besides the PCA extension, the Twin Cities are given through service to the West in the recommendation that Western-Inland Airlines' application for a Twin City-Denver route be approved. This is an extension of 711 miles, compared to the 50 extra miles to give Milwaukee Service to Denver and San Francisco, or the 82 extra miles to give Milwaukee service to the South. The Twin Cities already have two carrier services to the West via Omaha and so are no worse off than Milwaukee, but the examiner somehow seeked to be impressed by Western-Inland's argument that the new route would obviate the necessity of using the Omaha gateway for most of the traffic between Minnesota and California, that is, by adding another gateway at Sioux City, Iowa, by the proposed route. The city of Milwaukee believes this reasoning applies with much more validity and force than to routes which would bypass the congested Chicago gateway.

The principal weight of the examiner's argument against giving Milwaukee additional through service is based on the hotel count. He does not think enough people register in Milwaukee hotels from

the cities on the proposed routes. The hotel counts certainly do not indicate the travel habits of Milwaukeeans themselves, but merely indicate the in-bound and not the out-bound flow. It does not show the number of hotel registrants who commute to Milwaukee for a day's business. The CAB test months of September 1940 and March of 1941 are not fair tests of Milwaukee's use of air travel. Only two flights between Milwaukee and Chicago were convenient for air travelers returning from or going on trips on connecting lines. One flight leaving Chicago at 9.30 p. m. could pick up Milwaukee-bound passengers. Another leaving Milwaukee at 11 a. m. could pick up travelers for destined points beyond Chicago. All other flights were late at night or early in the morning. Thus it is much more convenient for travelers to take the train and get passage in Chicago. The Twin Cities-Chicago route was mainly for the benefit of those communities. The service to Milwaukee was purely coincidental and not designed to encourage air travel in those years.

At present Milwaukee air service consists of through service into the Twin Cities and Seattle and Portland in the Northwest, via Northwest Airlines; to New York, via Northwest Airlines and PCA; and to Cleveland, Pittsburgh, and Washington, via PCA. Thus, the tenth most important city in the United States is but a two railway and two airline town. This service is ridiculously inadequate when one takes into account that of the 15 largest cities in the eastern half of the United States, Milwaukee ranks eleventh in metropolitan population, tenth in retail sales by county, twelfth in wholesale sales, tenth in value of manufactured products, ninth in value added by manufacturers, eleventh in income-tax returns, tenth in persons employed, tenth in hotel receipts, and tenth in effective buying income. Yet in view of Milwaukee's high rank in the commercial manufacturing and industrial field it ranks forty-ninth in air passengers and sixty-first in air-passenger miles. In scheduled air service in October of 1943, Milwaukee was in seventy-sixth place and tied with Corpus Christi, Tex.

It is hardly fair to say Milwaukee lacks airmindedness as some might imply. Milwaukee has begun an airport program which will eventually cost $15,000,000 and at this moment plans are made and land acquired to double the size of the present airport. The present airport already is as large as LaGuardia Field. The city has constructed a lakefront landing strip right off the downtown district which has facilities for small aircraft, amphibious planes, and shuttle service to the main airport.

Milwaukee's major industries have branches all over the United States and some have international connections. The time of their many executives is valuable. They wish to and must fly in order to meet competition.

Take the use of air express as an indicator. Though only a portion of these shipments go direct from Milwaukee by air, this city ranks seventh as a generator of air express among the 10 largest metropolitan districts in the middle Atlantic and east north-central regions. More direct air service should stimulate air express all the more. This demonstrates at least that when a service is convenient, Milwaukeeans use it.

Milwaukee further requests a reconsideration of the examiner's rejection of the application of the Mid-West Airways for local service from Milwaukee to Chicago through various eastern Wisconsin cities to Marquette, Mich., in the Upper Peninsula. The examiner agreed that Mid-West was ready and able to perform such a service but turned it down because the Duluth-Minneapolis local route was not also proposed. He gave these routes to Mid-Continent. Mid-West has now amended its application to provide this service the examiner favored. Certainly Mid-West, located in Milwaukee and operating charter flights in Wisconsin, is better equipped by experience and other factors to give the local service Milwaukee and Wisconsin should have.

Although Milwaukee is willing and able to take on all the air service it can get, it does not and did not expect the examiner to recommend the granting of all the applications. However, it has every reason to expect a through route to the West such as United Airlines would so easily provide, and at least one route through Chicago to the South.

Of the other applications, American Airlines seemed to be the most eager to serve Milwaukee, whereas Mid-Continent was inclined to regard Milwaukee merely as a hub in its pattern of local flights.

Because of its geographical position, Milwaukee has not enjoyed a very fortunate position as far as its surface communications are concerned and as a result its growth was stymied through the service of only two railroads. Milwaukee's growth through the use of its fine port facilities likewise has been stunted because of the failure to complete the St. Lawrence seaway. The patterns of rail and water travel are more or less rigid and fixed. However, air transportation offers infinite possibilities and amazing flexibility. No rails have to be laid, no highways built, no mountains tunneled, no rivers to be bridged, no channels to be deepened. Milwaukee represents a community of more than a million persons and is entitled to the through service of a major city of the Nation. Air transportation already has bridged one barrier to New York. All Milwaukeeans ask now is the right to use the air to bridge the barriers to the South and West; the air lines are ready, willing, and able to do it with a minimum of expansion and with every likelihood of giving better service to the actual traffic and development of potential air service.

To those who might feel that Milwaukeeans are not airminded, let me cite two instances that should put them at ease.

Toward the end of 1945, United Airlines opened a Milwaukee office on the second floor of a downtown building. There was no listing in the telephone book and not a line of newspaper or radio advertising. There was no United Airlines Service out of Milwaukee, yet in January of 1946, this office received over 800 requests for reservations even though its prospective passengers would have to go to Chicago to board the plane. Of course, only a fraction could be filled because Milwaukee does not have the service. If these requests could have been filled the passenger-miles involved would have been more than the estimated traffic United Airlines needed for its minimum service proposed for Milwaukee. The interesting feature about these requests was that a vast majority of them were for transportation to the West where Milwaukee is now blockaded.

On January 4, 1946, American Airlines opened an office on the upper floor of a downtown building in Milwaukee. It did some advertising, but, of course, can provide service out of Chicago, not Milwaukee. Yet American Airlines also had about 800 requests for reservations that month and filled about 150. The bulk of their requests were for St. Louis and Cincinnati, Dallas, and other Southwest points and Los Angeles. None of these points are available to Milwaukee without changing air lines. This number of requests also surpassed the traffic estimated for American Airlines.

Today the CAB is to hear appeals from the recommendations made by its examiner, F. Merrit Ruhlen. I am advised that under the rules and regulations of the CAB the six air lines whose applications to service were denied by the examiner are each to be given 30 minutes for the presentation of arguments whereas the city of Milwaukee is to be granted but 20 minutes. It appears that each of the cities affected is to be granted this limited time, regardless of whether one or several air lines was involved in its service request. I am advised that the city of Milwaukee plans on having six representatives plead its case. With 20 minutes between them it does not seem likely that much of a presentation can be made by any one of them. I trust that the CAB may see fit to extend the 20 minutes to a more reasonable time in order that they may have all the facts before making a final decision. Certainly an important metropolitan area should be given proportionately more time than would a smaller community requesting but a single stop.

Under the public convenience and necessity provisions of the Civil Aeronautics Act of 1938, as amended, the CAB should not permit the air lines to repeat the mistakes made by the railroads by concentrating operations in a few great metropolitan centers. The great bottleneck in the surface transportation at Chicago should not be extended by a greater parallel bottleneck in airline service. Milwaukee today does not enjoy a direct outlet to the South or West by surface or air transportation. Its geographical position possibly makes direct communication with these points by surface lines impractical but certainly it can be effected by air. Milwaukee, the tenth most important city in the Nation in the industrial and commercial field, certainly should not be fenced in. With the important place Milwaukee holds in the industrial and commercial field, fencing her in by denying her direct contacts by air with other points of the country can serve only to reduce the

productivity and prosperity of our country. Denied adequate railroad service by its geographical position, Milwaukee only asks that the balance be redressed by full and satisfactory air service. My plea to the CAB is, please do not fence in the city of Milwaukee.

SPECIAL ORDER GRANTED

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. VURSELL] may have permission to address the House for 20 minutes on Wednesday next after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that upon Wednesday next and also on Friday next after disposition of matters on the Speaker's desk and at the conclusion of any other special orders I may be permitted to address the House for 15 minutes on each occasion.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech made by the gentlewoman from Connecticut [Mrs. LUCE] on April 29, on the accasion of the anniversary of Notre Dame night. I have requested an estimate of the cost of extending this speech in the RECORD, but the printer has not been able to furnish me with it up to this time. If it exceeds the usual two pages of the RECORD, I ask unanimous consent that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

THE COAL SITUATION

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, a subcommittee of the Committee on the Judiciary of the House is holding hearings, which hearings will continue tomorrow, in reference to legislation having to do with the coal situation. The subcommittee is considering a bill, H. R. 6259, introduced by the gentleman from Virginia [Mr. ROBERTSON] as well as other measures.

Mr. Speaker, before that committee Mr. Ira Mosher, chairman of the National Association of Manufacturers, today made a very excellent statement. I want to repeat the summary of his objections to the principle of royalty payments on production. They are as follows:

1. It transfers the power to tax from Congress to individuals.

2. It puts an unnecessary and unwarranted burden on the public.

3. It is a highly inflationary merry-go-round.

4. It is contrary to the public policy laid down by Congress in passing the Petrillo bill.

5. It would have the effect of a privately imposed tax.

6. It would result in such a concentration of wealth and political power as to threaten the Government itself.

7. It makes real collective bargaining impossible.

8. It invites management-union collusion that would be detrimental to the public interest.

9. It would give unions life or death power over all business.

10. It would be nothing more than special privilege accorded to one group and contrary to the public interest.

Mr. Mosher's complete statement is as follows:

STATEMENT OF IRA MOSHER, CHAIRMAN, NATIONAL ASSOCIATION OF MANUFACTURERS, BEFORE A SUBCOMMITTEE OF THE JUDICIARY COMMITTEE OF THE HOUSE OF REPRESENTATIVES, MAY 6, 1946

My name is Ira Mosher. I am chairman of the board of the National Association of Manufacturers. The NAM is composed of more than 15,000 manufacturers who produce 85 percent of the manufactured goods made in America.

Because of the coal strike a lot of these manufacturers are today shut down or have had to seriously curtail their production. Men who want to work are being laid off. Goods which need to be produced to halt inflation are not being produced. We face a creeping paralysis of our productive forces just when we need production the most. In the final analysis this paralysis is due to the lack of a national labor policy made in the public interest and based on equality and responsibility of both management and labor. Our present policy is only a makeshift patchwork, born of emergency. Now we are confronted by another emergency which even the President has been forced to recognize.

The issue in this strike is not the fundamentals of wages or hours. It is a principle; a principle so fundamental to the very existence of democracy that it seems absurd that anyone should ask Congress to protect it.

We heartily sympathize with the humanitarian objectives which have been advanced as the reason for the demands recently made by John L. Lewis. The NAM has for years been providing leadership in the promotion of industrial health and safety. It was an early champion for workmen's compensation. It was among the founders and has always been a stalwart backer of the National Safety Council. The NAM maintains an industrial health section in its industrial relations department, headed by the world-famous Dr. Victor G. Heiser. The NAM's vigorous program to promote health on the industrial front through proper feeding and safety measures is in the printed record for all to see.

No group of citizens is more conscious of the social obligation to strive for ever better health and safety measures for industrial workers than are the members of the National Association of Manufacturers.

Let me make it clear that we are not here to argue the case of either party in the current coal controversy. This strike is a disaster to our country. But a near calamity is sometimes necessary to acquaint people with the true nature of the peril which confronts them. If they are aroused and do act—through you, their Representatives—this strike will have served at least one useful purpose.

You have recognized this peril and have designed legislation to meet it. This legislation can only be interpreted as a notice by the Congress that it does not intend to abdicate, transfer, or share its right to levy taxes on the people. The real issue here—and make no mistake about it—is the power to tax. No matter how thin you slice it, no matter how you attempt to disguise it, the real issue is the right to tax.

The power to tax is vested in the Congress by the Constitution, and only in the Congress. It even took an amendment to the Constitution to give the Government the power to levy a tax on individual incomes.

Contrast this with the effrontery of the union leaders who today demand the right to levy a tax on the people as the price that must be paid for sitting down at the collective bargaining table to obey the law of the land. They refuse even to discuss wages until they are conceded the right to tax the people. Real collective bargaining is impossible under these conditions.

These union leaders already have a stranglehold on the Nation. Their grip grows tighter and tighter. Industry after industry slows and halts. Trains stop running; food and commodities cannot be hauled. Power plants stop; the lights go out. They are bringing the Nation to its knees. And now they want to add the power to tax—a power so great that it has always been reserved exclusively for the Congress.

The time has come for the Congress to reaffirm this exclusive power to tax the people. The time has come to remove this perennial threat to the public interest. The time has come to settle this question once and for all by outlawing forever any private levy on the many for the benefit of the few.

With your permission, I would like to explore some of the ramifications of this issue; and the inevitable results of surrender to the principle that the right to tax belongs to Congress. Just how would "share-the-tax" power work out? How much would it cost the public?

A 10-cent royalty on every ton of bituminous coal mined—$60,000,000—may not seem excessive as a price to get men back to work producing the things that people need today. But if we pay that price we should do it with our eyes open.

Let's understand that, in effect, we would be telling Congress that we approve its sharing of its taxing powers with any individual or group which sticks a big enough gun in our back. Then we should look ahead and estimate how many big guns there are and how often we'll be looking down the barrel. The public is entitled to know because the public is going to pay the bill. For this royalty is a tax on production and must be passed on to the consumer. You cannot increase the costs of production without raising prices, even with OPA economics—as the public is fast learning.

Let's go back to that ton of coal on which the miners' union wants to hang a tax of 10 cents, about 3 percent of what the producers get for it. Suppose the railroad unions demand a tonnage levy for hauling the coal. The teamsters then put their union down for 3 percent of the retail coal price. Thus, the reasonable-sounding 10 cents a ton royalty turns out to be a slice of 45 or 50 cents out of the consumers' pocketbook.

This is only a conservative estimate of what could happen on the first round. The anthracite miners and the iron-ore miners and all other miners and all other unions would have to do as well or better to stay in business. Nothing succeeds like success, and once this principle is established as a national policy, there can be no stopping. The success of any union demand automatically becomes the basis for the "gimmes" by every other union. The second round and the third round would up the ante again and again. The force of competition among unions would inevitably make their demands pyramid. Therefore, it is self-evident that what we are dealing with is a highly inflationary movement.

In the public interest it is up to the Congress to put a stop to this merry-go-round now, before it gets a better start than it has—and it has already gotten a start.

Congress, in passing the so-called Petrillo bill, recognized for the first time, and so declared, that it is contrary to the public good for a union to obtain royalty payments for the production of goods for use in broadcasting. There is nothing so novel about the broadcasting industry that the arguments set forth in that bill are less valid as they concern production of any other goods and services for public consumption.

As a mild sample of what might be expected should royalty payments or production taxes become widespread, here are some figures to think about:

Apply the minimum 3-percent demand on coal production to the $151,000,000,000 of gross receipts from all manufacturing corporations in 1944. This would amount to more than $4,500,000,000—or as much as all the Federal taxes collected from individuals and corporations in 1937. Keep in mind that this sum includes only manufacturing corporations. It includes none of the individually owned or partnership manufacturing concerns. Nor does it take into consideration the billions of dollars of business done by wholesalers, retailers, transportation, and the service industries all of which might be taxed similarly on a royalty basis.

It is terrifying, indeed, to explore the extremes to which this practice might go. It is obvious that it would soon become an unbearable burden on the public.

Since any kind of royalty or production tax must be passed on to the consumer, the effect would be nothing more than a sales tax. No matter how it is perfumed it would still be a sales tax. Even during the war, when employment was at its highest level and the need for revenue was greatest, the Congress did not feel that a sales tax was in the public interest. Therefore, a privately imposed sales tax, or thousands of them piled one on top of the other, going into labor-union strong boxes certainly would not serve the public interest.

It would take an act of Congress to impose a sales tax on the people. But if we allow this royalty-tax precedent to become established, we are handing this power, under the guise of collective bargaining, to a handful of individuals to burden the people of this country with tax after tax.

The financial, economic, and political power of a few union leaders, already great enough to hamstring the entire Nation, would be multiplied manyfold should royalties on production be condoned. With billions of tax-free dollars pouring into union treasuries every year, a financial dynasty to rival the Federal Reserve System could be achieved. With unlimited funds for campaign purposes, a super political machine would be one of their first objectives. With no financial or economic power to match them, it is conceivable that a small group of union leaders could, within a few years, actually control the Government itself.

You don't need to look under the bed to see this handwriting on the wall.

Injection of the royalty issue at the bargaining table only emphasizes the futility of attempting to practice genuine collective bargaining under the present unequal status of the parties. In my opinion, any attempt to determine the amount and extent of royalty assessments by collective bargaining will open the door wide to the possibility of collusion between employers and labor unions. Such collusion is always at the expense of the public interest.

It is true that some manufacturers and some labor unions have gotten together and superimposed on top of other costs special payments from the manufacturer directly to the union treasury. The unfairness to the consumer is self-evident. Again, it is a tax on the consumer—all the consumers—to enrich the union treasury. For whatever purpose the money is used, it is money taken from the general public for the benefit of a small group.

Let me summarize our objections to the principle of royalty payments on production:

1. It transfers the power to tax from Congress to individuals.

2. It puts an unnecessary and unwarranted burden on the public.

3. It is a highly inflationary merry-go-round.

4. It is contrary to the public policy laid down by Congress in passing the Petrillo bill.

5. It would have the effect of a privately imposed sales tax.

6. It would result in such a concentration of wealth and political power as to threaten the Government itself.

7. It makes real collective bargaining impossible.

8. It invites management-union collusion that would be detrimental to the public interest.

9. It would give unions life-or-death power over all business.

10. It would be nothing more than special privilege accorded to one group and contrary to the public interest.

We are heartily in agreement with the objectives of the legislation you are considering.

As I have emphasized to committees of Congress on several occasions, piecemeal emergency legislation is not the best answer to sound labor-management relations. What is needed is the adoption of a public policy which will encourage genuine collective bargaining between parties possessing equal stature in the eyes of the law. Organized labor is today accorded a preferential position under the law. Insofar as labor unions are concerned, the maxim, "Equal justice under law," has deteriorated to a point where inequalities have become commonplace.

Today, as a result of special privileges accorded labor, there is no incentive whatsoever for labor leadership to be anything but arbitrary. There is nothing, other than inarticulate public opinion, to restrain extreme or even lawless conduct. The employer, the natural agency to balance extreme proposals, has been stripped of any effective means of dealing with his employees when their leaders present fantastic and impossible demands.

Therefore the point as we see it now is simply this: Is Congress going to accord labor still greater privileges and permit it to levy taxes which will add a tremendous burden to the living costs of the many to benefit a favored few? We cannot believe Congress will permit any person or group of persons to so usurp the traditional functions of democratic government.

(Mr. CHURCH asked and was given permission to revise and extend his remarks in the RECORD and include the statement by Mr. Ira Mosher, chairman, National Association of Manufacturers.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HINSHAW (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of official business.

SENATE ENROLLED BILLS SIGNED

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 842. An act for the relief of the Elmira Area Soaring Corp.; and

S. 2101. An act to amend the Trading With the Enemy Act, as amended, to permit shipment of relief supplies.

ADJOURNMENT

Mr. SPARKMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 26 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 7, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

The Committee on the Post Office and Post Roads will meet in executive session on Tuesday, May 7, 1946, at 10:30 a. m., for the consideration of H. R. 5427, H. R. 5560, and H. R. 5942, bills to fix the rate of postage on domestic air mail, and for other purposes.

COMMITTEE ON RIVERS AND HARBORS

Schedule for the closing days of hearings on the omnibus river and harbor authorization bill is as follows:

(Tuesday, May 7, 1946)

Big Sandy River, Tug and Levisa Forks, Va., W. Va., and Ky.

(Wednesday and Thursday, May 8 and 9, 1946)

Arkansas River, Ark. and Okla.

COMMITTEE ON INVALID PENSIONS

There will be a public hearing before the Committee on Invalid Pensions at 10:30 a. m. on Tuesday, May 7, 1946, in the committee hearing room, 247 Old House Office Building, on H. R. 3908, entitled, "A bill to provide increased pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein during other than a period of war," which was introduced by Representative LESINSKI, of Michigan.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in open hearings on Thursday, May 9, 1946, at 10 o'clock a. m. to consider the following bills:

H. R. 6219. A bill to authorize the Commandant of the United States Coast Guard to accept enlistments of certain individuals for duty at lifeboat stations during the year 1946.

H. R. 6263. A bill to amend the act of June 23, 1943, so as to authorize inclusion of periods of education and training in an Army Transportation Corps civilian marine school as "service in the merchant marine."

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1252. A letter from the adjutant general, Grand Army of the Republic, transmitting the journal of the proceedings of the seventy-ninth national encampment, held at Columbus, Ohio, September 30 to October 4, 1945 (H. Doc. No. 547); to the Committee on Military Affairs and ordered to be printed with illustrations.

1253. A letter from the Secretary of Commerce, transmitting the annual report of the

Foreign-Trade Zones Board for the fiscal year ended June 30, 1945, and the annual report of the city of New York covering operations of Foreign-Trade Zone No. 1, during the calendar year 1944; to the Committee on Ways and Means.

1254. A letter from the Attorney General, transmitting a report reciting the facts and pertinent provisions of law in the cases of 404 individuals whose deportation has been suspended for more than 6 months by the Commissioner of Immigration and Naturalization Service, together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

1255. A communication from the President of the United States, transmitting the budget for the military and departmental activities of the War Department for the fiscal year 1947, containing estimates of appropriation amounting to $7,246,335,200 and proposed provisions affecting said estimates (H. Doc. No. 549); to the Committee on Appropriations and ordered to be printed.

1256. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the sum of $98,500 for the judiciary (H. Doc. No. 552); to the Committee on Appropriations and ordered to be printed.

1257. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the fiscal year 1942 in the sum of $408.89 and supplemental estimates of appropriation for the fiscal year 1946 in the sum of $223,102, for the Department of Justice (H. Doc. No. 550); to the Committee on Appropriations and ordered to be printed.

1258. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of $34,426,000, together with a draft of a proposed provision pertaining to an estimate of appropriation for the fiscal year 1947, for the Post Office Department (H. Doc. No. 555); to the Committee on Appropriations and ordered to be printed.

1259. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1947 in the amount of $843,000 for the Department of Commerce (H. Doc. No. 551); to the Committee on Appropriations and ordered to be printed.

1260. A communication from the President of the United States, transmitting a draft of a proposed provision relating to an existing appropriation for the fiscal year 1946, for the Office of Defense Transportation (H. Doc. No. 556); to the Committee on Appropriations and ordered to be printed.

1261. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an appropriation for the fiscal year 1947 of the American Battle Monuments Commission (H. Doc. No. 557); to the Committee on Appropriations and ordered to be printed.

1262. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of $1,000 for the Federal Power Commission (H. Doc. No. 553); to the Committee on Appropriations and ordered to be printed.

1263. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of $2,148,800 for the Department of Labor (H. Doc. No. 554); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN of South Carolina: Committee on the District of Columbia. S. 1189. An act to provide for voluntary apprenticeship in the District of Columbia; without amendment (Rept. No. 1981). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN of South Carolina: Committee on the District of Columbia. H. R. 6265. A bill to create a Department of Corrections in the District of Columbia; without amendment (Rept. No. 1982). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN of South Carolina: Committee on the District of Columbia. S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia; without amendment (Rept. No. 1983). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MERROW:

H. R. 6322. A bill to remove price controls with respect to meat; to the Committee on Banking and Currency.

By Mr. McCORMACK:

H. R. 6323. A bill to amend the United States Housing Act of 1937, as amended, to provide for veterans' preference in the selection of tenants and to authorize increased cost limits where necessary to provide housing acutely needed for veterans of low income; to the Committee on Banking and Currency.

By Mr. KEFAUVER:

H. R. 6324. A bill to amend and supplement the Federal-Aid Road Act of July 11, 1916, as amended and supplemented, to provide for the design and construction of dams so that they will serve as foundations for highway bridges, to provide for the design and construction of highway bridges upon and across such dams, to authorize the granting of easements and rights-of-way in connection therewith, and for other purposes; to the Committee on Roads.

By Mr. MUNDT:

H. R. 6325. A bill to consent to the transfer of the use and occupancy of Farm Island from the city of Pierre, S. Dak., to the State of South Dakota; to the Committee on the Public Lands.

By Mr. BLOOM:

H. R. 6326. A bill to contribute to the effective maintenance of international peace and security pursuant to the objectives and principles of the United Nations, to provide for military cooperation of the American states in the light of their international undertakings, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BENNET of New York:

H. J. Res. 346. Joint resolution to change the name of Boulder Dam to Herbert Hoover Dam; to the Committee on Irrigation and Reclamation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 6327. A bill for the relief of Harry Watral; to the Committee on Claims.

H. R. 6328. A bill for the relief of Henry H. Sookiayak; to the Committee on Claims.

By Mr. BRADLEY of Pennsylvania:

H. R. 6329. A bill for the relief of Archer C. Gunter; to the Committee on Claims.

By Mr. BROWN of Georgia:

H. R. 6330. A bill for the relief of Kenelm E. Rucker; to the Committee on Claims.

By Mr. GORDON:

H. R. 6331. A bill for the relief of Ionnis Demetrios Gavalos; to the Committee on Immigration and Naturalization.

By Mr. HERTER:

H. R. 6332. A bill for the relief of Howard Samuel Warnock; to the Committee on Military Affairs.

By Mr. MILLS:

H. R. 6333. A bill for the relief of Marvin Clements; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 6334. A bill for the relief of the estate of Carmen Aurora de la Flor, deceased; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1862. By Mr. ANDREWS of New York: Petition by citizens of Niagara County, requesting that Congress do something immediately regarding the labor situation and to curb the power of any labor leader; to the Committee on Labor.

1863. By Mr. BARRETT of Wyoming: Memorial of the twenty-eighth Legislature of the State of Wyoming, memorializing the Congress of the United States of America to enact legislation relating to public lands of said United States in Wyoming; to the Committee on the Public Lands.

1864. By Mr. HALE: Memorial of the Anderson-Mayberry Post, No. 91, American Legion, Yarmouth, Maine, favoring the passage of compulsory military training legislation for the youth of America as a means of preparedness for our Nation's future and safety; to the Committee on Military Affairs.

1865. By the SPEAKER: Petition of R. H. Soriano, president, Philippine-Michigan Club, University of Michigan, petitioning consideration of their resolution with reference to full benefits for the Filipino veteran under the GI bill of rights; to the Committee on Military Affairs.

SENATE

TUESDAY, MAY 7, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, Thou hast ordained that in the leadership of the nations the care of the many must ever rest upon the shoulders of the few. We beseech Thee, give understanding, humility, and charity to them who in Thy name and for the Nation's sake are entrusted here in this Chamber with the power of governance. In this troubled and uncertain day when the seamless robe of a common humanity is rent by inner strife and outward fears, teach us to be anxious for nothing but to do our best. And when day by day we have done faithfully the work Thou givest us to do, in quietness and in confidence may we leave the result to Thy unerring judgment. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 6, 1946, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3821. An act to amend sections 4 and 8 of the act of September 2, 1937, as amended;

H. R. 4510. An act granting the consent and approval of Congress to an interstate compact between Colorado and New Mexico with respect to the waters of Costilla Creek;

H. R. 4567. An act to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians, or any tribe or band thereof, may have against the United States, and for other purposes," approved June 28, 1938; and

H. R. 5820. An act relating to mail service on Lake Winnepesaukee, N. H.

NOTICE OF POSTPONEMENT OF HEARING ON NOMINATION OF NADINE LANE GALLAGHER TO BE ASSOCIATE JUDGE OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that the public hearing previously scheduled for Tuesday, May 7, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Nadine Lane Gallagher, of the District of Columbia, to be an associate judge of the municipal court for the District of Columbia, vice Hon. Brice Clagett, elevated, has been postponed until Tuesday, May 21, 1946, at 10:30 a. m. At the newly scheduled time, all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman; the Senator from Mississippi [Mr. EASTLAND]; and the Senator from Wisconsin [Mr. WILEY].

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on May 6, 1946, he presented to the President of the United States the following enrolled bills:

S. 842. An act for the relief of the Elmira Area Soaring Corp.; and

S. 2101. An act to amend the Trading With the Enemy Act, as amended, to permit the shipment of relief supplies.

SUSPENSION OF DEPORTATION OF ALIENS

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a report reciting the facts and pertinent provisions of law in the cases of 404 individuals whose deportation has been suspended for more than 6 months by the Commissioner of Immigration and Naturalization Service under the authority vested in the Attorney General, together with a statement of the reason for such suspension (with an accompanying report); to the Committee on Immigration.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A telegram in the nature of a petition from James B. Waller, alderman, forty-third ward, Chicago, Ill., relating to the coal strike; to the Committee on Education and Labor.

Petitions of sundry citizens of the States of New York and Pennsylvania, praying for the adoption of the so-called Mead resolution (S. Res. 253) providing a temporary peace agreement with Italy; to the Committee on Foreign Relations.

Petitions from Mrs. Sid Mutterperl, of Bayonne, N. J., and Mr. and Mrs. George Mahoney, of Hollywood, Calif., praying for the continuation of the Office of Price Administration; to the Committee on Banking and Currency.

Memorials of several citizens of Cleveland, Ohio, remonstrating against the continuation of the Office of Price Administration; to the Committee on Banking and Currency.

By Mr. O'MAHONEY (for himself and Mr. ROBERTSON):

A joint memorial of the Legislature of the State of Wyoming; to the Committee on Public Lands and Surveys:

"Joint memorial memorializing the Congress of the United States of America to enact legislation relating to public lands of said United States in Wyoming

"Whereas on April 5, 1946, Hon. FRANK A. BARRETT, Congressman at Large from Wyoming, introduced in the House of the Seventy-ninth United States Congress, second session, its H. R. 6017, being a bill proposing early grant to said State of surface title to certain federally owned lands in said State for the benefit of its university, latter being in critical need of additional permanent buildings on its campus, with other facilities, first use of which is urgently required in providing educational advantages to returned and returning veterans from service in the Military Establishment of the United States; and

"Whereas enactment of such bill will provide through disposition of such land titles a source of necessary revenue to said university in its connected programs for its construction of needed buildings, its establishment of other required facilities, and its liquidation of connected expense or indebtedness; and

"Whereas the Federal Government presently controls ownership of more than one-half the total land area in said State, which land is tax free and under control of various Federal agencies; and

"Whereas a wise objective of all public-land policies throughout the history of said United States has been the ultimate vesting of taxable land titles in private ownership under State jurisdiction; and

"Whereas said H. R. 6017 is an initial step toward such disposition of federally owned lands in Wyoming, through authorized sale thereof into private ownership and succeeding transfer to said State for the benefit of its university, of all portions thereof not so sold during 10 years after enactment of such bill: Now, therefore, be it

"Resolved by the Twenty-eighth Legislature of the State of Wyoming meeting in special session, That the Congress of the said United States is hereby urged to promptly enact the basic principles of its H. R. 6017; and be it further

"Resolved, That copies of this memorial be sent to the President of said United States, to the President of its Senate, to the Speaker of its House, to United States Senators J. C. O'MAHONEY and E. V. ROBERTSON, and to Congressman FRANK A. BARRETT.

"Approved April 23, 1946.

"LESTER C. HUNT,
"Governor."

RETENTION OF THE OFFICE OF PRICE ADMINISTRATION—PETITION

Mr. TUNNELL. Mr. President, I ask unanimous consent to present for appropriate reference a petition sent to the junior Senator from Delaware [Mr. BUCK], Representative TRAYNOR, and myself. The petition reads:

We, the undersigned, believe the termination of OPA will result in higher rents, higher prices, an impossible living-cost increase. This petition, bearing names of Delaware citizens, asks you to fight for the retention of OPA.

Mr. President, there are 30 to 40 feet of this petition, so I shall not either read the names or unfold the petition, but it is filled with the names of Delaware citizens who want the OPA continued.

The ACTING PRESIDENT pro tempore. Without objection, the petition presented by the Senator from Delaware will be received and referred to the Committee on Banking and Currency.

GRANTING OF LEAVE OR FURLOUGH CREDIT TO MEMBERS OF THE ARMED FORCES

Mr. LANGER. Mr. President, I ask unanimous consent to present and to have printed in the RECORD a resolution adopted by Grafton Post, No. 41, American Legion, Department of North Dakota, in May 15, 1945, relating to leave or furlough credit to members of the armed forces.

There being no objection, the resolution was received and ordered to be printed in the Record, as follows:

Whereas military and naval personnel of the United States, under existing regulations, may be granted a total of 30 days' leave or furlough each year with full pay and allowances, by their commanding officers, if such leave or furlough does not interfere with the requirements of the military or naval situation; and

Whereas commissioned officers of the military or naval forces of the United States, if they have not been granted leave or furlough in a total amount of 30 days for each year of active service in the military or naval forces, are granted a terminal leave on separation from such active service, with full pay and allowances for such time as would equal such accumulated leave that they have not received; and

Whereas many enlisted members of the armed forces of the United States have been and are now being released from such active service, who have served honestly and faithfully for periods of time varying up to several years and who have not been and are not being granted furlough or leave, or pay therefor as would have been due them had they been granted the same privilege as is granted commissioned officers of the armed forces of the United States; and

Whereas it is the consensus of opinion of the members of this post that enlisted personnel are entitled to equal consideration,

in the matter of leave or furlough, as commissioned officers, and that they ought not to be deprived of the privilege of leave or furlough that they have earned and not received: Now, therefore, be it

Resolved by the membership of Grafton Post, No. 41, American Legion, Department of North Dakota, That legislation now be enacted to the effect that commissioned officers and enlisted personnel of the military and naval forces of the United States be granted leave or furlough credit, to be computed at the rate of 2½ days for each month in which they are in active service from and after December 7, 1941, and continuing until the date of separation from such active service or until 6 months after the present war shall have been declared to be over, whichever date is the sooner, such leave or furlough if not received to be cumulative from year to year, and that upon separation from such active service of any commissioned officer or enlisted man of the military or naval forces of the United States, if such person has not received a total of 2½ days of leave or furlough for each month of such active service between the aforementioned dates, then those persons shall receive a sum of money computed at the regular rate of their pay for such length of time as equals the total time of such leave or furlough, accumulated and not received, and such pay and allowances shall be in addition to any other pay and allowances that may be then due them; and be it further

Resolved, That copies of this resolution be spread upon the minutes of this post and be placed in the hands of the Representatives now in the Congress of the United States who were elected from the State of North Dakota, with our earnest request that they consider the justice of the proposed legislation, and take such legislative action as is indicated herein, and that copies of this resolution be placed in the hands of the proper officers of the American Legion, Department of North Dakota, that they may be acquainted with the desirability of such legislation, and that they may ask the assistance of other posts and departments of the American Legion, to the end that such legislation as is indicated, may be enacted.

Adopted by unanimous vote of the members present at a regular meeting of Grafton Post, No. 41, Department of North Dakota, American Legion, May 15, 1945.

A. G. KERIAN, *Commander.*
E. F. SCHUMACHER, *Adjutant.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 141. A bill to clarify the law relating to the filling of the first vacancy occurring in the office of district judge for the eastern district of Pennsylvania; without amendment (Rept. No. 1303);

S. 2041. A bill to amend the act of May 28, 1896, as amended, relating to the appointment of assistant United States attorneys; without amendment (Rept. No. 1304); and

H. R. 5413. A bill to accept the renunciation by Albert W. Johnson of pension under section 260 of the Judicial Code; without amendment (Rept. No. 1305).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 2141. A bill to amend the act entitled "An act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes", approved March 4, 1923, as amended, in order to extend the Commission's authority to all areas in which our armed forces have operated during World War II, and for other purposes; without amendment (Rept. No. 1306).

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The ACTING PRESIDENT pro tempore laid before the Senate reports for the month of April 1946, from the chairmen of certain committees, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
SUBCOMMITTEE ON SURPLUS PROPERTY,
May 2, 1946.

Hon. KENNETH MCKELLAR,
President, United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, Seventy-eighth Congress, I am transmitting herewith a list of employees of the Surplus Property Subcommittee (S. Res. 129) of the Senate Military Affairs Committee who are not full time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the department and agency paying the salary of such employee, and the annual rate of compensation. In accordance with Senate Resolutions 77, 201, and 210, the department and agency so listed will be reimbursed by the subcommittee in the amount of the salaries paid to such employees.

Respectfully yours,

JOSEPH C. O'MAHONEY,
Chairman, Surplus Property Subcommittee.

Name of individual and addres	Name and address of department or organization by whom paid	Annual rate of compensation
Hilda Hamilton, 705 18th St. NW., Washington, D. C.	Reconstruction Finance Corporation, Washington, D. C.	$2,890
Lillian Kovars, 1830 R St. NW., Washington, D. C.	Navy Department, Washington, D. C.	[1] 2,320

[1] Transferred to subcommittee pay roll on Apr. 28, 1946.

MAY 1946.

APPROPRIATIONS

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of April 1946, in compliance with the terms of S. Res. 319, agreed to August 23, 1944:

Name of individual and address	Name and address of department or organization by whom paid	Annual rate of compensation
Mrs. Mamie L. Mizen, 1434 Saratoga Ave.	District of Columbia government.	$3,970

KENNETH MCKELLAR,
Acting Chairman.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KNOWLAND:

S. 2157. A bill authorizing the Secretary of the Navy to lend certain property of the Navy to the American Legion for use at its national convention; to the Committee on Naval Affairs.

By Mr. WHEELER (by request):

S. 2158. A bill to declare the ownership of the timber on the allotments on the Northern Cheyenne Indian Reservation, and to authorize the sale thereof; to the Committee on Indian Affairs.

(Mr. WHEELER (by request) also introduced Senate bill 2159, to permit the sale of liquor to Indians outside Indian reservations, which was referred to the Committee on Indian Affairs, and appears under a separate heading.)

By Mr. ELLENDER (by request):

S. 2160. A bill for the relief of the estate of Carmen Aurora de la Flor, deceased; to the Committee on Claims.

By Mr. MYERS:

S. J. Res. 158. Joint resolution to provide for the appointment of a National Commission on Individual War Memorials, and for other purposes; to the Committee on the Library.

SALE OF INTOXICATING LIQUORS TO INDIANS OUTSIDE INDIAN RESERVATIONS

Mr. WHEELER. Mr. President, by request of the Acting Secretary of the Interior, I ask unanimous consent to introduce for appropriate reference a bill to permit the sale of liquor to Indians outside Indian reservations, and I request consent to have it printed in the RECORD together with a letter addressed to the President of the Senate by the Acting Secretary of the Interior recommending the enactment of the bill.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2159) to permit the sale of liquor to Indians outside Indian reservations was read twice by its title, referred to the Committee on Indian Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 2139 of the Revised Statutes, as amended by the acts of February 27, 1877 (19 Stat. 240, 244), July 23, 1892 (27 Stat. 260), January 30, 1897 (29 State 506), and June 15, 1938 (52 Stat. 696, 25 U. S. C., sec. 241), is hereby amended by deleting therefrom the following words:

"Any person who shall sell, give away, dispose of, exchange, or barter any malt, spirituous, or vinous liquor, including beer, ale, and wine, or any ardent or other intoxicating liquor of any kind whatsoever, or any essence, extract, bitters, preparation, compound, composition, or any article whatsoever, under any name, label, or brand, which produces intoxication to any Indian to whom an allotment of land has been made while the title to the same shall be held in trust by the Government, or to any Indian who is a ward of the Government under charge of any Indian superintendent or agent, or to any Indian, including mixed bloods, over whom the Government, through its departments, exercises guardianship, and."

The letter from the Acting Secretary of the Interior, presented by Mr. WHEELER, is as follows:

WASHINGTON, D. C., *March 14, 1946.*

Hon. KENNETH MCKELLAR,
President, United States Senate.

MY DEAR SENATOR MCKELLAR: I enclose a draft of a bill which has for its purpose the removal of the legal ban on the sale of intoxicating liquors to Indians while off the reservations, and I ask that this proposed bill

be placed before the Senate for favorable consideration.

A special Indian liquor law was first passed over a century ago at the request of Indians to protect them from the extortion, cupidity, and avarice of white traders. Spirituous liquor was often used to debauch the Indians, so that whites could secure an unfair advantage in trading. In the colonial period and in the early history of the United States intoxicating liquors frequently gave rise to incidents which caused breaches of peace. They are also said to have caused, directly or indirectly, some Indian wars.

Conditions have changed greatly since these pioneer days. The last Indian war was fought almost 60 years ago. Many Indians are rapidly being acculturated to the white man's civilization.

Indians feel keenly their inability to buy a glass of beer or other liquor when they are away from the reservations. They believe that the prohibition which singles them out as a racial group is discriminatory and brands them as inferior. During the war Indians in the armed foces overseas and at home have generally been able, notwithstanding the legal prohibition, to purchase intoxicating liquor without difficulty. In fact, in many parts of the country civilian Indians have no difficulty in purchasing intoxicants. United States attorneys, Federal judges, and juries are often reluctant to prosecute, convict, or sentence violators of the law, since they believe that it is unsound and discriminatory. Bartenders in large cities frequently are not aware of the fact that they are selling to Indians. In other places, where an attempt is made to enforce the law, Indians must pay more money for inferior liquor purchased from bootleggers.

Many Indian tribes and organizations have passed resolutions urging that sales of spirituous liquors be permitted to Indians off the reservations. Some of them favor the complete repeal of all Indian liquor laws while others favor the continuance of the prohibitions against the introduction or possession of intoxicating liquor on Indian reservations, which applies to both Indians and non-Indians.

I am not willing to recommend at this time that the prohibitions as to reservations be removed, but I do believe that the time has come when Indians away from the reservations, whether permanently or temporarily, should be subject to the same liquor laws which apply to all other citizens and no longer subject to special statutes which are, in fact, unenforceable. I recommend, therefore, that the bill submitted herewith be enacted into law.

The Bureau of the Budget has advised me that there is no objection to the presentation of this proposed legislation to the Congress.

Sincerely yours,

OSCAR L. CHAPMAN,
Acting Secretary of the Interior.

HEARINGS BEFORE COMMITTEE ON COMMERCE—INCREASE IN LIMIT OF EXPENDITURES

Mr. PEPPER (for Mr. BAILEY) submitted the following resolution (S. Res. 268), which was referred to the Committee To Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Commerce, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $5,000 in addition to the amount of $5,000 heretofore authorized.

AMENDMENT OF RULE RELATING TO CLOTURE

Mr. SALTONSTALL submitted the following resolution (S. Res. 269), which was ordered to lie over under the rule:

Resolved, That subdivision 2 of rule XXII of the Standing Rules of the Senate, relating to cloture, be, and the same is hereby, amended as follows:

In the first sentence of said subdivision, after the words "If at any time", insert a comma and the words "notwithstanding the provisions of rule III or rule VI,", and, in the next line, strike out the words "pending measure" and in lieu thereof insert: "measure, motion, or other matter pending before the Senate, or the unfinished business", so that as amended the sentence will read:

"If at any time, notwithstanding the provisions of rule III or rule VI, a motion, signed by 16 Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and 1 hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and, upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by an aye-and-nay vote the question: 'Is it the sense of the Senate that the debate shall be brought to a close?' "

PRINTING OF REVIEW OF REPORT ON ST. JOHNS RIVER, FLA. (S. DOC. NO. 179)

Mr. PEPPER. Mr. President, I present a letter from the Secretary of War, transmitting a report dated August 9, 1945, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a review of reports on St. Johns River, Fla., from Jacksonville to the ocean, and I ask unanimous consent that it may be referred to the Committee on Commerce and printed as a Senate document, with illustrations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 3821. An act to amend sections 4 and 8 of the act of September 2, 1937, as amended; to the Committee on Agriculture and Forestry.

H. R. 4510. An act granting the consent and approval of Congress to an interstate compact between Colorado and New Mexico with respect to the waters of Costilla Creek; to the Committee on Irrigation and Reclamation.

H. R. 4567. An act to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians, or any tribe, or band thereof, may have against the United States, and for other purposes," approved June 28, 1938; to the Committee on Indian Affairs.

H. R. 5820. An act relating to mail service on Lake Winnepesaukee, N. H.; to the Committee on Post Offices and Post Roads.

JOHN T. McCUTCHEON

Mr. WILLIS. Mr. President, every Senator, I am sure, and particularly those from the Middle West has seen and smiled at the cartoons of John T. McCutcheon, of the Chicago Tribune, whose works have been featured on the front page of that newspaper for as long as most of us can remember.

I know that it will be a source of great regret to millions of people and to all those of us here who have followed his works through the years to learn that Mr. McCutcheon, the dean of American cartoonists, has retired from the Tribune and will take a much-needed rest.

Yesterday, Monday, May 6, 1946, was John T. McCutcheon's seventy-sixth birthday. I know that other Senators will agree with me that it is in order to pay this great cartoonist, this great newspaperman, a well-earned and well-deserved tribute on this occasion.

It is, of course, with pride that I tell those who do not know it that Mr. McCutcheon is a Hoosier. All Hoosiers know this already, but many natives of other States perhaps do not.

John Tinney McCutcheon was born in South Raub, Tippecanoe County, Ind., on May 6, 1870. He lived on a farm until 1876, then moving to Lafayette, Ind. He started in newspaper work on the old Chicago Record in 1899, and he was with that newspaper as cartoonist and special writer until 1901, when the Record was consolidated with the Herald.

On July 1, 1903, he joined the Chicago Tribune, where he remained until his recent retirement. It is said that he is retiring on the largest pension ever given a Chicago Tribune employee. I do not know whether that is true, but I can say that I am personally convinced the Chicago Tribune treated him right financially. Through the year that great voice of republicanism in the Middle West has shown, in its dealings with its employees, the most forward-looking viewpoint imaginable. It has dealt more generously with its employees than many other newspapers, and that is why, through the years, it has been able to hold such men as John T. McCutcheon on its staff, despite many attempts of other newspapers to steal such talent away.

I cannot overlook pointing out that McCutcheon is a graduate of Purdue University, where he was a classmate of another Indianan famed in literary circles—George Ade. McCutcheon is revered as one of Sigma Chi's best-loved members.

In 1931, Mr. McCutcheon was awarded the Pulitzer prize for his cartoon depicting the banking situation at the time. His cartoon, Injun Summer, which was reproduced last fall in the Washington Times-Herald, and has been reproduced each fall by the Tribune for many years, is a classic among middle westerners—millions of whom know it well.

Mr. President, I am sure that the Senators from Illinois, my colleague from Indiana, and Senators from Middle Western States generally will unite spiritually with me, regardless of party lines, in

wishing for John T. McCutcheon a well-deserved rest, continued happiness and good health, and a long, contented life as he retires.

I ask unanimous consent that there be printed in the RECORD at this point an article about John T. McCutcheon, which was published in the Editor and Publisher for May 4, 1946.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

McCUTCHEON RETIRES AS HE REACHES 76

(By George A. Brandenburg)

John T. McCutcheon has retired from the Chicago Tribune after 56 years as a newspaperman and half-century as a cartoonist. He will observe his seventy-sixth birthday, May 6.

Mr. McCutcheon has been with the Tribune since July 1, 1903. He is retiring on a pension said to be the largest ever given a Tribune employee.

McCutcheon's fame stems from his Hoosier background. As a native of Indiana, a graduate of Purdue University and a classmate of the late George Ade, McCutcheon is revered as one of Sigma Chi's best-loved members.

FAMED HOOSIER CARTOONIST

Generally known as the dean of American cartoonists, McCutcheon was awarded the Pulitzer Prize in 1931 for his cartoon depicting the banking situation. His "Injun Summer" is a classic among Middle Westerners and its appearance in color in the Tribune each fall is hailed by young and old.

Born John Tinney McCutcheon in South Raub, Tippecanoe County, Ind., on May 6, 1870, he lived on a farm until 1876, later moving to Lafayette, Ind. He started newspaper work with the old Chicago Record in 1890 and he was with that paper as cartoonist and special writer until 1901, when the Record was consolidated with the Herald.

He continued with the Record-Herald until 1903, when he joined the Tribune. McCutcheon first began drawing editorial cartoons for newspapers in the Presidential campaign of 1893. He had previously covered the Chicago World's Fair of 1893 as writer and artist.

In January 1898 he started on a trip around the world on the dispatch boat *McCulloch* and was on board that vessel during the Spanish-American war and with Admiral Dewey at Manila Bay. The following year he made a tour of North China, Korea, Japan, and the Philippines. In 1900, he was sent to the Transvaal and reported the Boer War. Later he made a trip through Caucasus, Persia, and Chinese Turkestan.

In 1909–10 he hunted big game in Africa with Col. Theodore Roosevelt and contributed articles and cartoons to the Sunday Tribune. He was at Vera Cruz and in other parts of Mexico in 1914. At the outbreak of the First World War, he was assigned as a Tribune war correspondent to the Belgian and German armies. During 1915–16 he was in France, Saloniki, and the Balkans.

McCutcheon has the ability to write as well as to use his pen as a cartoonist. He has written numerous books concerning his travels. He has been president of the Chicago Zoological Society, sponsors of the Brookfield, Ill., zoo, since its founding. He owns "Treasure Island" in the Caribbean Sea and has spent many of his vacations there. The McCutcheons maintain an apartment in Chicago and a home at Lake Forest, Ill.

McCutcheon has always believed a good cartoonist is one who is able to bring about reform by means of satire and ridicule, rather than by using the bludgeon. He once told Editor and Publisher:

"Very often when a public man is attacked with intense bitterness, he unconsciously gains the sympathy of readers and the effectiveness of the newspaper's attack is thereby weakened. A man can survive violent attacks, but rarely ridicule."

FINDS LESS BITTERNESS

There is much less bitterness in newspaper cartoons today than there was 50 years ago, he pointed out. People are better informed, he said, and if the reader suspects propaganda or bitterness, the cartoon loses much of its punch in any political fight. Conversely, if a cartoonist is found to be honest, he wins for his paper a legion of followers who rely on him for guidance in political and social problems, he added.

The Tribune cartoonist often expressed the desire to draw four cartoons a week with a definite purpose of influencing public opinion, and then two or three cartoons in which he did not preach at all, but merely gave the readers a smile.

The Encyclopedia Britannica credits McCutcheon as being the chief exponent of one school of newspaper art—that in which the "homely, quasi-rural setting and characters are presented somewhat in the manner of the comic strip"—as contrasted with the other school dealing in a starker form of pictorial presentation.

His studio is covered with trophies of his many years of world travel.

Perhaps one of the most memorable public tributes to McCutcheon occurred several years ago when he was honored at the Tribune's Music Festival at Soldiers Field. That night, the huge throng of more than 90,000 people stood and cheered the friendly Hoosier as he rode around the arena in a carriage drawn by a white horse. Later they saw his "Injun Summer" come to life in realistic pageantry of the famous cartoon first drawn in 1912.

McCutcheon has been especially helpful to new artists joining the Tribune staff. One of the prize possessions of Milton Caniff, creator of "Terry and the Pirates," is a letter from McCutcheon when he was beginning to draw cartoons as a boy. Caniff had submitted some of his drawings to McCutcheon, who replied: "I believe you have a very definite talent. If you work very hard you should succeed in your career."

In recent years, McCutcheon has been doing fewer daily cartoons, but up until early this year, he drew the front-page cartoon for the Sunday Tribune. His health has prevented him from leading as active a life as he has been accustomed to in the past.

Publication of John McCutcheon's Book, a one-volume anthology containing selected cartoons, illustrations, and writings by the veteran cartoonist, is scheduled for early next year by the Caxton Club of Chicago. The edition will be limited and will not be offered for sale to the public. Bruce Rogers, typographer, is designing the book. McCutcheon and Rogers, classmates at Purdue, published that university's first yearbook, Debris, in 1899. Franklin J. Meine, Caxton Club president, and John Merryweather, chairman of the publications, selected the material for the book.

FOREST STATION AND RESEARCH CENTER IN DELAWARE RIVER BASIN—STATEMENT BY SENATOR MYERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD a statement made by him before the Senate Committee on Appropriations May 7, 1946, regarding a proposed experimental forest station and forest research center in the Delaware River Basin which appears in the Appendix.]

FREE ENTERPRISE AND PEACETIME PRODUCTION—ADDRESS BY HENRY J. KAISER

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an address on free enterprise and peacetime production by Henry J. Kaiser, before the Spokane (Wash.) Chamber of Commerce, May 3, 1946, which appears in the Appendix.]

INTERNATIONAL TRADE BARRIERS—ARTICLE BY EDWIN BORCHARD

[Mr. McCARRAN asked and obtained leave to have printed in the RECORD an article, International Trade Barriers, by Edwin Borchard, which appears in the Appendix.]

EQUAL RIGHTS AMENDMENT TO THE CONSTITUTION—ARTICLE BY DR. LENA MADESIN PHILLIPS

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an article on the proposed equal rights amendment to the Federal Constitution by Dr. Lena Madesin Phillips, from the Connecticut Bar Journal for January 1946, which appears in the Appendix.]

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending question is on the amendment offered by the Senator from Arizona [Mr. McFARLAND].

Mr. REVERCOMB obtained the floor.

Mr. McFARLAND. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

Mr. REVERCOMB. I yield.

Mr. McFARLAND. I suggest the absence of a quorum

The ACTING PRESIDENT pro tempore [Mr. HATCH]. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	O'Mahoney
Austin	Hawkes	Pepper
Ball	Hayden	Radcliffe
Bankhead	Hickenlooper	Reed
Barkley	Hoey	Revercomb
Brewster	Johnson, Colo.	Robertson
Briggs	Johnston, S. C.	Russell
Brooks	Kilgore	Saltonstall
Buck	Knowland	Shipstead
Bushfield	La Follette	Stanfill
Butler	Langer	Stewart
Byrd	Lucas	Taft
Capehart	McCarran	Taylor
Capper	McClellan	Thomas, Okla.
Carville	McFarland	Thomas, Utah
Cordon	McKellar	Tobey
Donnell	McMahon	Tunnell
Downey	Magnuson	Tydings
Eastland	Maybank	Wagner
Ellender	Mead	Walsh
Ferguson	Millikin	Wheeler
Fulbright	Mitchell	Wherry
George	Moore	White
Gerry	Morse	Wiley
Green	Murdock	Willis
Guffey	Murray	Wilson
Gurney	Myers	Young
Hart	O'Daniel	

Mr. BARKLEY. I announce that the Senator from North Carolina [Mr. BAILEY], and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Alabama [Mr. HILL], and the Senator from Ohio [Mr. HUFFMAN] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The ACTING PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

Mr. REVERCOMB. Mr. President, for some weeks we have proceeded with the discussion and debate on the British loan. A great length of time has been consumed, but it has been entirely justified, because this is a question of great concern not only to the people of our country of today, but of the future, because we are about to set a policy which will affect our country and our people for generations to come. While there has been complaint about the length of time consumed in the discussion of the loan, the complaint is not justified, in my opinion, because I do not know of any question that is so far-reaching in its effect upon the future well-being of the country and the people of America as this particular question, not that the making of this loan of approximately $4,000,000,000 in itself is such a question as to change the course or the destiny of the country, but it sets the pace and the example we are to follow for days ahead of us which indeed may change the destiny of our people and our Nation.

This question has been approached from many angles. It has been thoroughly discussed. But I hope that what I have to say may add something of value to the discussion. Because of the very thorough discussion we have heard on both sides of this question, ably presented, I want to make my remarks in a rather summary fashion, boiling down my arguments so that they may not consume too much time of the Senate in the closing days of this debate.

The representatives of our Government who negotiated the terms of the loan before it was submitted to the Congress have embarked upon a policy of loaning large sums of money of the American people to the governments of other countries. The terms of the particular loan, the loan to Great Britain, also invite our consideration, and it is from the viewpoint of policy of the Government for the future, as well as the particular terms of this loan, that I desire to address myself to this subject.

I use the word "policy" because if this loan to the United Kingdom is made, similar loans to other nations will follow. There can be no just or equitable ground upon which to refuse the requests of other nations if such a policy is once inaugurated.

May I call to the attention of the Senate the fact that when we entered the field of dealing with the world in the consideration of international problems we embarked upon a new foreign policy, not only in armaments, but in matters affecting the monetary situation and the economies of the world?

It has been suggested already that Russia desires to borrow $6,000,000,000 from us, and we know in the Senate that today, and if not today, then in the last several days, there have been negotiations proceeding with the State Department or with the Treasury Department, or both, for a loan of $1,000,000,000 to Russia. A spokesman for France has said, and I quote a press release in substance, that, if the economy of France is to be saved, she must borrow $2,500,000,000.

Those meeting today in the name of the United Nations as foreign ministers and secretaries of state at Paris, who have gone there to act upon the subject of reparations as affecting Italy, have had it already said to them that in that consideration they must think of a loan by this country to Italy.

Then consider the other nations that have suffered great devastation from this war, nations whose economies have been destroyed to an even greater extent than has the economy of the United Kingdom. Consider Norway, Denmark, and other nations, not to speak of vast China. When we do that we cannot fail to realize the problem that we confront if we embark upon a policy of this kind. It means that we will pour out of the Treasury of the United States billions upon billions of dollars taken from our own people, because if we once initiate the policy we cannot consistently stop it when other countries ask for loans for the same reason that our friends in the United Kingdom have asked us to loan them money.

I was very much impressed by the able argument concluded yesterday by the Senator from Colorado [Mr. JOHNSON], who said that the loan of $3,750,000,000 will be insufficient really to serve the purpose Britain desires to be served for the salvation of the British Empire. And, even with respect to Britain, once we start on this course it will, perhaps, mean that we will continue to loan to that nation countless millions and billions of dollars in the future.

Mr. President, once a policy is initiated it is difficult to abandon it. There is just one time to weigh and consider a policy, as to whether it is wise or unwise, and that is when it is considered at the start. Once we are on our way it will be difficult to stop the loaning of money not only to the United Kingdom but to the many other nations throughout the world who can come to us with the same appeal that their economies have been disrupted.

This apparent course represents the same policy of loaning American money that was followed after the First World War. Regarding the subject under consideration, I have heard it argued in the days that have preceded this hour that this loan is necessary to prevent war. In yesterday's issue of the Washington Post there was published a statement made by a group of American citizens who favor making this loan. That statement is more or less in the nature of a condemnation and somewhat of abuse of the Senate. It says that the Senate is stalling. The Senate is not stalling. The Senate is proceeding with careful deliberation upon a question that affects the future of this country as none other has. Not perhaps in respect to this particular loan, but in respect to the policy we are laying down for the future of our economic relations with other countries. In that appeal to the people, this group of American citizens says:

> Must we plunge toward final war by shunning our neighbors once again?

Oh, that sounds much like the argument made some twenty-odd years ago when we poured out of the American Treasury into the hands and the pockets of our friends who had fought through the First World War sums of money under the call that it would stop a future war. Mr. President, it did not stop another war, and there is no reason, in the light of experience and history, to believe for a moment that similar action in this instance will prevent another war.

I digress to comment upon this press advertisement or statement appearing under the name of Americans United for World Government. I know some of the individuals who signed that statement, and I am surprised that such a group of outstanding citizens should use this method of attempt at pressure upon the Members of Congress, when they call upon the people throughout the country to—

> Speak up! Get hold of your Senator—in person, by wire, by telephone, through groups in which you have influence. Wire Senator ALBEN W. BARKLEY, majority leader, and Senator WALLACE H. WHITE, minority leader. Demand action!

I can understand how some groups would use that method, but when I read the list of the board of directors and officers of this organization it is astonishing to me the length to which some of the understanding citizens of this country will go in their efforts to pressure Congress into taking action upon something about which they feel perhaps deeply, but one-sidedly. I am sure that the Congress will do what it feels to be right. I recognize the full right of those who oppose me on this subject to speak upon it and consider it. I say to those citizens of this country who would use such methods to force action upon a subject of this kind that they may live to regret the day when they demanded haste and lack of deliberation.

The whole problem is one of immense interest to the American people, because it is their money that will be used. Upon the question of policy, let me say that in view of the International Monetary Fund agreement known as the Bretton Woods agreement it is difficult for me to understand how this country can take the position which some Members of the Senate take, that, standing in our own individual right, we can lend money to a cer-

tain country when another country may have the same appeal, and we may turn our backs upon it.

This all comes under the very wide policy and scope of the new idea that we have entered into international cooperation. International cooperation does not mean cooperation with one particular nation. That is especially true when, upon economic questions, we make a treaty which others sign, the benefits of which they have the right to expect. The proposed loan to Great Britain is not to be made as a separate loan, as something apart from the Bretton Woods agreement. It is made to implement the Bretton Woods agreement, and is expressly a part of it.

Let me read, as a part of my remarks, and to support what I have said, the language of the joint resolution under which this loan to the United Kingdom is to be made. The title of the joint resolution is:

To implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The first paragraph of the preamble of the joint resolution reads as follows:

Whereas in the Bretton Woods Agreements Act the Congress has declared it to be the policy of the United States "to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations"; and

The second "whereas" is as follows:

Whereas in further implementation of the purposes of the Bretton Woods agreements, the Governments of the United States and the United Kingdom have negotiated an agreement dated December 6, 1945, designed to expedite the achievement of stable and orderly exchange arrangements, the prompt elimination of exchange restrictions and discriminations, and other objectives of the above-mentioned policy declared by the Congress.

Whereas in further implementation of the purposes of the Bretton Woods agreements—

Mr. President, the Bretton Woods agreements were not drawn up as a basis for the loan of money by this country to the United Kingdom, or as a basis of financial aid to any particular nation. They were signed by a great number of nations, all of them feeling that they had a right to share in the help to their economies that any one signatory might have. I pointed this out because if we start upon this policy, implementing the Bretton Woods agreements, which were fundamentally agreements for cooperation among a number of nations, when we select one nation to which to lend we establish a policy of implementation of those agreements, which are agreements for the benefit of all the signatory parties.

We recently had an example of the new philosophy of world cooperation when it was suggested that under the United Nations Charter we should enter into a military alliance with Great Britain. Regardless of the wisdom of such a course, regardless of how much some may desire it, we heard from the press and, properly, from many Members of the Congress, that we could not enter into such an arrangement; that if we should undertake to form a military bloc, we would break down the very purpose of the over-all United Nations organization.

Is not the same thing true in connection with the Bretton Woods agreements, which are applicable to all the signatory powers? If this country enters into bloc financial arrangements with one of the signatories, is there not, in fairness, an obligation to meet the call of the others? If we really subscribe to the Bretton Woods agreements how can we lend to one and refuse to lend to another?

Thus I say that we are starting upon a great policy which we cannot fulfill, and which I believe would bring about the bankruptcy of this country. I do not speak against the British Isles. No one has more admiration than I for those gallant people. I speak in behalf of my country, to prevent the inauguration of a policy which would mean the financial ruin of my people. I cannot close my eyes to that danger; and if I must decide between my desire to help a friend and my duty to preserve my own country, there is only one course to take, and that is to preserve those to whom I owe my first duty. So much for the policy.

Let us consider the terms of this loan and see if they are really fair. When I say that, I am not looking at it only from an American point of view, but a point of view which would address itself to justice and right.

The terms of the loan negotiated between the representatives of our Government and the Government of the United Kingdom provide that this Government shall lend $3,750,000,000 to the United Kingdom, from money to be appropriated by Congress. We are in the act of appropriation, determining whether or not we shall approve such an appropriation.

Moreover, the terms provide that there is to be added to that sum, to be repaid, the amount of $650,000,000, in full settlement by Great Britain for all that we have advanced to her under lend-lease; also for the purchase of all installations erected by us, including airports and other structures, in the British Isles; for all goods now in transit to them; and for all surplus property of the United States now located in the British Isles.

The net amount advanced by us to Great Britain under lend-lease has been roughly estimated by our Treasury Department at $25,000,000,000. In other words, if we accept this agreement we shall accept $650,000,000 in full payment to repay a debt of $25,000,000,000; to pay us for all the installations that we have erected in the British Isles in the course of our war against Germany; to pay for all goods that are now in transit to Great Britain; and to pay for all surplus property of the United States now located in the British Isles. I do not have the figure for the value of all that surplus property. We understand it is immense. Not very long ago the able Senator from Delaware [Mr. TUNNELL] and the able Senator from California [Mr. KNOWLAND] made a trip around the world looking at the surplus property stores. We know that there are immense stores in the British Isles. I wish to say in fairness that while it would be all right to sell that at a low price—yes, at a helpful price—yet we cannot in justice to our people consider for a moment that $650,000,000 is in any way a fair price for that material. We are the trustees of the American people. We are their representatives. We are asked to sit here in this deliberative body and give up $25,000,000,000, plus every structure, every airfield, every wharf, every installation, all the lend-lease goods now in the British Isles. I cannot subscribe to that. I do not think it is a proper term.

Mr. President, when this agreement was being negotiated why did not our representatives put into it some special terms, if we were going to loan particularly to one country, which would give us something more than a general consideration? For instance, recall Kindley Field, in Bermuda, which was built at a cost to the American people of approximately $43,000,000. An American commercial plane cannot even land on that field without the permission of the British Government. Why did not the negotiators of this loan say, "You must let our American commercial planes use that airport?" That is one reason why I wish to support the amendment of the Senator from Arizona [Mr. MCFARLAND], because I think it is a fair one and is certainly just to the American people. But, no; that is not provided for in the terms of this proposal, although there is no reason under the sun why it should not have been written into the agreement. We paid, supposedly, to get the 99-year leases on sites on which to build airports. We not only gave up 50 naval vessels for them, but we paid the owners of the land for 99 years. What can we do for 99 years? An American commercial flying ship cannot go on that ground.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. SHIPSTEAD. We not only paid for the land, but we built the installations and we have to maintain them for 99 years. But we cannot use them.

Mr. REVERCOMB. The Senator is exactly correct. I feel that at the very inception of the original agreement those matters should have been taken care of. That is when we were deprived of the use of them. When the pending agreement was being negotiated there was another opportunity for our Government to protect our people's interests, but it declined to do so.

Mr. SHIPSTEAD. Mr. President, will the Senator further yield?

Mr. REVERCOMB. I yield.

Mr. SHIPSTEAD. That was in fact a treaty, but it was termed an executive agreement, and it never came to the Senate for ratification.

Mr. EVERCOMB. I realize that, but my criticism is directed toward those who negotiated the agreement. We criticized then and we have criticized

since, but I say to the Senator that here arises another opportunity to take care of that subject and to do what should have been done when the agreements for bases were made. I think we must do that now.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. JOHNSON of Colorado. This is an opportunity for the Senate to speak on that question.

Mr. REVERCOMB. Yes; this is the first opportunity the Senate has had to speak on that question. I am glad the Senator has brought out that point, and I hope the Senate will speak with a strong voice in behalf of the American people.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. HAWKES. The Senator from West Virginia realizes that the United States Government is the biggest business in all the world; does he not?

Mr. REVERCOMB. I believe it is.

Mr. HAWKES. It has a great number of stockholders who are paying to support it and to keep it a going institution. I wish to say to the Senator that from my experience in business, if any executive or board of directors representing stockholders had ever failed and neglected to take care of the things that our executive branch of the Government has failed to take care of in connection with the matters about which the Senator has been speaking, they would have been ousted and thrown out of office; or, if they had been left in, the concern would have become bankrupt.

I wish to say further to the distinguished Senator from West Virginia that I feel exactly as he has expressed himself in connection with our taking our time now. After we failed to do our duty over the past number of years, we should be taking our time now to consider the interests of the United States as well as the interests of Great Britain or of any of the other nations of the world. I make this admonition: If we fail to preserve ourselves, all this great profession of leadership and of all the marvelous things we are going to do to bring about peace and put the world in order will be nothing but idle talk, because the minute we are down and out we are through. I leave with the Senate this parody on a well-known poem:

Knock and the world knocks with you,
Boost and you boost alone.
The bad old earth is a foe to mirth
And has a hammer as large as your own
Buy and the gang will answer;
Sponge and they stand and sneer.
You're a mighty good fellow when you are mellow
And your pockets are lined with dough—
But not if you chance to fall.

Let us avoid falling, if possible.

I thank the Senator.

Mr. REVERCOMB. Mr. President, I am delighted to have the benefit of the remarks of the able Senator from New Jersey. I think he has stated the matter very well, indeed, and his remarks are most germane to what I have been trying to say—namely, that our first duty is to keep our own country strong, because only in its strength, with its desire for peace for the world, can it be effective and forceful in bringing about not only the well-being of the people of this country but lend a helping hand toward the well-being of the people in all countries with which it desires to cooperate. If we start upon a loaning policy of this kind—loaning billions and billions of dollars, not only to the nation to whom we are to loan under this agreement, but to the other countries that would have as much right to call upon us under this new era of world cooperation, we cannot remain sound or strong.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. SHIPSTEAD. The people of the United States are still paying taxes to pay for the loans we made to foreign countries after the First World War, but on which the foreign countries have defaulted.

Mr. REVERCOMB. That is exactly correct.

Mr. SHIPSTEAD. That debt still is not paid. We are still paying taxes for loans which were defaulted.

Mr. REVERCOMB. And I will say that, by inference, as I understand this agreement, we are going to forget all about some six-billion-odd dollars which the United Kingdom owes us at this time on the debt incurred by it during and after the First World War.

Mr. President, under the terms of the agreement now under consideration the $3,750,000,000 may be used by the borrower at any time, and he may call for it as he needs it. The terms of the loan, insofar as the amount is concerned, I have already stated. No interest is to be charged upon this loan until the year 1952—not a penny. In that respect it is the most remarkable loan I have ever heard of. But beginning in 1952, 6 years from now, the United Kingdom is to commence payments in annual installments over a period of 50 years, the contract being to pay back the debt by the year 2002.

Interest at the rate of 2 percent may be charged, but even the interest charge of 2 percent is not positive, because it is provided in the written terms of the proposed agreement that the United States, under certain conditions, and upon the request of Great Britain, will waive the interest. I refer to sections 5 and 6 of the financial agreement. We have been told during the debate on this floor that, instead of 2 percent, the interest charge will be about 1.6 percent. Mr. President, no American citizen can borrow money from his Government at the rate of 1.6 percent, or even 2 percent. We thought that we were doing the veteran a great favor and were treating him benevolently when we said to him, in effect, "Come to your Government and it will give you a limited loan and charge you only 4 percent." In other words, we charge the men whom we sent overseas to fight our battles in time of war 4 percent for the use of their own Government's money, and yet we would loan it abroad for the use of other persons at less than 2 percent, and under conditions which would allow the interest to be entirely waived. I do not believe that to be right, Mr. President. I cannot subscribe to such a course.

It is claimed by the advocates of the loans that it will guarantee great benefits to America because the money will be used by the United Kingdom for the purpose of purchasing American-made goods, and thus create for us a better market abroad. Writers and commentators, both in the press and over the radio, have been trying to convince the American public of this view. I assert that nothing could be more misleading and more unfair to our people. The written agreement itself, in section 3, expresses the purposes of the loan. Here are the declared purposes of the proposed loan, and I wish Senators to see whether or not they are limited to the creation of trade between this country and the United Kingdom. I read from section 3:

> The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

Those four purposes are recited as being purposes for which the loan is to be made. The use of the money will not be limited to the purchase of American goods, and most glaring is the absence of any provision whatever as to what part of these billions of dollars should be used in trading with us. Under the agreement the question is left entirely to the borrower. The election is in the borrower as to how he shall use the money under any of the four expressed purposes. As I see it, Mr. President, Britain could use a very small fraction for trade, and the remainder of the money could be used for any one or more of the remaining three purposes named in the agreement. The United Kingdom will decide what part of the funds may be used for any of the named purposes.

Perhaps some light is thrown on the planned use of the money by a statement of Sir Arthur Cripps, president of the British Board of Trade, as reported by an Associated Press dispatch appearing in the press a few Sundays ago. In an address before the automobile workers in Birmingham, Sir Arthur Cripps was purported to have said:

> Assuming we get the United States loan—and it looks as though Congress will turn it down—we shall have 3 or 4 years in which to build up our export trade.

He referred to building up British export trade. He added:

> If the trade is not restored in that time we shall have wasted the assistance we have got from the loan.

That statement bears directly upon the point made by the able Senator from Colorado, to the effect that if the proposed loan is made it will be but the beginning of several gifts of money to the United Kingdom. Even Sir Arthur Cripps has told us that that will be the

case. He says that if the British do not restore their trade, "we shall have wasted the assistance we have got from the loan."

Mr. President, no good will result to anyone from the loan. In truth, the real purpose of the loan is to reestablish competitive British commerce, and not particularly to establish trade with this country.

Many persons believe that the United Kingdom is a free-trade country. Nothing could be further from the truth. For years prior to World War II England exercised preferential control over the imports into her markets. She exercised what is known as imperial preference tariffs through which she gave preference to imports from other British dominions and territories, which certainly excluded goods of the United States. She did that in the face of an existing indebtedness to us of more than $6,000,000,000. She also imposed import and export quotas, thereby fixing the extent of commodities to be taken from us.

Mr. President, that was done after this country had loaned billions of dollars to the United Kingdom. The United Kingdom was still indebted to this country when it established its preference tariffs.

Many persons believe that the so-called sterling bloc with which England makes agreements to the effect that trading shall be conducted on the basis of pound sterling, thereby requiring purchases of her own products, consists only of the commonwealths and colonies of the British Empire. Of course, that is not true. England has made numerous similar agreements with other countries, and I may say that she has made them during the course of World War II and since that war ended. The United Kingdom negotiated agreements with 18 nations in South America and in Europe, the effect of which was to place payment transactions between the United Kingdom and those countries on a bilateral rather than a multilateral basis. The use of sterling acquired by those countries is usually restricted to the purchase of goods and services from Britain, and to financial payments in the sterling area.

Mr. President, what does that mean? It means that under a direct agreement between Great Britain and South American countries, trade in the American dollar is frozen out, which in turn means that trade in American goods is frozen out.

I have before me figures furnished this week by the Treasury Department. I wish to say that on the 11th day of March 1946 Great Britain renewed her agreement with Argentina.

The ACTING PRESIDENT pro tempore. The hour of 1 o'clock having arrived, the Chair lays before the Senate the motion heretofore presented to bring to a close the debate upon the pending measure, Senate Joint Resolution 138, to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes, and the Chair directs the Secretary to call the roll to ascertain the presence of a quorum.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	O'Mahoney
Austin	Hawkes	Pepper
Ball	Hayden	Radcliffe
Bankhead	Hickenlooper	Reed
Barkley	Hoey	Revercomb
Brewster	Johnson, Colo.	Robertson
Briggs	Johnston, S. C.	Russell
Brooks	Kilgore	Saltonstall
Buck	Knowland	Shipstead
Bushfield	La Follette	Stanfill
Butler	Langer	Stewart
Byrd	Lucas	Taft
Capehart	McCarran	Taylor
Capper	McClellan	Thomas, Okla.
Carville	McFarland	Thomas, Utah
Cordon	McKellar	Tobey
Donnell	McMahon	Tunnell
Downey	Magnuson	Tydings
Eastland	Maybank	Wagner
Ellender	Mead	Walsh
Ferguson	Millikin	Wheeler
Fulbright	Mitchell	Wherry
George	Moore	White
Gerry	Morse	Wiley
Green	Murdock	Willis
Guffey	Murray	Wilson
Gurney	Myers	Young
Hart	O'Daniel	

The ACTING PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

The Chair submits to the Senate the following question: "Is it the sense of the Senate that the debate shall be brought to a close?" The rule requires a yea-and-nay vote, and the secretary will call the roll.

The legislative clerk called the roll.

Mr. BARKLEY. I announce that the Senator from North Carolina [Mr. BAILEY], and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Alabama [Mr. HILL], and the Senator from Ohio [Mr. HUFFMAN] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that if present and voting, the Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Texas [Mr. CONNALLY], the Senator from Ohio [Mr. HUFFMAN], and the Senator from Louisiana [Mr. OVERTON] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present he would vote "yea."

The result was announced—yeas 41, nays 41, as follows:

YEAS—41

Austin	Kilgore	Saltonstall
Ball	Knowland	Stanfill
Barkley	La Follette	Taft
Brewster	Lucas	Taylor
Briggs	McMahon	Thomas, Utah
Downey	Magnuson	Tobey
Ferguson	Mead	Tunnell
Fulbright	Mitchell	Wagner
Green	Morse	Walsh
Guffey	Murray	White
Gurney	Myers	Wiley
Hart	O'Mahoney	Wilson
Hatch	Pepper	Young
Hayden	Reed	

NAYS—41

Aiken	George	Moore
Bankhead	Gerry	Murdock
Brooks	Hawkes	O'Daniel
Buck	Hickenlooper	Radcliffe
Bushfield	Hoey	Revercomb
Butler	Johnson, Colo.	Robertson
Byrd	Johnston, S. C.	Russell
Capehart	Langer	Shipstead
Capper	McCarran	Stewart
Carville	McClellan	Thomas, Okla.
Cordon	McFarland	Wheeler
Donnell	McKellar	Wherry
Eastland	Maybank	Willis
Ellender	Millikin	

VOTING "PRESENT"—1

Tydings

NOT VOTING—13

Andrews	Connally	Overton
Bailey	Glass	Smith
Bilbo	Gossett	Vandenberg
Bridges	Hill	
Chavez	Huffman	

The ACTING PRESIDENT pro tempore. On this question the yeas are 41, the nays are 41, and one Senator has voted "present." A two-thirds majority not having been obtained, the cloture motion is not adopted.

The Senator from West Virginia has the floor.

Mr. PEPPER. Mr. President, will the Senator from West Virginia yield for a brief statement?

Mr. REVERCOMB. How long will it take the able Senator?

Mr. PEPPER. It will take only a very short time.

Mr. REVERCOMB. I wish to conclude as quickly as I can.

Mr. PEPPER. It will take just 2 or 3 minutes, and I shall not impose upon the Senator, if he will allow the interruption for just a brief sort of factual statement.

Mr. REVERCOMB. I do not like to deny the Senator the opportunity to make his remarks, but I should like to conclude.

Mr. PEPPER. I ask the able Senator to make the concession only because I think the statement might be pertinent to the present situation.

Mr. REVERCOMB. The Senator says it will take 2 or 3 minutes?

Mr. PEPPER. Yes; not more than that.

Mr. REVERCOMB. I yield.

Mr. PEPPER. The statement is, Mr. President, that a group of Senators on both sides of the aisle believe that it is proper for a majority of the membership of this body, first, to be able to require that debate be relevant to the subject under consideration; second, that a majority of the Senate should have the power to determine what is the business of the Senate; and, third, that a majority

of the Senate, after there has been reasonable debate upon pending business, should have authority to determine the time when a vote should be had upon measures pending before the Senate, and that a motion to invoke those prerogatives on the part of the majority should be a privileged motion, which could be presented to the Senate at any time, even while another Senator was addressing the Senate. In respect to the reasonable time, we believe it should be a fair apportionment, in terms of, say, 10 days or 2 weeks.

In furtherance of these beliefs, a group of Senators, composed, I believe, of Members on both sides of the aisle, are considering a proposal, and at an early date will propose an amendment of the rules to the Senate itself.

I thank the Senator for yielding.

Mr. REVERCOMB. Mr. President, I resume my remarks upon the pending question following the vote taken upon the motion for cloture. Let me say a word with respect to cloture. I feel that cloture is not necessary, because I believe the discussion is coming to an end and that shortly the Senate will proceed to a vote.

At the time my remarks were interrupted by the vote I was discussing certain new trade agreements which the United Kingdom in recent years had entered into with other countries and which exist today. I wish to read a list of some of the agreements. The United Kingdom entered into a trade agreement with Argentina, which it renewed on the 11th day of March, 1946, after the terms of the monetary agreement here under consideration had been entered into by the representatives of the two governments.

The United Kingdom entered into an agreement with Bolivia in 1940. The United Kingdom entered into an agreement with Brazil in 1940; entered into an agreement with Chile in 1940, with Paraguay in 1940, with Peru in 1940, and with Uruguay in 1940. Those agreements are still in existence. No doubt, and in fairness to the United Kingdom, it should be said that perhaps those agreements were made in furtherance of the war. But those are existing agreements, showing the trend of the United Kingdom to continue the so-called sterling trade bloc.

In Europe more recent trade agreements have been entered into. In Europe the United Kingdom has entered into trade agreements with Belgium, Czechoslovakia, Denmark, Finland, and France. The agreement with France expired on March 31, 1946, and I find a notation upon the statement prepared by the Treasury Department, "May be renewed."

The United Kingdom has entered into trade agreements with the Netherlands, with Norway, Portugal, Spain, Sweden, and Turkey, and entered into one with Switzerland on March 12, 1946, which I believe was in the midst of the present debate. Those agreements, I am advised, have termination clauses that permit either country to terminate them, but it is not a pleasant thing for an agreeing government to terminate its trade agreement with another, once it has been entered into. I point out these agreements to the Senate in order to show the Senate that the United Kingdom and the government which is now in power there is still very much wedded to the course of the so-called sterling trade agreements.

The proposed contract we are asked to confirm with the United Kingdom to some extent attempts to relieve America from discrimination resulting from these British trade practices. But the terms of the agreement before us are so hedged with exceptions and provisos as to make the agreement indefinite and uncertain in practical value. For example, it is agreed in section 9 that neither Government will discriminate against imports from the other except in several instances, and one instance is where there is special necessity to assist a country whose economy has been disrupted by war. Where, indeed, Mr. President, is there a country in the world today whose economy has not been disrupted by the war? In other words, under the terms of the agreement, the so-called principal part of the contract is absolutely destroyed by writing in an exception of that kind.

Will any Senator contend that Australia's economy has not been disrupted by the war or that India's economy has not been disrupted by the war, or that the economy of Egypt or of any country with which agreements have been made has not been disrupted by the war? Can any Senator point out one country whose economy has not been thus disrupted? In other words, the very force of the principal promise made to us of nondiscrimination is destroyed by an exception—a proviso—which wipes it out of existence, when in effect it is said: "Oh, we will not discriminate against you except in the case of a country whose economy has been disrupted by war." That is "catch" language. So I say to the Senate that there is no assurance that American trade will be helped.

Mr. President, we seek the friendship of other nations; we seek the friendship of and will maintain it with the United Kingdom, but that friendship is not to be bought, and I believe the British would be the first to resent any implication of a friendship based solely upon a loaning of money under unusually advantageous terms. We are going to act in concert with friendly nations for happier world relations, but that does not mean that we must saddle all the burdens of the world upon the already heavy laden backs of our own people. The time has come to be frank and fair upon this subject with ourselves, with the American people, and with the other nations of the world. America has been and will continue to be generous. No one can ever doubt that. No one can ever with any sense of justice again call this country "Uncle Shylock." That expression may again be used, but if it is used it will flow from unappreciative hearts.

Let me point out to the Senate that since the close of the war we have contributed 72 percent of the funds expended for the relief of the needy people of Europe. That money has come out of the pockets of the American people. We have authorized the spending of $2,600,000,000, and we have already appropriated $1,350,000,000 for the aid of needy in Europe alone. We have given nearly three-quarters of all the money given by the world for that helpful and, I may say, justifiable purpose. We shall be called upon to give more and more, and I rather believe that there is a greater call to give money to help prevent starvation than there is to shell out money to build up the commerce of another country.

We have provided for a contribution of almost $6,000,000,000 to the Bretton Woods funds, from which other contributing nations may borrow to rebuild and meet their national needs and to save monetary systems which may become shaky. Our contribution there is 30 percent of the whole amount, and we ourselves will probably never draw a penny out of the fund. Certainly, we have been beneficent in that respect toward the commercial and economic conditions of other countries.

Here rises a rather interesting inquiry. Great Britain has agreed to contribute the sum, measured in American dollars, of $2,600,000,000 to the two funds of the Bretton Woods agreements. If she is really in need of this proposed loan for trade, whence is she getting her great contribution to Bretton Woods? Will the Government of the United Kingdom ask us, after such a contribution to Bretton Woods, to lend the United Kingdom money with which to make her contribution?

Since this debate has continued we have been told that Great Britain has been advised to enter into trade relations with Russia by lending money to Russia for her trade. Why should the American Congress lend the money of the American people to the United Kingdom when the United Kingdom is lending to others? How can we justify it under the terms of this agreement?

Let us see whether or not we have been liberal toward other countries with the money of our people. We have appropriated $3,500,000,000 for the Export-Import Bank, to be loaned to other countries to help build up trade for them and for us. We have been considerate. We have been generous with others, with the money of our own people. Each living American citizen of every age, each man, woman, and child in America today, must carry through his life a debt of approximately $2,000. That is not conducive to a stable financial condition. The time has come to start reducing the debt of this country, rather than adding to it.

Mark these words for the future: If we embark upon a policy which will add to the debt of the people of this country countless billions of dollars, the day will come when we shall rue it beyond any other action we have ever taken, because a bankrupt people cannot be a strong people; and unless our people are strong we cannot be helpful to ourselves or to others.

Would this loan prevent conflict in the future? We made loans after the last war. They did not help. They did not prevent

the recurrence of strife. They did not save us from it. They will not do so again. This is a commercial proposition, in which certainly the welfare of our own people should receive first consideration.

I learned from the United States Treasury statement of July 1, 1945, that Great Britain still owes us, on loans prior to World War II, the sum of $6,415,664,782. Meeting this question fairly—and I believe that the British people will understand fairness—we are dealing with a commercial problem. What commercial institution in this land would lend an American citizen money upon such a record, and expect to be repaid?

Time after time during the course of this debate there have been quoted the very frank and straightforward views of the statesmen of Great Britain in their discussion of this subject in their Parliament. One after another stated that Britain could not hope to repay this loan. I say that the $3,750,000,000 is but a pittance compared with what will be loaned. If we start the policy we shall never be able to stop it.

In connection, Mr. President, let me say this: We know that America has embarked upon a plan of dealing with the rest of the world which is different from any plan of the past. We are dealing in concert with other nations. We have a United Nations organization to deal primarily with the question of armaments, primarily with the idea of preventing invasions of peaceful countries. Under that arrangement we agree to act in concert with other nations. We cannot enter into blocs of nations without violating the very purpose of the United Nations agreements. We have entered into the Bretton Woods agreements dealing with financial affairs and financial help. The basis of the Bretton Woods agreements is like the basis of the United Nations. The many nations which subscribe to it have equal right of protection and expectation of help from it. So if we pick out one nation to deal with, one nation to which to lend money, how can we in soundness say to another, "We will not implement the agreement for you"? And if that policy be followed we will crush out people in financial ruin. The time to stop it is now when it is proposed that it be started.

If the administration now controlling our National Government continues to insist that this country owes the duty to other nations to carry their financial burdens and to build up their commercial trade, and that this Government must take the attitude of raising money for that purpose from our people for the use of others, let me suggest that bonds be issued, clearly marked, and plainly understood to be sold for the purpose of raising money to make the British loan, or any other similar loan abroad. Let the purchasers know full well for what purpose the bonds are being sold, so that they may obtain the benefit of all funds received in payment of the bonds, and take any losses which may arise from nonpayment. This is an idea which has been brought forth by the senior Senator from Colorado [Mr. JOHNSON]. It is not original with me, but it appeals to me as very fair. Then those among us who advocate the policy of making loans abroad can support their views with their funds, and those opposed will not be compelled to contribute. The profit or the loss would accrue to those who might decide that the loan was good. That is the way out if it is insisted by this Government that we must embark upon a policy of lending American money abroad. That would be fair, and give to those who wish to make such loans the opportunity of making them. Such a plan would not compel the American citizen to reach into his pocket, or, rather, to have his pocket reached into, in order to meet the numerous calls which will come to us once we embark upon this proposed policy.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MYERS in the chair). The absence of a quorum having been suggested, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	O'Mahoney
Austin	Hawkes	Pepper
Ball	Hayden	Radcliffe
Bankhead	Hickenlooper	Reed
Barkley	Hoey	Revercomb
Brewster	Johnson, Colo.	Robertson
Briggs	Johnston, S. C.	Russell
Brooks	Kilgore	Saltonstall
Buck	Knowland	Shipstead
Bushfield	La Follette	Stanfill
Butler	Langer	Stewart
Byrd	Lucas	Taft
Capehart	McCarran	Taylor
Capper	McClellan	Thomas, Okla.
Carville	McFarland	Thomas, Utah
Cordon	McKellar	Tobey
Donnell	McMahon	Tunnell
Downey	Magnuson	Tydings
Eastland	Maybank	Wagner
Ellender	Mead	Walsh
Ferguson	Millikin	Wheeler
Fulbright	Mitchell	Wherry
George	Moore	White
Gerry	Morse	Wiley
Green	Murdock	Willis
Guffey	Murray	Wilson
Gurney	Myers	Young
Hart	O'Daniel	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present.

THE COAL STRIKE

Mr. FULBRIGHT obtained the floor.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. For what purpose?

Mr. WILEY. For a comment in relation to an editorial.

Mr. FULBRIGHT. Is it short?

Mr. WILEY. Yes.

Mr. FULBRIGHT. I yield.

Mr. WILEY. Mr. President, for several days Members of the Senate have listened to remarks of various Senators in relation to the coal-strike situation throughout the country. The headlines in the evening newspapers indicate that the Chesapeake & Ohio Railroad is laying off 10,000 men. Today telegrams are pouring in from industries relating to farming and manufacturing in my State, showing how threatening is the situation in Wisconsin. Schools are very much concerned about whether or not they will be able to obtain fuel for next fall. The whole situation is thrown into the lap of the Congress for action.

Mr. President, I was very much interested last night in reading an editorial in the Evening Star entitled "The National Disaster." Among the ideas contained in the editorial is this:

> John L. Lewis has seen the Federal Government adopt a legislative program deliberately designed to strengthen his own and other unions so that they could resort to the strike weapon without fear of the consequences.

Mr. President, that is an indictment of the administration. Yesterday I said that the chickens had come home to roost. For 12 years now we have failed to adopt a definite labor policy. What the Nation now needs in order to preserve its economic life is a definite labor policy, and the suggestion made in this editorial, I think, is one which the Congress should heed. Attention is called to the fact that the revised Case bill has been reported by the Senate Committee on Education and Labor, and it is suggested that the Case bill should be brought up for action and that an appropriate amendment should be appended to the bill, an amendment with guts in it, an amendment which will get results and protect the country against any strikes staged in flagrant violation of the public interest.

I know that some of us who speak in this vein will be accused of being antilabor. In my office not long ago I said to a group who represented labor that they did not know what labor was. I recall the time when I worked in the sawmills of Wisconsin for 15 cents an hour, 11 hours a day, whereas those now working in them get $1.35 an hour. So it is not a question of being antilabor, it is not a question of being pro-capital, because we know that racketeers are found in every segment of our society. Wherever power gravitates, as I said yesterday, there is a tendency for men to become dominant. A Fascist is one who wants to run the show according to his own concepts.

It is not a question of being antilabor, it is a question of being pro-American, and if we are to go through the months which are ahead with our skins entire, we have to see to it that quick, expeditious action is taken so that the disease now afflicting the body politic shall be eradicated.

Mr. President, the United States does not belong to any one group, it does not belong to the Democrats or the Republicans, it does not belong to the farmer or the laboring man. It belongs to all of us. Therefore, there is call for action by the Congress of the United States.

Of course the President has powers under the War Powers Acts to take steps, but there is no apparent reason to believe he will do so. A part of the program all through the years has been to give to labor leaders who have gravitated to positions of power authority away beyond that exercised by men of capital years ago, and they now exercise control over millions of men, and to a large extent siphon their own thinking to them. So, Mr. President, the Congress of the United States, I believe, must take action, and take it now.

I ask unanimous consent that the entire editorial from the Evening Star be printed in the RECORD in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NATIONAL DISASTER

The President's announcement that the soft coal strike constitutes a national disaster is not news. That has been obvious to anyone from the day that John L. Lewis decreed that coal would be mined on his terms or not at all. Nevertheless, it must be assumed that there is significance in the fact that the President of the United States has made this public declaration.

Presumably, Mr. Truman was laying a foundation for action designed to protect the public interest. "The American people," he said, "have barely begun to feel the full impact of the strike." But he added that "from now on the effects will spread rapidly throughout the economy, and the damage to reconversion progress will take months to mend." That is on the conservative side. Actually, if the strike lasts much longer, our whole national economy will be paralyzed, and no government worthy of the name can acquiesce in such a result of any strike.

The question is: What can be done? And the answer to that question is that nothing really effective can be done until Mr. Truman and the men who help shape the policies of his administration are willing to face the basic fact that there is no such thing as a right to strike against a vital public interest.

Acting under his wartime powers, Mr. Truman might seize the mines. But that would afford no relief unless Mr. Lewis were willing to drop the demands which precipitated the strike. The chances are, however, that Mr. Lewis would not do that, and from his point of view why should he? He has seen the Federal Government adopt a legislative program deliberately designed to strengthen his own and other unions so that they could resort to the strike weapon without fear of the consequences. And he has heard one administration spokesman after another say that the right to strike must not be abridged in any circumstance. Why, then, should Mr. Lewis be worried about public opinion or national suffering as long as one-sided laws protect him in what he is doing?

If this is the line of Mr. Lewis' thinking, however, he has overlooked one thing. The people will not remain forever indifferent to strikes which tend to deprive them of the necessities of life. They may have to suffer first, but a point will be reached at which they will demand action. And when that time comes the public officials who have been unwilling to do anything that might offend the labor vote will find their hand forced. They will act when the political penalties of inaction become too great.

If Mr. Truman's statement means that he and his administration are prepared to act now, a vehicle is at hand. The revised Case bill has been reported out by the Senate Labor Committee. In its present form it is meaningless. But by majority action it can be called up, and, once on the floor it can be amended to protect the country against any strike staged in flagrant violation of the public interest. This is the only course which presently offers any substantial hope of relief from the abuses of minority groups operating under the protection of slanted laws. It remains to be seen whether Mr. Truman proposes to take it at this time.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. FULBRIGHT. Mr. President, I do not wish to detain the Senate very long, but I think a few observations about some of the remarks of the distinguished Senator from Montana [Mr. WHEELER] are appropriate. The Senator from Montana said last Friday:

> In my judgment, English bankers are much shrewder than American bankers.

At another point he said:

> The Senator from Colorado refers to American businessmen favoring the loan. Some of them have been misinformed. Some of those who favor the loan and are more actively for it than others, for instance, banking interests who make their money out of international loans and international finance. They would get a "take," a profit out of it.

To say the least, these statements are contradictory if not confusing. One has only to consult the balance sheets of our great banks to see the evidence of the capacity and the shrewdness of our bankers. Surely the able Senator, who prides himself upon his realism, cannot deny the significance of a highly satisfactory balance sheet. There is no sentiment in the assets of the Chase National Bank. It is cold cash.

Only this morning the Washington Post carried an article about the success of the commercial banks during the past year, which showed their profits were higher than in any other year in their history.

In apparent contradiction to the alleged stupidity of our businessmen or bankers, the Senator from Montana says they would get a "take", a profit out of this loan. This would indicate they are not so stupid and misinformed after all. As a matter of fact, it is not only the bankers but it is all of the people of these United States who would get a "take," a profit, out of this loan. The vast majority of producers and all the consumers of the Nation would for many years to come profit enormously from the freedom to sell in foreign markets and the ability to buy foreign goods in our markets. It is not at all clear how the bankers would make any particular or special profit aside from that accruing to all businessmen by the increased trading opportunities which would arise through the granting of the proposed loan.

Everyone knows that there are many commodities important to our economy which we must and should buy abroad. To be able to purchase these goods in a fair and non-discriminatory market and to sell our goods in the same markets most assuredly will give all of us a "take" during the next 50 years. Some of the best informed witnesses before our committee categorically stated that this loan is not charity, that even though it is never repaid, the advantages to us, I might say the "take", will far outweigh the amount of the loan.

In view of their outstanding success in business, I think the Senator goes rather far in suggesting that such men as the chairmen of the board of the Chase National Bank, Mr. Aldrich, of the General Electric Co., Mr. Reed of the Federal Reserve System, Mr. Eccles, and the Secretary of the Treasury, are either misinformed, on the one hand, or, on the other hand, are scheming for their private profit at the expense of the national welfare. I do not believe we are warranted in suspecting the patriotism of any of these men.

I am unable to believe that Mr. Eccles, Mr. Flanders, Mr. Aldrich, or Mr. Reed, are not as much interested in the future welfare of this Nation as are those of us in the Senate. We may differ in our judgment, but that does not mean we are not sincere in our purposes, nor that they are not sincere in their purposes.

At another point in the Senator's very skillful speech he said that if we make this loan to Britain we will have to make a loan to Russia, and we will have to make it on the same terms. This statement evidently could have no other purpose than to excite the fears of the unthinking, because the Senator knows perfectly well that Russia will not even consider offering the same terms for a loan as the British have offered. It is no secret that our businessmen cannot go into Russia to buy and sell as they can in England, and only recently we have read that the Communist regimes in Rumania and Yugoslavia have already confiscated the property of American firms established there many years ago. Furthermore, I should say that if the Russians would in good faith agree to permit our businessmen to trade within the vast area now controlled by them on the same terms as we shall be permitted to trade within the British Empire if this loan is made, it would be one of the most profitable and wisest moves we could possibly make for the future peace and prosperity of this Nation. I think it must be obvious to everyone that Russia will not offer to us the same opportunities for trade that we obtain under this loan in England, and therefore such a suggestion is purely prejudicial speculation.

Further, in this connection, if we should accept the Senator's thesis, that the making of this agreement would put us under a moral obligation to lend to every other applicant for a loan regardless of the advantages to us, then if we refuse the loan it would seem to follow that we must refuse every other applicant. This, I assume, would be a very desirable policy in the opinion of the Senator. He has consistently advocated for many years that we should live apart from the world as much as possible. But would it not be a strange policy for the most powerful and richest creditor Nation in the world to refuse to extend credit to any other nation? Is that the way to create a world of prosperity and peace which we all desire?

It is easy to say we must do all or nothing. It would be easy for a banker to lend to everyone or to nobody, but the fact is, such policies are nonsense. Neither a bank nor a nation can be run successfully without discrimination and good judgment in its decisions. The best business and financial brains of this Nation have told us that this agreement with Britain is for the best interests of this Nation. None of them has told us that if we make this loan we must make similar loans to every other applicant. Obviously, it simply is not true. Each

proposal should be, and I am confident will be, judged upon its own merits just as a businessman judges the merits of any agreement that may or may not be to his advantage.

Mr. President, I do not desire to detain the Senate any longer. It seems to me from a careful reading of the remarks of the Senator from Montana that he overstates his case so strongly that I suspect that it is not merely this loan to which he objects. He is still refusing to admit and lamenting the fact that we cannot put up a wall around these United States and live out our lives in peace and plenty. If I thought there was even half a chance that the rest of this miserable and distraught world would permit us to do that, I might be inclined to agree with the Senator on the ground that we are too inexperienced and too torn by internal political and economic difficulties to contribute anything to the solution of the world's ills, but the fact is that regardless of our limitations we cannot escape from the world. We may not in the end be able to help the world recover its senses, but at least we must try. We must do this not simply or solely because of altruistic or humanitarian motives, but because of the certainty that if the world splits up into antagonistic blocs and all but the Americas succumb to the domination of any aggressive power, we, the richest prize of all, will not be left in peace.

Mr. President, a great deal has been said in the last few days, I think by every individual who is in opposition to this loan, about the First World War debt. I have taken some trouble to try to get the exact figures, and I think those I am about to give are as accurate as any I know of. I have used sources from our own Treasury and statements of our own Department of Commerce, and I believe that what I shall now present accurately reflects the situation. I think it ought to be in the RECORD, because it is, I believe, very generally misunderstood just how this situation arose and how much was involved.

Between the outbreak of war in August 1914 and June 1919, Britain contracted for approximately $12,000,000,000 worth of war supplies in the United States. Between 1914 and the end of 1933 Britain paid the United States on account of these goods approximately $10,000,000,000.

Of the $12,000,000,000, Britain paid $8,000,000,000 cash, and borrowed the remaining $4,000,000,000 from the United States Government, after the entry of the United States into the war in 1917.

Of the $4,000,000,000 borrowed, $3,500,000,000 was in respect of munitions and war supplies such as were provided under lend-lease in World War II. Only $581,000,000 represented postwar deliveries.

Of the $4,000,000,000 credit, Britain paid altogether $2,000,000,000 to the United States, covering both interest and capital. If the British debt to the United States had been limited to the amount borrowed for nonwar purposes, repayment to the United States would have covered the credit nearly four times. That is, Britain paid $2,034,000,000 interest and capital, as against $581,000,000 which was borrowed postwar.

At the conclusion of World War I, the interallied debt situation was as follows:

War debts owing to Britain were $7,800,000,000. That is calculating the pound at $3.50, which it was at about that time. It was later changed and calculated at $4.80; that is after the British had revalued their pound.

War debts owing to the United States were $10,900,000,000, of which amount Britain owed $4,250,000,000.

The amount paid by Britain to the United States until payment ceased in 1933 was $2,034,000,000. The amount received by Britain from her own debtors in the same period was $346,000,000. That is as against the $7,800,000,000 which was owing to Britain.

At the peace conference, and again in the Balfour note of 1922, Great Britain suggested that all war debts be canceled. This proposal was made in the belief that to carry these barren war debts into the peace years would be a serious obstacle to the recovery of world trade and a threat to the stability of world currencies. The United States declined to accept this suggestion, and Great Britain then undertook with its debtors not to obtain more from them—including reparations due to the United Kingdom from Germany—than the amount due year by year on the British war debt to the United States.

The disastrous effects of the 1929–33 crises and the increase in United States tariffs made it impossible for the former Allied countries to maintain the service of their war debts to the United States. In 1931 on the initiative of President Hoover a 1-year moratorium was declared on all war debts and reparation payments.

After the expiration of the Hoover moratorium two series of discussions took place between the British and American Governments during which the British Government contended that, owing to severe world depression, to the prevalence of high-tariff policies, and to the default of her own war debtors, payments could not be continued on the previous scale. The installment due in June 1934—after passage of the Johnson Act had made further token payments useless—amounted to approximately three times the total value of British exports to the United States for that year. Only after these discussions had broken down did Britain herself suspend payment.

Since 1931, all payments on war debts due to Great Britain have been in abeyance. There has at no time been any public demand in Britain for the resumption of these payments.

Mr. President, I think that is as accurate a résumé as can be obtained. Although I discussed this subject the other day, I did not break it down into the specific details, but it is generally in accord with the statement made before our committee by the Chairman of the Board of Governors of the Federal Reserve System, which is contained in the hearings.

Mr. President, there is one other point to which I desire to refer. I want to read an editorial pertaining to the amendment of the Senator from Arizona [Mr. MCFARLAND] dealing with bases, and I shall read the editorial because I think it ought to be in the body of the RECORD as a part of this debate, even though some one else might have placed it in the Appendix, which I do not know. It is from the Washington Post of May 7, and is entitled "Base Nonsense." The editorial is as follows:

BASE NONSENSE

After every war the military mind begins to plan the next war in terms of the strategy of the last. It never fails. You can see the same preoccupation in the current navalist chatter about the bases that this Nation should acquire. There is a total lack of appreciation of the strategical concepts called for by our present world situation. The Ryukus, the Admiralty Islands, the Caribbean bases—they are all lumped together. In the development of a schematic strategy the possession of these bases means little or nothing, especially possession of the Caribbean bases. Yet the navalists see an opportunity, via an amendment to the Anglo-American financial agreement, of prying out of the British a permanent title over our Caribbean leaseholds. The agents are Senator MCFARLAND and his friends. They are slavishly adopting precisely the same sort of stereotyped thinking that left the Aleutians out of account between wars and concentrated on the middle Pacific.

What, for instance, has the Caribbean got that we haven't within our own territory? All they afford are platforms for long-range bombers and rockets. Available within our own territory from the Panama Canal northward are all the platform we need. If we need other bases from which to hop over to Europe, surely there are two zones the use of which is much more practicable. One is in the Arctic, the other is in the eastern Atlantic. In respect of the former, the setup is perfect, for we already have a Canadian-American defense board in being. As to the eastern Atlantic there is the probability of confirming rights in the Azores as a result of present negotiations with Portugal. Here, it seems to us, is a program which, granted the nationalistic military approach to the problem of world strategy, makes much more sense than the McFarland program.

The fact is that this Caribbean itch is merely an itch for real estate. It should be borne in mind that with real estate goes responsibility for the local inhabitants. Surely we do not wish to saddle upon ourselves any more Virgin Islands or Puerto Ricos, or to take over the British headache in Jamaica.

I may interpose to say that the experience of the British with possessions such as Jamaica has been exactly the same as ours with the Virgin Islands and Puerto Rico. It has cost them a great deal more than they could ever realize out of them, not only in money but in trouble and difficulties practically the same as those we have had.

Mr. CORDON. Mr. President——

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Arkansas yield to the Senator from Oregon?

Mr. FULBRIGHT. I yield.

Mr. CORDON. I do not quite follow the logic of the argument raised by the editorial. The editor who is responsible for it evidently takes the view that there

is no tactical or strategic value whatever to the bases.

Mr. FULBRIGHT. If the Senator will wait a moment he will find that the latter part of the editorial deals with that point. It considers the question of leases as against ownership.

Mr. CORDON. I am speaking of the bases as a part of the whole defense establishment of this country. The editor indicates that we have adequate bases in our own country; that we do not need outside bases, or at least he intimates that we never did need them. Certainly there must have been some view to the contrary in the military minds when we spent so many millions of dollars in preparing them.

Mr. FULBRIGHT. The editorial begins specifically by stating that each time we fight the next war on the strategy and plans of the last war. As to what was necessary in this war, I do not believe that the editor would agree with the Senator's implication. However, as to the next war, with the development of long-range bombers, rockets, and so forth, the bases, which were quite necessary for the already obsolete machines with which we fought the last war, will have gone wholly out of fashion. As the editor points out in two following paragraphs, we have 99-year leases on the bases; and if I am any guesser at all, in 99 years the present methods of fighting a war will certainly be vastly changed, and the significance of these few bases will be entirely different from what it was in the last war. I do not interpret the editorial as stating that the bases had no significance in the past war. The editorial states that we are fighting the next war on the strategy of the past war.

Mr. CORDON. It seems to me that the only basis from which we have to work today in determining what may be the military strategy of the next war is the experience which we have had in the late war. The point I make is this: Does the editor concern himself at all with that portion of the McFarland amendment which provides for civilian right of use of the air bases?

Mr. FULBRIGHT. No. That aspect is not covered by this particular editorial. Let me finish reading the editorial:

> Already we have these bases on a 99-year lease, and that is the best way, in all the circumstances, to keep them. Control without responsibility! President Roosevelt knew this when we first acquired the bases in the Caribbean. Our information is that the British wanted to hand over the title, but the President, bearing the Virgin Islands and Puerto Rico in mind, preferred leases.

I think he was very wise in that preference.

> The credit to Britain will serve American strategy, not of war but of peace. It will serve the strategy of peace more than any other instrumentality we can think of. Through it the two main currencies serving world trade will be bound together in a common effort to promote world stability. The British economic system will be aided to work with our system in restoring the shattered trade of a score of nations. Thus the agreement is, in fact, a peace treaty. To saddle onto the pact the transfer of the title to the Caribbean bases would make this peace treaty a kind of war trophy. It would advertise to the world Britain's weakness and American imperialism, and that would be fatal to the revival of confidence. That Britain would not consent to the blackmail goes without saying, so that a vote for the McFarland amendment amounts to a vote against the agreement. But, if any Senator feels that even this risk is worth the effort, let him do his own strategical thinking, and relate it to the atomic age. He will find that the Caribbean bases would be merely millstones around the American neck. If, incongruously, we want to acquire key points for the next war in a key agreement in the quest of peace, let us, in heaven's name, get key points which will be of service. Nobody with any imagination can see the Caribbean bases in this category.

I certainly hope that the so-called McFarland amendment will be voted down. I am entirely in agreement with the thought of the editor that if we should adopt this amendment it would necessarily require a further negotiation, which would be delayed no one knows how long. It would be equivalent to a rejection, not at all because the substantive transfer of property would be any great injury to the British. I do not think it would be. In a sense, it would be an insult to them. "Insult" is not the right word. I cannot think of the right word; but certainly it shows a lack of confidence in them, with no comparable advantage to us. I hope the amendment will be defeated.

Mr. BARKLEY. Mr. President, I think the Senate is anxious to begin voting on some of the amendments, and ultimately on all of them, as soon as possible. The pending amendment is the so-called McFarland amendment.

I ask unanimous consent that not later than 2 o'clock p. m. tomorrow the Senate proceed to vote on the McFarland amendment to a final decision.

The PRESIDING OFFICER [Mr. MAYBANK in the chair]. Is there objection to the request of the Senator from Kentucky?

Mr. WHERRY. Mr. President, I just entered the Chamber. What is the request?

Mr. BARKLEY. I have propounded a unanimous-consent request which is agreeable to the Senator from Arizona [Mr. MCFARLAND] and other Senators, to vote on his amendment at 2 o'clock tomorrow.

Mr. WHITE. Mr. President, as I understand, the request refers only to the McFarland amendment.

Mr. BARKLEY. Only to the pending amendment, known as the McFarland amendment.

Mr. McFARLAND. Mr. President, reserving the right to object, would there be any agreement as to the division of time, or would that be necessary?

Mr. BARKLEY. I had not thought of an agreement as to division of time; but if the Senator has anything to suggest, I should be willing to agree that the time, beginning either now or at 12 o'clock tomorrow, until the vote comes, be equally divided between Senators who favor the amendment and Senators who oppose it.

Mr. McFARLAND. I think it would be better to set the time at 12 o'clock tomorrow, if we are to divide the time. But perhaps that may not be necessary. We may be able to agree tomorrow on a division of the time.

Mr. BARKLEY. I have no objection to an agreement of that sort. I think it might be well to have it take effect tomorrow at 12 o'clock, rather than now.

Mr. McFARLAND. Senators might wish to wait until tomorrow to speak.

Mr. BARKLEY. If it is agreeable to the Senator, I will modify the request by providing in addition that, beginning with the convening of the Senate at 12 o'clock tomorrow, and up until the time the vote is taken, at 2 o'clock, the time be equally divided between the proponents and the opponents of the amendment, the Senator from Arizona to have control of the time of Senators who wish to speak in favor of the amendment, and I to have control of the time of those who wish to speak against it.

Mr. McFARLAND. That is agreeable to me.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

WORLD'S FAIR OF AVIATION AT OMAHA, NEBR.

Mr. WHERRY. Mr. President, I should like to take a moment to announce to the Senate that at Offutt Field, Omaha, Nebr., from July 18 to July 21, 1946, there is to be held America's first postwar international aircraft exposition and flight demonstration. This is the field which was occupied during the war by the Martin-Nebraska Co. in the building of B–26's and B–29's.

For the first time in aviation history a major air show and aircraft exposition will be combined in one great event. Aerial progress—wartime strides and postwar developments—will be on parade not only in the skies, but in the expansive exhibit booths in buildings occupied during the war by the Martin-Nebraska Co. The combined events will assure exhibitors of tremendous possibilities for sales among a vast field of prospective buyers, including passenger air lines, air express customers, and students taking ground school courses and flying instruction. There will also be a place for students of aviation to visit. This is one of the outstanding events planned in the great Middle West, at the field which became famous for its production capacity and for services rendered during the war.

This exposition is sponsored by the Knights of Ak-Sar-Ben. "Ak-Sar-Ben" is "Nebraska" spelled backward.

The Knights of Ak-Sar-Ben is one of the outstanding civic institutions in the country. It is a nonprofit civic organization founded in 1895. Its affairs are administered by 12 of Omaha's outstanding businessmen, who serve as a board of governors without compensation.

This organization is not only sponsoring the World's Fair of Aviation, but also the exhibits of machinery and equipment to be shown at the fair. For many years it has sponsored the 4–H Club work among boys and girls, through educational institutions and in other ways. Under that program boys and girls raise

or buy calves and hogs, feed them out, and sell them, not only to make a profit, but to learn the business of breeding and feeding livestock. Wherever one goes, Ak-Sar-Ben means production of livestock in a big way.

America's first postwar international aircraft exposition and flight demonstration will take place in Omaha, under the sponsorship of the Knights of Ak-Sar-Ben. It will be national in character. On Friday morning we expect to invite the President of the United States to attend. Today we are extending invitations to the Secretary of War, the Secretary of the Navy, General Spaatz, the Civil Aeronautics Board, and others who are interested. An invitation will be sent to each Senator. I am extending this invitation to Senators in behalf of Ak-Sar-Ben, acting as a messenger for them and for the entire Nebraska delegation in the Senate and in the House. We especially invite the majority leader and the minority leader to this exposition, and hope that they will be present when the official family arrives next July.

In order forcibly to call attention to this exposition, on Tuesday of next week Ak-Sar-Ben steaks will be served to Members of the United States Senate and to a distinguished group which we have invited to the Senate dining room. We hope that the taste of the steaks will linger in Senators' mouths until July. If Senators will come to Omaha between July 18 and July 21, in the meantime, if we are permitted to do so, we shall continue to fatten more cattle, to provide more Ak-Sar-Ben steaks so that Senators may not only be well fed, but may enjoy this great air exposition. I hope the Senate will take advantage of this luncheon that is sponsored by the Ak-Sar-Ben through the Nebraska delegation, on Tuesday, and that if Senators happen to be going to or from the coast they will stop in Omaha and will see to it that all the air exhibitors in their States in whom they are interested get booths at the fair, and come out and enjoy this great postwar international aircraft exposition which will be held, as I have said, from July 18 through July 21 of this year.

THE COAL STRIKE

Mr. LUCAS. Mr. President, 1 year ago today the American people were in a very happy and tumultuous frame of mind. Joy reigned supreme. Emotions ran high. Exuberance was unrestrained. It was a historical day in the Nation and in the world. The United States and her gallant allies had brought to a close the most deadly and costly conflict in Europe which civilization has ever known. We defeated the most ruthless and the most powerful military machine in all history. We brought to their knees the Nazi leaders who had world domination blueprinted and planned. Little did the happy American people think or believe that 1 year later they would be found filled with rancor and bitterness over domestic problems. Mr. President, it is a crying shame that we Americans, leaders of the world in thought, military power, and natural resources, and with the highest standard of living in the universe, cannot pull ourselves together, shake off our indifference, our selfishness and bitterness, and go forward to the real destiny which lies ahead.

Today, Mr. President, the coal strike which the Senator from Illinois has been talking about for the last few days is going into its thirty-seventh day. What is in the offing for the American people I do not believe anyone can predict. We shall know more tomorrow, perhaps, than we do now.

But I know one thing, Mr. President, that in my 12 years in the Congress of the United States I have never at any time received as many telegrams and letters filled with such bitterness, rancor, and disappointment as I find coming over my desk today. Each day adds to the list. On yesterday I read a number of such telegrams into the RECORD. I shall follow that policy again today in order that the Senate and the country at least may know what the people of Illinois are thinking about in the most serious crisis which I have seen on the domestic front since I have been permitted to live in this free land of ours.

Mr. MAYBANK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Does the Senator from Illinois yield to the Senator from South Carolina?

Mr. LUCAS. I yield.

Mr. MAYBANK. I should like to ask the distinguished Senator from Illinois, before he commences to read into the RECORD the telegrams to which he has referred, and which he says contain so much bitterness and venom against the present coal strike—and I, too, have received many telegrams on the subject—if he would care to comment for a moment or two upon the Constitution of the United States of America and the following part of the preamble to the Constitution:

> We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

The question which I should like to ask the distinguished Senator from Illinois is this: Does not he believe that the present coal strike violates every thought of those who wrote in that section of the preamble the words "insure domestic tranquility?"

Mr. LUCAS. Mr. President, let me say to my able friend that as far as the Preamble of the Constitution of the United States is concerned, I am perfectly familiar with the clause he read and I believe I understand and I know what the framers of the Constitution had in mind when they wrote that famous document. Certainly they had something in mind when they talked about domestic tranquillity and the general welfare referred to in the general welfare clause of the Constitution. No one can say that there is domestic tranquillity in our country at this moment. In other words, the telegrams belie any statement that there is the kind of domestic tranquillity which the founding fathers said there should be, and which they gave to the people of America at that time through the instrumentality of the Constitution of the United States.

What we know today is that our tottering domestic tranquillity will not improve so long as this strike continues. Instead of having domestic tranquillity, we shall have chaos, we shall have disorder, we shall have riots, we shall have everything that a free Nation should not have—and especially a Nation which is in the economic position which we occupy in the world today. Never before in the history of America, Mr. President, were the people of our country better off than they are at this moment. The farmers have plenty. The laboring man has never received such wages as he is receiving at this hour. Our industries have plenty and more if they have an opportunity to work full time. More money is in the banks than at any other time in the history of our country. However, notwithstanding all these bountiful blessings which have been bestowed upon the American people, Mr. President, we find ourselves in a position where we seemingly cannot shake off the selfishness, the lethargy, and the indifference which exist in the United States today.

Mr. MAYBANK. Mr. President, if the Senator will further yield, I should like to make a further statement to him. I am in thorough accord with what he has said. Today domestic tranquillity in the United States is beginning to be broken down. I thoroughly agree that unless something is done very shortly, there will be nothing but turmoil and confusion, in absolute violation of every thought and wish which the framers of the Constitution of the United States had.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to my friend the Senator from California.

Mr. KNOWLAND. First, I should like to commend the distinguished and able senior Senator from Illinois for calling this matter to the attention of the Senate in his capacity as Senator from the great State of Illinois—not that the Senate did not know the seriousness of the situation, because for more than 30 days the public press has been filled with comment about it.

I would not want the distinguished Senator from Illinois to believe that the problem is one which affects and concerns only the eastern seaboard or the Middle Western section of the United States. I hold in my hand a number of telegrams which I shall ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks. They come from the State of California, from those engaged in agriculture and food processing, pointing out that if this strike continues it will adversely affect most seriously the food crop of the State of California and its movement to the markets of the Middle West and the East and, in turn, it will affect the opportunity of California, one of the great agricultural States of the Nation, to help

carry the load of the serious famine situation facing the world.

Mr. President, at this time I ask unanimous consent to have the four telegrams which I hold in my hand printed at this point in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

SAN FRANCISCO, CALIF., *May 6, 1946.*

Hon. WILLIAM KNOWLAND,
Washington, D. C.:

This association representing majority frozen fruit and vegetable packers in California seriously alarmed over continued soft coal strike. Refrigerator cars absolutely necessary for transportation and present available supply already reduced 30 percent due inability of railroads to return them to Pacific coast. Storage capacity here completely inadequate as soon as apricot crop matures. Unless cars are available heavy food losses can occur. Urge your vigorous support to promptly settle strike.

WESTERN FROZEN FOOD PROCESSORS ASSOCIATION,
A. H. HARRISON, *Managing Director.*

SACRAMENTO, CALIF., *May 6, 1946.*

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.:

Fresh California deciduous fruits just getting under way. Expect first carloads cherries move this week. Express company however advises that account coal strike every possibility serious car shortage immediate future. In addition K. V. Plummer, general manager Pacific Fruit Express, advises supply of empty refrigerators destined west materially reduced account coal strike. We respectfully but emphatically request that you use your influence to see that coal strike settled immediately even though it means national legislation making it impossible for labor leaders such as John L. Lewis to tie up the Nation.

CALIFORNIA FRUIT EXCHANGE.

LOS ANGELES, CALIF., *May 6, 1946.*

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.:

Vegetables, fruits and perishable foodstuffs cannot be shipped east unless the flow of refrigerator cars westbound is permitted. We understand Eastern roads not moving refrigerator cars to Chicago connecting lines in sufficient volume to meet requirements account coal situation. ODT has already acknowledged the necessity of moving foodstuffs but we must have a continuous supply of "reefers" to do this.

AMERICAN FRUIT GROWERS, INC.
J. D. KERR, *President.*

OGDEN, UTAH, *May 6, 1946.*

The Honorable FRANK KNOWLAND,
Senate Office Building,
Washington, D. C.:

We are informed that because of the coal strike the railroads are not returning empty refrigerator cars to the west coast. The car supply today is 40 percent below last week and is getting progressively worse. It is essential that this coal strike be settled so the railroads can get western growers and shippers relief or the California crops will be lost. Would appreciate anything you can do to bring pressure to settle this coal strike.

CALIFORNIA FROZEN FOODS, INC.,
R. D. PRINGLE, *President.*
MODESTO, CALIF.

Mr. KNOWLAND. Mr. President, I wish to say, in addition, that—as the Senator from Illinois has pointed out—we have just come through a very costly war—costly in lives and costly in resources. The people of the world, having seen men who used their power without having a sense of responsibility, are determined that never again shall that happen in the field of international relations; and with hope and faith in their hearts they have established the United Nations, so that men may meet around the conference table and settle their disputes rather than resort to war.

Mr. President, is it possible that when we have such faith and hope that the United Nations shall prevail and successfully operate in spite of the fact that there are involved differences of language and historic background, we are to sit in the Senate of the United States and say that industrial warfare cannot be settled by conference-table methods? I had hoped that the constructive forces in American labor—and there are many constructive leaders in the American labor movement—would themselves recognize the fact that with power must go responsibility. But, Mr. President, if there be men who do not recognize that fact, there rests upon the Congress of the United States a responsibility which cannot be sidestepped and which should not be avoided.

I serve notice now, Mr. President, on the majority leader, and through him on the President of the United States, that unless this situation is settled within 48 hours, I shall move that the Calendar No. 1196, House bill 4908, be taken up, the British loan measure and other pending legislation to the contrary notwithstanding. I agree with the Senator from Illinois that this matter is so serious and the consequences to the Nation are so vital we should exercise our responsibility of meeting the problem head-on now. Instead of making it necessary to hold extensive committee hearings, I shall propose that the bill be taken up and perhaps the Senator from Illinois will present his proposal as an amendment to the bill, and perhaps other amendments will be offered as well. However, we will at least have on the floor of the Senate of the United States a vehicle by which we can take action and show that the Senate of the United States recognizes the seriously critical problem now facing the people of America.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Illinois yield to the Senator from Oregon?

Mr. LUCAS I yield.

Mr. MORSE. After listening to the able address of the Senator from California, I wish to make a few remarks with reference to the strike situation now existing in the coal-mining industry.

I find myself in agreement with the main point of view which has been expressed by the Senator from California, but I think that we should pause and take note of a little history of labor relations in the past few months, because I believe that such history has a direct bearing upon the crisis in which we now find ourselves.

I may say, Mr. President, that I believe it is well for the American people to take note of how important is the work of the miners down in the bowels of the earth in relation to the economic welfare of the entire country. For too long a time we have been inclined to ignore the significance of the work performed by the coal miners in relation to the welfare of all the people of the country. For many years there was probably no class of American labor which was exploited so much, which suffered so much, and at whose expense great profits were sought to be made at the cost of the health and safety of the workers as has been the case of the coal miners. I make that statement because, in such an hour as this, it is very easy for us to overlook the merits of the miners' rights to decent wages and conditions of employment. I have yet to find a labor dispute of which there are not two sides. I assert that if we go into the coal-mining dispute and make a good-faith impartial analysis of the controversy we will find that there is much right on the side of the miners.

Bad as this dispute is, unwise as it is, unfair as it is to the common welfare and the public interest, this much good is coming out of it, namely, it is showing how interrelated and interdependent harmonious labor relations are to the daily lives of each one of us. Furthermore, it is educating many of our citizens as to the importance of the lowly, honest, hard, sweating job of the coal miner to the bread and butter and comfort of all the rest of us. Surely work upon which we are all so dependent for our national economic prosperity is work which is deserving of good wages and every possible protection of the health and safety of the miners. Much injury to our economic life is bound to result from this serious strike, and I think the strike should not have been called, because I think a fair decision could have been reached through arbitration, but, be that as it may, one result of the strike will be to enlighten the public as to some of the working-condition problems of the miners. These really heroic workers are entitled to a much better standard of living than the public has allowed them to enjoy. I say allowed them to enjoy, because, after all, their wages are necessarily dependent upon the price of coal, and the coal operators cannot pay them wages which the profits of the industry do not earn. Too frequently the public is a hard taskmaster because of its unwillingness to pay a fair value for service received from the workers and farmers of the country.

This coal strike is not the first threatened paralysis of our economy since VJ-day. Of equal importance but not so dramatic have been the steel, automobile, oil, and other major disputes. Each one of them has had the potential power of paralyzing the reconversion program. But it is my judgment that ever since VJ-day there has been a failure on the part of the Government of the United States to live up to its full obligations in regard to the great industrial controversies which have taken place. I have said before on the floor of the Senate—and I now repeat—that I do not believe

the record will support an argument that the present administration has to date done all that it could do through the great prestige of the Chief Executive's office to put into application the voluntary principles by which I believe labor disputes should be settled. What attempts have been made by this administration to get the parties to accept voluntary arbitration of this coal dispute? Perhaps attempts have been made, but I have not read of them in the newspapers. Perhaps steps have been taken to try to get the two quarreling parties in the coal-mining dispute to sit down and settle their differences by voluntary arbitration, but if such steps have been taken the public does not know about them. After all, it is the public that is always the final arbitrator in all such disputes. I do not know what the President of the United States, up to the present hour, has done by way of using the prestige of his great office in trying to get these two warring economic factions together around the arbitration table. Mr. President, I repeat what I have said before: I know of no fairer procedure, I know of no more effective procedure, and I know of no procedure which will guarantee the settlement of any labor dispute on its merits in accordance with judicial process than that of voluntary arbitration. Ever since the strikes started, beginning with the strike in the automobile industry, and later in steel, oil, railroads, and now in coal, I think the prestige of this administration should have been used to a greater extent than it has been used up to the present time for the purpose of getting these controversies settled by way of voluntary arbitration. In such a procedure the facts speak for themselves. In these disputes arbitration would have shown up the positions of labor, employers, and Government.

Mr. President, why do I keep talking about the Government being a party to these disputes?

Mr. LUCAS. Mr. President, I hope my good friend will not consume too much time.

Mr. MORSE. I assure the Senator from Illinois that I will be through in 2 minutes. He may take out his watch and time me.

Mr. LUCAS. I thank the Senator.

Mr. MORSE. I think that the Government should have done more than it has done up to the present time in trying to get these disputes settled by voluntary arbitration, because the Government is necessarily a party to these strikes so long as it continues to exercise economic controls over industry during the reconversion period. We are in the midst of a wartime economy. I believe the Government has very much of a vested interest in these disputes, and it cannot shirk its responsibilities by telling labor and industry to settle their differences by free, collective bargaining. Collective bargaining is not free in the sense of normal economic conditions because the Government still fixes prices of basic commodities and rightly so. It must continue to do so until the supply of goods is balanced with purchasing power. I submit that the failure of the Government to participate as a party to these disputes has caused much inflation in this country. Labor has suffered because the largest part of the wage increases in dollars will prove to be no increase in real wages. It is only increases in real wage that result in an increase in living standards for the workers.

Mr. President, I close with a suggestion. As I said earlier today in a press conference, there is, of course, no economic combination in this country including the United Mine Workers of America, or any other group, which should be permitted by Government to proceed with economic action which results in prostrating the economy of the country. The enforcement of that proposition in no way involves a sacrifice of the exercise of labor's freedom. Labor has no license to do great damage to the common good. I want labor to have all the freedom to which it is entitled under our democratic processes of good faith, collective bargaining, and the use of economic measures, if necessary, against an unreasonable employer in order to assure that just labor demands are met. But when economic stoppages take on the characteristics of a general strike, or stoppage of the economic activities of the Nation, a government which deserves being called a government must, of course, step in and protect the important public interests which, include those of employers and laborers as well as the rest of us. This right of freedom is a relative right. It must be exercised in the interest of the individual or group but not to the jeopardy of the common welfare.

Hence, Mr. President, I close by once again, as I have in connection with past labor disputes, making a plea to the President of the United States to exercise the leadership which I think we are entitled to receive from him and which we have not received in connection with major labor disputes. On the contrary, we heard a speech delivered by him last October, called the wage and price speech, which has proven to be the greatest inflationary force since VJ-day. It was both economically and procedurally unsound. I fear that labor interpreted it as saying, "Come and get it, boys." It failed to set up procedures for the settlement of wage disputes during the reconversion period in keeping with the anti-inflation program. I think the President must follow up that speech by exercising that leadership which will endeavor to get the warring economic forces together around the conference table or to adopt voluntary arbitration if necessary for the settlement of disputes in accordance with the evidence which should be presented during this reconversion period by all three parties in any dispute, namely, labor, employers, and the Government.

Mr. LUCAS. Mr. President, I do not altogether agree with my able friend from Oregon in some of the remarks he has made. I am not here to assess blame. I do not care what has taken place in the past. Senators may attribute the present crisis to anything which they desire. We are not dealing with a theory; we are dealing with a condition. When a condition exists of the seriousness which I believe is associated with the present strike, it does not make any difference what has occurred in the past. Men of courage and men of patriotism must meet the situation irrespective of their political faith, irrespective of their economic views, or anything else, if they believe in the fundamental concepts of a free and orderly government.

I am proud of my labor record in the Congress of the United States. I think that outside of the Smith-Connally Act I have supported every labor measure that has come before the Congress in the 12 years I have served in it. But the time comes, Mr. President, when an honest and independent legislator cannot rubber-stamp everything, and that is particularly true when one believes that the fundamentals of a great government is at stake. Under such conditions, as far as I am concerned, nothing else counts.

This country has been pretty good to me, Mr. President. I know what it is to toil with my hands. I know what it is to work in the field from morning to night. I know what it is to fire furnaces and do other manual labor in order to get an education. This is the only Government in the world which would give me, an humble boy from the farm, an opportunity to come here into the United States Senate and present my views in behalf of the great people of Illinois whom I represent.

Mr. President, when the time comes that my Government is threatened by some internal or external disorder, everything else goes by the wayside, and I shall stand and fight for what I conceive to be the best interests of my America. My political fortunes mean nothing to me under such circumstances. I would rather go back to Havana, Ill., practice law, fish, and hunt the rest of my life, and live in a peaceful and quiet community, if that should be the political penalty for attempting to serve my country in her hour of trial.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. KNOWLAND in the chair). Does the Senator from Illinois yield to the Senator from Kentucky?

Mr. LUCAS. I yield.

Mr. BARKLEY. Mr. President, I merely wanted to ask the Senator to yield to me in view of the fact that the Senator from California [Mr. KNOWLAND] served notice on the President that if the coal strike is not settled within 48 hours, he proposes to move to take up a bill on the calendar, I suppose the one reported from the Committee on Education and Labor.

I wish merely to say, Mr. President, that any Senator has a right to move at any time to take up any bill on the calendar, and if the motion prevails, it automatically displaces the bill under consideration. I should like to admonish the Senate, however, that 2 years ago Congress passed what is known as the Smith-Connally Act, passed it when it was angry at John L. Lewis, passed it largely because it was angry at John L. Lewis because of another coal strike that

was threatened, or which may have been in progress at the time.

President Roosevelt vetoed the bill, and in his veto message stated that it would encourage rather than discourage strikes, and that it could not be conceived to be written so as to prevent strikes.

Congress, because it was still angry at John L. Lewis, passed the bill over the President's veto. I challenge any Member of the Senate or any American to tell me what strike that act has prevented up to this date. Whether President Roosevelt was correct or not in saying that it would encourage strikes I do not now undertake to say, but I do say that it has not prevented any strikes in the United States.

I shall not take the time of the Senator from Illinois or of the Senate to discuss the merits of the present coal strike. But even if the Senate were to take up the bill referred to, now on the calendar, and pass it, even in the form in which it has been reported by the Committee to the Senate, or in the form in which it passed the House, I doubt very seriously whether it would have any effect upon the strike now in progress.

I am as anxious as any man in this body to help to pass legislation to compose industrial differences. I was the author many years ago, when I was a Member of the House of Representatives, of what I believe was the best labor legislation ever enacted in the history of the United States, and I have referred to it here now and then. It was known when it was introduced as the Howell-Barkley bill, being introduced by me in the House, and by Senator Howell, of Nebraska, in the Senate. It became the law in 1926, and has been on the statute books ever since, with some amendments.

That legislation has done more to adjust labor controversies on the great transportation systems of the United States than any other law ever enacted to affect any industry. That is because both the employees and the employers sat down together and helped to work out the legislation. The 20 railroad brotherhoods worked with the Association of Railway Executives during one whole recess of Congress, for 9 months, in framing legislation they could support, and when Congress reassembled after the first introduction of the bill, the legislation was passed almost unanimously in both Houses of Congress.

Mr. President, Congress will be unwise, in my judgment, if it enacts a law merely because Congress is angry at some one man, whether it be John L. Lewis, Philip Murray, William Green, or anybody else, or whether it be the head of the Association of Coal Operators or of the executives of the railways or any other industrialists or employers of labor. Congress, should, in its quiet moments, when it is not agitated by some immediate emergency, when it is not spurred on by anger, when it is not goaded by the sharp stick of a strike that is already in existence, write legislation, and not wait until we are in the midst of a great crisis, and then, because we are angry at someone, pass another foolish law which will not stop strikes or prevent them or do anything toward settling labor disputes.

Mr. President, I make reference to the Smith-Connally Act as a justification for my belief that Congress cannot settle labor disputes by passing legislation overnight and in a hurry because it is agitated on account of anger at somebody.

Mr. BREWSTER. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. Let me ask the able Senator from Kentucky, in view of the last statement he made, what he would suggest, if anything. Are we in Congress to permit nature to take its course, by remaining silent and doing nothing?

Mr. BARKLEY. I am not suggesting what the President should do. I deny the assertion on the part of anyone that the President has been inactive or that the Secretary of Labor has been inactive. Numerous conferences have been held during the last 5 weeks among the parties to the dispute, under the theory that they are engaging in collective bargaining. I do not know what has transpired in these conferences, I do not know how far they have gotten toward an agreement. I understand from the newspapers that the question of wages has not yet been critically discussed because of the proposal to create a health and welfare fund out of the operation of coal mines for the benefit of the coal miners of the United States. In my judgment, certainly no one can offer any legitimate objection to the creation of such a fund. After we have seen the danger to which miners subject themselves by going down into the bowels of the earth; how inspection has been neglected by those charged with the duty of inspection to preserve life and health; how in my own State recently there was a mine explosion which killed 50 or 60 or 70 men who had gone into the mine to dig coal for the rest of us—certainly I cannot object, and I do not believe anybody else can, to the creation of such a health and welfare fund on behalf of the miners. Whether it should be administered by one man is another matter.

Mr. LUCAS. That is the main point, is it not?

Mr. BARKLEY. I do not know what is involved, because I have not been told by anyone who has sat in these conferences.

Mr. LUCAS. Nor have I been told.

Mr. BARKLEY. All I know is what is in the newspapers about it. Whether it is true or not, to me there is no objection to the creation of such a fund for the benefit of the miners. I know that the Secretary of Labor has been diligent in his efforts to bring the parties together.

Mr. LUCAS. The Senator is correct.

Mr. BARKLEY. I know the President of the United States has sat down in conference with both sides in undertaking to get the parties together. I know that today there is meeting in Washington the council of the United Mine Workers, for the purpose of considering something; I do not know what. I have not been told, and I have no right to inquire of them, and cannot know, unless they want to make it public.

The point I am making is that we cannot wisely legislate because of anger, we cannot wisely legislate because someone may be irritated at some one man in the world who has more power perhaps than he should have. But he has it because those whom he represents have given it to him.

I think that when we come to legislate on the subject we should legislate in a manner so that no President of the United States would be justified in saying that what we are doing would encourage rather than discourage strikes, and would encourage disagreements rather than bring parties together.

I am prompted to make these remarks by reason of the warning issued to me by the Senator from California that if this strike is not settled within 48 hours he is going to move to lay aside the pending legislation to take up Calendar 1196. I assume he had in mind the so-called Case bill, as modified by the Senate Committee on Education and Labor, which is now on the calendar by reason of having been reported from that committee.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BREWSTER. In connection with what the Senator from Kentucky has said, I wish to say that I share his views as to the undesirability of legislating in anger, but I have been a Member of the Senate for the past 6 years, and I was in the other House for 6 years; that is 12 years out of the 20 years that have elapsed since the Senator from Kentucky put through one of the most constructive labor measures we have ever seen. I am quite in agreement with him on that score. Twenty years have elapsed, and the whole country has been in increasing ferment. It has been increasingly evident that year after year we were moving toward a crisis. For the past 3 years I have had a measure in the Committee on Education and Labor on which I could not even obtain a hearing. I am sure the Senator from Kentucky will confirm that it has been utterly impossible to get measures of any character out of the Committee on Education and Labor, a committee which is supposed to advise us on these problems.

Mr. President, I could only wish that the interest and earnestness and zeal which the Senator from Kentucky has manifested now could have been manifested in the past years, so that we could have gotten constructive measures out of committee in order that we could have considered them in calm, as the Senator from Kentucky urges. That is what we should have done, and it is what this administration has steadfastly refused us an opporrtunity to do.

Mr. BARKLEY. Mr. President, it is always easy to say that the administration has done or has not done something. It is always easy to inject a little partisan politics into any discussion in the Senate on the slightest provocation. We all know that the situation has become acute since the end of the war, in the postwar period of readjustment, and we all recognize the fact that it might have been wiser years ago to anticipate some such trouble as this. But the Congresses

and legislators and legislatures as a rule are not in the habit of looking very far ahead until they are compelled to do so by something that arises to call their particular attention to a situation.

Mr. President, I am not a member of the Committee on Education and Labor, and I do not agree with the statement made by the Senator from Maine that it has been utterly impossible to obtain consideration in that committee for any worthwhile labor legislation, or even to secure a hearing. I do not know what the Senator's bill provides. I do not know what effort he has put forth to obtain a hearing, or whether a vote was taken in the committee respecting whether there should be a hearing or not. I do not know anything about that. Therefore I am not qualified to say whether the Committee on Education and Labor has been derelict in its duty in not giving the Senator a hearing on his bill. I do not even know what his bill provides. I am sure the bill was introduced by him in the utmost good faith, in the belief that it would solve at least some part of the labor problem.

Mr. President, in view of its past history, I am urging the Senate not to rush in here at the last minute, while mad and frothing at the mouth, in order to pass something so as to say that we have dealt with the labor situation. I doubt very seriously whether any legislation that could be passed now could have any effect upon any strike that is now in existence.

I thank the Senator from Illinois for yielding. I had not intended to take so much time.

Mr. LUCAS. Mr. President, I am not mad at anybody. I am not frothing at the mouth over this situation. But I am tremendously interested. I am more than interested because if I read the signs of the times aright I see a growing crisis in this country.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FERGUSON. I think the able Senator from Illinois has presented to the Senate in the last few days a question which should be carefully considered by every legislator. I wish to say that I believe the Senator from California has made a good proposal, which is that if something is not done in the very serious situation in which we find ourselves today, the Senate should take up Calendar No. 1196; H. R. 4908 known as the Case labor bill.

Mr. President, I think the time has come for action. While I agree that we should never legislate in haste, that we should never legislate in anger, yet I must say that I have now been in the Senate about 3½ years and have not found any policy respecting the labor situation on the part of the Senate or the House. The bill has been in committee for months. It has now been voted out of committee and is in the Senate, and I think the time has come when it should receive the careful consideration of the Senate.

Mr. President, it has been said by the able leader that he does not know what is going on with respect to the coal strike. I, for one, believe that the policy-making body of the United States is the Congress, and it is the duty of the able leader, the Senator from Kentucky, to know what is going on in this coal strike.

Mr. BARKLEY. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. BARKLEY. What I said was that I did not know what is going on in these conferences between the miners and the operators. That is what I said. Does the Senator from Michigan know what is going on in the conferences? If so, I would be glad if he would tell me, if he knows the conversations and the proposals that have been made between the miners and the operators. That is what I said I did not know.

Mr. FERGUSON. I wish to say that I think it is the duty of the leader of the Senate to know what is going on after 35 days of these conferences.

Mr. BARKLEY. The Senator from Michigan thinks I ought to take a sledge hammer and break in the door at the conference and listen in to what is going on. That may be his method of obtaining information, but it is not mine.

Mr. FERGUSON. Mr. President, I have not suggested that the able Senator from Kentucky try to use a sledge hammer to ascertain what is going on in these conferences. I understand that the Department of Labor, one of the agencies of the Government, has been sitting in on some of these conferences, and I therefore suggest that at least the administration which is now in power should know what is going on in these conferences, and if the conferences are not proceeding to an issue, if the conferees are not solving the problem, then we in Congress should see to it that laws are passed so we can solve these problems.

I want to call the attention of the Senate to the fact that we have some statutes upon the books which have been used in the past. As I recall there is the Smith-Connally Act on the books. That act was brought into play when there was a strike in the oil industry, because I discussed the matter with the President of the United States. It was brought into play respecting the oil issue, and that question was solved.

When there was a strike in the meat industry that act was brought into play. But I cannot understand why today it has not been brought into play, after some 30 days of strike in the coal industry.

We talk about creating more laws. I think the time has come when we should not only use the laws we have, but when Congress sees that a situation exists which needs further action, Congress should take action. I, for one, do not believe in legislation that will prevent strikes. But I say that there comes a time when the public welfare is superior to the rights of either labor or industry or both, and that is the time when Congress should act.

The able Senator from Illinois has called to the attention of the Senate how serious is the situation in his State, and I think as serious a situation exists in practically every State in the Union. Therefore in my humble judgment the time has come when action must be taken because the welfare of the Nation is being trampled upon by those who wish to advance the welfare of industry on the one side and organization of labor on the other side. Situations such as this cannot exist in a free country such as America.

Mr. President, I would not consider that we would be acting in haste if we take up the labor bill. I would not consider that we were acting because we are angry if, in 48 hours, we take up the labor bill. I would consider that we were taking it up deliberately because we felt that the welfare of the Nation was at stake, and that the time had come when the Congress of the United States should consider what must be done for the welfare of the Nation. We must see to it that our hospitals and other public institutions can continue to function. We must see to it that our country should continue to function, and that it should not be told what to do by any particular group.

Mr. President, the time has come in America when we had better look into the questions of monopoly. It is not a question of whether monopoly exists in labor or whether monopoly exists in industry. We are now faced with this situation. I think that in violation of the antitrust laws, labor as a whole in the coal industry wants to deal with management as a whole in the mining industry, and that is monopoly on each side. Monopoly is in direct violation of the institutions and the fundamental principles of a democracy such as ours.

Mr. President, if we are going to allow monopoly to exist in labor, if we are going to allow monopoly to exist in capital, we shall have monopoly which always considers itself to be bigger and stronger than the Government of the United States. Therefore, if we act now we are only acting in self-defense, and America must defend itself from any group which thinks itself superior to the people of the United States.

Mr. President, if something else is not done in the next 48 hours, I hope the Senate will lay aside for a few days the bill which is now before it, and take up the labor bill, in order that we may do something for the Nation and that we might act in self-defense.

Mr. BARKLEY. Mr. President, will the Senator from Illinois yield to me so that I may ask the Senator from Michigan a question?

Mr. LUCAS. I yield.

Mr. BARKLEY. The country was agitated a few weeks ago by a strike in the automobile industry in Michigan. When that strike was in progress did the Senator exhibit the haste he now seems to approve in doing something by way of legislation in 48 hours in order to stop that strike in Michigan?

Mr. FERGUSON. The Senator from Michigan felt that that was a very serious matter, and took up with the executive branch of this Government the question of the settlement of that strike. That strike differed from the present strike only in degree. The welfare of the Nation was at stake there, but not as

gravely as it is at stake today in America, because the coal industry is a public utility. It affects all our public utilities. It affects the life of each and every one of us, and therefore only in degree is it more serious than the General Motors strike.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ELLENDER. I think it was fairly well demonstrated last Saturday what took place in the conferences. I cited to the Senate the statement of Mr. O'Neill, who represented the coal operators. I believe it was well demonstrated that the issue in this coal strike is not wages, not hours, but the question as to whether or not Mr. Lewis is to be permitted to force coal operators to pay tribute to a union—not a tribute which will be used for the benefit of the miners but a tribute to the union, which will be used by Mr. Lewis for whatever cause he chooses to use it. That is the issue.

Mr. BARKLEY. Mr. President, I should like to have statements from both sides as to what occurred, and not merely a statement from one side.

Mr. ELLENDER. Mr. Lewis has walked out on several occasions. He has never desired to discuss the questions of hours, wages, and safety. He said, "Unless I can get this 10 cents a ton tribute, we will not talk turkey." That is his attitude.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHEELER. Some years ago the Senate adopted a resolution directing an investigation of the coal-mining situation in this country. Senator Watson, who was chairman of the Committee on Interstate Commerce, appointed as members of the investigating subcommittee Senator Metcalf, of Rhode Island, who was a manufacturer; Senator Gooding, of Idaho, who was a former Governor who had had trouble with labor in his own State; an oil man from the State of Oklahoma; the Senator from New York [Mr. WAGNER]; and myself—three very conservative Republicans and two Democrats.

When we investigated the situation in the coal mines, every single member of the subcommittee came back and publicly deplored the situation which we found existing in the coal mines at that time. The coal operators themselves had imported from the South a great number of colored workers as strikebreakers—in Montana we call such men scabs. They herded these workers into corrals, and the regular miners were thrown out of the little shacks in which they had lived. They were compelled to buy from the company's stores, so that in many cases at the end of the month they owed the company money and had nothing whatever coming to them. That was the deplorable condition of literal peonage which we found in the coal mines at that time. As the Senator from Kentucky [Mr. BARKLEY] has stated, not only recently have there been explosions in mines in Kentucky and West Virginia in which a great many miners were killed but about a year ago there was a terrific explosion in a coal mine in my own State, in which 30 or 40 miners were killed, and a great many maimed. We are too apt to forget the fact that when one enters a coal mine to work he is undertaking one of the most hazardous occupations in the world.

I do not know anything about the present dispute, but I do know that the President of the United States has talked to the coal operators, and he has talked to the coal miners, and has tried to get them together.

I believe that if there is one group of workers in this country whose welfare and working conditions have been neglected it is the coal miners. The introduction of safety appliances and improved safety conditions in the coal mines has been neglected in far too many cases by the operating companies. There is no question about that.

Several years ago I was in one of the Southern States with a group attending a funeral. As we were waiting for the train a miner approached the group and talked with me. I asked him, "What is your business?" He said that he was a coal miner. I asked him, "Do you know Mr. Lewis?" He said, "No; I have never met him." I asked him, "What do you think of him?" He replied, "We used to work in these mines 12 hours a day for $2 a day. Now we are working 8 hours a day and we are getting $6 a day. What the hell do you think we think of him?"

In spite of all the criticism we hear about Mr. Lewis, he has done more to improve the standards of living of the coal miners in this country than any single man. If it had not been for the union and Mr. Lewis, we would still have a condition of practical slavery and peonage in the coal mines. In many places operators of coal mines have been among the worst employers in the United States. In Pennsylvania the operators even refused to permit the miners to meet in a church to hold church services because the companies in Pennsylvania owned the churches. They owned the stores. They owned the shacks in which the miners lived. Senators should see some of the shacks, these hovels in which families live. When the Senate committee to which I referred made its investigation, members of the committee were not even permitted to talk to some of the miners. We wanted to talk to the miners, but were not permitted to do so; the coal operators were feudal barons who ruled their domain like a king.

I have a great sympathy with the leaders of the coal miners' unions because I know of my own knowledge what they have been up against. I know what the unions have done to improve conditions in those instances in which neither the Federal Government nor the States have taken action to protect the miners or to look out for the welfare of the women and children. I know there is much yet wanting in the welfare of these people. I cannot, therefore, object to the unions saying, in effect, "Because of the fact that you did not pass any laws in your State to protect the welfare of miners, and you did not do anything to take care of the women and children, or to improve living conditions among the miners, we are taking it upon ourselves to do something about it."

This is not a one-sided question. I agree with what the Senator from Kentucky [Mr. BARKLEY] has said. When the steel strike was in progress a few weeks ago, I did not hear anyone shouting about passing a law in 48 hours. After all, the steel strike was something which affected the entire country to as great an extent as does the coal strike. The steel strike not only stopped the manufacture of automobiles, but it stopped everything else. I did not hear anyone shouting when the automobile strike was on, that we ought to pass a law within 48 hours. The same situation prevailed when other strikes were in progress.

Mr. President, I deplore many of the things which have occurred in recent strikes. I think labor may have gone too far in some instances. We talk about the Smith-Connally Act. I voted against it. On the floor of the Senate, when the Smith-Connally bill was under consideration, and before the President vetoed it, I stated that if such a law were enacted it would be an encouragement to strikes, rather than a deterrent.

Senators ask, Why is not something done under the Smith-Connally Act? Suppose we were to take over the mines tomorrow. The men are already on strike. They have no contract. If they do not have a contract they are not compelled to go to work. If the Government were to take over the mines, the Smith-Connally Act would have no effect whatsoever, in my opinion.

I want to see this strike settled. I want to see the impending railroad strike settled before it starts. This morning I went to see the President, and I suggested to him that he call the railroad executives and the chiefs of railroad employees together for the purpose of trying to settle a disastrous railroad strike which is in the offing.

The President recommended an increase of 18½ cents for steel workers. The automobile workers received an increase of 18½ cents. The miners in Butte received an increase of 18½ cents. But the railroad brotherhoods, which have not gone on strike and which are among the more conservative labor unions, obtained an increase of only 16 cents an hour for their workers. It is not a very satisfactory situation for members of the railroad brotherhoods to say to members of other labor unions, "We did not go on strike; we sat down and mediated," and be told in reply, "You got only 16 cents when you mediated, but when we went on strike we got 18½ cents."

Mr. LUCAS. Does the Senator see anything serious in the present strike situation?

Mr. WHEELER. Yes, I think there is something serious in it; and I think it ought to be settled. But, frankly, I do not believe that we in Congress can do anything to aid in bringing about a settlement of the strike by enacting a law within the next 36 or 48 hours, or next week. I want to see the coal strike settled just as much as does the Senator from Illinois, or any other Member of

the Senate. Frankly, I am afraid that if strikes continue, we shall have in this country a situation similar to that which existed in Europe when Mussolini and other dictators were brought into power. Frankly, I believe that labor is taking chances when it demands too much. I think it is making a mistake when it goes too far. In my judgment, in the long run such actions will react to the disadvantage of labor. I have said so repeatedly in public, and I say it now. I want to see the strike settled, and it ought to be settled.

Mr. LUCAS. I think the Senator will agree with me that if this strike is not settled within the next 3 weeks paralysis, so far as the transportation and industrial system of the country is concerned, will be complete.

Mr. WHEELER. Mr. President, I agree entirely with the Senator that we cannot stand idly by and see any group—I do not care what group it is—paralyze this country. But I am not at all sure that the coal operators themselves are not partly to blame for the situation which exists today. I know the position that many of the coal operators have taken in the past. I know that on one occasion one of the big coal operators came to us, in the course of an investigation, and said, "We would like to settle this strike, but we have a lot of others among our people who do not want to settle it."

Mr. President, at this time there are coal operators in the United States who do not want to settle the strike. They would rather see it go on and cause agitation to such an extent that the Congress would pass some kind of law to prevent strikes. But, Mr. President, we cannot make people work in the coal mines at the point of a gun.

Mr. LUCAS. Mr. President, does the Senator from Montana believe that in the rank and file of the coal miners there are many who would like to see the strike settled?

Mr. WHEELER. I think there is no question that the rank and file of the miners would like to see the strike settled; men on strike always want to see a settlement. Workers do not love strikes, despite what some employers want the public to believe. But they want justice and equity, too, and they are entitled to it.

Mr. LUCAS. I thank the Senator.

Mr. President, I wish to say that I know only what I have seen in the newspapers in regard to the facts in the case of the present coal strike. I assume that the facts which have been presented by the press of this country are fairly close to the truth.

Mr. LUCAS. My record in the Senate of the United States and in the House of Representatives definitely shows that I have never been for the coal operators in this country. I have been on the side of labor from the beginning, ever since I have been a Member of Congress. I have no intimate friends whatsoever among the coal operators. I have more friends among the rank and file of the miners in my State than I have among the coal operators. But when anyone cannot see what is coming if this strike is not settled, he has eyes that will not see and ears that will not hear, Mr. President.

I, for one, as a United States Senator, am going to do everything within my power, whether it is through legislation, in conferences, or what-not, at least to show to the people of my State that I am interested in this problem, which is the paramount issue confronting the Nation at the present time. I cannot sit idly by and remain silent and ignore the protests that are coming from my State, one after another, regardless of whether it is the labor organizations which are to blame or whether it is the coal operators who are to blame.

A moment ago I said that as far as assessing the blame is concerned, I do not wish to do that. But it is a fact that up until this time, as far as the press is concerned, the blame has been laid at the doorstep of John L. Lewis. Mr. President, there is no doubt about that. When a person refuses to talk about collective bargaining, but spends his time discussing the weather, the Bible, and literature, how can anyone regard that as a legitimate approach to collective bargaining under the Wagner Act which was passed by Congress? I was happy to vote for the Wagner Act. But, Mr. President, labor organizations, the same as industrial groups in this country, can go too far in the exercise of a power which is not rightfully theirs. After we have granted them the power conferred by the Wagner Act, they must assume some responsibility for orderly government in this country. I undertake to say that if the Congress of the United States cannot do anything until the Committee on Education and Labor brings out legislation, Mr. President——

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LUCAS. I do not yield at this moment.

Mr. President, if we have to wait until the Committee on Education and Labor brings out legislation upon this important question, it may be a long, long time before we get out of that committee any labor legislation upon this question.

I wonder how many members of that committee are giving any thought and study to this very important question at this time. I wonder whether the chairman of the Committee on Education and Labor has called a meeting of his committee within the last 2 or 3 weeks to discuss this very question, to see whether anything can be done.

Mr. MORSE. Mr. President, will the Senator yield on that point?

Mr. LUCAS. I do not yield at the moment.

Mr. President, if the industrial tycoons of this country or if the coal operators whom the Senator from Montana has mentioned were in the same position which John Lewis is in today, we would see the majority of Members of the Senate rising on the floor of the Senate and denouncing, condemning, and criticizing them and asking for legislation to put those barons in their place. If the information which has reached us concerning the facts is correct, John Lewis is in the same position today that the industrial leader was in 15 or 20 years ago when the industrial king was grinding the rights of the miners under his feet.

Mr. President, I know that the miners are entitled to their rights. I know that today they are entitled to a larger coverage on many things. I know they are entitled to certain health and accident benefits which do not accrue to them at the present time. They are entitled to a number of reforms. But this strike is not the way to get them. They cannot be obtained through the blackjack methods of this strike. They cannot get them through coercive bargaining.

I now yield first to the Senator from Maine.

Mr. BREWSTER. Mr. President, I believe that the Senator from Oregon wished to comment on the point made by the Senator from Illinois in regard to the committee meetings—if the Senator from Illinois will yield to him first on that point.

Mr. LUCAS. I yield.

Mr. MORSE. Mr. President, I rise to comment on the point made by the Senator from Illinois in regard to the activity of the Committee on Education and Labor, because I think at certain times this afternoon criticisms not too veiled have been hurled at that committee.

Although the chairman of the committee is not now in the Chamber, I think some member of the committee should rise to its defense, because I think there is a defense which can be made for it. I see in the Chamber at this time the Senator from Louisiana [Mr. ELLENDER] and the Senator from South Carolina [Mr. JOHNSTON], both of whom are members of the committee.

I wish to say that the committee has had extensive hearings on pending labor legislation. I wish to say that the labor bill which is now on the calendar comes to the Senate in such a form that Senators can vote either on the bill or on amendments to it which some of those who prefer the Case bill undoubtedly are going to advance on the floor of the Senate.

In addition, I should like to say that the Committee on Education and Labor now has under consideration a proposal for the appointment of a three-man special subcommittee to make an intensive study and investigation regarding what legislation, if any, should be reported to this Congress at the beginning of the next session for the solution of such labor problems as can be solved by legislation. Such a committee could perform a great service for the American people if it studiously and impartially went about the task of conducting a thorough Nation-wide study of the causes of labor unrest and the legislative remedies that should be adopted in the public interest. It is my thought that the penetrating analysis of a Senate investigation should be focused upon the practices of both labor and management.

But I think the majority of the Education and Labor Commitee—and quite rightly so—concur in the very able remarks which the Senator from Kentucky

made here this afternoon—namely, that under our system of government it is not restrictive labor legislation that really will solve the social and economic controversies which arise between employers and employees.

Mr. LUCAS. Mr. President, let me ask the able Senator from Oregon what he would recommend in the event there is no solution of the coal strike.

Mr. MORSE. Does the Senator ask what I would recommend as a solution of the coal strike?

Mr. LUCAS. Yes.

Mr. MORSE. I said earlier in the afternoon that I think this administration, through its highest office, should exhaust every possibility in trying to get this problem settled by voluntary arbitration. But, as I said earlier this year when we were confronted with a series of strikes then pending—the General Motors strike, the steel strike, and other strikes—when we reach the point that labor exercises its economic force to the extent that the common welfare of our country suffers by a general, over-all, Nation-wide economic stoppage, then it is the duty of a democratic government to step in, for whatever period of time it may be necessary to do so, and do all it can within the powers of government to operate the economy of the country until the parties to the disputes are ready to return to the principles of voluntarism on the basis of which collective bargaining really rests. In other words, if the Senator's question to me is whether I believe that the principles of representative government are violated when a democratic government takes over, during an emergency period, the economy of the country when paralyzed by what amounts to a general strike my answer is "No." I think that when such a critical period comes, it is the responsibility of government, in the interest protecting the common good, to see to it that the forces of government are used to protect all of us.

But let me say to the Senator from Illinois that I cannot believe that the United Mine workers and the coal operators, or the steel companies and the steel workers, or the other employer-employee groups in this country ever want to press their Government to that point. If they ever do then I say let us be ready to meet that challenge. I never flinched from it as a member of the War Labor Board long before I came to the Senate and I will not flinch from it now.

I think our Government first ought to do what this administration has not done to this hour—namely, use the prestige of this administration in trying to get the principles of voluntary arbitration to work.

Mr. LUCAS. Well, Mr. President, I have heard that argument before.

Mr. MORSE. I should like to have the administration answer it.

Mr. LUCAS. Mr. President, the Senator from Oregon makes one kind of argument, and another Senator makes another kind of argument, and so on. I assume that what the Senator wants the President to do is to take over the mines. I know that the President and Secretary Schwellenbach have met a good many times in attempting to solve this problem. The point I make is that if we assume that the operators and John L. Lewis are not going to get together and if we assume that the President is not able to make any progress, is there anything left for the Congress to do?

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BREWSTER. My point is somewhat different. I have not felt there was the same clarity in the definition of issues in this situation that I have believed to exist with reference to previous difficulties of the same character. I think the Senator from Illinois has referred to that fact. The Senator from Kentucky referred to it. It seems to me that inasmuch as the present situation has continued for 5 or 6 weeks, this country is entitled to have a precise definition of the issues. If the issues had been clarified we would have received statements by which public opinion on both sides of the issues could begin to crystallize. Is that not one of the elements which the Senator from Illinois believes we lack?

Mr. LUCAS. Mr. President, the present strike is entirely different from any strike that has occurred up to this time. If I read correctly the newspapers and understand correctly the situation with reference to previous strikes, they were solely economic strikes. They were called for the purpose of bargaining in connection with wages. There is no wage question involved in the present strike. It is a political strike. It is one of the new kinds of strikes which are developing in this country. In other words, the workers may strike for anything. If they do not like the Senator from Maine, for example, they may call a strike. I undertake to say that there is no place in America for that kind of a strike. There has never been a strike which involved such serious consequences, including the jeopardizing of the economy of the country, as does the present strike.

Mr. BREWSTER. What we have all heard about a great deal is that a demand was being made for 10 cents a ton of mined coal for the purpose of establishing a trust and welfare fund. Do I understand the Senator from Illinois to contend that a demand of that nature does not involve an economic issue?

Mr. LUCAS. My position is one of serious doubt. Moreover, Mr. President, the strikes which took place under the Wagner Labor Act involved issues of wages and hours. I do not know of any strike that was ever called solely for the purpose of trying to exact from the operators of the coal-mining industry, or other industries, a royalty for the purpose of establishing a health and welfare fund.

Mr. BREWSTER. Have not many strikes been held for the benefit of the check-off system?

Mr. LUCAS. Of that I am not certain, but I do not think so.

Mr. BREWSTER. As I have understood, there have been many such strikes. Would not the Senator from Illinois distinguish in any way between a strike for a check-off and a strike for a health and welfare fund, both of which are claimed to be of benefit to the union?

Mr. LUCAS. I believe there is a difference; yes.

Mr. BREWSTER. Does the Senator believe this strike is for the check-off system, or for health and welfare?

Mr. LUCAS. For the latter. Many strikes have been called in this country, Mr. President, which were not legal. I take the position that in this particular case, when the economy, the safety, and the welfare of the Nation are involved, a serious question presents itself under such conditions as to whether the workers have a right to strike under any theory. I seriously assert they should not have the right to continue their strike when government breakdown is threatened. Mr. President, Lewis wants to administer all of the $50,000,000 or $60,000,000, which it is proposed to collect through an imposition of a royalty of 10 cents a ton. I understood that the operators themselves had agreed to make a contribution to the mine-workers' union if the Red Cross or some other organization were allowed to administer the fund. But Lewis has refused to join in that kind of an agreement. According to what I understand the facts to be, he wants to handle the entire $50,000,000 or $60,000,000.

Mr. BREWSTER. Am I correctly informed that some of the major unions have already an income of approximately $320,000,000 a year which is being administered by the union officials?

Mr. LUCAS. I do not know.

Mr. BREWSTER. That is the figure I have heard bandied about. While I hold no brief for Mr. Lewis, I suggest that it is difficult to discriminate between the merits of the requests for power and authority on the part of the various groups which are striving for dominance in the labor movement.

In view of the accident and health record of the miners, I believe that the request for a health and welfare fund will appeal to almost all Americans.

Mr. LUCAS. If the records are correct, Mr. President, for approximately 19 straight days Lewis and the operators met and talked about nothing. Finally a hint came along that Lewis might talk about a royalty fund of 10 cents a ton of coal mined. But the question of wages or hours has never been discussed.

Mr. BREWSTER. I appreciate the contribution which the Senator has made, but I do believe that more of the picture could be clarified on both sides of the question. A strange fog seems to obscure the situation with reference to what is taking place and why.

Mr. LUCAS. The only thing that I am certain of is that the economy of the country is gradually being ruined by what is taking place between the operators and the miners of this country.

Mr. BREWSTER. The only thing on which I am clear is that the President has not as yet appeared to exercise the authority which he undoubtedly possesses in bringing this matter to an issue.

Mr. LUCAS. The President can seize the mines, and I have so advocated; but,

as it has already been said, after the President seizes the mines the miners may not return to work.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BARKLEY. There should be no misunderstanding about the distinction between the political and economic implications involved in this strike. Two years ago a similar situation occurred. Whether rightly or wrongly, the miners have always maintained that they would not work until they had a contract. Two years ago they quit work because, they said, they had no contract. For a month or 6 weeks, they did not negotiate.

One of the questions involved in that discussion was not only that of an increase in wages, but compensation to be paid to miners from the time they arrived at the mine until they reached their place of work. In some cases it was an hour and a half after they arrived at the mines before they started to work digging coal, and they were not paid for the time consumed in going and coming. That element was one which entered into the situation. It might have been economic. Some might say that it was political because if the miners had not obtained a contract and had gone out on a strike, it would have been necessary for the Government to take over the mines, and everything which the Government touches in anyway is political in the sense that politics is government.

I think it is a mistake to say that there is no wage question involved in the present dispute. I do not have the slightest doubt that there is a wage question involved. If we are to judge from what we read in the newspapers, the miners and their representatives have declined to discuss the question of an increase in wages until the question of a health and welfare fund has been determined. Whether the miners are right or wrong is a question on which I am not passing. I cannot discuss the merits of the procedure which is being followed. It is my understanding, and I believe the press has carried such information, that the question of an increase in wages, or how much the increase should be, has not been reached because of the difficulty being experienced over the preliminary problem concerning the health and welfare fund. However, I believe it is safe to assume that before the question of a health and welfare fund is settled there will be no discussion of wages. So we should not be misinformed about the situation. I do not know how political the strike is. If we say that the demand of the miners for the creation of a fund by which their health and safety may be taken care of, as well as that of their families, I am unable to understand how it could be political. I think it is more economic than political. It is certainly economic insofar as it affects the miner's health, his physical well-being, and his protection against being maimed in body and in health. As I see it, it is certainly economic and not political. Certainly the question of wages is not political. We can always ascribe some political phase to anything with which the Government has to do. But I could certainly not agree that the strike which is now taking place is a political one, unless we agree that the question of safety and health, and protection against being maimed and killed in coal mines three or four thousand feet below the surface of the earth is politics and not economics.

Mr. LUCAS. Mr. President, I do not disagree altogether with the able leader from Kentucky. I regret, however, that the Senator does not give us any impression of what may come about in this country if the strike is not settled, and does not state what if any thing can be done.

Mr. BARKLEY. Mr. President, I am sorry that the Senator ascribes to me any lack of interest in, or information with respect to what may happen in this country. I believe that I am as much interested in what could happen as a result of a prolonged strike, or a crippling of our industries, as is any other Senator, or any person who is not a Member of the Senate. My only object in injecting myself into the discussion is to answer the suggestion that we here in the Senate of the United States should pass some sort of a law within 48 hours that would settle this strike. The Senate of the United States cannot compel men to work. We do not have the physical power, the legal power, the military power, or any other kind of power to go forth physically and compel men to go into the bowels of the earth and work. The President of the United States does not have the power. He may take over the mines, and I know of no other course for him to follow, if the strike is prolonged, except to take over the mines. If he does take them over I hope the miners will return to work just as they did 2 years ago when the President took over the mines and appointed the Secretary of the Interior to operate the mines on behalf of the Government. As I say, at that time the miners did return to work, and I hope that they will do so in this instance if the President finds it necessary to take over the mines.

Suppose he takes them over, and suppose by any chance or for any reason the miners do not go back to work. Then what is the remedy? Can they be compelled to go to work? If not, can they be put in jail, and if they were put in jail, would that mean a ton of coal in the United States?

When we come right down to what the Senate can do to settle the strike, I am open for an answer. I do not know what the answer is, so far as any physical pressure that may be brought to bear upon the miners is concerned, 500,000 of them, to go back into the mines, if the President of the United States takes the mines over.

I believe the miners of this country are as patriotic as any other group of people. I have gone down into the mines, I have gone among the miners, I have eaten at their tables, I have seen their children, I have visited at their homes and schools and churches, and they are just as patriotic as any other group of American citizens, and I believe and hope they would work if the President took the mines over. But we are asked what we can do to compel them, and I have not the answer as to what we can do to compel them to go into the mines.

Mr. LUCAS. Mr. President, In the statement I have made up to this point, I have not asked anything with respect to compulsion, but I am not going to take the defeatist attitude in considering this problem. I am not going to say that if the conference between the labor leaders and coal operators fail, nothing can be done. I shall never agree that this Government is hopeless and helpless in any crisis. If as some seem to think, the problem cannot be settled by the President of the United States, and Congress has no power to solve it, then government in this country as I have always understood it is in a pretty bad predicament.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FERGUSON. Some of the Senators apparently feel that if the law that is now on the statute books were used, that is, if the mines were taken over under a condition which threatens the very nation, the miners would not go to work. I for one do not believe that that is a fact. I know many miners. I know their attitude, I believe, and I know they are patriotic citizens, that if the question came to them for their own solution, and they were assured that by going back to work they could avoid a great calamity and a great crisis in the United States, they would return to work.

I for one do not doubt that the welfare of the miner, his health, and his working conditions, should be improved. I agree that is true. But those things should be taken up in advance of the first day of April, when the contract is expiring.

I submit also that the great mining States of this nation should provide for laws and regulations which would protect the miners in their working conditions.

Many years ago I came from a mining district, and had been in the mines as a boy, so I know something about the working conditions. I know that at that time there were laws which provided for certain safety devices, and those laws have been improved. The thing that has always struck me forcefully is that there has been no real attempt at the enforcement of the laws for the safety of the miners in the mines.

Enforcement of the laws is not always a question of dollars and cents. There are public laws; there are statutes upon the books in Kentucky, West Virginia, and Pennsylvania. If the laws were enforced by the States, the miners would not need a large fund to enforce them.

Mr. President, I think the time has come when we should first use the laws this Republic has to protect its own welfare in self-defense, and if those laws are not sufficient, then the Members of the Senate, classified as the greatest deliberative body in the world, should certainly sit down here in the Senate and try to provide for laws which would protect the rights not only of the miners but of all the citizens.

Mr. President, the question today is not whether this is an economic or political

problem involving the welfare of the miners. We will all agree that the welfare of the miners should be protected. The question is what tools and what instruments a miner should use to obtain the relief necessary. Should he threaten the very life—the very fundamentals—of the institutions of our Republic? I do not believe that the miners of this country want to threaten the life and the institutions of our country. I do not believe they want to drive the Congress or any other body to provide for laws which would interfere with their rights in the future.

First, we have to consider the liberty and the life of everyone. I am satisfied that if we use the laws we have today the miners of this country would see that this emergency was relieved. Then those miners and the mine owners should sit down and try to provide for the welfare of the miners, and the mine owners and people in the mining States should see that the laws which provide for the safety of the miners and the inspection of the mines were enforced, so that we would not need to have private citizens providing funds for the welfare of the miners.

The wages of the miners should be such that they would take care of their health and welfare, and the Nation, as a whole, should provide for laws so that their safety would be taken care of.

Mr. KNOWLAND. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. In just one moment. I shall yield the floor in a moment.

The question whether this is an economic or political strike is very material, as I see it. Whatever it is, this is a critical strike—it is a serious one—and the telegrams which come from my State give me that information.

I have a telegram here from Holly Stover, president of the C., E. & I. Railroad, which states:

> Unless coal production is resumed, one more week will black out our road.

Here is a telegram from Belleville, Ill.:

> Fifty percent of Belleville industry to be shut down in 10 days unless coal strike is settled. Urge speedy and effective handling of the situation to prevent national catastrophe.

Mr. President, that is what I am talking about all the time. That is what the people are thinking about. I agree with all that has been said with respect to the conditions in the mines in times gone by, but I undertake to say the question now is one of national catastrophe and disaster, which the Senate must consider.

Another telegram, from Chicago Heights, Ill., reads:

> We are manufacturers nonferrous metals principally ingot brass different alloys which we furnish to plumbing manufacturers and railroads which is most essential. Our plant in which we employ 150 help is closed. Are unable operate 24 hours per week and matter of fact all other plants in Chicago Heights are closed completely for want of power. What is solution?

Mr. President, I ask unanimous consent that the rest of these telegrams be printed in the RECORD as a part of my remarks, because they are all along the same line. These are only a few of the more important ones I have received since I spoke yesterday.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

DECATUR, ILL., *May 7, 1946.*

SCOTT W. LUCAS,
United States Senate,
Washington, D. C.:

I admire your courageous stand in the issues presented by the coal strike. I am sure you have the support of the public. Your suggested remedy is along the right lines and should be applied to all industry-wide strikes or lockouts. A strike against an individual employer is proper, but an industry-wide strike does not apply greater pressure on an employer. On the contrary it makes the employer's situation easier, since his competitors are also shut down and cannot capture his markets. Industry-wide strikes or lockouts are actions against the Government and the public. Concerted action by employers to shut down an industry is illegal under antitrust laws. Labor should be made subject to the same statutes and made responsible for actions against the public welfare.

A. E. STALEY MANUFACTURING CO.,
A. E. STALEY, Jr., *President.*

CHICAGO, ILL., *May 6, 1946.*

Senator SCOTT LUCAS,
Washington, D. C.:

Power curtail is seriously hampering our obtaining supplies for the manufacture of medical and hospital products, intravenous solution, and blood and plasma equipment. We urge most strongly prompt Government action in the coal crisis.

BAXTER LABORATORIES, INC.
GLENVIEW, ILL.

EVANSTON, ILL., *May 6, 1946.*

SCOTT LUCAS,
Senate Office Building,
Washington, D. C.:

A manufacturer of scientific glassware and its employees make this appeal for your immediate action toward resumption of coal-mining operation. This task is on your shoulders. Congress must act now to bring in what legislation is necessary to break the present situation and prevent a recurrence. We are forced to lose our livelihood for an indefinite period only because you have failed to act.

H. S. MARTIN & CO.

MORRISON, ILL., *May 6, 1946.*

Senator SCOTT W. LUCAS,
Washington, D. C.:

Fuel deliveries to farmers greatly reduced by restricted power regulations. Farmers out of tractor fuel cannot get deliveries on 4-hour bulk plant schedule. Imperative that seedbed preparation not be curtailed. Immediate action needed.

WHITESIDE COUNTY FARM BUREAU.

CHICAGO, ILL., *May 6, 1946.*

Hon. SCOTT LUCAS,
United States Senate:

As a taxpayer and voter of Illinois, we demand that you immediately do everything in your power about the coal strike before my plant, like thousands of other small manufacturers, go broke.

MASO STEEL PRODUCTS,
J. W. MURRAY, *President.*
SOUTH CLINTON, ILL.

CHESTER, ILL., *May 6, 1946.*

United States Senator SCOTT LUCAS,
Washington, D. C.:

Do not understand why something cannot be done with Lewis. We are trying to grind flour on Government order and will be forced to shut down if we are not supplied with coal.

GILSTER MILLING CO.,
A. L. GILSTER, *Vice President.*

PEORIA, ILL., *May 6, 1946.*

SCOTT W. LUCAS,
Congress of the United States,
Washington, D. C.

DEAR ELECTED REPRESENTATIVE: Please enact legislation that will allow us to go back to work now and that will never allow the general public to be hurt by one man like John L. Lewis again.

FIFTEEN EMPLOYEES OF CANTEEN SERVICE OF CENTRAL ILLINOIS.

ROCKFORD, ILL., *May 7, 1946.*

Senator SCOTT LUCAS,
Washington, D. C.:

We urge you to demand that the President use any emergency powers available to him to get the coal miners back to work. Our utility company has coal enough for 10 days or 2 weeks, at 50-percent usage of power, before a complete shutdown. National and local conditions make imperative immediate action resolution passed at emergency meeting of Rockford Automotive Maintenance Association representing a group of 50 business houses respectively.

REUBEN JOHNSON, *Secretary.*

NAPERVILLE, ILL., *May 6, 1946.*

SCOTT W. LUCAS,
The Senate, Washington, D. C.:

Coal strike and power restrictions will paralyze our industry beginning Wednesday afternoon; for the sake of our men primarily, do what you can to correct this condition.

DUPAGE BOILER WORKS,
CLYDE L. SAVAGE,
Vice President and General Manager.

CHICAGO, ILL., *May 6, 1946.*

Hon. SCOTT W. LUCAS,
United States Senate, Washington, D. C.:

Business is threatened with a complete shutdown throwing hundreds of thousands of people out of work here in Illinois. We are only able to operate 24 hours this week with the prospects of closing down completely on Wednesday of this week. What is being done by you to eliminate these chaotic conditions? Suggest corrective labor legislation be enacted immediately.

GREAT LAKES SPRING CORP.
HARRY FANTE.

MOUNT MORRIS, ILL., *May 6, 1946.*

Senator SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

As coal strike paralyzes the Nation we thwart farm food production this year. This in turn makes farmers fearful and slows up release of feedstuffs for foreign relief. Even the gains already made are being sacrificed. As a result the most important tool for the preservation of democracy which is food is lost and Europe as well as the Far East surely will be engulfed in chaos. We are hurrying the coming of World War III. For the sake of international stability and our own national security this Nation must resume production of coal at once. Our present national lassitude is national suicide.

WATT PUBLISHING CO.
POULTRY TRIBUNE.
HATCHERY TRIBUNE.
TURKEY WORLD.
BETTER FARMING METHODS.

CHICAGO, ILL., *May 6, 1946.*

Senator LUCAS,
Senate Office Building:

Our organization has at all times endeavored to supply many industries with all types of coil and flat springs, wire forms, and light stampings. The present coal strike has hampered our production and will cause our 377 employes undue hardship, because of the cut in hours, and the fact that many of them have no reserve to fall back on. We sincerely urge that you bring this serious condition to the attention of our President, and request that he do all in his power to bring this coal strike to an early settlement.

AMERICAN SPRING & WIRE SPECIALTY CO.,
S. P. DYBA, *President.*

CHICAGO, ILL., *May 6, 1946.*

Hon. SCOTT W. LUCAS,
United States Senator,
Washington, D. C.:

Hundreds of personal and telephone messages have been received in this office complaining of unnecessary hardship due to layoffs and shut-downs resulting from the coal strike. Please do your utmost as our representative in Washington to safeguard the interests of the 25,000 young men who gave up their liberty, homes, and in many cases lives to save America from dictatorship. "It can't happen here," is just a title of a book, but "It has happened here," is a reality today in Auburn Park.

THE AUBURN PARKER,
M. A. DWYER,
Editor and Publisher.

CHICAGO, ILL., *May 6, 1946.*

Hon. SCOTT W. LUCAS,
Care Senate Office Building,
Washington, D. C.:

Something must be done. Strikes, strikes, strikes, and then more strikes. We are partially reconverted and partly engaged in the production of civilian products when the steel strike sets us back. The present fuel strike permits only 24-hour workweek with the threat of further curtailment. This represents a weekly loss of 11,791 hours for our 487 factory workers, depriving them of 59 percent of their regular workweek hours. Now railroad strike is threatening. Are the unions running this country instead of Congress? We are depending upon you to do your part without procrastination. Something must be done immediately.

ADVANCE ALUMINUM CASTINGS CORP.

BLOOMINGTON, ILL., *May 6, 1946.*

Senator SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

Here's information on effect restrictive order use of electricity in Bloomington area. Most industries will work 3 days this week, then lay off employees. Job printing plants, already months behind, will now be required to force customers to wait longer for printing orders. Hourly wage workers will have shrunken pay checks. State Farm Insurance Co., largest automobile insurance company in the world, employing 1,800 people, already 5 weeks behind, now compelled to drop farther behind, therefore affecting thousands of customers. Garages and farm-implement-repair firms cannot handle needed repair work for farmers with corn-planting time nearing. Laundries and similar service institutions, already hard pressed for turning out work, will get farther behind. Retail stores cannot handle customers' needs in 3½-hour shopping time with limited clerical personnel. General confusion and dissatisfaction reign. Reconversion will suffer serious set-backs. Your efforts being appreciated.

BLOOMINGTON ASSOCIATION OF COMMERCE,
FLOYD D. SPERRY,
Executive Secretary.

CHICAGO, ILL., *May 6, 1946.*

United States Senator SCOTT LUCAS,
Washington, D. C.:

As you know Chicago is suffering as a result of the present catastrophe resulting from a lack of power brought about by the fuel shortage. As the employer of approximately 250 men and women it seems incredible that their families should be deprived of a livelihood due to the antics and unreasonable demands of John L. Lewis. Small business like mine cannot function under the present form of "democracy," and it is up to men like you to pass proper legislation to curb and prevent such occurrences. It is a shame that we must be subject to the will of dictators who tend to destroy small business by unreasonable demands. Let's stop this sort of thing now and I am sure that you will agree it is outrageous and will make every effort to prevent it happening again.

WILSON INDUSTRIES, INC.,
R. O. WILSON, *President.*

FREEPORT, ILL., *May 7, 1946.*

Senator SCOTT W. LUCAS,
Senator from Illinois,
Washington, D. C.:

Are you a representative of the people or John L. Lewis? Do you realize that small businessmen by the thousands, who had no big contracts and were subject to wartime restrictions, must have help now or suffer the loss of their business? I am not against unions, but I am against a man who can cause the trouble Lewis is causing now. If you must take it out on labor to keep him in line it is your duty to do so. You are a representative of all the people, not a few or any certain party at a time like this. We don't want dictators in labor, business, or Government. Please do your duty as an honest representative of the people should do.

L. D. BAILEY,
Businessman.

Mr. KNOWLAND. In order to keep the record straight, I wish to say that the suggestion of the junior Senator from California was to the effect that unless the present difficulty were cleared up and the coal strike settled within 48 hours, so that the economic life of our Nation would not be in jeopardy, I would move to take up the bill which is on the calendar. The Senator from California, as I know the distinguished majority leader appreciates, never suggested that the bill would have to be passed in 48 hours. I merely said I thought the emergency was so great that the Senate owed a duty to the country to take up the proposed legislation and give it consideration, and I said there was no legislation pending on the calendar of the Senate of the United States more important than that.

Mr. BREWSTER. Mr. President, I wanted to ask the Senator from Illinois a question.

The ACTING PRESIDENT pro tempore. The Senator from Illinois has yielded the floor.

Mr. BREWSTER. May I be recognized?

The ACTING PRESIDENT pro tempore. The Senator from Maine is recognized.

Mr. BREWSTER. I should like to ask the Senator from Illinois this question. I understood that before he concluded he intended to make a proposal as to what should be done.

Mr. LUCAS. I am preparing legislation which I hope to have ready tomorrow. I have spent some time on it, and with the help of the legislative counsel, am still engaged in drafting the proper legislative measure. I do not care to discuss it now, because I should rather wait until it is in its final form, but I hope to have it tomorrow, and not later than the next day. For whatever it may be worth, I assure the Senator from Maine I shall throw it into the hopper unless the strike shall be settled.

Mr. BREWSTER. I presume that also means the Senator is going to urge the Committee on Education and Labor to give it early consideration.

Mr. LUCAS. So far as I am concerned, if we can take up the bill now on the calendar, I may ask that the measure I am preparing be substituted for that bill, without ever referring it to the Committee on Education and Labor.

Mr. BREWSTER. Does that indicate that the Senator might consider proposing to take up the bill now on the calendar?

Mr. LUCAS. One proposal has already been made, and I do not care to interfere with what has already been suggested.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. MCFARLAND].

Mr. MCFARLAND. Mr. President, I entered into a stipulation in good faith with the expectation that I would receive the floor in 30 minutes. Now it is 10 minutes after 4. I even asked for the stipulation to be entered into. It was made because it was said that there was filibustering going on against the measure. The hour is late and I realize that the subject which has been discussed today is very important, but I want to call attention to the fact that when we stipulate with respect to anything we can never know what will happen in the intervening time, and how much time will be consumed on other subjects. I shall be rather reluctant ever to stipulate again.

Mr. LUCAS. I wish to say to the Senator from Arizona that I apologize to him for having taken up so much time.

I did not expect to take over 25 minutes, but many of my friends to whom I yielded—and I always gladly yield to them—took up considerable of my time. I am glad to sit here and listen to the Senator's argument, and I know that he will make a good one. If that is of any help, I am glad to make that contribution.

Mr. ELLENDER. Mr. President, will the Senator from Arizona yield?

Mr. McFARLAND. I yield.

Mr. ELLENDER. In view of the fact that much of the time that would have otherwise been taken by the distinguished Senator from Arizona was taken up by many of us in the discussion of the coal strike, may I suggest that the Senate now recess until, let us say, at 12 o'clock noon tomorrow.

Mr. LUCAS. How about 11 o'clock?

Mr. ELLENDER. I should say 12 o'clock tomorrow; and that the time at which a vote be taken on the amendment be postponed to, let us say, 2:30 or 2:45.

Mr. BARKLEY. Mr. President, I was about to suggest to the Senator from Arizona that in view of the consumption of time on another subject, which he had intended to consume on the loan to Britain, I am perfectly willing to ask that the time for voting be moved up. I am willing to ask that it be moved up to 3 o'clock. The Senator from Louisiana has suggested 2:30 or 2:45. I am willing that the Senate meet at 11 o'clock or 11:30 tomorrow in order that we may gain a little time.

Mr. McFARLAND. The only difficulty in meeting at 11 o'clock or 11:30 is that all Senators are attending committee meetings and it is very difficult to get them to come to the Senate floor.

Mr. BARKLEY. I do not know whether all of them are attending committee meetings. If the Senate were to meet at 12 o'clock, would it be agreeable to the Senator that the vote be taken at 2:45?

Mr. McFARLAND. How much time does the Senator from Kentucky want?

Mr. BARKLEY. Assuming the Senate meets at 12 o'clock, excepting for the time taken up by a roll call, if we vote at 2:45, we would have 2 hours and 45 minutes. I do not know how many Senators may want to speak against the amendment of the Senator from Arizona. So far as I am concerned, I am willing to take control of 1 hour and let the Senator from Arizona control the remaining time.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. WHITE. I look with some disfavor on meeting at 11 o'clock, unless notice has previously been given of such intention. My thought is that if we meet at 12 o'clock we might safely fix the hour for voting at 3 o'clock, or not later than 3 o'clock. It may very well happen that the discussion will run its length before 3 o'clock.

Mr. BARKLEY. The Senator from Arizona advises me that, acting upon his suggestion, one or two Senators have been assured that they could get away by 3 o'clock tomorrow.

Mr. WHITE. Therefore, I should suggest that the vote be taken at 2:45.

Mr. BARKLEY. If the vote were taken at 2:45, it would accommodate those Senators.

I ask unanimous consent that the unanimous-consent agreement entered into today be modified to provide that not later than 2:45 p. m. tomorrow the Senate shall vote on the amendment of the Senator from Arizona, and that instead of having an equal division of the time, that I be permitted to control 1 hour of that time, and the Senator from Arizona the remainder.

Mr. WHITE. Mr. President, I am assuming that the Senator from Kentucky will be generous with the Members of the Senate on this side of the aisle who may desire to speak.

Mr. BARKLEY. Yes; I shall be as generous as I can with that little time. I do not want to occupy the whole hour myself, I will say. I am willing to be as generous as I can be.

Mr. WHITE. I merely want to be sure that the Members on this side desiring to speak will have an equal opportunity with other Senators, to speak.

Mr. BARKLEY. I am willing to divide that time fairly.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. McFARLAND. Is it understood that I am to have the floor when the Senate convenes tomorrow?

Mr. BARKLEY. It is agreeable to me that the Senator be recognized. In fact, he has the floor now, and I am willing to agree that he may have it when we resume tomorrow.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. GREEN. Mr. President, will the Chair repeat the request?

The ACTING PRESIDENT pro tempore. The request of the Senator from Kentucky is that the previous unanimous-consent agreement entered into be modified to extend the time for voting to 2:45 p. m. tomorrow instead of 2 o'clock p. m.; and that the proponents of the amendment have an hour and 45 minutes and the opponents 1 hour of that time.

Mr. GREEN. That is a modification of the previous agreement. What was the previous agreement?

The ACTING PRESIDENT pro tempore The previous agreement was that the Senate vote on the amendment of the Senator from Arizona at 2 o'clock p. m. tomorrow.

Mr. BARKLEY. Yes; and that the time be equally divided.

The ACTING PRESIDENT pro tempore. The present request made by the Senator from Arkansas would extend the time for voting and lengthen the time of debate.

Mr. GREEN. I believe there was some talk about the time to which the Senate would recess tomorrow. Is that a part of the unanimous-consent request?

The ACTING PRESIDENT pro tempore. That is not a part of the unanimous-consent request. There has been no request respecting the time of convening of the Senate. The Chair assumes the Senate will convene at 12 o'clock tomorrow.

Mr. BARKLEY. I ask unanimous consent that when the Senate concludes its proceedings today it take a recess until 12 o'clock noon tomorrow.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. McFARLAND. There is no objection on my part if it is understood that I shall have the floor when the Senate convenes tomorrow, and that I shall have control of an hour and three-quarters of the time, and that the majority leader shall have control of an hour of the time.

Mr. BARKLEY. That time would be shaded a little by any roll call that might be had.

Mr. McFARLAND. Whose time will roll calls be taken from? The amendment under consideration is my amendment. I feel I am more than generous in stipulating as I have. I did stipulate because accusations had been made that we were not trying to arrive at a vote. I have tried to cooperate in every way possible. But I need at least a full hour and three-quarters to present our side of the case.

Mr. BARKLEY. Mr. President, the Senator from Arizona has been cooperative, and he has worked with me in trying to obtain an agreement. I do not see, however, how it is quite fair that all the time taken by roll calls should be taken out of my hour. No one knows how many roll calls there may be. The Senate might consume all of my hour with roll calls and I would not have an opportunity to say a word.

The ACTING PRESIDENT pro tempore. The Parliamentarian advises the Chair that under such circumstances the customary rule is that the time taken out for roll calls be deducted equally from each side.

Mr. BARKLEY. There may be but one roll call, and that is when we assemble tomorrow, and I shall cooperate to get a quorum for the Senator's speech. If there is more than one quorum call, I think the time taken out should be divided between the two sides, especially as the Senator from Arizona has nearly twice as much time as I have anyway.

Mr. McFARLAND. Very well.

Mr. BARKLEY. I do not think we will have any difficulty about that. The Senator and I do not usually have much trouble.

Mr. McFARLAND. No. But I certainly was misled this afternoon as to the time that would be consumed in discussing the coal strike. I know it was no one's fault. It was simply one of those things that developed.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky [Mr. BARKLEY]? The Chair hears none, and the previous unanimous-consent agreement will be modified as requested by the Senator from Kentucky.

Mr. McCARRAN. Mr. President, reserving the right to object, I regret that I was late in coming into the Chamber. What was the unanimous-consent request?

Mr. BARKLEY. The request made by me was to modify the unanimous-con-

sent agreement previously entered into to vote at 2 o'clock tomorrow on the amendment of the Senator from Arizona, the time from 12 o'clock to 2 o'clock having been divided equally.

Mr. McCARRAN. Is the vote in question on the joint resolution?

Mr. BARKLEY. No; on the amendment of the Senator from Arizona, and that only. There was no agreement as to the joint resolution itself. In view of the fact that the time which the Senator from Arizona intended to occupy this afternoon was taken up in discussing another matter, I asked that the agreement heretofore entered into be modified to provide for a vote on the Senator's amendment at 2:45 tomorrow instead of 2 o'clock.

The ACTING PRESIDENT pro tempore. Without objection, the unanimous-consent agreement heretofore entered into is modified as requested by the Senator from Kentucky.

Mr. BARKLEY. Let me ask the Senator from Arizona a question. In order to obviate the possibility of any delay because of roll calls, would it be agreeable to the Senator that the Senate meet at 11:45 a. m. tomorrow?

Mr. McFARLAND. I think that would be better.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of the Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

DEPARTMENT OF JUSTICE

The Chief Clerk proceeded to read sundry nominations in the Department of Justice.

Mr. BARKLEY. I ask that the nominations in the Department of Justice be confirmed en bloc.

JOHN D. CLIFFORD, JR.

Mr. WHITE. Mr. President, I should like to say a brief word with respect to one of these nominees, Mr. John D. Clifford, Jr., who is nominated to be United States attorney for the District of Maine. It is not often that my colleague [Mr. BREWSTER] and I are unanimously and enthusiastically endorsers of a Democratic nomination. I believe that Mr. Clifford was in college with my colleague. For many years he and his family lived directly across the street from me and my family. I have always had the most pleasant relations with him. He has served in the office of the United States district attorney for several years, and he has the warmest commendation from the United States district judge. I believe that he enjoys in an unusual degree the confidence and regard of attorneys practicing in that court. I shall be very happy to see the nomination of Mr. Clifford confirmed.

Mr. BARKLEY. I thank the Senator from Maine. This episode gives me hope and encouragement to believe that hereafter the Senators from Maine may have many occasions to endorse something done by a Democratic administration. [Laughter.]

Mr. WHITE. I do not expect to be overworked; but I shall try to meet my obligations in that respect. [Laughter.]

RESPESS S. WILSON AND NOBLE V. MILLER

Mr. FULBRIGHT. Mr. President, in the case of the nomination of Mr. Respess S. Wilson to be United States attorney for the western district of Arkansas, and that of Mr. Noble V. Miller to be United States marshal for the eastern district of Arkansas, the Senators from Arkansas had no trouble whatever in agreeing, and both of us have recommended these two men. I have great pleasure in expressing on the floor of the Senate my approval of these two nominations.

Mr. BARKLEY. Mr. President, I regret that there is not on the calendar the name of any appointee whom I have recommended, so that I could speak up in his behalf. However, I hope that in the near future I may have occasion to do so.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Department of Justice are confirmed en bloc.

UNITED STATES PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask that the nominations in the Public Health Service be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the United States Public Health Service are confirmed en bloc.

Without objection, the President will be immediately notified of all nominations confirmed this day.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11:45 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 8, 1946, at 11:45 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 7 (legislative day of March 5), 1946:

UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

Harry E. Kalodner, of Philadelphia, Pa., to be judge of the United States Circuit Court of Appeals for the Third Circuit. (New position.)

UNITED STATES DISTRICT JUDGE

Hon. John W. Murphy, of Pennsylvania, to be United States district judge for the middle district of Pennsylvania, vice Hon. Albert W. Johnson, resigned.

UNITED STATES ATTORNEY

Victor E. Anderson, of Minnesota, to be United States attorney for the district of Minnesota. Mr. Anderson is now serving in this office under an appointment which expired January 23, 1946.)

IN THE MARINE CORPS

The following-named naval aviators of the Marine Corps Reserve to be second lieutenants in the Regular Marine Corps in accordance with the provisions of the Naval Aviation Personnel Act of 1940, as amended, to rank from the dates stated:

Hardy Hay, from the 16th day of December 1941.

Gelon Hann Doswell, from the 9th day of January 1942.

Thomas Harvey Hughes, Jr., from the 15th day of May 1942.

Howard James Finn, from the 18th day of July 1942.

Lloyd Spencer Penn, from the 1st day of February 1943.

Kenneth Burdette Nelson, from the 16th day of February 1943.

Frank Christian Lang, from the 1st day of March 1943.

James Dean Boldman, from the 1st day of June 1943.

Georges Charles Knapp, from the 1st day of June 1943.

Godfrey Muller, from the 16th day of June 1943.

Royal Alfred McGraw, Jr., from the 16th day of July 1943.

Byron Herbert Beswick, from the 16th day of August 1943.

John James Hilburn, Jr., from the 16th day of September 1943.

James Duncan Johnson, from the 16th day of November 1943.

George Joseph Collins, from the 16th day of November 1943.

IN THE NAVY

The following-named midshipmen to be ensigns in the Navy, from the 5th day of June 1946:

Alfred E. Adams	Erwin J. Ballje, Jr.
Daniel B. Adams	Bernard J. Bandish
Donald F. Adams	Ralph E. Barnard
Frank M. Adams	Alan F. Barnes
Robert M. Adams	George B. Barnett
Joseph L. Adelman	Franklin M. Barrell, Jr.
William J. Aicklen, Jr.	William W. Barron
Carl D. Alberts	James H. Barry
John G. Albright	Paul F. Basilius
Charles K. Allendorf	James D. Baskin, Jr.
Rex L. Allspaw	Charles G. Batt, Jr.
George A. Amacker, Jr.	James A. Baxter
Robert L. Amelang	Philip E. Baylor
Richard D. Amme	Paul E. Beam, Jr.
Charles R. Anderson	Edward R. Beane
James L. Anderson	Richard J. Beaubien
Roy T. Anderson	Robert G. Beck
Richard W. Anderson	Bradford A. Becken
James D. Andrews	Marvin J. Becker
David D. Ansel	Thomas I. Bell
Edward P. Appert	William E. Benckart
Grant B. Apthorp	Robert D. Bergman
John R. Arguelles	Raymond R. Bernier
Roy C. Atkinson	Richard L. Bertram
Victor K. Aubrey, Jr.	Byron N. Bettis
Frank S. Averill	Lawrence Bilder
Arnold W. Avery	Homer R. Bivin
Francis M. Bacon	Marvin L. Black
Joseph Baer, Jr.	Ira W. Blair
Worth H. Bagley	William P. Blair
Roger S. Bagnall	Carl A. Blank
Daniel L. Bailey	William D. Blevins
Raymond N. Baker	William E. Blythe
John McK. Baife	Merson Booth

Fredric G. Bouwman
Floyd D. Bowdey
James W. Bowen
Thomas J. Bowen
James C. Bowes
George R. Bowling, Jr.
Newell S. Bowman
Archibald A. Bradley
Frederick G. Bradshaw
Robert C. Brady
Ralph Brandt
Lloyd L. Brassaw, Jr.
John S. Brayton, Jr.
Thomas B. Brenner
Thomas B. Brittain, Jr.
Louis M. Brizzolara, Jr.
Frederick B. Bromley
Rupert Brooke
Joe A. Brower
Bryan B. Brown, Jr.
Kenneth C. Brown
Moody B. Brown, Jr.
Richard G. Brown
Dale C. Brumbaugh
James W. Brummer
George H. Bryan, Jr.
Sumner W. Burgess
Thomas J. Burgoyne
John C. Burkart
James A. Burke
Hubert C. Burton
Lorenzo G. Burton, Jr.
Charles I. Buxton 2d
Ward G. Byington
Arthur D. Caine
John D. Callaway, Jr.
Gene I. Campbell
Richard D. Campbell
Charles S. Carlisle
John C. Carlson
Ralph H. Carnahan
Norris W. Carnes
Alfred C. Carpenter
Harold L. Carpenter
Felix R. Carr
John L. Carroll
James E. Carter, Jr.
Edson G. Case
Earle M. Cassidy
Charles W. Causey, Jr.
Stanley McG. Cecil
Daniel Chadwick
Raymond E. Chamberlain, Jr.
Donald E. Chandler
James H. Chapman
John W. Clayton
Marwood R. Clement, Jr.
Reginald D. Clubb
Warren R. Cobean, Jr.
Kenneth S. Coe
Earl LeR. Coen
Milo G. Coerper
Joseph P. Cofer, Jr.
John E. Cohoon
Kenneth J. Cole
James R. Collier
Robert C. Collier
Jay L. Collins
Peter Colot
Richard G. Colquhoun
Robert F. Conway
Edward L. Cook, Jr.
William J. Cook
James B. Copenhaver, Jr.
John O. Coppedge
John D. Corse
Robert E. Cowell
Calvin C. Cowley
John W. Crane, Jr.
Richard T. Crane
Jackson B. Craven, Jr.
Bentley B. Crawford
Robert E. Creque
Charles B. Crockett, Jr.
William J. Crowe, Jr.
Seymour F. Crumpler
Charles W. Cummings
Robert E. Cummings, Jr.
Douglas T. Cummins
Peter P. Cummins
William C. Curran
Hal C. Curry
Lawrence J. Curtin
Harry L. Curtis, Jr.
Richard "A" Dadisman
Howard B. Dalton, Jr.
Charles R. Darby
Lynn A. Davenport
Alan N. Davidson
James B. Davidson
John D. Davidson
Ray E. Davis
Richard P. Davis
Theodore F. Davis
Dale B. Deatherage
Frank A. Deaton
James A. de Ganahl
Harry McC. DeLaney
John J. Dempsey
George McC. Dent
Jeremiah A. Denton, Jr.
Robert W. Depew
Edmond L. Deramee, Jr.
Carlos Dew, Jr.
James G. Dickson, Jr.
Philip C. Diem
Neff T. Dietrich, Jr.
Jari J. Diffendorfer
Allen F. Dill
William R. Dillen
James R. Dillman
James V. Di Santo
Willard C. Doe
John F. Doheny
Charles E. Donaldson 3d
William I. Donaldson
Donald L. Donohugh
William K. Doran
William R. Dougherty
Walter M. Douglass
James H. Doyle, Jr.
Jack V. Drago
Harold M. Dryer
John P. Duckett
Henry R. Duden, Jr.
Peter H. H. Dunn, Jr.
Thomas S. Dunstan 2d
Manuel Dupkin 2d
Vernon M. Dupy
Joseph E. Earl
Harold L. Edwards
Edward J. Eisenman
Kenneth O. Ekelund, Jr.
Frank L. Elefante
Samuel S. Ellis
Joseph S. Elmer
Robert E. Enright
Don H. Erickson
Herman J. Estelman
Joseph D. Evans
William B. Evans
Donald W. Everett
Philip B. Fairman
Donald W. Fantozzi
James E. Farley
Donald D. Farshing, Jr.
Verne J. Feeney
James P. Fellows
Wilbur G. Ferris
Reginald V. Ferry
Norman L. Finch
John G. Finneran
Paul F. FitzGerald
David W. Fischer
John R. Fisher
William R. Fitzwilson
Joseph P. Flanagan, Jr.
Gene C. Fletcher
Robert P. Fletcher 3d
James H. Forbes, Jr.
Guy W. Ford, Jr.
Vincent A. Forlenza
William E. Forsthoff
Thomas E. Fortson
William L. Foster
George O. Fowler, Jr.
Wade H. Foy, Jr.
Alan J. Frankel
Thomas W. Frazier
Robert E. Fredricks
Ernest S. Fritz
Samuel E. Frock
Paul O. Gaddis
John D. Gantt
Richard S. Gardiner
David L. Gardner
James S. Gardner
Stanley P. Gary
Robert P. Gatewood
William W. Gay
John T. Geary
Richard L. Gehring
Robert McL. George
William N. Georgen
Mark H. German
Joseph McD. Gibson
Muscoe M. Gibson
Robert S. Giles
Richard M. Gladding
Joseph D. Gleckler
Charles O. Glisson, Jr.
Noah W. Gokey 3d
Robert R. Goldsborough, Jr.
Robert F. Gower
Ferdinand A. Graham, Jr.
William G. Graham
William G. Granat
William J. Grant
Delbert D. Grantham
Oscar Greene, Jr.
Boyce H. Grier
James W. Griffin
William E. Grimes
Robert J. Grimsley
Jerome M. Gronfein
Robert O. Groover, Jr.
George S. Grove
Louis H. Guertin
John N. Guild
Edward C. Guillot, Jr.
Rex Gygax
Robert B. Hadden
Donald W. Haggerty
John W. Haizlip, Jr.
James F. Hall
Oliver S. Hallett
David L. Hancock
Jerome W. Hannigan
Edgar G. Hanson
Wayne B. Harbarger, Jr.
John T. Harris
William L. Harris, Jr.
James B. Harsha
Thomas L. Hartigan
Willard R. Hartman
Leslie M. Hartmann
Edson K. Hartzell, Jr.
James C. Hatch
Donald LaM. Hathway
Glenn N. Hawley
Seymore T. Hays, Jr.
William G. Hearne
George F. Hedrick, Jr.
Howard G. Heininger, Jr.
Edgar H. Hemmer
Eugene M. Henry
Carl A. Henzel
Francis C. Hertzog, Jr.
Lawrence E. Hess, Jr.
Paul N. Hewett
Edward C. Hill
Elmer R. Hill, Jr.
James M. Hill, Jr.
John W. Hill
William L. Hinkle
Robert G. Hirsch
Bruce R. Hoefer
Ansel C. Holland
Daniel L. Hollis, Jr.
Richard S. Hollyer
Jack A. Horst
George W. Hosking
Donald F. Houck
Richard B. Houghton
Richard P. Howard, Jr.
"T" "R" Howard
Robert E. Howe
David B. Hubbs
Thomas J. Hudner, Jr.
Charles B. Huggins
Thomas Hughes, Jr.
Perry F. Hunter 3d
Ralph R. Huston, Jr.
John E. Illingworth
Thomas E. Jackson
Omar J. Jacomini
John W. Jahant
James N. Jameson
Charles R. Jeffs, Jr.
Robert T. Jenkins
Verne H. Jennings, Jr.
Malvern H. L. Jester
Frederick F. Jewett 2d
Donald R. Jex
Lester F. Johnson, Jr.
Richard C. Johnson
Theodore R. Johnson, Jr.
Walter F. Johnson
Walter M. Johnson, Jr.
William M. Johnson, Jr.
John W. Johnston
Addis T. Jones
Richard S. Jones
Thomas R. Joste
Charles T. Joy, Jr.
Harry A. J. Joyce
Mitchell J. Karlowicz
Edward F. Kaska
Stuart D. Kearney
Robert B. Keating
Francis L. Keith
William T. Kelleher
Harry S. Keller, Jr.
William R. Kent
George A. Kern, Jr.
Lawrence B. Kidder
Kaye R. Kiddoo
Elmer H. Kiehl
Ogden D. King, Jr.
Stewart A. Kingsbury
Ralph H. Kinser, Jr.
George G. E. Kirk
James Kirkpatrick
Charles A. Kiser
William E. Knaebel
Peter C. Kochis
Frank J. Korb
Walter J. Krstich
Philip Kwart
William S. Lagen
James D. LaHaye
Humphrey L. Laitner
Keith G. Lakey
Nathaniel B. Land
James C. Landes, Jr.
John D. Langford
Howard N. Larcombe, Jr.
George M. Larkin, Jr.
Charles R. Larzalere
William M. Lavelle
Eugene P. Lawler
Richard G. Layser
Albert L. LeBreton, Jr.
Roth S. Leddick
Robert E. Lee
Neale E. Leete
Alan E. LeFever
Jeremiah E. Lenihan
John C. Lewis
Richard G. Lilly, Jr.
Isham W. Linder
Wayne R. Lippert
Eugene R. Lippman
Robert E. Lloyd
John A. Logan 2d
Ollie J. Loper
Joseph D. Lorenz
Percival D. Lowell, Jr.
Robert A. Lusk
Donald C. Lutken
Robert D. Lyon
John T. Lyons, Jr.
Daniel R. H. Mahoney
George Maragos
George P. March
Louis A. Marckesano
Robert A. Marmet
Lawrence A. Marousek
Frank J. Marsden, Jr.
Frank D. Marshall
John F. Marshall
Barney Martin
Frederick V. Martin
Stephen D. Marvin
Evan T. Mathis, Jr.
Howard L. Matthews, Jr.
Pierce Y. Matthews, Jr.
Valentin G. Matula
Herbert W. Maw
Allen F. Maxfield
Paul B. Maxson
Donald R. Mayer
Allison L. Maynard
Hugh M. McClellan
Edward J. McCormack, Jr.
Dale W. McCormick
David A. McCoskrie
Ellis P. McCurley
Heyward E. McDonald
Wesley L. McDonald
Robert H. McDougal
Edward S. McGehee
Joseph W. McGrath, Jr.
Larry C. McGuire
Joseph F. McKenzie
Jay G. McKie
Robert H. McKinney
Willard E. McLaughlin, Jr.
Murdoch M. McLeod
Frank D. McMullen, Jr.
Paul R. McMurray
Robert B. McNatt
Richard D. McNeil
Gordon E. McPadden
Charles G. McPartland
Don C. McVey
Walter M. Meginniss
Emiel R. Meisel
Joseph H. Melesky
Donald E. Menk
Ray D. Mering, Jr.
Marcus P. Merner
Bergen S. Merrill, Jr.
Jeffrey C. Metzel, Jr.
Isaac W. Metzger
Paul G. Miller
Ralph H. Minor
Randolph Mitchell, Jr.
Arthur W. Moesta, Jr.
Kent B. Monypeny, Jr.
Ralph E. Moon, Jr.
Charles M. Moore
Harold D. Moore
Joshua R. Morriss, Jr.
James L. Moss
Walter G. Moyle, Jr.
Maurice O. Muncie
Henry F. Munnikhuysen
Daniel J. Murphy
Wilburn D. Murphy
Donald S. Murray
Kenneth A. Murray
Stuart G. Murray
Clyde J. Musholt
Arthur D. Napier
Frank R. Nesbitt
LeRoy F. Nichalson
John H. Nicholson
LaVern A. Niedfeldt
Charles E. C. Nimitz
Alfred B. Nimocks, Jr.
William Nivison
Delbert W. Norberg
Jerry J. Nuss
Edmund W. O'Callaghan
Thomas J. O'Connell
Ralph E. Odgers
Samuel B. Ogden, Jr.
Bruce J. Oliver
William M. Oller
John Ortutay, Jr.
Carl J. Ostertag, Jr.
Carl W. Otto
Robert E. Otto
Frank T. Owen, Jr.
Lewis F. Ozimek
Duncan Packer
John J. Pavelle, Jr.
Andrew J. Peacock, Jr.
George R. M. Pearson
Robert "C" Peniston
William S. Peterson
James W. Pettit, Jr.
Aloysius J. Pickert, Jr.
George W. Pitcher
Otto G. Pitz, Jr.
Joseph E. Pline
Clarence F. Pollock, Jr.
Leslie K. Pomeroy, Jr.
John E. Pope
William R. Porter
Karl E. Portz
William C. Powell, Jr.
John H. Pownall
Thomas G. Pownall
William C. Rae, Jr.
John J. Raftery
William O. Rainnie, Jr.
Henry B. Rathbone
Francis J. Readdy
Lynn D. Reed
William C. Reeder
William F. Regan
Jeremiah D. Reilly, Jr.
Warren S. Reinschmidt
Conrad J. Renner, Jr.
Louis T. Renz
James F. Rex
John L. Reynolds
William W. Rhoads
George F. Richards, Jr.
John P. M. Richards 2d
William G. Ridgway
Louis V. Ritter, Jr.
Arthur D. Robbins
Edwin B. Robbins
Joe P. Robertson, Jr.
Robert F. Roche
Clyde R. Rockwood
Harry P. Rodgers, Jr.
David G. Rogers
William H. Rogers
Louis A. Romatowski, Jr.
Vernon D. Rose, Jr.
Emil S. Roth
James D. Rumble
Henry D. Ruppel
Albert H. Rusher
Loren H. Russell
William M. Russell
Frederick C. Sachse, Jr.
William T. Sanders, Jr.
Wilton T. Sanders, Jr.
Andrew R. Sansom
William M. Schaefer
John B. Schafer

Ralph Scheidenhelm	Frank R. Thienpont
Leonard F. Schempp, Jr.	Edward W. Thomas
	John C. Thompson
Robert E. Schenk	Robert W. Thompson
Stanley J. Schiller	William F. Thompson
Charles H. Schnorr, Jr.	Neil W. Thomson
John A. Schomaker	John L. Thornton
Arnold R. Schuknecht	Frank A. Thurtell
Foster R. Schuler	Thomas J. Tiernan
Robert E. Schwartz	Curran C. Tiffany
Edward A. Scoles	Herbert I. Tilles
Robert L. Scott	David R. Toll
William L. Scurlock	Donald L. Toohill
Kenneth P. Sears	John W. Townes, Jr.
Chester H. Shaddeau, Jr.	Earle N. Trickey
	Ralph McM. Tucker
Donald P. Shaver	John C. Turner
George M. Sheldon	Stansfield Turner
John P. Shelton	John C. Turnier
Donald L. Shield	Richard P. Umbel
Charles M. Shuey	Howard S. Unangst
Andrew B. Sides, Jr.	Archie J. Updike
William M. Simpich	Paul R. Van Mater, Jr.
Luther B. Sisson	Robert C. Van Osdol
Fernando Sisto, Jr.	John R. Van Sickle
Donald K. Skinner	Irwin J. Viney
Robert W. Sloan	Kenneth H. Volk
Charles E. Slonim	Robert L. von Gerichten
Will F. Small	
Bernard E. Smith, Jr.	Chandler L. von Schrader
Carlton B. Smith	
Charles W. Smith	Frederic H. E. Vose
Frank B. Smith	Jacob W. Walker
Floyd J. Smith	Donald C. Wallace, Jr.
Griffin P. Smith, Jr.	Wayne P. Warlick
John C. Smith	Harry L. Warren, Jr.
Philip C. Smith, Jr.	James H. Watkins, Jr.
Robert H. Smith, Jr.	Arthur V. Weaver, Jr.
Robert S. Smith	Kent J. Weber
Stanford S. Smith	Joseph D. Weed, Jr.
Stuart S. Smith	James W. Weinstein
Thomas W. Smith	Howard A. Weiss
William C. Smith	Howard R. Weiss
Winfield S. Smith	Timothy F. Wellings, Jr.
Leonard A. Snead	
John E. Snyder	Donald M. Wells
James G. Snyder	John W. Wells
Frank G. Sorensen, Jr.	Robert C. Wells
Richard B. Southwell	Luther Welsh
Arthur G. Spahr	Donald DeF. Welt
William A. Spencer	Donald B. Wenger
Peter C. Spoolstra	Robert F. Wenke
Ernest R. Stacey	Thomas N. Werner
Leroy G. Stafford, Jr.	Brendan P. White
James B. Stagg	Robert B. Whitegiver 2d
Hilton L. Stanley	
Robert S. Stegman	Donald B. Whitmire
Arthur S. Steloff	Henry D. Whittle, Jr.
Jackson T. Stephens	Herbert E. Whyte
George C. Stevens	Bryan D. Wiggins
Jack M. Stevens	Buck D. Williams, Jr.
William R. St. George	Hexter A. Williams
James B. Stockdale	James C. Williams
Francis K. Stone	John G. Williams, Jr.
John H. Stone, Jr.	Joseph L. Williams, Jr.
Robert S. Stone	Thomas C. Williams
Robert W. Strickler	Preston C. Wilmoth
George C. Strott	James B. Wilson
James K. Stuhldreher	Joseph R. Wilson
John McG. Sullivan	Robert H. Wilson
Kermit R. Sutliff	Virgil M. Wilson
Thomas E. Suttles, Jr.	Lionel LaM. Winans
John D. Swenson	Robert W. Wise
John L. Switzer	Edward G. Wood
Gordon P. Talcott	Kenneth Woods
James F. Tangney	Patrick L. Working
George S. Tate, Jr.	Wallace N. Yates
Lewis B. Taylor, Jr.	Richard P. Yeatman
Robert H. Taylor	Laurence R. Young
William A. Teasley, Jr.	Douglas J. Yuengling
Leonard A. Tepper	Philip Zenner 4th
Wirt C. Thayer	

The following-named midshipmen to be assistant paymasters in the Navy, with the rank of ensign, from the 5th day of June 1946:

Robert N. Barker	George O. R. Brungot
John A. Bellan, Jr.	Robert E. Buntain
"J" Randell Bridges, Jr.	Arthur G. Butler, Jr.
	William C. Carpenter
Arthur L. Child 3d	Ralph P. Parker
Andrew S. Dowd	Walter T. Pate, Jr.
Stuart J. Evans	John L. Prehn, Jr.
John E. Fjelsta	Robert H. Pylkas
Alton C. Gallup	George D. Riley, Jr.
Nathaniel Heller	Kenneth McD. Robinson
Arthur W. Holfield, Jr.	
Ben Johnson 3d	Elliot R. Rose
Warren B. Johnson	Louis P. Rossi
John F. Jones	Rufus E. Sadler, Jr.
William B. Kash	Charles H. Schoman, Jr.
William K. Lampman	
George H. Laning	Eugene A. Shaw
Edward B. Longmuir, Jr.	Waldo D. Sloan, Jr.
	Richard J. Sowell
Herbert M. Lundien, Jr.	William T. Sweetman
	Eugene B. Tomlinson, Jr.
Ivan B. Maxon	
Thomas O. McDonald	Robert E. Turnage
James F. McGarry, Jr.	John S. Urban
John J. McGee	Thomas C. Waller, Jr.
William A. Murauskas	Hawey L. Wilder
Harry W. O'Brien, Jr.	

The following-named midshipmen to be second lieutenants in the Marine Corps, from the 5th day of June 1946:

Herbert J. Blaha	Arthur F. McGrail, Jr.
Gayle K. Broussard	John "S" McNulty, Jr.
Joseph R. Cross	Joseph F. McPartland
Walter O. Day	Edward B. Meyer
Joseph N. Eagle	Austin B. Middleton, Jr.
Robert E. Eastman	
Roy J. Edwards	Stanley T. Moak
Robert N. Erbland	John J. O'Neill, Jr.
James F. Gallagher	Robert J. O'Shea
Donald E. Gilman	William C. Patton
William D. Hall	Robert J. Perrich
Robert A. Herrick	John S. Quinn
William L. Hindman	Albert J. Richter
Eric M. Hooper	Nye G. Rodes, Jr.
Robert R. Horner, Jr.	Richard A. Savage
Frank T. House, Jr.	Raymond W. Sitz
John B. Jones, Jr.	James A. Strickland
Robert J. Laws	Paden E. Woodruff, Jr

CONFIRMATIONS

Executive nominations confirmed by the Senate May 7 (legislative day of March 5), 1946:

DEPARTMENT OF JUSTICE

Douglas W. McGregor to be an Assistant Attorney General.

UNITED STATES ATTORNEYS

Raymond E. Plummer to be United States attorney, division No. 3, District of Alaska.

Respess S. Wilson to be United States attorney, western district of Arkansas.

John D. Clifford, Jr., to be United States attorney, district of Maine.

UNITED STATES MARSHALS

Noble V. Miller to be United States marshal, eastern district of Arkansas.

Benjamin B. Mozee to be United States marshal, division No. 2, District of Alaska.

UNITED STATES PUBLIC HEALTH SERVICE

PROMOTIONS IN THE REGULAR CORPS

To be medical directors, effective date indicated

Marion R. King, March 16, 1946.
Egbert M. Townsend, April 1, 1946.

To be senior surgeons, effective date indicated

James A. Crabtree, January 27, 1946.
Mark P. Schultz, January 27, 1946.

To be dental directors, effective date indicated

Alf E. Nannestad, February 26, 1946.
Robert C. Stewart, March 22, 1946.
Robert L. Robinson, March 26, 1946.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 7, 1946

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou gracious benefactor, whose heart responds to every human need, we thank Thee for the many tokens of the eternal truth that Thou art man's unfailing friend.

We humbly confess that we are often so indifferent to Thy overtures of friendship and so slow to discern and appreciate Thy readiness to supply our needs. May we now appropriate by faith the many blessings which Thou hast placed at our disposal and help us to show forth our gratitude in a pure and steadfast devotion.

Grant that the Members of this legislative body may be blessed with clear judgment and wise decision as they seek to build a social order in which peace and prosperity shall be the joyous possession of our own and succeeding generations.

In Christ's name we offer our prayers and petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order tomorrow, Calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INVESTIGATION OF DISPOSITION OF SURPLUS PROPERTY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent, in connection with the Slaughter resolution which is to be considered this afternoon, that if it develops that on final action on the resolution there will be a roll call, that the roll call take place on Thursday next.

Mr. SABATH. Reserving the right to object, Mr. Speaker, I think the Members should be present during the debate on that resolution.

Mr. McCORMACK. I asked only that final action be deferred if there is a roll call.

Mr. SABATH. I know, but the Members are entitled to know about this resolution because there is opposition to it. A certain committee has been making an investigation similar to that called for by the resolution.

Mr. McCORMACK. I am thoroughly aware of that fact. My request in no way interferes with it. My request is submitted to carry out an agreement that was made that there would be no roll call before Thursday night. This does not interfere with the consideration of the resolution in any way.

Mr. SABATH. I have in mind that the Members are entitled to hear the debate before they vote on the resolution.

Mr. McCORMACK. My request does not in any way relate to the debate.

Mr. SABATH. What is the request?

Mr. McCORMACK. My request is that if, at the conclusion of debate on the resolution, it develops that on final action on the resolution there will be a roll call, that roll call take place on Thursday next.

Mr. SABATH. Many Members will not be here and will not have the benefit of the debate, and they will be asked to vote on the resolution without having heard the debate.

Mr. McCORMACK. My request simply carries out the statement I made last Friday. There is nothing inconsistent between the request I am submitting and the position of the gentleman from Illinois. There is no interference with debate on the resolution because of this request, and that would be the last thing in the world I would want done on any bill or resolution, particularly on this. My request is simply that if on final action on the resolution there is a roll call, final action on the resolution take place on Thursday next.

Mr. SABATH. Does not the gentleman know that the Committee on Accounts have had a hearing on this very thing and have objected to a resolution because that investigation has already taken place before that committee? I know that gentlemen on this side as well as the other side have asked me that they should have ample time and are very much opposed to the consideration of the resolution because they feel that the investigation already has proceeded by that committee having jurisdiction.

Mr. McCORMACK. I am thoroughly aware of that situation. There is nothing in connection with my unanimous consent request that takes away from any Member the right of opposing the resolution within the rules and in no way limits debate within the rules.

Mr. SABATH. I regret that these gentlemen who have talked with me and pleaded with me several times are not on the floor at present. The acting chairman of the committee, as well as the gentleman from Illinois [Mr. CHURCH], and others who are very much opposed to the resolution and have made speeches against it, fear that the money authorizing such investigation will be unnecessarily expended.

Mr. McCORMACK. My request in no way conflicts with the gentleman's observation. My request is simply that after all debate is over and the matter has been considered under the rule, it being a privileged matter, and being on the legislative program, if the final action thereon is going to involve a roll call, after the previous question has been moved and ordered and everything else has been done and there is going to be no more debate, I am asking unanimous consent that the final action in the event it takes place in the form of a roll call will go over to Thursday next.

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, and I do not intend to object, may I inquire what the Slaughter resolution is?

Mr. McCORMACK. That is the resolution authorizing an investigation of the disposition of surplus property.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONSERVATION OF WILDLIFE, FISH, AND GAME

Mr. ROBERTSON of Virginia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6097) to promote the conservation of wildlife, fish, and game, and for other purposes, together with a short amendment to be offered by the gentleman from Alabama [Mr. SPARKMAN].

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is to be done by the gentleman from Alabama [Mr. SPARKMAN]?

Mr. ROBERTSON of Virginia. The gentleman from Alabama [Mr. SPARKMAN] wants to offer a new section to the bill, section 10, to read:

> The provisions of this act shall not apply to the Tennessee Valley Authority.

We discussed that yesterday, and it developed that they have only two very small additional projects. We did not think it would interfere with our general program because they are administering the wildlife program as this bill contemplates.

Mr. MARTIN of Massachusetts. Why should they be exempt? They are still in the United States, are they not?

Mr. ROBERTSON of Virginia. They are. I am embarrassed. But we are trying to get this bill through.

Mr. MARTIN of Massachusetts. And that is the price you think you have to pay for it?

The SPEAKER. The gentleman from Virginia is not asking unanimous consent at this time that the so-called Sparkman amendment be agreed to, but is simply asking unanimous consent for the present consideration of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I appreciate that fact, and I appreciate also that any other amendment may be offered if the gentleman's request is granted, and furthermore, that there can be debate on the amendment to be offered by the gentleman from Alabama [Mr. SPARKMAN].

Mr. ROBERTSON of Virginia. I do not think there will be any debate, sir. I have contacted the ranking minority member, the gentleman from Kansas [Mr. HOPE], and the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], of the Committee on Agriculture which reported this bill out and who is also a very valuable member of our Select Committee on Wildlife Conservation, and we feel it would be wise to let this bill go over to the Senate, and that would give more opportunity for the other body to consider whether this amendment is in keeping with the general purposes of the bill or not. If we do not get action now, this very essential measure may die on our calendar.

Mr. MARTIN of Massachusetts. The profound faith which the gentleman has in the other body tempts me to let it go through.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. ROBERTSON]?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the act of March 10, 1934 (48 Stat. 401), is hereby amended to read as follows:

"In order to promote effectual planning, development, maintenance, and coordination of wildlife conservation and rehabilitation in the United States, its Territories and possessions, the Secretary of the Interior, through the Fish and Wildlife Service, is authorized (a) to provide assistance to, and cooperate with, Federal, State, and public or private agencies and organizations in the development, protection, rearing, and stocking of all species of wildlife, resources thereof, and their habitat, in controlling losses of the same from disease or other causes, in minimizing damages from overabundant species, in providing public shooting areas, and in carrying out other measures necessary to effectuate the purposes of this act; and (b) to make surveys and investigations of the wildlife of the public domain, including lands and waters or interests therein acquired or controlled by any agency of the United States.

"SEC. 2. Whenever the waters of any stream or other body of water are authorized to be impounded, diverted, or otherwise controlled for any purpose whatever by any department or agency of the United States, or by any public or private agency under Federal permit, such department or agency first shall consult with the Fish and Wildlife Service and the head of the agency exercising administration over the wildlife resources of the State wherein the impoundment, diversion, or other control facility is to be constructed with a view to preventing loss of and damage to wildlife resources, and the reports and recommendations of the Secretary of the Interior and of the head of the agency exercising administration over the wildlife resources of the State, based on surveys and investigations conducted by the Fish and Wildlife Service and by the said head of the agency exercising administration over the wildlife resources of the State, for the purpose of determining the possible damage to wildlife resources and of the means and measures that should be adopted to prevent loss of and damage to wildlife resources, shall be made an integral part of any report submitted by any agency of the Federal Government responsible for engineering surveys and construction of such projects.

"The cost of planning for and the construction or installation and maintenance of any such means and measures shall be included in and shall constitute an integral part of the costs of such projects: *Provided*, That, in the case of projects hereafter authorized to be constructed, operated, and maintained in accordance with the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), the Secretary of the Interior shall, in addition to allocations to be made under section 9 of the Reclamation Project Act of 1939 (53 Stat. 1187), make findings on the part of the estimated cost of the project which can properly be allocated to the preservation and propagation of fish and wildlife, and costs allocated pursuant to such findings shall not be reimbursable. In the case of construction by a Federal agency, that agency is authorized to transfer, out of appropriations or other funds made available for surveying, engineering, or construction to the Fish and Wildlife Service, such funds as may be necessary to conduct the investigations required by this section to be made by it.

"SEC. 3. Whenever the waters of any stream or other body of water are impounded, diverted, or otherwise controlled for any purpose whatever by any department or agency of the United States, adequate provision consistent with the primary purposes of such impoundment, diversion, or other control shall be made for the use thereof, together with any areas of land, or interest therein, acquired or administered in connection therewith, for the conservation, maintenance, and management of wildlife, resources thereof, and its habitat thereon. In accordance with general plans, covering the use of such waters and other interests for these purposes, approved jointly by the head of the department or agency exercising primary administration thereof, the Secretary of the Interior, and the head of the agency exercising administration over the wildlife resources of the State wherein the waters and areas lie, such waters and other interests shall be made available without cost for administration (a) by such State agency, if the management thereof for the conservation of wildlife relates to other than migratory birds; (b) by the Secretary of the Interior, if the waters and other interests have particular value in carrying out the national migratory bird management program.

"SEC. 4. Such areas as are made available to the Secretary of the Interior for the purposes of this act under sections 1 and 3, or by any other law, proclamation, or Executive order, shall be administered directly or under cooperative agreements entered into pursuant to the provisions of section 1 by the Secretary of the Interior under such rules and regulations for the conservation, maintenance, and management of wildlife, resources thereof, and its habitat thereon, as may be adopted by him in accordance with general plans approved jointly by the Secretary of the Interior and the head of the department or agency exercising primary administration of such areas: *Provided*, That such rules and regulations shall not be inconsistent with the laws for the protection of fish and game of the States in which such area is situated.

"SEC. 5. The Secretary of the Interior, through the Fish and Wildlife Service and the Bureau of Mines, is authorized to make such investigations as he deems necessary to determine the effects of domestic sewage, mine, petroleum, and industrial wastes, erosion silt, and other polluting substances on wildlife, and to make reports to the Congress concerning such investigations and of recommendations for alleviating dangerous and undesirable effects of such pollution. These investigations shall include (1) the determination of standards of water quality for the maintenance of wildlife; (2) the study of methods of abating and preventing pollution, including methods for the recovery of useful or marketable products and by-products of wastes; and (3) the collation and distribution of data on the progress and results of such investigations for the use of Federal, State, municipal, and private agencies, individuals, organizations, or enterprises.

"SEC. 6. There is authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this act and regulations made pursuant thereto, including the construction of such facilities, buildings, and other improvements necessary for economical administration of areas made available to the Secretary of the Interior under this Act, and the employment in the city of Washington and elsewhere of such persons and means as the Secretary of the Interior may deem necessary for such purposes.

"SEC. 7. That in the management of existing facilities (including locks, dams, and pools) on navigable waters in the United States, administered by the War Department, that Department is hereby authorized and directed to give full consideration and recognition to the needs of fish and other wildlife resources and their habitat dependent on such waters. In the management of pool elevations, the War Department shall maintain uniform pool levels and, in any series of pools, uniform levels throughout such series, to prevent the loss of and damage to such fish and other wildlife resources. In the exercise of the authority granted herein, the War Department shall consult with the head of the agency exercising administration over fish and other wildlife resources in the State wherein the navigation facilities are operated and with the Fish and Wildlife Service of the Department of the Interior and with local conservation organizations in such State and area, for the purpose of determining the required water needs of the fish and other wildlife resources and the habitat thereof.

"SEC. 8. Any person who shall violate any rule or regulation promulgated in accordance with this act shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $500 or imprisoned for not more than 1 year, or both.

"SEC. 9. The terms 'wildlife' and 'wildlife resources' as used herein include birds, fishes, mammals, and all other classes of wild animals and all types of aquatic and land vegetation upon which wildlife is dependent."

Mr. SPARKMAN. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SPARKMAN: On page 7, after line 23, insert the following new section:

"SEC. 10. The provisions of this act shall not apply to the Tennessee Valley Authority."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. GRANGER asked and was given permission to extend his remarks in the RECORD and include an essay written by Miss Melba Park, of Nephi, Utah, on the subject Food Plank for Peace.

Mr. BLAND asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an article appearing in the New York Forwarder, dealing with the merchant marine, and in the other a speech delivered by Under Secretary of the Navy at the National Fisheries Convention.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD on four different subjects.

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD and include an address delivered by Attorney General Tom Clark before the Louisiana Bar Association in Shreveport, La.

Mr. SPARKMAN asked and was given permission to extend his remarks in the RECORD and include an article from a recent issue of the National Grange dealing with the award to Hon. A. WILLIS ROBERTSON for outstanding accomplishments in the conservation of our wildlife resources.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include an article from the American Legion bulletin entitled "Plenty of Room in Russia."

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD in two instances; first, on the establishment of an export news service for the benefit of American business in foreign countries, and second, the Amvets recommendation for the disposal of surplus property.

PERMISSION TO ADDRESS THE HOUSE

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. McGEHEE addressed the House. His remarks appear in the Appendix.]

INTERIOR DEPARTMENT APPROPRIATION BILL, 1947

Mr. JOHNSON from the Committee on Appropriations, reported the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, (Rept. No. 1984), which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution from the grange in his district.

Mr. CRAWFORD asked and was given permission to extend his remarks in the Appendix of the RECORD and include excerpts.

Mr. SCRIVNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a proposed amendment on national life insurance.

Mr. GOODWIN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. HOPE asked and was given permission to extend his remarks in the RECORD.

CAN THE GOVERNMENT DO NOTHING ABOUT A NATIONAL DISASTER?

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I seldom make what might be regarded as extreme remarks, but after the statement that came from the White

House last Saturday to the effect that the coal strike represented a national disaster, I will say that the reported position of the White House this morning that it could do nothing about that disaster is the sorriest confession of unfitness from a national administration that has come in the history of the American Government. Such a confession would never have come from the White House during the Presidency of Andrew Jackson or Grover Cleveland.

For the Government to say that it can do nothing when any bargaining agent given the exclusive right to bargain by an act of Congress continues an organized conspiracy that throttles the life of the Nation, throws millions of people out of work, and endangers public health and safety, is a confession that ought to be a matter of shame for every American.

All that is needed to do something about it is to place an amendment on the Case bill now reported to the Senate, saying that whenever a proper agent of the Government, the President, or the Mediation Board proposed in the bill, finds that a strike constitutes a national disaster, continuation of the strike and failure to submit the issues to arbitration shall constitute a forefeiture of the exclusive bargaining rights conferred by the Wagner Act.

I am not pretending to pass judgment upon the issues involved in the strike. Adjustment of wages and working conditions may be in order but our Government presents a sorry spectacle to the world if it can find no way to settle these things without a prolonged strike of the sort we now have, with its destruction of jobs for millions of people in every part of the country and its infliction of wounds upon ever segment of industry, and its indisputable threats to public health and safety.

Mr. Speaker, the House of Representatives has spoken in this matter of donothingness. It has said that we believe whenever public interest is substantially and vitally affected that efforts should be made to settle the issues in work stoppages without resort to industrial war. As the disgust and anger of the American people mounts in these days, I trust it will remember that the House of Representatives has spoken.

THE COAL STRIKE

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, the President was in error in his recent statement to the country that the existing coal strike was a national disaster. It was more than that. It was a national disgrace. The New Deal administration is solely responsible. The President can appoint mediation boards and plead all he wants to with the labor leaders to return to work, not only in the coal mines but any other industry that is stopped or threatened to be stopped, but it will only result in continued loss of over-all production.

As I stated on the floor of the House in February when the Case bill was passed, what is needed to solve most of the employer-employee wage difficulties is enactment of "a simple law guaranteeing the right of every person to work wherever he pleases, at whatever compensation he can voluntarily agree upon with the employer without having to pay tribute to anyone." I am more convinced today than ever before that the large portion of the rank and file of wage earners want some sort of protection to make it possible for them to continue uninterruptedly in their employment.

CRISES AND PHONEY CRISES

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Speaker, during the 13 years of the present and preceding administrations, this country has been confronted with many so-called crises. At least, that is what we have been told by administration leaders. Most of them, in my opinion, were phoney crises. There is no question, however, but that today this country is confronted with a real crisis in the coal strike. Even if it should end today, the damage already done will be felt for weeks and months in the production of badly needed goods.

Today John L. Lewis is a more powerful man than the President of the United States. There is only one reason why the country is faced with this humiliating situation. That reason is the labor policy followed in this country for the last 13 years. This policy has made it possible for individual labor leaders to ignore the public interest. It has made the ambitions and even the whims of these labor leaders more powerful than the Government of the United States. John L. Lewis is not the only offender. Today a half-dozen labor leaders could get together and completely paralyze the industrial life of this country. It is a frightening and shocking situation.

Congress has repeatedly attempted to deal with it, only to find that organized labor is so powerfully entrenched within the administration that the situation was hopeless. With the New Deal in complete control of the executive, legislative, and judicial branches of the Government, the situation is still hopeless unless the President and the New Deal majority in Congress will join in legislation to curb the activities of these all-powerful labor leaders and restore the Government of this country to the people. It would be futile and silly to pass legislation dealing merely with the coal strike and John L. Lewis. The problem is greater than that. We must revise our basic labor legislation if the public is to receive any real protection.

EXTENSION OF REMARKS

Mr. HOLMES of Massachusetts asked and was given permission to extend his remarks in the RECORD and include a letter from Frederick E. Cole, of the department of agriculture, State of Massachusetts, and also a statement by the Association of Commissioners and Secretaries of Agriculture of the Northeastern States.

Mr. ADAMS asked and was given permission to extend his remarks in the RECORD and include an editorial from the Boston News Bureau.

Mr. HALE asked and was given permission to extend his remarks in the RECORD and include an address of the Honorable Harold E. Stassen at a Republican convention held at Bangor, Maine, on April 12 last.

Mr. ARNOLD (at the request of Mr. BUFFETT) was given permission to extend his remarks in the RECORD and include a letter.

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an article on the coal situation.

Mr. WELCH asked and was given permission to extend his remarks in the RECORD and include an editorial from the San Francisco Chronicle.

THE COAL STRIKE

Mr. ANDREWS of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANDREWS of New York. Mr. Speaker, I am receiving countless inquiries from citizens of Western New York regarding the coal strike and John L. Lewis. May I say here and now, confirming what I have stated in my replies to these inquiries, that when the Case antistrike bill was considered by the House I worked for its approval and voted for its passage. That bill is still in the Senate and so far as I know no real consideration has been given to the provisions of it by that body. I do not believe there will be. I am informing each of my inquirers that this is the situation and in my opinion, the matter is entirely up to the administration.

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I picked up this morning's Post and I noted the following in the first most prominent column—I quote:

> Can't stop it, is reported United States position in coal strike.
>
> President confers hour with advisers; drastic steps are said to be rejected.
>
> President Truman and his three top labor and reconversion advisers concluded yesterday that they had no practical means to force an end to the coal strike, it was reliably reported.

Mr. Speaker, it seems to me that this is an admission of weakness. It certainly is too bad that this country can be closed up just because one labor leader is going to stop everything. Close up business, put men out of work, bring

chaos to our economy, stop production of essential goods.

What we want to do is to change the Wagner Act and do it now. It is up to the Congress of the United States to show that we are here to do the things that America needs and wants. We ought to give the people what they want.

It is a stupid thing for the House of Representatives, for the United States Senate, the President of the United States who can and should stop a few people who would wreck our national economy, who would cause people to come to want, who would cause cities to go into darkness, who would close down transportation on the railroads of the country, and close down industries, thus putting millions of people out of work. It is up to the party in power to act and act now. Not next week, not after election, but change the Wagner Act and do it now. Get busy and do something.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an editorial appearing in the Fergus Falls Daily Journal on the subject of the small businessman, and in the other an article by Robert S. Burgess on the subject of air-mail postage rates.

Mr. ROONEY asked and was given permission to extend his remarks in the RECORD and include an editorial.

INVESTIGATION OF DISPOSITION OF SURPLUS PROPERTY

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the time allotted for the consideration of House Resolution 385 be extended for 1 hour, the time to be equally divided between those for and those opposed to the resolution. I make this request because so many Members have approached me who are opposed to this resolution, and I believe they are entitled to be heard.

The SPEAKER. Does the gentleman include in his request that at the close of debate the previous question shall be considered as ordered?

Mr. SABATH. I do.

Mr. MICHENER. Mr. Speaker, we cannot hear the request.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the time be extended 1 hour, the time to be equally divided between those for and against.

Mr. MICHENER. It would be 2 hours instead of 1 then under the rule?

The SPEAKER. And at the conclusion of debate the previous question shall be considered as ordered.

Is there objection to the request of the gentleman from Illinois?

There was no objection.

RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following communication:

MAY 7, 1946.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the following committees in order that I might accept appointment to the Committee on Foreign Affairs: Mines and Mining, Flood Control, Invalid Pensions, Enrolled Bills, Census.

Sincerely yours,

THOMAS E. MORGAN.

THE COAL STRIKE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, no one regrets the long-continued coal strike more than I, and no city is suffering more, perhaps, than my own great city of Chicago. Nevertheless, there are two sides to this controversy. I do not hold any brief for John L. Lewis; but I think the coal operators are as much to blame as he is. In view of the great friendship, as I said yesterday, that you Republicans have for John L. Lewis, you ought to have, and perhaps have, greater influence with him than the President or we on this side, because he has been your baby for the last 9 years.

One thing is certain—you cannot charge responsibility for this strike to the CIO or even to the OPA. It is strange that day after day we hear the attacks on Lewis and while, as I have stated, I hold no brief for him, yet he does represent four or five hundred thousand coal miners who beyond question are working in the most hazardous of all occupations. Nearly every week we read of many miners losing their lives or being permanently injured in this terribly dangerous work. These injuries and loss of life continue notwithstanding many of us have for years demanded that every available known safety device be utilized by the companies, who never, of their own volition, install lifesaving equipment and who, as I understand, now refuse to make any welfare provision for the miners and their families. Wages are not a major issue. Only 5 or 6 years ago I advocated the coal bill under which all the companies were placed on a profitable basis. They have in the past, and are today, making money and therefore I feel it is unfair on their part not to sit down with the miners to work out a fair adjustment of their claims. Do not the coal-mine operators owe something to their country, and to the survivors of tragic mine accidents? Do they not owe something to the miners in the way of health insurance against the occupational diseases to which they are constantly exposed?

MINERS HAVE HAD LONG BATTLE

Mr. Speaker, I make this statement, not because I have coal miners in my district, for I have not, but because I learned of the horrible conditions under which coal miners worked when I first came to Congress.

Few now remember that the first President Roosevelt fought the insolent mine operators of his day to a standstill by threatening to use the United States Army to seize and operate the mines. The miners then were under the complete and feudal domination of avaricious coal companies. Miners were forced to live in company shacks, buy at company stores at outrageous mark-ups, and month after month and year after year go more hopelessly into debt. There has been some amelioration. The shacks are better; some outside mercantile competition has been allowed; wages are somewhat higher. The battle never ends. The hold of John L. Lewis over the members of the United Mine Workers lies largely in the fact that he, more than any other one man in mine history, brought about those improvements.

BOTH SIDES OF DISPUTE NOT GIVEN

Thus far I have seen in the newspapers not one article giving both sides of the present dispute. Castigation has been heaped on the heads of Lewis and his mine officials, and upon the Government. Yet the operators have been equally to blame for the deadlock; they have even refused to admit that a formula for compromise has been presented to them. The people should have all the facts and be able to judge for themselves where most of the fault lies.

Mr. Speaker, in conclusion I make this observation: Since Mr. Lewis is now an officer of the great American Federation of Labor, is it not possible for Mr. William Green, president of the A. F. of L., to aid and assist in bringing about a settlement of this long strike and averting the crisis affecting every part of the United States? Cannot his great influence be brought to bear so that the people will understand that the controversy has two sides? Can he not convince both parties that the welfare of the country must come first?

CONSISTENCY, THOU ART A JEWEL

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, I want to congratulate my colleague the gentleman from Michigan [Mr. HOFFMAN]. At least, he is consistent. John L. Lewis is against the OPA, and so was my colleague from Michigan and a great majority of the Members across the aisle. John L. Lewis is spearheading the antagonism toward the OPA to a maximum degree with the tactics that are being pursued today. Perhaps it results from the quarrel he had with the CIO, I do not know, but there is this to be said about the gentleman from Michigan [Mr. HOFFMAN], at least he is consistent.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

MRS. LULU WILSON NEVERS

The Clerk called the bill (H. R. 975) for the relief of Mrs. Lulu Wilson Nevers.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MRS. MARIE EDENS NAST AND OTHERS

The Clerk called the bill (H. R. 3010) for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $6,500, to Mrs. Marie Edens Nast, of Los Angeles, Calif.; to pay the sum of $6,500, to Mrs. Bessie Amann, of North Hollywood, Calif.; to pay the sum of $10,000, to George R. Townsend, of Los Angeles, Calif., in full settlement of all claims against the United States for the death of Donald R. Edens and the death of William D. Amann, and for personal injuries, medical, and hospital expenses for George R. Townsend, sustained as a result of a crash of a United States Army plane at Lake and Magnolia Streets, Burbank, Calif., on November 16, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$6,500" and insert "$2,000."

Page 1, line 7, strike out "$6,500" and insert "$3,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUY B. SLATER

The Clerk called the bill (H. R. 4122) for the relief of Guy B. Slater.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Guy B. Slater, Ada, Ohio, the sum of $10,212. The payment of such sum shall be in full settlement of all claims of the said Guy B. Slater against the United States on account of personal injuries sustained by him on November 26, 1943, when the automobile in which he was riding on the highway between St. Petersburg, Fla., and Clearwater, Fla., was struck by a fire truck of the Bay Pines, Fla., Veterans' Administration Hospital: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after "the sum of", strike out the remainder of the page and lines 1, 2, and 3 on page 2, and insert the following: "$1,000; to Grace M. Collins, of Lima, Ohio, the sum of $1,000, in full settlement of all claims against the United States for personal injuries sustained by them on November 26, 1943, when the automobile in which they were riding on the highway between St. Petersburg, Fla., and Clearwater, Fla., was struck by a fire truck of the Bay Pines, Fla., Veterans' Administration Hospital."

Mr. McGREGOR. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. McGREGOR to the committee amendment:

On page 2, line 3, strike out "$1,000" and insert "$2,000."

On page 2, line 4, strike out "$1,000" and insert "$2,000."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Guy B. Slater and Grace M. Collins."

A motion to reconsider was laid on the table.

O. T. NELSON, AND WIFE, CLARA NELSON

The Clerk called the bill (H. R. 4527) for the relief of O. T. Nelson, and wife, Clara Nelson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to O. T. Nelson, and his wife, Clara Nelson, both of route 1, Hempstead, Tex., the sum of $10,000 in full settlement of all claims against the United States on account of personal injuries sustained by each of them, resulting from an accident involving an Army vehicle on Highway 290 between Waller and Hempstead, Tex., on February 11, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$10,000" and insert "$6,821.89."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEPENDENTS OF CECIL M. FOXWORTH, DECEASED

The Clerk called the bill (H. R. 5212) for the relief of the dependents of Cecil M. Foxworth, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission is authorized and directed to receive under the Employees' Compensation Act, approved September 7, 1916 (5 U. S. C. 751, and the following), any claim filed by the widow and children of Cecil M. Foxworth who died on or about April 10, 1944, allegedly as the result of injuries sustained on September 11, 1936, as the result of gunshot wounds inflicted by a law violator resisting arrest, while said Foxworth was in the performance of his duty as investigator, Alcohol Tax Unit, Bureau of Internal Revenue, notwithstanding any limitation of time of such Act barring consideration of claim for death benefits in his case, and such Commission shall consider and adjudicate such claim under the remaining provisions of such Act: *Provided*, That claim for such benefits shall be filed within 6 months after the date of approval of this act: *Provided further*, That no death benefits shall accrue prior to the date of approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHNNIE V. NATIONS

The Clerk called the bill (H. R. 4142) for the relief of Johnnie V. Nations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Johnnie V. Nations, Kennett, Mo., the sum of $20,000. The payment of such sum shall be in full settlement of all claims of the said Johnnie V. Nations against the United States on account of personal injuries, sustained on July 22, 1943, in a collision on Missouri State Highway numbered 25, in Kennett, Mo., involving the automobile which he was driving and two United States Army wrecking trucks with trailers attached: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$20,000" and insert "$5,466.50."

Page 1, line 9, after "injuries", insert "medical, and hospital expenses."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARLTON G. JERRY

The Clerk called the bill (H. R. 4172) for the relief of Carlton G. Jerry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for the employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1934 ed., title 5, secs. 767 and 770), are hereby waived in favor of Carlton G. Jerry, who is alleged to have sustained injuries to his right eye in the line of his duties on November 16, 1934, while employed as a case worker for the Emergency Relief Administration in Union County, Arkansas, and his claim for compensation is authorized to be considered and acted upon under the remaining provisions of such act, as amended, if he files such claim with the United States Employees' Compensation Commission not later than 60 days after the date of enactment of this act.

SEC. 2. The monthly compensation which the said Carlton G. Jerry may be entitled to receive by reason of the enactment of this act shall commence on the first day of the month during which this act is enacted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEVERO APOLUNA DINSON AND CANDILARIA DINSON, AND THE LEGAL GUARDIAN OF LURA DINSON AND THE LEGAL GUARDIAN OF TERESITA DINSON

The Clerk called the bill (H. R. 4298) for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Lura Dinson and the legal guardian of Teresita Dinson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Severo Apoluna Dinson and Candilaria Dinson, of Honokaa, Hawaii, T. H., parents of Luisa Dinson, a minor, the sum of $5,000, to the legal guardian of Lura Dinson, a minor, the sum of $2,500; and to the legal guardian of Teresita Dinson, a minor, the sum of $2,500. Such sums are in full settlement of all claims against the United States on account of the death of Luisa Dinson, who was killed, and for personal injuries, hospital and medical expenses for Lura Dinson and Teresita Dinson, who were injured, as the result of an accident in which a United States jeep driven by personnel of the United States Marine Corps struck these children in the vicinity of Honokaa, Hawaii, T. H., on January 2, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 8, strike out "$5,000" and insert "$3,000", and strike out "Lura" and insert "Laura."

Page 1, line 9, strike out "$2,500" and insert "$1,000."

Page 2, line 1, strike out "$2,500" and insert "$500."

Page 2, line 5, strike out "Lura" and insert "Laura."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Laura Dinson and the legal guardian of Teresita Dinson."

A motion to reconsider was laid on the table.

PHILIP NAOPE KAILI AND SUSIE KAILI

The Clerk called the bill (H. R. 4301) for the relief of Philip Naope Kaili and Susie Kaili.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Philip Naope Kaili and Susie Kaili, of Hilo, Hawaii, Territory of Hawaii, the sum of $5,168, in full settlement of all claims against the United States on account of the death of their son, Philip Naope Kaili, Junior, who was killed when he touched a towing cable which had been dropped by a plane of the United States Navy across live wires outside the naval air station at Hilo, Hawaii, on July 4, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$5,168" and insert "$3,168."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA BLANCHARD AND OTHERS

The Clerk called the bill (H. R. 4338) for the relief of Anna Blanchard and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna Blanchard the sum of $8; to pay Mr. and Mrs. Joseph R. Code the sum of $2,627.83; to pay Mrs. Beulah Cantey the sum of $3; to pay Guy R. and Ellen M. Champlain the sum of $1,443.49; to pay Miss Mary Agatha Collins the sum of $40; to pay Flamingo Grove Co. the sum of $475.41; to pay John E. Graves the sum of $10; to pay Mrs. Reta H. Hardin the sum of $715.41; to pay Lt. and Mrs. Gerald T. Harper the sum of $841.39; to pay city of Jacksonville, Fla., the sum of $165.21; to pay Gertrude Knabb the sum of $916.02; to pay E. W. Merritt the sum of $140; to pay Sgt. and Mrs. Victor A. Parnell the sum of $876; to pay Mrs. Elsie E. Polhill the sum of $15; to pay Walter Leo Shave the sum of $373; all above claimants of Jacksonville, Fla.; to pay Capt. and Mrs. James A. Barrineau, of Atmore, Ala., the sum of $160.50; to pay Matt A. Kelly, of Miami, Fla., the sum of $477; to pay Mr. and Mrs. James R. Rutland, of Auburn, Ala., the sum of $517.84; to pay Lt. Frederick C. Sullivan, of Buffalo, N. Y., the sum of $54; to pay Mr. and Mrs. F. E. Wilkinson, of Atlanta, Ga., the sum of $1,077.93; in full settlement of all claims listed herein against the United States for property damage sustained as the result of a United States Army plane crashing in Jacksonville, Fla., on July 20, 1944: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after "appropriated," strike out the remainder of page 1 and lines 1 to 19, inclusive, on page 2, and insert the following: "(1) to Anna Blanchard, of Jacksonville, Fla., the sum of $8; to Mrs. Reta H. Hardin, of Jacksonville, Fla., the sum of $714.71; to E. W. Merritt, of Jacksonville, Fla., the sum of $140; to Herbert Brown and Dorothea L. Brown, of Jacksonville, Fla., the sum of $2,378.40; to Robert Wehmeyer and Eva Mae Wehmeyer, of Mathis, Tex., the sum of $194.95; to Victor A. Parnell and Elizabeth T. Parnell, of Jacksonville, Fla., the sum of $876; to Samuel J. Fishler and Esther Fishler, of Jacksonville, Fla., the sum of $707.59; to Grace Evangelical Lutheran Church, of Jacksonville, Fla., the sum of $3,047.70; to the Reverend Frederick W. Lorberg and Lena Lorberg, of Jacksonville, Fla., the sum of $1,130.68; to Flamingo Grove Co., Inc., of Jacksonville, Fla., the sum of $475.41; to John E. Graves, of Jacksonville, Fla., the sum of $10; to Gerald T. Harper and Betty Harper, of Key West, Fla., the sum of $841.39; to Frederick C. Sullivan, of Buffalo, N. Y., the sum of $54; to Earl G. Thomas and Pauline C. Thomas, of Fort Myers, Fla., the sum of $2,583.90; to James A. Barrineau and Frances W. Barrineau, of Atmore, Ala., the sum of $160.50; to Mr. and Mrs. F. E. Wilkinson, of Atlanta, Ga., the sum of $1,077.93; to James R. Rutland and Lucy W. Rutland, of Auburn, Ala., the sum of $517.84; to Joseph R. Cade and Rosalee R. Cade, of Jacksonville, Fla., the sum of $2,627.83; to Matt A. Kelly, of Jacksonville, Fla., the sum of $477; to Walter Leo Shave, of Jacksonville, Fla., the sum of $373; to Guy R. Champlain and Ellen M. Champlain, of Jacksonville, Fla., the sum of $1,443.49; to Mrs. Luannie C. Watson, of Jacksonville, Fla., the sum of $531; to Isser Price and Rae Price, of Jacksonville, Fla., the sum of $81.50; to Miss Mary Agatha Collins, of Jacksonville, Fla., the sum of $40; to Mrs. Sara Mitchell, of Jacksonville, Fla., the sum of $17; to Southern Bell Telephone & Telegraph Co., of Jacksonville, Fla., the sum of $394.07; to the city of Jacksonville, Fla., the sum of $165.21; to Mrs. Beulah Cantey, of Jacksonville, Fla., the sum of $3; and to Wayne R. Cheal and Doris Driggers Cheal, of Jacksonville, Fla., the sum of $780.35, in full satisfaction of their respective claims for compensation for property damage sustained by them as a result of an accident which occurred when two United

States Army airplanes crashed at Jacksonville, Fla., on July 20, 1944; and (2) to the Reverend Frederick W. Lorberg, of Jacksonville, Fla., as the father and natural guardian of Richard C. Lorberg, a minor, the sum of $250, in full settlement of all claims against the United States for personal injuries sustained by said Richard C. Lorberg and for medical and hospital expenses incurred for his treatment as a result of such accident; to Mrs. Grace Williams Coppock, of Jacksonville, Fla., the sum of $1,500, in full satisfaction of her claims against the United States for personal injuries, loss of earnings, and for medical and other expenses incurred by her as a result of such accident; and to Mrs. Elsie E. Polhill, of Jacksonville, Fla., the sum of $15, in full satisfaction of her claims against the United States for expenses incurred by her for medical treatment of herself and her two daughters for injuries received as a result of such accident.

Mr. BARDEN. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN to the committee amendment: On page 4, line 7, after "$3", insert "to Gertrude Knabb, of Jacksonville, Fla., the sum of $916.02."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

R. L. BENTON

The Clerk called the bill (H. R. 4763) for the relief of R. L. Benton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. L. Benton, a truck-line operator, operating out of headquarters at Alva, in Woods County, Okla., the sum of $2,256.09. The payment of such sum shall be in full settlement of all claims of the said R. L. Benton against the United States on account of damages to his D-S 35, International tractor truck, with Spencer trailer attached thereto, as a result of its being struck by a United States Army vehicle of the type known as weapon carrier, the same being operated from the Herington Army Air Field, driven by one James Skinnel, a Negro soldier in the United States Army, said collision and resultant damages occurring at about 4 a. m. on the morning of April 15, 1944, at a point about 2 miles northeast of Peabody, Kans., when said Army vehicle in the service of the Army of the United States struck claimant's said truck and trailer while said truck and trailer were being driven on the highway at the point mentioned herein to its destination at Selman, Okla.

With the following committee amendment:

Page 1, line 5, after "Benton", strike out the remainder of the bill and insert the following: "of Alva, Woods County, Okla., the sum of $1,856.09 in full settlement of all claims against the United States for property damage sustained as the result of an accident involving a United States Army vehicle near Peabody, Kans., on April 15, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY ELIZABETH POWERS

The Clerk called the bill (H. R. 5152) for the relief of Mary Elizabeth Powers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary Elizabeth Powers, of Newport News, Va., the sum of $500. The payment of such sum shall be in full settlement of all claims against the United States by said Mary Elizabeth Powers, or her parents or guardians, for personal injury, medical and hospital expenses, pain, and suffering as a result of injury sustained, because of stepping into a terra cotta cut-off pipe in the rear of vacant Federal Public Housing Authority unit No. 143, F Street, Copeland Park, Newport News, Va., on August 10, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "Mary Elizabeth" and insert "J. F."

Line 8, strike out "by said Mary Elizabeth Powers, or her parents or guardians."

Page 2, line 1, after "sustained", insert "by Mary Elizabeth Powers, a minor."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of J. F. Powers."

A motion to reconsider was laid on the table.

ALDONA KOJAS

The Clerk called the bill (S. 997) for the relief of Aldona Kojas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Aldona Kojas, of Bridgeport, Conn., the sum of $4,044, in full satisfaction of her claims against the United States for compensation for personal injuries sustained by her, for reimbursement of hospital, medical, and other expenses incurred by her, as a result of an accident which occurred while she was riding as a passenger in a Coast Guard vehicle No. T-2682 on October 20, 1944, when it was involved in a collision at the intersection of Orange Avenue and Admiral Street, West Haven, Conn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE O. WEEMS

The Clerk called the bill (S. 1442) for the relief of George O. Weems.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George O. Weems, of Lafayette plantation, Tallahassee, Fla., (1) the sum of $825, in full satisfaction of his claim against the United States for reimbursement for the death of his five saddle horses as a result of their drinking water from a pond on his property which was polluted by the presence of fluorine in the waste water discharged into such pond and originating in the laundry of the Federal Correctional Institution, Leon County, Fla.; and (2) the sum of $780, in full satisfaction of his claim for compensation for property damage sustained by him when his pasture adjoining such pond was rendered unfit for use as a result of the above-described condition: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SOCONY-VACUUM OIL CO.

The Clerk called the bill (S. 1742) for the relief of Socony-Vacuum Oil Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Socony-Vacuum Oil Co., of Detroit, Mich., the sum of $5,231.99, in full satisfaction of its claim against the United States for compensation for property damage sustained by it as a result of an accident which occurred when a United States Navy airplane crashed into a group of its oil tanks and burned, at the Flat Rock works near Trenton, Mich., on February 12, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOHN C. SPARGO

The Clerk called the bill (S. 1747) for the relief of John C. Spargo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John C. Spargo, of Seattle, Wash., the sum of $2,500, in full satisfaction of his claim against the United States for compensation for medical and hospital expenses incurred and for personal injuries and loss of earnings sustained by him, as a result of an accident which occurred when the automobile which he was driving was struck by a United States Army vehicle, between Shelton, Wash., and Bremerton, Wash., on May 1, 1941: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSEMENT FOR DAMAGE AT NAVAL DEPOT, HASTINGS, NEBR.

The Clerk called the bill (S. 1812) to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $25,000, as may be required by the Secretary of the Navy to pay claims, including those of naval and civilian personnel of the Naval Establishment, for privately owned property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAUNDERS MEMORIAL HOSPITAL

The Clerk called the bill (S. 1932) conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of the board of trustees of the Saunders Memorial Hospital.

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ELEANOR J. GRIGGS, ET AL.

The Clerk called the bill (H. R. 6110) for the relief of Eleanor J. Griggs, Dorothy L. Griggs, and Vernon M. Griggs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated: (1) To Edwin H. Griggs, Fitchburg, Mass., for the use of Dorothy L. Griggs and Vernon M. Griggs in equal shares, the sum of $10,000; and (2) to Eleanor J. Griggs, Fitchburg, Mass., the sum of $5,000. The payment of such sums shall be in full settlement of all claims against the United States on account of the death of Marion S. Griggs, mother of said Eleanor J. Griggs, Dorothy L. Griggs, and Vernon M. Griggs, who died on January 3, 1937, from a disease caused by an injury received in 1934 while boarding a United States Army truck for the purpose of transportation to Camp Devens, Mass., in order to assume her duties as hostess at such camp: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $10,000.

With the following committee amendments:

Page 1, line 5, after the word "otherwise", strike out the balance of the line down to and including line 8 on page 2, and insert "appropriated, to the estate of Marion S. Griggs, the sum of $5,000, in full settlement of all claims against the United States for personal injuries sustained in July 1934 while boarding a United States Army truck for the purpose of transportation to Fort Devens, Mass., to resume her duties as camp hostess, said injuries causing her death on January 3, 1937."

Page 2, line 15, strike out the word "amounts" and insert "amount."

Page 2, line 18, strike out "these claims" and insert "this claim."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the estate of Marion S. Griggs, deceased."

A motion to reconsider was laid on the table.

AHTO WALTER ET AL.

The Clerk called the bill (H. R. 3967) for the relief of Ahto Walter, Lucy Walter, and Teddy Walter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ahto Walter, Miami Beach, Fla., the sum of $4,745; to Lucy Walter, Miami Beach, Fla., the sum of $5,000, and to Ahto Walter, as guardian of his minor son, Teddy Walter, the sum of $500. The payment of such sum of $4,745 shall be in full settlement of all claims of the said Ahto Walter against the United States for (1) expenses incurred on account of personal injuries sustained by his wife, the said Lucy Walter, and his minor son, the said Teddy Walter, (2) pain and suffering resulting from personal injuries sustained by him and by his wife and minor son; and (3) damage to his automobile, when such automobile in which the above-named persons were riding was in collision with a United States Army truck on July 7, 1944, at the intersection of Southwest Twenty-fourth Terrace and Southwest Thirty-sixth Avenue, Miami, Fla. The payment of such sum of $5,000 and such sum of $500 shall be in full settlement of all claims of the said Lucy Walter and Teddy Walter against the United States on account of pain and suffering resulting from injuries sustained by them in such collision: *Provided*, That no part of any sum appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim settled by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 1, after the word "of", strike out the balance of the line down to and including line 19 and insert the following: "$3,200; to Lucy Walter, of Miami Beach, Fla., the sum of $4,000; and to the legal guardian of Teddy Walter, a minor, the sum of $500, in full settlement of all claims of the said Ahto Walter, Lucy Walter, and Teddy Walter against the United States for property damage and personal injuries sustained and medical and hospital expenses incurred as a result of an accident involving an Army truck which occurred at the intersection of Southwest Twenty-fourth Terrace and Southwest Thirty-sixth Avenue in Miami, Fla., on July 7, 1944."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read "A bill for the relief of Ahto Walter, Lucy Walter, and the legal guardian of Teddy Walter, a minor."

A motion to reconsider was laid on the table.

RICHARD S. FISHER

The Clerk called the bill (H. R. 4046) authorizing the issuance of a patent in fee to Richard S. Fisher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Richard S. Fisher, of Lodge Grass, Mont., a patent in fee to the following described lands alloted to him on the Crow Indian Reservation: The south half of the northwest quarter, the north half of the southwest quarter, the north half of the southeast quarter, and the north half of the north half of the south half of the south half, of section 23, and the west half of the southwest quarter of section 24, township 7 south, range 36 east; the east half of section 21, and the southwest quarter of the northwest quarter, the north half of the northwest quarter, and the north half of the northeast quarter of section 26, township 7 south, range 37 east, and lot 4 and the southwest quarter of the southeast quarter of section 30, township 8 south, range 37 east; Montana principal meridian.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISABLED AMERICAN VETERANS, DISTRICT OF COLUMBIA

The Clerk called the bill (S. 1961) to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the property situated in square 153 in the city of Washington, D. C., described as lot 132, owned, occupied, and used by the Disabled American Veterans, is hereby exempt from all taxation so long as the same is so owned and occupied, and not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BARDEN. Mr. Speaker, that concludes the call of the calendar.

LEAVE OF ABSENCE

Mr. BLAND. Mr. Speaker, I ask unanimous consent that leave of absence be granted on Friday and Saturday to the gentleman from New Jersey [Mr. HART], the gentleman from Michigan [Mr. BRADLEY], the gentleman from New York [Mr. KEOGH], the gentleman from Maine [Mr. HALE], and myself, on account of attending the meeting of the Board of Visitors of the Merchant Marine Academy.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. KERR. Mr. Speaker, I ask unanimous consent that there may be printed in the RECORD the keynote speech made by our distinguished friend and colleague the gentleman from North Carolina, Hon. ROBERT L. DOUGHTON, at the recent State Democratic Convention in Raleigh.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CALL OF THE HOUSE

Mr. CHURCH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 106]

Allen, Ill.	Barrett, Pa.	Bradley, Pa.
Almond	Barry	Buckley
Anderson, Calif.	Beall	Butler
	Bell	Byrne, N. Y.
Andresen, August H.	Bender	Camp
	Bolton	Campbell
Baldwin, Md.	Bonner	Canfield
Baldwin, N. Y.	Boren	Cannon, Fla.
Chapman	Harless, Ariz.	Peterson, Fla.
Clark	Harness, Ind.	Pfeifer
Cochran	Hart	Philbin
Coffee	Hartley	Plumley
Cole, N. Y.	Hébert	Powell
Combs	Heffernan	Price, Fla.
Cooley	Hendricks	Quinn, N. Y.
Corbett	Henry	Rabin
Courtney	Heselton	Rains
Crosser	Hinshaw	Reece, Tenn.
Cunningham	Hobbs	Rivers
Curley	Hoch	Robinson, Utah
Dawson	Hook	
Delaney, John J.	Jarman	Rodgers, Pa.
	Johnson, Ind.	Roe, Md.
Dingell	Kefauver	Russell
Domengeaux	Keogh	Ryter
Doughton, N. C.	King	Sadowski
	Kirwan	Schwabe, Okla.
Douglas, Ill.	LaFollette	
Doyle	Landis	Sheppard
Elsaesser	Lane	Sheridan
Engle, Calif.	Latham	Short
Fallon	Lea	Sikes
Feighan	LeCompte	Simpson, Ill.
Fenton	Lewis	Somers, N. Y.
Fernandez	Luce	Spence
Fisher	Lyle	Springer
Flood	Lynch	Starkey
Fogarty	McCowen	Stefan
Fuller	McDonough	Stevenson
Fulton	McGlinchey	Stewart
Gamble	Madden	Stockman
Gardner	Maloney	Sumner, Ill.
Gearhart	Mankin	Sumners, Tex.
Gerlach	Mansfield, Tex.	
Gillie		Sundstrom
Gordon	Marcantonio	Taber
Granahan	Miller, Calif.	Taylor
Granger	Monroney	Thom
Grant, Ala.	Morgan	Tolan
Grant, Ind.	Morrison	Torrens
Green	Murphy	Weichel
Gross	Norton	White
Hall, Leonard W.	O'Brien, Mich.	Wilson
	O'Toole	Winstead
Halleck	Pace	Wolfenden, Pa.
Hancock	Patrick	
Hand	Patterson	Woodruff

The SPEAKER. On this roll call 266 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INVESTIGATION OF DISPOSITION OF SURPLUS PROPERTY

Mr. SLAUGHTER. Mr. Speaker, I call up House Resolution 385 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there is hereby created a select committee to be composed of five Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

It shall be the duty of the committee to make a full and complete study and investigation of the operation of the program for the sale, leasing, or other disposition of surplus property, including plants, or other real estate, materials, munitions, vehicles, aircraft, vessels, camps, and cantonments, together with all other articles and facilities acquired by the Government of the United States, through its various departments, establishments, and agencies, in connection with the national defense and the war effort.

Such study and investigation shall embrace—

(a) The types and terms of contracts which are being entered into by and between the United States and purchasers and lessees of surplus real and personal property;

(b) The methods by which such contracts of sale or rental are awarded and purchasers and lessees selected;

(c) The opportunity which is being afforded States and municipalities, veterans, individuals, and small business concerns to bid on and to acquire such surplus real and personal property;

(d) The effect of such program of disposition with respect to labor and the stimulation and encouragement of employment;

(e) The disposition of such surplus property outside the continental United States, whether in Territories and possessions of the United States or in foreign countries, with particular reference to the effect of the disposition of such property upon the domestic economy and the foreign trade of the United States;

(f) The advisability of Government operation of plants, installations, facilities, and pieces of equipment in those instances where the same cannot be sold or leased to private business;

(g) The effect of competition on the part of the Government with private business by reason of the operation or proposed operation of plants, factories, and other facilities owned by the Government;

(h) The adequacy or inadequacy of present statutes under which the policy of surplus property disposition is being formulated and carried out; and

(i) Such other matters connected with the disposal of surplus property as the committee deems appropriate.

The committee is authorized and directed to report to the House (or to the Clerk of the House if the House is not in session) whenever in the judgment of the majority of the committee or of any subcommittee thereof the public interest will be best served by the making of such interim reports, and the final report of the committee shall be filed not later than December 31, 1946.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such attorneys, experts, clerks, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. Subpenas may be issued over the signature of the chairman of the committee or any member designated by him and may be served by any person designated by any such chairman or member.

The SPEAKER. The Chair desires to make a statement about the time for debate. Of course, there is an hour on the rule, but the gentleman from Illinois [Mr. SABATH] preferred a unanimous-consent request that time for debate on the resolution be extended for an hour, the time to be equally divided between those for and against the resolution. The Chair does not know just exactly how that is going to work out.

Mr. MICHENER. May I say to the Chair that I raised the point when the matter came up, or made inquiry, because we could not hear the request as made. As I understood the Speaker, the first hour would be controlled according to the rules, and the additional hour would be divided half for and half against. I might say to the gentleman on this side that we always try to accommodate those for and those against a rule. I shall attempt to do so today. But I believe this is a technical situation.

Mr. SLAUGHTER. Mr. Speaker, I do not know whether there is anything the Speaker can do at this point, but I want to state to the Speaker and to the House that I was not in the Chamber when the

unanimous-consent request was made; that in spite of the fact that it was known that it was my resolution and that I was going to call it up this unusual request was made. The gentleman from Illinois some time ago asked me if I would see that he and other Members who are opposed to the rule would have adequate time. I say to the Speaker and to the Members of the House that I resent very much the action of anyone making a unanimous-consent request with reference to the time for debate on the resolution when I was not in the Chamber .

The SPEAKER. What is the gentleman from Missouri going to do about his time?

Mr. SLAUGHTER. Mr. Speaker, I am in the same position as the Speaker. I hardly know what to do. Of course, I will be fair about it.

The SPEAKER. The Chair makes this suggestion, that the gentleman from Missouri control 1 hour of the time and he may yield time to those who are opposed to the rule; and that the gentleman from Michigan have 1 hour and he may yield time to those who are in opposition.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Would that be fair when the resolution comes out of the Committee on Rules and is an attempt to bypass the Committee on Expenditures in the Executive Departments? It seems to me that committee ought to have some control of some of the time. That was the understanding that at least some of us had with the gentleman from Illinois [Mr. SABATH].

The SPEAKER. The Chair has made the suggestion inasmuch as the gentleman from Missouri and the gentleman from Michigan have agreed to yield time out of their hour to those opposed to the bill.

The gentleman from Missouri is recognized for 1 hour, and the gentleman from Michigan is recognized for 1 hour.

Mr. SLAUGHTER. Mr. Speaker, I cannot permit this occurrence to pass without expressing my surprise that the chairman of my committee would in my absence make a unanimous-consent request with reference to the disposition of time. This rule was reported from the Committee on Rules under the standard procedure which under the rules of the House provides for 1 hour's consideration. Under the well-established rule of this House I would, of course, have immediately yielded half of my time to the gentleman from Michigan [Mr. MICHENER], who is the minority member of the Committee on Rules and who is at the minority table today. It is to me indeed a strange thing that the chairman of the committee would arrogate to himself the right to fix a new and unusual and, so far as I know, unprecedented division of time in my absence.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Georgia.

Mr. COX. I was not on the floor when the chairman of the Committee on Rules made that unanimous-consent request, but in making it he violated—knowingly violated—an understanding that the committee reached many, many weeks ago.

Mr. SLAUGHTER. I will say to the gentleman from Georgia that at the next meeting of the Committee on Rules I propose to offer a rule to correct this condition.

Mr. Speaker, the purpose of this resolution is to provide for a sweeping and comprehensive investigation of the sale, leasing, or other disposition of all properties acquired by the United States in connection with the national defense.

The resolution was introduced in October, and it was reported by the Rules Committee about a month ago, but was not called up, due to the Easter vacation which intervened.

I will also say to the House that at the time this resolution was introduced in October, the Surplus Property Administration was in the hands of the Honorable Stuart Symington, a most able gentleman, and it was purposely held back in order to see whether Mr. Symington could work out this complex and difficult problem.

CALL OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently a quorum is not present.

Mr. SPARKMAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 107]

Allen, Ill.	Elston	King
Almond	Engle, Calif.	Kirwan
Anderson, Calif.	Fallon	Knutson
Andresen, August H.	Feighan	Kunkel
	Fenton	LaFollette
Bailey	Fisher	Landis
Baldwin, Md.	Fogarty	Lane
Baldwin, N. Y.	Fuller	Lea
Barrett, Pa.	Fulton	LeCompte
Beall	Gamble	Lemke
Bell	Gardner	Lewis
Bender	Gearhart	Luce
Bland	Gerlach	Lyle
Bolton	Gillie	Lynch
Bonner	Gordon	McCowen
Boren	Granahan	McDonough
Bradley, Pa.	Granger	McGlinchey
Buckley	Grant, Ala.	McKenzie
Butler	Grant, Ind.	Madden
Byrne, N. Y.	Green	Maloney
Camp	Gross	Mankin
Campbell	Hall, Leonard W.	Mansfield, Tex.
Canfield		Marcantonio
Cannon, Fla.	Halleck	May
Carlson	Hancock	Miller, Calif.
Case, S. Dak.	Hand	Monroney
Chapman	Harness, Ind.	Morgan
Clark	Hart	Morrison
Cochran	Hartley	Norton
Coffee	Hébert	O'Brien, Mich.
Cole, N. Y.	Hefferman	O'Toole
Combs	Hendricks	Outland
Cooley	Henry	Pace
Corbett	Heselton	Patrick
Courtney	Hinshaw	Patterson
Crosser	Hobbs	Peterson, Fla.
Cunningham	Hoch	Pfeifer
Curley	Hook	Philbin
Dawson	Jennings	Powell
Delaney, John J.	Johnson, Ind.	Price, Fla.
	Kean	Quinn, N. Y.
Dingell	Kefauver	Rabin
Domengeaux	Kelley, Pa.	Rains
Doughton, N. C.	Keogh	Reece, Tenn.
Douglas, Ill.	Kilday	Rivers
Robinson, Utah	Springer	Tolan
Rodgers, Pa.	Starkey	Torrens
Russell	Stefan	Vursell
Sadowski	Stevenson	Wadsworth
Schwabe, Okla.	Stewart	Wasielewski
Sheppard	Sumner, Ill.	Weichel
Sheridan	Sumners, Tex.	White
Short	Sundstrom	Wilson
Sikes	Taber	Winstead
Simpson, Ill.	Taylor	Wolfenden, Pa.
Simpson, Pa.	Thom	Woodruff

The SPEAKER. On this roll call 260 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INVESTIGATION OF DISPOSITION OF SURPLUS PROPERTY

Mr. SLAUGHTER. Mr. Speaker, we are witnessing a very unusual spectacle here today. First we see a parliamentary maneuver that I have never seen in the House before, and now we see, though I do not like to use the word "filibuster," shall we say the employment of dilatory tactics.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. Yes; I yield.

Mr. HOFFMAN. I suppose the gentleman is referring to this point of order that a quorum is not present?

Mr. SLAUGHTER. The gentleman is correct. I think we had one 20 minutes before.

Mr. HOFFMAN. Does the gentleman know of any reason why, when a vote is to be put over until Thursday, the Members of the House should not be advised of the business that is on?

Mr. SLAUGHTER. No; I think it is perfectly proper that they should.

Mr. HOFFMAN. Then what is the gentleman squawking about?

Mr. SLAUGHTER. I assume that is the reason the gentleman from Illinois [Mr. CHURCH] made the same point of order 20 minutes before.

Mr. HOFFMAN. I assure the gentleman I am going to make it every time a quorum is not present.

Mr. SLAUGHTER. I have no doubt the gentleman will, but I will say to the gentleman that he can make all the points of order he desires, but I intend to keep on here until we pass or try to pass this resolution and see what is under the surplus-property lid.

It is not the purpose of this resolution, directly or indirectly, to criticize the present operation of the agencies selected for the disposal of surplus property. I do not know whether it is doing a good job; I do not know whether it is doing a bad job. I make the statement without fear of contradiction, that there is no Member of the House who does know. I will make the further statement that there is no Member of the House nor member of the press nor of the public who knows what surplus property we have on hand, to what extent, and how it is being disposed of except in a general way. I do know that the disposition of surplus property has been kicked around from doorstep to doorstep like a foundling child. I know we were called back in 1944 when we thought that Germany was going to collapse and were asked to quickly pass a surplus-property law, which we did.

With all due respect to the other body, I believe it was in better form when it left this House providing for a one-man head. The result was that it came back and was enacted into law providing for a three-man board. We all know what confusion resulted. Consequently, President Truman asked us to change the law and provide for one head, which we did. This agency handling the greatest store of goods the world has ever known started out in the Procurement Division of the Treasury; then it went to the RFC; then it went to the Department of Commerce; and then came back to the RFC. Now it is with the War Assets Administration. How long it will be there no one can know. All we can do is perhaps to judge by the past. Administrators have come and gone, and there is no reason to believe that the final answer has been found.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield.

Mr. MUNDT. In view of the fact that practically one-third of the total national debt is represented by this surplus property, I think the gentleman has offered a very fine resolution, and I think it should be passed overwhelmingly by the House.

Mr. SLAUGHTER. I thank the gentleman.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Minnesota.

Mr. JUDD. The gentleman has stated that he thinks nobody in the House knows anything about what is going on under the surplus-property disposal program.

Mr. SLAUGHTER. I mean, of course, in detail.

Mr. JUDD. Has the gentleman read the very voluminous hearings held by the Committee on Expenditures in the Executive Departments in which we sat in committee morning and afternoon for 4 or 5 weeks and went over this whole subject in great detail?

Mr. SLAUGHTER. Yes.

Mr. JUDD. And as a result we caused considerable change in policy and procedure.

Mr. SLAUGHTER. Yes; I think the committee of which the gentleman is a member, of course, has done fine work, but I think there is far more to be done.

Mr. JUDD. What makes the gentleman think the committee is not now working at those further things to be done? We just passed a bill correcting the veterans' preference inequity. It is merely the first of several bills that we know need to be passed.

Mr. SLAUGHTER. Mr. Speaker, I yielded for a question, and not for an argument. The gentleman from Minnesota will have plenty of time to address the House on his own time.

Mr. Speaker, in response to the gentleman from South Dakota when he says that the value of surplus property amounts to about one-third of our national debt, I want to say that that is correct. I call the attention of the House to the fact that after the last war we had surplus properties amounting to approximately $4,000,000,000. This time it is estimated the value of surplus property is somewhere in the neighborhood of $100,000,000,000; $100,000,000,000 if you please, which represents the two horns of an economic dilemma, the like of which we have never seen. On the one hand, you could start out to try to get every dollar out of it. If you did that, you would wreck our internal economy. The other alternative is to just wash it off and throw it away and forget about it. Somewhere in between there is a middle ground, I believe, where the national interest can best be served. But I submit we have not reached a point where we know where that middle ground is because we do not have the facts.

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield to the gentleman from Texas.

Mr. BECKWORTH. I commend the gentleman for bringing in this resolution because I certainly do think a lot more can be done to ascertain just where this surplus property is and what is to be done with it. I want to cite this experience that I have had. For about 16 months we have been trying to locate some oil well drilling equipment desired by veterans in our district. During this 16-month period, I have been in touch with the Surplus Property Administration, several divisions of the Navy Department, the RFC, the Foreign Liquidation Commission, and the War Assets Administration; we finally were told that some of this equipment had been sold to UNRRA. Of course, I got in touch with UNRRA and endeavored to find out what UNRRA paid for the oil well drilling equipment and what UNRRA planned to do with it.

The latest information I have been able to get from the man who now heads UNRRA, former Mayor LaGuardia, is that UNRRA had not bought any such equipment. I hope that is one of the things the gentleman will look into because I think what I have described constitutes one of the greatest run-arounds I have ever experienced in all the time I have been here. Indeed, our veterans have a right to obtain this equipment.

Mr. SLAUGHTER. I thank the gentleman for his contribution, and I will state this to the gentleman: That I know of instances which will come to light that will make the hair stand on the head of any conscientious Member of this House, particularly those who are opposing the prying off of the surplus-property lid.

The SPEAKER. The gentleman has consumed 10 minutes.

Mr. SLAUGHTER. Mr. Speaker, I yield myself 10 additional minutes.

One of the organizations that is demanding an investigation of the surplus properties, by reason of my resolution, is the American Legion. The commander of the American Legion supported it, and Col. John Thomas Taylor, legislative agent, appeared before the Rules Committee. In response to a question by the chairman of the committee, the gentleman from Illinois [Mr. SABATH], who asked him, "Do you favor this resolution?" he said, "I not only favor it. We demand it."

Colonel Taylor made the further statement that this resolution could not be blocked. In other words, you can block this resolution, but some day, somehow, this investigation is coming, and Colonel Taylor said the sooner it comes the better.

Let me tell you what else Colonel Taylor said. He gave a concrete example of some kind of medical instruments called bone nippers. The Government had enough of them made to last perhaps 10,000 years. They sold them at 11 cents, and they are retailing today for $28. I wonder if the gentleman who interrupted me a moment ago knows about that.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. Yes; I yield.

Mr. JUDD. I know about that, and a great many even worse than that. We have been making efforts to correct them.

Mr. SLAUGHTER. It would be hard to believe they could be much worse, but I assume the gentleman is correct.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I yield for a question.

Mr. CHURCH. The Committee on Expenditures in the Executive Departments knows all of these objections. They have been considering them. They are still considering them. What is the gentleman's objection to a regular committee of the House going ahead and carrying out this undertaking? What is your objection?

Mr. SLAUGHTER. Does the gentleman say he knows about this?

Mr. CHURCH. Yes. We do know about it. Much of it is in the hearings.

Mr. SLAUGHTER. Has the gentleman or his committee certified their knowledge to the Attorney General of the United States or the district attorney for prosecution?

Mr. CHURCH. Does the gentleman——

Mr. SLAUGHTER. I am asking the gentleman a question, and I refuse to yield unless he answers my question.

Mr. CHURCH. The gentleman wants his own way about it.

Mr. SLAUGHTER. All right. I do not know. It may be there is some reason why instruments should sell at 11 cents and then retail at $28. Maybe there is a reason why speculators should get rich. Maybe there is a reason why veterans, municipalities, and States, when they go to buy this stuff, cannot get it. Maybe that is perfectly proper. But I say it is time to find out.

Now, I want to go back to the committee about which the gentleman has talked so much. That committee is headed, in my judgment, by one of the ablest men of this House, the gentleman from Alabama, [Mr. MANASCO]. If there is any committee in this House that has done yeoman service to and for this House and for the country, it is the Committee on Expenditures in the Executive Departments, during the past few months. I say further, that committee is going to be confronted with other legislation just as vital and maybe more vital in the months to come.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I refuse to yield. I say this committee is going to have plenty of legislation just as vital as this they have passed. I say that no committee that has its time divided can tackle this problem, a problem so big that nobody can even comprehend it. Even an investigating committee, with the best staff that can be assembled, an adequate staff with adequate counsel and adequate investigators, is going to have its time taken day in and day out. That is the reason I say that the magnitude of the task calls for a special committee in order that we may know just exactly where we stand.

Now, let me tell the gentleman who interrupted me a moment ago some facts and see if he knows about those facts. I am directing my remark to the gentleman from Illinois, [Mr. CHURCH]. I wonder if he is familiar with the report of the Surplus Property Board for the month of February, and if so, I wonder if he knows that it shows that up to and including February $705,280,000 worth of stuff had been sold. The same report, however, accounts for only $552,140,000; in other words, there are $153,140,000 floating around loose, nobody knows where.

Mr. CHURCH. Yes; we know about it.

Mr. SLAUGHTER. Then, when the gentleman's time comes I hope he will tell us where that $153,000,000 is.

Mr. CHURCH. No; no!

Mr. SLAUGHTER. This $153,000,000 does not appear in the record.

Mr. CHURCH. We know about it all right, and the reason; but we do not need another committee to handle it.

Mr. SLAUGHTER. I decline to yield further. The gentleman apparently does not have that information available.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. SLAUGHTER. Yes; I yield to my friend from Michigan.

Mr. HOFFMAN. When the gentleman's committee makes its investigation and reports back what legislation is needed, to what committee will it be sent?

Mr. SLAUGHTER. Perhaps to the gentleman's committee, I do not know; it might go to several committees, some might go to the Judiciary Committee.

This resolution, as I said before, is not being presented with the word "accuse." I do not know whether they are doing a good job or whether they are not doing a good job, but I think it perfectly proper to take a page from the book of President Truman. I believe it is generally conceded that one of the most salutary jobs ever done by an investigating committee was done by the Truman committee. On February 10, 1941, when the then Senator Truman stood on the floor of the Senate and demanded an investigation of the war effort, you heard the same sort of objections you are hearing today. Senator Truman at that time said:

> I am merely stating what I believe to be conditions that deserve investigation. If nothing is wrong, there will be no harm done. If something is wrong, it should be brought to light.

I submit that on that statement of Senator Truman's you have not only a precedent but you have a good guidepost as to the advisability for and the work of this committee.

The gentleman talks about a regular committee of the House. A regular committee of the House, of course, takes care of not only surplus property legislation but also all legislation that is properly referred to it. It does not have the power of subpena, it does not have a staff, it does not have a general counsel, it does not have investigators.

Under the scope of this resolution the committee would inquire as to what types of contracts are being employed. It could be determined whether these contracts are being drawn according to the terms of the act, and whether they are being awarded according to law, or in a manner calculated to enrich greedy speculators.

The Surplus Property Act very wisely gives certain preferences to small business, yet we hear complaints from time to time that these small business certificates issued by the Reconstruction Finance Corporation are being improperly and illegally used by speculators. There are even instances where veterans have been duped and deceived into using their preferences not to put themselves in business, but to enrich speculators who pay them handsomely for the property which they secure.

It would be the purpose of this committee under the resolution to inquire into the disposition of property outside of the United States, with particular respect to its effect on our foreign trade.

As part of the surplus property held by the Government, we have gigantic plants and industrial installations such as Willow Run in Detroit, and other plants not much smaller throughout the country. It would be proper and highly desirable to look into the Government's general policy with respect to the leasing or sale of these plants. Furthermore, in the case of large plants which cannot be sold or leased, a careful check should be kept upon Government operation, for it will readily be seen that the operation of these plants by the Government could seriously affect private business and enterprise.

The adequacy or inadequacy of the present statutes should be gone into thoroughly, and this can only be done by a comprehensive examination of the whole program of disposal, and in the light of such disclosures to test and determine the adequacy or inadequacy of the present law.

The House can vote this resolution up or vote it down, but, as Colonel Taylor, of the American Legion, said, you cannot in the long run block an investigation involving $103,000,000,000.

Mr. MICHENER. Mr. Speaker, it seems that there is general agreement in one particular, that is that there should be an investigation as to how this surplus property is being disposed of. Now, if the House is agreed that that should be done, then the only remaining thing to decide is who is to do the job.

The Committee on Expenditures has jurisdiction over this type of legislation. It is not an investigating committee. That committee has been holding hearings, as we have been advised here today, for some time, and has been giving consideration to the whole matter. More than a month ago the Slaughter resolution was introduced and referred to the Rules Committee.

This is a resolution setting up a special investigating committee in the usual way. No action was taken by the Rules Committee for a considerable time. At the time the resolution was introduced, as I recall, Mr. Symington was at the head of the War Assets Corporation. Later he resigned and General Gregory took over. General Gregory is at the head of the organization now. The thought on the part of some was that General Gregory would proceed at once to iron out some of the kinks, do away with some of the red tape, and make possible the disposition of this property pursuant to the intent of Congress as expressed in the bill authorizing disposition of surplus property. That is where we find ourselves today. Whether or not the Slaughter resolution obtains and a special committee is appointed or whether the matter is left in status quo——

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I do not think that is quite accurate because the Committee on Expenditures is trying now and has been for a couple of months to get this investigation started.

Mr. MICHENER. I do not want to be misunderstood. I say the "status quo" is that, the committee to which the gentleman from Michigan refers, has been holding hearings as a legislative committee for the last couple of months.

Mr. HOFFMAN. Yes. We had the Undersecretary of War before us. He promised that he would make an investigation and give us a further report. We have been seeking all the information we can get. We have on that committee the gentleman from New York [Mr. LATHAM] who has had some experience personally with this while he was in the Navy.

Mr. MICHENER. I am not questioning the procedure of the gentleman's committee. It is a very good committee and it has done a lot of good work. To me it is a question of whether or not something should be done now. The Slaughter resolution gives the special committee the right to subpena witnesses, the right to go out and investigate, to do a job, in fact, similar to that being done by the Mead committee which is working along the same lines in the Senate. I do not care which committee makes this investigation. I do think the American people want action and they want action now. If the legislative committee can do the job and perform the work and do it now, that is one thing, but if that committee does not, then I am for setting up, and giving some other committee the authority to start from here in order that the snarl in which the Surplus Administrator finds himself may be untangled.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from New York.

Mr. ANDREWS of New York. I am under the impression that there is a considerable amount of sound opinion supporting the fact that one of the greatest difficulties of the War Assets Corporation is the restrictions under which they are operating, as imposed by the Congress itself. If that is true, I am wondering if anyone on the regular committee can inform me whether representations to that effect have been made to the standing committee by General Gregory?

Mr. MICHENER. Yes; I will be glad to have anyone answer that.

Mr. HOFFMAN. Yes; there was something said to that effect. We called attention to the fact, for instance, that in Detroit a company which put up cash of two-hundred-and-some-odd thousand dollars to buy engines that were on hand, went down to take them over, and received a wire from New York informing them that they are down there and if they will pay $65 additional on each motor they can get them. That has nothing to do with the difficulty of handling it.

Mr. MICHENER. The whole thing, as I see it, is that the regular committee has not done it and is not doing it.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. No; not right now.

Mr. HOFFMAN. We have had these men before us and we expect to have more of them. We tried to send out a special committee, but the Committee on Accounts would not give us any money.

Mr. MICHENER. Well, now, there is the milk in the coconut, your committee has no investigating authority.

Mr. HOFFMAN. The gentleman is right. The committee proposed was the gentleman from California [Mr. ELLIOTT] and the gentleman from New York, [Mr. LATHAM], who had some experience.

Mr. MICHENER. I will give the gentleman some time.

Mr. HOFFMAN. I thank the gentleman. I am glad of that assurance.

Mr. MICHENER. Just let me have a little now.

Mr. HOFFMAN. I think the gentleman will get it.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Illinois, briefly.

Mr. CHURCH. The chairman of our committee, the gentleman from Alabama [Mr. MANASCO], on January 29, 1945, before the Slaughter resolution was before the Rules Committee, by a resolution of his own requested the right to subpena records, and so forth. The Rules Committee has not granted our committee that right. It wants that power to subpena records with what power it has, our committee is in the middle of a job not yet finished.

Mr. MICHENER. I will yield to the gentleman from Minnesota at this time. I do not want to take too much time myself.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Briefly.

Mr. JUDD. May I say that we are in the process of preparing legislation. We brought out one sweeping bill in regard to veterans. That was the most urgent matter at the time. But we put that out because we thought we had to have action immediately. There are other things in progress, to answer the gentleman from New York, to correct the legislation where the legislation is admittedly defective. The committee has been working since February.

Mr. MICHENER. If this debate gets action it will accomplish something.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from New York.

Mr. REED of New York. I am not too familiar with the subject except in this respect: I have had a great deal of correspondence from people who have seen the advertisements in regard to surplus property. They have been earnest. Many of them are veterans. They have been chased hither and yon, from Chicago to New York, Cleveland, and everywhere else, and when they get there the property is not available. I cannot vouch for this except it comes from a very reliable man who knows the inside of this organization, but he said it is filled with Communists, and their only aim in life is to perpetuate themselves in power for a period of years.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Georgia.

Mr. COX. Mr. Speaker, if the gentleman will yield to me for just a brief observation, I would like to say that the whole question is just this: If this House is satisfied with what has been done as regards surplus property thus far, then they will, of course, vote down this resolution, but if they are not, then they ought to give it their support.

Mr. MICHENER. I think I attempted to make that clear. Mr. Speaker, good government suggests that this resolution should pass.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. SLAUGHTER. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, the gentleman from Missouri [Mr. SLAUGHTER], whose resolution we are now considering, has charged that I have been unfair in asking that the time on the resolution be extended 1 hour. I did not act of my own free will and accord. Many Members asked me concerning it. I waited until 25 minutes after 12, after all unanimous consent requests were disposed of, and then called up the office of the gentleman from Missouri, since he was not on the floor, and left word that his resolution was coming up. I did everything that a gentleman could do to protect his rights in being here when the resolution would be called up.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Georgia.

Mr. COX. Does the gentleman not see in what he did some violation of an agreement that his committee made many months ago with respect to the gentleman's undertaking to handle a resolution reported by the Committee on Rules to which he was opposed?

Mr. SABATH. In the first place, I say to my colleague the gentleman from Georgia [Mr. COX] that I had no desire to present the resolution, as I am strongly opposed to it, and it was for that reason that I gave it to the gentleman from Missouri [Mr. SLAUGHTER] to file, and I do not know of any such agreement actually made. It was only talked about. Today I have only carried out the wishes of the majority leader, the minority leader, and many other Members then on the floor who felt more time should be allotted, since no vote will be taken on the resolution until next Thursday. In view of that fact, and of the many requests made to me by interested Members, I yielded to those pleas and made the unanimous-consent request. I fail to find anything unfair in my conduct, and any statement that I have been unfair is unjustified and unwarranted. On the contrary, Mr. Speaker, if anyone has been unfair, I think the gentleman from Missouri and gentleman from Georgia have been, and I resent the charges and imputations they have made. I leave it to the membership of the House to judge.

Mr. SLAUGHTER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman, to whom I have given this resolution.

Mr. SLAUGHTER. I want to propound a question to the gentleman who is speaking, who is dean of the House, and chairman of the Rules Committee. In all the gentleman's long and distinguished experience, did he ever see anyone except the Member who was handling the rule make any different arrangement for time than is provided by the rules of the House, and in the absence of the Member?

Mr. SABATH. I will answer the gentleman. Frequently, as in this case of the resolution of the gentleman from Missouri, I have given a rule to one Member or another to present. As chairman of the Committee on Rules, I feel I have a duty and a responsibility, and if they are not on the floor, to protect them I have frequently called up their resolutions or rules at the proper time, because I thought I was doing them a favor. Invariably I have made an excuse for their not being on the floor, as I would have done for the gentleman from Missouri if he had not shown up just as this resolution was about to be called up.

Mr. SLAUGHTER. Mr. Speaker, will the gentleman yield further?

Mr. SABATH. I will not yield unless the gentleman yields me an additional 5 minutes.

Mr. SLAUGHTER. I yield the gentleman all the time on the opposition side.

Mr. SABATH. I thank the gentleman.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I cannot address my observations to the troubles within the Committee on Rules or the way the measure is presented to the floor, but I do desire very respectfully to take issue with my distinguished colleague from Georgia when he says that we should vote up this resolution if we believe that the Surplus Property Act has not been functioning under its administration the way the Congress desires. If we did that on every law which is passed and is administered, this Congress would not have standing committees but would be a confused, conglomerate, special-committee Congress. The gentleman knows that no law is carried out just as the Congress would desire it. I think that observation is not to be taken too seriously in connection with the committee under consideration.

Mr. SABATH. I thank the gentleman for his remarks.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Georgia.

Mr. COX. I am very glad the statement made by me served to arouse the gentleman from West Virginia to disclose just what his feelings are with regard to the functioning of this surplus property set-up.

Mr. SABATH. I do not see how the gentleman from Georgia can impute any motive to the gentleman from West Virginia, who is a member of a committee which has held extensive hearings on surplus property disposal. Now, having made my position clear on the charges that I have acted unfairly, Mr. Speaker, I shall speak to the resolution now before us.

When that resolution was before the committee, it was there for a good many weeks, and it was postponed because the Committee on Expenditures in the Executive Departments had been holding hearings and making an investigation. I myself have been one of those who after the last war and even now have demanded investigations and demanded that action be taken to safeguard the rights of our Government.

When the Rules Committee finally granted a hearing on this resolution, we invited Gen. E. B. Gregory, who for many years was the efficient Quartermaster General and is now executive head of the War Assets Administration, to appear before us. General Gregory is a distinguished officer with an enviable record. I felt that he made a clear explanation of his efforts to bring about coordination and efficiency and a proper disposal of our vast stocks of surplus property. It amounts to billions of dollars, but not to as many billions as has been stated. The country should be protected so that the property is not disposed of to racketeers or at prices so low the Government would be deprived of its proper recompense.

After listening to General Gregory and to the chairman of the Committee on Expenditures in the Executive Departments the gentleman from Alabama [Mr. MANASCO] explained that this committee has been working day and night for over 6 weeks, making a comprehensive investigation, and is even now continuing its thorough investigation. After having been informed that that committee is functioning efficiently, and knowing that it is made up of 21 of the most outstanding Members of the House, I came to the conclusion that the investigation already was in better hands than it could be under any special committee of 5 that the Speaker, with the best of intentions, could possibly designate under this resolution.

Here are the names of the Democratic members of the committee who have been making this investigation: Mr. MANASCO, Mr. COCHRAN, Mr. WHITTINGTON, Mr. HART, Mr. MANSFIELD of Texas, Mr. DAWSON, Mr. O'TOOLE, Mr. GIBSON, Mr. RANDOLPH, Mr. ELLIOTT, Mr. GOSSETT, and Mr. RESA. They are all outstanding Members. On the Republican side there are Mr. HOFFMAN, Mr. BENDER, Mr. CHURCH, Mr. JUDD, Mr. LAFOLLETTE, Mr. RICH, Mr. LATHAM, and Mr. HENRY. I, for one, have confidence in these men. I think they are honorable and honest, experienced, and able. To pass this resolution would be in the nature of an insult, or at least reproof, to that outstanding committee, which already has conducted a thorough inquiry. In addition, the committee not only prepared, but succeeded in passing, a bill designed to correct some shortcomings and weaknesses in the law and its administration. The only possible criticism that could be raised against the committee is that it spent no extra money, and that it did not seek reams of newspaper and radio publicity. I think that any special committee of five would only unnecessarily duplicate the work already done by this splendid regular legislative committee, the names of the Members of which I just gave you, and would unduly complicate an already involved and complicated problem.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. RABAUT. Furthermore, General Gregory has only had this matter under his control since March 25.

Mr. SABATH. That is correct.

Mr. RABAUT. That is hardly giving the man a chance.

Mr. SABATH. I know of his reputation, and of his prompt and efficient attack on the ills and problems of the disposal of surplus property; in personal contact, and by results, I have found General Gregory to be honorable, capable, and most efficient. I know from his statements that already he has started an investigation of his own to discover if there has been any wrong-doing, or any collusion in sales, or favoritism, using not only investigators of the War Assets Administration but also agents of the Federal Bureau of Investigation, to try to bring out the real facts without fear or favor, with the dual purpose, not only of bringing to justice any who may have been guilty of a wrongful act, but also to enable him to rectify any mistakes that have been made heretofore.

Just before I took the floor, I was handed a release issued by General Gregory which I hastily glanced over; it appears to explain what has been done under his supervision since he was designated to this undesired task, and I ask unanmous consent that I may insert that statement of his for the information of Members. I am satisfied that any fair-minded person, after reading this statement, will conclude General Gregory is doing an excellent job. It will also be noted that figures previously quoted are incorrect and misleading; the statement that we have one hundred and three billions of property that has been declared surplus will be seen to be wide of the figure of fifteen billions given by General Gregory.

In conclusion, let me make the statement that, as I understand the situation, these stores of surplus property are scattered all over the continental United States as well as in every part of the world where our armed services may have operated. It is only natural that, under the rather complicated and ambiguous law we gave the old Surplus Property Board to operate under, some mistakes were bound to have been made, and there may have been some who, by design or through carelessness, have failed to safeguard the interests of the Government and the public. Some have not given to veterans the preference that Congress intended should be given.

I have the utmost confidence in the Committee on Expenditures in the Executive Departments. I think they have done and are doing a splendid job. Instead of giving to them the thanks of the House and of the country they deserve to receive, this resolution aims to slap them in the face. Not only has this committee devoted time, thought, and energy to the problem, but at least two outstanding committees of the Senate have considered the problems thoroughly and carefully, and we authorized the House Committees on Naval and Military Affairs to go into the subject.

WAR ASSETS ADMINISTRATION,

Friday, May 3, 1946.

Lt. Gen. Edmund B. Gregory today issued the following statement in reply to criticism of the War Assets Administration:

"Contrary to the charge that the sale of surplus property has bogged down, actual sales records show that disposals are increasing each month. The official records show that sales of surplus property in March were two and a half times greater than in last December. This steady upward progression is shown in the following sales figures: $211,000,000 in December 1945; $303,000,000 in January; $412,000,000 in February; and $492,000,000 in March and an expected $600,000,000 in April.

"The War Assets Administration fully recognizes civilian shortages and is cognizant of the serious dangers of inflation. On February 27, 1946, before the Senate Subcommittee on Surplus Property, I said: 'Liquidation of surplus now will help get critically needed supplies into our economy while they are needed by consumers and industry during reconversion. Liquidation now will help offset inflationary forces resulting from current high purchasing power and relatively scarce supplies—will least interfere with employment and purchase—will remove the surplus threat from postwar markets and will insure that the Government gets the best return.'

"The public must not regard war surplus as an inexhaustible well of supply for desirable items for personal and household use. These materials were designed for one purpose—the winning of the war—and a large part of it is fit for war only. As an example

of this we have in our inventory $4,700,000,000 worth of nonsalable combat aircraft.

"Our procedures are being simplified. Our organization is new. We find it difficult to obtain experienced personnel. Office space especially in the sales areas is limited. In the future we will sell as much as possible on sites where the property is actually located.

"In our first on-the-site sale at Fort Hueneme, Calif., ordered soon after I took office, some $10,000,000 worth of surplus property was disposed of with a dollar return to the Government of 76 percent of cost.

"The original cost value of surplus property acquired to date by the War Assets Administration is only $15,000,000,000—not $32,000,000,000. It was originally estimated that probably about 32 billions of dollars of surplus would eventually reach our hands. It now appears that final declarations will probably not go over $20,000,000,000.

"Of the $2,000,000,000 of consumer goods declared to us, one-third of it has already been disposed of. Furthermore, one-third ($750,000,000) of the total consumer goods has only been declared to us during the last 3 months and 44 percent of the producer goods has only been declared surplus to us in the same recent period.

"These are statements of positive, definite accomplishments. These are not just plans for possible future action.

"The broad distribution required by the Surplus Property Act necessitates offering surplus property to many priority claimants. Other factors which hinder the speedier disposal of surplus property are the great amount of paper work involved in transferring the surplus from owning agency inventory to War Assets Administration records; the inadequate armed services nomenclature for civilian sales purposes; the necessity for clearing plants of war machinery not needed by the purchasers, and the fact that the declared surplus goods are located in more than 5,000 storage points throughout the United States."

The SPEAKER. The time of the gentleman from Illinois [Mr. SABATH] has expired.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Judging from information I have, it is very necessary that we have an investigation of the Surplus Property Administration. The question appears to be as to what group or committee shall make the investigation. I have faith in the chairman and the members of the Committee on Expenditures in the Executive Departments. I also have faith that the Committee on Rules will make a thorough investigation. We must select one committee or the other. The resolution before us provides the Committee on Rules to do this job.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

If the rule is defeated, of course, this investigation will be carried on further by the regular committee of the House.

Mr. ROBSION of Kentucky. Unless the gentleman's committee secures additional authority from the House, they cannot make such an investigation as should be made.

Mr. CHURCH. Ever since January 29, the chairman of the committee has had that resolution for the extra power pending before the Committee on Rules.

Mr. ROBSION of Kentucky. Yes, but for those of us who want the investigation made, we feel that the delay from January to this time is already too long.

Mr. CHURCH. But irrespective of that, we have been proceeding with hearings day after day, and we are still proceeding and hope to finish.

Mr. ROBSION of Kentucky. But the gentleman and the members of his committee admit that they have failed to secure proper cooperation to make such an investigation as should be made.

Now I do not yield further.

Mr. SLAUGHTER. Mr. Speaker, will the gentleman yield to me just a moment?

Mr. ROBSION of Kentucky. I yield.

Mr. SLAUGHTER. I will say to the gentleman from Kentucky that I did not know the resolution to which the gentleman refers was pending, and the Committee on Expenditures in the Executive Departments has never appeared before the Rules Committee asking for that resolution, so far as I know.

Mr. ROBSION of Kentucky. Well, that is a strong and persuasive statement that the gentleman has made supporting the resolution before us. It seems to me the regular committee should have been more active and insistent in having the Rules Committee to report a rule.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. No, I cannot yield further to the gentleman.

I receive letters every day, and recently in going through my district I have talked to veterans and others. They are unable to secure any of this surplus property. They are directed to various sections of the country, here and yonder. They are wearing out their patience and their shoe leather and getting no results. I am hopeful that this investigation will get real action at once. It has been stated there are $103,000,000,000 worth of property involved. I should like to know from the chairman if that is correct.

Mr. SLAUGHTER. Those are the best figures I have been able to get.

Mr. ROBSION of Kentucky. Just think of it; $103,000,000,000 of this surplus property. That is five times what World War I cost us up to the time of the signing of the Armistice. One hundred and three billion dollars. This matter should be thoroughly investigated now, and we should find out what is being done with this great quantity of real and personal property, and this property should be protected.

We will soon have a British-American financial proposal come before us, attempting to dispose of $6,021,000,000 of surplus property under lend-lease in Great Britain. Great Britain arranged so that nobody could be a purchaser but her. Our representative agreed to let her have it at a little over 10 cents on the dollar, and with 55 years in which to pay for it, and with the provision that Britain will make no payments or pay any interest until December 31, 1951. Britain will have 50 years thereafter to pay for this surplus property. In other words, she will have until the year of 2001. She is supposed to pay 2 percent interest beginning with January 1, 1952, but she will be excused from paying interest for any period that her foreign trade does not exceed approximately 60 percent in volume of what it was before the war. We know that her foreign trade will not exceed 60 percent in volume, and, in my opinion, she will not pay the principal, and, therefore, the American people will find out that they have been gypped again.

This immense quantity of surplus property in Britain, as well as surplus property all over the United States and in other foreign countries, consists of valuable real estate, lands, buildings, factories, shops, mills, lumber, steel, copper, all kinds of motor vehicles, equipment and parts, cotton and woolen cloth, clothing, underwear, hats, shoes, socks, ham, bacon, lard and other meat products, sugar, butter, dried and canned vegetables and fruits; in fact, almost everything under the sun that the American people are in need of and want to buy. Great quantities of this surplus property in various countries of Europe, Asia, and Africa, and the Philippine Islands have already been given away outright or to those who will not pay the price agreed upon, and a great deal of it has been destroyed, wasted, or stolen.

All of this surplus property was paid for by the bond and tax money of the American people. The war in Europe has been over more than a year and the war in Japan has been over about 9 months. It is high time that the Congress and the American people get definite information about this property and formulate plans for its orderly disposition. It is not a matter of hundreds of millions of dollars but tens and tens of billions of dollars.

I shall vote for the resolution before us, in the hope that we may have an immediate and thorough investigation by the Rules Committee of the House. In doing so, it is not my purpose to reflect in any way on the committee dealing with Federal expenditures. Apparently, they have been unable to secure a rule, proper authority, and funds to make a thorough investigation. It is a splendid committee and is ably served by its chairman the gentleman from Alabama [Mr. MANASCO].

Mr. MICHENER. Mr. Speaker, I yield such time as he may require to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, the situation with respect to war surplus property ought to be fairly and thoroughly investigated. It should be done without further delay. It is long delayed now. It must be done without fear or favor toward anyone.

If only a part of the information that comes to me is correct and I have every reason to believe it right, the waste and mismanagement of a great amount of property remaining after the war will show up as nothing less than a national scandal.

Millions of dollars' worth of property, that could be used and needed because of shortages is deteriorating in this country and in various parts of the world.

Servicemen are clamoring for the use of trucks, cars, machinery, and office equipment they need in order to begin after years spent in the armed forces.

Most of this equipment is unobtainable anywhere else. There are thousands of trucks, cars, and machinery wasting in the weather that ought to be used. This Congress enacted legislation to give these servicemen a chance to acquire this surplus goods, but it is trickling through in small quantities.

The thing to do is bend every effort to see that every bit of surplus property is put in the hands of civilians to help take care of a dire shortage, and give the Government a chance to realize as much as possible on the value of this equipment while there is opportunity to do so. American citizens have a right to see that this property is utilized as far as can be done, and are entitled to have it done without a lot of red tape and delay.

Furthermore, Mr. Speaker, every dollar realized from sale of this property should be applied directly to reduce the national debt and not covered in the Treasury to pay Government expenses. After all this property belongs to the American taxpayers. They are entitled to have an accounting as to how it is handled and what is realized from it, and who gets it.

Mr. MICHENER. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Speaker, while I have on two previous occasions, on April 4, the evening before the Slaughter resolution was reported out of the Rules Committee, and on April 30 on the floor of the House, outlined my position with respect to the administration of the Surplus Property Act of 1944, I should like again to speak a few words on this subject.

For a number of weeks the Committee on Expenditures in the Executive Departments, of which I am a member, has been holding hearings on this subject, and we recently enacted legislation to clarify the original intent of Congress that veterans be given preference in the sale of surplus property. That bill became a law and was signed by the President last Friday. A full copy of it is not available because of its late signing.

While our committee has by no means completed its investigation, it has familiarized itself with the administrative details with reference to surplus property disposal and those administrative details are tremendous.

We have before us today a resolution (H. Res. 385) proposing to set up a special committee of five members to investigate this same subject. I do not for a moment question the need of such an investigation. I have never questioned the need of that investigation. The manner in which the sale of surplus property is being conducted is scandalous. I said that in the two previous speeches I have referred to.

I have already explained the extent to which complicated regulations and red tape have served to prevent expeditious disposal of this property. The War Assets Administration, which has charge of most of the surplus property disposal, is bureaucracy at its worst. The whole program is being defeated by ridiculous procedures and duplications. In due course the Committee on Expenditures in the Executive Departments will undoubtedly report amendatory legislation to correct this situation.

Inasmuch as the Committee on Expenditures in the Executive Departments has already undertaken this study and investigation of the surplus property program, and inasmuch as the committee has jurisdiction over the legislation, it is wholly unnecessary to establish a special committee as is here proposed. A special committee would simply duplicate the work already undertaken by the standing committee of the House. Moreover, a special committee would not be able to report amendatory legislation but would simply make recommendations which would be referred to the Committee on Expenditures in the Executive Departments, and then our committee would have to go over and over again the reasons for the legislation submitted by that committee.

I again call your attention to the fact that the Joint Committee on the Organization of Congress urged in its report that the practice of creating special committees of investigation be abandoned. In making this recommendation, the joint committee recognized the extensive overlappings and duplications that result from the creation of a special committee. It suggested that the standing committees be given the power of subpena and be authorized to undertake investigations of matters within their particular jurisdictions.

If this resolution should fail all we need to do—if the House realizes that the regular committee of this House, the Committee on Executive Expenditures needs the power to subpena books, and so forth—all we need to do is to grant that power—if we can convince the Rules Committee to do it. That is all we need to do. That committee has been proceeding day after day with hearings, and after those hearings General Gregory, General Royall, and others made a trip around the world. They have taken the suggestions of the committee. We are in the middle of those hearings, and have on our committee men like the gentleman from Mississippi [Mr. WHITTINGTON], away today unavoidably because of an engagement made several months ago. No better posted man on this subject of surplus property disposal exists.

Our committee has passed out many, many important bills with which you are familiar, the reorganization bill and many others to which I might call your attention at this time.

I say again there is a real need for a full and complete study and investigation of the surplus property disposal program, but there is no need for the creation of a special committee to conduct such investigation. I accordingly urge that the pending resolution be voted down. I was going to offer an amendment but I find that the parliamentary situation will not permit it. The adoption of this amendment would give the standing Committee on Expenditures in the Executive Departments all the powers proposed by the resolution to be given to a special committee. It would avoid a duplication of work. It would enable the standing committee to continue what it has already undertaken. It would save time and expense and enable the standing committee to report at an early date whatever amendatory legislation is necessary. By adopting this amendment, we would be following the recommendation of those who conducted a painstaking study of the organization of Congress. We, ourselves, would be avoiding the duplications in the executive branch, of which we have every reason to complain.

Mr. Speaker, I do not know why, and I should like to ask the gentleman from Missouri just why he is trying here today to "slaughter" the effective work of one of the most effective committees of this House.

The SPEAKER. The gentleman from Illinois yields back 2 minutes.

Mr. MICHENER. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I simply want to make the observation that before any Member of the House casts his vote against this resolution he ask himself, What am I going to say to the GI's or to the citizens generally who ask me to explain what is happening with reference to surplus property and why they cannot get this or that thing?

I see the gentleman from Oregon [Mr. NORBLAD] sitting over here. I say it would be very difficult to go into the areas that have watched with interest the way he has exposed the handling of some of this property and say that you voted against an investigation of that kind of thing. The record will stand as to whether you are voting for or against a resolution to investigate the handling of surplus property. I suggest that the vote which will be most justifiable to the country will be a vote to investigate the handling of the surplus property situation.

Mr. SLAUGHTER. Mr. Speaker, I yield 10 minutes to the gentleman from Alabama [Mr. MANASCO].

Mr. MANASCO. Mr. Speaker, much has been said here today about what has been done relative to an investigation of the disposal of surplus property. I think it is fair to say that there have been many, many rumors about the disposition of surplus property that have gone uninvestigated. It is impossible for 1 committee—yes, 10 committees or a hundred committees—to investigate every rumor that comes to the attention of a Member of Congress.

Our committee, in August of last year, started an investigation of the disposition of surplus property. We have continued this investigation and are going to have a report from the Under Secretary of War and the Director of the Foreign Liquidation Commission in a few days with reference to their findings made as a result of charges made before our committee.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. MANASCO. I would rather make a very brief statement, then yield.

CALL OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. SLAUGHTER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 108]

Allen, Ill.	Gerlach	O'Brien, Mich.
Almond	Gillie	O'Neal
Anderson, Calif.	Granahan	O'Toole
Andrews, N. Y.	Granger	Outland
Baldwin, Md.	Grant, Ala.	Patrick
Baldwin, N. Y.	Grant, Ind.	Patterson
Barrett, Pa.	Green	Peterson, Fla.
Barry	Gross	Peterson, Ga.
Bell	Hall,	Pfeifer
Bender	Leonard W.	Philbin
Bland	Halleck	Phillips
Bolton	Hancock	Plumley
Bonner	Hand	Powell
Boren	Harness, Ind.	Price, Fla.
Bradley, Pa.	Hart	Rabin
Buckley	Hartley	Rains
Bulwinkle	Hébert	Reece, Tenn.
Burch	Heffernan	Rivers
Butler	Hendricks	Robinson, Utah
Camp	Henry	Rodgers, Pa.
Campbell	Heselton	Rogers, N. Y.
Canfield	Hinshaw	Russell
Cannon, Fla.	Hobbs	Sadowski
Case, N. J.	Hoch	Sasscer
Celler	Hook	Schwabe, Okla.
Chapman	Jarman	Sheppard
Clark	Johnson, Ind.	Sheridan
Cochran	Kean	Sikes
Coffee	Kearney	Simpson, Pa
Cole, N. Y.	Kefauver	Somers, N. Y.
Combs	Kilday	Springer
Cooley	King	Starkey
Corbett	Kirwan	Stefan
Courtney	Kunkel	Stevenson
Cravens	LaFollette	Stewart
Crawford	Landis	Sumner, Ill.
Crosser	Lane	Sumners, Tex.
Cunningham	Larcade	Sundstrom
Curley	Latham	Taber
Daughton, Va.	Lea	Tarver
Dawson	LeCompte	Taylor
Delaney,	LeFevre	Thom
John J.	Lesinski	Thomas, Tex.
Dingell	Lewis	Tolan
Domengeaux	Luce	Torrens
Doughton, N. C.	Lyle	Towe
Douglas, Ill.	Lynch	Trimble
Elsaesser	McCowen	Voorhis, Calif.
Elston	McDonough	Wadsworth
Engle, Calif.	McGehee	Wasielewski
Fallon	McGlinchey	Weaver
Feighan	Madden	Welchel
Fenton	Maloney	White
Fernandez	Mankin	Whittington
Fisher	Mansfield, Tex.	Wilson
Fogarty	Marcantonio	Winstead
Folger	May	Winter
Fuller	Miller, Calif.	Wolfenden, Pa.
Fulton	Monroney	Wood
Gamble	Morgan	Woodruff
Gardner	Morrison	Worley
Gathings	Murray, Tenn.	
Gearhart	Norton	

The SPEAKER. Two hundred and forty-seven Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DISPOSAL OF SURPLUS PROPERTY

The SPEAKER. The gentlemen from Alabama [Mr. MANASCO] has 9 minutes remaining.

Mr. MANASCO. Mr. Speaker, much has been said in the press and on the floor about the amount of surplus property owned by the United States Government. The figures run anywhere from sixty to one hundred and twenty-five billions. I think it is time we advised the people of the country that they are not going to get fifty, sixty, seventy, or one hundred billion dollars for this surplus property they own.

So far as I know, except for countries which have aggression in mind, there is no sale today for B–29's, P–47's, P–51's, Sherman tanks, Long Tom guns, or LCI's, and so forth. We are going to do extremely well if we recover for the taxpayers of the United States $10,000,000,000, and I think the quicker this surplus property is sold the better off all concerned will be, because if we hold it for another year it will be in competition with private industry and with men who earn their living working for private industry. If it is sold immediately it will have a tendency to curb inflation and will not displace anyone, because there is so much demand now for surplus property. Congress itself cannot sell this surplus; we must, of necessity, delegate the authority to sell this surplus to an executive department. They are of course going to make mistakes and many hundreds of mistakes. They have made thousands up to now. I wish I had time to give you some of the history of the administration of this Surplus Property Act. Since we passed it in 1944 the administration of the sales agency has been changed four or five different times, but I want to say for the agency and General Gregory and his staff that they are doing a magnificent job with a headache; they are correcting many of the mistakes and have been ready every time our committee has submitted evidence of any misfeasance or malfeasance to investigate the charges and make necessary corrections. They have been very cooperative, they have given us the full evidence at hand, and they are using the services of the FBI. They have prosecuted people and will prosecute many more for violations.

Let me say that at the present time some 17 congressional committees are investigating the disposition of surplus property. I presume General Gregory and his staff spend as much time on Capitol Hill before these 17 committees as they spend in their offices trying to get rid of surplus property. Of necessity, when a legislative committee has a bill before it to amend these acts they must have hearings and we are forced to call those people before us to explain their position on the bill.

One of the greatest criticisms so far has been the disposition of surplus goods to veterans. We know that has been a headache. Our committee passed a bill about 2 weeks ago which was enacted by the Congress and signed on last Friday by the President, Public Law 375, of the Seventy-ninth Congress. It will not mean that every veteran gets everything he wants but it will mean that veterans get the first crack at everything for 15 days after reservations for the Federal Government expire. In the bill we passed the other day we stopped the interagency transfers except transfers to the Veterans' Administration of hospital equipment and facilities. We stopped the purchase with Federal priority of surplus property to be turned over to UNRRA.

We should take the time to study the UNRRA criticism. Many people have criticized turning over some of this property to UNRRA which, of course, pays for it out of their appropriation. This refers particularly to farm equipment and transportation equipment. It is time for us to realize that the American farmer today is producing a lot more foodstuff and a lot more fiber than the market will absorb ordinarily and when the European and Asiatic countries get back into the full production of food and fiber, if we keep on increasing the production by our American farmers over and above the normal consumption of the American market and what we export in normal times, we will find that our agricultural economy in 3 or 4 years will be almost bankrupt.

Mr. Speaker, we have been holding hearings on further changes that may be necessary so far as disposal of surplus property is concerned. All of this criticism that is directed at the War Assets Administration is not justified, although some of it is. Some of the criticism could be and should be directed to the Congress itself. We passed a law 2 years ago with so many restrictions and so many priorities in it that it has been impossible for anyone to dispose of the property hurriedly and at the same time satisfy everyone.

When we started hearings recently there were many people in the War and Navy Departments who thought it was a violation of the Surplus Property Act to bring these surpluses back from overseas. We pointed out the law to them. I noticed in the press the other day that there are over 273 ships either on the way or already here with surplus goods. Of course, they were in a pretty bad spot last fall when everybody was trying to bring the boys back home. They also did not realize that it took quite a few boys to guard this surplus property. Some of it is absolutely worthless and it will cost more to bring it back to this country than we could realize out of the property. It will cost twice as much to bring it back as some of it is worth. Of course, if we are going to spend that many American tax dollars we should know something about the problem before we go ahead.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MANASCO. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. What part of the $10,000,000,000 that the gentleman mentioned refers to nonwar goods?

Mr. MANASCO. It is my understanding that there are probably not more than $2,000,000,000 of consumer goods.

Mr. SMITH of Ohio. The rest is what?

Mr. MANASCO. There are plants and also heavy equipment.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. MANASCO. I yield to the gentleman from Arizona.

Mr. MURDOCK. Does the gentleman know whether the law we passed a few days ago gives priority to veterans on real estate?

Mr. MANASCO. It does not, because we had a provision in the original act giving priority to reacquire these properties to the former owner. We would run into a lot of trouble if we should bring a bill of that kind before the House.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. MANASCO. I yield to the gentleman from Michigan.

Mr. RABAUT. What about the priority for a Government agency as it was exercised by the RFC, then used for resale?

Mr. MANASCO. Well, we moved that priority after the veterans' priority. It comes after the veterans' priority and before the States' priority.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MANASCO. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is it not a fact that your committee has been working diligently for the sale of this surplus property all year?

Mr. MANASCO. Absolutely; and we hope they can get rid of all of it within 8 or 10 months. If they do not get rid of it in that time, the administrative cost will be too great. We have 20,000 people engaged in the actual sale of surplus property, and this does not take into account the thousands of men in Army camps and in shore installations of the Navy who are guarding the warehouses in which this surplus property is kept.

Mr. RICH. Is it not a fact that the gentleman's committee has been investigating and doing practically everything that this resolution would call for?

Mr. MANASCO. I have not seen a thing in this resolution that our committee has not already done or is now doing.

The SPEAKER pro tempore (Mr. COOPER). The time of the gentleman from Alabama has expired.

Mr. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, it is my intention to support this resolution. To me it is very significant that no member of the Committee on Expenditures in the Executive Departments has come to the well of the House and said that the disposal of surplus property has been satisfactory. No member of that committee who has opposed the adoption of this resolution has said that the disposal of surplus property has been done in an efficient manner. Every expression that I have heard from any member of that committee has been to the effect that they themselves, each one individually and as a committee, have been dissatisfied with the disposal of surplus property.

Mr. Speaker, I know that this Committee on Expenditures in the Executive Departments has tried hard, but they do not have the facilities to make the type of investigation that is needed. This is a very important step. I understand that this committee only has the services of one clerk. The committee does not have the benefit of the right of subpena. The committee does not have the right to send out investigators or to hire an attorney. How can the committee arrive at the truth relative to the disposal of surplus property if it only listens to the testimony of those persons who are interested in presenting the committee with reasons and excuses for the failure of administering the disposal of this surplus property? We all know that practically all of these investigating committees find out more than any legislative committee has been able to find out in the past, because they have the facilities. The only opposition to this resolution is because I think that it is not provided that members of the Committee on Expenditures in the Executive Departments are named to be exclusive members of this investigating committee. What harm can it do anybody? As was said by the then Senator Truman, if things are right, nobody has anything to fear, but if things are wrong the public should know it and the Congress should correct it.

The public in general is dissatisfied and the Congress is dissatisfied. I know that only last Friday there was a meeting in my district at which appeared 150 representatives from business, from veterans' organizations, from the local governments, such as city, municipal, and borough, all complaining. There have been some very ugly rumors circulating around, and there is no confidence whatever in the minds of the public of this country as to the manner in which this surplus property is being disposed of.

It is absolutely necessary, Mr. Speaker, that there be a real full-scale and complete investigation by a committee which has the facilities, the legal counsel, the investigators, and a sufficient number of clerks, and all other powers, such as the right of subpena, which is absolutely necessary. Let us clarify the atmosphere. If everything is all right, let us show the American people and the Members of Congress that everything is all right. It is not the intention, I take it, on the part of the gentleman who introduced this resolution, and I am sure there will not be any intention in the mind of the Speaker, to appoint Members on the committee to harass any particular individual or to harass any departments or do anything but what is in the best interest of the American people and the confidence that the American people should have in the executive branch of this Government. Perhaps it is the fault of the law. This committee can find that out. I think perhaps a good deal of the blame can be placed on the shoulders of the Members of Congress for the type of legislation which they passed with respect to the disposal of this surplus property.

Mr. Speaker, they cannot see any justification for opposing this resolution, unless it be that perhaps something will be done which will not be to the credit of the executive branch or to the credit of the legislative branch. I hope we will have an overwhelming vote for the passage of this resolution.

Mr. MICHENER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, as a member of the Rules Committee I voted for this resolution. At the time it was considered but one Member of the House appeared in opposition to it, and I believe that was the chairman of the House Committee on Expenditures in the Executive Departments, the gentleman from Alabama, whose position was not one of opposition to the objective of the resolution or to the investigation which would be conducted under it, but only to question jurisdiction.

I supported this resolution in the Rules Committee and I support it on the floor, despite the fact that many of my friends on the Committee on Expenditures in the Executive Departments are opposing it from a jurisdictional angle, because I believe this investigation is a necessary thing, and I believe that this committee, with the power of subpena and all the other powers contained in this special resolution, can do a thorough job. Perhaps the Committee on Expenditures could do just as good a job if it had these powers. However, I am convinced in my own mind that this job must be done and should be done, and that we as the Congress have a responsibility to the people of the United States, and especially to the veterans of the recent war, to investigate this matter thoroughly. I am hopeful that this resolution will be adopted.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Assuming that all the gentleman has said is true——

Mr. BROWN of Ohio. Which, of course, it is, as the gentleman understands.

Mr. HOFFMAN. I am glad the gentleman has that opinion of his remarks.

Mr. BROWN of Ohio. I am certain the House will support my position.

Mr. HOFFMAN. Assuming that is all true, and this committee gets all through and comes back with proposed legislation, that legislation will be referred, will it not, to the Committee on Expenditures in the Executive Departments, and that committee will hold hearings?

Mr. BROWN of Ohio. If the special committee recommends legislation it will certainly go to the gentleman's committee. Having the confidence I do in him and his committee, I am certain his committee would favorably report any good legislation.

Mr. HOFFMAN. Why not let the committee do the investigating?

Mr. BROWN of Ohio. Because the gentleman's committee has not been before the Rules Committee requesting that special authority or power necessary for a comprehensive investigation.

Mr. HOFFMAN. I have been trying for 2 months to get that kind of authority.

Mr. BROWN of Ohio. If the gentleman had come before the committee, I am sure he would have been heard, and he would have had every opportunity to present his arguments.

Mr. SLAUGHTER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Missouri.

Mr. SLAUGHTER. At any of the meetings the gentleman from Ohio has attended, has he ever seen anyone from any committee appear and ask for such a rule as has been referred to?

Mr. BROWN of Ohio. As far as I know, there has been no request for such a rule, except the one by the gentleman

from Missouri. I certainly would have supported any request from either committee for such a rule, because I believe the investigation should be made.

Mr. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I support this resolution. As a member of the Colmer committee on Postwar Economic Policy and Planning, I have given a good deal of thought to this great problem of surplus-war-property disposal. We took reams and reams of testimony from all the great leaders of the country in regard to the best way to dispose of surplus war property. We gave the best advice we could in formulating a plan. Since the Colmer committee is an advisory committee, naturally the matter proposed went then to the proper legislative committee, which formulated the law. However, as the chairman of that committee has said, that law enacted has needed revision.

Whether we ought to have had a one-man administrator or a board or some other plan has all been thrashed out in the past 2 years. We have changed the law a number of times, and that frequent changing and delay may explain the poor administration of the law to date. I must say that I am disappointed in the administration of that act. All along it has been in a mess, whoever is to blame, and I do hope matters are soon straightened out. I confess I felt at first and all along that a single administrator, whether it be Will Clayton or somebody else, would have a task on his shoulders too great for any human being to carry—a superhuman job. But here we are, whether it be $70,000,000,000 or $125,000,000,000, it is a vast amount of property to be disposed of. The committee has done its best in shaping legislation, but the committee is not in a position to follow up so well as a special committee would be, as has been fully explained.

I feel there have been a good many things that need explaining which might not have happened if a select committee of this House had been on the job continually checking on the work. I do not see that establishing such a committee will delay the work. I think it will spur the work to be done faster. I have before me a telegram from the veterans of Phoenix, Ariz., complaining about a part of the administration of this surplus property, stating they feel they are being discriminated against. I want to read this telegram to show the veterans' feeling.

Mr. MANASCO. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I am glad to yield to the chairman of the committee.

Mr. MANASCO. That was not the fault of the War Assets Administration. It was the fault of the law. We did our best to correct that. We passed a bill, and it is now on the statute books, having just been signed last Friday.

Mr. MURDOCK. Yes; that was the purpose of my asking the chairman a question a moment ago as to whether the veterans were given priority with regard to the purchase of real estate. But real property was not included, and perhaps it should have been included. Among other things, the veterans feel they are being gypped in regard to a low priority on matters of real-estate purchases.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I am glad to yield to the gentleman.

Mr. MUNDT. I wonder if the gentleman's experience in his own State is similar to mine. That is, the veterans in South Dakota complain that they cannot even purchase certain things such as jeeps, which are things that they need immediately and are available and for which they are willing to pay cash.

Mr. MURDOCK. Yes; I have had that experience.

Mr. MUNDT. I do not know what is responsible for it, but a committee like this should be able to ascertain the facts and correct the situation.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I am glad to yield to the gentleman.

Mr. JUDD. If the gentleman will consult the committee, they have all that information and the answers to those questions. They have plenty of information.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I am glad to yield to the gentleman.

Mr. RICH. The committee can state to you, and the chairman did just a minute ago, that we passed a law here last week giving the veteran first consideration on all the property that the government has in surplus except real estate.

Mr. MURDOCK. I was very glad to vote for that bill. I am glad it has become a law. It will undoubtedly help greatly. However, here is a situation involving the disposal of a great deal of property. It must be disposed of so that unemployment will not be created. There must be no speculation. It must be fairly done with wide notice of the sales, properly timed so that nobody can be discriminated against. It is work that needs to be done in a goldfish bowl in full public view under the eyes of a committee such as we are about to set up.

Let me read this telegram from Phoenix, Ariz.:

PHOENIX, ARIZ., *April 29, 1946.*
Representative JOHN R. MURDOCK,
House Office Building:

George W. Miller, resigned district sales manager, War Assets Administrations' Capital Goods Division in Phoenix, quoted in today's Arizona Republic as saying, Arizona veterans, businessmen and schools will be denied chance to buy millions of dollars' worth of surplus goods stored in this area. Miller says $6,000,000 goods will come up for sale in next 60 days, but 75 percent of best machinery will be out of reach of local people because regional office in Los Angeles released declarations there before list available here. Much valuable surplus property going from this area into California simply because regional office happens to be there and is sold before Phoenix office even knows of its availability. Arizona veterans are entitled to equal opportunity to bid on needed surplus material. This matter must be investigated thoroughly and immediate steps taken to remedy situation. We vigorously protest unjust discrimination against all Arizona citizens.

EDGAR H. MEYER,
Chairman, Veterans' Affairs Committee, Phoenix Chamber of Commerce.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I want at the outset to associate myself 100 percent with the statements of practically every previous speaker that the whole surplus property disposal program should be investigated, or rather should continue to be investigated. If I thought giving that responsibility and power to the new special committee which is authorized in this resolution is the best way to handle the investigation, I would vote for it. Or if I thought that adequate authority, money, and staff would not be given to the regular committee to enable it to carry on a proper investigation, I would vote for this resolution today. That is the view I have long held as proven by remarks I made on September 10, 1945, appearing on page 8464 of the CONGRESSIONAL RECORD. Our committee had been called back in August from the summer recess, in order to consider revision of the Surplus Property Act because everybody knew it was not working well and, as a matter of fact, could not work well in the form in which it was passed. I was one who had for months urged a drastic overhauling, but we were told by the administration we should make only one change at that time from the three-man board to a one-man administrator. We agreed to that and on September 10 we passed a bill making the change. I made this comment at the time:

I feel that our committee, the Committee on Expenditures in the Executive Departments, is under obligation to serve with regard to surplus property disposal much as the Truman or Mead committee functioned with respect to the war effort. Our committee is under obligation to keep this program during this transition period under constant surveillance and supervision, because if we wait until some mishap or scandal has already developed before we take action, then all we will be doing is digging up dead cats. Our job is to prevent mistakes. I believe our committee recognizes its responsibility. If it does not, then the House should set up a special committee for that purpose because the subject is of sufficient importance to our whole economy, to our fiscal position, and to our relations with other countries in the disposal of this material abroad, to warrant this action on the part of the House.

I declared then, and I declare again, that if I thought it could not or would not be done properly by our committee, I would favor setting up a special investigating committee.

Last fall, when our attention was focused so intently on getting the men in the armed forces demobilized, and the new Administrator was getting started, not much was done by us, I admit, for several months. But beginning in January and February, when it became clear that there were some things happening which were totally out of line

with what we wanted to happen, our committee began to hold hearings. We held hearings for 4 or 5 weeks and we brought a great many things to light. Furthermore, we got a good many things done. For example, we got them to start shipping stuff back from overseas. Both the Army and Navy officers testified they had not contemplated bringing surplus property back to this country, except matériel for their own military purposes. They had planned to dispose of all of it abroad, even though that meant just dumping much of it. On February 18 we got both the War and Navy Departments to send out telegrams to all their units and stations abroad ordering them to ship back at once all property that was needed or could be disposed of here, especially consumer goods when shortages were so acute in our country. Two weeks ago I saw this Associated Press dispatch saying that already 707,000 tons of matériel had been returned to San Francisco wharves. One vessel recently brought back 325,000 pairs of shoes, and another carried enough lumber to fill 140 railroad cars. Two million pounds of butter and 3,000,000 pounds of beef are now en route. All that was done in one area as a result of the investigation we held last winter.

Mr. MANASCO. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the distinguished chairman of our Committee on Expenditures.

Mr. MANASCO. That was the result of the work of the committee which did not have a single investigator while other committees had investigators studying the same thing?

Mr. JUDD. That is right. And the chairman himself in January 1945 put in a resolution asking the Congress for powers of subpena and money and staff to investigate the program. The Rules Committee did not see fit to give a rule on that resolution.

Mr. SLAUGHTER. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. SLAUGHTER. I want to ask the gentleman, as a member of his committee, does he say that the Committee on Expenditures in the Executive Departments ever appeared before the Rules Committee and asked for that rule.

Mr. JUDD. I do not know that it did. I am not one of the senior members of the committee. In our meetings I have repeatedly urged that we push for such increased investigatory powers. There has been strong opposition from the gentleman's colleague, our dear friend, the gentleman from Misscuri [Mr. COCHRAN], who was formerly the chairman of the committee and is now ranking majority member and who as chairman of the Committee on Accounts, we all know, consistently opposes grants for special investigations. I will admit we have not been able to get all the cooperation desired from within our own committee, but the facts brought out in our investigations in February and March have already led to the bill passed on the 18th of April giving the veterans a priority equal to that of the Federal Government itself, thereby correcting what was perhaps the worst injustice in the act. The hearing revealed facts which made it inevitable that the committee urge the Rules Committee for exactly the powers this resolution gives to a wholly new committee which will have to start de novo and thereby delay action for several months.

I repeat that if our standing committee cannot get this authority, I would vote for a special committee; but I believe the job can be done better and more expeditiously by the regular committee and that, therefore, the resolution should be defeated and then adequate powers be given to the regular committee.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I agree heartily with everything the gentleman from Minnesota [Mr. JUDD] has just said. It expresses, clear as I could, my thoughts with reference to the action that should be taken by the House.

I also want to pay my respects to the gentleman from Missouri [Mr. SLAUGHTER]. I think a great deal of him. I would like to join with him in doing something that we would like to do in this instance, but my respect for him is not any greater than my respect and regard for the chairman of our committee, the gentleman from Alabama [Mr. MANASCO], who I believe to be one of the most honest and conscientious Members of the House of Representatives. I think he is doing everything that possibly can be done with the powers he has to accomplish the same things that confront us in the pending resolution. The only difference will be that if you pass this resolution then you will have to go to the Committee on Accounts and ask for $50,000 or $100,000 to do what the committee that is now set up can already do with very little additional funds. Passing this resolution you will be squandering probably $100,000 and not any better results. That is why I am opposed to this resolution.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. JUDD. Does not the gentleman believe that if we set up this new investigating machinery it will delay the whole program 3 or 4 months? It will throw in the ashcan all the information we have gotten so far and at the same time will keep General Gregory on the anxious seat so he cannot go ahead with the program we have all agreed on?

Mr. RICH. The gentleman is absolutely right. We have had hearings, voluminous hearings. I am sorry they are not published but that is due to the fact that some Members have not had an opportunity to correct the hearings. For that reason we do not have them before us today. But we have had several months of hearings and intensive work by this committee trying to do the things that you want. Sell surplus property. I am not satisfied with results but that is the fault of the law and the amendments put on in another body.

Let me correct a statement made by the gentleman from South Dakota [Mr. CASE] a short time ago, when he said that a vote against this resolution would be a vote against the veteran. Nothing further from the truth could be said on the floor of the House, because of the fact that this committee has already passed a resolution giving the veteran first priority on all surplus property the Government possesses except real estate. I am sorry the gentleman from South Dakota is not on the floor when I make that statement because I have the greatest respect for him, but he was in error when he made that statement and there was no foundation for it and no truth in the statement so far as the veteran is concerned. The veteran has first priority on surplus property after our Government. The committee is now doing everything it is possible for the committee to do for the veteran. Week before last the House passed and it has now become a law, Public Law 375 of the Seventy-ninth Congress, an act which gives the veteran that preference and that priority.

Let me call your attention to the fact that one day this week I introduced a bill that would require that money received from all surplus property disposed of should be turned into the Treasury and applied against the national debt. This is very important. A lot of people have got the idea that we are running this Government economically and that any moneys resulting from the sale of surplus property should be used in the operations of the Government. I say not. I say that every dollar we get from this surplus property should be applied against the national debt and that we should run the Government on current income, then if outgo exceeds income we are in the red or there is a deficit for the year. And I want to say here that with a $35,000,000,000 budget for the coming fiscal year and a $25,000,000,000 for the next 2 years the administration and the way it is operating is not going to achieve a balanced budget. It is a shame and a crime that we do not get some economy in Government.

To refuse to pass the pending resolution would be one way of evidencing a desire for economy in Government. Cut out the big expenditure it will entail and give a small amount of money to the Committee on Expenditures in the Executive Departments under the chairmanship of the gentleman from Alabama [Mr. MANASCO], and he and his committee will do the work this special committee would do. The time is right upon us when this country is in need of everything the Members of this House can do to bring about economy in the operation of Government. I shall oppose the resolution.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, one of the difficulties that those who attempt to dispose of this property encounter is that which grows out of the large volume of

merchandise they have on their hands. They are in somewhat the same situation as those who are attempting to administer the OPA. The job is too big. There is too much room for incompetents and crooks who are always looking for easy money. At least that is one thing that is wrong.

The committee which brought out this bill under which the property is being sold worked on it for a year and a half or two years. The bill came on the floor and it was amended in many particulars. One group wanted the hospitals and schools to have priority, others wanted the veterans to have priority, others wanted the highway departments and the farmers to have priority; and by the time the House and the Senate got through with the bill it was in a mess. It still is.

Those of us who are familiar with the subject know there has been plenty of maladministration in connection with the sale of surplus property. We all know there should be an investigation. That will always be true when you have billions of dollars' worth of property to be disposed of, and especially when the property belongs to the Federal Government. One group or another will think that they should have some of it given back to them without cost.

Our committee wanted to make an investigation. No one in this House knows more about surplus property and the way it should be handled than does the gentleman from Missouri [Mr. COCHRAN], who unfortunately and to the regret of all is now confined to the hospital. Next to the gentleman from Missouri [Mr. COCHRAN], the chairman of this committee, the gentleman from Alabama [Mr. MANASCO] and the gentleman from Mississippi [Mr. WHITTINGTON] know more about this matter than anyone else. I may say now that my points of order that no quorum was present were made at the request of the gentleman from Alabama because he thought this matter should receive due consideration and was unavoidably absent today.

We all agree that an investigation should be made. But this special committee can make the investigation, I say to the gentleman from Missouri [Mr. SLAUGHTER], for whom I have the highest respect, but what are you going to do with your conclusions? You are going to report your findings. If you carry out your full duty you will recommend legislation. When the proposed legislation is offered it will be referred to the Committee on Expenditures in Executive Departments. If I know the members of that committee, and I think I do, they are going to ask for the facts. They are not going to accept hearsay. Why not have members of that committee make the investigation?

That committee has had before it General Royall, the Under Secretary of War; it has had before it members of the Navy Department. I asked the chairman to select two members, and I had the audacity to name them, the gentleman from California [Mr. ELLIOTT] on the Democratic side, a young, vigorous man, willing to go out and work and able to appreciate what he sees, and the gentleman from New York [Mr. LATHAM] on the Republican side, a man who has served in the Navy, who has a stack of photographs and letters from his buddies showing the property that has been destroyed needlessly. I asked that those two gentlemen be appointed as an investigating committee, given an attorney and experts who would know the worth of the property they viewed, to make an investigation and examination and report back. Did we get any money? Any authority? No. Did we get the power of subpena? No. Why not? I do not know to this day.

And the Members who are now howling to high heaven for investigation then made no move to back my efforts.

It is a little discouraging to buck the administration on committee in the House; to receive no support from Republican colleagues; then have them support an investigation to be conducted by an administration-appointed and controlled committee, when, had the plan offered by me been supported and adopted, we would have had an investigation under a committee giving minority members a 50–50 break.

As the chairman of our committee today stated, 17 committees of House and Senate have made investigations relating to the disposal of surplus property. He forgot one committee—the Colmer committee. The proposed committee, if created, will be the nineteenth committee. Not one of the committees, except those appointed in the Senate, have legislative functions which are necessary to correct any maladministration, any fraud found.

Mr. Speaker, the point I wish to make is this: The gentleman can make all the investigations he desires. That will tide us over until after elections. But you are not going to get any worth-while legislation remedying future sales until after the elections. And then the House legislation will come from the Manasco committee. This proposed resolution may take the people's minds off other matters for the moment but it will not correct the errors. So why not let the standing committee conduct the investigation in the first instance?

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, let us all be at ease because I am not going to say anything derogatory about the members of this committee who are in opposition to this resolution. But I am going to say that the strongest arguments that have been made in favor of this resolution and its adoption have been made by the members of this committee. They are all in agreement that this Nation owns, scattered throughout the world, anywhere from fifty billion to one hundred and twenty-five billion dollars' worth of property. They are all in agreement that recently they took some steps that brought back from overseas millions of pounds of meat and butter and millions of feet of lumber, all of which are desperately needed by the people of this country. They are all in agreement that they have not done anything toward getting any money to start an investigation, and they all admit that this investigation is imperative and is long overdue.

The Federal Government owns at this time 400,000,000 acres of land, a domain equal to the area of 21 of the 26 States east of the Mississippi. We should investigate what sort of lands they are and whether or not they can be advantageously disposed of at this time when people who desire to purchase lands are able to pay for them. Certainly the Government has no need for 400,000,000 acres of land.

The opposition seems to be based on the ground that there is a committee that ordinarily is expected to do this work. But now just let us stop and think a minute. Suppose we do create the new committee authorized by the resolution we are now considering. There is plenty of work for both of these committees. It recalls to my mind a controversy that arose after the Battle of Santiago during the Spanish-American War. A violent controversy arose as to who won that battle and who was responsible for sinking the Spanish Fleet. The admirers of Admiral Sampson said that he was, the friends of Admiral Schley said that he sank the Spanish Fleet and won the battle. Schley settled the matter by saying, "There is glory enough for all."

There is work enough for all here. I do not propose to be in the attitude if scandals arise—and there have been strong intimations and charges that there have been many scandals in the disposition of this property, inexcusable and unjustifiable favoritism—as I say, I do not propose to be in the attitude that I opposed an adequate and effective investigation of the situation out of which the scandals arose. Let us take adequate steps to prevent scandal, rather than wring our hands and weep after it is too late to do anything to prevent the wrong.

Mr. SLAUGHTER. Mr. Speaker, will the gentleman yield?

Mr. JENNINGS. I yield to the gentleman from Missouri.

Mr. SLAUGHTER. Along the line of the gentleman's remarks that there is plenty of work for all, does not the gentleman think that the remarks of the distinguished chairman the gentleman from Alabama [Mr. MANASCO] bear out the statement when he said that there are 17 committees of the Congress that have touched on this matter? Is that not the very best argument for the creation of one committee having sole responsibility of going into this mess?

Mr. JENNINGS. Absolutely so. The statement of the chairman, the gentleman from Alabama [Mr. MANASCO], shows that they are all nibbling at it. There is an old adage, "Too many cooks spoil the broth." Let us set up a committee here whose sole purpose will be to do this job, and when they have done their best, there will still be plenty of work and glory for everybody else concerned. It will help us little to lock the stable door after the horse is stolen. Let us put these people on the job.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. JENNINGS. Doctor, you know I esteem you greatly, and it is hard for me to resist you. What is it?

Mr. JUDD. Will the gentleman not admit that to set up this new committee and ignore the information that the regular committee has obtained will cause a delay of 3 or 4 months and lead to unlocking that door?

Mr. JENNINGS. Let me give the gentleman the answer. Far be it from me to think for one minute that anybody is going to throw information in the possession of my good friend from Minnesota in the ash can. I do not believe anybody would treat information that he has in that sort of way.

This resolution should be adopted. To refuse to create this investigating committee would be penny wise and pound foolish. Property that has cost the American people $125,000,000,000 is being sacrificed and destroyed, and it is our duty to salvage as much of it as possible. And above all, Congress should take all possible steps to stop the favoritism and misconduct that has heretofore characterized the disposal of the Government's surplus property.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Speaker, it is a little hard for some of us to understand why one committee of the House objects to an investigation by another committee proposed by this resolution of what, in my opinion, is not only a national scandal but a national disgrace in this country right now, and that is this racket—and that is all it is—that is going on in the sale of surplus property. Yes; it has reached the status of a racket.

I hold in my hand a letter from a little business concern, of the type we are trying to help. My State happens to be under the regional jurisdiction of Texas. The surplus property outfit had advertised sale of $4,000,000 worth of automotive parts at the Mabry Ordnance Plant, Austin, Tex., the identical parts so much needed by the little businessman who is trying to serve his community. They had these men come down there and register on the Friday and Saturday before the sale, which was to occur on Monday, April 1. Two thousand nine hundred and ninety-one of these small businessmen from Oklahoma, Arkansas, and Texas went down there to buy. What happened? On Monday morning when the sale was to be held they had a race equal to the Cherokee Strip run in Oklahoma, and nine purchasers bought the entire stock, $4,000,000 worth of parts. Several of the dealers who were down there have written me to the effect that these few big dealers who bought these parts bought them for about 25 cents on the dollar.

Do we want to look into this thing? This is one small item. After all not so small to these small businessmen who are trying to keep their communities supplied so that their old cars and trucks can keep going. There are billions and billions of dollars' worth of this surplus property now being advertised for sale. This property could have been sold at the regular catalog price rates. Some of these people tried to buy the property at a much higher price, but they were told they must come down there. Some of these dealers drove a thousand miles and spent a week and did not have a chance to buy anything.

This young dealer, whom I have known for many, many years, tells the story better than any man can tell it on the floor. I have heretofore inserted his letter in the CONGRESSIONAL RECORD. I recommend that those who are opposing this resolution read it. We quibble here this afternoon about investigating this thing that is becoming a national scandal and a disgrace. I cannot understand it. I cannot understand why any man would raise his voice in opposition to uncovering and exposing this racket. And this is not all. My office is filled now with letters and telegrams from veterans who have traveled here and there all over the country trying to buy something, but were told when they got there that it was gone. I could cite you case after case where they were certified for preferences and went to buy, and those in charge did not even know that the property was to be sold. Yet you say we should postpone the investigation until someone else can do it, that we should sit idly by here and quibble and quibble over who should make the investigation.

One distinguished gentleman said the passage of this resolution was going to slow up the investigation. I cannot follow such reasoning. Here we have a resolution to investigate, and this other committee does not even have any authority to investigate.

I say to the members of this committee that throughout the length and breadth of this land—and I know it is true in my State—this thing has reached the place where the people are beginning to wonder. The average citizen is beginning to wonder whether we are going to try to straighten this thing out and stop this scandal, a scandal that is going to land in the lap of this Congress if we do not do something about it. The people are getting sick and tired of the incompetency and favoritisms that is going on in the sale of our surplus property.

This resolution ought to be passed. These gentlemen on the accounts committee are my friends. I supported the original law and I have supported every amendment they have offered to it. Where are they going to be hurt by having this independent committee make this investigation? They are not going to be hurt at all. But they stand here today and quibble and quibble and say, "Oh, it is bad." Yes, I know it is bad. The gentleman from Michigan [Mr. HOFFMAN] says it is very bad. He even suggested that it was so huge and big like OPA, that it was very difficult to do anything about it. Certainly we cannot do anything about it by opposing the resolution of the gentleman from Missouri [Mr. SLAUGHTER]. Let us support the gentleman's resolution and at least try to do something about it.

Mr. MICHENER. Mr. Speaker, I yield such time as he may require to the gentleman from Pennsylvania [Mr. BRUMBAUGH].

Mr. BRUMBAUGH. Mr. Speaker, I rise in favor of the resolution to investigate the sale of surplus property.

It is apparent that veterans are receiving no consideration in the disposal of surplus supplies. As an example I call your attention to the following letter from two of my constituents who are World War II veterans and desirous of securing needed equipment for the construction business.

In this particular instance there were 10 bulldozers available at the Naval Supply Depot, Mechanicsburg, Pa. After weeks of futile effort Messrs. Cunningham and Brua appealed to me and I endeavored to assist them by spending the greater part of the day in telephoning various War Assets Administration officials in different cities. I was informed that these veterans were not eligible as their bid had not been received in time even though they had faithfully followed the instructions of War Assets Administration officials. Later I was informed that the bid would be considered and a certified check in full payment of a bulldozer was sent to the regional office of War Assets Administration in Harrisburg, Pa.

On May 6 the Harrisburg office of War Assets Administration informed Messrs. Cunningham and Brua that their bid could not be considered because three of the bulldozers were being purchased by UNRRA for shipment abroad.

Messrs. Cunningham and Brua desired this equipment for excavation purposes in conjunction with the construction of veterans' homes. Inasmuch as a great amount of our equipment and machinery is now overseas as the result of lend-lease negotiations there is no reason why deserving veterans should be deprived of surplus machinery and equipment and preference given to the needs of foreign nations. Our veterans are deserving of proper treatment in view of their heroic sacrifices and their contribution to the hard-earned victory.

While I realize the Manasco bill recently enacted is intended to give preference to veterans there is no logical reason why foreign nations should enjoy a priority over them for surplus equipment.

The letter received from Messrs. Cunningham and Brua discloses the wild-goose chase these veterans were subjected to in their efforts to qualify for the purchase of surplus commodities:

ALTOONA, PA., *April 12, 1946.*

Mr. D. EMMERT BRUMBAUGH,
New House Office Building,
Washington, D. C.

DEAR MR. BRUMBAUGH: Submitted below in chronological order are the steps followed by the undersigned veterans of World War II in their attempt to purchase surplus Government excavating equipment:

March 26, 1946: Advised by Veterans' Administration in Altoona, Pa., to report to the Pittsburgh War Assets Administration and make application for veterans' preference certificate (Form SWPC-63, Budget Bureau 12-R-2563).

March 27, 1946: Reported to War Assets Corporation, Bessemer Building, Pittsburgh, where above-mentioned forms were completed. Here we were advised not to attend sales but to locate desired equipment and they would act as our purchasing agent.

March 28, 1946: Traveled from Pittsburgh to Harrisburg to locate equipment. Went to Reconstruction Finance Corporation office at the Blackstone Building, room 713. Was advised by Mr. Scholmer that 10 TD9 dozer shovels had been declared surplus and had not been catalogued, to the best of his knowledge, by Philadelphia. He also advised that we go to Mechanicsburg and obtain numbers, etc., of the numbers of two of the shovels in which we were interested. This we did. He told us then to go to Pittsburgh as they were our purchasing agent.

March 29, 1946: Return to War Assets Administration in Pittsburgh and talked to Mr. Brown who immediately turned us over to the Pittsburgh RFC office. At the RFC office Mr. Shanklin said that his office would take this matter up with their Cleveland area office on April 1. RFC in Harrisburg led us to believe that purchase of the equipment would be made at this time by Pittsburgh. We offered to pay for the two shovels that day by tendering certified checks in the amount of $10,000 when we had in our possession. While in the RFC office we made two long-distance telephone calls to Harrisburg in regard to the equipment and the RFC office made one such call. We were advised to return home and await the action of the Cleveland office. This was done.

April 4, 1936: Telephone RFC in Pittsburgh to inquire as to the action of the Cleveland office. Talked to Mr. Shanklin who said that we were no longer under the jurisdiction of the Pittsburgh office but that our territory was now handled by Philadelphia. He advised that we complete a Small Business Surplus Property Application (Form RFC L-350).

April 8, 1946: Traveled to Philadelphia, reported to War Assets Administration, 1528 Walnut Street. We talked to Mr. McQuillen as Mr. George L. Evans was busy and unable to see us. Mr. McQuillen called the man at LaFayette Building in charge of construction equipment. We went there and talked to a Mr. John Christy and was advised to go to the Fox Theater Building and contact Mr. Simpson of RFC. We did this and Mr. Simpson advised us to do away with the veterans' preference forms and make application jointly for Veterans' Small Business Surplus Property consideration. In this manner we were to secure higher priority as one of the undersigned, Cecil Brua was established in the construction business but had to dispose of his equipment by reason of his being drafted into the Navy. Small Business Surplus Property Application (RFC Form L-350) was executed under the firm name of Cunningham and Brua Construction Co., 415 Elm Street, Altoona, Pa., and approved by Mr. W. H. Gurk. They were to be forwarded to RFC in Harrisburg. Mr. Simpson advised us to report to Mr. Moran, RFC, Harrisburg, as that was our purchasing agent under Philadelphia.

April 9, 1946: Went to Harrisburg. Talked to Mr. Moran in regard to surplus government excavating equipment. He said that all equipment catalogued had been disposed of and that the dozer shovels at Mechanicsburg hadn't been catalogued.

We would very much appreciate anything you can do or any information you can give us relative to procuring the two above-mentioned shovels presently located at Mechanicsburg Naval Supply Depot and declared surplus by the Navy. We have exhausted all means and followed all suggestions made to us by RFC and War Assets Corporation officials with the result that at the present time we have no definite information as to whether or not we will be able to purchase this equipment.

We thank you in advance for your help.

Very truly yours,

R. L. CUNNINGHAM,
CECIL B. BRUA.

Mr. MICHENER. Mr. Speaker, I yield the remainder of my time to the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Speaker, I want to thank my distinguished colleague from Michigan, Hon. EARL MICHENER by name, for this unlimited amount of generosity and courtesy and consideration. I do not think I need 8 minutes. I do not make long-winded speeches so that I can say what I want to say in a much shorter time than that. I am very much interested in this resolution. I expect to support it and I hope it passes. I say that because of a remark which was made by the distinguished gentleman from Michigan [Mr. HOFFMAN], who wanted to know what good an investigation would accomplish. I really asked for the time because I want to tell him I think an investigation would accomplish a lot of good. Let me say in passing that is not a reflection on the members of the Committee on Expenditures in Executive Departments. We have a very select, outstanding, and high-grade group of Members of Congress on that committee—Mr. MANASCO, Congressman RICH, and others, and my colleague from Minnesota, Dr. JUDD, and Congressman HOFFMAN, who was on the floor a few minutes ago and who did not have time to yield to me. I do not want to cast any reflection on those men in supporting this resolution. I think all of them, so far as I know, have done a fine, outstanding job on that particular committee. If I had anything to say that would cast any shadow—and I do not mean it in that way—I would say they have not had time to go into this problem which confronts us in dealing with what has been done in the disposal of surplus property. As my colleagues here have said, and it is somewhat repetitious, it has become a disgrace. You men know it. The program of surplus property disposal started out with a full appreciation of how much good could be done for the American people. All that has been done by the persons who have been in charge of the program, speaking charitably, has been to fumble the ball. The charge has been made that startling things might be found out. I want to say that an investigation never hurts anybody. When you are searching for the truth, the right way to do it, so far as this Congress is concerned, is to investigate. Mistakes are uncovered. My colleague from Michigan [Mr. HOFFMAN] said that the Committee on Expenditures in Executive Departments has investigated.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. PITTENGER. I yield.

Mr. HOFFMAN. What I tried to convey to you was that months ago in the committee I had asked the chairman of the committee and the majority of the committee to appoint the gentleman from California [Mr. ELLIOTT] and the gentleman from New York [Mr. LATHAM], from the minority side, who has been in the Navy, and send them out as a committee to investigate this thing. That is what we tried to do. Then we called witnesses. We called the Under Secretary of War. We called several admirals. We did what we could because we could not go any further. They would not give us any money and would not give us any power of subpena. Now, what would you do?

Mr. PITTENGER. I would correct that mistake. I would vote money, and I would vote the power of subpena. It is never too late to correct a mistake. I think this resolution, if adopted, will go a long way towards the correction of that error. This situation ought to be investigated and the truth brought to light.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. PITTENGER. I yield to my distinguished colleague, the gentleman from Minnesota.

Mr. JUDD. I just want to make sure there will be no possible misinterpretation of the remarks of my good friend and able colleague from Minnesota. He is not implying that a single person here this afternoon has opposed an investigation of the surplus-property-disposal program?

Mr. PITTENGER. No. I do not mean to imply that at all.

Mr. JUDD. I want to make that clear. No Member of the House can be more anxious for a thorough and continuing investigation than we on the committee who have had most to do with it, because we know more about the mistakes that have been made.

Mr. PITTENGER. As I tried to say, I think your committee in investigating all of these executive departments has about a hundred times too much work to do now. We should have this particular problem taken up by a special committee that will go to the bottom of it and find out the truth.

Mr. JUDD. Will the gentleman yield further?

Mr. PITTENGER. I yield.

Mr. JUDD. I want to make sure that one other point is not misunderstood. I do not know of any member of our committee who is objecting to this resolution lest we on the committee be hurt. The reason we believe it should be done by the regular committee is because we think it can do the job better than a new committee could. It is not a matter of hurting anybody's feelings or pride, so far as I am aware.

Mr. PITTENGER. Well, I was not certain. I am glad that my colleague is clarifying the atmosphere.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. PITTENGER. I yield.

Mr. VORYS of Ohio. We have one form of surplus property, that is, plans for the St. Lawrence seaway and power project——

Mr. PITTENGER. Well, I do not yield to the gentleman to make a speech in my time. I want to tell the gentleman from Ohio that the St. Lawrence seaway and power project is not surplus property. That is one of those projects where you spend a dollar and get $10 back in savings.

Now, just to get that matter clear—some day when Ohio gets progressive you folks will all vote for the St. Lawrence project. So wake up and get something of that religious feeling of righteousness and help us out. That would be my advice to the gentleman from the capital city of the great State of Ohio.

Now, if we investigate the mishandling of the surplus property, even as my colleague the gentleman from Tennessee [Mr. JENNINGS] said, the door may be locked and the horse stolen, or something to that effect, you are setting an example for the future. You are pointing out for the Congresses of the future the mistakes that have been made in matters of this kind. You are doing more than that. You are letting the American people fix and center the responsibility for the misdeeds, if there are any, for mistakes, if there are any, where they should rest, in placing them on the people who should be charged with them. You are contributing to a program of education. You are contributing to the enlightenment of everybody in science and in the affairs of government.

I have had too many letters come to my desk from veterans of World War II, who point out the shameful failure of any service on the part of this agency as far as helping the veterans of World War II is concerned.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. PITTENGER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The gentleman has referred to the GI's to whom he has talked about the surplus property situation. I wonder if the gentleman could explain satisfactorily a vote against this resolution for this investigation to any of the boys who have complained to him about the situation.

Mr. PITTENGER. Well, I cannot explain it to them.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Speaker, I do not rise to make any charges against the War Assets Administration. I harbor no hostility against General Gregory or anyone else entrusted with the administration of this program. I have no criticism of any committee that is now investigating the disposal of surplus property.

There are certain things in connection with the disposal of surplus property that I have been asked to explain by some of my constituents and I cannot explain them because to me they are inexplainable with the information we have before us at the present time.

There are certain facts connected with the disposal of this property that we all must recognize. In the first place it must be disposed of promptly, because if it is put on the market at the present time it will aid our economy and our reconversion program. If on the other hand the sale of such property is delayed until our production of new goods is well under way the effect will be detrimental to our national economy, for the surplus war goods will then come into competition with the newly manufactured goods. We need these surplus war goods now, and they should be put on the market immediately.

I am frank to say I believe there has been some fault in the law providing for the disposition of this property. I hope that the bill passed a week or two ago and signed by the President last week will help in clarifying the situation.

Just a few days ago I had a boy in my office, a veteran of World War II. When the war broke out he was a commercial photographer. He entered the service, and because the Navy needed photographic supplies he turned all of his supplies over to the Navy. When he was discharged from the service he wanted to take up where he had left off in his original business. No supplies were available. A great sale of photographic supplies was advertised by the War Assets Corporation to be held in Baltimore, Md. They advertised $500,000,000 worth of photographic materials. This boy with hundreds of other veterans went to Baltimore. When they arrived they found that all of those goods had been purchased by someone else, and they came back empty-handed.

Mr. MANASCO. Mr. Speaker, will the gentleman yield at that point?

Mr. GARY. I yield.

Mr. MANASCO. Our committee investigated that also. We found that that was not the fault of the War Assets Administration but was the fault of the law, because the materials were all claimed by other priority holders.

Mr. GARY. I prefaced my remarks with the statement that, in my opinion, a part of the difficulty was with the law.

Let me read you a letter from a veteran of two wars, a colonel in World War II and also a veteran of World War I. He writes:

> I notice in Sunday's New York Times that Gimbel Bros. is selling Government trucks. As you probably know, I, and no doubt many other ex-service men, hold priorities for trucks which we are not able to obtain from the Government; and I do not understand how Gimbel Bros. can sell the very trucks many of us would like to obtain.
>
> The whole matter of the disposal of surplus assets is an awful farce as far as the ex-service man is concerned in my opinion. I do not understand why Congress cannot do something about it. Have you any suggestions?

I do not know the answer but I do want to be able to furnish these ex-service men the information which they seek. If 17 committees of the Congress are investigating at the present time as has been stated on the floor today I do not see how the War Assets Administration has time to do anything else but attend investigations. Let us get rid of the investigations by the 17 committees, and create one committee to make a thorough investigation of the entire subject.

Mr. JUDD. With this committee there will be 18.

Mr. GARY. I hope this committee will make such a thorough investigation that the other 17 can retire from the field.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. SLAUGHTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SLAUGHTER. I wish to make a parliamentary inquiry in the nature of a request for instructions.

As I understand, there was an agreement last week between the majority leader, Mr. MCCORMACK, and the minority leader, Mr. MARTIN of Massachusetts, that in the event a roll call was demanded, the vote would go over until Thursday. It is obvious that a roll call will be demanded. Under the circumstances would the Chair prefer that I withhold moving the previous question until Thursday? Or shall I move it at this time?

The SPEAKER. The unanimous consent request this morning, included the previous question. The previous question is ordered when debate closes on the resolution.

Mr. SLAUGHTER. I thank the Chair.

The SPEAKER. The vote on the resolution will go over until Thursday.

EXTENSION OF REMARKS

Mr. REED of New York (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD and include a questionnaire.

Mr. WHITE (at the request of Mr. MURDOCK) was given permission to extend his remarks in the RECORD and include certain correspondence.

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD and include a letter which he received.

Mr. KNUTSON asked and was given permission to extend his remarks in the RECORD and include an article by Ira Bennett.

Mr. CURTIS asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

The SPEAKER. Under previous order of the House the gentleman from Illinois [Mr. JOHNSON] is recognized for 5 minutes.

EVERY ACRE RECLAIMED MEANS ANOTHER ACRE OVERFLOWED

Mr. JOHNSON of Illinois. Mr. Speaker, 50 years ago the Illinois River and its tributaries were the finest of fishing and hunting grounds to be found anywhere. Fish of many kinds were abundant because the then existing back waters provided ideal spawning grounds. The sloughs and back waters were a haven for millions of wild fowl that darkened the skies in migratory season. Nature provided great areas of overflow as reservoirs to hold and store flood waters for a slow rate of run-off with a minimum of flood damage.

Today a practice of diking and levee building along the river has closed off these great reservoirs of water storage which in turn forces the waters toward the Mississippi confined between great earthen walls. This necessitates constant raising of levee height and repair for the preservation of syndicate and privately owned farm lands lying behind these walls.

Every acre reclaimed means another acre overflowed.

Now that "civilization"(?) has destroyed Nature's protection against flood devastation, it is now proposed to rescue the owners of land, formerly of little agricultural value, at the expense of farmers along the tributaries of the Illinois River.

One proposed project is to erect a tremendous dam on Crooked Creek, now

called Lamoine River, between Colmar and St. Marys at an estimated first cost of $4,364,000. This means relocating concrete highways also tremendous damage to existing farms and overflowing thousands of acres of rich and productive bottom farm lands. In a small stream of this type, floods are of the flash variety and usually localized. Crop losses are light and infrequent.

Another such dam is proposed on nearby Spoon River near London Mills. This dam is estimated to cost the public taxpayer $8,932,000. This proposed dam will also overflow thousands of acres of valuable bottom lands now in rich production. In addition, the lands submerged will break up many existing farm units as to render them impossible of economic operation. It also will cause relocating farm families, concrete highways, railroads. Families forced to vacate would have to compete with existing renters and farm owners thereby further causing inflation and at a time when we are frantically trying to prevent inflation.

To build these dams would enrich speculators who now own cheap bottom lands between the dams and the Illinois River but at the expense of farmers above the dams and the American taxpayer.

Much flood control can be had by a larger interest in soil conservation and a further of strip farming, terracing, and contour farming in general on even the slightest rolling lands. The heavy rains will, under contour farming, have a much slower run off, more moisture on the land where needed. Contour farming preserves the valuable top soil much of which we are wasting today.

These proposed projects are not to the best interests of agriculture in general. Increasing of Federal deficit spending is not to the best interests of the Nation today and if this proposed project gets to the Congress, I shall oppose it to the best of my ability.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

[Mr. HAYS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address by the Honorable James P. McGranery at the banquet of the Order of Ahepa, Hotel Statler, Boston, Mass., Friday, May 3, 1946. This particular address may exceed two pages of the RECORD, but I ask that it be printed, notwithstanding that fact.

The SPEAKER. Without objection, nothwithstanding the cost, the extension may be made.

There was no objection.

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD and include an excellent editorial on Republican policy by J. H. Vanwinkle, appearing in the Oregon City Banner-Courier.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. GRANT of Alabama, for today and the remainder of the week, on account of official business.

To Mr. KIRWAN (at the request of Mr. EBERHARTER), for the remainder of the week, on account of illness.

ADJOURNMENT

Mr. HAYS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 58 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 8, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in open hearings on Thursday, May 9, 1946, at 10 o'clock a. m. to consider the following bills:

H. R. 6219. A bill to authorize the Commandant of the United States Coast Guard to accept enlistments of certain individuals for duty at lifeboat stations during the year 1946.

H. R. 6263. A bill to amend the act of June 23, 1943, so as to authorize inclusion of periods of education and training in an Army Transportation Corps civilian marine school as "service in the merchant marine."

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1264. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 20, 1946, submitting a report, together with accompanying papers and illustrations, on a review of reports on Newport News Creek, Va., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on August 13, 1942 (H. Doc. No. 559); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

1265. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 1, 1946, submitting an interim report, together with accompanying papers and illustrations, on a preliminary examination and survey of Altamaha River, Ga., to consider flood problems in the vicinity of Macon, Ga., on the Ocmulgee River. This investigation was authorized by the Flood Control Act, approved June 22, 1936; to the Committee on Flood Control and ordered to be printed, with an illustration.

1266. A letter from the Chairman, National Capital Park and Planning Commission, transmitting a draft of a proposed bill to amend an act for the acquisition, establishment, and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park, parkway, and playground system of the National Capital, approved May 29, 1930; to the Committee on Public Buildings and Grounds.

1267. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 5, 1946, submitting a report, together with accompanying papers and illustrations, on a review of reports on Sioux River, S. Dak., requested by a resolution of the Committee on Rivers and Harbors of the House of Representatives, adopted on November 22, 1939, with a view to determining if any improvement at and near the mouth is advisable at this time (H. Doc. No. 561); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

1268. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 18, 1946, submitting an interim report, together with accompanying papers and illustrations, on a preliminary examination and survey of streams draining into the Great Salt Lake and the Great Basin, Utah and Nevada, covering flood control on the Jordan River at Salt Lake City, Utah, and Little Valley Wash at Magna, Utah. This investigation was authorized by the Flood Control Act, approved on June 28, 1938 (H. Doc. No. 562); to the Committee on Flood Control and ordered to be printed, with three illustrations.

1269. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 12, 1946, submitting a report, together with accompanying papers and illustrations, on a review of report on Norfolk Harbor, Va., requested by a resolution of the Committee on Rivers and Harbors of the House of Representatives, adopted on June 16, 1944 (H. Doc. No. 563); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

1270. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1947, in the amount of $620,400 for the Department of Labor, in the form of amendments to House Document 534 and an amendment to the Budget for said fiscal year (H. Doc. No. 558); to the Committee on Appropriations and ordered to be printed.

1271. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill regarding transfer of air navigation facilities in foreign countries; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JOHNSON of Oklahoma: Committee on Appropriations. H. R. 6335. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes; without amendment (Rept. No. 1984). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 6148. A bill to exempt certain vessels from filing passenger lists; without amendment (Rept. No. 1985). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIOTT:

H. R. 6336. A bill to authorize the Administrator of the War Assets Administration to lend or sell surplus-property equipment for use at the twenty-eighth annual national convention of the American Legion; to the Committee on Expenditures in the Executive Departments.

By Mr. HOPE:

H. R. 6337. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn sold by producers between January 1, 1946, and April 15, 1946; to the Committee on Agriculture.

By Mr. KNUTSON:

H. R. 6338. A bill to repeal section 601 of the Philippine Rehabilitation Act of 1946; to the Committee on Insular Affairs.

By Mr. LEMKE:

H. R. 6339. A bill to limit the period within which contract actions may be brought by the United States; to the Committee on the Judiciary.

By Mr. RANKIN:

H. R. 6340. A bill to provide that a veteran's compensation, pension, or retirement pay shall not be reduced during his hospitalization or domiciliary care, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SCRIVNER:

H. R. 6341. A bill to eliminate certain inequities of the National Service Life Insurance Act of 1940, as amended; to the Committee on World War Veterans' Legislation.

By Mr. SPARKMAN:

H. R. 6342. A bill to amend the National Defense Act of 1916, as amended; to the Committee on Military Affairs.

By Mr. HOLIFIELD:

H. R. 6343. A bill to authorize the Secretary of War to lend War Department equipment for use at the twenty-eighth annual national convention of the American Legion; to the Committee on Military Affairs.

By Mr. IZAC:

H. R. 6344. A bill relating to the limitations on pay of retired commissioned officers elected or appointed to civilian offices or positions; to the Committee on the Judiciary.

By Mr. JENNINGS:

H. R. 6345. A bill to amend the Employers' Liability Act so as to limit venue in actions brought in United States district courts or in State courts under such act; to the Committee on the Judiciary.

By Mr. RICH:

H. R. 6346. A bill providing for the extension of the time limitations under which patents were issued in the case of persons who served in the military or naval forces of the United States during World War II; to the Committee on Patents.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the legislature of the State of Wyoming, memorializing the President and the Congress of the United States to enact legislation relating to public lands of said United States in Wyoming; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 6347. A bill for the relief of Mrs. Evelyn Authier; to the Committee on Claims.

By Mr. BUFFETT:

H. R. 6348. A bill for the relief of James Ronald Walker, a minor; Thomas Clark Bryant, a minor; and Thomas E. Bryant; to the Committee on Claims.

By Mr. DINGELL:

H. R. 6349. A bill for the relief of the United States Radiator Corp. of Detroit, Mich.; to the Committee on Claims.

By Mr. EBERHARTER:

H. R. 6350. A bill for the relief of the county of Allegheny, Pa.; to the Committee on Claims.

By Mr. GWYNNE of Iowa:

H. R. 6351. A bill to grant a certain right-of-way in Crawford County, Wis., to the Iowa-Wisconsin Bridge Co.; to the Committee on the Public Lands.

By Mr. HAVENNER:

H. R. 6352. A bill for the relief of Andres Quinones and Letty Perez; to the Committee on Immigration and Naturalization.

By Mr. HORAN:

H. R. 6353. A bill for the relief of Mrs. Audrey Ellen Gooch; to the Committee on Immigration and Naturalization.

By Mr. KEEFE:

H. R. 6354. A bill for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel; to the Committee on Claims.

By Mr. PIÑERO:

H. R. 6355. A bill for the relief of the estate of the late Francisco Rivera Navarro; to the Committee on Claims.

H. R. 6356. A bill for the relief of Jose A. Pabon; to the Committee on Claims.

H. R. 6357. A bill for the relief of Ernesto Lugo; to the Committee on Claims.

H. R. 6358. A bill for the relief of Armando Velez Feliciano; to the Committee on Claims.

H. R. 6359. A bill for the relief of Nemesio Vegas; to the Committee on Claims.

H. R. 6360. A bill for the relief of the estate of the late Ismael Miranda; to the Committee on Claims.

H. R. 6361. A bill for the relief of the estate of the late Manuel Graulau Velez; to the Committee on Claims.

H. R. 6362. A bill for the relief of Cristobal Rivera Santiago; to the Committee on Claims.

H. R. 6363. A bill for the relief of Juana Pagan; to the Committee on Claims.

H. R. 6364. A bill for the relief of Alejo Padilla; to the Committee on Claims.

H. R. 6365. A bill for the relief of Miguel Ferrer Nevar; to the Committee on Claims.

By Mr. RAYFIEL (by request):

H. R. 6366. A bill for the relief of Ciro Gamboni; to the Committee on Immigration and Naturalization.

By Mr. ROBINSON of Utah:

H. R. 6367. A bill authorizing the issuance to Mountain States Development Co. and Crescent Eagle Oil Co., of patents for certain placer mining claims located in Grand County, Utah; to the Committee on the Public Lands.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1866. By Mr. FORAND: Resolution of the General Assembly of the State of Rhode Island, requesting the President of the United States of America, the Secretary of State of the United States, the Director General of the United Nations Relief and Rehabilitation Administration, and the Senators and Representatives from Rhode Island in the Congress of the United States to use every effort to prevent the reduction of the daily bread ration in Italy and to endeavor to devise means to supply that country with larger shipments of wheat and flour; to the Committee on Foreign Affairs.

1867. By Mr. SMITH of Wisconsin: Petition of veterans of World War II, Janesville, Wis., requesting unemployment compensation allowances which have been denied them; to the Committee on Ways and Means.

1868. By the SPEAKER: Petition of the twelfth district American Legion, petitioning consideration of their resolution with references to their endorsement of the provisions of Senate bill 1592, known as the Wagner-Ellender-Taft housing bill; to the Committee on Banking and Currency.

SENATE

WEDNESDAY, MAY 8, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 11:45 o'clock a. m., on the expiration of the recess.

Rev. John W. Rustin, D. D., minister, Mount Vernon Place Methodist Church, Washington, D. C., offered the following prayer:

Let us pray together: Eternal God, father of us all, we pause in the midst of the busy rush of life to ask for Thy direction. How desperately we need that direction today. Tempted as we are to live selfishly because of the abundance of things we possess, we often close our ears to the needs of others. Forgive us, we pray Thee. Help us to remember in these days of material prosperity "that a man's life consisteth not in the abundance of things which he possesseth," and "that he cannot live by bread alone." Grant, we pray Thee, wisdom to this body so that all action taken here today shall be for the best interest of all Thy people everywhere. Save us from weak resignation and futile despair. Undergird us with a sense of Thy presence so that we shall be refreshed of both body and soul. These mercies we ask in the name and for the sake of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 7, 1946, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Langer
Austin	Fulbright	Lucas
Ball	George	McCarran
Bankhead	Gerry	McClellan
Barkley	Green	McFarland
Brewster	Guffey	McKellar
Briggs	Gurney	McMahon
Brooks	Hart	Magnuson
Buck	Hatch	Maybank
Bushfield	Hawkes	Mead
Butler	Hayden	Millikin
Byrd	Hickenlooper	Mitchell
Capehart	Hill	Moore
Capper	Hoey	Morse
Carville	Huffman	Murdock
Cordon	Johnson, Colo.	Myers
Donnell	Johnston, S. C.	O'Daniel
Downey	Kilgore	O'Mahoney
Eastland	Knowland	Pepper
Ellender	La Follette	Radcliffe

Reed	Taft	Wheeler
Revercomb	Taylor	Wherry
Robertson	Thomas, Okla.	White
Russell	Thomas, Utah	Wiley
Saltonstall	Tobey	Willis
Shipstead	Tunnell	Wilson
Smith	Tydings	Young
Stanfill	Wagner	
Stewart	Walsh	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The PRESIDENT pro tempore. Eighty-five Senators have answered to their names. A quorum is present.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 197. An act for the relief of Aldona Kojas;

S. 1442. An act for the relief of George O. Weems;

S. 1742. An act for the relief of Socony-Vacuum Oil Co.;

S. 1747. An act for the relief of John C. Spargo;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; and

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3010. An act for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend;

H. R. 3967. An act for the relief of Ahto Walter, Lucy Walter, and the legal guardian of Teddy Walter, a minor;

H. R. 4046. An act authorizing the issuance of a patent in fee to Richard S. Fisher;

H. R. 4122. An act for the relief of Guy B. Slater and Grace M. Collins;

H. R. 4142. An act for the relief of Johnnie V. Nations;

H. R. 4172. An act for the relief of Carlton G. Jerry;

H. R. 4298. An act for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Laura Dinson and the legal guardian of Teresita Dinson;

H. R. 4301. An act for the relief of Philip Naope Kaili and Susie Kaili;

H. R. 4338. An act for the relief of Anna Blanchard and others;

H. R. 4527. An act for the relief of O. T. Nelson, and wife, Clara Nelson;

H. R. 4763. An act for the relief of R. L. Benton;

H. R. 5152. An act for the relief of J. F. Powers;

H. R. 5212. An act for the relief of the dependents of Cecil M. Foxworth, deceased;

H. R. 6097. An act to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes"; and

H. R. 6110. An act for the relief of the estate of Marion S. Griggs, deceased.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. McFARLAND obtained the floor.

The PRESIDENT pro tempore. The Chair asks the clerk to read the unanimous-consent agreement entered into yesterday.

The Chief Clerk read as follows:

Ordered, by unanimous consent, That on the calendar day of Wednesday, May 8, 1946, at not later than the hour of 2:45 o'clock p. m., the Senate proceed without further debate to vote upon the so-called McFarland amendment to Senate Joint Resolution 138, the pending British loan measure; and that of the intervening time between 12 noon and said hour of 2:45 o'clock, 1 hour and 45 minutes be allotted to the proponents and 1 hour to the opponents of the amendment, to be controlled, respectively, by the Senator from Arizona [Mr. MCFARLAND] and the Senator from Kentucky [Mr. BARKLEY].

Mr. McFARLAND. Mr. President, much has been said about the economic condition of the world. I agree that we are now facing one of the most serious periods in the history of the world. This Nation has just passed through the greatest spending period in our own history—at least, we hope we have passed through it. Now, of necessity, we are forced to get back on a sound business basis or else face an utter collapse of our financial system. Now we are being asked to approve a loan of three and three-fourths billions of dollars to Great Britain, a debtor nation. We should examine the evidence for and against the making of such a loan from a sound business standpoint.

We heard 10 days of testimony on the British loan before the Banking and Currency Committee, during which some 20 witnesses appeared. This testimony has been printed and made available to the Senate. We have heard the arguments of able Senators on this floor.

The distinguished Senator from Kentucky [Mr. BARKLEY] stated that this whole question involves a great many complicated economic problems and that it is difficult for any human being to understand them unless he lives with them all his life. He added, in candor, that some of his answers may not be meticulously accurate. That is likely to be true of any of us in discussing the subject. In fact, I am constrained to observe that the very fact that involved here are highly complicated economic and financial questions makes this a subject as to which it is difficult to get plain, common sense, practical answers. Shortly after the joint resolution which is now under discussion to implement the loan was introduced, I addressed the Senate, pointing out what I consider many objectionable features of the agreement for this loan. So, I do not propose at this time to enter into a discussion of the merits of the loan, or the need for it, or the benefits it will accord to Great Britain, or the benefits it will bring the United States, or the countless other questions which have been raised thus far in connection with it. In candor and frankness, however, I should add that I have not been greatly impressed with the arguments that have been adduced for it by the witnesses who appeared in its behalf. I remember clearly one thing Mr. Acheson said about it. He said—and I am reading from page 325 of the Senate hearings:

> Just in order to make it clear, I will say it again. The purpose of this loan is to enable the British to import what they have to import over the next few years during which they don't have the exports necessary to balance their payments.

I cite Mr. Acheson's statement principally for the purpose of making clear what the State Department says is the objective of the loan. Whether it is a proper objective is a question each of us must determine. I believe it to be significant, however, that neither in Britain nor in America is there unanimity of opinion among public men of experience and understanding on this subject that the loan is desirable or necessary.

What I do want to address myself to is the proposition that our Government should not enter into an agreement for a tremendous loan to a foreign power except on a sound business basis, which cannot be done without first having reached some agreement and understanding with that power regarding an existing unpaid obligation. What I am contending for is simply plain commonsense business principles. I am not asserting that Great Britain must pay us what she owes us before we grant the pending loan; I am merely insisting that for our own protection and for Britain's, there should be some agreement reached regarding the indebtedness arising out of the First World War. I am suggesting that such a procedure is elemental, the first principle of relationship between a borrower and lender.

I have the greatest friendship and admiration for the British people. No one was more anxious than I that they be aided in those bitter days before and after Dunkerque; no Member of the Senate has a better voting record than I in that respect. I regard Britain as a great ally, and I hope that our two nations always will be friends. I am fearful that

one of the surest ways to undermine that friendship is to establish again the relationship of lender and borrower without a clear and definite understanding of what the obligations of each of the contracting parties is to be. I do not want to see a return of the days when we were called Uncle Shylock. I believe that one of the surest ways to avoid that situation is to make certain now that there are not hanging over the present arrangements old and irritating wounds.

And such old irritations do exist. I care not that some assert that the old debt is a dead debt, better to be forgotten. The fact remains that the American people know that they loaned the British Government $4,277,000,000 during and after the First World War, and they know that the loan has never been repaid in full. It is all very well for some to point out that only a small part of it was a loan after the war, or that Britain repaid in principal and interest some $2,000,000,000; that technically Britain paid some of the loan and the balance of it ought to be canceled. Let them explain that to the American taxpayers who dug into their pockets to float and pay for that loan and the interest on it.

The American people regard that debt as they regard their own personal debts; they know that they cannot go down to the bank and attempt to make a new loan while a former loan still stands on the books, not cleared up and funded, or some other arrangements made for its settlement or clearing up. The American people believe that the same code of conduct should exist between nations; they are going to find it extremely hard to believe that the Congress has the right to loan their money on the theory that it is being done in the national welfare. In my judgment, Senators are going to have a very difficult time explaining to the home folks their advocacy and support of a tremendous loan of $3,750,000,000 to a nation which remains on our books as a debtor of between four and six billion dollars going back a quarter of a century—and moreover, a nation which we just concluded giving the stupendous sum of $25,000,000,000 worth of goods in lend-lease.

I am not complaining about lend lease; I am not asserting that the loans of the First World War were not necessary; I am not suggesting that the present loan is not desirable. What I am insisting on—and I shall continue to insist on it—is that we begin to show some common sense and some consideration for our own people.

I suggest, therefore, and I have offered an amendment to that end, that before we make this present loan of $3,750,000,000 Britain shall sit down with us and work out some mutually equitable method of adjusting the First World War indebtedness. I suggest, further, without restricting either our own representatives or those of Britain, that in working out such an agreement we be granted, first, permanent use of the so-called 99-year bases; second, the elimination of the present restriction against commercial use of those bases; and, third, the right to use for commercial purposes other bases which we with blood, sweat, and tears, won back from the enemy for Britain, and others which we helped Britain retain. I wish to call to the attention of the Senate that approximately $4,000,000,000 of American taxpayers' money was spent on the original construction of these bases.

Mr. FULBRIGHT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Arkansas?

Mr. McFARLAND. No; I am forced not to yield. I should be glad to yield, but my time is limited. I shall have to ask the Senator to get his time from the Senator from Kentucky [Mr. BARKLEY].

Mr. FULBRIGHT. I wondered whether the Senator was going to indicate in his remarks the bases he has in mind.

Mr. McFARLAND. I shall be glad to indicate in the RECORD the bases on which we spent this money.

Mr. FULBRIGHT. That is what I mean.

Mr. McFARLAND. When and if Britain and our representatives present such an agreement which gives us something in consideration for at least part of the huge First World War debt, then I am willing to vote for the proposed loan. We will, under such a program, at least have made some settlement of an old debt before we embark on a new one. I make that as one of the conditions of this loan; when that condition is met, I shall support the proposed loan.

Some may argue—and it has been so suggested during the hearings by eminent members of the Committee on Banking and Currency—that such bases are a useless and unnecessary expense to us; that they will be white elephants. It was suggested that Puerto Rico and the Philippines have been burdens to us, and that we should not take on additional burdens. Such an argument is not applicable to my proposition, for I ask only for bases and use of bases, not for the rest of the territory upon which they are situated. And the arguments made by one Senator against our taking over such bases from Britain was that we wanted them for military outposts, and that with the United Nations functioning and the atomic bomb, such military outposts have lost their military meaning.

Mr. President, to those who think along this line I should like to suggest that I am as hopeful as is any other man that the United Nations will be the effective agent to banish future wars; I also am of the opinion that the atomic bomb mitigates the military use of such outposts; but what is apparently overlooked by all those so contending is that we are all hoping for an era of peace and prosperity and commercial and economic expansion in the years ahead. And I suggest that this Nation must prepare itself for such a period of economic and commercial prosperity by expansion of its communications and transportation lines to the world.

On these bases which we have for 99 years, and on many another far-flung area in the world, we have expended millions upon millions of dollars, not alone for submarine pens, and anchorages and harbors, and gun emplacements, and weather stations, but for communications centers and airfields. Such airfields and communications centers are potentially far more valuable in peacetime than they were in war.

I think the time has come for this Nation, the most powerful and productive in the world, to cease being a chattel of other nations. I believe that America and its people have, as the late President Roosevelt said, a rendezvous with destiny. I believe that if we want to see democracy and our way of life expand in all the places on earth, we must make sure that freedom of transport and freedom of communications really exist. It is time that we ceased giving lip service to democracy and freedom of speech and freedom of press. If we want the people of the world to know what democracy means and what it has to offer to the common, ordinary man, we must assure ourselves of the means to spread the gospel of democracy in every highway and byway in this far smaller earth.

It has been suggested that we have rights on these bases, and on other areas of the earth in which Britain or the British commonwealth is sovereign. To that, I say, examine the Bermuda aviation agreement; examine the Bermuda telecommunications agreement. Ask those who operate our air lines how free we are; ask them who fixes the rates they must charge for overseas air travel; ask those who operate our international communications companies just how free our American communications are; ask the newspapers and the press associations that have championed a world-wide free press just how free the American press association is in picking up or delivering all the news. I submit, Mr. President, that this telecommunications agreement does not give us bases for telecommunications use nor does it give freedom of world-wide coverage as advocated by men like Kent Cooper, of the Associated Press.

The agreements remind me of what Will Rogers once said:

> America never lost a war and never won a conference.

I realize what we got was probably the best we could get—simply because we, the United States, must ask on bended knee for rights. But I do not want my colleagues to be deluded by fancy phrases and diplomatic wordage that we have won any great rights in these matters of vital importance in the future peacetime world.

If these bases and other areas are such great economic burdens as some on this floor would have us believe, why does not Britain give them up? Confessedly, Britain is in desperate financial straits; she cannot afford to bear further drains on her treasury entailed by maintaining Caribbean and North Atlantic bases; nor, for that matter, can she afford to make loans to other nations—Greece, Poland, even Russia. Nevertheless, she does make such loans, and such bases as she retains she does bear the burden of supporting. I think this is a time for realism; not a time for throwing up our hands and admitting that the involved economic and financial details and jargon of this new

loan agreement are too much for us, and, therefore, let us agree to it and forget the past. I believe that the American people would and do oppose such an attitude on our part; I believe the American people expect us to stand here and fight and vote for their own best interests.

The American people's best interests, Britain's best interests, and the world's best interests, compel us to handle this matter of a loan on a sound, business-like basis which will avoid friction in the future and insure the growth of the democratic ideal in the world.

Much has been said in regard to this loan being a gift. This, of course, is due to the fact that we never received payment of the last World War loan. For this reason some have suggested that it would be better for us to make an out-and-out gift to Great Britain of a lesser amount rather than make the loan provided for under this agreement. The pros and cons have already been discussed as to this being a gift or a partial gift. It is at least a gift to the extent that the interest rate is more favorable than the rate at which we can secure money from our own people, and it is on far more favorable terms than we are making to our own veterans.

We have made gifts to nations in the past under the public-welfare clause of the Constitution. The modern trend seems to be that if Congress finds an appropriation to be for public welfare that is all that is necessary. But, Mr. President, I want to say here and now that we have a grave responsibility when we give our people's money away, particularly when we give it away to another nation. It is very important that we determine how the welfare of the people of the United States is served when we make gifts or loans. For this reason I raise the question of the use of these bases. Is it to the welfare of our people for us to have these rights?

Mr. President, it was admitted by the principal Government witnesses, during the hearings, that we are entitled to the very thing I am seeking to accomplish by this amendment.

Secretary Vinson stated:

> I agree with you that adequate bases are a very important item in the security of our country, but I have the feeling that the bases problem, being handled by the State Department, will be worked out.

Mr. Clayton, in discussing the general right to use these bases for civil purposes, said:

> I sympathize with your feeling about the right to use the bases for our civil aviation.

When questioned in regard to securing permanent base rights in the Western Hemisphere, Secretary of Commerce Wallace declared:

> I think we ought to have them, unless we get them cheaper by letting the British administer them.

But when it was called to his attention that we were not trying by this amendment to secure the islands, but only the bases, he added:

> I think we should have the permanent bases.

Then when asked:

> Do you think Great Britain should be willing to make an agreement with us on that basis?

He answered:

> Yes; I think so.

However, our administration witnesses did not want to make the securing of these rights and the use of these bases a condition of the new loan. Now, what position would that put us in? Most of the Government witnesses have stated that because the first loan grew out of World War I it should be canceled. Because of the economic condition growing out of this war, that process of reasoning would lead every nation which borrows money to believe that the United States would never demand a settlement of its loan and would eventually be willing to cancel it.

We are faced here today with the necessity of saying to Great Britain, "If we lend you money, we expect a settlement," and the only way we can obtain a settlement is by requiring a settlement in regard to past indebtedness, regardless of how little we may receive. So I submit that the amendment as a condition of this loan is most important, not alone because of the fact that Great Britain may be led to believe by our past actions that she may not be compelled to repay this loan, but also because every other nation which may ask us for a loan will arrive at the same conclusion.

Mr. President, it has been suggested on the floor of the Senate that the adoption of the pending amendment would result in killing the British loan. My answer to that statement is that if the British people need the money of our people as badly as they claim they do, they will give us the right, asked for by this amendment; that is, they will be willing to make a deal with us by which a part or all of the First World War loan will be charged off.

It has been suggested also that by asking for these bases we may offend the British people or the British Government. Mr. President, this is the first time I have even known of someone who has money to lend being forced to beg a borrower on bended knees to take our money. Are we afraid? If so, afraid of what? Are we afraid Great Britain will not take our money? Is that the position of the United States Senate? Are we afraid to stand up for what is right? The question confronting us in the Senate today is whether the pending amendment is right. Oh, it is said that Britain may give the bases to us, anyway. There might have been a more opportune time for us to ask for these bases, but surely there is no better time than the present. Mr. President, there are more than 100 bases and installations involved. I ask permission to place in the RECORD at the conclusion of my remarks the number and names of the base areas.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. McFARLAND. Mr. President, yesterday there was issued by the Honorable Dean Acheson, Acting Secretary of State, a press release which came right on the day upon which it was thought we would arrive at a vote on this question. What does the press release say?

> The Honorable Dean Acheson, Acting Secretary of State, announced today that the British Government has confirmed its willingness to conclude a formal agreement based on the proposed arrangement negotiated at the Bermuda Aviation Conference, with respect to opening the 99-year leased bases to civil aircraft.

"Confirmed its willingness," Mr. President. No agreement has been reached. We do not know whether an agreement will be reached. I submit that the rest of the agreement is nothing more than diplomatic verbiage. I do not blame the State Department for being afraid to enter a conference if the best agreements it can get are no better than the aviation agreement and the telecommunication agreement.

It is significant that the mere fact that this amendment has been proposed has resulted in a little action toward bringing about a conference; if we adopt the amendment we will get what we are entitled to.

In the latter part of the press release Mr. Acheson calls attention to the aviation agreement, and says:

> Duly authorized United States civil air carriers will enjoy nondiscriminatory two-freedom privileges and the exercise (in accordance with the agreement or any continuing or subsequent agreement) of commercial traffic rights at airports located in territory of the United Kingdom—

And so forth. "Nondiscriminatory privileges," indeed. A short time ago we heard about one of our air lines which had just changed from seaplanes to land planes. After it had installed wheels on the planes, and had landed 250 or 300 passengers in Bermuda the British decided that the air line could not use that field—a field which we built and on which forty-nine and one-half millions of American dollars were expended—and that it must use seaplanes. There they were, 250 or 300 passengers waiting for transportation, with American tickets. Is that one of the "nondiscriminatory" privileges the British are extending to us? Is that what is referred to in this press release?

What does the agreement further provide? We read in the newspapers a short time ago that our overseas air lines proposed to reduce their rates from $375 to $275 to and from Great Britain. The British would not stand for it. They threatened to restrict the number of flights and we had to agree to increase the fare to $375. Is that nondiscriminatory treatment; does that improve commercial and economic relations in the world?

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. BREWSTER. Has the Senator found anything in this confidential release, for publication after 2 p. m., Tuesday, May 7, that was not previously known? Is there anything in the document that is in any way new?

Mr. McFARLAND. Not one thing.

Mr. BREWSTER. What was the purpose of this highly confidential red-type release yesterday afternoon at 2 o'clock?

Mr. McFARLAND. It could be for only one purpose, and that was to influence the United States Senate to vote for this loan. I submit, Mr. President, that to say that this press release is not complimentary to the United States Senate is putting it mildly.

Mr. BREWSTER. I think it is a rather transparent, and certainly highly simple, assumption on the part of Hon. Dean Acheson, who issued it, that the United States Senate is not out of the primary class. There is not one word in the release which has not been long known. This conference has been held, and the agreement is well known. What about the so-called two-freedom privileges? Has the Senator discussed what they involve?

Mr. McFARLAND. I have not discussed them. I should like to have the Senator discuss them when he takes the floor. I did not want to use all the time.

One of the things the so-called two-freedom proposition does is that in section 2 of the annex to the agreement, rates for international air service are to be controlled by a British-dominated cartel. There are 43 foreign air-line members of the International Air Transport Association, the organization which fixes the rates against four United States air lines. Furthermore, now that the British are ready with the machinery for controlling rates, and they have been given more than 100,000 miles of new trade routes, they can now fly their planes from New York to San Francisco, or down through New Orleans, picking up passengers for Mexico. They can deliver passengers in Detroit and Chicago, and other places in the United States. That is a part of the "great" agreement about which we have heard so much.

Mr. BREWSTER. I think it is clear that the two-freedom privilege involves no right to pick up or leave traffic of any character. It simply involves the right to land on an airport or to take off, but not the right to leave cargo or passengers, or pick up cargo or passengers for any spot on the earth. So the so-called two-freedom privileges are of very limited scope. There are three more freedoms, which involve traffic rights which are highly important, and which are not mentioned in this agreement.

Mr. McFARLAND. I thank the Senator for his contribution. I should like to add that the British Government has also now set aside $600,000,000 to further British international aviation. Where will the $600,000,000 come from except from our loan?

Mr. FULBRIGHT. Mr. President, may I ask the Senator if it is his purpose to yield only to Republicans in this debate?

Mr. McFARLAND. I am yielding to Senators who are going to speak on my side of the question. If the Senator wishes to ask a question he may do so in his own time. If the Senator will assure me that he intends to vote for this amendment I shall be glad to yield to him as much time as he wishes. Mr. President, this is not a question of Republicans and Democrats. This is not a party proposition. This is a question of what is best for the people of the United States.

Mr. SALTONSTALL. Mr. President, will the Senator permit me to ask a question?

Mr. McFARLAND. I prefer not to yield further. There will be other speakers. If the Senator wishes to vote for this amendment I shall be glad to yield time to him. I do not propose to take up all the time of our side in yielding to the other side. If I could have obtained the floor yesterday, I intended to yield as much as any Senator wished me to yield, and to answer any and all questions which might be asked; but we are now speaking against time.

Mr. President, what does the telecommunication agreement amount to? I have not the time to go into it in detail, but a casual examination of that agreement shows that it does not permit us to use these bases for telecommunication purposes. If it be true that we can, without going through London, now send direct messages to Cairo, this new agreement does not permit us to transmit messages beyond Cairo or to use our station there as a repeater station, something which is needed to complete the circuit of our communications system.

Mr. President, I must not take more time. We have other speakers on our side of this question. I do not know what the Senate will do in regard to this amendment. I do not know how it will vote; but I know that every Senator will exercise his best judgment and vote as his conscience dictates.

The bases which we ask for in this amendment, Mr. President, are far flung, all over the world. They are bases which our boys fought, bled, and died to regain for Great Britain or to retain for Great Britain. They are sacred spots to the mothers and fathers of those boys, for there lie the remains of their boys. Is that right, Mr. President, that we should ask, in the name of the boys who died there, that Great Britain give us a right to use for commercial purposes these bases on those islands—little dots which would not have been worth anything had not we spent millions upon millions of dollars in developing aviation fields and communication centers on them? Are we asking for anything that is not right when we ask merely for the privilege of using these bases? What would they have been worth if we had not taken them? What would they have been worth if we had not retained them?

Mr. President, I submit that the pending vote is one of the most important votes the Senate will ever be called upon to cast, because, if this amendment is rejected, we shall be saying to Great Britain that we do not care anything about these rights, that we do not care anything about these bases, that we do not care anything about areas for which our boys died. Britain ought to be willing, if nothing else, to give us these small areas on these islands, in honor of the heroic dead.

Mr. President, as I have said, I do not know how the vote on the pending proposal will go. I shall be satisfied with the vote, regardless of what the outcome may be. I shall content myself and satisfy my conscience by casting my vote for what I think is right, in honor of American boys, and for what I think is in the best interests of the people of the United States of America.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Arizona yield; and if so, to whom?

Mr. McFARLAND. I yield for a question; but my time has about expired, and I am going to yield the floor in a moment.

Mr. SALTONSTALL. I should like to ask the Senator a question which seems to me to be very pertinent, along the line of the points the Senator from Arizona has made. He has twice said, and he concluded his remarks by saying, that the Senate should do what is best for the people of the United States. My question is a very sincere one. On page 2 of the amendment, the first paragraph calls for the permanent acquisition of the bases. Is not the United States and are not the people of the United States better off under a 99-year lease than they are with permanent acquisition which will compel them to raise taxes and handle all the other problems which go with permanent acquisition? And if they want to abandon such a base, they cannot abandon one which is a permanent acquisition, whereas they can abandon a leased base. That is a sincere question.

Mr. McFARLAND. I do not agree with the Senator that we cannot abandon these bases. In the first place, we are not asking for the islands. We are asking only for the small areas which we have leased, upon which these bases are located. I am perfectly willing that it be provided in the agreement that if we abandon them, the title shall revert to Great Britain. I have no objection to that. A 99-year lease, Mr. President, is a very short time in the life of a nation.

Now I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President——

Mr. CORDON. Mr. President, will the Senator yield to me?

Mr. McFARLAND. I have already promised to yield to the Senator from Arkansas. I yield first to him, and then I shall yield to the Senator from Oregon.

Mr. McCLELLAN. Mr. President, I wish to compliment the Senator from Arizona on his very able presentation of the reasons why the pending amendment should be adopted. I desire to announce that I shall support the amendment. I have not undertaken to make a speech in support of or in opposition to the proposed loan, but I wish to say that the principal reason why I shall vote for this loan to Britain, if I do vote for it, is in consideration of our own national security. If the loan is helpful to our national security, if anything in connection with this loan or anything identified with it serves our security in the future, it doubly serves Britain. If we are to continue to be friends and allies in the future, as we have been in the past, it

is just as much to the interest of Great Britain that we have the use of these bases permanently, as it is to our own interest, and more so.

I think now is the time to settle all the differences and all the problems between Great Britain and ourselves arising out of this war and that have carried over from World War I. I think now is the time to make the settlement, to wipe the slate clean, and to start over, either with a loan or without it.

Mr. McFARLAND. I thank the Senator for his contribution. I have only one more minute, and I yield that to the Senator from Oregon.

Mr. CORDON. Mr. President, I simply wish to ask the Senator from Arizona if, in his opinion, one of the great values which we would receive from the adoption of his amendment would be the right on the part of the United States to use these several bases for civilian aviation, as well as for military aviation, but as to which civilian use is now prohibited?

Mr. McFARLAND. Mr. President, I think the point the Senator has made is well taken. I tried to make that plain in my remarks. That is one of the principal purposes of the amendment. But it is to be noted that even in granting the 99-year leases, Great Britain was shrewd enough to prohibit the use of the bases for anything but military purposes.

I thank the Senator for his contribution.

I now yield the floor to the Senator from Georgia.

EXHIBIT 1

LIST OF BRITISH POSSESSIONS WHERE UNITED STATES NAVY INSTALLED AND MAINTAINED FIXED INSTALLATIONS

Newfoundland, Bermuda, Bahamas, Jamaica, Antigua, St. Lucia, Trinidad, British Guiana, Funafuti, Fiji Islands, Gilbert Islands, New Hebrides, Solomon Islands, Admiralty Islands, Australia, New Zealand, New Guinea.

The exact number of installations in each of the above-named areas is not available.

EXHIBIT 2

LIST OF BRITISH POSSESSIONS WHERE UNITED STATES ARMY INSTALLED AND MAINTAINED FIXED INSTALLATIONS

Bahamas, British Guiana, British West Indies, Bermuda, Newfoundland, Canada, Labrador, Canada (northwest district), Ascension Island, Bahrein Islands, Trucial Oman, Anglo-Egyptian Sudan, Egypt, Gold Coast, Nigeria, Palestine, British Malaya, Burma, Ceylon, India, Australia, Canton Island (United States and British), Christmas Island (United States and British), Cooke Islands (New Zealand, British), Ellice Islands, Fiji Islands, New Guinea (British and Dutch), New Hebrides (British and French), New Zealand, Solomon Islands.

The exact number of installations in each of the above-named areas is not available.

Mr. RUSSELL. Mr. President, I do not intend to make any lengthy statement on this subject. I wish, however, to reiterate the views which I expressed on this floor in October 1943, upon the return to the Senate of the first Member group from the Congress to go to the various theaters of operation around the world where the war was being waged. At that time I urged upon this country the policy of undertaking to settle many of the perplexing problems which have grown out of this war, at the time when the tide of lend-lease was still running from our shores to our allies. It occurred to me then, and I hold the same opinion still, that it would have been much better to have settled many of these problems at that time, than it was to pass them over until after our allies had been the beneficiaries of all that they sought at our hands.

Mr. President, I have been disturbed by a sentiment, which seems to be growing up in this country, to the effect that we should speak very softly when dealing with our contributions to winning the victory in the great world war from which we have just emerged. This school of thought holds it is entirely proper for the British to refer to the tenacity with which they held on for many months, alone and unassisted, and faced by all the power of Hitlerite Germany. I agree. I commend the British for their fortitude, for that unbreakable courage which has always been a hallmark of British character. To this group it seems to be perfectly all right for the Russians to proclaim almost daily, as they do, that it was the great Red army that won the war, that beat down the armies of Germany and her allies, and brought victory to the United Nations. I have no objection to that. The American people do not yet appreciate the full extent of the losses incurred by the Red army in their great battles—battles of greater magnitude than those which occurred in any other theater in the war. I would not detract one iota from any of the accomplishments of any of our allies.

But, certainly, Mr. President, I am opposed to putting our own light under a bushel and speaking only in whispers of the great contribution of the American people and the unsurpassed heroism of the American Army, Navy, Marine Corps, and Air Forces in bringing about the victory. I state without fear of successful contradiction that if we did not win the war, at least our allies could not have won the war without our aid, both in fighting men and in materials and supplies.

Mr. President, the proposal of the Senator from Arizona seems to me to be merely a business proposition. I cannot see why it should give offense to the British, and I certainly believe there is nothing in it which could properly offend them. Nations are but aggregations of individuals. There is no reason why we cannot approach this matter on a businesslike basis in dealing with the British, just as individuals would negotiate a business deal. During the negotiations the executive arm of the United States Government imposed certain requirements upon the British. What proper objection can there be to the legislative arm of the Government, in considering this matter of such vital consequences to the American people, involving, as it does, the expenditure of a greater amount of money than was appropriated for the entire national budget in any year prior to 1934, asking that the contribution represented by the proposed amendment be made to the future security of the American people?

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. Is it not about time for the Congress of the United States to take the precaution to which the Senator has referred, and write into the statute language representing the way we feel about this agreement, and not only call it to the attention of the Department of State, but insist on the Congress being recognized in connection with such matters?

Mr. RUSSELL. I advocate such course being followed, and I shall support the amendment offered by the distinguished Senator from Arizona.

Mr. President, I wish to quote briefly from my remarks made on this floor on October 28, 1943, because I deem them to be very appropriate to the issue under consideration at the present time.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. From my understanding of the situation, the proposal which the Senator from Georgia is supporting would result in a renegotiation of the international agreements which have been made.

Mr. RUSSELL. No; I do not believe so. The Congress cannot negotiate international agreements, but it can place limitations upon the power of the executive department to execute. That is what the effect of the amendment of the Senator from Arizona would be.

Mr. FULBRIGHT. But would not the effect of the amendment be to require new negotiations to take place, which might continue for months and months, and result in important changes? As a practical matter, I believe the Senator knows that the amendment of the Senator from Arizona would kill the joint resolution, and would require new negotiations. In the meantime circumstances will have changed.

Mr. RUSSELL. Mr. President, there would be nothing new in Congress placing limitations on the power of the Executive in connection with dealing with other nations. Congress put all kinds of limitations on the power of the Executive in connection with dealings which resulted in the creation of the United Nations. There would be nothing new about such procedure. The Congress passed measures providing that certain things had to be done, and there have been any number of similar instances of the Congress seeking to place limitations upon the performance of the executive department.

Mr. FULBRIGHT. I do not recall any important changes having been made in the San Francisco Charter.

Mr. RUSSELL. No; I did not say there were any such changes, but the Senate had the power to reject the Charter.

Mr. FULBRIGHT. Yes; the Senate had the power to reject the treaty. It also had the power to reject the League of Nations, and it did so.

Mr. RUSSELL. By agreeing to the pending amendment, the Congress of the United States will not be refusing to make the loan. It may be that the British will not like the amendment and will not agree to it, but it will represent no refusal on our part.

Mr. President, I wish to repeat the position which I took in 1943. At that time a great deal of criticism took place in the British press, and on the part of members of the British Parliament, of the statement which was made by some members of the Senate committee who had returned from a trip around the world. I was amazed at the severity of the criticism. The criticism went to the extent of taking the position that a Member of Congress had no right to express himself in connection with matters involving foreign policy. I almost obtained the idea that some of our British cousins, for whom I have the greatest regard, had very little respect for what I regarded as our rights in connection with some very important issues.

In my statement, to which I have already referred, I undertook to deal with the matter from the standpoint of postwar air rights, as well as benefits which would accrue to this country by assuring the maintenance of national defense through both civil and military rights. I now read from a copy of my remarks which were made on this floor in 1943:

All of us are concerned about American rights in air bases and air facilities which have been constructed at our expense all over the world. There should be no delay in having some definite understanding and agreement as to the postwar rights of our commercial aviation. Certainly, we occupy a better position to negotiate such understandings now than we will after the war is over. We can not expect to have sovereignty over all bases that we have constructed for military purposes, but we should be able to assure to American enterprise an equal chance with others in these bases we have paid for, and the right to operate in all parts of the world.

Air power is the decisive factor in this war. With the great development being made daily in aviation, the peace of the world and the outcome of any future wars will depend directly upon air power. Planes must have bases from which to operate. We should begin now to plan for the postwar period, both to assure the future defense of the United States and to assist in maintaining world peace on a basis of justice and equality.

Many of our close offshore bases are built on lands under foreign flags. I have never been satisfied with the 99-year lease given the United States in the destroyer deal negotiated by this country before we entered the war. This is not any 99-year country. Where would we be today if Jefferson had handled the Louisiana Purchase on any such basis, or if our rights in Florida, or if even the Alaska purchase, had been subjected to any such limitation? If we can be trusted for 99 years to occupy and develop defenses on the lands belonging to our allies, but essential to our defense, there is no reason why future generations, who will still be paying for this war, should be denied the protection these bases afford.

Time can bring remarkable changes. War will move much faster in the future than it has even in this day of blitz. With the tide of lend-lease running high from our shores, future generations of Americans should not be subjected to the danger of having these bases, built and maintained by Americans, used against them 100 years from now. It should be possible to work out some arrangements which will give us permanently such protection as these bases may afford.

Mr. President, I am more impressed with the cogency of that argument today than I was at the time it was made. Since 1943 there have been tremendous changes in the method of waging war. We are confronted in the future with a possible war in which bombs will be shot through the heavens for distances of three or four thousands miles. Our departments of national defense are today seeking methods of stopping such rocket bombs, one of which with an atomic war head would destroy the largest city in America. They are seeking to stop them by devising other rockets which will be projected into the stratosphere, strike the atomic rocket, and explode it before it can reach our shores. The bases which we hold under 99-year leases will be absolutely essential to our national defense as new inventions make the world smaller and bring us closer to danger from abroad.

I referred, Mr. President, to the fact that future generations of Americans would be paying for the more than $40,000,000,000 of lend-lease supplied to our allies in this war. The same future generations, yet unborn, will be contributing taxes to defray the $4,000,000,000 British loan which is proposed by the pending joint resolution. They are entitled to some benefit from their expenditures. Are we to say that we will mortgage the future of this Nation, spend its resources and revenue recklessly and without limitation or restriction, and compel our citizens of the future who have burdens of their own to face to pay the bill without even the modest protection of these bases?

This proposal should not give offense to the British. It is certainly only sound business on the part of these United States, and I believe it can be worked out, the bases can be secured, and the British can be protected in their sovereignty over the islands on which they are located. We can, therefore, at least give to those who will be taxed in the years from now on to pay the debts growing out of this war a little better chance of defending themselves in the case of aggression and the use of new weapons of war of which we today cannot even dream.

Mr. BARKLEY. Mr. President, I yield to the Senator from Arkansas [Mr. FULBRIGHT] such time as he may desire to use.

Mr. FULBRIGHT. Mr. President, I have already spoken on this amendment, and I merely wish now to make a few observations. First, I should like to say, with regard to the last suggestion of the Senator from Georgia, that I am quite unwilling to accept these few puny bases in payment either for lend-lease or for the efforts we put forth in the war. I expect a great deal more of Great Britain and our other allies than the transfer of a few pieces of isolated real estate.

Furthermore, I think the suggestion of the Senator, using the analogy of the Louisiana Purchase, is not in point. I quite agree that in that case a 99-year lease would not have been proper, but that was in a period when this Nation was expanding; it was in a period which we may well call imperialistic, when we were aggressively engaged in building up our country. For some time now the United States has not been an imperialistic nation, and it is not concerned with increasing its size.

If we were interested in acquiring territory, which the Senator from Arizona and the Senator from Georgia seem to suggest, for half the sum involved here we can send a battleship or two which we now have and obtain much more land than is involved in these bases. If that is what we are after, why do we not send down a little expedition to Colombia or Nicaragua or some other small country or island, and take them? If that is the business we are interested in that would be a much simpler and cheaper procedure to follow.

Mr. RUSSELL. The Senator from Arkansas then, sees no difference whatever between our requesting bases from the British before forcing on them a loan of four thousand million American dollars, to be paid by future generations of taxpayers and wantonly committing an act of aggression against good neighbors who have not offended and who have not asked for $4 000,000,000.

Mr. FULBRIGHT. If the purpose is simply to acquire more real estate, if we are seeking to get more land, I see very little difference except in degree. I say, however, that our purpose is not simply that. I thought our only interest in these bases was purely as a matter of defense, certainly not the acquisition of permanent land areas.

Mr. RUSSELL. Mr. President, will the Senator yield there?

Mr. FULBRIGHT. I yield, but I also have a limited time.

Mr. RUSSELL. If the Senator does not care to yield, it is quite all right.

Mr. FULBRIGHT. I am glad to yield.

Mr. RUSSELL. My attitude might be different if I thought the condition of the world today was such that we could forget for the future the need for bases or for national defense. I have as much yearning for the success of the United Nations and for permanent peace as any other man in the country, because I realize that the salvation of the nations of the world depends upon it, but I am not willing to agree at this stage in the life of United Nations that we can afford to place the destiny and future defense of the United States entirely in its hands.

Mr. FULBRIGHT. The Senator understands, of course, we have these bases for 99 years, and, in the first place, I doubt very seriously——

Mr. RUSSELL. I think about 94 years now. I think it has been about 6 years since the leases were made.

Mr. FULBRIGHT. If 4 or 5 or 6 years make any difference to the Senator, I suggest that is a very short-sighted view of the future development of the world, both in atomic energy and in every other kind of weapon. I certainly do not believe that the significance these bases had during the last war will remain the same in 99 or 94 or 93½ years from now. I do not think they are particularly important in that respect. I think their importance will gradually grow less as the world becomes smaller. I have no doubt that it will not be very long until there will be plenty of planes that will have the power and capacity to hop over these bases. The fact is the Azores

would be much more important than these little islands.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. McMAHON. Did our negotiators raise this point with the British or was there any testimony before the committee? Did they take any attitude on it? Was it put up to them?

Mr. FULBRIGHT. I do not think it was put up to them for the reason that, as I read in an editorial yesterday, which I think to be the truth, the best informed people do not believe that it is preferable to own them outright. The editorial I read yesterday suggested that, rather than hold these bases and other bases permanently, President Roosevelt very wisely preferred to have them on a lease basis, which did not devolve upon us the responsibility of the sovereignty of those governments, as permanent, absolute ownership would. With that, I entirely agree. If the British had offered them, in my judgment, our negotiators would have been much wiser to leave the situation as it now is. I do not think we want them as outright possessions.

The question of our own welfare, which both Senators have raised, involves a difference in judgment. In my opinion, we are as well if not better off with the present arrangement affecting these bases than if Great Britain had transferred them to us absolutely. As it is we merely have military responsibility. If this country is going to continue the policy of not seeking more real estate, but of seeking to create a better world in which we can all live in peace—if that is our policy, then I think it is inconsistent to seek to obtain more and more real estate.

If, on the other hand, we have despaired—and I am not sure that I am not about ready to despair—of any possibility of working with other countries, of any responsibility in international affairs, if that is to be our policy, then the only logical course is to proceed to acquire not only the bases indicated, but other important bases. I do not like to quibble over these puny little things, which are not of much importance. If we want something—and we are now able to get it—why should we not go out and take the Azores, and Iceland, and Greenland, and any other land? We probably could take anything we want other than the territory of Russia. We could take whatever we like, certainly anything approachable by the sea. If that be our policy, why do we not acknowledge it? I sometimes think perhaps that might be the only kind of policy we can understand.

Mr. McMAHON. Leaving out of consideration the advisability of acquiring title to more real estate, as against 99-year leases, what has the Senator to say about the second provision, which calls for giving us commercial rights on these bases? I think that is where the argument should come, not on the other matter.

Mr. FULBRIGHT. Under the announcement of the Acting Secretary of State yesterday, they have already agreed on commercial rights, except for some technical details. I do not think there will be any difficulty in that.

Mr. MAGNUSON. Mr. President——

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Arkansas yield to the Senator from Washington?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. I think the Senator should make clear the fact that in speaking of bases the Senator from Arkansas is apparently basing his remarks on the premise that in all cases leases have been made. Of course, we are talking about a great number of bases used by us during the war jointly, or by us alone, as to which there has been no arrangement made at all.

Mr. FULBRIGHT. And a great many of those bases are not within the control of the United Kingdom. That is one trouble with this amendment. It seems to assume that any base anywhere we should get, that the British should undertake to get it for us.

Mr. McFARLAND. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I do not yield to the Senator from Arizona, in accord with the precedent he set.

Mr. McFARLAND. I thank the Senator.

Mr. FULBRIGHT. The Senator understands, I think. I think both Senators to some degree—and it was emphasized by the Senator from Arizona—misunderstand the part we played and the interest we had in both wars. They both proceed upon the assumption, at least the implication arises from their remarks regarding the war debt, that neither of these wars was our war, that we were a by-stander who was observing a battle, that the outcome was of no particular interest to us, but that we did lend some money for the pursuit of a war, of a project, which was really not our concern; therefore this debt, which arose out of that transaction, should be viewed exactly as any other debt, just as a banker lends money to a man to build a factory and make a profit out of it; and certainly on good sound business principles, in which the Senator from Arizona is so much interested, that is the way to proceed.

The whole theory of lend-lease—and I think the theory was just as applicable to the First World War as it was to the last war—was that it was our war, that we were interested in winning it. If the British had folded up, or any other ally had folded up, I think we would have gone on to pursue it to victory or defeat. The fact was that by following the principle of lend-lease we gained, in the sense particularly that we saved the lives of a great many of our own boys, who would have had to man the machines we supplied to the British, to the Russians, and to any other ally in either war. We supplied munitions and machines in place of supplying men to run the machines. Of course, we would have supplied the machines in either case, but it at least saved the lives of our men. That was the underlying theory.

We decided that it was all important that we win the war, and when we get into a war we pursue every possible approach. I think this was one of the most efficient approaches. If we assume as correct the idea about the First World War debt and about lend-lease which is continually brought up, that we gave them, as some say, twenty billion, and others forty billion, depending upon the mood of the speaker—it is somewhere around $20,000,000,000, I think—if it is a loan in the sense that a banker makes a loan to someone to make a profit, then the argument of those in opposition follows properly, and I think they are correct. On the other hand, if that is not the correct basic policy, then I think their argument falls down, and there is no use bringing into this argument the reference to the First World War debt, except that part which was advanced after the war and not for munitions or for lend-lease.

Mr. TYDINGS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. TYDINGS. If it was a gift, then it should not have been called lend-lease, because it was neither loaned nor leased. I think it was misnamed, and anyone on either side of this argument must concede that the designation "lend-lease" was a thoroughly expedient one, rather than an honest designation.

Mr. FULBRIGHT. I am sure the Senator has been a Member of the Senate long enough to know that it was not the first time expediency was resorted to in this body or any other body in politics. I do not know who made the decision to name it, but its purpose is perfectly evident on the face of it. In considering the pending amendment, or other amendments, to the joint resolution, many are not willing to vote against the loan because they know the people think it is a proper thing to do, though perhaps not as to all details. I do not say that all the people have made up their minds and know that every last dot in this measure is all right, but they know in general that it is in accord with the policy we have adopted and have been following for the last 3 years. But through expediency they choose to adopt an amendment which on its face does not look too bad, and in that way destroy the loan, and that is exactly what the purpose of the amendment is. If the amendment is agreed to, I think it might well be known, and everyone might well admit, that that will be the end of the agreement. We will have to go back and follow the same old policy we followed after the last war, when we made reservations to the proposal to join the League of Nations. We never did reject the League of Nations, no, we just amended it, and reserved, and amended, until, of course, it became a nullity.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LUCAS. I understand the effect of the amendment would be to give title to the United States to the territory we have entered under leases made by the British.

Mr. FULBRIGHT. That is one little element of it.

Mr. LUCAS. In other words, if the amendment should be agreed to and

England should accept it, there would be two sovereignties over the same island, would there not?

Mr. FULBRIGHT. Yes; there would be an enclave in these islands, that is, a separate sovereignty over one piece of territory in a larger one, somewhat similar to the Polish Corridor. I think Teschen was treated that way, as well as Alsace-Lorraine, and so on. History shows that every time that has been tried it has always been the source of a great deal of conflict and trouble.

Mr. LUCAS. That is the point I desired to make. The Senator has anticipated my next question by his answer. In other words, the United States of America is going to set up a sovereign power on a thousand acres, or 5,000 acres, whatever it might be, upon one of these islands, surrounded completely, we will say, by British territory and British sovereignty. It seems to me ridiculous to suggest that we should undertake to do that. We either should have all the island——

Mr. FULBRIGHT. That is correct.

Mr. LUCAS. Or we should not have merely a miserable little strip over which we exercise sovereignty. It seems to me that kind of an arrangement would create confusion and cause interminable trouble.

Mr. FULBRIGHT. I agree with the Senator entirely. That has been the history of all similar arrangements throughout the centuries.

Mr. MAGNUSON. Mr. President, will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. I will say to the Senator from Illinois that only in one or two cases, in respect to the bases we have indicated we might need, would that condition exist. It is not a Polish Corridor, nor has it caused confusion. We have been doing the same thing for many years in Cuba, where we have a great naval base at Guantanamo Bay, over which we have control.

Mr. FULBRIGHT. Do we own it outright? Does it belong to us?

Mr. MAGNUSON. No. We have complete sovereignty over it for a period. I have not checked the number of years, but we had over a 99-year mandate over it and complete sovereignty. It was not a lease.

Mr. FULBRIGHT. Well, we do not own it, but have complete sovereignty over it. How can the Senator say it is not a lease?

Mr. MAGNUSON. We have complete control of that part of the island of Cuba for 99 years.

Mr. FULBRIGHT. Exactly, like we have over these bases.

Mr. MAGNUSON. The Senator can call it a lease or whatever he wants to call it.

Mr. FULBRIGHT. Why does the Senator cite that illustration as a ground for supporting the pending amendment? I call attention to part 2 of the amendment, as follows:

(2) Peacetime commercial use by the United States of other bases built by the United States in the British Empire or in areas controlled by Great Britain.

It says "areas controlled." It does not say areas owned by Great Britain. But under this provision Great Britain would have to undertake and assume to go into any area in which she has more or less influence. I do not know whether it can be said that Great Britain controls Egypt or not. I do not think Great Britain does control Egypt. But Great Britain has a certain influence over Egypt. She may control the area around some airport. I do not know that. But the provision in question is very indefinite. Under it we first have to negotiate with the British, and the British, of course, would have to negotiate with these other areas. If it be some mandated area or some area such as Egypt which is on a treaty basis, or Palestine, the British must undertake, wherever we have these airports, to be our broker, I will say, and get us these rights instead of our doing it ourselves.

Then we would have to come back to the Congress and go through the same procedure we are going through now. I have no doubt that even if the British undertook to do it, there would not be any possibility that they could bring in any agreement that would be final, but we would always find we should have to have a little more territory; that if we received a thousand acres we should have 5,000 acres. It is a hopeless approach to the situation.

The last paragraph is utterly incomprehensible to me. I would not undertake to say what it means. It has something to do with the World War I debt.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. TUNNELL. I was going to ask the Senator what effect he thought paragraph (2) would have on the bases built by the United States in England? I understand that on the island there are perhaps 150 bases which were built by the United States.

Mr. FULBRIGHT. Yes; there are a great many.

Mr. TUNNELL. There are many such bases. I am wondering whether that language would require them to be turned over to the United States?

Mr. FULBRIGHT. Under the language of paragraph (2) "Peacetime commercial use by the United States of other bases built by the United States in the British Empire or in areas controlled by Great Britain," the bases in England would be under our control. That is quite true. I think there were at least 150 built by us. I saw several of them. I saw one which covered several thousand acres. I presume that would be necessary.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BREWSTER. I hope the Senator has checked that. It has been my understanding that in the United Kingdom the bases were all constructed under reverse lend-lease; that they were not constructed by Americans, but were constructed by the British. I think that statement is correct.

Mr. FULBRIGHT. Mr. President, my attention was distracted for a moment. I am sorry, but I did not hear what the Senator said.

Mr. BREWSTER. It is my understanding that the bases in England were constructed under reverse lend-lease. We furnished some of the building material, but the British built them for us, and simply credited us with reverse lend-lease on them.

Mr. FULBRIGHT. Some of them?

Mr. BREWSTER. I think all of them.

Mr. FULBRIGHT. That was done by reverse lend-lease. But I do not know why, if it was reverse lend-lease, and there is a balance in our favor, we could not set up a bookkeeping transaction. They belonged to us, and we paid for them through lend-lease

Mr. BREWSTER. No; it is my understanding that the British entirely built those bases, so they would not come under the provisions of paragraph (2).

Mr. FULBRIGHT. Mr. President, I regret having taken more time than I should have taken on this subject, and I must decline to yield further. I wish to conclude my remarks.

There was one further thought I had concerning the remarks of the Senator from Arizona, in which he laid great stress upon the sacrifices of our boys in taking these bases. I want to ask the Senator a question about that. How many of our boys suffered and died in taking the bases on Newfoundland or in the Caribbean or on Bermuda? I do not recall that any of them did. Apparently the Senator was trying to inject into his argument the losses which we suffered on Okinawa and Iwo Jima but it is not my understanding that those bases belonging to or are controlled by the British, or have anything to do with this agreement. It seems to me it is not quite appropriate to seek to confuse the issue by bringing in what happened on those bases which we have already acquired, and, so far as I know, are going to keep.

The PRESIDING OFFICER. The Senator from Kentucky [Mr. BARKLEY] is recognized.

Mr. BREWSTER. Mr. President, I understand it is agreeable to the Senator from Kentucky for me to proceed at this time.

Mr. BARKLEY. Am I to understand that the Senator from Arizona is giving of his time to the Senator from Maine?

Mr. BREWSTER. Yes.

The PRESIDING OFFICER. The Chair will ask the Senator from Maine, in whose time is he proposing to speak?

Mr. BREWSTER. In the time of the Senator from Arizona.

Mr. McFARLAND. I yield 10 minutes of my time to the Senator from Maine [Mr. BREWSTER].

The PRESIDING OFFICER. The Senator from Maine is speaking in the time of the Senator from Arizona.

Mr. BREWSTER. It almost seems to me we are back in the House where we would obtain 10 minutes of another Member's time occasionally.

Mr. BROOKS. Mr. President, will the Senator yield to me?

Mr. BREWSTER. I yield.

Mr. BROOKS. I realize full well the importance of the pending legislation, and particularly the pending amendment, and I shall be present to vote on it; but I ask unanimous consent that after that vote is taken I may be absent from the Chamber of the Senate for the remainder of the afternoon.

The PRESIDING OFFICER. Without objection, the request of the Senator from Illinois is granted.

Mr. BROOKS. Mr. President, for the record I should like to state that if any other votes are to be taken this afternoon, the junior Senator from Wisconsin [Mr. WILEY] has kindly consented to be present and to refrain from voting, observing a pair with me.

My bride to be and I are fully conscious of the importance of the legislation and the problems confronting the Nation at this moment. We are, therefore, not leaving the city, but I am happy to have obtained unanimous consent to be absent for the remainder of this afternoon so that I may attend my own wedding.

Mr. BREWSTER. Mr. President, I want first to make it clear that through the past 25 years, while the Senator from Arkansas was accumulating his enthusiasm for international collaboration, it has been the part of the Senator from Maine to welcome all proposals along that line, and to give them my support in public life. I think almost without exception from the day 25 years ago when I assisted in forming the League To Enforce Peace, and as the executive secretary of the League To Enforce Peace, supported the late lamented League of Nations in the State of Maine, and all the time I have been in Washington, I have subscribed to all policies calculated to strengthen our collaboration with foreign countries; and also to strengthen our own military organization, the draft, and all similar measures.

In the language of the distinguished chairman of the House Judiciary Committee, Representative SUMNERS of Texas, however, it would seem as though I were here approaching the point where I should have to cash in my checks, as it seems we have gone overboard in somewhat too big a way.

The point which has troubled me greatly is the utter failure of the State Department to consult the responsible body in the Senate, the Foreign Relations Committee, or any other group, in the development of a step which I think everyone will agree must have profound consequences upon our country as well as upon the world. The very opposite of the approach which prevailed in connection with the United Nations and which was so successful in accumulating 91 votes in this body in support of the United Nations—the very opposite course was followed in this instance when we are presented with what may be called an equally fateful decision.

It seems to me that if our discussions here shall do nothing else than to awaken the State Department to the wisdom of continuing the collaboration which it established under the leadership of Cordell Hull in connection with the United Nations, and which proved so effective in gaining the confidence both of the Congress and of the country, we shall have taken a great step forward. With respect to the course which has been followed in connection with other measures, a far less happy picture is presented; and here we have the opportunity to pause.

What has concerned me has been the overwhelming rejection of the proposal of Winston Churchill for an Anglo-American alliance. Opinion in America was seemingly opposed to that proposal, because of what was believed to be its unfortunate consequences upon world opinion, where these great issues are to be decided. However, while the rejection of the proposed Anglo-American alliance was almost universal, we have seen developed through executive action policies which seem nicely calculated to establish in the minds of the world the conviction that such an Anglo-American alliance certainly prevails. I refer to five items in this development which it seems to me we in this body cannot safely ignore, and which are all calculated to cultivate in the minds of the rest of the world—and Anglo-Saxon civilization is only 10 percent of the world—the belief that there is an Anglo-American agreement, alliance, or understanding, and particularly to justify the appeal which Russia is so obviously making to world opinion, that there is an Anglo-American attempt to dominate, if not dictate, the course of world affairs.

In my judgment, nothing could be more unfortunate than for that opinion to seem to the world to be justified. And yet in the past year we have seen negotiated the Anglo-American petroleum agreement, from which Russia was excluded, although she has a third of the petroleum resources of the world. We have seen the Anglo-American Palestine inquiry, in which America had no more interest than has Russia or any of the other members of the United Nations, or any member of the League of Nations. Yet it involved America in some sort of an understanding with Britain on one of the most touchy problems of the world.

The Anglo-American atomic-bomb agreement, with the spirit and purpose of which I am in accord, was executed as the result of a flamboyant trip to America by Mr. Bevin, Britain's Foreign Minister, to make with great aplomb an agreement which was calculated not to please the rest of the world. In my judgment, it would have been much better had it been executed behind a diplomatic barn.

Finally, there is the Anglo-American aviation agreement, which has been denounced by 17 of the 18 members of the Committee on Commerce of the Senate as being utterly a violation of the powers of this body, by the executive department which negotiated it.

We now have before us the Anglo-American loan of $4,000,000,000. Nothing could be more nicely calculated to convince the world that there is an Anglo-American alliance against the rest of the world. I am an ardent advocate of cooperation with Great Britain. I believe in the British, in their principles, and in collaboration. But if the impression is derived by the world that Britain is writing the ticket in this particular deal, then in my judgment we shall drift steadily toward the day when we shall furnish the catalyst which will precipitate the world into the conviction that America and Britain are going a trifle too far. That is why I think we should proceed slowly, and why I am in most cordial sympathy with the attempt of the United States Senate to contribute to the negotiation of this agreement by asking that the extremely vital aviation bases shall be permitted to be included in the discussions incident to the agreement.

The proposal seems to me to be modest. It seems to me to be proper. It seems to me to be one which the State Department should properly have taken into its purview long since if it had had either the courtesy, the consideration, or the perception to realize that this coordinate branch of the Government, which must furnish the $4,000,000,000 out of the pockets of the American people, is entitled at least to be considered and consulted on some of the details of the arrangements, particularly on the question whether or not the aviation fields which we have built around the world at an expense of nearly $4,000,000,000 should be permitted to be used by American commercial as well as military enterprise.

That is why it seems to me that the pending amendment may well be seriously considered, and that its adoption will simply mean a further step in the realistic approach to the negotiation of agreements that shall be calculated to establish in the minds of the American people, as well as in the minds of the world, that we in America are coming far more realistically to the discussion and consideration of these problems, and that Russia may to some extent be reassured that America is not simply engaged in an anti-Soviet campaign, the results of which are incalculable upon the future peace not only of America, but of the world.

Mr. MAGNUSON. Mr. President, I wish to be brief, but I feel that I should make a statement regarding the pending amendment.

The PRESIDING OFFICER. Will the Senator inform the Chair on which side of the question he is speaking?

Mr. MAGNUSON. I am speaking in the time of the Senator from Arizona [Mr. MCFARLAND].

A few minutes ago the Senator from Arkansas [Mr. FULBRIGHT] intimated—and he may be correct in some instances—that any Senator who would vote for an amendment to this measure might have in mind the purpose of sabotaging the whole proposal. I do not know who has such a thought in mind, but I will say to the Senator from Arkansas that I intend to vote for the British loan whether the McFarland amendment is adopted or not.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. FULBRIGHT. I did not mean to say that the Senator had any such purpose in mind. I said that the practical effect of such an amendment would be to destroy the agreement.

Mr. MAGNUSON. Like the Senator from Georgia [Mr. RUSSELL], I believe, and have believed for many years, particularly since some service in the Pacific, in the necessity of the acquisition by America of certain territory which might be used as military bases. It so happens that much of this territory belongs

to Great Britain or her dominion or colonies. Practically none of it has any economic value to the British Empire. I believe that not only during the war, but since the war has ended, America has not embarked, and is not embarking, upon any imperialistic venture, or attempting to acquire mere real estate, as was suggested by the Senator from Arkansas. She is merely trying to obtain for herself certain tools which she must have in order to carry out the responsibility which she owes not only to herself and her people, but to the people of England and the people of the world. What most of us want, and all that most of us hope to acquire, is the tools to do that particular job.

We built many of these bases. We spent American money. In some cases some of the Allies contributed labor or materials. The situation is far different in this case than it would be if we had our eye on territory in which we had no investment whatsoever. I agree with the Senator from Arkansas that that would be imperialism.

At first I was somewhat doubtful as to the germaneness of this subject to the British loan legislation. After reading the hearings, the reports, and the joint statement issued by the Anglo-American Financial and Commercial Committee, I have come to the conclusion that, so long as we are adding up the debits and credits of this war, we can properly include bases which were built with American money.

I was hoping that possibly the amendment might be so worded that we could either acquire permanently or lease. In some cases one arrangement would be better, and in other cases the other arrangement would be preferable. But it seems to me that without in any way sabotaging the British loan, while we are finishing another chapter in our relations and adding up lend-lease, loans, and all the other things incident to the joining of the two countries in this war, we might at this time also throw in the bases which we so sorely need to help both England and America to maintain peace in this world.

Mr. HAWKES. Mr. President——

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). The Senator from New Jersey is recognized. The Chair wishes to inquire in whose time the Senator from New Jersey is to speak.

Mr. HAWKES. I shall speak in the time of the Senator from Arizona [Mr. MCFARLAND], and I shall speak in favor of the adoption of the McFarland amendment to the pending measure, Senate Joint Resolution 138, the so-called British loan joint resolution.

Mr. President, I do not believe there is a Member of the United States Senate who has greater respect than I have for what the British people have done for civilization in establishing, maintaining, and protecting the rights of individual freedom under the philosophy that the people should be the masters of their government, rather than to have the government be the master of the people. I have great respect for the moral fiber and the character of the British people, notwithstanding the mistakes they have made during the past two or three centuries. I believe their virtues far outweigh their faults.

It was with deep regret that I saw the British people defeat their great war leader, Winston Churchill, after he had rendered to the nation, in an hour of need, a service such as, in my opinion, has never before been equaled by any other Englishman.

Even though I do not believe in the course the Attlee government is taking, I still believe in the moral fiber and character of the British people. They have a right to make mistakes in choosing leadership, just as we have made mistakes in this country; and there are indications that the majority of the British people do not want socialism per se.

I am not at this time going into the merits of the British loan under proper terms and conditions. I shall undoubtedly have something to say on that subject before we come to the final vote on the loan joint resolution

Mr. President, the sponsors of this loan say its purpose is to create a better relationship and better understanding between the people of the United States and the British people.

I feel a deep sense of responsibility to the American citizen who must pay the bills for any mistakes we in the Congress and the Government may make. If I were voting my own money, I might do it on an entirely different basis than the one on which I am willing to vote to loan or give away the money of the American citizen, who already is saddled with a debt of approximately $275,000,000,000.

We contend we wish to find a balance in equity and justice between our two countries. If that be so, then why should not we do now the thing which will start us toward that balance?

We are releasing Great Britain from a $20,000,000,000 obligation under lend-lease. If this loan is made, we shall release her from approximately $6,200,000,000 of war debt, with interest, from World War I. If this joint resolution passes, we shall have sold her $6,500,000,000 worth of war supplies and materials, a great portion of which can be successfully used for peacetime purposes. This sale will be made for $650,000,000, or 10 cents on the dollar.

To bring about this balance in equity and justice with a hope for some kind of a balanced trade, we have appropriated approximately $6,000,000,000 for the Bretton Woods Bank and International Fund. We have authorized loans through the Export-Import Bank up to $3,500,000,000.

Exhaustive statements have been made on the floor of the Senate to the effect that if we make this loan without any security or collateral, we shall have great difficulty in refusing other nations who were allies and who are now also in distress.

The terms of the loan are cleverly conceived in such a way as to deceive the average American, even though the terms might be justified under the conditions. I believe that the average American should be told frankly that the chances are about 10 to 1 that Great Britain will never be compelled to pay the interest on this loan; yet our Government must pay interest to our citizens for the money which we lend to Great Britain, and we are requiring the American veterans to pay interest on the money which is loaned to them in small amounts.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HAWKES. I cannot yield. I should like very much to yield, but I must conclude.

Mr. President, the time is short, but I must say that if I were high up in the councils of the British Nation, I would have begged my government to notify the Government of the United States that in the interest of finding a balance in equity and justice, Great Britain proposes to give to the people of the United States the very rights and privileges which the McFarland amendment demands as a condition of the British loan.

We are talking about making friends. There are millions of people in the United States who feel that Great Britain should do something which clearly lies within her power to do at this time. They feel that these rights to the use of military, air, and naval bases should be established now, if the countries are acting in good faith. If Great Britain had offered to do this voluntarily, she could have made friends of millions of our people who now are looking at her with suspicion.

As one American I am becoming tired of seeing our Government do all the giving, in return for promises to discuss situations in the future. That is not the way America was built, and so far as I know, it is not the way any business under freemen ever was builded.

I cannot forget that we threw into the vortex of World War II the lives of more than 12,000,000 of our best citizens. We left buried more than 250,000 of our finest citizens, and we suffered casualties of more than 750,000 additional, most of whom will remain incapacitated as long as they live. We have spent, outside of lend-lease, between $150,000,000,000 and $200,000,000,000 to aid the cause of freemen and free institutions.

I hope this amendment will be adopted and made a part of the British loan procedure. We shall be in a safer and better position in our loans to other countries if Great Britain gives something tangible in return for this loan which she needs. If she is sincere, as I believe she is, in stating that she wishes to cooperate fully with our great Nation to establish equity and justice in all our relationships, then this demand on our part should not in any way embarrass her.

I hope that if this proposed loan is made, it will be made in such a way as to build real understanding and friendship, because words are of little value unless the actions which follow the words keep faith with the meaning of the words. In the interest of the preservation of individual freedom and the kind of economy which can only exist under men who are free in fact, and not merely in word, I hope this amendment will be adopted; for I may then vote for the loan with the feeling in my own heart and conscience that I have honestly and intelligently served the interest of all Americans, as well as having been kind

and considerate to the British people in the hour of our mutual need and, I hope, our common objective—the preservation of true, individual freedom.

Mr. President, I cannot agree with the argument that the loan will have to go back for complete renegotiation, in the event this amendment is adopted. From my point of view, all that will be necessary will be for the British Government to decide whether it is willing to fulfill the requirements of this amendment. Of course, if it refuses to do that, then the loan will have to be renegotiated; and if it is, I hope the representatives of the United States of America will see to it that the loan agreement has mutuality and good and valuable considerations, the giving of which lies clearly within the hands of those asking for the loan.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. BARKLEY. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 29 minutes.

Mr. BARKLEY. I yield 5 minutes to the Senator from Arizona.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed at the end of my remarks, in connection therewith, a brief statement which I issued on February 15, 1946, relative to the British loan.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. HAYDEN. Mr. President, I shall read the last three paragraphs of the statement at this time:

In his recent address to the Russian people, Premier Stalin announced a definite plan for a great expansion in the industrial development of the Soviet Union and frankly stated that this is to be done in order to increase the military might of that nation. Judging the future by the past, Russia will accomplish that result—which raises the question as to whether 25 years from now it will be to the advantage of the American people to have the British Commonwealth of Nations strong, prosperous and friendly to us. To me it appears obvious that in helping them we are also advancing our own interest in both the near and more distant future.

Since the Federal Government was established, every generation of Americans has gone to war. These wars began in 1812, 1846, 1861, 1898, 1917 and 1941 on an average of about a quarter of a century between them. After every war the American people have assumed that it was the last one; that we could isolate ourselves from the rest of the world; that economic conditions in other nations are of no concern to us. Two world wars have taught us that such an assumption is utterly false.

We all hope and pray that the United Nations can find a way so that the children of today will not have to endure a Third World War in which air power, the atomic bomb, and other improved weapons of destruction may be used with quick and devastating effect. For my part, I shall do what I can to see that the English-speaking people of the world remain friends and able to unite with strength to fight, if necessary, for their freedom.

Mr. President, with reference to the pending amendment, I may say that if the assumption is that our next war is to be with Great Britain, by all means let us acquire these British bases. But if our next war is to be with Russia, then it is much better to leave the technical title to the bases as it is, because they are so located as to be of but slight advantage to us except with active British cooperation.

Based upon 19 years' experience as a member of the Senate Committee on Territories and Insular Affairs, I say that the smartest thing that was done after the Spanish-American War was to make Cuba free. The next wise move was to promise freedom to the Philippines, which is soon to be attained.

The worst mistake was to annex Puerto Rico, and the next worst mistake was to purchase from Denmark, as an outlying defense of the Panama Canal, the Virgin Islands which the advent of the airplane has made worthless. No base can effectively be acquired without taking also the people who live on it. Millions of dollars have been appropriated from the Federal Treasury, and many millions more will be spent with no hope of bringing the people of Puerto Rico and the Virgin Islands up to the American standard of living.

Because of overpopulation and its race problem, Jamaica is as much of a headache to Great Britain as Puerto Rico and the Virgin Islands are to the United States, and I do not doubt that the British would be glad to give us the whole island, with all of its internal troubles. But if they did so, Jamaica would soon ask for admission into the Union just as Puerto Rico and Hawaii are now demanding it.

With respect to the military and naval bases now under lease from the British, this is the time to let well enough alone.

EXHIBIT A

STATEMENT BY SENATOR CARL HAYDEN

I shall support the joint resolution to authorize the British loan because of the following considerations:

1. The Second World War came after years of world-wide business depression. Wars are fought for economic even more than for political reasons, and it follows that a prosperous world is more likely to remain at peace. We are, therefore, justified in promoting prosperity throughout the British Commonwealth of Nations as a means of insuring the peace.

2. More than 40 percent of our foreign trade is with the people of the British Empire, and they carry on almost half of the foreign trade of the world. Certainly it is to our advantage to have our best customer prosperous and in a position to promote prosperity in other countries.

3. To get this credit the British agree to the removal of trade restrictions so that American traders can enter their markets on fair and equal terms. Our own prosperity depends upon greater world trade, and we know that we can successfully compete in the world markets if trade and currency barriers are removed. In my opinion, this is the most important feature of the British loan agreement.

4. The Secretary of the Treasury, Mr. Vinson, has very properly said that the British credit is in no way a precedent for loans to other nations because no other country has the same strategic position in world trade. What the British do is of the highest significance in determining what kind of a world economy we are going to have.

5. In his recent address to the Russian people, Premier Stalin announced a definite plan for a great expansion in the industrial development of the Soviet Union and frankly stated that this is to be done in order to increase the military might of that nation. Judging the future by the past, Russia will accomplish that result, which raises the question as to whether 25 years from now it will be to the advantage of the American people to have the British Commonwealth of Nations strong, prosperous, and friendly to us. To me, it appears obvious that in helping them we are also advancing our own interest in both the near and more distant future.

6. Since the Federal Government was established every generation of Americans has gone to war. These wars began in 1812, 1846, 1861, 1898, 1917, and 1941, or an average of about a quarter of a century between them. After every war the American people have assumed that it was the last one; that we could isolate ourselves from the rest of the world; that economic conditions in other nations are of no concern to us. Two world wars have taught us that such an assumption is utterly false.

7. We all hope and pray that the United Nations can find a way so that the children of today will not have to endure a third world war, in which air power, the atomic bomb, and other improved weapons of destruction may be used with quick and devastating effect. For my part, I shall do what I can to see that the English-speaking people of the world remain friends and able to unite with strength to fight, if necessary, for their freedom.

WASHINGTON, D. C., *February 15, 1946.*

Mr. BARKLEY. Mr. President, I yield 5 minutes to the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. Mr. President, at the time when negotiations were being conducted with reference to the settlement of lend-lease and surplus property, as a member of the Mead committee I saw fit to criticise the settlement because I did not believe it to be a good settlement for the United States. But it was made by our Government, and therefore it represents a binding agreement.

Recently, I had occasion to travel through the Caribbean area and I saw the bases which we had acquired by virtue of the so-called destroyer deal. I have always believed that a mistake was made in negotiating that deal, in that we should have acquired for use in the future, even if for only 99 years, some air rights so far as commercial planes were concerned. However, I wish to say, Mr. President, that that deal was also one made by an Executive agreement. I believe that our country must recognize the sanctity of contracts, and that when we enter into a contract, even though it may not be in conformity with majority opinion, it is, nevertheless, a binding obligation of the United States.

I feel that the contract to which reference has been made is a binding agreement. I do not agree with it. I think we should have commercial air rights extending for a longer period of time than has been agreed to. But be that as it may, a contract has been made. We are now being asked that the contract shall be set aside and a new agreement entered into.

I am having trouble with the pending amendment because of this aspect which it presents: We are not to acquire rights in the bases in the Caribbean area which were acquired in return for the destroyers; we are not to acquire rights in the other British Empire bases for what we do in connection with the present agree-

ment; but we are to be bound by the following language:

Such agreements shall be negotiated with a view to bringing about an equitable adjustment of the indebtedness of Great Britain to the United States which arose in connection with the First World War.

And so forth. That language has nothing to do with the $3,750,000,000 which it is proposed to loan to Great Britain, but it concerns only the First World War indebtedness of Great Britain to the United States.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. REVERCOMB. Granting that the position taken by the able Senator from Michigan is entirely sound, is it not a fact that parties to any contract may always mutually agree to reframe the contract? As I see the situation, the pending amendment would not compel our friends in the United Kingdom to make a change in the agreement. There could be no compulsion in connection with it. But may we not have the negotiators work toward the end of agreeing to reframe the contract?

Mr. FERGUSON. Mr. President, there is no doubt that two parties to a valid and executed contract may sit down and mutually agree to open the contract and insert new terms or conditions. But in the present instance we are not doing that. We say——

The PRESIDING OFFICER. Under the agreement, the Senator's time has expired.

Mr. BARKLEY. Mr. President, I yield one more minute to the Senator from Michigan.

Mr. FERGUSON. In that time I shall endeavor to complete my sentence.

The condition which the amendment would impose would require Great Britain to adjust the First World War debt. It has nothing to do with what she would do in the future under trade agreements, or under the negotiated agreement, but she would be required to adjust equitably the First World War debt..

For that reason as well as others, Mr. President, I shall be compelled to vote against the amendment.

Mr. McFARLAND. Mr. President, how much time have I left?

The PRESIDING OFFICER. Fifteen minutes.

Mr. McFARLAND. I yield 15 minutes to the Senator from Maryland [Mr. TYDINGS].

The PRESIDING OFFICER. The Senator from Maryland.

Mr. TYDINGS. Mr. President, during the 1930's on several occasions I advocated on this floor the cancellation of the war debts owed by France and Britain to the United States resulting from World War I. I did that not because the debts were not lawfully owing to us, but because it would be impossible for England and France to repay the debts without inflicting upon the world economy, and eventually our own, disadvantages greater than the temporary advantages which the payments would bring to us. I believed then, as I believe now, that war debts occasioned during the course of a war should have been canceled when the war was over, for the very obvious reason that it was theoretically possible but practically impossible for such debts to have been repaid.

During the recent war, when the lend-lease bill was before this body, I humbly addressed myself to that measure and said that the title of the bill was a misnomer, that we should change the title, for the bill was neither a lending bill nor a leasing bill. It was by title a piece of subterfuge and bunkum, for the title caused our people to suppose that there was going to be in substantial measure a return for the billions of dollars of goods we were then giving our allies in the common struggle.

I voted for the lend-lease bill notwithstanding its misnomer. I now for the third time, with that brief background, would like to say something about the pending joint resolution. It is no more a loan measure than I am an Eskimo. The joint resolution itself proves that, because it is full of provisions that the debt and the interest shall not be paid unless certain things occur, and shall not be paid if other things do not occur.

As a matter of fact, Britain is less able to pay this proposed debt today than she was to pay the war debt after World War I, for the very obvious reason that with World War II the economy of the whole world—and particularly of Britain—has shifted. Whereas, before World War II, to take one instance, the tide of money was from India toward Britain in exchange for services and manufactured goods, since the war the tide of trade is to India from Britain, due to the industrialization of much of Asia, and to the fact that India has become a creditor and Britain a debtor to India in the interim.

Therefore, if we candidly view the factors which enter into the new world equation, what is proposed is, in the last analysis, a gift to the British Government, and so it will be found to be as the years unfold.

I do not mean to say that there will not be some payments made on this proposed loan; I do not mean to say that there will not be some interest paid on it. What I do mean to say is that if it goes through as it is now before the Senate, by and large the bulk of it will never be repaid to the American people because we cannot afford to exact payment, and if we do, we shall do to the cause of Britain more harm than the extending of this gratuity will mean in the way of assistance.

It would be a sad world without the British. With all their faults and shortcomings—and we have ours, too—I should not like to see a Europe without a Britain in it, without the voice of the Anglo-Saxon liberties and institutions always raised there to stabilize the disagreements and conflicts on the Continent. Therefore, it is in no spirit of antagonism that I speak of the British.

I think probably I was the first one to advocate on this floor the cancellation of World War I debts. They were as good as dead anyway, and had we canceled them, at least we would have gotten some credit for a generous act. I voted for lend-lease, and I have no regrets that we were able to extend to the British aid by way of billions of dollars of goods and materials to save both British and American life, and to aid in the common cause dear to us all. This proposed British loan is cleverly designed, with the same word trappings of lend-lease and World War I debts. That design is to get this measure through. Any man who will take himself into the closet where he can be quiet with his conscience and his intellect, and think of the proposed loan for an hour, must reach the conclusion that the repayment of the loan will be extremely hazardous and doubtful.

Why, therefore, do I support the pending amendment? I support the amendment because in part, at least, it will give some degree of security, or quid pro quo, if you wish, for the good American dollars we are handing over to a country which I should like very much to aid if I could.

I shall take this opportunity to propose perfecting amendments to the pending amendment, which I ask to have voted on before the amendment itself is placed before the Senate for decision. On page 2, line 1, after the name "United States", I propose to add "for a fixed sum", and in line 5, on page 2, after the name "United States", I propose to add "for a fixed sum", so that in the event we secure these bases we will secure them for a fixed sum. We should not expect the British to give them to us simply because they are getting a loan from us. We should be willing to pay for them, and unless we do pay for them, we are in the position of holding a pistol to a man who is in need and saying, "Because you need money, I want you to give me something which I have always wanted." We should buy them if we are to get them at all, or we should not take them. It is not fair, in my judgment, unless we make a specific payment for them, to put the British or ourselves in such a position.

Mr. HATCH. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I should prefer not to yield, because I have only a few minutes. The time has been reduced by half already, and I am afraid I cannot develop my thoughts very well in the time I have left, much as I should like to yield.

Mr. President, I have likewise in mind that when the measure passes the Senate as amended by the pending proposal, it will go to the House of Representatives. If it were not to go any further than this body, I doubt if I could vote for it in its present form. I am going to vote for it partly on the supposition that when it gets to the House it may be further amended and improved, so that something tangible—may I say frank and forthright?—will finally come from both Houses, because, in my opinion, to call this a loan bill is not in any sense accurate.

I likewise am wondering whether we are wise in committing our Government to the policy of international loans in time of peace. It may be said that technically we are at war. Technically we are, but actually we are not at war. The surrender terms have been signed both in Germany and in Japan, our men are being brought home, our Army is being demobilized. Technically we may be at war,

hostilities may still be on, but in reality we are at peace.

I have tried to project my mind down the corridor of time, and I am wondering whether in making this initial step we are not beginning a loan policy which may come home to plague us 5, 10, 15, 25, or 100 years from now. I do not think that will be the only loan. The world is so sick and so sad that, if this loan is made, there will come knocking at the doors of the Congress nations from all over the world.

Already we are giving up our goods and substance to feed millions of people, giving through UNRRA, and in many other ways we are finding excuses for donating our surplus war goods. Now we are a rich country, we have enormous resources, we are a great people, but Mr. President, have we taken stock yet of the full costs of the war?

I remember the period of the 1920's, when prosperity came along, when the stock market boiled, when people were saying we were in a new, golden era, and "This is but the beginning of what our ancestors worked for, a sort of economic and financial heaven here on earth." I remember the long weary years of the depression which came. Then we were hard put to it to maintain our financial institutions, and revive and resuscitate the country. Is there a Member of this body who thinks those days are gone forever? Is there one here who thinks that nevermore will we have a depression equal to the one we had, or worse?

My own humble opinion is that after we have gone through the cycle of replacement, as we went through the cycle after World War I, and the market goes up, and everybody is buying and everybody is working, and credit runs out here and there, we will fall into another depression. It will not make any difference whether the Democrats are in control or the Republicans are in control; it will be human nature which will bring on the depression. It will be the kind of human nature, acquisitive human nature, if you please, that will overstep itself, and will plunge everyone into the abyss.

Our present debt is nearly $300,000,000,000. We are not going to have a credit that is practically limitless, as we had before. So I think it would be well to take stock of the whole situation before we put our imprimatur on the joint resolution and send it over to the other body.

Mr. President, I think the pending amendment is a good one. I am assuming, of course, that those who would administer it would do so with some judicial approach. I am assuming that we would not merely grab everything because perhaps we could, but that we would be fair and tolerant, and work out something which would be beneficial to the British, to ourselves, and to the world. If we paid for the bases, at least we would have the satisfaction of knowing that we got something back definitely for the money of the American taxpayers.

If we are not to have this amendment in the joint resolution, if we are not to have anything like that in it, and knowing full well in advance that most of the loan is probably never to be repaid, I question whether I have the constitutional right to stand here as a representative of the American people and tax them to extend a gratuity to another country which owes no sovereignty to our flag, and no obligations of citizenship.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Maryland to the amendment of the Senator from Arizona.

Mr. O'MAHONEY. Mr. President, before the Senator from Kentucky left the floor I indicated to him that I would like to speak for not to exceed 5 minutes upon this matter. As I have listened to the discussion which has taken place upon the pending amendment and upon the loan, I have been impressed with the thought that Senators are losing sight of the essential question, and are allowing their minds to become confused over details of a day that has gone by. I doubt if Members of the Senate will ever be called upon to cast a more important vote than that which is to be cast upon this amendment and upon this loan.

No one, Mr. President, can accuse me, I am sure, of being an Anglophile. I am not. But I perceive upon the horizon of world affairs the greatest crisis that humanity has confronted in a thousand years. We are facing now a decision whether or not in the years to come this world will be committed to the principles of individualism, of individual human freedom and opportunity, or whether it will be committed to a system under which the people will be dominated by either private or public monopoly. I think we tend to lose understanding of this issue by reason of the fact that the British Empire is controlled largely by those who do believe in a system of private monopoly.

But, on the other hand, Mr. President, there never has been a time to my knowledge when an issue of human rights has been presented to the people of Britain that their decision has not been upon the side of human rights.

If this loan is denied—I am willing even to call it a gift—if this loan is denied, Mr. President, it seems to me it will inevitably drive the British Government and the British people into the hands of either private or public monopoly. It will mean an invitation to totalitarianism upon the one hand or to the domination of our commercial life and therefore of our political life by a small group of private international monopolists who would seize economic control.

We are dealing here, Mr. President, not with a loan, not with a business deal. We are dealing here with the question of whether or not we are willing to expend $3,750,000,000 for the purpose of creating an opportunity to build permanently individual peace and liberty and freedom in the world. I can see no other issue. If we attach to this loan an amendment such as that which is now before us on our desks providing that there shall be no payment made, no agreement signed, until some other agreement is made and signed, then Mr. President, we are postponing action upon this matter to the indefinite future. This loan is needed, Mr. President, and it is needed now to save individual liberty in the world by enabling the British to recover from the devastating economic effects of the war.

The action of the present British Government yesterday in removing or ordering the removal of its troops from Egypt, and its action in other recent instances, clearly indicate to me that we now have in Britain, not the imperialistic government seeking to reestablish a system of colonial exploitation but a government which is trying to uphold the ideals upon which this country is founded, the ideals of human freedom which are the hope of the world. Britain may not be moving as rapidly toward this goal as we would like. It may not achieve that goal, but if we impose hampering and delaying conditions there will be no possibility of progress and we shall be left alone in the world as the champions of the ideals of popular government.

Mr. BARKLEY. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator from Kentucky has 25 minutes.

Mr. BARKLEY. I yield 5 minutes of that time to the Senator from New Mexico [Mr. HATCH].

Mr. HATCH. Mr. President, I had not intended to speak at this time on this particular amendment, but as the arguments have been made I feel impelled to call attention to some of the things which the amendment does not do. The Senator from Maryland has just pointed out, and I use his language, that the loan is not "an honest loan"; that it is not an honest proposal. I ask if this is an honest amendment? Does this amendment have anything to do with the proposed loan? It does not. By its very terms it admits the need of Britain to have the money, because it would not reduce the amount of the loan 1 cent. It admits our obligation to make the loan, because it does not change the obligation by 1 cent. Under this amendment Great Britain will get the whole sum of $3,750,000,000.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HATCH. The Senator from Maryland refused to yield to me, and I cannot yield to him.

Mr. TYDINGS. I wanted to make the statement that there is a provision at the end of the amendment the effect of which is that the loan is reduced by anything paid for the bases.

Mr. HATCH. The loan is reduced by anything paid for the bases, yes, but primarily such payment would go toward canceling the First World War debt. That is the purpose of the provision. But the loan in its greater part will be made just the same; the debt will be increased just the same; the interest will be paid or not paid just the same, and the damage or injury to our economy will be just the same whether the amendment is adopted or not.

The only point I rose to make was this: Why adopt this amendment now on the main proposal? We are faced with an issue with respect to which there is an honest difference of opinion. Some Senators believe the loan should be made. Others believe it should not be made. Why not face that issue frankly, openly

and bravely, and either vote yea or nay on the main proposition? Why involve it with a side issue which will not change the material results at all? I certainly hope, for that reason, if for no other reason, that the amendment and all others of like kind will be defeated, and that the Senate may honestly express itself on the main proposal.

Mr. BARKLEY. Mr. President, I believe I have 20 minutes left.

The PRESIDING OFFICER. The Chair is advised that the Senator from Kentucky has 22 minutes remaining.

Mr. BARKLEY. Mr. President, I feel very deeply about this amendment. It may be that because circumstances have forced me to be in charge of this joint resolution approving the financial agreement between the United States and the United Kingdom, that I have worked myself up into the very deep conviction that what the Senate ought to do and what the Congress of the United States ought to do is to vote for or against the agreement as it has been negotiated.

Mr. President, this agreement was negotiated under the direction of the President of the United States, who served here for 10 years as our colleague, and who, I think, is as patriotic and as honest and as much interested in the welfare of this country as any of us who still remain here in the Senate.

It was negotiated through the agency of the Secretary of State, who served for many years in the House and in the Senate, who served on the Supreme Court of the United States, and in other capacities, and is now the Secretary of State. I am sure that no Member of the Senate will deny to Secretary Byrnes the quality of patriotism and devotion to his country. I am sure no Senator in this Chamber will assert that Secretary Byrnes is less interested in or less devoted to the welfare of the United States than is any one of us.

It was negotiated also through the agency of the Secretary of the Treasury, who served for many years in the House of Representatives, was appointed to a lifetime position of security on the bench, and who abandoned that lifetime security in order that he might perform even greater duties in the executive branch of our Government. I dare say that no Senator, and no Member of the other body, would say that Fred Vinson is less devoted and less patriotic than we are. Yet, Mr. President, we are asked, by the adoption of this amendment, to say to the country which we represent and to the world that the President of the United States, the Secretary of State, and the Secretary of the Treasury did not do this thing right; that they fell down in their obligation to their country because they did not include in this agreement some provision with respect to the bases which are the subject of controversy.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. BARKLEY. I am sorry that I cannot yield. I have only a few minutes. Otherwise, I should be delighted. I decline to yield.

Mr. President, I do not like the word "repudiation"; it always carries with it a connotation which to me is obnoxious; but I do not see how the adoption of this amendment could have any other effect upon us and upon the world than to create the impression that we had repudiated the work of the President, his minister of state, and his minister of finance.

Mr. President, this is the 8th day of May. One year ago today Germany surrendered. Yonder in the city of Paris the Secretary of State, accompanied by two of our honored colleagues, the Senator from Texas [Mr. CONNALLY], chairman of the Committee on Foreign Relations, and the Senator from Michigan [Mr. VANDENBERG], are struggling against all sorts of forces, all sorts of reactions, and all sorts of selfish desires in order to try, 1 year after the surrender of Germany, to work out something which has the semblance of peace, in order that quietude and repose may come to the distressed peoples of the world. I am sure that it would be music to their ears, as they sit around the council table, to be told that the Senate of the United States had adopted an amendment requiring the renegotiation of the agreement which we are considering, an amendment which would require the postponement of any further proceedings beyond the present fiscal or calendar year, the result of which might be the collapse of the Bretton Woods agreements and the collapse of the negotiations now in progress in Paris to try to bring peace in Europe a year after the end of the war.

Without regard to politics or geography, without regard to the effect which it may have upon the political fortunes of Senators, I ask them in all sincerity, Are they willing to take the chance involved in sending to Paris this day a message such as will be carried if this amendment is adopted? I am not willing to do it. Regardless of any sophistry which may be indulged in here, the adoption of this amendment would, in my judgment, sound the death knell of this British-American agreement.

Suppose the situation were reversed, and that we were asking for a loan from Great Britain or any other country. Thank God we are not in a position where we have to do it, but let us reverse the situation and suppose that we were asking for a loan. Suppose that we had agreed to the terms of the agreement which had been negotiated after laborious work, and that that agreement were now pending in the British Parliament, or some other parliamentary body. Suppose that an amendment were attached to the measure providing that not a dollar should be paid under the agreement until the Government of Great Britain, or such other government as might be involved, had negotiated an agreement with the United States by which we would surrender our territory, our bases in Alaska, Puerto Rico, Hawaii, the Philippine Islands, the Virgin Islands, or anywhere else on the face of the earth. Then suppose that such an agreement, with the amendment which I have described, should be brought back here for consideration. Not a Senator would vote to ratify such an agreement. Every Senator knows that to be so. Yet we are asked to adopt an amendment which would send the agreement back to be renegotiated by those who negotiated it in the beginning. It would have to be returned to the Parliament of Great Britain to be passed upon again. Under those circumstances I do not believe that any self-respecting government could afford to agree to such a proposal. While I am not steeped in the intricacies and mysteries of British parliamentary law and procedure, I have a very deep conviction that any government which would agree to such a proposal at the end of a shotgun—as this proposal is—would fall within 48 hours.

Mr. President, a while ago I spoke of the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG], who are now in Paris with the Secretary of State. Before he left, the Secretary of State, in a public statement, asked the Congress to approve this loan—not to nullify it, not to undermine it, not to create the impression that while we might vote for it, we desired to surround it with such restrictions, handicaps, and hurdles as ultimately to defeat it. Regardless of the intention of any Senator in voting for this amendment, I assert that in my judgment it would defeat this British-American agreement.

The Senator from Michigan made a speech in the Senate, one of the ablest he has ever made. We listened to it with enthusiasm. We were thrilled by his sincerity and his logic. He asked us to vote for this loan without amendment. I have the following message from the Senator from Texas, dated at Paris, May 2:

> Among other things, I regard it as important, in view of the situation in Europe and the promotion of world peace, that the British loan should be granted. I therefore authorize you to arrange for me a pair in behalf of the loan.

The Senator from Texas is in Paris. He is now in the vortex of European controversies, assessing the moral, economic, and psychological effect of this loan upon the negotiations in which he is engaged.

So far as I am concerned, I am not willing to take a chance—and I hope the Senate is not willing to take the chance—of making any contribution to the necessity for our representatives in that conference in Paris returning home empty-handed, without any visible evidence of the settlement of the vital controversies with respect to the peace in Europe.

The world is growing impatient. In Europe the war has been over for a year. In Asia it has been over since last September. The men and women who have borne and will continue to bear the brunt of this war, those who have borne the taxes, drawn the water, and hewn the wood in all wars of the past, and will do so in all future wars, are growing impatient, after all the sacrifices and all the expenditure of treasure by the governments of all the nations, to know when peace is at last to settle upon the world, and whether they may rise from their stooped postures and look their fellow men in the face and hope that peace, repose, quietude, and cooperation among the nations may be the order of

the day, and that the world may organize for peace instead of for war.

The Senator from Arizona [Mr. McFARLAND] has stated that he intends to file in the RECORD a list of 90 bases. Eight of them are on the Atlantic coast. With respect to those, we obtained leases for military and naval purposes, in exchange for some old destroyers. The arrangement was made because of World War II, upon the verge of which we were then tottering. In my judgment if the leases had run only for the duration of the war, purely as a military and naval protection to our country in order that we might use them in our defense, there would have been no great outcry in this country because of the terms of the leases. But they were not entered into merely for the duration of the war. They were entered into for 99 years, and they now have 94 years to run until they expire. While it is true that they were entered into so that we might use the bases for military and naval purposes, the Government of the United States, through the State Department, has already, after long and tedious negotiations with the Government of the United Kingdom, entered into an agreement for their use for commercial aviation, without restriction and without discrimination, during the 99-year life of the leases. Yesterday, not because this vote was thought to be coming yesterday, not because it is coming today, but because the negotiations had reached such a point over a period of months that our Government and the British Government were able to make an announcement, it was announced that the two Governments had agreed upon the use of those bases on the Atlantic seaboard from Newfoundland to Trinidad for commercial aviation during the life of the leases. A British mission is now on its way here to write the agreement in terms which are to be signed by the two Governments.

What other bases are there? Mr. President, I think the Senate ought to understand that our Chiefs of Staff, both of the Army and of the Navy, have never yet decided which of the bases in the Atlantic they are going to need. They have reached no decision about that. Who knows whether 20 years from now they may be outmoded? Twenty years from now atomic energy may have made them obsolete. Twenty years from now they may be useless so far as any military or naval protection may be concerned. Yet we have a 99-year lease upon them. Surely within 99 years the world will have undergone such transformations in its methods of warfare and in its psychological approach that we shall know by the end of 99 years whether we need these bases or whether we do not need them.

But, so far as the bases in the Pacific are concerned, they have not even been named, because for military reasons it was not thought wise by the Army or the Navy to identify the bases we had fortified or built. Certainly in the Pacific our Army and Navy and our Chiefs of Staff, our Secretary of War, our Secretary of the Navy, and the President himself have not been able to determine as yet which of the bases we fortified and built in the Pacific we need to hold permanently. Yet, Mr. President, the amendment we are now considering proposes that not a dollar of this $3,750,000,000 shall be expended until the President of the United States has negotiated and the Congress of the United States has ratified a treaty or an agreement for perpetual ownership of these bases on which we now have a 99-year lease.

Oh, Mr. President, it seems to me that this great body, of which I am proud, and of which we are all proud, ought not to sidestep this proposition. It ought not to sail under any illusory colors. If we do not want to ratify this agreement, we not only have the power to reject it, but it is our duty to reject it, whatever may be the consequences to us and to the world. But I do not desire, for myself or for my country, to take a position that will drive our ally into arms into which we do not want her to be folded. I do not want our Senate or our country or our philosophy or our Government to follow a course which will compel, in self-defense, the pursuit of a course which may be required by the very elements of self-preservation, in view of the chaos and confusion and cross-currents of power politics which we see all over the world today. I do not want our Nation to be a party to the so-called power-politics bloc.

Mr. President, if we do not wish to make this loan, if we wish to act in a way which may seem petulant, because we were not invited to sit in on the negotiations—as we might well have been; I have felt that it would have been the part of wisdom for the Secretary of the Treasury and the Secretary of State to have invited someone from the Senate and someone from the House of Representatives to sit in on the negotiations, but for reasons which I am sure appealed to them as sound, that was not done—shall we vote against the agreement which they laboriously worked out? Shall we vote against the agreement merely because none of us sat in at the negotiations and looked over the shoulders of the negotiators, while the agreement was being drawn up?

I do not believe this great Senate will reject this agreement which holds so much for the economic and political welfare of our own country and, then, of the world because we did not participate in the actual writing of the terms and of the bond.

The PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. BARKLEY. Mr. President, I hope with all my heart that this amendment will be rejected.

Mr. McFARLAND. Mr. President, I have only 3 minutes in which to answer what has been said.

First, I wish to ask that the perfecting amendments offered by the Senator from Maryland be adopted as a part of my own amendment, and that the entire amendment be read at the conclusion of my remarks.

The PRESIDENT pro tempore. Does the Senator from Arizona desire to modify his amendment in that way?

Mr. McFARLAND. I do.

The PRESIDENT pro tempore. The Senator has a right to modify his amendment.

Mr. McFARLAND. I modify my amendment accordingly, and also with the modification which I have heretofore sent to the desk, all of which I ask to have read at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, that will be done.

Mr. McFARLAND. Mr. President, much has been said about the the military use of these bases. I am not nearly so much interested in the military use of these bases as I am in their proper peacetime use. I have no fear that if another war ever comes, Great Britain will not give us the use of any bases which we might want Oh, Mr. President, in that case, she would come to us and beg us to use those bases. There is no question in this amendment about the military use of these bases.

The question here is the peacetime use of the bases. The question has been asked in the Senate: Is this an honest amendment? Mr. President, I say that if we consider the collecting of an honest debt an honest matter, the amendment is an honest amendment. There is no question about that. If it is honest to collect an honest debt, then the amendment is an honest amendment.

So, Mr. President, the whole question before the Senate is: Is it right and just for us to ask for the use of these bases? If we take the words of Secretary Wallace, the words of Mr. Vinson, and the words of the other witnesses who testified before the committee, it is right for the United States to have permanent rights in these bases and it is right for us to ask for them. Some do not want it made a part of this loan; but, Mr. President, as I have said, if it is right, we should not hesitate to ask someone who wants to borrow our money to give us things that it is right for us to ask for. That is the question before the Senate this afternoon: Is it right for us to ask for what is right? That is all there is to the whole proposition.

Mr. President, what are these bases? Ah, Mr. President, they are bases in the far-flung Pacific which our boys fought to regain for the British, and upon which we have spent hundreds of millions, even billions, of dollars, and upon which the remains of many of our boys rest. They are bases on islands which would have been useless if it had not been for the untold millions of dollars which the United States spent there.

Is it right for us to claim the peacetime use of those bases? That is the question which we are called upon to determine here this afternoon.

Mr. President, I contend that it is right for us to ask for those bases.

The PRESIDENT pro tempore. The hour of 2 o'clock and 45 minutes having arrived, further debate—under the unanimous-consent agreement—is precluded.

The question is on agreeing to the amendment of the Senator from Maryland [Mr. TYDINGS] to the amendment of the Senator from Arizona, inserting on page 2, after the words "United

States", in lines 1 and 5, the words "for a fixed sum."

Mr. McFARLAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McFARLAND. I stated to the Chair that I accepted those amendments as modifications of my own amendment. Did not the Chair state that I had a right to do so?

The PRESIDENT pro tempore. That is correct; and the amendment offered by the Senator from Arizona will be modified accordingly.

The question now is on the amendment of the Senator from Arizona, as modified.

Mr. McFARLAND. Mr. President, a further parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McFARLAND. May the amendment, as modified, be read?

The PRESIDENT pro tempore. The clerk will read the amendment as modified, as it will be before the Senate when voted upon.

The CHIEF CLERK. On page 3, after line 16, it is proposed to insert the following new section:

SEC. 3. The foregoing provision shall not become effective and no payments shall be made pursuant to the agreement until the President shall have negotiated agreements with the United Kingdom and any commonwealth or dominion government whose concurrence may be necessary, and the Congress shall have by law approved such agreements, covering the following matters:

(1) Permanent acquisition by the United States for a fixed sum of rights to military, air, and naval bases held under 99-year leases, and elimination of provisions restricting use of such bases to military or naval purposes only; and

(2) Peacetime commercial use by the United States for a fixed sum of such other bases built by the United States in the British Empire or in areas controlled by Great Britain as may be agreed upon.

Such agreements shall be negotiated with a view to bringing about an equitable adjustment of the indebtedness of Great Britain to the United States which arose in connection with the First World War, and the value (to be fixed in the agreements) of the property and rights obtained by the United States under such agreements shall be credited on such indebtedness.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona, as modified.

Mr. BARKLEY. On this question, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HOEY (when Mr. BAILEY's name was called). Mr. President, the senior Senator from North Carolina [Mr. BAILEY] is detained because of illness. If he were present he would vote "nay."

The roll call was concluded.

Mr. HATCH. My colleague the Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained from the Senate on important public business. If he were present he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He is paired on this question with the Senator from Louisiana [Mr. OVERTON]. If present the Senator from Texas would vote "nay" and the Senator from Louisiana would vote "yea."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present he would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The result was announced—yeas 40, nays 45, as follows:

YEAS—40

Bankhead	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Brooks	Johnston, S. C.	Shipstead
Buck	Kilgore	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Tydings
Byrd	McCarran	Walsh
Capehart	McClellan	Wheeler
Capper	McFarland	Wherry
Carville	Magnuson	Willis
Cordon	Millikin	Wilson
Ellender	Moore	Young
Green	O'Daniel	
Hawkes	Revercomb	

NAYS—45

Aiken	Hatch	O'Mahoney
Austin	Hayden	Pepper
Ball	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Briggs	Hoey	Saltonstall
Donnell	Knowland	Smith
Downey	Lucas	Stanfill
Eastland	McKellar	Taylor
Ferguson	McMahon	Thomas, Okla.
Fulbright	Maybank	Thomas, Utah
George	Mead	Tobey
Gerry	Mitchell	Tunnell
Guffey	Morse	Wagner
Gurney	Murdock	White
Hart	Myers	Wiley

NOT VOTING—11

Andrews	Chavez	Murray
Bailey	Connally	Overton
Bilbo	Glass	Vandenberg
Bridges	Gossett	

So Mr. McFARLAND's amendment, as modified, was rejected.

(Manifestations of applause in the galleries.)

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF STATE (S. DOC. NO. 180)

A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of State, amounting to $7,002,523, fiscal year 1947, in the form of an amendment to the Budget for that fiscal year, and an amendment to House Document No. 454 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

THE COAL STRIKE

Mr. CAPPER. Mr. President, I have received a telegram from Lloyd A. Wilson, general manager, Wichita Chamber of Commerce, Wichita, Kans., urging prompt action by our Government with a view to bringing about immediate settlement of the coal strike. I ask unanimous consent to present the telegram for appropriate reference and printing in the RECORD.

There being no objection, the telegram was received, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

WICHITA, KANS., *May 7, 1946.*

Hon. ARTHUR CAPPER,
Member, United States Senate,
Senate Office Building,
Washington, D. C.:

We are sending the following message by wire to President Truman:

"We most respectfully urge that the full powers of the Government be directed immediately to the settlement of the coal strike because of the serious harm which its continuance would inflict upon our entire national economy, and also upon our relief efforts in the war-torn countries. We earnestly believe the public welfare demands prompt and courageous action on your part, not only with reference to this particular dispute, but toward prompt removal of all barriers now hindering the Nation from attaining the high goals in business, industry, and employment that can be reached if the people are unshackled in true American fashion."

We respectfully urge that you insist upon prompt action by the Government and that you take such action as may be possible through the Congress which would correct the existing situation.

LLOYD A. WILSON,
General Manager, Wichita Chamber of Commerce.

EXTENSION OF DRAFT—UNIVERSAL MILITARY TRAINING—MEMORIAL

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD, without all the signatures attached, a memorial signed by 42 citizens of Wichita, Kans., remonstrating against the enactment of legislation to extend the draft or to establish universal military training.

There being no objection, the memorial was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, without all the signatures attached, as follows:

To the Honorable Senator REED, Senator CAPPER, and Congressman EDWARD H. REES:

Whereas large numbers of men are no longer necessary in modern warfare, whereas the education of these young men is abruptly and needlessly interrupted, whereas General Eisenhower says we should have civilian instead of military occupation, whereas the United Nations cannot operate

efficiently with large standing armies in various countries, whereas taxes will be greatly increased by supporting large bodies of troops.

Therefore, we the undersigned citizens of Wichita, Kans., do request that you use your power that we have bestowed upon you to defeat the extension of the draft or the establishment of any type of conscription.

JOHNNY W. FIELD,
RALPH D. SHOWALTER,
BILLIE B. CLINK
(And other citizens of Wichita, Kans.).

FARM-PARITY PRICES

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Morning Grange in Johnson County, Kans., in which they favor a new farm parity price that will include costs of labor.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

"Whereas it is a known fact agriculture produces the raw materials and in some instances the finished product for two of the three essentials of mankind, food, and clothing, not only for our own country, but also for those abroad, more urgent now than ever before; and

"Whereas we feel the increase granted to manufacturers and labor puts us to a disadvantage as we are the consumers of many of the products; and

"Whereas in accordance with such increases, machinery and labor are increasingly high in comparison to OPA ceilings on farm products: Therefore be it

"*Resolved*, We favor including labor costs in establishing a new farm parity to be used in regulation of farm prices."

Resolution adopted by Morning Grange in Johnson County, Kans., and recommended by Johnson County Pomona Grange representing 1,100 members.

CLAYTON WISEWELL,
Secretary.

RESOLUTIONS OF ATOMIC ENERGY CONFERENCE, OTTAWA, KANS.

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD resolutions adopted by the Atomic Energy Conference at Ottawa, Kans., on April 14, 1946.

There being no objection, the resolutions were received, referred to the Special Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

Whereas civilization is in imminent danger of annihilation under the threat of atomic warfare;

Whereas the same basic force that contains the germ of total destruction, viz, atomic energy, may, if properly controlled, be transmitted into highly beneficial channels;

Whereas international solidarity is a necessity if civilization is to survive;

Whereas a free and general dissemination of information and sharing of benefits are necessary for world solidarity; and

Whereas the United States, as instigator of atomic warfare, is morally responsible to the world to act as leader in the control of atomic energy for peaceful purposes and for the sharing of information and facilities pertaining thereto: Therefore be it

Resolved:

1. We reaffirm our faith in spiritual and moral forces as underlying all human progress and essential to any fundamental solution to the world's problems.

2. That we urge the adoption of the Acheson report as outlining the most practical method looking toward control of atomic energy on an international basis.

3. That we favor the passage of the original McMahon bill, without the Vandenberg amendment, as a control of atomic energy on a domestic basis.

4. That we oppose the passage of the May-Johnson bill.

5. That we deplore the atomic-bomb tests scheduled for this summer as an unnecessary waste and as contributing to suspicion and ill will because of the danger that the experiment will be interpreted as a show of force and a display of national arrogance.

6. *Be it further resolved*, That copies of these resolutions be sent to leaders in Congress and others in a position to formulate policies of national and international affairs.

OTTAWA KIWANIS CLUB,
OTTAWA LIONS CLUB,
OTTAWA ROTARY CLUB,
OTTAWA MINISTERIAL ALLIANCE,
OTTAWA PUBLIC SCHOOLS
OTTAWA UNIVERSITY,
Conference Sponsors.

TERMINAL PAY LEAVE FOR MEMBERS OF ARMED FORCES

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by members of the Lowry-Funston Post, No. 1980, Veterans of Foreign Wars of the United States, Emporia, Kans., favoring the policy of terminal-leave pay being granted to members of the armed forces.

There being no objection, the resolution was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas Congress in its wisdom has seen fit to grant terminal-leave pay to commissioned officers of World War II; and

Whereas to date no provision has been made for like consideration for enlisted men of World War II: Therefore be it

Resolved, That the membership of Lowry-Funston Post, No. 1980, Veterans of Foreign Wars, here and now humbly petition the President and the Congress of the United States of America for like and similar treatment for the enlisted men; and be it further

Resolved, That since many of our comrades of the Spanish-American War and of World War I have sons who are now, or have been, participants in World War II, part of them from the same families serving as commissioned officers and another part serving as enlisted men, and to prevent family strife on the return of these boys from the same family; be it further

Resolved, That the members of Lowry-Funston Post, No. 1980, ask the President and the Members of the Congress of the United States to see to it that all members of the same family are treated as equals before the law and that terminal-leave pay be granted to the enlisted men as a matter of equity and fairness to all our people and to preserve peaceful family relations in the homes of returning veterans.

Resolved, That a copy of these resolutions be spread upon the minutes of the meeting and that a copy be sent to the President of the United States, and copies sent to Senators ARTHUR CAPPER and CLYDE REED and Representative ED REES of the Kansas delegation.

CLYDE DUNCAN,
Commander.
JOHN W. ARNDT,
Quartermaster.

FAILURE OF PRICE-CONTROL PROGRAM

Mr. BUTLER. Mr. President, I present for inclusion in the CONGRESSIONAL RECORD a telegram, in the form of a resolution, received today from the Fairbury (Nebr.) Chamber of Commerce, with reference to the utter failure of the price-control program.

There being no objection, the telegram was received and ordered to be printed in the RECORD, as follows:

FAIRBURY, NEBR., *May 8, 1946.*

The closing down of our local flour-milling industry has brought to our attention the utter failure of the price-control program in the grain and milling industry to accomplish the purpose for which it is set up, namely, to speed up the movement of grain products, particularly wheat flour. Be it resolved that whereas the flour-milling industry of this country has milled and is equipped to mill vast quantities of wheat grown in this country for quick shipment to the starving people of Europe, and whereas many mills are now idle because they are unable to secure wheat thereby causing much unemployment in the milling and grain industries and whereas idle mills do not produce food for anyone, thereby increasing and aggravating an ever-increasing food shortage instead of helping it. Now therefore we recommend and urge that every effort be made on your part and by your office to get some action to either do away entirely with price controls and unworkable regulations or provide a plan and program that will enable the American milling industry to operate and have a part in processing our own grains grown in our own country and producing food for ourselves and the needy abroad thereby helping our own industry, giving employment to American labor, and feeding the people of the world.

THE FAIRBURY CHAMBER OF COMMERCE.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 1051. A bill for the relief of William J. Simpson; with amendments (Rept. No. 1307);

H. R. 2192. A bill for the relief of Andre Dacharry; with an amendment (Rept. No. 1308);

H. R. 2579. A bill for the relief of John G. Johnson; without amendment (Rept. No. 1309);

H. R. 4915. A bill for the relief of Irving W. Learned; without amendment (Rept. No. 1310); and

H. R. 5525. A bill for the relief of Sylvia Wagner; without amendment (Rept. No. 1311).

By Mr. WILEY, from the Committee on Claims:

H. R. 2337. A bill for the relief of H. H. Hood; without amendment (Rept. No. 1312);

H. R. 3726. A bill for the relief of Earl D. Massey, Marvin Marshall, and Fred C. Mitchell; without amendment (Rept. No. 1313);

H. R. 4016. A bill for the relief of Dorothy Morgan; without amendment (Rept. No. 1314);

H. R. 4416. A bill for the relief of George H. Buxton, Jr.; without amendment (Rept. No. 1315); and

H. R. 4905. A bill for the relief of Nina E. Schmidt; without amendment (Rept. No. 1316).

By Mr. FULBRIGHT, from the Committee on Education and Labor.

S. 178. A bill to amend section 40 of the United States Employees' Compensation Act, as amended; with amendments (Rept. No. 1317).

By Mr. O'MAHONEY, from the Committee on Indian Affairs:

H. R. 4386. A bill to facilitate and simplify the administration of Indian affairs; with amendments (Rept. No. 1318); and

H. R. 4567. A bill to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians, or any tribe, or band thereof, may have against the United States, and for other purposes," approved June 28, 1938; without amendment (Rept. No. 1319).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 2161. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn of the 1945 crop produced and sold before April 19, 1946; to the Committee on Agriculture and Forestry.

By Mr. THOMAS of Utah:

S. 2162. A bill for the relief of Claris U. Yeadon; to the Committee on Immigration.

By Mr. BYRD:

S. 2163. A bill to provide additional facilities for the mediation of labor disputes, and for other purposes; to the Committee on the Judiciary.

By Mr. MEAD:

S. 2164. A bill for the relief of George McMullen (with an accompanying paper); to the Committee on Claims.

MEDIATION OF LABOR DISPUTES—AMENDMENT

Mr. BYRD submitted an amendment intended to be proposed by him to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which was ordered to lie on the table and to be printed.

DEVELOPMENT AND CONTROL OF ATOMIC ENERGY—AMENDMENTS

Mr. McMAHON, on behalf of the Special Committee on Atomic Energy, submitted amendments intended to be proposed to the bill (S. 1717) for the development and control of atomic energy, which were ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 3010. An act for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend;

H. R. 3967. An act for the relief of Ahto Walter, Lucy Walter, and the legal guardian of Teddy Walter, a minor;

H. R. 4122. An act for the relief of Guy B. Slater and Grace M. Collins;

H. R. 4142. An act for the relief of Johnnie V. Nations;

H. R. 4172. An act for the relief of Carlton G. Jerry;

H. R. 4298. An act for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Laura Dinson and the legal guardian of Teresita Dinson;

H. R. 4301. An act for the relief of Philip Naope Kaili and Susie Kaili;

H. R. 4338. An act for the relief of Anna Blanchard and others;

H. R. 4527. An act for the relief of O. T. Nelson, and wife, Clara Nelson;

H. R. 4763. An act for the relief of R. L. Benton;

H. R. 5152. An act for the relief of J. F. Powers;

H. R. 5212. An act for the relief of the dependents of Cecil M. Foxworth, deceased; and

H. R. 6110. An act for the relief of the estate of Marion S. Griggs, deceased; to the Committee on Claims.

H. R. 4046. An act authorizing the issuance of a patent in fee to Richard S. Fisher; to the Committee on Indian Affairs.

H. R. 6097. An act to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes"; to the Committee on Agriculture and Forestry.

EDUCATION FOR WORLD PEACE—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address on the subject Education for World Peace, delivered by him at the University of California, Berkeley, Calif., on May 3, 1946, at the Institute of Labor Education and World Peace, which appears in the Appendix.]

FOOD FOR THE CHILDREN OF EUROPE AND THE FAR EAST—STATEMENT BY ADMINISTRATIVE BOARD OF NATIONAL CATHOLIC WELFARE CONFERENCE

[Mr. MEAD asked and obtained leave to have printed in the RECORD a statement dealing with a campaign for food for the children of Europe and the Far East during the week beginning on Mother's Day, May 12, 1946, issued by the administrative board of the National Catholic Welfare Conference, which appears in the Appendix.]

THE ISSUE OF OPA—EDITORIAL FROM LONG BEACH INDEPENDENT

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial entitled "The Issue of OPA," from the Long Beach, Calif., Independent of April 26, 1946, which appears in the Appendix.]

THE ALCATRAZ RIOT—EDITORIAL FROM THE WASHINGTON EVENING STAR

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "The Alcatraz Riot" published in the Washington Evening Star of May 4, 1946, which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF HARRY E. KALODNER TO BE JUDGE OF THE UNITED STATES CIRCUIT COURT OF APPEALS, THIRD CIRCUIT

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, May 15, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Harry E. Kalodner, of Philadelphia, Pa., to be judge of the United States Circuit Court of Appeals for the Third Circuit—a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

NOTICE OF HEARING ON NOMINATION OF JOHN W. MURPHY TO BE UNITED STATES DISTRICT JUDGE, MIDDLE DISTRICT OF PENNSYLVANIA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, May 15, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of John W. Murphy, of Pennsylvania, to be United States district judge for the middle district of Pennsylvania, vice Hon. Albert W. Johnson, resigned. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3936) to provide for the evacuation and repatriation of the remains of certain persons who died and are buried outside the continental limits of the United States and whose remains could not heretofore be returned to their homelands due to wartime shipping restrictions.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 40 and 46 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate Nos. 9 and 62 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. CAPPER. Mr. President, on April 19, the Wichita Beacon printed an able editorial in opposition to the British loan, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PEOPLE VIEW PROPOSED LOAN TO BRITAIN AS OUTRIGHT GIFT

In the face of the most conclusive and overwhelming opposition from the American public, the Banking and Currency Committee of the United States Senate has given large majority approval to the proposed $3,750,000,000 so-called loan to Great Britain.

The loan matter is not yet settled, although the vote in the Senate committee was 14 to 5 in favor of making the huge grant of the American taxpayers' money to the British. The vote can be taken to indicate the attitude of Washington officials regarding this

tremendously important public matter. The Senate and the House must act favorably on the loan before the United States Treasury can be ordered to pass out the money for the huge gift to the Britons.

The very large vote given in support of the grant by the committee is said to be an indication that the wishes of the American taxpayers will get no effective consideration when the loan proposal goes to the Senate and House.

As so often has been the case of late, the representatives of the people at Washington are indifferent to the constituents they were elected to represent. They have a deep lack of respect for the people back home who must make the sacrifices that provide money for the Government Treasury.

The inconsiderate attitude of the Congress toward the wishes of the people was clearly shown when the plans for the loan were made to include the excusing of the British from making an installment payment at any time when they found it impossible, or even inconvenient, to do so.

The people are convinced that the American Government has no expectation or hope that, if made, the loan will ever be repaid. The Government knows, or should know, that the British leaders have no intentions whatever of repayment.

There is the best of evidence that the proposed borrower of American millions of dollars lacks and will lack the ability to make payments to America, even if it were desired to do so. In many quarters it is said that the affair is one of intentional deception and essential dishonesty. The people easily see through the thin cloak of deception that is thrown about the proposition by calling what really will be a grant, a loan.

Already, this country is in debt to the staggering sum of $300,000,000,000, as a result of the recent war and wholesale Government extravagance. Reckless Federal spending should not be followed by outright gifts of billions of dollars. It creates more of a burden than the patient and uncomplaining American taxpayer can bear.

If under its monumental debt, the United States still has money to give away, there are innumerable worthy causes at home to which it should be given—not to defaulting Great Britain.

The PRESIDENT pro tempore. The question recurs on the amendment of the Senator from Ohio [Mr. TAFT] in the nature of a substitute.

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CAPEHART. What is the next order of business? What is the next amendment to be considered by the Senate?

The PRESIDENT pro tempore. The only pending amendment is the amendment in the nature of a substitute offered by the Senator from Ohio.

Mr. CAPEHART. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 7, 8, and 9, and through the word "purpose", in line 10, and in lieu thereof to insert the following: "$1,500,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Notwithstanding any other provision of this joint resolution or any provision of the agreement dated December 6, 1945, between the United States and the United Kingdom, there shall be advanced under said agreement only such sums by way of credit as shall be necessary to offset adverse trade balances of the United Kingdom with the United States for the years 1946, 1947, 1948, 1949, and 1950, not exceeding in the aggregate the sum of $1,500,000,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Indiana.

Mr. CAPEHART. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, I was interfered with at my desk. If I understand correctly the amendment offered by the Senator from Indiana, it would reduce the amount in the agreement itself from $3,750,000,000 to $1,500,000,000.

Mr. CAPEHART. That is correct. In other words, the amount is reduced to a sum not in excess of $1,500,000,000, to be used as may be necessary to offset trade balances in the trading of our country with Great Britain over the next 5 years.

Mr. BARKLEY. Mr. President, I do not wish to discuss the amendment. I hope it will be defeated.

Mr. JOHNSON of Colorado. Mr. President, I have been trying to get the floor and tried to get it even before the amendment of the Senator from Indiana was offered, in order to make a point of order. I make the point of order that the Senate has no power or authority to initiate a bill proposing to raise revenue, and that Senate Joint Resolution 138 is such a measure.

Mr. President, in support of the point I should like to read section 2 of the pending measure. I shall read the amended section 2, although the original section 2 was identical, so far as the purposes of my point of order are concerned.

Section 2 reads as follows:

> For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed $3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended—

I call attention to the language "of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended"—

> and the purposes for which securities may be issued under that act are extended to secure such purpose. Payments to the United Kingdom under this joint resolution and pursuant to the agreement and repayments thereof shall be treated as public-debt transactions of the United States. Payments of interest to the United States under the agreement shall be covered into the Treasury as miscellaneous receipts.

Mr. President, that section is relatively short so far as language is concerned, but if Senators will examine it carefully they will find that this provision is an authorization for an appropriation. That is the first thing it is. The second function of the provision is that it is an appropriation. Third, it is a revenue bill, because it attempts to increase the revenues of the United States through a bond issue. Fourth, it is a debt limit extension, for the reason that it is an agreement with a foreign power, and of course if it is accepted by both governments, then the Congress of the United States in fixing the debt limit at a lower figure would be handicapped by this language.

However, my point of order lies only against one of these purposes, that is, that it is a bill to raise revenue. I base my point of order on section 7 of article I of the Constitution of the United States, which reads as follows:

> All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

Mr. President, for a definition of "raising revenues," I turn to the old reliable Webster's New International Dictionary, and I find this definition of revenue:

> Public income of whatever kind.

Of course, the word "raising" is so well understood, its meaning is so obvious to all, that it is not necessary to place in the RECORD a definition of that word. But "revenue," according to Webster's Dictionary, is "public income of whatever kind."

Mr. President, the provision I have read amounts to an appropriation out of the Treasury. It proposes to take money out of the Treasury. But before it takes money out of the Treasury, it puts money into the Treasury.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HATCH. The Senator has been discussing the definition of "income." Is it his contention that anything which produces income is revenue?

Mr. JOHNSON of Colorado. According to Webster's Dictionary, that is true.

Mr. HATCH. Is that the Senator's contention, in support of his point of order?

Mr. JOHNSON of Colorado. "Public income of whatever kind" is revenue, according to Webster's Dictionary, and Webster's New International Dictionary is good enough authority for me. I cannot go beyond that in defining words, however much I might like to do so.

Mr. HATCH. I am merely inquiring in order to understand the Senator's position, because he refers to anything that produces income, and we know that "income" is a most comprehensive and broad term. For instance, would the Senator say that a bill for the sale of public lands, which undoubtedly would produce income, would be a bill raising revenue?

Mr. JOHNSON of Colorado. It might or might not be. I do not think the question is in point here.

Mr. HATCH. I asked the question in the light of the definition which the Senator gave. I am merely trying to determine what is meant by "revenue" in the Senator's mind.

Mr. JOHNSON of Colorado. I will ask the Senator to take a little time off, go out in the lobby, consult Webster's Diction-

ary, and see what the dictionary has to say to him.

Mr. HATCH. I have taken a little time off, Mr. President, and have some authorities as to what is revenue, some rather respectable authorities, which I shall be glad to submit to the Senator a little later.

Mr. JOHNSON of Colorado. I think the Senate will be glad to have whatever the Senator submits for the RECORD. I am sure the purpose of the Senator from New Mexico, and the purpose of the Senator from Colorado, is to get all the light we can on the questions involved, from whatever source we may get it, so as to make the record perfectly clear and obvious to everyone.

A moment ago I said something about a debt limit extension provision contained in the joint resolution. I am not competent, I admit, to discuss constitutional questions such as the one here involved. However, I should like to read into the RECORD at this point a statement by Mr. P. C. Spencer, who is assistant general counsel of the Sinclair Oil Corp. He wrote this opinion on January 25, 1946, with respect to a proposed treaty having to do with petroleum. In the opinion he states:

> The proposed treaty, if ratified, will impose a duty upon Congress to enact legislation providing for regulation and control of the domestic petroleum industry, which is now the province of the States to do, and will supply complete authority for doing so.
>
> In considering the agreement, too much emphasis cannot be laid upon the fundamental rule of law that a valid treaty, once formally adopted, becomes the supreme law of our land, coequal with the Federal Constitution, and that legislation enacted by Congress to carry out the terms and provisions of such a treaty will not only prevail over State constitutions and laws, but Congress may take complete jurisdiction over powers reserved to the States under the tenth amendment of the Federal Constitution.

Of course, I understand the pending measure is not a treaty in accordance with the provision of the Constitution that treaties must be ratified by a two-thirds vote of the Senate. Nevertheless, what we are considering is an agreement being made with another government, and of course such an agreement, once it be ratified by the respective legislatures of the two governments, becomes a very binding contract.

Mr. BARKLEY. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. A number of Senators have asked me whether it is contemplated that we might get a vote on the Senator's point of order this evening, it being the practice of the Senate that when a point of order is made against the constitutionality of a measure the Chair submits the question to the Senate instead of passing on it himself. I have no way of knowing how much debate there will be on the point of order, but it might run on for some time. Would the Senator from Colorado be willing to agree to have a vote at 1 o'clock tomorrow afternoon on the point of order?

Mr. JOHNSON of Colorado. Yes; I should be perfectly in agreement with that.

Mr. BARKLEY. It is obvious we cannot conclude the consideration of the pending joint resolution today; there are other amendments to be considered, and there probably will be some further discussion. I ask unanimous consent that at not later than 1 o'clock tomorrow the Senate proceed to vote on the point of order raised by the Senator from Colorado, without further debate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. MORSE. Mr. President, reserving the right to object, I will say to the majority leader that although ordinarily I would object to such a unanimous-consent request, I am satisfied that it is perfectly clear that on this particular issue there is ample time for a full discussion of the merits of the matter between now and tomorrow at 1 o'clock. Therefore I shall not object.

Mr. BARKLEY. I appreciate the statement of the Senator from Oregon.

Mr. STEWART. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. STEWART. Reserving the right to object—and I shall not object—I should like to inquire whether there would be any other amendment or matter taken up during the course of the afternoon between now and 1 o'clock tomorrow. Of course, the motion of the Senator from Colorado is the pending business and would have to be set aside if anything else is to be considered.

Mr. BARKLEY. I presume that if the Senator from Indiana [Mr. CAPEHART], who offered an amendment on which the yeas and nays have been ordered, should ask for action on his amendment, and if the Senator from Colorado should be agreeable to a vote being taken on that amendment, we might dispose of it this afternoon. But it would have to be done, I imagine, by unanimous consent.

Mr. STEWART. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. STEWART. What is the pending question?

The PRESIDENT pro tempore. The pending question is the point of order raised by the Senator from Colorado.

Mr. STEWART. Does that supersede the amendment offered by the Senator from Indiana?

The PRESIDENT pro tempore. At this point the Chair will say that in cases where the question of constitutionality has been raised, the Presiding Officer, under the uniform practice of the Senate, does not pass upon the question, but submits it directly to the Senate for its determination.

The Chair, therefore, submits to the Senate the question: Shall the point of order be sustained?

The point of order has precedence over the amendment of the Senator from Indiana [Mr. CAPEHART].

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, I should like to have an understanding with the Senator from Kentucky as to the division of time tomorrow between the time we assemble, which I presume will be at 12 o'clock, and 1 o'clock, at which time the vote is to be taken. One reason why I am willing to have the vote put over until tomorrow is to accommodate the Senator from Michigan [Mr. FERGUSON], who has been making a study of this point, and, as I understand, is prepared to make an argument in opposition to my point of order. Even though he is opposing me I think his study and the record he will make should go into the CONGRESSIONAL RECORD on the point of order. But I want an even division of time on the matter.

Mr. BARKLEY. I will say to the Senator that I did not incorporate in my request any provision about the division of time, but I am willing to provide that on tomorrow, from the time of the assembling of the Senate until the vote is taken, the time shall be equally divided between the Senator from Colorado and me.

I should also like to suggest that tomorrow the Senate meet at 11 o'clock instead of 12. It can do so by adopting a motion to that effect, and I hope we can do so because that would give a little more time, in view of possible roll calls, for a discussion of the Senator's important point of order before the vote is taken.

Mr. JOHNSON of Colorado. But whatever the hour at which the Senate may meet, the time will be divided equally?

Mr. BARKLEY. Yes.

Mr. President, I modify my request to that extent, by incorporating in it the agreement that from the time of the assembling of the Senate tomorrow until the vote is taken the time be divided equally between those opposed and those in favor of the Senator's point of order, the time to be allotted by the Senator from Colorado and by me.

Mr. JOHNSON of Colorado. That would be satisfactory.

Mr. TYDINGS. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. TYDINGS. Now that the time between now and 1 o'clock tomorrow is to be equally divided, is it the general understanding then that the vote will be taken beginning at 1 o'clock?

Mr. BARKLEY. Yes.

Mr. TYDINGS. The Senator used the expression, I believe, "not later than 1 o'clock." Some of us have already made engagements for the time between 11 and 12 o'clock.

Mr. BARKLEY. I think I can state to the Senator that the vote will be taken at 1 o'clock.

Mr. TYDINGS. With that understanding, very well.

Mr. JOHNSON of Colorado. Mr. President, I should like to ask the Senator from Kentucky a question which rises by reason of the suggestion made by the Senator from Maryland that the time from now on is to be divided equally. I did not understand that to be the request of the Senator from Kentucky. I

understood that the time tomorrow from the time the Senate convenes until we vote shall be divided equally.

Mr. BARKLEY. There is no division of time for the remainder of today's session. The division of time is to be made tomorrow.

Mr. JOHNSON of Colorado. If I should hold the floor all afternoon——

Mr. BARKLEY. If the Senator from Colorado should hold the floor all afternoon——

Mr. JOHNSON of Colorado. Which the Senator from Colorado will not do.

Mr. BARKLEY. It would be further justification for my suggestion that the Senate convene at 11 o'clock tomorrow instead of 12.

Mr. JOHNSON of Colorado. I assure the Senator that I shall not hold the floor all afternoon.

Mr. LANGER. Mr. President, will the Senator yield to me for a question?

Mr. JOHNSON of Colorado. I yield.

Mr. LANGER. As I understand, there is to be no vote taken on any matter between now and 1 o'clock tomorrow?

Mr. BARKLEY. I think the Senator from North Dakota can be assured of that.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. As I understand, the point of order has the right of way, and there will be no vote taken on any other matter until the point of order has been voted upon and is out of the way?

The PRESIDENT pro tempore. It is now the pending question.

Mr. WHERRY. Yes; and it cannot be put aside and a vote taken on any other matter?

The PRESIDENT pro tempore. The Senate can do anything by unanimous consent.

Mr. WHERRY. I appreciate that.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. EASTLAND. I give notice that on behalf of myself, the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Texas [Mr. O'DANIEL], and such other Senators as desire to join with us, that after 1 o'clock tomorrow we will move that the Senate proceed to the consideration of House bill 4908, which is the Senate Committee on Education and Labor's version of the Case bill.

Mr. President, I strongly favor the British loan, but something must be done to save this country from John L. Lewis, and we think the loan should be laid aside for a few days until we can pass adequate antistrike legislation.

Mr. BARKLEY. Mr. President, has the unanimous-consent agreement been entered into?

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. GUFFEY. I object.

Mr. BARKLEY. Mr. President, I understand there is no objection to my request. A Senator objected to what he thought was a unanimous-consent request made by the Senator from Mississippi. He made no unanimous-consent request. He simply served notice.

The PRESIDENT pro tempore. Will the Senator from Kentucky restate his request?

Mr. BARKLEY. I ask unanimous consent that the Senate vote at not later than 1 o'clock p. m. tomorrow on the point of order, and that from the convening of the Senate tomorrow until the vote comes the time shall be equally divided between those opposed and those in favor of the point of order, the time to be controlled by the Senator from Colorado and myself.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. WILEY. Mr. President——

Mr. JOHNSON of Colorado. Before I yield further I ask for the yeas and nays when the vote is taken on my pending point of order.

The yeas and nays were ordered.

ORDER FOR RECESS TO 11 O'CLOCK A. M. THURSDAY

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today it stand in recess until 11 o'clock a. m. tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE COAL STRIKE CRISIS

Mr. WILEY. Mr. President, will the Senator now yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Wisconsin.

Mr. WILEY. I agree fully that the Senate must as quickly as possible pass and send over to the House—and let us do it before the House takes action—a bill with teeth in it, which will meet the demands of the American people in relation to the labor crisis.

All America—labor, management, and the public—is united as one against the outrageous crucifixion of the public interest by John L. Lewis.

All America knows that this issue, however, is not only John L. Lewis versus the public welfare but irresponsible labor leadership versus the public welfare. What John L. Lewis is doing today to our reconversion program, to our program of foreign relief, to the most essential activities of American life, other power-mad labor leaders did yesterday and can do tomorrow. Yes, another labor dictator such as Harry Bridges, joined with similar communistic bosses, actively allied with forces of international Communist agitation and provocation, can also cripple and lay the Nation prostrate.

All America is resolved that this national-strike paralysis shall never again come to pass, that there shall be no more internal Pearl Harbors. We have reached the parting of the ways with our easy-going policies of the past, with our national toleration of New Deal coddling of labor dictators. All America sees that the New Deal chickens have come home to roost and that America has suffered disastrously as a result. Congress' and the President's inaction have resulted in terrific damage to our economy. The President must act now to take over the mines.

We must also have a pro-American labor bill, a bill with guts in its vitals and teeth in its jaws, not an antilabor bill, not a proman: gement bill, but a propublic bill. It would be an anti-Fascist bill, yes; against the labor Fascists and racketeers who want to run the show in their own despotic way.

The principal provision of such a bill, as I have contended for months and years, would be for compulsory arbitration of disputes in all utilities and Nation-wide industries so as to prevent strikes. All such disputes must go to the courts for proper adjudication.

Other provisions would—

First, set up complete machinery for mediation and voluntary arbitration in all other disputes.

Second, make unions equally responsible with corporations before the law for any contract violations.

Third, provide for democratic union elections and publicized finances.

Fourth, outlaw the use of force and violence in connection with any labor dispute or threatened dispute.

Fifth, outlaw illegal uses of the boycott.

Sixth, prohibit unionization of foremen who are legitimately a part of management.

Seventh, outlaw jurisdictional disputes between unions.

Nothing short of such a comprehensive program will satisfy the people of America.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. EASTLAND. I tell the Senator from Wisconsin that the committee bill is milk and water, and that the Senate should certainly adopt adequate legislation, and do it as quickly as possible. By the 15th of this month 75 percent of the total freight service of the Nation will stop. And today caskets and embalming fluid have been embargoed, and we cannot properly bury the dead because of the coal strike.

Mr. WILEY. Mr. President, will the Senator again yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WILEY. I agree fully with the statement made by the distinguished Senator from Mississippi. I have on four different occasions stated explicitly my own position, and the position I have stated mirrors the expression of people of my own State, including laboring men, farmers, school teachers, businessmen, and others, who realize that something must be done in this country at least to give power to the Government to handle a situation which is fast becoming dangerous to our very economic and political existence.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Ohio.

Mr. TAFT. The only difference, as I understand it, between the Senator from Mississippi and the Senator from Wisconsin is as to the method of proceeding. Obviously, if we want to pass any labor legislation or consider the problem here, the quickest way is to take up the Case bill now pending on the calendar and discuss it. The minority members of the committee have offered some five amend-

ments, which appear in the minority views. If there are other amendments which deal with the particular situation created by the coal strike, they can be offered to that bill. I suggest that if any action be taken the method proposed by the Senator from Mississippi is the prompt way to take action, because the House has already acted on the bill, and the conference committee could settle the differences in very short order after the Senate had considered the matter.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WILEY. There is no difference between the Senator from Mississippi and myself. Yesterday I suggested the identical idea suggested by the Senator from Mississippi. So we have no difference on that subject. The only point is that we should consider the Case bill and add to it amendments with "guts" in them so that we may effectuate the purpose which all America demands that we accomplish.

Mr. BUSHFIELD. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. BUSHFIELD. In answer to the remarks of the Senator from Wisconsin [Mr. WILEY], I simply wish to point out that I do not believe there is any coal strike in evidence at the present time. The coal miners' contract ran out and they did not go back to work. They did not strike.

Mr. WHERRY. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. There was some confusion in the Senate Chamber when the distinguished Senator from Mississippi [Mr. EASTLAND] gave notice that as soon as he could obtain recognition after the vote on the point of order at 1 o'clock tomorrow he would move to take up the Case bill. I think Senators would like to know if that is a correct statement of the announcement made by the distinguished Senator from Mississippi.

Mr. McCLELLAN rose.

Mr. JOHNSON of Colorado. I yield to the Senator from Arkansas [Mr. McCLELLAN]. I do not see the Senator from Mississippi in the Chamber.

Mr. WHERRY. Can some Senator on the other side of the aisle tell us whether or not the distinguished Senator from Mississippi stated that he would move to take up the Case bill immediately after the vote on the point of order?

Mr. EASTLAND entered the Chamber.

Mr. McCLELLAN. The Senator from Mississippi is now present.

Mr. JOHNSON of Colorado. I yield to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I have been absent from the Chamber for a few moments.

Mr. WHERRY. I should like to ask the distinguished Senator from Colorado to permit me to ask the distinguished Senator from Mississippi a question.

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. There was considerable confusion in the Senate Chamber. Senators have asked what statement was made by the Senator from Mississippi. I understood the Senator from Mississippi to say that immediately after the vote upon the point of order, or as soon thereafter as he could obtain recognition, he proposed to move to take up the Case bill.

Mr. EASTLAND. That is true. I intend to make such a motion on behalf of the Senator from Arkansas [Mr. McCLELLAN], the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. O'DANIEL], and myself, and as many other Senators as will join us. We should like to have the Senator from Nebraska join us.

Mr. WHERRY. I was not interested in the names of Senators on whose behalf the motion would be made. I wished to have Senators know that immediately after the vote on the point of order, the Senator from Mississippi proposed to make such a motion.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. If the Senator will permit this observation, I believe that in all likelihood the Senate will reach a final vote on the loan measure before it adjourns or recesses tomorrow night. There are only two or three other amendments. One of them, the amendment of the Senator from Indiana [Mr. CAPEHART] will require very little debate. While I appreciate the action of the Senator in notifying us in advance that he will make his motion, I do not see that anything can be accomplished by interposing such a motion at a time when it is very likely that we shall finish the pending business tomorrow before we recess or adjourn. In view of that situation, I hope the Senator will reconsider his announcement, or at least think it over during the night, and before the Senate reassembles tomorrow.

Mr. EASTLAND. I thank the Senator from Kentucky. I am strongly in favor of the British loan, and I intend to vote for the joint resolution. However, the strike situation challenges the life of this Nation. I believe that the loan should certainly go over for a day or two until we can enact antistrike legislation.

Mr. BARKLEY. If the Senator believes that we can dispose of the Case bill in a day or two, he is highly optimistic.

Mr. EASTLAND. We should consider it, however long it may take. Hospitals will be without heat, light, and power. Operating rooms will become unusable. If the coal strike is not stopped, the people of this country will become undernourished.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. KNOWLAND. In connection with the suggestion which has been made by the Senator from Mississippi, and in connection with the remarks of the distinguished majority leader, let me say that yesterday afternoon I served notice that if the strike had not been settled within 48 hours I would move to substitute the Case bill for the pending legislation. I gave that advance notice for the reason that I did not wish to jeopardize consideration of the pending measure, which I was very hopeful would be out of the way within 48 hours. In addition, I was hopeful that perhaps, in recognition of the possibility of the Senate proceeding within 48 hours to consider this very vital legislation, the national administration and the representatives of organized labor and management might get together and settle this question in the intervening period.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDENT pro tempore. The question is, Shall the point of order raised by the Senator from Colorado [Mr. JOHNSON] be sustained?

Mr. JOHNSON of Colorado. Mr. President, inasmuch as we are to have some time tomorrow to discuss the point of order raised by me, I shall not complete my arguments on the point of order today. However, I wish to use this time to insert in the RECORD certain matters which pertain to the point of order.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a portion of a memorandum prepared by Mr. P. C. Spencer, assistant general counsel of the Sinclair Oil Corp., on the pending petroleum agreement between the United States and the United Kingdom. The particular portion which I am placing in the RECORD does not go to the point of order which I have made, but it seems to me that it does call attention to the serious question which is raised by section 2 of the pending measure, and it does affect the debt limit which may be later voted by the Congress.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

The revised Anglo-American petroleum agreement, a verbatim copy of which appears as an appendix to this memorandum, was executed in London on September 24, 1945, on behalf of the Government of the United States and the Government of the United Kingdom of Great Britain and Northern Ireland and was, on November 1, 1945, transmitted by President Truman to the United States Senate with a view to receiving the advice and consent of that body to its ratification as a treaty. It is in opposition to this proposed treaty that the following objections and arguments are directed.

1. The proposed treaty, if ratified, will impose a duty upon Congress to enact legislation providing for regulation and control of the domestic petroleum industry, which is now the province of the States, and will supply complete authority for doing so.

2. The proposed treaty appears to provide for a super world petroleum cartel.

3. Performance by the United States Government of its contractual obligations under the proposed treaty will definitely require implementation through legislation by Congress and actions by the executive department of an extraordinary and far-reaching character.

4. The proposed treaty is defective in any event because of ambiguity, indefiniteness, and uncertainty.

5. Intelligent action upon the proposed treaty would require awaiting the receipt and

consideration of the findings and recommendations of the Special Committee on National Petroleum Policy of the Senate.

1. THE PROPOSED TREATY, IF RATIFIED, WILL IMPOSE A DUTY UPON CONGRESS TO ENACT LEGISLATION PROVIDING FOR REGULATION AND CONTROL OF THE DOMESTIC PETROLEUM INDUSTRY, WHICH IS NOW THE PROVINCE OF THE STATES, AND WILL SUPPLY COMPLETE AUTHORITY FOR DOING SO

In considering the agreement, too much emphasis cannot be laid upon the fundamental rule of law that a valid treaty, once formally adopted, becomes the supreme law of our land, coequal with the Federal Constitution, and that legislation enacted by Congress to carry out the terms and provisions of such a treaty will not only prevail over State constitutions and laws, but Congress may take complete jurisdiction over powers reserved to the States under the tenth amendment of the Federal Constitution. In other words, treaties are a source of power authorizing Congress to pass valid laws which, in the absence of a treaty, would be void as an invasion of States' rights.

A classic example of how the rights of a State to regulate its own internal affairs may be superseded by a treaty is contained in the story of the Federal Government's present supremacy in the regulation of duck shooting.

Many years ago Congress enacted a law which sought to transfer control of local duck shooting to the Federal Government from State governments. Some of the States objected. They said that ducks that light and make their homes within the borders of the State belong to the State, and that the State has exclusive jurisdiction over the question as to when and how they may be shot. The United States courts agreed, holding that Congress had no authority to enact such a law; that it had transgressed upon a power reserved to the States; and that therefore the law was contrary to our Constitution (*United States* v. *Shauver*, 214 Fed. 154 (D. Ark. 1914), appeal dismissed, 248 U. S. 594 (1919); *United States* v. *McCullagh*, 221 Fed. 288 (D. Kans. 1915)). Ordinarily this would have ended the matter. But it did not. A way was found to realize the objective of Federal control of duck shooting.

In 1916, the United States and Great Britain (the same parties who have signed the proposed petroleum treaty) entered into another treaty providing, among other things, for the regulation of the killing of migratory birds. Thereafter Congress again enacted a law placing the control of duck shooting within the United States in the hands of a department of the Federal Government (secs. 703–711, title 16, U. S. C. A.). The State of Missouri commenced an action to test the validity of the Federal Statute, and, to make a long story short, the United States Supreme Court finally held that the statute was valid and that it did not violate our Constitution this time because it was enacted pursuant to a valid treaty which is the supreme law of our land (*Missouri* v. *Holland*, 252 U. S. 416 (1920)).

Although the treaty itself talked principally about the establishment of closed seasons on migratory birds, the law enacted by Congress authorized complete regulation thereof. Despite the objections of States' rights enthusiasts, the broad powers assumed by Congress were upheld by the courts (*Cochrane* v. *United States*, 92 F. (2d) 623 (C. C. A. 7th, 1937), certiorari denied, 302 U. S. 636 (1933)). Today we find the Federal Government regulating every minute phase of duck shooting. These comprehensive regulations specify the caliber of guns to be used, limit the amount of the bag, restrict the use of blinds and decoys, and even prescribe the rules under which plain ordinary corn may be used as a lure.

It need not be argued here whether Federal regulation of duck shooting is desirable or undesirable in the public welfare. The point is that the constitutional and sovereign rights of the several States to regulate and control the exploration for, and development of, petroleum can be superseded, forfeited, and lost forever by a treaty and Federal legislation enacted pursuant thereto.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. TAFT. Merely for the purpose of placing in the RECORD another statement bearing on the point raised by the Senator from Colorado, I should like to read a brief extract from the Senate Journal of the Sixty-fourth Congress. It is as follows:

On March 2, 1917, during the consideration, as in Committee of the Whole, of H. R. 20632, the naval appropriation bill for 1918, the Senate added an amendment authorizing a bond issue of $150,000,000 to expedite naval construction.

On the same day the House returned the bill to the Senate, with a statement that the amendment providing for the issuance of bonds contravened the first clause of the seventh section of the first article of the Constitution, and was an infringement of the privileges of the House. (Senate Journal, 64th Cong., 2d sess., pp. 220, 221.)

The Senate reconsidered its vote on the passage of the bill, and the amendment was then reconsidered and rejected, and the bill again passed. So the Senate apparently acquiesced in the position of the House, that a provision for raising money by a bond issue was a revenue measure. That is the only direct authority or case that I happened to run across.

Mr. JOHNSON of Colorado. I thank the Senator for his contribution.

Mr. President, the CONGRESSIONAL RECORD of February 2, 1927, carries portions of a debate by former Senator Ashurst of Arizona in regard to a point of order which he made on a bill which was similar in every respect to the pending measure. In order to show that the two measures are similar, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have written to the Senate legislative counsel, and his reply to me.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 22, 1946.

Hon. STEPHEN E. RICE,
Senate Legislative Counsel,
Washington, D. C.

DEAR MR. RICE: I am calling your attention to a memorandum written by Frederic P. Lee, February 2, 1927, in re constitutionality of Senate origination of Boulder Canyon project bill.

I should like a memorandum now as to the similarity or absence of similarity in the issue in the above-mentioned bill to the revenue issue fundamental to Senate Joint Resolution 138, and to what extent Mr. Lee's memorandum in the opinion of the legislative counsel applies to the pending Senate resolution.

Sincerely,

EDWIN C. JOHNSON.

MEMORANDUM FOR SENATOR JOHNSON OF COLORADO

Reference is made to your letter of April 22, calling attention to a memorandum written by Frederic P. Lee, then legislative counsel of the Senate, appearing in the CONGRESSIONAL RECORD of February 2, 1927 (68th Cong., CONGRESSIONAL RECORD, pt. 3, p. 2762), relative to the constitutionality of Senate origination of the Boulder Canyon project bill (S. 3331, 69th Cong.). You inquire as to "the similarity or absence of similarity in the issue in the above-mentioned bill to the revenue issue fundamental to Senate Joint Resolution 138, and to what extent Mr. Lee's memorandum in the opinion of the legislative counsel applies to the pending Senate resolution."

The Boulder Canyon project bill authorized the Secretary of the Treasury, in order to make advances to the fund provided for in that bill, to exercise the authority granted by the various Liberty Bond Acts and the Victory Liberty Loan Act, as amended and supplemented, "to issue bonds, notes, and certificates of indebtedness to the United States." Section 2 of Senate Joint Resolution 138 authorizes the Secretary of the Treasury, for the purpose of carrying out the financial agreement dated December 6, 1945, between the United States and the United Kingdom, to use as a public-debt transaction proceeds of any securities issued under the Second Liberty Bond Act, as amended, and extends the purposes for which securities may be issued under that act to include the carrying out of the agreement of December 6, 1945.

Mr. Lee's memorandum was addressed to the question whether S. 3331, Sixty-ninth Congress, was a bill for raising revenue which, under the Constitution, is required to originate in the House of Representatives, because of the authority granted therein to the Secretary of the Treasury to issue bonds, the proceeds of which were to be used for the purpose of making payments authorized in the bill. It is apparent that this issue is also raised by the pending resolution (S. J. Res. 138), and accordingly it is my opinion that Mr. Lee's memorandum in principle applies equally to this resolution.

Respectfully,

S. E. RICE,
Legislative Counsel.

APRIL 22, 1946.

Mr. JOHNSON of Colorado. At the time Mr. Ashurst made his point of order the legislative counsel prepared a rather long memorandum in regard to the constitutionality of Senate bill 3331. I may add that Senator Ashurst, of Arizona, apparently won his point of order, not by any declaration on the point of order itself, but it seems that the provision for a loan was withdrawn from the bill, and was not in the bill when it was finally enacted. So I presume, although the RECORD does not so state, that the Senator from Arizona won his point.

Senator Ashurst had this to say:

The Senator from California, Mr. Johnson, on April 23 last reported favorably from the Senate Committee on Irrigation the so-called Boulder Canyon Dam bill, Senate bill 3331.

Senator Ashurst then proceeded to describe the bill and read various sections of it into the RECORD. Continuing his discussion of the bill, he said:

In the committee I made the point of order that the committee had no power or authority to report a bill originating in the

Senate proposing to raise revenue, and I argued that section 2 of this bill contravenes section 7 of article I of the Constitution of the United States, which said section 7, so far as the same relates to this question, reads as follows:

"All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments, as on other bills."

After discussion, the Senate Committee on Irrigation and Reclamation reached the conclusion that it had no authority to determine the point of order, as the Senate had not called upon its committee for an opinion upon this question.

I now move to strike out that section of this bill—section 2—which, in my judgment, proposes to raise revenue by authorizing a bond issue or by authorizing the further issuance and sale of bonds under statutes heretofore enacted.

I assert that neither the Supreme Court of the United States nor the Treasury Department is the authority eligible to pass upon and decide the question of parliamentary practice and privilege.

The Constitution, in article I, section 1, says:

"Representatives and direct taxes shall be apportioned among the several States which may be included within this Union according to their respective numbers. * * * The actual enumeration shall be made within 3 years after the first meeting of the Congress of the United States and within every subsequent term of 10 years."

The "enumeration" mentioned, which is the "decennial census," is expressly commanded in the Constitution. No time limit in stated terms is set upon apportionment, although Congress has always assumed that the framers of the Constitution intended a decennial reapportionment following the census; but no writ or process known to our Constitution or our law, no writ or process known to our Government or to our polity, could compel the House of Representatives to pass an apportionment bill.

The Supreme Court might, indeed, declare that a bill originating in the Senate proposing to issue and sell Government bonds was not "raising revenue," but no writ or process known to our system of government could compel the House of Representatives to receive, consider, or pass a bill sent to it by the Senate if the House declared that the bill was one for "raising revenue." Upon the question as to whether or not a particular bill "raises revenue," the House of Representatives is the judge and the final judge. What action the House would take upon this particular bill, were the Senate to send the same to the House, there can be no doubt.

I now refer to pages 4731 and 4737, volume 54, part 5, CONGRESSIONAL RECORD of the Sixty-fourth Congress, second session. On March 2, 1917, the Senate had under consideration the naval appropriation bill, sent to the Senate by the House, and whilst such bill was under consideration in the Senate, after some debate, the Senate added a provision, of which I shall read only the pertinent part:

"That the Secretary of the Treasury is hereby authorized to borrow on the credit of the United States from time to time such sums as may be necessary to meet expenditures directed by the President from the naval emergency fund and for expediting naval construction as provided in this act, not exceeding $150,000,000, or to reimburse the Treasury for such expenditures, and to prepare and issue therefor bonds of the United States in such form and subject to such terms and conditions as the Secretary of the Treasury may prescribe."

The Senate thus adopted and agreed to that provision as an amendment to the naval appropriation bill, and when the bill with such amendment reached the House again the House unanimously returned the bill to the Senate. Remember that this was on the 2d of March, 1917, just before the United States entered the World War and was therefore at a time when every moment was precious, when every motive was operative that could induce Members of Congress to make haste and to waive what some persons call peccadillos, or technicalities, the House resolutely stood by the Constitution and refused to surrender the prerogatives of the House. I read now from volume 54, part 5, page 4827, of the CONGRESSIONAL RECORD, Sixty-fourth Congress, second session, indicating the promptness and the unanimity of the House Members in rejecting this Senate amendment:

"Mr. FITZGERALD. Mr. Speaker, ever since the beginning of the Republic the House has asserted its prerogative under the Constitution to originate revenue bills. In my experience in the House upon several occasions the Senate has attempted to incorporate into various bills items providing for the raising of revenue either by taxation or by the issuance of bonds. The one great prerogative of the House of Representatives is the right to originate revenue bills, and however lowly this House has ever descended it has never yet yielded a single iota of that privilege. [Applause.] I hope, in this instance, the vote will be unanimous. It ought to be unanimous, Mr. Speaker, because this action has not been taken by the Senate without warning. Notice was given to those in charge of this bill today that this proposed amendment was an infringement of the prerogatives of the House; that it should not be incorporated in the bill; that if incorporated it should be eliminated; and that if it were incorporated in the bill the House would assert its prerogative and return the bill with such a message as is now proposed. In spite of that warning, and regardless of the constitutional provision, the Senate has sent this bill here in defiance of the warning given and in derogation of the rights of the House. There is nothing for us to do except to insist upon our constitutional prerogative and to follow the unbroken precedents of the Republic by sending this bill back to the Senate, so that they may eliminate the provision which infringes upon our privileges.

"The SPEAKER. The question is on agreeing to the resolution.

"The question was taken.

"The SPEAKER. The ayes have it. The vote is unanimous."

This is not only a late precedent, but is squarely in point as well.

Moreover, Mr. President, in January, 1925, whilst the Senate was considering a bill increasing postal salaries and raising post rates, the Senator from Virginia, Mr. Swanson, made a point of order against such portion of the bill as proposed to increase the postal rates, upon the ground that such a bill was "raising revenue," and that therefore the Senate was not the eligible body of Congress to originate such legislation. (See p. 2274 of vol. 66, pt. 3, 68th Cong., 2d sess.)

After discussion on this point the Senate, by 29 yeas to 50 nays, refused to sustain the point of order and thereby held that the Senate was an eligible authority to originate legislation increasing postal rates and that to increase postal rates was not "raising revenue." The bill was sent to the House of Representatives, and on February 3, 1925, the House of Representatives considered the bill, whereupon Mr. Green, of Iowa, made the following point of order, as shown at page 2941 of volume 66, part 3, Sixty-eighth Congress, second session:

"Mr. GREEN. Mr. Speaker, I rise to a question of the highest privilege, the privileges of the House, and offer a resolution which has been sent to the Clerk's desk.

"The SPEAKER. The gentleman from Iowa offers a resolution, which the Clerk will report.

"The Clerk read as follows:

"'*Resolved*, That the bill S. 3674, in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution and is an infringement of the privileges of this House, and that the said bill be taken from the Speaker's table and be respectfully returned to the Senate with a message communicating this resolution.'"

Mr. President, the discussion in the House upon that point was exhaustive and learned. The various views upon this question were supported with vigor, and I invite Senators to read the RECORD of that day, to wit, February 3, 1925. The House of Representatives then and there by a vote of 225 yeas to 153 nays decided that to increase postal rates—that is to say, to increase the charges and rates to be paid for the transmission of mail matter—was "raising revenue," and the bill was returned to the Senate.

The House had the power and authority to make such decision; therefore, before the Senate considers a bill of such vast importance as this bill reported by the able Senator from California [Mr. Johnson] authorizing the issuance and sale of bonds in the sum of approximately $125,000,000, or authorizing the sale of bonds under laws heretofore enacted, the Senate should seriously consider whether we have the constitutional power to originate such a bill. Surely, the Senate does not wish to issue a brutum fulmen—a harmless thunderbolt—by considering a bill which we are not constitutionally eligible to initiate. I say this now so that I shall not hereafter be charged in the Senate with having waived this point.

I clear this discussion of the underbrush and wish my philosophy of this question made manifest. Whoever discusses questions of law with the Senator from California [Mr. Johnson] will find himself hard put to answer the arguments he may make.

I am not so vain as to imagine that I may vanquish him easily or at all, unless I be clearly within the law and precedents. He argues that the Supreme Court of the United States apparently has said that the issuance and sale of bonds is not "raising revenue" and that also the Treasury Department apparently has said that the issuance and sale of bonds is not "raising revenue"; but I say again that neither the Supreme Court nor the Treasury Department is eligible to pass upon a parliamentary question of this sort. What is "raising revenue" is not so much a juridical question as it is a parliamentary or political question.

No writ known to our law or Constitution can compel the House of Representatives to accept a bill from the Senate if the House declares the same to be a bill for raising revenue.

The principle of our constitutional requirement that all bills for raising revenue shall originate in the House of Representatives is far older than our Federal Government. Such principle originated out of the struggles between the King and the Commons of medieval England. The statute of William and Mary, session 2, chapter II, was one of the first acts of the English Parliament specifically providing how public funds should be raised, and our forefathers did not ignore the principle when they adopted our Constitution in 1787.

During the days in England when the Crown attempted to exact ship money Hampden's share of the contribution was 1 pound sterling, which he refused to pay and was therefore summoned to show cause in the Court of Exchequer in the thirteenth year of Charles I.

The provision made by the ship-money law for the defense of the country by sea was

the grant to the King of tunnage and poundage and the service of the Cinque Ports. In addition to this provision, the right was assumed by the King of levying impositions, and the King disputed that the parliamentary supplies were the only legal supplies.

The judges, by a majority of 7 to 5, decided in favor of the King; some of the majority alleged the superiority of the King to the law, and the opinion of these may be found in the words of Berkeley: "the law is of itself an old and trusty servant of the King's; it is his instrument or means which he useth to govern his people by. I never read nor heard that 'lex' was 'rex,' but it is common and most true that 'rex' is 'lex,' for he is 'lex loquens,' a living, a speaking, an acting law."

The expression by the majority judges in that case that rex was lex helped to bring on the contest which finally resulted in civil liberty in England. On this subject of originating revenue bills the Senate is neither rex nor lex. The Constitution of the United States on this important subject of originating revenue is rex and lex, and the Constitution on this, as on all other subjects, is lex loquens, "a living, a speaking, an acting law."

Mr. President, Mr. Fitzgerald made a very important observation at that time. He called for a unanimous vote, and he got a unanimous vote.

The House of Representatives has always contended that it has the right to initiate revenue-raising measures, and the House of Representatives has always contended that the issuances of bonds and of Federal securities is, in fact, the raising of revenue. The point I wish to make tomorrow is that we can be very certain that the House of Representatives will insist upon its rights, and that, inasmuch as that is so, the Senate is merely wasting time today, and has been for 3 weeks in considering a measure which flies in the face of tradition and violates the rights and prerogatives of the House of Representatives.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt from a memorandum which was prepared by the legislative counsel of the United States Senate and is printed in the volume of the CONGRESSIONAL RECORD from which I have been reading.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This memorandum does not attempt any comprehensive statement as to what bills are included in the phrase "bills for raising revenues." As said by the Supreme Court in *Twin City Bank* v. *Nebeker* (167 U. S. at p. 202), "what bills belong to that class is a question of such magnitude and importance that it is the part of wisdom not to attempt, by any general statement, to cover every possible phase of the subject."

The questions here considered are:

I. Is there any general rule that a bill authorizing a bond issue is a "bill for raising revenue" within the meaning of the Constitution?

II. If the answer to I is in the affirmative, are the bond-issue features so incidental to the primary purposes of the bill as to except the bill from the operation of the general rule?

I. IS THERE ANY GENERAL RULE THAT A BILL AUTHORIZING A BOND ISSUE IS A "BILL FOR RAISING REVENUE" WITHIN THE MEANING OF THE CONSTITUTION?

(1) Legislative precedents: Under the precedents in Congress the question must be answered in the affirmative. In 1837 the Senate passed a bill authorizing the issue of 1-year Treasury certificates which was sent to the House. Upon motion made to consider it the objection was raised that it was a bill which could not originate in the Senate. The motion to consider was immediately withdrawn and the House passed its own bill which was accepted by the Senate. (5 CONGRESSIONAL GLOBE, 92.)

The only other debated precedent was in 1917, when the Senate added to the naval appropriation bill an amendment providing for the sale of $150,000,000 of bonds by the Secretary of the Treasury. The House returned the bill with a message stating that the amendment providing for the bond issue contravened the Constitution and was an infringement upon the privileges of the House. (54 CONGRESSIONAL RECORD, 4731, 4828.) The Senate repassed the bill, omitting the provisions for the bond issue.

* * * * *

III. POWER OF COURTS TO DETERMINE QUESTION

It should further be noted that the Supreme Court on several occasions has intimated a doubt as to whether there is judicial power, as to an act of Congress that has been duly passed, to inquire in which House it originated for the purpose of determining its validity. (*Rainey* v. *United States* ((1914), 232 U. S. 310); *Flint* v. *Stone Tracy Co.* ((1910), 220 U. S. 107); *Twin City Bank* v. *Nebeker* ((1897), 167 U. S. 196).) In the last two cases the doubt expressed was as to whether the court could go behind the enrolled bill to the Journals of the two Houses in order to ascertain the origin of the act. Judge Hough, however, in a Federal district court case, ascertained from the marginal notes to the act as shown in the Statutes at Large that it had originated in the Senate, and inasmuch as a tax was imposed by the act, he held it unconstitutional. (*Hubbard* v. *Lowe* ((1915), 226 Fed. 135).) If Judge Hough is right, then the present practice of enrolling bills, if Senate bill 3331 becomes law, the court could without reference to the Journals of Congress ascertain that the bill originated in the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator yield at this time for a question, or does he prefer not to yield now?

Mr. JOHNSON of Colorado. I am glad to yield to the Senator.

Mr. SALTONSTALL. I should like to ask a question. The Senator has spoken about appropriation bills and about revenue-raising bills.

Mr. JOHNSON of Colorado. That is correct. In fact, I have spoken about all four phases of the matter.

Mr. SALTONSTALL. What are the others?

Mr. JOHNSON of Colorado. The first is that section 2 is an authorization bill.

Mr. SALTONSTALL. Yes.

Mr. JOHNSON of Colorado. Section 2 is all of four different things: First, it is an authorization bill; second, it is an appropriation bill; third, it is a revenue-raising bill; and, fourth, it is a bill which contravenes any debt limit which the Senate may fix.

Mr. SALTONSTALL. So far as the Constitution is concerned, the only question raised by the Constitution is as to the raising of revenue. Is not that correct?

Mr. JOHNSON of Colorado. That is the only question which is affected by my point of order. I merely call attention to all the things which section 2 does. I do so in order to show what a serious thing we are doing when we adopt section 2.

Mr. SALTONSTALL. Then, so far as the appropriation portion of the argument is concerned, assuming that the Senate passes the pending measure and sends it to the House of Representatives, the House of Representatives can pass its own measure and can send it back to the Senate, and the Senate can concur in that measure or can request a conference. Is not that the case?

Mr. JOHNSON of Colorado. Yes. When we pass this measure, if we delete section 2, all of my objections will be removed, because then the measure can go to the House of Representatives and the House of Representatives, in its own constitutional, traditional manner, can write into it section 2 or whatever provision it wishes to write into it. The House of Representatives can then make it an appropriation measure, or the House of Representatives can make it a revenue-raising measure; and, of course, all the rights and prerogatives of the House of Representatives will be protected in that way.

But that is not what we are doing, let me say to the Senator from Massachusetts. The Senate, without authority and without power, is attempting to write into this measure a provision which is clearly a revenue-raising provision. I say that is a reckless thing to do, in view of the limited amount of time the Senate has to deal with the multitude of important problems which are facing it. I say it is reckless for the Senate to take chances on having all its work thrown back at it by the House of Representatives. I am almost certain that the House of Representatives will do that, because every time the House has voted on the matter, so far as I have been able to ascertain, it has always returned such a measure to the Senate.

Mr. SALTONSTALL. The determination of the question whether the measure is a revenue-raising one depends upon the construction of the words used in it; does it not?

Mr. JOHNSON of Colorado. Of course it depends upon the construction of the words used in it. It depends upon how the House of Representatives interprets those words.

Mr. SALTONSTALL. Then, it is necessary to interpret the meaning of the words "use as a public-debt transaction" and the words "are extended to include such purpose." In other words, I refer to the portions of section 2 which read as follows:

The Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed $3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose.

In short, the two verbs "use" and "are extended," in that portion of the section, must be construed or interpreted to mean the raising of revenue, in order to bring this measure within that provision of the Constitution. Is not that the case?

Mr. JOHNSON of Colorado. In order to bring it within that provision of the

Constitution, as I see it, we must understand that this measure provides for the sale of securities. My contention is that the issuance of securities is a revenue-raising procedure. That is the point.

Mr. SALTONSTALL. Does the joint resolution, by its terms, provide for the issuance of bonds?

Mr. JOHNSON of Colorado. I shall read the language, for it clearly states that it does. It is as follows:

SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed——

Mr. SALTONSTALL. I ask the Senator to stop at that point. Does the Senator consider the words "to use as a public-debt transaction" to be money-raising words?

Mr. JOHNSON of Colorado. We must read the entire sentence. We cannot stop there, although I wish we could. We must read the entire sentence, and I do so now:

SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed $3,750,000,000—

There is the debt limit about which Senators have been talking—

of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose.

The Senator must know that unless that language is included, the Treasury Department would not be authorized to make payments under the agreement.

Mr. SALTONSTALL. It could not make any payments under the agreement unless the purposes for which the Second Liberty Bond Act was enacted were extended to include the purpose to which reference has been made. Is not that the principal purpose of this section?

Mr. JOHNSON of Colorado. The section has several purposes. It is an authorization, it is an appropriation, it is a money-raising provision, and it has something to do with the debt limit. It affects the debt limit which the Congress has power to establish.

Mr. SALTONSTALL. To use the Senator's words, is it not an authorization, an appropriation, and an extension of the purposes for which the Second Liberty Bond Act was enacted?

Mr. JOHNSON of Colorado. I ask the Senator, What were those purposes?

Mr. SALTONSTALL. To use the Senator's own words——

Mr. JOHNSON of Colorado. Yes, I know; but the purpose of the Second Liberty Bond Act was to raise money, was it not?

Mr. SALTONSTALL. The purpose of the Second Liberty Bond Act was to raise money. As I interpret the words, the money may, at the present time, be already on hand in the Treasury, or the bonds may have already been authorized. This proposal would not include the authorization of any new bonds.

Mr. JOHNSON of Colorado. Of course, the Senator may reach that conclusion if he wishes to.

Mr. SALTONSTALL. Is not that the issue?

Mr. JOHNSON of Colorado. No; it is not the issue at all. The issue is this: We are paying out money through this appropriation measure, but before we can pay out money we must take in money. Before we can make an appropriation we must raise the money. I ask the Senator, What is his interpretation of the word "hereafter" at the end of line 7 on page 3 of the joint resolution? The language reads, in part, "proceeds of any securities hereafter issued." It seems to me that the word "hereafter" as used in the language which I have quoted answers the Senator's argument that the money is already in the Treasury.

Mr. SALTONSTALL. I agree with the Senator that the language would indicate that the money must come from Liberty bonds hereafter sold. We then come to the question of whether a bond issue is a revenue-raising matter, and whether this language is not designed to extend the purposes of the Liberty Bond Act.

Mr. JOHNSON of Colorado. I think the question is one of whether the sales of securities and bonds are revenue-raising acts; that is the issue which the legislative counsel found in the question. Senator Ashurst, of Arizona, brought forward the question with regard to the Boulder Dam project. Our legislative counsel, to whom I submitted my question, said that the same issue was involved here, namely, that of whether the sale of securities is or is not revenue raising.

Mr. President, tomorrow I shall make a further argument with respect to this matter.

Mr. AUSTIN. Mr. President, will the Senator from Colorado yield in order that I may propound to him a question?

Mr. JOHNSON of Colorado. I yield.

Mr. AUSTIN. Assuming that section 2 is a revenue-raising section, does the Senator consider that the measure might be passed without section 2 being in it?

Mr. JOHNSON of Colorado. Yes. If the Senate were to eliminate section 2 from the joint resolution, pass it, and send it to the other House, where the House would insert an appropriation provision and a revenue-raising provision, I think that all the objections raised by my point of order would be taken care of.

Mr. AUSTIN. Does it not follow logically in the Senator's mind that this is a measure in which the element of raising revenue is incidental to its main purpose?

Mr. JOHNSON of Colorado. No; I do not believe so. I do not believe that we can say it is merely incidental to raise $3,750,000,000. I think that such an item is a very important part of the measure. But I also assert that the act of providing for such an amount is, under the Constitution, a right and prerogative belonging to the House of Representatives, and that the Members of the House are the ones who should exercise the prerogative. It is my belief that they will exercise such prerogative when given the opportunity, and that all our time which has been consumed in considering the pending joint resolution will have been wasted, because I believe they will send the measure back to us.

Mr. AUSTIN. I received the impression from what the Senator said that he regards the amount of money provided for in the pending joint resolution as determining whether the proposal is a revenue-raising measure or is not a revenue-raising measure.

Mr. JOHNSON of Colorado. No. I regard it as having no bearing on the word "incidental." To me "incidental" means something relatively unimportant. Perhaps I am placing the wrong construction on the word "incidental." I think the amount in this provision is tremendously important.

Mr. AUSTIN. To what figure would the Senator be willing to reduce the amount in order to make it incidental?

Mr. JOHNSON of Colorado. To about 50 cents, or perhaps $1.50. I might go that high.

THE ANGLO-AMERICAN REPORT ON PALESTINE

Mr. MEAD. Mr. President, I wish to discuss briefly the Anglo-American report on Palestine, which was recently made public.

The pronouncement of Prime Minister Attlee, immediately following the publication of the Anglo-American Committee's report, exhausts the patience of every informed American. Mr. President, I wish it to be understood that the speech which I am now making is not directed against the pending measure, because I favor it. The speech is not directed against the nation which has only recently been an ally of ours, because I recognize the need for world unity. The speech which I am making is for the purpose of pointing out an injustice which has resulted from a recognition made in good faith by the representatives of this country and of Great Britain. The Prime Minister's observations actually destroy the intent and purport of the report on Palestine made by the Anglo-American Committee.

Many months ago President Truman took the initiative in suggesting to the Prime Minister that 100,000 survivors of nazism be admitted to Palestine. We were told that it was easy for the United States to make fine gestures and give good advice while Britain must bear the responsibility. In this manner we were maneuvered initially into the appointment of the Anglo-American Committee. The Committee was appointed. It held exhaustive hearings. It made a survey and inquired into the economic, political, social, military, and other aspects of the situation. Later it made its report.

When the Committee was appointed, we were given to understand that the two Governments, particularly the British Government, which holds the mandate over Palestine, would be guided by the recommendations of the Anglo-American Committee. If we had not been assured that they would be guided by the

report, I am certain that the Committee would not have been appointed. We were told prior to the fulfillment of President Truman's request for the emigration of 100,000 Jewish survivors that the fact-finding American Committee would inquire into the essential features of the situation. The Committee did so. It went into every phase of the question. It held hearings in the United States, in England, and in Palestine, and it covered every possible activity within its province. Thus, the Committee had to pass judgment on the actual position of the surviving Jews in Europe, on the possibilities of their integration into Europe's life, on their emigration needs, and on the question of into what lands would they and could they immigrate. The Committee was also entrusted with the task of examining the political, economic, and social conditions in Palestine as they bear upon the problem of Jewish immigration and Jewish settlement.

Even when the committee was appointed, Mr. President, many of us had grave misgivings. We felt that many of the Jewish displaced persons might perish while the committee was engaged in acertaining the facts. It was abundantly clear to any unprejudiced mind that the bulk of the Jewish survivors would be unable to live in Europe, which had been poisoned by Nazi propaganda, and which, for the Jews, had become one colossal graveyard. It was also made clear that if these unfortunates were to be saved from starvation and death, it would be necessary for them to emigrate, and emigrate quickly. It was also evident that their predominant majority was bent on going to Palestine and nowhere else, and that Palestine, especially its Jewish sector, was both willing and capable of absorbing the Jewish remnants of Europe. We were assured of all those things, Mr. President, on the basis of innumerable reports, and the testimony of experts, just as we were also assured that the Christian world owed such treatment and much and more to the innocent scapegoats of Nazi bestiality.

Mr. BREWSTER. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from New York yield to the Senator from Maine?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. Is it not a fact that there are more than a million unfortunate Jews in central Europe who have never been able to receive a single loaf of bread from UNRRA?

Mr. MEAD. It is my understanding that that is a fair and accurate statement, and that unless something is done the rapidly gaining death rate will be accelerated. It would give all of them hope, it would give them strength for survival, if the report of the Anglo-American Commission were enthusiastically approved, and if certificates should be issued immediately for their ultimate location in Palestine. But it adds to their misery, it is an increased burden for them to carry, after the Commission is appointed, after the Commission makes a survey, after the Commission make its report, to have the report of the Commission conditioned with almost insurmountable obstacles by the British Prime Minister.

The British Government wanted a new inquiry, and we lent ourselves—our name, our men, our responsibility—to this plan. Britain appointed 6 men, and President Truman appointed 6 men. Now we have the combined report of the 12 members. All the known sad facts about the Jewish position in different countries were again confirmed and reiterated. Most of their political recommendations, especially those with regard to long-range policies, were vague, and paid little attention to the established rights of the Jewish people, and to past confirmation of these rights by Great Britain, by the United States, and by other nations of the world, particularly by 54 foreign nations which gave to Britain the mandate at San Remo.

However, Mr. President, at one point the committee spoke in clear, unmistakable language. That was on the question of the 100,000 to be immediately admitted to Palestine. After a delay of several months we finally had British-American approval of President Truman's original request for the 100,000 certificates. This approval was both British-American and unanimous.

Those who perished in the meantime, no human effort can bring back to life. But at least 100,000 of the Jewish displaced persons, particularly 100,000 of the 1,000,000 persons brought to my attention by my distinguished colleague from Maine, can be saved if great dispatch and speed are given to the recommendations of the Commission.

Mr. President, we believe that the report of the Commission should instantly be approved by the two Governments which created the Commission. The Commission spoke for the two Governments and the Commission made its findings to guide the two Governments. We were disappointed, and the people who are supposed to be the recipients of the benefits of the report are certainly disappointed, and, I may say, neglected and abandoned.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. I do not wish to interrupt the Senator's statement——

Mr. MEAD. That is perfectly all right.

Mr. BREWSTER. There has been a great contribution to the confusion prevailing in this matter as a result, first, of the various ramifications in the report; and, second, by the treatment to which the Senator referred, by the Prime Minister, who attached certain conditions to the carrying out of the report.

It seems to me that the situation would be very greatly clarified if the American people and the Congress could understand that the recommendation that 100,000 refugees should go to Palestine is simply a recommendation that the plain terms of the mandate of the League of Nations to Britain should be fulfilled, that the terms of the white paper, as it was called, which, under the Chamberlain government, restricted the immigration, first, to 75,000, and now has cut it off entirely, was denounced by Winston Churchill in the Parliament as a plain violation of the covenant of the League and the mandate; was denounced by Mr. Herbert Morrison, the present Labor leader of the British House of Commons, as a plain violation of the mandate; and was denounced by unanimous opinion of the Mandates Commission of the League of Nations as a violation of the mandate of the League. So that there was no approval by any responsible authority, outside the British Government, including the Government of the United States, which expressly declared, through President Roosevelt, that it had never approved the white paper—we were a party by reason of the Coolidge Convention of 1924—and the Mandates Commission of the League, which was the juridical body to pass upon the question.

Furthermore, Dr. Lowdermilk, the very able Assistant Chief of the Soil Conservation Service, has made it abundantly clear that there was no need to increase the absorptive capacity of Palestine, that Palestine could not only absorb 100,000 but from two to three million.

So, world opinion has a complete right to expect that the British Government will immediately move forward in accordance with the request of the President of the United States, in accordance with the recommendation of the Commission, in accordance with the finding of the Mandates Commission of the League, and of every responsible authority, including Winston Churchill and Herbert Morrison themselves, that the Jews of central Europe should be permitted now to go to Palestine without further delay, with the results which follow delay, as we saw when last June a committee of six Members of the Senate visited Dachau and the other concentration camps and saw prisoners dying at the rate of between two and three hundred a day, because there could not be adequate provision for care.

Therefore it seems to me that the opinion of this country should be clarified. Asking for the admission of the 100,000 Jews to Palestine is not a matter affected by other provisions which may be in the report. There are other provisions in it, with which I think anyone interested in the problem and familiar with the questions must violently disagree, but the fact that that is so by no means indicates that the doors of Palestine should not be open for the admission of the 100,000 refugees without delay, and, as I believe, to the million Jews who remain alive still in central Europe, with no place to lay their heads.

Mr. MEAD. Mr. President, I am in thorough agreement with the observations which have just been made by my colleague from Maine. I am of the opinion that there is no parallel case in history of a great nation having agreed to carry out a responsibility expediently disregarding its responsibility as is the case with Britain and its charge, Palestine.

It is true that they accepted the mandate as explained by my distinguished colleague from Maine; it is true that 54 nations of the world were responsible associates in giving that mandate; it is

true that the United States took the necessary steps to become a part and parcel of that mandate, and that we expected to be notified if there were any change or alteration in the assumed responsibility. Yet white paper after white paper repudiating the mandate was issued by the Government of Great Britain without bringing the matter to our attention, and certainly without our approval and without our support.

Mr. BREWSTER. Will the Senator further yield?

Mr. MEAD. I yield.

Mr. BREWSTER. Is it not also true that since the entire right of Great Britain in Palestine is a result of the mandate of the League which created them as mandatory, it could only be modified by the action of the power which created it, the League of Nations?

Mr. MEAD. That is correct.

Mr. BREWSTER. Or by the successor thereto, that is, the United Nations of the world, who have succeeded to the mandates of the League, and with the compliance of the United States of America, through the competent authority, because of our participation through the Coolidge Convention of 1924, which was ratified by the Congress?

Is it not true that while the hundred thousand refugees whose admission to Palestine is requested are entirely within the terms of the mandate, in accordance with what everyone has said were their rights, the other conditions of the report of the Anglo-American Commission can have no validity until they are approved not merely by the Government of Britain, not merely by the Government of the United States, but by all the nations concerned in the mandate of the League or of the United Nations. Furthermore, the executive authority of the United States cannot possibly extend to the modification of the mandate, because it was created by a treaty ratified by the Senate of the United States, and therefore could only be modified by an authority equal to that which created it.

While we might welcome the inquiries of the Commission, while we might pay respect to them as a body of respectable gentlemen, yet we must recognize that the only validity any action regarding Palestine can ever have is through the action of the Governments, through their constituted constitutional authority to modify the terms.

Mr. MEAD. Mr. President, I think my colleague has given the correct legal history of the mandate and the correct legal interpretation that is to be associated with any modifications or alterations of the mandate before it can be approved.

The mandate, which was the creature of the League of Nations, was given to Great Britain to carry out. It was approved later, as the Senator from Maine well pointed out, by the United States. No change can be made in that mandate, no modification affecting the mandatory power can be made, and no alteration can be made, unless it is made, as the Senator has so well explained, by the power which gave the mandate, and by the powers which subscribed to it. The President of the United States cannot, by creating a commission or by issuing a proclamation, modify that mandate. The Prime Minister of Great Britain is without power and authority to interfere with it. That mandate, as the Senator has well said, in my judgment will have to be considered, if it is to be amended or altered, by the power which gave it or by the power which succeeds the power which created it. So, Mr. President, the report of the Anglo-American Commission only emphasizes the necessity for making available in Palestine a homeland for the Jewish people of central Europe, who have suffered so much in the last few years.

Mr. President, the observations made by the Prime Minister, the requirements which he has promulgated, are entirely beside the point. They are in my judgment made to complicate the situation and cause further delay.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. I am glad that the Senator from New York made that point, as it seems to me to be the inevitable result, and I think it must be considered to have been the intention to confuse the public opinion of this country as to the issue, by stipulating these conditions and by bringing forth the whole report, much of which is entirely beyond the competence of any existing executive authority.

The first 100,000 refugees to be admitted to Palestine are within the immediate power of the British Government, and within its immediate obligations under the mandate, as pronounced by every competent authority, British and American, who has considered the question. The only consequence of this delay and confusion is further to add to the difficulty.

The British say, "Well, the Arabs are going to make difficulty, and ibn-Saud is threatening war." Having vanquished Hitler and Hirohito, does it seem possible that the British lion is going to retreat before an Arab sheik whose only power has arisen from the grants made to him in the past 10 years by the British and American Governments and by British and American oil companies? All the arms and munitions and whatever limited resources he possesses come solely from those sources, and all the forces he possesses are thousands of miles away across the Arabian desert, as we saw when we traveled over that area. The problem of pacifying Palestine could very easily be handled if the 25,000 volunteers from Palestine in the British Army were simply allowed to return and defend the admitted rights and obligations of the British Government in that area.

Mr. MEAD. It occurs to me that Great Britain could very well carry out the responsibilities entrusted to her by the mandate and that she could accomplish that objective without the use of military force. But if the use of military force should be found to be necessary, in view of the assumption of this responsibility by Great Britain, it would not be very difficult to take appropriate action.

The Senate will recall that only recently a mutual treaty was approved between Great Britain and Trans-Jordan. It occurs to me that both countries agreed to come to each other's defense if the necessity should arise. Students of the Middle East have observed that this treaty is for no other purpose than to allow a large concentration of military power in the Middle East. It will probably result in setting up military bases in Trans-Jordan to accommodate the troops that were heretofore located in Egypt. Nevertheless, Mr. President, we all know that Britain has a strong military force, which is equipped with modern, up-to-the-minute weapons, and that any excuse that she cannot carry out the responsibilities of the mandate because of fear of revolt and insurrection will not be accepted by students of the affairs of the Middle East. I quite agree with my colleague's observations in that connection.

I desire to speak of the two requirements which the Prime Minister developed after the Commission had made its report. Mr. Attlee formulated two British conditions to the grant of the 100,000 immigration certificates. First, that the Jewish agency bring about the voluntary disarmament of the Jewish "illegal armies" in Palestine. Second, that America share in the responsibility for bringing the 100,000 Jews into Palestine.

I, for one, have no illusions with regard to Britain's policy and intentions in Palestine. I am, therefore, sure that the acceptance of the above two conditions would not settle the problem; for I believe that thereafter new objections would be made and new conditions purporting to accomplish the desired results would be imposed, although actually they would prevent the salvation of European Jewry and the advancement of the wonderful Zionist enterprise in Palestine. But let us look into the two conditions posed by the Prime Minister.

First of all, I believe that the demand for the disarmament of the Jewish self-defense organization in Palestine was not made in good faith. No man, I take it, would believe that 600,000 Jews in Palestine surrounded, as they are, by twice their number of Arabs in Palestine and by millions of Arabs in neighboring countries, would give up their only means of protection and place themselves, their wives, and their children at the mercy of the Arabs. It occurs to me that would be asking them for too great a sacrifice under existing circumstances.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BREWSTER. Did I understand the Senator to say that he thought the demand for disarmament was not made in good faith or was made in good faith?

Mr. MEAD. I thought that the demand on the part of the British that the illegal armies surrender their arms and that we participate in the responsibility associated with settling 100,000 refugees in Palestine was not made in good faith, but was made to postpone and to put off and ultimately to sabotage the undertaking. It occurs to me that under existing conditions, with a hostile British

administration, and with encouragement given to Arab leaders to initiate hostile raids, it might prove disastrous for the Jewish people to give up such defense methods as they may have under existing circumstances to protect themselves. It is not for them, in my judgment, to create peace in that community. It is for the power which has the mandate, the power which has the military might. And it can do so. It is my judgment that that power will find the Jewish people eager and willing to cooperate in any effort of that kind. But an effort has not been made in good faith, and until it is made it will be difficult for me to blame the Jewish people of Palestine for devising some means of self-protection.

Mr. President, the second condition of Britain's Prime Minister, namely, that we share responsibility for the immigration of 100,000 Jews into Palestine, does not appear to me to be valid. First of all, we are not told whether the responsibility we are to assume is to be political, financial, or military. It occurs to me that they ought to be more specific. But if we are to share in the responsibility, if it is to be political, military, and economic, then, of course, it should carry with it our participation in everything else associated with Palestine, including some of the rights and privileges. Many of them I am not concerned with, nor is the United States concerned with them, I am sure. But to assign to us a specific responsibility, while reserving to themselves many of the attractive rights and privileges, does not seem to me to be acting altogether in good faith.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BREWSTER. I ask whether or not the Senator from New York has explored the question of why this matter should not be brought immediately to the attention of the United Nations Council now in session in New York?

Mr. MEAD. I am of the opinion, after considering the question at great length, that it will never be solved if the mandate is left where it is, with Great Britain. I am of the opinion that from the very beginning, at every turn she has avoided and evaded her responsibility. I have given up hope. I have exhausted my patience with Great Britain. I believe that this mandate ought to be turned over to the United Nations, there to be considered, there to be renewed, and given to nations which will carry out and respect their responsibilities.

Mr. BREWSTER. Is not the United Nations Council the tribunal to which appropriate appeal might be made, first, for a determination of whether or not Great Britain has fulfilled its obligations under the mandate; and, second, whether or not the threat of ibn-Saud that he will raise a holy war against Britain and the United States may be a threat to the peace of the world of which the United Nations Council should appropriately take cognizance?

Would the Senator from New York join with me in representations to the State Department of this Government and the President that the representatives of the United States in the United Nations Council should pause a moment in discussing the difficulties in Iran, in discussing the difficulties in Spain, and in discussing whether or not Russia is fulfilling her obligation, and ask whether or not justice is being done in Palestine, when 1,500,000 Jews are perishing because of the failure of the mandatory power to act and because of the refusal of the mandatory party to carry out its plain obligation? Could not the United Nations Council properly and prudently take a few minutes off from its other concerns to consider this immediate problem, particularly since it happens to be the fact that, while neither of the great parties in their platforms at Chicago mentioned Iran, Russia, nor Spain, both parties pledged themselves to see that the obligations regarding Palestine were fulfilled? Is it not high time that those responsible for administering our foreign relations should see to it that the United Nations Council, the appropriate tribunal, gives consideration to this matter, without delay, first, because it concerns justice in the world, and, second, because it contains a potential cause of conflict, with which the United Nations Council is so immediately concerned?

Mr. MEAD. Mr. President, because of the sacrifices which the Jewish people have been called upon to suffer in the past; because of the contribution which they made throughout the war, and because of the devastation they face and the peril in which they live at present, I think their case is vitally important. I think it should be taken up without delay by the United Nations, and I think it should be dealt with in a humanitarian manner, to the end that the mandate will be respected and carried out in the future, and that unnecessary suffering shall come to an end. I am of the opinion that if the United Nations were to take over and consider this question, reach an agreement upon it, and come to a determination, there would be no military revolt, no holy wars would be inaugurated, and peace and equity would result in Palestine.

As I pointed out earlier in my remarks, only a short time ago Great Britian, in violation of the mandate, set up an independent nation within the mandated area, namely the nation of Trans-Jordan, and within it established a military base. Probably the British are spending millions of dollars to concentrate a huge military force there. That in itself, in my judgment, is a violation of the mandate. That creates a menacing condition in the Near East. An agreement between two nations in violation of a mandate agreed upon by many nations is a violation of the spirit of the United Nations. It occurs to me that that was not a friendly act, and that it was done for the purpose of establishing British military might in the Middle East.

Mr. BREWSTER. Mr. President, will the Senator further yield?

Mr. MEAD. I am glad to yield to the Senator from Maine.

Mr. BREWSTER. If the Senator is correct, that the creation of the independent state of Trans-Jordan under the dictatorship of Emir Abdullah was a violation of the mandate, is it possible to justify that action on the basis of a resolution introduced in the United Nations Council, as I am informed, at London, recognizing the action, calling attention to the fact that the British had announced its intention last January to do this, and simply taking cognizance of the action, without reference to the Congress of the United States, which was a party to the original agreements, and without consultation with the other authorities concerned?

Mr. MEAD. It is my opinion that that would be illegal. It would not serve to give Great Britain authority or sanction her action, because it is a modification of the original mandate, and that mandate cannot be altered or modified by any action taken by Great Britain, followed by the adoption of a resolution which considers only that portion of the mandatory agreement. In my judgment it would have to be referred to the United States, because we passed upon it with the distinct understanding that any proposed modification would come to us for consideration.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. MEAD. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I merely wish to say that I think the Senator is eminently correct in his position that Great Britain does not own this territory. She has it under a mandate. It is not a colonial possession that she can do with as she pleases. Therefore I think the Senator is on eminently sound ground when he makes the contention that this agreement cannot be modified unilaterally or bilaterally, without the consent of all concerned.

Mr. MEAD. It goes back to the original mandate and to the power which created the original mandate. When that power is followed by a subsequent power which takes over its authority, and that power, after consideration of the entire mandate, modifies it, only then is the modification legal. In my judgment it would then have to be referred to the United States because of the requirement in the treaty that no change be made unless we accede to it.

Mr. President, I regret that the Prime Minister has seen fit to require that new conditions be met before the recommendations of the Anglo-American Commission are carried out. The Commission was created after considerable discussion between representatives of both countries had taken place. It was understood by everyone who followed the subject that the inquiry made by the Commission and the report of the Commission were to guide Great Britain and the United States, and particularly the mandatory power, Great Britain. When the report was made and received in this country and in the United Kingdom, the one feature of it which received unanimous approval was the immediate migration of 100,000 refugees from Europe to Palestine. Everyone seemed to be in agreement with that recommendation, and everyone lived in the hope that it would be consummated without delay.

When these two new conditions were announced by the Prime Minister of Great Britain, fair-minded people all over the world were shocked. The announcement must have shocked Winston Churchill and Herbert Morrison, who on the floor of the House of Commons had bitterly assailed their Government for its treatment of the Jewish question. Certainly, it was a bitter disappointment to President Truman, who months ago had expressed the hope that 100,000 people would be admitted to Palestine without delay. It was a bitter disappointment to people who had been led to believe that when a great nation had agreed to assume a responsibility it would be fulfilled. It was a bitter disappointment when one modification after another and one alteration after another were made known, promulgated by the responsible nation. If we are to have faith in agreements, if we are to have faith in nations discharging their responsibilities, here is an opportunity for the British Government to fulfill its responsibility, to stop quibbling, to cease imposing conditions which are impossible of attainment, and to show its good faith in a responsibility which was entrusted to it by the other nations of the world.

So, Mr. President, I merely make this point in conclusion: I am disappointed in the attitude of the Prime Minister. When I say I am disappointed, I believe I can also say there is disappointment in many circles throughout the Nation and in many parts of the world where people had hoped and where governments had believed that the report of this Commission would be carried to fulfillment.

While we are still discussing the matter, Mr. President, and while the carrying out of certain conditions is still being advocated, the Jewish population is decreasing. The Jewish people have been dying by the thousands. The death rate will accelerate. How much longer they will be called upon to make this sacrifice depends upon the forthrightness of the Prime Minister and his government. Mr. President, I hope their attitude will change. I trust that they will recognize their responsibility and will realize that they cannot continue with one postponement after another, as is the history of this case, and at the same time expect to enjoy the confidence and good will of the other nations of the world.

Mr. BREWSTER. Mr. President, I am very much interested in the statement of the Senator from New York regarding the Palestine situation. I am sure he has made a very valuable contribution to the public understanding of the issue.

A million and a half unfortunates in central Europe may find it a little difficult to understand how, in the eagerness of his advocacy of their cause, he at the same time turns around and votes for a $4,000,000,000 loan to the very people who are crucifying these particular people. I hope the Senator from New York will ponder this issue very carefully in the next few days before it comes to a vote, and will consider whether the way to get Great Britain to fulfill its obvious obligations, on which we are all agreed, is by giving her a $4,000,000,000 bonus while she is in such obvious default.

I speak of this matter, not in any captious spirit, but because I think it is implicit in the entire course of our relationships with Britain in the next few years. There will be a great variety of problems in connection with this matter in which there will be an American viewpoint, an American policy and, I apprehend and hope, at times they will be at variance with those of the British. I believe that the British will be much more inclined to collaborate with us in the measures which we deem to be essential for the maintenance of peace, if we have not committed ourselves in the meantime to an advance of $4,000,000,000, which would be sufficient to make them, in an economic sense, as independent as a hog on ice for a considerable time to come. If we pursue the other policy, namely, that of giving them a billion dollars, or a billion and a half dollars, which they may immediately need, we should look over the situation at the end of a year or two, determine how the British are getting along, and ascertain whether they are prepared to fulfill their 25-year-old obligations before expecting us to go forward with a grant to them of unlimited credit in order to carry out their particular designs.

Mr. President, I wish to speak concerning a matter which is equally involved, namely, that of credit.

In any transaction involving the extension of credit, the person or nation lending the money is entitled to know what use will be made of it. I take it that that is axiomatic. On that theory, and because I believe it to be pertinent to the subject now before the Senate, I wish to invite attention to an article written by Mr. Walter Lippmann and published in the Washington Post of Tuesday, May 7, and, I assume, in other newspapers which customarily publish Mr. Lippmann's column.

Mr. Lippmann was reporting upon his observations made during a tour of Europe from which he had just returned. He stated that Great Britain and the Soviet Union are maneuvering for position "in anticipation of war which they regard not necessarily as inevitable, but as probable." The particular portion of his column, which I believe has a bearing on the subject now before us, reads as follows:

> Much of this Anglo-Soviet duel is hidden from view, yet not so much but that we know that much is hidden. The German officers who were captured at Stalingrad, and were for a time used to make propaganda against Hitler, have disappeared behind the famous iron curtain. But it would be naive to suppose that they do not continue to form an important connection with important elements of the German Army.
>
> There is also a German Army, a large and good one, which surrendered to the British. The story of that surrender has still to be told in detail. The story of what happened to that German Army after the surrender is still hidden behind a silken curtain. Enough is, however, known to warrant the statement that the corps of officers in this particular army were treated with exceptional consideration, with enough chivalry to justify them in feeling that their careers as professional soldiers were not necessarily and finally terminated. Their treatment may have been in fact merely sportsmanship to a loser and chivalry to the vanquished. But it has suited remarkably what these German nationalists most want to believe—namely, that they will live to fight another war in which Germany will recover her territory and her greatness.

The implications, some of which are very thinly veiled in what Mr. Lippmann has to say about the existence of a German Army which surrendered to the British, are staggering. Mr. Lippmann is one of the foremost journalists in the United States. He is skilled in the precise use of language, and he is universally known as an accurate reporter. Mr. President, allow me to point out what he says:

> There is also a German Army—

And he adds—

> a large and good one.

That little two letter word "is" strikes me as being very important. We know, of course, that there was a large German Army which surrendered to the British, and that the surrender took place exactly 1 year ago. Are we justified in inferring from what Mr. Lippmann has written that the elements of the German Army, or a substantial portion of the forces, which surrendered to the British, are still in existence as organized military forces?

I point out again that Mr. Lippmann says that this army is "a large and good one." What is meant by "good," a good army? I assume that no one would attempt to argue that an army without weapons would be a good army. Armies are created to fight. But in order to fight they must have arms and ammunition. An unarmed army certainly could not be described as a good army.

So, from Mr. Lippmann's article the conclusion seems to be inevitable that, unless he has been misinformed, there is now in existence, as a fighting unit, a formidable German Army. Presumably it is being maintained in the British-occupied zone of Germany. The maintenance of "a large and good army," to use Mr. Lippmann's words, is an expensive proposition. It would be expensive even if the army were composed of prisoners of war. On this point, however, let it be assumed that there is no accurate information, and that the members of this German Army receive very low pay, or even none at all. Under international law I believe that we must pay them at the same rate as they were paid when they were a part of the forces fighting for Germany. However, the cost of maintaining such a force in fighting condition would be very considerable.

We are now being asked to loan several billion dollars to Great Britain. So, it seems to me to be pertinent to inquire if a part of this money is to be used by the British for the maintenance of an army of German mercenaries on the Continent of Europe. We know something about German mercenaries. For all I know, there may be some compelling reason for the British to maintain such an army. It is conceivable that such a course might be advantageous to the United States as well as to Great Britain. But on that point, Mr. President, as upon so many other points involving our relations with other nations, the American people, and even the Senate of the United States, are without adequate information. We hear

much talk about the so-called iron curtain behind which the Russians are operating in eastern Europe. Mr. Lippmann refers to what is called a silken curtain which conceals what is going on in the British zone of occupation.

Mr. President, I sometimes fear that we in the United States, so far as the administration is concerned, are living behind what may be described as a "verbal curtain," a curtain of language employed by high officials of this administration to conceal the real facts of the international situation. It seems to me that our State Department, or the President, might well answer clearly and completely the questions which are raised by Mr. Lippmann's column.

LEAVE OF ABSENCE

Mr. CARVILLE. Mr. President, I ask unanimous consent to be absent from the Senate for an indefinite period, to return if called upon by the majority leader.

The PRESIDING OFFICER. Without objection, leave is granted.

HEARINGS ON SALE OF SURPLUS ARMY TRUCKS

Mr. MEAD. Mr. President, I wish to make a brief statement relative to a hearing which the Special Senate Committee Investigating the National Defense Program will hold on Tuesday next.

On Tuesday, April 30, 1946, I reported briefly to the Senate on a matter which had been the subject of considerable interest in the Senate in a debate on April 12, 1946; namely, the sale of 600 2½-ton surplus Army Studebaker trucks which were offered for sale by Gimbel Bros.' department store in New York City.

The remarks which I made on that occasion were addressed principally to two aspects of that transaction; namely, the previous offering of the surplus trucks to priority claimants, and the proceeds the Government received from the sale of those trucks. These facts were obtained by the staff of the Special Committee Investigating the National Defense Program, of which I have the honor to be chairman. .

On that occasion, some of the Senators who participated in the discussion indicated an interest in this matter beyond the two points on which I submitted facts, and requested that the committee afford an opportunity at a public hearing for a complete examination of all phases of this matter. At that time, I announced that the committee would hold such a public hearing and would give notice to the Senators who displayed an interest in the matter and would invite them to attend the hearing.

During the discussion, Senators raised some questions which did not bear directly on the particular transaction on which I reported, and it was requested that provision be made so that those matters could also be raised at the hearing. In this connection, let me say that the more important questions which were raised were two: namely, the steps which have been taken by the War Assets Administration to carry into effect the provisions of section 17 of the Surplus Property Act providing for sales of surplus property in rural areas, and the character of the notice—particularly, the notice given to veterans—which is given to priority claimants before surplus articles are offered to the trade.

A question as to the principal in the case was also raised. The principal was stated to be Arthur Price Associates, for whose account the 600 trucks were purchased by 8 Cleveland dealers. It will be recalled that subsequently the trucks were sold to the general public by Gimbel's and one other department store. We learn that Arthur Price Assocoiates actually was financed by and was acting for José M. Mayorga, 1 Wall Street, New York City. With reference to Arthur Price Associates, I state at this point that the committee has been informed by Mr. Arthur Price that his organization consists of himself and his brother, Irving Price, doing business as a partnership under the name of Arthur Price Associates. Mr. Price will appear at the committee's hearing, which I have already announced. At this time I do not propose to enter into a detailed discussion of his background, since it should be fully developed at that hearing. Questions as to his organization and as to who the "associates" might be were raised in the Senate debate to which I have referred.

Mr. President, as a result of that debate, in which a number of Senators participated, we have invited to attend the hearing the dealers who purchased the trucks, the Arthur Price organization which purchased the trucks from the dealers, Mr. José M. Mayorga, whom I have mentioned, who evidently financed the deal, and representatives of the department stores, who will be able to tell us how many trucks they sold and the price at which they were sold. We have also invited members of the War Assets Administration and other representatives of agencies in Washington to be present at the hearing. The public hearing of the committee will be held on next Tuesday, May 14, at 10:30 a. m. in room 318 of the Senate Office Building—the caucus room. The committee believes that this hearing will afford an occasion for all Senators who are able to be present at the hearing to inquire into the procedure in connection with the sale of surplus property, as it is exemplified in the sale of the 600 surplus Army trucks advertised by Gimbel's department store in New York City.

The committee has invited in addition to the persons I have already mentioned, Lt. Gen. Edmund B. Gregory, Administrator of the War Assets Administration, other officials of the War Assets Administration who have personal knowledge of this particular transaction, representatives of the eight Cleveland truck dealers, Mr. Arthur Price, and Mr. Fred Gimbel, president of Gimbel Bros.' department store.

Mr. President, I give this notice in order that Senators who are interested in the sale which has been referred to and Senators who have expressed an interest in the debate which incurred in the Senate a few days ago may be in attendance at the hearing, at which time we may not only develop the technique followed in the particular sale under consideration but may determine how sales are made to farmers, farm organizations, and others in whom an interest has been expressed.

In conclusion, I express the hope that every Senator who is interested and concerned with the sale of surplus property and its administration will be present. We wish all of them to have an opportunity to ask questions and to make their observations, because our committee is attempting to do a constructive job in connection with the matter of the disposal of surplus military property.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. WILEY. Mr. President, the startling advance and discoveries of physical science in the field of atomic research are of such significance in this age that no thinking person can afford to ignore them.

The world-wide conflict has been succeeded by revolutions and civil wars throughout the earth; racial frictions have burst into flame; industrial strife in our own land has increased, and, to human sense, there is on every hand much evidence of disunity. Two great age-old ideological forces are in conflict. Yes; in conflict for the mastery of the world. They are the idea of the state as all-powerful, and the idea of the state as the servant of the people.

That, Mr. President, is what was so graphically depicted a few minutes ago by the Senator from Maine. It is known to every thinking person who has eyes with which to see.

The situation at home and abroad has a tendency to mesmerize us into a condition in which we, as individuals and as nations, feel impotent to heal the world's economic and political ills. Of course, on one hand we hear much talk of the need of the brotherhood of man, but what are we doing? What are you and I doing? These questions confront every one of us who desires to see the destructive forces harnessed and see true unity and peace established throughout the world.

Yes, what can I do as an individual in this critical hour to contribute to the solution of these problems? I have asked myself that question many times. Individually, I can have faith that this is but a temporal fever that we are witnessing and that it will burn itself out, and individually, if I am to square my actions with my faith, I must keep my thinking straight. I must put first things first. I must refrain from "barbing" individuals, classes, and other nations. When criticism is made, let it be for constructive purposes on a high level and impersonal as far as possible.

But, Mr. President, I am a Member of the greatest policy-making body in the world. In that respect I am different from the individual. This policy-making body has a separate and distinct responsibility apart from the individual. Its decisions now, because the world is contracted, will have much to do with the

world conditions of the present and future. America has been precipitated—whether we like it or not—into world leadership, and the Congress of the United States is facing the question: What can it do to contribute to the solution of these world problems?

There are at least 2,000,000,000 human souls on this earth. It has been estimated that there are not more than 200,000,000—and our race is among them—who believe in a government of checks and balances, deriving its powers from the people. These 200,000,000 have come up through the ages, through oceans of blood. They have come up after waging an interminable conflict against this other idea—the idea that the state is all-powerful and that the individual man is of no account. So, we, as Members of this people's Congress, must face individually the question: What can we do to meet the challenges that face us in this present world?

Mr. President, I am in favor of financial aid to Great Britain. My basic reason for this position is the enlightened self-interest of our own country, the self-interest which motivates a good samaritan to help his brother to help himself.

I am not a member of the Senate Banking and Currency Committee, and was not privileged to hear the testimony on the measure before us, Senate Joint Resolution 138, providing for a 50-year $3,750,000,000 loan to Great Britain, in addition to $650,000,000 for the liquidation of lend-lease, and other items. But I have carefully read the hearings, weighed the literature on the subject, and heard all sides of the question. I have tried to keep my mind open so as to get the benefit of all possible light on this vastly significant question.

THE LOAN'S IMPORTANCE IN THE ATOMIC AGE

This issue cannot be decided on the basis of mere sentiment, or merely on the basis of an ordinary commercial loan. The whole future pattern of world political and economic relations is at stake. American leadership in this atomic age is at stake. We must view this subject from the perspective of future generations, from the perspective of international cooperation for a long time to come. There is no comparable period in history wherein our country faced such challenges ahead.

The atomic bomb, the rocket plane, and kindred inventions have changed the status of world relations, have bombed us loose from our traditional concept (since the days of George Washington) that we on this continent could live free, safe, and unhampered from the world's economic, political, and military problems.

Today, the world, every part of it, is just around the corner from every other part. A fire anywhere in the house of the world—an economic fire, a political fire, war fire—endangers our part of the house. By preventing economic, political, and war fires elsewhere, through this loan and the United Nations, we protect our own land; we look after our own interest.

REASONS FOR LOAN OR CREDIT

Let me, therefore, state that I support financial aid to Great Britain on these basic grounds, and I am going to call a spade a spade:

First. Financial aid will, in the present world political crisis, bolster the position of representative government against the forces of dictatorship on the continent of Europe and throughout the world.

In this contracted world, where all nations are neighbors, it will preserve the very concepts for which we fought; for which our fathers fought—the right of freemen to life, liberty, and the pursuit of happiness. It will serve as a symbol of the unity and cooperation of free peoples.

Second. Financial aid to battered Britain will make for improved economic relations, between the nations, which are so desperately needed in this war-shattered world.

It will stimulate the economic currents that will circulate goods among the nations which are today experiencing such want.

The loan will not be a cure-all panacea; it will not solve all the world's economic problems, but it will prove a healthy economic shot in the arm not only for Britain, but for the world, which is vitally needed. I am not one of those who would overemphasize the value of the loan for increasing our world trade. For too long a time folks in high places have made a fetish of world trade.

Third. This loan, I believe, will be repaid and it is worth taking the financial risk.

I am, of course, fully familiar with the history of foreign nonpayment of debt owed to us after World War I. But I say that in this new atomic age, when faith among the nations is so important, when international obligations must be fulfilled, lest we all destroy ourselves in atomic war, England will and must make every effort to meet her future financial responsibility to us.

We dare not spurn this loan because of the element of financial risk. If this loan accomplishes its objectives and it, with UNO and the world bank and credit fund succeed in encouraging global unity and cooperation, then mankind will have been saved from destruction. If these mechanisms fail because they are not backed with the will, intent, and purpose of Russia, Britain, and the United States for a just and lasting peace, then God alone is our help.

THE NEED FOR COLLATERAL

I have stated that it is to the enlightened self-interest of America to back this loan. But let me make it clear that it would have been more to our interest if those who negotiated this loan for us had kept American interest more in mind by requiring British collateral to back up the loan.

Throughout my incumbency in the Senate, I have emphasized the importance of having America's foreign financial transactions backed up by other nations' collateral. I stated prior to Pearl Harbor that I would have backed lend-lease had British collateral in South America, for example, backed up the funds we gave her. This is and was horse sense and realism to require collateral; to do so is to keep faith with the American people of this and future generations of whose funds we now are but the trustees.

Our negotiators might well have secured the type of collateral that Jesse Jones secured in 1941 as backing for the $524,000,000 RFC loan to Britain.

Today it is estimated that the British-owned assets in this country amount to more than $3,000,000,000, including United States Government bonds, corporate securities, and otherwise. It is estimated that British assets in other countries are more than $3,000,000,000. Her unmined gold reserve is estimated at $15,000,000,000. Her diamond reserves at $8,000,000,000. She also has several billions in cash.

Let me say, parenthetically, all these assets show that Britain is not broke and give added assurance that she will revitalize herself economically and pay her loan.

Of course, there are factors which would limit the uses of part of this collateral. But surely we could have found ways to collateralize the loan.

Our American dealers obviously misdealed when they failed to include in the settlement American air and sea rights to British bases and American possession of air-sea bases as posts or outer ramparts of defense. This would have made for a just give-and-take, but our dealers were asleep at the switch, just as they were when $5,000,000,000 of America's war items on hand in Britain were liquidated at a payment to us of 10 cents on the dollar.

But now that our negotiators have failed to secure for us collateral, which is available, should we reject the loan for that reason?

I voted today against the McFarland amendment because I believe that at this late stage it would mess up the whole situation.

Negotiations are now under way relating to bases. The Senator from Kentucky [Mr. BARKLEY] stated that adoption of this amendment would mean a death sentence to the agreement.

I have stated that the loan represents an historic undertaking required for many compelling reasons, and I should like to have us look closely at some of those reasons now.

1. THE POLITICAL REASON

The first reason which I have given is that the ratification of this loan will help to preserve that small group of democratic capitalist nations on the western fringe of Europe against the forces of eastern communism. Yes; a strong Britain means strength for Scandinavia, Holland, Belgium, France. I believe, too, it means that other nations will the sooner get on their feet, including a cleansed and resurrected German people.

Let me make this clear: This is no "Red scare"; this is a realistic view of the situation. I believe that we must play ball with Russia in this contracted world. I believe that we must make every conceivable effort to cooperate with her and achieve with her a just basis for lasting peace. We must get better acquainted with each other. All curtains

must be torn down—suspicion, fear, distrust, and Russia's iron curtain.

But I cannot and will not close my eyes to the fact that while we are attempting to cooperate, communism is firmly entrenched in virtually every country of Europe, that communism is on the march, and that the mightiest bulwark against it on and near the Continent is the United Kingdom.

Yes; it is the United Kingdom, even with its Socialist Government, with which I do not agree, but which I recognize does stand for the basic freedoms of mankind, for which Englishmen have always stood and fought and died.

I hold no special brief for England. There is to my knowledge no English blood in my veins. I have not spared England or English feeling when I have thought that she was engaging in unfair tactics. I do not believe that the British horse traders who made this deal paid particular heed to the principle of give and take. Otherwise, they might have willingly given us the rights to bases, as I have mentioned. I am not unmindful, too, of many British mistakes in her history which have disturbed the American people.

But these facts fade in importance when we consider the terrible political crisis in which western civilization finds itself, a civilization based upon freedom of the individual, free enterprise, and the capitalist system.

These facts also fade when we consider the able defense which Britain has historically made of the traditions of freedom against tyranny. That defense is once more urgently needed, since forces of Communist dictatorship are sweeping across Europe.

We all know how the British people stood up to the blitz, how they lost 4,000,000 homes, and of the other terrific sacrifices they made during the war. But a few short months ago, our boys bled with English boys in Africa, on the beaches of Normandy, and on the approaches to the Rhine. Shall we part company now that the shooting is over? Peace is still far from won.

Britain imposed on her citizens a rigid system of rationing which is still in effect. In many ways she did a better job of war financing than we have done. We know, however, that she incurred $12,000,000,000 in foreign obligations in order to finance the war and that she had to sell $4,500,000,000, of her foreign investments. Britain, it should be noted, practically did not know black markets and tax evasions. She showed a capacity for government and a success in "seeing it through" that should not be discounted. Her people have character and capacity.

Character and capacity for what? She is the mother of parliaments, the mother of the common law, the mother of the commercial idea of the inviolability of a contract. From her vitals came the Magna Carta, and she sired the men who, when transplanted to this continent, carried the light into the Declaration of Independence and the Constitution of the United States and the Bill of Rights. Out of her spiritual loins came the freedoms of the press, of speech, of worship, and trial by jury. Her government is a government of, by, and for the people.

Mr. President, I was against intervention when it meant war. I am in favor of this kind of intervention because I believe it will make for peace. There is a community of interest between our peoples which exists between no two other nations. I do not speak of blood only. As we face the future full of problems it is obvious that if folks who are on the same political and spiritual wire do not pull together, then we can expect little or no progress toward world peace by greatly dissimilar nations.

In unity there is strength. It is our job to build for unity among all nations and to hold up the shining symbol of cooperation between the English-speaking countries. The world needs this—so much.

Dare we spurn the financial risk of making this loan, and in so doing risk the judgment of history that we abandoned western civilization to communism?

I think we dare not risk that judgment of history.

2. THE ECONOMIC REASON

The second reason which I have given for my support of the loan is that I believe it will help to restore economic health to world trade. Britain will then have the necessary dollar credit in this country with which to buy our goods and start the economic processes of trade.

With all of Europe devastated by war and much of Africa and Asia hungry for goods, it is vitally important that we start these economic currents moving.

We know that Britain in normal times is the best customer of 31 of the world's countries, and that in 1938, for example, she bought 17 percent of our exports and 40 percent of Canada's exports, greater percentages than were bought by any other nation. She and her Empire bought nearly half of our exports.

Let me emphasize that I have always believed that it is America's domestic market rather than our foreign market which must be our principal economic concern. Our domestic market is the greatest in the world, and I have always fought to keep it open primarily for our own producers. But I do not underestimate the vast importance of foreign trade to other nations and of our importation of goods which we do not produce here.

Under the loan agreement, Britain specifically undertakes to (a) abolish the "sterling-area dollar pool" and thus permit the free use of dollars held by countries in the "sterling bloc"; (b) to forego the maintenance of foreign-exchange controls and other discriminatory trade practices; (c) to cooperate with the United States in reducing world trade barriers generally.

If these steps are fulfilled, and I believe and hope that they will be, world trade and with it world peace will be greatly advanced.

Dare we risk the continuation of world trade barriers and with them bitter world distrust and rivalry? I think not. I think we must take the road which leads to healthy world trade and prosperity. In so doing, we will help to keep faith with our children and our children's children. We will be looking to the future—carrying our best customer on credit for a term.

3. THE BROAD FINANCIAL REASON

The last reason which I have given for the loan is that I believe it will be repaid. The alternative would be for England to break faith with us. If this happens in this atomic age, Britain will be inviting disaster on western civilization.

It has, however, been reliably stated that with this loan, England will be able to get back on her feet and meet her future obligations. I believe so, too. Some folks have "counted Britain out" and have said that she is "done for."

I cannot subscribe to that view. When I remember Dunkerque, when I remember El Alamein and Waterloo and the days of the Spanish Armada, when battered Britain has snatched victory out of the jaws of defeat, I cannot "sell her short."

Now, as I see her girding her loins to rehabilitate herself, rebuilding her merchant marine, preparing to meet world competition in the air, when I see her whelps such as Canada rallying to her side with a $1,250,000,000 loan, I do not fear that our loan will not be repaid.

Mr. President, I have been a small-town banker. I know that in considering any loan there are countless intangibles which must be borne in mind and which often outweigh in importance the mere asset and liability or profit and loss statements of a prospective borrower.

This is the case of this proposed British loan, I believe. There are intangible factors—spiritual factors of the meaning of this loan to the democratic world—which will help insure the loan's repayment. I know that, as a banker, often one loan can make a life and death difference for a town, or a community, so also with a nation, or a group of nations.

I remember in the early thirties when the holocaust of a world depression was paralyzing our economic structure, banks were failing. In my home town there were three banks. One closed its doors. I took a plane to Washington to plead for a loan for the second bank. Things proved so difficult that I plainly had to tell a former Senator, who was then in the RFC, that he had no appreciation of the hinterland and its folks and problems. It was tough going for a while, but my plea was answered and the loan was granted.

The loan made it possible for the second bank to remain open. This resulted in stabilizing the economic life of that community. Ultimately everything worked out well. The Government got its money back. There was no run on the bank, no closing of the doors, no pain and suffering among the people. Economic health came back.

From a lender's viewpoint, perhaps it was not a good commercial loan. But from every other viewpoint, it was a good loan. It panned out all right; it saved suffering and loss. The bank's assets were generally sound, but they had depreciated because of the disease known as the great depression.

This British loan is, I believe, somewhat analogous to the small-town loan I have cited. And the prosperity of the whole community of nations may depend on this loan. The blood serum given to the individual soldier strengthens not only himself but the whole army and the Nation.

The British loan is a unique loan, different from all other loans, because Britain's central position in world trade is unique, because she is the world's largest importer, because other loans may be handled through the Export-Import Bank and the Bank for International Reconstruction and Development. This loan does not establish a precedent; it is in a class by itself. It assures the cooperation of Britain in Bretton Woods, and in the International Bank and International Fund.

No one need point out to me the need for husbanding America's resources. In my 7 years in the Senate I have yielded to no man in my firm desire to conserve, to protect, to save America's material and spiritual values. I believe my present position is consistent with my record, because, in a larger sense, I am seeking to preserve for my beloved America the chance for world trade and world peace.

Mr. President, we have entered into this loan with our eyes open. I believe that our negotiators were wise in making the loan flexible and in recognizing the imponderables of the future which may in any 1 year prevent the payment of interest. There is no deception in the language. Britain may get quickly back on her feet. We have seen how in the past nations which have almost been on the rocks have made rapid recoveries. That is my hope for the future in the case of Britain and all other nations.

But if it should happen that Britain cannot come back to economic health, the loan does not hood-wink us into believing that she will be able to make the payments regardless of her and world economic conditions. It will be borne in mind that argument has been made that for the immediate future the facts indicate a very speedy recovery. I cannot draw from that the conclusion that the future will be darker.

CONCLUSIONS

Mr. President, I conclude as I began: It is to the enlightened self-interest of our country to ratify this loan. It is to our political interest, our economic interest, our broad financial interest.

The eyes of the world are upon us, the eyes of history, and the eyes of our war dead.

This loan is far from a perfect loan; it is indeed very imperfect. I wish that we might have secured collateral for it. I wish that it might be temporarily suspended until we could get from our brother Senators at the Paris Peace Conference a report on the actual status of world affairs.

But we have been asked to act now, and I, for one, with some reluctance, but with faith, am willing to meet this issue squarely, however unpopular may be my stand in some quarters.

I have squared my stand with my conscience, with my deepest convictions, and I have not found my position wanting. And so I take my stand for the British loan.

EXECUTIVE SESSION

Mr. WHITE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations in the Regular Corps of the United States Public Health Service, which was referred to the Committee on Finance.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. WHITE. I ask that the postmaster nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. WHITE. I ask unanimous consent that the President be immediately notified of the confirmations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. WHITE. As in legislative session, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 3 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, to Thursday, May 9, 1946, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 8 (legislative day of March 5), 1946:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the United States Public Health Service:

TO BE SENIOR ASSISTANT ENGINEER, EFFECTIVE DATE OF OATH OF OFFICE

Russell W. Hart

SENIOR SURGEONS TO BE MEDICAL DIRECTORS, EFFECTIVE DATES INDICATED

William Y. Hollingsworth, May 24, 1946.
Leo W. Tucker, June 15, 1946.

SENIOR DENTAL SURGEONS TO BE DENTAL DIRECTORS, EFFECTIVE DATES INDICATED

William T. Wright, Jr., April 1, 1946.
Frank C. Cady, May 13, 1946.

ASSISTANT SANITARY ENGINEER TO BE SENIOR ASSISTANT SANITARY ENGINEER, EFFECTIVE DATE INDICATED

Harvey F. Ludwig, November 25, 1945.

SENIOR ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS

Frederick H. Hull
Ralph Porges
James L. Southworth

ASSISTANT SURGEON TO BE TEMPORARY SENIOR ASSISTANT SURGEON

Arthur M. Pettler

CONFIRMATIONS

Executive nominations confirmed by the Senate May 8 (legislative day of March 5), 1946:

POSTMASTERS

ALABAMA

Ruth Camp McCarter, Malone.
William H. McDonough, Whistler.

ARKANSAS

Finis F. Wood, Pea Ridge.
Jerry Bassett, Walnut Ridge.

GEORGIA

Clem Holland, Resaca.

MICHIGAN

Claude L. Bauman, Shingleton.

MINNESOTA

Percy B. Boyer, Beltrami.

NORTH CAROLINA

Lawson J. McCombs, Faith.

NORTH DAKOTA

Walter F. Sheldon, Napoleon.

PENNSYLVANIA

Anthony P. Pelino, Lewis Run.

UTAH

Edwin F. Marchetti, Helper.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 8, 1946

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, we are again approaching Thy throne through the old and familiar way of prayer which is always open to those who come with a humble spirit and a contrite heart.

Thou knowest that we have many needs. Quiet our restless hearts with the strengthening ministries of Thy love and quicken our perplexed minds with the gracious revelations of Thy truth. Make us more receptive to hear and more responsive to heed Thy voice. Transform our reluctance and indifference into a glad obedience to what Thou dost desire and command.

Grant that it may be our purpose and joy to have a larger part in ministering unto those who are finding the struggle of life so difficult. Make us mindful of one another that in our common remembrance we may bear one another's burdens and so fulfill the law of Christ.

To Thy name we ascribe the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. ELLIOTT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial which appeared in the Los Angeles Times, The Central Valley Misrepresented.

THE COAL STRIKE

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, I join this afternoon with many others who have spoken in the well of the House. I am wondering why this Congress cannot stay in session day and night until we pass a law with teeth in it which will have some effect upon the strikes that are facing this Nation at this time. Our boys have just won a great war. They come home to find something here more fearful than our enemy. We are destroying, little by little, the American right of the people who have made this country great when we permit men like John L. Lewis to continue to dominate. I believe this Congress certainly could write some kind of law that would put a stop to the kind of tactics being used by John L. Lewis and others of like nature.

The SPEAKER. The time of the gentleman from California has expired.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, the people in my district are very much concerned about the present coal strike. After 38 days it seems to be no nearer settlement than it was the day it started.

I have always been a great believer in voluntary arbitration. In order to carry on collective bargaining successfully, it is necessary that the parties involved be sincere in their purpose. It is essential that the demands on both sides be fair and reasonable. It is contended that Lewis' demands are unreasonable and he is unyielding. As a result coal production is cut off and thousands of plants are shutting down throwing millions into unemployment.

The question now resolves itself: Is our present system of settling disputes between labor and management doing the job?

Is it necessary for us to resort to compulsory arbitration? Is it necessary for the Government to take over the mines? I believe that public opinion and the country as a whole would support the President if he took them over at once.

In the fact of this crisis one of my constituents raised the question: Where do we go from here?

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. VOORHIS of California addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include in my remarks an article by Matthew Ramage of this city, and also a poem by Robert Baker, a Member of the Fifty-eighth Congress.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[Mr. GALLAGHER addressed the House. His remarks appear in the Appendix.]

THE COAL STRIKE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, I appreciate what the gentleman from California [Mr. VOORHIS] said a moment ago. I rise simply to call attention to the fact that, in my opinion, if we had accepted the Voorhis substitute, offered at the time we were considering the so-called Case bill, and that should have been enacted into law, we would have very definite and effective procedure to deal with all industrial disputes. I am hopeful that legislation of that long-range nature can be enacted, and I think the Voorhis bill, if enacted, would have done the job not only in the coal strike but in any other industrial dispute.

The SPEAKER. The time of the gentleman from Tennessee has expired.

MAINTAINING PEACE

Mr. DE LACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DE LACY. Mr. Speaker, 1 year ago one of the most magnificent fighting machines ever assembled in the history of mankind, the Nazi Army, was compelled to lay down its arms in the field of battle. The combination that did that job comprehended the entire American people, the entire British people, the peoples in the resistance movements on the Continent, and the entire Russian people. In that solid coalition of arms on the battlefield and of home effort that job was done.

I hope today that those who would seek to promote division among the great powers that won the war will not succeed in destroying the peace.

The SPEAKER. The time of the gentleman from Washington has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. ERVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

[Mr. ERVIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD and include a copy of a speech delivered by him over Station WWDC in Washington Monday night on the question of national defense.

SPECIAL ORDER GRANTED

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent that on Monday next, after the legislative business of the day and any special orders heretofore entered, I may address the House for 40 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, today we will have before us the Interior Department appropriation bill.

Unfortunately there is always a fight on that bill. I do not know why, when we appropriate for the development of our great western heritage, we have to wrangle just so much about what should be done and how in the way of developing that country. I am discouraged as I read the report on the bill which we are to take up for consideration today.

I want to remind you that men of vision in this country have led us in the direction of developing the great West and to remind you that such men as Theodore Roosevelt, after whom the first big dam in the State of Arizona is named, let in the reclamation program. He was accompanied in his eéorts by such men as Gifford Pinchot, who saw that the forests of our country were being exploited and ought to be preserved. Those men and others laid the foundation of saving and improving the West and on that foundation such men as Franklin D. Roosevelt and other men with him have since builded. They builded better than we knew at first in having for our needs Bonneville Dam and Grand Coulee Dam to furnish power during this Second World War. What would we have done without them? The mighty West continuously developed on the plans blueprinted for us can mean more for the prosperity and safety of America in peace than it has meant even in war.

It is our task and duty now to see to it that we continue the policy and effort in

the direction of development already mapped out for us. This means not restriction as this bill I fear is about to do, but courageous forward moving in the interest of all the people.

The SPEAKER. The time of the gentleman from Arizona has expired.

EXTENSION OF REMARKS

Mr. McGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Mount Vernon (Ohio) News.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances, in one to include a set of resolutions from the North Dakota Farm Bureau, and in the second an editorial from the Fargo Forum, of Fargo, N. Dak.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Evening World-Herald, of Omaha.

Mr. GAVIN asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an editorial entitled "Why Sympathy for Britain?"

Mr. HOPE asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and to include a letter and an editorial.

Mr. REED of New York asked and was given permission to extend his own remarks in the Appendix of the RECORD in three separate instances, in one to include a speech, in the second an article, and in the third a statement.

SPECIAL ORDER GRANTED

Mr. HOPE. Mr. Speaker, I ask unanimous consent that I may address the House for 20 minutes tomorrow following the legislative business of the day and the other special orders.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

WHAT IS THE MATTER WITH AMERICA?

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, at times we all like to reminisce. Last evening as a light diversion I read many of the New Deal speeches when they assumed office in 1933. Peculiar as it may seem under the present conditions, these New Dealers promised "a more abundant life for all." I am certain you will remember the famous expression about one-third of our people being ill-housed, ill-fed, and ill-clothed. I am likewise certain you will recall the equally famous promise of "a more abundant life for all."

Mr. Speaker, that was 13 years ago.

Today I received an unusually remarkable letter from an outstanding and learned lady from the little town of Tampico in my district. I wish that I had her permission to include that letter in this brief address.

Among other things, she asked:

What is the matter with America?

She stated:

My two sons have recently been discharged from the service of our country. They are unable to be properly housed. They are unable to purchase proper clothing. They are unable to purchase farm machinery to produce for a starving world.

She continued:

What about this more abundant life? We are unable to be better housed, better fed, better clothed. What is the trouble?

She wrote:

Yes; one emergency after another until today we are confronted with a national disaster. Strike after strike, public utilities under collapse, transportation and production at a standstill. Reconversion meaning naught.

She earnestly entreats:

Where is this more abundant life? What happened to the assurances of better housing, better feeding, and better clothing for our people?

Mr. Speaker, this administration will have to asnwer these questions to millions of our honest and patriotic people. It is now 1946. Do you not believe it is time to make those 1933 promises good?

PERMISSION TO ADDRESS THE HOUSE

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks by including a telegram I have received from the mayor of the city of Salina, Kans.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

[Mr. CARLSON addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to include in my remarks a booklet containing the names of organizations that have endorsed the amputee veterans' car plan.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include resolutions adopted unanimously at the annual stockholders meeting of the Manchester Dairy System, Manchester, N. H.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. JENKINS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include a statement by Roy C. McKenna, of Latrobe, Pa., on the subject In Defense of the Right To Own Private Property.

STRIKES

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, I hope the Judiciary Committee of the House and the House itself will remain in session during the week long enough to act favorably on the bill H. R. 6259, introduced by the gentleman from Virginia [Mr. ROBERTSON] to correct in part the present critical situation with reference to strikes. I want to read part of a letter I have today received from one of my fine constituents:

No doubt you have heard from others here of the terrible situation that exists in Chicago and Illinois on account of the coal shortage. I am giving the brief facts in our factory.

We are shutting down today, which will throw about 900 people out of work. We cannot operate on a 24-hour-per-week basis, as that means only 1 day of three shifts.

Our losses cannot be accurately estimated at this time, as the shut-down came so suddenly, but cannot be less than $10,000 per day. Only those generating their own power can continue and then not for long on account of inability to get material.

The President and Congress seem to be asleep. Is Lewis to be allowed to start epidemics, which will surely follow the lack of coal for pumping water?

The majority of homes have electric refrigerators, and food will be spoiling soon if relief is not immediate. Two weeks' supply is all that is now available in Illinois. Money losses are now stupendous, but epidemics will kill more than war.

My appeal is for effective action by Congress without delay.

The SPEAKER. The time of the gentleman from Illinois has expired.

ANTILABOR?

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to insert in the RECORD an editorial taken from this week's Saturday Evening Post.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, because I have vigorously and persistently opposed practices and legislation tending toward the destruction of a man's right to earn a living without first paying money to some union, I have taken more than my share of abuse from labor politicians.

In truth and in fact, the legislation which I have advocated and supported

has been in the interests of the man who works rather than in the interests of either the employer or the union organizer or politician.

The coal strike is bringing home to many a union man the sad truth that it is necessary for all of us at some time to work if we would eat.

The morning paper tells us that 106,000 Ford employees were sent home because there was no coal, and a shortage of parts both brought about by unions other than the one to which the Ford workers belong. Sometime we will all realize that no one is completely independent. That when there is a strike which throws hundreds of thousands of men out of employment, others, who have no labor dispute with an employer, are deprived of their opportunity to make a livelihood.

Just how absurd are some of the union regulations is shown by an editorial in the Saturday Evening Post of May 11. It is as follows:

THE NONUNION HAIRCUT AND THE RIGHT TO WORK

Most American citizens have no chance to read or even know the existence of more than a few of the vast number of administrative rulings and decisions which are ground out tirelessly by the bureaucracy of the Federal Government and the 48 States. Those who do study such documents are able to understand that the basic assumptions under which we live are being changed, not by legislative bodies, where the talking is done, but by administrative agencies, which do the interpreting.

For example, a decision came down last year from the Pennsylvania Unemployment Compensation Board of Review having to do with an application for unemployment benefits by a man who had been discharged from his job for a breach of union rules which, under the maintenance-of-membership contract, made it obligatory for his employer to fire him. The man's crime was patronizing a nonunion barbershop. He had been repeatedly warned, had been summoned to a union hearing to defend himself and was finally discharged.

To us, the point of all this is that the case of a man who got his hair cut where he pleased could be tried, appealed, retried, and a decision rendered without anybody commenting on the extraordinary fact that in America a man can be denied the right to work for regarding a shave as a private matter. Not even the accused himself put the issue in that form. Instead he excused himself by explaining that the barber shop was owned by his father and that he had a skin eruption which made him diffident about going to a barber shop operated by strangers. Eventually his explanation was accepted and the man got his job back. The board solemnly stated that "in view of the claimant's skin disease, we believe his conduct in patronizing his father's barber shop was reasonable and that infraction of the union rules under such circumstances was not sufficient to provoke his dismissal."

It ought to be a matter of greater interest that through a series of administrative rulings, it has become law in the area affected by this case that a man may not work for his living in a union shop unless he gets a shave in a shop approved by the union. To be sure, no State or National legislature has passed a statute beginning: "Be it enacted that whoever shall receive or bargain to receive any haircut, shave, shine, shampoo, singe, hot-towel treatment, facial massage, manicure, or trim in any barber shop operating without a contract with a labor union shall be declared subhuman and debarred, excluded, removed, or ejected, whichever is more painful, from any gainful employment." In fact, the run-of-mine Senator or Member of Congress would be mad as a wet hen if he knew that this was already an accepted principle of law. The issue before the compensation board was confined to whether or not a man discharged for patronizing the wrong barber shop could be described as unemployed "through no fault of his own," within the meaning of the statute. By a series of easy and seemingly inevitable steps, the right of a man to bargain collectively through representatives of his own choosing has "progressed" to the loss of his right to get a shave where he pleases.

We make no effort to point the moral. It is not that all administrative agencies are evil or that there is a plot to communize us from within. Perhaps the moral is simpler, and is to be found in the once general feeling that laws and the rulings which expound them make more sense when they rest firmly on some ascertainable principle rather than precariously on the relative potency of pressure groups.

Note the basic facts: A worker got a shave in a nonunion barber shop operated by his father. That was in violation of a rule of his union, which evidently provided that all members of his union could not be shaved unless they patronized a union shop. Being a member of the union which had a closed-shop contract, the employer was forced to fire him. When he applied to the State of Pennsylvania for unemployment compensation, the State held that because he had violated a union rule when he went to his dad to be shaved it could not pay him unemployment compensation. It finally relented and gave him compensation after he explained that the reason he had his dad shave him, instead of going to the union barber shop, was because he had a skin disease which might have made it embarrassing for the union shop had he patronized it.

Some union boys are going to be surprised if they wake up some morning and learn that they cannot shave themselves; that the union has passed a rule requiring them to go to a union barber, and a move on here in Washington to charge a dollar a shave may jar some of the boys.

The Supreme Court of the State of Oregon held that a widow operating a rooming house could be herself forced to join the union, and that her children, who were her only employees, could also, by means of a strike, be forced to join. Queer things are happening these days.

One company in Michigan was fined $50,000 by a Government agency because it gave its employees an increase in wages without first asking a Government agency if it might do so.

To the union men I would say: Watch your step, your wife may have to join the union before she can get your breakfast. You may think that is silly, but just remember the case of the young fellow who had his dad shave him; of the widow who wanted to make the beds in a rooming house before she joined the union. Things are not always what they seem. Unions are necessary, but arbitrary, unreasonable, and destructive union practices are harmful to the rank and file of the union members.

The SPEAKER. The time of the gentleman from Michigan has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

[Mr. SAVAGE addressed the House. His remarks in the Appendix.]

EXTENSION OF REMARKS

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the Record and include a resolution adopted by Local Union 41 of the Progressive Mine Workers of America.

Mr. GRANGER asked and was given permission to extend his remarks in the RECORD and include a speech.

PAGEANT QUESTIONNAIRE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, all of us have received what is called a confidential congressional poll from the editor of the magazine called Pageant in which he asks each and every one of us to designate who is the weakest Member of the Senate and the House, who is the No. 1 demagog of the Senate and the House, who is the laziest man in the Senate and the House, which Senator is the champion social lion and which Member of the House has earned that distinction.

I feel that the editor of this magazine is worthy of the most condign criticism for asking us to point out such Members of the House and the Senate. If we do that we violate the rules of the House, especially when we thus disparage any Member of the other body. It is a violation of the rule of decency to ask any Member to make any such statement about any other Member of the House and the Senate. This editor offers to keep names of informers secret. What we do not dare openly we should not do in such a confidential or covert manner. The whole business smells. Answering the poll would violate the dignity of the House. It would be befouling one's own nest. There must be an esprit de corps that forbids. We suffer enough from abuse and ridicule—some deserved but much undeserved. We should not aid in the process of heaping obloquy upon ourselves.

Mr. RANKIN. Mr. Speaker, if the gentleman will yield, that is a Communist magazine. Its editors are Communists. Everyone knows that, with the probable exception of the gentleman from New York.

Mr. CELLER. Oh, I would not say that. Apparently, everything is communistic because the gentleman does not agree with it.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I cannot yield further.

The SPEAKER. The time of the gentleman from New York has expired.

RETURNING OF THE REMAINS OF CERTAIN PERSONS WHO DIED AND ARE BURIED OUTSIDE OF THE CONTINENTAL LIMITS OF THE UNITED STATES

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3936) to provide for the evacuation and repatriation of the remains of certain persons who died and are buried outside the continental limits of the United States and whose remains could not heretofore be returned to their homelands due to wartime shipping restrictions, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, line 4, strike out "repatriation" and insert "return."

Page 1, line 6, strike out "16, 1940" and insert "3, 1939."

Page 2, line 2, strike out "repatriation" and insert "return."

Page 2, line 3, strike out "repatriation" and insert "return."

Page 2, line 11, after "teries" insert "provided such remains are entitled to interment therein."

Page 2, line 12, strike out "16, 1940" and insert "3, 1939."

Page 3, line 5, strike out "repatriation" and insert "return."

Page 4, line 5, strike out "repatriation" and insert "return."

Amend the title so as to read: "An act to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. ARENDS. Mr. Speaker, reserving the right to object, may I ask the chairman of the Committee on Military Affairs to explain the amendments proposed by the Senate to the House bill?

Mr. MAY. Mr. Speaker, the House, in writing the bill in reference to the return of the bodies of our war dead, used the word "repatriation." The Senate changed the word "repatriation" to the word "return," which, I think, is a much better expression. Five of the Senate amendments are such as I have described, just the change of a word. When we fixed the date affecting those who were killed; we fixed it as of September 1940, and they set it back to September 1939; in other words, they set it back 1 year. That is the only other change.

Mr. ARENDS. I withdraw my reservation of objection, Mr. Speaker.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and of course, I shall not object, this will permit the return to this country of the bodies of all the men buried overseas and whose relatives or members of whose immediate family request it; is that correct?

Mr. MAY. That is correct. The War Department has a list and has already communicated with practically everyone who has lost a relative, and in each instance it is the parents, first, brothers and sisters, second, and it goes all the way down to the guardian who may designate. The bill provides that they shall be buried in the cemetery of their own selection, as well as requiring the War Department to take them to that cemetery. My interest in hurrying this measure to the President for approval is to enable the Army to start the return of these bodies as soon as possible before they become too badly deteriorated.

Mr. RANKIN. I thank the gentleman from Kentucky, and I congratulate him on bringing this measure to the floor of the House.

Mr. MAY. I thank the gentleman.

Mr. REED of New York. Reserving the right to object, Mr. Speaker, and I shall not object, this applies to soldiers killed and buried in any part of the world, does it not?

Mr. MAY. That is right; in all parts of the world. It also authorizes the appropriation of the necessary money to carry out the law and we were told by the Army witnesses that they have already arranged for the manufacture of metal caskets, hermetically sealed, so as to preserve the bodies in the best possible condition while in transit.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. THOMASON asked and was given permission to extend his remarks in the RECORD and include a statement by General Eisenhower.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include certain extraneous matter.

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD and include an article.

THE COAL STRIKE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. Mr. Speaker, what is my responsibility in this coal-strike situation? A telephone call just came to me stating that the mayor of my city of 110,000 people will probably issue an emergency order tomorrow because of the coal shortage. Monday morning some 40,000 workers may be walking the streets. Again, what is my responsibility? What have I done to bring this about? Is it a walk-out or a lock-out? What can the Congress do about it? I ask the present administration in power to shoulder their responsibilities and defer action no longer.

NATION PROSPEROUS IN 1946

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, a few minutes ago my colleague from Illinois [Mr. ALLEN] made a statement in which he asserted that certain pledges made by the Democratic President who took office in 1933 had not been fulfilled; he said that we have a shortage of food and goods and housing; that we have unemployment and strikes. Like other of his Republican colleagues, he is trying to belittle the tremendous accomplishments of these four Democratic administrations, and to create unfounded prejudices.

I am, of course, satisfied in my own mind that this material was supplied by the propaganda factory of the Republican National Committee and its affiliated big-business lobbies.

NO "HOOVERVILLES" IN 1946

Mr. Speaker, I am delighted that my colleague and friend has seen fit to offer a comparison with conditions in 1933.

It is true that in 1946 we have a housing shortage; we also have an acute shortage of "Hoovervilles." In 1933 there were millions of homeless migrants, camping in squalor and filth, because they had no money; but the kind of shelter for which now Americans search frantically was a glut on the market. People who desperately needed decent shelter had no money to pay for it.

IN 1933 THE PEOPLE STARVED IN PLENTY

We have a shortage of food today. In 1933 warehouses and granaries were groaning and bursting with food which people did not have the money to buy. Cotton was selling at 6 cents a pound, not 28½ cents; wheat was 29 cents and corn 21 cents a bushel and surpluses were piled high; cattle and hogs sold at $3 a hundredweight when there was anybody to buy. The national income in 1932 was $45,000,000,000—little more than a fourth of the estimated national income for 1946 under a Democratic administration. In 1933 the people cried for food; but they had been stripped of their wealth by 12 years of Republican misrule, and had no money to buy the bountiful supplies which existed.

We have a shortage of some consumers' goods today. The Nation's production of most lines of consumers' goods will, for the year 1946, be the greatest in all history; but still there are shortages, for the Nation is prosperous as it never was before, and goods cannot be made fast enough to supply the demand. In 1933 the largest companies staggered under the burden of enormous inventories which could not be moved. Huge firms whose soundness had never been questioned went under, submerged in the quicksands of bankruptcy or reorganization or merger under the crushing weight of stocks bought at the fools' prices of 1929 and which could be moved only at staggering losses.

EMPLOYMENT HIGHEST IN PEACE

We have some unemployment today in the midst of reconversion; and with the armed services discharging their forces almost as rapidly as they were

mobilized, there are estimated to be about two and one-half million employables not working; out of an estimated total labor force of around fifty-six millions, fifty-three and one-half millions are actually working—the most stupendous peacetime employment ever known. When President Roosevelt took office there were more than 18,000,000 wage earners idle, broke, hungry, and afraid, in a labor force of only about 43,000,000—more than a third of the potential workers were out of work. Factories were closed down; stores were shut up; empty buildings gaped in despair.

The gentleman has complained of strikes. Does he remember the strikes of the farmers against ruinous low prices, when milk trucks were stopped and dumped? Does he remember indignant farmers gathering ominously to keep the banks and insurance companies from foreclosing on some poor farmer's earthly possessions? Does he remember the mass lay-offs, when thousands and thousands of workers were fired without warning as a whole huge factory closed down?

GLAD TO COMPARE 1946 WITH 1933

Yes, Mr. Speaker, I am indeed glad that my colleague has seen fit to compare and contrast 1933 with 1946.

I am only surprised that the gentleman dares attempt a comparison. Does he think the memory of the American people is so short they cannot remember misery, fear, ruin, cold, and hunger under the last Republican administration? They remember when banks were closed, or on the brink of closing; railroads were insolvent; and women worked for 50 cents a day and men for $1—if they could. President Roosevelt and the Democratic administrations, so often charged by the Republicans with being enemies of private enterprise, actually saved private enterprise.

In 1933 a deflation so severe it almost prostrated American business and industry and consumers was our great enemy.

In 1946 we face the specter of a terrible inflation which can only end in the same bust. The administration is doing its utmost to control prices and avoid that danger; yet my colleague, and most other Republicans, while they say they do not want inflation, are doing everything they can to bring it on.

REPUBLICANS EMASCULATE LEGISLATION

If they had not emasculated the housing bill, and then passed it on to the other Chamber in an impotent form which can give little positive relief to the shortage if finally enacted, we might by now have a construction program under full steam which would satisfy the yearning of the American people, and especially of the returning servicemen, to have a home of their own at a price they can afford. With no ceilings on resale of houses, you need only read the daily papers to know what is going on. Houses built to sell at $8,000, and worth perhaps $6,000, are being advertised at $14,000 and more. The Administration cannot act until it has a law to guide it.

If the Republicans—with, I confess, a little help from this side which probably is now regretted—had not torn the very heart out of the price control bill; if they had not slashed the appropriations for the OPA; then there might not be some of the acute shortages created artificially by illegally diverting scarce materials to nonessential uses. That is an old trick—to cut an agency's funds, and then, having made it helpless, to complain of its inefficiency, so as to justify cutting the next appropriation to make it still more inefficient and helpless so as to complain more. I do not believe the American people are much fooled by these tactics.

Now, Mr. Speaker, to bring home facts to gentlemen of the House which should be known and considered when the OPA bill comes back from the other House, and the minimum wage bill is before us, I desire to include at this point a brief statement. I hope Members will keep in mind that more than a million dollars has been spent in the time of this session by vicious lobbies fighting progressive legislation, and the propaganda that money has made possible has unfortunately misled some Members. I hope that not only Members of the House but of the other Chamber will consider the facts in this statement and bear them in mind.

FACTS ABOUT PRICE CONTROL, PRODUCTION, AND SHORTAGES

JUST WHOM DO THE ENEMIES OF PRICE CONTROL SPEAK FOR?

Do they speak for our 35,000,000 American housewives? The Gallup poll of March 3 showed that 79 percent of American housewives want price control continued after June 30.

Do they speak for our 6,000,000 farm families? Polls have shown repeatedly that 69 to 74 percent of our farm families want price control continued.

Do they speak for the 15,000,000 families represented by organized labor? All of our labor organizations are on record as favoring continued price control. Polls show that better than 80 percent of manual and factory workers want the Price Control Act extended.

Do they speak for business? Fifty-four percent of our manufacturers, who produce 89 percent of our manufactured goods, say they want price control continued.. Eighty percent of middle-class businessmen want price control continued. Dozens of business associations and leading business firms are running newspaper ads asking for the continuation of effective price control.

If the enemies of price control don't speak for housewives or farmers or workers or a majority of American businessmen, just whom do they speak for?

Obviously they must speak for a small group who think they can squeeze quick profits out of the American people if they can kill price control and let inflation take over.

This small group is trying to make the American people believe that price control interferes with production and causes shortages. Kill price control, they say, and production will go up and shortages will disappear. Let's look at their argument.

CIVILIAN PRODUCTION HAS REACHED AN ALL-TIME PEAK

Federal Reserve Board and Civilian Production Administration reports show that in mid-April—less than 9 months after VJ-day—civilian production was higher than ever before in our history. It was 69 percent higher than in our last prewar years, 1935-39, and rising. The only major brake on production is the management-labor dispute in the coal industry. This is only a hint of the disputes that will most certainly arise if inflation gets loose.

In April 52,000,000 people were at work producing goods and services. That was more people than ever before worked and produced in peacetime.

IF CIVILIAN PRODUCTION IS HIGH, WHY DO WE HAVE SHORTAGES?

The answer to that is very clear. Today people want to buy more than they ever bought before. People are buying more than ever before. Right now retail sales are almost twice as high as in 1939. Retail sales have risen steadily ever since VJ-day. They are now 24 percent higher than in September 1945.

The simple fact is that spendable income of the average family is twice as big today as it was in 1939. With twice as much to spend, the average family naturally wants to buy more. In addition some families want to spend large parts of their wartime savings. Even when production gets twice as high as it was in 1939 we will still have what looks like shortages.

HOW CAN WE GET RID OF SHORTAGES?

There are two ways to do that:

1. The enemies of price control tell us to kill price control and let prices go up. If we did that production might spurt for a while. But at the same time, as prices rose people would have to buy less than they are buying now. They could spend all their money, but, with higher prices, they wouldn't get as much for it.

Then stores would have fewer customers than they have now. They would have to cut down their orders for goods. Soon factories would be laying people off because dealers were not ordering goods. Production would go down, not up. We would have fewer goods. But we would be rid of our shortages, because demand was down.

Sure, inflation followed by a depression would be one way to get rid of our shortages. Then we could all spend a lot of time hunting jobs and customers, and talking about overproduction like we did after the last war.

We could turn an economic somersault and trade a shortage of goods for a shortage of jobs and sales.

That is the way the enemies of price control want us to do it.

But there is a better way.

2. We can keep price control and hold prices at levels large numbers of people can pay. Then most families can buy large quantities of goods—and continue to buy them. The markets our businessmen serve will remain big and profits steady. Orders will flow to factories. More workers will have steady jobs and good incomes. Living standards will stay up.

That's the prosperous way to get rid of our shortages. It's the only way to do it if we don't want to put the American people through an inflationary wringer which will squeeze them dry and hang them out on the bread lines of unemployment and depression.

THE ISSUE IS CLEAR AND SIMPLE

We can get rid of shortages by letting prices go so high fewer and fewer people can buy. If we do it that way we will have inflation and depression.

Or we can get rid of shortages by keeping prices at levels most people can pay. That way there will be steady jobs. Living standards will be high. There will be customers for stores and profits for business.

Yes; you have been misled by those who like to see ceilings removed so they can make more and more profit as long as it lasts, and after that they do not care. You have seen what happens when controls are taken off of some products. In the case of citrus fruits prices shot up 50

to 100 percent or more. The same thing has happened to other short supply items when controls were removed.

NATIONAL CITY BANK REPORTS PROFITS

In conclusion, Mr. Speaker, I think a table from the May news letter of the National City Bank, of New York, showing the profits made by corporations during the first quarter of 1946 may cause some of the gentlemen who have attacked and assailed OPA and the administration to hang their heads in shame. It appears from this, private enterprise in America is doing all right.

Net income of leading corporations for the first quarter (net income is shown as reported—after depreciation, interest, taxes, and other charges and reserves, but before dividends; net worth includes book value of outstanding preferred and common stock and surplus accounts at beginning of each year)

[In thousands of dollars]

Industrial group	Number of companies	Net income first quarter—		Percent change [1]	Net worth Jan. 1—		Annual rate of return—	
		1945	1946		1945	1946	1945	1946
							Pct.	*Pct.*
Food products	22	$20,605	$24,208	+16.1	$731,431	$734,294	11.4	13.2
Pulp and paper products	18	4,473	7,361	+64.6	272,735	284,484	6.6	10.3
Chemicals, drugs, etc	30	51,227	72,264	+41.1	1,788,325	1,835,734	11.5	15.7
Petroleum products	9	58,922	51,818	−12.1	2,571,630	2,723,450	9.2	7.6
Cement, glass, stone	15	9,297	6,007	−35.4	443,278	461,158	8.4	5.2
Iron and steel	22	39,973	19,855	−50.3	2,162,614	2,187,302	5.1	2.5
Electrical equipment	7	13,707	16,184	(−)	417,832	445,159	13.1	------
Machinery	20	8,842	[2] 445	(−)	357,989	362,489	9.9	------
Autos and equipment	24	50,073	38,850	(−)	1,678,970	1,751,471	11.9	------
Other metal products	43	18,083	12,074	−33.2	828,577	849,232	8.7	5.7
Miscellaneous manufacturing	40	20,127	36,851	+83.1	596,881	649,053	13.5	22.7
Total manufacturing	250	295,529	175,059	−40.8	12,850,262	13,283,826	9.2	5.3
Mining and quarrying	21	11,195	[2] 9,347	−16.5	514,941	546,145	8.7	8.4
Trade (wholesale and retail)	18	9,919	26,925	(+)	522,839	543,607	7.6	19.8
Service	11	3,605	5,233	+45.2	171,272	174,602	8.4	12.0
Total	300	320,248	216,564	−32.4	14,059,314	14,448,180	9.1	6.0

[1] Increases or decreases of more than 100 percent not computed.
[2] Deficit.
[3] Before depletion charges in some cases.

WHILE WE ARE ASKED TO PROVIDE BILLIONS FOR THE EXTERIOR, LET US LOOK AFTER THE INTERIOR—INCLUDING THE NATCHEZ TRACE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, without being critical of the Committee on Appropriations, I desire to say that I regret very much to see some of the reductions made in this Interior Department appropriation bill. We hear so much about supplying money for the exterior, loans to be made to countries all over the earth, and expenditures to be made on foreign soil, that for my part I want to devote a good deal of attention now to building up our interior, improving our own country.

We have heard a good deal about the Alcan Highway, and about the highway down through Central America, yet years ago we provided for the Natchez Trace, extending from Nashville, Tenn., to Natchez, Miss., along the route covered by Andrew Jackson on his victorious march to New Orleans in 1814.

I regret very much to see the funds for this great highway cut down to where they will be inadequate, I am afraid, to carry on the work of completion of this great all-American highway.

While we are doing something for the exterior, for foreign countries, let us take care of the interior and do something for our own people.

Let us provide the funds to complete these great highways now.

The SPEAKER. The time of the gentleman from Mississippi has expired.

SECOND DEFICIENCY APPROPRIATION BILL, 1946—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; and in view of the fact that there is no difference of opinion on any item of the bill, I ask unanimous consent that the conference report be considered as read.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 10, 11, 14, 36, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 6, 7, 8, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 39, 42, 43, 44, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, and 103, and agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$5,250"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$100,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$250,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$837,127"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$800,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 40, 46, and 62.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1 to 5, relating to the Senate: Appropriates an additional amount of $269,000 for the fiscal year 1946, as proposed by the Senate, and strikes out an appropriation of

$840.34, proposed by the Senate, for payment for services rendered in the office of a Senator.

Nos. 6 and 7, relating to the House of Representatives: Appropriates $10,000 for payment to the widow of a deceased Representative, as proposed by the Senate, and appropriates $15,000, as proposed by the Senate, instead of $5,000, as proposed by the House, for reporting hearings.

No. 8: Appropriates $20,000 for the Joint Committee on Reduction of Nonessential Federal Expenditures, as proposed by the Senate.

No. 10: Strikes out the appropriation of $25,000, proposed by the Senate, for the erection of a statue of George Washington on the Capitol Grounds.

No. 11: Strikes out the appropriation of $27,600, proposed by the Senate, for the Committee on Fair Employment Practice.

No. 12: Increases from $20,000 to $30,000 the limitation upon expenditures for printing and binding from the appropriation for salaries and expenses, Petroleum Administration for War, as proposed by the Senate.

No. 13: Increases by $3,325,000 the limitation upon administrative expenses of the War Shipping Administration (revolving fund), as proposed by the Senate.

No. 14, relating to the Public Health Service: Appropriates $748,000 for hospitals and medical care, as proposed by the House, instead of $1,348,000, as proposed by the Senate.

Nos. 15 to 20, relating to the Federal Works Agency, Public Buildings Administration, appropriates for the return of departmental functions to the seat of government $495,020, as proposed by the Senate, instead of $200,000, as proposed by the House; appropriates an additional amount of $1,780,000 for salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area, 1946, as proposed by the Senate; appropriates an additional amount of $950,000 for salaries and expenses, public buildings and grounds outside the District of Columbia, 1946, as proposed by the Senate; changes a title, as proposed by the Senate, and appropriates for damage claims, Public Roads Administration, $780,379.53, as proposed by the Senate, instead of $681,193.83, as proposed by the House.

No. 21: Increases by $400,000 the funds currently available for salaries and expenses, Federal Housing Administration, 1946, as proposed by the Senate.

Nos. 22, 23, and 24: Appropriates additional amounts for salaries and expenses, 1946, for the Smithsonian Institution, $18,000, and the National Gallery of Art, $16,000, as proposed by the Senate.

No. 25: Increases by $1,330,000 the limitation upon administrative expenses of the United States Maritime Commission, and by $1,000 the limitation upon expenditures by such Commission for attendance at meetings, as proposed by the Senate.

Nos. 26 to 32, relating to the District of Columbia: Appropriates $5,250 for the employment of nurses at Gallinger Municipal Hospital, instead of $7,000, as proposed by the Senate, and appropriates additional amounts, fiscal year 1946, as proposed by the Senate, as follows: Capital outlay, Sewer Division, $300,000; operating expenses, Water Division (payable from water fund), $75,000, and Capital outlay, Water Division (payable from water fund), $200,000.

Nos. 33 to 35, relating to the Department of Agriculture: Appropriates $100,000 for insect and plant disease control, instead of $20,000, as proposed by the House, and $350,000, as proposed by the Senate; appropriates $250,000 for national-forest protection and management, instead of $168,000, as proposed by the House, and $500,000, as proposed by the Senate, and appropriates $325,000 for water facilities, arid and semiarid areas, instead of $200,000, as proposed by the House, and $500,000, as proposed by the Senate.

Nos. 36 to 39, relating to the Department of Commerce: Appropriates $39,000 additional, fiscal year 1946, for general administration, Office of the Administrator of Civil Aeronautics, as proposed by the House, instead of $59,000, as proposed by the Senate; appropriates an additional amount of $837,127, fiscal year 1946, for maintenance and operation of air-navigation facilities, instead of $749,655, as proposed by the House, and $924,600, as proposed by the Senate; and appropriates an additional amount of $800,000, fiscal year 1946, for salaries and expenses, Weather Bureau, including an additional $5,000 for personal services in the District of Columbia, instead of $535,000, as proposed by the House, and $1,035,000, as proposed by the Senate.

Nos. 41 to 45 and 47 to 51, relating to the Department of the Interior: Strikes out the additional appropriation proposed by the Senate of $14,000, fiscal year 1946, for salaries and expenses, Grazing Service; appropriates from project revenues, as proposed by the Senate, under "Irrigation and drainage, Bureau of Indian Affairs," $52,200 for San Carlos irrigation project, Gila River Reservation, Ariz., $12,800 for Flathead Reservation, Mont., $21,000 for Crow Reservation, Mont., and $16,000 for Wapato irrigation and drainage systems, and so forth, Yakima Reservation, Wash.; appropriates $15,000 additional from tribal funds, fiscal year 1946, for expenses of tribal councils or committees thereof, as proposed by the Senate, instead of $10,000, as proposed by the House; increases the 1946 amount limitation upon the amount available from power revenues for operation and maintenance of the power system, Rio Grande project, New Mexico-Texas, from $80,700 to $130,700, as proposed by the Senate; appropriates $20,000 for maintenance of mammal and bird reservations, Fish and Wildlife Service, as proposed by the Senate; appropriates $39,700 on account of the halibut allocation program, Fish and Wildlife Service, as proposed by the Senate, and appropriates an additional amount, fiscal year 1946, of $14,000 for insane of Alaska, as proposed by the Senate.

No. 52: Appropriates an additional amount of $250,000, fiscal year 1946, for salaries and expenses of district attorneys, and so forth, Department of Justice, as proposed by the Senate, instead of $125,000, as proposed by the House.

Nos. 53 to 55, relating to the field service, Post Office Department: Appropriates $27,500, fiscal year 1946, for personal or property-damage claims, as proposed by the Senate; appropriates an additional amount of $487,000, fiscal year 1946, for unpaid money orders more than 1 year old, as proposed by the Senate, and strikes out, as proposed by the Senate, an appropriation of $4,000, proposed by the House, for the settlement of a claim, which has been provided for in a separate enactment.

Nos. 56 to 61 and 63, relating to the Department of State: Appropriates an additional amount, fiscal year 1946, of $200,000 for salaries, Office of the Secretary of State, as proposed by the Senate, instead of $133,456, as proposed by the House; appropriates an additional amount of $198,000, fiscal year 1946, for transportation, foreign service, as proposed by the Senate, instead of $100,000, as proposed by the House; appropriates an additional amount of $433,000, fiscal year 1946, for salaries of clerks, foreign service, as proposed by the Senate, instead of $400,000, as proposed by the House; appropriates an additional amount of $163,000, fiscal year 1946, for miscellaneous salaries and allowances, foreign service, as proposed by the Senate, instead of $35,300, as proposed by the House; appropriates an additional amount of $1,067,070, fiscal year 1946, for foreign service, auxiliary (emergency), as proposed by the Senate, instead of $567,070, as proposed by the House; makes the appropriation "Emergencies arising in the diplomatic and consular service" available for the deportation of enemy aliens, as proposed by the Senate, and appropriates $40,000 for the replacement of the Anthony Bridge over the Rio Grande within the Rio Grande canalization project, as proposed by the Senate.

Nos. 64 and 65, relating to the Treasury Department: Appropriates an additional amount of $50,800, fiscal year 1946, for salaries and expenses, Bureau of Narcotics, as proposed by the Senate, and appropriates an additional amount of $110,000, fiscal year 1946, for suppressing counterfeiting and other crimes, as proposed by the Senate, instead of $50,000, as proposed by the House.

Nos. 66 to 68, relating to the War Department: Appropriates $543,416.91 for damage claims, as proposed by the Senate, instead of $429,805.41, as proposed by the House, and appropriates an additional amount of $865,000, fiscal year 1946, for rivers and harbors, as proposed by the Senate.

Nos. 69 to 71, relating to the Judiciary: Appropriates an additional amount, fiscal year 1946, of $7,500, under the "United States Supreme Court," for preparation of rules for civil procedure, as proposed by the Senate, and increases the amount of $1,300 proposed by the House to $5,400, as proposed by the Senate, for repairs and improvements, District Court of the United States for the District of Columbia, and provides that not more than $3,600 of the amount proposed by the Senate shall be available for the provision of accommodations in the Municipal Court Building of the District of Columbia (civil branch) for activities of the District Court of the United States for the District of Columbia, as proposed by the Senate.

No. 72: Strikes out, as proposed by the Senate, title II of the bill, as passed by the House, appropriating for increased pay costs, in consequence of separate enactment of the provisions of such title subsequent to its passage by the House (Public Law 349, 79th Cong.).

Nos. 73 to 100, relating to judgments and authorized claims: Appropriates $13,612,426.04, as proposed by the Senate, instead of $11,416,526.59, as proposed by the House.

Nos. 101 to 103: Makes changes in title and section numbers, as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

No. 9, appropriating an additional amount of $22,000, fiscal year 1946, under the "Architect of the Capitol," for the Senate Office Building.

It will be proposed to recede and concur with an amendment modifying the current appropriation for salaries, Office of the Architect of the Capitol.

No. 40, authorizing the transfer to the Weather Bureau of surplus War Department articles necessary for Arctic weather stations.

It will be proposed to recede and concur in such amendment.

No. 46, transferring War Relocation Authority buildings on the Colorado River and Gila River Indian Reservations for housing Indian veterans on the Colorado River, Pima, and Papago Indian Reservations, Ariz., to be paid for by such veterans at such prices and terms as the Secretary of the Interior may determine to be reasonable.

It will be proposed to recede and concur in such amendment.

No. 62, providing that Federal agencies, on a reimbursable basis, may render aid to the United Nations in the way of supplies, equipment, and services.

It will be proposed to recede and concur in such amendment, amended to read as follows: ": *Provided further*, That until December 31, 1946, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies and equipment to the United Nations and,

when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization."

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the Part of the House.

Mr. CANNON of Missouri. Mr. Speaker, there is complete agreement on this conference report, not only between the two Houses, but among all members of the conference committee, the managers on the part of the House, and the managers on the part of the Senate.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. What the gentleman says is correct—there is complete agreement on this report all the way through.

Mr. CANNON of Missouri. Accordingly, Mr. Speaker, we have brought back four minor amendments, purely in response to the parliamentary requirements under the rules of the House. They are technical amendments which cannot be included in the conference report and which require consideration here. On two of them, we propose to move to recede and concur, and on the remaining two we propose to move to recede and concur with amendments. The bill carries as we present it to the House in this report $61,600,496.68. That is $9,682,672.31 above the House bill as it went to the Senate. The Senate made additions to the bill of $11,358,105.65, for most of which there was Budget support. Of the amount the Senate added, the Senate conferees receded on $1,686,663.34.

May I say, Mr. Speaker, in response to the remarks of my distinguished friend, the gentleman from Mississippi [Mr. RANKIN] that the country is not in the financial position it was before the war. We are now in debt to such an extent that if the United States were a private business corporation it would be thrown into the hands of a receiver. The amount that we owe is such a large percentage of our actual assets that we are faced with the urgent necessity of retrenching expenditures if we maintain public credit.

Mr. Speaker, the dominant issue before the country today is how soon can we balance the budget. I am in accord with my good friend, the gentleman from Mississippi, on the importance of commemorating the glorious victory of 1814. But it is much more important that we maintain the financial integrity of the Nation in 1946. I trust the Members of the House will cooperate with the Committee on Appropriations in this program. We have a hard enough time among ourselves in agreeing upon these economies and in reaching agreement upon these reductions in Federal expenditures. When we present a report proposing to exercise some reasonable economy and pave the way to tax reduction, I trust it will have the support of the Members of the House.

Mr. Speaker, unless the gentleman from New York desires to speak or unless someone else wishes time, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 9: Page 4, line 3, insert the following:

"Senate Office Building: For an additional amount, fiscal year 1946, for maintenance, including the objects specified under this head in the Legislative Branch Appropriation Act, 1946, $22,000, to remain available until June 30, 1947."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate No. 9 and concur in the same with an amendment as follows:

"Before the period at the end of the matter inserted by said amendment, insert the following: ': *Provided*, That, effective May 1, 1946, the appropriation for salaries, Office of the Architect of the Capitol, contained in the Legislative Branch Appropriation Act, 1946, shall provide as follows: For the Architect of the Capitol, Assistant Architect of the Capitol (whose compensation shall be at the rate of $7,000 per annum), Chief Architectural and Engineering Assistant, and other personal services at rates of pay provided by law; and the Assistant Architect of the Capitol shall act as Architect of the Capitol during the absence or disability of that official or whenever there is no Architect, and in case of the absence or disability of the Assistant Architect, the Chief Architectural and Engineering Assistant shall so act; $66,700.' "

Mr. CANNON of Missouri. Mr. Speaker, this amendment as amended provides for certain changes in the Office of the Architect made necessary by the recent retirement of Mr. Horace D. Rouzer, who has served as Assistant Architect over a long period of years.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 40: Page 18, line 12, insert the following: ": *Provided*, That in the conduct of meteorological investigations by the Weather Bureau in the Arctic region, the War Department is authorized in the fiscal year 1946, subject to the approval of the Director of the Bureau of the Budget, to transfer without charge to the Weather Bureau materials, equipment, and supplies, surplus to the needs of the War Department and necessary for the establishment, maintenance, and operation of Arctic weather stations."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment No. 40 and agree to the same.

This is an amendment in the interest of economy and is concurred in by all managers on the part of the House.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 46: Page 22, line 20, insert the following: ", and there is transferred to the Bureau of Indian Affairs, without exchange of funds, such buildings constructed by the War Relocation Authority on the Colorado River and Gila River Indian Reservations as the Secretary of the Interior may determine to be necessary to provide suitable housing for Indian veterans on the Colorado River, Pima, and Papago Indian Reservations, Ariz.: *Provided*, That any building materials transferred to the Bureau of Indian Affairs under this authority shall be sold to Indian veterans at such prices and terms as the Secretary of the Interior may determine to be reasonable, and the amounts received shall be paid into the Treasury as miscellaneous receipts."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate, No. 46, and concur in the same.

The amendment is self-explanatory.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 62: Page 36, line 7, insert the following: "Provided further, That until July 1, 1947, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies, equipment, and services, including personal services, to the United Nations and, when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment No. 62 and agree to the same with an amendment which I send to the desk.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate, No. 62, and agree to the same, with an amendment reading as follows:

"In lieu of the matter inserted by said amendment, insert the following: " ': *Provided further*, That until December 31, 1946, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies and equipment to the United Nations and, when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization.' "

Mr. CANNON of Missouri. Mr. Speaker, the Senate amendment deals with the supply of both personal services and material. In the conference report we agree as to material but not as to personal services.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

EXTENSION OF REMARKS

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my remarks in two instances, in one to include a paper delivered by Federal Judge Moskovitz; and in the second, to include a letter I received from Edward J. Quigley, acting postmaster of Brooklyn.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein two splendid editorials, one entitled "The Grand Old Man," the other entitled "Record Is the Platform of the Democratic Party," relating to our distinguished colleague, the gentleman from North Carolina [Mr. DOUGHTON], and which appeared recently in the News and Observer of Raleigh, N. C.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CHURCH asked and was given permission to revise and extend the remarks he made earlier today and include part of a letter.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1947

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes.

Pending that motion I ask unanimous consent that general debate on the bill continue throughout the day, the time to be equally divided between the gentleman from Ohio [Mr. JONES] and myself, and that the first paragraph of the bill be read before the Committee rises.

I understand, Mr. Speaker, this is agreeable to the gentleman from Ohio [Mr. JONES].

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6335, the Interior Department appropriation bill, 1947, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Oklahoma is recognized for 15 minutes.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the Interior Department appropriation bill for the fiscal year 1947, which is now before you, has been by all odds the most difficult and in some respects controversial annual supply bill which has been reported out of the appropriations committee during my entire service on that subcommittee, starting about a dozen years ago.

Before proceeding to a general discussion of the bill, I would like to say a few words concerning the members of the subcommittee who have given so generously of their time and worked long and arduous hours in committee hearings and in the marking up of the bill; hours which they could have spent advantageously working in their offices and in their own interest, rather than performing this rather thankless service, which, however, is a patriotic service for the country. I refer to the gentleman from Ohio [Mr. KIRWAN], the gentleman from Arkansas [Mr. NORRELL], the gentleman from New York [Mr. ROONEY], the gentleman from Ohio [Mr. JONES], the gentleman from Iowa [Mr. JENSEN], and the gentleman from Idaho [Mr. DWORSHAK]. In this connection, I want to express sincere regret that we are losing the services of the gentleman from New York [Mr. ROONEY], who has received a new subcommittee assignment. He is able, hard-working, and we have found that he gets to the bottom of things. He has been succeeded by another young, able, and highly capable member, the gentleman from Tennessee [Mr. GORE]. I feel that we have been particularly fortunate in securing such an able successor to the gentleman from New York.

Mr. TARVER. Mr. Chairman, will the gentleman yield for a moment?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Georgia.

Mr. TARVER. Mr. Chairman, before the gentleman leaves that portion of his remarks which has to do with the services of the subcommittee, I want to say to him as one member of the full Committee on Appropriations, not a member of his subcommittee, that I appreciate very deeply and I am sure that appreciation is shared by the entire membership of the House, the very capable and efficient service that the gentleman from Oklahoma [Mr. JOHNSON], has rendered for so many years in connection with the preparation of this bill. The country is to be congratulated upon the result of his efforts to effect economies and to handle in a wise way the many difficult problems that come within the jurisdiction of his subcommittee. I want him to know that I for one appreciate the success with which he has handled these many problems.

Mr. JOHNSON of Oklahoma. I thank the distinguished gentleman from Georgia, and I accept the compliment on the part of every member of the committee who worked equally as diligently and as capably as did the Committee Chairman.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished gentleman from Kentucky, Chairman of the great Military Affairs Committee of the House.

Mr. MAY. Mr. Chairman, may I say to the gentleman from Oklahoma that I had no idea he was going to pay tribute to the other members of the committee. Of course, modesty forbids him saying anything about himself, but, being fully advised on the subject, I would like to say that for several years it has been a matter of common knowledge around here that the gentleman from Oklahoma has been the champion of economy, particularly with reference to the appropriation bill that comes from the subcommittee of which he is chairman. I want to share in the expressions of appreciation for his fine services.

Mr. JOHNSON of Oklahoma. I thank the gentleman from Kentucky from the bottom of my heart for his very kind and generous statement which I freely confess is entirely too generous so far as I am concerned.

Before entering into a discussion of the bill permit me to say that Members of this House who availed themselves of the opportunity of visiting their districts during the brief Easter holiday recess, report almost without exception that they found their districts more economy-minded than ever. This week I returned from a brief trip to the Sixth Congressional District in Oklahoma, which I have had the honor to represent in Congress for the last 10 terms. In 9 days in the district I covered nine counties. I did not make a political speech while in the district but I did hold many conferences, political and otherwise, with various groups on numerous subjects affecting the welfare of the people whom I am endeavoring to represent. In every conference held by me with every group, whether they represented farmers, stockmen, businessmen, veterans, teachers, or others, without exception the question of economy was brought up. That the people are demanding and expecting rigid economy in Government, there cannot be the slightest doubt. Every group I met with made it plain they felt the time had come to cut and slash appropriations to the bone. I am confident that the Nation's taxpayers will approve that nearly 50 percent slash in appropriations for the Interior Department, a reduction which is unprecedented for any annual supply bill since the period of World War I.

Returning now to a discussion of the bill, Members may be interested to know that the hearings this year extended over a period of 6 weeks and that it required a full week to complete marking up the bill at the conclusion of the hearings. The hearings cover 2,600 printed pages. The primary reason for such extended hearings is, of course, due to the fact that the budget estimates provided for unprecedented increases in nearly every agency provided for in the bill. Also, inclusion of the controversial item for initiation of construction of power transmission facilities by the Southwestern Power Administration is responsible for a very substantial increase in the size of the hearings.

In view of the important and, in several instances, controversial items which we were required to pass upon, I believe that it is definitely to the credit of the subcommittee in charge that we have been able to reach an agreement on all items in the bill and that there was unanimous agreement on all items with two or possibly three exceptions.

It is with pride and pleasure that I am able to report to you that the time consumed in lengthy hearings was put to good use and that we are now pre-

senting to this House a bill with reductions in the budget estimates reaching the unprecedented total of nearly 50 percent. I am certain that our committee has established a record in savings greater than in any regular annual appropriation bill during my rather extended period of service in the Congress. If you will turn to page 3 of the committee report you will find a table giving the reductions recommended by the committee in the budget estimates, and it shows substantial cuts in every activity. In some cases the reductions are well in excess of 50 percent, but in others the cuts are not so great. I measure my words when I say that no agency is hurt or even crippled. It might be of special interest to give a statement of the totals in the bill as compared with budget estimates and last year's appropriations. Here they are:

The committee considered budget estimates totaling $346,765,000.

The committee recommends appropriations totaling $174,652,000.

The committee recommends reductions under the budget estimates totaling $172,113,000.

The bill is $24,200,000 less than all appropriations for the current fiscal year, including deficiency and supplemental appropriations.

In mentioning deficiency and supplemental appropriations, let me say at this point I have a definite feeling that Members of this House, and the country generally, are getting pretty well fed up with the practice of some agencies of Government persistently imposing upon the Appropriations Committee by rushing in to the Deficiency Committee for supplemental appropriations. Departments and agencies of Government got by with that undesirable practice too many times during the war, although the distinguished chairman of that great committee repeatedly warned certain agencies to live within their revenues. When they felt that their appropriations were cut too severely, the practice of too many agencies was to rush in at what we call the back door, or the Deficiency Committee on Appropriations, of which I have the honor to be a member, and plead that their activity was vitally connected with the war effort, and that the appropriation in question was of urgent necessity for the promotion of the war and the committee often would resolve any doubt in favor of the appropriation. As a consequence many of the departments and agencies abused the privilege until we saw appropriations mounting upon appropriations. As objectionable as the practice of rushing in for a lot of extra funds under the guise of national defense was during the war, it is especially repugnant and indefensible at this time. The time is at hand when Congress must tell the various agencies and departments of Government that, after weeks of hearings and careful and fair consideration, a committee recommends, and this House approves, an appropriation for an agency or activity that the agency in question must definitely understand once and for all that, whether it likes it or not, except for some unforeseen actual emergency, they must operate for the next fiscal year for the amount provided in the regular bill and not get the idea there is an open season the year around for them to rush in the back door—the Deficiency Subcommittee—for additional appropriations with the excuse that they have suddenly discovered alleged emergencies.

Returning again to the discussion of the bill, the decrease of more than $24,000,000 under 1946 appropriations is due to the committee's determination to reduce requests for funds to the minimum and to the further fact that the recent supplemental appropriation for reclamation construction amounting to more than $80,000,000 for the current year, will, in large part, not be required at the present time due to restrictions in building caused by veterans' housing, and will continue available into the next fiscal year.

The unprecedented reduction of more than $172,000,000 in the Budget estimates is also accounted for by the insistence on the part of the committee that demands for expansion in every activity in the Department be held down to the minimum, as well as to the recent restriction on building materials and supplies in order that priority may be given to veterans' housing. This order will undoubtedly result in the substantial slowing up of construction items in the bill. On examination of the Budget estimates during hearings on the bill we found that every bureau was asking for a substantial increase above what they had during the war. In many agencies the increase requested by the agency ran well in excess of 25 percent. Needless to say, we have eliminated a very substantial proportion of these increases and in some instances we have made reductions in existing personnel and activities.

If you will examine the hearings, you will note that time after time I asked the witness appearing for the agency if he had heard the war was over. The fact that many of the agencies in the Department were permitted to have a mushroom growth during the war seems to have spoiled them. Now, some of such agencies seem determined not only to maintain themselves at wartime levels but actually asked sizable increases over the amounts expended at the peak of the war.

To give you the over-all picture in man-years, let me point out that for the present year the total authorized employment for the entire Department is 37,131, and that for the next fiscal year the budget estimates propose an increase to 48,924, or 11,793 additional man-years. I am pleased to report, we have made reductions which will result in the denial of nearly all of these proposed increases.

I am sure it is the sentiment of Members of this House that the time has come for real economy in the expenditure of funds by the Interior Department. Merely because approval was given to substantial increases for several bureaus during the war who were actively engaged in work essential to the war effort is no reason or excuse for continuing those extra wartime activities. It was a source of surprise and discouragement, therefore, to be confronted this year with estimates which would continue many of these national defense activities on a wartime basis. A little later in my remarks I shall refer to two or three bureaus in particular where this unjustifiable situation exists.

At this point it is only fair to Secretary Krug to say that these unprecedentedly large estimates were prepared under the direction of a certain former Secretary of the Interior. Only recently a new Secretary has taken office. Many of us are hopeful that the Department, under the dynamic leadership of Secretary Krug will be operated on a new basis and that inefficiency and extravagancy in some agencies will be replaced with economy and efficiency.

One of the outstanding examples of what I have heretofore referred to as requests for bigger and better appropriations is that for the Division of Geography which, prior to the war, was provided for at the annual rate of approximately $8,000. The budget estimate for this activity, which has received greatly increased funds during the war period, was $82,000. In reducing the amount in the bill to $12,956, we are allowing a moderate increase over prewar appropriations.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 15 additional minutes.

May I stop here just long enough to say this: Several years ago a very able and bright young man came to Washington from a Midwest State. He did not have a job, so he called on a former Secretary of the Interior and evidently sold him on the idea that what he needed most was a new set-up called the Division of Geography. Incidentally, he pointed out that down in my State there was a town by the name of Okeene, which I may say is a very splendid town inhabited by a fine progressive God-fearing people. He had found a map, so he said, where the name was spelled O'Keene instead of Okeene. This well-meaning gentleman came before our committee after some 10 or 12 years as head of this Division and pointed out that during these years he had actually eliminated the apostrophe from the name of that Oklahoma town. If he has done anything else as far as my State is concerned, I have not been advised what it is. Again he evidently sold himself or his work to the Army during the war and managed to get himself 69 employees where he had had 3 before the war, and these employees were paid, of course, out of Army funds. But imagine our surprise when this bright energetic young gentleman came before the committee at this time in this postwar period when we are trying desperately to balance the Federal budget and asked us for $82,000. He is getting $12,956, which is more than he received in the prewar days. The point I am trying to make here is that many departments of Government have not heard that the war is over. This committee is attempting to say to the various departments of government to get back somewhere near prewar levels.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I am glad to yield to the distinguished gentleman from California.

Mr. JOHNSON of California. In line with what the gentleman is saying, is the gentleman going to point out to the Members that there is inefficiency? If there is, I do not know about it, to be frank. Is there inefficiency in the handling of construction funds and in the building of dams, canals, and things of that kind? I would be interested in what the gentleman has to say with reference to that.

Mr. JOHNSON of Oklahoma. I will be glad to discuss that when I reach the Reclamation Service. But in answering the gentleman specifically, I would say as far as I know there has not been any inefficiency in the handling of funds for construction on the part of the Bureau of Reclamation. Under the fine leadership of the Commissioner of Reclamation, Hon. Harry Bashore, who recently retired, I am glad to say that the Reclamation Service has done a very good job in the construction of dams. But someone said long ago that Rome was not built in a day, and all of the many reclamation projects that we would like to construct at once cannot possibly be built in 1 year. I do not mean to leave the impression that I am not defending the position of the committee. The Reclamation Service now has, or had in January of this year, a backlog of $135,000,000. Let me remind Members that the last deficiency bill that was passed by the Congress in 1945 carried an appropriation for the Reclamation Service totaling more than $80,000,000. I insisted that they have every dollar of that so they could start up construction work as soon as possible. They still have that money. They have a tremendous backlog. I say to you, upon my reputation as a legislator, that although some projects may be slowed down a bit that in my judgment it is going to be difficult in some instances to spend all of the money in the next year that this committee is making available, which totals over $200,000,000 including the $135,000,000 backlog.

Mr. JOHNSON of California. I thank the gentleman for the statement that he has made. In my particular area, the Reclamation Service has built a great many different parts of the Central Valley project. I have always been of the impression, and I am glad the gentleman agrees with me, that they have handled their funds economically, efficiently, and capably.

Mr. JOHNSON of Oklahoma. May I say to the gentleman that so far as construction items are concerned they have done a fine job. There are some criticisms that can be leveled at the Reclamation Service. However, if the gentleman will read the report of the committee, he will find what they are. Their Information Service, for example, clearly needs a considerable overhauling, which we have attempted to do.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished Chairman of the Committee on Irrigation and Reclamation.

Mr. MURDOCK. It is not about irrigation that I want to speak now nor with reference to any other specific detail of the bill. I heard what the gentleman said a moment ago about now being the time to economize. But he did not stop there and place a period at the end of that thought. He said that now is the time to economize as we consider this bill for the Interior Department. Why begin to economize on this bill? Is it true that the House has already appropriated over $8,000,000,000 and in so doing cut only $180,000,000 below the Budget estimate prior to bringing this bill out? If so, this bill itself, cutting nearly $180,000,000 below the Budget estimate is more cut than all the others together. Evidently we forgot to economize on previous bills and we are beginning now on the Interior Department bill, if my information is correct.

Mr. JOHNSON of Oklahoma. I cannot agree with the gentleman that other committees have not economized, and that this is the first step toward economy. But even if I did agree with him then this unprecedent cut could be justified. As I stated, I am a member of the Deficiency Appropriations Subcommittee and I have heretofore criticized some of the deficiency appropriations that have come to us, but that committee has consistently economized under the leadersip of our able chairman, who for years has insisted that we economize in every way humanly possible.

No, this is not the first stroke of economy, even though, as I said, this committee has cut this supply bill deeper than any other annual supply bill since I have been a Member of Congress.

Mr. MURDOCK. Are my figures substantially correct in this gentleman's judgment?

Mr. JOHNSON of Oklahoma. I am not certain that I understood the gentleman's figures. This bill is cut $172,000,000 below the Budget estimates.

Mr. MURDOCK. The other figure, however, is about right, that $8,000,000,000 have been appropriated.

Mr. JOHNSON of Oklahoma. Does the gentleman refer to all previous appropriations?

Mr. MURDOCK. For the various appropriation bills which we have considered, and that amount is about $180,000,000 below the Budget estimates. That is the comparison I was trying to make.

Mr. JOHNSON of Oklahoma. I thank the gentleman for his valuable contribution which further emphasizes the drastic cuts made in this bill, all of which I freely admit.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished chairman of the Committee on Appropriations.

Mr. CANNON of Missouri. In response to the suggestion of the gentleman from Arizona, I would like to call attention to the fact that on some of the appropriation bills it is not possible to make these spectacular reductions, because we had not had these spectacular estimates. Take, for example, the Treasury and Post Office Departments. Those are matters in which salaries constitute the principal appropriation, and they are fixed by law. It is impossible to reduce them below that amount. But, as the distinguished gentleman from Oklahoma [Mr. JOHNSON], chairman of the subcommittee, has well said, corresponding reductions have been in order. However, I want to compliment the gentleman from Oklahoma, and to say that, as far as I can recall, he has made the largest percentage reduction below the Budget estimate of any annual supply bill I have seen brought into the House since I have been a member of the Committee on Appropriations. The entire Committee on Appropriations compliments him on the splendid work he has done, and I am sure the membership of the House will approve.

Mr. JOHNSON of Oklahoma. Permit me to add that the distinguished chairman might have also pointed out that nearly $5,000,000,000 of the $8,000,000,000 referred to by the gentleman from Arizona [Mr. MURDOCK] was for the Veterans' Administration. I am sure the distinguished gentleman from Arizona would not be critical of the Congress because it has given the Veterans' Administration every dollar that General Bradley and his helpers said was needed. I assure him that I am not apologizing for having approved and voted for nearly $5,000,000,000 for the Veterans' Administration, and if it take $5,000,000,000 more to take care of our disabled veterans, their widows and dependents, I am sure a vast majority of the Members of this House would not hesitate to vote sufficient funds to do so.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield further?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MURDOCK. The gentleman is exactly correct. He and I are of the same mind with regard to these appropriations for veterans, but it is because of appropriations that would redound to the benefit of veterans contained in this bill that I am raising the question that I am, and I shall raise it a little later.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to, my distinguished colleague, from Arkansas, a member of the committee.

Mr. NORRELL. The distinguished gentleman has answered the question that I was about to propound, but I wanted to ask what part of the cut could the gentleman from Arizona make in the appropriation. The $5,000,000,000 for the veterans accounts for a great part of the appropriations which he says have not been decreased. May I say that the flood-control estimate was nothing like this. It was only about one-third. I am a member of that committee and I am interested in flood control. The committee cut flood control $52,000,000, including cuts in my own district.

Mr. JOHNSON of Oklahoma. I thank the gentleman from Arkansas, a sincere and able member of this committee. I also congratulate the gentleman on his fine record for rigid economy. There is not a more economy-minded Member of Congress than the distinguished gentleman from Arkansas. It is true that he voted for cuts for projects in his own district, and when a man does that he cer-

tainly is sold on the need for real economy.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes; I yield to the distinguished gentleman from Utah.

Mr. GRANGER. It seems to me, Mr. Chairman, that every time we come to make appropriations which have to do with the farms of the country and with the development of our natural resources, then everybody gets busy and wants to balance the Budget. Invariably that happens. I congratulate the committee on the fine work it has done, but I think they have gone too far in making drastic reductions on items that I am quite sure the members of the committee were not familiar with. When we reduce and then on the other hand justify, the great appropriations we all run to cover. We talk about the veterans. Everybody is in favor of appropriations for the veterans, but this is a matter that does affect the veterans. This is a postwar program that was understood as such, recommended by the President, by the Bureau of the Budget, to meet an emergency that might come in the future, and this committee has gutted the whole program in my opinion.

It is always fitting that people stand up here and praise the committee, and it is not difficult to do when there is nothing in the bill which happens to affect the Member's district; and it is deserving and a fine thing that it is done. I am very much disappointed, however. I believe the committee has exercised good judgment in some matters and for that I respect them, but I think in this instance they have gone too far, and I believe that many of these items should and will be put back in the bill.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes.

I appreciate the gentleman's suggestion that it is difficult to vote for economy when the reduction affects one's own State or congressional district. I can well understand the gentleman's attitude. But frankly, I would rather be charged with cutting too deeply on the matter of appropriations than to be charged with being extravagant. I am not surprised at the criticism. In fact I realized full well that when we brought this bill here there would be criticism; but my hide is getting pretty tough. I do not object to the criticism; rather I welcome it. I know that when you cut a project in your colleague's own congressional district in which he is vitally interested, that you are getting on dangerous territory. One who objects to criticism, constructive or otherwise, should not set on the Committee on Appropriations, for he is certainly going to be criticized. I wish to say to the gentleman, however, in as kindly a manner as I know, that he is not the only Member of this House that has had his own project cut. For example, in the State of Oklahoma, a State which has only one reclamation project, the gentleman will find that project is cut as deeply as any other reclamation project in the United States. I shall be surprised if we do not hear a protest from the Congressman from that district before the day is over. We do not have one yardstick for the gentleman's district and another for Oklahoma.

Mr. GRANGER. Mr. Chairman, will the gentleman yield further?

Mr. JOHNSON of Oklahoma. I yield to my distinguished and able friend from Utah.

Mr. GRANGER. I think that is true. I do not think the committee was partial at all. As I said a year ago, I do not think they used a hatchet then, they used a shotgun and hit everybody who was within range. That is true, but I still think a lot of the cuts are ill-advised.

In preparation for a thing like this I believe we ought to have started a long while ago when the House passed a bill reducing taxes by $6,000,000,000, money that had already been collected. Then was the time to have been talking about balancing the budget and economy. There were only about 35 of us who voted against that indefensible bill.

Mr. JOHNSON of Oklahoma. That is a good speech and I hope it gets back to the gentleman's district. I also hope that more subcommittees will get out their shotguns as well as their hatchets in making future appropriations.

And now I want the gentleman to know that I was one of the 35 who voted with him to reduce the $6,000,000,000 in taxes.

Mr. GRANGER. I know the gentleman did.

Mr. JOHNSON of Oklahoma. So I was for economy, then, too.

Mr. GRANGER. So was our distinguished chairman.

Mr. JOHNSON of Oklahoma. I thank the gentleman.

Now I am going to talk about another agency of the Department that I feel I ought to mention, and I hope it will not be taken in a personal way by any Member present, especially my good friends from the grazing States.

Mr. RIZLEY. Mr. Chairman, before the gentleman leaves this subject to get into another, will he yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished gentleman from Oklahoma, who is rendering valuable service to the State and Nation.

Mr. RIZLEY. May I say that perhaps the country got somewhat of a new lease on life when it read the AP dispatches this morning to the effect that the Appropriations Committee had actually commenced to do something about balancing the budget and getting back to a peacetime basis. The thing that disturbs me, however, is not the fine work the gentleman's committee has done in this respect, but so many times I find that we are only doing a lot of shadowboxing on bills of this kind. We go ahead and do our duty here in the House, as we have on some other appropriation bills; but what is going to happen when the horse trading starts over on the other side of the Capitol? Is the committee that has brought in this bill today, when the horse trading is through over there, going to stand pat, if we may use an expression that we use down in Oklahoma, when this thing comes back after conference, or are we just doing some shadowboxing today for the benefit of the country? Are we actually going to keep this appropriation down or are we going to make a big showing over here? After they get through with it over there and it comes back, is the gentleman's committee going to say, "This is the bill that we passed. We know we can make these reductions; we have made them and we are going to stand pat on them?" Of course, I know all legislation is a matter of compromise. I do not mean we should not get together with the other body. Perhaps we should or should not do some of the things referred to by the gentleman from Utah [Mr. GRANGER]. But are we going to permit the other body to put them back in and make us the laughingstock of the country over here?

Mr. JOHNSON of Oklahoma. I might say to the gentleman, my able colleague from Oklahoma, that I endeavor to religiously observe the rules of this House and never talk about a certain body at the other end of the Capitol. Certainly I would not say anything that might be construed as a reflection on any Member of that distinguished body. But the gentleman has put his finger on a very important problem. I know the gentleman has raised the point in all sincerity and the only frank answer I can make to him is that you can only judge the future by the past. What has happened to the Interior Department appropriation bill in past years? It will be recalled that a year ago the Interior bill went from here to another body at the other end of the Capitol, where millions of dollars were added, or attempted to be added, to the bill. But I call attention to the fact that the House conferees stood their ground in a remarkable manner and the bill as finally enacted last year, except in a few instances, was virtually as it passed the House. I am sure the gentleman realizes that all legislation is a compromise. I am not saying to any Member here that when the bill goes to the other end of the Capitol that if the House conferees are shown that they have not given sufficient funds for any agency that we will still say that the bill must come back exactly as it passed the House. Of course, it will not come back exactly as it passed the House. I might add that it is my guess that it will not be returned from the other end of the Capitol with any drastic reductions. That is the most satisfactory answer I can give to the gentleman.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield again to the distinguished gentleman from Utah.

Mr. GRANGER. I was wondering if this drastic cut is not brought about by the fact that the other body does occasionally increase the recommendations of the House and if that does not influence our committee to cut to the bone with the thought that the Senate will increase them.

Mr. JOHNSON of Oklahoma. No. I think I can say to the gentleman that the members of this committee are sincere and the action of our committee is not based upon what another body may

or may not do. We listened for about 6 or 7 weeks during very arduous hearings to many, many witnesses. We had some 25 or 30 Members of Congress who appeared before the committee, and I might say that practically all of them requested increased appropriations. Then we gave the Department what we actually thought they were entitled to and what they could operate on. We do not pretend to be all wise or superhuman. But the committee feels that it knows more about the actual conditions after all these hearings than a committee that has only had short or superficial hearings.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Wyoming.

Mr. BARRETT of Wyoming. I might say to the gentleman that it appears to me that this terrific cut in appropriations, made at the expense of the people of the West, will go over to the other body at precisely the same time that that body has voted a loan to Great Britain of something over $4,000,000,000.

Mr. JOHNSON of Oklahoma. I cannot see that the loan to Great Britain would enter into any discussion here. I may have something to say on that subject at a later time and the gentleman will well understand my position.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself an additional 10 minutes, because I think this is a matter in which a great many people are deeply interested.

I cannot admit, however, that this cut is being made at the expense of the people of the West. I live in the Middle West and am interested in the welfare of the people all over the country. I might say it is a cut at the expense of some bureaucrats who are on the pay roll out West and here in Washington who are rendering little actual service to the people of the West or to the Government of the United States. I repeat that this cut is not made at the expense of the people of the West.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Nebraska, and then I would prefer to finish what I have to say, and then I will yield when I get through to any and all if you stay long enough.

Mr. MILLER of Nebraska. As a member of the Committee on Irrigation and Reclamation, I have been somewhat concerned about the reduction of the funds to the Reclamation Bureau. We are interested in developing irrigation in 17 Western States. Does not the gentleman feel that the cuts made in the bill here might hold up or entirely eliminate further development of irrigation in the Western States?

Mr. JOHNSON of Oklahoma. Not at all. We are giving them a whale of a lot more than they had before the war. They have a sizeable carry-over. As I said a moment ago, they have $135,000,000 now, or did have in January, and I measure my words when I say it is doubtful that they can spend all the money we gave them. Is that not right?

Mr. MILLER of Nebraska. No; I think the gentleman is wrong.

Mr. JOHNSON of Oklahoma. Of course, I did not expect the gentleman to agree with me.

Mr. MILLER of Nebraska. There are new projects in Nebraska, for instance.

Mr. JOHNSON of Oklahoma. Oh, yes; there are many, many projects surveyed, not only in Nebraska but also in Oklahoma, that would be fine, but we cannot have them all at one time.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield further?

Mr. JOHNSON of Oklahoma. Oh, yes; I yield.

Mr. MILLER of Nebraska. We are making surveys on the Niobrara River and the Loop River and the Platte River in Nebraska. Irrigation has not been developed out there, and I can see in this bill where that type of work will be held up and stopped, probably entirely.

Mr. JOHNSON of Oklahoma. Oh, no. I do not share the gentleman's fear that reclamation will stop where it is wanted and needed.

Mr. MILLER of Nebraska. I do not want to see that done, because if irrigation is developed it puts water on the land and returns millions of dollars to the taxpayers by reason of the development of irrigation projects.

Mr. JOHNSON of Oklahoma. They have been developed because this committee is irrigation and reclamation minded. I might remind him that there has been more progress in reclamation in the last 8 or 10 years than there had been in all of the previous 80 or 100 years. This committee has not been niggardly in the matter of reclamation projects.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from California.

Mr. ELLIOTT. I want to compliment the chairman of this committee and the other members of his committee for the fine work they have done year after year in behalf of irrigation and reclamation. I want to say to the gentleman that I think part of our trouble has not been the fault of this committee. In my own congressional district in the State of California, in the Central Valley project, there has been a carry-over of funds, year after year, as much as $10,000,000, and the fault is not the fault of the committee; it is the fault of the Bureau of Reclamation, Department of the Interior, for not spending the money that the committee has provided year after year, and that is why we are receiving the cuts, I believe, at the present time. Is that correct or not?

Mr. JOHNSON of Oklahoma. Yes. The gentleman has made a very fair statement. From time to time when we have made some cuts in appropriations for the Reclamation Service we have been told they were ruined, just absolutely ruined, yet, I think I can say almost without exception, they have not been able to spend all the money we have given them.

Mr. ELLIOTT. I appeared before the gentleman's committee time after time asking for sufficient funds to complete all features of the Central Valley project of California, and at all times the committee has provided those funds but the Department of the Interior has failed to follow-up and spend them.

Mr. JOHNSON of Oklahoma. The gentleman is correct again, as he always is. We are always glad to have the gentleman appear before the committee because he always has valuable information.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from California.

Mr. PHILLIPS. Along the same line as the question of the gentleman from California [Mr. ELLIOTT], I notice on page 19 of the committee report on the item having to do with the All-American Canal that that request was cut from $5,500,000 to $2,384,000, although in the same paragraph at the bottom of page 19 the committee itself mentions the urgent necessity for water in that area. There is nothing further in the report about it. I wonder if the chairman can enlighten me as to why, in view of the acuteness of the water situation there, the appropriation was still cut, because the chairman will remember, as he has been very much interested in this himself and very helpful in the past, that we have been trying to get this construction for something like 8 years.

Mr. JOHNSON of Oklahoma. I will say to the gentleman that his is not the only important project in the country. There are many of them. I said a moment ago that the committee was reclamation-minded. The committee is interested, and has gone a long way to make available needed appropriations. But I think the gentleman will find the appropriation given this year compares favorably with the appropriation in prewar years.

I may say that the Clerk has just advised me that the unexpended balance on the Central Valley project is $34,011,079, as of January 1, 1946.

Mr. PHILLIPS. Does that same sheet show anything for the All-American Canal as to the unexpended balance?

Mr. JOHNSON of Oklahoma. I would have to look it up, I can tell the gentleman in a moment. Here it is. The unexpended balance on the All-American Canal is $3,558,817 as of January 1.

Mr. PHILLIPS. I thank the gentleman very much.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield further?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MILLER of Nebraska. On the Missouri River Basin development, I notice there has been a $13,470,000 reduction. I wonder if there is some carry-over of the Missouri River Basin funds that required that reduction.

Mr. JOHNSON of Oklahoma. Yes; I am glad the gentleman has asked the question. There is a $12,304,000 carry-over in the Missouri Basin, as of January 1.

Mr. MILLER of Nebraska. The gentleman knows that is a new project just coming in for a great deal of work and study. It is ready to move. It is a big project.

I also notice there is a reduction of $481,000 on the Sidney (Nebr.)-Gering power line. I wonder if there is a reserve there that would hold up the development of that line. I know the farmers in western Nebraska, Colorado, and Wyoming are very eager to get some REA power, and they are looking forward to it. If this amount is to be taken out of the bill, then it seems certain they will not have any development of REA in that particular area.

Mr. JOHNSON of Oklahoma. I realize full well that the question of transmission lines is a very controversial one. If this committee had given the Department of the Interior all the transmission lines it asked for, we certainly could not have made any appreciable showing in the matter of economy as we have been able to do. The committee did not feel that the transmission line to which the gentleman refers is so urgent as to be justified at this time from this appropriation.

Mr. MILLER of Nebraska. It will be pretty hard to convince the farmers of western Nebraska that it is not needed.

Mr. JOHNSON of Oklahoma. The farmers may be right. They usually are. But if they are like Oklahoma farmers they will find a way to get funds through the Rural Electrification Administration.

Mr. MILLER of Nebraska. I might remind the gentleman that the farmers pay the money back with interest when it goes into this type of work.

Mr. JOHNSON of Oklahoma. That is true, but let me state to you that under the law the rural electrification people can build their own transmission lines. They can apply, as I stated a moment ago, to the Rural Electrification Administration in the Department of Agriculture. If they have a good case, they can get the money. It was only a few weeks ago that as a member of the Appropriations Committee I offered the amendment for an extra $100,000,000 for the REA. There is not a man in the House of Representatives who has gone further for REA than have I. But to say that all transmission lines must be built by the Department of the Interior and handed over to the REA is a different thing altogether. Farmer members of the REA co-ops can build the transmission lines in the gentleman's State as they are doing in other States of the country. Of course, they will pay for these transmission lines. Farmers who want this service are anxious and willing to construct and pay for such lines, with interest at 2 percent. They are doing that in four different rural-electrification cooperatives in the district I represent in Congress.

Mr. MILLER of Nebraska. This will prevent the development of the REA in western Nebraska.

Mr. JOHNSON of Oklahoma. Well, I do not follow the gentleman. I cannot understand how it will bar farmers from western Nebraska. I say to you again, they can go down to the Department of Agriculture and see Mr. Wickard, the REA Administrator. They can get the money if they have a good project. If they do not have a good project, they are, of course, not entitled to it anyway.

Mr. MILLER of Nebraska. The gentleman knows the Government does not give the farmers these electrical transmission lines.

Mr. JOHNSON of Oklahoma. No; I did not intend to leave such an impression.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes.

Mr. JOHNSON of California. The gentleman mentioned that in the Central Valley fund there will be at the end of the fiscal year $34,000,000.

Mr. JOHNSON of Oklahoma. I did not mean to say that would be left at the end of the year. There was that amount at the time they came before our committee.

Mr. JOHNSON of California. In any event, there will be a substantial sum left?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. JOHNSON of California. Is all that money earmarked for specific construction or may some of it be used for transmission lines, for instance?

Mr. JOHNSON of Oklahoma. I am of the opinion it is all earmarked. I am informed that in the last 3 years it has been earmarked.

Mr. JOHNSON of California. So if there is no provision in that item for transmission lines, all we can hope to get is what is in the bill, unless the bill is amended?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished gentleman from California.

Mr. VOORHIS of California. There are two points that I would like to bring out. I must say I find myself in rather substantial agreement with the point of view expressed by the gentleman from Utah. It seems to me in the case of some of these functions of the Department of the Interior, the committee has been much too severe. We have a new Secretary of the Interior whom I think we all hope to see make a great success of his administration of that Department.

Mr. JOHNSON of Oklahoma. I agree with the gentleman that he is a dynamic, able man, and we want to help him.

Mr. VOORHIS of California. I know the gentleman does. In the case of the General Land Office, I believe the committee cut the General Land Office about $125,000, which was not as severe as it cut some other agencies. But is it not true that at the moment and in the coming year the General Land Office will inevitably have a much heavier load of work than it has had for a long, long time?

Mr. JOHNSON of Oklahoma. That is correct, and they were given more money than they had last year, about $90,000 more, if I remember correctly.

Mr. VOORHIS of California. I understood it was cut below the Budget estimate.

Mr. JOHNSON of Oklahoma. Yes; like all other items, it was cut below the budget, but I would remind the gentleman that these Budget estimates came here requesting three times as much for the Department of the Interior as they asked for a year ago, which is absolutely unreasonable, inexcusable, and indefensible.

Mr. VOORHIS of California. At the present time, however, the General Land Office is having to work its people overtime in order to get their work out. It seems to me it is to our interest to have that work done efficiently.

Mr. JOHNSON of Oklahoma. I agree and will add that I feel that it is doing its work efficiently at this time.

Mr. VOORHIS of California. I think it is, too, but I am afraid that the appropriation has been cut so severely that they cannot continue to do their work efficiently. The other point that I wanted to ask the gentleman about was on the same point that my colleague the gentleman from California just raised having to do with transmission lines.

The gentleman probably knows what my point of view is, namely, that we should allow for the construction of such transmission lines as are essential to the efficient operation and economical unity of projects where we have already expended millions of dollars in the development of hydroelectric power. I believe it is true that the committee, all through the bill, has restricted the possibility of the construction of such transmission lines. Is that not true?

Mr. JOHNSON of Oklahoma. I cannot agree with the gentleman. When they made a case, like Hungry Horse-Kerr Dam project, we have given them the money—every dollar they asked for. I could mention several others, including the Davis Dam project, Fort Peck project, and the Missouri Basin project.

Mr. VOORHIS of California. Does the gentleman contend that in California the transmission lines there are not an integral part of the effective operation of that project?

Mr. JOHNSON of Oklahoma. Some of them are and we have allowed some money for them, but when they come in here and ask for two transmission lines, double transmission lines to parallel and duplicate a private line, either constructed or under construction, I say to you that cannot be defended, from my point of view. That is one of the things that was requested in this item for transmission lines in the Central Valley that if allowed will ultimately run into many millions of dollars.

Mr. VOORHIS of California. In a place where a private line will itself build such a line unless we build, it is a part of the project.

Mr. JOHNSON of Oklahoma. Oh, they are even asking for lines not only where they say they will build them, but where they are in the process of building them and have already constructed lines. We had photographs showing that they are asking for a great transmission line within exactly the same area where a private line has been constructed and is now being operated.

Mr. VOORHIS of California. If the gentleman will bear with me a half minute more, I would like to say that my whole viewpoint is concerned that we should not construct, at great public expense, a huge generating system and dam, and then turn that power over immediately at the dam for distribution by private agencies.

Mr. JOHNSON of Oklahoma. I agree with the gentleman.

Mr. VOORHIS of California. And prevent the farmers and other people in our communities from getting the benefit of it.

Mr. JOHNSON of Oklahoma. I agree with the gentleman, and the committee is not doing that.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. FERNANDEZ. The gentleman said, and I agree with the gentleman, that where communities want to build lines, they can borrow the money from the Department of Agriculture. But the gentleman recognizes that in many cases the electricity has to be carried 70 or 80 miles. They cannot borrow the money for that purpose. Their lines will be useless unless power can be carried to the point where it can be used.

Mr. JOHNSON of Oklahoma. I agree with the gentleman, and this committee has O. K.'d and there have been built more than 2,700 miles of transmission lines in the Bonneville area alone and there are funds in this bill for additional lines there. For those who persist in saying that the committee is against the building of all transmission lines under any and all circumstances, they simply do not know the record.

Mr. FERNANDEZ. I will say to the gentleman the committee gave us some money to build some lines, and we appreciate it, but I wanted to clear the point.

Mr. JOHNSON of Oklahoma. I thank the gentleman. Now I wonder if I may be able to continue uninterrupted until I can finish?

Mr. GRANGER. Mr. Chairman, will the gentleman yield briefly first?

Mr. JOHNSON of Oklahoma. Yes; despite my request just made, I will again yield to the gentleman from Utah.

Mr. GRANGER. I wonder if the committee has ever taken time to break down this whole appropriation, to know how much of it is actually reimbursable?

Mr. JOHNSON of Oklahoma. Oh, yes. The committee has a great deal of information on that.

Mr. GRANGER. How much of this appropriation would actually be poured down a rat hole, so to speak?

Mr. JOHNSON of Oklahoma. Well, it is to be hoped that none of these funds will be poured down a rat hole. That is exactly what this committee is trying to prevent. In the Indian Service, for example, a great deal of it is supposed to be reimbursable. Some of it has not actually been reimbursable, but we thought it was for a good cause. It would be impossible to give the gentleman a figure that would be satisfactory. If the gentleman has reference to reclamation construction, of course, it is reimbursable. I have never charged that any such projects were in the category of money being poured in a rat hole.

Mr. GRANGER. So, as a matter of fact, when we talk about these great reductions, it is only a matter of bookkeeping, after all? It is not a matter of economy.

Mr. JOHNSON of Oklahoma. No. I cannot agree with the gentleman. If the gentleman had gone through the bill, he would not make that statement. When we cut the Reclamation Service more than $94,000,000, that is not a matter of bookkeeping. That is an actual cut. When we drastically reduced the Information Service, that overstaffed set-up will soon find it is not a mere bookkeeping reduction.

Mr. GRANGER. I do not think anybody would object to what the gentleman has just said; that is perfectly proper.

Mr. JOHNSON of Oklahoma. If the gentleman will turn to page 10 of the hearings he will find the information he wants as to where the revenues are coming from the Department of the Interior.

GRAZING SERVICE

Now, for a few minutes I wish to talk about something that the gentleman who has been interrogating me will be interested in, the Grazing Service.

The Grazing Service was established under what is known as the Taylor Grazing Act. Because of the admiration and affection that many of us had for the distinguished and lamented late chairman of the Appropriations Committee, Hon. Edward Taylor, of Colorado, and because we were convinced that there was need for some sort of service, this Congress passed the Taylor Grazing Act in 1934. It passed it after a certain former Secretary of the Interior appeared before committees in Congress and assured us that it could operate on $150,000 a year and that it would be self-supporting. Over and over we were told that the Grazing Service would be self-supporting.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes.

The first year after the Congress had made an appropriation of $150,000 as requested, there was expended for the service $250,000. The Department did not live within the limits that this committee and the Congress had been promised faithfully it would take to operate the Grazing Service. This committee said then in the early stages of the Grazing Service that it must be self-supporting. But what did the Grazing Service do? They went out and practically turned it over to the big cowmen and the big sheepmen of the West. Why, they even put them on the pay roll, and they had meetings at 57 or 58 places.

Mr. GRANGER. Sixty.

Mr. JOHNSON of Oklahoma. I thank the gentleman for the correction. So it is 60. As usual I was a bit conservative in my statement. It set up some 60 suboffices or subregional offices throughout the five grazing States. Then they had to have a lot of meetings and these bigshot cowmen and sheepmen would come and make speeches and have their expenses of about five bucks a day paid by the Government. Anyhow, it is common knowledge that they practically have been running the Grazing Service. They did not choose to assess grazing fees that were anywhere comparable to the fees the other people pay.

Imagine our surprise to find them charging 1 cent for sheep per month and I believe 5 cents each for cattle. They have made a joke out of the Grazing Service. Well, what our committee complains about is, that up has gone the demand for appropriations year by year; and year by year the committee has said, "Get your house in order. Live within your income. Be self-supporting." But they have refused and failed to do so or to make any serious effort in that direction.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Sorry, not now.

Imagine our surprise when the Grazing Service came before the committee this year and asked for not $150,000 according to the understanding made with the Congress when the bill was passed; not $300,000, not $900,000 or $1,000,000, but more than $1,700,000. They told this committee that was the least they could operate on efficiently during the next year. We asked the head of the Grazing Service: "What about your fees? Have you raised them yet?"

His answer was: "No; we have not raised them."

There were certain individuals who apparently had sufficient influence to prevent any effort along that line.

I will tell you what this committee did. It leaned backward to be fair to the Grazing Service and I am going into some detail about that because it is the thing some of these gentlemen are so strenuously objecting to. We are told today that this committee is going against the people of the West. Now, let us see about that.

The committee finally found out what they had raised in fees and we found that the share of the Federal Government amounted to $425,000. Instead of eliminating all appropriations for the Grazing Service, as we were tempted to do, instead of giving them $150,000 that we promised, we gave them $425,000, the amount that they collected and which goes to the Federal Government, and we said to the Grazing Service: "Live up to your contract; live within your revenues," and by the eternals, they are going to do it whether they like it or not.

We have no apologies to make for having cut the Grazing Service back to where they should have been cut long ago. We hope that a year hence they will get their untidy, mismanaged and disorganized house in order. So much for the Grazing Service.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes—once again—I yield to the gentleman from Utah.

Mr. GRANGER. I want to say to the gentleman that is the thing I was talking about when I said I was sure that

the committee was not familiar with that part of the bill.

Mr. JOHNSON of Oklahoma. I think we are much more familiar with it than the gentleman knows. We are thoroughly familiar with it.

Mr. GRANGER. The statement the gentleman has just made fully convinces me he is not familiar with it.

Mr. JOHNSON of Oklahoma. All right. What are the facts? If I have misstated the facts in any way, take the microphone and give us the full facts.

Mr. GRANGER. In the first place, this is not and never was intended to be a program for a few big cattlemen.

Mr. JOHNSON of Oklahoma. That is true; it was not intended to be that way, but I am fearful that it has worked out that way.

Mr. GRANGER. It has not. As a matter of fact, there are 22,000 individuals, small operators, the majority of which operate less than 200 head of cattle or a comparable number of sheep—22,000 of them. There never was a time when this committee, or any other committee, made a bona fide agreement that there should never be any increase in appropriations.

Mr. JOHNSON of Oklahoma. I am afraid the gentleman has not read the record.

Mr. GRANGER. I know considerable about the record.

Mr. JOHNSON of Oklahoma. Does the gentleman deny that a former Secretary of the Interior promised the Congress to operate the Taylor Grazing Act on $150,000 per year? Does the gentleman deny that statement? That was my statement No. 1. Is that not a matter of record?

Mr. GRANGER. I do not know.

Mr. JOHNSON of Oklahoma. I was afraid the gentleman did not know that part of the record.

Mr. GRANGER. I know that is the record, but the gentleman should know that the man of whom he is talking is about the only honest man there is in the United States.

Mr. JOHNSON of Oklahoma. Well, I have heard that the gentleman in question freely admits that he is honest.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. ROONEY. With regard to the statement of the gentleman from Utah a while ago, is it not the fact that there are a considerable number of large ranches interested in this Grazing Service and that according to the figures of the Grazing Service itself 75 percent of the stock on this public range is owned by 23 percent of the licensees or permittees?

Mr. JOHNSON of Oklahoma. That is the record. You cannot go behind the record. You can talk about how many people there are, but when you find that 75 percent of the cattle and sheep are owned by 23 percent of the people, that is the answer.

Mr. GRANGER. That is the very question at issue and that is the reason we had the Taylor Grazing Act passed. It was to protect 80 percent of the small operators against these people the gentleman refers to. If you continue to do as you do in this bill, you will throw the whole thing over to these people you are talking about. That is the reason the bill was passed originally. It was not passed out of sympathy for Ed Taylor. It was passed because there had been a demand for the last 20 years that something be done to protect the small operator.

Mr. JOHNSON of Oklahoma. The gentleman evidently misunderstood me. I did not state that the Congress passed the act because of sympathy for anyone. But I repeat that because of the admiration and affection that members of this committee had for Ed Taylor, and because we were convinced of the need for such service, that the Congress passed the Taylor Grazing Act back in 1934. We have been sorely disappointed, and I might say that in my judgment Ed Taylor would turn over in his grave if he knew how this outfit had mismanaged the administration of the Taylor Grazing Act.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. TABER. I have been told that the fee that is paid for sheep is 1 cent per month and 5 cents for cattle.

Mr. JOHNSON of Oklahoma. I am ashamed to say that is true.

Mr. TABER. Is that anything like what it ought to be?

Mr. JOHNSON of Oklahoma. Oh, no; and let me say it is about one-fifth of the charge made by the Forest Service.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. BARRETT of Wyoming. In the first place, when the Taylor Act was passed, the preamble stated that among other reasons it was for the purpose of stabilizing the livestock industry.

Mr. JOHNSON of Oklahoma. That is right.

Mr. BARRETT of Wyoming. All right. Now then, what has happened to the livestock industry throughout this war? Our sheep population has gone down from 49,000,000 head of stock sheep in 1942 to 37,000,000 head today, the lowest since 1920. Furthermore, the records of the Tariff Commission show that during 1944 the sheepmen lost $1.22 on every head of sheep and lost 10 cents a pound on every pound of wool they produced. I might say to the gentleman that the sheepmen are the main users of this grazing land.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 10 additional minutes, if I have that much time left.

The CHAIRMAN. The gentleman having consumed 1 hour, it will require unanimous consent. Is there objection to the gentleman from Oklahoma proceeding for 10 additional minutes?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I have been very generous, I believe, in answering questions, and therefore did not realize that I had consumed the entire hour. I think it is only fair to myself and to the committee I represent to continue for a few minutes longer because there are some other things, aside from the Grazing Service, that I would like to discuss, and I do not feel justified in again yielding until I have finished what I have to say. I realize some of you gentlemen are making some excellent speeches for the people at home, and I hope they all find their way back to your congressional districts.

Mr. BARRETT of Wyoming. Would the gentleman be interested in getting the facts before the House?

Mr. JOHNSON of Oklahoma. Now does the gentleman contend that I have not given the facts?

Mr. BARRETT of Wyoming. In some respects the whole facts have not been properly presented to this Committee.

Mr. JOHNSON of Oklahoma. Then I shall be glad for the gentleman to make another speech and give the full facts as he sees them.

Mr. BARRETT of Wyoming. Let me answer the gentleman.

Mr. JOHNSON of Oklahoma. Well, let us see. Fact No. 1 is that the Congress had an ironclad promise that the Grazing Service could and would operate on $150,000 per year. Fact No. 2 is that that promise has not been kept.

Mr. BARRETT of Wyoming. Will the gentleman let me answer that point?

Mr. JOHNSON of Oklahoma. In a moment. Let us see about the facts. They have not kept faith with Congress. They have not functioned on $150,000 per year. When the gentleman says that he is anxious to get all the facts before the House, it will take a lot of time to explain away facts Nos. 1 and 2. He has made some excellent stump speeches here. No doubt they will be fine for home consumption. That's all very fine, but what about the facts? If I have misstated or given the wrong inference to any fact, the gentleman will please say where it is.

Mr. BARRETT of Wyoming. All right. Let me answer the gentleman.

Mr. JOHNSON of Oklahoma. All right.

Mr. BARRETT of Wyoming. When the Taylor Act was passed some 10 years ago there were 72,000,000 acres then under the supervision of that agency. Now the Grazing Service is administering in its own right 142,000,000 acres. In addition to that they have been loaded up with some 20,000,000 additional acres controlled by other departments of the Government.

Mr. JOHNSON of Oklahoma. That is a good statement. Of course it does not change in the slightest degree fact No. 1 or fact No. 2 or any other statement made by me.

Mr. BARRETT of Wyoming. That is a fair statement, is it not?

Mr. JOHNSON of Oklahoma. Oh, yes. That is a fair statement. I am not objecting to the statement, but what connection does that have with facts No. 1 and No. 2? For the reason that the acreage has been increased the committee has been liberal in making past appropriations. Even now the committee

is giving nearly three times as much as the Grazing Service originally requested. But I say to you that this Grazing Service must be self-supporting. We have told them over and over and over again, and they do not believe we mean it. Does the gentleman condone 1 cent per month as being a fair grazing fee for sheep? Please answer yes or no.

Mr. BARRETT of Wyoming. I wish the gentleman would give me the time and opportunity to tell this committee why these fees are not out of line. In view of the difficult condition of the wool growers, I certainly do condone that fee.

Mr. JOHNSON of Oklahoma. Well, I do not see how the gentleman can condone or approve such a ridiculously low grazing fee, but maybe his answer will tickle the ears of his home folks.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. The gentleman will have plenty of time to make his speech afterward; I am sorry I cannot yield. I am going to talk about something else now.

INDIAN SERVICE

I want to make a brief reference to the operation of the Indian Service. Members know I have criticized the Indian Service in the past and will probably criticize it in the future. We had inefficiency, we had overlapping, we had about the worst department, except for the Grazing Service, of anything I know anything about, in the Indian Service up until about a year ago. However, I am glad to say we have a new Commissioner of Indian Affairs. He is a bright young lawyer, and I think he is trying to do the best he can for the Indian Service.

He came before the committee and said, "If you will permit us to make certain consolidations, we believe we can improve ourselves, make a more efficient set-up, and do it on less money." We told him we would let him make those consolidations, but we wanted not only consolidations in the appropriations in the bill but consolidations of their activities. The people living in the States having heavy Indian population would like to know that when their local Indian agent makes a decision it will not take several weeks or months to find out whether that is the final decision of the Indian Bureau. So I am glad to say the Indian Service is consolidating some 41 agencies into 5. They say they can improve their efficiency, and can do it more economically. We are giving them a chance to prove what they can do. Whether or not they will be able to do it is a matter of conjecture. I hope they will be able to improve the service and do it more economically.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Under the proposed reorganization, would they have subagencies around, or would the activities be centered in the five big regional offices?

Mr. JOHNSON of Oklahoma. We are told that hereafter most of the final decisions will be centered in the five big regional offices, but, of course, they will still have their local Indian agencies. I may say that these regional offices will be located at Minneapolis, Billings, Portland, Phoenix, and Oklahoma City.

I now desire to make brief reference to the operation of the Indian Service in the Territory of Alaska. During the past summer members of the Subcommittee on Interior Department Appropriations made an inspection tour of Alaska. Because of the lack of time and the vast area to be covered the committee visited only some of the outstanding areas, or, perhaps, I should say a few of them, in Alaska. However, as a result of that inspection trip this committee has made some far-reaching changes in this bill with reference to the Territory. Since some members may not have read that part of the committee report relating to Alaska I will insert a portion of it in the RECORD at this point:

It is estimated that of the total number of inhabitants in Alaska about one-half or 32,000 are natives—Indians, Eskimos, and Aleuts. The Indian Bureau appropriation supports a program that provides medical care, dental care, hospitalization, and other treatment to substantially the entire native population. During a recent visit to Alaska by the subcommittee in charge of the bill it was learned that more than 4,000 cases of tuberculosis exist primarily among the natives in the Territory, a large percentage of which require hospitalization, and that less than 300 beds are available for the care of such persons. On its return to Washington the subcommittee recommended that every effort be exerted by the Department to secure surplus or abandoned army or naval hospitals in the area which would afford some relief and regrets that it is unable to report any definite accomplishment up to the present time. However, it is understood that one or more prospective locations have or soon will be declared surplus and the Indian Bureau has sent representatives to Alaska to investigate these possibilities with a view to including authorization for the transfer of essential properties to the Indian Bureau for use before this bill is finally enacted.

While in Alaska during the past summer the subcommittee in charge of the bill had the pleasure of meeting and observing the work of Mr. Don C. Foster, general superintendent of the Alaska Native Service, who has occupied the position for approximately 1 year. Mr. Foster also appeared before the subcommittee during recent hearings on the bill and gave valuable, first-hand information concerning the Alaska native service. He has impressed members on all occasions as being particularly well qualified to perform the duties of his office, that he is doing so in an exceptionally fine way, and members who know him have confidence that he will continue to reflect credit upon himself and the service.

Perhaps the most important change in the bill as it affects Alaska is that pertaining to the road and highway situation, and I should like to call your attention to the recommendations of the committee in that connection. Members of the committee who visited the Territory during the past summer spent a considerable portion of their time examining existing highways and areas where new roads were contemplated or under construction. I feel sure that every member in our group came away with the firm conviction that the most urgent need in Alaska is the development of new roads to open up areas where agriculture, mining, and other enterprises may be undertaken. During hearings on the bill it was stated by Governor Gruening that the Territory has paid 25 percent of the cost of highway construction, including secondary roads, the remaining 75 percent having been provided by the Federal Government.

Assuming that the Governor's figures are accurate, the committee has inserted in the bill the sum of $1,092,000 for surveys and for road construction, together with a provision requiring the Territory to cooperate on the above-mentioned basis, that is, the Territory will put up $1 for every $3 appropriated by the Federal Government. We feel that the construction of the proposed highways, and particularly the roadway to the splendid agricultural community of Homer on the Kenai Peninsula, which the committee visited, will open up new farming areas and be of real assistance in the development of the Territory.

I might add that members of the committee who visited Alaska were amazed to find that the fishing industry, for example, had taken out $60,000,000 a year from the waters of Alaska and had actually returned to the Territory only about $1,000,000 per year for the opportunity of doing so. We found that the mining industry had taken out of the mines of Alaska approximately $380,000,000 in gold and returned very little to the Territory in the form of taxes for that right and privilege. We found that the fur industry in Alaska had made considerable sums for some men in the fur business and yet they have paid to the Territory of Alaska practically nothing in taxes. What this committee is saying to the Territory of Alaska, even though about 95 percent or possibly 98 percent of the land in Alaska is nontaxable, they do have much more wealth than many realize, and they must help pay for any future highway or road construction or improvements that they get in Alaska. We feel it is fair. We feel the provision in question will be a good thing for Alaska and for the country.

BUREAU OF RECLAMATION

The committee considered Budget estimates totaling $166,894,000 for the Bureau of Reclamation and, in recommending $72,271,000, has effected a reduction of $94,622,000. This reduction is the most sizable cut we have made in the estimates. In making a reduction which might at first appear unduly severe and drastic I should like to call your attention to the fact that on January 1, 1946, there was an unexpended balance of $135,376,000 available for the construction of reclamation projects. If the 1947 estimate of $147,330,000 is added to that unexpended balance it will be seen that a total of $282,000,000 would be available for reclamation construction during the 18-month period beginning January 1, 1946. This latter sum would provide funds at a rate far in excess of prewar appropriations and whatever justification may have existed for such a large Budget submission has been since eliminated by the recent order giving priority to veterans' housing insofar as the purchase of building materials and supplies is concerned. In view of this situation the committee called on the Com-

missioner of Reclamation to submit a revised construction program giving his best estimate of where savings approximating 50 percent could be made with the least hardship. The reductions in the construction items in the bill are made in accordance with the program outlined in the Commissioner's letter with two exceptions. You will find a break-down of the Budget estimates and the amounts recommended by the committee for each project set forth on page 17 of the report of the committee.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. The committee felt under the circumstances that we were rather liberal toward the Reclamation Service. I mentioned a while ago that one or two of the agencies of the Government had mushroomed during the war. I want to tell you about one of them.

GEOLOGICAL SURVEY

During the war period the Geological Survey devoted a very considerable portion of its time to the location of deposits of minerals and ores needed in connection with the war, and performed mapping and other work highly important to the war effort. Last year the committee called attention to the approaching end of hostilities and expressed the belief that substantial reductions should be made in several appropriations which had been inflated during the war period. It came as a real shock to the committee, therefore, to find that this agency had asked for and had actually convinced the Bureau of the Budget that a very substantial increase over and above wartime appropriations was justified. The Budget estimates presented to the committee totaled $13,166,000 or about $5,400,000 more than current appropriations. An even more striking example of skyrocketing appropriation requests can be given by calling attention to prewar appropriations for the Geological Survey which were slightly in excess of $3,000,000 in the fiscal years 1939 and 1940. We have recommended reductions totaling $5,172,000 in the estimates and are firmly opposed to an increase in the amounts recommended in the bill.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. FERNANDEZ. Does not the gentleman think it would be proper to do all this work in peacetime? The gentleman does not think there is going to be another war now, does he?

Mr. JOHNSON of Oklahoma. I do not think there is any nation on the face of the earth that could start a war with this Nation now during the next several years. But, on the other hand, I agree with the gentleman that we are not going back to prewar appropriations so far as the Geological Survey or Bureau of Mines is concerned. Let me call the attention of the gentleman to the fact that before the war the Bureau of Mines received about $2,500,000 annually. Now they propose to increase the sum to $20,000,000 for the fiscal year 1947. They had $17,000,000 last year. The Geological Survey is not asking quite that much. We have only cut $5,000,000 below the Budget estimate for the Geological Survey. We have been very liberal in this bill with the Geological Survey.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. KNUTSON. Information has come to me that the Geological Survey is drilling for water in competition with private drillers. What has been done about that?

Mr. JOHNSON of Oklahoma. I regret to say that the committee has also received several such reports so it must be true, The committee has called their attention to the fact more than once, that they were reported to be drilling for water for domestic use.

Time after time we have called their attention to the fact, but they have gone right ahead drilling water wells for domestic use. So we have placed a provision in this bill. It appears on page 51 of the bill, and it prohibits them from drilling wells for domestic use in the future. It reads as follows:

Provided, That no part of the funds appropriated in this paragraph shall be used for the drilling of water wells for the purpose of supplying water for domestic use.

Mr. KNUTSON. That is very commendable.

Mr. JOHNSON of Oklahoma. I do not believe anybody can say that it is the intent of Congress that the Geological Survey is to go into the business of drilling wells for domestic use, nor is it for military purposes now, or future.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HOOK. I did not know that the Bureau was operating along those lines, but I happen to come from a mining district where the mines have, through their operations, practically spoiled every domestic water supply. The local communities certainly cannot do it. I am happy to know that the Bureau had enough foresight to at least go in and try to help that out in some way. I certainly hope this limitation will not be put in this bill.

Mr. JOHNSON of Oklahoma. It is interesting to know somebody will defend that kind of work. I will say to the gentleman from Michigan that reports came to us, not only from his State but from several other States, protesting against this very thing.

Mr. HOOK. Well, I would not doubt that at all. I would like to know the source of it first, though.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MURDOCK. Did I understand the gentleman to say that the bill provides no drilling shall be done by the Geological Survey?

Mr. JOHNSON of Oklahoma. Oh, no. It does prohibit drilling for domestic water, in competition with private well drillers. They are actually competing now with private water well drillers, according to reports.

Mr. KNUTSON. And doing it for nothing.

Mr. JOHNSON of Oklahoma. And doing it for nothing.

Mr. MURDOCK. I quite approve of that, but I want to make clear that the Geological Survey is making a study of underground water supplies, which are very essential in an arid country. If we do not have that investigation we are going to be lacking in scientific and necessary data at some future time.

NATIONAL PARK SERVICE

Mr. JOHNSON of Oklahoma. We now come to the National Park Service. Members know I have repeatedly commended the Park Service. While I have been critical of the Interior Department in the past, I want to commend the Park Service for doing a good job. They did a good job before the war, they did an excellent job during the war, and they are functioning well and efficiently at this time.

War conditions caused a greater reduction in the activities of the National Park Service than any other activity in the Department. Many parks and other areas were virtually placed in the hands of a caretaker, and appropriations and personnel were reduced to a minimum. Visitors in the park areas dropped from 21,000,000 in 1941 to a low of 7,000,000 in 1943. It is expected that the number of visitors in the 1946 travel season will equal or exceed the 1941 record. In recognition of this situation the committee has recommended some increases for personnel necessary to handle the additional visitors and to perform essential operation and maintenance work. For the first time in several years funds are being provided for construction of roads and trails and parkways, the sum of $4,250,000 being included for roads and trail construction, and $7,500,000 being recommended for continuation of construction of the Blue Ridge and Natchez Trace Parkways. A few minutes ago the distinguished gentleman from Mississippi criticized the committee rather severely for failure to give the full amount for the Natchez Trace Parkway. The committee did make a considerable cut in that item, as it has in practically every other item in the bill, but this committee has recommended $3,000,000 for the Natchez Trace Parkway, which compares favorably with appropriations made before the war.

I wish to assure the gentleman from Mississippi and others that the committee has not discriminated against the Natchez Trace Parkway, and that the appropriation in the bill for this project is comparable to the appropriations provided for it when construction was in progress prior to the war.

FISH AND WILDLIFE SERVICE

Another agency of government that we have also commended is the Fish and Wildlife Service. In expressing our sincere regret for the retirement of Dr. Gabrielson who for many years has been Director of the Fish and Wildlife Service,

I am sure I am voicing the sentiment of every member of our committee. Dr. Gabrielson has raised the efficiency of the service to a high standard and increased the morale and spirit of the organization. The committee has been impressed with his great knowledge of things relating to his work and his enthusiasm for them, and regrets very much that he has decided to retire to private life. We wish for his able successor, Mr. A. M. Day continued success and a long tenure of useful service.

We have approved an appropriation of $8,235,000 for the Fish and Wildlife Service, which is $2,873,000 less than Budget estimates but considerably more than current year requirements. Most Members are interested in the item for Federal-aid in wildlife restoration. We have included $2,000,000 for this purpose, which is $1,000,000 more than was appropriated for the current year and $1,000,000 less than the Budget estimate.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes, and I am really going to make every effort to close.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SOUTHWESTERN POWER ADMINISTRATION

Mr. JOHNSON of Oklahoma. Next I come to the most controversial issue in the bill, the Southwestern Power Administration, in the southwestern part of the United States, including Oklahoma, Texas, Arkansas, part of Kansas, and, I believe, Missouri and Louisiana.

Mr. Douglas Wright, the very efficient and able Administrator for the Southwestern Power Administration, came before our committee and asked for $23,323,000. He placed a map on the wall showing exactly what he wanted. The report of the project which he submitted to the committee showed that he proposed to embark on a $200,000,000 power program. A part of his program the committee felt justified in starting; a part we felt was absolutely unjustified. If you will read our report you will find that we say so in no uncertain terms, that we say we do not propose to embark on a program that even approaches a $200,000,000 mark. It is rumored that an amendment will be offered to restore the full $23,323,000 or a substantial part of it. The committee has allowed $3,198,000 for the construction program during the next fiscal year. We believe that we have provided the primary and essential requirements for the present as well as for the immediate future.

We have recommended the construction of transmission lines for three areas, one going to northeastern Oklahoma toward the Grand River Dam where eventually, no doubt, the two dams, Grand River Dam and Denison Dam, will be tied together as one integrated project; another goes to southwestern Oklahoma to the largest, or one of the largest rural electrification projects in the State where it was testified there has been an actual shortage of power. In most of the other areas I do not think anyone can say seriously there is any now or has been a serious shortage of power or that there will be in the near future. Another line goes into northeastern Texas. It will assure the people of that area that never will there be a shortage of power or will the people be held at the mercy of any private utility. On the other hand, it refused to duplicate existing lines now owned and operated by private companies.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from California.

Mr. JOHNSON of California. Even though there is a competitive situation between public power and private power, is it not frequently the case that reports and studies indicate that the public power system will be reimbursed dollar for dollar to the public? If that be true, what difference does it make if you appropriate these moneys? All you are doing is acting as a financial agent for the benefit of the public. Of course, the public will ultimately get that money back. There is the additional fact, too, which we have experienced out in California, that the mere threat of some public power to serve a certain area has always reduced the private power rates. That occurred in Los Angeles, it occurred in the Central Valley and that seems to be the experience everywhere.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. I may say to the gentleman that has already occurred in this area. The prices have been reduced to a considerable extent. As I stated a moment ago, the fact that the committee has allowed three lines is sufficient evidence that the committee feels a little competition in that area might be helpful to the public, especially in the matter of guaranteeing future rates. But when the gentleman says that all we are doing is to act as a financial agent, I cannot quite follow him. If the committee should approve $200,000,000 to duplicate and parallel private lines in Oklahoma, Texas, Arkansas, and Louisiana, such action means that our real purpose is to take over all of the private utilities in the area. Maybe that is what some gentlemen desire, but that is not the view of a majority of our committee. This committee has provided for three lines, as I said, a big 132-kilovolt line from Denison Dam to Ada, Okla., and you will see in the report that this line will be continued to Markham's Ferry if and when the need is actually shown. But the committee was not convinced that there is any urgent need for building all the proposed lines, many of which would duplicate and parallel existing private lines.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. ROONEY. I wonder if the gentleman would qualify his statement by saying that a majority of the committee thought that way.

Mr. JOHNSON of Oklahoma. Yes, the majority of the committee felt that way about it. I want to make myself plain. This report, like some of the others, is not exactly as I would have written it. It was a compromise. It was the best compromise we could get. The gentleman from New York has at all times made his position clear.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. This record clearly shows that the Southwestern Power Administration does not intend to duplicate any lines, but it shows that the other lines refuse to cooperate with them to carry the load at reasonable prices until and unless this Congress shows that it is determined to see that the power is carried at a reasonable price, and when this Congress does that, those lines will cooperate with the Southwestern Power Administration, and there will be no duplicating lines built.

Mr. JOHNSON of Oklahoma. That is the gentleman's opinion.

Mr. FERNANDEZ. The record shows that.

Mr. JOHNSON of Oklahoma. The record is here, and the map is available. Both speak for themselves. No one can look at the map and then honestly say there have not been proposed any duplicating lines. My position favoring public power where it is actually needed or required is well known. My long fight for REA power projects is a matter of record. But I am unwilling to embark on a $200,000,000 program that will result in putting all private companies out of business.

Mr. FERNANDEZ. The record shows why that proposal was made, and until this Congress says that it is willing to and proposes to duplicate lines, if necessary, there will be a stalemate.

Mr. JOHNSON of Oklahoma. I made a statement a moment ago that Denison Dam has already been largely responsible for a reduction in power rates. The people appreciate the fact that it has done so, and the fact that we are building three lines out of Denison is sufficient evidence that we do not propose to turn Denison Dam power over to the private companies.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Washington.

Mr. HORAN. To clear up a question in my mind, I should like to know the

voltage capacity of the existing lines that are mentioned in this controversy.

Mr. JOHNSON of Oklahoma. The line from the Denison Dam to Ada toward Markham's Ferry is a 132-kilovolt line, the same capacity that Mr. Douglas Wright, the Administrator of the Southwestern Power Administration, requested. He got the kind of line he wanted, although not as much as he requested. Another line is a 66-kilovolt line that he wanted constructed to southwestern Oklahoma to some REA co-ops. Again he got the size of line he requested, and the line which he is sending to Texas—it is not mentioned—so I assume that he can build any line of any size that he and my distinguished Speaker agree upon. Does that answer the gentleman's question?

Mr. HORAN. Yes.

Mr. JOHNSON of Oklahoma. I want to thank you patient interested listeners. I am afraid I have now consumed about 1½ hours. Let me say in closing that if you approve of what this committee has done, if you really believe the committee has attempted to give more than lip-service in this matter of economy, and its serious effort to balance the Federal Budget, I am going to ask you one thing. Regardless of which side of the aisle you may be on, I am going to ask you to come in here when the bill is being read and support this committee in its efforts to defeat all amendments. You can see by the many questions asked, and the criticisms leveled at the committee, that every Member who has a project affected is dissatisfied with the cuts made. They all say they want economy except when it hits their own pet project. They say we have cut too deeply. There are people in my State who are also disappointed. They, too, want economy, strict and rigid economy, unless, of course, it hits their project. From their viewpoint the bill is cut entirely too deep. Of course, a lot of these projects are desirable. We wish we had funds to give everybody the money they are asking, but the time has come, with a $279,000,000,000 debt, that Congress must do something about it. I tell you, there is only one way to really economize and that is to cut and slash these appropriations. The taxpayers of the Nation are expecting Congress to cut appropriations, not next year, but now. Here is a real step in the right direction. If this House approves our action other committees will take courage to follow our example. I believe the House of Representatives will uphold our hands. If it fails to do so the sky will be the limit in future appropriations. We now leave the matter in your hands.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. JONES. Mr. Chairman, I yield myself 10 minutes.

Mr. JONES. Mr. Chairman, at the outset I want to say that I intend to support this bill. It is the kind of bill I have hoped for, prayed for, and worked for ever since I have come to Congress, and particularly since I have been a member of the Committee on Appropriations. I do not mean by that that I support every item in the bill or approve of every item as written in the bill, but by and large, as the chairman of the committee has told you, it is a compromise, and the over-all picture is so encouraging as far as the great need of the country is concerned in its fiscal and financial policy that I heartily support the entire bill. I will help the chairman and the other members of the subcommittee defend it to the best of my ability.

In the next place, I am proud of the record the subcommittee made in the some three-thousand-odd pages of hearings. I am proud because every page of it is a disclosure of information that the Congress ought to know about a great bureau of Government. I think you will find every member of the subcommittee has become acquainted with the items in the bill to the extent that he has been able to match wits with the witnesses for the Interior Department.

In connection with the over-all appropriation, you will note on page 60 of the report that the original Budget estimates for the Interior Department for the fiscal year 1947 are $346,765,830. The committee allows and reports in this bill now before you for consideration $174,652,579, which is 50.3 percent of the entire Budget estimate. Just think of the salutary departure this committee has made. If every committee of Congress had followed this precedent of this subcommittee handling Department of Interior appropriations, the $29,268,000,000 Bureau of the Budget estimates for the fiscal year 1947 reported so far to the Congress with request for appropriations the total appropriations for operation of the entire Government for the fiscal year 1947 would be reduced to some $14,729,804,000. That $14,729,804,000 of appropriations would come near approaching the prewar peacetime appropriation for the last year before Pearl Harbor, that is, with the Army and Navy appropriations included. I think the House should pause and take notice that this is the great need of America today. The great need of our country is to get down at least to pre-Pearl Harbor estimates, plus whatever increases in wages we have allowed in legislation and plus whatever the increased benefits to veterans in the appropriations to be administered by the Veterans' Administration. We recognize there have been at least 11,000,000 men in the armed services. I think the figure will be much higher than that because the ceiling of 11,000,000 does not mean there are only 11,000,000 men who have served in the armed forces. There has been a turnover of fighting men and women within that ceiling of 11,000,000 and the number of those actually who are veterans will probably be 16,000,000 men who potentially are recipients of aid in the fiscal years to come. Nobody wants to cut the veterans. Everybody wants to give the veteran his just due. We will never be able to pay our debt of gratitude, let alone the debt we may consider we owe the men in dollars and cents. We will never be able to pay them for the injuries that they have sustained. I am willing to go to any ceiling necessary to care for them. I am willing to go above the pre-Pearl Harbor estimates in order to take care of the veterans in any way that we should. The ceiling is unlimited, so far as I am concerned, in taking care of the veterans. I want that point to be clear. But, by the same token, we owe a much greater responsibility as Members of Congress and members of the Committee on Appropriations particularly to cut every other agency and activity of the Government to the core so that we do not break the Treasury of the United States. Continuing a policy of doing everything for everybody and giving everything to everybody and every nation, we will give to the veteran a financially bankrupt country. That is the reason I think it is time for the entire House to back up this subcommittee of the Appropriations Committee that has had the courage to report out a bill that is a return to some semblance of sanity in the spending of public funds. To you folks who think we have cut too much and too deeply into the Interior Department appropriation, I call your attention to pages 74 and 75 of volume 1 of the hearings. You will find there that the Department of the Interior has $230,692,993 as of the first of the year in unexpended balances appropriated in prior years which will be carried over and will be available in the fiscal year 1947. There will be more than the Interior Department can spend in the fiscal year 1947. But we must be practical. I think that the 50 percent that the committee has reported solely for the 1947 estimate now before you in this bill is the best that can be sustained on the floor of the House.

It is still too much, but I am for the committee's report and for the bill as reported, because it is a step in the direction that has been so long awaited by the unorganized, the patriotic American citizen who wants to keep the United States Treasury solvent and wants to keep the kind of America that you and I have known.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Miss SUMNER or Illinois. I think the action of this committee in cutting this bill has a better psychological effect toward preventing inflation than all the OPA would ever hope to do in the next year.

Mr. JONES. I thank the lady for her observation. I am entirely in accord with that point of view.

The remark was made earlier in the day that we were cutting the Interior Department bill and are willing to expend billions for the exterior. I think it may be said that a majority of the committee will vote for bigger cuts in the "exterior" spending programs, too. I hope that this bill—this committee frugality—is a start, that this will be a precedent, this will be the initial showing of courage needed to work on the rest of the appropriation bills as they come before the House.

On the appropriation bills on which I have worked earlier this year for the fiscal year 1947, increased personnel is allowed. If we continue that policy we will loose the country to bankruptcy just by accretion of bureaucracy alone.

There is one further fact that has not been discussed: The decrease in this bill over the fiscal year 1946 is $24,201,248.69. There is the milk in the coconut. We will never get back to peacetime expenditures unless we start cutting the personnel beneath the 1946 fiscal year, the present fiscal year. This committee has cut below that ceiling some $24,200,000. If you will look at the appropriation bills passed so far you will be aware there is an ever-expanding number of personnel on the Federal pay roll, for old John Q. Taxpayer to pay for. In addition to that comes the wage increases. In addition to that the public-expenditures programs. We cannot go on with the same kind of philosophy we have had in the past. I hope and I sincerely pray that the House will sustain the point of view of the committee and help save America.

I shall reserve the discussion of details of the bill until such time as amendments are offered to try to raise the amounts reported by the committee. If amendments are not offered to each item in the bill, of course there will probably be skips in the discussion as far as I am concerned, but I anticipate that when we see this bill again after it has passed the House, items in a great many instances will be ballooned by action at the other end of the Capitol. At that time I know that the record that has been made by this subcommittee in the more than 3,000 pages of hearings will sustain the position of the House, and then will be the time to make the fight.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JONES. Mr. Chairman, I yield myself one additional minute.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. MURDOCK. I understood the gentleman to say that he was in favor of anything for the veterans. I believe the gentleman stated that earlier.

Mr. JONES. Yes, sir.

Mr. MURDOCK. I notice only one item of many in the bill, for instance the Gila project in Arizona. The Budget estimate was $2,000,000, and the committee has reduced that to $867,210. The construction was cut out. If the original amount had been inserted, every bit of that difference would be construction for the benefit of veterans. That is what the law now provides.

Mr. JONES. I have the gentleman's question. In other words, the gentleman joins with the theory that every agency of the Government should be able to chisel in on the Treasury that the veterans' program may give in order to balloon their functions and expand their agencies. I do not go along with that theory.

Mr. MURDOCK. No. No.

Mr. JONES. I do not yield further. The Veterans' Administration is charged with the veterans' program and I am willing to vote every dollar necessary to take care of the veteran in veteran program legislation, but I do not mean to give to the Bureau of Reclamation or any other department of the Government a chance to expand and balloon their activities and personnel by exploiting the veterans.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. NORRELL. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, this bill, reported by the gentleman from Oklahoma [Mr. JOHNSON], chairman of the Subcommittee on the Interior Department, is one of the most extraordinary appropriation bills ever reported to this House within the memory of any man now on the floor. It recommends reduction of departmental requests for money by a larger percentage than any similar appropriation bill submitted to the House in the last quarter of a century at least. In that respect it marks, I trust, the turning point at which we can begin to break away from wartime spending, get back to a peacetime budget, to a businesslike administration of Federal finances, and to the rehabilitation of the national credit.

The gentleman from Oklahoma has served for many years in the House and with great distinction. So far as I can recall he is the only Member of the House ever to turn down an appointment offered by the President of the United States to the Federal bench, a lifetime appointment carrying a very substantial salary, a position of exceptional dignity and honor. He has declined the appointment in order to continue his service in this body.

It is a matter of deep gratification to all members of the committee that he has chosen to make this personal sacrifice of the security and permanency afforded by the Federal judiciary. As this bill indicates, he is greatly needed here in Congress where his experience and his wide knowledge of fiscal legislation is particularly valuable just at this time. One of the gravest of the many reconversion problems daily presented to the Congress, is how to provide money for the operation of the Government under the changed financial status in which we find ourselves following the war. Previous to the war we ranked as the wealthiest Nation in the world. We have, however, expended so prodigally during the war, not only in terms of dollars and cents but in terms of essential raw materials and natural national resources which can never be replaced, that it is important, and imperative, that we now take into account in writing these appropriation bills our ability to tax and the ability of the people to pay.

Strange as it may seem, although it should be a matter of common knowledge, there are apparently a great many who do not consider the situation to be any different following the war and following the accumulation of this vast debt than it was before the war when we owed comparatively little money and national resources were comparatively unimpaired.

Let us consider in that light the bill before us. You know, and I speak considerately, we could expend the total revenues of the United States Government today on this one bill. We could expend the entire national income on the items carried in this bill and not waste a dollar. It could be money well expended, it could be money which in days to come would return as bread cast upon the waters. So the proposition before us today is not whether the money provided in this bill or money which could be added to the bill by amendments offered from the floor would be well and advantageously spent.

The question is, Do we have the money to spend for such purposes at this time? I do not deny that any proposal made in the bill, or any proposal which may tomorrow be made in any amendment offered to the bill, might be money well spent and well invested. But, it is not a question of whether it would be money well invested. The question is, Do we have the money to invest?

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. NORRELL. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. CANNON of Missouri. Mr. Chairman, I am not saying there are Members on this floor who would be willing to spend the entire national revenue on Interior Department projects. I would not go that far. But I do say there are Members of this House who, judging by past performances, would be willing to increase the national debt in order to provide for projects in which particular sections of the country are interested.

We live under the greatest system of government the world has ever seen. It has been said, and very truly, that the Constitution of the United States is the greatest document ever struck from the mind of man. Our system of government, under the supreme test of experience, has produced in 150 years the wealthiest, freest, happiest nation history has even known. But democratic government has one defect.

Democratic government places too great a stress upon a Member of the House who, as is so frequently the case, must vote here on a matter in which there is a conflict between the national welfare and the selfish interest of some particular State or community or industry. Every 2 years he must submit himself to the voters of his district. And to expect him to come in here and register his vote on an appropriation to profit his constituents at the expense of the Government is putting him to the acid test.

I mention this because of the fact that the gentleman from Oklahoma who presents this bill, and I consider him one of the great men of the Nation, in character, integrity, and ability as well as in service in this body, has taken a position here which is difficult for a man in public life to take. He has cut the funds for his own State, he has cut the appropriations for his own district. He has voted against the appropriation of money to be expended in the immediate interest of the constituents who next November will vote on whether he shall return to this body. He does so because of his responsibility to the Nation as a whole. Mr. Chairman, there can be no greater test of statesmanship.

At this time I want to express what I am certain is the opinion of the committee and the sentiment of the House, our deep appreciation to the people of his congressional district for sending him here and keeping him here, and especially for persuading him to remain in the legislative branch of the Government when he had so tempting an offer to transfer to the judicial branch of the Government. He has made the Sixth District of Oklahoma one of the outstanding and influential districts of the Nation.

He is contributing materially to the work of the Committee on Appropriations in its effort to stabilize national finances, avoid inflation, maintain the purchasing power of the dollar, decrease taxation, and insure national prosperity founded on national solvency.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. JONES. Mr. Chairman, I yield 20 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, the American people are beginning to ask themselves who is boss? Is it Sidney Hillman or the American people, and where does Harry S. Truman come in? How long will this administration continue to sponsor the Fascist program of CIO-PAC? The time has come for a new declaration of independence.

America is in the throes of a revolution that threatens to send our economy into a tail spin. Ever since VJ-day the Nation has been afflicted with strikes and labor disputes which have all but paralyzed industry and stopped production. The unthinking are apt to lay all the blame upon the President when much of it should be laid at the doorstep of the New Deal leaders in Congress who, for 13 long years, have slavishly and blindly gone along with every pressure-group proposal from the White House, no matter how fantastic or dangerous.

That the American people at long last realize that the New Deal leadership in Congress and those New Dealers who have blindly followed them are also responsible is attested by the following telegram sent to New Deal leaders in both Houses of Congress:

ST. PAUL, MINN., *May 7, 1946.*

For many years you and your political associates have been in power at Washington. You have wielded tremendous influence. You have the power and the authority to wield that influence today. Your party controls the legislative and the executive branches of government. The power to act rests with you. You have written and administered the labor and the price-control codes under which the Nation is suffering today. You are responsible for the blundering and chicanery of the OPA. There should be no need for calling the roll of the tragic events that are robbing America of the basic necessities of life, food, shelter, and clothing. Many Europeans are starving today because American industrial and production processes have been bogged down. The people of the United States may soon share the plight of our neighbors overseas. You in Washington may have felt the fringes of the effects of the coal strike, but we farmers in the Midwest will be dumping milk and cream on the ground, or feeding it to hogs, within 2 weeks, unless the coal cars start rolling in at once. This is the flush season of dairy production—the season when milk and cream are processed for use in the 9-month season of decreased production. Tremendous amounts of fuel are needed to process dairy products, and the coal bins in our cooperative dairy processing plants are emptying rapidly. Many packing and poultry dressing plants will, of necessity, reject our livestock and poultry now awaiting market, unless their coal supplies are immediately replenished.

You know that coal miners are generously paid today—that the average wage in the anthracite fields is $1.25 an hour. Higher wages would be highly inflationary. We know, as you must know, that the sales tax or occupational tax the Lewis miners' union is attempting to impose, on top of the generous wage increases the operators are willing to grant, is contrary to the basic principles of good government. The power to tax rests with Congress. Taxes must not be diverted from the public treasury into the coffers of any organized group of American society.

If the Wagner Act passed by your party permits a strike of this kind, it is your responsibility to reform the act, so that it will serve rather than oppress the people. If the fault lies with faulty administration, you have the power to correct that. Your party has strong working majorities in both Houses of Congress.

You must realize now that this tremendous power has not been used in the interest of sound government and in the interest of the common people. Cannot you see that action must be taken now, and that responsibility for action rests with you and your party?

Nero fiddled while Rome burned. Better stop fiddling.

CENTRAL COOPERATIVE LIVESTOCK ASSOCIATION,
N. K. CARNES.
LAND O'LAKES CREAMERIES,
JOHN BRANDT.
MINNESOTA FARM BUREAU FEDERATION,
J. S. JONES.
TWIN CITY MILK PRODUCERS ASSOCIATION,
W. S. MOSCRIPT.

Unfortunately for the country, Mr. Chairman, conditions will continue to worsen rather than improve, so long as the present crowd is in control of Congress. Our only hope lies in a change as we know from past experience that those now in control will continue to blindly follow party dictates rather than serve the real interests of our people. As now constituted the New Deal administration has a majority of 50 in the House and 15 in the Senate. That must be reversed in November if the country is to be saved.

Understand, I am not classifying all Members of the majority as New Dealers. Time and again a group of patriotic Southern Democrats, disregarding party ties, have crossed over the aisle and joined the Republicans in defeating vicious measures intended to further enslave our people, or to help us remove some of the shackles that have been forged upon us by the New Deal group. To those Democrats, all honor and praise. They deserve the best that their constituents can give them because they are real Americans.

I need not remind the House how every effort on our part to defeat enslaving legislation, to reduce appropriations, to eliminate needless and costly bureaus that are consuming our substance, has been bitterly resisted by New Deal leaders in both Houses of Congress and they must take the responsibility, along with the President, for what has befallen and will befall.

This morning I received a postal card which reads as follows:

BUCHANAN, VA., *May 7, 1946.*

OPA is stifling little business.
We have been stifled and have closed our factory.

HAFLEIGH & Co.

Similar tragedies are being enacted all over the land but our blind leadership refuses to take the measures that are necessary to put the ship of state back on an even keel.

"Spend, spend, tax, tax, elect and elect" continues to be the slogan of the New Dealers, and Rome continues to burn.

In the time that the New Deal has been in power they have made some unholy alliances but none more so than the alliance with CIO-PAC. That sweet-smelling organization now controls nearly 100 votes in this body and they are out to get complete control of the House. Recently their membership announced that they were going to raise a slush fund of $6,000,000 to be used in defeating sitting Congressmen who refuse to do their bidding, and to replace them with individuals who will be more obedient. As I figure it, that will mean $60,000 in each district that they go into. Not only will they fail to increase their strength by 100—I venture the prophecy that they will suffer a severe shrinkage in the strength they now hold in the House. They openly boast of their intention to defeat me in the Sixth District of Minnesota. I welcome their condemnation. The loyal Americans in my part of the country have nothing in common with the Communist CIO-PAC. The American people are not ready to turn their country and the control of their Government over to a group of self-seeking Fascists who are inspired from Moscow.

Remember, my friends, there will always be a United States of America if we remain steadfast in our convictions.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will my colleague from Minnesota yield?

Mr. KNUTSON. I yield to my friend from Minnesota.

Mr. AUGUST H. ANDRESEN. Permit me to say that our colleague from Minnesota has made a constructive contribution to the vital issues of today, by his reading of the clear and forceful telegram received by him from the farmers and farm organizations of Minnesota. The telegram is addressed to the Democratic leaders in both Houses of Congress. Since the executive department refuses to act in an effort to settle the coal crisis, and to change policies which are retarding production of food and vital goods in this country, the only recourse which the people have, is through their Congress. In my opinion, the time has come, if it is not already too late, for the Democratic leadership in Congress to permit the membership to vote on legislation which will

remove existing obstructions that now retard production.

Inaction on the part of the majority, in the present crisis, may be due to the fact that Democratic leaders fear a depression in 1948, should they now permit full production of food and civilian goods in the United States. Therefore, they are holding back on production, planning to give the green light for full production of everything after July 1947, with the hope that an economic boom will last well into 1948, and that they will be the political beneficiaries in the Presidential election 2 years hence. This idea is worth pondering over by astute thinkers.

Mr. KNUTSON. I would not be at all surprised if the gentleman's suggestion is correct. They are going to delay serving the dessert as long as they can in the hope they can put it off until the guests are ready to go home. But it is very, very obvious to me at least that the administration is continuing its policy of "clearing everything through Sidney."

Mr. AUGUST H. ANDRESEN. I think it must be clear to every right-thinking American that the administration is pursuing a policy of scarcity, putting not only small business out of business but also retaining bureaucratic control over all people in the country. This strike, of course, is helping to accomplish that objective by stagnating the economy of our country. It seems to me that the time has come when we here in Congress who believe in our American system must assume leadership and clear the decks so our country can get back to a free economy and produce in order to stop inflation.

Mr. KNUTSON. I am sure the gentleman will agree with me that the Republicans, aided from time to time by fine, loyal southern Members, have tried, often unsuccessfully, for the lack of votes, to stop much of what is being done. We have tried to keep the ship of state on an even keel, but always—always, as the gentleman well knows—we have met with the bitterest opposition from the New Deal leadership on the majority side.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. WICKERSHAM. I want to be sure I understood the gentleman correctly. Did the gentleman state that the Republican leadership was partially to blame?

Mr. KNUTSON. I did not say that?

Mr. WICKERSHAM. I believe you said "the leadership on both sides."

Mr. KNUTSON. No, I did not say that, because the Republican leadership cannot be charged with either malfeasance or nonfeasance, for they have tried to do their duty.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. GRANGER. I think I understood the gentleman to say in reading the telegram that the author indicated that the President had the legislative branch of the Government with him. He was talking through his hat, because that is not true.

Mr. KNUTSON. But that is true, as the gentleman should know.

Mr. GRANGER. Because every part of the President's program has been sabotaged by the Republicans and by those——

Mr. KNUTSON. Southern Democrats. The President, for instance, wanted to extend the unemployment loafing period to 26 weeks and increase the amount of rocking-chair money to $25 a week. I presume the gentleman from Utah was for that. I will give the gentleman an opportunity to say if he was for that, so the folks back home may know where he stands.

Mr. GRANGER. Will the gentleman yield?

Mr. KNUTSON. Yes, I yield.

Mr. GRANGER. I want to say to the gentleman that I have wholeheartedly supported the President's program.

Mr. KNUTSON. I know that. None has been more loyal, and, may I say, more blind.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. AUGUST H. ANDRESEN. The telegram which the gentleman read was addressed to Senator BARKLEY, Speaker RAYBURN, Senator O'MAHONEY, and Senator LUCAS, and was not addressed to the President. The writer of the telegram wanted the leadership in both branches of Congress to correct the situation.

Mr. KNUTSON. Why, of course, here is where it should be corrected. I do not think it is fair to the President to keep charging him with responsibility for indefensible acts which are largely due to the cowardice of the majority that is now in control of Congress.

I yield back the balance of my time, Mr. Chairman.

Mr. NORRELL. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I rise to offer constructive suggestions rather than to criticize. The record submitted by the Interior Subcommittee is perhaps the most voluminous record submitted in recent times covering such a bill. I appreciate that with such a volume of testimony some points necessarily will be overstressed and others understressed. The time has not been sufficient for an average member to check the testimony, but I do wish to preserve the record on several items that I have specifically investigated.

On page 4 of the committee report reference is made to the loss of power loads and resulting revenues by the Bonneville Power Administration. Evidence is now available, since the hearings, showing that the war cut-backs will be shortly recovered and unless further capacity is provided the Northwest will run into a serious power shortage 5 or 6 years from this time. Therefore, capacity additions will have to be scrutinized closely. In making these statements I am fully conscious of the fact that when I urge appropriations for the Bonneville Power Administration I am not seeking to burden any taxpayer. Under the Bonneville Act of 1937 all appropriations for such construction will be self-carrying and self-liquidating.

Since the committee hearings, the War Assets Administration has leased the Troutdale aluminum plant in my district to the Reynolds Metals Co. The terms of this lease provide for continuous operations of four potlines. This will bring in $2,450,000 additional annual revenues over those shown in the hearings. The Kaiser Co. has also leased the six potlines at Spokane and the 50,000-kilowatt rolling mill at that point. These Spokane loads and the Troutdale loads will account for 300,000 cut-back kilowatts, equivalent to annual revenue of over $5,200,000.

On pages 6 and 7 of the committee report the allotments for the Bonneville Power Administration are shown. I note in this citation that the committee has eliminated proposed bill language covering the purchase of transmission lines. I have one case in my district that may lead to misinterpretation. According to the committee report, the authorization eliminated covered only the purchase of transmission lines. The substation of the Troutdale aluminum plant is now the property of the Defense Plant Corporation. Under an existing contract between the Bonneville Power Administration and the former Defense Plant Corporation, Bonneville agreed to take over the Troutdale plant substation at the termination of the contract. This transaction represents a contract obligation and actually does not represent any additional outlay on the part of the Federal Government. Any funds that Bonneville would pay out of any appropriation to the Reconstruction Finance Corporation would go back to the Federal Treasury. I do not interpret the language of the report as creating a bar to the completion of this contract obligation. I trust that the committee did not have this in mind, and there is nothing in the record that shows that it does. The successful recovery of the Federal investment in the war plants necessitates that the contracts be fully carried out. I am bringing this matter to the attention of the House so that the record will not be open.

The committee report further indicates that the operation, maintenance, marketing, and administration limitation has been reduced from $4,290,000 to $3,695,400, or a cut of $595,600 below the estimate submitted by the President. This cut in round numbers is about $100,000 below what the committee allowed for the fiscal year 1946. I arrive at this figure by adding to last year's allowance the amount recently included in the joint resolution applying to increases growing out of Public Law 106.

I can find no testimony that would justify such a large cut. Time is not available during the debate to completely cover the situation. I trust that if any error exists, or if there is an injustice, it can be removed.

Last summer certain amendments to the Bonneville Act passed the Congress. The amendments largely covered housekeeping and welfare activities. These amendments carried certain obligations. The extent of these obligations is shown in House Document 493. The committee intended that funds would be provided in the amount of $90,000 to cover

increased pay of hourly employees and payment of unemployment compensation for certain hourly employees where the law was applicable. It would appear that the $3,695,400 operation and maintenance limitation is not sufficient to cover these obligations. Therefore, I feel that further consideration is necessary on this point before a wise decision can be made.

The O. & M. limitation covers service. The returns to the Government on these large Federal investments will primarily hinge on the type and quality of service rendered. This is a technical question, but I can find no evidence to the effect that the cuts will not hamper service.

The machinery of congressional action is available to explore this situation and to correct any inequalities. The reason that I offer these points is that when a horizontal cut is made there is no way humanly possible to keep out inequalities. I stand with the committee for the greatest possible efficiency, but I feel that a horizontal lowering should be carefully scrutinized.

I note by the report that the line extension and service item has been cut from $2,500,019 to $500,000. This is a revenue-producing item and it should not be used as a revenue cutter. If I read the House report clearly on page 7 the door is open for deficiency consideration on this item if any condition arises where revenues will be cut. The advance surveys and design, together with tools and equipment, have also been cut sharply. There is no information in the record showing whether this is or is not an equitable adjustment. If it is not, I trust that further justifications can be brought forward at the proper time and in the proper place.

We take pride in the recommendation given by the committee in its report covering the outstanding service of the power facilities of the Columbia to the Nation during the war period. On numerous occasions I have paid deserved tribute to the vision of this committee and I approach my remarks today in the same spirit of appreciation as I am fully conscious of the burden thrown upon the committee by the extent of the testimony.

THE BONNEVILLE $17.50 KILOWATT-YEAR RATE WILL FULLY PAY OUT THE FEDERAL INVESTMENT

Mr. Chairman, four times within the last year I have presented to this House my own analysis of the power rate payout capability applying to the federally owned Columbia River hydroelectric projects. They have an important bearing on the economic welfare of my congressional district and the entire Northwest. These presentations can be found in the CONGRESSIONAL RECORDS of July 6, 1945; October 1, 1945; October 29, 1945, and February 1, 1946. These remarks were confined to principles, to policies written into law by Congress, and the presentation of official facts and figures completely documented, from other more or less neutral sources. This information and the formula written into law by the act of August 20, 1937, demonstrated debt liquidation security. When the interests of the State of Oregon are independently considered, a rate as low as $14.50 per kilowatt-year will fully pay out all legal costs applying to the Bonneville project and its marketing transmission facilities. The record further shows that on no occasion have these conclusions been seriously challenged.

In these cited discussions I have based my conclusions on the official facts and data presented to congressional committees. Also included were the official economic and rate surveys as required by existing statutes. These previous studies rested on findings and evidence submitted by the Federal Power Commission and the Corps of Engineers.

With this background, I have now carefully checked the hearings on the 1947 Interior supply bill to see if my previously stated position has been corroborated, and fully sustained by this late record. Proof of the correctness of my position can be found on pages 374 to 376 of the House hearings on the 1947 Interior supply bill.

This last citation shows that no fault can be found with the position of rate adequacy under existing Federal laws. Therefore, all of this past criticism and confusion now rests only on personal opinions and personal disagreements with the law as written. Consequently, following such a cited admission to a conclusion, the previous criticism of Columbia River rate adequacy cannot be considered valid until such time as Congress revises a long-established policy covering the handling of Federal property. The Supreme Court on numerous occasions has upheld the constitutionality of such policy.

On February 1, 1946, I presented additional facts to point out another approach to test the soundness of my stated position "that the $17.50 power rate was fully adequate to liquidate all established costs applying to the Bonneville and Grand Coulee projects." This has been done. The additional official check of adequacy has been presented to the Congress through the House hearings on the pending Interior bill.

On February 14 last I presented a press release which can be found on page A752 of the Appendix of the CONGRESSIONAL RECORD. This reference shows that Administrator Raver then presented to the House committee a commercial audit of the Bonneville Power Administration accounts and of the two generating plants serving this system. In addition, based on such an audit, he presented a pay-out test. The reasons and the history that led up to these two presentations were given in the RECORD on February 14, and consequently do not need to be repeated.

These two extensive exhibits again demonstrate that the basic rate structure of $17.50 per kilowatt year, applying to wholesale power deliveries from Bonneville and Grand Coulee, fully protect the full and complete Federal investment. These two reports have been officially transmitted to the House committee by the Secretary of the Interior.

The commercial audit demonstrates beyond question that the financial position of these projects is sound and will continue in such condition during the coming years. To date the consolidated revenues have been sufficient to meet all the financial requirements from the start of these projects. In addition the audit shows, after meeting all the financial requirements, a further factor of safety exists because of the earned surplus. The audit and pay-out documents, together with the report of the Federal Power Commission, demonstrate that the operations to date have fully satisfied the financial obligations resting on the Bonneville Power Administration.

This is the earliest opportunity that such factual evidence could be presented. Such an official audit and pay-out test necessarily rest upon the cost allocations required by Congress. These cost allocations were made by agencies other than the Bonneville Power Administration. They were not fully completed until about the middle of the last calendar year.

The pay-out analysis presented by the Bonneville Administrator shows that the existing wholesale rates will fully cover all future operation and maintenance expenses together with the reimbursable construction and investment costs, including replacements. It was further shown that all expenditures will be fully returned to the Treasury, with interest, within 50 years from the date that the construction power costs were incurred, and 50 years from the date that water is first made available to each block of irrigable land. The data presented to the committee further shows that under the scheduled load program these two projects will not only return all power investment costs but will, in addition, contribute over $228,000,000 to reclamation costs, over and above the amount that the landowners will be able to pay. Furthermore, in addition to meeting all statutory costs and the cited irrigation contribution, these projects under the $17.50 rate will yield an additional surplus amounting to $160,000,000. These figures and facts show that full protection exists for complete liquidation. In addition, the statute requires that power sales contracts contain a provision for a rate review every 5 years, to test the return adequacy of the rates.

Admittedly, confusion existed in the floor discussions, which led to questioning the adequacy of the $17.50 rate. A comparison of the 1946 hearings with the 1947 hearings definitely points out how this confusion arose. Anyone who wants further proof on this point can find the same on pages 381 and 382 of the 1947 hearings.

I can well understand how this confusion arose. When the 1946 bill was under consideration by the House subcommittee, testimony was presented designed to show that any pay-out test under the so-called solicitor's opinion would either forgive the principal or interest components. The parties who gave this testimony were completely in error. The fact that this previous testimony was in error can be found on page 382 of the present hearings. Furthermore, the pay-out test submitted by the Bonneville Administrator definitely includes all principal and interest charges required by the statutes.

In reviewing this past record I feel that the committee was definitely within its

rights in bringing the issue to the forefront. For the last 44 years Congress has appropriated funds for western reclamation projects on the theory that these costs would be reimbursable and would never become a burden to the general taxpayer. Naturally, when evidence was presented to an Appropriations Committee allegedly showing that the interpretation of a solicitor's opinion forgave interest or principal, the committee was bound by duty to raise the issue.

As a result of this unfortunate confusion, citizens of other States, for self-serving purposes, contributed to the allegation that the $17.50 rate was inadequate. When such outside interests injected such allegations into congressional hearings I naturally took the floor. It was these incorrect allegations that led to my previous study and remarks.

The pay-out, the audit, and the allocations reports made pursuant to the Bonneville Act of 1937 and the Reclamation Act of 1939 show conclusively that the Bonneville, Grand Coulee, and their accessory transmission lines have been a sound investment and a profitable business development. In the future this situation must be maintained and protected from outside political influence or from incorrect departmental decisions. This is necessary if the people of the great Northwest continue to be the beneficiaries of the power, navigation, reclamation, and flood-control features of these two great projects. The national interest, as well as the regional interest, will demand protection against any changes which could transform such a sound development into a bad business enterprise.

The congressional delegations from both Oregon and Washington, in both Houses, thus have a substantial responsibility resting upon them for the next decade. To date Oregon has registered no objection to the assumption of the repayment load in the power rate to cover reclamation projects located outside of the State. This will continue, in my judgment, if the differential is always maintained within reasonable limits. However, Oregon will object to any future changes in the set-up or outside moves made with the objective of elevating the wholesale rates from these two Columbia River projects. Nature has not endowed the Pacific Northwest with substantial quantities of oil, coal, or gas. Oregon does not ask that California sell fuel within its borders on the basis of delivered costs at Portland. Oregon respects the endowment that nature has given other sections, but expects reciprocal treatment. Oregon will always be able to protect its constitutional rights, and will not submit to a political penalty which would cancel out its natural advantages.

It is now plainly evident that the adequacy of the $17.50 rate has been demonstrated, and the full protection to the Federal Treasury has been established. I trust, with such a record, the former false rate issue will not be raised again.

Time will prove the soundness of such a rate. This rate will, in the future, materially contribute to the industrial upbuilding of the Pacific Northwest. The major part of both of these projects was built during a comparative low-cost period.

The only way we have to judge the future is from the past. Consequently, I have been interested in following price trends. If such a trend is traced from the beginning of the Civil War to date we will find that cost indexes have risen during and following each war and then peaked in the immediate postwar period, finally receding to a fairly uniform base until another economic upheaval occurs. These power structures were built under conditions existing when price indexes were some 40 or 50 percent below the index which will exist for the next decade. This economic trend may lead in the future to further unwarranted attacks on the basic Columbia rate structure. On costs incurred to date, such an attack should not be successful. This sound rate structure, based on actual costs and full repayment to the Government, should be maintained. This must be done if we are to enjoy the natural advantages of the Northwest area of our country, with which we have been endowed by nature.

Mr. NORRELL. Mr. Chairman, I yield myself 18 minutes.

Mr. Chairman, much has been said since VJ-day about the necessity for economy, the desirability of a balanced Budget, the wisdom of gradually reducing our national debt, the elimination of excessive Federal personnel and of useless bureaus, departments, and commissions, the cancellation of wartime controls and regulations as expediency permits; in brief, to return to our historic, constitutional way of life by way of that great road or highway on which we have so successfully journeyed for the past 159 years since the writing of our Constitution in 1787.

In presenting for your consideration the supply bill of the Department of the Interior for the year 1947, it is my judgment that our committee has taken at least a forward step toward this highway—toward a balanced Budget and the other goals desired by all loyal American citizens.

I desire to pay special tribute to our very able chairman, the gentleman from Oklahoma [Mr. JOHNSON] for his leadership. He has made a great chairman. He is efficient. He is one of the hardest-working Members of Congress. He is admired and respected by all members of the committee.

While the members of our committee may not always agree, everyone is honest and conscientious and believes in a sound economy. They are hard workers. There are no politics in this committee. We try to do the best possible for our Nation and its people.

The total budget estimates before us for the Department of Interior for the next fiscal year amount to the colossal sum of $346,765,830, which is over three times the amount of appropriated funds contained in the regular supply bill for the current year.

We recommend in the bill being presented to you a reduction of $172,113,251, which is about 50 percent of the amount the Department of the Interior requested. We have allowed the sum of $174,652,579 for the maintenance of the Department during the next fiscal year. This means that the budget for the next fiscal year will exceed the amount provided in the regular supply bill for the current year, which was in the amount of $111,690,258.

After VJ-day, owing to the fact that many very worthy projects had been deferred during the war, the Deficiency Committee—not the Interior Committee—provided an additional appropriation; that is, an appropriation in excess of the amount contained in the regular supply bill. The additional amount appropriated was $191,166,387. Also, since the passage of the recent salary increase bill, it has been necessary for the Appropriations Committee to provide still another appropriation for the Department of the Interior for the current year in the sum of $7,687,440. This makes a grand total of available funds for the current year to the Department of the Interior of $310,544,085. The Department had a carry-over of unexpended funds on January 1, 1946, amounting to $135,000,000. However, all except the regular supply bill for the current year was considered unusual, urgent, and supplemental, largely because the war had ended and it was believed that construction work on projects delayed during the war should be immediately started.

You can imagine our surprise, and, may I say, disgust, when we received the total estimates for the 1947 fiscal year. We had thought the amounts allowed in the deficiency bill, which are largely unexpended, would be sufficient to cover expenditures for projects postponed by the war. We had expected the usual estimates to be submitted to us this year.

We have worked from 10 o'clock in the morning until 5 o'clock or later in the afternoon, conducting hearings on this bill, every day except Saturdays and Sundays, for a period of 6 weeks. You can see from the printed hearings and our report something of the tremendous task that we have attempted to perform. We think we have done a reasonably good job.

May I say at this time that we are in debt to our colleagues of the Congress for the splendid assistance given us. We regret that the full amount of requested funds could not be allowed. We believe all projects, however, have been provided with ample funds. We have tried to be fair. We believe you will support us in the position we have taken—one of economy. I hope that the other body may also support the action of the House regarding appropriations contained in this bill. If, in their great wisdom, they desire to rewrite the bill, I hope they may decrease rather than increase the amount appropriated. This, however, would constitute a drastic departure from the established precedent.

Mr. Chairman, this Nation is today at the crossroads. Certainly we should be able to read the highway sign, which I think is very conspicuous: Stop! look! listen!

At the close of 1945, the Federal debt amounted to $1,861 for every man, woman, and child in the Nation. This burden will amount to about $2,000 per per-

son by July 1, 1946. This means that for every family of four—husband, wife, and two children—there will be owing by that family on the national debt the sum of $8,000.

Our total national Budget now under consideration calls for expenditures of $35,100,000 for the next fiscal year. This does not include the financing of a number of proposals and authorizations. Yet our deficit in this peacetime and high tax-paying year, including receipts from surplus property, is estimated to be about $3,600,000,000. This deficit equals the total expenditures of this Government, excluding debt retirements, for any 1 year prior to 1931, with the exception of the period of World War I.

It will exceed even this amount if Congress fails to reduce the requested appropriations, and if we add to the budget the various amounts that Congress is being called upon to provide, which were not included in the regular Budget.

The Department of Interior is not alone in excessive requests. The Department of Commerce, before the war, in 1939, had appropriations amounting to $43,000,000; today it is asking for $165,000,000. The Department of Justice had $47,000,000 in 1939; today it is requesting $93,000,000. The Department of Labor, in 1939, had $6,000,000; today it is requesting $99,000,000. The Department of State, in 1939, had $17,000,000; now it is requesting $127,000,000. The Treasury Department, in 1939, had $115,000,000; and now it is requesting $327,000,000.

On and on it goes. No use going further with figures. Do they need the money? Maybe so. In 1939, however, we thought too much money was being spent. We heard much criticism. We all remember that period. How many ran for office on a slogan to reduce Federal expenditures? Well, we have not done it yet.

If you will support the Appropriations Committee, we will reduce the Federal Budget.

Have you ever criticized the Government for having so many Federal employees? I do not blame the employees for working for the Government. They are not to be criticized. The Government is to be criticized, if criticism is due. In 1933, we had a total of about 500,000 Federal employees. By 1939 we had increased the number to something over 1,000,000. At the wartime peak in 1944, we had 3,702,904 Federal civilian employees. The latest available figures that I have indicate that we now have about 3,215,000—a notable reduction.

But what is the picture regarding Federal personnel outside of the few wartime agencies that have been eliminated? For example, the Bureau of the Budget has increased its personnel from 492 to 825; the Civil Service Commission from 1,570 to 2,244; the Federal Communications Commission from 606 to 1,006; the Coast and Geodetic Survey from 693 to 1,057; the Public Health Service from 667 to 984; the Bureau of Labor Statistics from 509 to 1,548. The Department of State from 11,188 to 18,943; the Department of Labor, from 6,346 on VJ-day to 34,596 in November 1945. In short, from August 30, 1945, to December 31, 1945, there was an increase of approximately 105,000 employees in the Government service, in other than wartime agencies.

I do not mean to do these departments any injustice by mentioning them at this time. I am only trying to show the trend of Federal employment. Practically all have requests for increased personnel for the next fiscal year. I am not taking the position that they do not need the personnel, or that the personnel is not highly capable of earning even more than they are being paid; but I am very definitely taking the position that the taxpayers of the United States are not able financially to hire this personnel even though they are needed.

The total man-hour personnel request of the Department of the Interior is 48,000, which is an increase of 9,000 over last year, provided in the last regular supply bill.

Now where are we going? Add to these figures the amount necessary to pay the total salary increase to be provided by Congress for the Federal personnel, presently estimated to total about $426,300,000 per year. Can we expect to tax the people sufficiently to pay these enormous sums, balance the Budget, and start the reduction of our debt?

Are we having a reconversion in our Federal pay roll? Another way of checking is in regard to the office floor space used by the Government. Throughout the Nation I am told the increase in leased space in office buildings went from 68,277,527 square feet in May 1941 to 277,807,773 square feet in August 1945. Only a decline of 4,021,705 square feet had been noted by January 31, 1946. This is a reconversion in Federal office floor space of about 2.5 percent.

It cannot be denied as a minimum statement that the Federal Government is to emerge from the war, if Congress permits, with a civilian labor force in excess of its prewar size. The growth of the Federal expansion must be stopped. Fifty years ago our Federal pay roll contained less than 200,000 employees. During World War I our Federal pay roll went to 917,000, but by 1923 it was down to about 515,000. It had, however, passed the million mark a year before Pearl Harbor.

The requested appropriations of the Department of Interior now before Congress exceed the total cost of the Federal Government, excluding debt retirements, for the year 1892; and, excluding the years of the Spanish-American War and the War Between the States, it amounts to more than the total Federal Budget for any one year, excluding debt retirements, from the time our Government was organized in 1780 to 1892. It exceeds one-half the cost of the entire Government in any one year, excluding debt retirements, from 1892 to 1916, when again we were approaching war. The total cost to the Federal Government, excluding debt retirements, from 1922 to 1933 never exceeded $3,500,000,000, which is less than the estimated deficit this year. Actually, our total expenditure, excluding debt retirements, as recent as 1939, was only $7,238,822,158. Our total Budget for 1947—a peacetime Budget, if you please—is in excess of $35,000,000,000—or about five times what it was in 1939.

We all realize that it will be impossible hereafter for the Government to operate on prewar Budgets. We have an annual interest charge on our public debt amounting to approximately $5,000,000,000. The expenditures of the Veterans' Administration amount to about $5,000,000,000, and we may expect increases in the future. Other governmental expenditures, due to salary increases, the increased cost of material and operational expenses, must be provided. I do not mean to be unfair in my statements. I realize that our Budget must exceed any prewar Budget. My position is that economies must be practiced where possible, and that we should make substantial reductions in the Budget for the next fiscal year, thereby balancing our Budget and starting the reduction of our debt.

Thirty governors, including Democrats and Republicans, recently called for a balanced national Budget. They requested that we start now to pay on our national debt. I am sure this is the sentiment of the other governors of the Nation. I am also convinced that this action represents the sentiment of all loyal American citizens. I believe it represents the conviction of a majority of this House.

Only by this course can our Nation go forward with hope and faith. Only by this course can our Nation act in fairness to all veterans, to the widows, children, and dependents of those who gave their lives, to the taxpayers—to you, to me, to our children, and to generations yet unborn.

The least we can do is to support the recommendations of the committee.

Mr. RAMEY. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Ohio.

Mr. RAMEY. As I understand the gentleman's statement, there are 3,215,000 employees on the Federal pay roll.

Mr. NORRELL. That is approximately correct.

Mr. RAMEY. May I make an observation that only 533 persons in the Federal Government are chosen by the people; this includes the President, the Vice President, the Senators, and the Members of the House of Representatives. Thus, only 533 persons can be hired or fired by the people, while these persons in the departments receive their jobs by appointment and have security to the end of the road. Perhaps that is the reason they want to remain and remain. They are independent, they are away from the people. Therefore, ought not these who can be hired and fired have some definite supervision over them, by the representatives of the people?

Mr. NORRELL. The gentleman is correct. I know of no employee that would draw a salary from the amounts appropriated in the Department of the Interior appropriation bill that is elected by the people.

Mr. DWORSHAK. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, my congratulations go out to the members of this subcommittee, which has brought in a bill carrying $172,000,000 below the Budget. However, there are factors involved that still worry me. The cuts do not worry me, but what there is left to spend does worry me.

They had $191,000,000 available in 1946, the current fiscal year. In the next fiscal year they will have $174,652,000, plus $230,692,000 of left-over funds—funds that they can use next year, making a total available for them to spend of $405,000,000.

This thing worries me because of the terrific number of projects and people on the Federal pay roll and because of the way things are drifting. I have in my hand Senate Committee Print No. 26, put out by the Joint Committee on Reduction of Nonessential Federal Expenditures just the other day. On pages 4 and 5 of that document I find that every single department and agency of the Federal Government, with the exception of the War and Navy Departments, increased their personnel, with very few minor exceptions, in the period from March 1 to March 31 of this year. In other words, during this time those agencies and departments showed a net increase of 32,783 employees, at a time when we should be liquidating war activities and other things of that character. The fact that Budget estimates of $346,765,000 should be sent in here for the Interior Department indicates the depth to which our economy has shrunk under New Deal-Democratic management. The resentment among the people against this wild spending of Federal funds has forced this committee to bring in here this cut of almost 50 percent. It is a healthy sign. I hope we will have more such cuts. I hope when opportunities to cut items are presented upon the floor of the House they will have better support than was received last week in our attempt to prevent useless and dangerous expenditure of public funds.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Of course, I think most of us agree with the gentleman's attempt to bring about some economy. What is going to happen to this, can the gentleman tell us, when it gets over to the other body? That is the thing that worries me.

Mr. TABER. I do not know what is going to happen to it, but no great amount is going to be added to this bill as a result of a conference report without an opportunity for the membership of the House to stand up and show whether or not they stand for economy. That is the thing that is going to count in the long run in keeping down these expenditures.

Mr. HOFFMAN. There has been a great deal said here in the last few days about John Lewis and his coal strike. As near as I can learn from examining the news reports and the decisions of the different Government agencies and the courts, Lewis is strictly within his rights. I assume the other body will be strictly within its rights when it adds, as it probably will add, millions or billions of dollars perhaps to this bill. Can the gentleman devise or think of any way by which the House can insist upon economy such as you advocate here?

Mr. TABER. By voting for the economies; that is the only way. John L. Lewis may be strictly within his rights——

Mr. HOFFMAN. That is, legal rights.

Mr. TABER. John L. Lewis may be strictly within his legal rights, but those legal rights have been established as the result of legislation which was designed to destroy not only the economy of the Nation but designed to destroy the labor unions that he represents.

Mr. HOFFMAN. If the gentleman will permit me to make a correction, I would say "legislation which was designed and which has been so maladministered and so misinterpreted as to destroy——"

Mr. TABER. I think if the gentleman would look back and read some of the discussion that took place when some of that legislation was adopted, it was clearly pointed out that the legislation would have the very effect that it has had. That is what bothers me. The Congress knew and it was pointed out to the Congress what the dangers were in that legislation when it was passed. It is time that the Congress woke up and got rid of that element of legislation which is designed to destroy the opportunities of America and the liberties of America. This bill, so far as it goes in cutting down the expenditure of funds, is a step in the right direction. May I call your attention to the fact that with the prospect of this bill in sight and the hearings going on, in the month of March and April they were piling up a load of Federal employees for this country to pay for, putting more bureaucrats on the Federal pay roll. In the month of March alone they put 1,312 people on. One thousand four hundred and twelve was an increase of a little better than 3 percent in 1 month. An increase of that amount every month for 12 months would be a 36-percent increase. That is about where they would get if we do not stop them. I wonder whether or not this House is going to get back of the committee? I hope when we get all through that we will have administered a blow to this New Deal bureaucracy which is being used to destroy the very liberty of America.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROBSION of Kentucky. What is the amount of carry-over appropriation that is included in this bill?

Mr. TABER. Well, it is not included in this bill, but they are carried over from the previous appropriations, and authority to use them still exists and will exist after the 1st of July, in the amount of about $230,000,000.

Mr. ROBSION of Kentucky. Has the Department of the Interior ever had that much of a carry-over?

Mr. TABER. Oh, I think they have, but it is such an enormous sum.

Mr. ROBSION of Kentucky. Is there any excuse for having such a carry-over as $230,000,000 for a single department of this Government?

Mr. TABER. No; there is none.

Mr. ROBSION of Kentucky. Those increases in the personnel of which you spoke have been in the last year and since the war, have they not?

Mr. TABER. Oh, yes. They have been building up right along. It is about time we put a stop to that building-up process, whereby all of these agencies will have more employees than they had before. We should reduce the employment of our people by the Federal Government from a total at the end of March of 2,873,509 by at least 50 percent right now. There is not any reason in the world why we should not throw 1,400,000 off the pay roll right away and still do all we need to do in looking after the interests of the United States of America.

It is time we got rid of bureaucrats and have the Government by the people instead of by bureaucrats.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Chairman, I was amazed and shocked to see the report of the Appropriations Committee on the Department of the Interior appropriation bill presented on the floor of the House. In looking over the recommended reduction below the Budget estimate and even below the amounts appropriated for the fiscal year 1946, I see that under the salaries and expenses item for the Grazing Service it has been cut down to an amount that, if finally approved, would simply be enough to liquidate the Grazing Service and would force the western livestock industry to again return to the uncontrolled and unfair competition that existed prior to the passage of the Taylor Act in 1934. It would eliminate the aid and assistance rendered by the Advisory Boards that are part of this wonderful piece of conservation legislation that was sponsored and urged by the western people as a whole, including the range livestockmen. For the 12 years that the Grazing Service has administered land within grazing districts, under the provisions of the Taylor Grazing Act, it is the first time that legislation has provided that grazing privileges should be equally distributed with the aid and advice of the local people.

There evidently is a misconception in the minds of many Members of Congress regarding the fundamental principles of the Taylor Act—what its purposes are, what the Grazing Service and the Interior Department has done, and what still remains to be done to accomplish the objectives of this great piece of conservation legislation.

The reductions made in the Budget approved appropriation request for the fiscal year 1947 amounting to $1,504,000 plus $50,000 for actual fire fighting is a direct reversal to a well-established policy looking to the protection of natural resources and will put the western range livestock industry, one of the main sources of the Nation's meat supply, in

an extremely unenviable position where again uncontrolled, unregulated use would result in the elimination of hundreds of small livestock operations from continued use of range resources with the resultant depletion of the forage cover which is so essential in the prevention of erosion and soil depletion and protection of the vast public investment in downstream irrigation and power development. The report again stresses the statements made in 1933 and 1934 before the passage of the Taylor Act where officials of the Interior Department made certain statements regarding the low cost of administration. It again stresses the same statements that were made by Congressman Ed Taylor, of Colorado, the father of the Taylor Grazing Act and one of its greatest supporters. Yet Congressman Taylor recognized that these preliminary estimates were entirely out of line with the size of the job that had to be done and, in fact, in the last appropriation that he acted on as chairman of the Appropriations Committee for the fiscal year 1942, he recommended appropriations for salaries and expenses of $800,000, which was an increase of $25,000 over the budget estimate, and at the same time recommended an appropriation for range improvements of $250,000; $751,000 for soil and moisture; and $75,0000 for leasing lands under the Pierce Act. The Grazing Service has not had any so-called mushroom growth. The actual record will show that in 1936 the Grazing Service received, in direct appropriations and money allotted for civilian conservation work which was used properly to carry out objectives of the Taylor Grazing Act, more money than it requested in all its appropriations in 1947 and the size of the job being done by Grazing Service has increased immensely. For example, in 1936 there were only 37 established grazing districts comprising approximately 76,901,000 acres that were utilized by slightly over 15,000 applicants that represented the ownership of some 7,400,000 heads of livestock. At present there are 60 established grazing districts with a total of all land administered—public, State, and privately owned—of almost 146,000,000 acres with grazing privileges distributed to approximately 22,000 operators, who have a total of more than 10,500,000 head of livestock. More than 17,000 of these individual operators have licenses or permits issued to them for 200 or less animal units, and the average size of these small operators is only 55 animal units. There are very few so-called large operators in grazing districts. In fact, the slightly more than 5,000 licenses or permits issued to users who operate more than 200 head of cattle or their equivalent in sheep only run an average size outfit of 557 animal units.

Another point that is worthy of full consideration and seems to be generally misunderstood is the fact that of the money appropriated to the Grazing Service for salaries and expenses only approximately 55 percent goes to the direct benefit of the western range livestockmen and even that portion used in water development and for other range improvements necessary for proper distribution of livestock accomplishes a twofold purpose in proper resource utilization and also prevents erosion and soil deterioration and maintains an adequate plant cover so essential in protecting the watershed of the range area that forms a very important part on the over-all watersheds of most of the principal river basins in the West—the Arkansas, the Rio Grande, the Columbia, the Colorado, the Missouri, and the Great Basin. Without adequate appropriations for proper administration of these public resources the local communities, the range livestock industry, and the country as a whole will suffer irreparable loss. Therefore the administration and conservative use of these range lands, their protection from fire, the continued protection of wildlife, are all a direct contribution and an integral part of the conservation plan of the western river basins and the Nation as a whole.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, at the outset may I say, as a retiring member of this Interior Department Subcommittee of the great Committee on Appropriations, that I have thoroughly enjoyed every minute of my association with the distinguished and able chairman, the gentleman from Oklahoma [Mr. JOHNSON], as well as with every member of the committee on both the majority and minority sides. It is a hard-working committee. At times we have widely disagreed, but I know that every member of the committee acted in what he thought to be the best interests of the people of this country.

I was not in favor of cutting this appropriation bill as much as it was cut. I disagreed vigorously, particularly with reference to the item of $23,333,000 for the Southwestern Power Administration. I was in favor of granting the full amount requested. I felt the same with regard to a number of reclamation projects, the Bonneville Power Administration in the Northwest, the Central Valley project in California, and others.

I would now like to point out some facts concerning some specific items in this bill, matters that were developed during the course of the long hearings.

Earlier today, in referring to the Grazing Service, in a colloquy with the distinguished gentleman from Oklahoma, I misquoted some figures. I want to apologize. I believe I said 80 percent of the livestock on the public range maintained by the Grazing Service was owned by 22 percent of the licensees or permittees, when the accurate figures, exactly as supplied by the Director of Grazing, show that 75 percent of the livestock is owned by 23 percent of the permittees.

The appropriation for the Grazing Service has risen from the amount $150,000 a year in 1936 until at the present time, including appropriations transferred from and given to other bureaus, it totals almost $2,500,000 a year.

A while ago a Member in speaking of the Grazing Service referred to the plight of the livestock owner in the West. On page 168 of the printed hearings you will find that in the year 1936 at the time shortly following the inception of the Grazing Service, when the grazing fees were fixed at 1 cent per month for sheep and 5 cents per month for cattle, the price of lambs was $7.45 and the price of beef cattle $5.73. At the present time, although there has been no increase whatever in these grazing fees, the price of lambs is $12.90 and of beef $12.10.

I wish to further point out that this is not a matter wherein we are trying to harm the small rancher of the West. The members of the advisory boards of the Service are paid $5 a day by the Government to meet and tell the Grazing Service that the ridiculously low grazing fees must not be increased. On top of that, Uncle Sam must pay the cattle barons for attending the meetings so as to keep down the fees.

One owner of a herd consisting of 30,300 head of cattle, 1,000 head of horses, and 17,500 sheep, the Utah Construction Co., had a member on the advistory board to oppose the increase of these grazing fees, although they really should be increased to an amount three, four, five, or six times what they are at present, which increase would only be fair for the elaborate service rendered by the Government.

Mr. BARRETT of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. Not at the moment.

Then we have another small outfit. The Chewacan Land & Cattle Co., having a herd of about 10,000 cattle, also had a member on one of these advisory boards to tell the Government we must not increase the fees. These livestock owners had the temerity to come along this year and not only ask $5 a day for the agents who attend these meetings but to tell us we must raise the attendance fee to $6 a day.

The next item in the bill to which I shall refer is the matter of a beautiful site in the State of California known as Yosemite National Park, operated by our National Park Service. I traveled to the west coast and to Alaska as a member of this subcommittee last summer and found the trip entirely interesting and very, very informing so far as my duties on the committee were concerned. We arrived at this beautiful spot consisting of some three-quarters of a million acres of Federal land and found that this huge development has been run entirely for the benefit of a corporate concessionaire known as the Yosemite Park & Curry Co. Eighty percent of the people who visit this park are Californians. We found hotels, permanent lodges, and camps, all operated by the concessionaire; we found Camp Curry, Yosemite Lodge, Housekeeping Camp, and Merced Lake High Sierra Camp.

Camp Curry has a capacity of 1,300 guests. There are 100 bungalow rooms with private baths, 90 cabins without baths, and 425 tents in Camp Curry.

We found a number of so-called central buildings which include an office, dining room, cafeteria, swimming pool, soda fountain, photographic studio, auditorium, and children's playground. There was a large dance hall which had a capacity in the neighborhood of a thousand people.

A person can get a bungalow with bath, American plan, one person in a

room, for $8.75 a night. If he wants a wooden cabin without bath, American plan, one person in a room, it is $6.75. If he wants to stay out in a canvas tent it only costs him $2 for the night. If he would like to eat breakfast, luncheon, or dinner at Camp Curry, the rate approved by the National Park Service is $1.25 for either one of these three meals. If he is a transient and wants to eat dinner at Camp Curry, it merely costs him $1.50.

Another group of buildings known as Yosemite Lodge is a colony of redwood cabins with a central group of buildings, including cafeterias, grill, office, dining room, curio shop, and lounge. In the summer season the capacity is 700. The Merced Lake High Sierra Camp has a capacity of 60 people.

Here are a few of the things this concessionaire sells in Yosemite Park: Candy, tobacco, fishing tackle, knapsacks, hiking clothes, and so forth. They operate a saddle horse service, not only by horses but by burros. They furnish guides and pony rides for children and they give riding lessons. They arrange saddle trips to various points of interest. They run a stable and a blacksmithing service. They also run a kennel service for dogs and cats. They have a number of garages, and do automobile repair work. They have a group of the busiest gasoline stations in the entire State of California located on this Government property. They sell groceries, meats, and general merchandise. They have a number of general stores there. They run a laundry service. If you want your suit pressed it costs you only 60 cents. They have a number of barber shops where it costs only a half dollar for a shave. If you want a shampoo it is $1. If you would like to have a cold wave in one of their beauty shops it is only $15. If you want your shoes shined, only 15 cents. They have a number of swimming pools where it costs 40 cents to go in and have a swim. They have a dance hall where they charge 50 cents per person on special and costume nights and less on ordinary nights during the week. They operate moving-picture shows. The price of admission is 35 cents to 50 cents. They operate a kiddie camp. They are also in the business of renting equipment, such as umbrellas, raincoats, jeans, shoes, knapsacks, tennis rackets, fishing rods, reels and lines, rowboats, winter sports equipment, and so forth. You can hire a rowboat at 50 cents an hour and you can get yourself a lesson at the ski school for $2.

They have a ski lift at Badger Pass where it costs only 25 cents for a single ride up the lift. If you want to take the bus to Badger Pass it is $1.50. They also have a 3,000-yard golf course with a par of 35 and a green fee of $1. They rent bicycles by the hundreds at only 35 cents an hour.

Mr. Chairman, this friendly concessionaire's business has amounted to $2,900,000 a year gross, almost $3,000,000 a year. Now, how much do you think Uncle Sam gets out of it?

Before I tell you the huge amount, I want you to know that Uncle Sam maintains the roads in this park in tip-top condition, he supplies the light and power, he illuminates the drives through the park, he has a garbage removal service, he supplies police protection as well as forest fire protection and fire protection generally. Out of this very nice business of $3,000,000 a year, and after supplying all of these items I mentioned, our Uncle Sam has gotten the magnificent sum of $5,000 a year.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from California.

Mr. JOHNSON of California. I am not familiar with all the details of this, but I happen to know one of the members of the family that rents this place. Did they not invest their own money in the buildings there, and if they did, at the end of the contract, which I understand is 20 years long, will those buildings revert back to the United States Government?

Mr. ROONEY. They will not. The concessionaire must be repaid their value. The family did invest some money in the properties, but it must have been returned to them years ago.

The concession contract was entered into in 1932, in the closing months of the Hoover administration. The then Secretary of the Interior, the Honorable Ray Lyman Wilbur, former president of Leland Stanford University, executed that contract with this concessionaire corporation, the majority of the stock of which is owned by the family of the present president of Leland Stanford University, Mr. Don Tresidder. The stock is closely held, 147,842 shares out of 340,414 shares are owned by the Tresidder-Curry family. There are any number of items taken out for salaries, substantial salaries, and dividends declared in 1944 netted the family $162,626.20 while Uncle Sam held his coattails.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to my friend from California.

Mr. JOHNSON of California. Is it not a fact that when the 20-year period is up that those buildings that are there will then become Government property?

Mr. ROONEY. That is not so.

Mr. JOHNSON of California. Are they of such a nature that they can be removed?

Mr. ROONEY. Uncle Sam, under the terms of the contract, is in a position where he must obtain a new concessionnaire who will purchase the buildings from the present concessionnaire. It is a finely drawn contract insofar as the concessionnaire is concerned. Otherwise the Government must renew the contract.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Idaho.

Mr. DWORSHAK. Does the gentleman from New York know whether a similar contract is in effect with concessionnaires in other national parks?

Mr. ROONEY. Yes. The same situation apparently exists in any number of other parks throughout the West. The situation at Yellowstone Park is no better.

During the course of the war one of the buildings on this Federal land at Yosemite Park, known as Ahwanee Lodge, was given to the Navy Department for occupancy as a naval hospital. The concessionnaire, the Yosemite Park & Curry Co., first approached and attempted to charge the War Department for an Army Air Force rest camp a rental of eighty-five-thousand-odd dollars a year. Finally, the Navy Department took it over under condemnation by way of leasehold interest and has paid the concessionnaire to the extent of $60,000 a year pending final determination of a fair rental during the term of occupancy by the Navy Department. The Navy Department sent appraisers out to the property, one of whom made an appraisal showing the fair annual rental value of the building alone, without regard to it being on Federal land, to be $42,000-plus a year. Upon our return from the west coast last summer I communicated with Capt. Andrew J. Murphy, Jr., head of the Real Estate Department of the Bureau of Yards and Docks, Navy Department, and informed him concerning Uncle Sam's utopian relationship with this concessionnaire. I believe that since that time further payments have been held up. I trust that as a result of the action of this committee something will be done so that the rights and best interests of Uncle Sam will be considered to some extent at least in the future and not permit concessionnaires to do a $3,000,000 annual business on the people's land with a return of only $5,000 to the Government.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. ROONEY. One matter that is unanimously recommended by the committee, if you will note, is that upon the expiration of concessionaires' contracts with the National Park Service there should be a public letting; that there should be no private arrangements with distinguished families from the State of California or elsewhere. They should be widely published in the newspapers, and the man or men who will give reasonable and adequate service to the public and pay the highest price for the privilege should be awarded the contract or leasehold in our park system.

Another item that I came across during the course of the hearings is the matter of the care of the insane of Alaska. I call your attention to it so that you will insist that it be rectified during the course of the next few months or this next year. Although Uncle Sam has paid to maintain since September 1943, over 1,000 mental patients at Morningside Hospital in Portland, Oreg.—mind you, under the present system they are brought all the way down from Alaska to Portland, Oreg., at the expense of the United States Department of Justice—that although he has spent $864,000 since September 1943 for the maintenance of these mentally sick persons, and although the law says that the guardian, spouse, parent, or adult children of the insane person, or the patient himself, is responsible to contribute toward the care and maintenance of these people while they are in

this institution, the Department of the Interior, Division of Territories, has during that time collected the measly sum of $16,441.79 to apply against an expense of $864,000.

Finally, with regard to the Southwestern Power Administration, on page 29 of the report of the committee on the pending bill there is a statement that the committee does not favor the initiation of a power-development program, and so forth. I was and am unalterably opposed to that contention, and was in favor of granting the entire amount requested by the Administrator of Southwestern Power Administration.

Who are the opponents of this plan of the Southwestern Power Administration? The utility holding firms from Wall Street, New York, and Chicago. In the instance of its principal opponent, the Arkansas Power & Light Co., their financial backer and real owner is the Electric Bond & Share Co., of New York City. Electric Bond & Share Co. takes the cream off the top of the milk by seeing that the Arkansas Power & Light Co. hires as its service organization to do so-called engineering, to handle the insurance, and to do all the nice things which will inure in revenue to their credit, to their subsidiary and service company, Ebasco Services, Inc. Do the people down in Arkansas and the other States which are involved—Oklahoma, Texas, Mississippi, and Louisiana—think that these utilities are their companies? Do they think that the officers of these companies, such as the president of the Arkansas Power & Light Co., getting $40,000 a year and some $3,000 or $4,000 a year in expenses, and the presidents of the other companies, are really just their nice, kind neighbors, vitally concerned with the people's welfare?

The fact of the matter is that these same companies opposed the original building of Denison, Norfork, and other dams. When they did not succeed in that, they opposed the electrification of these dams. Now they would have us in the position where the public, having invested an enormous amount of money in these dams and in other dams that are in process of construction or planning, would not be able to tie together their own properties, with the result that Uncle Sam must sell his developed power only to one customer, the Arkansas Power & Light Co. and its affiliates. I can assure you, if you will read the testimony in part 3 of the hearings, that these private utility companies have a very dubious and shady background.

To show you how generous they are and how nicely they do business solely for their Wall Street owners, may I point out to you one instance. At page 378 of part 3 of the hearings I questioned Mr. C. Hamilton Moses, the president of Arkansas Power & Light Co., with regard to a written agreement.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. ROONEY. I thank the distinguished gentleman very much.

On the 20th of February 1945 an agreement was entered into in writing between the Arkansas Power & Light Co. and the United States of America, represented by the Southwestern Power Administration. Although that agreement in no uncertain language stated that—

> The Arkansas Power & Light Co. will reduce, effective 60 days after the execution of this agreement (and will continue the reduction thereafter for the duration of this agreement) its present rate of charges for electric service to the United States, its agencies, and industries, or activities financed in whole or in part by the United States (excepting REA cooperatives) so as to effectuate a total reduction to such customers of at least $150,000 annually—

They have never paid one nickel, or rather, remitted one nickel in their power bills so as to effectuate this contemplated saving.

I am sick and tired of seeing so many instances in connection with the Bureau of Reclamation, the Bonneville Power Administration, and the Southwestern Power Administration, where these greedy private utility firms are victimizing the Government of the United States, their own stockholders, and their customers, the people to whom the public power is furnished.

I am sick and tired of seeing instances where the Government agencies have no alternative but to sell their power at the bus bar for 4 cents a kilowatt hour to these private utilities and then find that the same power is resold to Uncle Sam at many places such as Army installations, the Alameda Air Base, or Mare Island Navy Yard, for 11 or 12 cents a kilowatt hour. We have a splendid opportunity when amendments are offered tomorrow with regard to the appropriation for Southwestern Power Administration to say to these people who are not in the least interested in flood control but who are only interested in their selfish profit gained by the purchase and sale of the people's power, "We are sick and tired of you, gentlemen, the time has come when the people's dam built with the people's money shall produce power for the people at fair and decent rates, and not for your or Wall Street's private gain."

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Wyoming [Mr. BARRETT].

Mr. BARRETT of Wyoming. Mr. Chairman, the gentleman from New York and the gentleman from Oklahoma have taken great pains to explain to the people of the country the fact that the livestock men of the West are imposing on the Government through the Taylor Grazing Act. I dispute that. I do not think the House nor the country knows the situation with reference to our public lands.

Wyoming, with its 62,403,480 acres, is one of the largest States in the Union. It exceeds in size the whole of England, Scotland, and Wales combined.

We have within our borders an area of land larger than the entire State of New York, which is not Wyoming at all. The United States owns the oil and other minerals under 42,000,000 of Wyoming's 62,000,000 acres. It owns both the minerals and the surface of 32,055,721 acres of our lands, being over 51 percent of its vast area. In truth, over 70 percent of our State is actually "Wyoming territory" and judged by the standards of its older sister States, Wyoming is but a trifle over a quarter-State.

We have within our borders an area of land larger than the entire State of New York, which is not Wyoming at all. The total area of land in the 11 public-lands States is about 742,000,000 acres, of which the Federal Government owns and controls and manages 444,000,000 acres, or approximately 59 percent, 90 percent of the public domain lies within the 11 Western States.

As may be seen Wyoming is not equal with the older States of the Union. In the debates in the Federal convention it was intended that all States be of equal rank as may be seen by the following:

> Mr. Madison opposed the motion; insisting that the Western States neither would, nor ought, to submit to a union which degraded them from an equal rank with the other States.

Col. George Mason, of Virginia, said:

> The case of new States was not unnoticed in the committee; but it was thought, and he was himself decidedly of opinion, that if they made a part of the Union, they ought to be subject to no unfavorable discriminations. Obvious considerations required it.

Speaking on public lands shortly after the formation of the Union, Senator Benton declared:

> Tenantry is unfavorable to freedom. It lays the foundation for separate orders in society, annihilates the love of country, and weakens the spirit of independence. The tenant has, in fact, no country, no hearth, no domestic altar, no household god. The freeholder, on the contrary, is the national supporter of a free government, and it should be the policy of republics to multiply their freeholders as it is the policy of monarchies to multiply tenants. We are a republic, and we wish to continue so: Then multiply the class of freeholders; pass the public lands cheaply and easily into the hands of the people; sell for a reasonable price to those who are able to pay; and give without price to those who are not.

It is interesting to note an early report in the Senate on the public land question. The Public Lands Committee of the United States Senate in 1832 made a report after a complete survey favoring the ceding of the lands by the Federal Government to the States wherein the lands lay. In part, the report stated, as follows:

> Our pledge would not be redeemed by merely dividing the surface into States and giving them names. The public debt being now paid, the public lands are entirely released from the pledge they were under to that object, and are free to receive a new and liberal destination for the relief of the States in which they lie. The speedy extinction of the Federal title within their limits is necessary to the independence of the new States, to their equality with elder States, to the development of their resources, to the subjection of their soil to taxation, cultivation, and settlement, and to the proper enjoyment of their jurisdiction and sovereignty.

In the early days of the Republic it was agreed that the public lands belonged to the people and not the Federal Government. In 1826 the public debt

was retired and there was over $28,000,000 in the Treasury. It was argued that inasmuch as most of the money came from the proceeds of public land sales that it belonged to the people and should be returned to the individual States. Accordingly there was deposited with the several States the following sums, divided as follows:

Maine	$955,838.25
New Hampshire	669,086.79
Vermont	669,086.79
Massachusetts	1,338,173.58
Connecticut	764,670.60
Rhode Island	382,335.30
New York	4,014,520.71
Pennsylvania	2,867,514.78
New Jersey	764,670.60
Ohio	2,007,260.34
Indiana	860,254.44
Illinois	477,919.14
Michigan	286,751.49
Delaware	286,751.49
Maryland	955,838.25
Virginia	2,198,427.99
North Carolina	1,433,757.39
South Carolina	1,051,422.09
Georgia	1,051,422.09
Alabama	669,086.79
Louisiana	477,919.14
Mississippi	382,335.30
Tennessee	1,433,757.39
Kentucky	1,433,757.39
Missouri	382,335.30
Arkansas	286,751.49
Total	$25,101,644.91

Speaking at the time Senator Hayne declared in the debate on the Foote resolution:

> In short, our whole policy in relation to the public lands may perhaps be summed up in the declaration with which I set out, that they ought not to be kept and retained forever as a great treasure, but that they should be administered chiefly with a view to the creation, within reasonable periods, of great and flourishing communities to be formed into free and independent States; to be invested in due season with the control of all lands within their respective limits.

Nine hundred and ninety-two million seven hundred and one thousand four hundred and forty acres were added to our public domain by the following purchases: Louisiana Purchase, 529,911,680 acres; Florida Purchase, 32,332,160 acres; Mexican Purchase, 324,293,280 acres; Texas Purchase, 70,955,520 acres; and Gadsden Purchase, 14,508,800 acres. The cost of all of these purchases was $73,757,389.98. I should like to call attention to the fact that the United States has received in royalties from oil and gas produced from the public domain in Wyoming, for the past 25 years, the total sum of $85,000,000, which sum is in excess of the amount paid by reason of the purchases above mentioned, and is itemized as follows:

Fiscal year:	*Receipts*
1945	$3,841,038.57
1944	4,474,365.24
1943	2,325,403.05
1942	2,674,919.39
1941	2,081,507.37
1940	1,742,103.97
1939	1,715,298.60
1938	1,679,357.71
1937	1,503,743.29
1936	1,307,803.54
1935	1,391,220.92
1934	1,134,711.74
1933	1,224,017.37
1932	$1,435,109.81
1931	2,184,422.88
1930	3,274,459.06
1929	2,835,871.32
1921–28	536,796.79
1928	2,940,091.00
1927	5,097,775.42
1926	6,883,125.55
1925	6,953,501.44
1924	12,270,500.75
1921–23	13,813,560.49
Total	85,320,705.27

Shortly before the passage of the Taylor Act, it was proposed to transfer lands now administered under that act, to the various States in which they lie.

A committee consisting of the then Secretary of the Interior, the Secretary of Agriculture as well as James A Garfield, a former Secretary of the Interior, and 19 other eminently qualified men studied the question of the disposition of the remaining public lands, and on January 16, 1931, made their unanimous report to the President of the United States, reporting among other things that—

> All portions of the unreserved and unappropriated public domain should be placed under responsible administration or regulation for the conservation and beneficial use of its resources * * * that the remaining areas, which are valuable chiefly for the production of forage, and which can be effectively conserved and administered by the States containing them, should be granted to the States which will accept them.

We have over 1,000,000 cattle in the State of Wyoming but only 163,865 run for a few months each year on the 17,000,000 Taylor grazing acres in our State. On the other hand, we have over 3,000,000 head of sheep and a half of these sheep are grazed for a few months on these lands. In the 10 western public land States, 8,482,376 sheep are permitted to graze, whereas only 1,990,270 cattle are permitted within these grazing districts. From this it can be seen that the livestock running on Taylor grazing lands are predominantly sheep rather than cattle.

The preamble of the Taylor Grazing Act provides among its objects:

> to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes.

The Tariff Commission reported in January 1945 that the wool growers of this country lost 10 cents on every pound of wool produced in 1944.

The result of the increasing disparity between livestock market prices and the ranchers' operating costs has been to place the range livestock producers in a less and less favorable net-earnings position. A study of production costs in the sheep industry of the Western States by the United States Tariff Commission for the 5 years 1940 to 1944, disclosed that the highest net earnings were attained in 1942, when the profit was $1.14 per head of sheep. The following year there was a net operating deficit of $0.12 per head; and in 1944 the net loss was $1.22 per head.

Little wonder that the sheepmen were liquidating their herds and going out of business, as is shown by the following:

Decline in numbers of stock sheep on farms and ranches in 11 Western States, and in the United States, Jan. 1, 1942, to Jan. 1, 1946

[In thousands]

States	1942	1946	Percent decrease
Arizona	752	561	25.4
California	2,977	2,078	30.2
Colorado	1,889	1,570	16.9
Idaho	1,858	1,192	39.1
Montana	3,853	2,490	35.4
Nevada	732	577	21.2
New Mexico	2,103	1,581	24.8
Oregon	1,577	881	44.1
Utah	2,470	2,032	17.7
Washington	583	350	40.0
Wyoming	3,654	2,669	27.0
11 Western States	22,448	15,981	28.8
All States	49,807	37,517	24.7

The total number of stock sheep on farms and ranches has decreased during the past 4 years from 49,807,000 to 37,517,000, or 24.7 percent. In the 11 Western States the decline has been from 22,448,000 to 15,981,000, or 28.8 percent.

A committee in the Senate, which has held exhaustive hearings on this problem recently, made a report, part of which is as follows:

> This committee finds that—
>
> The livestock industry using the grazing districts is in a deficit net-earnings position, facing great uncertainties in the immediate future, and not prepared to absorb higher grazing fees.
>
> The sheep and wool producing industry is already in process of drastic liquidation.
>
> No increase in grazing fees can be justified at this time, nor until a careful and unbiased study of the factors involved has been made.
>
> If grazing fees are to be based on administration costs, users should have a voice in limiting these costs and in restricting services involved to those desired by them.

The condition of the sheepmen of this country is so serious that recently the President of the United States proposed that legislation be enacted to alleviate their condition. A copy of the letter is as follows:

> MARCH 11, 1946.
>
> DEAR SENATOR O'MAHONEY: On January 5, 1946, you sent me a memorandum on wool in accordance with a suggestion I had made to you at a conference on the subject. In your memorandum you suggested that I request the interested agencies of the Government to confer and to prepare a wool program. Such a program has now been prepared and is attached. It represents the considered views of the administration on the best methods for solving a serious and difficult problem.
>
> Your committee will, of course, be able to call on the interested agencies for any desired assistance in your further studies of the wool situation or in drafting appropriate legislation.
>
> I trust that the Congress will find that this proposed wool program constitutes a sound and adequate basis for constructive legislation.
>
> In closing I wish to express my agreement with you that cooperation between the Executive and the Congress is essential to the establishment of an effective wool program.
>
> Sincerely yours,
>
> HARRY S. TRUMAN.

It certainly does not seem to me to make sense to talk about increasing grazing fees when we are subsidizing the consumers of this country to support the production of beef and mutton, and at the same time to add to the costs of production of both beef and mutton by raising grazing fees.

The gentleman from Oklahoma asked me earlier in the debate if I considered the present fee of 5 cents per head per month for cattle and 1 cent per head for sheep as reasonable. I wanted at that time to explain to him that these lands were the least desirable of any of the lands in the whole West. I want to tell you about these lands. Do you know what they are worth? They are the worst possible lands in the whole West. They are the lands that nobody would homestead. Now you compare them to the forest lands, you compare them to the State lands, and you compare them to the private lands. Let me tell you there are acres and acres of Taylor grazing land that would not feed a canary.

The Director of Grazing of the Department of the Interior made the following statement in regard to these lands:

> Lands in grazing districts are chiefly the poorer quality lands that were unattractive for private ownership under our homesteading laws. * * * For the most part they are of relatively low grazing capacity. Nevertheless, they play, usually in connection with privately owned, State, or other Federal lands, an important part in the great livestock-producing industry of the Western States.

The president of the American National Live Stock Association testified at the committee hearing in Albuquerque that in New Mexico, in his judgment, the "State land is worth one and one-half times as much" as the Federal range. He explained this in part as follows:

> We consider it—the Federal range—the least-best land. The homesteaders took the first and best lands, according to their way of thinking. The State took the second best, and the lands remaining are the lands least productive from the standpoint of being developed to where you have water. I don't say it does not grow as much grass when we have ample rains, but your returns will be less, due to the factors that enter into the operation.

At the same hearing, the commissioner of public lands for the State of New Mexico made this statement:

> I would say the selected State lands would be about three times the grazing value of other grazing lands.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I might say that in my opinion you were not quite fair, when you talked about the big stock growers who ran their livestock on these Taylor lands.

Mr. ROONEY. Will the gentleman yield?

Mr. BARRETT of Wyoming. In just a moment I will yield. You had some figures from the Grazing Service and they show there was one man in the United States that is running 30,000 head of cattle, a thousand horses, and 17,500 head of sheep, but I might remind you there are 17,000 different permittees who are running but 200 head of cattle or 1,000 head of sheep on these ranges.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. Yes; I yield to my distinguished colleague from New York.

Mr. ROONEY. Does the gentleman dispute the fact that 23 percent of these permittees own 75 percent of all the stock? Does the gentleman dispute that?

Mr. BARRETT of Wyoming. What does the gentleman want to do about it? Does he want to socialize the livestock industry?

Mr. ROONEY. If you do not want to answer, that is your privilege.

Mr. BARRETT of Wyoming. I will say to you, that is precisely the same distribution of size classes in the industry as a whole.

Mr. ROONEY. I merely asked the gentleman from Wyoming whether or not that was a fact, that 23 percent of the permittees own 75 percent of the stock.

Mr. BARRETT of Wyoming. It is true that we have a few large operators, but that is true in many industries. We have many large operators running on private lands also. You must run a certain number of cattle or sheep to operate economically.

Mr. ROONEY. Will the gentleman yield further?

Mr. BARRETT of Wyoming. I yield.

Mr. ROONEY. Is it not a fact that at page 167 of the hearings it is shown that the Utah Construction Co., the owner of 30,000 head of cattle, a thousand horses, and 17,500 sheep, was one of the members of the advisory board?

Mr. BARRETT of Wyoming. Yes. Let me tell you about that.

Mr. ROONEY. Will the gentleman tell me where I am in error in any one statement that I made when I had the floor?

Mr. BARRETT of Wyoming. You left the House under the impression, by implication, that there were many large operators. There is not another stockman in the country that runs half as many head of stock as the one you mentioned. The fact that he has a man on the advisory board does not spell anything, because many of these stockmen put a great deal of their own money into improving these public lands. They are improving their own grazing districts to make them halfway decent grazing lands.

Mr. ROONEY. Does the gentleman realize how much Federal money has been spent since 1936 in improving this range land through the Civilian Conservation Corps camps which we had?

Mr. BARRETT of Wyoming. Oh, that does not mean anything, the CCC worked all over the country. They worked in New York, too.

Mr. ROONEY. I believe the figure runs into some $10,000,000.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to my distinguished colleague.

Mr. GRANGER. Would it not be just as reasonable to ask the gentleman from New York how much money has been spent on the harbor of New York by the Federal Government—it has paid the whole bill—and yet a lot of big shipping owners operate there and do not pay anything for it?

Mr. BARRETT of Wyoming. Exactly so.

Mr. ROONEY. I trust the gentleman is not sincere in his analogy.

Mr. BARRETT of Wyoming. I do not yield to the gentleman from New York. If he recalls he would not yield to me.

Mr. ROONEY and Mr. GRANGER rose.

Mr. BARRETT of Wyoming. I yield first to the gentleman from Utah.

Mr. GRANGER. Is it not true that it was the Congress of the United States which in the passing of the Taylor Grazing Act put into effect one of the most democratic things under its administration that has ever been done, by requiring the service to be operated by the local people by the creation of these so-called local boards about which they are talking?

Mr. BARRETT of Wyoming. That is exactly right.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. JONES. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. ROONEY. Mr. Chairman, will the gentleman yield at that point?

Mr. BARRETT of Wyoming. Unless the gentleman can get me some time on that side I cannot yield. The gentleman made his speech and although he has had 15 minuutes did not yield to me.

Mr. ROONEY. I have not been making a speech; I have asked a question every time I asked the gentleman to yield.

Mr. BARRETT of Wyoming. The gentleman refused to yield to me, he will recollect.

Mr. ROONEY. If I had had more time I would have yielded.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to my distinguished colleague.

Mr. MURRAY of Wisconsin. I wish to ask the gentleman from Wyoming if it is not a fact that if it also were not for these bucket-shop operations that are being carried on by the Commodity Credit Corporation in regard to wool he would be in much worse shape than he is at the present time? There is no indication that is going to be a permanent set-up. Is that right?

Mr. BARRETT of Wyoming. That is correct.

Mr. MURRAY of Wisconsin. In other words, we will not have any sheep at all in this country mighty soon. It will come to the point that if we want to show sheep to our children we will have to take them to the zoo if they continue the policies that have been followed for the last 10 years.

Mr. BARRETT of Wyoming. The gentleman is right. Our sheep population has declined 12,000,000 head during the war. Our labor costs have more than doubled. Our costs of production have increased tremendously. Our sheep men can barely hold their heads above water.

In addition to all their other worries, the cattlemen of the West have a great and justified fear of hoof-and-mouth disease among their herds. J. Elmer

Brock, one of the leading cattlemen of my State, wrote the following letter to the Christian Science Monitor:

LOSING BEEF UNNECESSARILY

To the Christian Science Monitor:

Your editorial, "The U. S. Needs Argentine Beef," has been sent to me at the request of the head of the department of animal husbandry of a western State university. It is suggested that I write you because of my first-hand knowledge of foot-and-mouth disease. In 1941, I visited Brazil, Uruguay, and the Argentine. I gave special attention to foot-and-mouth disease and talked with the leading scientists on animal diseases in all three countries. I saw many thousands of cattle, and almost without exception they either had the disease in the active stage or showed they had been afflicted, though the disease might then be dormant.

I went clear down into the Province of Santa Cruz, which joins the Strait of Magellan. I feel I can say advisedly there is no area in any of the three countries I visited that is not infected with hoof-and-mouth disease or exposed to recurrent outbreaks.

Argentine beef is mostly all fattened on alfalfa pasture and is soft and flabby. It does not even compare favorably with our own domestic beef from cattle fattened on the range in the shortgrass country, much less our grain-finished beef.

We are today losing billions of potential pounds of beef unnecessarily. First, the industry is hampered by conflicting and vacillating administrative regulations. Second, while housewives are urged to save every spoonful of fat and carry it to the butcher shop for the production of explosives, neither the military nor the lend-lease want fat beef. As a result, large numbers of grass yearlings were sent to the shambles last year at 600 to 700 pounds, that should have been finished on grain and have weighed 1,500 pounds.

J. ELMER BROCK,
BROCK LIVESTOCK CO.

KAYCEE, WYO.

And in connection with the matter, I desire also to insert two letters which I have received on the same subject:

UNITED STATES DEPARTMENT
OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
Washington, D. C., April 16, 1946.

Hon. FRANK A. BARRETT,
House of Representatives.

DEAR MR. BARRETT: In response to the request in your letter of April 10, addressed to Dr. Fladness of this Bureau, we are pleased to give you the information concerning outbreaks of foot-and-mouth disease in Great Britain during the 5 years ended December 31, 1945, which was contained in letters to Mr. F. E. Mollin, executive secretary, American National Live Stock Association.

According to our records which are based on official reports of the British Ministry of Agriculture and Fisheries the following numbers of outbreaks of the disease were experienced in Great Britain during the years mentioned:

1940	119
1941	269
1942	671
1943	37
1944	145
1945	127

According to a published statement there had been 122 outbreaks of foot-and-mouth disease in 1945 up to November 15 of which about 60 were primary. A primary outbreak is one resulting from an original introduction of the infection from outside the country. Other outbreaks result from a spread of the infection from such original centers. In other words, the figures given just above indicate that in about 10 months in 1945 foot-and-mouth disease infection was introduced into Great Britain from outside on about 60 different occasions. It is our understanding that susceptible animals from infected countries are not permitted importation into Great Britain. The statement mentioned above therefore is significant as indicating the danger involved in the importation of products that are known to be favorable media for transmission of the causative virus. Of such products, of course, chilled or frozen fresh meats are recognized to be the most dangerous.

Very truly yours,

B. T. SIMMS,
Chief of Bureau.

THE STATE OF WYOMING,
LIVESTOCK AND SANITARY BOARD,
Cheyenne, Wyo., May 1, 1946.

The Honorable FRANK A. BARRETT,
House of Representatives,
Washington, D. C.

DEAR MR. BARRETT: My attention is called to the fact that certain shipments of bulls from Brazil to the Republic of Mexico have been made and that these shipments apparently are in violation of a treaty between the United States and Mexico.

As I understand it, in the treaty to which I refer, Mexico has agreed not to make any importations of livestock from any country where foot-and-mouth disease exists, and, of course, the obvious purpose of this treaty is to protect the United States from an outbreak of this disease which might be caused by importing from Mexico livestock which originated in such countries or have been exposed to animals which have so originated.

I am informed also that our own Bureau of Animal Industry is much concerned over the situation and reports that at least two shipments have been made from Brazil to Mexico—the last one being of 327 bulls shipped on about the 10th of April.

In the past few years we have had several lots of cattle imported into the State of Wyoming from Mexico, and this department is very much concerned lest foot-and-mouth disease finds its way into Wyoming by way of Mexico. I, therefore, earnestly request that you inquire into the facts, directing your inquiry first to Dr. B. T. Simms and Dr. S. O. Fladness, in the Bureau of Animal Industry, Washington, D. C., and if you find the facts to be as reported, that you earnestly protest on behalf of Wyoming to the State Department.

As you are no doubt aware, foot-and-mouth disease is an insidious disease which spreads very rapidly once it has gained foothold in this country, and we believe that most strenuous effort should be made to block every avenue through which it might gain entrance.

Very truly yours,

G. H. GOOD,
Executive Officer.

Mr. ROONEY. Mr. Chairman, will the gentleman yield for a question?

Mr. BARRETT of Wyoming. I yield.

Mr. ROONEY. How many of the ranch owners out there, including the gentleman, are interested in further subsidies by the Government? You have a subsidy from the Grazing Service, you have another subsidy——

Mr. BARRETT of Wyoming. I want to say to the gentleman from New York that we have always opposed subsidies. Subsidies on beef and mutton have been paid but these were paid for the benefit of the consumers. We have never been subsidized on this Taylor grazing, I assure you.

Mr. ROONEY. But did they not pay out a subsidy—

Mr. BARRETT of Wyoming. These very same lands that are in the Taylor grazing districts of Wyoming produce oil in many cases and the Government received on an average of $4,000,000 royalty the last 2 years.

Mr. ROONEY. Of $170,000 a year at first, and they ran it on up to $2,500,000 of the taxpayers' money. Does the gentleman say that is not a subsidy?

Mr. BARRETT of Wyoming. I will say to the gentleman that for the fiscal year 1945 the fees collected in Wyoming amounted to $101,433.11:

50 percent of fund to Wyoming	$50,716.58
25 percent of fund to range improvement	25,358.28
25 percent of fund to Federal Treasury	25,358.28
Funds allotted to Wyoming:	
Salaries and expenses (8 percent of total allotted to all States)	64,889.00
Less amount covered into Treasury	25,358.28
Net loss	39,530.72

Now you can offset that loss of $39,000 with the $4,000,000 income in oil royalty from the same lands.

The CHAIRMAN. The time of the gentleman from Wyoming has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield such time as he may desire to the gentleman from Virginia [Mr. BLAND].

DECREASED APPROPRIATIONS—COMMERCIAL FISHERIES WORK

Mr. BLAND. Mr. Chairman, it is with great regret that I have learned the appropriation for commercial fisheries work both in the States and in Alaska have been decreased materially below budget estimates by action of the Appropriations Committee.

I feel that I need not go into detail in explaining to you the importance of our fisheries in supplying men and craft for our national defense nor do I need to deal minutely with the historical and current aspects of fisheries and their implications in our international relations. You are well conversant with these facts.

The fishery industries have never had adequate Federal assistance in the solving of their problems nor has there been given consideration to the importance of this immense natural resource in the form of appropriations that the resource merits to the Nation. Based on Federal expenditures for each fisherman as compared with each farmer, or each unit of sea food captured as compared with each similar unit of land food harvested, our fisheries never have been given more than a fraction of the consideration that has been given to agriculture. Yet our fisheries can be and should be one of our most promising future sources of foods, animal feeds, oils, chemicals, and other products of the arts and industries. The source is self-perpetuating if properly managed.

The possibilities for obtaining new sources of products of commerce from the fisheries are great but research is

needed. The fisheries are an industry of small units that cannot finance extensive research of their own. This fact has caused these industries to be slow in their progress toward efficiency in the capture, handling, processing, and marketing of their products. However, during the past year there has been a most gratifying indication of the unification of the many diverse interests of the fisheries. I mean by that the development of a strong national association of commercial fisheries people. This was accomplished by the National Fisheries Institute. On the 25th, 26th, and 27th of last month I attended the first annual convention of that Institute and was impressed beyond measure in the enthusiasm of the nearly 1,000 registrants at the convention. I was interested in their plans, their ideals, and in the series of resolutions developed by their resolutions committee. Many of these resolutions had as their subject the conduct of additional research and services to be provided by the Federal Government to make this forgotten industry more nearly comparable in its efficiency of operation to that other great food industry—agriculture.

Thus, as I indicated in my introductory remarks, it is with genuine regret that I, as chairman of the Merchant Marine and Fisheries Committee, must report to our fishery industries that added appropriations to assist them in their problems at this time when aid is so greatly needed have either been denied or severely curtailed.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, as I said in a 1-minute speech made at the opening of the session today. I am greatly disturbed over this bill. The general import and probable effect of the bill is this: It tends toward selling the West short. About the turn of the present century certain of our great political leaders saw that our heritage as a nation was being wasted. They moved to save it and improve it. I count Theodore Roosevelt and Gifford Pinchot among the leaders in the wise move at that time.

You will recall that later in the same 1-minute speech I said that this same splendid western development work had been carried on by Franklin D. Roosevelt to a remarkable extent in recent years. Would that we could continue it in the same spirit, having the same great objectives in view.

Why do we have so much difficulty with an Interior Department appropriation bill? Why should we? We have out there beyond the Mississippi to the west a great estate, much of it yet in the raw, much capable of and certainly needing further development. I assure you a great many people would like to exploit it if it is left unguarded and available. It was exploited at one time by lumbermen and by others. We tried to stop any private selfish exploitation which was not clearly in the public interest. We tried to conserve that territory. If we do the right thing now and henceforth in the way of developing it, it will help pay this great debt under which we find ourselves laboring at this moment. It is that continued proper development I am urging now. I am begging you to draft appropriation bills and other legislation with that point in view. That is what I mean when I say that Theodore Roosevelt made a down payment on the preservation and development of the great West. Franklin D. Roosevelt made another important installment payment to that end. Are we going to continue payments as investments toward a valuable realization? Or are we going to stop now and stand to lose all of it? It begins to look that way.

Before I go further I want to answer a few things that have been stated here. I am glad the gentleman from Ohio [Mr. JONES] is present. I asked him during the course of his remarks if I heard him right when I understood him to say that he was for veterans. He assured me that I had heard him right. I asked him regarding one little appropriation in this bill, referring to the Gila project appropriation in the bill. What I wanted to find out was whether he thought he had acted in the interest of veterans by reducing that item the amount of $1,132,790 below the Budget estimate. The Budget estimate was $2,000,000. The amount written into the bill is $867,210.

The gentleman from Ohio did not want to yield to me further other than to make sure that everybody understood he was for the veterans. I hope he did not mean to imply that I was not for the veterans. I hope he did not think for a moment that I was merely trying to get something and riding in on a good cause and imposing on the Treasury in the name of service to veterans. I hope there are not very many people who believe that I am thus motivated.

But this is the fact I wanted to make clear in my question to Mr. Jones. I am pointing out a fact and I am not arguing for the veterans now. God knows, I have been doing that quite extensively in late weeks and months and even years. I just want to say to the gentleman from Ohio that he did not quite catch the force of my question. Now, take the Gila project item, what is the only effect of that cut? It is a direct slap at veterans only, for the basic work has already been done, and the Bureau of Reclamation is not hurt, only delayed in finishing work for veterans.

I had a letter today from W. B. Williamson, Sr., of Phoenix, Ariz., veteran of the First World War, and I have a similar letter from Lieutenant Kirk, of Phoenix, Ariz., a veteran of the Second World War, and both of those men say in effect, "When are we going to be able to get some land down there near Yuma?" Well, when are they? I would like to know. Why can they not as veterans get that land? They have to wait until it has been developed to the point where the Bureau of Reclamation can offer it to them. I want to say to the gentleman from Ohio that such necessary legislation has already been passed. The President signed the bill on March 6 last giving the veterans preference on that very land, and it will be ready for them just as soon as water is put on it which could be within a matter of weeks. When will the water be put on that land? They are within 3 miles of Yuma, Ariz. The water is brought right to the edge of it. The expensive, heavy construction has been completed. Boulder Dam is finished. Imperial Dam is constructed and the Gila Canal is functioning. Everything is all right up to that point. Now, if this bill should contain $2,000,000 when passed, the bulk of that money would be spent directly in putting the water on the land. If more than half is cut out, some veteran's land is going to remain without water. It is as simple as that. The committee cut it down; it cut out construction costs. What construction material would be needed? Possibly cement chiefly but it is mostly moving dirt and using material that cannot be used in the construction of homes. So that the point I want to make to the gentleman is this: The difference between $2,000,000 in the Gila item and $867,210, or $1,100,000-plus, would, if included, work directly for the benefit of the veterans, and therefore the cut is directly to the detriment of the veterans. I am afraid that is only one isolated case of the same nature in this bill.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Utah.

Mr. GRANGER. Does the gentleman know of a single thing that would aid the veteran more than to build reclamation projects, not only the labor that it would furnish, but in furnishing homes and projects that the veterans want? Does the gentleman know of anything that would be more useful to them?

Mr. MURDOCK. I certainly do not know of a single thing of greater benefit to them. We said to the boys when we brought them back from the battle fronts that we were going to try to have jobs for them. There are millions of them without jobs here today. Many of them are living upon their $20 per week compensation.

Mr. GRANGER. Are we not making a mountain out of a mole hill in talking about these funds when 90 percent of them are reimbursable to the Government and we are spending them on the Government's own land.

Mr. MURDOCK. Absolutely, and that is the thing that I want to express right here. We are straining at a gnat and swallowing a camel in this whole thing of government spending. You are right. Practically all the money spent on reclamation is reimbursable. Members blindly oppose reclamation appropriations as if it were money thrown away.

Men rise on this floor and say we have to save money, that we have a great debt, nearly $300,000,000,000, hanging over us. Well, yes; but how are we ever going to pay that debt if we do not develop the resources of the country? How are we going to furnish jobs for our veterans by cutting down on every sensible project?

When we build a reclamation project, it does not mean simply work for a few people on the site. The bulk of the labor is used in producing raw materials east of the Mississippi, and in furnishing transportation, whether by railroad,

truck, or what not. All of these different items furnish labor. The law sanctions veteran preference in that labor. We have granted veterans preference on lands that may be irrigated, but I should like somebody to show me how much we have done by way of attempting to furnish lands to the 850,000 men in uniform a year ago who expressed a desire to have a home on the land. We have not done much—how pitifully little. We have passed some legislation in this House, and we have some on the statute books, such as the act I referred to just a few moments ago, passed, and signed by the President on March 6 last. But that applies only to a limited area in the Southwest.

Not only are we trying in the reclamation program to furnish lands to veterans and give them preference to that land, but the construction work gives preference to veterans, not only those on the spot, but jobs for veterans all over the country, in the lumber camps, in the mines, in the transportation system, and in the manufacturing plants. The man in Pittsburgh, the man in Youngstown, the man in Birmingham is interested or should be interested in reclamation projects because he will be called on to furnish some of the equipment needed.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I gladly yield to the gentleman from California.

Mr. JOHNSON of California. The gentleman a little while ago expressed doubt as to whether the Members of the House believe he is sincere in trying to work for the veterans. I think there should be said for the record what is known to every Member, I believe, that the gentleman lost his son in this war, and everything that he does for veterans is based on trying to do something for those who survived his son.

I concur in what the gentleman has to say about this development not being a matter of taking money away from the taxpayers. Every dollar is to be paid back. As the gentleman so well expressed it, the development that will occur because of this expenditure will bring vast additional wealth to the country.

Mr. MURDOCK. I thank my friend for his sympathetic understanding. Yes; reclamation is constructive. It is a means of producing wealth. I am afraid I have worn my illustration threadbare talking about it, so I will only mention the valley in which I live, but Uncle Sam put about $12,000,000 into that great project. Today it is worth at least $70,000,000. What did it do 2 years ago? In 12 months it produced $30,000,000 worth of food and fiber, and in the following 12 months it produced more than that, going up on an average from $130 to $165 per acre annually in cash crops. That project has repaid most of its debts to the Government but is 5 years ahead in its repayment schedule.

The people who live in Phoenix, Ariz., and in the surrounding community based on this project pay in income tax every year more than Uncle Sam put into that investment in the beginning.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 3 additional minutes to the gentleman from Arizona.

Mr. MURDOCK. I was up in Yakima not very long ago, in the Northwest. I was told that the same thing applies to that fine orchard country up there. That which was at one time a desert region, no-account land, has now become so profitable that the people who own it pay annually into the United States Treasury as income tax more than the Government furnished them in the beginning to irrigate it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Pennsylvania.

Mr. GROSS. I listened with a great deal of interest to what the gentleman had to say. I believe we should develop that section of the country out there. However, it might not be so difficult to get these appropriation bills through if it were not a case of a few fellows wanting all the credit. For instance, I recall that Herbert Hoover built Boulder Dam, but his name has not been mentioned today in connection with all of these developments. They even wiped his name off it. Some of us who look up to that great American and elder statesman resent that sort of thing.

Now, about the income taxes, a wealthy man in my district moved down to Arizona, and he is paying an income tax.

Mr. MURDOCK. I am sorry, I cannot yield further, although the gentleman's last remark interests me.

I do not pretend for a moment to sanction everything that has been going on or that has been done by the Interior Department, much as I favor and feel kindly toward the Interior Department. I cannot do that any more than I would attempt to justify and sanction everything that has been done by the War Department in the past few years, much as I appreciate the War Department.

I am talking about policy. I feel that this bill looks in the wrong direction. That is what I am hurt about. Evidently we cannot get all Members of this Congress to see that while reclamation development takes place west of the Mississippi River in the 17 Western States, in our integrated society it is for the benefit of the whole Nation. That fact is not understood.

So far as Members not wanting to make any future investments because of the heavy debt, good heavens, what one among you being a father and having your son with a broken arm would say, "I have no money in the bank and I will not borrow enough money to have that arm set"? Or how many among you having a horse or cow sick would say, "I cannot hire a veterinarian to come in and fix the animal up so he will have to remain sick or die"? Such would be the same short-sighted policy we have heard offered here today. We are not good husbandmen, representing the United States as a whole, if we do not capitalize on and develop, as well as save, all of the vast resources out there, whether they be in the form of timber, minerals, or land, and especially including water.

One other thing, I want to call the attention of the Members, particularly, to the following statement on page 17 of the committee on appropriations' report on the bill. I quote:

> With this background the committee called upon the Commissioner of Reclamation to submit a revised construction program giving his best estimate of where savings approximating 50 percent could be made with the least hardship. The Commissioner reluctantly has complied with the request of the committee, suggesting that all reductions be made in construction items. The committee has approved the program as outlined in the Commissioner's letter.

That statement is misleading. I do not assert that it is deliberately misleading. On the other hand I think it would be unfair to this body if the whole picture were not given. In order that the Members may have the whole picture, I believe I should read the following paragraph from the letter of March 13 addressed to my friend and colleague, the distinguished chairman of the subcommittee which handled this bill. The letter in question is to be found at page 485 of the printed hearings. The paragraph which I am about to read is on page 487. That paragraph reads as follows:

> The effect of any such drastic reduction, which would be contrary to the recommendation of the executive agencies, would be disastrous to the program for the development of the West, disruptive to the President's fiscal program, and to the Bureau of Reclamation's programs, and would jeopardize the Bureau's plans for compliance with the repayment requirements of the reclamation law inasmuch as all of these projects would be left to some smaller or greater degree in a non-income-producing category until further congressional action repaired the damage. Such action would also wreck the integrated program of veterans' employment in reclamation construction and veterans' settlement upon the newly irrigated lands that the construction program as it was presented to you by the President would provide.

In the light of that statement by Commissioner Straus, I fail to see how the committee could make the statement that it "has approved the program as outlined in the Commissioner's letter."

And now, Mr. Chairman, having presented these matters to clarify the facts apparently not clear to some of those who spoke before me, let me next present the case as, it seems to me in my official position, relative to reclamation.

As chairman of the Committee on Irrigation and Reclamation, the committee that is charged by the House with the responsibility for developing the Federal reclamation program, I regret exceedingly that the appropriations for the Bureau of Reclamation for the fiscal year 1947 are reduced in the pending bill so drastically below the Budget recommendations of the President.

In failing to include, in their entirety, the Budget estimates for the Bureau of Reclamation, I fear that the bill places in jeopardy the entire reclamation program for the great West. At the rate appropriations are recommended in this bill, it will take nearly 200 years to complete the projects the Bureau of Reclamation is authorized by Congress to build. Can we afford to wait that long?

Let us look at the amounts reported out as compared with the Budget estimates sent to Congress by the President. Out of some $147,000,000 requested for

construction on about 40 projects, the bill carries only $63,000,000—a reduction of about 60 percent. Construction will be greatly retarded by these cuts.

The item for general investigations, without which the economical development of the water resources of the West is impossible, is reduced from $11,000,000 to $3,250,000—a reduction of 70 percent. This reduction will seriously affect this important work.

The item for investigations payable from the Colorado River development fund was reduced from $500,000 to $300,000. This fund, by the way, is accumulated at the rate of $500,000 per year from Boulder Dam power revenues, and not paid out of the Treasury pursuant to the Boulder Canyon project Adjustment Act of 1940, and is earmarked in the Treasury to be used for no other purpose.

The item for salaries and general expenses is reduced by more than 25 percent, from $5,500,000 to $4,000,000. Without the full amount recommended for the administrative expenses, the Bureau of Reclamation will be seriously handicapped in performing duties Congress has imposed on it.

Affecting my own State of Arizona, the Budget request of $15,000,000 for continuation of construction of Davis Dam is reduced to some $6,500,000—a reduction of 60 percent. A large portion of the amount eliminated is for the construction of transmission lines necessary to help meet the urgent demands for power in central Arizona where a most serious power shortage exists. In addition this reduction will seriously retard the construction of the dam itself. The Budget estimate of $2,000,000 for continuation of construction of the Gila project is reduced to $800,210. This drastic reduction will delay completion of the Gila project which offers so much hope as a means of providing irrigated farms for veterans. The predevelopment work on the Gila project recommended in the Budget estimates is of great value to future settlers and will protect the Federal investment.

The importance of the energetic prosecution of the reclamation program to the West, and to the Nation as a whole, yes, and even to the world, cannot be too greatly stressed. I have on many previous occasions emphasized to the House the lasting values of the reclamation program. Water is the lifeblood of the arid West. For the West to achieve that position of equality with the rest of the Nation that is its due, its sparse water resources must be stored and brought to its dry, but fertile, acres. Not only must this be done, but the great reservoirs necessary to be constructed must serve multiple purposes—purposes of providing protection against floods, for paradoxical though it may seem, many areas of the arid West are ravaged by periodic floods caused by the melting of mountain snows and the run-off of occasional torrents; purposes of navigation, of hydroelectric power production to ease the burden of the farmer and to pump his irrigation water, of providing domestic and industrial water supplies for the towns and cities, and of providing for other purposes such as fish and wildlife conservation and recreation.

The history of our country amply demonstrates that the development of one region aids all others. In the reclamation program jobs are created not only at the site of construction, but in the East and South where machinery and other materials necessary in construction are produced. Jobs are created on the railroads and truck lines which convey these materials to the site. In fact more than half of the jobs created by prosecution of the reclamation program will be in the mines, mills, factories, and transportation systems of the Midwest, East, and South.

But the beneficent effect of the reclamation program does not stop with production. To quote a phrase, "It's only the beginning, folks!" New farms and homes and other enterprises are created. These farms provide badly needed food and fiber. The products of irrigated farms are, in the main, not competitive with crops grown under dry-land farming. They provide specialty crops, crops which fill voids in the Nation's agricultural production.

These new farms and enterprises which are created also provide important markets for the goods produced elsewhere in the country.

In short, the reclamation program is of the greatest importance in contributing to the development of an expanding, but balanced, economy. Congress just this session has taken a great forward step in passing the high levels of employment and production bill. In so doing, Congress recognized that our economy must expand if the Nation is to avoid the catastrophe of future depressions.

But those laudable goals will not be achieved merely by passing high-sounding legislation. To achieve those goals, a job must be done. The reclamation program is a part of that job. At the outset of my remarks, I referred to the importance of the reclamation program to the world. It is important to the world because if the United States, the greatest Nation in the world today, does not achieve an expanded, stabilized economy, the entire world will be in turmoil and unrest.

But to return to the effect of the reclamation program upon this country, and particularly on the West, construction of reclamation projects, resulting as it does in the creation of new wealth, brings into the local, State, and Federal treasuries new revenues in the taxes paid on the wealth so created.

The expenditures made by the Federal Government to create that wealth, and the homes, farms, jobs, markets, and industry it provides are not mere donations made to the general welfare and written off as a pump-priming contribution. Far from it, the expenditures made by the Federal Government for the construction of reclamation projects is an investment by the Government in the well-being of the Nation which is reimbursable to the Federal Treasury, coming back in the form of repayments of construction charges by water users, payments for the sale of water for municipal and industrial uses, and payments for the sale of hydroelectric power.

Congress has recently concerned itself with concrete measures to ease the transition of the veteran from military to civilian life. It has passed measures to provide temporary housing for veterans. A more permanent veterans' housing bill has passed the House. Congress has passed the GI bill of rights. It has facilitated the purchase, by veterans, of surplus Government property. But Congress must do more to even begin to repay the incalculable debt the country owes its veterans. Construction of reclamation projects to provide farms for veterans is one of the most practicable ways of providing veterans with the means of a decent, civilian livelihood. The cuts made by the Appropriations Committee in the President's request for the Bureau of Reclamation will, unless restored, drastically curtail the opening up of new irrigated farms for the veteran. I say it is penny wise but pound foolish to appropriate millions of dollars for temporary housing and unemployment relief for veterans and then balk at appropriating funds, which as I said before are reimbursable, necessary to provide permanent opportunities for a livelihood.

It is false economy, also, to make appropriations for construction of power plants and then to refuse funds for the construction of electric transmission lines necessary to carry that power to the market centers. Power must bear by far the greatest share of the cost of reclamation projects. Failure to appropriate funds for the necessary transmission lines will result in the Government's being at the mercy of the few wealthy power companies that can afford to build lines to the Government dams. It jeopardizes the whole repayment structure of the reclamation program. Not only that, but it results in a denial of the very policies of preference to public bodies and cooperatives in the sale of reclamation power that Congress has written into the reclamation laws for 40 years. Without transmission lines, those preferences are meaningless, because those public bodies do not and cannot command the financial resources necessary to build networks of transmission lines.

Congress has recently increased by millions the lending authority of the Rural Electrification Administration. But REA co-ops are distributing agencies, not transmission agencies. In many parts of the West, REA depends largely on the Bureau of Reclamation to deliver power to its local cooperatives. Unless transmission lines are provided by the Bureau of Reclamation to deliver its power, the REA program in the West will, in large measure, fail to achieve the policy laid upon it by Congress of providing low-cost power to farm customers.

In concluding my remarks, I say to you that the Bureau of Reclamation has a most important job to do. That job cannot be done unless it is provided with adequate funds not only for construction of projects, but for investigations of the feasibility of proposed new projects, for the operation of existing projects and for

the salaries and expenses of administering the reclamation program that Congress has authorized.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. JACKSON].

BONNEVILLE POWER ADMINISTRATION

Mr. JACKSON. Mr. Chairman, those of us who are fully informed on the war contributions made by the Grand Coulee and Bonneville plants appreciate the generous words included on page 6 of the committee report. The Interior subcommittee through past actions provided the vision that made this contribution possible.

In analyzing the committee report I find that the following reductions have been made in the submitted budget covering Bonneville:

Spokane substation additions	$217,000
Olympia-Cosmopolis transmission line	790,000
Feeder line extension and service	2,019,000
Surveys and design	151,000
Tools and equipment	200,000
Operation and maintenance	595,400
Carry-over projects	4,804,050

This last reduction was evidently made on the theory that these former projects still stand approved but could be spread over a 3-year program. I have searched the record, in the time available, for the reasons behind these reductions. I can find no complete justification except the committee's objective in making a horizontal cut for the purposes stated on pages 3 and 4 of the report. Horizontal cuts always carry with them chances of inequality.

Obviously the Committee of the Whole is not the place to take testimony. Machinery is available, however, to fully cover and correct any discovered inequalities. The two most serious cuts are those applying to feeder-line extensions and the O. & M. limitation. I use the word "serious" because of the possible effects on revenues and return.

I approach the suggestion of a further examination of these items with a full knowledge that I am not advocating a principle that would create any tax burden.

Under the act of August 20, 1937, all the items in the Bonneville estimate are self-liquidating, self-carrying allotments. This body in conjunction with that on the other side of the Capitol is the duly elected board of directors of the federally owned enterprises on the Columbia. As directors, it is our duty to examine closely to determine whether the best judgment has been used or whether all the facts have been brought forward. I fully realize that no one of this Committee intends to hamper the development of our last frontier. Therefore, I hope that if inequalities accrue from this horizontal operation, that an opportunity will be afforded to make the necessary corrections.

NATIONAL PARK SERVICE APPROPRIATIONS

The National Park Service is charged with the custody of the great places of nature and of history in the United States. It administers 182 areas, comprising 22,000,000 acres, and valued at a billion dollars. Right after Pearl Harbor, its appropriations were drastically reduced. Scarcely enough funds were provided for essential protection and maintenance. Many activities, such as road and trail work, as well as construction of facilities for public use, were eliminated. Even vital maintenance had to wait.

I note that the committee has cut the President's budget for the National Park Service by 46 percent, which does not even put them in as favorable position as they were in before Pearl Harbor. The appropriation allowed for the 27 major national parks, for instance, is $2,384,584. This is less than the amount of $2,494,618 which was appropriated for these areas even during war times.

Right now travel to the national park areas is running 87 percent over last year, and 25 percent over the peak year of 1941. In 1941 there were 21,000,000 visitors. In 1946, at the present rate of increase, there will be 25,000,000 or more. During the war 36,000,000 people visited the parks, of which 8,000,000 were in the armed forces. The Park Service, with drastically curtailed staffs, was hard put to it to take care of these visitors. Now, with the floodgates of travel opened, it will be impossible for the Service to protect the parks and serve the public unless it has the funds and the personnel.

The National Park Service is ill-prepared to meet the obvious demands upon it at the beginning of the 1946 travel season, as during the period up to July 1, 1946, it will still be operating on reduced wartime appropriations which the Congress supplemented only sufficiently to reemploy veterans returning to positions from which they were furloughed. No additional funds were provided for services to the public.

The parks and monuments are staffed with very few more employees than they had during wartime; will be able to employ only a portion of the seasonal rangers, naturalists, historians, and other personnel required for the expected volume of public use; and are rather poorly outfitted with worn-out equipment. To meet the situation, services to the public have had to be curtailed wherever possible and maintenance must continue to be neglected until the beginning of the 1947 fiscal year. If the amount recommended by the committee is approved, these needed services and maintenance will be neglected for another year. Complaints of curtailed public services are already being received.

In the State of Washington, we have two great national parks—Olympic and Mount Rainier. The impact of travel to these areas is great, and is increasing right along. I am familiar with their needs. Particularly in Olympic National Park there is no adequate development to meet the needs of the public. The Park Service has not even had sufficient funds to make the necessary plans. Not only road and trail construction, but even maintenance of roads and structures, has had to await the end of the war. Protection of valuable Government property has not been adequately provided for. The shortening of the workweek has thrown greater duties upon an already overburdened staff.

A similar situation exists with all of the areas administered by the National Park Service. I hope that the Congress will see fit to enable the Service to meet the responsibilities put upon it by law, by appropriating at least the equivalent, under present conditions, of the amount available for this purpose prior to World War II.

For Americans are again on the road. They are seeking the refreshment and adventure of life in the out of doors. And among the great objectives of this travel will be the national parks.

INDIAN SERVICE

Committee reductions in appropriations requested by the Indian Service would radically affect the adequacy of care given to Indian children and old people, would block an attempt to eliminate pay inequities against Indians, and would prevent the building of roads necessary to bring education and medical aid to the people of the reservations.

The report of the committee recommends only $150,000 for the welfare and relief of needy Indians, which is $340,000 less than the amount available for the fiscal year of 1946. The recommended amount is $600,000 less than was requested.

The inadequacy of $150,000 to accomplish this vital work is apparent when it is recognized that more than $300,000 will be needed to provide direct relief for the aged and physically incapacitated at an average grant of only $9 a month. This standard is extremely low in comparison with the average grant of $29 a month made by other Federal agencies and State welfare departments. Among other necessary welfare requirements are $55,000 for boarding-home care of children and $13,000 for the institutional care of delinquent youngsters.

Pay inequities against a large number of Indians employed by the Federal Government would continue under the committee recommendation. The Office of Indian Affairs had proposed increases totaling $925,000 to pay Indian assistants salaries comparable to those paid to non-Indian employees doing similar work. This was disallowed, as was also an additional sum of $44,700 to increase the pay of Indian police and judges.

A proposed reduction of $3,000,000 in the amount requested for road construction would not only seriously affect essential Indian-reservation programs but would also preclude fulfillment of the Indian Service portion of the Nation's road program under the Federal Highway Act of 1944.

Roads are essential to bring medical service and education to many isolated portions of Indian reservations. They are a distinct aid to efforts of Indians to make themselves economically independent.

Construction of new roads, which was suspended during the war years, is necessary to operation of school busses, ambulances, and other motor transportation on the reservations. It will provide employment for returning veterans and former war workers. It will give needed access to isolated communities and inaccessible areas. Some new construction, such as bridges, is required to keep the present roads open to traffic.

The Civilian Production Administration has said that road construction will not confict with the veterans' housing program because it involves the use of relatively small amounts of critical materials and few, if any, skilled laborers who work on housing activities. The necessity for an adequate road program was recognized by the Congress in the Federal Highway Act of 1944, which authorized an appropriation of $6,000,000 annually for Indian Service roads for three postwar years.

Mr. JONES. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho, a valuable member of the subcommittee and able Representative in Congress [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Chairman, as a member of the subcommittee which prepared this bill, I want to make it clear I believe it will seriously handicap administration of the grazing districts in the 10 States where the Grazing Service operates. This bill provides only $212,500, instead of the $1,121,470, including the Pay Act increases, appropriated for the current fiscal year, or the $1,504,000 recommended by the Bureau of the Budget. The bill also eliminates to $50,000 for fighting range fires, which do so much damage in my State and neighboring States, and the report on the bill proposes that fire fighting costs be paid out of the $212,500 item. In other words, the effect is to reduce the amount available in the current year for administration and protection of the public land by approximately 80 percent.

The Grazing Service has the job of administering, protecting, and developing resources in 60 grazing districts totaling over 143,000,000 acres of land. Last year it cost considerably less than 1 cent an acre, and a large part of the administration is in the public interest and not just in the interest of the local livestock industry. It will be a sad blow, both to the public interest and to the many farmers and ranchmen who are dependent on the public range land, to have administration radically curtailed.

It is estimated that receipts for grazing fees for the fiscal year will amount to $850,000. Fifty percent of this amount is required by law to be paid to the States, wherein collected, for such disposition as the State legislature may direct. In most of the States, this money is appropriated to the district advisory boards to be expended for improvements, predatory-animal control, rodent control, and similar purposes for the betterment of the range. Another 25 percent of the receipts is authorized to be appropriated for range-improvement expenditures by the Government. The last 25 percent goes into the Treasury. It is this amount which the committee has recommended as the appropriation for administration.

Whether or not the grazing fees should be increased or whether the administration should be made self-supporting at this time is debatable. This much seems clear, however, that the grazing districts should not be expected to become self-supporting when production of meat is restricted by low ceiling prices. It is equally clear that it cannot be expected that the grazing districts can be administered and protected for much less than was available to the Service in the current fiscal year.

Another objection is the elimination of expenditures for the advisory boards. Each grazing district has an advisory board of local stockmen elected by the range users to advise and assist the Grazing Service in the administration of the range. There are some 600 of these advisory board members.

It has been customary to appropriate sufficient funds to reimburse them for their expenses incident to attending meetings and to performing their duties. To eliminate this consideration—small in total amount but of much importance to the many small operators who are members of these boards—will be a serious blow to the advisory board system, which has done so much toward providing a local voice in the administration of grazing districts.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. STOCKMAN].

Mr. STOCKMAN. Mr. Chairman, in connection with the Bureau of Reclamation section of the Interior Department appropriation bill for 1947, I call attention to the reduction in the Budget estimates for construction work on two projects in my district in Oregon. These projects are the Deschutes project, in central Oregon, which, on May 18, next, will deliver the first irrigation water from the system which the Bureau of Reclamation has under construction, and the Klamath project, in southeastern Oregon, where essential construction is necessary for the efficiency of this old-established reclamation development.

I recognize that the Appropriations Committee has had a difficult task before it, and in protesting these reductions I do not do so in a spirit of criticism. The appropriation for the Deschutes project was reduced from $1,300,000 to $563,685. The appropriation for the Klamath project was reduced from $500,000 to $216,800.

The full amount of the Budget estimate of $1,300,000 is necessary to expedite construction on the Deschutes project so that newly irrigated land may be available next year for the settlement of returning war veterans. The storage, main canals, and some of the distribution facilities have already been constructed, and the additional funds are necessary to extend the laterals. The full amount of the $500,000 estimated for the Klamath project is necessary not only for the work in Oregon but also to advance work for the settlement of veterans on public lands in the Tule Lake area, just across the line in California. Many Oregon veterans are interested in settling on this public land.

The Budget estimates submitted by the President for the fiscal year 1947 included a total of $163,554,055 for the Bureau of Reclamation. Included in these totals were construction funds for about 40 individual projects totaling $147,330,000. The recommendations of the House committee propose reductions in each of the construction estimates for the 40 projects and eliminate entirely the estimate of $3,340,000 for WCU projects and $200,000 for preliminary work on the Kings River project in California. The total amount recommended for construction is $63,883,000, a reduction of about 60 percent.

In addition to the construction reductions, the bill reduces the estimate for salaries and expenses of the Bureau of Reclamation from $5,500,000 to $4,000,000. I am informed that the full amount of the Budget estimate is essential to the efficient administration of the important affairs of the Bureau of Reclamation regardless of the reduction in the estimates for construction.

Oregon is also interested in the continuation of general investigations by the Bureau of Reclamation to develop fully the unused water resources of the State. Therefore, the reduction from $11,000,000 to $3,250,000 of the estimate for general investigations will seriously curtail this valuable work in Oregon and I urge its reinstatement as well as the full appropriation for the Deschutes and Klamath projects.

Previous to the report on the bill, Commissioner Straus, of the Bureau of Reclamation, wrote the chairman of the House subcommittee, warning of the effect of the reductions which the committee had proposed. Commissioner Straus wrote as follows:

> The effect of any such drastic reduction, which would be contrary to the recommendations of the executive agencies, would be disastrous to the program for the development of the West, disruptive to the President's fiscal program, and to the Bureau of Reclamation's programs, and would jeopardize the Bureau's plans for compliance with the repayment requirements of the reclamation law inasmuch as all of these projects would be left to some smaller or great degree in a non-income-producing category until further congressional action repaired the damage. Such action would also wreck the integrated program of veterans' employment in reclamation construction and veterans' settlement upon the newly irrigated lands that the construction program as it was presented to you by the President would provide.

Mr. JONES. Mr. Chairman, I yield 15 minutes to the gentleman from Washington [Mr. HOLMES].

Mr. HOLMES of Washington. Mr. Chairman, two projects in my district are seriously affected by the reductions in the Budget estimates to the amounts reported in the Bureau of Reclamation section of the Interior Department appropriation bill for 1947. These reductions will seriously curtail construction work essential to the completion of the Roza division of the Yakima project in my district and will retard the construction of the irrigation system for the great Columbia Basin project which also lies largely in my district.

I view with deep concern the appropriations allowed for these projects. We in the State of Washington, who have grown up with the reclamation program established some 45 years ago, know what the bringing of water on land for irrigation purposes can do. We have built through this program empires of production second to none.

With the world desperately in need of food, we have land in the Roza project immediately available for production of

this food. In the Columbia Basin project we would bring 6,000 acres into production in 1947 and another 400,000 acres in the next 4 years. It is double-crop land when devoted to row crops, and in many areas of the Roza division of the Yakima project there would be no delay to the veterans coming to seek homes now. By double-crop land I mean two complete crops of separate products per season.

These projects that I refer to have been carefully gone into, have been carefully studied, and show beyond doubt economic feasibility and a sound basis for future production. When just one county in the State of Washington, namely, Yakima, produces $100,000,000 worth of produce a year under irrigation, can there be any doubts as to the success of such use of water?

Men from our area have grown up with this. We know what irrigation can do. It is a part of us. We of the West and the State of Washington intend to continue this development and feel that the appropriations involved in the bill up for debate and discussion are not of a sufficient amount to keep from deterring our progress and our program.

Let us look at some of the facts of irrigation: First, there is a prodigious increase in land valuations, property valuations, and revenue-earning power from taxation. There is tremendous development of economic wealth of a self-liquidating nature. I can see the necessity for not promiscuously spending money. I can also see the necessity for intelligent economy. But I cannot see the necessity for purposely not wanting to build the basis of our economic wealth and develop our resources on a program that will pay for itself.

Members of the committee have seen the areas that I refer to. They have witnessed with their own eyes what water means to dry, fertile land. They have seen land in sagebrush in the spring that by Labor Day of that same year had completely grown two crops of separate commodities. They have seen production of such prodigious amounts on a per acre basis that they have been staggered by the actual facts.

Certainly the wisdom of the committee and Members of the House realize the terrific need for food. We stand ready to produce the food immediately on the Roza division of the Yakima project. We also stand ready to produce more of that food on the Columbia Basin project if we can obtain sufficient moneys to proceed with the regular program. I call the House's attention to the fact that the cuts instituted on these appropriations are approximately 57 percent below Budget estimates. We are not asking for promiscuous dispensing of money. We are asking for what is necessary to proceed with the orderly development of these great self-liquidating undertakings.

Some may think that the Columbia Basin project is new. It has been under survey and discussion and study for a period of 40 years. It is under construction now. The Government already has invested in it $183,000,000. It is the largest irrigation project ever undertaken by the Bureau of Reclamation. It has within it some of the most fertile lands that are located in the United States. It does not seem to me that it is logical to interrupt a program of this magnitude in the face of the crying need for a new frontier and for additional food production. Where is the new frontier of the United States? It is on lands that can be made to grow excellent crops by bringing water to the land. This is the only frontier left in the United States. It is being developed and needs further development.

Water is the lifeblood of irrigation. We have the water. Land is the basis of agricultural production; we have the land. Climate is necessary for a long growing season. We have the climate. We want to proceed with the use of resources and continue to build great wealth that we are able to repay.

There has been reference made to a $135,000,000 carry-over. Was not eighty-three million of this from the deficiency bill enacted on December 28, 1945? Was not the computation of the one hundred and thirty-five million made on January 1, 1946? In other words, could any of the deficiency moneys have been spent? The balance of the one hundred and thirty-five million was allocated for this spring's work.

The Roza division of the Yakima project, to which irrigation water was delivered to 18,000 acres in 1945, is one of the outstanding developments of the Bureau of Reclamation which was carried forward under a war-food program when other irrigation construction was halted by the War Production Board. The gravity system is nearing completion and the additional funds are needed to advance work on the pumping area of the project.

The pending bill reduces the Budget estimate for the Roza division from $1,440,600 to $624,650. This reduction will delay the construction of the pumping system and other facilities essential to the completion of the project for several years at a time when there is an immediate demand for irrigated land on which returning veterans and others in the Yakima Valley can settle.

I call particular attention to the drastic reduction in the estimate for the construction of the irrigation facilities of the Columbia Basin project from approximately $30,000,000 to $13,008,145. The House is well aware, I am sure, of the tremendous increase in the population of the Pacific Northwest and the imminent necessity for providing employment on construction for returning veterans and displaced industrial workers, as well as the urgency for the extensive settlement opportunities that the Columbia Basin project will afford. Included in and set aside in the original estimate was the minimum that is required to get the construction of the irrigation facilities under way. This initial work included the huge pumps to lift water to the equalizing reservoirs, for initial work on the equalizing reservoirs, and for advancing construction on the main canals. Some funds were also included for certain essential work on Grand Coulee Dam.

I am particularly concerned at the effect of the reduced appropriation proposed for the construction of the irrigation facilities. Under the Bureau's 5-year program it was estimated that total appropriations of about $200,000,000 would be required by 1950 to bring irrigation water to 400,000 acres in the Columbia Basin project so that this area could be opened for settlement in 1950–51. Assuming that $10,000,000 of the amount proposed in the bill for the Columbia Basin project is the limit Congress will appropriate this year, at least 20 years would be required to complete the facilities necessary to bring water to these 400,000 acres.

At the end of the 20 years many, many of the veterans will be old men and will be deprived of the opportunity to settle on this great project to the building of which the Government and the Congress are committed. It will be tragic if the many thousands of veterans who would be given employment in construction work and later a chance to settle on Columbia Basin land are deprived of these opportunities.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. ROBERTSON].

Mr. ROBERTSON of North Dakota. Mr. Chairman, the Congress of the United States in the past few years has committed itself to a policy of water use in the semiarid regions of continental America. Plans have been made and the work has begun to produce a condition in these semiarid States which will bring them stability and a permanent prosperity. In the accomplishment of this, the Nation will add great numbers of taxpayers. Vast sections of the country which have on frequent occasions suffered great hardships, hardships so extreme that the Congress has been called upon to make appropriations for relief, would soon become a continuous contributor to the welfare of the country when once these projects planned have been completed.

This development in the Midwestern States is the dream of far-sighted men of past generations. It is now after many years coming into full bloom. I am concerned as I view the future of this development when measured against deep reductions made in this bill by the Committee on Appropriations.

The drastic reduction in the Budget recommendation of $23,783,600 to $10,312,685 will seriously delay needed work by the Bureau of Reclamation on the comprehensive plan of development for the Missouri Basin. In fact, at an annual rate of $10,000,000 it will take 60 years to complete the initial stage of the Missouri Basin development. This is unreasonable. The program included in the Budget recommendations provided for an active integrated and coordinated attack on the development of the land and water resources of the Basin. That is what the people in the Basin expected when the Congress authorized the Pick-Sloan plan in the Flood Control Act of 1944. There is no need to delay this work because of the housing shortage since the work contemplated under this plan is entirely different from housing construction. This work requires the use of extremely heavy equipment and in the main involves a different type of labor and materials than

is ordinarily found in housing construction. For example, the Bureau of Reclamation is nearly ready to start construction on the Heart River unit in North Dakota. Plans are nearly completed for letting the first contracts. This unit will consist of the Dickinson Dam which will provide a municipal water supply for the town of Dickinson; the Heart Butte Dam which will provide flood protection for the city of Mandan, and an irrigation water supply for 13,538 acres of land in numerous small tracts that will be served by more than 40 individual pumps. I do not see how this can affect the housing program, but it is extremely important to the people of North Dakota and to returning veterans seeking farms. Stabilization of the water supply is extremely important to agriculture along the Heart River. It is subject at present to the vicissitudes of the scanty and variable rainfall, and often drought. The crops raised on the irrigated land will supplement the feed available on adjacent range lands to help carry over the cattle during winter periods and the dry years.

The ultimate plan provides for utilizing power that will be generated along the main stream of the Missouri and elsewhere. The construction of a comprehensive and coordinated system of transmission lines will be necessary for the success of the Heart River units, as it is not possible to generate sufficient power on the Heart River to operate the pumps. Furthermore, the distribution and sale of the 5,500,000,000 kilowatthours of electric energy that will be generated annually at the Missouri Basin power plants is essential if the repayment requirements of the reclamation laws are to be satisfied.

Irrigation pumping is an essential part of irrigated agriculture in the northern part of the basin. The experience of the Fort Peck project has shown that clearly. Recently the Commissioner of Reclamation requested the Chief of Engineers, War Department, to install an additional generating unit at Fort Peck Dam to supply the demand for power that has developed. The reduction of the Budget estimate of $1,000,000 to $433,605 for transmission lines under the Fort Peck project will seriously delay the supplying of power to meet the needs of irrigation pumping, REA's, and municipalities'. The full amount should be restored to the bill in order that the Bureau of Reclamation can proceed to meet these demands promptly.

The reduction of the Budget recommendation of $5,500,000 to $4,000,000 for salaries and expenses will have a serious effect on the administration of the total reclamation program if it is allowed to stand. The Missouri Basin program will be affected and the carrying out of the Bureau's program for veterans' settlement and employment in reclamation construction will be jeopardized. Adequate funds to provide for an efficient and businesslike administration of these programs should be provided. The Budget Bureau and the President recommended $5,500,000 for this purpose; the full amount should be restored to the bill.

Mr. JONES. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. FENTON].

ANTHRACITE RESEARCH LABORATORY

Mr. FENTON. Mr. Chairman, in the United States the only anthracite coal of any commercial importance lies in four major fields in eastern Pennsylvania, within an area of only 3,300 square miles—less than 500 square miles of which are underlain by workable coal beds. The present reserves of anthracite coal are estimated at 16,500,000,000 tons—which is about three-fourths of the original reserve.

The northern coal field, commonly known as the Wyoming region, covers the counties of Luzerne and Lackawanna, with Wilkes-Barre and Scranton as the principal centers, and with many mining towns of varying population in the region.

The eastern middle coal field, commonly known as the Lehigh region, covers Carbon County with Hazleton as the principal center; and the northeastern part of Schuylkill County, which is part of the Twelfth Pennsylvania District, which I have the honor to represent.

The western middle coal field covers Schuylkill and Northumberland Counties, and the southern coal field covers Schuylkill and Dauphin Counties.

All of the large and extended deposits of anthracite coal in the western middle field have mining centers of Shamokin, Mount Carmel, Centralia, Ashland, Girardville, Frackville, Gilberton, Mahanoy Plane, Shenandoah, and Mahanoy City. The major portion of the deposits in the southern coal field have mining centers of Pottsville, Minersville, Tremont, and Tamaqua, and all these are in the Twelfth Pennsylvania District.

CONSERVE NATIONAL RESOURCES

Admittedly, from many authoritative sources there is an inexhaustible supply of hard coal, and I believe that if an anthracite laboratory is provided by the Federal Government it will fulfill the twofold purpose of creating new uses for anthracite and substantially aid in carrying out the program of conserving other national resources, the supply of which is limited.

The anthracite coal industry is our basic and fundamental industry. It is the backbone of all our business enterprises. We have few diversified industries in the region. The existence and prosperity of our people, therefore, must depend on the utilization and mining of anthracite coal.

FORMATION OF ANTHRACITE COAL

In my studies I find the word "anthracite" is derived from the Greek word "anthrax"—meaning coal of fossil substances which will kindle and burn like wood. Historical records seem to indicate that the first recorded mention of anthracite was made by Theophrastus, in 371 B. C., in a treatise on stones. This historian records that it was found in Liguria and Elis and was used by "smiths." We find today, however, the words "anthracite" and "hard coal" are synonymous.

It is now generally recognized that anthracite, like all coal, was formed from the vegetation of prehistoric forests. The story of the formation of anthracite coal is in itself an intensely interesting romance.

Geologists in general, practical language tell us that trees and ferns which grew to gigantic size and unparalleled dimensions in an atmosphere very rich in carbon dioxide, fell, rotted, and decayed, thus forming a deep layer of decayed plant life. In time the earth's surface moved and submerged this vegetation beneath an ocean covering the earth with mud and sand.

Centuries and centuries passed and thousands of years later the earth rose out of the water and was again covered with vegetation. Submersion again followed, and in the course of many centuries this process was repeated a number of times. The combined forces of heat and pressure transformed the mud and sand of the ocean bed into rock, and every separate layer of former bituminous vegetation hardened successively into peat, lignite, soft or bituminous coal, and finally into anthracite.

Then as the result of vital earthquakes and the erosion of glaciers many miles in thickness, these fields of anthracite in eastern Pennsylvania, which I have previously referred to, were left in their present uneven and disconnected form.

Scientists and geologists, in relating this marvelous romance, tell us further that as the earth's surface cooled and contracted, our beautiful hills and valleys in eastern Pennsylvania were formed.

These beds of anthracite were correspondingly twisted with the result that anthracite now lies in a number of basins or veins extending roughly parallel to each other and in a northeastern, southwestern direction. In many instances—in fact in most instances—the centers of these veins of coal are many feet underground while the edges or outcroppings frequently coincide with the surface of the earth. When this latter condition is the case it is possible to readily secure coal by shoveling or stripping directly from the surface. But in the majority of instances, however, it is necessary to sink deep shafts or slopes in order to reach the coal in or near the bottom of the veins.

According to geology classifications, therefore, these basins of anthracite coal in eastern Pennsylvania have been grouped into four primary divisions known as the northern, eastern middle, western middle, and southern fields. In the northeastern extremity of this territory these basins slope in rather gentle curves, while in other sections, particularly in my district, the warping of the earth's surface during the glacier era was much more severe with the result that the coal beds frequently lie in a vertical position and in some cases have sometimes even been completely overturned since the original formation.

According to no less an authority than Dr. A. C. Fieldner, of the Federal Bureau of Mines, anthracite coal in Pennsylvania was discovered as early as 1762, and

that the first Lehigh coal-mining company was formed in 1793. We find, however, that it was not until about 1812 that the black stones of eastern Pennsylvania began to receive recognition on the Philadelphia market as being a highly desirable domestic fuel. In 1830, the first American-built locomotive used anthracite, and in 1835 this fuel was burned on the steamship *Portland*. In 1839, the application of hot blast to Mauch Chunk and Pottsville blast furnaces started an important industrial use for anthracite that persisted for over half a century. By 1838, the yearly production reached $1,000,000 and that year may be taken as the beginning of anthracite as an important American fuel.

It can therefore be seen that anthracite coal was the first of our mineral fuels to find extensive domestic and industrial use. It is therefore equally true that it would naturally also be the first fuel to experience the exhaustion of easily minable beds. It is therefore my humble and frank opinion that if the anthracite industry is to continue and survive that we must apply progressive mining methods and research in developing means and methods for increasing the utilization of anthracite coal products.

Naturally, I am interested in scientific achievements. For years I have been engaged in the practice of medicine and I have been in close contact with the achievements of science in the fields of chemistry, biology, and related sciences.

I know something of the progress science has made in combating contagious diseases and in the improvement of our health and sanitary conditions. I therefore can be expected to have an appreciation of the value of scientific research and the importance and application of fundamental and applied research work. It is with this in view that I have for some time been devoting attention to the possibility of scientific chemical and engineering research in the development of new uses for anthracite coal and its products.

FARM PRODUCTS RESEARCH

My interest in this matter has been renewed and strengthened by the recent action of the Department of Agriculture in the establishment of regional laboratories for scientific research in the utilization of farm products at Wyndmoor, Montgomery County, Pa.; New Orleans, La.; Peoria, Ill.; and Albany, Calif.

In section 202 (a) of the Agricultural Adjustment Act of 1938:

> The Secretary is authorized and directed to establish, equip, and maintain four regional research laboratories, one in each major farm-producing area, and, at such places, to conduct researches into and to develop new scientific, chemical, and technical uses and new and extended markets and outlets for farm commodities and products and by-products thereof. Such research and development shall be devoted primarily to those farm commodities in which there are regular or seasonal surpluses and their poducts and byproducts.

Press releases issued by the Department of Agriculture contain detailed information about the location and design of these four regional laboratories at the points stated. The buildings were designed as centers for carrying on chemical engineering and related research by a staff of approximately 250 persons, consisting of chemists, engineers, and other trained technologists.

The primary purpose of these laboratories is to find and develop new uses of farm commodities in the region in which they are located.

The Eastern Regional Laboratory, located at Wyndmoor, for instance, devotes attention to new uses for potatoes, tobacco, milk products, apples, and vegetables.

The Southern Regional Laboratory, at New Orleans, gives attention to cotton, peanuts, sweetpotatoes, and other foods generally produced.

The Northern Regional Laboratory, located at Peoria, gives attention to corn, wheat, and agricultural wastes from the farm area in the Middle West.

The Western Regional Laboratory, located at Albany, Calif., directs attention to surplus fruits, vegetables, wheat, potatoes, alfalfa, and similar crops.

PROPOSED LINES OF RESEARCH ON UTILIZATION OF ANTHRACITE COAL

It is very gratifying to me as a scientifically trained man to see this splendid development in the Department of Agriculture whereby the chemists, engineers, and other technologists in the Department are going to exert every effort to develop new uses for surplus farm commodities in the various regions in which these regional laboratories are located.

I have followed very closely the developments in connection with the utilization of soybeans in various industries and regard this new undertaking in the Department of Agriculture as one of the most constructive steps taken by the Department to bring the scientist into the field as a direct aid and help to the farmers of this country.

I therefore feel that scientific research can be used in a similar manner in affording relief to the depressed anthracite miners in my district and in eastern Pennsylvania. I am convinced that science can render a most important service in the development of new uses for utilization of our valuable anthracite deposits.

In my studies of the anthracite situation in my own district I have endeavored to secure the advice of chemists and engineers not only in the industry but in scientific institutions, State and Federal agencies. I have given considerable attention to this subject and I have had an outline prepared of some proposed lines of research on the utilization of anthracite coal that would be of vital importance to all engaged in coal mining, including both the operators and miners of eastern Pennsylvania.

In preparing this research program, recognition has been made of the marked advances in methods of transportation and communication, and the increased need and demand for satisfactory motor fuels.

As a very marked example, the development of the automobile to its present outstanding position in both domestic and industrial fields has resulted in a tremendous demand for gasoline. The supply of gasoline has always been plentiful, but will it continue to be so from the present sources of production?

Already serious questions have been raised regarding our oil reserve and experts are predicting a marked depletion in future years. Just how long it will be possible to discover new oil reserves is now a much debatable question. Some prominent authorities think a decline may begin within the next 10 years while others estimate it will be a little longer period. At any rate it is generally recognized that all oil resources are being depleted and active measures should be adopted for the conservation of this valuable natural resource.

So the fact that gasoline, which is now produced from petroleum, a mineral resource which we confidently believe will some day be exhausted, the study of new sources of substitute fuel such as coal, oil shale, and farm crops should be encouraged by the Federal Government.

We have extensive deposits of coal and oil shale in the United States and methods for producing gasoline and motor fuels from them should be actively prosecuted and the practicability of these methods from the economic and cost point of view should be definitely determined.

We note that farm crops, for instance, especially grains and tubers, can be malted and fermented to produce ethyl alcohol, a liquid which chemists tell us can very well be used in place of gasoline. It has been suggested that this alcohol made from farm crops be blended with gasoline as a practical source of motor fuel, and I am sure science will determine in the next few years the practicability of this process. It is again a very splendid example of the value of scientific research in solving these important national problems.

HEATING VALUE OF ANTHRACITE

It is interesting to observe that when we think of gasoline as a symbol of concentrated fuel we find that a small lump of anthracite coal will yield nearly one and one-half times as much heat as the same volume of gasoline. The several percent of hydrogen which anthracite coal contains gives it considerable advantage, for instance, over coke in heating value. It is seldom realized that Pennsylvania anthracite contains from 400 to 1,000 British thermal units more per pound than byproduct or beehive coke of the same ash and moisture contents. These statements can be verified from analyses made by the United States Bureau of Mines.

For example, their Report of Investigations No. 3283 shows that the moisture-free analysis of domestic sizes—egg, stove, chestnut, and pea—of Pennsylvania anthracite samples from 41 coal breakers average 9.9 percent ash and 13,535 British thermal units per pound. Their Report of Investigations No. 2980 states that the typical composition of moisture-free high-temperature coke is 10 percent ash and 12,900 British thermal units per pound. In other words, while the ash contents of the typical coke and anthracite coal are almost identical, the anthracite has 635 more

British thermal units per pound, which amounts to 5 percent more heat units.

I am told the explanation for the higher heating value of anthracite as compared with coke lies in its extra hydrogen content, since hydrogen has the highest heating value of any substance. Although bituminous coal contains more hydrogen than anthracite, it also contains more oxygen which has no heating value.

It is generally agreed by combustion engineers that there is therefore no other fuel, whether solid, liquid, or gaseous, that is so concentrated as anthracite and which contains so many heat units per cubic inch. It is not my purpose in this speech, however, to enter into any more details regarding the heating and combustion advantages of anthracite coal.

I am particularly interested at this time in directing attention to the national importance and significance of scientific research looking to the development of new uses for anthracite coal and its products. It is, therefore, very evident to me that many of the following lines of research should be undertaken as soon as possible for the utilization of anthracite coal.

PROPOSED RESEARCH

First. Anthracite coal as a source of liquid fuels for automotive needs:

1. Passenger automobiles.

2. Diesel engine power on (a) trucks, (b) busses, (c) railroads, (d) stationary power plants, (e) marine engines.

Second. Anthracite coal as source of compressed gas and producer gas for motor fuel:

(a) Gas producer-driven motor vehicles. Gas producer-driven motor vehicles, principally trucks and busses, have received extended trials in England, Germany, and France. Although wood charcoal is the preferred fuel, anthracite and low-temperature coke have given satisfactory service. In 1936 about 800 gas-producer equipped trucks and busses were operating in Germany. Encouraging experimental results have also been obtained in England and France.

Third. Anthracite coal for gas production:

(a) Possibility as future fuel in gas-producers for heavier types of motor vehicles.

(b) Source of hydrogen for liquefaction of bituminous coal or for production of synthetic hydrocarbons.

(c) Source of fuel for water gas and gas-producers.

(d) Possibility of use as raw material for production of synthetic products from carbon monoxide and hydrogen.

(e) Production of water gas by utilization of off-peak electrical energy for heating anthracite fuel beds and passage of steam through the bed.

(f) Utilization of anthracite coal in process for gasification of carbonaceous materials.

Fourth. Hydrogenation of anthracite coal:

1. Heavy oil production for use in (a) Diesel motors, (b) furnaces.

2. Gasoline production for use as: (a) motor fuel, (b) solvents.

Fifth. Liquefaction of anthracite coal:

1. Emulsified finely ground coal for use as: (a) Diesel engine fuel, (b) furnace oil.

2. Heat treatment for use as: (a) Diesel engine fuel, (b) furnace oil.

Sixth. Grinding of anthracite:

1. Pulverized form for use in: (a) steam generation, (b) Diesel engine, (c) household heating.

Seventh. Blending of anthracite coal:

1. Heavy oil blended with: (1) Regular anthracite coal sizes, (2) pulverized anthracite coal, for use as (a) steam generation, (b) household heating.

2. Bituminous coal blended with: (1) Fine anthracite, for use as (a) steam generation, (b) household heating.

Eighth. Chemical utilization of anthracite coal for use as: (a) Filtering media, (b) scrubbing, (c) conversion, (d) carbonization.

Ninth. Anthracite ash utilization: (a) Soil conditioner, (b) steel alloying with fine coal, (c) chemical utilization of ash constituents.

Tenth. Anthracite for producer gas: (a) Power production, (b) city gas, (c) gas engine.

The results of my studies and surveys of the anthracite coal situation in Pennsylvania and the importance of making early provision for the initiation of a program of scientific research on the utilization of anthracite coal encouraged me to prepare and introduce in the Seventy-sixth Congress, H. R. 4109, which put the Federal Government back of the anthracite coal miner in his fight for future existence. I reintroduced the bill, H. R. 1083 in the Seventy-seventh Congress, and a companion measure, S. 357 followed in the Senate. The measure was enacted into law on December 18, 1942, and is Public Law 812 of the Seventy-seventh Congress.

The law provides for the establishment by the Department of the Interior, of an Anthracite Research Laboratory in the Pennsylvania anthracite region to carry out a broad and extensive program such as I have referred to. The law also provides for the operation and maintenance of this research laboratory to permit the Department of the Interior to carry out the program.

I greatly appreciate the cooperation that the subcommittee gave me in affording me the opportunity to appear before the committee. I want to further extend my appreciation to all the members of the Appropriation Committee in favorably reporting to the House the appropriation requested to establish the anthracite research laboratory as provided by Public Law 812 of the Seventy-seventh Congress.

This program means so much to the entire population of the anthracite coal regions of Pennsylvania, that I am grateful to the entire membership of the House for its complete support.

Mr. JONES. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GROSS].

IT'S STILL UP TO CONGRESS

Mr. GROSS. Mr. Chairman, it long has been, and still is, up to Congress to dissolve now needless war agencies, and rid the Government's pay rolls of unnecessary employees.

Most of the now useless war agencies were created by the President via the Executive order route, purportedly under the First War Powers Act which not only did not authorize the establishment of new agencies, and provided only for transfers and consolidation of functions to further war, but all such actions terminate 6 months after the war is formally ended, and revert to their former status. Congress should forthwith declare the war ended—Mr. Truman will never do it.

Some months ago, Mr. Truman created a special $10,000-a-year job for Robert L. McKeever as liquidator of the war agencies—this without semblance of authority from Congress. The most recent reorganization plan was enacted into law by the Congress at Truman's request, and, when he approved the law, he said, in substance, that any reorganization under the act would save but little, if any, money for the taxpayers, as Congress itself would, in the end, have to abolish many agencies.

The 1947 Budget submitted by Mr. Truman—reflecting only a small part of the expenditures proposed for the fiscal year 1947—makes it perfectly plain that the Government's pay roll and activities are not to be reduced; and, as the Director of the Bureau of the Budget admitted in the House hearings on the 1947 independent offices bill, all agencies are requesting more and more funds for the fiscal year 1947.

ROBERT L. M'KEEVER'S REPORT

Comes now a statement from Robert L. McKeever, the agency liquidator who is not liquidating, and has no intention of so doing, in which it is proposed to postpone the liquidation of war agencies from July 1, 1946, for an additional 6 months or a year—see Washington Times-Herald, April 25, 1946.

Pertinent excerpts from the McKeever statement follow:

Strikes, the European famine, housing difficulties, and other economic factors have made it necessary to continue governmental control under these agencies for an indefinite period, McKeever said.

The liquidation program drawn up by George E. Allen, former District Commissioner, had called for ending the war agencies by July 1, with sundry provisions for caring for Government personnel so that their dislocation from Federal jobs would not be severe.

Besides the direct economic factor, the question of what action Congress is to take on several pending problems will decide whether several of the agencies are to be cut out immediately or carried on to finish jobs they carried on through the war. Notable in this group are: Selective Service, dependent upon congressional action on the draft; the OPA, dependent upon pending legislation; the War Shipping Administration, depending upon its transfer to the Maritime Commission or present direction of ships carrying food to Europe.

McKeever explained that while the actual liquidation has been delayed by these many and complex factors, the work on liquidating plans is being carried out and programs worked out for the eventual closing of each of the agency's wartime functions. Many of

these functions and a number of the personnel in these emergency set-ups are being transferred to old-line agencies.

The over-all picture of Government employment as shown by figures collected in the liquidator's office include: Peak employment in civilian Government functions June 30, 1945, including unpaid personnel and those out of the country, 4,100,694. On February 28 the Civil Service Commission reported the number had dropped to 3,213,694.

The peak employment in the so-called war agencies, exclusive of unpaid personnel, was reached with 189,156 June 30, 1943. It dropped to 59,970 on February 28. The War Department hit its peak of 1,375,457 June 30, 1943, and dropped to 745,487 February 28. The Navy Department dropped from a peak of 698,451 to 524,336.

A decided increase, however, is noted in all other old-line agencies. On June 30, 1943, at the peak for the other agencies, these old-liners had 831,269 employees while on February 28 they had increased to 1,071,874.

The increase is explained at the liquidator's office as due to upsurge at the Veterans' Administration and Surplus Board and because of transfer of personnel from war agencies to permanent departments.

While little hope is held for early liquidation of CPA, OPA, WSA, or Selective Service unless Congress abruptly abolishes them, many of the other war agencies have been abolished, cut to 50 percent, or will be wiped out by July 1 as scheduled, the liquidating office declares.

Clearly, McKeever, as a Presidential aide, has heard his master's voice and has "come to heel."

MR. M'KEEVER'S BACKGROUND

One fails utterly to find anything in Mr. McKeever's background to qualify him as an aide to the President, especially to direct and oversee the dissolution of the Government's war agencies.

Robert L. McKeever was for many years, and still is, in the real estate business in Washington, D. C. Some years ago his firm was known as McKeever & Goss; but that organization dissolved, and he went it alone, and is now listed as Robert L. McKeever Co., Shoreham Building, Washington, D. C. It is reliably reported that about 2 years ago he went through bankruptcy in Maryland, but the details of that proceeding are not presently known.

Timed as is the McKeever statement, it seems apparent that it is mere propaganda designed to support the OPA in its present travail, as well as support for the continued enlargement and expansion of Government.

[From the Washington Times-Herald]

CAPITOL STUFF

(By John O'Donnell)

On the record of political doping since the early years of the New Deal, the Dunn survey has an impressive record of close guesses that demands respect. When a competent survey shifts its opinion within a year—and for the first time in its prognosticating history—it's significant.

A year ago, Dunn Survey reported to its clients that they believed GOP '44 White House candidate, Governor Dewey, of New York, had a poor chance to win reelection in the gubernatorial contest next November.

Dunn's current survey reports, "We predict that Senator JAMES MEAD, as Democratic-American Labor CIO-PAC candidate for governor would be defeated by Dewey.

"The more left wing is the Democratic candidate for governor (in New York State) the poorer his chance for election."

(In 1938, the Dunn survey reported that Dewey would get 49.7 percent of the vote. Actually, Dewey got 49.3. Four years later, the Dunn Survey hit it on the nose. They predicted 53 percent of the vote for Dewey. He got 53.)

We note—and in this we disagree with the distinguished experts—that the Dunn dope as of today declares: "We expect Democrats to win control of the House of Representatives (in next November's election) and to increase their majority—but only because of the (Federal) pay-roll vote."

Other predictions: In Pennsylvania, GOP Governor Martin to defeat New Deal Stooge Senator JOE GUFFEY in the Senate fight; in ever-important Ohio, present White House aspirant, former Governor John Bricker to be elected United States Senator; in Truman's Missouri, the Democratic candidate for United States Senate to be elected—"but only because of the Federal employee vote."

In studies of a few months back the same survey went on record with the prediction that neither Dewey nor Minnesota's former Governor Harold Stassen would be GOP nominee in 1948. At the same time, it stuck to its position that in the coming congressional elections, the Democrats, despite Truman's waning popularity, would carry the House by a victory "of landslide proportions."

The reasoning, according to Dunn's survey, is this: "The time, effort, and money, spent in building up Republican candidates for the Presidency have no value so long as the administration can hold and control a pay-roll vote. We know of no Republican effort to meet the pay-roll vote."

Well, just how powerful is this Federal pay-roll vote that tips elections? We know that way back in 1936 when Harry Hopkins was running WPA, it was the vote of these millions and their relatives in the boondoggling and leaf-raking era that gave F. D. R. his thumping victory over Alf Landon and 4 years later enabled him to lick Wendell Willkie.

Well, we've had a war since that time. Despite the millions called into service, civilian employees of the Federal Government continued to mount. In the 9 key political States, the number of Federal jobholders jumped from 986,000 just before the congressional elections of 1942 to 1,177,000 last November 1.

This is a gain of 20 percent—a healthy and powerful block of controlled votes when you think of the sisters, aunts, cousins, etc., whose sense of gratitude will naturally influence them to vote on the side of Santa Claus and the Treasury pay check.

Here are the latest figures on the Federal pay-roll votes in the critical States which decide national elections:

	Nov. 1, 1945	July 1, 1942
New York	200,000	211,000
Pennsylvania	166,000	189,000
Illinois	120,000	98,000
Ohio	95,000	90,000
California	281,000	155,000
Michigan	45,000	37,000
Massachusetts	88,000	104,000
New Jersey	69,000	58,000
Missouri	53,000	44,000

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Chairman, a comprehensive program for development of the Missouri River Basin has been undertaken on a coordinated basis by the Corps of Engineers, the Bureau of Reclamation, and other agencies of the Federal Government. This far-reaching plan for converting waters of the Missouri and its tributaries from destructive to constructive forces, affects not only the people of the basin but will have a decided influence on the welfare of the whole Nation. Congress approved this great project by passage of the Flood Control Act of 1944. For the present fiscal year funds were appropriated which made possible a good start on construction of the initial stage as well as continuation of planning and investigations for future phases of the general plan.

The budget recommendation for activities of the Bureau of Reclamation and other Interior agencies in the Missouri Basin during the next fiscal year total $23,783,600. This amount is based on a coordinated plan which provides for work on the project to proceed with maximum efficiency. The extent to which the activities of various agencies have been integrated into one unified plan is unusual and noteworthy. This fact, however, serves to magnify the damaging effect of any reductions in the appropriations recommended by the President and the Bureau of the Budget. The people of the Missouri Basin have waited a long time for relief from the effects of flood and droughts. They are counting on Congress to provide the funds necessary for this program.

Of particular importance to the overall plan of development is the continuation of investigations and surveys of units proposed for contruction in later years. The greater portion of units included in the approved plan for development of the Missouri Basin are still in the investigation and planning stage. Without adequate funds for continuation of planning at this time the ultimate development will be impossible to achieve in an orderly and economical manner.

The works covered by this appropriation bill are largely self-liquidating irrigation projects which also contribute to flood control and other purposes. In Kansas and the other Plains States our agricultural economy needs the stabilizing influence of irrigation projects. The hazards of dry-land farming are illustrated by rainfall statistics at my home town of Concordia, Kans. In April 1945, we had 4.73 inches of rain and in April 1946 we had only 0.94 inch. As most of you know, April is a crucial month in grain-farming operations.

The approved Missouri Basin development plan provides for ultimate irrigation of 193,000 acres in the State of Kansas. The streams which would be regulated include the Republican River and the Smoky Hill River which, with their tributaries, feed into the Kansas River, one of the main auxiliaries of the Missouri. If adequate funds are provided at this time construction can be started on units in Kansas during the next fiscal year.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. ROCKWELL].

THE TAYLOR GRAZING SERVICE

Mr. ROCKWELL. Mr. Chairman, the Taylor Grazing Service was set up under the Department of Interior "to stop injury to the public lands, by preventing overgrazing and soil deterioration, to provide for their orderly use, improve-

ment and development, to stabilize the livestock industry dependent upon the public ranges," and so forth. The first Grazing Director, Farrington R. Carpenter, of my State of Colorado, was appointed at the request of the author of this measure, my predecessor and the former chairman of this Interior appropriation committee, Hon. Edward T. Taylor. Mr. Carpenter had most unusual equipment for the job of setting up this new agency in that he was born and lived his early life in Chicago, is a graduate of Princeton University and Harvard Law School and yet since about 1912 has been a resident of Colorado and an owner and operator of a successful registered Hereford ranch in the mountains of that State. He did not use these public-grazing lands himself, but he was familiar with the bitter quarrels between sheepmen and cattlemen over jurisdiction of these areas and the waste caused by overgrazing during the few weeks or months that stock was grazed there, because of lack of any Federal or State supervision. In setting up the Grazing Service, Mr. Carpenter not only provided supervision for the proper grazing, conservation, and protection of these last remaining public lands, but he provided for the decentralization of this agency so that it would be generally responsive to the local users who pay the taxes and represent the backbone of our western civilization.

To accomplish this purpose, grazing districts were set up with local, State and National advisory boards elected by the sheepmen and cattlemen respectively. These boards meet at regular intervals and with the regional or local grazier, go over each permit or administrative problem to decide the amount of stock the ranges will carry and who has prior rights to the grazing lands available. The final authority as to the number of stock that may be grazed and the rights of each permittee, of course, remains with the Grazing Service. However, the 60 grazing districts with the grazing boards representing the stockmen who use the lands and the Grazing Service representing the Federal policy have worked out their differences with their feet under the same table and a knowledge of all the facts before them. It is a far cry from the policy of most other Federal agencies who try to direct and give all orders from their headquarters in Washington. In fact it has proved so successful that there is a growing demand among western cattlemen for a similar set-up in the National Forests Grazing Service.

I wish I could show you who have never been West, just what those rights mean to the stockmen where these remaining public grazing lands remain. In 1941, the total gross area of the grazing districts in the 10 States where these public lands exist amounted to 256,481,600 acres, of which 140,553,230 acres are public lands included in this act. This varies from 17 percent of public grazing areas in Montana to 69.4 percent in Nevada and 69.3 percent in Utah. The valleys where irrigation water is available have been homesteaded by settlers and are used for farms or ranches. If these ranch or farm lands are near the railroads or have good roads for transportation, they may be used for the raising of sugar beets, fruits, beans, grain and other cash crops. However, if they are away from the railroads as most of them are, production must be in hay and grain that can be fed to four-footed animals and driven, often for several days, to the nearest railroads and then shipped perhaps a thousand miles to a central market. Here the privilege of using the public ranges, generally both National Forest and Taylor Grazing, is almost necessary; the other alternative being to sell hay and forage to those who have these rights.

It is a most complicated situation and one that can only be properly and fairly handled by the people in those areas themselves. The rights to these public ranges are based on length of use and commensurability. Commensurability means that no stockman can procure a permit unless he can each year show that he owns or leases sufficient crop and pasture lands to care for his stock when they are off the public grazing lands. In my State of Colorado few use the Grazing Service for more than 6 or 8 weeks. During most of the year these Grazing Service lands are as bare as the desert. They are, in fact, the remaining lands after 80 years of homesteading in the West. In 1905 the Forest Service was set up to take over the conservation of grazing, water, timber, and soil in the upper areas. The Taylor grazing lands are the low, dry, bad lands, the left-over lands. They do, however, have a necessary value for a few weeks in the year to round out a cattle or sheep outfit. These 141,000,000 acres are not fenced and water holes have generally long since been filed upon and in private ownership.

The use of these grazing lands is generally restricted to short periods between the time the cattle or sheep are being fed at the home ranches and the time they can be placed in the high ranges of the Forest Service.

For several years the stockmen of the west, as well as this Appropriation Subcommittee, have viewed with alarm the apparent effort of the Interior Department to develop this Grazing Service into another large Government bureau. Through their advisory boards, the users of these public ranges have protested this growth and have based their objection upon statements made by former Secretary Ickes at the time the act was passed. When the Taylor Grazing Service was under consideration, Secretary Ickes told Congress "we have no intention of making this a revenue producer at all. We would like the range to pay its own administration, but nothing more."

The livestock users of these grazing districts are not asking for special favors. They are willing and expect to pay their share of the cost of administering the Grazing Service, but they strenuously object to being asked to pay for services and expenditures such as soil conservation, access roads, flood control, fish and wildlife undertakings, and other developments about which they are neither consulted and often do not approve. Strangely enough, by the end of the fiscal year 1946, the Grazing Service will have collected in grazing fees from those using these ranges an estimated $7,727,000, as compared to a total appropriation for salaries and expenses of the Grazing Service during this same period of $7,995,210. In other words the 22,000 users of these Taylor grazing lands have actually paid during the period of the existence of this act approximately the total amount spent for the administration of these lands, according to the agreement at the time the agency was created. Even so the Grazing Director has stated that one-third of the activities of the Grazing Service should not be charged to livestock. The stockmen do not feel that they should be held responsible for congressional action providing that 50 percent of these fees be paid to the States from which they were collected and 25 percent set aside for range improvement. If a greater proportion of these funds should be paid into the Federal Treasury, Congress should modify the Taylor Grazing Act and not hold the stockmen responsible for the previous action of Congress.

Shortly after the present Grazing Director C. L. Forsling was appointed he stated, at a meeting in Salt Lake City of the National Advisory Council of these range users, that he planned to recommend to the Secretary of the Interior an increase in grazing fees to 300 percent of the present level for use of these public ranges on the basis of their commercial value and the prices that privately owned and State leased lands nearby were being sold and leased. It is impossible to compare fenced pastures, privately owned lands with water rights, lands leased for specific purposes such as lambing grounds, with the low quality, unfenced lands of the Grazing Service, even if the purpose of the act did not specify otherwise. These are the remaining left-over public lands, after 80 years of private acquisition under homestead and other public-land laws. They are the dry lands to which no one can afford to acquire ownership under any of the public-land laws. In fact, the livestock grazed on them generally lose weight during the few weeks or months they graze there, in spite of the common practice of feeding them purchased supplementary feeds.

The suggestion of Director Forsling was met with an immediate and unanimous opposition. The controversy became so bitter that about a year ago the Senate Committee on Public Lands and Surveys appointed 15 Senators to hold hearings in each of the 10 Western States where these lands are located. Chairman PETERSON, of the House Public Lands Committee, requested that members of his committee who reside in any of these States attend the meetings for his committee. This we did. The hearings are just now being printed and they contain the Senate committee's findings and recommendations. The Senate Committee on Public Lands and Surveys has summarized its findings from these hearings in the West as follows:

First. The livestock industry using the grazing districts is in a deficit net earning position, facing great uncertainties in the immediate future and are not prepared to absorb higher grazing fees.

Second. The sheep and wool industry is already in process of drastic liquidation.

The statement explains this as follows:

The result of the disparity between the livestock market prices and the ranchers operating costs has been to place the range livestock producer in a less and less favorable net-earning position. A study of production costs in the sheep industry of the Western States by the United States Tariff Commission for the 5 years, 1940 to 1944, disclosed that the highest net earnings were attained in 1942 when the profit was $1.14 per head of sheep. The following year there was a net operating deficit of $0.12 per head; and in 1944 the net loss was $1.22 per head. These operating losses are causing a drastic liquidation in the sheep-producing industry, particularly in the 11 western range States, where this decrease amounts to 28.8 percent.

Third. The only range study made by the Grazing Service in 1941, when net earnings of the livestock industry were at or near a peak, showed that ranchers had no net earnings to pay any grazing fees for public lands after deduction for taxes and interest on investment.

Fourth. No increase in grazing fees can be justified at this time, nor until a careful and unbiased study of the factors involved has been made.

Fifth. Any grazing fees charged should not be increased beyond the ability of the livestock users to pay, and to maintain those base properties, lands, and waters which the Taylor Grazing Act and the Grazing Service regulations require them to control, as qualifications for grazing permits.

Sixth. Grazing district users are alarmed by the rapidly increasing administration costs in Grazing Service.

Seventh. If grazing fees are to be based on administration costs, users should have a voice in limiting these costs and in restricting services involved to those desired by them.

In the meantime the National Advisory Council, representing the 22,000 users of these ranges, have made the following recommendations:

(a) A study of the cost of administration of grazing lands for grazing purposes only should be completed and presented to the council.

(b) Any fee finally fixed must be based on a direct relation to the reasonable cost of administering public lands for grazing purposes only and nothing more.

(c) By amendment the Taylor Grazing Act should provide that fees paid by grazing users of the grazing districts be used for administration only.

(d) With such provisions in the act, grazing users will finance and maintain range improvements desired by them.

The members of the House committee have not had the opportunity to read and study the recommendations of the Senate Public Lands Committee, or they would not, in my opinion, have offered these drastic cuts in appropriation for the service. I think the stockmen of the West generally disapprove the increases asked for the past 2 years by the Grazing Service and the Bureau of the Budget over what they received before, but they want this service continued along present lines until a committee of Congress has time to study the Senate hearings and call these men in and, with the Grazing Service, break down the costs and justify any increases asked. In the meantime, the present fees collected practically equal the cost of the administration of this act as presently carried on, and the 22,000 permittees who are the backbone of the livestock industry of the West should not be penalized as they are in this bill. The appropriation should be carried at the amounts granted during the previous 2 years. If we deduct the cost of that part of the administration which is in the general public interest, and, therefore, not properly charged to livestock, the fees as now paid by the stockmen will considerably exceed the cost of administration as provided in previous appropriations. In fact, the stockmen are paying for this Grazing Service more than four times the amount of the appropriation carried in this bill. This is contrary to the understanding and statements made to these western stockmen at the time this measure was passed. The Senate, through their Public Lands Committee, are on record in this regard, and I feel sure the House committee will restore these appropriations to the amounts of the past 2 years and until such time as a careful and unbiased study can be made.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, we Members of Congress are fully aware of the danger of inflation. We have done and will continue to do everything in our power to prevent it. What inflation we have today is due to two causes: the war which threw our economy out of balance and to the errors in administration of OPA by Chester Bowles. His rules and regulations, in a great many instances, have prevented the manufacture and distribution of billions of dollars in merchandise the people need today.

The policy of the President in breaking the price line through an increase in wages throughout the Nation, whether justified or not, is extremely inflationary. The Congress, in its effort to prevent inflation, has cooperated with Mr. Bowles, but unfortunately he has not cooperated with the Congress.

We have reached the point in government where there is a greater danger facing the people than the danger of inflation, however serious it may become.

The No. 1 problem facing the people today is the preservation of representative government.

The people must understand the real issue before it is too late. The real test is, Will we be able to reserve the present philosophy of government which through regimentation and centralization of power in Washington is fast leading this Nation down the road to State socialism and turn back to the people their Government of individual freedom and liberty which has served us so well in the past?

That test places the responsibility not only upon Members of Congress, but upon every thinking citizen of every congressional district throughout this great Nation. We cannot reverse the trend, we cannot save representative constitutional government, unless we hold fast the support of the thinking people of America.

The greatest threat and danger to representative government in America today is the Government propaganda machine with its headquarters here in Washington. It is headed by big government and bureaucracy. It is supported by radical organizations headed by the Communists of New York, the mouthpiece of which is the Communist Daily Worker newspaper. It is supplemented by a political tie-up with Sidney Hillman who speaks for the CIO Political Action Committee, an organization which brazenly tells the people through the press, that they will spend millions of dollars in the next congressional campaign in an effort to defeat 100 Congressmen who refused to do their bidding. This organization reports they will spend millions of dollars to accomplish their ends. If they can accomplish this they will take over control of the Federal Government through the Congress at the next November election.

The New Deal uses this Government propaganda machine for political purposes. It is estimated there are now on the Government pay roll over 45,000 publicity men.

In order to determine just what it costs to operate this Government propaganda machine, Senator FERGUSON requested an estimate of the expenditures for education, informational, promotional, and publicity activities. Mr. Lawton of the Bureau of the Budget, who speaks for the President, in response to this request, brought to the Senate Sub-Committee on Appropriations, a list of expenditures which appears on pages 17, 18 and 19 in the hearings. These expenditures for the fiscal year 1946 reached the stupendous sum of $74,829,467. For informing the country about OPA, not including the printing of ration books and such regular printing matter, but for radio, motion pictures, script writers and general publicity, which I term largely propaganda, OPA is spending in 1946 $2,572,000. These are not my figures but the figures from the Bureau of the Budget and cannot be contradicted. The Congress gave Chester Bowles for OPA $150,171,000 for 1946 and he employed 31,784 employees in an effort to hold down the cost of living.

Let us see why Chester Bowles and later Paul Porter were appointed to head the OPA. Let us analyze their business experience.

Chester Bowles is reported to have made a million or more dollars as the director of an advertising agency. He is a No. 1 publicity man, knowing a great deal more about publicity than he does about business generally.

Paul Porter, a former newspaper writer and one of the publicity men for the Democratic National Committee, recently was appointed to succeed Mr. Bowles who was moved up to the position of Administrator of Economic Stabilization. Is it just a coincidence these publicity men were appointed?

Here you have two advertising or publicity men who have never had a wide experience in general business. These men during 1946 have $2 572 000 of the taxpayers' money for the purpose

of putting out a line of publicity through the press, the motion-picture theaters, and over the radio, much of it used to influence the thinking of the people. I charge they both color their publicity politically in favor of the administration they serve.

The Congressmen who are seriously working long hours every day in an effort to help safely steer the ship of state and to protect the interests of the people, do not have the publicity organization, the time, or the money with which to present the reason for congressional action on various important legislative matters.

Bowles and Porter, and others, head the propaganda machine of the Nation through the press and over the air. They are supported generally by the Communists and radicals of New York, by Sidney Hillman of the PAC, and by a half dozen administration supporting radio commentators who join in with a veritable deluge of sensational half-truths and at times falsehoods as to what the action of Congress has been and why they have taken such action.

Recently when the Members of Congress sought to write into the law amendments that would confine Paul Porter of the OPA to a definite course, which would make OPA more workable in the interests of the people, and which would prevent him from issuing rules and regulations that were slowing down the manufacture of goods the people need and seek to buy, Chester Bowles rushed on the air, commandeering all networks, and shouted the doctrine of fear to the people stating we had wrecked OPA before the bill was finally voted on. With such deceptions he held up the specter of fear, the fear of ruinous inflation. These same commentators and writers immediately followed suit, condemning the Members of Congress and shouting fear to the American people.

It was Henry Thoreau—born in 1817—who coined the statement "nothing is so much to be feared as fear itself." This is tragically true. Fear is one of the most paralyzing forces man has to combat. Physical fear is the least of fears. Chester Bowles, as an advertising man, knows better than anyone in America how to get the most out of fear. His intent was to instill the fear that the action of Congress would bring about ruinous inflation to all of the people. The fear of the future he sought to instill into the minds of the American people. He knows that the deliberate use of fear psychology is the greatest weapon he has in an effort to influence the thinking of the people.

Let me point out how wrong they have been in the past. When practically the same conservative Members who supported these amendments passed the Smith-Connally bill in an effort to stop strikes during wartime, and passed it over the President's veto, which today gives President Truman the only legislation he has to cope with the coal-strike situation, this same group of radio commentators assailed the Members of Congress in a terrific drive and made an issue of it in the 1944 campaign. Time has proven they were wrong then, as they are wrong now.

When we passed legislation in the Seventy-eighth Congress to give the soldiers the right to vote a State ballot, they supported the short Federal ballot and made a vicious campaign through the press and over the radio condemning we Members and accused us of attempting to keep the soldiers from voting. The soldiers refused to vote this short ballot without any names on it and 98 percent voted the State ballot, only 2 percent voting the short ballot. Secretary of War Stimson, in his report to the Congress, pointed out that in attempting to get the short ballot to the soldiers many soldiers lost their lives, and practically recommended that the ballot was worthless, unworkable, and the short ballot should be repealed. The Congress unanimously repealed the short ballot 2 months ago and not one of these radio commentators who supported it even told the public it had been repealed.

When the unnecessary work-or-fight bill was up a year ago to draft every man and woman in America, those of us who opposed and defeated it were condemned in a vicious campaign over the radio by these same commentators.

Some 2 months ago when the same conservative group of Congressmen in the House passed the Case bill in an effort to honestly define and protect the rights of labor, business, and a hundred million people who make up the public, this same group of left-wing commentators condemned us Members of Congress who sought to bring about industrial peace in the interest of the Nation which is so much needed today.

If they can destroy the confidence of the people in their representatives, they will destroy representative government which protects the liberty of the people of this Nation. If they destroy representative government, the people in the future will have no Congressmen to protect their interests. If they destroy representative government which has protected the liberties of the people for 165 years the best we can hope to get out of it will be a socialized state, a government that rules the people without the use of any representatives of the people.

Socialism is the twilight zone leading to communism. Communism is widely fostered in America today and exerts a hundred times more influence in Government than its numbers indicate. Communism in America takes its party line and principles from communism abroad. There are two conflicting ideologies of government in the world today—communism, and the government of liberty or free enterprise. Communism is restless and on the march. Its godless advocates are shrewd and cunning; they scheme and work in devious ways constantly. Communism is aided, whether ignorantly or by design, by a host of left wingers who deny the faith, but whose every effort speeds communism on its way here in America.

When Mr. Bowles goes on the air and tells the American people that the lobbyists are crowding the hotels of Washington and the corridors and hallways of Congress, that the greedy men representing big business are camping on Capitol Hill and implies they are unduly influencing Congress, he does a disservice to the Nation. He knows and every Member of Congress knows that those statements are gross exaggeration.

I have yet to find a Member of Congress in the nearly 4 years I have been here who has indicated to me that any lobbyists sought to bribe or unduly influence his vote on legislation. I can say for myself personally that I have not yet met one of those bold, bad lobbyists while I have been here in an effort to try to serve the people of my district and the Nation.

Drive upon drive has been made on Washington by hundreds of men and women of the PAC from New York and as far west as Chicago and Milwaukee. Hundreds of them called us Congressmen to a meeting with them one day to discuss legislation. I saw nothing wrong in getting their viewpoint. A thousand men and women marched on Washington a few days ago representing the New Deal philosophy in support of the OPA, seeking to influence the Members of the House and Senate. I do not know whether Mr. Bowles calls these people lobbyists or not; they are the nearest to lobbyists that I have seen.

When hearings are held on such bills as on the housing bill and on the OPA, men at the head of such organizations as the Farm Bureau, the Illinois Agriculture Association, the dairy associations, and men representing the lumber interests, the building interests, labor organizations, and economists are invited by the committee to come to Washington and testify. They are generally called by the chairman of the committee, an administration Democrat who represents the President and his party. They are invited to give expert testimony and to produce statistics as to what type of legislation will do the most good and the least harm to the country.

Yet Chester Bowles would have you believe that they come here as greedy monopolists against the interests of the people seeking to line their pockets in the future by legislation beneficial to them. He is giving the people of this country the wrong picture. His speeches over the radio and his press announcements crying out against imaginary lobbyists tend to break down the confidence of the people in their own representatives, tend to destroy representative government in this country. He should stop this destructive practice.

I have faith that the American people who have been fed this doctrine of fear, who have heard the Members of Congress defamed and unjustly criticized by the left-wing commentators have become so fed up on this false propaganda that it is now having little effect on them. They see through it.

Mr. Chairman, every Congressman wants to prevent ruinous inflation. I do not believe there is any group of men in the Nation who are doing more to prevent inflation than the Members of Congress. They are serious men who realize the great responsibility resting upon them. They are interested in the welfare of their constituents, and they realize their great responsibility to the Nation.

If the people will keep their faith in their own elected representatives who are honestly and sincerely trying to serve

their best interests we can save representative government.

If the people lose faith in their representatives and place their faith in the big bureaucrats who they cannot recall by their vote on election day, if they place their faith in the radio commentators who draw big salaries, often giving them false propaganda, we will lose our form of government. Propaganda in the hands of politically deceptive men is the greatest threat against representative government that we have in America today.

Mr. JONES. Mr. Chairman, I yield 20 minutes to the gentleman from Kansas, [Mr. WINTER].

Mr. WINTER. Mr. Chairman, I want to be one of the Members of Congress to publicly acknowledge my thanks to the committee for the fine piece of work it has accomplished in bringing in a bill with a 50-percent reduction over that which the Budget asked for.

There is a matter I want to talk to the House about for a few minutes, and I know of no better time than when we are considering an appropriation bill to discuss it.

A sound government fiscal policy is imperative if we are to maintain the economic stability of this Nation. One of the greatest contributions that could be made to this cause would be for the Federal Government to begin living within its income.

If we continue mortgaging the future income of this Nation, spending more than we take in each year, this Nation at some time in the not too far distant future is headed for an economic tailspin that will destroy our system of government, produce economic chaos, financial ruin for our people, and bring about the worst depression the world has ever known.

There is undoubtedly a saturation point somewhere in deficit spending which we dare not go beyond and the only way to avoid reaching that point is for the Federal Government to live within its means and begin reducing the national debt.

With the hope of contributing something constructive toward bringing about a balanced budget and stopping deficit spending by the various agencies of the Government, I have today introduced a bill to place each department and establishment of the Federal Government on a pay-as-you-go basis and to eliminate deficit spending by Government agencies.

The bill provides that the Ways and Means Committee of the House shall on or before the 1st day of October of each year make an over-all estimate of Federal revenue for the ensuing fiscal year and that the chairman of the Ways and Means Committee shall on or before the 15th day of October of each year cause to be certified to the President of the United States, the Director of the Bureau of the Budget, the Committee on Appropriations of the House of Representatives, and the Committee on Finance of the United States Senate the estimated amount of revenue to be produced from all sources for such fiscal year. The bill further provides that the President in making up his budget and transmitting it to Congress shall set out: First, the amount necessary to pay the interest on the national debt; second, at least $2,000,000,000 to reduce the national debt; third, the amount necessary for the legislative branch of the Government and the Supreme Court of the United States; fourth, not less than 10 percent of the estimated revenue for supplemental appropriations during such fiscal year; and fifth, the President shall allocate the balance of said estimated revenue among the other departments and establishments of government as in his judgment will provide the greatest economy and efficiency in the conduct of the public service.

The bill further provides that the President shall not submit a budget to the Congress with expenditures which exceed the amount of estimated revenue for such fiscal year.

The bill requires the Director of the Bureau of the Budget on or before the 15th day of January of each year to transmit to the head of each department and establishment of the Government a statement showing the amount of funds allocated to such department or establishment as set out in the President's budget message to the Congress.

The bill further provides that the heads of each department and establishment of the Government shall arrange the fiscal affairs of their department or establishment to conform with the amount of funds allocated to such department or establishment as set out in the President's budget and transmitted to the Congress.

The bill further provides that no request for an increase of the amount allocated to any department or establishment of the Government shall be submitted to the Congress or any committee thereof, by any officer or employee of any such department or establishment, unless at the request of either House of Congress.

The provision in the bill requiring the certification of the estimated amount of revenue to the Appropriations Committee of the House and the Finance Committee of the Senate is for the purpose of having before these two committees the amount of such estimated revenue, together with the President's budget, when they are considering the various appropriation bills for the ensuing fiscal year.

The effect of this bill, if enacted into law, would be to cause the Federal Government, with all its many agencies, to live within its means and to gradually reduce the national debt.

Under existing law each department and establishment of the Federal Government submits its budget estimates to the Bureau of the Budget, and from these estimates the Bureau of the Budget prepares the budget which the President submits to Congress on the first day of each regular session.

This budget is based almost entirely on estimates of the expenditures which the various departments and establishments themselves request for their support for the ensuing fiscal year, without taking into consideration the estimated Federal receipts for such fiscal year.

If the provisions of this bill were to become law the President could not submit a budget to Congress calling for appropriations in excess of the estimated Federal revenue for the ensuing fiscal year as certified to him by the chairman of the Ways and Means Committee of the House. In other words, such a law would require the President to prepare and submit his budget to the Congress based on the estimated Federal income, as determined by the Ways and Means Committee of the House of Representatives, rather than on what the various departments and establishments of the Government desire to spend.

The Bureau of the Budget would be required to notify the head of each department and establishment of the Government not less than 5½ months prior to the beginning of each fiscal year the amount of funds which had been allocated to such agency, and the head of the agency would then be required to arrange the fiscal affairs of his department in accordance with the estimated funds allocated to such establishment or department.

Under the terms of this bill the President would be required to consider the relationship between income and outgo in preparing his budget. This seems to me to be a sound businesslike manner in which to bring about responsible management of the Government's fiscal policy on the part of the executive branch of the Government. The only way any successful business can remain on a sound fiscal basis is to keep its outgo within its income, and this is equally true of government.

The argument will be advanced that there is no way to adopt a pay-as-you-go system for the Government except by Constitutional amendment. That is obviously true insofar as the Congress itself is concerned. However, it is not correct as to the various departments and agencies of Government. There is nothing in the Constitution which would prevent the Congress from saying to the President, "You must arrange the fiscal policy of the various departments and establishments of the Government so that you can submit a budget to the Congress with expenditures which do not exceed the estimated revenue for the fiscal year."

Of course, the Congress, if it wanted to, could appropriate more or less than the estimated receipts. But I do not believe that Congress, after such estimated receipts have been determined by action of the Congress, and a budget has been submitted by the President based on such estimate, and the various Government agencies had arranged their fiscal affairs to conform with the amount allocated in the Budget, would appropriate funds in excess of such amount except in case of war or some other great national catastrophe where the security of the Nation was threatened. At least it is worth trying. It cannot possibly be as bad as the haphazard system under which we are now permitting the bureaucrats to write their own ticket without regard to whether or not the Federal Government has suffi-

cient income to meet the obligations created.

We all know that billions of dollars have been spent by the Federal Government, and appropriations made therefor by Congress, just simply because they were part of some President's program. Under the provisions of this bill the President would have to set up his program within the estimated Federal income for the fiscal year. The Congress would set up the pattern by which the President would have to cut the cloth. In other words, he would have to decide what part of the estimated revenue he would allocate to each department and establishment of the Government instead of putting it on the cuff if the expenses exceed income as is now the case.

The provisions of this bill would prohibit any officer or employee of any department or establishment of the Government from submitting a request for an increase in the amount allocated to such agency unless requested to do so by either House of Congress. This provision of the bill would prevent the so-called bureaucrats, with whom Government spending is so popular, from exerting great pressure on Congress to increase the amount allocated by the President to any such agency. In other words, unless requested by Congress, no Government bureau could ask for an increase of the Budget allotment.

I have been informed that the Budget, now under consideration by the President and the Bureau of the Budget for 1947, calls for expenditures of $35,100,000,000 with estimated revenue of only $31,500,000,000, which makes an estimated deficit of $3,600,000,000. If the provisions of this bill were the law the President could not submit a Budget to the Congress for the year 1947 in excess of the $31,500,000,000, and in that amount he would have to include a payment of not less than $2,000,000,000 on the principal of the national debt. There could be no deficit submitted by the President to the Congress at all.

In the State of Kansas, of which I have the honor of representing the Third Congressional District in this body, we have had a cash-basis law for several years, which requires all subdivisions of the State to operate within their income, and it has had a most wholesome effect upon the economic stability of the State and has reduced wasteful and inefficient spending of public funds to a minimum.

Unless we stop extravagant, reckless, and inefficient spending by the various departments and agencies of the Federal Government we are gambling with the solvency of this Nation and the savings and investments of our people. Twelve percent of our national debt of $276,000,000,000 is held by governmental units; 24 percent by individual citizens; 45 percent by banking institutions; 11 percent by corporations, and 8 percent by insurance companies.

At the close of the year 1945 every man, woman, and child's share of the national debt was approximately $1,800 and by the end of this fiscal year, July 1, 1946, it will have increased to approximately $2,000 per capita. In 1930 the per capita debt was only $131.50. This is indisputable evidence that the United States has been living far beyond its means ever since 1930 and there seems to be no indication of any immediate change in this policy on the part of the administration.

Does not the welfare of every man, woman, and child in this Nation require a change in this policy? There is obviously only one answer. If this Government can be required to live on a pay-as-you-go basis in peacetime, and at the same time reduce the national debt as little as $2,000,000,000 a year, it would be the greatest incentive we could offer to the business of producing goods, supplying jobs, decreasing taxes, providing security, and protecting the savings and investments of our people.

The Federal Budget can be balanced, But unnecessary and wasteful Government spending will have to stop in order to make it possible. The Federal Government is going to have to stop paying out billions of dollars annually in subsidies under the guise of stabilizing prices. The States and local governments are going to have to assume the responsibilities and functions that rightfully belong to the States and local governments instead of the Federal Government furnishing grants-in-aid to these branches of government for every kind of a project that the bureaucrats can think up in order to keep themselves in a job on the public pay roll.

One of the conditions that has materially increased the cost of Federal Government is the assumption by Federal agencies of a large portion of State and local government responsibilities and obligations. The degree to which this has been accomplished is best illustrated by the fact that in 1911 total tax collections by Federal, State, and local governments were less than $3,000,000,000, and the Federal Government's share was less than one-fourth, and the State and local government's share was over three-fourths. In 1945 total tax collections were nearly $51,500,000,000, and the Federal Government's share was more than four-fifths, while the State and local government's share was less than one-fifth.

The President has asserted that it is his aim to balance the budget and start cutting down the national debt. This certainly is pleasing to the American taxpayer. However, the fact is that very little effort, if any, has been made so far on the part of the administration to balance the budget. A study of the proposed expenditures in the President's 1947 budget will disclose a deficit of over $3,500,000,000 above the estimated Federal income for 1947. There is at least $8,000,000,000 of proposed expenditures in the President's 1947 budget which is open to challenge as unnecessary in a peacetime economy.

Applying the provisions of the bill I have introduced to the estimated revenue of $31,500,000,000 for the fiscal year of 1947, the President would have $19,000,000,000, after making the fixed budget allocations as the bill requires, to set up the various departments and establishments in the executive branch of the Government. This is three and a half times what was spent in any one year by the Federal Government from 1930 to 1940 for all purposes, and surely the President can find the cuts needed to bring his budget within this amount. Of course he will have to reduce, instead of increase, as the proposed 1947 budget does, the number of Federal employees, which now stands at over three million. He will have to make reductions in many of the pet projects of the various Government agencies to keep his budget within the estimated Federal revenue. But this can be done if the Congress will say to the President, "Here is the pattern, you must cut the cloth to fit it."

This bill, in my judgment, provides a sensible businesslike method for an orderly and responsible preparation and management of the fiscal affairs of the various Government agencies and I sincerely hope that the Congress will give it favorable consideration.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. WINTER. I yield.

Mr. CARLSON. I wish to compliment the gentleman from Kansas [Mr. WINTER] for calling the attention of the House to this proposed legislation, and to assure him that I shall be very glad to assist in any way I can to secure approval of legislation that will bring about a sound financial condition in our Government.

Mr. ROONEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. SAVAGE].

Mr. SAVAGE. Mr. Chairman, the Department of the Interior, which is the guardian and custodian of the natural resources of the country, has been struck a heavy blow in the appropriation bill which is now before the House. I say a heavy blow because the bill cuts nearly in half the appropriations recommended by the President as part of his postwar program for developing the facilities of our country for the peacetime use of the young men and women who fought and won our recent war. It is also a heavy blow because a study of the particular items recommended for decrease does not reveal a consistent policy for elimination of doubtful or even unnecessary functions, but indicates a desire to make a sweeping and spectacular reduction even if it restricts or hamstrings the activities of individual bureaus.

While the present bill provides for roughly one-half the appropriation recommended by the Budget Bureau, it is also $24,000,000 less than the amount appropriated for the fiscal year 1946. The 1946 budget was essentially a wartime budget based on the Department's program for concentrating upon those activities which would make the greatest contribution to the winning of the war. With the ending of the war, the Department has moved rapidly to liquidate its purely wartime functions, has adjusted some wartime activities such as its mineral-utilization program, to serve peacetime objectives, and has begun resumption of its normal peacetime activities which were either eliminated or placed on a maintenance basis during the war.

I do not need to tell this House of the important work that Congress has assigned to this Department over the years. Not only the Western States, with their

problems of reclamation, grazing, minerals, oil conservation and protection and fostering of the remaining Indian tribes, but all the States with their national parks and historic monuments and fish and wildlife refuges and other projects are given Federal Government cooperation in their local problems through the medium of the Interior Department.

Now, what has happened to our Federal responsibility to the people of the various States on these matters in the bill before us?

We are asked in this bill to cut in half our service to the citizens of these States, to reduce drastically the recommended program of the President for development and use of natural resources for the greatest good of the greatest number.

The President's request for the many important functions of the Department was $347,000,000. This bill recommends $175,000,000. I do not doubt that cuts can be made here and there when in the judgment of the Congress and the committee responsible to the taxpayer a particular function is unnecessary or the number of people asked for is out of line or the activity has been badly handled in the past. But, when we are asked to cut the President's request in half, that is another thing and we should look at it carefully.

First, let us compare this with what this House has already done on other appropriation bills this session.

When the independent offices appropriations bill for 1947 was before us the House lopped off $47,000,000, less than one-quarter of the proposed reduction in this case. But that is not the whole picture. The President requested $5,641,000,000 in the independent offices bill and the House gave him $5,594,000,000.

Then we had the War Department civil functions appropriations bill. We cut $36,000,000 from that. The President requested $337,000,000 and the House gave him $301,000,000.

Then there was the Treasury and Post Office Appropriations bill. We pared that one $30,000,000, from $1,634,000,000 to $1,604,000,000.

The State, Justice, Commerce, and the Judiciary Appropriations bill was reduced from $415,000,000 to $359,000,000, a cut of $56,000,000.

And perhaps the most nearly comparable appropriations bill was that which provided direct appropriations to the Department of Agriculture, exclusive of special and trust fund appropriations. For this the President recommended $589,000,000. The House approved $574,000,000. The reduction was $16,000,000.

If you add all this up, the total appropriations in these five bills amount to $8,432,000,000, a cut of $185,000,000 from the amount recommended by the President, or only $10,000,000 more than is proposed to be cut from this one appropriation bill alone.

I do not want to bother the House with a lot of statistics and percentages so I will not attempt to analyze these figures any further. However, they certainly show that in every other appropriation we have recognized that the President's recommendations had a sound basis and we have sought to improve on it with respect to particular problems instead of slicing it down the middle as if it were a carcass in a Chicago slaughterhouse.

I am sure we all agree as to the desirability of reducing expenditures whenever possible. But do we want to do it all at the expense of the functions and services performed by the Interior Department?

Now let us see what we did to other departments on the important matter of construction which was cut so deeply in this bill. In the War Department civil functions bill, which is almost entirely construction, we cut $36,000,000, or 10 percent. We left the 90 percent for dams, dredging, and general construction affecting flood control and navigation. Now in this bill, construction for the same general purposes, even though perhaps in reverse order of importance, we have cut 50 percent, leaving 50 percent of what the President recommended.

Now, I know the committee acted in complete good faith, but its members must have been mixed up on that one. The War Department's construction works could not be that much better than the Interior Department's.

What are some of the cuts which will restrict or hamstring the activities of the Department and its bureaus in carrying out the functions assigned to it by Congress and which are part of the President's program for placing the country on a sound peacetime basis?

The bill provides only $212,500 to the Grazing Service for the administration and protection of 143,000,000 acres of Federal grazing lands, as compared to the President's recommendation of $1,504,000 and an appropriation for the current fiscal year of $1,121,470. An item of $50,000 for fighting fires on or threatening public lands under the jurisdiction of the Grazing Service has been eliminated entirely from the bill and is to be provided for out of the $212,500.

The result of this action would be to wipe out the Grazing Service and eliminate the administration and protection of 143,000,000 acres of grazing and watershed lands in 10 western States. The simple fact is that the amount provided in the bill for salaries and expenses would be barely more than sufficient to liquidate the Grazing Service and pay its loyal men and women their accumulated annual leave.

Another serious blow is the elimination from the bill of all funds, and language, intended for use in connection with travel and other expenses of members of advisory committees of local stockmen. Heretofore, there has been provided $35,500 annually for this purpose. The Taylor Grazing Act, whose author was our late colleague and a former Appropriations Committee chairman, the late Edward T. Taylor, of Colorado, is unusual in that it provides for local advisory boards elected by the users of the grazing land to advise and assist in the administration of the grazing districts. There are 60 such boards with some 600 members who are rendering highly important service and providing a local voice in the administration of the range. The effect of failure to provide funds for this purpose is tantamount to telling these advisory board members, especially the little fellows who otherwise could not afford to serve, that their advice and service and the democracy in Government that this system provides, are no longer wanted.

The Taylor Grazing Act is one of our monumental conservation laws. From the time of settlement until that act was passed, our vast public domain was a no-man's land free for all to use and abuse. The inevitable result was instability to the local settler who was dependent on these lands for a livelihood, and the depletion of the natural resources on these lands by overuse and fire. Most of these lands are parts of the watersheds of the streams which provide the all-important water for irrigation and power throughout the Western States. With neglect these watersheds become the hatching ground for floods and the source of silt to clog streams and fill reservoirs. Properly managed and protected they provide forage for livestock and big game and are the source of a usable water supply.

The failure to appropriate adequately for this work now will mean the loss of 12 years of progress since the Taylor Grazing Act was passed and the return to the former condition of dependent ranchers and depletion of the natural resources of these lands. Although these lands generally are the poorer lands which were refused by the homesteader, they are too important to the economy of the western one-third of the United States to abandon them now.

Take the Bonneville Power Administration, which has had such fine support from members of both parties in the Northwest. Roughly $3,500,000 was allowed for operation and maintenance of the power-transmission system, marketing of power, and administrative expenses. The reason Bonneville has had such fine support on both sides of the House is that it is a self-liquidating project. Uncle Sam is going to get out of it in the end all the money he put into it in addition to the thousands of intangible benefits of improvement and development of the surrounding country and, not the least benefit, the provision of sufficient energy to run the huge atomic bomb plant at Hanford, Wash. Well, this appropriation is so cut down that Bonneville will not be able to sell the power effectively and operate the existing system.

The Bureau of Reclamation has a program of primary concern to almost every western area and every Member of this House from a Western State. The President submitted a Budget proposing appropriations for the 1947 fiscal year totaling nearly $167,000,000 for western reclamation. The bill before us contains about $72,000,000 for this purpose. All construction items were slashed more than 50 percent, and on five projects transmission lines specifically were deleted from the program.

At the rate of construction proposed in this bill, some of the projects like the great Missouri Basin project, which was authorized by this Congress in December of 1944, will require as long as 65 years

just to complete the initial stage. The appropriation item for the Columbia Basin project in the State of Washington, where efforts are being made to prepare 400,000 acres of land for early settlement by veterans, is reduced from $30,000,000 to about $13,000,000. This will mean that the whole construction schedule for the project will have to be revised. Instead of having land ready for veteran settlement in 1950 or 1951, the rate of construction provided in the bill would delay the program for 25 years. The same can be said for the Central Valley project in California reduced from $25,000,000 to less than $11,000,000; the Davis Dam project in Arizona-Nevada reduced from $15,000,000 to $6,500,000; the Colorado-Big Thompson project in Colorado reduced from $15,000,000 to $6,500,000, and so on through the section devoted to reclamation.

The contention that on January 1 the Bureau of Reclamation had unexpended $135,000,000, and therefore does not need an appropriation for the fiscal year 1947 except in the much smaller amount recommended by the committee is not well taken. Most of the $140,000,000 was obtained as a result of deficiency appropriations which were made on December 28, 1945, just 3 days before January 1. Those funds have been set for expenditure during the spring and early summer and are needed, together with the estimates that were submitted, to provide an 18-month program that will move reclamation ahead on the scale required if the western problems are to be realistically faced.

It does not seem reasonable to me that the Congress should approve programs and authorize their construction and then insist on doling out the money for that construction at a rate that will stretch the construction period over generations and introduce penny-pinching economies by delaying the time when the projects can become productive and useful.

Finally—the worst cut of all—the committee has failed to permit the Southwestern Power Administration adequate funds to begin its program of establishing a businesslike power system in the Southwest by tying together the existing flood-control dams on the Red and White Rivers.

I have always been interested in flood control. I know of the work and time and interest that our distinguished colleague, the able Speaker of the House, has invested in getting the great Denison Dam project in Texas constructed and useful to the people of his district and his State. I know that he has always insisted that all the benefits of that project should be made available to the people—particularly the rural people for whose need of electric power he has always been concerned and active. The Speaker knows that Denison Dam and Norfork Dam should be tied together by transmission lines and that all of the other dams in that great region should be tied together. Every objective power expert has agreed that these dams should be interconnected in order to get the most firm power and to protect the interests of the Government in selling the power. The distinguished members of the subcommittee have agreed that the transmission lines should be built between the dams. The chairman of the Flood Control Committee of the House, who has taken a keen interest in these dams and others in the Southwest and who is one of the greatest experts in this House, repeatedly stated to the Interior Appropriations Subcommittee that these dams should be tied together with a transmission system when he appeared before that group on this matter.

The Congress of the United States has required that the power from these projects be sold in a businesslike manner and has carefully set forth a sound power policy for handling this power. But the exacting requirements of the congressional policy cannot be met unless transmission lines and related facilities are built in this area.

The mandate of the Congress that the power from Denison and Norfork be distributed to benefit the people of the area and to protect the Treasury of the United States, the hopes of our distinguished Speaker that the power from the dams he has done so much to create be made available to the people he so ably serves, the dreams of the people themselves for low-cost power for their homes and farms and factories, will be thwarted if the action of the committee is permitted to stand. I cannot turn my back upon our own sound policies, upon our Speaker's sensible position, or upon the desires of the people of the Southwest.

I do not believe that such drastic and arbitrary cuts in this bill can be made without laying ourselves open to criticism of impugning the motives of those experts who have labored long and honestly to produce a program designed to promote the welfare of the American people.

I doubt that Secretary Krug will appreciate the back-handed compliment that the subcommittee paid him in its report. I believe with the subcommittee, of course, that Secretary Krug deserves the high praise accorded to him. But it is not fair to him to expect him to do the impossible. We propose to use a meat ax on his appropriations and at the same time ask for a better and bigger job than was done by his predecessor. It is like asking a Congressman to fire half his office force and at the same time take on more committee assignments, increase his mail from the home district, and spend more time on the floor.

This is frankly an appeal to the House to consider what a bad effect this unusual and drastic cut will have in this important field of our Government work. Many of the Members of the House are aroused at this unusual action, which heavily restricts and hinders important activities in their districts. I know some of my colleagues have a number of amendments they intend to propose at the proper time to try to prevent some of the damage which they foresee. I appeal to the House to give every consideration to these amendments which attempt to restore to the bill most, if not all, of the original suggestions of the President.

Mr. ROONEY. Mr. Chairman, I yield 10 minutes to the delegate from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, in the present welfare and future development of Alaska no appropriation bill coming before this Congress is of such importance as the one now under consideration. The Interior Department has a primary responsibility in the Territory. The Office of Indian Affairs having general jurisdiction with respect to some 35,000 Indians, Eskimos, and Aleuts; the Fish and Wildlife Service, which administers the great Alaska fishery; the Alaska Road Commission, which builds most of the Territory's roads: the Alaska Railroad, which played such an important part in the movement of war supplies; the General Land Office, in charge of most of Alaska's vast expanse of close to 600,000 square miles; the Geological Survey, the Bureau of Mines; all of these and other agencies under the Interior Department have a vital connection with the Territory. Since Alaska's land is more than 98 percent federally owned and since under territorial status Alaska necessarily looks to the Federal Government, the provisions of this bill are of almost supreme consequence there.

I should be not only remiss but ungrateful if I did not refer here to the graciousness of the members of the committee in considering Alaska's needs. They have been helpful at all times. On numerous occasions they have met especially to hear testimony of Alaskans in Washington for brief visits. Sometimes I must confess I have been reluctant to call still another matter to their attention after everything that has gone before, but on every occasion they have responded and demonstrated true interest. Alaskans were happy to have the subcommittee members visit them last summer. One has need only to refer to the printed hearings and observe the volume of testimony offered regarding Alaska to realize that our problems have received real consideration, and Mr. Duvall, the very efficient clerk of the committee, is always most helpful. I am bound here to express my sincere appreciation to the chairman of the committee, the very distinguished gentleman from Oklahoma. I have marveled at his attention to detail, his concern with the public interest in spending long weeks in hearings on this bill. Far more than most men I know he has the capacity to legislate not only in the national interest but to serve the people of his district capably at the same time. They can well be proud of his distinguished record. We in Alaska join with his constituents in holding him in deep regard.

For many years prior to the war the Alaska Road Commission received practically no money—and in some years literally none—for new construction. The agency held on by its eye teeth, as it were, and what little new construction was accomplished was generally because of the availability of territorial funds. During the war, this changed. The magnificent Glenn Highway was constructed as a war measure to connect the Anchorage district with the Richardson Highway and thus with Valdez and Fairbanks. The Alaska Road Commission, under its very able chief engineer, Ike P. Taylor, and his equally able assistant, Hawley W. Sterling, put this high-class graveled

highway through at a cost substantially less than was the case with other wartime roads in the North. Likewise, the Road Commission was given funds for rehabilitation of the Richardson Highway leading from Valdez on the Pacific Ocean to Fairbanks in interior Alaska. In general, it may be said there were substantial advances in road construction during this period.

Now I am happy to say, the committee has allowed funds for building roads in the famous Kenai Peninsula country which will enable the farmers of that very promising agricultural area to get their products to market at a reasonable cost for the first time. Heretofore they have had to depend upon irregular, costly, and inconvenient shipping service.

I am thankful to the committee for authorizing this road. It will fill a great need.

In this general area there remains to be accomplished a highly important highway and bridge construction job. I refer to the crossing of Turnagain Arm which would give the entire Kenai Peninsula ready access to Anchorage and the country of the interior. The committee has been told on numerous occasions that the expense of maintaining the southern end of the Alaska Railroad is such that increasing consideration must be given to further use of the new port of Whittier which provides a closer connection with Anchorage and other northern points. Immediate and full use of Whittier would doom the splendid community of Seward to quick economic death. The decision has been made that the Turnagain Arm crossing should be completed at the earliest possible moment. By so doing Seward will be allowed to thrive instead of being doomed to perish and the other sections of Kenai Peninsula will have available the only type of transportation which will promote and even allow the type of growth to which their resources so clearly entitle them.

I know jubilation will reign in the interior of Alaska today now that the news has been received there of the committee approval for construction of a road which will connect Fairbanks with the Forty Mile country. This district is one of the oldest gold-mining areas of Alaska. Its development has been retarded through the years by the abnormally high transportation charges which have prevailed. With the building of this road a flourishing mining industry will be built up. The road actually will make its connection with the famous Alaska Highway. When it has been built, the adventurous in spirit and body may drive from any point in the States through Canada and Alaska over the Alaska Highway, to the Forty Mile and thence to Dawson, the fabled Klondike gold rush camp. Already there is a rough road from the Forty Mile to Dawson.

In inserting in the bill a provision that the Territorial government must provide, in the matter of new road construction, one dollar to every three dollars of Federal funds so expended I feel it necessary to point out this will work a tremendous hardship upon the Territory. The Territorial government has not been particularly remiss in the matter of road appropriations. It has contributed according to its capacity to do so ever since a legislature was created there. I think it has contributed especially well in consideration of the fact that, as pointed out before, over 98 percent of the land is federally owned and in consideration of the further and even more important fact that Alaska has been denied inclusion within the provisions of the Federal Aid and Highway Acts which would have given us long before now a much more extensive road system than we enjoy. Records made available to me indicate the actual contribution of the Territory in the matter of highways has been in excess of 25 percent on the average and therefore much larger than the contributions of some States. The net effect of the pending provision would be to decrease measurably the amount of road money because the provision will simply compel the Territorial appropriation to be thrown in with the Federal appropriation in construction of arterial highways and many needed lesser roads which ordinarily are provided for by the Territorial government simply could not be built.

I applaud the committee's decision in responding so generously to the budgetary estimates with reference to the Alaska Native Service. As the report points out, Don Foster, superintendent of that service, is doing a splendid job. With the appropriation available for the next fiscal year he will be enabled to do even a better one. All of us are looking forward to the day when special services on the part of the Federal Government to the native people of Alaska will not be necessary. But that day has not yet arrived. There is real and even pressing need for further medical care and better medical care, for education and for assisting these people to participate on a basis of equality in the economic order in which they find themselves. Being intelligent people and good Americans they are making that adjustment as rapidly as anyone could hope for.

A moment ago I spoke about the need for further medical care. A particularly dreadful situation exists in Alaska with reference to tuberculosis. I do not know what the figures of today would reveal but before the war the prevalence of this dread disease on a weighted population basis was greater there than anywhere else in the world. It was spreading and still is spreading, for that matter, as fire spreads across the dry prairie. It affects the native and the white alike. Thanks to this Congress, we have at long last begun to do something about it.

Until last year there were fewer than 100 hospital beds for the tubercular in all of Alaska, and I am not at all sure that any of these were set aside for that specific purpose. Now an Army hospital declared surplus has been taken over at Skagway and about 150 people are being cared for there, people who otherwise would have died and in the dying spread their affliction wide. Soon the Methodist Church will open another sanitorium at Skagway. But those are only drops in the bucket, as your committee well knows. Plans are now being made for further sanitoriums and I hope this House soon will have opportunity to do something to apply the spirit of American generosity and this time to American citizens living under the American flag.

There is urgent need for a coordinated, comprehensive, and intelligent approach to Alaska's problems which at the same time are the Nation's problems. The Territory is on the threshold—perhaps across it—of real, of substantial, and significant growth. The need of Alaska yesterday is not the need of today. We expect to have to come before you for increasing appropriations, but when we do so it will be with the knowledge that Federal money spent in the Territory will have beneficial results in all the States. Alaska always has contributed largely to the wealth of this Nation and always has been an excellent customer of the States. In the 72-year period ending in 1940 we sent out to you over $2,000,000,000 worth of our raw materials, and we bought from the markets of the States over $1,000,000,000 in goods. That is real money. Our contributions can and will be increasingly larger as the years roll by.

Mr. Chairman, reference was made this afternoon to the failure of the Department of the Interior to collect funds from relatives of Alaska's insane cared for at the Morningside Sanitarium in Portland, Oreg.

In my judgment there is a very good answer to this. In the first place surveys which have been made have demonstrated that the overwhelming majority of these insane people are indigents themselves or come from indigent families or homes. In the second place there is now pending in the Federal court, a suit to determine whether or not collections can be made prior to the effective date of the act. If they can be the collections will be greatly increased. In the third place, until very recently the Alaskan Section of the Division of Territories and Island Possessions of the Interior Department was composed of only two persons. They simply did not have time to take this problem up in the manner in which it must be taken up if effective results are to be had. It will require at best the services of one or more persons working exclusively on that subject. I am sure that Mr. Arnold, Director of the Division, is very alert to the problem and is anxious to and desirous of doing all he can.

Mr. ROONEY. Mr. Chairman, will the gentleman yield for a question?

Mr. BARTLETT. I yield.

Mr. ROONEY. Has the gentleman read the table set forth on pages 1090 and 1091, part I of the hearings?

Mr. BARTLETT. I have not yet had an opportunity to do so.

Mr. ROONEY. I may say that if the gentleman will read those tables he will see that the $16,000 collected as compared with the background of the persons who are in the Morningside Hospital at Portland, Oreg., is a ridiculous amount.

Mr. BARTLETT. Collections are not being made now, however, prior to the effective date of the act, but they may be made later. In consideration of all

the circumstances, I believe the department has done all that could be expected of it.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. JOHNSON of Oklahoma. Permit me to say that the Delegate from Alaska appeared before our committee and gave some very valuable information and made some fine suggestions, and that the committee acted favorably on many of the recommendations submitted by the distinguished Delegate from Alaska. I not only desire to congratulate him but I desire to congratulate the Territory of Alaska on having a fine, progressive, hard-working, energetic gentleman who knows the problems of Alaska and who is fighting for his people.

Mr. BARTLETT. I thank the gentleman.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. STOCKMAN].

Mr. STOCKMAN. Mr. Chairman, I read with considerable amazement the report released from the Committee on Appropriations on the Interior Department appropriations bill for the fiscal year 1947, and especially so far as the Grazing Service of that Department is concerned, where the Appropriations Committee seemingly based its reasoning on the failure of the Grazing Service in the Interior Department to increase the grazing fee now charged for grazing privileges on grazing district lands in the 10 far-western public-land States. There seems to be an entire misconception in the minds of many people as to the real meaning and purpose of the Taylor Act, passed in 1934. As, while it was sponsored and its passage was urged by the western-range livestock men, it was also urged and sponsored as a great conservation measure to protect and preserve a national resource essential in continued watershed protection as well as of direct benefit to the range livestock men whose very existence is dependent on the orderly and continued use of the range resources on this remnant of the public domain.

The passage of the Taylor Act with its subsequent amendments was the first time that any legislation was ever passed that sought the advice and assistance of the western-range livestock men as a group, and provided legislation to stabilize the livestock industry dependent on the public lands and at the same time conserve and utilize the forage resources not only to the benefit of the livestock industry, but to prevent erosion and soil depletion that is such a major factor in the protection and continued successful operation of downstream irrigation and power development.

The question of grazing fees was thoroughly discussed by subcommittees of the Senate Public Lands Committee at hearings held all over the West. The result of these hearings would seem to indicate that the western-range livestock man, in many cases, was not able to pay an increased fee. The western sheep industry is in a bad way financially through increased costs of production. It has resulted in the actual liquidation of millions of sheep, especially from the western range States. In the report just released by the subcommittee of the Senate Public Lands Committee, the Interior Department and the Grazing Service were criticized for even suggesting an increased fee.

Congress has found it necessary to provide subsidies for the entire livestock industry. It appears to me that the decision of the Department of the Interior to not consider increased grazing fees until 6 months after subsidy payments for production had ceased is sound. This certainly should not prevent Congress from appropriating money to carry out the conservation principles of the Taylor Act within grazing districts in amounts sufficient to continue the orderly administration of lands within the grazing-district boundaries. The past president of the American National Livestock Association stated that, according to the Associated Press, if Congress heeded a proposed memorial asking it to abolish the Taylor Act "some 22,000 permittees stand to lose rights never before enjoyed in the use of Government land." He further stated that the act "has almost completely stabilized the livestock industry dependent upon the use of these lands."

The Grazing Service only receives one actual appropriation for administration, the salaries and expenses appropriation, and the House bill reduces this appropriation $908,970 less than the amount appropriated for the current fiscal year and $1,291,500 less than the Budget estimate. In fact, it only allows $212,500 which, if approved, would simply be enough to liquidate the Grazing Service and would in effect turn the public lands within grazing districts back to the chaos that prevailed before passage of the Taylor Act—to ruthless competition—and would undo the work that has been started during the past 12 years under conservative administration of grazing lands so essential to the western range livestock industry in connection with its own owned and controlled ranch set-ups. It cuts out entirely fire-fighting estimates of $50,000 that is used to actually fight range fires within grazing districts, and it eliminates the operation of the entire advisory-board system from grazing district administration. This would be an actual catastrophe for the stockmen dependent on these lands, for the local communities, and for the Nation as a whole. It would be the first time, to my knowledge, that it had ever been expected that, because of certain direct benefits received by a certain relatively small group from conservation legislation, they were not only to be penalized but expected to pay the whole cost incident to the conservation of national resources which affect the entire national welfare. It seems rather absurd that Congress, after providing fairly adequate appropriations and recognizing the need for conservation carried out by the Grazing Service within grazing districts for the past 12 years, should suddenly decide that money necessary for its administration was no longer needed. Congress passed the Taylor Act as an excellent piece of conservation legislation and ratified it year after year by appropriating money for grazing-district administration, and should continue to do so to carry out the purposes of this legislation and to continue to protect the resources on the remaining public domain which, after all, is a national responsibility.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, I am sure that no Member of this House is more committed to a policy of national economy than I am. To me, economy, which has all my life been a necessity, has become a habit. I have a very strong conviction that our Nation must balance the Budget; also, we must pay off the national debt. I also realize that we may, under the economy slogan, perform pruning operations on essential governmental services, which, instead of proving to be sound economy, may turn out to be unjustifiable extravagance.

I want to especially call the attention of the House membership to the services of the Bureau of Mines, which will be very drastically curtailed by the provisions of H. R. 6335. The ability of the Bureau of Mines to be of real service to the mining industry has been fully demonstrated in Missouri. The facilities which the Bureau has built up during the last few years will of course continue to be available. They will have no value to our mining industry in the contribution which this industry should make to a peacetime economy if the funds for their operation are not provided. The cuts which have been made by the Appropriations Committee in the Bureau of Mines' appropriations would mean the abandonment of the effective work being done at the Rolla, Mo., laboratory in improving the recovery of lead and zinc. These cuts would also end further experimental work on nonmetallic minerals for materials like rockwool, which is so much needed at the present time in our critical housing program. The important start which has been made in the geophysical finding of lead in southeast Missouri would be seriously jeopardized. The investigation of Missouri's deep-seated iron-ore deposits would stop.

In short, facilities costing hundreds of thousands of dollars now available and in use to serve the mining industry of the Nation would stand idle and, along with them, would stand idle many a potential mineral-producing property.

To cut the appropriation for continuing this fine work of the Bureau of Mines is to me just about as sound economy as it would be for a farmer to say that he plans to economize on his corn crop by not buying any seed corn because the price of the seed corn is, in his judgment, a little too expensive. Also, in my opinion, the argument that many appropriations should be drastically reduced because expenditures have heretofore been to prosecute the war will lead us into gross errors. Metals were of course very essential to the war effort, but now we proceed as though it is a fact that because metals were necessary to war, they are an optional element in peace.

We proceeded courageously to prosecute the war. Our determination, diligent efforts, and sacrifices resulted in victory on the battlefield. We thus won

the privilege of trying to build an enduring peace. An abundance of materials is just as essential to peace as it was to war. After World War I we let peace slip so easily from our fingers: Do we plan to repeat that blunder? Government and governmental services must make the necessary contribution to building a peacetime economy if peace is to become a reality. Certainly the drastic curtailment of essential governmental services may well turn out to be foolish extravagance rather than sound economy.

In my opinion, the knife has been used too freely on this appropriation for the Interior Department. In my opinion, we have trimmed down even our chances to balance the national Budget and, certainly, we have trimmed down our chance to build a peacetime economy which our people have the right to expect.

Mr. ROONEY. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Chairman, the power program of the Federal Government is vitally affected by the Interior appropriation bill. My interest in that program is deep and personal. I have seen the things that a sound Federal power program can do for an area and for its people. I have seen such a program lower rates and encourage the development of business, small and large. I believe in the power policies that have been established by the Congress because I have seen them proved in my own district.

The distinguished junior Senator from my State, Senator HILL, made a careful analysis of the Federal power policies when the rivers and harbors and flood-control legislation was before the Senate in December 1944. I will quote only a bit from his splendid statement showing that it is good business and good government to adhere to our policy of distributing widely the benefits of federally produced power:

> The power policy of the Federal Government has not been developed capriciously. It has been hammered out by the Congress in bill after bill relating to the Federal construction of water control and conservation projects and the regulation of interstate streams. The core of that Federal policy is that the benefits of power development at Federal projects shall not be monopolized by limited groups but that those benefits shall be widely distributed * * *.
>
> With our power resources we have sought to assure that they will not become enmeshed in the empires of the monopolists but that they will be available to develop the industry and agriculture of our Nation and to lighten the burden of the housewife. We have enacted into law again and again a policy of giving preference to public agencies, municipalities, and cooperatives in the sale of the people's power resources, developed at Federal dams.
>
> It is sound business for the Government to sell its power to more than one distributor. If the Government is required to sell merely to the one large utility in the vicinity that can afford to build a line to the Government's dam, that utility will be able to dictate the terms upon which the power may be sold by the Government. It can dictate the price at which the power will be sold. No businessman would want to be in such an anomalous position. No wholesaler in business would want to depend upon a single outlet for the distribution of his product if he would remain in business.
>
> My first reason for our traditional policy of giving preference to public agencies and providing transmission lines to implement those preferences was that it was good business. My second reason is that it is good government. It has been shown to be good government not merely in these past few years, but since the earliest stages of public power development.
>
> In the past few years we have seen the concept of the multiple-purpose project blossom out into the sound multiple-purpose development of an entire river basin. I cannot believe that anyone who has seen the results of the comprehensive plan and program of the Tennessee Valley Authority would ever want to go back to the anarchy that prevailed over the waters of the Tennessee River in the past. I cannot believe that anyone who has seen the drudgery of the farmers and the farmers' wives lifted from their shoulders by the advent of rural electrification upon their farms would ever again want to return to the period of kerosene lanterns that prevailed when power companies skimmed the cream of the rural business and left the more isolated farmers to fend for themselves in what was literally the Dark Ages on the farm.
>
> It is good government to provide for the multiple-purpose development of our rivers so that they may carry the commerce of our Nation through their navigation works, so that they may no longer waste the lives and property of our people through destructive floods, so that they may irrigate our arid lands, and so that their falling waters may produce power for the benefit of our people. It is good government to see that all of these benefits are widely spread among our people and that none of them are made the possession of the few. It is good government to see that Federal power is made available throughout the area of its economic transmission—to lower the cost of farming, to lower the cost of running the home, and to lower the cost of making goods and providing services in industry and business.
>
> For in the transmission of its abundant supplies of low-cost power the Federal Government is providing a means for decentralizing industry and for achieving a balance between the town and country, between agriculture and industrial production. The day of industrial concentration with its slums, its health hazards, its poor living standards, is reaching its twilight. The availability of abundant supplies of low-cost electric power that results from the development of our country's water resources is bringing about a new era of industry scattered throughout the land, benefiting all regions, all groups, all people in our great Nation. Low-cost power is intensifying the effective use of our civilization just as surely as our low-cost public highways extended that civilization. Indeed, the transmission lines that bring abundant low-cost public power to every hamlet are the new highways over which this country will progress and over which the undeveloped regions may reach a fuller use of their manpower and their resources. Yes; it is good government to continue our present sound policies for the distribution of power produced at Federal developments.

It is in the light of this Federal-power policy that I shall analyze the Interior appropriation. Remember, that since the passage of the flood-control bill of 1944 the Secretary of the Interior markets all power from all Federal dams except those of the TVA. In other words, we are dealing with the power-wholesaling agency that affects the greater part of the Nation and the welfare of its people.

Mr. Chairman, I do not wish to seem critical of the Subcommittee of the Appropriations Committee that brought in this particular appropriation bill. I know the very excellent job that they do year after year. However, may I say that I am disappointed in the features of the bill which deal with the distribution of power. After all, we gave to the Secretary of the Interior the job of distributing this power, and it is false economy to curtail him in the job we have placed upon him.

I am taking up the various power projects included in the bill item by item so far as I can, and analyzing them, as follows:

DIVISION OF POWER

The Division of Power is a small staff in the office of the Secretary that gives over-all supervision to the several agencies of the Department that market power. It has for the past few years had a budget of between $105,000 and $115,000. This year it asked for an increase of a few engineers and experts to handle the preliminary power-marketing work from Army dams that are not located in areas where other power agencies of the Department operate. The Congress has appropriated funds for the construction of these dams, yet no agency is equipped to do the power-marketing job that the Congress has placed upon the Secretary of the Interior. These projects include the Buggs Island project on the Roanoke in Virginia and North Carolina, where many cooperatives and municipalities are eager to get low-cost Federal power. The Clark Hill project in South Carolina and Georgia has also been authorized, and power-marketing arrangements must be made. The Allatoona project in Georgia, on the Etowah River, will probably be the first of these eastern projects to be completed. These and others on the Cumberland are going ahead, but arrangements for marketing the power depend upon the Division of Power.

The committee has not only cut the modest $20,000 asked for this new work of the Division but has cut it even further by eliminating its chief counsel and the head of its marketing and operations staff. This seems poor economy, when these men are needed to supervise the hundreds of millions of dollars invested in power facilities throughout the country. Even so able a power man as Secretary Krug needs to have assistants. He cannot carry this load alone. Nor can he personally undertake to plan for and sell the output of all the dams now under construction by the Corps of Engineers and the Bureau of Reclamation. The Division of Power cut may seem small, but it is a serious one. Moreover, it is just an example of the action taken on power items throughout this bill.

THE BONNEVILLE POWER ADMINISTRATION

The Bonneville Power Administration is the great Federal agency of the Northwest responsible for transmitting and marketing the power from the twin giants of the Columbia River—Bonneville and Grand Coulee Dams.

The Appropriations Committee reports that—

During the war this organization performed an outstanding service to the Nation in providing continuous power essential in connection with atomic-bomb production operations in the Hanford area, adjacent to the Columbia River in Washington. During the fiscal year 1945 plants in the Northwest produced one-third of the Nation's aluminum output, and during that same year war industries served directly by the Bonneville Power Administration accounted for an overall consumption of 5,546,277,000 kilowatt-hours of Columbia River energy.

But though it recognizes the importance of this agency it has slashed its appropriation request from $19,000,000 to $9,000,000. This is the agency that is building up the Northwest—aiding in the reconversion of its great war industries and bringing to the private enterprise of the region low-cost power that will make it flourish. I cannot believe that such drastic reductions are warranted. I believe in the future of the Northwest and the low-cost power of the Columbia River is the key to that future.

THE BUREAU OF RECLAMATION

The Bureau of Reclamation, like the Corps of Engineers of the Army, is a great construction agency dedicated to the conservation of western waters and to putting those waters to use in multiple-purpose projects that include the production of hydroelectric power. That agency has been cut by more than $94,000,000—a cut of nearly 60 percent.

In analyzing that appropriation we find that by far the heaviest cuts have been in the items of construction necessary to produce and market electric power—which is the paying partner in irrigation enterprises.

CENTRAL VALLEY, CALIF.

The great multiple-purpose Central Valley project in California includes facilities for the generation and transmission of low-cost power. The huge irrigation pumps on the canals will require over 20 percent of the ultimate power output of the Shasta and Keswick Dams. Probably one-third of the power output of these plants will be used eventually by local irrigation, rural utility districts, and by individual water users for irrigation pumping on their own lands.

There are no facilities of adequate capacity to supply the pumping needs in the Delta area on a 24-hour basis. The Bureau of Reclamation must therefore construct transmission lines from Shasta and Keswick Dams to the Delta area.

Of the $25,000,000 requested for this project, the committee has allowed only $10,000,000. The power items have been drastically curtailed. For instance, the committee has disallowed constructing the direct line from Shasta Dam to the Delta where power is needed for the irrigation pumps which are now served only by paying excessive tolls to the private power company.

It has cut out the line from Keswick Dam to Sacramento, where a municipal utility district owns and operates a public system. Yet the Congress has repeatedly required that public agencies be given preference in the sale of power.

Of the nearly $10,000,000 requested for all specific power items in Central Valley the committee has allowed only slightly over $3,000,000. It has cut the power program to a point where it will not only be ineffective in serving preferred public agencies, but also will be unable to handle the Government's own power loads at its irrigation pumps.

DAVIS DAM, ARIZ.

Of the $15,000,000 requested for the Davis Dam development on the Colorado River below Boulder, the committee has allowed $6,500,000. The request included more than nearly six million of power items. The committee has not only cut the entire amount but it has specifically disallowed certain essential power lines.

It has cut the line from Tucson, Ariz., to Deming, N. Mex., an essential part of the interconnecting system in that area.

It has cut the Wickenburg extension. A part of the 115-kilovolt transmission system of the Parker Dam and Davis Dam projects northward from Phoenix to Wickenburg and Prescott to supply load centers at Wickenburg, Prescott, Ashford, Williams, Flagstaff, Halbrook, and Winslow, now inadequately supplied. Applications have been made by the towns and the Arizona Electric Power Co. and the Arizona Power Corp. for electric service from the Parker project and these public and private agencies are confronted with the possibility of having to install additional generating capacity which will reduce the market for Davis power when it becomes available. This is poor business for the Government.

It has cut the Parker Gila line needed to bring Parker Dam power south to Arizona and southern California. Six hundred thousand dollars was requested to begin construction of this necessary line.

The Bureau has been under constantly increasing pressure from the Imperial Irrigation District and the California Electric Power Co. for additional energy and standby transmission capacity and both the district and the company are urging the construction of this line.

It cut a request for miscellaneous line extensions—$70,000 for several short low-voltage transmission lines and additions to switching facilities and substations required to form a modern integrated power system for the Parker Dam power and Davis Dam projects. Not only have these specific necessary items been denied, but the over-all cut will slow up and impair the power program in the Davis Dam area, where a serious power shortage is imminent.

COLORADO-BIG THOMPSON

The Colorado-Big Thompson project, located in north central Colorado, is one of the major multiple-purpose projects now being constructed by the Bureau of Reclamation. The project is being constructed primarily to transport surplus water on the western slope of the Rocky Mountains to the eastern slope providing supplemental irrigation water for some 615,000 acres of fertile lands on the plains east of the Rockies.

Of the $15,000,000 requested for this project the committee has allowed $6,500,000.

Again the power items have been specifically cut. It has disallowed the entire $2,000,000 requested for transmission lines necessary to serve the projects pumping stations, interconnect the power stations and to make power available to public agencies and REA cooperatives.

Included in the $2,000,000 cut are the line from Granby to Estes Park, 38 miles of 115-kilovolt transmission line and about 5 miles of 69-kilovolt transmission line and substations at the Granby pumping plant and Estes Park. These power facilities would connect the Green Mountain power plant on the western slope with the power plants to be built on the eastern slope.

Also cut was the line from Loveland to Greeley, 35 miles of 115-kilovolt transmission line, and additions to Greeley substation. This was to supply the necessary connection between the project power-generating plants and the transmission system in Northeastern Colorado. It would also connect the project power-generating plants to the Bureau's interconnected power system.

The line from Sterling, Colo., to Sidney, Nebr., was also eliminated. This 45 miles of 115-kilovolt transmission line from Sterling, Colo., to Sidney, Nebr., is an essential part of the interconnection with the Kendrick and North Platte projects. The line is urgently needed to alleviate an existing critical power-shortage situation in northeastern Colorado and southwestern Nebraska. The Bureau of Reclamation has received numerous requests from REA's, municipalities, and others in this region. The Rural Electric Co. is completing plans for about 2,000 miles of distribution lines and needs additional power in 1947 to operate existing as well as proposed lines. This REA has a heavy irrigation pumping load which is increasing rapidly. Farms are being broken up into smaller units and some 2,000 additional families will be located in this area. Many of these are returning veterans and every effort must be made for providing low-cost electric power. Failure to provide this power will result in the installation of expensive, high-cost Diesel power units which will place a heavy burden on the farmers and veterans using electricity.

Again this cut seems penny wise and pound foolish. Power revenues derived from the sale of power generated on the project will repay practically all of the construction costs with the exception of $25,000,000 to be repaid by the northern Colorado water conservancy district. In order to market surplus electric energy generated on this project it will be necessary to construct transmission lines as programmed. Repayment of project costs cannot be realized without the revenue from the sale of power on a firm basis. This can only be accomplished by providing the transmission facilities requested.

FORT PECK PROJECT, MONT.

The Fort Peck project consists of the dam, reservoir, and power plant, and the

electric transmission system used to distribute generated energy. The power plant at the Fort Peck Dam—constructed and operated by the Corps of Engineers—has a 35,000-kilowatt hydroelectric unit in operation, and a second unit is now being installed with a rating of 15,000 kilowatts.

The Congress required the Bureau of Reclamation to market this power in accordance with the provisions of the Fort Peck Project Act. The Bureau requested an appropriation of $1,000,000 to construct necessary transmission facilities to make Fort Peck electric energy available to cooperatives, pumping projects, utilities, and other potential customers who can beneficially utilize low-priced Fort Peck energy.

The committee allowed only $433,000 in this bill. In its report the committee specifically eliminated power items amounting to more than the over-all cut specified in the bill. I suppose that the committee would have more spent on the item it has allowed than the experts have considered necessary.

Among the lines disallowed are lines to serve irrigation pumps and REA cooperatives in the Yellowstone and Milk River districts.

MISSOURI BASIN PROJECT

The committee has cut the Missouri Basin project from $23,783,600 to $10,312,685.

The Missouri Basin Development, consisting ultimately of power plants at multiple-purpose dams, a few plants at dams operated primarily for power, and a large number of irrigation pumping plants, will require interconnection of the plants in order to utilize effectively the power generated. The plan, therefore, provides for a high-voltage transmission grid in the basin. This transmission network will serve the irrigation pumping plants, rural electric cooperatives, municipalities, and potential industrial developments.

Power will be needed immediately at the various dam sites for construction purpose. For those dams at which power plants will be constructed the lines that will be needed to bring power in for construction purposes will be so designed and constructed that they will form a permanent part of the transmission system after the power plants are completed and in operation and thus save the cost of building temporary lines for supplying construction power.

Again the heavy cut is in power.

The Committee has disallowed the construction of the transmission line from Boysen Dam, now under construction, to the Bureau's existing system at Thermopolis. This dam is necessary to bring the power from the Boysen power plant to the existing system. There is no other means of disposing of the power generated on the project. It has also disallowed the line from Sidney to Gering, in Nebraska.

With the extension of the Colorado-Big Thompson transmission system from Brush, Colo., to Sterling and Sidney, Nebr., only the section of the transmission line between Sidney and Gering, Nebr., remains to be constructed to complete the transmission-line interconnection between the eastern end of the Colorado-Big Thompson project and the North Platte project in Nebraska. Without this interconnection, firm power deliveries are not assured since an outage on such an extended system is frequently possible when only a single source of power is available. It is, therefore, essential for the proper delivery of firm power in the area to have the second source that is afforded the proposed loop circuit. Without this completed loop, it will be necessary to draw up contracts for power on a nonfirm basis resulting in a loss in revenue necessary to accomplish project repayment. This interconnection will also afford a source of power to several existing systems serving the area which cannot otherwise be accomplished through delivery at other points due to their restricted capacity.

MISCELLANEOUS BUREAU OF RECLAMATION PROJECTS

I have not time to detail them, but other power projects of the Bureau of Reclamation have also been cut. In Idaho the Anderson Ranch project has been cut and in New Mexico the Rio Grande project has been cut. In Washington the Yakima project has been cut. In Wyoming the Kendrick project has been cut.

And throughout, the power items have taken the heaviest cuts in the $94,000,000 slash of this agency. I cannot believe that this is sound programing. It seems to me that the committee is starving the power goose that lays the golden eggs.

THE SOUTHWESTERN POWER ADMINISTRATION

The Southwestern Power Administration has the responsibility for disposing of the electric energy from the War Department projects in the Southwest, including Denison and Norfork Dams, already in operation. The Administration has made thorough investigations and studies that show that the most feasible manner to market the power from these projects is through interconnecting the projects by high-voltage lines and building necessary steam stand-by facilities.

The President's budget requested $23,000,000 for construction for the fiscal year 1947. This would have provided the initial requirement for interconnecting the dams and building feeder lines to customers in order to dispose of the electric energy. The plan contemplated building the shortest lines necessary to interconnect Norfork and Denison Dams by the acquiring of the transmission line from Lake Catherine, Ark., to Markham Ferry, Okla., owned by the Ark-La Electric Cooperative, Inc. It was proposed to build a line north to Norfork Dam from the eastern end of the Ark-La line and another line from the west end of that line to Tulsa and south to Denison. The plan also contemplated the acquisition and completion of the present Government-owned Lake Catherine 35,000-kilowatt steam plant and the building of an additional 35,000-kilowatt steam plant in Texas.

The Lake Catherine steam-plant foundations already belong to the Government. This low-cost stand-by plant is wanted by the utilities for their own benefit. This plant should become an integral part of a sound power program for the people just as Muscle Shoals was made a part of the TVA system. It should not be taken away from the people and turned over to the utilities. It stands in the center of the many hydro projects already authorized for construction by the Congress. These hydro plants will be sounder investments if the Government has its own stand-by and firming power capacity.

Norfork and Denison Dams each have operating an initial unit of 35,000 kilowatts and a second unit for each dam is under construction, bringing the initial hydro power available at the two dams to 140,000 kilowatts. Ultimately, presently authorized projects in the area will have 666,600 kilowatts of capacity.

The program would permit interconnection of Norfork Dam with the sites of the authorized Table Rock and Bull Shoals Dams. It also includes transmission lines from Denison Dam to Oklahoma and Texas areas and other feeder lines in southern Missouri and in Arkansas to make electricity available to REA projects and municipalities whose power needs are already urgent.

The committee has allowed only three million one hundred and ninety-eight thousand of the twenty-three million requested for this great construction program to benefit the Southwest. The committee's figures will not permit the dams to be tied together but will require the Government to handle them as isolated projects. If the TVA dams were thus divorced from each other the entire program would have failed, both as a financial matter and as a benefit to the people.

We cannot allow this action to stand. We cannot continue to authorize multiple-purpose dams and dissipate their power by failing to interconnect them properly and to assure that their benefits are brought to the people for whom they are built.

Mr. ROONEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, the Interior appropriation bill for 1947, as reported to the House, disappoints especially the reductions of the Budget estimates for construction work by the Bureau of Reclamation. The Budget estimates submitted by the President for the fiscal year 1947 totaled $163,554,055 for the Bureau of Reclamation. Of this amount, $147,330,000 was for construction work on about 40 individual projects. The bill, as reported, reduces the construction total estimate to $63,083,000, a reduction of about 60 percent.

This sharp slash will not only retard the construction of essential reclamation irrigation and hydro-electric power facilities in the West, but will deprive veterans of employment on useful developments and settlement opportunities on irrigated land. Since the Congress has authorized this work and has urged the Bureau of Reclamation to complete projects as rapidly as possible, it seems to me that we are defeating our own objectives

by reducing so drastically the estimates for construction of reclamation projects.

I refer particularly to the reduction in the Budget estimate for the Lugert-Altus project in Oklahoma from $2,080,000 to $901,900. This project is the first reclamation undertaking in Oklahoma, and a limited area will receive irrigation water for the first time, this year. In order that the entire area of 70,000 acres may be brought under irrigation as rapidly as possible, the entire estimate of $2,080,000 should have been made available. Even this amount, at current prices, will not fully complete the project but it would have advanced construction materially.

In addition to the construction reduction, the bill reduces the Budget estimate of $11,000,000 for general investigation to $3,250,000. Funds for general investigation are of great interest to Oklahoma, whose limited water resources should be put to the best advantage with the least possible delay. The Bureau of Reclamation, therefore, must have funds with which to advance these investigations and a reduction of more than one-third for this purpose will retard the field work that is so essential to completing the investigation of proposed projects.

Another item that was reduced is the estimate of $5,500,000 for salaries and expenses of Bureau of Reclamation. This was cut to $4,000,000. It is essential that a Federal agency be well financed to carry on its administrative functions and the amount of the Budget estimate is essential.

The committee hearings show that Commissioner Straus protested vigorously against the proposed drastic reduction in the Budget estimates for the Bureau of Reclamation and warned that such cuts would be disastrous to the program for the development of the West, as well as deprive veterans of employment and of opportunities to settle on irrigated land. I join with Commissioner Straus in his protest.

Mr. DWORSHAK. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, I wish to take a few moments to explain briefly the Central Valley development in California. In the first place, 25 to 30 percent of the power generated in that project will go for the development of the project itself.

As you can see from the map of California before you, the Central Valley project is located in a long valley in which there are two rivers, one river running from the north to the south (the Sacramento River) and one (the San Joaquin River) from the south to the north, these rivers meeting and flowing into San Francisco Bay. The power that is generated in that valley is generated at a place called Shasta Dam, in the northern part of the valley, on the Sacramento River.

The fundamental purpose of that project is to take water from the Sacramento Valley, which is the northern half of that giant valley, and put it into the lower part of the valley which is drained by the San Joaquin River. The San Joaquin River is a giant river rising in the Sierras and flowing northward into San Francisco Bay, and to still further spread the benefits of reclamation we are taking water from that river at the Friant Dam and moving it down over 100 miles to the arid country in and around Bakersfield. In order to replace the water diverted from the San Joaquin River we take the water from the Sacramento River and we literally make that water run uphill. We bring it across the delta of those two rivers in a canal called the Delta Cross Channel to a place near Tracy, Calif., and then from there by a series of booster pumps, we pump that water into the San Joaquin area and replenish that river and the landowners adjacent thereto, whose water we have in part taken from them. In other words, we give them a like amount of water that they used to get from the natural stream. In California, as in all Western States, a water right is a property right, and we cannot deprive its people of their property right to this water without replenishing that water.

In the second place, the development of that power project is incidental to the water project. As stated in the report on page 15, power is a secondary consideration. Well, power is not really a secondary consideration in the Central Valley project. It is an integral part of the project. The only way you can make the water features of the project work and make them successful is by the development of electric power which will furnish the juice to pump that water up the San Joaquin Valley. There has always been a power shortage in California.

In the third place, the development of that power will have the effect, and it has had the effect for the last 10 years, of reducing power rates of the private utility in that area. Northern California is served by one giant company, the Pacific Gas & Electric Co., but their rates have steadily gone downward under the impact of the development of this power by the Shasta Dam and the Central Valley project.

In order that the project may be successful, I want to point out that the principle involved in the development of that power project is no different than the principle involved in running a municipal water system. In order that it may be successful it must be an integrated, independent system, just like a private utility to be successful must be an integrated system. We cannot run our juice perpetually over the lines of our competitor, the Pacific Gas & Electric Co. We have to operate and handle the distribution of our own electric power. That is why it is essential to have a provision in this bill in excess of what has been allowed for the development of this transmission system.

There is a continually increased demand in northern California for power. It has gone up 8½ percent, compounded annually, for about 15 years.

As I have pointed out, the power rates have gone down steadily. It has been my experience that every time you start a rate suit on behalf of a city and threaten to take over the distributing system, that the power company immediately reduces its rates. Just lately they reduced their rates $7,000,000, and if you had talked to them six months before they would probably have told you that such a reduction was impossible. That reduction can, in part, be attributed to the Shasta Dam power development.

The point that I want to drive home is that this is the way for the efficient development of this power, which is merely a byproduct of the water that passes through the water wheels on the way down south to the arid lands of California. It is the only way in which we can make this project pay dollar for dollar, with tremendous dividends in the long run. At the present time the private utility is building or planning to build transmission lines far in excess of what they require for their present customers or their reasonably future load. What are they doing it for? They are doing it because they want to transmit across those lines the power from this publicly owned and operated project. So we would be to a great extent at their mercy and would not have the freedom of operation that a private system has and that a public system should have to be successful.

Mr. SPARKMAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Alabama.

Mr. SPARKMAN. Is the city of Sacramento in the gentleman's district?

Mr. JOHNSON of California. Yes, Sacramento is in my district.

Mr. SPARKMAN. Is that utility publicly owned?

Mr. JOHNSON of California. They have organized a public utility district there. Since the time of organization and almost to the present time they have been litigating with the Pacific Gas & Electric Co. Finally, in desperation, they made a settlement with that company, but unfortunately the company, having the upper hand, made them sign a contract to take electricity from it for the next 7½ years. Ultimately, however, they will be one of the biggest customers of the Shasta power. That utility serves about 200,000 people.

Mr. SPARKMAN. As I understand, this appropriation as it is made is not sufficient to allow the building of a transmission line which would furnish power for operation of the irrigation pumps.

Mr. JOHNSON of California. That is correct. We also want to make a circuit there, and have a transmission line make a complete circuit all around that area, on the west side of the Sacramento River.

Mr. SPARKMAN. I have listened with a great deal of interest to the statement of the gentleman and I commend him for it. I agree with him, and know of the great interest he has taken in the Central Valley project.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Idaho.

Mr. DWORSHAK. Is it not true that there are no irrigation pumps ready to use this power at the present time in this area?

Mr. JOHNSON of California. That is correct; they are not ready yet, but in order to get ourselves ready for that contingency we must look ahead. We cannot just simply overnight build transmission lines. It is a long, tedious, difficult, and costly project. I point out that the private utility is now very diligently and extravagantly, you might say, building transmission lines in excess of its needs. The reason, I think, is so that it may be in a position to say, when we are ready to take that juice down there, "Come and use our lines. If you build one of your own, you are duplicating existing facilities."

Mr. DWORSHAK. Is it not true also that our committee in the current year's appropriation and in the funds to be provided for the fiscal year 1947 has made available the money which will be required to build transmission lines into the delta section to serve that area around Sacramento, and to provide the power to pump the water to the irrigation districts in the San Joaquin Valley?

Mr. JOHNSON of California. You have made some money available, and I appreciate it tremendously, especially the amount you gave us last year, but I honestly do not think that you have made enough available so that we can build an integrated, independent system. I want to emphasize that as hard as I can. We want to make ourselves an independent integrated system so we can have a public bloc of electric power and can operate by ourselves in competition with the other electric power bloc.

Mr. DWORSHAK. I do not desire to dispute the gentleman's statement in that regard, but is it necessary to have a complete integrated system all over that central portion of California in order to make this power generated at Shasta Dam available for use by the water districts?

Mr. JOHNSON of California. I think it would be very beneficial; yes. It is not absolutely necessary. We could transmit the juice over the P. G. & E. lines.

Mr. DWORSHAK. But have not the plans been announced by this committee and the funds made available to complete that line so that power from Shasta will be made available to those water districts for pumping purposes? Is that not true?

Mr. JOHNSON of California. To a limited degree. It is true in this way: We have a line down there, but to have an independent, integrated system we have to have stand-by plants; we must have our own transmission lines and all the facilities to be able to operate independently and be in a position to offer firms electric energy. We have to be ready to operate just like a public utility. As far as you have gone, you do not as yet approach that situation, with the appropriations you have made, much as we appreciate the moneys you have given us. What we want is to make our plans and keep building until we get this integrated system that will cover a portion of northern California, which we can serve cheaply and efficiently. There are plenty of customers coming along to take care of all the juice that the Pacific Gas & Electric can generate and all that we can generate from the public system.

Mr. DWORSHAK. Will not the gentleman admit that our committee in making these funds available for the development of the transmission lines has given full recognition to the requirements and demands for power to be made by the water districts in that area?

Mr. JOHNSON of California. I do not believe you have given full enough recognition, especially for future needs. You have given some recognition, and I appreciate it.

The CHAIRMAN. The time of the gentleman from California has expired.

The Clerk will read the bill for amendment.

The Clerk read down to and including line 6, page 1, of the bill.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, had come to no resolution thereon.

AMENDING IMMIGRATION ACT OF FEBRUARY 5, 1917

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the Committee on Immigration and Naturalization be discharged from further consideration of the bill (H. R. 2988) to amend section 24 of the Immigration Act of February 5, 1917, and that the bill be referred to the Committee on the Civil Service.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. LESINSKI asked and was given permission to revise and extend his remarks and include therein an Amvets proposal adopted by the War Assets Administration and confirmed by the Attorney General.

THE COAL STRIKE

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. CARLSON. Mr. Speaker, this afternoon I was surprised to receive a letter from a CIO local urgently requesting Congress to take such action as is necessary to break the strike of the miners in order that their members might continue at work. My first reaction was that this request was the height of irony, as millions of CIO members have been on strike during the past few months. These strikes were called regardless of their effect upon the public or our national economy. On second and serious reflection I came to the conclusion that the average workingman does not want to strike. He is the victim of decisions made by labor leaders who are more concerned about power and prestige than the personal interests of the laboring people. It is time we rid our Nation of irresponsible, racketeering labor leaders.

PAPER WORKERS LOCAL NO. 584,
UNITED PLAYTHINGS, JEWELRY AND NOVELTY WORKERS INTERNATIONAL UNION (CIO),
Newton Upper Falls, Mass., May 7, 1946.

Representative FRANK CARLSON,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE CARLSON: The railroad freight embargo, effective May 10, comes as a shock to industry, inasmuch as no general embargoes were put into effect during the most critical transportation emergency of the war.

Manufacturing will cease in this converting plant on May 9 and 528 employees will be unemployed because of today's ODT order. Ours is a bulky product (treated wrappings for heavy industry) which cannot be stored, but rather must be shipped the day it is produced.

The responsibility for this condition lies with our Government, because no one has succeeded in accomplishing their objective in getting the miners back to work.

We urgently request that you do something immediately, and everything in your power to have the embargo lifted now.

America must remain a Nation of the people, and you, as a representative of the masses, must become a crusader in this most vital cause to find ways and means of lifting the freight embargo.

Thank you for your valued assistance at this time, and we hope that you will be a factor in keeping American industry in production.

Yours very truly,
VINCENT T. GAMBLE,
President, Local No. 584, Sherman Paper Products Corp.

EXTENSION OF REMARKS

Mr. GROSS asked and was given permission to revise and extend the remarks he made this afternoon and include therewith a newspaper article.

Mr. BARRETT of Wyoming asked and was given permission to revise and extend the remarks he made in Committee of the Whole and insert therein some letters and other documents.

Mr. GORE asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter written to him in 1941 by B. M. Baruch, and in the other an article which appeared in the National Rotarian.

Mr. PATTERSON (at the request of Mr. SAVAGE) was given permission to extend his remarks in the RECORD and include a newspaper article.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. AUCHINCLOSS (at the request of Mr. EATON), for 2 days, on account of official business.

To Mr. WASIELEWSKI, for nine legislative days beginning Thursday, May 9, on account of official business.

To Mr. CANFIELD (at the request of Mr. BLAND), for Friday and Saturday of this week, on account of attending the tour of inspection of the Merchant Marine Academy.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 997. An act for the relief of Aldona Kojas;

S. 1442. An act for the relief of George O. Weems;

S. 1747. An act for the relief of John C. Spargo;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944;

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia; and

S. 1742. An act for the relief of Socony-Vacuum Oil Co.

ADJOURNMENT

Mr. SPARKMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p. m.) the House adjourned until tomorrow, Thursday, May 9, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will meet in open hearings on Thursday, May 9, 1946, at 10 o'clock a. m., to consider the following bills:

H. R. 6219. A bill to authorize the Commandant of the United States Coast Guard to accept enlistments of certain individuals for duty at lifeboat stations during the year 1946.

H. R. 6263. A bill to amend the act of June 23, 1943, so as to authorize inclusion of periods of education and training in an Army Transportation Corps civilian marine school as "service in the merchant marine."

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1272. A letter from the Acting Archivist of the United States, transmitting report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1273. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal years 1946 and 1947 in the amount of $25,019,500 for the Treasury Department (H. Doc. No. 564); to the Committee on Appropriations and ordered to be printed.

1274. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to certain existing appropriations and funds of the National Advisory Committee for Aeronautics (H. Doc. No. 565); to the Committee on Appropriations and ordered to be printed.

1275. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of $2,500,000, for the War Department, for rivers and harbors (H. Doc. No. 566); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LYLE: Committee on the Post Office and Post Roads. H. R. 5560. A bill to fix the rate of postage on domestic air mail, and for other purposes; without amendment (Rept. No. 1986). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 6057. A bill to amend the act of July 11, 1919 (41 Stat. 132), relating to the interchange of property between the Army and the Navy, so as to include the Coast Guard within its provision; without amendment (Rept. No. 1988). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLOOM: Committee on Foreign Affairs. S. 1916. An act to authorize the Secretary of State to transfer certain silver candelabra to May Morgan Beal; without amendment (Rept. No. 1987). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 6368. A bill to amend the National Service Life Insurance Act of 1940 to include certain persons as beneficiaries under such act; to the Committee on World War Veterans' Legislation.

By Mr. McMILLAN of South Carolina (by request):

H. R. 6369. A bill to provide for the voluntary admission and treatment of mental patients at St. Elizabeths Hospital; to the Committee on the District of Columbia.

H. R. 6370. A bill to authorize certain administrative expenses in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANKIN:

H. R. 6371. A bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SPENCE:

H. R. 6372. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

By Mr. JOHNSON of California:

H. R. 6373. A bill to amend the act of May 18, 1934, so as to provide additional penalties in the case of resistance to Federal officers in prison breaks; to the Committee on the Judiciary.

By Mr. MERROW:

H. R. 6374. A bill to amend the Emergency Price Control Act of 1942 so as to remove price controls with respect to grain and grain products; to the Committee on Banking and Currency.

By Mr. WINTER:

H. R. 6375. A bill to provide for a balanced budget and to place each department and establishment of the Federal Government on a cash basis, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. VINSON:

H. J. Res. 347. Joint resolution to correct a technical error in the act approved April 18, 1946 (Public Law 347, 79th Cong., 2d sess.); to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Pennsylvania:

H. R. 6376. A bill for the relief of Mrs. Fuku Kurokawa Thurn; to the Committee on Immigration and Naturalization.

By Mr. BLOOM:

H. R. 6377. A bill for the relief of Edward Tyslowitz; to the Committee on Immigration and Naturalization.

H. R. 6378. A bill for the relief of William Aloysius Dalton; to the Committee on Naval Affairs.

By Mr. BUCK:

H. R. 6379. A bill for the relief of Angelina Marsiglia; to the Committee on Claims.

By Mr. KLEIN:

H. R. 6380. A bill for the relief of Saloma Freylich; to the Committee on Immigration and Naturalization.

By Mr. LEA:

H. R. 6381. A bill for the relief of Thomas L. Brett; to the Committee on Claims.

H. R. 6382. A bill for the relief of Ernest Godfrey; to the Committee on Claims.

By Mr. SHAFER:

H. R. 6383. A bill for the relief of A. Z. Shopoff; to the Committee on Claims.

By Mr. WHITTEN:

H. R. 6384. A bill for the relief of Mrs. Elizabeth Kempton Bailey; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1869. By Mr. MERROW: Motion unanimously carried at the regular meeting of the Pembroke Grange, Suncook, N. H., as opposed to the 20-percent cut in grain rations to the American farmer, believing it to be detrimental to the best interests of the world at large and respectfully petition Senators and Representatives to do all in their power to procure the necessary grain for the farmers to produce and not reduce; to the Committee on Agriculture.

1870. By Mr. VOORHIS of California: Petition of Richard J. O'Brien and 994 others, all students at Loyola University, Los Angeles, Calif., urging that adequate relief for the war-devastated areas of the world is essential for world peace and security, and urging that Congress immediately make available any needed funds for relief purposes; and urging a great national effort, including rationing if necessary, to enable needed allocations of food to actually go forward to needy areas; to the Committee on Foreign Affairs.

SENATE

THURSDAY, MAY 9, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Dr. Edward Hughes Pruden, minister, First Baptist Church, Washington, D. C., offered the following prayer:

Eternal God, our gracious Heavenly Father, we acknowledge Thee to be the giver of every good and perfect gift, and we acknowledge ourselves to be unworthy and unprofitable servants. We have all sinned and come short of the glory of God, and we pray today that Thou wilt cleanse our hearts of all sin and renew a right spirit within us.

As we assemble in this historic Chamber to consider the problems involved in our country's life and future welfare, grant us that wisdom which cometh from above, for we know that if this request should be denied us we cannot be true either to ourselves or to those we represent. When we come to the crossroads of life and its confusing circumstances, help us to wait quietly for that still, small voice which ultimately will speak to us, saying, "This is the way; walk ye in it."

As we thank Thee for the good things that have come to America, we would also ask Thy favor upon the nations of the earth which are afflicted with privation, hunger, and despair. In our relationships with them, help us to demonstrate the spirit of Him who went about doing good, and in whose name we pray, even Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 8, 1946, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Pepper
Austin	Hawkes	Radcliffe
Ball	Hayden	Reed
Bankhead	Hickenlooper	Revercomb
Barkley	Hill	Robertson
Bridges	Hoey	Russell
Briggs	Huffman	Saltonstall
Brooks	Johnson, Colo.	Shipstead
Buck	Johnston, S. C.	Smith
Bushfield	Knowland	Stanfill
Butler	La Follette	Stewart
Byrd	Langer	Taft
Capehart	Lucas	Taylor
Capper	McCarran	Thomas, Okla.
Cordon	McClellan	Thomas, Utah
Donnell	McFarland	Tobey
Downey	McMahon	Tunnell
Eastland	Magnuson	Tydings
Ellender	Maybank	Wagner
Ferguson	Mead	Walsh
Fulbright	Millikin	Wheeler
George	Mitchell	Wherry
Gerry	Moore	White
Green	Morse	Wiley
Guffey	Murdock	Willis
Gurney	Myers	Wilson
Hart	O'Mahoney	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Montana [Mr. MURRAY], and the Senator from Texas [Mr. O'DANIEL] are detained on public businesss.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. A quorum is present.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDING OFFICER. The Chair asks the clerk to read the unanimous-consent agreement entered into yesterday.

The Chief Clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, by unanimous consent, That on the calendar day of Thursday, May 9, 1946, at not later than the hour of 1 o'clock p. m., the Senate proceed without further debate to vote upon the point of order raised by the Senator from Colorado [Mr. JOHNSON] against the constitutionality of Senate Joint Resolution 138, the pending British loan measure; that the Senate meet at 11 o'clock a. m. on tomorrow; and that the time between 11 o'clock a. m. and 1 o'clock p. m. be equally divided between those supporting and those opposing the point of order, to be controlled, respectively, by the Senator from Colorado and the Senator from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. Mr. President, may I inquire how much time there is now remaining to be divided between the Senator from Colorado and me?

The PRESIDING OFFICER. Twenty-two minutes have expired. Ninety-eight minutes remain.

Mr. BARKLEY. Mr. President, I wish to yield 15 minutes to the Senator from Michigan [Mr. FERGUSON]. Before he begins I wish to advise the Senate that I hope we may dispose of the pending legislation today. I think we ought to dispose of it by ordinary adjourning time, but if necessary to run into the evening in order to do so I shall ask the Senate to sit during the evening.

The PRESIDING OFFICER. The question is, Shall the point of order raised by the Senator from Colorado [Mr. JOHNSON] be sustained by the Senate?

The Chair recognizes the Senator from Michigan.

Mr. FERGUSON. Mr. President, I desire to speak upon the question now pending before the Senate, and I ask to have inserted in the RECORD at this point, without reading, section 2 of Senate Joint Resolution 138.

There being no objection, section 2 was ordered to be printed in the RECORD, as follows:

SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed $3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payments to the United Kingdom under this joint resolution and pursuant to the agreement and repayments thereof shall be treated as public-debt transactions of the United States. Payments of interest to the United States under the agreement shall be covered into the Treasury as miscellaneous receipts.

Mr. President, the question before us to decide is a question of parliamentary practice and privilege. By virtue of precedent the question is to be decided by a vote of the Senate. The question is: Can Senate Joint Resolution 138 originate in the Senate? We began the debate on this measure on April 15, 1946, and the debate has proceeded now for 21 days. The Senate itself can decide this question as a parliamentary question unless by the Constitution the Senate is prohibited from originating the joint resolution. The only section of the Constitution which could apply and prohibit the Senate from proceeding to vote upon the measure is the first paragraph of article I, section 7, of the Constitution which provides:

All bills for raising revenue shall orginate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

It is true that the precedents of the House of Representatives on some questions could have a bearing upon our jurisdiction here, but whatever we do here can be reviewed, it is admitted, by the House for no power on earth, except its own vote, can compel the House to adopt our views and vote on this legislation, or any other legislation which is passed by the Senate. This, however, is no reason why the Senate, after spending all these days debating the joint resolution, should then determine, that, because the House of Representatives has the final power to decide, the Senate should stop debate and not vote upon this measure.

While this measure is before us the question of raising revenue by it is not a judicial question; it is a parliamentary or political question as to our authority to proceed. After the measure is passed and signed by the President it will become a law and then its validity will be a judicial question. The Supreme Court of the United States, on several occasions, has intimated a doubt as to

whether there is judicial power to determine that an act of Congress originated in the Senate for the purpose of determining its validity—*Railey* v. *United States* ((1914), 232 U. S. 310); *Flint* v. *Stone Tracy Co.* ((1910), 220 U. S. 107); *Twin City Bank* v. *Nebeker* ((1897), 167 U. S. 196).

I believe, based on the decisions, that the Supreme Court could then pass upon the question whether this act was or was not constitutionally valid. I believe, Mr. President, that we can constitutionally originate the measure in the Senate, and to that end I want to say a few words.

In the last two cases the doubt expressed was as to whether the court could go behind the enrolled bill to the Journals of the two Houses in order to ascertain the origin of the act. Judge Hough, however, in a Federal district court case, ascertained from the marginal notes to the act as shown in the Statutes at Large that it had originated in the Senate, and inasmuch as a tax was imposed by the act, he held it unconstitutional—*Hubbard* v. *Lowe* ((1915) 226 Fed. 135). If Judge Hough is right, then under the present practice of enrolling bills, if Senate Joint Resolution 138 should become law the court could without reference to the Journals of Congress ascertain that the bill originated in the Senate.

Thus it might become a judicial question. As said by the Supreme Court in *Twin City Bank* v. *Nebeker* (167 U. S. 202):

> What bills belong to that class is a question of such magnitude and importance that it is the part of wisdom not to attempt, by any general statement, to cover every possible phase of the subject.

What the court was discussing there was the question whether a bill was a revenue-raising bill. I think this question is so important that we should discuss it now and have a vote upon it by the Senate.

The questions here to be considered are:

First. Is there any general rule that a bill authorizing a bond issue is a "bill for raising revenue" within the meaning of the Constitution?

Second. If the answer to question 1 is in the affirmative, are the bond-issue features so incidental to the primary purposes of the bill as to except the bill from the operation of the general rule?

Third. Is a bill authorizing a bond issue a "bill for raising revenue" within the meaning of the Constitution?

LEGISLATIVE PRECEDENTS

In 1837 the Senate passed a bill authorizing the issue of 1-year Treasury certificates which was sent to the House. Upon motion made to consider it, the objection was raised that it was a bill that could not originate in the Senate. The motion to consider was immediately withdrawn and the House passed its own bill, which was accepted by the Senate—Fifth Congressional Globe, page 92.

The only other debated precedent was in 1917, when the Senate added to the naval appropriation bill an amendment providing for the sale of $150,000,000 of bonds by the Secretary of the Treasury. The House returned the bill with a message stating that the amendment providing for the bond issue contravened the Constitution and was an infringement upon the privileges of the House—Fifty-fourth CONGRESSIONAL RECORD, pages 4731, 4828. The Senate repassed the bill, omitting the provisions for the bond issue. In other words, the Senate yielded to the action of the House.

On the other hand, the acts of August 5, 1861—Twelfth United States Statutes, 313—and July 14, 1870—Sixteenth United States Statutes, 272—are examples of bills that authorized bond issues and yet originated in the Senate. No discussion was had in either House upon the constitutional question. The action of the House in agreeing to the second of these measures was subsequently explained by the House as an exceptional instance occasioned by a necessity for expedition and in no wise to be regarded as a precedent—House Report No. 42, Forty-first Congress, third session; see also CONGRESSIONAL RECORD, Forty-third Congress, first session, pages 3075, 3076, for action of House in refusing to return a Senate bill which fixed the maximum amount of United States notes.

In Norton v. *United States* ((1875) 91 U. S. 566), dealing with a question of statutory interpretation, it was said that "bills for raising revenue when enacted into laws become revenue laws." The court referred to the definition of "revenue" by Webster, "the income of a nation, derived from its taxes, duties, or other sources, for the payment of its national expenses," and observed that the phrase "other sources" would include the proceeds arising from the sale of public securities, the proceeds of public lands, and the excess receipts from the Patent Office and Post Office. Nevertheless, it was then observed that it is "a matter of common knowledge that the appelative 'revenue laws' is never applied to the statutes, involved in these classes of cases."

However, the actual decision in the Norton case was merely that a measure establishing a postal money-order system was not a revenue law within the meaning of an act imposing a statute of limitations for the prosecution of offenses under the revenue laws.

In *United States* v. *James* ((1875) 26 Fed. Cas. No. 15464), it was held by the circuit court that a bill establishing rates of postage is not a bill for raising revenue. The court said that bills for raising revenue are only those imposing taxes or levying duties, imposts, or excises for the use of the Government "and give to the persons from whom the money is exacted no equivalent in return unless in the enjoyment in common with the rest of the citizens, of the benefits of good government." Of course, under this doctrine a bill authorizing a bond issue would not be a bill for raising revenue. He adds that "no one supposes that a bill to sell public stock is a bill to raise revenue in the sense of the Constitution." The contrary opinion by Tucker—I Tucker's Blackstone's Commentaries, appendix 261, and note—to the effect that every bill which indirectly or consequentially may raise revenue is a revenue bill, is not supported by any legislative precedent or court decision on the constitutional point.

There have been two principles suggested that lead to the conclusion that a bill authorizing a bond issue is a bill for raising revenue:

First. Such a bill raises money and is, therefore, a bill for raising revenue.

Second. Such a bill places a charge on the people and is, therefore, a bill for raising revenue.

First, as to the raising of money, the principle that any bill raising money is a bill for raising revenue would include within its scope not only bills authorizing bond issues, but also every bill for the sale of a public building, every bill fixing postal rates, bills imposing head taxes on immigrants, naturalization fees, patent fees, or any other fees, and all criminal statutes imposing fines. Such a construction is negatived, however, by the history of the clause in the Constitutional Convention. While very little light is thrown on the question by the Convention debates, it does clearly appear that the clause was not intended to include bills that merely incidentally raise revenue. At the time of the adoption of the Constitution, by well-established practice in England, all bills that raised money or imposed a charge upon the people in any shape whatsoever had to originate in the House of Commons, and, indeed, the House of Lords could not amend them. Hundreds of bills creating offices and imposing fines and penalties and placing other commitments upon the United States originate in the Senate without question from the House.

The original draft of the provision read "all bills for raising or appropriating money"—5 Elliot's Debates, 274; 2 Madison's Papers, 1024. Mr. Randolph stated his intention of proposing a substitute specifying that the bills "should be for the purpose of revenue, in order to repel the objection against the extent of the words 'raising money' which might happen incidentally"—5 Elliot's Debates, 410. Two days later, on August 13, 1787, Randolph moved that the clause be altered so as to read "bills for raising money for the purpose of revenue, or for appropriating the same * * *"—Elliot's Debates, 414. As to this, Mr. Mason observed: "By specifying purposes of revenue it obviated the objection that the section extended to all bills under which money might incidentally arise"—5 Elliot's Debates, 415. While the language finally adopted was not exactly the same as proposed by Randolph, it seems a fair inference that the change from the original draft was along the lines he had in mind, and, therefore, that bills only incidentally raising money are not within the meaning of the clause.

In 1875, however, the Senate added to the appropriation bill approved March 3, 1875, an amendment increasing postal rates which was passed by the House. This was held in *United States* v. *James* ((1875), Federal Case No. 15464) not to be a bill for raising revenue. In 1918 a bill authorizing the Postmaster General to fix air-mail rates at not exceeding 24 cents an ounce orginated in the Senate and passed the House without question as to its constitutionality. However, in 1925, the House rejected a bill for increasing postal rates which originated in the Senate.

Despite this attitude of the House, toward bills fixing postal rates, the House

has not, as a matter of practice, insisted upon its right to originate other bills incidentally raising money, although it seems difficult to distinguish such bills as those increasing fees for clerks of the United States courts, or increasing Patent Office fees or naturalization fees, from bills increasing postal rates. All such bills deal with the imposition of a charge upon that portion of the public which gets a return in the service performed.

It is apparent from the above that the broad construction that all bills raising money are bills for raising revenue in the constitutional sense, cannot be supported. The question then arises on which side of the line does a bill for a bond issue fall. If the original form of the clause "all bills for raising * * * money" had been retained there could be little question, for a bond issue clearly raises money whatever else it does. It cannot, however, be said to raise "revenue" in any ordinary sense of the word. In fact, outside of bills relating to taxes and postal rates and bills providing for bond issues, the only class of bills which the House has ever insisted that it had exclusive power to originate is general appropriation bills. Thus in 1856 the House laid on the table two general appropriation bills which had originated in the Senate and had passed the Senate only after prolonged opposition, on the ground that the Senate had no power to originate such bills under the Constitution. However, in 1880 the majority of the House Committee on the Judiciary reported that the exclusive right of originating appropriations is not in the House. House Report No. 147, Forty-sixth Congress, third session. The minority reported that the Constitution gave to the House the exclusive power to "originate bills appropriating money from the Public Treasury." It is now well-established legislative practice, however, that general appropriation bills originate in the House. (See in support of this practice of the House remarks of Representative Garfield—Congressional Globe, Forty-first Congress, CONGRESSIONAL RECORD, 9047. On the other hand, the right of the Senate to originate a bill making appropriations for a specific object, although questioned on several occasions by the House, has not in practice been denied by the House, and it is an everyday practice for the Senate to originate such bills and the House to agree to them without question. Undoubtedly a bill imposing such a direct and immediate charge on the people as is imposed in the case of a tax must originate in the House. But, as pointed out, the right of the Senate to originate bills imposing less direct and immediate charges, such as bills creating offices and imposing fines, is never questioned by the House.

Unquestionably a moral and legal obligation to pay is created by a bond issue, but such a bill certainly does not impose a direct and immediate charge upon the people even if it obviously binds the good faith of the Congress to provide money for the redemption of the bonds. The pending legislation provides that the money advanced under it shall be repaid to the Government. In fact, it is fair to say that this issue of bonds will not require a tax levy for their redemption at as early a date as is usually necessary in the case of a bill providing for the construction of a public building to be paid for out of general revenue bills, of which character constantly originate in the Senate without question. The moment the bonds are sold the proceeds are sufficient to redeem them and the money loaned is at the best a special appropriation. It would therefore appear in one sense that the bill which imposes the charge on the people is the bill appropriating the money for expenditure and not the bill authorizing the bond issue. Undoubtedly, as shown above, an appropriation bill—except a general appropriation bill, and this is only by legislative precedent, and not a constitutional provision—may originate in the Senate. Unquestionably a bill raising taxes to retire a bond issue is a bill for raising revenue. However, if the bill authorizing the bond issue is also a bill for raising revenue and must originate in the House, there arises a situation whereby a double protection is given to the people. It is safe to say such an additional safeguard was not contemplated by the framers of the Constitution.

In *Twin City Bank* v. *Nebeker* ((1897) 167 U. S. 196), it was held that an act imposing a tax upon the circulation of notes of national banks, upon their deposits, and upon their capital stock, was merely incidental to the primary purpose of providing a national currency, the provisions for which were also included in the act. The court, therefore, held that the act was not open to objection because it had originated in the Senate. The test seemed to be, Is the money part of the bill incidental and not the primary legislation? In the case of *Millard* v. *Roberts* ((1906) 202 U. S. 429), the statute authorized payments to certain railroads in the District of Columbia for elevating tracks, the construction of a station and other improvements, the cost to be levied and assessed upon the taxable property in the District of Columbia. It was urged that the bill was unconstitutional as having originated in the Senate. The Court dismissed the argument by briefly citing the Twin City Bank case, and adding—

> Whatever taxes are imposed are but means to the purposes provided by the act. They dominate the character of a bill by looking to its primary, not to its incidental purpose. A primary purpose of the bill before us is to provide for international trade and world stability not governmental international banking. It is to carry out the agreement made between the United States Government and the United Kingdom.

There are two precedents under which the present bill may originate in the Senate which should be cited here.

Public Law No. 178, Seventy-third Congress, entitled "An act to guarantee the bonds of the Home Owners' Loan Corporation, to amend the Home Owners' Loan Act of 1933, and for other purposes," approved April 27, 1934 (48 Stat. 643), originated in the Senate as Senate bill 2999. The first section of this act amending section 4 (c) of the Home Owners' Loan Act of 1933, reads as follows:

> The Secretary of the Treasury, in his discretion, is authorized to purchase any bonds of the Corporation issued under this subsection which are guaranteed as to interest and principal, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of the Corporation's bonds hereunder. The Secretary of the Treasury may, at any time, sell any of the bonds of the Corporation acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of the bonds of the Corporation shall be treated as public-debt transactions of the United States.

This leaves no doubt that the pending legislation may originate in the Senate so far as precedent is concerned.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. JOHNSON of Colorado. On that point, was the provision challenged in the House?

Mr. FERGUSON. It was not challenged in the House.

The same is true of Public Law 412, of the Seventy-fifth Congress, the United States Housing Act of 1937, approved September 1, 1937—50 United States Statutes 888. This act was S. 1685, and the pertinent part reads as follows:

> The Secretary of the Treasury is likewise authorized to purchase any such obligations, and for such purchases he may use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any such purchases. The Secretary of the Treasury may at any time sell any of the obligations acquired by him pursuant to this section, and all redemptions, purchases, and sales by him of such obligations shall be treated as public-debt transactions of the United States.

These two statutes raise the same issue with respect to the origination by the Senate of bills providing for bond issues as the pending joint resolution numbered 138 and the same principle would apply.

Therefore, under the judicial decisions interpreting the constitutional clause in question, and the overwhelming weight of the precedents we can come to but one conclusion, and that is that the measure now before the Senate is not one raising revenue within the prohibition of the first paragraph of article I, section 7, of the Constitution, and the vote by the Senate on the point of order raised by the Senator from Colorado should be "No."

Mr. BARKLEY. Mr. President, I yield 12 minutes to the Senator from Vermont [Mr. AUSTIN].

Mr. AUSTIN. Mr. President, the point of order is based upon the Constitution, if I correctly understand the record. Objection is made that this Senate joint resolution is a measure for raising revenue, and, therefore, transgresses section 7 of article I of the Constitution. Consequently, to determine whether it does violate that section of the Constitution or not, it seems to me that we should seek

the best authority on that subject. We have a great Court, the greatest Court in all the world, whose principal function it is to determine the meaning of that provision and other provisions of the Constitution. I shall not give my opinion. I shall call attention to the opinion of the Supreme Court of the United States, so that this record may be before the House which has the ultimate decision in its hands; for no matter what position we take, even if we deny the point of order, the House may yet raise the point of order and have the absolute say upon the matter.

In the case referred to by the distinguished Senator from Michigan, the case of *United States* v. *Norton* (91 U. S. 566), the Court said, at page 568:

The Constitution of the United States, article I, section 7, provides that "all bills for raising revenue shall originate in the House of Representatives."

The construction of this limitation is practically well settled by the uniform action of Congress. According to that construction, it "has been confined to bills to levy taxes in the strict sense of the words, and has not been understood to extend to bills for other purposes which incidentally create revenue."

Now I wish to quote from a case in 167 United States Reports at page 202, because it leads back into the historical interpretation of that phrase in the Constitution. I read:

Mr. Justice Story has well said that the practical construction of the Constitution and the history of the origin of the constitutional provision in question proves that revenue bills are those that levy taxes in the strict sense of the word, and are not bills for other purposes which may incidentally create revenue (1 Story on Constitution, sec. 880).

Again, in a case in 202 United States, which already has been referred to by the distinguished Senator from Michigan, at page 436, I read as follows:

It was observed there that it was a part of wisdom not to attempt to cover by a general statement what bills shall be said to be "bills for raising revenue" within the meaning of those words in the Constitution, but it was said, quoting Mr. Justice Story, "that the practical construction of the Constitution and the history of the origin of the constitutional provision in question proves that revenue bills are those that levy taxes in the strict sense of the word, and are not bills for other purposes, which may incidentally create revenue."

That happens not to be the ultimate authority on this question, because it must pass to the House of Representatives, which is greatly interested in the decision of these questions correctly; and the House of Representatives has the duty, as I view the matter, to preserve its prerogatives and its jurisdiction and to prevent the Senate from ever encroaching upon them.

No greater compromise was effected in the creation of the Constitution than that which involved this very subject matter, whereby to the Senate was given the power of participating in the making of treaties and to the House was given this control over the purse strings.

So we should see what the House of Representatives has done heretofore in passing upon similar questions.

Mr. President, I call attention to a case in volume 6 of Cannon's Precedents of the House of Representatives. Mind you, Mr. President, this is the House that is vitally interested in preserving its prerogatives, and therefore what it says about this matter is certainly free from any adventitious bias:

315. A bill raising revenue incidentally was held not to infringe upon the constitutional prerogative of the House to originate revenue legislation.

Discussion of differentiation between bills for the purpose of raising revenue and bills which incidentally raise revenue.

On December 18, 1920, Mr. Robert Luce, of Massachusetts, rising to a question of the privilege of the House, presented the following:

"*Resolved*, That the first section of Senate Joint Resolution 212 in the opinion of this House contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with a message communicating this resolution."

The first section of the joint resolution in question, which was then pending on the Union Calendar, was as follows:

"*Resolved, etc.*, That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said Corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products, to foreign markets."

Mr. President, I digress here to assert that the primary purpose of the measure which is now before the Senate is similar to that on which the House of Representatives at that time took the action indicated. It is to carry out the agreement, dated December 6, 1945, between the United States and the United Kingdom, which was transmitted by the President to the Congress on January 30, 1946. The principal purpose of that agreement, and as implied, is to lower the obstructions to trade and to create in the world a condition of stability and a condition in which commerce can be expanded, as expressed in the joint resolution itself:

To expedite the achievement of stable and orderly exchange arrangements, the prompt elimination of exchange restrictions and discriminations, and other objectives of the above-mentioned policy declared by the Congress.

Yesterday the distinguished Senator from Colorado admitted that the joint resolution could be passed without including in it section 2, which is the basis of his point of order, and would still achieve that purpose, which of course, is the main purpose of the agreement.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. AUSTIN. I have only 12 minutes altogether, and I think they are nearly up. Let me inquire of the Chair how much time I have remaining.

The PRESIDING OFFICER. The Senator has three more minutes.

Mr. AUSTIN. I think the Senator from Colorado had better take his own time on this question.

Mr. President, that being the situation in the House of Representatives, in connection with a measure similar to the joint resolution now pending in the Senate, the record shows that this occurred:

Mr. James R. Mann, of Illinois, made the point of order that a question of privilege was not involved, and said:

"All laws which incidentally raise revenues are not laws for the purpose of raising revenue. Would the gentleman from Massachusetts contend, for instance, that the Senate could not pass a bill providing for the sale of a former public-building site and that it would not become a law if then passed by the House and signed by the President? The effect of the law would be to raise revenue. That is the only effect it would have. And yet no one has ever contended that the Senate could not originate a bill of that kind, the incidental effect of which is to raise revenue.

"The provision of the Constitution the gentleman referred to provides that bills for the purpose of raising of revenue shall originate in the House of Representatives. It does not provide that laws which take the effect and which will have the effect either of raising revenue or producing a deficit shall originate in the House, and no one can tell whether the passage of the original act in this case was to produce revenue or to produce a deficit."

That is true here, also.

"No one can tell whether the passage of this resolution, if it shall be carried out in the spirit of the resolution, will produce revenue or produce a deficit. But everyone knows that the purpose of the law is not to produce revenue. The purpose of the law was to aid in the transaction of business, to aid in exports, to aid in the war, and not for the purpose of raising revenue."

And that is exactly true with reference to the pending joint resolution.

I read further:

"I doubt whether the gentleman from Massachusetts or anyone else will contend that Congress has the power to create corporations to engage in business for the purpose of raising the revenue of the Government."

The Speaker quoted with approval a decision by Mr. Speaker Carlisle on a similar question, holding that such questions were for the House rather than the Speaker, and after directing the clerk to again report the resolution, put the question:

"Is the resolution of the gentleman from Massachusetts in order as a matter of privilege?"

That question was put to the House of Representatives and was decided, by a great majority, in the negative. I read:

The question being taken it was decided in the negative, yeas 28, nays 142.

So that seems to me to be very good authority sustaining what the courts say and the Congress has decided with respect to the meaning of this phrase.

Mr. President, I conclude by saying that the size of the sum or amount of money which is to be obtained through the Second Liberty Bond Act has nothing to do with the question of principle involved here; that the amount involved does not render primary that which is incidental; it does not change the principle at all.

Besides that, Mr. President, it is to be observed in passing that authority already exists for this bond issue, namely, the Second Liberty Bond Act; and the provision of the pending measure now

referred to is merely incidental to obtaining money under that act, which presumably was correctly originated and is legally existing.

Mr. BARKLEY. Mr. President, will the Senator from Colorado use some time at this point?

Mr. JOHNSON of Colorado. No one has requested any time. I inquire if the Senator from Ohio is ready to proceed.

Mr. TAFT. Yes.

Mr. JOHNSON of Colorado. I yield to the Senator from Ohio whatever time he may require.

Mr. TAFT. Mr. President, with regard to the constitutional question raised as to whether the pending joint resolution raises revenue and, therefore, must originate in the House of Representatives, let me say in the first place that, since it is a constitutional question, the fact that the courts may or may not examine it or that the House of Representatives may or may not examine it has nothing to do with our duty to examine it ourselves and to decide it in the light of the Constitution itself.

The pending joint resolution undoubtedly authorizes the Secretary of the Treasury to issue $3,750,000,000 worth of bonds and draw that much money into the Treasury of the United States. It increases the amount of bonds which he may issue under the Second Liberty Loan Act. So it is clearly a measure to raise money. The only question involved is whether such money could be regarded as revenue. The question has never been decided by the courts of the United States. In fact, the only two direct issues which have arisen were decided by the House of Representatives to the effect that such measures are revenue-raising measures. Those cases were cited by the distinguished Senator from Michigan. In both cases the Senate attempted to pass a bill authorizing the raising of money by the issuance of bonds. In those cases the House of Representatives rejected the measures and sent them back to the Senate. It has been said that there are instances of somewhat similar bills having been passed by the Senate without any objection having been made later on the part of the other House. That may be true, but in both cases those bills dealt with corporations, and I do not think they involved the issuance of Government bonds.

The principal adverse authority on which reliance has been placed was quoted in an opinion by the United States Supreme Court. In the case of the *U. S.* v. *Norton* (vol. 91), which was referred to by the distinguished Senator from Vermont [Mr. AUSTIN], we find the following language:

> The lexical definition of the term "revenue" is very comprehensive. It is thus given by Webster: "The income of a nation, derived from its taxes, duties, or other sources, for the payment of the national expenses."

The Court continued as follows:

> The phrase "other sources" would include the proceeds of the public lands, those arising from the sale of public securities, the receipts of the Patent Office in excess of its expenditures, and those of the Post Office Department, when there should be such excess as there was for a time in the early history of the Government. Indeed, the phrase would apply in all cases of such excess. In some of them the result might fluctuate; there being excess at one time, and deficiency at another.
>
> It is a matter of common knowledge, that the appellative "revenue laws" is never applied to the statutes involved in these classes of cases.

However, Mr. President, in this case the court was dealing with what are called laws which incidentally raise revenue, as, for example, a law for the creation of a post office which might or might not raise revenue. There might be a net revenue or a net deficit, but it would be purely incidental to the reason for creating the post office. That would also be true in connection with fines resulting from the imposition of sentences under a criminal statute. The fines would be incidental to the criminal statute itself. The statute could not by any possible thought be considered as a revenue-raising statute.

The purpose of section 2 of the pending joint resolution is to raise revenue. The raising of revenue is not incidental to the enactment of this measure. Section 2 has no purpose except to raise revenue. Certainly we could impose a tax for the purpose of collecting $3,750,000,000, but if we did so it could not be said to be incidental to the British loan. It would be a provision for the purpose of raising revenue. It seems to me that the court was dealing solely with cases involving bills for the purpose of levying taxes in a direct sense of the word. The whole question, I believe, is whether or not section 2 of the pending joint resolution can be said to be incidental. I cannot see how the other matters referred to in the case from which I read were incidental to the general and main purpose. For example, there was a law to create a postal-savings system. Incidentally, money would come into the Treasury of the United States because persons would deposit money with the Post Office Department, and in that way the money would be made available for expenditure. However, that would be merely incidental to the system.

Mr. President, I do not know what was the original purpose of this constitutional provision. But undoubtedly it came from the British constitutional practice by which bills to raise revenue and to appropriate money were required to originate in the House of Commons. I think the practice was based on the theory that the more popular house should have the right to originate revenue-producing measures, that it should have a hold on the purse strings so that the Government could not raise a great sum of money and spend it without the House of Commons having the first voice in deciding the question. The theory applied both to appropriation and to revenue-raising bills.

When it came to the Constitutional Convention, as referred to by the distinguished Senator from Michigan, the provision was first in that form. Subsequently, the word "appropriation" was removed. The distinguished Senator said that if the language had been adopted in its original form he would say that the pending measure would have to originate in the House of Representatives. But, there was no change made in the original form so far as bills to raise revenue were concerned. What the Constitutional Convention did was to remove the requirement that appropriation bills shall originate in the House of Representatives. Of course, in spite of that having been done, the House of Representatives has insisted on the right to originate appropriation bills, for which I believe there is no constitutional basis. But so far as bills to raise revenue are concerned, the Constitutional Convention approved the British practice. On what possible basis would there be any purpose in saying that bills to raise taxes and put money into the public Treasury to be subsequently expended must originate in the House of Representatives, but that bills authorizing the Government to borrow money and put it into the Treasury to be spent need not originate in the House of Representatives? The distinction seems to me to be without any possible basis. Of course, in the early days the issuance of bonds was a very occasional affair. But today the raising of money by the issuance of bonds has far exceeded in amount the raising of money by the levying of taxes. During the past 4 or 5 years the issuance of bonds has represented the principal method of raising revenue for the United States Government.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. JOHNSON of Colorado. As a matter of fact, since 1940 the United States Treasury has raised more money by the sale of bonds than it had raised in direct taxes prior to that time during its 150 years of existence.

Mr. TAFT. I thank the Senator for the information he has given, which is fairly obvious to anyone who has followed the financing of the Government.

So, Mr. President, my conclusion is that, so far as the precedents are concerned, there is some doubt. The courts have never decided the question. The House of Representatives has twice decided the issue in favor of its own power, and sometimes neglected to assert such power. But from a logical standpoint I believe the distinction to be that if a bill raises revenue purely incidental to some purpose, other than that of merely spending the money, it is not a revenue-raising measure; but if a bill proposes to raise money in order to put funds into the Treasury of the Government from which they may later be spent by Congress under appropriation laws, it is necessarily, it seems to me, a revenue-raising measure.

So, Mr. President, I feel that the Senate should support the constitutional question raised by the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BARKLEY. Mr. President, does the Senator from Colorado desire to yield further time?

Mr. JOHNSON of Colorado. Not now. I have no requests for time, but I should like to have 20 minutes myself. If I have no further requests, the Senator is welcome to a part of my time.

Mr. BARKLEY. I may need a little of it, as I have yielded a good deal of my time.

Mr. JOHNSON of Colorado. I shall be glad to yield time to the Senator.

Mr. BARKLEY. Mr. President, may I inquire how much time there is remaining on my side?

The PRESIDING OFFICER. Twenty-two minutes.

Mr. BARKLEY. I think I shall not have to use all of it.

Mr. President, there is not a great deal I can add to what the Senator from Michigan [Mr. FERGUSON] and the Senator from Vermont [Mr. AUSTIN] have said with reference to the point of order. Insofar as any controversy might arise between the House and the Senate in regard to this proposed legislation, I should like to say that two identical joint resolutions were introduced in the Senate and in the House of Representatives on the same day and in precisely the same terms. The Speaker referred the joint resolution introduced in the House of Representatives to the Committee on Banking and Currency of that body, where it is now pending and where hearings are to be held, I understand, early next week. No question was raised in the House as to the impropriety of that reference, although we all know that in the House of Representatives bills for the purpose of raising revenue are referred to the Committee on Ways and Means, and the Committee on Ways and Means, as is true of all other committees of the House and also of the Senate, has a proper alertness with respect to the reference to other committees of bills to which it might be entitled. If any question should be raised in the House about it—which I do not think will be done—the fact that the same joint resolution containing the same provisions as to the use of the money obtained from the Second Liberty Loan Bond Act as a public debt transaction was referred to the Committee on Banking and Currency there, as it was referred to the Committee on Banking and Currency here, would at least be a strong presumption in favor of the House taking the same position, if the question should arise, that we who oppose the point of order take here.

Mr. President, I shall not reiterate——

Mr. JOHNSON of Colorado. Mr. President, before the Senator leaves that point, will he yield?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. Does the Senator know whether or not the measure to which he refers was a highly controversial question in the House?

Mr. BARKLEY. I am talking about the joint resolution.

Mr. JOHNSON of Colorado. So am I talking about the joint resolution; but was it a highly controversial question, such as the one now before the Senate?

Mr. BARKLEY. The question has not been raised in the House. I am talking about the joint resolution on the British loan, which is pending there now, not some other measure.

Mr. JOHNSON of Colorado. I thought the Senator mentioned some other bill that had been passed that was identical.

Mr. BARKLEY. No; I did not mention any bill which had been passed. I mentioned this joint resolution, which is a companion joint resolution to the one pending in the Senate, having been introduced in the House of Representatives as House Joint Resolution 315.

Mr. JOHNSON of Colorado. I misunderstood the Senator.

Mr. BARKLEY. I thought the Senator from Colorado misunderstood me. I am referring to the pending British loan joint resolution and a companion joint resolution in the House, which was introduced in open session and referred to the Committee on Banking and Currency, where it is now pending.

Reference has been made to two or three decisions of the Supreme Court, one in volume 167, United States Reports, which is the case of Twin City Bank against Nebeker. In that case, Mr. President, the House of Representatives passed a bill providing for a national-bank currency, as we knew it prior to the passage of the Federal Reserve Act. It provided that bonds of the Treasury of the United States might be obtained by national banking institutions and deposited with the Treasury after their purchase as a basis for what came to be known as national-bank currency. A bank would go to one window of the Treasury and buy a hundred thousand dollars' worth of bonds and then go to another window in the same Treasury, turn them back, get national-bank notes, take them back to its vaults, and issue them as currency. That became known as national-bank currency.

When that bill passed the House, it had no tax provisions in it whatsoever. It was simply a provision that the national debt, as represented by the bonds, should be predicated for the issuance of currency. When the bill reached the Senate, the Senate added an amendment providing that there should be a tax levied on the average amount of such bonds held by national banks upon which currency was based and issued. When the bill left the House of Representatives, it was not a tax bill, and therefore did not come within the constitutional provision that tax bills originating in the House may be amended by the Senate, as other bills which are not tax bills may be. It levied no tax whatever; but when it came into the Senate, it was amended so as to levy a tax upon the average amount of these bonds held by the banks.

That act was attacked in the courts on the ground that the tax provision of it originated in the Senate; but in the case of the Twin City Bank against Nebeker, decided on May 10, 1897—and it is one of the cases referred to by the Senator from Michigan and the Senator from Vermont—the Supreme Court of the United States, Justice Harlan rendering the decision, held that it did not violate section 7 of article I of the Constitution, because it was not a bill for raising revenue and the fact that the Senate amended a nonrevenue bill by providing a tax to implement the operation of the House bill did not violate the Constitution.

I shall not read the decision, but the language is perfectly clear by which the Supreme Court explicitly held that that was not a violation of the Constitution and that the tax amendment properly originated in the Senate.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Does not that show that the test is the fact that it is incidental to some other general legislation, and not the question whether it is a tax or a bond issue; because this was clearly a tax, and yet it was held not to violate the Constitution, because it was incidental to a general national bank act?

Mr. BARKLEY. It was attacked in the Court on the ground that the Senate could not add a tax to a nonrevenue bill even to carry the purposes of the original bill.

In a later case, decided in volume 202 United States Reports, on May 21, 1906, the Supreme Court, referring to the previous case I have cited and using it as an authority in part, held that a bill originating in the Senate of the United States—not in the House of Representatives but in the Senate—for the purpose of eliminating grade crossings in the District of Columbia and for the erection of a union station in the District of Columbia and levying a tax upon the real estate and other property within the District of Columbia was not a violation of the Constitution. Justice McKenna rendered the decision in that case, decided in 1906, as I have said.

Mr. President, a revenue provision contained in a bill may originate in the Senate either by way of an amendment if necessary to carry out the purposes of a bill that originated in the House, or, if it originates in the Senate, a tax may be levied, as was levied in this case upon property in the District of Columbia for the purpose of helping to pay the expenses of eliminating grade crossings in the District of Columbia and the construction of a union station in the District of Columbia.

Mr. President, it is my contention that if the joint resolution we are now considering really raises taxes, which I dispute, and which I shall discuss in a moment, it is in compliance with the Constitution, because the primary purpose of the joint resolution is not to raise revenue, it is to authorize the Secretary of the Treasury to carry out an agreement made between the United States of America and the United Kingdom for a loan of money.

If the Treasury of the United States should find itself with a sufficient amount of cash in the Treasury at any time, under laws already in existence, it could pay the loan in cash without using any money obtained from bond issues. There is no doubt about that. The mere authority to carry out the agreement conferred in the joint resolution on the Secretary of the Treasury is an authorization to expend that amount of money in fulfillment of the loan which is provided for in the joint resolution.

In the Liberty Loan Act approved November 23, 1921, which has been amended from time to time, increasing the debt limit, we find this provision:

INCREASE IN NOTE AUTHORIZATION

SEC. 1401. That subdivision (a) of section 18 of the Second Liberty Loan Act, as amended, is amended by striking out the

words and figures "for the purposes of this act, and to meet public expenditures authorized by law, not exceeding in the aggregate $7,000,000,000," and inserting in lieu thereof the words and figures "for the purposes of this act, to provide for the purchase or redemption of any notes issued hereunder, and to meet public expenditures authorized by law, not exceeding in the aggregate $7,500,000,000."

From time to time the debt limit has been increased, until the present limitation of the debt of the United States Government is $300,000,000,000. But even now there is on the calendar of the Senate a bill introduced by the Senator from Virginia [Mr. BYRD] reducing the total debt limit from $300,000,000,000 to $275,000,000,000. If it can be contended that, under laws already in existence fixing the debt limit of the United States Government to $300,000,000,000, the Senate of the United States cannot pass a joint resolution which is in effect an appropriation and not a tax-raising instrument, then the point might be made that the Senate of the United States cannot initiate a bill even reducing the debt limit as provided for in existing law.

The language which I have just quoted—"for the purposes of this act, to provide for the purchase or redemption of any notes issued hereunder, and to meet public expenditures authorized by law"—is carried in all acts increasing the debt limit.

If the joint resolution shall be passed, it will certainly provide for an expenditure authorized by law, and therefore will come within the definition of the act increasing the debt limit back in 1921, which is still the law, except as to the limit on the debt itself.

Mr. President, I have a number of precedents I have collected with respect to action taken by the House of Representatives itself when the question has been raised, one of which has been referred to by the Senator from Vermont [Mr. AUSTIN], where the House itself by an overwhelming vote refused to take the position that a bill for a definite purpose, because it provided for a tax to carry out the purpose, was therefore a bill which under the Constitution must originate in the House of Representatives.

I contend, Mr. President, and I think it is shown on the very face of the joint resolution itself, that it is not a revenue-raising measure. It does not by $1 increase the debt limit already fixed by law. That debt limit is still $300,000,000,000. It does not authorize the Secretary of the Treasury to issue a single bond in addition to those which have heretofore been authorized, and he is authorized to issue those bonds for certain specific purposes. The provision of the law is, "and to meet public expenditures authorized by law." So that he has all the authority he now needs to issue bonds for any public expenditure which has been authorized by the Congress of the United States.

Mr. President, this is not a revenue-raising measure. Without the British loan without the adoption of Joint Resolution 138, the Secretary of the Treasury could issue bonds up to the limit of $300,000,000,000 for any purpose authorized by Congress in the way of expenditures. All the joint resolution does is to say to the Secretary, "Out of receipts from the sale of bonds already authorized, and which you can continue to issue, if necessary, to meet any expenditure authorized by law, you may use $3,750,000,000 for this expenditure authorized by law."

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. If the Senator's statement be sound, I cannot understand the peculiar language contained in section 2 in regard to "securities hereafter issued."

Mr. BARKLEY. Let me read the section as we have agreed to it.

Mr. JOHNSON of Colorado. I hope that as the Senator reads he will explain why that language was inserted in the way it was inserted, if it is not necessary at all.

Mr. BARKLEY. It reads:

For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public debt transaction—

That is the language used in the Home Owners' Loan Corporation Act; it is the same language used in the Federal Housing Act, where the Secretary of the Treasury is authorized to guarantee expenditures under the Housing Act and to obtain the money therefor from the sale of bonds under the Second Liberty Loan Act, an act which originated in the United States Senate, and about which no question was ever raised either in the Senate or in the House of Representatives.

Mr. JOHNSON of Colorado. That was a noncontroversial question. Points of order are sometimes made where there is a controversial question which are not made where questions are noncontroversial.

Mr. BARKLEY. Whether it is noncontroversial or not is not material. The Senate of the United States originated the legislation and passed it without any point of order being raised. That does not mean, of course, that a point of order would have lain against it if any Senator had made it, but the bill originated in the Senate, and if the contention of the Senator from Colorado is sound the law was unconstitutional because the measure did originate in the Senate. I could refer to other legislation in which the same language is used.

Mr. AUSTIN. Will the Senator permit an interruption?

Mr. BARKLEY. I yield.

Mr. AUSTIN. I call attention to the word "issued" following the word "hereafter" and ask the Senator to note that that is not the word "'authorized."

Mr. BARKLEY. That is correct.

Mr. AUSTIN. That is the difference.

Mr. BARKLEY. Yes. "The Secretary of the Treasury is authorized to use as a public-debt transaction"—and I was referring to the fact that the "public-debt transaction" is the same expression as used in these other laws—"not to exceed $3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act," and that is the act that is now in force in which the $300,000,000,000 is the limit fixed by Congress

Mr. AUSTIN. The bonds have already been authorized.

Mr. BARKLEY. They have already been authorized, and many of them have been issued. But if the Secretary issues any more bonds for the purposes set forth in the various acts increasing the debt limitation, including the expenditure for any sum authorized by law—if he issues any more bonds for that purpose they are issued under authority already granted to him, and out of the funds which he is authorized to raise by the issue of these bonds he shall discharge this congressional obligation and this authorization of $3,750,000,000.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Wisconsin.

The PRESIDING OFFICER. The Chair advises the Senator from Kentucky that his time has expired.

Mr. BARKLEY. Mr. President, will the Senator from Colorado yield a little more time to me?

Mr. JOHNSON of Colorado. I am glad to yield more time to the Senator from Kentucky, unless some Senator on the other side of the question wants the time. If no other Senator asks for time, the Senator from Kentucky is welcome to more of my time. I want about 20 minutes.

Mr. BARKLEY. I think I can get along with 10 more minutes.

Mr. JOHNSON of Colorado. And I can get along with 20 minutes. I yield 10 more minutes to the Senator from Kentucky.

Mr. BARKLEY. I thank the Senator from Colorado. He has been very generous.

I now yield to the Senator from Wisconsin.

Mr. WILEY. Mr. President, I feel the position taken by the Senator from Kentucky is sound for the following reasons:

This is an agreement between two sovereign nations to help stabilize the economy of a world which is literally on fire as a result of the war. While a vast credit is involved, it simply carries out the great underlying purposes of the agreement as set forth therein.

I believe it is not a revenue measure within the meaning of the constitutional provision, for the further reason that the money or credit referred to in the measure results from securities "hereafter issued under the Second Liberty Bond Act."

Mr. BARKLEY. I appreciate the Senator's comment. As a matter of fact, the effect of this joint resolution is more in the nature of making an appropriation out of funds already authorized to be raised than that of a revenue-raising act for the raising of revenues to come into the Treasury. So far as appropriations are concerned, there is nothing in the Constitution that requires appropriation bills to originate in the House of Representatives. As a matter of practice they do originate there because of convenience, and because the House feels that they should, and it has been adopted as a practice throughout the history of the

country that appropriations as a rule originate in the House, that is, general appropriation bills. But special appropriation bills have frequently originated in the Senate, and no question was ever raised about them.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CORDON. If the position of the Senator is that bonds which are already authorized are adequate for this purpose and available for this purpose upon the passage of this joint resolution, it would be interesting to have the Senator's view as to why this language was included in the committee amendment, and I refer to line 9 on page 3:

> And the purposes for which securities may be issued under that act are extended to include such purpose.

Mr. BARKLEY. That language does not affect the authority of the Secretary of the Treasury to raise the money for any purpose authorized by law. He can do that to the extent of $300,000,000,000. But carrying out the practice which has been adopted that when bonds are authorized by Congress to be issued by the Secretary of the Treasury the purpose for which the money is to be expended should be expressed in the act making the authorization, we carry that language in this measure and provide that the money raised by the issue of bonds already authorized shall be used for this purpose. This is an additional purpose for which that money may be expended.

Mr. CORDON. That is to say then, in effect, that those bonds without that particular phraseology would not be available for this purpose, and this phraseology is necessary to make them available. Is that correct?

Mr. BARKLEY. A court might hold that it was not necessary to add this purpose. I do not predict what any court will hold about that. I am certain that even if the Treasury had the money in it and could pay it out in cash, it would be authorized to do so even under section 1 of the bill. We would not even need section 2 if it was a cash transaction. But section 2 is there in order to comply with other laws we have passed increasing the debt limit, and setting out the purposes for which the money may be expended. This is an additional purpose for which money raised under the Second Liberty Bond Act may be expended by the Secretary of the Treasury.

Mr. CORDON. It is an additional purpose for which the money may be used, and is that not equivalent to saying that the money may not be used for this purpose except with this authority?

Mr. BARKLEY. Not necessarily. If it is an obligation which has been incurred by an act of Congress, under my contention respecting the previous Liberty Bond Act, if it is for an expenditure which has been authorized by the Congress, it would still be available. We are not trying to put over on the Senate or the House or the country a deceptive practice. We are perfectly frank in saying that for the purpose of making this expenditure the Secretary may make it out of money he is authorized to raise by the sale of bonds under the Second Liberty Bond Act, as amended.

Mr. CORDON. But we also say at the same time, do we not, that he is now authorized to use money which he could not have used had not this particular language authorized the use of the money?

Mr. BARKLEY. Probably not. He could have used, I think, any cash balance in the Treasury for the purpose of discharging this obligation, if the money was there. At the present time probably it could be contended that it is there, since there is $22,000,000,000 in the Treasury, and probably the whole transaction could be carried out in cash.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. I wanted to interpolate a brief word, and I do not know whether it is a question or an observation. I take it the Senator's position is that section 2 limits the authority with respect to the disposition of the funds which are provided for otherwise than in this proposed legislation.

Mr. BARKLEY. That is correct.

Mr. WHITE. And that existing law provides for the issuance of these Liberty bonds and the converting of the bonds into cash. Section (2) of the joint resolution is limited to the distribution of funds which are authorized elsewhere and otherwise than by the pending legislation.

Mr. BARKLEY. That is correct. In all these extensions of the limitation of the debt, as well as in the original act itself, I believe, provision is made that the expenditure of the money and its use shall be as a public-debt transaction. That does not authorize the sale of the bonds. It is the other provisions of the law which authorize the sale of the bonds; but in the disposition of the funds raised, it shall be regarded as a public-debt transaction.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CORDON. Do I correctly understand the Senator's position to be that this action, in legal effect, is an appropriation of Federal funds, which ultimately will require the raising of revenue; but that because the joint resolution itself does not provide for the raising of revenue, it does not contravene the Constitution?

Mr. BARKLEY. That is correct. I believe that the effect of the joint resolution is to authorize the expenditure of the money. In other words, it will not be necessary every time any part of this line of credit is drawn upon to come back to the Appropriations Committee and to the Congress after this measure becomes a law. It is both an authorization and an appropriation at the same time.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. We do not know whether that is so or not. There may be a return of this money.

Mr. BARKLEY. Yes; undoubtedly there may be. But I am talking about the initial use of it to carry out the purposes of the agreement.

In two cases bills containing provisions substantially the same as section 2 of Senate Joint Resolution 138 originated in the Senate and passed the Senate before they were taken up by the House:

First. An act to guarantee the bonds of the HOLC and to amend the Home Owner's Loan Act of 1933—act of April 27, 1934, 48 Statutes 643. The Secretary of the Treasury was authorized to use as a public-debt transaction the proceeds of the sale of securities under the Second Liberty Bond Act for the purpose of purchasing bonds of the HOLC.

The Secretary of the Treasury was authorized to purchase the bonds of the Home Owners' Loan Corporation, and for this purpose to use money obtained through a public-debt transaction under the Second Liberty Loan Act. That bill originated in the Senate. The fact that no one raised any point about it is not necessarily conclusive; I appreciate that; but there is a presumption that things are legal and in order unless a point is raised, just as there is always a presumption that there is a quorum in the Senate unless the point of no quorum is made.

Second. The United States Housing Act of 1937—50 Statutes 888—which provided that obligations of the United States Housing Authority should be guaranteed by the United States. It authorized the Secretary of the Treasury to use as a public-debt transaction the proceeds of bonds issued under the Second Liberty Bond Act to purchase the obligations of the United States Housing Authority.

Both of these statutes originated in the Senate and were enacted by the Congress without any question of privilege being raised in either House. Another quite similar case where the question of privilege was raised is discussed in 2 Hinds' Precedents, 953. A bill providing for the issuance of United States notes and placing a limit on the number to be issued originated in the Senate and was passed by the Senate. In the House the question of privilege was raised and defeated. This precedent is excellent authority for Senate Joint Resolution 138 because there is no fundamental difference between a bill authorizing the issuance of United States notes and a bill authorizing the issuance of United States bonds.

Senate Joint Resolution 138, the measure to make effective the financial agreement with the United Kingdom, will have no effect whatever on the limitation placed by Congress on the public debt of the United States. The limitation is contained in section 21 of the Second Liberty Bond Act. It has been changed from time to time and at present is $300,000,000,000, this amount having been established by the act of April 3, 1945. The only effect which the legislation relating to the British agreement will have on the Second Liberty Bond Act is to add one new purpose for which Government bonds may be issued. These bonds must, however, be issued within the limit specified under existing law.

There is pending before the Senate S. 1760, which was reported with the approval of the Finance Committee on

April 29. This bill will reduce the limit on the public debt to $275,000,000,000. Legislation relating to the financial agreement with Great Britain will not in any way affect this pending measure to reduce the limitation on the public debt.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a memorandum which I have prepared covering these points. I have neither the time nor the disposition to discuss them in detail. However, the memorandum gives a historic résumé not only of court decisions and acts heretofore passed, which originated in the Senate, but actions of the House of Representatives in rejecting points of order within that body, as well as citations from Hinds' Precedents and Cannon's Precedents, which is a continuation of Hinds' Precedents, one of the most valuable parliamentary compendiums ever published in the United States or any other country.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

The joint resolution to make effective the financial agreement between the United States and the United Kingdom can be expedited if it may originate in the Senate. Several questions have been raised concerning the practice of Congress and the effect on the resolution of article I, section 7, clause 1 of the Constitution which provides, "All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills." The following questions are discussed below:

(1) If the resolution appropriates funds, must it originate in the House to be consistent with the practice of Congress?

(2) Does the resolution provide for raising revenue?

(3) Assuming that the resolution provides for raising revenue, would it violate the constitutional limitation if it originated in the Senate?

1. THE APPROPRIATION PROBLEM

The practice of Congress with respect to appropriation bills is stated in Cannon's Procedure in the House of Representatives (4th ed. 1945, U. S. Government Printing Office), as follows:

"Under immemorial custom the general appropriation bills (as distinguished from special bills appropriating for single, specific purposes) originate in the House of Representatives and there has been no deviation from that practice since the establishment of the Constitution."

In a later passage, Cannon states that there are only 12 general appropriation bills and lists them as

1. Agricultural Department appropriation bill.
2. District of Columbia appropriation bill.
3. Independent offices appropriation bill.
4. Interior Department appropriation bill.
5. Labor Department, Federal Security Agency, and related independent agencies
6. Legislative and judiciary branches appropriation bill.
7. Navy Department appropriation bill.
8. State, Justice, Commerce, and Labor Departments appropriation bill.
9. Treasury, and Post Office Departments appropriation bill.
10. Military appropriation bill.
11. War Department civil appropriation bill.
12. Deficiency appropriation bills.

He also states that "Bills providing special appropriations for specific purposes are not general appropriation bills * * *."

It is clear, therefore, that a resolution appropriating funds for the extension of a line of credit to the United Kingdom is not a general appropriation and can originate in either House.

2. THE NATURE OF THE RESOLUTION

The House of Representatives makes the final determination as to whether a bill infringes its constitutional prerogative to originate all bills for raising revenue. Such questions are not decided by the Speaker but are decided by a vote of the whole body. In making these decisions the House has tended to give a broad construction to the phrase "raising revenue." It has been contended by some Congressmen that the long-established practice that general appropriation bills originate in the House is based upon the idea that appropriation bills are revenue-raising bills within the meaning of the Constitution.

Accordingly, it may be contended that the resolution is a revenue-raising bill because it provides for the receipt of funds by the United States through the issuance of bonds. To support this contention reference may be made to several decisions of the House that bills increasing the postage rates are revenue measures which must originate in the House.

In 1925 a Senate bill reclassified postal salaries and increased postal rates to provide for such an adjustment. The bill passed the Senate after consideration of the constitutional issue and a decision of the Senate that the bill was not a revenue measure. The question of privilege was then raised in the House. A resolution returning the bill to the Senate because it violated section 7 of article I of the Constitution was agreed to by the House (6 Cannon's Precedents 450–452). A similar resolution in regard to a postage-rate bill which originated in the Senate was passed by the House in 1859 (2 Hinds' Precedents 994).

However, the postal-rate cases mark the furthest extent to which the House has gone in construing other than ordinary tax and excise measures to be revenue bills. It is doubtful if the House would extend this interpretation as a matter of logic to measures relating to the issuance of currency and the sale of Government securities inasmuch as the sale of postage stamps is a governmental act closely allied to the imposition of stamp taexs, whereas currency and securities measures bear little resemblance whatever to excises or other tax measures which would be considered revenue in the narrow sense. In addition, although it would probably have little weight with the Congress, it should be noted that the Circuit Court for the Southern District of New York in *United States* v. *James* (1875) (26 Fed Cas. No. 15464) reached the conclusion that postal-rate measures are not "bills for raising revenue" within the meaning of the Constitution.

Moreover, in the case of a bill regarding the issuance of United States notes, which is fundamentally the same as a bill concerning the sale of Government bonds, the House refused to invoke the privilege of article I, section 7, of the Constitution. In 1874 the House considered a Senate bill which provided for the maximum amount of United States notes to be issued and also provided for the issuance of additional currency. A motion was made that the clerk be instructed to return the bill to the Senate with a message that the bill did not properly originate in the Senate. This motion was defeated by the House and thus confirmed the Senate's authority under the Constitution to originate bills of this nature (2 Hinds' Precedents 953). In effect, this overruled a decision of the House in 1837 with respect to a similar measure (2 Hinds' Precedents 944).

Accordingly, the most recent decision of the House of Representatives on the type of bill which is most closely analogous to measures providing for the issuance of Government securities supports the position that such a bill is not a "bill for raising revenue" within the meaning of article I, section 7, of the Constitution.

There are at least two recent examples of legislation originating in the Senate which contain "public debt" provisions similar to the resolution now under consideration, both of which were enacted without any question being raised as to the constitutional limitation.

The act to guarantee the bonds of the Home Owners' Loan Corporation, to amend the Home Owners' Loan Act of 1933, and for other purposes, approved April 27, 1934 (48 Stat. 643), authorized the Secretary of the Treasury to purchase bonds of the Home Owners' Loan Corporation and for this purpose to use money obtained through public-debt transactions under the Second Liberty Bond Act.

The United States Housing Act of 1937 (50 Stat. 888) included among its financial provisions an authorization to the United States Housing Authority to obtain funds through the issuance of obligations. It also provided that these obligations were to be guaranteed by the United States and the Secretary of the Treasury was authorized to use money obtained through public debt transactions under the Second Liberty Bond Act for the purchase of such obligations.

The precedents discussed above are not conclusive and it is possible, at least, that the House would decide that bills authorizing the raising of funds through the sale of Government obligations are bills for raising revenue. Even if it is felt that the House would reach such a conclusion, the further argument may be made that the resolution does not authorize the raising of funds through the sale of Government obligations. Under the Second Liberty Bond Act, as amended, the Secretary of the Treasury is authorized for certain purposes to issue public-debt obligations of the United States up to a specified maximum. The effect of the resolution now being considered is to instruct the Secretary of the Treasury as to the use which may be made of funds which he is authorized to raise under the Second Liberty Bond Act, as amended. The resolution does not increase the limit of public-debt issues, it does not authorize the Secretary of the Treasury to issue any securities which are not already provided for under the Second Liberty Bond Act, as amended, and it does not vary the type of security which may be issued under that legislation. In other words, this resolution authorizes an expenditure by the Secretary of the Treasury out of funds which he has already been authorized to raise under the Second Liberty Bond Act, as amended.

To this the counterargument may be made that the Second Liberty Bond Act, as amended, authorizes the issuance of securities to a specified maximum but only for certain purposes. The Secretary of the Treasury does not have authority to issue securities up to the maximum amount unless there are authorized purposes for the use of funds to that amount. This resolution, therefore, by extending the purposes for which securities may be issued, in effect authorizes the issuance of additional securities sufficient to raise $3,750,000,000. The resolution is a money-raising as well as a money-spending measure.

3. EFFECT OF THE CONSTITUTIONAL LIMITATION ON THE RESOLUTION

It has been pointed out above that the joint resolution should not be considered a revenue measure within the meaning of article I, section 7, of the Constitution. Even if the position is taken, however, that the resolution does provide for raising revenue it is submitted that the judicial decisions and precedents in Congress support the posi-

tion that this type of resolution may originate in the Senate. A distinction has been made both by the courts and Congress between bills whose primary purpose is to raise revenue and bills which have quite different purposes but which incidentally provide for the raising of revenue. In the latter case both the courts and Congress have followed the rule that the bills may originate in either House

There are two authoritative Supreme Court cases on this point. The first is that of the *Twin City Bank* v. *Nebeker* (1897) (167 U. S. 196), where it was contended that a bill to provide a national currency secured by the pledge of Government bonds was void because the Senate had added to it a provision imposing a tax on the amount of notes in circulation of certain banking associations. The court held that the addition of this revenue provision by the Senate did not violate the constitutional provision that all bills for raising revenue shall originate in the House of Representatives. The Court said:

"The case is not one that requires either an extended examination of precedents, or a full discussion as to the meaning of the words in the Constitution, 'bills for raising revenue.' What bills belong to that class is a question of such magnitude and importance that it is the part of wisdom not to attempt, by any general statement, to cover every possible phase of the subject. It is sufficient in the present case to say that an act of Congress providing a national currency secured by a pledge of bonds of the United States, and which, in the furtherance of that object, and also to meet the expenses attending the execution of the act, imposed a tax on the notes in circulation of the banking associations organized under the statute, is clearly not a revenue bill which the Constitution declares must originate in the House of Representatives. Mr. Justice Story has well said that the practical construction of the Constitution and the history of the origin of the constitutional provision in question proves that revenue bills are those that levy taxes in the strict sense of the word, and are not bills for other purposes which may incidentally create revenue (1 Story on Const. sec. 890). The main purpose that Congress had in view was to provide a national currency based upon United States bonds, and to that end it was deemed wise to impose the tax in question. The tax was a means for effectually accomplishing the great object of giving to the people a currency that would rest, primarily, upon the honor of the United States, and be available in every part of the country. There was no purpose by the act or by any of its provisions to raise revenue to be applied in meeting the expenses or obligations of the Government."

A similar question was raised in the case of *Willard* v. *Roberts* ((1906) 202 U. S. 429) which involved "An act to provide for eliminating certain grade crossings of railroads in the District of Columbia, to require and authorize the construction of new terminals and tracks for the Baltimore & Ohio Railroad Co. in the city of Washington, and for other purposes," approved February 12, 1901; an act entitled "An act to provide for eliminating certain grade crossings on the line of the Baltimore & Potomac Railroad Co. in the city of Washington, D. C., and requiring said company to depress and elevate its tracks, and to enable it to relocate parts of its railroad therein, and for other purposes," approved February 12, 1901; an act entitled "An act to provide for a union railroad station in the District of Columbia and for other purposes," approved February 28, 1903. It was contended that these acts were void because they originated in the Senate and provided that payments to be made to the railroad companies involved were to be levied and assessed on the taxable property and privileges in the District of Columbia. The Supreme Court held that the bills properly originated in the Senate and relied upon the case of *Twin City Bank* v. *Nebeker*. The Court said:

"The titles of the acts are the best brief summary of their purposes and those purposes are obviously of public benefit. We do not think that it is necessary to enter into a discussion of the cases which establish this."

The First Circuit Court of Appeals reached the same conclusion in *Bartelman* v. *White* ((1933) 65 F. (2d) 719), when the same argument was raised with respect to a tax provision in the Merchant Marine Act.

The practice of the House of Representatives is in accord with the court decisions referred to above. In 1920 a Senate joint resolution directed the Secretary of the Treasury and the members of the War Finance Corporation to revive the activities of that corporation in order to assist in financing the exportation of agricultural and other products to foreign markets. In the House of Representatives a question of privilege was raised that this resolution constituted an infringement of the privilege of the House under section 7 of article I of the Constitution because it involved the possibility of large profits accruing to the Public Treasury and because "it involves an increase in the debt of the United States by $386,000,000 which can be met only by raising additional revenue" (60 CONGRESSIONAL RECORD 523). The point of order was made that a question of privilege was not raised because the purpose of the law was not to produce revenue but to aid in the transaction of business and to aid in financing exports. The Speaker of the House, following the established practice, ruled that questions involving the privilege of the House of Representatives with respect to revenue legislation were questions for the House rather than for the Speaker and put the question to a vote. The House decided that a matter of privilege was not involved (6 Cannon's Precedents, pp. 448–449).

In 2 Hinds' Precedents, 961, an instance is given in which the House returned a bill having revenue provisions. This case does not appear to be one in which the revenue provisions were merely incidental, however, as the only purpose of the bill was to reduce the tax on Panama Canal bonds from 2 percent to 1 percent. It is noted here only because the headings in Hinds' indicates that it is a general bill with incidental revenue provisions.

The Home Owners' Loan Corporation and United States Housing Authority bills referred to above which contained public-debt financing provisions are also precedents in this connection. Both are general bills for broad purposes, which incidentally provide for the financing of certain operations in precisely the same manner as that provided in the joint resolution.

A careful examination of the joint resolution under consideration indicates clearly that if it is assumed that the resolution is a revenue-raising measure it falls within the class of legislation in which revenue-raising provisions are only incidental to the general purposes. Its title is "To further implement the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes," and its primary purpose is to authorize the execution of the financial agreement between the United States and the United Kingdom, dated December 6, 1945. The provisions in section 2, which might be considered to relate to the raising of revenue, are only incidental to this primary purpose.

Mr. BARKLEY. Mr. President, for the reasons I have stated, I do not believe that the point of order of the Senator from Colorado [Mr. JOHNSON] is well taken, and I hope the Senate will not sustain it.

Mr. JOHNSON of Colorado. Mr. President, the argument is made that the proposal to float a loan of $3,750,000,000 for a foreign country is an incidental matter. I must go to Webster's Dictionary to find out what "incidental" means. I find that the word is synonymous with "accidental." It means casual, subordinate, not particularized.

Section 2 provides for a bond issue in a sum equal to the total assessed valuation of the States of Colorado, Wyoming, Utah, Nevada, and New Mexico. The total valuation of those States does not equal more than $3,750,000,000.

I find that the area of Colorado and the area of the United Kingdom are almost identical, the United Kingdom having approximately 10,000 square miles less than the State of Colorado. So Senators are alleging that a loan equal to the total valuation of these five States, including all their private property, their railroads, their mines, their banks, their cities, their homes, all their utilities, and everything else, is incidental. I cannot follow that line of argument.

Some evidence has been placed in the RECORD on the question of the definition of raising revenue. Again go back to Webster's New International Dictionary, which declares that revenue is public income of whatever kind. I shall not take the time of the Senate to read several court decisions on the point, but I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks several citations with respect to the raising of public money.

There being no objection, the citations were ordered to be printed in the RECORD, as follows:

(From Words and Phrases, vol. 36, p. 79, under the heading "Raise money")

To raise money is to collect or procure a supply of money for use. To appropriate is to set apart from the public revenue a certain sum for a particular purpose. Vote that schoolhouse should not be opened, and that no moneys should be expended on it, held not vote to raise or appropriate money requiring participation by at least half of qualified voters in school district (Public Laws 1926, ch. 120, par. 3, as amended by Laws 1927, ch. 56, par. 2). *Frost* v. *Hoar* (N. H.) (160 A. 51, 52.)

To raise money, as the word is ordinarily understood, is to collect or procure a supply of money for use, as in the case of a municipal corporation by taxation or a proposed loan. Money cannot be actually given or appropriated before it is raised. The promise to give or appropriate money may be made before the money is actually procured. But in such case the promise binds the promiser to have the money on hand when it becomes due, and, so in a sense, the money is raised by the promise. As authority to grant money includes authority to promise a grant of it, so an exception in respect to raising money includes an exception of a promise by which money must be raised. *Childs* v. *Hillsboro Electric Light & Power Co.* (47 A. 271, 272, 70 (N. H.) 318.)

To raise money, in its ordinary import, is simply to procure it. When applied to an individual or a business corporation, it means the procuring of money in any of the usual methods—by note, mortgage, or obligation. As applied to municipal corporations, its ordinary import is the procuring of money

by taxation, or by the obligations of the corporation; and, where a statute authorizes the borrowing of money, the words "to raise money" are equally apt to signify raising by taxation or by municipal obligations. Black's Law Dictionary defines "raising money" as follows: "To raise money is to realize money by subscription, loan, or otherwise." *New York & R. Cement Co.* v. *Davis* (66 N. E. 9, 10, 173 N. Y. 235).

The term "to raise money" in its ordinary import, is simply to procure it. When applied to an individual or business corporation, it means the procuring of money in any of the usual methods—by notes, mortgages, or other obligations. As applied to municipal corporations, its ordinary import is the procuring of money by taxation or by the obligations of the corporation. Where a statute authorizes the borrowing of money, the words "to raise money" are equally apt to signify raising by taxation or by municipal obligation. That this is the commonly accepted significance of the words seems to be beyond controversy, and this, too, is their legal significance, except where used in a statute in which it appears that they were intended to be used in a more restricted sense. The authority given by Village Law, page 128, authorizing a village board of trustees to raise money for a certain purpose, was construed to authorize the issuance of bonds, as well as the securing of funds by taxation. *New York & R. Cement Co.* v. *Keator* (71 N. Y. S. 185, 186, 62 App. Div. 577).

Mr. JOHNSON of Colorado. Mr. President, the question involved in my point of order is not judicial, and therefore is not affected by judicial opinions and decisions, however learned. It is a parliamentary question pure and simple. Neither the executive nor the judicial branch of this Government, nor the United States Senate, has any power or authority whatsoever to compel the House to accept a bill originating in the Senate if the House deems it a bill for raising revenue. Eloquent advocates may argue until doomsday about what is or what is not raising money; but we know that the House has consistently held through the years that bills providing for bond issues are revenue raising bills, and the House has insisted that such bills originate in the House. Why, then, fly in the face of certain rejection? The question before us is a practical parliamentary question. For the protection of the people whom the House represents, the House will be compelled to return to us the Senate joint resolution. At least that is my opinion.

Section 7 of article I of the Constitution did not come into the Constitution by accident or chance. It was deliberately placed there by the founding fathers as one of the cornerstones of representative government. The Constitution requires Members of the House to be elected every second year, so as to keep them close to the people, and to make them representatives in fact as well as in name. On the other hand, Senators are not representatives of the people. They are ambassadors of the States. The Senate does not directly represent the people. The United States is a republic of sovereign States, not a pure democracy in which the citizens assemble and lay down the policies of government. It is all important, therefore, that the people's safeguards not be chiseled away by the Senate or anyone else for the sake of convenience or expediency. These facts are as well known to us as they are to the House of Representatives. Yet here we would close our eyes to them and would pass a joint resolution which violates section 7 of article I of the Constitution, merely because it is thought to be more convenient for the Senate to act upon this measure now, rather than for the House to act upon it.

As was pointed out by the Senator from Ohio, the principle involved in the requirement of section 7 is the matter to which I am addressing myself—and not so much the form, as the principle involved. As I stated during the time occupied by the Senator from Ohio [Mr. TAFT], since 1940 the United States Government has raised more money and more revenue through bond issues and securities than it has raised through taxes in all the years since its foundation. Yet Senators will argue that raising revenue through bond issues is not a matter serious enough to be considered first by the House of Representatives, as is provided in the Constitution.

Mr. President, Senators will find that the House is very jealous of its rights and privileges, and that the Members are determined to see to it that their constitutional prerogatives are not invaded or violated by the Senate. No one with much congressional experience will deny that.

I repeat, Mr. President, the House is the sole arbiter of this parliamentary question. I feel certain that no one on this floor or in any court will contend that the House does not possess the power and the authority finally to determine this issue. The authority of the House in this respect has never successfully been challenged; and so long as representative Government prevails in this country, I dare say it never will be so challenged.

The power to tax, the power to raise revenue, is not only the power to destroy; it is the power which enables government to operate and function. It takes second place to no other authority—legislative, judicial, or executive. The authors of the Constitution had that tremendous and overwhelming power of government in mind when they wrote section 7. They were determined to keep the authority of raising revenue—whether by means of bond issues, the sale of securities, or direct taxation—as close to the people as possible. Hence, they reposed it in the representatives of the people. For good and obvious reasons they did not give it to the representatives of the sovereign States—the Senate. They denied to the Senate the authority to initiate revenue-raising measures, and they made their position as clear as the English language would permit.

Mr. President, now the word twisters come along and attempt to give the word "revenue" a new and weird definition. The House of Representatives will not be impressed, I feel certain, by hair-splitting definitions.

In common with many other parts of the Constitution, section 7 and the compelling forces which inspired it have their origin far back in English history. They grew out of the long, hard struggle of the people to govern themselves. The importance of maintaining intact and unimpaired the authority of the people is being trifled with by men who, thoughtlessly or otherwise, are encouraging the drift in the United States toward totalitarianism. The people, who are not here to protest, are having their precious powers one by one trimmed and limited. The next step will be to hand over to the executive branch the authority to raise revenue.

As a matter of fact, Mr. President, section 2 of the pending measure is a long and a wrong step in that direction. We often hear it said, "Congress controls the purse strings." It is the one power which Congress is supposed to have retained inviolate. It is about the only pride and the only real authority we have left. At the reckless rate at which we are delegating control of the purse strings to the executive branch, soon we must change the statement to "Once upon a time Congress controlled the purse strings." I repeat, Mr. President, section 2 of Senate Joint Resolution 138 provides further evidence in support of the statement I have just made.

According to the majority leader, Senate Joint Resolution 138 transcends in importance all other legislation and all other matters facing the Congress and the country. It is the one thing which must be enacted post haste. As I interpret his position the British loan completely dwarfs the current coal-strike crisis which has been described by our President as a "national disaster." Nothing can be done with this monstrous situation until we act on the British loan. On May 15 the whole system of selective service expires. That May 15 dead-line date is almost upon us, and yet our determined majority leader ignores all of the confusion which will result from our failure to renew selective service in time; and he insists, as did General Grant before Richmond, "We will fight it out on this line if it takes all summer." Furthermore, legislation to provide controls for atomic energy—the devil's own invention—has been on the Senate calendar for weeks, clamoring for action; but it, too, must wait. And what of veterans' housing, inflation, and the OPA? Everything must stand aside and give right-of-way to the British loan. Certainly in the mind of our distinguished majority leader Senate Joint Resolution 138 is important.

As I see the situation, Mr. President, the importance of Senate Joint Resolution 138 lies in the harm it will do to the United States and to the world. If it were never enacted into law, nothing but good would flow from such inaction.

It authorizes and appropriates the largest sum of money of any bill which the Congress will consider in the present session, with the possible exception of the military appropriations bill. In passing, it should be noted that the Senate Appropriations Committee, created by the rules of the Senate for the specific purpose of recommending appropriations, has not studied this measure. It has not been referred to our Appropriations Committee. The Bureau of the Budget has not been consulted, so far as I can learn. The Senate Finance Committee has not studied its revenue-

raising features or its debt-limit implications.

Mr. President, ordinary prudence would seem to dictate that such an important bill, one held to be of such importance by the majority leader, should most carefully observe all the technical legislative procedures, and should not attempt any questionable short cuts. Surely the Senate does not wish, in such a tragic time of peril and disaster, to waste its time in considering a bill which it is constitutionally ineligible to initiate. Certainly with our house of chips falling all about us, the Senate is not justified in considering a bill which the Constitution denies the Senate the right to initiate.

Recently the House of Representatives enjoyed a 10-day vacation. The House is well ahead in its work. It is the Senate that is behind. Good management would have followed tradition and the constitutional requirements as to the origin of this measure, and would have started this appropriation bill, this revenue-raising bill, through the House of Representatives, before having it considered in the Senate.

I say to the Senate: You have the votes. Go ahead; disregard the Constitution; ignore the House of Representatives; and try to cram this hot lava down the throats of the representatives of the people. You will discover that trifling with the prerogatives of the House of Representatives will gain you nothing but a loss of prestige, a loss of much precious time, and sad experience. Their rights are the rights of the people, and those rights will not be abandoned by the representatives of the people without a struggle—and a struggle consumes time.

The Senate cannot say it has not been warned. If it must persist in using bad judgment, it must prepare itself for a tough and unsavory portion of old crow. It must try to develop a taste for humble pie. "He who laughs last laughs best." When the people's representatives put the Senate in its place, I shall be laughing at the hair-splitting arguments which we have heard today. The Senate's triumph now will be an empty victory then.

Senate Joint Resolution 138 has no business being in the Senate where it is blocking vital legislation, and cluttering our calendar which is pleading to high heaven for action.

The Senate can, by a yea-and-nay vote, declare white to be black, but such vote will not cause these colors to change. The Senate can continue to waste its time on a bill which, under the Constitution, must originate in the House. For no substantial reason the Senate can fly in the face of repeated House precedents and ask for a rebuff from the representatives of the people—a rebuff for encroaching upon the constitutional prerogatives of the House. The Senate can, if it chooses, continue to fiddle while no coal burns. The Senate can declare in a yea-and-nay vote that the Constitution is a scrap of tissue paper.

Mr. President, in further support of my argument that there is no pressing need for the proposed loan, I wish to place in the RECORD a cablegram which I received recently from Great Britain, and which reads as follows:

MAY 7, 1946.

SENATOR JOHNSON,
Colorado Representative in the Senate:

Liberator Council, Torquay, England, members including Major General Fuller, Sir Charles Morgan Webb, Sir Enry Lawrence wish every success your fight against Anglo-American loan. British public opinion largely opposes loan being forced down their throats. Only certain professional politicians and international financiers here desire it.

ERIC TROWARD,
President.

Mr. President, I do not know any of the persons named in the cablegram, but I submit it as evidence for what it may be worth.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Radcliffe
Austin	Hayden	Reed
Ball	Hickenlooper	Revercomb
Bankhead	Hill	Robertson
Barkley	Hoey	Russell
Bridges	Huffman	Saltonstall
Briggs	Johnson, Colo.	Shipstead
Brooks	Johnston, S. C.	Smith
Buck	Knowland	Stanfill
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Thomas, Utah
Cordon	McFarland	Tobey
Donnell	McKellar	Tunnell
Downey	McMahon	Tydings
Eastland	Magnuson	Wagner
Ellender	Maybank	Walsh
Ferguson	Mead	Wheeler
Fulbright	Millikin	Wherry
George	Mitchell	White
Gerry	Moore	Wiley
Green	Morse	Willis
Guffey	Murdock	Wilson
Gurney	Myers	Young
Hart	O'Mahoney	
Hatch	Pepper	

The PRESIDENT pro tempore. Eighty-two Senators have answered to their names. A quorum is present.

The pending question, which was to be voted upon not later than 1 o'clock, and it is now not quite 1 o'clock, is: Shall the point of order raised by the Senator from Colorado [Mr. JOHNSON] that the pending joint resolution is unconstitutional, be sustained by the Senate. The yeas and nays having been heretofore demanded and ordered, the clerk will call the roll.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. A vote "yea" will mean that the point of order is sustained, and a vote "nay" will be to overrule the point of order.

The PRESIDENT pro tempore. The Senator is correct.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Montana [Mr. MURRAY], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I also wish to announce that on this question the Senator from West Virginia [Mr. KILGORE] is paired with the Senator from Texas [Mr. O'DANIEL]. If present and voting, the Senator from West Virginia [Mr. KILGORE] would vote "nay," and the Senator from Texas [Mr. O'DANIEL] would vote "yea."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from Indiana [Mr. WILLIS] is unavoidably detained on an engagement at the White House. If present he would vote "nay."

The Senator from Maine [Mr. BREWSTER] is unavoidably detained.

The result was announced—yeas 27, nays 54, as follows:

YEAS—27

Brooks	Johnston, S. C.	Robertson
Bushfield	La Follette	Shipstead
Butler	Langer	Stewart
Capehart	McCarran	Taft
Capper	McClellan	Walsh
Ellender	McFarland	Wheeler
Hawkes	Millikin	Wherry
Huffman	Moore	Wilson
Johnson, Colo.	Revercomb	Young

NAYS—54

Aiken	Guffey	Myers
Austin	Gurney	O'Mahoney
Ball	Hart	Pepper
Bankhead	Hatch	Radcliffe
Barkley	Hayden	Reed
Bridges	Hickenlooper	Russell
Briggs	Hill	Saltonstall
Buck	Hoey	Smith
Byrd	Knowland	Stanfill
Cordon	Lucas	Taylor
Donnell	McKellar	Thomas, Okla.
Downey	McMahon	Thomas, Utah
Eastland	Magnuson	Tobey
Ferguson	Maybank	Tunnell
Fulbright	Mead	Tydings
George	Mitchell	Wagner
Gerry	Morse	White
Green	Murdock	Wiley

NOT VOTING—15

Andrews	Chavez	Murray
Bailey	Connally	O'Daniel
Bilbo	Glass	Overton
Brewster	Gossett	Vandenberg
Carville	Kilgore	Willis

So the Senate refused to sustain the point of order raised by Mr. JOHNSON of Colorado.

Mr. WILLIS subsequently said: Mr. President, when the vote was taken earlier today on the point of order raised by the Senator from Colorado [Mr. JOHNSON] as to the constitutionality of Senate Joint Resolution 138, on the ground that it is a tax measure, and as such must originate in the House of Representatives, I was absent from the Senate, in attendance upon an engagement at the

White House which lasted for a longer period than I had anticipated. I wish to have the RECORD show that if I had been present, I would have voted "nay."

DEATH OF FORMER SENATOR WILLIAM CABELL BRUCE, OF MARYLAND

Mr. RADCLIFFE. Mr. President, I have just heard the sad news of the death today of William Cabell Bruce, who represented Maryland in the United States Senate between the years 1923 and 1929.

The late Senator Bruce was a native of Virginia, but he moved to Maryland when he was a young man, and he quickly became a leader of our bar and one of our most outstanding citizens.

Throughout many years Senator Bruce found opportunity to devote much time to the study and writing of history. He wrote numerous historical books, especially in the field of biographies of prominent Americans. He was busily engaged in historical writing up to the very end of his life; and he reached the advanced age of 86.

As a Member of this body he was an indefatigable worker. He was, in the truest sense of the word, a scholar in politics. For many years I enjoyed his friendship, and am distressed to hear of his death, which brings to a close a life and career of notable usefulness and high distinction.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 997. An act for the relief of Aldona Kojas;

S. 1442. An act for the relief of George O. Weems;

S. 1742. An act for the relief of Socony-Vacuum Oil Co.;

S. 1747. An act for the relief of John C. Spargo;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; and

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia.

LEAVES OF ABSENCE

Mr. BRIGGS. Mr. President, I have an engagement of long standing to be in my home State on Saturday night. I ask unanimous consent that I may be absent from the sessions of the Senate until Monday.

The PRESIDENT pro tempore. Without objection, leave is granted.

Mr. CAPEHART. Mr. President, I find it necessary to be absent tomorrow and Saturday. I have a pair with the able Senator from Michigan [Mr. VANDENBERG], who is in Parris on official business, and I should like unanimous consent to be absent from the Senate Friday and Saturday.

The PRESIDENT pro tempore. Without objection, leave is granted.

Mr. CORDON. Mr. President, I ask unanimous consent to be excused from attendance on the Senate until next Monday on account of official business for the Senate Committee on Commerce, which was arranged some 2 or 3 months ago, and which I must go forward with.

The PRESIDENT pro tempore. Without objection, leave is granted.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

TRANSFER OF AIR NAVIGATION FACILITIES IN FOREIGN COUNTRIES

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation providing for the transfer of air navigation facilities in foreign countries (with an accompanying paper); to the Committee on Commerce.

AMENDMENT OF SUGAR ACT OF 1937

A letter from the Secretary of Agriculture relating to the Surgar Act of 1937, as amended; to the Committee on Finance.

FIRST, SECOND, AND THIRD NATIONAL STEAMSHIP COMPANIES *v.* THE UNITED STATES (Cong. No. 17764) (S. Doc. No. 181)

A letter from the Chief Clerk of the Court of Claims of the United States, transmitting, pursuant to Senate resolution 327, November 19, 1940, and section 151 of the Judicial Code, sec. 257, title 28, of the United States Code, a certified copy of the court's special findings of fact and conclusion of law, together with opinion by Chief Justice Whaley, in the case of *The First National Steamship Co., The Second National Steamship Co., The Third National Steamship Co.* v. *The United States*, (Cong. No. 17764) (with an accompanying document); to the Committee on Claims, and ordered to be printed.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Chicago (Ill.) Typographical Union, No. 16, favoring the continuation of the Office of Price Administration; to the Committee on Banking and Currency.

A telegram in the nature of a petition from the Baton Rouge (La.) Chamber of Commerce, signed by Ted Dunham, president, praying for the enactment of legislation to curb strikes; to the Committee on Education and Labor.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 2015. A bill for the relief of William H. Morris; with amendments (Rept. No. 1320);

H. R. 3599. A bill for the relief of Ama L. Normand and the estate of Curtis Joseph Gaspard, deceased; without amendment (Rept. No. 1321);

H. R. 3968. A bill for the relief of the estate of Charles W. Stewart; without amendment (Rept. No. 1322); and

H. R. 5111. A bill for the relief of Mrs. Mildred L. Bupp; without amendment (Rept. No. 1323).

By Mr. WHEELER, from the Committee on Indian Affairs:

S. 782. A bill conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in any and all claims which the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, or any tribe or band thereof, may have against the United States, and for other purposes; with amendments (Rept. No. 1325);

S. 1251. A bill authorizing the issuance of a patent in fee to Richard S. Fisher; without amendment (Rept. No. 1324);

S. 1272. A bill to provide for the disposition of tribal funds of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana; with an amendment (Rept. No. 1326); and

H. R. 4046. A bill authorizing the issuance of a patent in fee to Richard S. Fisher; without amendment.

ADMINISTRATION AND USE OF PUELIC LANDS—REPORT ON GRAZING DISTRICT FEES (PT. 2 OF REPT. NO. 808)

Mr. McCARRAN. Mr. President, from the Committee on Public Lands and Surveys, which was authorized by Senate Resolution 241 of the Seventy-sixth Congress, as extended by Senate Resolution 139 of the Seventy-ninth Congress, to conduct a full and complete investigation of the administration and use of the public lands, I ask unanimous consent to submit a fourth partial report thereon. I request that the report be printed.

The report deals with the question of the fees charged by the Grazing Service, of the Department of the Interior, for grazing livestock upon the public lands in grazing districts. This is a subject that has been very much before the Committee on Public Lands and Surveys for nearly a year and a half. It was actively before my subcommittee in its public hearings in 1941. In some of its phases, it has been before the Committees on Apppropriations of both Houses of the Congress for more than 2 years.

The Committees on Appropriations are concerned with the collections from grazing fees as they are related to the mounting and insatiable demands by the Grazing Service for ever-larger appropriations to provide for its further expansion.

The Subcommittee on Appropriations of the House of Representatives, particularly, has been and is at this very moment considerably agitated over this question in their consideration of the Grazing Service budget, now before the House. This agitation is traceable to the fact that the House subcommittee has been incorrectly and inadequately informed with respect to the essential facts and interests involved. The Members of the House subcommittee have, as a matter of fact, been greatly misinformed by grossly misleading statements and data presented to them by the Grazing Service. The true facts are set out in the report which I have just filed.

The livestock industry of the West, the users of these public lands, are also alarmed by the rapid growth of the Grazing Service and its continued demands for still larger appropriations. The livestock users are not willing to be saddled with these multiplying costs, without their consent, and especially in the face of the acute situation facing the livestock industry today.

The report that I have just submitted to the Senate is based upon a long series of hearings in Washington, D. C., and throughout the public-land States in which the grazing districts are located. The report covers this subject in all of its phases and in detail. It unfolds a story of ambitious and unscrupulous dealings by the Grazing Service with both the Congress and the livestock industry of the West.

The Grazing Service administers 60 grazing districts from 57 district offices and 9 regional offices located in 10 of the 11 western public-land States. These districts cover a gross area of 266,000,000 acres, which is 37 percent of the entire area of these 10 States. Within the districts there are 141,000,000 acres of public lands. These public ranges are used by 22,000 livestock permittees, who graze thereon for an average of 4 months of the year, a little more than 2,000,000 cattle and horses and 8,500,000 sheep and goats. These permitted livestock represent 20 percent of all of the cattle and 43 percent of all of the sheep produced in these 10 Western States. As I am sure every Senator knows, the livestock industry in these States is highly important as a major source of the Nation's supply of meat and wool.

The Taylor Grazing Act, which provides the authority for the administration of the public-land ranges by the Grazing Service, was enacted June 28, 1934. Over the years when the act was being formulated and enacted and amended by the Congress, it was considered by everyone who had anything to do with it to be essentially and above all a conservation measure, for the protection of the open public domain and its resources. It was never considered in any sense to be a revenue measure. That was the view of the Public Lands Committees of both Houses of the Congress. That was the view and the understanding of the leaders of the livestock industry of the West, who had a large part in the writing and the enactment of this law. That was the view of the Department of the Interior, expressed many times by former Secretary Ickes and his spokesman when they appeared before the committees of the Congress.

In the preamble to the Taylor Act it is described as an act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range.

The Taylor Grazing Act authorizes the Secretary of the Interior to determine from time to time the "reasonable fees" to be charged annually for the use of the public lands within grazing districts. The present uniform fee of 5 cents per animal-unit-month was fixed in 1946. An animal unit means one cow or horse, or five sheep or goats.

The controversy over grazing fees revolves around the meaning of the term "reasonable fees" specified in the act.

When the Taylor Grazing Act was under consideration for passage, Secretary Ickes told the Congress:

> We have no intention of making this a revenue producer at all. We would like for the range to pay for its own administration but nothing more.

That declaration was in conformity with the whole history and spirit of the act.

At the same time Secretary Ickes repeatedly estimated that the administration of the act would cost about $150,000 per year. He assured the Congress that:

> It would not be a separate set-up or a new bureau.

His spokesman told the Congress that:

> No new bureau is needed or contemplated. Expansion of existing agencies is all that is necessary.

These are the promises that persuaded the Congress to enact this law. It was because of these assurances that the livestock industry consented to this legislation and supported it.

Let us see how these promises have been carried out.

The direct appropriations for the administration of the Grazing Service, designated as salaries and expenses, have grown from a quarter of a million dollars, for the fiscal year 1936, to $1,047,000 for 1945. For the current fiscal year the total is $979,000. But in the appropriation bill now before the Congress the Grazing Service is again asking that this sum be increased, and the proposed increase is $500,000, more than 50 percent above this year's total.

Over the 11 fiscal years that the law has been in force the appropriations for salaries and expenses of the Grazing Service have totaled $7,995,000, an average of $726,000 per year—compared with the $150,000 per year promised by the Secretary of the Interior.

But this is by no means all. The Grazing Service has had large additional funds appropriated and allotted to it from several sources. Over the 11 years of its existence the Grazing Service has had for expenditure a total of $38,757,000. If we exclude moneys derived from the Civilian Conservation Corps and certain other sources not related to grazing, the Grazing Service still has had, for administration and range improvement purposes, a total of $14,777,000. This is an average of $1,343,000 per year.

Now let us turn to the other side of the account. By the end of this fiscal year the Grazing Service will have collected as grazing fees from the livestock users of the grazing districts a total of approximately $7,727,000. This may be compared with the total of $7,995,000 appropriated for salaries and expenses for the same period, but the comparison is not entirely proper, because by no means all of the money appropriated for salaries and expenses was used for activities that can properly be charged to the livestock industry.

Furthermore, the Taylor Grazing Act provides that 50 percent of the grazing fees collected shall be returned to the States, to be expended as the respective State legislatures may direct, for the benefit of the county or counties in which the collections originate. The act also provides that an additional 25 percent of the collections shall be available to the Grazing Service, when appropriated by the Congress, for the construction, purchase, and maintenance of range improvements. This means that approximately 25 percent of the fees collected remain in the Federal Treasury, to the credit of the general fund.

The Bureau of the Budget, and some members of the Appropriations Committees who are not familiar with the western range country and its peculiar conditions and problems, are inclined to insist that the grazing fees should be determined merely by considering the portion of the collections remaining in the general fund as an offset to the cost of administering the public range. This is an unsound proposition, and I shall deal with this phase of the matter a little later.

Now, Mr. President, I wish to emphasize that the livestock industry of the West is not asking for any special favors. They want to pay their own way. They want to pay a reasonable price for all they are receiving. They believe that they are doing this under the fees now in force. They are opposed to an increase in the fees at this time, in view of their present net earning position, and the difficulties and uncertainties now confronting the livestock industry. They are alarmed by the rapid expansion of the Grazing Service, and its insatiable demands for ever larger appropriations, especially if these are to be charged back against the users of the grazing districts. They believe that if they are to be asked to pay for this ever mounting cost of administration and services, allegedly attributable to livestock, they should have a voice in determining and limiting the kinds and amounts of these expenditures and services charged to them.

The livestock industry using the grazing districts would be quite willing to pay larger fees if after a careful and unbiased study has been made it should be shown, first, that additional costs and services are needed and justified, and, second, that these costs may be kept within the ability of the users to meet them and to maintain those dependent, privately owned properties which both the law and Grazing Service regulations require them to have before they can qualify for permits to graze upon the public lands. No such study or showing has yet been made.

The grazing district users further believe that, in arriving at the charge against administration costs, if that is to be the basis for the fees, they should be credited with the full amount of their fee payments; and not with only the 25 percent thereof that remains to the credit of the general fund. They do not think that they should pay, or could pay, in the form of fees, four times the cost of administration, even if there should be no further increase of those costs. They feel that the distribution of the 50- and 25-percent funds is not of their choosing.

If they are to be credited only with the amounts remaining in the general fund, they would favor the elimination of the 50- and 25-percent funds, or any necessary portion of them. In this event, they would themselves finance and construct the range improvements they desire; and they know they could do this at a very much lower cost than is incurred when the range improvements are installed by the Grazing Service. Many of the grazing district users would favor a reduction in the present size and cost of the Grazing Service.

The users, also, are not willing to be charged with the numerous activities of the Grazing Service which are not directly related to the livestock industry. A considerable part of the Grazing Service administration is concerned with the general public interest in the conservation of the public domain, the wildlife thereon, and such things as the protection of stream flow for irrigation and other purposes.

As opposed to these views, the position taken by the present Director of Grazing, Mr. Forsling, is that the costs of administration and grazing fees are entirely separate and unrelated matters, each to be considered upon its own merits. He believes, however, that in the long run the fees and administration costs will, or should, approximate each other. Mr. Forsling contends that the basis for the grazing fees should be a reasonable price for the forage in the grazing districts.

The livestock users think that adherence to this principle for the sale of the forage values in the grazing districts means taking all the traffic will bear, and they soundly contend that such a policy is wholly at variance with the history and spirit and intent of the Taylor Grazing Act.

Early in 1941 the Grazing Service completed a range appraisal study intended to furnish the factual and statistical basis for the determination of the "reasonable fees" authorized in the act. The results of this study were presented in detail by Grazing Service officials in many meetings with the livestock users of the grazing districts. The report on this study recommended that the fees be virtually trebled, over a period of 4 years, and that the amount of the fee be varied from year to year, on a sliding scale basis, in accordance with changes in the market prices for beef and lambs.

The findings of the range appraisal study were subjected to critical analysis by the livestock men in several hearings before my subcommittee in 1941. These analyses disclosed that the results of the study furnished little or no support to the recommendation for increasing the grazing fees. Following those hearings, and other meetings, the then Director of Grazing, in January 1942, at a meeting with the National Advisory Board Council, shelved the report and its recommendations. The Director agreed with the council, which is an agency sponsored by the Grazing Service, that, because of the many uncertainties facing the livestock industry, there would be no change in the fees until the war emergency had passed.

This pledge was renewed by the Assistant Secretary of the Interior 2 years later, when he met with the National Advisory Board Council in January 1944.

However, within a few weeks following the renewal of this pledge, officials of the Grazing Service, when they appeared before the House Subcommittee on Appropriations, launched a determined campaign to force an increase in the grazing fees. The larger fees were and are sought by the Grazing Service for one purpose; and that is that the increased collections may serve as a justification for still larger appropriations and further expansion of the organization. The Grazing Service officials, particularly the Acting Director, J. H. Leech, presented to the Subcommittee on Appropriations, wholly gratuitously and without any proper explanation, grossly misleading figures intended to show that the grazing district users were receiving forage values many times in excess of the sums paid therefor in the form of grazing fees.

This so-called value of the grazing district forage is wholly indefensible on the basis of the findings of the range appraisal study, or on the basis of any other reasonable standard of measure. It is based upon greatly distorted and inflated data taken from the range appraisal study. The Members of the House subcommittee did not know this. It has never been explained to them. No member of that subcommittee was from a public-land State. They were not familiar with the problems and conditions and costs peculiar to the public land range areas.

There can be no doubt that this dishonest portrayal before the Subcommittee on Appropriations was deliberately designed by Grazing Service officials to bring from the Congress a demand that the fees be increased. The attempt was successful; and subsequently the Grazing Service has exploited this situation by representing that it, the Grazing Service, was "under pressure from Congress" to raise the fees.

Nine months after this episode, in November 1944, while the war was at its height, the newly appointed Director of Grazing, Mr. C. L. Forsling, met with the National Advisory Board Council, in Salt Lake City, and without any forewarning proposed that the grazing fees be trebled, to be effective for the 1945 grazing season, then but a few weeks away. The schedule of fees was described as an "interim fee," which Mr. Forsling said he intended to present to the Secretary of the Interior for his approval and action. Mr. Forsling thought that this interim fee was so far within the safe limits of what he considered to be the value of the forage in the grazing districts that no further range study was needed at that time. The council was invited to send a small committee to confer with Secretary Ickes in the short interval before the new fee schedule should be announced and made effective.

The council unanimously opposed Director Forsling's proposal, and offered counter proposals of its own. These were not acceptable to Mr. Forsling. He insisted upon his own course of action, regardless of the pledge by the Department, or the economic consequences of his proposal. The council and the individual and organized livestock men generally, then appealed to the Senate Committee on Public Lands and Surveys to conduct public hearings, in which the whole subject of grazing fees should be discussed fully, upon its merits, by all interested parties, before any change in the fee should be decided upon. In response to these urgent requests the committee, by resolution, asked the Department of the Interior to defer its action until the committee had an opportunity to make a thorough study of the subject. To this, Secretary Ickes reluctantly assented. During 1945, therefore, the committee conducted an extensive series of hearings on the subject in Washington, D. C., and in eight of the States in which the grazing districts are located.

In these several hearings Director Forsling explained what he said were his reasons for insisting upon increasing the grazing fees. His chief avowed reason, at first, was that, subsequent to his base period of 1935–39, the market prices for beef and lamb had advanced some 70 percent. From this, and his general knowledge, he concluded that the livestock industry had been fairly well stabilized, and that for several years the industry had enjoyed a fair degree of prosperity. He thought that the industry could afford to pay the higher fees. He had not considered the net profit position of the livestock industry, because that was too difficult to determine. He had made no study of his own. He relied upon the record of market prices for livestock, the results of the range-appraisal study of 1941, and some fragmentary data obtained from the Farm Credit Administration, and upon which he placed his own interpretation. He admitted, under questioning, that in his discussions with the Appropriations Committees of the Congress, and with the Bureau of the Budget, he had not considered the net earnings of the industry, or the ability of the grazing district users to pay the higher fees and survive, under the conditions prescribed for these permittees by the law and by the regulations of the Grazing Service itself. Finally, he admitted, under close questioning, that his formula for increasing the fees was, to a considerable extent, just pulled out of the air.

The mass of evidence brought to the committee in its many hearings has shown clearly and unmistakably that, in each year subsequent to 1941 and 1942, the increases in the operating costs of the livestock industry in the range States have progressively outrun, and by wide margins, the advances in the market prices of the products sold. The livestock men readily conceded that in 1941 and 1942 the industry was in a satisfactory profit position. These were the years when the range-appraisal study was completed, and the increase in fees was deferred because of the many uncertainties and difficulties then facing the industry. In succeeding years the prices of livestock and its products have been stabilized under price ceilings, but

there has been no stability or restriction or limit to the advances in the operating costs of the industry. In the period from 1940 to 1944, according to statistics of the Department of Agriculture brought before this committee, the wages paid to ranch and farm labor increased more than 200 percent, the prices of purchased feeds more than doubled, and the other operating costs increased proportionately.

The consequence of this increasing disparity between livestock market prices and the ranchers' operating costs has been to place the range livestock producers in a progressively less and less favorable net earning position. A study of production costs in the sheep industry of the Western States by the United States Tariff Commission for the 5 years, 1940–44, disclosed that the highest net earnings were obtained in 1942, when the profit was $1.14 per head of sheep. The next year there was a net operating deficit of 12 cents per head; and in 1944 the net loss was $1.22 per head—a larger loss than the maximum profit reported in 1942.

These operating losses are causing a drastic liquidation in the sheep-producing industry, particularly in the western range States. The peak in the sheep population was reached in 1942, and each year since that date has brought a further decline in the number of sheep on farms and ranches. The number of stock sheep on farms and ranches has decreased 24.7 percent in all States between January 1, 1942, and January 1, 1946. In the 11 western range States the decrease has been 28.8 percent. In Oregon the sheep population has declined more than 44 percent, while in Washington, Idaho, and Montana the loss in numbers has been 40 percent, 39 percent, and 35 percent, respectively. There is reason to believe that in the grazing district regions of these States, where the unit production costs are relatively high (in spite of the so-called low grazing fees), the liquidation in the sheep industry is even more drastic than is disclosed by the State averages.

Liquidation in any industry does not flow from a healthy or profit position. As a matter of fact, so serious is the plight of the sheep industry at the present time that another committee of the Senate has held extensive hearings, and with the active support of the President and the executive departments, has introduced proposed legislation which it is hoped will enable the sheep- and wool-producing industry to survive during the postwar years immediately ahead.

Some sheep producers, who can make the change-over, are shifting to cattle; not because the range-cattle industry is in a profit status, but because they feel that at the present time there is a better chance to survive with cattle than with sheep. Many of the sheepmen are not so equipped or situated that it is possible for them to make this shift. The range livestockman cannot suspend his operations during an unfavorable period, and renew them at a later time. He must use his permit to graze upon the public range, or incur a high risk of losing it, with no possibility of regaining it in the future. He would then be out of business, and without a means of livelihood, and with his business would go much or all of his heavy investments in privately owned ranch and range properties, which are unsuited for other uses.

The difficulties and uncertainties that faced the livestock industry in 1942, and caused the proposed increase in grazing fees to be deferred, certainly have not decreased. On the contrary, they have steadily increased. I submit, that this is not a proper or opportune time to impose still heavier costs upon an already distressed industry.

The only cost study that the Grazing Service has ever made was the range appraisal of 1941, covering the 5-year base period of 1935–39. In that study the Grazing Service found that when the operating costs (including taxes, lease costs, and 4 percent interest on the investments in owned ranch and range properties) were deducted from the gross income of the 218 ranches studied, these ranchers had no income left from which to pay any grazing fees at all on either the national forests or the grazing district lands. The remainder, before allowing for any grazing fees, was a minus quantity.

In his every appearance before the committees of the Congress, Director Forsling has held up and emphasized as his most telling argument a so-called comparison of these fees with the prices paid in commercial leases for privately owned and State lands. It is his contention, put forward on every possible occasion, that the costs of these leased lands are from 2 to 12 times higher than the fees charged for "comparable" public lands in the grazing districts. His conclusions and data were derived from the range appraisal study of 1941. In the report of that study it was announced that the most important finding was what the report called the "startling data as to the commercial lease costs of an animal unit month" of feed. The finding was startling only because it was not a fair or honest comparison in any sense of the term. It was an attempt to compare dissimilar things.

An examination of the original records upon which this finding and conclusion are based discloses that in the vast majority of cases the commercial leases represented improved properties, strategically located, and including that all-important and costly essential in the range country—water; water not only for use on the privately owned properties, but on the surrounding public lands as well. Most of these leased properties were fenced; some of them were home ranches, including hay and some crop lands; many of them were especially valuable high summer ranges and lambing grounds; many of them were so located that they had a nuisance value for which the rancher was virtually compelled to pay, in order to keep his ranch set-up intact. Practically all of these properties were base properties, which both the Taylor Grazing Act and the regulations of the Grazing Service require the rancher to control before he can qualify for a permit upon the public range.

It is perfectly clear that only a fraction of these lease costs tabulated by the Grazing Service represented payments for forage values; and that the forage obtained under these private leases, in most instances, was of much higher quality and quantity than that furnished on the public range. The bulk—the great bulk—of these lease costs were payments for these other values enumerated. These facts were disclosed by the original records in the files of the Grazing Service, when those records were examined by this committee. These facts were known to the authors of the report on range appraisal, but they do not appear in that report. These facts should have been known by the Director of Grazing. And yet Mr. Forsling has repeatedly told the committees of Congress that this was a comparison of lands comparable with the public range.

In contrast with these privately owned lands just described, the remaining public lands in the grazing districts are the poorest and least valuable grazing lands in the country. They are the remnants, the left-overs from more than 80 years of acquisition under the homestead and other public land laws. They are the dry lands to which no one could afford to acquire ownership under any of the public land laws. They are the winter grazing lands. On them, the livestock generally lose a part of the weight gained while grazing on other lands at other times of the year, in spite of the common practice of feeding the livestock supplementary purchased feeds while they are grazing on the public lands.

While these public lands are low in grazing values, they are huge in total extent. They furnish the seasonal grazing essential to round out the livestock operations on the privately owned ranch and range lands dependent upon them. These two classes of lands are interdependent. Without the use of the public lands, the private lands in the grazing district areas would be incomplete, uneconomic. Likewise, these public lands generally would be unusable without the water and other facilities provided by the private lands.

In his first appearance before this committee, Director Forsling furnished a new list of alleged lease costs for private lands. It is obvious that this was but an upward revision of the tabulations from the range-appraisal study. He gave no basis for the revisions, or the unaccountable face lifting they involved. But he did tell the committee that the Grazing Service had conducted no range studies subsequent to the one reported in 1941. It would seem evident that these revisions Mr. Forsling just "pulled out of the air," as he admitted that he did his formula for the proposed increase in grazing fees.

The best that can be said regarding these so-called comparisons of lease costs with grazing fees charged, is that the Grazing Service has so far failed to show that the alleged disparity, or any disparity, does in fact exist. These officials, Mr. Forsling and his associates, have been and are so obsessed with building a case to support higher and ever higher

appropriations, that facts and consequences and fairness seem not to have entered into their calculations.

Any such comparison, to be at all fair and convincing, must be a comparison of like forage values, with all of these other highly important costs and factors eliminated. Then, to the grazing fee charged must be added the costs of the burdens and disadvantages imposed upon the public-land permittees by the law, the regulations, and the administrative restrictions of the Grazing Service itself. Admittedly, such a comparison is difficult to make. But thus far the Grazing Service has not made even an honest beginning in such a comparison.

Over and over again, this committee has been told by those who use the public range that wherever and whenever privately owned and State range lands are available, and can be fitted into their range operations, they much prefer to use these rather than the public lands. They find it actually more profitable to pay considerably higher unit costs for private and State lands, and thus be able to manage their business as their own judgment dictates, free from the burdensome Grazing Service restrictions.

The alleged disparity between grazing fees and lease costs is thus, upon examination, found to be largely a myth, created by the Grazing Service for its own purposes.

Since the close of the series of hearings to which I have referred, Director Forsling apparently has abandoned most of his former reasons and arguments in support of higher fees. Under date of January 25, 1946, he informed this committee, through the Secretary of the Interior, that he now thinks that "ultimately a substantial increase in the grazing fees would not be unreasonable" because of, one, the "wide disparity" between the grazing fees and the "prices being paid for the rentals of comparable State and privately owned range lands," and, two, "the values of grazing privileges on the public lands commonly recognized in the sale and lease of range properties that are qualified to receive grazing permits."

Mr. Forsling now proposes to defer further action in increasing grazing fees until 6 months after the discontinuance of the subsidies currently being paid for the production of beef cattle, sheep, and lambs. He says that the lifting of these payments will indicate to him that the emergency confronting the range livestock industry will have passed.

The first of these two considerations has been dealt with. The second refers to the bonuses which Mr. Forsling says are commonly involved when privately owned base properties change hands. He has told this committee that these so-called bonuses commonly amount to $5 to $6 per animal unit month of grazing privilege upon the public lands, attached to these base properties. However, when Mr. Forsling was asked by the committee to furnish specific instances of the payments of such bonuses, based upon concrete evidence in the possession of the Grazing Service, he was unable to do so. He was forced to admit, under questioning, that his information with respect to such bonuses consisted of only hearsay.

Other witnesses challenged Mr. Forsling's statement concerning these bonuses, with the contention that whenever any bonuses are paid very special conditions will be found to be present; and that, therefore, his generalization is not warranted.

Now I would like to turn for a moment to the solution of the grazing-fee question proposed to the Grazing Service by the spokesmen for the livestock users of the grazing districts. I am impressed with the soundness and the fairness of these proposals. The testimony at our hearings indicates that they are widely supported by the livestock users concerned.

When the national advisory board council was confronted with Director Forsling's proposal to treble the grazing fees, in November 1944, it took the position that:

> Any fee finally fixed must be based on a direct relation to the reasonable cost of administering the public lands for grazing purposes only and nothing more. Until the facts as to the cost of administration, together with the necessity therefor, and their relation to grazing, are determined, no one can fix a reasonable fee as provided in the act.

The council then proposed:

> (a) That the study of cost of administration of grazing lands, for grazing purposes only, be completed and presented to this council.
>
> (b) We agree, when such a report is available to and approved by the council, to assist in fixing a reasonable fee as provided in the Taylor Grazing Act based upon the fair and reasonable cost of administering the public domain, for grazing purposes only, but nothing more.
>
> (c) We recommend that by amendment to the Taylor Grazing Act it provide that fees paid by grazing users of the grazing districts be used for administration.
>
> (d) We agree that with such provisions in the act grazing users will finance and maintain improvements desired by them.

The position taken by the national council in 1944 was reaffirmed at its meeting with the Grazing Service in December 1945. It has been widely endorsed by range livestockmen and their associations, including the National Wool Growers Association. It is worthy of the most careful consideration by the Congress, as well as by the Grazing Service.

The implementing of these recommendations would involve an amendment to the Taylor Grazing Act to remove therefrom, or modify, the provisions with respect to the 50-percent and the 25-percent funds.

I commend to the attention of every Senator the report which I have just presented.

The PRESIDENT pro tempore. Without objection, the report submitted by the Senator from Nevada will be received and printed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. LANGER introduced Senate bill (S. 2165) to provide for the payment of a bonus of 45 cents per bushel for all wheat, and 55 cents per bushel for all corn, and 5 cents per bushel for oats purchased and sold between January 1, 1945, and April 18, 1946, and providing for payment of additional bonuses if paid by the United States Government, which was referred to the Committee on Agriculture and Forestry and appears under a separate heading.)

By Mr. WALSH:

S. 2166. A bill for the relief of Eleanor J. Griggs, Dorothy L. Griggs, and Vernon M. Griggs; to the Committee on Claims.

S. 2167 (by request). A bill for the payment of wages of workmen on Navy projects on VJ-day; to the Committee on Naval Affairs.

By Mr. MYERS:

S. 2168. A bill to authorize the Secretary of War and the Secretary of the Navy to issue Victory Medals to persons who served in the armed forces between April 6, 1917, and July 2, 1921; and

S. 2169. A bill authorizing the Secretary of War, the Secretary of the Treasury, the Secretary of the Navy, and the United States Maritime Commission to dispose of certain materials to the United States Coast Guard Auxiliary; to the Committee on Military Affairs.

By Mr. BYRD:

S. 2170. A bill to provide additional facilities for the mediation of labor disputes, and for other purposes; to the Committee on Education and Labor.

(Mr. HART introduced Senate bill (S. 2171) to establish a Department of Civil Aviation, and for other purposes, which was referred to the Committee on Commerce, and appears under a separate heading.)

By Mr. MAGNUSON:

S. 2172. A bill for the relief of Hans Hauser; to the Committee on Immigration.

By Mr. BROOKS:

S. 2173. A bill for the relief of George Pathy; to the Committee on Immigration.

By Mr. FERGUSON:

S. 2174. A bill for the relief of Thomas Camarda; to the Committee on Immigration.

(Mr. JOHNSON of Colorado introduced Senate Joint Resolution 159, to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946, which was passed, and appears under a separate heading.)

PAYMENT OF BONUS TO FARMERS ON WHEAT, CORN, AND OATS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to provide for the payment of a bonus of 45 cents per bushel for all wheat, 55 cents per bushel for all corn, and 5 cents per bushel for all oats purchased and sold between January 1, 1945, and April 18, 1946, and providing for a further sum, whatever that sum may be, in case any department of government raises the bonus payments.

There being no objection, the bill (S. 2165) to provide for the payment of a bonus of 45 cents per bushel for all wheat, 55 cents per bushel for all corn, and 5 cents per bushel for oats purchased and sold between January 1, 1945, and April 18, 1946, and providing for payment of additional bonuses if paid by the United States Government, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

MEDIATION OF LABOR DISPUTES—AMENDMENTS

Mr. BALL. Mr. President, on behalf of the Senator from Ohio [Mr. TAFT], the Senator from New Jersey [Mr. SMITH], and myself, I ask unanimous consent to submit five amendments intended to be proposed to the so-called Case bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which are included in the minority views heretofore submitted by Mr. TAFT, Mr. SMITH, and myself.

There being no objection, the amendments were received, ordered to lie on table, and to be printed.

Mr. BALL. Mr. President, I also ask unanimous consent to submit, on behalf of the Senator from Ohio [Mr. TAFT] and myself, an amendment intended to be proposed to House bill 4908, to provide additional facilities for the mediation of labor disputes, and for other purposes.

There being no objection, the amendment was received, ordered to lie on the table, and to be printed.

Mr. ELLENDER submitted three amendments intended to be proposed by him to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which were ordered to lie on the table and to be printed.

EMBLEM DAY

Mr. LA FOLLETTE submited the following concurrent resolution (S. Con. Res. 61), which was referred to the Committee on the Judiciary:

Whereas on June 20, 1782, the great seal of the United States was adopted by the Congress; and

Whereas the great seal, with its American white-crested eagle as the dominant figure, is an appropriate and artistic emblem worthy of commemoration: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be requested to designate the 20th of June 1946 as Emblem Day in honor of the national strength, spirit, and courage of America, as typified by the great seal and the great American eagle.

THE ANGLO-AMERICAN REPORT ON PALESTINE (S. DOC. NO. 182)

Mr. WAGNER. Mr. President, I had the pleasure of listening to a very admirable and able address made by my colleague the junior Senator from New York [Mr. MEAD] and also the address of the junior Senator from Maine [Mr. BREWSTER] relative to the report of the Anglo-American Palestine Committee on the Senate floor yesterday. I agree wholeheartedly with the statements made by both of these Senators in reference to the Palestine report, and I now ask unanimous consent that the Anglo-American report which I send to the desk be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EMBARGO ON SHIPMENTS OF FERTILIZER

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the RECORD following my brief remarks a few telegrams which I have received from farmers and fertilizer dealers in the Carolinas. Most of such telegrams have been sent to Colonel Johnston, who is in charge of the ODT, or to the Department of Agriculture.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

BENNETTSVILLE, S. C., *May 8, 1946.*

Hon. BURNET R. MAYBANK,
United States Senate Chamber,
Washington, D. C.:

I am now in a meeting of farmers and fertilizer dealers. We are terribly concerned about the nitrate of soda problem. Marlboro County has less than a quarter of its requirements. Will you please do everything possible to have the Department of Agriculture put pressure on the ODT for priority on shipment of soda by rail?

W. E. ROGERS,
Chairman, USDA Council.

LANCASTER, S. C., *May 8, 1946.*

Hon. BURNET R. MAYBANK,
United States Senator,
Washington, D. C.:

Need of our farmers for nitrate of soda is critical. We protest the embargo covering movement such necessary material. Farmers in our county cannot produce food and other crops without this fertilizer.

LANCASTER COUNTY FARM BUREAU,
J. H. MOOREFIELD, *Secretary.*

DARLINGTON, S. C., *May 8, 1946.*

Hon. BURNET R. MAYBANK,
United States Senate,
Washington, D. C.:

Exemption of nitrate of soda from freight embargo essential to food production. Soda in Charleston awaiting transportation. Intervene immediately.

A. L. FLOWERS.

DARLINGTON, S. C., *May 8, 1946.*

Hon. BURNET R. MAYBANK,
United States Senate,
Washington, D. C.:

Freight embargo will greatly curtail food crops. Railroads cannot haul nitrate of soda now in Charleston and badly needed on farms. Intervene immediately.

FRANK L. BONNOITT.

PINEWOOD, S. C., *May 9, 1946.*

Hon. BURNET R. MAYBANK,
United States Senate,
Washington, D. C.:

Farmers in South Carolina cannot produce cotton, corn, or other foodstuff without nitrate of coda. Freight embargo prohibits shipment of nitrate by rail. OPA prohibits trucking nitrate from ports account slight increase in freight costs. We farmers demand relief from OPA asinine rulings.

R. J. Aycock, R. J. Aycock, Jr., O. D. Harvin, G. J. Aycock, C. L. Griffin, D. L. Barwick, J. A. Barwick, Lee Barwick, J. M. Griffin, Mendel Smith, Joe Geddings, S. L. Touchberry, Miles D. Touchberry, W. L. Mason, Jr., John M. Felder, Miss Bessie Deschamps, W. E. Jenkinson, M. D. Jenkinson, Jesse Wells, J. L. Elliott, J. W. Weeks, O. L. Johnson, E. P. Thomas, N. B. Moneyhan, Cecil Johnson, J. E. Johnson, J. O. Johnson, and L. L. Kolb.

DARLINGTON, S. C., *May 8, 1946.*

Hon. BURNET R. MAYBANK,
United States Senate,
Washington, D. C.:

Food-production program will be adversely affected unless soda now in Charleston included in essential hauling by railroads. Urge your immediate intervention.

J. CLEVE STOKES.

EXTENSION OF SELECTIVE SERVICE—ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD a radio address delivered by him in reply to Secretary of War Patterson concerning the extension of selective service, which appears in the Appendix.]

PROCEEDINGS AT DINNER IN HONOR OF MRS. FRANKLIN DELANO ROOSEVELT

[Mr. HILL asked and obtained leave to have printed in the RECORD the proceedings at the Women's Joint Congressional Committee dinner, held in honor of Mrs. Franklin Delano Roosevelt, at the Mayflower, Washington, D. C., March 14, 1946, which appear in the Appendix.]

APPALACHIAN MINING CONDITIONS—ARTICLE BY AGNES E. MEYER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "Reporter Finds Appalachian Mining Conditions Appalling," by Agnes E. Meyer, from the Washington Post of May 8, 1946, which appears in the Appendix.]

MINERS' VIEWPOINT ON WAGES, WELFARE—ARTICLE BY AGNES E. MEYER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "Reporter Presents Miners' Viewpoint on Wages, Welfare," by Agnes E. Meyer, from the Washington Post of May 9, 1946, which appears in the Appendix.]

CONFIRMATIONS OF NOMINATIONS OF GRADUATES OF NAVAL ACADEMY

Mr. WALSH. Mr. President, out of order and as in executive session, I ask unanimous consent to report from the Committee on Naval Affairs the nominations by the President of midshipmen to be ensigns, assistant paymasters, and to be second lieutenants in the Marine Corps. This is the usual annual request. The nominations are made so as to permit the young men who graduate from the Naval Academy in June to be given their commissions.

The PRESIDENT pro tempore. The nominations will be received and placed on the Executive Calendar.

Mr. WALSH. I now ask unanimous consent for the present consideration of the nominations. There are in all, 813 midshipmen in this list—741 midshipmen are nominated to be ensigns in the Navy, 47 midshipmen to be assistant paymasters in the Navy with the rank of ensign, and 35 midshipmen to be second lieutenants in the Marine Corps.

Mr. WHITE. Mr. President, are these simply routine nominations for commissions in the Navy and in the Marine Corps?

Mr. WALSH. They are the annual routine nominations for commissions.

The PRESIDENT pro tempore. Is there objection to the present consideration of the nominations? The Chair hears none, and without objection, the nominations are confirmed.

Mr. WALSH. I ask that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the

Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. ELLENDER. Mr. President, in behalf of myself and the Senator from South Carolina [Mr. JOHNSTON] I send to the desk an amendment to the pending joint resolution which proposes to add a section, reading as follows:

SEC. —. It shall be a condition on any payment made to the United Kingdom pursuant to the agreement dated December 6, 1945, that not less than 90 per centum of the amount thereof shall be used for purchases by the United Kingdom of goods and services in the United States.

The PRESIDENT pro tempore. An amendment offered by the Senator from Indiana [Mr. CAPEHART] is pending. The amendment offered by the Senator from Louisiana will be received and lie on the table temporarily.

Mr. CAPEHART. Mr. President——

The PRESIDENT pro tempore. The question recurs on the amendment of the Senator from Indiana. As the amendment of the Senator from Indiana is an amendment to the committee amendment which has heretofore been agreed to. Without objection, the vote by which the committee amendment was agreed to will be reconsidered, and the Senate will vote on the amendment of the Senator from Indiana. Is there objection?

Mr. BARKLEY. Mr. President, is the Chair referring to the committee amendment embodied in section 2?

The PRESIDENT pro tempore. That is correct.

Mr. BARKLEY. The amendment of the Senator from Indiana is not, as I understand, an amendment to that section.

The PRESIDENT pro tempore. The clerk will read the amendment offered by the Senator from Indiana.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 7, 8 and 9 and through the word "purpose" in line 10, and to insert in lieu thereof the following: "$1,500,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Notwithstanding any other provision of this joint resolution or any provision of the agreement dated December 6, 1945, between the United States and the United Kingdom, there shall be advanced under said agreement only such sums by way of credit as shall be necessary to offset adverse trade balances of the United Kingdom with the United States for the years 1946, 1947, 1948, 1949, and 1950, not exceeding in the aggregate the sum of $1,500,000,000"

Mr. BARKLEY. Mr. President, may I ask the Senator from Indiana a question? As I understand he originally offered his amendment to the committee amendment, but he withdrew it, or reconsidered it, and was intending to offer an amendment going to the amount involved in the agreement itself. We discussed at some length a few days ago the effect of the amendment to this particular section. Is this the amendment the Senator wishes the Senate to vote on?

Mr. CAPEHART. The amendment does go to the amount.

Mr. BARKLEY. As I understand, it does not go to the amount of the agreement itself. It would go to the amount of the expenditure under the issue of bonds under the Second Liberty Loan Act. It was my understanding that what the Senator from Indiana was intending to do was to change the agreement itself.

Mr. CAPEHART. No; the amendment does not change the agreement one iota.

Mr. BARKLEY. It changes the amount which may be expended, but I understood the Senator was going to offer the amendment in different form, and I thought he had done so.

Mr. CAPEHART. My amendment does not change the agreement one iota. It changes the amount and the method of payment based upon making up deficits in our trading with the United Kingdom over a period of 5 years, not to exceed $1,500,000,000.

Mr. BARKLEY. Mr. President, have the yeas and nays been ordered on the amendment of the Senator from Indiana?

The PRESIDENT pro tempore. The yeas and nays have been ordered.

Mr. BARKLEY. I merely wish to make a brief statement; I do not desire to consume the time of the Senate. If this amendment were adopted and had any effect at all, it would have the effect of preventing the carrying out of the agreement entered into between the United States and the United Kingdom, unless it were possible to carry it out under a cash payment and not by the expenditure of any money in the Treasury under the sale of Liberty bonds as now authorized. It would bring about more confusion and it might result in the necessity of renegotiating the entire agreement. It would have the same effect, in my judgment, as amendments which have been offered or suggested that would change the terms upon which the Secretary of the Treasury would carry out the agreement. I hope the amendment will be rejected.

The PRESIDENT pro tempore. Without objection, the vote whereby the committee amendment was agreed to is reconsidered in order that the amendment of the Senator from Indiana may be in order.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Indiana [Mr. CAPEHART] to the committee amendment. The clerk will call the roll, the yeas and nays having been ordered.

Mr. BYRD. Mr. President, may the amendment be stated?

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 7, 8, and 9, and through the word "purpose" in line 10, and to insert in lieu thereof the following: "$1,500,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Notwithstanding any other provision of this joint resolution or any provision of the agreement dated December 6, 1945, between the United States and the United Kingdom, there shall be advanced under said agreement only such sums by way of credit as shall be necessary to offset adverse trade balances of the United Kingdom with the United States for the years 1946, 1947, 1948, 1949, and 1950, not exceeding in the aggregate the sum of $1,500,000,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the committee amendment offered by the Senator from Indiana [Mr. CAPEHART]. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HOEY. Mr. President, I wish to have the RECORD show that my colleague the senior Senator from North Carolina [Mr. BAILEY] is detained at home by illness. If present, he would vote "nay."

Mr. HATCH. My colleague the junior Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained on important public business. If he were present and voting, he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Montana [Mr. WHEELER] are detained on official business at Government departments.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I also wish to announce that on this question the Senator from West Virginia [Mr. KILGORE] is paired with the Senator from Texas [Mr. O'DANIEL]. If present and voting, the Senator from West Virginia [Mr. KILGORE] would vote "nay," and the Senator from Texas [Mr. O'DANIEL] would vote "yea."

I wish to announce further that if present and voting, the Senator from Texas [Mr. CONNALLY] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present, he would vote "nay."

The Senator from Maine [Mr. BREWSTER] is unavoidably detained.

The result was announced—yeas 25, nays 55, as follows:

YEAS—25

Brooks	Langer	Taft
Bushfield	McClellan	Tydings
Butler	McFarland	Walsh
Capehart	Millikin	Wherry
Capper	Moore	Willis
Ellender	Revercomb	Wilson
Johnson, Colo.	Robertson	Young
Johnston, S. C.	Shipstead	
La Follette	Stewart	

NAYS—55

Aiken	Gurney	Myers
Austin	Hart	O'Mahoney
Ball	Hatch	Pepper
Bankhead	Hawkes	Radcliffe
Barkley	Hayden	Reed
Bridges	Hickenlooper	Russell
Briggs	Hill	Saltonstall
Buck	Hoey	Smith
Byrd	Huffman	Stanfill
Cordon	Knowland	Taylor
Donnell	Lucas	Thomas, Okla.
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tobey
Ferguson	Magnuson	Tunnell
Fulbright	Maybank	Wagner
George	Mead	White
Gerry	Mitchell	Wiley
Green	Morse	
Guffey	Murdock	

NOT VOTING—16

Andrews	Connally	O'Daniel
Bailey	Glass	Overton
Bilbo	Gossett	Vandenberg
Brewster	Kilgore	Wheeler
Carville	McCarran	
Chavez	Murray	

So Mr. CAPEHART'S amendment to the committee amendment was rejected.

The PRESIDENT pro tempore. The question recurs on agreeing to the amendment of the committee.

The amendment was agreed to.

MEDIATION OF LABOR DISPUTES

Mr. EASTLAND. Mr. President, for myself and on behalf of the Senator from Arkansas [Mr. MCCLELLAN] the Senator from Virginia [Mr. BYRD], and the Senator from Texas [Mr. O'DANIEL], I move that the Senate proceed to the consideration of House bill 4908, Calendar No. 1196.

The PRESIDENT pro tempore. The Clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. EASTLAND. Mr. President, I desire to say just a few words. As I stated yesterday, I am strongly in favor of the British loan, but this country today lies prostrate because of the greed of a selfish would-be dictator named John L. Lewis.

There is no reason in the world why the British loan measure cannot be laid aside for a few days, until we consider the pressing need of the hour, which is machinery for the settlement of disputes between capital and labor. It should not delay for the period of a day the ultimate passage of the joint resolution now pending before the Senate, because the House committee can start hearings today, if it desires to do so, and I am sure if the request were made by the administration that committee would initiate hearings.

Mr. President, what is the situation confronting us? Today passenger service on the railroads of the country has already been curtailed 25 percent. On May 15 all passenger service will be curtailed 50 percent. Freight service today has been curtailed 33 percent, and after tomorrow—think of it, after tomorrow—freight service in this country will be curtailed 70 percent.

Mr. President, if this strike shall continue much longer, there will be malnutrition, there will be bread lines, and, I say in all sincerity, there will be food riots in the United States.

Our first duty is to protect the people of this country, and it is our very highest responsibility today immediately to begin the consideration of legislation which will settle the difficulties now existing.

With respect to the field of national defense, I should like to read to the Senate a telegram from Picayune, Miss. It reads:

If information from railroads is correct there will be an embargo of all shipments other than food supplies after May 10. Our local freight, which delivers fertilizers and other materials, is cut down to triweekly service. This is the beginning of our cultivation and fertilizer season. It will be necessary for us to have 1,500 tons for our plantation within the next 60 to 90 days. If this embargo should take place it will be disastrous to us, as we have a tremendous crop of tung nuts and it is necessary to have fertilizer to mature them.

Mr. President, many Members of the Senate perhaps do not know that one of the highest priorities the American Navy had during the war was tung oil, and a great industry was developed in this country to provide tung oil, most of which is produced in the State of Mississippi. It was necessary that it be produced in this country because the Navy could not obtain tung oil from the Republic of China. The Navy cannot get it from China today. Without tung oil our Navy would be greatly handicapped. The tung crop in Mississippi cannot be matured unless the planters receive fertilizers within the next few weeks or within the next few days. If they do not receive the fertilizers there will be a loss of the entire crop, a loss which cannot be replaced. The one who sent the telegram says that to embargo the shipment of fertilizers would be disastrous. That telegram was sent before the shipment of fertilizers had been embargoed.

Throughout the world, Mr. President, there is a critical shortage of food, and today we are asked to make every effort to produce food for ourselves and for our commitments abroad. This is the planting season. This is the time when fertilizers should be in the hands of the farmers. If they arrive a week later it will be too late, and the production will be cut down considerably.

Mr. President, what are the headlines that appear in the press of the country today? Here is the Philadelphia Enquirer:

Industry faces paralysis in coal strike. One million fifty thousand idle.

All by reason of the greed of a would-be dictator who will not even state his terms of settlement, but who arrogantly places his own desire above the welfare of the American people. Already 1,050,000 people have been put out of work because of the selfish greed of this man Lewis. The Philadelphia Enquirer continues:

Twenty-two State dim-outs asked.

Here is the New York Sun of this morning, Thursday, May 9:

United States calls for brown-out east of Mississippi River. Appeals for trucking industry aid in coal strike.

Yes; we are called on for a brown-out all over the United States east of the Mississippi River because of the shortage of coal.

Here is the New York Herald Tribune of Thursday, May 9:

Dim-outs ordered for entire East.

That is the headline in that paper.

Here is the Chicago Tribune for Wednesday, May 8:

Miners spurn coal peace.

Does anyone mean to tell me that the Senate of the United States should not take action when we are being bitterly condemned all over the country today as the bottleneck because we will not protect American citizens from a crowd of greedy, grasping, selfish labor overlords?

The Daily News of New York has this:

United States rationing of home gas near.

In that particular I will say that Mr. Krug, according to the newspapers, announced a few days ago that it will be necessary next winter to ration the coal supply of this country.

Here is the Daily Mirror of New York:

New York and 20 other States face dim-out.

Mr. President, as I stated yesterday, it has even been necessary to embargo the shipment of caskets and embalming fluid to bury the dead. If the strike continues a few days longer, operating rooms in the hospitals cannot be used. I have been informed in the past hour that it will be impossible to operate filter plants to purify the drinking water in certain cities unless the strike is settled and a coal supply can be provided. The health of the Nation is endangered. The welfare of our people is involved.

Mr. President, I can think of no reason why we should hesitate, why we should put it off, why we should not let the British loan go over for a few days and take up antistrike legislation. I noticed in the newspapers that the plan was to take up the draft measure after the British loan bill was concluded, and I have heard it said that we were going to stay here today and pass the British loan measure. From what I know of the situation the Senate does not have a chance to pass the British loan measure today, and I am certainly not willing to see the health and welfare of the American people jeopardized by taking up the draft legislation after the disposal of the loan measure.

Oh, yes, the argument is made that if the draft measure is not speedily passed GI's will lose some of their rights. That, Mr. President, is something which the Congress can well take care of, and everyone knows that we have been more than zealous in guarding the rights of the man who wore the uniform of his country.

But here we have an autocratic labor leader who is now attempting to assume the attributes of a sovereign. The Constitution places the power to tax in the Congress of the United States, but here is a selfish, greedy person who demands the right to tax every ton of coal 10 cents, and pass that tax on to the consumers, and he says he will place the money,

$50,000,000, in a hospital fund to be disposed of as he desires. If John Lewis can get away with that, every other union will be able to tax the commodity which it produces, for whatever purpose it may desire, and pass the tax on to the consumers, and thus usurp the power of the American Congress.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. HAWKES. I desire to supplement what the distinguished Senator from Mississippi is saying. I think there is no question confronting the United States today, either domestically or in connection with its international relations, which in importance holds a candle to the crisis about which the Senator is now talking. I want to ask the distinguished Senator from Mississippi what he thinks the Senate or the Government of the United States would do if the owners of business, or capitalists, or management, shut down vital industries of the country to the detriment of the welfare of the people? What does the Senator think would be done in such event.

Mr. EASTLAND. I think we would take over such industries immediately.

Mr. HAWKES. There can be no question as to what we would do. We would take over such industries immediately. Why do we not do something in this great emergency? Is it because more votes are involved under the labor leaders than under the owners of industries?

Mr. EASTLAND. Mr. President, I do not know about that. The Senator may be right, but I say that in my judgment no right exists in any organization to strike when the very welfare, the health, and the lives of all the people of the country are involved. The public welfare is paramount.

Mr. HAWKES. Mr. President, will the Senator further yield?

Mr. EASTLAND. I yield.

Mr. HAWKES. I shall not take very long.

We are talking about a loan of $3,750,000,000 to Great Britain. If this Nation is paralyzed and we allow to continue conditions which destroy the earning power and the productive capacity of the United States, where are we to get the $3,750,000,000? It will not come out of the air, will it?

Mr. EASTLAND. Of course not.

Mr. HAWKES. It must come from production.

Mr. EASTLAND. Of course. Day by day factories and entire industries are shutting down, at a cost of billions of dollars to the people of America.

Mr. HAWKES. If the Senator will further yield, I should like to say a word further so that I may not be misunderstood. I think it would be one of the most deplorable things in our history for the Congress to try to enact labor legislation because of vengeance, bitterness, or anger in connection with the situation which prevails today. One can lead a horse to water, but he cannot make him drink. But there are things which lie within the power of the Congress to do which would regulate individuals who have control over other individuals, so that the President of the United States himself and Members of Congress might appeal to the patriotism of the workers and urge them to go back to work and not wreck the United States. I believe that legislation passed to try to cure this situation, so far as laws can do it, should be very carefully thought out. But I wish to say further that the labor unions have grown to be as powerful as, if not more powerful than, any other group in our national life. Labor leaders hold in their hands today greater power than any other group has even possessed. If it was the duty of the Congress to regulate capital and management when it came to the point of monopoly which was destructive of the welfare of the Nation, it is the duty of the Congress to see that labor leaders are regulated at least to the same extent as we have regulated capital.

I should like to see Congress place the President of the United States in a position to make a great appeal to the American people in a well-tempered speech urging the people to accept the spirit of the law and go back to work. I believe in the American workingman 100 percent, if we can get to him; but if we have a barrier between ourselves and him, and if he is allowed to be intimidated, threatened, coerced, and kept from working because we do not raise the hand of the law properly to protect him, I do not care to predict what will happen to this, the greatest of all countries in the world.

I thank the Senator from Mississippi for yielding to me.

Mr. EASTLAND. Mr. President, why should the Congress of the United States permit for a period of even a few days power in the hands of one individual to destroy the economic life of the Nation? Why should we permit such a vast concentration of power in the hands of a ruthless John Lewis or anyone else to endanger the lives and the safety of the American people?

Mr. REED. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. REED. As the roll calls will show, I have consistently voted on the side of the proponents of the British loan. I expect to continue to do so, and to vote on final passage for the joint resolution. But I think the Senator from Mississippi has laid his hand upon the most serious condition which confronts this country. Time is of the essence in a much greater degree in connection with this matter than in connection with the British loan. The industry of this country is being paralyzed. Postponing consideration of the British loan for a few days would not, in my judgment, be any detriment to anyone, or to the loan itself. So when the roll is called I shall vote for the motion of the Senator from Mississippi.

Mr. EASTLAND. Mr. President, we are shipping vast stores of food abroad, in an attempt to relieve starvation. I certainly favor that program. Yet those shipments are endangered. We must ship coal to Europe in order to maintain the transportation system. A few days ago I talked with a representative of the Italian Industrial Commission who was in this country, and he told me how tragic the situation was. The coal strike had shut off the supply of fuel from their transportation system, and there was actual starvation because food could not be delivered; and yet we sit here without taking action.

Mr. President, I hope my motion will be agreed to.

Mr. BYRD. Mr. President, I desire to join the Senator from Mississippi [Mr. EASTLAND] in his motion that the Senate lay aside the unfinished business, for the purpose of taking up for consideration the so-called Case bill. I would not do so except for the fact that I think that at this very hour our country confronts one of the greatest emergencies in its history.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Virginia yield to the Senator from Mississippi?

Mr. BYRD. I yield.

Mr. EASTLAND. Does not the Senator think that the bill which has been reported by the Senate Committee on Education and Labor is entirely too weak, and that it should be brought to the floor of the Senate and used as a vehicle, by amending it, to get real and effective legislation?

Mr. BYRD. I agree with the Senator. I shall discuss that point later in a little more detail.

Mr. President, today is the thirty-ninth day of a national coal strike. Not one ton of bituminous coal, so far as I am aware, has been mined in 39 days. We have lost a production of 70,000,000 tons of coal, and we are told that within the next 12 hours not only industries but public utilities, as well, will start to shut down.

What makes this coal strike so serious, Mr. President, is the fact that utilities, which furnish the very necessities of life, will be compelled to close down in the next few hours, or certainly the next few days, thus creating suffering and distress and perhaps loss of life in every section of this country. Babies in incubators may die; people in hospitals may die.

Great quantities of food may be destroyed, as the Senator from Mississippi has said, by reason of the loss of refrigeration.

Mr. President, Virginia was confronted recently with a similar crisis. Notice was given by the employees of the largest power company in Virginia that on a given day and at a given hour they would strike. Mr. President, Virginia has a Governor; his name is the Honorable William M. Tuck. It so happens that he is up in the gallery of the Senate at this moment. That Governor acted with such courage and such effectiveness that the strike never took place. He found a law in Virginia whereby it was necessary that the public utilities operate. He, as the Governor of Virginia, was required to enforce the law. So he called out the militia and inducted the employees of that power company into the militia, and the strike was called off.

Mr. President, I wish to say that I, for one, am proud that Virginia has a Governor who had the courage to take such firm action, such courageous ac-

tion, and thereby avoid a great catastrophe which confronted Virginia. He received the acclaim and approval not only of the people of Virginia, but, I think, of the people in other States of the Union.

Mr. President, what harm can result from laying aside the British loan joint resolution for a few days? Unless our industries are operated we shall not have the money with which to make the proposed loan. What is going on today strikes at the very existence of our Republic, when one man can stop the smoke from going up the chimneys of all the factories in America, when one man can bring distress and suffering upon millions and millions of Americans, wherever they may be.

So what harm will result from laying aside the loan legislation? No suffering will result from such action. We can give away $4,000,000,000 next week just as well as we can give them away today, because it is always in order to give away money; there is no special time limit on when this money may be given away.

So, Mr. President, I urge my colleagues to meet this challenge which has been made to the Senate of the United States.

The House of Representatives has passed legislation which, in my judgment, had the Senate acted promptly on it, would have had such an effect that the condition now confronting the United States would not exist.

But what happened? The Senate Committee on Education and Labor dillied and dallied for weeks with the Case bill, and then reported a measure which has no teeth in it. Nothing would be accomplished by enactment of the measure which was reported by the Senate Committee on Education and Labor. But advantage will accrue from adoption of the motion to lay aside the unfinished business and take up the so-called Case bill, for if the Case bill is taken up for consideration, then Senators who have amendments to offer to the Case bill, to strengthen it and make it effective, will have an opportunity to do so.

I would not ask the Senate to take this action unless I believed with all of my heart that this crisis is, as I have said, one of the greatest which has faced our Republic. I wish to see the dignity of the Senate upheld. I do not wish to hear it said, all over the United States, that the House of Representatives enacted adequate legislation, but that here in the Senate we did not have the courage to meet this great challenge which is made to us to act in the interest of the American people—not in the interest of labor unions, but in the interest of the average citizen of America.

Mr. President, I wish to say a word in regard to the question of a royalty, which again strikes at the very roots and foundations of the fundamental principles of our Government with respect to the private enterprise system. I am convinced that if the Senate votes this afternoon to consider this labor legislation, John L. Lewis will come to reasonable terms. I am not saying that concessions should not be made to him. But in this instance, although here we have conferences and negotiations have been going on for weeks, the main party involved has declined, so far, even to state what are his demands. He says he will not discuss his demands until first there is agreement upon the principle of this royalty.

Yesterday I introduced a bill to prohibit a union from exacting a royalty on production, and if such a law should be enacted it would decide this issue between John Lewis and the coal operators.

It is well, I think, Mr. President, to state briefly what the demand for a royalty on every ton of coal production means. It would transfer from Congress to labor unions the power to tax, and it would be an unwarranted burden on the public. It would be, in effect, a privately imposed tax. It would bring about a concentration of wealth and political power such as to threaten the Government itself. It would make real collective bargaining impossible, and it would give to labor unions the power of life and death over all business. It would be a highly specialized privilege to one group. If John L. Lewis can exact a royalty on the production of every ton of coal, that would establish a principle whereby a royalty could be collected for every automobile produced, indeed, for every article of any description. It, of course, follows that such an action would increase the cost of those products to the consumers, and would effectively set aside all efforts for price control, and would invite a disastrous inflation. It would take away from business management the control of prices, and would vest it in the unions.

Let us not fool ourselves about this royalty proposition. If it is adopted, it means disaster to the private enterprise system of America. If John L. Lewis is successful in collecting 10 cents a ton, which will aggregate $60,000,000 this year, he will ask for 20 cents next year, and more the following; and these uncontrolled demands may, and in my judgment will, force Government ownership of coal and any other essential production wherein a royalty is paid on a basis of production. At the same time, it would greatly increase the cost of living.

Mr. President, I have been a Member of the Senate for 13 years. As I have said, I do not believe I have known a time—not even in the great period of crisis through which we have recently passed—when the responsibility has been more squarely placed upon the Senate for prompt and courageous action than at this very moment. The Senate holds the key to avert a great national calamity. We should meet the issue, and the only way to do it is to vote for the motion made by the Senator from Mississippi [Mr. EASTLAND] to lay aside the pending business and immediately consider the wisest and best legislation so as to establish on the part of the Congress legislation for the control of strikes in vital industries affecting public services, because a continuation of the coal strike will mean very soon a shut-down of practically every public utility throughout the country.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a very splendid editorial which was published in today's New York Times. The editorial is entitled "A Do-All Government Turns Helpless," and it was written by Mr. Arthur Krock.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A DO-ALL GOVERNMENT TURNS HELPLESS

(By Arthur Krock)

WASHINGTON, May 8.—The great majority of the American people do not belong to labor unions or any of the groups which have lobbied in Washington for special privileges. Since 1933 these organizations have gained many more of their objectives than the capitalist lobbies did in the preceding years, and their causes have flourished in all the branches of the Government—executive, legislative, and judicial.

As a consequence, the general economy has been subordinated by law to the special interests of these groups, and the current example is the coal strike that has paralyzed the Nation and weakened the voice of the United States in foreign affairs. But up to this writing the administration's position is that it can do nothing effective to stop the strike, and its spokesmen in Congress either take the same attitude of helplessness or denigrate in advance the value of any corrective laws urged by other Members of Congress.

The unorganized, lobbyless popular majority must be surprised as well as angry at the spectacle of a government confessing and even asserting its impotence to abolish a situation brought about by previous Government acts. The surprise would be as natural as the resentment because, since President Roosevelt took office, the size and power of the Federal Government has grown to vast proportions and the people have become accustomed to the idea that it can do everything. The Federal Government in these years has taken authority over an infinite number of details in the everyday life of every citizen. And this sweeping paternalism, expressed in favoritism for groups with organized voting strength, was established long before it was made complete by the advent of war.

The United States was at peace when the Federal Government, controlled in all three branches by one political party with special group interests in mind, broke down State lines, overrode a strong minority, and reached into the daily occupations of all citizens. Although the extension of authority through war powers was necessary, and was granted by almost common consent, the people had grown accustomed to a powerful central government which looked out for everything if not for everybody. Therefore, the inertness and handwringing at Washington now, in the presence of a desperate emergency, must come as a surprise to millions of citizens if they really believe that the conditions their public servants have created cannot by these same public servants be challenged, and through the same legal processes.

It is quite true, of course, that the public majority, which is the immediate victim of these conditions, permitted, and, in many instances, encouraged their servants in office to pass the laws and allow the administrative acts that are at the base of the trouble. But this public majority was played on by skillful politicians and divided into minorities. The question now is whether it can or will reunite in time to compel action to repair the greater part of the national damage that has been done.

A survey of some of the powers that have been voted to the central government since 1933 supports the opinion that the American people must be surprised to be told that it is helpless before the labor leaders and does not know how to cure its impotence. In that

period the Federal system has been given authority to do these things:

Use public funds from taxation to take care of cripples, the blind, indigent mothers, and dependent children in every State; provide unemployment compensation and old-age benefits; require employers to engage in collective bargaining with employees, with penalties for nonconformance but none for nonconformance by the employees; prevent employers from saying or doing "anything to encourage or discourage" membership in any labor organization, but with no restrictions on employees against doing or saying what they may choose to injure an employer's business; protect as sacred the right of workers to strike, whatever the industry or its relation to public health and security; leave to a board, appointed by the President, full power to interpret prolabor laws with only limited recourse to courts appointed by the President also;

Set up an ever-normal granary to keep supplies of non-perishable stocks stored on the farms as insurance against shortages or violent price fluctuations; maintain farm prices at an artificial "parity" through subsidies and other means; decree by the bounty system the slaughter of hogs and cattle and limit the acreage in specified crops;

Insure all bank deposits. Use the national revenues for housing loans. Cancel the gold clause in all Federal and private obligations and make them payable in legal tender. Change the purchasing power of that legal tender at will. Fix interest rates at will. Create public-power systems such as the Tennessee Valley Authority.

Exempt from antitrust laws all agreements made under the National Recovery Administration Act. Exempt labor unions from these laws. Fix prevailing wages, hourly limits of work for the day and week and time-and-a-half for overtime. Set minimum wages for goods in the flow of interstate commerce. Enlarge the interstate commerce and general welfare clauses of the Constitution until State boundaries have become dotted lines.

Many of these powers were necessary, beneficial, and overdue. The point is that a Government which sought and received them to deal with lesser problems shrinks from using or supplementing them to avert a national disaster.

Mr. HART obtained the floor.

Mr. BARKLEY. Mr. President——

Mr. HART. I yield to the Senator from Kentucky.

Mr. BARKLEY. I sought recognition a while ago to comment on the pending motion. I wonder whether the Senator from Connecticut desires to proceed now on another matter, or whether he is willing to let us dispose of the pending motion.

Mr. HART. Mr. President, let me say to the Senator from Kentucky that I am entirely willing to forego the privilege of speaking at this time, if I may have reasonable assurance that I shall have an opportunity to make a 20-minute speech later in the day.

Mr. BARKLEY. So far as I am concerned, I certainly give such assurance, for I could not prevent the Senator from obtaining the floor if I wished to do so, and I do not wish to prevent him from addressing the Senate later on. Nevertheless, while the motion of the Senator from Mississippi is pending, I think it might be well for us to consider it without interruption.

Mr. HART. Very well; I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I regret that at this juncture the Senator from Mississippi has made the motion which he has made. On the day before yesterday the Senator from California [Mr. KNOWLAND] served notice on me, and through me on the President, that if the coal strike were not settled within 48 hours he would make the motion himself. There seems to have been a foot race ever since then to see which of the two Senators would make the motion. I talked to the Senator from California about the situation and explained to him, so far as I could outline it, the program of legislation immediately ahead of us within the next few days. Based on that explanation, the Senator from California assured me that he would not make the motion which he said on the day before yesterday that he felt he should make. I communicated that fact to the Senator from Mississippi and urged upon him, on the following grounds, not to make the motion:

Earlier in the day I asked the Senate to sit continuously today, and, if necessary, into the evening, in order to dispose of the pending joint resolution. I know of no reason in the world why it cannot be disposed of. We have already voted on two or three amendments. Two or three more may be offered. I do not believe any of them will involve extended discussion. If we could have proceeded with the pending matter, it seems to me we would have concluded it finally and passed on it before the regular time for adjournment this afternoon.

But, Mr. President, in the event it should become necessary to hold a session into the evening, I requested the Senate to be willing to do so. I heard no objection to such procedure, and I had every reason to believe that we could thus dispose of the pending legislation today.

Mr. President, I wish to assure the Senate of what I had in mind, so far as I could control it or suggest it, in regard to the pending joint resolution.

Following the disposition of the British loan measure, which I hope will be today, and in view of the limitation of time operating on the Selective Service Act, it was my purpose to have that bill taken up tomorrow and hold a session on Saturday with the hope of concluding action upon it by the end of the session on Saturday, or, if not on Saturday, then certainly by Monday or Tuesday. I am certain that at this juncture the Senate is willing to work longer hours. I have no doubt about it. If I did have a doubt, I would doubt the efficiency of the Senate, which I do not. I have assured the Senator from California [Mr. KNOWLAND], the Senator from Mississippi [Mr. EASTLAND], the Senator from Virginia [Mr. BYRD], and all other Senators who are interested in the present labor situation that following the conclusion of consideration by the Senate of the measure to extend the Selective Service Act the labor legislation would be taken up for consideration. I believe that to be an orderly way to proceed. I do not believe that the Senate should be subject to a panic because of a coal strike, serious as it is and regrettable as it is. Another coal strike took place during the war. Two years ago, during the midst of war, there was a coal strike which lasted as long, if not longer, than the present strike. The President took over the coal mines under the act which authorized him to do so, and the miners returned to work. The President now has the power under the Smith-Connally Act to take over the mines. That power cannot be increased by the enactment of any bill which Congress may see fit to pass, either the Case bill or the bill which the Senator from Mississippi has described as a milk-and-water proposition which has come out of the Committee on Education and Labor. I do not believe the Senate of the United States now knows what kind of a labor bill it will pass. I do not believe it knows what kind of a bill it is ready to pass. I am also certain that whatever legislation the Senate may conclude to pass, when it is taken up it will involve extended debate. I invite attention of the Senate to the fact that the Smith-Connally provision which gives power to the President to seize the coal mines is an amendment to the Selective Service Act, which expires next Wednesday, and that unless that act is renewed the Smith-Connally provision will expire with it, and the President could not then seize the coal mines or take them over. If any Senator has any doubt about it, I will read section 3 of the Smith-Connally Act:

SEC. 3. Section 9 of the Selective Training and Service Act of 1940 is hereby amended by adding at the end thereof the following new paragraph:

"The power of the President under the foregoing provisions of this section to take immediate possession of any plant upon a failure to comply with any such provisions, and the authority granted by this section for the use and operation by the United States or in its interests of any plant of which possession is so taken, shall also apply as hereinafter provided to any plant, mine, or facility equipped for the manufacture, production, or mining of any articles or materials which may be required for the war effort or which may be useful in connection therewith.

And so forth. So the power which now exists in the President of the United States to seize and take over the coal mines is made possible only by the Selective Service Act, which expires next Wednesday. If that law is permitted to expire the authority on the part of the President to take over the mines will expire with it.

Mr. President, if the Senate of the United States agrees to the motion of the Senator from Mississippi, and takes up the Case bill, or the amendment which has been reported by the Committee on Education and Labor, within the next hour, in view of the course of legislation on that subject here in the Senate, I do not believe it will be possible for the Senate to pass the bill, have it go to conference, and become law prior to the expiration of the Selective Service Act, which contains the provision authorizing the President to take over the mines and plants.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. EASTLAND. I ask the Senator from Kentucky if it is not a fact that the President has announced that he does not have the authority to take over the mines?

Mr. BARKLEY. No; the President has not only not announced that he does not have the authority to take over the mines, but the President knows that he has such authority.

Mr. EASTLAND. I saw a headline in the Washington Post of Tuesday, May 7, reading, "Can't stop it." It was a statement purported to have been made by President Truman.

Mr. BARKLEY. Of course, the headlines of the Washington Post do not create the law.

Mr. EASTLAND. I understand that.

Mr. BARKLEY. I admire the Washington Post, and I read it from "kivver to kivver" each morning. But the headlines in the Washington Post do not constitute the authority of the President of the United States.

Mr. EASTLAND. The Washington Post reported a statement which was purported to have been made by the President to the effect that he did not have the authority to take over the mines.

Mr. BARKLEY. The President never made any statement to the effect that he did not have authority to take over the mines.

Mr. EASTLAND. I ask the Senator if we could not certainly adopt the amendment of the Senator from Virginia and remove the bone of contention now existing, which is in the demand for a royalty of 10 cents per ton on each ton of coal mined.

Mr. BARKLEY. I cannot predict that any amendment offered by any Senator will be agreed to by the Senate. It would certainly involve considerable controversy. I do not believe that if we were to take up the proposed labor legislation this afternoon that it could be enacted into law before next Wednesday. By then the power of the President to take over the mines will have expired because it is a part of the Selective Service Act.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. I wonder if the Senator would consider a joint resolution extending the Selective Service Act until July 1, 1946. It would give us time in which to extend the act beyond July 1, 1946, if necessary, and we would not be required to face the present deadline. If that could be done it would also take care of the situation which the Senator has in mind, and it would provide the necessary men for replacements which the Army so badly needs. I wonder if the Senator would consider doing something of that kind.

Mr. BARKLEY. The course suggested by the Senator from Colorado has been suggested in private conversation among Members of the Senate. I have been hoping, and I still hope and believe, that if we will devote ourselves assiduously to the consideration of the pending joint resolution, we can dispose of it today. Notwithstanding the fact that it had been my program, so far as I could control it, to take up the extension of the Selective Service Act immediately and dispose of it, if the Senate wishes to take up the proposed labor legislation immediately upon the conclusion of consideration of the British loan, it can defeat any motion to take up consideration of the measure to extend the Selective Service Act, and then proceed with consideration of the proposed labor legislation. If any Senator can beat some other Senator to the floor and obtain recognition, he can move to take up the labor legislation immediately upon the conclusion of consideration of the British loan measure, which I hope we can dispose of today.

Mr. President, it seems to me that the Senate should be in a mood to deliberate carefully and not do hastily something which would not accomplish the results which Senators are striving to attain. I do not know what kind of labor legislation the Senate will pass after considering the subject for several days. I do not know what kind of legislation the two Houses could agree upon. But inasmuch as the present coal miners' strike is taking place, I should like to ask Senators to tell me what kind of a law Congress can pass that will put a single miner back into the pits and compel him to mine coal. Shall we take the miners into the Army under the Draft Act? If so, I again point out to Senators that the Selective Service Act expires next Wednesday. Do we propose to send the miners into the mines at the point of bayonets? Are we going to pass a law to put John L. Lewis in jail? How much coal would be mined under such a law? How many miners would go into the pits, even voluntarily, if Congress undertook to perform that sort of an act?

Mr. President, I am open-minded in this matter. I do not yet know what kind of a bill I shall vote for on the subject of labor. But I will yield to any Senator who will rise in his place now and tell me what sort of law we could enact tomorrow, or next week, or next month, which would put a single miner back into the pits if he is not willing to go back voluntarily.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. I am not going to answer the last question, but I wish to revert to the original question which I propounded to the Senator in regard to the extension of the Draft Act until July 1, 1946. The Senator is very optimistic if he thinks that the Draft Act extension can be enacted in a few hours.

Mr. BARKLEY. I do not think that.

Mr. JOHNSON of Colorado. I feel very certain that if we were free, if we were starting now, at this very moment, to consider the Draft Act extension, and pass it through the Senate, and take it to conference, it would be well beyond Wednesday before we could do that.

Mr. BARKLEY. That might be, and the Senator's suggestion is worthy of consideration. I am not a member of the Committee on Military Affairs, and I am not in charge of the Draft Act legislation. The Senator from Colorado is a member of the Committee on Military Affairs, and the bill has been reported by the Senator from South Dakota [Mr. GURNEY], who, I understand, is to be in charge of it. I have not received any suggestion from anyone on the Military Affairs Committee, until this moment, until the Senator made a suggestion that a joint resolution extending the Draft Act 30 days be offered and passed as a stopgap. I am not sure how long it would take even to pass a 30-day extension joint resolution.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. GURNEY. I hope the Senator from Kentucky is considering the suggestion of the Senator from Colorado, and that he will also consider what, in the opinion of the committee, is possibly a little better course. The committee has reported a bill which was favored by most of the Members present at the time the bill was acted on. It may be necessary to pass a joint resolution extending the life of the present Selective Service Act, but I hope the joint resolution will not extend it to as far away as July 1, for the new provisions in the bill reported by the committee make military service very attractive, in order to attract volunteers into the Army, and thereby not make selective-service quotas so strong as they would be under the present law. There are pay increases, fewer months of service, letting fathers out, and a few things like that, in the bill. Therefore, if a joint resolution is contemplated, I hope it will provide for an extension of only 30 days.

Mr. BARKLEY. I think the suggestion of a joint resolution is worthy of the most serious consideration. I certainly would not oppose it if the Committee on Military Affairs felt it was proper to pass such a measure. But I do not like to barge in, when a committee has for a long time considered a bill and has reported it to the Senate and it is on the calendar, and has been waiting like Johnny-at-the-rat-hole to get a chance to bring it up and tell the Senate what to do. I have still been hoping we could pass the Draft Act extension bill by Wednesday. I may have been optimistic on the subject, but I am an optimist by nature. I sometimes find that my optimism is not justified, yet I shall not reverse my lifetime course of being an optimist instead of a confirmed pessimist. If it turns out that we cannot enact the Draft Act extension legislation by next Wednesday, then we can certainly provide for an extension of 30 days, and I do not think it would be necessary to extend it any longer.

Mr. GURNEY. I should much prefer the acceptance by the Senate of the bill as it has been reported by the committee. It is much better than a 30-day extension.

Mr. BARKLEY. I am sure of that. While we are almost on the verge of voting, at today's session, on the pending joint resolution, I appeal to Senators not to set it aside, because if any Senator desires to move, after the vote on the pending British loan measure, to take up the Case bill, he will have a right to do so, and if the Senate votes by a majority to do that, it will become the unfinished business. If any Senator moves to take up the draft bill, and that is done, the

same motion can be made which is now being made to set aside the pending joint resolution, during any hour of the consideration of the draft bill.

I hope Senators will not vote for the pending motion, that they will remain here and conclude the pending business today, and then decide by a majority vote which one of these bills they wish to take up first.

I believe I can assure the Senator from Mississippi and the Senator from Virginia that not a day will be lost in the final enactment of effective legislation, by the conclusion of the consideration of the pending business before the Senate decides what else it will take up.

Mr. CAPEHART. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. CAPEHART. I should like to ask the able Senator from Kentucky if the President does not likewise have the power, under the Second War Powers Act, to seize the mines and operate them?

Mr. BARKLEY. That is a very doubtful question. I should not like to give a categorical answer. Congress evidently did not think so, because it passed the Smith-Connally Act as an amendment to the Draft Act, and the Second War Powers Act will expire again pretty soon.

Mr. CAPEHART. My reason for asking the question is important. We should know the answer, because such power will expire with the Selective Service Act, and that being true, it may be necessary that the Senate take some action between now and next Wednesday in respect to the Draft Act.

Mr. BARKLEY. I think it very important that the Senate take action, in view of the doubt which exists not only as to the President's power, to the same extent as contained in the Selective Service Act and the Second War Powers Act, to take over plants. Certainly the Senate and the House did not think the power had been granted or it would not have been necessary to put the provision into the law.

I think all the legitimate purposes of orderly legislation can be accomplished, and now, when we have been considering the joint resolution for a month and are nearly ready to vote on it, I appeal to the Senator from Mississippi, and the Senator from Virginia, to allow us to conclude its consideration. Then we can decide whether we want to take up the draft measure or the labor legislation. There is nothing unreasonable about that request.

Mr. CAPEHART. Would the able majority leader consider asking unanimous consent that we conclude the consideration of the British loan measure by 5 or 6 o'clock today, and that a joint resolution be passed to extend the Selective Service Act for 30 days, and that the next order of business be labor legislation?

Mr. BARKLEY. I will say to the Senator from Indiana, and all other Senators, I had assured the Senator from California and the Senator from Mississippi, that I, myself, would move to take up the labor legislation immediately upon the conclusion of the draft legislation.

Mr. EASTLAND. Would the Senator be willing to take up the labor legislation after the passage of the pending joint resolution?

Mr. BARKLEY. If the Senate saw fit to provide for a 30-day extension of the draft law so that we would not have a stop watch against us next Wednesday, I would agree to take it up.

Mr. EASTLAND. In the absence of the 30-day extension, would the Senator agree to take up antistrike legislation after the pending joint resolution had been disposed of?

Mr. BARKLEY. I am not hedging——

Mr. EASTLAND. We are going to have a long fight on the draft measure.

Mr. BARKLEY. If we agree to do that, I do not believe it will be possible to pass the labor legislation by next Wednesday, at which time the Selective Service Act will expire.

Mr. EASTLAND. We could renew it.

Mr. BARKLEY. I think it should be renewed. If we vote to renew it, the measure we pass will have to go to the House, and the House will have to renew it also. We cannot renew it by ourselves. If the Committee on Military Affairs would bring in a joint resolution extending the Draft Act for 30 days, immediately following the conclusion of the pending business, I think it would be adopted, because that would still give us more time to consider that subject. Then it would be entirely agreeable to me to take up the labor legislation.

Mr. DOWNEY. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. DOWNEY. I, too, am a member of the Committee on Military Affairs, and it would seem very logical and plain to me that the Senate should immediately pass a joint resolution extending the Selective Service Act for a period of 30 days, and then confirm the agreement which has already been suggested between the Senator from Mississippi and the Senator from Kentucky.

I know we must never try to be too expeditious in the Senate of the United States, but I ask the distinguished leader whether it would not be proper at this time for the leader or for some other Senator to ask for a unanimous-consent agreement for the passage of a joint resolution extending the Draft Act for 30 days.

Mr. BARKLEY. A joint resolution would first have to be introduced. If the Committee on Military Affairs, or the chairman of the committee, or the Senator in charge of the bill, wishes to introduce such a joint resolution, I certainly will ask for its immediate consideration; but no such joint resolution is before the Senate at this time.

Mr. GURNEY and other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I have yielded to the Senator from California.

Mr. DOWNEY. I am very happy to pass the ball to my distinguished colleague from South Dakota. He is in charge of the bill reported from the Committee on Military Affairs, and I have confidence in his judgment in this matter.

Mr. BARKLEY. I yield first to the Senator from Illinois.

Mr. LUCAS. I merely wish to make one observation respecting the pending motion.

I believe no State in the Union is more affected by the consequences of the coal strike than is the State of Illinois; I think no one has shown greater interest in attempting to do something constructive in connection with the coal strike than have I; but, as I understand the Senator from Kentucky, he says he expects the consideration of the British loan measure will be concluded today. It seems to me to be absolutely foolhardy to interfere with the pending joint resolution, when it is on the verge of being passed, and to take up a measure which everyone familiar with the labor situation realizes will take 3 or 4 or 5 days to discuss.

I have some legislative proposals in which I am interested concerning the very serious problem growing out of the coal strike; but notwithstanding my great interest, I am not going to support the motion to take up strike legislation, in view of the Senator from Kentucky's statement that he believes we can finish consideration of the British loan legislation today. We have spent almost enough time now debating the motion to finish consideration of the British loan legislation.

Mr. BARKLEY. I appreciate that suggestion.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. GURNEY. Of course, I am sure it would be agreeable to the Committee on Military Affairs if unanimous consent were obtained to extend the draft act for 30 days. I have anticipated that it might be necessary that a joint resolution extending the draft be adopted, and I have asked to have a joint resolution prepared which would provide for a 30-day extension. I have sent for it but find it is not available at the moment.

Mr. BARKLEY. If the Senator from South Dakota, or any other Senator—and I think such action should come appropriately from the Committee on Military Affairs—offers a resolution providing for extension of the draft for 30 days, it is inconceivable to me that it would not be adopted. I shall do everything I can to facilitate action upon such a measure. We would not only extend the draft by such action, but would extend the power of the President for 30 days to take over plants and mines, a power which would otherwise expire.

Mr. GURNEY. I will say that I shall make a motion to have such a measure taken up as soon as I receive the joint resolution which I have requested be prepared.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MAYBANK. Early today I discussed with the majority leader my desire to submit certain telegrams and make certain statements. He suggested that my presentation be delayed because he believed it would be possible to finish consideration of the British loan legisla-

tion and that I could later make these remarks.

Mr. BARKLEY. Yes.

Mr. MAYBANK. Earlier today I discussed with selective-service officials, those in charge of selective service insofar as its operations are concerned, the extension of the draft which the Senator from South Dakota mentioned. I have supported the bill reported by the Senator from South Dakota. As I stated, I spent a part of the morning today discussing with the selective-service officials the correct language to be used so that we could extend selective service for 30 days, or until July 1, so that opportunity would be afforded Congress to debate the subject properly.

I merely wish to say to the Senator from Mississippi and the Senator from Virginia that no one feels more strongly on the subject of the coal strike than I do. I have spoken of it on the Senate floor a number of times. I have a great number of telegrams and letters relating to fertilizers. I know that the crops of the Southeast are going to be ruined because of the lack of fertilizer distribution on account of the coal strike. I talked to Colonel Johnson, Director of Defense Transportation, in regard to this matter earlier today, and he told me there is no hope of lifting the embargo unless the strike is ended. I have the same feeling as does the Senator from Mississippi about the outrageous coal strike. I know that as the result of the strike many people will go hungry and production already has been impaired. But I think some thought should be given to what Selective Service is trying to work out respecting a 30-day extension of the draft. As a member of the Committee on Military Affairs I have wholeheartedly supported the Senator from South Dakota in the legislation he proposed, and I will support him if he presents a measure providing for a 30-day extension. If this is done, then we can immediately consider labor legislation because we shall, unless something unforeseen happens, finish the loan measure today or tomorrow.

Of course, I believe, and always have, that the President now has the power to settle the strike. This I discussed yesterday and I advised the White House that the crops of the South and East will be ruined for production unless fertilizers are immediately shipped.

Mr. BARKLEY. Mr. President, I would be glad to ask unanimous consent that the Senate proceed to vote on all amendments to the pending measure and the measure itself at some hour this afternoon, and I feel that under the present circumstances any Senator who would oridinarily object to that ought to agree to it. But I have no assurance that it can be done.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. EASTLAND. I thank the Senator for making that statement. I wish the Senator would request unanimous consent that the Senate vote on all amendments and on the measure itself at some hour today.

Mr. BARKLEY. I should like to negotiate a little bit before I make the request.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. I should like to ask a question. If an agreement were reached to vote on the measure and on all amendments, let us say at 6 o'clock, and if so much time had been consumed in discussing one of two amendments that other amendments had not been presented, would there still be opportunity to present them?

Mr. BARKLEY. I will say to the Senator that I do not believe there is any amendment which is likely to be offered that will involve a great deal of debate. I do not want to shut off any Senator.

Mr. AIKEN. I should like to ask one other question of the Senator from Mississippi. Is it his purpose to propose legislation that will compel four-hundred-odd-thousand soft coal miners to go to mining coal again? Is that the purpose of the legislation?

Mr. EASTLAND. Mr. President, I do not know what amendments will be offered to the bill. I want to get the matter before the Senate, and let us then work out something. If we do not start, nothing is ever going to be accomplished.

Mr. AIKEN. Mr. President, I think we should know the purpose of the legislation so we can vote intelligently upon the matter.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRD. I should like to say that the Senator from Virginia has offered an amendment to the Case bill and he will offer it to any other pending legislation to prohibit the payment of royalties. That is the subject of contest between John L. Lewis and the coal operators.

Mr. AIKEN. Would the Senator from Virginia be willing to propose his amendment as a separate measure so that it could be voted upon alone?

Mr. BYRD. That could not be done, Mr. President; but if such a measure were introduced it would have to go to a committee.

Mr. AIKEN. The committee could act quickly on it.

Mr. BYRD. I should like to have the amendment made a part of the Case bill, but if not, I shall try to get it before the Senate at the first opoprtunity.

Mr. BARKLEY. Unless the Senator introduces a bill on the subject and has it referred to committee and the committee reports it, or unless it is brought before the Senate on motion to discharge the committee from further consideration, there is no way that he can have such a matter brought up except as an amendment to a pending bill.

Mr. BYRD. That is the reason, Mr. President, I have offered it as an amendment to the Case bill.

Mr. AIKEN. If the amendment of the Senator from Virginia were offered separately it seems to me it would be much more likely to receive prompt action.

Mr. BYRD. I should like to ask the Senator from Vermont to tell me how it can be offered separately. If it is offered separately it must go to committee and be reported from the committee. If it is in the form of an amendment to a pending bill it can be acted upon quickly. If it were offered as a separate measure it would go to the Committee on Education and Labor, and Senators know what happens in such event.

Mr. AIKEN. I think the Senate can find ways to pass legislation quickly if it desires to do so.

Mr. BYRD. Can the Senator suggest to me a plan under which it can be offered separately and passed quickly?

Mr. AIKEN. I have known occasions when bills have been taken up and passed in a few minutes.

Mr. BARKLEY. They must be introduced, however, before they can be brought up before the Senate.

Mr. AIKEN. That is true.

Mr. BARKLEY. I want to ask the Senator from Mississippi a question, but first I yield to the Senator from Florida, who has been on his feet seeking recognition for a considerable time.

Mr. PEPPER. Mr. President, I wish to make an observation. George Washington, I believe it was, on one occasion said, "If you are angry count 10 before you make a decision." I saw the Senate and the House, when the Smith-Connally bill was before Congress, lose their respective heads over the same John L. Lewis.

Mr. BARKLEY. I discussed that very point the other day at some length.

Mr. PEPPER. I was one of those who made a speech expressing my opinion about John L. Lewis, and I was one of those who fell into the error of voting for the Smith-Connally bill, thinking that it was my duty in time of war, and following the illusory hopes that certain Senators held out that that legislation, hastily and angrily conceived, might accomplish a desirable result.

Mr. President, I am not going to make the same mistake again on the same subject in so short a time. I want to say to the able Senators that if they wish to propose legislation that might affect this situation, and have it go through the regular channels of the Senate, I am certainly, at all times, as a member of the Senate Committee on Education and Labor, disposed to give it fair and full consideration, but I am not willing to lend my efforts to any hasty and angry effort on the part of the Senate to pass legislation affecting millions upon millions of the working people of this country, merely because we happen to be mad with John L. Lewis.

We could have finished this British loan legislation in the month that we have been considering it, Mr. President, if we had followed a different procedure in the Senate, or if we had adopted different rules for the Senate. Yet some of the Senators who are so anxious to see anti-labor legislation immediately brought before the Senate did not always have the anxiety which they have now manifested, to see other legislation expeditiously brought before their colleagues.

Furthermore, Mr. President, the President has made no recommendation about this subject so far as I know, or his leader in the Senate would have communicated it to his colleagues.

So I am going to make the suggestion that when the labor bill comes up there will be Senators who cannot lend their

assent to such hasty and angry consideration of it as is obviously likely to be given it if we attempt to act upon it in the passion of this particular moment.

Mr. President, I do not approve of what John L. Lewis is doing any more than anyone else does. Yet it is an incident of the complicated machinery of our modern economic life. It is like the stopping of one valve in a vast machine, which makes the whole machine stop. So long as we have a provision in the Federal Constitution which says that except as a punishment for crime no citizen can be condemned to involuntary servitude, I do not know exactly, as the able leader has better said, what we can do tomorrow or the day after, that will put these men back into the mines. It is a complicated question. It goes to the very root of our economy. Some Senators who are liberals in saying that we must not interfere with the freedom of the individuals in certain matters, and who claim that we who want to pass certain legislation are totalitarian, when it comes to the subject of labor are all too ready to forsake their definition of liberalism and to become totalitarian themselves, if the people who are the victims of their totalitarianism happen to be the working men and women of the United States.

Mr. BARKLEY. Mr. President, two Senators are now on their feet ready to offer a resolution to extend the draft for 30 days, or up to July 1. It will, of course, be in such form that the Senate can pass upon it. The Senate can by unanimous consent agree to act upon it without referring it to a committee. Would the Senator from Mississippi be willing to withdraw his motion so that we may proceed with the pending business with the understanding that we will take up the 30-day extension, or such other extension as the Senate is willing to act upon, with the understanding that immediately upon the conclusion of both matters the Senate will take up the labor legislation? And if necessary I shall move to take it up.

Mr. EASTLAND. Mr. President, I should like to have a unanimous consent agreement, which I think we could obtain, to vote on this legislation and all amendments thereto some time today, I do not care how late it may be. As for the resolution extending the draft 30 or 60 days, if it could be speedily adopted of course I would be content. But if it should lead to protracted debate I would not care to enter into such an agreement as the Senator from Kentucky has just proposed.

Mr. BARKLEY. The Senator may renew his motion at any time during the day.

Mr. EASTLAND. The Senator asked me to agree to dispose of two other measures before proceeding with the motion to take up the Case bill.

Mr. BARKLEY. I think that would be a reasonable agreement to enter into. I think the Senator would get action.

Mr. EASTLAND. If the Senator will fix a time to vote on the unfinished business——

Mr. BARKLEY. I cannot fix it. If the Senator will permit me, I will feel around and see what I can get in the way of a unanimous consent agreement. Let me propound a request.

I ask unanimous consent that not later than 7 o'clock p. m. today the Senate proceed to vote on the pending joint resolution and all amendments thereto without further debate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. LANGER. I object.

Mr. TAFT. I object.

Mr. BARKLEY. I ask unanimous consent that at an hour not later than 9 o'clock p. m. today the Senate proceed to vote on the pending joint resolution and all amendments thereto.

Mr. LANGER. I object.

Mr. TAFT. I object, for the reason that I do not like to set a definite hour for voting. I have an amendment, the last amendment to be presented, and I should like to take 10 or 15 minutes to present it. Under such an arrangement the last amendment is always shut out.

Mr. BARKLEY. I ask unanimous consent that during the remainder of the consideration of the pending joint resolution no Senator shall speak more than once or longer than 15 minutes on the joint resolution or any amendment thereto.

Mr. LANGER. I object.

Mr. McCLELLAN. Mr. President, reserving the right to object——

Mr. BARKLEY. Objection has already been made.

Mr. KNOWLAND. Mr. President, may I make a suggestion to the majority leader?

Mr. BARKLEY. I yield to the Senator from California.

Mr. KNOWLAND. Could we not agree, by unanimous consent, that the Senate shall remain in continuous session until the pending joint resolution and all amendments thereto are disposed of? That would not tie us down to a certain hour.

Mr. BARKLEY. It is not customary to agree by unanimous consent to stay in session indefinitely.

Mr. KNOWLAND. However, I believe that the situation we are getting into is sufficiently important, and the succeeding legislation is sufficiently important, for the Senate to go without a little sleep for a short time.

Mr. BARKLEY. I agree with the Senator; but I wish to say to the Senate, reiterating my suggestion made earlier today, that when I asked the Senate to remain in session until we finish consideration of the joint resolution, no objection was raised to that program. So far as I am concerned, and so far as I can control the situation—which is very little, sometimes—the Senate will remain in session until we conclude consideration of the British loan. I will then facilitate, so far as I can, the immediate passage of a joint resolution extending the draft for 30 days, or for such other time as the Senate may see fit to extend it.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Would it not be possible to set aside the unfinished business and pass a joint resolution extending the draft for 30 days, so as to get it out of the way? Then, it seems to me, Senators pressing for legislation would know what to expect.

Mr. BARKLEY. It must be done by unanimous consent; and if any Senator objects to extending the draft for even 30 days, he would object to that arrangement.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from South Dakota.

Mr. GURNEY. I ask unanimous consent that the motion made by the Senator from Mississippi [Mr. EASTLAND] be temporarily withdrawn, and that the Senate proceed to the consideration of a joint resolution extending the draft for 30 days.

The PRESIDING OFFICER. Is there objection?

Mr. LANGER. I object.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

EXTENSION OF SELECTIVE SERVICE AND TRAINING ACT

Mr. JOHNSON of Colorado. I ask unanimous consent, out of order, to introduce a joint resolution, to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946. The joint resolution reads as follows:

Resolved, etc., That section 16 (b) of the Selective Training and Service Act of 1940, as amended, is amended by striking out "May 15, 1946" and inserting "July 1, 1946."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado?

There being no objection, the joint resolution (S. J. Res. 159) to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946, was received, and read twice by its title.

Mr. BARKLEY. If I correctly understand the Senator's joint resolution, it would extend the draft until July 1.

Mr. JOHNSON of Colorado. That is correct; and the virtue in that plan, instead of a 30-day extension, is that all the statistics pertaining to this subject extend to the end of the month, and it is difficult to tell what is going to happen in the middle of the month. A 30-day extension would extend the draft only to June 15.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the pending motion, and everything else before the Senate, be temporarily laid aside, without prejudice, and that the Senate proceed to consider the joint resolution just introduced by the Senator from Colorado, without reference to the joint resolution to a committee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 159) introduced by Mr. JOHNSON of Colorado, to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment.

Mr. GURNEY. Mr. President, I move to amend the joint resolution offered by the Senator from Colorado by changing the date from July 1, 1946, to June 15, 1946.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. GURNEY].

Mr. JOHNSON of Colorado. Mr. President, of course, this may seem to be a very petty matter. It involves only the difference between 6 weeks and 4 weeks. But there is considerable history back of it. Many months ago I introduced a resolution in the Senate Committee on Military Affairs to do this very thing, and the Senate Committee on Military Affairs acted favorably on my resolution.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I shall be very glad to yield in a moment.

Mr. GURNEY. Will the Senator yield to me for the purpose of withdrawing my amendment?

Mr. JOHNSON of Colorado. I yield.

Mr. GURNEY. I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

If there be no amendment to be offered, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purpose of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT] in the nature of a substitute.

Mr. TOBEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOBEY. What is the parliamentary situation with reference to the motion of the Senator from Mississippi [Mr. EASTLAND]?

The PRESIDING OFFICER. It has been temporarily laid aside.

Mr. BARKLEY. Mr. President, I wish to reiterate the announcement which I have heretofore made, that it is my purpose, so far as I can control the situation, to keep the Senate in session today until it acts upon the British loan. I assure the Senator from Mississippi that if he will withdraw his motion to set aside the unfinished business and take up the labor legislation, immediately upon the conclusion of the consideration of the joint resolution I myself, if necessary—if I must say that in order to indicate my good faith—will move to take up the labor legislation and proceed with it.

Mr. AIKEN. Mr. President, may I ask the Senator a question?

Mr. BARKLEY. I yield.

Mr. AIKEN. Is it the purpose, at the conclusion of action on the labor legislation, to return immediately to consideration of the extension of the Selective Service Act?

Mr. BARKLEY. I should say "Yes," subject to the possibility that if by that time the OPA legislation is ready for consideration, we might take it up. I doubt very much if it will be ready. I think it is reasonable to say that the OPA legislation will not be ready for consideration before week after next.

Mr. AIKEN. Until the draft legislation is taken care of, no 18-year-old boy in this country who has any idea of going to college this fall will know whether he can go or not. Enrollment in the colleges is now in progress, and the boys are having difficulty getting into the colleges.

Mr. BARKLEY. As a result of the joint resolution which the Senate has just passed, both the OPA and the draft will expire at the same time, so we shall have to consider both questions before the 1st of next July.

Mr. EASTLAND. Mr. President, with the understanding announced by the Senator from Kentucky, I withdraw my motion.

The PRESIDING OFFICER. The motion is withdrawn. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT] in the nature of a substitute.

Mr. LANGER. Mr. President, I send to the desk three amendments and ask that they lie on the table and be printed.

The PRESIDING OFFICER. Without objection, the amendments are ordered to lie on the table and to be printed.

Mr. KNOWLAND. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from California, which takes precedence over the amendment offered by the Senator from Ohio, will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. 3. No payment shall be made to the United Kingdom under the agreement or under this joint resolution until after (1) the date of a proclamation by the President, or the date specified in a concurrent resolution by the two Houses of Congress, declaring that the general level of production in the United States equals or exceeds domestic consumption, and (2) the current annual budget of the United States has reached the point where the Federal receipts exceed expenditures; and such payments shall be made only to the extent that total receipts subsequent to the date of enactment of this act up to the time when such payment is proposed to be made exceed the total expenditures for the same period.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California.

DEPARTMENT OF CIVIL AVIATION

Mr. HART. Mr. President, it is my intention to introduce a bill which I believe to be of considerable importance. Since it has a bearing on certain other proposed legislation which already is before the Senate, I desire to make some explanation at this time.

In brief, the bill is for the purpose of establishing a Department of Civil Aviation, to which will be transferred all the functions of the Civil Aeronautics Administration and of the Civil Aeronautics Board, and perhaps the National Advisory Committee for Aeronautics itself. It is expected that such a new Department for Civil Aviation will eventually include certain other activities of the Executive Department which now are minor, but which probably will grow as civil aviation grows.

One of the purposes is to relieve the pressure upon the State Department for growth into the field of civil aviation, such as the project for setting up a new Assistant Secretary of State for Air. Of course, Mr. President, the State Department must retain all cognizance over foreign relations which evolve from the use of air, but much necessary assistance in that line can best come from the new Department.

A little later I shall go somewhat more into detail as to the purposes of the new Department which I propose. However, Mr. President, first I should like to make a brief statement regarding the various projects for establishing some form of an executive department for military aviation.

There is, of course, a relationship between civil aviation and that intended for war purposes. Those relationships have changed within recent years, and in the future they are bound to be very different from those we have previously known.

The idea of separating the air components from the War and Navy Departments has been before the country for a long time. An air force thus fully separated from the land and sea forces of the Nation is an idea which was transplanted from England some 25 years ago. It was based on the British Royal Air Force. Since then, the agitation for such separation of the air arm from our own ground and sea forces has been rather continuous and has resulted in a certain number of inquiries and authoritative reports on the subject.

Beginning in 1919 and extending over 20 years, there has been a series of hearings and reports, by committees and commissions variously composed, which have passed upon the subject. During the early years of that period, the subject was twice before committees of Congress, but without acceptance of a plan for a separate air department. In 1925 there was a very thorough investigation by a carefully chosen board which we now know as the Morrow Board. It did not recommend a separate air department. The next authoritative and balanced inquiry was also made by a presidential board, which was appointed in 1935. It did not recommend a separation of air components from the Army or Navy.

In all, there have been 26 of these studies on what had been the main question of placing air organizations of the armed services in a separate department. Some of the studies, particularly those just mentioned, were at very high levels. A few were more restricted—both in scope and in the composition of the committees. In all the 26 instances there were only 4 in which a separate air department was endorsed.

Such was the history up to 1941. In my own opinion, the experiences of the last war have shown that those decisions against separation were entirely correct. As I hope to demonstrate, the arguments for change in organization of the military air forces are now weaker than they were before the last war.

Most of the best minds were firmly convinced before 1941 that there should be no separation of the Navy's air arm from the rest of the Navy. It always has seemed very clear that the Nation's ability to control the sea areas which are vital to our security requires that the Navy's air arm and the rest of its components must remain most intimately associated in peace and in war. I think that all will admit that the results of World War II in the Pacific area have well proven the soundness of that principle. The Navy's air arm became its most powerful agency for offense. In fact, during many of the campaigns in the Pacific, surface ships served mainly in the role of supporting forces. We were successful in the Pacific because the integration of surface ships and submarines, aircraft and amphibious land forces, was maintained throughout.

The situation in the British Navy became so very different that the briefest study of that organization's history shows what happens when close integration does not exist. During the years between the two wars, the British Navy lost all control of aircraft to the RAF. The Royal Navy, in fact, was permitted no air participation whatever, except as and when the RAF saw fit to dole out small contingents of planes and flying personnel. That condition began to be remedied somewhat in 1937, but the period which elapsed before World War II began was entirely insufficient for catching up. The result was that not only was the entire British Navy absolutely without air-mindedness, but it lost all knowledge and ability in air matters, except on the part of a small residue of air-trained personnel who served in a few aircraft carriers.

The British began the war with some good carriers as far as ship design went. But those ships became effective war weapons only after they came to this country, were fitted with aircraft-handling facilities such as our Navy had developed, became supplied with our own planes, and went through a long course of training in the effort to catch up. Only as VJ-day approached did the air components of the British Navy really reach the point where they were ready to go into action alongside our own carriers—and that was during the very last stages of the Pacific war.

The development of that situation during the years of peace was known in America. It was resolved that such a thing must never happen here; and our own Navy was undoubtedly right about it all the way through. Our naval personnel was not altogether air-minded at all levels; but, as events proved, it was sufficiently so.

The Secretary of the Navy is reported to have been asked recently by the Senate Committee on Naval Affairs what he thought of the separation of the Army's air components from its ground forces. Mr. Forrestal apparently declined to comment; and that stand is traditional. While the Navy has been under attack by Army airmen for years, it does not put on a counteroffensive. I myself hold a certain amount of diffidence in expressing any opinion concerning the Army and its own Air Force, and, naturally, I shall have very little to say about it.

In years of peace, as well as during World War II, there was a growing separation between the Army's Ground and Air Forces which should at least be looked upon with misgivings. The separation has become rather extreme, having gone to the point of duplicating and paralleling services and institutions to a great degree. For example, it extended to setting up a legal department for the Army Air Forces, separate from the Judge Advocate General of the Army. The result of all that separation is that ground and air personnel do not know each other, are in separate watertight compartments, and consequently the Ground Forces cannot be as air-minded as they should be. A similar situation existed in Great Britain.

Mr. President, as in the case of obtaining control of the sea areas, it is to be granted that the arrangements also worked over land, in that we were successful in all phases of the war on the land. The basic reason for all those successes was that we won control of the air. In the European theater, that control was won by overpowering forces, partly British and partly American, which had a starting and jumping-off point in England, to which the supply lines were kept open.

In the Pacific area, the control of the air was won almost altogether by the Navy's air arm, since it was the only air weapon which could be brought to bear upon Japanese regions of air power. By VJ-day the Jap Army still had a considerable number of planes, but all training, and the supplies for their planes had been utterly ruined by the 3-year campaign, across the North and Central Pacific, of our seaborne forces. Those campaigns wrecked the Japanese Navy, with its air arm, which had been an efficient weapon. The Japs became short of everything. They had few efficient pilots left for the planes which remained to them, and they had been defeated in the air almost as decisively as on the sea. The long series of battles against our carrier planes had ruined them in the air. The Japanese had lost control of it, and, as we know, the Army's heavy bombers were then brought into play. They were operated against little opposition, and they burned and blasted large areas of Japan. However, Mr. President, so much for the past. We must look to the future.

I now invite attention to a certain very significant phrase. It is one which is used in the Truman-Attlee-King proposal of November 15, 1945, for the establishment of a commission under the United Nations to seek means for the control of atomic energy. The words of that phrase are, "the elimination from national armaments of atomic weapons and of all other major weapons adaptable to mass destruction."

No statement has been forthcoming as to what prohibitions were to be covered by those words, "other major weapons adaptable to mass destruction." In any case, it is entirely clear that area bombing by great formations of large planes does amount to mass destruction. That was done in Germany by high explosive bombs and incendiaries, with high explosives accomplishing the greater part of the damage. In Japan it was different, in that the more usual missile from the large Army bombers was the incendiary bomb, dropped in very large numbers.

We used to hear the attacks by the Army's heavy bombers described as pinpoint bombing, meaning that only a chosen military objective was hit. That, Mr. President, did not work out. The objectives became indiscriminate. When an enemy country is attacked in a manner which seeks to destroy large areas, only comparatively small proportions of which constitute true military targets, the aircraft employed certainly do become weapons of mass destruction. In short, Mr. President, we get exactly the same result, whether we use a very few planes with atomic missiles, or whether we use a large number of planes with ordinary high explosives and incendiary bombs.

We all hope that the world will eventually outlaw war as a whole. We think that the practical method to achieve that goal is through a step-by-step process. Our President has led toward a first step—the abolition of weapons for mass destruction. Is it now timely to single out our one organization that has specialized in that variety of war and elevate its status?

Apart from the idea of setting up the Army Air Corps as a separate department, does its probable future justify even a so-called autonomy within a Department of Common Defense? That is, a status which would make the Air Corps coequal with the Navy, which has its own air component—an arm which has proven itself to be fully as important to the national security. In my opinion, the Nation would be safer if, instead of such autonomy for a separate air arm, the War Department should promote an integration similar to the Navy's, namely, a close coupling between its ground and air forces.

Mr. President, one further point along this line before coming to the direct subject of a bill providing for a Department of Civil Aviation. It is entirely necessary to set forth some of these points of relationship, as regards a separate military air arm, because military and civil aviation have until recently been claimed to be quite closely tied together. During the 1920's they were so tied.

Let it be assumed that we will attain the much-desired goal of eliminating from the world's armaments the atomic bomb as a weapon to be dropped from aircraft. However, let us also assume, for a moment, that the interpretation of

those words, "other weapons of mass destruction" will not preclude area destruction with ordinary bombs, and that the aircraft for that kind of attack will not have to disappear from our arsenal. Mr. President, there have been recent technical developments in air warfare which are such that the wartime efficiency of that kind of attack by great formations of large planes is no longer promising anyhow.

The later stages of the last war brought new improvements in the defensive types of aircraft which will make even high-altitude bombing attacks—on the scale which we had achieved over Germany and Japan—exceedingly costly in the future. In fact, those new defensive aircraft can cause such extreme losses in masses of large planes that it will no longer be a practical form of attack. In support of my contention I have the statement of General Arnold.

It is quite true that after control of the air is won to the point that one side no longer possesses sufficient defensive aircraft, that antidote to the mass attack will disappear, as it did in World War II. That control of the air has to be fought for, and it will be very difficult to win. One of the real changes has been the great technical advance which defensive aircraft has attained. That development has increased the vulnerability of very large planes able to carry heavy loads of bombs.

Yet that is not the only defensive measure with which mass attacks from the air will have to contend. Ordinary antiaircraft gunnery has progressed to a point which has made it very costly to use large air formations against any objective so defended, except from very high altitudes. Moreover, the development of rockets as specialized guided missiles for defense against air attack is an added factor which must enter into calculations for the future. The guided rocket missile does, in fact, seem to be the ground antiaircraft weapon for the future. The rocket has no difficulty in reaching high altitudes, and it is already so developed that it can wreck large formation of heavy bombers. In short, it now appears that strategic bombing, as we have known it, is a thing of the past. That statement is supported by high authorities with the air services.

Incidentally, Mr. President, these newest weapons, as a whole, should not be looked upon simply as akin to airplanes. They are much better described as flying ordnance. The airman's participation in either their development or their use is likely to be only one of several types of skill which will be used. That does not mean that no guided missiles will be carried or handled by aircraft, but the self-propelled missile will be much more akin to gunnery from the surface than a matter of aircraft per se.

The developments which I have briefly mentioned, largely cancel out the kind of air warfare with which the Army Air Corps has principally specialized.

If that view of the future is correct—and the best authorities do concur in its soundness—the question is, Why should we at this time seriously think of establishing a third department of the armed forces, to be composed of the Army's air components? It is said that such a step must be taken in case the proposed merger of the Army and Navy, as provided in S. 2044, a bill which the Senator from Utah [Mr. THOMAS], the Senator from Alabama [Mr. HILL], and the Senator from Vermont [Mr. AUSTIN] worked on very hard, does not become the law, that is, that the alternative to merging the War and Navy Departments at the uppermost level is a military air department, coequal with the two departments which we now have. There is a much better use for a new Cabinet officer than merely to head a department which is devoted to military aviation.

Setting up an Air Department in government is not a new idea. It was done by several nations after the First World War, with varying degrees of success. In looking over the history of those departments, we have more to learn by noting the mistakes and failures than the instances of success.

The history of Great Britain's case best deserves our study. The British Air Ministry was established in 1919, and all air business in the United Kingdom—military and civil—was placed under the Secretary of State for Air, which was the official title of the cabinet officer in charge. The Royal Air Force immediately proceeded to take charge of him and of the Ministry. At the time, practically all flyers were in uniform, and their leaders were politically powerful and adept—far more so than were the other armed services.

The British Navy was soon frozen out of the air picture, with the result which I have mentioned. In the theory behind the establishment of the Air Ministry, the needs of civil aviation were to be looked after, and it was expected that the unification of civil and military aviation would afford advantage to both—through research, economy, and common effort. The goal was to serve the best interest of the United Kingdom as a whole.

It did not turn out that way. The military became completely dominant, and the growth of air transport, for war as well as for peaceful purposes, was completely stultified. British civil aviation remained backward throughout the peace years. When the war came, the handicap of low efficiency and poor capacity in air transport was much like that which the RAF had imposed upon the British Navy. That, Mr. President, is, in substance, the course of events in Britain under an organization which we in this country have been so strongly urged to imitate. It is most fortunate that we have not done so.

Over a year ago, the United Kingdom began a strenuous effort to rescue its civil aviation from that situation, which was at last recognized as extremely alarming. The British Parliament, in April 1945, passed a Civil Aviation Act which divorced everything connected with civil aviation from the Secretary of State for Air, who now has only the RAF under him. All civil aviation is now under a new Minister of Civil Aviation. Since that date, under Mr. Attlee's government, civil aviation has been nationalized into an almost absolute government monopoly, of which we may all be well apprised. To that end, I ask consent to have printed in the Appendix of the CONGRESSIONAL RECORD two British documents.

One of them is a report to Parliament, dated March 1945, which was a month before the Civil Aviation Act was passed. The report sets forth the principles and policies which the British Government intended to follow in establishing its commercial aviation. The other document, likewise a report to Parliament is dated last December—9 months later. It reaffirms the other report, and definitely shows what is being done in establishing the Government's ownership and monopoly. Here again, we should not imitate; but it will be well to know what is happening in civil aviation in other parts of the world, and the British reports are very illuminating.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut? The Chair hears none, and it is so ordered.

(See exhibits A and B.)

Mr. HART. Mr. President, we of the United States have done very well indeed in building up an air transport over this continent. The governmental agencies we have employed have sufficed quite well thus far in handling our domestic air problems; but they have now become overlarge for a board or bureau within the Department of Commerce.

In air transport over the oceans, we also did very well during the peace years. That was due to the accomplishments of one company, led by a man of vision and astuteness, Mr. Juan Trippe. That was during the pioneering period, when the dimensions were very small in comparison with the present picture and future prospects. Here again—even more than in our domestic field—the scope is great and the complexities of the situation are extreme. Growth has now gone beyond a subordinate organization in the Commerce Department—or in any other Department we now have.

There is another factor in the development of our civil aviation. That is the great size of aircraft for future long-distance transport. Our familiar DC-3, in which we have ridden so much, which we thought large 10 years ago, is a pigmy in comparison with designs that are now current, and really with some planes now in the air. The requirements in terminal facilities for these large planes bring in still more complex problems to add to the complexities incident to long flight and volume of what is carried.

As I have mentioned, the war planes of the future are not likely to be large—or, if so, they will not be used in considerable numbers. Military planes will become more and more specialized, more and more different from transport planes. The technical and operational relationships which quite properly existed in the 1920's and thirties between military and civil aircraft will largely disappear. There needs to be collaboration between the two categories of men and machines, and the military may well

have some voice in the development of civil aviation. But it should certainly not be a voice which votes aye or no. To my mind, the future relationship should be just about that which has always existed between the Navy and the merchant marine. The necessities in the case amount to a close parallel.

Mr. President, this is a subject which I have studied more thoroughly than anything else. I am wholly unable to see any justification for setting up a department of or for the Army Air Corps. I am likewise unable to vote for or accept Senate bill 2044, or for the bill introduced by the senior Senator from New Hampshire, because in providing for a status of the Army Air Corps coequal with that of the ground Army and Navy, a separation of ground and air forces is involved which I greatly fear may eventually come to weaken our common defense.

I do see decided necessity for a new department devoted to the rapidly growing needs of civil aviation, and I introduce a bill for that purpose, with the request that it be appropriately referred.

Mr. President, I suggest that the bill might well be referred to the Committee on Commerce. I further request that the bill be printed in the RECORD following my remarks.

There being no objection, the bill (S. 2171) to establish a Department of Civil Aviation, and for other purposes, was received, ordered to be read twice by its title, referred to the Committee on Commerce, and ordered to be published in the RECORD, as follows:

Be it enacted, etc., That (a) there shall be at the seat of government an executive department to be known as the Department of Civil Aviation (hereinafter referred to as the "Department"), which shall be administered by a Secretary of Civilian Aviation (hereinafter referred to as the "Secretary"), who shall be appointed from civilian life by the President by and with the advice and consent of the Senate and receive the same compensation as other heads of executive departments.

(b) Section 158 of the Revised Statutes is amended to include the Department of Civil Aviation, and the provisions of so much of title IV of the Revised Statutes, as now or hereafter amended, as is not inconsistent with this act, shall be applicable to the Department.

(c) The Secretary of Civil Aviation shall cause a seal of office to be made for the Department, of such device as the President shall approve, and judicial notice shall be taken therof.

SEC. 2. (a) There shall be in the Department of Civil Aviation an Under Secretary of Civil Aviation, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $12,000 a year. The Under Secretary shall perform such duties as may be required by law or prescribed by the Secretary of Civil Aviation. The Under Secretary shall (1) in the case of the death, resignation, or removal from office of the Secretary, perform the duties of the Secretary until a successor is appointed, and (2) in case of the absence of the Secretary, perform the duties of the Secretary until such absence shall terminate.

(b) There shall be in the Department of Civil Aviation two Assistant Secretaries of Civil Aviation, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. The Assistant Secretaries shall perform such duties as may be required by law or prescribed by the Secretary of Civil Aviation, and shall receive compensation at the rate of $10,000 a year.

(c) The Secretary shall appoint a general counsel and such other officers and employees as may be necessary to carry out the provisions of this act and as may be provided for by Congress from time to time. There shall also be in the Department such other officers and employees as may be transferred to the Department under the provisions of this act.

SEC. 3. It shall be the function of the Department of Civil Aviation to—

(1) foster the development of civil aeronautics and the air commerce of the United States, both at home and abroad;

(2) provide for the orderly development of civil airways and landing areas;

(3) provide for the installation and maintenance of air navigation facilities;

(4) establish and maintain safety standards for civil aircraft;

(5) provide for the registration of civil aircraft;

(6) provide for the issuance and suspension of air carrier operating, air navigation facility, and air agency certificates and ratings, and other aeronautical documents;

(7) provide for the development of civil aviation training;

(8) collect and disseminate information relative to civil aeronautics; and

(9) cooperate with the Department of State in the making of agreements with other nations relating to the air commerce of the United States.

SEC. 4. (a) The Civil Aeronautics Authority, the Civil Aeronautics Board, the Civil Aeronautics Administration, and the office of Administrator of Civil Aeronautics are hereby abolished.

(b) All functions, powers, and duties vested in the Civil Aeronautics Authority by the Civil Aeronautics Act of 1938 (52 Stat. 977) and the Civilian Pilot Training Act, as amended (56 Stat. 704); in the Administrator of Civil Aeronautics by section 7 of Reorganization Plan No. III, effective June 30, 1940 (54 Stat. 1233); and in the Civil Aeronautics Board by section 7 of Reorganization Plan No. IV, effective June 30, 1940 (54 Stat. 1235), are hereby transferred to the Department.

(c) The second sentence of section 7 of the Civilian Pilot Training Act, as amended (58 Stat. 648), is amended to read as follows: "No alien shall receive training under the provisions of this act."

SEC. 5. All personnel and property (including office equipment and records) of the agencies whose functions are transferred under the provisions of section 4 of this act are hereby transferred to the Department.

SEC. 6. So much of the unexpended balances of the appropriations, allocations, or other funds available or to be made available for the use of the agencies transferred pursuant to the provisions of this act, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the Department. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer.

SEC. 7. (a) All orders, rules, regulations, permits, or other privileges made, issued, or granted by any officer or agency in connection with the functions transferred under the provisions of this act, and in effect at the time of transfer, shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed.

(b) No suit, action, or other proceeding lawfully commenced by or against any agency or any officer of the United States acting in his official capacity shall abate by reason of any transfer made pursuant to this act, but the court, on motion or supplemental petition filed at any time within 12 months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the appropriate agency or officer of the United States.

SEC. 8. The Secretary is authorized to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, for lawbooks, books of reference, and periodicals, and for printing and binding) as may be necessary to carry out the provisions of this act, and as may be provided for by the Congress from time to time.

SEC. 9. The Secretary shall make at the close of each fiscal year a report in writing to Congress giving an account of all monies received and disbursed by him and the Department, and making such recommendations as he shall deem necessary for the effective performance of the duties and purposes of the Department.

SEC. 10. There are authorized to be appropriated such sums as may be necessary to enable the Department to carry out the provisions of this act and to perform any other duties which may be imposed upon it by law.

SEC. 12. This act may be cited as the "Civil Aviation Department Act of 1946."

EXHIBIT A

2. In a paper presented by the Minister for Civil Aviation to Parliament by command of His Majesty in March 1945, there were set forth the following in regards to British air transport. These are general principles applicable to British air transport and present the Government's general policy for the development of British civil air transport and the operation of air routes for the carriage of passengers, freight, and mails.

(a) In determining policy the field of civil aviation must be viewed as a whole and a plan, to be effective and practical, must cover all routes in which the United Kingdom is interested—commowealth, foreign, and internal.

(b) The United Kingdom policy on air transport in the international sphere was based on the fundamental principle of order in the air, i. e., the full and fair development of air services to meet all requirements coupled with the elimination of wasteful and subsidized competition. National policy, while it must stimulate and encourage development and initiative, should do so with an ordered plan.

(c) Civil aviation is essentially a transport business and the problems are in many ways analogous to those of transport by land and sea. To make national air services effective the best aviation knowledge and skill, as well as the ripe experience and world-wide organization built up over many years by the British enterprise and initiative in other forms of transport, must be utilized. This does not mean that the Government regards any industry or undertaking as having a vested right to share in civil air transport. The test which has been used in evolving the plan set forth is: Where can the best contribution to British air transport be obtained and how can it most effectively be used to build up an organization which will fulfill the public, commercial, and social needs?

(d) It is recognized by the Government, and those concerned in existing methods of transport by land and sea, that the competition of air services must be met in the air. National and commonwealth interests, and interests of the older forms of transport, cannot be served by attempting to retard or restrict new methods of carriage. They can best be promoted by creating and fostering the most effective air transport system that can be developed at home and overseas.

(e) Air transport is a service in which the community as a whole has an interest. The criterion as to whether a particular route should be flown is not merely, is it profitable? There are services essential to the public interest which offer little or no prospect of a direct financial return. Unlimited competition by private operators would mean that competing services would be concentrated on profitable routes while the taxpayers, gaining no benefit from the lucrative routes, would be compelled to support by subsidies services which are desirable for public or social reasons and which would initially and possibly permanently never show a profit. On the other hand if an air transport undertaking is assured the exclusive rights of operation on a sufficient proportion of profitable services and is permitted to develop these to the full, it can and should operate unprofitable routes as a part of its general transport system. It is then a necessary part of the Government's plan that organizations which will be granted the right to operate air services both within the United Kingdom and other countries, and between the United Kingdom and other countries, shall possess such right on their allotted routes to the exclusion of other United Kingdom air transport operators.

(f) While, in the interests of order and economy, competition between United Kingdom operators on individual routes must be eliminated, there remains a field which will best be served by competing operators. Subject to safety and navigational requirements, it is not intended to restrict the operation of charter aircraft.

(g) Requisites of an air-transport organization:

(1) Units must be large enough to operate economically, but not so large or widespread as to preclude effective supervision.

(2) Each unit must have an efficient organization covering every area served by its air lines to handle passengers, freight, and mail, together with first-class knowledge and experience of transportation and facilities for full cooperation with other forms of transport wherever this can promote air travel.

(3) Provisions for economical use and maintenance of aircraft.

(4) Effective arrangements for training of air crews and ground staff and for their welfare.

(5) Close cooperation between users and manufacturers in deciding the types of aircraft to be used.

(6) The organization should be capable of providing training for the crews of commonwealth or foreign countries and should be able to supply these countries with technical and operational help where required.

(h) Size of units: The Government is convinced that the policy of a single chosen organization is unsuited to deal with the great expansion of the future. There must, therefore, be several air-transport undertakings. A single organization, even if it could effectively include and use all of the varied experience of aviation and transportation necessary, would be too large to fulfill the requirement of effective supervision. While it is desirable to eliminate wasteful competition between British operators on the same route, it is also desirable to avoid a set pattern of management and operation and to encourage different managements to try out their own ideas. This would not prevent pooling of experience, and the Government's plan is designed to secure this.

(i) Air transport can be greatly assisted and stimulated by cooperation with other transport systems. To the solution of the problems British enterprises engaged in other branches of the transport and travel business can, together with the BOAC, bring a valuable contribution. Their extensive organization and connections both in the United Kingdom and overseas can with great economy of management be used to serve air transport equally with land and sea transport. Through their cooperation the fullest use can be made of through bookings, interavailability of tickets between air and other forms of transport and the most convenient rail and sea connections. It is, therefore, necessary that those interests concerned in transport by sea and by land be brought into partnership with the air-transport organization.

(j) The Government has a special interest in air-mail service. The Postmaster General is considering, with the Minister of Civil Aviation and the organization which will operate the future British air services, the best use that can be made of those services for the carriage of air mail.

(k) After consideration as to the number of air-transport units which will be most effective at present, as well as the routes which they should cover, the Government has decided that the most efficient organization will be obtained by means of three main air-transport corporations which will be responsible for air services on the following routes:

(1) Commonwealth routes together with trans-Atlantic service to the United States and the services to China and the Far East.

(2) European air routes and the internal services of the United Kingdom.

(3) The South American route.

(l) It is obvious that the same corporation which will operate the air route to Canada should operate the Atlantic service to the United States. When services to China and the Far East are inaugurated these will link naturally with services to India and Australia. It is desirable that these should be associated with the same corporation.

(m) The Government considers that arguments for uniting internal services of the United Kingdom to Europe in a single Corporation are overwhelming. While the majority of continental services will focus on London, connections will be required from other centers of population and industry in the United Kingdom; and as air transport develops there will be direct service from these centers to the Continent. The same type of aircraft will be suitable for internal and continental services, therefore, economical use of such aircraft will be increased if they can be drawn from a pool of aircraft available for European and internal services based upon fluctuating seasonal or other traffic demands on individual routes.

(n) The trunk routes from the United Kingdom to South America presents a new field for British civil aviation. It is one which the long and close associations with the States of South America make it essential that British civil aviation enter.

(o) Corporation structure:

(1) Commonwealth and Atlantic routes, together with ultimate extensions to China and the Far East will be assigned to the British Overseas Airways Corporation. They, with their predecessor (Imperial Airways), developed and operated these routes in the past. They have close relations with operators of other Commonwealth countries and are considered to be the appropriate instrument for the operations and further development of these routes. On many of the routes, valuable contribution can be made by British shipping lines. It is proposed that these shipping lines shall be afforded the opportunity of becoming associated with BOAC, where they can make a useful contribution. This association is welcomed both by BOAC and the shipping lines. It will probably be convenient for BOAC to operate certain of these routes through subsidiary companies, etc. And since the shipping lines are confined to particular routes, such a structure will be desirable for those services in which British shipping lines participate. In any subsidiary companies the predominant interest will be held by BOAC, but the shipping lines will take a share in the capital and be represented on the boards.

(2) The European and Internal United Kingdom routes will be assigned to a new company composed of the railway companies, the short sea shipping lines, travel agencies, BOAC, and such other prewar operators as desire to participate. All the proposed participants agree on the importance of BOAC having its share in the corporation.

Although the majority of European and internal air services were previously operated by BOAC, the railway companies or the short sea shipping lines, there were a number of independent British operators who ran air lines before the war. All but one was forced to cease operations during the war, but the Government considered they should have an opportunity of taking up shares in the new company. Where these independent operators have particular experience in local routes upon which it may be in the public interest to draw, the possibility of forming companies subsidiary to the main corporation will not be excluded. In such a case the prewar operator may participate in the capital of the subsidiary company instead or, or in addition to, taking up shares in the new corporation.

It is an essential part of the Government's plans that the new corporation shall be responsible for all routes. Its right on these routes within the United Kingdom will be exclusive. European services will be run parallel to or, as is hoped, in conjunction with services of other European countries to the United Kingdom. Exclusive rights are necessary for economical operation and the running of maximum number of services. The plan will provide for the corporation to run some services in the United Kingdom and in Europe which will operate at a loss but are necessary in the public interest.

The European and internal air routes are likely to be more lucrative than some of the commonwealth routes assigned to BOAC. The Government, therefore, considers that the financial interest of BOAC in the new corporation which will operate the European and internal routes should be assigned in light of this consideration, as well as the technical contribution which it can make to the new corporation. While it is not proposed that BOAC should have a majority holding in the new corporation, it is intended that its interest should be substantial.

(3) The South American route will be assigned to a new company composed in the majority of those British shipping lines operating to South America who have associated together for this purpose as British-Latin American Airlines, Ltd. It is proposed that BOAC should participate in the capital and management of the new corporation, but its share in the capital will be smaller than in the corporation responsible for European and internal services. The British shipping lines operating between Europe and South America have expressed their willingness to operate the route without subsidy.

(p) The organizations invited by the Government to participate in the new plan are prepared to invest their money without any Government guarantee; but they have not been invited merely as investors. They will take a permanent stake in the enterprise and the Government has accordingly laid it down that there shall be no transfer of shares in the capital of the new corporations which are allotted to the participants. This will apply to the new corporations and the subsidiary companies which may be formed.

(q) The Government does not regard anyone as having a vested interest in the air. Although new corporations will be entitled to acquire at a fair valuation from existing operators any physical assets which are needed for the new services, the Government does not feel justified in approving an allowance or issue of shares to participants in

respect to good will or development expenses previously incurred. The capital of the new corporations will be represented by physical assets or cash subscribed.

(r) The three air transport corporations will cooperate and coordinate in:

(1) Overhaul of aircraft. (A combined organization for overhaul of aircraft will be maintained.)

(2) Training of air crews and ground staff. (A combined training establishment for training and refresher courses will be maintained.)

(3) Recruiting of staff. (Every opportunity will be given to officers and men of the RAF to serve in the corporations. Close relations will be maintained with the air council through the minister of civil aviation, for this purpose.)

(4) Welfare of staff. (Special provisions shall be made for pilots and members of air crews in event of death or disability while engaged in flying duties, and for granting of allowances for employees for whom suitably paid ground employment cannot be provided when they are past flying age.)

(s) Relation of Minister of Civil Aviation to the air transport corporations:

(1) Appointment of members of BOAC will be vested in the minister.

(2) Appointment of representatives of BOAC on the boards of the other two main corporations will be approved by the minister.

(3) Appointment of directors on the boards of the two main corporations other than BOAC will be subject to approval by the minister.

(4) Representatives of the shipping lines on the boards of the subsidiary companies of BOAC will be approved by the minister.

(5) Approval of the minister will be required to the memorandum and articles of association of all the companies, both main and subsidiary.

(t) After establishment of the corporations and subsidiaries and the members of the boards have been approved, the corporations and companies shall be responsible for their operation. The Minister, however, will have broad general control over aviation policy. All companies must conform to policies laid down by international convention or by agreements entered into by the Government. The corporations and their subsidiaries shall operate all the routes assigned in the schedule of routes and will not have the power to cease operation without the approval of the Minister.

(u) General policy is that both internal and external services should operate as far as possible without subsidy:

(1) The corporations operating the internal routes, including those desired by the public interest but not remunerative, are willing to run without subsidy.

(2) The Government's policy in the international field is to reduce wasteful competitive practices and to control subsidies with the object of ultimately eliminating them. A plan was expounded at the Chicago convention for avoiding uneconomic competition by maintaining a broad equilibrium between transport capacity and traffic offering, with a fair division of services between the national air lines engaged in international services, and an agreement as to freight and passenger charges. This was not accepted, but the broad principles remain the policy of the Government. In reciprocal arrangements with foreign companies, the Government will stipulate for reasonable application of these principles. Thus it is hoped that wasteful competition and subsidies may be largely eliminated from international routes in which Great Britain is interested. It is the intention that the European and Latin-American routes be operated without subsidy provided that the essential services are not faced with highly subsidized competition.

(3) In the past Commonwealth services have required a subsidy. The Government considers these services essential and is prepared to render financial assistance to enable BOAC to operate them.

(v) The agreed schedules of routes to be initially assigned the three corporations shall include all those which the Government consitiers that United Kingdom air lines should operate as soon as conditions permit. In the future, as needs develop, new routes will be left open to whatever operator, whether one of the main corporations or an entirely new operator, can establish that he is best fitted to run them. The Government, however, may wish to have operated a new route not included in the schedule and which is not the subject of any application to operate either by the corporation or a new operator. In such case the Government would have the power to require the appropriate corporation to undertake the services, but the Government must be prepared to give such temporary financial assistance as is necessary and reasonable.

(w) In order to safeguard interests of users of air transport, it is intended to confer upon a tribunal jurisdiction to consider complaints as to lack of reasonable facilities, the granting of undue preference, and the reasonableness of rates and charges. The tribunal shall have power to enforce its decisions, except in the case of overseas services regulated by intergovernment agreement, in which case the decision of the tribunal must be subject to confirmation by the Minister.

(x) The Commonwealth routes will be operated in full cooperation with other countries of the British Commonwealth. The Commonwealth Governments have expressed a desire that reciprocal services from their countries be operated in parallel with United Kingdom services to their countries. Provisions therefore are being made as regards terminal facilities along the routes as well as an equitable division of revenue and expenditure where it is agreed that a pooling arrangement is advantageous. Arrangements for parallel operation will not exclude, but rather facilitate, conversion of parallel into joint operation whenever and wherever it is agreed that this has become desirable.

The Government will welcome the closest cooperation between foreign air line operators running services to the United Kingdom and the air transport corporations set up by the Government plan. Here too parallel operation may ultimately become joint operation through subsidiary companies in which the foreign operator would participate.

It is hoped that the combined training establishment, and possibly the joint overhaul organization may be useful to other Commonwealth operators and to foreign operators who desire to avail themselves of these facilities.

(y) It is the Government's intention that the corporations shall use British aircraft as soon as they can be made available. In wartime it is essential that the Government place orders for civil aircraft because it must control and allocate the priority of demands upon the resources of industry. There must be close collaboration between the department placing the orders, the user and producer, so as to insure the proper types of aircraft, as well as the latest technical and design experience. Air line operators as well as the air forces must have their eyes on the future except where past experience points the way to future progress. Arrangements have been made to bring the air transport corporations into close collaboration with manufacturers and the Government departments concerned. As circumstances permit corporations will be free to buy aircraft direct from the manufacturers.

In the meantime the Government will lease the aircraft which they have ordered to the air transport corporations where such a course is convenient. The Government will also be prepared to lease aircraft to other Commonwealth and to foreign operators.

(z) In formulating policy the Government has endeavored to apply to the development and expansion of its air services the principles of ordered progress advocated in the international sphere. It plans to bring into operation as rapidly as possible a complete network of Commonwealth services in full cooperation with other Commonwealth governments. It is bringing into partnership on sound business lines those elements which can contribute to full and rapid development of British air transport. In this way the Government believes that it can best meet the needs of the peoples of the world for safe, efficient, regular, and economical air transport, and enable British civil aviation, subordinated to the war effort, to take its rightful place on world airways.

EXHIBIT B

3. In a paper presented by the Minister of Civil Aviation to Parliament by command of His Majesty in December 1945, the general principles of British air transport contained in the paper of March 1945 were confirmed. A brief of this paper, which is entitled "British Air Services," follows:

(a) Principles and objectives:

(1) The Government wishes to secure the universal acceptance of conditions which will insure the orderly expansion of air transport. The nations, however, are not yet prepared to place their air services under control of an international body and there is insufficient support to make possible the formation of such bodies on a regional basis.

(2) Attempts at the Chicago conference to achieve such a plan were unsuccessful. Therefore the Government now presents to Parliament a national plan framed so that it can be readily fitted into an international organization in the future.

(3) It is the Government's policy to attempt to negotiate agreements with other countries with the objective of securing well-ordered development on a full international basis thus facilitating the later establishment of a multilateral convention based on order in the air.

(4) Arrangements have been made for cooperation with the Dominions and Colonies. By agreement, services on Commonwealth air routes will be operated in parallel by independent national air lines under partnership arrangements which will provide for pooling of receipts, avoidance of duplication, common use of facilities, and equitable division of receipts and expenditures. If and when Dominion Governments desire, joint organizations for particular routes or a Commonwealth corporation to operate all Commonwealth trunk lines may be formed. The Government is prepared to negotiate for similar arrangements with foreign governments.

(b) Corporate structure of United Kingdom air transport services:

(1) Air transport services of the United Kingdom should be placed under national ownership and control. This offers the best guaranty of disinterested expansion with economy and efficiency. It makes it possible for the taxpayer to receive some benefit, as costs of operation are reduced, for assistance he is required to provide to develop uneconomic as well as profitable services.

(2) It is not proposed to entrust operation of all services to one corporation due to the following considerations:

(A) The need for flexibility in meeting international competition.

(B) The necessity for encouraging different methods of approach to operation and of avoiding placing sole management responsibility on one group.

(C) The creation of a pool of knowledge and experience to meet the needs of rapid expansion of air travel.

(3) Initially it is proposed to establish three separate corporate structures with the following spheres of influence:

(A) Routes between the United Kingdom and other Commonwealth countries, the United States and the Far East (the existing BOAC).

(B) Routes between the United Kingdom and the Continent and internal routes in the United Kingdom.

(C) Routes between the United Kingdom and South America.

(4) The corporations will not compete with each other on the same route or in the same area. The desirability of creating additional units will be considered as need arises. Each corporation will be managed by its own board and the capital will be provided entirely by the Government.

(5) The size of the boards will be determined by experience but they must not be unwieldy. They will include members who can contribute expert knowledge on the major aspects of air-line operation as well as members experienced with surface transportation and the needs of users. They will facilitate coordination of air-surface facilities, timetables, joint use of booking agencies and other facilities, and cooperation in side-by-side operation of the different forms of transport.

(6) Corporations will be required to maintain the highest degree of operational efficiency and safety; therefore they will have final responsibility for training of air crews and ground staffs. Unnecessary duplication of training must be avoided and combined arrangements for basic training are being examined.

(7) Day-to-day maintenance is the responsibility of the individual corporation, but a saving in facilities may be possible by the adoption of centralized arrangements. Arrangements for repairs and overhaul of air frames and engines will be made in accordance with a plan laid down by the Minister of Civil Aviation on consultation with the Minister of Supply and Aircraft Production.

(8) By arrangements made with the Air Council and Board of Admiralty, opportunities to officers and men of the RAF and Fleet Air Arm to enter civil aviation will be provided.

(9) The corporations will be required to insure satisfactory standards in the conditions of service and welfare of all employees. Staff cooperation in management of corporations will be encouraged.

(10) The policy set forth will require legislation, but interim arrangements will be made to start air services. The supply of aircraft is the governing factor.

(c) Relations between the Minister and the corporations:

(1) Major policy and the broad range of the activities of the corporations shall be vested in the Minister. He will make appointments to all boards. The corporations shall have maximum freedom in operation and management of the air services assigned them.

(2) The public will be enabled to make representation concerning fares, rates, and adequacy of services. As regards external services, it is hoped that these will be settled by international agreement, taking account of the recommendations of the International Air Transport Association.

(d) Subsidies:

(1) It is the Government's policy that air services shall be made self-supporting as soon as possible. It will seek to eliminate subsidy by international agreement. Some measure of aid, however, may be necessary to support essential but unremunerative services.

(2) The capital will be provided from public funds and profits will go to, and deficits be borne by, the Exchequer. Direct subsidy will take the form of deficiency grants. After experience has been gained it is proposed to base Exchequer assistance on the basis of estimated costs and revenues which would be subject to annual review. To provide incentive, provision will be made to enable a corporation to retain a proportion of any savings on estimated grants, to be expended on general purposes approved by the Minister with the agreement of the Treasury.

(e) Airfields:

(1) Airfields required for scheduled services shall be acquired and managed by the ministry. It is not proposed that the state should acquire nontransport airfields.

(2) The international standards with respect to airports, air-traffic control, communications systems, air-navigation aids, and related questions are under investigation by a committee on air navigation, which is part of the provisional international civil aviation organization. The Government is anxious to cooperate in the expansion of international agreement on these important matters.

(3) The Government has accepted the obligation to provide airports and auxiliary facilities required for international air services, as an adherent to the interim and international air service transit agreements. Under these agreements each country reserves the right to declare the particular airports which are to be opened to international air services without discrimination to nationality or rates charged.

(4) The policy will be to locate airports to serve the needs of the public. However, the small island of England cannot afford a multiplicity of airfields. Therefore arrangements are being made for joint military and civil use of airfields where a balance of convenience and economy will result.

(f) Compensation:

(1) Payment will be made for physical assets taken over from airlines operating on November 1, 1945, the date of announcement of Government policy. There will be no compensation for good will. No compensation will be allowed to operations which might be commenced hereafter and which would have to be discontinued as a result of legislation to give effect to Government policy. Adequate compensation will be given to municipalities and private owners for airfields.

(g) Aircraft:

(1) The Government's general policy is to require corporations to use British aircraft. In the immediate future civil air services will be built up on aircraft developed from basic military types. The Government is taking all possible steps to accelerate the production of civil aircraft, both for equipment of British air lines and for the export trade.

(2) It is proposed to set up a separate research department for civil aviation, but civil aviation is now receiving equal status with other claimants in aeronautical research fostered by the state.

(3) The characteristics necessary in civil aircraft can best be determined by experience in operation. Arrangements have been made for close and continued collaboration between user, designer, producer of aircraft, and responsible Government departments.

(h) Other flying activities:

(1) The primary function of the proposed corporations is to undertake regular air-line operation on fixed schedules. They may, however, take part in charter and taxi flying. This latter field is not restricted to the corporations and is open to private operators provided they maintain satisfactory safety regulations and conditions of employment.

(2) Private and club flying and gliding are restricted only as is necessary in the interests of safety. The Air Navigation (restriction in time of war) Order will be rescinded on December 31, 1945.

(i) The foregoing outline of policy is believed by the Government to offer the surest means of laying the foundations of civil aviation to insure its progressive, efficient, and economical expansion in the public interest. It is the Government's aim to bring this form of travel within reach of all, so that opportunities may be afforded to forge closer understanding and association among nations. The Government considers that public ownership and control offers the best prospects of securing a flourishing civil air transport industry.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. WALSH. Mr. President, I wish to state very briefly my position on the pending joint resolution. I am unable to persuade myself that I have any right or authority, in time of peace, to loan or give the money of American taxpayers to any foreign country, regardless of my desire to assist these other countries in the restoration of the losses they have suffered as the result of war.

The United States Government is not a banking institution. The taxpayers' money should be used for promoting the general welfare of our people at home. There are undoubtedly many in this country who desire to help finance other countries. I am willing to permit a needy country to float a loan in the United States so that sympathizers and supporters and friends could assist the nation in need of financial aid.

The proposal before us is to take $3,750,000,000 out of all the taxpayers' funds, and loan that money to a foreign country. I say "loan." In the British Parliament this proposal has been referred to as a "gift." Here in the Congress it is being called a "loan."

Some may argue that gifts or loans to foreign countries promote good relations. I have never subscribed to that philosophy. In my opinion, good relations depend upon the satisfactory solution of mutual economic and political problems, and are not dependent upon gifts or loans.

We all desire good relations with all the nations of the world. We want peace. To single out one nation, even if, by special ties, we are closely bound to it, is not the road to world peace. What are we going to say to France, to Russia, to China, and to other countries who make application for the same treatment on the same terms and with the same apparent concessions? It is claimed, but not officially stated, that our Government has been approached for loans from foreign countries in the neighborhood of $25,000,000,000.

There is only one answer. To accept the request of one and deny the other is choosing the road that leads to misunderstanding, discrimination, jealousy, and possible war.

To establish good will and peace in the world, the United States must, with a clear, strong gesture, appeal to all the peoples of the world in these times of

world-wide need. The purpose of good will is to build peace. If good will is to build any kind of world peace, it must do so in accordance with the fundamental interests, not of governments, of parties, or of regimes, but of all the peoples, doing justice to all, extending equality to all, without favor or special privilege to any. Good will must be extended to the suffering peoples of all Europe and of all Asia.

Our international effort should not be based upon taxing our own people in order to help individual groups or governments, but should be directed toward the one thing that all these people of the world unutterably crave: to be saved from the present spread of famine, to be free to pursue their lives and follow their consciences in happiness and peace.

This loan or gift is more than a loan or gift. It is part and parcel of a movement to not only help British rehabilitation, but also to share our domestic market—the market through which our domestic producers and workers must maintain American standards of living without fear of competition from cheap labor of other countries.

America has grown powerful and prosperous, and has established the best living and working conditions in the world, because she has prevented the workers and producers from being forced to compete, in the sale of their products, with low wage scales throughout the world.

I resist any proposal, such as the proposal before us and other proposals to be presented in the future, which are based on a policy of having our workers compete with low-pay workers. Such a policy is a reversal of all the economic policies which have made us the powerful Nation that we are.

Aid and assistance in the form of food, clothing, shelter, and, yes, even money, to help the destitute in the world, we must, and are willing, to give—not in the nature of a loan based on the profit motive but from spiritual and charitable motives. This is the road to international good will. Preferences, privileges, discrimination, financial assistance to improve economic conditions for one nation or two nations is the antithesis of promoting good will.

We are suffering under a crushing debt—a debt inconceivable until war forced us to assume it. Our people are taxed to the limit. Appeals from all sides are coming to us urging, now that the war is over, that the burdens of taxation be lifted. The present tax burdens bear particularly on the salaried and white-collar classes. These tax burdens, in many instances, are denying many of the frugal comforts of life to an overwhelming percentage of our population.

We are confronted with uncertainty and doubt as to what the economic conditions of this country may be after our industries meet the shortages resulting from the war.

In the face of these cold facts, we have pressing pleas from the men, and the families of the men, who fought in the recent war. They are pleading for aid to help them obtain the reasonable comforts of life, especially at this period when the cost of living has risen to mountainous proportions.

No one knows the amount of American dollars that may be necessary to hospitalize, to retrain for civil life, and to adjust compensation in the future for the defenders of the Nation. Tremendous sums of money for housing, for social security, education, public works, and the like are under consideration, and large appropriations for these activities are about to be made, including large increases to the Government employees to meet the rapid increases in costs of living.

In the face of these facts we are asked to make a loan—which, I repeat, is believed by many, both here and abroad, to be a gift—amounting to more than 10 percent of our expected annual national tax revenues, and a loan at a rate of interest much less than the interest charged to veterans on their home-building loans.

I cannot bring myself to believe that the approval of this financial agreement is a service to the country. The United Kingdom has not proven its need for this large sum of money in order to meet an excess of imported goods or commodities over exported goods or commodities. An examination of the financial agreement gives more detailed reasons for disapproval in addition to the broader views I have already expressed.

No provision of the financial agreement requires Great Britain to spend all or any part of the $3,750,000,000 for United States goods or services.

The proceeds of the loan may actually be used to injure American industry. Will the proceeds of the loan be used to buy American goods? To buy goods or tools or raw materials or services, Britain must pay with goods or tools or raw materials or services in return. If we loan dollars now, we must remember that the United Kingdom can obtain the dollars to repay only by selling goods in the United States.

What are these goods that England might sell in this country? All of the goods which she manufactures and which would be in competition with like goods produced in this country. Under the reciprocal trade agreements heretofore made the import duties on these goods have been materially lowered. This legislation was passed just before the war began and did not have an opportunity to operate. Furthermore, only a few months ago the Congress passed additional legislation permitting a further reduction of 50 percent in the tariffs through negotiated agreements.

We must bear in mind the cumulative effect of our past tariff legislation. The Reciprocal Trade Agreements Act of 1934 authorized a 50-percent reduction of the then existing tariff rates. In 1945, under the Reciprocal Trade Agreements Act, a further reduction of 50 percent was authorized. As a result, the Congress has actually authorized tariffs which are but 25 percent of the 1934 rate. If the rate were $1 in 1934 the tariff could be 25 cents today. Moreover, this 75-percent reduction is made in the face of rising manufacturing costs.

A striking example of how increases in United Kingdom exports to the United States may injure American industry is the woolen industry. The woolen-worsted industry in 1939 ranked seventh in the number of workers employed and fourteenth in the value of finished products. When the recent reciprocal trade agreements were before the Senate, we were informed that, prior to the war, wages in the United States in the wool-textile industry averaged three times those in Great Britain. Mills built in this country cost twice as much as those built in England. This is true of the cost of textile machinery—in fact, of all the cost elements that go into the final value of the United States product. With the tariff lowered under reciprocal agreements, and the possibility of further reduction in tariff duties, this industry might be seriously impaired.

Other examples of domestic products affected by increases in United Kingdom exports to the United States are cotton and rayon goods, linen goods, toys, leather, boots and shoes, fish and fish products, watches, jewelry, plastics, glassware, and earthenware. In the reciprocal trade agreements over 1,000 items produced in this country had the duties reduced, and the trade-agreement negotiators now have authority to reduce them further. All these items are in competition with like goods produced in America. Indeed, many of the proponents of this loan advocate openly, as well as privately, that we must be prepared to surrender part of our market to British goods to be exported here.

Furthermore, the loan agreement does not require the United Kingdom to assume the obligations of multilateral trade.

It does not follow from the terms of the agreement that the United States would have free access to the outlets provided by English dominions and colonies.

Discriminatory import quotas are not absolutely prohibited by the financial agreement.

No collateral is offered for any part of this loan. We have no guaranty that we may be able to get any part of our money back, if Britain is either unwilling or unable to meet the installments provided in the agreement.

I have come to the conclusion that, from a financial and economic standpoint, it would be a bad bargain for the Senate to give its approval to this resolution. I am convinced that, instead of promoting international good will, future frictions will result. I believe it will lead to misunderstandings and animosities among the nations that are directly and indirectly involved and in the end will do harm to the cause of world peace. After examining the agreement, I am convinced that the United States stands not only to lose through this undertaking, but at the same time the United States would incur substantial risks and responsibilities as the terms of the agreement are indefinite and improbable of realization.

The ambiguities with respect to certain sections have been discussed at length during the debate. I agree with those Senators who have argued that the agreement is full of loopholes so far as Britain's responsibilities are concerned and that in exchange for our positive commitments the United States will re-

ceive evasions and escapes by various provisions and exceptions.

In the end, in my opinion, there can be only one positive reaction—disappointment and bad feeling engendered in both nations.

Mr. McCLELLAN. Mr. President, since I have been in the Senate no measure or issue upon which I have been called upon to vote has given me as much concern or caused me as much difficulty in arriving at a decision as has the pending measure. When it was first announced that our Government had negotiated this loan agreement with Britain, and after the Government of Britain had accepted the loan, though apparently with great reluctance and with considerable criticism of the terms of the loan, and with many derogatory remarks toward our own Government and toward us as a people, I issued a statement in which I announced that I would reserve final decision as to my position until some questions which were involved in this transaction had been answered satisfactorily to me.

Mr. President, I have listened to a great deal of the debate on the floor of the Senate during the past 4 weeks that this measure has been under discussion. I had hoped that I could find reasons sufficient to satisfy me that I would be justified in voting favorably on this issue. I earnestly desired to do so.

I do not recall, since I have been a Member of the Senate, that I have ever opposed any part of the foreign policy of this administration. I have accorded to the President of the United States and to the State Department and to our diplomatic representatives every deference with respect to the conduct of the foreign affairs of this Nation, and I have wholeheartedly and enthusiastically supported every foreign policy, so far as I know, that our Government has pursued in the trying days of the war, and I have undertaken to do so since. If this loan is now a part of our foreign policy, then it is with sincere regret that I cannot continue to give wholehearted support to the program which our Government now proposes to follow.

It is argued that this is the key to our foreign policy of the future. That statement was made on the floor of the Senate this week, I believe, by our able and distinguished majority leader. Mr. President, if this is the key to the future foreign policy of this Nation, it is also the key to unlock the treasures of the United States and dip heavily into the future earnings and toil of millions of our people for years to come, and pour out almost indiscriminately to foreign countries and foreign governments huge sums out of the Treasury of the United States.

We are told that we can make this loan to Britain and deny the same consideration to other nations which will be pleading for assistance. It is said, "Other nations can obtain assistance through the Export-Import Bank, through the International Bank, or from some other source. It is our purpose to make this the only direct loan." I take no stock in that. I am not misled by it. I do not think anyone else is misled by that assertion. I know and you know that the other governments are expecting—and I think they have a right to expect—the same audience and the same consideration, when they come to us pleading for financial assistance, that we shall now give to Great Britain. Certainly Great Britain was a worthy ally, not only in the last war, but in World War I; and we give to her all praise and glory for her fortitude, her suffering, and her sacrifices in helping to save the cause of liberty. But there were other countries, too, who sacrificed and bled, who suffered the ravages of invasion and hardship, who bled and are bleeding today, and whose people are hungry and starving. Do Senators mean to tell me that they can vote to grant this loan and subsequently, when the representatives of the other countries come to us, pleading for assistance, deny them the same consideration which we accord Great Britain; and do those Senators mean to tell me that such a procedure will further the good-neighbor policy? Quite to the contrary, Mr. President, such a policy will alienate from us other friends, deserving friends.

Let us think this thing through, Mr. President. Let us be consistent. If the statements made by high representatives of the Government of France are true, they expect this Government to make France a direct loan of $2,500,000,000. They say it should be patterned after the British loan, and they also say that the accommodations which they hope to obtain through the International Monetary Fund will not be sufficient to meet their needs.

It is said that the proposed British loan is a unique transaction. It is unique. It will be more unique if it is made and if we then undertake to close the door to other worthy allies in the last war who have suffered possibly more than Great Britain has, or at least equally as much as she has.

Mr. President, this transaction will not result in bringing about greater unity and greater accord among the United Nations who were allied with us in the last war. Britain may have a unique problem, as is argued, because of the sterling bloc and because of measures to which she was compelled to resort during the war. I make no criticism of Great Britain for having adopted those measures. No doubt she found it necessary to do so for her own protection and to enable her to mobilize the necessary strength to combat the enemy. But, Mr. President, Great Britain can, if she will, arrange to break up that sterling pool. If it is going to take our dollars to break it up, if we must grant the proposed loan in order to break it up, on the theory that she has a unique claim, I ask you whether the arguments which will be made to you when others come begging for a loan will not be just as persausive and just as compelling to you—when they come to us begging, not to untangle some of their financial arrangements, but begging for a loan to rehabilitate their industry, to rehabilitate their agriculture, to make it possible for their people to get back to work and become self-sustaining. I ask you whether the arguments and claims which will be presented to us will not be just as appealing, and appealing with just as strong a force, when the starving Chinese, who have suffered invasion and almost every other manner of catastrophe that the human mind can imagine, come to us, begging for millions of dollars or possibly billions of dollars with which to bring their economic situation back to a point where they can at least provide something to enable their people to be self-sustaining. High authorities of France have said, in talking about the loan they expect to apply to us for, that the United States must become the chief sustainer of Europe. Accordingly, we cannot make this loan to Britain without incurring strong obligations in that direction.

Mr. President, I am not opposed to giving some assistance to Great Britain. I am not complaining because Britain probably has been unable to pay her First World War debt. I can forgive her that debt. But in view of the fact that it was made as a debt and a binding obligation in good faith, as I thought, as the time—and as our Government thought at the time—I do not like to forgive it now on the contention of Britain that it should have been a gift from the beginning. We shall have the some contention made about the loan now proposed, if it is made, when pay day comes. The stage has already been set for that; the foundation is laid, and it was laid in Parliament when this loan was being debated there. Make no mistake about that, Mr. President. When they take that attitude, when pay day comes and when we press for payment, will we have a friend? Will our insisting on payment strengthen the ties of friendship between the countries?

Mr. President, some have said, "We must make this loan. By refusing to do so, we may drive Great Britain into the arms of someone else." Mr. President, let us be plain. That argument is made in an effort to frighten us—I use that word so as best to illustrate the situation—to try to excite us into the belief that it is imperative that we finance this arrangement in order to keep Great Britain from going Communist. Let me remind my colleagues that in the recent war we poured out $25,000,000,000 in lend-lease. That did not keep Britain from going Socialist. What assurance do we have that by spending four or five billion dollars more we can keep her from going Communist? If that is the theory on which we are to base this loan and if that is the argument given as justification for the making of the loan, then I say to my colleagues that the $3,750,000,000 is only the first installment, and we shall have to make more loans after this one.

Mr. HAWKES. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Arkansas yield to the Senator from New Jersey?

Mr. McCLELLAN. I am glad to yield.

Mr. HAWKES. I simply wish to make a brief comment, because I know that both the Senator from Arkansas and I

have been studying this loan problem with a deep desire to go along if we could convince ourselves, in our minds and consciences, that it was the right thing to do. Am I correct in that?

Mr. McCLELLAN. I say to the Senator that he is correct. We have talked about it a number of times.

Mr. HAWKES. I have not made up my mind yet, but it is very nearly made up. However, I wanted to keep an open mind on this question straight through to the end.

What the Senator from Arkansas has just said is a very appealing argument to me, namely, that if we are to save the United Kingdom from going Communist by paying this installment of $3,750,000,000, we shall have to keep on paying other installments to keep her from going Communist. I ask the Senator if he does not believe that we could prevent almost any nation in the world from going Communistic if we gave to it enough billions of dollars?

Mr. McCLELLAN. I agree with the Senator. But whenever any nation whose people have known liberty and democracy no longer love it and cherish it sufficiently to sacrifice for it in times of peace, it will be only a question of time before they lose it and pursue some other course.

Mr. HAWKES. The reason I asked the Senator the question which I have propounded to him is that something very humorous was said to me one day when a soap-box orator in Madison Square, New York City, was talking about putting down capitalism. A friend said to me, "If you were to give that man $50,000 he would make a speech for capitalism." Later I saw in a newspaper the account of a speech of a man who was preaching communism and subsequently won the Irish Derby. He received $168,000 and it was ruled that he had to pay an income tax both abroad and here, and he turned around and condemned the Government for taxing the fellow with the money.

So I leave this thought with the Senator from Arkansas, because I know he is devoutly serious. We must decide whether the $3,750,000,000 loan will really put Great Britain on her feet and reverse her direction so that she can do away with communism and socialism which have invaded her nation, or whether the loan will be only the first of several steps in the same direction. If I could convince myself that the proposed loan would restore the moral fiber of the British people and help them to rebuild the character which has contributed so much to civilization during the past centuries, I would be in favor of granting the loan in a minute.

Mr. McCLELLAN. I thank the Senator. Mr. President, the Senator is correct with reference to the deliberations and study which I have given with respect to where my duty lies in connection with this issue. I have never been greatly impressed with the arguments which have been made concerning financial advantages that it is claimed will accrue to this country by making the loan.

Mr. HAWKES. Mr. President, will the Senator further yield to me?

Mr. McCLELLAN. I yield.

Mr. HAWKES. I have dismissed from my mind every one of those claimed benefits. If my business judgment means anything at all, all those arguments can be dismissed. I believe the present question is one of whether we want to make a loan in the interest of saving a great nation which has made great contributions to the world. So far as our receiving any benefits from this loan are concerned, or benefits from this gift—whichever it may be called—I do not place one ounce of importance in them.

Mr. McCLELLAN. I have tried most charitably to consider the claimed material benefits which it is said would result from this loan, but I believe that most any Member of this body will agree that if the loan were a private business transaction and he could place himself in the position of our Government, taking into consideration the conditions which prevail in this country and throughout the world at large, he would agree that the money could certainly be spent for other purposes which would bring far greater material benefits to the people of this Nation than can possibly be hoped for through the granting of this proposed loan. In the first place, it is perfectly obvious from the attitude of Great Britain herself, and from what we might reasonably expect, in view of the existing world conditions, that it is most doubtful that the loan will be repaid. For that reason, the loan will represent a great risk on our part.

However, I agree with what the Senator has said. If I could feel sure and be satisfied that the expenditure of the money would restore Great Britain to her former position as a strong power, and that by reason of continuing to be a strong power advantages would accrue to us from the standpoint of national security, I would gladly support the loan. I have tried to think of the loan in such terms. I have tried to consider it not from the standpoint of whether we would receive back $1 in repayment, or in trade advantages. I have tried to think of the loan in terms of whether it would promote our national security, and whether it would enable Britain to be strong enough in the future to protect herself against the spreading of ideologies and "isms" which are inimical to democracy and liberty.

Mr. HAWKES. Mr. President, will the Senator yield again?

Mr. McCLELLAN. I yield.

Mr. HAWKES. The Senator has stated the matter very clearly. I have spent a great deal of time on it. Can the Senator tell me one fixed obligation which Britain will have to meet under this loan?

Mr. McCLELLAN. As I read the agreement there is contained in it no real obligation whatever. Great Britain makes no specific promise to pay. She gives no guaranty—no security. She makes vague promises with many hedges and conditions, some of which are very difficult for me to interpret and understand. There is nothing back of the loan except a promise to pay. It may be said that a promise should be sufficient. Perhaps it is. But we once received a promise from her to pay in connection with a former loan which we made to her. That promise still remains binding. However, it is not mentioned in this agreement. By implication it has been canceled. Why did not our Government representatives have the courage to write into the language of the present agreement that the obligation already existing is hereby canceled because of Great Britain's inability to pay? I do not know that the obligation should continue. Perhaps it should not be a hangover. If Great Britain is squabbling already, and questioning already, as many of her people and high officials are doing, about her ability to meet the terms of this loan, how can we expect the old loan to be repaid?

Mr. HAWKES. Mr. President, if the Senator will yield further, I do not wish to return to the question of the default on the part of Great Britain in connection with the old loan. I am trying to confine myself to the present agreement, and the way in which it was drawn and brought to the Senate. As I recall, I said a few days ago that I would not think of trying to have an agreement of this kind developed and brought to the Senate without taking some representative of the Senate into my counsel, and receiving his approval of the way in which it should be made. Yesterday we tried to have something done which I believed to be in the interest of the British people themselves. I repeat that if I were a Britisher, or a person high up in the councils of Great Britain, there is nothing in the world which I would desire so much as the real genuine friendship of the American people, and not a friendship which had resulted from having received a loan of $3,750,000,000, to which at least half of the loaning nation is opposed. I would say, in effect, "There are certain things which we Britons should recognize simultaneously with the making of this loan, namely, the right of the United States to use certain bases so that she can develop her civil and commercial aviation on an equal basis with us." I believe that would have been good business. I was amazed that the Senate rejected so-called McFarland amendment the resolution yesterday. It was not by a large vote, when we realize that three votes the other way would have changed the record of the vote.

The Senator said there was a promise to pay. I differ a little. There is not a promise to pay. There is a promise to pay under certain conditions, which are defined, and which, according to my best business judgment, can never happen.

Mr. McCLELLAN. I agree with the Senator that the promise is not the kind a good businessman would exact when he is being careful about the lending of his money.

Mr. HAWKES. I wish to say, if the Senator will permit me a moment, that I am not trying to impugn the motives of the British people, who believe in the same system in which we believe. I have in my pocket a clipping I wish to read to the Senate a little later, a statement of Winston Churchill, in whom I have the greatest faith and for whom I have the highest respect. When I read the clipping a little later it will show that he is in doubt, very definite doubt, as to where his great people are headed at the present

time and what is going to happen to them. I do not feel that we should plunge into something when the ex-Prime Minister, the man who rendered the greatest service to his country any Englishman has ever rendered in the history of the world, is in doubt as to where his country is heading and where his people are going under the present socialistic government, as he calls it. I think we should stop, look, and listen, and think a little before we take a plunge.

Mr. McCLELLAN. I thank the Senator.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the Senator from Indiana.

Mr. WILLIS. I think all of us pretty much agree that there is no place in the agreement where we can find a firm commitment that we shall ever be reimbursed, or that the loan will ever be repaid. I believe it goes further than that. It always ties in with some of the former commitments which we have been led to believe Great Britain made with the firm intention of carrying out.

I refer to her contribution to the Bretton Woods agreements. In the debate that was had in the House of Commons when the British loan was under consideration, it was made perfectly clear that Britain's acceptance of the Bretton Woods agreement was dependent upon our putting up the money to cover her commitment to those agreements. I should like to read the statement of Mr. Dalton, the Chancelor of the Exchequer, who said in that debate:

> I will turn now to the Bretton Woods agreements, our acceptance of which is a condition of the loan agreement. And I submit to the House that the acceptance of the Bretton Woods agreements, subject to one proviso which I will make in a moment, is definitely to the advantage of this country.

He referred to the proviso as follows:

> But the proviso is that we have the financial strength to undertake the obligations of the Bretton Woods agreements and thus to acquire the benefits which Bretton Woods offers. In this sense, the loan agreement is, for us, a condition of Bretton Woods.

Therefore, under the understanding of Mr. Dalton, the Chancelor of the Exchequer, unless we can provide this money for Great Britain, unless we make this loan, the British are not going through with the Bretton Woods agreements. So, in fact we are in this loan taking over Great Britain's commitment to the Bretton Woods agreements. I do not believe the American people want us to do that.

Mr. McCLELLAN. There is no doubt about that. That was not presented to us when we consented to the Bretton Woods agreements. No Member of the Senate had such a thing in mind, so far as I know. If he did, he did not disclose it. The truth is that we all voted for the Bretton Woods agreement believing that it was to provide the mechanism necessary to meet postwar problems of this character, in order to avoid doing just what we did after the last war, and which we are now asked to do again, namely, make direct loans.

Mr. WILLIS. Will the Senator yield further?

Mr. McCLELLAN. I yield.

Mr. WILLIS. I share the opinion of the Senator from Arkansas. I voted for the Bretton Woods Agreements with the understanding that they would take care of all our obligations for international loans and commitments.

I should like to add, further, something which has come to my attention within the last few hours. It has been said that if we make this loan Great Britain will lower her trade barriers so that the United States will benefit greatly from free exchange of goods. I have been informed that a negotiation is now under way by which Great Britain is attempting to possess herself of the entire rubber output of the Malay States. That brings to mind the recollection of what happened after the last World War, when Great Britain secured a corner on the natural rubber supply of the world, and we paid outrageous prices for the natural rubber we used in this country. The information I now have indicates that she has the same idea in mind, in spite of her pledges and promises to ease up on these restrictions.

I expect to ask the Secretary of State for an explanation, or whether he has any information about this, and I shall be glad to report later.

Mr. McCLELLAN. I thank the Senator. Speaking further with reference to our national security, I thought possibly I could find justification for voting for the loan in consideration of the fact that by strengthening Britain we would actually be contributing to our own national security. I thought that if we were to take that into account in addition to the financial advantages which it is claimed the loan holds in store for us, if we are thinking in terms of national security, or the mutual security of the two countries, we should arrive at a decision and an understanding with respect to military bases we should have, and which we will need for our security in the future.

Mr. President, if these two countries, which have long been friends and allies, are to continue to be friends and allies in the future, if the relationship which has existed between them during the past two World Wars is to continue, either in the hope that a third world war can be prevented, or in order to give us the strength, working together, again to protect ourselves if a third world war comes, it is certainly to the advantage of Great Britain that we have those bases.

The truth is that Great Britain could not survive, if she should find herself in a contest with other forces which I could mention, without the assistance of the United States. She needs our help first. We need hers, too, but anything she could do to strengthen our position would give double strength and advantage to Britain, through enabling her to guard against dangers which could arise to her in the future.

For that reason Mr. President, I was anxious to see the McFarland amendment adopted, and I supported it. I am unwilling to vote for this loan and pour out this money now, and then negotiate later Great Britain for the things we need which she has.

I stated a moment ago, and I think it is a sound position, that, especially where there is an old debt, even larger than this one, hanging over, which we do not expect to collect, in entering into a transaction of this kind all our obligations and requirements pro and con should be settled. If Great Britain cannot pay the old debt, and if she now insists that we treat it as a gift, or insist that we forgive it, let us either forgive it or bring it into this transaction and wipe the slate clean, have Britain make concessions to us, or sell to us for money consideration whatever we require. In other words, negotiations should be entered into, and all these matters should be cleaned up now. It ought not to be done piecemeal. If we want bases, that arrangement should be worked out on a fair basis.

Mr. President, I think our Government has already been quite generous. By reason of the fact that we are the richest nation in the world, a great democracy which has grown to be the mightiest nation the world has even known, through the enterprise and ingenuity of free people who came to this country and developed it, it is only natural that some countries will look to us for assistance in this hour. But, Mr. President, there is a limit to what we can give. In spite of all of our great resources and our wealth and our productive capacity, there is a limit beyond which we cannot go without endangering our own institutions and our own system of government. There is a great threat of inflation in America today. We do have a measure of inflation already. Mr. President, we hope we can control it. I believe we can control it, at least control it in sufficient measure so it will not reach disastrous proportions. But, Mr. President, I should like to remind the Senate and the country that the United States Government today owes more money than all the other governments of the world put together.

Mr. President, we are rich. We are rich, not because we have a greater abundance of natural resources and raw materials left than any other country in the world. We do not have more natural resources than either the British Empire or Russia. We are rich and powerful because of the ingenuity of free men that has developed the greatest productive capacity and the highest standards of living that any country has ever known. Some day, however, we will be obliged to look for natural resources and raw materials. We do not have an unlimited supply. The money we are loaning to Great Britain represents natural resources and raw materials. It also represents the future sweat and toil of millions of our people. To make this loan we must borrow the money from our own people. Our own people have got to earn the money which we give to Great Britain in the form of this loan. Whether or not the money is ever repaid by Great Britain, the people of our own country must earn it, and repay it, if our Government is to survive. It will be charged to the people of our country. Down the line somewhere, through our own creative work and industry, we have got to produce in value what we are now asked to extend credit for to Great Britain.

Mr. President, I said we had been quite generous. I think we have been. I do

not complain about $1 of the lend-lease we provided to Great Britain or to any other country. We were in a war, a terrific war, a fatal war. It had to be fatal to some country. Thank God it was fatal to our enemies. It was a death struggle. I do not regret the spending of a dime of that money. The spending of the money for lend-lease saved many thousands of American lives and no doubt many thousands of British lives and the lives of other Allied soldiers. I do not regret the spending of a dollar of it. I do not care whether we get a dollar of it back. That is all right. I am perfectly willing to waive repayment of it. The lend-lease was used absolutely as we intended it to be used, I am sure, as our contribution, because we had to give it, and we did give it to an ally to help her and to help ourselves and to help each other with the war.

But were we not generous? We went to the limit. We provided everything we could without stint or reservations. I do not like to do such things, however, and receive no credit whatever for doing them. Those who received the lend-lease have said, "Well you did that because you were saving your own neck." We were saving their neck, too. We were saving their neck first. Of course we were saving our own also. I am glad we did it.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. JOHNSON of Colorado. I agree completely with the statement of the Senator from Arkansas that lend-lease was a very effective war measure. That is what it was meant to be. It served that purpose and served it very well. I agree with the Senator that it ought not to be paid back at this time. But we find now that all members of the sterling bloc, the sterling area, have owing to them debts similar to the lend-lease debt, and it seems to me that it is only reasonable that the sterling area should have been in on the conference in which we decided to forgive the remainder of the unpaid lend-lease.

Mr. McCLELLAN. We forgave all of it, I will say to the Senator.

Mr. JOHNSON of Colorado. We forgave all of it, but we should have required the countries of the sterling area to forgive the debt owing to them or at least part of theirs at the same time.

Mr. McCLELLAN. I think it would have been well had that been done. But still if they did not do it and we did not require them to do it, I would not allow that to influence me or to prejudice me against the merits of the proposed loan, if there are any merits in it.

Mr. JOHNSON of Colorado. Of course, the removal of the sterling bloc is an important part of this loan agreement or is supposed to be. The removal of the sterling bloc is one of the good things we are supposed to get out of the agreement. But it seems to me that if we had worked out a program which included the component parts of the sterling area, and had worked out a scaling down of their claims, along with our lend-lease claims, we would have done something constructive and valuable to the United Kingdom, because she still has their claims outstanding against her, and we should have helped her clean up those claims along with our own lend-lease.

Mr. McCLELLAN. That probably would have been of service to Great Britain and probably would have been the better way to have done it. I do not think the loan has been negotiated in the best manner it could have been and under the best terms that might have been arranged. In the incurring of an obligation of this kind, or in a transaction of this magnitude it would have been well for the State Department and the Treasury Department or the executive branch of the Government to have pursued the same policy it did with respect to the UNO, and to have called in for consultation and advice the chairmen and ranking members of the appropriate committees of Congress, and permitted them to give some advice in connection with this transaction which ultimately had to come here for legislation or for approval.

I have always thought that "advice", as used in the Constitution in connection with "consent" was intended to precede a transaction. I believe it would be a better policy for the State Department and the Treasury Department and for the President, when they proceed to negotiate a transaction of this kind, to call in for consultation and advice the chairmen and ranking members of the appropriate committees of the Congress who will have to pass on such matters.

Mr. President, in that connection recently there was negotiated with Great Britain at Bermuda what is known as the Bermuda air agreement. Mr. President, after attending hearings which were held by the Commerce Committee of the Senate, of which I am a member, and after having listened to the testimony given there and studying the agreements entered into as an executive agreement, as contended by the State Department, and not as a treaty, I want to say that the United States Government has lost its shirt in air transportation to the British Government. We are placed at every disadvantage under that arrangement. The State Department contends that it is an executive agreement and that the Congress has nothing to do with it. In my judgment it is a treaty and ought to be ratified and confirmed by the Senate. I make reference to that only in passing in order to point out that in these tremendous transactions which actually involve matters of great importance to the Government and to our future security and prosperity there is not today the cooperation and the liaison between the executive branch of the Government and the legislative branch of the Government that there should be in such transactions.

Mr. President, before I conclude I wish to remind the Senate that we have appropriated or authorized—and most of it has already been appropriated—a total of $12,125,000,000 for assistance to foreign governments. We appropriated our share under the Bretton Woods agreements. Our share in the Monetary Fund amounts to $2,750,000,000. Our obligation to the International Bank is $3,175,000,000. The authorization for the Export-Import Bank is $3,500,000,000. That makes a total of $9,425,000,000 that we have already authorized for rehabilitating the world. In addition we have authorized an appropriation of $2,700,000,000 for UNRRA. Of that, we have already appropriated $2,100,000,000. There is no doubt in my mind that UNRRA will have to be continued. We shall probably have to make another appropriation for that purpose. It is possible that we shall have to enlarge some of these other appropriations and obligations.

All told, we have already obligated out of our Treasury more than $12,000,000,000. When we add the amount of this proposed loan, approximately $4,000,000,000, we get a total of nearly $16,000,000,000. When France and other nations come to us seeking direct loans, and when we add up the total of all such loans before this program is over, we shall reach nearly the same sum which we expended in connection with lend-lease.

Unless we stop and make some appraisal and take into account our ability to do these things, the time will come when we shall not be the most powerful nation in the world. We shall not have the ability to meet our obligations and carry the burden of the entire world. America cannot do it. We may do it for a season, Mr. President, but we cannot do it indefinitely.

That is why, when I first issued a statement regarding this loan, I said that I thought the better part of wisdom would be not to act hastily on the British loan, but to endeavor to ascertain the number of applications which would be made to us by other countries for loans of this character, and the amounts which would be requested, and then take them all into consideration and weigh our own ability to provide the money before we began making these loans. We should determine how much we can afford to loan. By such precaution we might proceed with some measure of intelligence. It may be said other nations have not yet asked for anything. There are not now any other applications pending. Of course not. They are waiting until this British loan is granted. They will all be here in due time.

Mr. President, I regret deeply that I am unable to go along with the administration on this part of its foreign policy. I might be willing to do so later if and when other problems can be considered and settled, but I am unwilling to vote to give to Great Britain now under this arrangement another $3,750,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

Mr. KNOWLAND. Mr. President, because I intend to take only 15 or 20 minutes to explain the amendment, and then ask for the yeas and nays, at this time I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Radcliffe
Austin	Hayden	Reed
Ball	Hickenlooper	Revercomb
Bankhead	Hill	Robertson
Barkley	Hoey	Russell
Bridges	Huffman	Saltonstall
Briggs	Johnson, Colo.	Shipstead
Brooks	Johnston, S. C.	Smith
Buck	Knowland	Stanfill
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Thomas, Utah
Cordon	McFarland	Tobey
Donnell	McKellar	Tunnell
Downey	McMahon	Tydings
Eastland	Magnuson	Wagner
Ellender	Maybank	Walsh
Ferguson	Mead	Wheeler
Fulbright	Millikin	Wherry
George	Mitchell	White
Gerry	Moore	Wiley
Green	Morse	Willis
Guffey	Murdock	Wilson
Gurney	Myers	Young
Hart	O'Mahoney	
Hatch	Pepper	

The PRESIDING OFFICER (Mr. HILL in the chair). Eighty-two Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from California.

Mr. KNOWLAND. Mr. President, consideration of Senate Joint Resolution 138 has occupied a considerable amount of the time of the Senate. Its importance justifies close attention and careful consideration by every Member of this body.

There are honest differences of opinion as to what is best to be done by both ourselves and the British from both a short-term and a long-term outlook.

It is not my intention, Mr. President, to take more than 15 or 20 minutes of the time of the Senate in discussing the amendment which I have submitted. I have tried to expedite consideration of this matter, having supported the motion for cloture. Although I am in doubt as to whether our negotiators received sufficient quid pro quo, I have opposed amendments which would require us to reopen negotiations with the British—in other words, any amendments which would require us to renege on the matters upon which our negotiators have agreed.

I believe that the administration might well have taken Congress into its confidence. Members of both parties might well have sat in on the negotiations, as they did during the negotiations leading up to the formulation of the Charter of the United Nations, and as two of our Members are now engaging in the conference at Paris.

Britain has made a great contribution to the world, but we need have no apologies for our own contribution to world security in either manpower or resources.

To best carry out our international obligations, it seems to me it is essential that the United States keep its Federal Government solvent and maintain a sound national economy.

I hold in my hand, Mr. President, the Treasury statement of May the 3d. Those Members of the Senate who have examined it—and I am sure all Members of the Senate have done so—know that for the current fiscal year we are still running $20,000,000,000 in the red, and that we have a total Federal public debt of over $272,000,000,000.

Mr. President, at this point I wish to read my amendment, because it is a very brief one.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Colorado. I should like to inquire about the $20,000,000,000 in the red which the Senator has mentioned. How does the Senator arrive at that figure, from the statement to which he has just referred?

Mr. KNOWLAND. I arrive at it from the statement of the excess of expenditures over receipts.

Mr. JOHNSON of Colorado. That is a daily statement is it?

Mr. KNOWLAND. It is current, for the fiscal year up to the present time—the fiscal year to date, as of that date.

Mr. AIKEN. That is for the year beginning last July the 1st; is it?

Mr. KNOWLAND. Yes.

Mr. AIKEN. So it includes nearly 2 months of the war; does it not?

Mr. KNOWLAND. That is correct.

Mr. President, for the benefit of those Members of the Senate who have not had time to read the amendment, I wish to read it at this time. It is as follows:

SEC 3. No payment shall be made to the United Kingdom under the agreement or under this joint resolution until after (1) the date of a proclamation by the President, or the date specified in a concurrent resolution by the two Houses of Congress, declaring that the general level of production in the United States equals or exceeds domestic consumption, and (2) the current annual Budget of the United States has reached the point where the Federal receipts exceed expenditures; and such payments shall be made only to the extent that total receipts subsequent to the date of enactment of this act up to the time when such payment is proposed to be made exceed the total expenditures for the same period.

Mr. President, briefly to explain the latter provision, let me say that if the Federal Government balances its current Budget and if we have an excess of receipts over expenditures amounting to $3,750,000,000 or more, the entire amount of the loan would, in that event, be available to be loaned to Great Britain. If perchance, however, we had balanced the Federal Budget and had an excess of revenues over expenditures amounting to only $1,000,000,000, then only $1,000,000,000 would be available to be loaned to Great Britain. This amendment will not jeopardize the British position, in my opinion. Rejection of the amendment will jeopardize the American position. Until supply approximates demand, it appears that the OPA must be continued. But no man who believes in the American system wants to continue such controls a day longer than necessary to protect us against a runaway inflation.

I do not doubt the capacity of the American system to meet our own requirements and our obligations abroad, if our system is allowed to function. But the inflationary dangers spring from a shortage of goods and a curtailed productivity of our industry resulting from the coal strike and the strikes which preceded it.

If the administration, the executive branch of the Government, will devote as much time and effort to balancing our current budget and speeding up production, to the end that controls may safely be lifted, as it has devoted to this loan, this amendment will not unnecessarily inconvenience the British Government. Britain has certain dollar resources. The British have the Canadian loan; the resources which they put up as collateral to the RFC; and other sources of dollar credits available to them. Within the year, in my opinion, with proper action by the national administration and the executive branch of our Government, this loan, as amended by my amendment, would be available to Great Britain.

But, Mr. President, if the executive branch of the Government of the United States feels that deficit financing is a sound fiscal policy, if it feels that it is of no concern to the Government or the people of the United States that we continue overdrawing our bank account and writing checks when we have not the legitimate funds to expend, then I cannot go along with the proposed loan.

This amendment, as I have pointed out before, will not require the United States to go back to Britain and change any part of the agreement into which we have entered. But, Mr. President, the amendment will require the President of the United States and the executive branch of the Government of the United States immediately to proceed to take action—first—to balance the Federal Budget of the Government, and—second—to take action in connection with the coal strike and any other things which have been slowing up productivity in this Nation, so that we can bring the supply of commodities up to the point where they approximate the demand. At that point it is the hope of everyone that the OPA controls can then be lifted. When that is done, Mr. President, the funds will be available to Great Britain. In my opinion the greatest contribution we can make to world peace and to the support of the United Nations and to the ultimate and future support of our allies overseas is to keep America strong in the economic field and to keep a solvent Federal Government.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. FERGUSON. The amendment of the able Senator from California would eliminate section 2 of the pending joint resolution, in that the money would not be raised by the selling of bonds under the Liberty Bond Act, by general taxation, or in other ways. So the money with which to make the loan would be out of excess funds in the Treasury of the United States. Am I correct in my statement?

Mr. KNOWLAND. The amendment would add section 3 at the end of the joint resolution and make it possible to raise funds as they are now provided, but not unless the Federal Budget has

been balanced and excess funds are available.

Mr. FERGUSON. Would the amendment require that there be a surplus in the Treasury?

Mr. KNOWLAND. Yes.

Mr. FERGUSON. In anticipation of the Budget and expenses of the current year.

Mr. KNOWLAND. The Senator is correct.

Mr. FERGUSON. And so long as the Treasury showed a surplus of say $3,750,000,000, the loan could be made as provided in the agreement.

Mr. KNOWLAND. Yes.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Colorado. It is not quite clear to me just how the Senator's amendment would operate. As I understand, the Treasury is continually selling series E bonds. When the Senator speaks about balancing the budget, does he mean with revenues outside of money received from the selling of bonds?

Mr. KNOWLAND. Yes. I do not look upon the receipt of money from a bond sale as being revenue. I look upon the balanced Federal Budget as a balanced budget in the same way that a balanced budget is looked upon by an individual or a business firm. When a budget is balanced, any money left over is money which represents an excess of revenue over expenditures. If a person puts himself in debt and borrows from a bank say $50,000, I do not consider that money to be income, because the borrower has created an obligation. It seems to me that the policy of deficit financing and overdrawing the bank account is no more sound so far as the Federal Government is concerned than it is so far as an individual or a business firm is concerned.

Mr. JOHNSON of Colorado. What I am puzzled about in connection with the Senator's contention is that he leaves section 2 of the joint resolution intact. Of course, that section provides for the raising of revenue through the selling of securities. I wonder what provision there is in the amendment which would require the Federal Government not to count any proceeds from the sale of securities in establishing the balance to which the Senator has referred.

Mr. KNOWLAND. I do not believe, Mr. President, that we can say we have balanced the budget when we take out of borrowed money the difference between normal expenditures and normal receipts under any such theory. It may be said that we have balanced the budget for the past 13 years. However, we have piled up a public debt of $274,000,000,000. Obviously we did not balance the budget while we piled up such a debt.

Mr. JOHNSON of Colorado. My understanding is that the budget has not been balanced since 1930 or 1931. I was merely wondering if the Treasury would interpret the effect of the Senator's amendment in the same way that he himself interprets it.

Mr. KNOWLAND. Of course, the intent of the amendment is quite clear. In my own mind it can have only one effect, namely, that it will be necessary for the Federal receipts to exceed Federal expenditures before this loan can be made. By receipts, I mean, receipts in the form of taxes, customs, and other revenues. I do not consider that borrowing money on the open market and issuing bonds for an equal amount is revenue within the meaning of the amendment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. FERGUSON. If the Senator's amendment should be agreed to, I would have some difficulty in understanding why section 2 should be allowed to remain in the joint resolution. It reads:

> For the purpose of carrying out the agreement * * * the Secretary of the Treasury is authorized to use as a public-debt transaction——

And so forth. The Senator is correct in saying that borrowing money from the public and issuing in return certain bonds does not increase the assets of the United States Government. While the transaction may result in money coming into the Treasury, it also results in money going out. In fact, the Treasury owes interest on the money which it has borrowed, and therefore there is a difference between what it has borrowed and what it takes in. But if we authorize the public-debt transaction which would permit the raising of money, and agree to the section which the Senator proposes which would provide that the money must be already in the Treasury, an inconsistency will result.

Mr. KNOWLAND. I do not believe the two sections are in any way inconsistent. Let us assume that the current budget is balanced, and we have an excess in the treasury of let us say $5,000,000,000. $3,750,000,000 of that money would be available to loan to Great Britain. From a technical point of view, the Treasury might temporarily desire to issue bonds in order to obtain those funds, or it might desire to take the money out of receipts, just as an individual temporarily to meet the payment of an income tax might borrow money at a bank while his income was amply sufficient to take care of his commitments.

Mr. FERGUSON. The Senator has in mind that if the Treasury wanted to increase its money position it could borrow money on bonds. If the Treasury already had $3,000,000,000 and it added to that amount another $3,000,000,000, which would make a total of $6,000,000,000, it could loan the $3,000,000,000 which it originally had and still have $3,000,000,000 left for other uses. Does not the amendment contemplate that as soon as the Treasurer had balanced his budget and had an excess remaining which he subsequently advanced, he immediately could go into a position of deficit financing?

Mr. KNOWLAND. In answer to the Senator I would say that the Congress of the United States will bear some responsibilities in connection with this matter; first, to prod the administration into realizing the importance of balancing the budget; and second, being the watch dog of the Treasury in seeing that it does not go out on a spending spree and place us in a position where we are running currently $20,000,000,000 in the red.

Mr. JOHNSON of Colorado. The Senator has a unique and interesting amendment, and I wish to support it. Suppose the United States should pay its contribution under the Bretton Woods agreements, would the Senator consider such a payment to be unbalancing the Budget if by such contribution we drew down the balance by whatever payment we made?

Mr. KNOWLAND. I would say yes, if we were spending the money out of the Treasury.

Mr. JOHNSON of Colorado. We are assuming a contribution which will be made to Bretton Woods in the total amount of, I believe, $5,925,000,000. If that payment should be made during the next 12 months, it might throw our account quite a bit out of balance. I wonder if the Senator has considered such imbalance, or whether we could claim a credit for a deficit.

Mr. KNOWLAND. I would not be able to say. I would not want to give the Senator a horseback opinion.

Mr. AIKEN. It would not throw us out of balance unless we lost the money; would it? Merely to put money into the International Fund would not be to lose it, necessarily, unless it eventually became a real loss. If the time came when it had to be written off, it would be charged against the expenses of the Government.

Mr. KNOWLAND. Mr. President, on the question of my amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, I wish to say a word with reference to the amendment of the Senator from California.

It seems to me that it would change the entire picture and would alter the substance of the agreement. The amendment provides that—

> No payment shall be made to the United Kingdom under the agreement or under this joint resolution until after (1) the date of a proclamation by the President, or the date specified in a concurrent resolution by the two Houses of Congress, declaring that the general level of production in the United States equals or exceeds domestic consumption.

I imagine that Congress would have as much difficulty agreeing on a concurrent resolution declaring that production had equaled or exceeded consumption as it has on the substance of the joint resolution itself.

It might be possible for the President to issue a proclamation that production equaled or exceeded consumption. I suppose Congress could arbitrarily adopt a concurrent resolution declaring that production had equaled or exceeded consumption, but in the process of adopting such a concurrent resolution Congress would find itself enmeshed in complicated figures and estimates from all sorts of people. It seems to me it would be impracticable to do it.

I am as anxious as anyone can possibly be that the Budget be balanced. I believe 1929 was the last year in which it was balanced. I should like to be in the Senate 1 year during which the

Budget would be balanced, so that we would not have to worry about that. We have the assurance of the President, the Secretary of the Treasury, and all those in charge of our fiscal policy that in all probability the Budget may be balanced beginning with the fiscal year 1948, starting with a year from next July.

I do not believe it is practicable or workable or sound to adopt a measure approving an agreement entered into between the United Kingdom and the United States, and provide that no money under the agreement shall be paid until there has been a balancing of the Budget.

There is no use going into all the arguments about how much depends on the prompt enactment of the pending joint resolution, and I shall not go into that question. Certainly the adoption of the amendment would put off the application of the joint resolution and the payment of any money under it for an indefinite period.

It is well within the possibilities that one or more of the conditions prescribed in the amendment could not be fulfilled until at least half of the 5-year period in which the money is to be drawn and expended had expired. It would certainly make necessary reconsideration by the two governments of the whole agreement, because unless it can take effect immediately upon its approval by the President, it may become worthless, it may interfere with the entire process of international stabilization from an economic viewpoint.

I hope the amendment will not be agreed to.

Mr. JOHNSON of Colorado. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Mahoney
Austin	Hayden	Pepper
Ball	Hickenlooper	Radcliffe
Bankhead	Hill	Reed
Barkley	Hoey	Revercomb
Bridges	Huffman	Robertson
Briggs	Johnson, Colo.	Russell
Brooks	Johnston, S. C.	Saltonstall
Buck	Knowland	Shipstead
Bushfield	La Follette	Smith
Butler	Langer	Stanfill
Byrd	Lucas	Stewart
Capper	McCarran	Taft
Donnell	McClellan	Taylor
Downey	McFarland	Thomas, Utah
Eastland	McKellar	Tobey
Ellender	McMahon	Tunnell
Ferguson	Magnuson	Tydings
Fulbright	Maybank	Wagner
George	Mead	Walsh
Gerry	Millikin	Wheeler
Green	Mitchell	White
Guffey	Moore	Wiley
Gurney	Morse	Willis
Hart	Murdock	Wilson
Hatch	Myers	Young

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from California [Mr. KNOWLAND]. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. HOEY. I announce that my colleague, the senior Senator from North Carolina [Mr. BAILEY], is absent because of illness. If present he would vote "nay."

Mr. HATCH. I announce that my colleague [Mr. CHAVEZ] is unavoidably detained on important public business. If present he would vote "nay."

Mr. MORSE. I announce that my colleague, the senior Senator from Oregon [Mr. CORDON], is absent on official business of the Senate.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent on official business at one of the Government departments.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that if present and voting, the Senator from Texas [Mr. CONNALLY] and the Senator from West Virginia [Mr. KILGORE] would vote "nay."

Mr. WHITE. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present he would vote "nay."

The Senator from Maine [Mr. BREWSTER], the Senator from Indiana [Mr. CAPEHART], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The result was announced—yeas 19, nays 59, as follows:

YEAS—19

Aiken	Johnston, S. C.	Shipstead
Brooks	Knowland	Stewart
Bushfield	Langer	Taft
Butler	Millikin	Wilson
Capper	Moore	Young
Ellender	Revercomb	
Johnson, Colo.	Robertson	

NAYS—59

Austin	Hawkes	O'Mahoney
Ball	Hayden	Pepper
Bankhead	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Bridges	Hoey	Russell
Briggs	Huffman	Saltonstall
Buck	La Follette	Smith
Byrd	Lucas	Stanfill
Donnell	McCarran	Taylor
Downey	McClellan	Thomas, Utah
Eastland	McFarland	Tobey
Ferguson	McKellar	Tunnell
Fulbright	McMahon	Tydings
George	Magnuson	Wagner
Gerry	Maybank	Walsh
Green	Mead	Wheeler
Guffey	Mitchell	White
Gurney	Morse	Wiley
Hart	Murdock	Willis
Hatch	Myers	

NOT VOTING—18

Andrews	Brewster	Chavez
Bailey	Capehart	Connally
Bilbo	Carville	Cordon
Glass	Murray	Thomas, Okla.
Gossett	O'Daniel	Vandenberg
Kilgore	Overton	Wherry

So Mr. KNOWLAND's amendment was rejected.

Mr. AIKEN. Mr. President, I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, before the period in line 8 it is proposed to insert a colon and the following: "*Provided*, That after the United Kingdom has drawn the first $1,000,000,000 of the proposed line of credit no further drafts upon the remaining $2,750,000,000 shall be allowed unless, within 1 year after the effective date of the agreement, the United Kingdom officially notifies the Secretary of State (such notification to be transmitted by him with his comments to the President and to the Congress) that elimination of (a) discriminatory financial and trade practices as provided by articles 7 and 8 of said agreement and (b) discriminatory trade barriers (including preferential tariffs established by the United Kingdom and its dominions and colonies which affect products of the United States), has been accomplished."

Mr. AIKEN. Mr. President, inasmuch as I explained the amendment in considerable detail a few days ago, I shall not go through that again. I simply want to say that the adoption of the amendment would not require the renegotiating of any agreement between the United States and Great Britain. It merely provides that, after Great Britain has drawn the first $1,000,000,000, which I understand is the amount which she claims to need the first year, she will then have to advise the Secretary of State that the terms of the agreement have been complied with, or rather those sections of the agreement which have to do with the elimination of trade barriers and discriminatory practices against the United States. The amendment does not provide for any reduction in the amount of the loan, for as soon as Great Britain has drawn the first $1,000,000,000 and has complied with the provisions of articles 7 and 8 of the agreement within a year, as we are told can very well be done, then the line of credit amounting to $2,375,000,000 more will be immediately available to her. If the amendment is adopted Great Britain can draw the first $1,000,000,000 the next day.

However, the adoption of this amendment, I think, would go far toward reassuring the people of this country that this loan will actually promote freer commerce among the nations. I want it understood that my amendment is no reflection at all upon the British Government or the character of those who negotiated the loan. I have full confidence that Mr. Attlee and Lord Halifax and Secretary Byrnes and Secretary Vinson would carry out this agreement to the letter if they were the ones to carry it out. However, the terms of the agreement will be carried out by those on the operating levels, civil-service functionaries of the two countries, and we know too well that they

often find impediments in the way of carrying out international agreements. There have been too many experiences of that kind among the nations of the world.

I would at this time call the attention of the Senate to the report of the so-called Mead committee, which was submitted to this body a short time ago, and I should like to read an excerpt from it relating to the investigation of lend-lease. I am reading from Report No. 110, part 5, page 32. The members of the committee are the Senator from New York [Mr. MEAD], the Senator from Texas [Mr. CONNALLY], the Senator from West Virginia [Mr. KILGORE], the Senator from Delaware [Mr. TUNNELL], the Senator from Washington [Mr. MITCHELL], the Senator from Missouri [Mr. BRIGGS], the Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], the Senator from Michigan [Mr. FERGUSON], and the Senator from California [Mr. KNOWLAND]. I read from the report, as follows:

The committee views the winning of the war as the sole aim of the furnishing of the lend-lease aid in the first place, and is of the opinion that the benefit referred to in section 3 (b) is meant to be a benefit in addition to the winning of the war.

Considered in this light, it is apparent that the only specific benefit which has been received for the settlement of the excess of lend-lease aid furnished to the United Kingdom over reciprocal aid furnished by the United Kingdom to the United States is that the Government of the United Kingdom has promised, as indeed it had already promised in the master lend-lease agreement, to participate in an international conference to consider ways and means of eliminating obstacles to trade between nations, and in general terms has agreed to support the position announced by our State Department.

The committee is unable to see any reason why the United Kingdom should refuse to participate in such a conference, even if no lend-lease aid at all had been furnished. Whether any benefits are to be derived will depend upon achieving agreement with other countries. In such agreement the United States will also have to make concessions, such as the lowering or elimination of tariffs, which concessions, in themselves, ought to be sufficient consideration for like concessions, made by other governments. The United Kingdom is committed to nothing specific. By the very terms of the settlement and the statements in the master lend-lease agreements, the United Kingdom could not be held to make any concessions whatever in any present advantages it has in world trade because of restrictions or special privileges, since the very undertaking it has made contemplates that concessions will be made by other "like-minded governments." If actual barriers to United States trade had been eliminated and the United Kingdom had undertaken not to reestablish them or other new limitations to accomplish the same objective, then the immediate cancellation of the lend-lease credit balance in our favor could be said to have been exchanged for a direct or indirect benefit. This, however, was not the case. The consideration which we received was illusory.

I am offering this amendment, Mr. President, so that we will not receive any more illusory considerations as a result of this agreement. As I have said, I can see no reflection whatsoever upon the men who drew the agreement. They were the men at the policy level. I simply wish to make sure that the men at the operating levels will carry out the terms of the agreement.

If the purpose of this agreement is economic, as we are told, then there should be no objection to this amendment. If the purpose of the agreement is otherwise, then I think it should be put before us in its true light, and with the true purpose before us, so that we can well consider what we are doing when we are being asked to approve the agreement.

I ask for the yeas and nays.

Mr. HAWKES. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. HAWKES. I wish to ask the Senator what will happen if at the end of the year the British are unable to report that they have complied with all the conditions. What would happen if they had nearly complied? Where would the law leave us then?

Mr. AIKEN. We are told that they can comply within 1 year.

Mr. HAWKES. I understand we are told that they can, but they are not obligated to do so.

Mr. AIKEN. This amendment would give them a special incentive to comply. It would virtually obligate them to comply; and if they could not comply they would have to come back and obtain the consent of the Congress before they could draw the other two and three-fourths billions.

Mr. HAWKES. Has the Senator any opinion as to how he would stand in respect to such consent, if they had not complied at the end of the year?

Mr. AIKEN. I would wish to know, first, to what extent they had complied. If I were satisfied that they had gone as far as they possibly could toward compliance and had really accomplished a great deal in the elimination of discriminatory financial and trade barriers, then I should be inclined to be very considerate in extending the time and extending more credit. But if I felt that no sincere effort had been made to abolish trade barriers, then I should insist that no more credit be extended until that had been done.

Mr. HAWKES. Let me ask the Senator another question. Suppose they had tried to do it and found they could not do it. I believe they are going to find that they cannot do it. Does not the Senator agree with me that if we adopt an amendment such as he proposes, and they try and find that they cannot do it and survive, and we chop off the loan, instead of building friendship we shall be destroying friendship?

Mr. AIKEN. Not necessarily. We are told that they require $1,000,000,000 for the first year, and they would get that. They could draw on that the first day after the joint resolution was signed. The American Congress is very tolerant. If they had made a sincere attempt to comply, and for some unforeseen reason could not comply, I should be inclined to extend the credit. But if they know now that they cannot comply, and they are telling us that they can comply, they ought not to have any more credit.

Mr. HAWKES. Who is going to determine that?

Mr. AIKEN. In the final analysis, the Congress would determine it.

Mr. HAWKES. How would Congress determine it?

Mr. AIKEN. The Secretary of State would have to report to the Congress what progress had been made, and whether compliance had been had.

Mr. HAWKES. I should like to say to the Senator from Vermont and to other Senators that I have had a number of interviews with some very prominent British friends, people whom I respect very highly, and with whom I have had a friendship over a great many years. Each and every one of them tells me the same thing—that unless we can do the whole thing, we had better not do any of it.

Mr. AIKEN. Does the Senator from New Jersey understand his British friends to say that they cannot comply with the provisions of the agreement?

Mr. HAWKES. No; but I do understand my British friends to say that it is going to be very difficult to comply with the terms of the agreement, although they hope to be able to do so. Let us not build an agreement under which we shall destroy a friendship and understanding of great value by imposing conditions which may do exactly the opposite of what the loan and the agreements are intended to do.

Mr. AIKEN. I believe that the way to retain friends is to carry on business affairs in a businesslike manner.

Mr. HAWKES. So do I.

Mr. AIKEN. That is what I think this amendment would do.

Mr. BARKLEY. Mr. President, the agreement which is under consideration would give the United Kingdom 5 years within which to draw the $3,750,000,000 provided for in the agreement. There is nothing in it which would require them to draw $1,000,000,000 in 1 year, or less than $1,000,000,000, or more than $1,000,000,000. They would have 5 years in which to draw the entire $3,750,000,000. So whatever anyone may have said about what the British need within 1 year, no one knows whether they will draw half a billion, a billion, or a billion and a half.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HAWKES. I do not want the Senator to misunderstand me.

Mr. BARKLEY. I do not misunderstand the Senator.

Mr. HAWKES. No one has told me that they would not need more than one billion in 1 year. I did not mean to imply that, and I do not think my remarks did.

Mr. BARKLEY. It was not the Senator's remarks; but a while ago the Senator from Vermont suggested that he understood that they would need only one billion during the first year, or would not need that much.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. That information comes from about as high an authority in the Government as it is possible to find.

Mr. BARKLEY. We must pass on the agreement as it is, regardless of any "grapevine rumors" as to how much Great Britain will draw in any period,

when she has 5 years to draw the entire amount.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The basis of the schedule presented to us was that they were going to be $2,200,000,000 short the first year in their balance of trade, in 1946, and another $1,300,000,000 in getting their armies back from foreign countries. So $3,500,000,000 of the total of $5,000,000,000 which the Canadians and ourselves are supplying was to be needed in the first year. Whether they are actually going to draw all of it in that time I do not know; but that is the basis of the calculation by which they claim they need $5,000,000,000.

Mr. BARKLEY. They can draw it all within the first month; but it was generally understood, so far as we could ascertain, that they would not do that. But if they drew all of the $3,500,000,000 suggested by the Senator from Ohio within the first year, the amendment of the Senator from Vermont would not be worth anything. They would have drawn practically the entire sum before the expiration of the year.

Mr. TAFT. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I yield.

Mr. TAFT. Suppose that after we had advanced some of the money the year should go by and they had not removed the dollar-sterling controls, as contemplated in the agreement. Would the Senator then say that under the general principles of contract we could refuse to advance additional funds?

Mr. BARKLEY. I would not wish to utter a curbstone opinion on that question. I am not sure that this agreement is on the same basis as a contract which could be enforced or nullified in a court of justice when there had been a violation of its terms. But I call attention to the fact that section 7 of the agreement makes the following provision:

7. Sterling area exchange arrangements: The Government of the United Kingdom will complete arrangements as early as practicable and in any case not later than 1 year after the effective date of this agreement, unless in exceptional cases a later date is agreed upon after consultation, under which immediately after the completion of such arrangements the sterling receipts from current transactions of all sterling area countries (apart from any receipts arising out of military expenditure by the Government of the United Kingdom prior to December 31, 1948, to the extent to which they are treated by agreement with the countries concerned on the same basis as the balances accumulated during the war) will be freely available for current transactions in any currency area without discrimination; with the result that any discrimination arising from the so-called sterling area dollar pool will be entirely removed and that each member of the sterling area will have its current sterling and dollar receipts at its free disposition for current transactions anywhere.

In other words, under the agreement it is provided, regardless of whether she draws one billion, half a billion, or nothing, that Great Britain agrees to eliminate these restrictions, subject to any exception of cases in which, after consultation, different dates may be agreed upon. In the first place, if Great Britain did not draw down $1,000,000,000 in the first year, the Senator's amendment would still provide that at the end of the year no further payment could be made if there were not a certification that the restrictions had been removed. The amendment of the Senator from Vermont takes no account of the exception provided in the agreement itself, that after consultation a different date may be agreed upon in exceptional cases.

I do not agree with the Senator from Vermont that the amendment does not affect the substance and terms of the agreement. It does affect the terms of the agreement. If this amendment should be adopted it would be inconsistent with the terms of the agreement, because it provides that after 1 year, in any case, if these restrictions have not been released, then no more money may be paid out of this fund to the United Kingdom.

I hope this amendment will be rejected. It will upset the whole program. It violates the terms of the agreement itself. I think that any amendment which would violate the terms of the agreement and would put restrictions and hobbles on the agreement and would restrict the free action of the two Governments under it would be a violation of the agreement and would restrict the operations under the agreement itself.

MEDIATION OF LABOR DISPUTES—AMENDMENTS

Mr. LUCAS. Mr. President, I ask unanimous consent to submit an amendment intended to be proposed by me to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes; and I ask that the amendment be printed and lie on the table until the bill is taken up for consideration. I also ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment submitted by Mr. LUCAS was received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. LUCAS to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, viz: At the end of the bill insert the following:

SEC. —. That with the development of an industrial civilization, citizens of the United States have become so dependent upon the production of goods for commerce, the distribution of goods in commerce, and the continuous operation of the instrumentalities of commerce that substantial and continued stoppages of such production, distribution, or operation in the case of essential goods or services seriously impair the public health, safety, and security. Irrespective of the cause of such stoppages, it is necessary for the protection of commerce and the national economy, for the preservation of life and health, and for the maintenance of the stability of Government that a means be provided for supplying essential goods and services when such stoppages occur.

SEC. —. (a) Whenever the President finds that a stoppage of work arising out of a labor dispute (including the expiration of a collective labor agreement) affecting commerce has resulted in interruptions to the supply of goods or services essential to the public health, safety, or security to such an extent as seriously to impair the public interest, he shall issue a proclamation to that effect, calling upon the parties to such dispute to resume work and operations in the public interest.

(b) If the parties to such dispute do not resume work and operations after the issuance of such proclamation, the President shall take possession of and operate any properties of any business enterprise where such stoppage of work has occurred if the President determines that it is necessary for him to take possession of and operate such properties in order to provide goods or services essential to the public health, safety, or security. While such properties are operated by the United States, they shall be operated under the terms and conditions of employment which prevailed therein when the stoppage of work began.

(c) Any properties of which possession has been taken under this section shall be returned to the owners thereof as soon as (1) such owners have reached an agreement with the representatives of the employees in such enterprise settling the issues in dispute between them or (2) the President finds that the continued possession and operation of such properties by the United States is not necessary to provide goods or services essential to the public health, safety, or security. The owners of any properties of which possession is taken under this section shall be entitled to receive just compensation for the use of such properties by the United States. In fixing such just compensation, due consideration shall be given to the fact that the United States took possession of such properties when their operations had been interrupted by a work stoppage, to the fact that the United States would have returned such properties to their owners at any time when an agreement was reached settling the issues involved in such work stoppage, and to the value the use of such properties would have had to their owners during the period they were in the possession of the United States in the light of the labor dispute prevailing.

(d) Whenever any properties are in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such properties are members, and of the officers of such labor organization, to seek in good faith to induce such employees to return to work and not to engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such properties are in the possession of the United States. Any such employee who fails to return to work (unless excused by the President) or who does engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such properties are in the possession of the United States, shall be deemed to have voluntarily terminated his employment in the operation of such properties, shall not be regarded as an employee of the owners or operators of such properties for the purposes of the National Labor Relations Act, as amended, unless he is subsequently reemployed by such owners or operators, and if he is so reemployed, shall not be entitled to any seniority rights based on his prior employment. Any provision of any contract inconsistent with the provisions of this subsection is hereby declared to be against public policy and to be null and void.

(e) Whenever any properties are in the possession of the United States under this section, it shall be unlawful for any person (1) to coerce, instigate, induce, conspire with, or encourage any person to interfere with or prevent, by lock-out, strike, slow-down, concerted refusal to work, or other interruption, the operation of such properties, or (2) to aid any such lock-out, strike, slow-down, refusal, or other interruption interfering with the operation of such properties by giving direction or guidance in the conduct of such interruption or by providing funds for the conduct or direction thereof or for the

payment of any strike, unemployment, or other benefits to those participating therein. No individual shall be deemed to have violated the provisions of this subsection by reason only of his having ceased work or having refused to continue to work or to accept employment. Any individual who willfully violates any provision of this subsection shall be subject to a fine of not more than $5,000, or to imprisonment for not more than 1 year, or both.

(f) The powers conferred on the President by this section may be exercised by him through such department or agency of the Government as he may designate.

(g) As used in this section, the terms "employee," "representative," "labor organization," "commerce," "affecting commerce," and "labor dispute" shall have the same meaning as in section 2 of the National Labor Relations Act, as amended.

Amend the title so as to read: "An act to provide a means for supplying essential goods and services when labor disputes affecting commerce interrupt the supply of such goods and services to such an extent as seriously to impair the public interest."

Mr. LUCAS. Mr. President, I should like to make one remark, and then I shall take my seat. The amendment I propose would provide a means for supplying essential goods and services when labor disputes affecting commerce interrupt the supply of such goods and services to such an extent as seriously to impair the public interest. I may add that the amendment seeks to go to the core of the present coal strike emergency, and that one situation only.

I hope the Members of the Senate will find time to read the bill and study it before labor legislation comes to the floor of the Senate for consideration.

Mr. TAFT. Mr. President, I wish to say a word on the subject of the labor question and the Smith-Connally Act. I do not know the contents of the amendments submitted by the Senator from Illinois, but I do object to the claim which has been made here today that this problem is up to the Senate of the United States, above all other considerations.

In my opinion this problem is up to the President of the United States. We have granted extensive powers to the President of the United States. Greater power than that which is given by the Smith-Connally Act would be hard to provide in connection with the preparation and enactment of legislation. The President has not chosen to exercise his powers under the Smith-Connally Act. It seems to me that until he does do so or until he expresses some reason why he does not think that act is adequate, the whole problem of dealing with the labor question is an Executive problem. Primarily, the matter of dealing with a strike on an emergency basis is always an Executive problem, in the first instance.

I object to the argument and the presentation of the theory that Congress is in any way delinquent in the matter of dealing with the present coal strike. I think Congress has been delinquent in dealing with general labor legislation. But so far as the present coal strike is concerned, as regards anything to stop it, it seems to me that the Smith-Connally Act is adequate and, in the opinion of some persons, perhaps even extreme.

That act provides very definitely that the President may seize the plant. It is suggested that perhaps the Smith-Connally Act may be open to question because it refers to seizing the plant as a part of the war effort, and that the war is actually over. But the act itself continues, and says that possession shall not be taken after the termination of hostilities in the present war is proclaimed by the President. So it seems to me that in all probability the act certainly is actually in force until hostilities are declared to be ended. They have not been declared to be ended. If there were any doubt about that, the act could very easily be amended. But I have not heard any serious point made that that act is not still in effect.

Certainly, Mr. President, if the President of the United States chose to act under the Smith-Connally Act, it is hard to see how anyone could question his power to act under it. So the power is there.

So far as punitive sections are concerned, a more punitive section than the existing punitive section of the Smith-Connally Act could hardly be conceived.

It provides:

SEC. 6. (a) Whenever any plant, mine, or facility is in the possession of the United States, it shall be unlawful for any person (1) to coerce, instigate, induce, conspire with, or encourage any person, to interfere, by lock-out, strike, or slowdown, or other interruption, with the operation of such plant, mine, or facility, or (2) to aid any such lockout, strike, slowdown, or other interruption interfering with the operation of such plant, mine, or facility by giving direction or guidance in the conduct of such interruption, or by providing funds for the conduct or direction thereof or for the payment of strike, unemployment, or other benefits to those participating therein.

So, Mr. President, insofar as the matter of extreme legislation is concerned, we could not pass a more extreme measure than the Smith-Connally Act, unless we chose to say that those penalities should apply before the Government assumed to take over the plant.

Mr. President, with that law on the statute books, I cannot understand the claim that we are delinquent in providing means for the President to act. Clearly, to my mind, the responsibility for acting is on the President of the United States.

I do not say that we should not proceed with labor legislation. I have thought for a long time that we should do so, and I am glad we are going ahead to deal with the general question. But I object to the claim that this strike can be handled by means of strong legislation which we can enact at this time. No one has suggested anything that I know of, to deal with this particular emergency, that is any stronger than the Smith-Connally Act; and I do not know that anyone has suggested anything which is, it seems to me, a very practical method for dealing with that subject.

So I merely wish to answer the claim which was made in the Senate some time ago that the Senate or Congress is delinquent in dealing with this particular situation. It may have resulted from a long course of legislation and a long course of court interpretations. Some of those have gone too far, I think, and should be corrected by means of the adoption of amendments to the proposed Case bill, so as to deal with various features of the labor law which I think today are unjust and perhaps build up too much power—excessive power—in the hands of labor unions.

But certainly the basis for dealing with the present emergency must rest with the Executive. Five hundred and thirty-one men in the Congress cannot deal with these matters. We are not an executive body. We must carefully consider the principles underlying legislation. So I would object to having the Senate pass at this time permanent legislation which might be proposed to deal with this particular emergency.

Mr. President, we have an emergency law on the statute books. If it should be amended so as to bring it up to date, let us do that. But I think the basic responsibility for dealing with the present problem—and it is a very difficult problem—must rest on the President of the United States.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HOEY (when Mr. BAILEY's name was called). The senior Senator from North Carolina [Mr. BAILEY] is absent because of illness. If present he would vote "nay".

Mr. MORSE (when Mr. CORDON's name was called). Mr. President, I announce the absence of the senior Senator from Oregon [Mr. CORDON], who is away on official business of the Senate.

Mr. MURDOCK (when the name of Mr. THOMAS of Utah was called). The Senator from Utah [Mr. THOMAS] is unavoidably detained on public business. If present he would vote "nay".

The roll call was concluded.

Mr. HATCH. My colleague, the junior Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained on important public business. If present he would vote "nay."

Mr. BARKLEY. The Senator from Arizona [Mr. HAYDEN] is unavoidably detained from the Senate. If present he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr.

CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senators from Georgia [Mr. GEORGE and Mr. RUSSELL], the Senator from Oklahoma [Mr. THOMAS] and the Senator from Tennessee [Mr. STEWART] are absent on official business at various Government Departments.

The Senator from TEXAS [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that if present and voting, the Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], and the Senator from West Virginia [Mr. KILCORE] would vote "nay."

Mr. WHITE. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present he would vote "nay."

The Senator from Maine [Mr. BREWSTER], the Senator from Indiana [Mr. CAPEHART], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The result was announced—yeas 19, nays 54, as follows:

YEAS—19

Aiken	Johnston, S. C.	Taft
Brooks	La Follette	Walsh
Bushfield	Langer	Willis
Butler	Millikin	Wilson
Capper	Moore	Young
Ferguson	Revercomb	
Johnson, Colo.	Shipstead	

NAYS—54

Austin	Hatch	Murdock
Ball	Hawkes	Myers
Bankhead	Hickenlooper	O'Mahoney
Barkley	Hill	Pepper
Bridges	Hoey	Radcliffe
Briggs	Huffman	Reed
Buck	Knowland	Robertson
Byrd	Lucas	Saltonstall
Donnell	McCarran	Smith
Downey	McClellan	Stanfill
Eastland	McFarland	Taylor
Ellender	McKellar	Tobey
Fulbright	McMahon	Tunnell
Gerry	Magnuson	Tydings
Green	Maybank	Wagner
Guffey	Mead	Wheeler
Gurney	Mitchell	White
Hart	Morse	Wiley

NOT VOTING—23

Andrews	Cordon	Overton
Bailey	George	Russell
Bilbo	Glass	Stewart
Brewster	Gossett	Thomas, Okla.
Capehart	Hayden	Thomas, Utah
Carville	Kilgore	Vandenberg
Chavez	Murray	Wherry
Connally	O'Daniel	

So Mr. AIKEN'S amendment was rejected.

Mr. LANGER. Mr. President, I send forward to the desk an amendment, which I ask to have read.

The PRESIDING OFFICER. The amendment offered by the Senator from North Dakota will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. —. Notwithstanding any other provision of law, no loan made after the date of enactment of this joint resolution, by any department or agency (including government-owned or controlled corporations) of the Federal Government, to any person who served honorably in the armed forces of the United States during World War II, shall bear interest at a rate in excess of 1½ percent per annum, and no interest shall accrue or be payable on any such loan for a period of 5 years from the date of the making of such loan.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota.

Mr. LANGER. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LANGER. Mr. President, I desire to consume some time on this amendment.

First of all, I wish to say that in my opinion the treatment given by the American Government to veterans of World War II has been very shameful. For example, after we declared war, on this very floor I asked that the pay of a private be increased to $100 a month. That request was not agreed to. I also asked that each private be automatically insured when he entered the service. I know that the Senate will be interested in learning just what kind of a raw deal the veterans have received in connection with the matter of life insurance.

The National Service Life Insurance Act was enacted on November 19, 1940, just prior to the time that the draft law went into effect. Prior to that time insurance was granted under the World War Veterans Act of July 7, 1924, as amended. The act continued in effect the original insurance act of October 6, 1919, which granted insurance to members of the armed forces during the period of the First World War. Such insurance was available to all men serving in the Army and the Navy until the National Service Life Insurance Act was enacted in October 1940.

Mr. President, there is a vast difference between the insurance which was available under the two acts, that is the insurance available to veterans of World War I and insurance available to veterans of World War II. I congratulate the insurance companies for what they put over on the poor veterans of World War II.

The National Service Insurance Act, that is the act in connection with World War II, does not pay one penny for permanent and total disability, while the other act provides for such payments. When the United States entered World War II there were thousands of men who had served in the peacetime army, who were insured under the World War Veterans Act. But the man who entered the service for the first time after the declaration of war in 1941 was required to obtain his insurance under the National Service Life Insurance Act.

Of those who went into the Army, a percentage were insured under the old act which gave the men full protection for death, total disability, and permanent disability. Under the National Service Life Insurance Act, benefits are payable in the event only of death. But the men are required to pay the same rates for both kinds of insurance.

Mr. President, I wish to repeat that statement. Of those who went into the Army, a percentage were insured under the old act which gave them full protection for death, total disability, and permanent disability. That was under the old act. It included every man listed in the peacetime Army up to the declaration of war in 1941. Under the new life insurance act called the National Life Insurance Act, benefits are payable in the event of death only. A man must die before his relatives receive one penny, but if he is disabled he receives nothing. If he loses a leg or two legs, one arm or two legs, or an eye or two eyes, it is his bad luck. That is the kind of insurance the Congress provided for the soldier in 1941 in spite of what some of us endeavored to do to prevent it.

Mr. President, allow me to illustrate. A peacetime soldier and a drafted man in World War II were fighting side by side. One went into the armed forces during peacetime and the other went in as a result of being drafted. Both are paying the same premium on their policies. They are hit by the same shell. As a result they become permanently and totally disabled. The one insured under the World War Veterans Act gets payments of $57.50 a month, that is, the man who got in during peacetime, but the man who was drafted under the National Service Life Insurance Act does not get $57.50 a month; he gets nothing.

In fact, there are cases in which men have been insured under the World War Veterans Act, and a part of their insurance is under the National Life Insurance Act, and they are being paid under the World War Veterans Act contract and not being paid under the other.

Mr. TOBEY. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from South Dakota yield to the Senator from New Hampshire?

Mr. LANGER. I prefer not to yield.

Mr. TOBEY. I am surprised at what the Senator has brought out, and will he confirm to me that he is correct in the statement that if I had happened to be a GI in this war and had life insurance of $10,000, on which I paid the $66 a year, and got the option of continuing it with term insurance, if I were injured and totally disabled in this war, and were so adjudged by the Veterans' Bureau, I would not draw total disability from the Veterans' Bureau?

Mr. LANGER. The Senator would not, under the National Life Insurance Act.

Mr. TOBEY. Would I not get it from the Veterans' Bureau? Would I have no recourse at all? Would the Government pay me nothing at all if I were totally disabled?

Mr. LANGER. I am talking about the Life Insurance Act.

Mr. TOBEY. Would I not get it from the Government through the Veterans' Bureau?

Mr. LANGER. The Veterans' Bureau makes certain provisions. A man goes in and gets rated, but he does not get payments under the Life Insurance Act.

Mr. TOBEY. We provided, for veterans of the First World War, that one totally disabled would get $100 a month.

Mr. LANGER. He would get it——

Mr. TOBEY. Would he not get it through the Veterans' Bureau?

Mr. LANGER. No; he might get 5 percent or 10 percent.

Mr. TOBEY. If he were totally disabled he would get total disability payments, would he not?

Mr. LANGER. He might not.

Mr. TOBEY. He would if he were adjudged totally disabled.

Mr. LANGER. Under this life insurance policy, by paying a definite insurance premium, he would be provided for.

Mr. TOBEY. Being a World War veteran and being disabled, he would get it from the Veterans' Bureau, would he not?

Mr. LANGER. No. If a veteran goes to the hospital and is examined——

Mr. TOBEY. An examination for life insurance is one thing, but the Veterans' Bureau also examines them, and if a man were totally disabled he would get insurance, would he not?

Mr. LANGER. He would get it there, but under the life-insurance policy he would not.

Mr. TOBEY. He would not get it under his life insurance, but he would get it from the Veterans' Bureau?

Mr. LANGER. He might not.

Mr. TOBEY. If he were totally disabled, would he not?

Mr. LANGER. He would not.

Mr. TOBEY. Why not? Total disability is total disability, is it not? The Senator says he might not. He does not say he would not, he says he might not.

Mr. LANGER. That is exactly what I said, he might not.

The PRESIDING OFFICER. Senators will suspend while the Chair seeks to obtain some semblance of order. The Chair reminds Senators that they must address the Chair and ask the Senator having the floor to yield, and only one talk at a time.

Mr. TOBEY. Perhaps I have exhibited an excess of zeal this afternoon, but I did not like to have it stand in the RECORD that this Nation, which is paramount, would allow any citizen to fight in the World War and be totally disabled and receive no remuneration. The Senator from North Dakota says he would not get it from the insurance company, and I accept that, but he would get it from Uncle Sam's Veterans' Bureau if he were totally disabled.

Mr. LANGER. I say——

Mr. TOBEY. One word more. The Senator used the word "might." The Senator and I might die before tomorrow morning, but the chances are we will not. We might do this or do that, but I insist that if there is any man in the service who is totally disabled he will get total disability compensation.

Mr. LANGER. I say he may and he may not.

Mr. TOBEY. I say he will.

Mr. McFARLAND. Will the Senator from North Dakota yield?

Mr. LANGER. In a moment, after I finish this thought. I might enlighten the distinguished Senator by saying that there are cases where men have been insured under the World War Veterans Act and a part of their insurance is under the National Service Life Insurance Act where they are being paid under the World War Veterans Act contract and not being paid on the other. The World War Veterans Act defines what is known as a statutory permanent and total disability. It includes in this definition, those who have lost both hands, both legs, both eyes, one arm and one leg, and total deafness in both ears. There are several thousand of these boys who are afflicted with these disabilities in Walter Reed Hospital and other hospitals of the Government who should be paid insurance benefits and who would be receiving insurance payments under the World War Veterans Act. If the distinguished Senator from New Hampshire will visit Walter Reed Hospital he can find those boys at that hospital, and can ascertain how much insurance they get.

Mr. McFARLAND. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield.

Mr. McFARLAND. As I understand what the Senator from North Dakota is complaining of, is that there is a difference between the insurance of World War I veterans got and the insurance the World War II veterans get. I agree with the Senator that it is not right and that it should be corrected, that the insurance of GI's in World War II should have disability provisions contained in it. I introduced legislation to correct that condition quite a while ago, and my suggestion has not been acted on. The Senator from Colorado and I have introduced a second bill to correct it. I wish to commend the Senator for his remarks in that regard. I think he is entirely correct that the World War II insurance should be just as good as the World War I insurance.

Mr. LANGER. I thank the distinguished Senator. There are thousands of service men and women who are physically and mentally disabled who should receive benefits if the National Service Life Insurance Act was amended to grant insurance benefits as was given to the veterans of the First World War. Included in this class are the insane veterans or those suffering from far-advanced tuberculosis. There is no reasonable excuse for this unjust discrimination.

The American Legion, in its national convention for the last 4 years, has recommended to the Congress of the United States amendments to the National Service Life Insurance Act, removing this unjust discrimination in the matter of granting insurance benefits. The bill has been before the World War Veterans' Legislation Committee in the House and the Finance Committee of the Senate for more than a year last past. No committee hearings have yet been had.

In the name of justice and right, I demand that the Congress do something to remove this unjust discrimination against the veterans of this war, who have lost their limbs, their eyesight, or who suffered the ravages of disease to such an extent that they may never again work.

I call upon General Bradley to reverse the position of the Veterans' Administration so that all service men and women shall be equal in the matter of insurance protection. I hope the committees in which the bills are now pending will do something to bring them immediately before this body. This long-awaited act of justice is long overdue.

Mr. President, I am very sorry that the distinguished minority leader, the Senator from Maine [Mr. WHITE], is not present. Last week I made the statement that Winston Churchill fought on the side of Spain against the United States of America. From the State of our minority leader comes an editorial which denies that, and says it is not true, that I am entirely in error.

Mr. President, before I made my statement I looked the matter up. I might say that this newspaper, called the Telegraph and Press-Herald, of Portland, Maine, says that Churchill enlisted in 1895, and was not fighting against the United States, that he had left before the American boys got to Cuba.

Mr. President, I have in my hand International Who's Who for 1943 and 1944, and I wish to read from the sketch of Mr. Churchill. I presume Mr. Churchill prepared this article himself, because that is customary, as every Senator on this floor knows. I read from Who's Who:

> Rt. Hon. Winston Spencer Churchill, C. H., M. P., Hon. LL. D. (Harvard), F. R. S., F. R. C. S.; British politician and writer; son of Lord Randolph Churchill; born 1874, educated Harrow and Sandhurst.

It says he entered the army in 1895, and served in Cuba with Spanish forces against the Americans. That is right here in International Who's Who. He served in the Spanish-American War against the Americans. If any Senator doubts that, I wish to show the article to him. Any Senator can come to my desk here and read it.

From there he went to Africa, fought in the Boer War, and did everything he possibly could against those poor Dutch in the Boer War, did everything he could to wreck them. He has been fighting on the side of aristocracy and fascism all his life, and did all he could to wreck this country, going to Cuba and fighting against it. That is the man the Senate invited to come here and address the Senate. If there had been a Spanish-American War veteran in the Senate, Winston Churchill would have been trying to kill him while he was fighting under the Spanish flag. I say again, that is the record. A record is a very good thing to have at hand at times when a newspaper criticizes a Senator. We are used to criticism. I do not mind it a bit. I have taken my share of it. The statement in the Maine newspaper is:

> Senator LANGER for perhaps the first time in his life is in error.

I will tell the editor that, so far as I know, I have never yet been in error. [Laughter.]

Mr. President, it is interesting to note what the Irish think about this measure

upon which we are going to vote. I have in my hand an advertisement which appeared in the Gaelic-American, which was placed in that publication by the Amalgamated Irish-American Organizations of Boston, Chicago, New Haven, Conn., New York and San Francisco. That takes in cities from one end of the United States to the other. The advertisement says:

(Advance proof of page advertisement which will appear in the next week's issue of the Gaelic-American.

LET THE AMERICAN PEOPLE DECIDE

The man who put across with the late Frank Delano Roosevelt the idea of the proposed $4,400,000,000 grant was the late John Maynard Keynes.

For earlier services to the British Empire (well described as disservices to the United States of America), he had previously been accorded title honors by the King of England. So we speak of him as Lord Keynes.

* * * * *

But here is what Lord Keynes wrote—

I ask unanimous consent that the entire advertisement may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

(Advance proof of page advertisement which will appear in next week's issue of the Gaelic-American)

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The man who put across with the late Franklin Delano Roosevelt the idea of the proposed $4,400,000,000 grant to Britain was the late John Maynard Keynes.

For earlier services to the British Empire (well described as disservices to the United States of America), he had previously been accorded title honors by the King of England. So we speak of him as Lord Keynes.

It follows that no man should be better qualified to speak of the proposed grant of American money than was Lord Keynes. The idea was his baby.

But here is what Lord Keynes wrote.

In describing the American viewpoint and in describing the British viewpoint—

He refers to it as "the immeasurably remote public opinion of the United States."

He says: "They wanted to understand the size of our immediate financial difficulties, to be convinced that they were temporary and manageable, and to be told that we intended to walk without bandages as soon as possible."

He admits: "No comparable credit in time of peace has ever been negotiated before."

He graciously concedes: "And it is not for a foreigner to weigh up the cross-currents, political forces, and general sentiments which determine what is possible and what is impossible in the complex and highly charged atmosphere of that great democracy of which the daily thoughts and urgent individual preoccupations are so far removed from ours."

And he realizes too: "The total demands for overseas financial assistance crowding in on the United States Treasury from all quarters whilst I was in Washington were estimated to amount to between four and five times our own maximum proposals."

He says: "Four good reasons arising out of the past they owe us something more than they have yet paid."

He concedes: "We accepted in the end more cut and dried arrangements in some respects than we ourselves believed to be wise or beneficial."

And he adds: "In my own judgment, it is cut somewhat too fine, and does not allow a margin for unforseen contingencies."

But he admits: "It represents about as large a cumulative adverse balance as we ought to allow ourselves in the interval before we can get straight."

He confesses: "I shall never so long as I live cease to regret that this is not an interest-free loan."

As to the demands of other of the associates in the late war, he says: "Not all of them have had out of Uncle Sam the same relative measure of assistance up to date."

The later Lord Keynes thought, spoke, and wrote as an Englishman—always for his country—the British Empire.

From the standpoint of his countrymen, Lord Keynes pictured the alternative to the grant from the United States in the following words:

"The alternative is to build up a separate economic bloc which excludes Canada and consists of countries to which we already owe more than we can pay, on the basis of their agreeing to lend us money they have not got and buy only from us and one another goods we are unable to supply. We have to admit it is an alternative full of problems."

What the late Lord Keynes either did not know or could not seem to realize was that the makers of the English budget for the coming fiscal year were to, and did, calculate upon the proceeds of the projected grant from the United States of America in order to reduce the income-tax rates of the British taxpayers.

In other words each American taxpayer subsidizes three or more English taxpayers. Shades of the Boston Tea Party.

Perhaps it is only because the Irish people have suffered from these same schemes and robberies by the British ruling classes for more than 800 years that the citizens of Irish blood amongst us seem to be most thoroughly awake to the plottings and plannings which threaten our beloved country.

Even today, men and women of Irish blood are kept keenly conscious of the inroads of the British Empire because the Robber Baron, by force and fraud, maintains an alien foothold upon part of the sacred soil of Ireland.

A high-school student of ordinary intelligence, carefully reading Lord Keynes comments can easily see that there is no intent to ever repay the proposed British loan. The alibi has been well prepared in advance for its early and ignominious default. Such was the history of the past. Such will be the history of the future if the grant be made.

Senators of the United States would be well advised to read and ponder the political history of the late Lord Keynes. His concept of duty was to serve the British Empire. The fact that such service caused injury to the United States of America and multiplied many-fold the tax burden upon each American citizen was no concern of Keynes. He served his master as he knew his master.

Let each American Senator serve his constitutents now—in the same spirit and in the same loyalty, but to his own country, the United States of America.

There are those of us, and there are many veterans and fathers and mothers of veterans amongst us, who are well convinced that any elected official who gives away the substance and wealth of our country to any foreign power is writing the certificate of election for his opponent at the next electoral contest.

The British Empire cannot rescue itself from its difficulties by continued borrowing.

Our Federal Government has no mandate to give away the substance of the American people.

Let the question of this proposed grant of $4,400,000,000 to Britain be submitted to the voters of all of the States at the coming election.

AMALGAMATED IRISH-AMERICAN ORGANIZATIONS

Mr. LANGER. I now wish to read a few paragraphs from this advertisement:

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The British Empire cannot rescue itself from its difficulties by continued borrowing.

Our Federal Government has no mandate to give away the substance of the American people.

Mr. President, I also wish to bring to the attention of the Senate some things which have not heretofore been commented upon on the floor of the Senate. In 1932 Mr. Lloyd George wrote in his book, Reparations and War Debts, that:

Though the peace treaties were signed, and a League of Nations was set up to keep the peace, some of the nations never abandoned their wartime mentality. The first reaction of any calamity is to create an intense desire to prevent its repetition and to concentrate all thought and energy on that particular kind of disaster to the exclusion of all other possible or probable mishaps. The danger of

that state of mind is that it is apt to be neurotic and unbalanced and that its energies are misdirected. It is haunted with the spectre of symptoms and secondary causes, and not with the root cause of the evil.

Mr. President, no one could more graphically or more prophetically have described the foundation of world relationships that underlies this present legislation than Mr. David Lloyd George, and it is the recognition of the anarchic forces of conflict which underlie present world relationships that marks the distinction between the British and the American approach to this alleged British loan. If for no other reason than the fact that this loan does not begin to go to the root of their problems, the British are themselves almost unanimously opposed to the terms and the implications of these present financial arrangements.

On December 15, 1945, at a time when England was debating both the Anglo-American loan and Bretton Woods agreements, Mr. Mallory Browne cabled the New York Times from London that—

In London this week all the signs pointed to the possibility that acceptance by Britain of the Anglo-American loan agreement has opened a period of unprecedented Anglo-American disagreement.

Shakespeare had a word for it, of course. "Loan oft loses both itself and friend," he said. And that's certainly the way it looks over here in England at the moment.

Not for many years, not since the British defaulted on the last war loan, and perhaps not even then, has there been so much resentment, such widespread bitterness against the United States—

This was on December 15, 1945, Mr. President.

Such widespread bitterness against the United States as one finds expressed in Parliament, in the press, and by the general public in Britain today.

The hostile reaction in Britain to the Anglo-American loan agreement is no passing mood of the moment.

First, Mr. President, we ought to enter into the RECORD the editorial reaction of the British press. In the same week the London Economist, which never fails accurately to express the attitude of British business circles generally, stated that—

It certainly requires a very compelling necessity to secure the swallowing of such a very bitter pill.

If the purpose of the American Congress which decides American policy is, as it often seems to be, deliberately to wound and afflict the British people, it has certainly succeeded.

It is aggravating to find that our reward for losing a quarter of our national wealth in the common cause is to pay tribute for half a century to those who have been enriched by the war.

So it can be seen, Mr. President, that already they are getting ready to cry, "Uncle Shylock, Uncle Shylock, Uncle Shylock."

The left-wing weekly Tribune, which always reflects the attitude of the belligerent wing of the Labor Party, stated that:

American capitalism has driven a savage bargain. After a war in which Britain has fought longer than America, in which we have mobilized more fully, in which we have seen our cities ravaged while America augmented hers, a loan is offered to extricate us from difficulties arising entirely from our contributions to the common cause—a loan which means that our great-grandchildren will still be paying a tribute almost double the total of exports which went from here to the United States every year before 1939.

That is what the labor newspaper said.

Mr. President, I wonder how some Senators who are going to vote for this loan can sleep at night with a clear conscience. I obtained from the Bureau of the Census the assessed valuation of all the property in a number of States.

I see sitting before me the distinguished Senator from Oklahoma [Mr. THOMAS]. I do not know how he is going to vote on this loan. I rather think he is going to vote against it, because he is a man of extraordinarily good judgment. The assessed valuation of the State of Oklahoma—including every horse, every cow, all the oil fields, all the land, all the money, and everything that everyone in Oklahoma pays taxes on, according to the Bureau of the Census, is $1,224,123,000. So if my distinguished colleague from Oklahoma votes in favor of this bill he will be voting to give away three times the assessed value of every acre of land and every bit of property in the State of Oklahoma.

I think it would be interesting to consider the State of Arizona. The distinguished Senator from Arizona [Mr. MCFARLAND] tried desperately to save property in Arizona. The assessed valuation in Arizona in 1939 was $388,907,000. The distinguished Senator from Arizona apparently would not vote to give away to England nearly 15 times as much as the value of everything that is owned by all his constituents in the State of Arizona.

Another great State in this Union is the State of New Mexico. That State has produced some very great men who have graced this hall. At the present time it has two very distinguished Senators. I should be very much surprised indeed if those two Senators should vote for the loan, in view of the fact that the assessed valuation of New Mexico in 1939—every acre of land, every cow, every horse, every sheep, every burro, every mule, and everything they have—was $314,121,000, according to the Bureau of the Census. If these figures are not accurate I do not wish to be blamed for it, for they are the figures which the Bureau of the Census furnished me, and 1939 was the last year for which it had figures. So we are making a gift to Great Britain of approximately 15 times the assessed value in the State of New Mexico.

I see present my friend the distinguished Senator from South Carolina [Mr. JOHNSTON]. The State of South Carolina is a great State. But every bit of property in South Carolina, including all the land, horses, machinery, and everything else, is assessed at $365,354,000. I can understand now why the distinguished Senator from South Carolina made such an eloquent speech the other day against the loan. He realized that we were making a gift to England of 15 times the value of everything his constituents own in the State of South Carolina. He is too intelligent a man to vote to give it away to a foreign country. I was confirmed in that belief when he made his eloquent speech a few days ago.

We come next to the State of Texas. We have heard a great deal about the great State of Texas. It has the best of everything. I remember that upon one occasion our chamber of commerce at Bismarck, N. Dak., sent for a Texas man to give us a talk. All the citizens of the city of Bismarck were invited. This Texas man was a real booster. When he came to Bismarck, N. Dak., the committee from the Commercial Club thought they would take him out and show him the country. So he was taken in an automobile and driven about the countryside. He was shown a very fine field of corn. He said, "Yes, that is a pretty nice field of corn, but it does not begin to compare with the corn in Texas. Our corn is more than twice as high." The committee from the Commercial Club took this man over to the edge of a lake and asked him, "Is not this a beautiful lake?" The Texas man said, "Yes; it is a very nice lake, but it does not begin to compare with the beautiful lakes in the State of Texas." The committee was rather disgusted. In that lake there was a large turtle, which was pointed out to the Texan. He was told, "That is a North Dakota bedbug." He looked at it for a few minutes, and then said, "It must be a very young one." [Laughter.] That is the kind of State that Texas is. In Texas everything is better than it is in any other State—including the race horse which won the Kentucky Derby a few days ago.

What is the assessed value of the entire State of Texas, including everything that Jesse Jones owns down there, everything that SAM RAYBURN owns, everything owned by the distinguished Senators from that State, and by the State's 21 Representatives in the House? The assessed valuation is less than the amount it is proposed to give away to England. The whole State of Texas—the old Republic of Texas—every piece of land, and everything else in it, was assessed in 1939, according to the Bureau of the Census, at $4,145,625,000.

I see present in the Chamber the distinguished Senator from Kansas [Mr. REED]. I wonder what his constituents would think if it should develop that he might possibly vote for the loan to give away $4,400,000,000. My distinguished colleague has been governor of that State. He knows how the pioneers went there and fought the Indians in order that they might have a place to live and to make a future for their children where they could have real liberty. The great States of Kansas, together with Maine and North Dakota, think more of the youth, the children who are reared within their borders, than does any other State in the Union. For years one could not buy a cigarette in the State of Kansas. It was a violation of the law to sell cigarettes. For years one could not get a drink of liquor in Kansas. It was the home of Carrie Nation. It is a great State, if there ever was a great State in the United States. The State of Kansas has produced great men. In that State great pioneers put everything they had in the world into the soil. Yet today we are asked to give away almost twice as much as the value of everything in Kansas. In 1939, according to the Bureau of the Census, Kansas had an assessed

valuation of $2,801,406,000. I wonder if the advertisement by the Amalgamated Irish Society, which says that men who vote to give their property away are not worthy of reelection, is not true. So much for Kansas.

We now come to the State of Iowa. A few years ago we were unable to get any loans on our real estate in North Dakota. The Federal land bank withdrew from our State because we enacted an anti-deficiency-judgment law, which said that the last drop of financial blood could not be squeezed out of a poor man who had worked all his life, merely because he had signed a note and given a mortgage on his farm. I went to some insurance companies to see whether I could get them to lend money on North Dakota real estate. I went to the president of the Equitable Life Insurance Co. He said, "No, the only State out West in which we like to lend money, the only State in which, on the whole, we have never had a loss, is the State of Iowa." According to the president of the Equitable Life Insurance Co., Iowa is the best State in America. He told me that the "little brown hen" alone had paid off mortgages.

The assessed valuation of Iowa, the best agricultural State in the Union, according to the life-insurance loan agents, had an assessed valuation of $3,219,977,000, which is nearly $1,000,000,000 less than we are asked to give away to England. If either Senator from the State of Iowa wishes to vote to give away more than the assessed valuation of Iowa—more than all the constituents who elected him are worth—I suppose he has our consent to do it. We cannot stop him from doing it. But I refer to the advertisement by the Amalgamated Irish Society, saying that that kind of a man is not worthy of reelection by his constituents.

Now we come to the great State of Connecticut. Mr. President, from the time when I was a little fellow I heard about the great, great State of Connecticut. All the great fire-insurance companies in this country have congregated there. There was nothing but wealth and prosperity there. We heard a great deal about its proximity to the State of New York and the city of New York, and how men from New York moved there. We heard how they moved into Connecticut so as to evade the income tax; we heard how they went there and built great palaces. We are all familiar, I believe, with the trouble the United Nations is having in trying to get a home established in a part of the great State of Connecticut. Mr. President, although hundreds and hundreds of men left New York and moved into Connecticut, although they built very fine homes there, yet the assessed valuation of the State of Connecticut in 1939, according to the Census Bureau, was less than the amount of the proposed loan. At that time the valuation of the State of Connecticut was $3,072,460,000. So any Senator from Connecticut who votes for this loan—this gift, because it is not a loan and everyone on the floor of the Senate knows that—is voting to give away more property than is owned by all his constituents in the State of Connecticut.

Mr. President, I come now to the State of Arkansas. If there has been anyone upon the floor of the Senate who has spoken more eloquently in favor of the proposed British loan than has the distinguised junior Senator from Arkansas [Mr. FULBRIGHT], I do not know who it could possibly be. In fact, he has spoken so well and so often and has said so much about making a gift to England that, one of these days, I am going to write a letter to the King over there in England and ask him if he cannot give a title of some kind to my distinguished friend and colleague from the State of Arkansas, because he is certainly worthy of it, in view of all the great things he has done for the United Kingdom.

Mr. President, what do they have in Arkansas? In 1939 the total assessed valuation of all property, personal and real—everything there—was $442,109,000—roughly one-tenth of the $4,400,000,000 we are giving to England. If my distinguished colleague, the junior Senator from Arkansas, votes for this loan he will be voting to give away ten times the value of everything that his constituents own. Is it any wonder that the Irish societies in New York, New Haven, San Francisco, Boston, and other places put in the newspapers full-page advertisements protesting against the loan? Mr. President, we have to give it to the Irish: They know how to fight. It is no wonder that almost all the Irish who live in New York City are policemen at some time or other after they go there. The advertisement to which I have referred is beautifully written. It says that in their opinion any man who votes to give away their property is not worthy to be reelected by his constituents. Mr. President, I shall not say whether I agree with them; I shall let you guess whether I do.

Now we come to the State of Alabama, which is so ably represented upon this floor by the Democratic whip. Do you know, Mr. President, that the Democrats have a Republican from North Dakota, at least—I would say from the West—guessing. They have been in power now since 1932. If ever a group of men have shown that they should not be in power, it is the group made up of Democrats of a certain type—not all of them. I refer to a certain type of Democrat. It happened that I was Governor of my State, elected in the same year that the Democratic Party came into power in 1932. At that time I was one of the two Republican Governors elected in the entire United States. I had been in office only a short time when the man who now is Secretary of Commerce, Mr. Wallace, became Secretary of Agriculture. From the time when I was a little bit of a tyke I have been taught by my father and mother that the way to make money was to go out and work for it. The theory was that the harder you worked, if you had any kind of even break with luck, the more you made; that a farmer should raise all the cattle he could raise and all the hogs and all the wheat he could raise and sell at a profit, and that that was the way to make money. But Mr. Wallace gave us an entirely new theory of life when he became Secretary of Agriculture. It happened that I had a nice herd of cattle. For some of those cattle I had paid $70 apiece. Lo and behold, Mr. President, one day I was told by agents of the Federal Government that some of my cattle had to be killed. The distinguished Secretary of Commerce, I understand, is a great Bible student. He knew all about droughts. He knew all about storing up grain and storing up meat because some day famine would come. But what did he do? My cattle were taken to a sand pit and shot, covered with a little bit of sand, and some months later I got a check amounting to $17 apiece for them. Thousands of our farmers in the Northwest were paid for not raising pigs. If they did not raise pigs, they were paid for not raising them. Believe me, Mr. President, thousands of farmers did not raise them. Today the authorities are yelling for meat.

Mr. President, how responsible is a Democratic leader of that kind—this man who now is saying that he is fit to lead the CIO and the PAC, the man who advocated plowing under the cotton of the South? In North Dakota we have some fine land. I was born there. We like to raise good crops. It is nice, fine, level land. In fact, there is no land anywhere else in the world that equals the Red River Valley land, Mr. President. It is better than the land in the Nile Valley. But all of a sudden our farmers were told they had to leave a certain amount of the land unplanted; they were told they could not produce crops on a certain amount of their land. They were told that in a section of 640 acres, they might plant 160 acres. Those representatives of the Federal Government did not know enough to take wheat and store it up. Today they come to North Dakota, crying for more wheat. Mr. LaGuardia and the Secretary of Agriculture went there several weeks ago and said to the farmers there: "Get in your wheat. In Europe people are starving; people all over the world are starving."

Mr. President, when the next national election rolls around, in 1948, although I am not familiar with what some of the citizens in some of the other States may do, I venture the prediction that in the State of North Dakota the intelligent farmers there, men who know their economics, will express themselves in no uncertain terms. They will remember that in January the Secretary of Agriculture pleaded with them to bring in their wheat, and those Christian, patriotic farmers, those men and women who do not want to let people anywhere on this earth suffer, went through the mud and through the snow and got it in, and then on April 18 those who had not gotten their wheat in were suddenly given a 30 cents a bushel bonus for not taking it in; and on yesterday it was announced that they are to be given an additional 15-cent bonus for wheat, making a total bonus of 45 cents a bushel for not delivering it, and the agents of the Federal Government are giving an additional bonus on corn and a 5-cent bonus on oats and a 10-cent bonus on rye.

Oh, Mr. President, what is being done on the part of the present Secretary of Agriculture and his officers, is just as

dumb as what was done by former Secretary of Agriculture Wallace when he instructed the cotton farmers to plow under every third row of cotton, and told the farmers not to raise as many hogs as they had been raising, to kill off the little pigs, and not grow as much wheat as they had been growing.

Just as soon as the next wheat crop matures, Mr. President, what will be the psychology? The farmer will sell only enough wheat to pay for his threshing bill, his combine bill, a small grocery bill, and perhaps a doctor's and dentist's bill. The rest of the wheat will be put into storage. Why? Because he saw Tom Campbell, the great wheat king of Montana, who had more than 400,000 bushels of wheat, keep it on his farm. Now there is being paid a bonus of 45 cents a bushel, and Mr. Campbell is delivering his wheat. A profit of 45 cents a bushel on 400,000 bushels is a great deal of money. We have farmers who raise only 3,000 or 4,000 bushels of wheat a year. Those farmers need every penny they can accumulate in order to send their children to school.

Mr. President, North Dakota stands first in literacy of any State of the Union. We believe in the education of every child in North Dakota. We send our boys and girls to colleges. We have more normal schools in North Dakota than are located in Iowa. I see my distinguished colleague and friend, the senior Senator from Iowa [Mr. WILSON], sitting in the Chamber. I wish to tell him that although North Dakota has an assessed valuation of less than a billion dollars, and Iowa has an assessed valuation of more than three times as much, we have more normal schools in the State of North Dakota than there are in the State of Iowa. We are proud of that fact. I do not mean to reflect on Iowa because Iowa has a magnificent educational system. However, we have one of the best agricultural colleges in the country. We have one of the outstanding State universities in America. We have a school of science which is of such high standing, Mr. President, that at that school 7 years ago there was discovered the chief component of what is now used in the atomic bomb. Professor Lawrence discovered it.

Mr. President, let us go to Maine for a moment. The distinguished minority leader was not present when I read an editorial from a newspaper published in Maine. I advised him to read the RECORD tomorrow and see what the editor of that paper has stated. I had said that Winston Churchill fought against the Americans in Cuba. The Senator said that I was in error. I was required to refer to Who's Who. I now take the record over to the desk of the distinguished Senator from Maine so that he may advise the distinguished editor of the newspaper that in Who's Who it is stated that Winston Churchill took up arms against the Americans in the Spanish-American War. I was surprised at the statement in the editorial, because I always held a very high opinion of the intelligence of the people of Maine. I have known only four persons from Maine. Most distinguished of them all, of course, is my distinguished colleague, the senior Senator from Maine [Mr. WHITE], who is now gracing the same seat that his distinguished grandfather once graced before him.

Of course, I know the junior Senator from Maine [Mr. BREWSTER], who is also an outstanding citizen. Some years ago I met the Governor of Maine, Mr. Sewall, who was a very high-class citizen. But the man whom I remember best as coming from Maine was Wallace Grover who, when I was a small boy, lived in the adjoining block. He had the largest house in town. He had paid for it $75,000. It contained a ballroom located upstairs. It had been decorated by a Minneapolis decorating concern. Knowing Mr. Wallace Grover as I did, I learned to have the highest regard for the people of the great State of Maine.

Mr. President, I now come to the pending joint resolution. I find that according to the Bureau of the Census the assessed valuation of all property in Maine in 1939 was $661,209,000. That was the assessed valuation of every acre of land in Maine, every horse, every cow, all bank deposits, and everything else in that State in 1939. I repeat the figure, $661,209,000. I cannot conceive, Mr. President, of either Senator from Maine ever voting to make a gift of more than six times the assessed valuation of their State.

I recall an occasion when the distinguished Senator from Georgia was making a report on a bill. It was a very fine report. I interrogated him with regard to it and asked him if he would vote for a loan to Russia of $4,000,000,000 or $5,000,000,000. I shall never forget the answer of the distinguished Senator. He said, and the RECORD so shows, "I would not loan any country more than $1,000,000,000." Those were the words of the distinguished Senator from Georgia. I admired him for his assertion because he had lived in Georgia among the farmers there for years and years. He is a farmer himself and is proud of it.

Mr. President, what is the assessed valuation of Georgia? In 1939, according to the Bureau of the Census, every acre of land in Georgia, every item of personal property in Georgia, and everything else in the State was assessed at a total value of $1,392,647,000. And yet, Mr. President, the distinguished Senator from Georgia who said he would not loan more than a billion dollars to any country, is being asked to make what virtually amounts to a gift of three times the value of everything which his constituents owned in Georgia in 1939. In Georgia there live some of the finest citizens of any State of the Union. I know, because I have been in Georgia.

We have as a Members of this body the distinguished Senator from California. Mr. President, men and women have come from California and with pride have told me that the tires of their automobiles were filled with California air. They were proud of the fact that they had at least that much with them from the State of California. I have heard men from California boast of what they were worth. I do not blame them for doing so. I went through California last year in an automobile. I spent 4 days in that State. I never saw its like. It has everything. If I were not a resident of the State of North Dakota, next to Idaho I would choose California. But the entire assessed valuation of California, where there is located the biggest bank in America, bigger than any bank on Wall Street, is $8,274,256,000, which is roughly twice the amount we are asked to give to England.

So, Mr. President, if either of the distinguished Senators from California votes for the proposed loan he will be voting to give away an amount of money equal to one-half of the property of all his constituents in the State of California.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LUCAS. Does the Senator believe there is any California air in the assessed valuation which he has read?

Mr. LANGER. I beg the Senator's pardon?

Mr. LUCAS. Does the Senator believe there is any California air in that assessed valuation?

Mr. LANGER. I do not presume there is. I assume that the assessments made in that State were made in the same way that they are made in other States.

Mr. President, while I was in California I saw beautiful orange groves. I saw a field in which a remarkable job was done in raising rubber. I went and looked at it. I saw the rice fields at Willows. I was proud of the fact that I was an American when I got to Willows, Calif., and saw Californians raising rice.

Mr. President, this is how they got their rice in California. They had thousands upon thousands of acres of alkali marsh fields which were absolutely worthless. They were not assessed for anything; they were valueless. The heat in the Imperial Valley and some other places in California was terrific in the summertime. So they had these worthless alkali marshes.

What did the Californians do with that worthless land? They got some Indians to come to California, about 3,000 Indians from India who knew how to raise rice, and the California people let them plant the rice. Those Indians knew they would not get a crop the first year, so they were allowed to reseed the land a second time, and just a little bit of rice came up. They reseeded it a third time. Finally that worthless land became worth between $300 and $400 an acre.

The Californians then thought those Indians had had the land long enough, that it was about time the white men got hold of it, when it got to be worth three or four hundred dollars an acre. So they brought a lawsuit. They said, "These Indians are not citizens and they cannot become citizens." They passed a law that only a Negro or a Caucasian could hold land in California.

Those Indians took their case to the Supreme Court of the United States and in an opinion by Justice Sutherland it was held the Indians were not white people and were not black, they were not Negro and were not Caucasian. It was just too bad, but they could not hold that land in the State of California.

Naturally, the white men got this land which the Indians had taken from

nothing. They got title to it and today an Indian cannot hold any property there. But regardless of that, the fact remains—and I must hurry along, because I wish to get through—that the property in that State is assessed at approximately twice as much as it is proposed we give to the United Kingdom.

Let us take the State of Illinois. I see my distinguished friend the senior Senator from Illinois [Mr. LUCAS] in the Chamber. I remember the city of Chicago from the time when I was knee high to a grasshopper. I was living on a ranch, and we used to have as high as 100 or 150 men working for us. Toward the end of the season they would say, "We are going to Chicago to spend our money. It is a great place to spend our money."

I remember later when we built a house in town, my father and mother went to Carson, Pirie, Scott & Co., a great big store in Chicago, and bought their furniture there, brought it to North Dakota, and furnished their large house.

Mr. LUCAS. If the Senator will yield, it is Carson, Pirie & Scott.

Mr. LANGER. Is that the name of it?

Mr. LUCAS. Yes.

Mr. LANGER It is a very fine store, or was at that time, anyway.

Mr. LUCAS. It still is, and it is still getting money from North Dakota.

Mr. LANGER. Fine; as I have said, that was a long time ago. Then I went to Chicago and saw all those beautiful buildings, and later from a plane I saw it. There is not a more beautiful community one can fly over than the city of Chicago. Some folks do not like parts of it, where the packing plants are located, and that sort of thing, but it is a glorious industrial city. Yet there is very fine land around Kankakee, and some of the other places in Illinois. When we sum it all up, the assessed valuation of all the State of Illinois in 1939, according to the Bureau of the Census—and I got these figures day before yesterday—was $5,159,678,000. So if this loan is made, we are giving away approximately four-fifths of everything that is owned by the taxpayers and nontaxpayers in the State of Illinois.

Take the State of Kentucky, where the distinguished majority leader lives. The assessed value of property in that State is $2,737,000,000. So if the distinguished majority leader votes as he has indicated he is going to vote, he is giving away nearly twice as much as the assessed valuation of everything owned by all his constituents in the State of Kentucky.

The assessed valuation of Louisiana is $1,189,198,000.

I notice here my distinguished colleague, the junior Senator from Delaware [Mr. BUCK]. He has been Governor of his State twice. He has been highway commissioner. He is now United States Senator. He has been honored with nearly everything the people of that State can give to one citizen, and I do not suppose there is a man in Delaware more familiar with that State than my distinguished colleague here. He is asked now to give away $3,375,000,000, yet according to the Bureau of the Census, the assessed valuation in 1939 of everything in Delaware, everything the people have there, was $312,811,000. He is asked to give away nearly 14 times as much as is owned by all of his constituents.

So, Mr. President, I refer back to the advertisement inserted by the Irish in the Gaelic American, and I very respectfully refer my distinguished friend to that advertisement.

Mr. President, we live here in the city of Washington. We ride around in our automobiles and see this beautiful town. It is true that some of the Government buildings are not included in the assessed valuation, but there are great stores here, and much valuable property. The assessed valuation is only $1,847,489,000. So, if we are going to give this money to England, we are giving them twice and a half everything, all real and personal property, in the District of Columbia—making them a present.

The assessed valuation of Idaho was $389,458,000.

I shall now give the assessed valuation, in round figures, of a number of States, Mr. President.

Arizona, $388,000,000; Delaware, $312,000,000; Idaho, $389,000,000; Montana, $330,000,000; Nevada, $185,000,000; New Mexico, $314,000,000; North Dakota, $990,000,000; South Carolina, $365,000,000; South Dakota, $990,000,000; Vermont, $353,000,000.

And we throw in Hawaii for good measure, $266,000,000.

Mr. President, that makes a total of 10 States, not counting Hawaii, and their total assessed valuation does not amount to $4,400,000,000. But we are asked to make a present to England of those 10 States out of our 48. We are going to make England a present of them.

Mr. President, a few day ago I picked up this little pamphlet put on my desk by the Carnegie Endowment for International Peace. I understand they do not pay any taxes. They go around trying to influence everybody they can through an endowment fund they have. I checked up on these foundations a while ago and found that out of billions of dollars which are accumulated, some of them have just a lot of relatives on the payroll, and they escape the payment of income tax that way, using the money for propaganda.

Mr. President, I was amazed when that pamphlet was laid upon my desk. It is entitled "We Quote." I want to read what Walter Lippmann said, as it appears on page 34 of the pamphlet, under the heading "XI. Columnists." He says there that he is in favor of the loan, that he wants the loan made. But I call attention to the date of this statement, December 8, 1945. His statement is as follows:

> Many men find it hard to believe that there can be an international arrangement by which everyone gains. This is, however, such an arrangement. There is nothing that either government has conceded which it would have been more profitable to its people not to concede.
>
> There is no doubt that the benefits of the agreement go far beyond the immediate financial effects of the credit itself. The arrangement makes it possible to open up trade between and within the regions of the world where the dollar and sterling are international money. These regions do at least half of all the international business of the world. This is enough to make it reasonably sure that a relatively free rather than closely and narrowly regimented system of trade shall survive and flourish well enough to hold its own, and in the end to prevail.
>
> If Britain and America went their separate ways, which would have to happen if this agreement failed, then there would be no conceivable way of maintaining any kind of free economy in the world. The world would become divided into small economic regions, bureaucratically controlled and no amount of speech making about free enterprise would then save free enterprise.
>
> In the last analysis, though the money goes to the British Government and will help the British people through some of their immediate difficulties, it is an investment by the United States to restore and perpetuate that system of world trade which we believe in.

That was what Walter Lippmann said on December 8, 1945. What did he say day before yesterday, December 7? I have in my hand a copy of the Washington Post. I will read from Walter Lippmann's statement as it appears in the Post, what he thinks of Mr. Byrnes now. I will read what he thinks of our State Department now. And I call attention, Mr. President, to the fact that two Senators on this floor have said that the only reason they are voting for the loan is because they know Jimmie Byrnes and have confidence in him. They say that, "Jimmie Byrnes sat on the Senate floor with us, and we go by anything Jimmie Byrnes says." This is what Walter Lippmann said on May 7:

> The European reaction to his disarmament treaty should be enough to convince Mr. Byrnes that his advisers have not supplied him with a true picture of the German situation. The proposal was still a top secret when I left Paris a week ago Monday; when I read the text in the New York newspapers the next morning. I would have bet right then and there that the Russians would be rude and angry and that the British would brush it off with frigid politeness. For the proposal, which would have been well received in 1944, is based on a radical misunderstanding of what is happening in Germany. It takes no account of, and indeed runs afoul of, the evolution of Soviet and British policy. That is why it has met such a rebuff.
>
> The proposal assumes, quite mistakenly, that the paramount objective of our two allies is to keep Germany disarmed. In fact, they are maneuvering for position in anticipation of a war which they regard not necessarily as inevitable, but as probable.

They are going to have a war now, a probable war.

> In such a war Germany would be not only a battlefield. The Germans would play an enormous part. Though battered, the Germans are still by all odds the strongest nation in Europe. A duel is in progress between London and Moscow for the control of the German population, and its high military potential.
>
> The grim reality of this Anglo-Soviet duel is not altogether hidden from the Americans. But it is obscured for them even in Germany, and apparently its significance has not been appreciated at all in Washington.

In other words, our Secretary of State knows nothing about it.

> There is an important reason why the American Government is basically misinformed, why it has lost touch with the realities.

The Secretary of State says we should give Britain $4,400,000,000. Two Senators have said on the floor of the Senate that they are voting in favor of the loan because Mr. Byrnes says it should be made. Mr. President, I remember very well when my distinguished colleague the Senator from Georgia [Mr. GEORGE] quoted in respect to some financial matters the testimony of Bernard Baruch and Jesse Jones and some others. The testimony of Jesse Jones and Bernard Baruch and Leo Crowley today is not to make the loan. We do not hear that mentioned now.

Mr. President, months ago we found Dean Acheson of the Department of State saying we had to make this loan. Bill Clayton of the State Department, traveling around the country, said we have to make this loan. Henry Wallace, who killed our 5,000,000 little pigs and plowed under our cotton and persuaded us not to raise wheat, that great financial expert, said, "You have got to make this loan. You have got to make this gift." Mr. Vinson said, "You have got to make the loan." All these men, appointed by the President, and drawing large salaries, who are in high places, say we must make this loan. But Leo Crowley says we should not make it. Bernard Baruch and Jesse Jones say we should not make it. They are three pretty level-headed businessmen. They are men who have been all over the world. That elder statesmen, Bernard Baruch, by reason of his experience in World War I, in my judgment, knows better than any other man in the United States of America whether the loan should be made.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from North Dakota yield to the Senator from Colorado?

Mr. LANGER. I yield.

Mr. JOHNSON of Colorado. Winston Churchill said not to make it, too, and Herbert Hoover said not to make it. Other distinguished men say we should not make it.

Mr. LANGER. Winston Churchill changed his mind. As a member in Parliament he voted against it, but he has changed his mind.

Mr. JOHNSON of Colorado. But Winston Churchill said in Parliament that the sterling credits should have been brought into the picture at the time the agreement was made.

He said that the sterling credits should have been scaled down and a final settlement made on the sterling credits along with the settlement with us on lend-lease. It seems to me that Winston Churchill was very sound in that respect.

Mr. LANGER. When Mr. Churchill came over here he saw Mr. Bernard Baruch down in Florida. There they discussed the question. Up to that time it had been planned to call Bernard Baruch before the committee. Mr. Winston Churchill tried to talk Mr. Bernard Baruch into saying that the loan was going to be all right.

Let us see what Mr. Walter Lippmann has to say about Mr. Byrnes now.

There is an important reason why the American Government is basically misinformed, why it has lost touch with the realities. It is that the Americans abroad are not dealing at first hand with the main elements of the German situation.

I ask unanimous consent to have printed in the RECORD all of the editorial appearing on page 1, and the first three paragraphs on page 2.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

Mr. GURNEY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Pepper
Austin	Hickenlooper	Radcliffe
Ball	Hill	Reed
Bankhead	Hoey	Revercomb
Barkley	Huffman	Robertson
Bridges	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Shipstead
Buck	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capper	Lucas	Taft
Donnell	McCarran	Taylor
Downey	McClellan	Thomas, Okla.
Eastland	McFarland	Thomas, Utah
Ellender	McKellar	Tobey
Ferguson	McMahon	Tunnell
Fulbright	Magnuson	Tydings
George	Maybank	Wheeler
Gerry	Millikin	White
Green	Mitchell	Wiley
Guffey	Moore	Willis
Gurney	Morse	Wilson
Hart	Murdock	Young
Hatch	Myers	
Hawkes	O'Mahoney	

The PRESIDING OFFICER. Seventy-three Senators having answered to their names, a quorum is present.

The Senator from North Dakota.

Mr. LANGER. Mr. President——

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. I wish to inquire what the pending amendment is.

The PRESIDING OFFICER. The pending amendment is amendment No. 1 of the Senator from North Dakota.

Mr. LUCAS. Under the rule, how many times may the same Senator speak on the same amendment?

The PRESIDING OFFICER. A Senator may make two speeches on the same question on the same day.

Mr. LUCAS. Do I correctly understand that the Senator from North Dakota has now made one speech on the pending amendment?

Mr. LANGER. No, Mr. President; this is still the first speech.

The PRESIDING OFFICER. The Chair understands that it is the first speech the Senator from North Dakota has made on this question.

Mr. LUCAS. Mr. President, the Senator from North Dakota has completed his first speech, under the rule, and he is entitled to another speech, under the rule. Am I correct?

The PRESIDING OFFICER. The Senator from North Dakota is entitled to another speech, under the rule.

The Senator from North Dakota is now recognized.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. Am I entitled to another speech after this one?

The PRESIDING OFFICER. If any Senator makes the point of order, the Chair will state to the Senator from North Dakota, the Chair will rule that the first speech of the Senator from North Dakota on the pending question has terminated.

Mr. LANGER. Mr. President, I have not yet completed my first speech.

Mr. LUCAS. Mr. President, now I make the point of order, if I am required to do so, I wish to protect the Senator from North Dakota; I do not wish him to talk too long.

Mr. LANGER. Mr. President, I wish to say to the Senator that I have three amendments, and I wish to talk on all three of them and thereafter I shall wish to talk on the bill, in addition.

Mr. LUCAS. I understand that.

The PRESIDING OFFICER. The point of order of the Senator from Illinois is well taken. The quorum call terminated the first speech of the Senator from North Dakota; and under the Senate rule he is entitled to make another speech on the same subject.

The Chair recognizes the Senator from North Dakota.

Mr. LANGER. I thank the Chair.

Mr. President, in view of the fact that my request for unanimous consent to have the editorial to which I was referring printed in the RECORD, without reading, was refused on objection by my distinguished colleague the Senator from South Dakota [Mr. GURNEY] I shall now proceed to read it.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senator from North Dakota may have the editorials printed in the RECORD, without reading.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. LANGER. Mr. President, I did not understand the Senator's request.

Mr. LUCAS. I have asked unanimous consent that the editorials may be printed in the RECORD, without reading.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. GURNEY. Mr. President, reserving the right to object, let me say it is very expensive to print whole pages of material in the CONGRESSIONAL RECORD. I was hoping that we could cut down the number of pages which might go into the RECORD for today. If the Senator from North Dakota would like to read the editorial, I should like to sit here and listen to it.

Mr. BARKLEY. Mr. President, if the Senator will permit me to make a statement at this time, let me say that it will cost just as much to print the editorial in the CONGRESSIONAL RECORD if it is read as to print it under a unanimous consent request without reading, whereas there would be some economy of time if we were not required to listen to it. In other words, Mr. President, if the editorial is to appear in the CONGRESSIONAL RECORD, the same number of pages will be required for the printing of it in the RECORD, regardless of whether it is read or whether it is printed in the RECORD under a unanimous consent agreement that it be printed without reading.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post of May 7, 1946]

THE GERMAN DRAMA

(By Walter Lippmann)

The European reaction to his disarmament treaty should be enough to convince Mr. Byrnes that his advisers have not supplied him with a true picture of the German situation. The proposal was still a top secret when I left Paris a week ago Monday; when I read the text in the New York newspapers the next morning, I would have bet right then and there that the Russians would be rude and angry and that the British would brush it off with frigid politeness. For the proposal, which would have been well-received in 1944, is based on a radical misunderstanding of what is happening in Germany. It takes no account of, and indeed runs afoul of, the evolution of Soviet and British policy. That is why it has met such a rebuff.

The proposal assumes, quite mistakenly, that the paramount objective of our two allies is to keep Germany disarmed. In fact, they are maneuvering for position in anticipation of a war which they regard not necessarily as inevitable but as probable. In such a war, Germany would be not only a battlefield. The Germans would play an enormous part. Though battered, the Germans are still by all odds the strongest nation in Europe. A duel is in progress between London and Moscow for the control of the German population, and its high military potential.

The grim reality of this Anglo-Soviet duel is not altogether hidden from the Americans. But it is obscured for them even in Germany, and apparently its significance has not been appreciated at all in Washington.

There is an important reason why the American Government is basically misinformed, why it has lost touch with the realities. It is that the Americans abroad are not dealing at first hand with the main elements of the German situation. In the division of these zones of occupation the United States got that part of Germany where nothing that really matters is happening, or can be made to happen. Our people are conscientiously doing the best they can, and in General Clay they have a chief who in character, bearing, and competence represents the very best of the American tradition. But as to running Germany, and determining its destiny, the Americans are not in the driver's seat. They are passengers and back-seat drivers.

President Roosevelt must have guessed that this would happen if the United States was relegated to southern Germany. He argued for a long time against Mr. Churchill's insistence that Britain should have the zone which, because it contains the oceanic ports and the Ruhr, is the key position in Germany, and indeed in Europe. President Roosevelt had to give in. As a result it is only nominally true to say that Germany has been divided into four zones of occupation.

The more revealing way to describe the arrangement is to say that the Soviet Union and Britain have divided Prussia between them, leaving the south German states to be divided between France and the United States. Now since 1866, when Bismarck defeated the south German state, Prussia has dominated Germany. Prussia contains all the essential elements of the German power; the strategical gateways into the Low Countries and France, the oceanic ports, the primary resources, the basic industries, the strongest and most numerous population, the political party machines and their bosses, the headquarters of the trade unions, of the banks, of the cartels, of the communications, the main markets, the appartus of publicity, the Lutheran church, the homeland of the military caste, the centralized bureaucracy, and, last but by no means least, the capital city of Berlin.

Whoever rules Prussia has for the past 80 years ruled Germany. The Americans are not ruling in Prussia. The British and the Russians have divided it between them, and the inner drama of Germany is the contest between them for the control of Prussia. The outcome of that contest is bound to determine the destiny of the whole of Germany, and of Europe, and of the world.

If the reader now asks how all this is to be reconciled with the spirit of the Allied pledges to disarm and demilitarize Germany, I am afraid the answer is that only among the Americans and the French is the avowed policy the real policy. The real policies of the British and of the Russians are disclosed by their actions rather than by their formal statements. They may be described, I think, as a reversion, gradual but accelerating, by drift rather than by clear intention, to their prewar illusions about Germany; namely, to the notion that each can find a way to use a united Germany. The British, who like to think of the continuity of their foreign policy even when it is wrong, are reverting to the notion of Neville Chamberlain—that Britain can turn Germany against Russia. The Soviets, who also have a remarkable continuity, are reverting toward the basic conception which produced the Molotov-Ribbentrop pact of 1939—that Germany can be turned away from Russia against the west.

Much of this Anglo-Soviet duel is hidden from view, yet not so much but that we know that much is hidden. The German officers who were captured at Stalingrad, and were for a time used to make propaganda against Hitler, have disappeared behind the famous iron curtain. But it would be naive to suppose that they do not continue to form an important connection with important elements of the German army.

There is also a German army, a large and good one, which surrendered to the British. The story of that surrender has still to be told in detail. The story of what happened to that German army after the surrender is still hidden behind a silken curtain. Enough is, however, known to warrant the statement that the corps of officers in this particular army were treated with exceptional consideration, with enough chivalry to justify them in feeling that their careers as professional soldiers were not necessarily and finally terminated. Their treatment may have been in fact merely sportsmanship to a loser and chivalry to the vanquished. But it has suited remarkably what these German nationalists most want to believe—namely, that they will live to fight another war in which Germany will recover her territory and her greatness.

What is happening on the surface confirms in every way what can only be inferred about what is happening under the surface. In the open the Anglo-Soviet duel is being fought out through the German political parties. The Russians, of course, are sponsoring and promoting the Communist Party. Its most prominent leader is Wilhelm Peick; its director, I am reliably informed, is Walter Ulbricht, a former officer on Marshal Zukov's staff, whose wife has been one of the marshal's secretaries. The object of the Communist Party is to swallow the Socialist Party, and thus to unite under one command the whole German working class. In the Soviet zone and in Berlin, this has been accomplished. The British, on the other hand, are sponsoring the Social Democratic Party under the leadership of Dr. Schmacher, who resists the fusion of the Socialists with the Communist Party. They appear to be thinking wishfully that the British Labor Party can resurrect the second Socialist International to combat the third Communist International.

The most noteworthy fact about this political contact is that it is turning into an auction to gain the favor of patriotic German nationalists. The Russians, bidding among the Germans for popular support of the Communists, are having to take the position that Germany should not be dismembered, certainly not in the west, and that the unity of Germany must be restored. This is, of course, a bit difficult to reconcile with the annexation of German territory by Poland. But the German Communists, who are now as always German nationalists, have a very good private answer to this anomaly. It is that in the end a Soviet Germany and a Soviet Russia will once again partition Poland, and that this will happen when war with the western powers is imminent.

The British, bidding for German support of their Social Democrats, are also having to offer unity to the Germans. They are meeting the Russian bid. As a result, the political reeducation of Germany, about which we have heard so much, now consists in teaching the Germans that by exploiting the competition between Britain and Russia, making the two rivals bid against each other, they can recover the unity of Germany and make themselves the decisive military factor in the European and world balance of power. The walls of Berlin are covered with Communist posters, ostensibly calling for the unity of the Socialists and Communists, which have as their slogan, "Durch Einheit Sieg" (through unity victory). These are the very words, and were chosen because they were the very words—the trumpets and the banners—of German nationalism, pan-Germanism, and indeed of nazism.

Our friends in Moscow and in London are acting as if they had learned nothing about Germany. For here they are returning to the very policies which brought them to the very edge of disaster. One would think the British foreign office would know by this time that in a contest with the Russians for Germany, the Germans will play one against the other till Germany has recovered her power; that then Germany will turn first against the west, because the western powers are weaker. And one would think the Russians would have realized by this time that German Communists are Germans, and that after they have turned against the west, they will turn against Russia.

After all, if London and Moscow revert to their prewar policies, they are foolish indeed if they do not realize that the Germans will also revert to their prewar policies. And we shall commit the greatest folly of all if, instead of exposing and denouncing this mad Anglo-Soviet contest—and intervening to liquidate it—we let ourselves be sucked into it, blindly following the leadership of the blind.

This, as I was able to observe it, is the German drama today. In my next article I shall try to indicate how we, given the curious position we have in Germany, can best obtain

a leverage to intervene in order to avert what will otherwise most certainly be a catastrophe for the whole world.

Mr. LANGER. Mr. President, I now wish to call the attention of the Senate to an article written by Harold L. Ickes which appeared in the Washington Evening Star of Wednesday, May 8—yesterday afternoon. This columnist's article is interesting, insofar as what he has to say about Mr. Byrnes, the Secretary of State. His article explains the apparent reason why Mr. Lippmann apparently changed his mind between the 8th day of December and now. Mr. Ickes perhaps knows Mr. Byrnes as well as anyone does, having served in the Cabinet with him. Here is what Mr. Ickes said in his column printed in last night's newspaper, in the column entitled "Man to Man." The headline is:

State Department Gets Fewer Facts Than Newspaper Reader, Says Writer.

Mr. President, I now call the attention of the Senate once more to the fact that two Senators said they were going to vote for the pending joint resolution because Mr. Byrnes wanted it. Here is what Harold Ickes says about Mr. Byrnes and about his knowledge of affairs of State:

It would be interesting to know why Secretary James F. Byrnes chose recently to reverse himself regarding the functions and organizational structure of the State Department's intelligence unit.

Last fall Col. Alfred McCormack, the State Department's chief of intelligence, was charged with the responsibility of organizing a separate and permanent intelligence unit. It was to serve as a research and analysis section on intelligence matters, reporting to the State Department and comprising one section of the President's recently ordained Central Intelligence Authority.

Secretary Byrnes has now performed a left about-face. He has discarded this plan and divided the intelligence work among five musty old-line divisions. By this move Secretary Byrnes has, for all practical purposes, dismembered and disemboweled the intelligence section. As might have been expected, Colonel McCormack has resigned in indignant protest.

BAT-IN-THE-BELFRY CHARGE

There has been an unsubstantiated bat-in-the-belfry charge by the House Military Affairs Committee that the State Department's intelligence division contained 15 "pro-Soviet" sympathizers brought to the Department by Colonel McCormack. Colonel McCormack vehemently met these charges with documented evidence and challenged the committee to hold an investigation to prove its allegations. The committee, in the Dies tradition, failed to do so. Apparently it doubted its ability to hit above the belt.

Secretary Byrnes, distinguished jurist of the Supreme Court that he has been, surely was not influenced by such "evidence." Perhaps the denial of funds by the House prompted his decision. If so, he is unhappily fainthearted. It seems more reasonable to believe that the Secretary of State was influenced by the career diplomats whom he inherited when he assumed his present post. In any event, his abandoning of the vitally important intelligence duty to the various "geographical desks" is regrettable and at variance with our national welfare. Mr. Byrnes is naive, indeed, if he supposes that the common good will be served by such a plan.

In the prewar years this country was almost solely dependent upon the "tea party" intelligence provided by its diplomatic "observers" in foreign lands. Hampered by diplomatic protocol and time-consuming social functions, diplomatic observers abroad found it possible to provide their Government with little more than the news gathered during a dance with the Australian military attaché's wife, and the tidbit wafted over a cup of tea or a highball. The result was that responsible newspaper correspondents were almost inevitably better informed on conditions within the country of their assignment than the American ambassador. Particularly was this true as regards the public opinion of the country in question and the propaganda and other activities of other nations therein.

Mr. President, I invite the attention of the Senate to the fact that one Senator has said that he would vote for the joint resolution because the Secretary of State wanted it to be passed, and that he had confidence in Mr. Byrnes. Mr. Ickes does not share such views. Mr. Ickes said:

All diplomatic reports from around the entire world, excepting only Central and South America, are, according to my information, funneled to the Secretary of State through Assistant Secretary James C. Dunn, the patent-leather diplomat who distinguished himself by marrying into the Armour Co. millions.

That is what Mr. Ickes has said:

This one man, conservative and reactionary, and of no outstanding ability, controls complete the flow of information upon which this country predicates much of its foreign policy.

If Mr. Byrnes is acting in connection with the proposed loan upon the basis of Mr. Dunn's suggestions, if all the information coming to Mr. Byrnes with regard to the proposed loan of $4,750,000,000 is information which was funneled to him through Mr. Dunn, as Mr. Ickes has said, then the fact that Mr. Byrnes wants the joint resolution to be passed is not of very much help to the Senate. One Senator has said that he would vote for the joint resolution because Mr. Byrnes wanted him to do so.

Mr. Ickes further said:

A report at variance with Mr. Dunn's personal and limited views may be killed and never be seen by the Secretary of State.

Apparently the only information which the Secretary of State received as to whether the loan should be made came through Mr. James C. Dunn.

I repeat.

A report at variance with Mr. Dunn's personal and limited views may be killed and never seen by the Secretary of State, his Under Secretary, or any other Department official of high rank.

In other words, Mr. Dunn keeps the information away from the Secretary of State.

As the result of this unfortunate state of affairs, the average businessman, who diligently pursues his daily papers, is better informed on world events and conditions than is the Secretary of State.

Think of that, Mr. President. A businessman in the State of Iowa may be operating a dairy, another man may be digging in a quarry somewhere in Indiana, another man may be running a lot of stock on the plains of Oklahoma, a farmer may be raising wheat upon the prairies of North Dakota, a banker may be operating a bank in some little town in Texas, another man be operating a fishing business in Seattle, Wash., and all those men, according to Mr. Ickes, are better informed than is Jimmy Byrnes with regard to what is taking place. Yet Senators have said that they would vote for the pending joint resolution because Jimmy Byrnes wanted the joint resolution to be passed. Harold Ickes—Honest Harold—the only Republican out of 25,000,000 or 26,000,000 who was first selected by President Roosevelt to be the one man whom he could trust, and the one man in whom he could have confidence, said:

As the result of this unfortunate state of affairs, the average businessman, who diligently peruses his daily papers, is better informed on world events and conditions than is the Secretary of State. At least the newspaper reader is presented with diversified opinions and views on international affairs that are not afforded to the Secretary of State by such official documents that he may be permitted to see.

According to Ickes, Jimmy Byrnes does not even see the official documents. They go to a man named Dunn. The Under Secretary does not see them. Mr. President, imagine a man operating a bank and all of the business of the bank being handled by the bookkeeper without the cashier, the president or vice president of the bank ever seeing, for example, the paper on which money is being loaned. Here we have the Secretary of State for the United States seeing nothing which Jimmy Dunn does not want him to see.

Mr. President, I do not know much about this man Dunn. I have heard much about him. I remember that when once the poor Jews of Europe were trying to get away from Hitler and get into some of the other countries, it was James C. Dunn who so changed a cablegram as to result in the death of scores upon scores of those Jews. I have copies of that cablegram in my office.

Just think of Harold Ickes, who served in the Cabinet for many months with Jimmy Byrnes, saying that because of the fact that James C. Dunn, who is a conservative, a reactionary, and of no outstanding ability, determines whether important documents shall come under the observation of the Secretary of State, the Secretary of State knows only what Jimmy Dunn allows him to know. Yet, Mr. Ickes say that Mr. Dunn does not know much.

Mr. Ickes says:

This one man, conservative and reactionary, and of no outstanding ability, controls completely the flow of information upon which the country predicates much of its foreign policy.

Mr. President, think of that. The position this country may take with regard to Iran, the position this country may take with regard to the question of whether Russia is to have the Dardanelles, the position this country may take with reference to a free election being held in Greece, the position this country may take with regard to what Great

Britain is doing in India, the position this country may take with regard to what happens in Argentina, are all dependent upon what Mr. James C. Dunn brings to the attention of the Secretary of State. Mr. President, I mentioned Argentina. Heaven knows something was wrong there, because according, to my good judgment the Secretary of State's office never did a poorer job than when it prepared the white paper on Argentina which was released just before the Argentine elections. If a 10-year-old child in the State Department had undertaken to do the work in connection with that white paper, he could not have done any worse than was done. The people of Argentina resented the United States Government sticking its long nose into their political matters, and in no uncertain terms said so at the election.

Harold Ickes said:

All diplomatic reports from around the entire world, except only Central and South America, are, according to my information, funneled to the Secretary of State through Assistant Secretary James C. Dunn, the patent-leather diplomat who distinguished himself by marrying into the Armour Co. millions. This one man, conservative and reactionary, and of no outstanding ability, controls completely the flow of information upon which this country predicates much of its foreign policy.

A report at variance with Mr. Dunn's personal and limited views may be killed, and never be seen by the Secretary of State, his Under Secretary or any other department official of high rank.

Mr. President, how many people in America know that? How many Gold Star Mothers in America know it? The American people believe that they have as a part of their Government a real Department of State, and a real Secretary of State. The soldier on the battlefield went bravely into battle, Mr. President, because he was fighting for his country. He, of course, thought that his country had a Secretary of State who knew what was taking place, a Secretary of State whom England could not take by the nose and lead around and around and around the stump. This is Harold Ickes talking now, a man who has been in the Cabinet for over 12 years. This is not any ordinary columnist. This is a man who knows more about the Government than perhaps 135,000,000 people in America know about it, because he has been a part and parcel of this Government for nearly 13 years. He tells what kind of a Secretary of State and Department we have here. He says:

The average businessman, who diligently peruses his daily papers, is better informed on world events and conditions than is the Secretary of State.

In other words, Mr. President, the GI who was able to get hold of a newspaper knew more about what was going on in the world than did the Secretary of State of the United States Government, and our GI boys were risking their lives depending upon the knowledge of the Secretary of State. Mr. Ickes proceeds:

At least the newspaper reader is presented with diversified opinions and views on international affairs that are not afforded to the Secretary of State by such official documents as he may be permitted to see.

Just think of a situation where a man in the office of the Secretary of State says what may or may not be seen by the Under Secretary, or what may or what may not be seen by the Secretary of State of this country. That man is Mr. James C. Dunn. Says Harold Ickes:

Our State Department should have up-to-date facts—hard, concrete intelligence—not suppressed or culled by mediocre men whose opinions jelled three decades ago. Our national interests are not being served by keeping an underdone man in an important position to which he is not equal.

Mr. President, if the directors of a bank find that a cashier is no good, they fire him. No matter how small a business may be, if the directors find it is not making money, they get rid of the officials. But here, Harold Ickes says that this man's opinions jelled three decades ago. He continues:

Our national interests are not being served by keeping an underdone man in an important position to which he is not equal. One of the most disappointing and disturbing facts about Mr. Byrnes as Secretary of State has been his coddling of Assistant Secretary Dunn, who should have been handed his visa from the Department of State a long time ago.

Mr. President, some may wonder why Secretary Hull kept him. After a while truth will come out. We see men in public office, a head man keeping another man on, and we may not like the subordinate and just wonder why he is being kept. A year may go by, or 2 years, or 3 years, or 4 years, but finally the people find out why Secretary Hull kept a fellow like this one, who Ickes says is no good, whose mind jelled 30 years ago. Ickes says:

It is easy to understand why Secretary Hull kept him on. He played a wicked game of croquet.

Apparently the reason why the Secretary of State of the United States kept Mr. Dunn, according to Harold Ickes, was because Mr. Dunn could play a good game of croquet. Ickes proceeds:

But I have never understood that Secretary Byrnes is an addict of that game.

That, Mr. President, is an article written by Mr. Ickes, for 13 years a member of the Cabinet, and published only yesterday.

I call attention to the fact that all I am asking is that the American veterans get the same kind of deal England gets. England is to get $3,750,000,000, which is the assessed valuation of 10 of the 48 States of this Union. All I am asking is an amendment to the joint resolution providing:

That notwithstanding any other provision of the law, no loan made after the date of the enactment of this joint resolution by any department or agency, including Government-owned or controlled corporations of the Federal Government—

That would include the Housing Administration—

to any person who served honorably in the armed forces of the United States during World War II shall bear interest at a rate in excess of 1.6 percent per annum. No interest shall accrue or be payable on any such loan for a period of 5 years from the date of making such loan.

Mr. President, that is a kind of a deal England is getting. Our taxpayers are putting up $3,750,000,000. England can borrow that money without interest for 5 years, and get the balance at 1.6 percent. Why should not an American boy who lost his legs, an American boy who went out and fought 2, 3, or 4 years in the fox holes, get as good a deal as England is getting?

Mr. President, it is shameful the way the American veteran has been treated by this administration. I repeat, when the war broke out President Roosevelt tried to do something about it. President Roosevelt wrote a letter to the Congress and said:

Here are two brothers.

Some Republicans wonder why Roosevelt's name is so great, some of those fellows who go traveling all over the country making fun of Mrs. Roosevelt. I have listened to some of them. I am not talking now about the Republican Members of the Senate. I am talking about some Republicans who come to Senators when they reach home, who come to us on the street corner, who, when President Roosevelt was alive, made fun of him. Many a time on this floor I have heard Senators in our discussions wonder why the President was so popular. I said, "You made him popular with the soldier boys."

I repeat, when the war broke out, President Roosevelt wrote us a letter stating:

Here are two brothers. The Government drafts one, and the other one does not go into service. The Government pays the one who is taken away from his home, the one who may be sent to his death, $50 a month, $600 a year.

President Roosevelt said in his letter to the Senate, "I believe that the brother who stays home, who makes $67,200, and who after he pays his income tax has $25,000 remaining, has enough of an income." He wanted the net salary of the brother who stayed at home limited to $25,000 a year. Many and many a soldier wrote me that he thought the $25,000 salary limitation was a just limitation; that $25,000 was sufficient. One of the things I was proud to write back to those soldiers from North Dakota was that I had voted for the $25,000 salary limitation.

Now when the war is over and the boys come back we find the spectacle against which I protested a week or 10 days ago of a lady's garment store in New York City, Gimbel's, selling 600 new trucks at a time when 13,000 veterans with certificates and priorities could not obtain a single truck. The outfit that got the trucks from the War Assets Corporation in Indiana got them at $1,900 apiece, and Gimbel's advertised the trucks for $2,900, a profit of a thousand dollars on each truck, or a total of $600,000 profit on one little deal. The veterans will have to help make up whatever deficit there may be by taxes. If a veteran succeeds in getting hold of a piece of property he will be obliged to pay his share of taxes on that $600,000 transaction. That is the kind of deal the veteran has been receiving from the administration.

Mr. President, the farmer does not get any better deal. A North Dakota veteran, a farmer in my State, who wants to get a Diesel engine cannot buy it in Bismarck, N. Dak., he cannot buy it in Fargo, N. Dak., or in St. Paul, Minn., in Minneapolis, Minn., or anywhere in the State of Wisconsin. He is obliged to go to Chicago to get it, nearly 1,000 miles away from some parts of North Dakota. The veteran must travel that great distance to buy a Diesel engine or a tractor. His round trip totals 2,000 miles. He must leave his work, perhaps leave in his place an old father or mother 60, 70, or even 75 years old to milk the cows and do the heavy work around the farm. Senators on this floor know what kind of a deal the farmers have been getting under the draft law. We have one North Dakota farmer whose two sons were drafted and were killed in the war. The Government drafted the third boy and left that man, 65 years old, to get along the best way he could with nearly 640 acres of land. How would any Senator like to have his old father go out in subzero weather and milk cows?

Mr. President, I described a little while ago the sort of deal the veterans have been getting with respect to life insurance. The veterans have two kinds of life insurance. There is the national service life insurance which insures the boys who went into the Second World War. Then there is the World War Veterans Act which insured the boys in World War I. Let me illustrate. A soldier insured under the World War Veterans' Act and a man drafted during the present war are fighting side by side. Both are paying the same premiums on their policies. They are both hit by the same shell and as a result both become permanently and totally disabled. The one insured under the World War Veterans' Act receives payments of $57.50 a month while the other one who was drafted in this war receives nothing. In fact there are cases of men who have been insured under the World War Veterans' Act, and a part of their insurance is under the National Service Act, who are now being paid under the World War Veterans' Act, but are receiving nothing under the other act. The distinguished Senator from Arizona [Mr. MCFARLAND], who introduced bills for the purpose of trying to correct this situation, a while ago said that they had been in committee for over a year, and he has been unable to get the bills out of the committee. They are still pending in committee.

Mr. President, if any Senator has any doubt in his mind on this subject, let me say that the American Legion in its national convention for the last 4 years has recommended to the Congress of the United States amendments to the National Service Insurance Act removing this unjust discrimination in the matter of granting insurance benefits.

A bill which would remove the discrimination has been before the World War Veterans' Committee in the House and before the Finance Committee of the Senate for more than a year, but no committee hearings have as yet been held. I wish every GI in America could know that. If they all knew it, the administration would not get enough votes from among them to bother to count in the next election. Boys in the last war have lost arms and legs, have become mental cases, and yet the bill has been in committee for over a year and nothing has been done about it.

I come now to the housing program. I picked up a newspaper the other day and read that a $1,000,000 race track is being built in California. A veteran, however, cannot get any lumber to build a little home for himself, his wife and children. If any Senator knows of an apartment in New York, I wish he would let me know, because a son-in-law of mine who got out of the Navy a while ago cannot find a home for himself, his wife and his baby, and is living with his father and mother. He has called on every real estate agency he could think of and has gone through the telephone book time and again, but cannot find an apartment for rent. But a $1,000,000 race track can be built. And in one of the great gambling towns of the United States, a town out West, they are today building a large gambling place, which, I understand, will cost nearly half a million dollars.

All I ask is that for once the veteran be given a square deal. At least treat the veteran as well as the boys in England are treated. Our country is made up only of its citizens. The people of England, including their veterans, are taxpayers in their home country. It is proposed to give them $4,400,000,000, and they will pay no interest on that sum for 5 years, after which they are to pay 1.6 percent. But we here charge our veterans 4 percent on any money they borrow from the Government. When a Senator speaks on such a subject he is accused of filibustering.

I wish a committee of veterans could come and see how many empty seats there are in the Senate at this moment. I wish the veterans could see the empty seats of the Senators from their own States, and know how much interest they are taking in an insurance bill introduced by the junior Senator from Arizona who is trying to get some money for the boys who lost their arms, their legs, and their eyes. That bill, as I previously said, has been in committee for over a year, and the Senator cannot obtain a hearing upon it. Yet some wonder why the people of the country are mad at the Senate. That does not make any particular difference to me, because it happens that I am not supported by either the Republican or the Democratic gang in the State. I am just elected by the common people.

The distinguished Senator from New Hampshire [Mr. TOBEY] told me a little while ago that the veterans are taken care of; that they do get money. I have some papers in my hand dealing with the case of a veteran. I told the Senator I had some such cases. I am a peculiar sort of a fellow, for when I make a statement I like to prove it just as I did the statement respecting Winston Churchill. A Maine editor wrote an article in which he said I was mistaken. He said that Winston Churchill did not fight against America. The writer last week, after I had made a statement about Winston Churchill, said that I did not know what I was talking about. So I got the International Who's Who and looked up the item about Winston Churchill which he himself wrote.

Mr. Churchill wrote this himself. He tells all about himself. He says:

> I entered the army in 1895, served in Cuba with Spanish forces against the Americans.

That is the Winston Churchill who all of a sudden loves the people of the United States so much. He told us, "I am half American." He did not say which half. This is the man who fought against this country. He did everything he could to ruin it; and if Spain had defeated the United States he would have been happy. He is so proud of it that he puts it in his own biography. When he speaks anywhere we turn on all the radios in America to be sure not to miss a word of what Winston Churchill, the man who tried to wreck this country, is saying on any subject.

We have GI's who went over there and lost their legs or arms. When they speak over the radio it is not advertised. No one knows about it. They are only poor soldiers. What difference does it make if a GI cannot get a home to live in? If he cannot get a decent house, he can live in a shack. If he cannot find a shack he can live in a tourist camp. If he cannot find a place in a tourist camp he can live with his mother-in-law and father-in-law or stepfather. If the life-insurance law is not exactly right, and he has lost a couple of legs or a couple of arms, or lost his eyes, and does not receive any compensation through his life-insurance policy it makes no difference. The distinguished Senator from New Hampshire [Mr. TOBEY] said so. I have in my files the papers in a case from Fargo, N. Dak.

We are told that we take good care of our GI's and do everything for them. It is said that we give them $50, $60, or $70 a month. I suggest that anyone who believes that should go to the Congressional Library and look through the files of the Fargo Forum. Look up the case of the soldier boy who went to a veterans' hospital with a broken arm and sat there 8 hours before he could get attention. Take the case of another boy who went to the veterans' hospital and sat there until he died, without any doctor taking care of him at all. Look at those cases and then tell me that those boys are properly taken care of.

I am glad that this happened before Omar Bradley became head of the Veterans' Administration. It happened under the administration of his predecessor. I believe that General Bradley is trying to do a good job. I have no quarrel with Mr. Hines. He apparently did the very best he could.

I have received a letter, dated April 24, which reads as follows:

> For your information, and at the request of Dr. James R. Dillard, of Fargo, N. Dak., formerly lieutenant colonel, Medical Corps, United States Army, I am enclosing herewith copies of hearings, orders, and affidavits in the officers' retirement file of Dr. Dillard.
>
> You will note from this file that Dr. Dillard served for over a period of 4 years in

combat area in the South Pacific. You will note that he was discharged because of a disability of arthritis—

If anyone has ever had arthritis he knows how terribly painful it is. I know of young people who have had it. I know a doctor's wife in Bismarck, N. Dak., who has it. She is less than 30 years of age. She is hopelessly crippled, and must be carried around.

I continue with the letter:

and that when he was discharged he was brought before the Officers' Retirement Board and after a hearing [copy of which is enclosed marked "addendum"] that the retirement board recommended Dr. Dillard be given officers' retirement because of such disability of arthritis. You will further note from the file that the War Department refused to concur in the findings of the retirement board and ordered a new hearing. You will note further that Dr. Dillard procured an affidavit from Dr. Joel C. Swanson and from Dr. Trygve E. Oftedal and filed such affidavits with the second retirement board. You will also note the copy of Dr. Dillard's letter to the retirement board dated December 31, 1945.

The second retirement board had a hearing and the second board recommended that Dr. Dillard be retired under the Officers' Retirement Act, and again the War Department has now refused to concur in the findings of the second retirement board, as you will note from the copy of the letter dated April 12, 1946, addressed to Dr. Dillard and signed by the Adjutant General.

Congress has passed legislation giving to Reserve officers and National Guard officers the rights of retirement for disability the same as Regular Army officers, but the Adjutant General's Office, not only in this case but in most cases affecting a National Guard officer or a Reserve officer, refuses to concur in the findings of the Officers' Retirement Board.

Why am I interested in this case? Why did I say to the distinguished Senator from New Hampshire that these boys might get something? When I was Governor of my State I used to review the National Guard. There is not a finer group of citizens in the State than the National Guard. Here we have the case of a man in the National Guard.

Continuing with the letter:

This is just plainly a case of the War Department not carrying out the wishes of Congress and favoring Regular Army officers for retirement over National Guard and Reserve officers.

The distinguished Senator from New Hampshire stated that we had a law under which certain boys would get a certain amount of money each month. They do not get it, anymore than the selective-service boards in some of the States enforced the Tydings amendment. The Tydings amendment provides that if a farm boy has 16 units he may not be drafted. He is taken anyway. If they want him they take him, whether he has 24, 50, or 80 units. I know of one case in which a man had more than 80 units, and he was taken anyway.

When I asked a distinguished member of the Senate Committee on Military Affairs how the Tydings amendment could be ignored, he replied, "What can you do about it in case they do ignore it?" I asked, "Cannot the officials be impeached?" He replied, "How far would you get if you tried it?"

Today all over the Northwest, particularly in my State—and I know it is true in Montana and South Dakota—these boys are being drafted. I related the case of a family in which two boys were killed in the war, and the third one was taken. When anyone writes time and time again, as I have done, to the Selective Service Board, what answer does he receive? "Go to an employment agency and get a hired man." But when a farmer goes to the employment agency he cannot get a hired man. There are none available. So we have men 65, 70, 72, or 75 years of age, trying to farm, trying to raise a crop to feed the famished peoples of the world. They cannot obtain hired men. Their boys were taken away from them.

The farmers in my State had a little wheat left for seed. It looked as though a drought were coming. The other day Mr. LaGuardia and Mr. Anderson stated that they were going to take the wheat anyway. They tried it in World War I, when the distinguished senior Senator from Ohio [Mr. TAFT] was working with Mr. Hoover. They were going to take the wheat at that time. The officials said to the farmers, "If you do not sell your wheat in 30 days for $2.26 in Minneapolis, we will come out and take it." I am not blaming my distinguished friend from Ohio, because he was only Mr. Hoover's assistant. The regulation was promulgated to the effect that if a farmer did not sell his wheat for $2.26 at Minneapolis, the administration would take it. That was tried in North Dakota, but fortunately I was attorney general of the State at that time, and the minute they tried it I arrested the whole kit and kaboodle of them. I said, "We will let a jury in the United States court say whether you can take a man's property."

After the wheat was taken, what was done with it? Believe it or not, it was sold to a friend of the man who took it for $1 a bushel. All the man had to do was to load it up and send it to Minneapolis and get $2.26. The United States Government took wheat at Baldwin, N. Dak., and sold it for a dollar a bushel. I arrested some of the officials. If it had not been for the efforts of my distinguished friend, the senior Senator from Ohio, I would have put them all in jail. Senators know how diplomatic he is. I was pretty young at that time. I was only 26 years of age, although I was attorney general of the State. The Senator from Ohio had had much more experience than I had had, and he talked me out of it. He told me that, after all, they were pretty good fellows. He said, "What is the use of putting a county food administrator in jail?" I met the distinguished Senator from Ohio at that time, and I have liked him ever since. He was a fine, level-headed young man even in those days.

To return to the letter which I have been reading:

Dr. Dillard would appreciate it very much, and so would I, if you would take this matter up with the War Department and demand written reasons from the War Department why they refused to concur in the findings of the two retirement boards.

My friend the distinguished Senator from New Hampshire said they always got money, that they always were taken care of.

Mr. TOBEY. I said what?

Mr. LANGER. The Senator from New Hampshire said they always are taken care of and get $60 or $70 a month——

Mr. TOBEY. No, Mr. President—

Mr. LANGER. Depending on how badly they were hurt.

Mr. TOBEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. REED in the chair). Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. LANGER. I yield.

Mr. TOBEY. I wish the Senator to have a complete understanding of what my position is. The Senator has complained that the veterans—the GI's, as he has referred to them—who are totally disabled are "gypped" by the Government and that it is a dishonest deal, and so forth—those were the words he used—and that if they are totally disabled they get no benefits under the war insurance policy. Well, Mr. President, they do not; but they get equal benefits for total disability under the Veterans' Administration; and the Senator from North Dakota knows that as well as I do. Therefore, I do not wish to have my country and the Congress defamed and held up to ridicule as if we had not taken care of the veterans. We have; and the Senator from North Dakota knows it as well as I do.

Mr. LANGER. Mr. President, I am not going to get into an argument with the Senator from New Hampshire, but I shall not yield further.

Mr. TOBEY. Mr. President, the Senator from North Dakota knows as well as I do that what I have just said is true, and he knew it before he started to speak.

Mr. LANGER. Mr. President, I am not going to yield further and I am not going to get into an argument. But here is a letter signed by the Commissioner of Veterans Affairs of the State of North Dakota. Although I have the greatest respect for my distinguished colleague from New Hampshire, I must also state that I know this commissioner well and I have known him for a great many years. When I was Governor of North Dakota he was adjutant general. He, Mr. Romanus J. Downey, would not write me a letter that did not tell the truth. The distinguished Senator from Arizona said that he had tried repeatedly to get the law amended and that an amendment to it had been pending a year before the Senate committee, but he could not get a hearing. I suggest that my friend the distinguished Senator from New Hampshire whom I love so much, write the veterans commissioner of his own State of New Hampshire, because then I know he will find out what the situation is, and, as a result, will join me in my endeavor in this connection. I know the Senator from New Hampshire so well and I know the big heart he has, and I know he will join me in seeing to it that this bill is reported by the committee, because certainly it is not fair

that a man who has served in both world wars and who holds an insurance policy for service in the First World War and also an insurance policy for service in the Second World War is paid under his insurance policy issued for service in the First World War but is not paid under the policy issued to him for service in the Second World War. Furthermore, certainly it is not fair that a man who enlisted in peacetime should be paid $57 a month, or whatever the amount may be, for disability resulting from being wounded by an exploding shell, whereas a man who was drafted for service in the recent world war and was hurt by the same shell explosion which hurt the other man receives nothing by way of disability payments.

Mr. President, I know the distinguished Senator from New Hampshire too well to doubt that he would think of such a situation is fair, and I know that he will join me in going before the committee and seeing to it that action is taken on that measure. The American Legion urges that such action be taken. I know that no one has a greater admiration for the American Legion than does my distinguished colleague, the Senator from New Hampshire. The American Legion in its national conventions for the last 4 years has recommended to Congress of the United States amendments to the National Selective Service Life Insurance Act so as to remove this unjust discrimination in the matter of granting insurance benefits. A bill for that purpose has been before the World War Veterans' Committee of the House of Representatives and before the Finance Committee of the Senate for more than a year last past. As the distinguished junior Senator from Arizona has said, he has tried his best to have that bill reported from the committee and passed by the Senate; and I know the Senator from New Hampshire will help us and some other Members of the Senate to secure its passage.

Mr. President, I read further from a letter which I have received from the commissioner of veterans' affairs of my State:

> Dr. Dillard would appreciate it very much and so would I if you would take this matter up with the War Department and demand written reasons from the War Department why they refuse to concur in the findings of the two retirement boards.

Mr. President, one reason why I am reading this letter on the floor of the Senate is because the writer of the letter, the commissioner of veterans' affairs of the State of North Dakota, has asked me to do so. He says in his letter:

> I might also suggest to you, Senator, that it would not be a bad idea for you to take this matter up on the Senate floor.

Mr. President, these veterans' affairs commissioners are desperate—and rightly so, I think. In order that the Senator may understand the situation, I say that I was amazed when I was told about it.

I read further from the letter:

> We have had many cases in North Dakota of National Guard and Reserve officers who have been seriously wounded and who have not been granted retirement benefits because the War Department has refused to concur in the finding of the officer medical boards and the retirement boards. * * * But we do have many National Guard and Reserve officers who would appreciate your bringing this matter to the attention of the Senate and of the public.
>
> With kind personal regards,
>
> Very sincerely yours,
>
> ROMANUS J. DOWNEY.

Mr. President, as I have said, Mr. Downey is an outstanding man. He has attached to his letter the affidavits, and I have them here in case any Senator wishes to look at them. The addendum gives the entire record of this man, and it is a very good record. He served 4 years in the South Pacific area. There are half a dozen affidavits accompanying the letter. I shall be glad to show them to anyone who is interested in seeing them. I shall not read them in the RECORD at this time and I shall not ask unanimous consent to have them printed at this point in the RECORD; I do not believe I wish to have that done at this time. But I will send the letter and the attached papers to the War Department. Perhaps I should take the time to read the affidavits now. I may do so later, but for the time being I shall lay this letter aside, because I wish to refer again to the little pamphlet which I have previously mentioned. It is the pamphlet which was prepared, according to the statement on the outside, by the Carnegie Endowment for International Peace.

Mr. President, it happens that I have known the president of that outfit, of that crowd—and they have done a lot of good; I am not criticizing them too much—for 35 years. It is all part of the same pattern. I hold in my hand a book entitled "Triumphant Democracy," by Andrew Carnegie himself, a man who came to the United States and made his millions over here, and then went back to Scotland. I now hold in my hand a copy of his book, and it is a copy which includes the last chapter. But, Mr. President, just try to buy a copy of that book with the last chapter in it; just try to find one. Andrew Carnegie went back to Scotland with the millions he made in the United States, and in Scotland he was entertained by the King of England. He also entertained the King of England at Skibo Castle, and the American flag and the English flag were flying over it. He said to the King, "The day is coming when we shall have the English flag for both countries. We are going to take America back where it belongs."

Mr. President, I wish to read certain parts of the last chapter of the book written by the man who organized the Carnegie Endowment for International Peace, of which Nicholas Murray Butler was the head. In the last chapter of the book, Andrew Carnegie prophesied just exactly what they are trying to put over in the Senate. He closed his book with a chapter entitled, "A Look Ahead," Andrew Carnegie himself wrote this. If it were not for the fact that I had an unusually good friend in New York, I doubt whether I could have gotten this copy of the book. But my friend was fortunate enough to get hold of a carbon copy of the original, in Mr. Carnegie's own handwriting, showing the interpolations.

I shall now read the last chapter of the book, beginning at paragraph 5:

> There are higher though perhaps no more powerful considerations than the material benefits involved in reunion.

Mr. Carnegie is now speaking about the United States and England uniting as one country under one flag. He would set aside everything that took place during the Revolutionary War.

I continue reading:

> Regarding these, I should like Britain to consider what the proposed union means. Not the most sanguine advocate of "Imperial Federation" dares to intimate that the federation he dreams of would free the markets of all its members to each other. This question cannot even be discussed when Imperial Conferences meet. If it be introduced it is judiciously shelved. But a British-American reunion brings free entry here of all British products as a matter of course. The richest market in the world is open to Britain free of all duty by a stroke of the pen.

That is what he is telling the British people. Andrew Carnegie said further:

> The richest market in the world is open to Britain free of all duty by a stroke of the pen.

I wonder what the farmers of the Northwest would think of that statement.

> No tax can be laid upon products of any part of the union even for revenue, although under "free trade" such taxes might still exist.

Andrew Carnegie was a smart man.

> What would not trade with the Republic "duty-free" mean to the linen, woolen, iron, and steel industries of Scotland.

Senators who are for America are now listening to the advice of an expert. Some Senators who voted for reciprocal trade agreements might not have voted for them if they had first read this book by Andrew Carnegie, the man who made a fortune in America.

I repeat:

> What would not trade with the Republic duty free mean to the linen, woolen, iron, and steel industries of Scotland, to the tinplate manufacturers of Wales; to the woolen and cotton, coal, iron, cutlery, and steel industries of England? It would mean prosperity to every industry in the United Kingdom, and this in turn would mean renewed prosperity to the agricultural interests now so sorely depressed.

Andrew Carnegie here was speaking to England.

> Few except those engaged in manufacturing—

I wish to call this particularly to the attention of the distinguished Senator from Pennsylvania. It is Carnegie who is now speaking, the man who loved America but loved England more.

> Few, except those engaged in manufacturing realize the position of Britain as a manufacturer in regard to the American market. The ocean, which many are still apt to consider a barrier between the two countries, is the very agency that brings so close and will ultimately bind them together. Coal, iron, steel, and all kinds of merchandise from Britain reach American ports more cheaply than American manufactures produced within a hundred miles of these ports.

Mr. President, I ask Senators to listen to this:

Thus, the coal, iron, and steel from Glasgow, Hull, New Castle, or Liverpool reach the cities of New Orleans, Charleston, Savannah, Richmond, Baltimore, Philadelphia, New York, Boston, and Portland more cheaply than the same articles mined or manufactured in Pennsylvania.

Mr. President, let the Senator from Pennsylvania face that statement in his next campaign if he wants to. Let any Senator who wants to vote to give $4,750,000,000 to build up England against America also take note. Let Senators face the statement which I have read.

Mr. FULBRIGHT. Mr. President——

Mr. LANGER. I do not yield.

Mr. FULBRIGHT. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. A few moments ago I obtained a transcript of a statement which was made by the Senator from North Dakota, and which I believe to be a violation of paragraph 2 of rule XIX of the rules of the Senate. The Senator made the following statement, as shown by the transcript which I have just obtained from the official reporter:

In fact, he has spoken so well and so often, and has said so much about making a gift to England that, one of these days, I am going to write a letter to the King over there in England and ask him if he cannot give a title of some kind to my distinguished friend and colleague from the State of Arkansas, because he is certainly worthy of it, in view of all the great things he has done for the United Kingdom.

Mr. LANGER. Mr. President, the language which the Senator from Arkansas has just read was intended by me as a compliment, but if he objects to it I will withdraw it and regret that I said it. I intended it as a compliment to the distinguished Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, the implication of the statement is clearly in violation of rule XIX, which reads in part as follows:

No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

The implication of the statement of the Senator from South Dakota is very clear that a speech which I made in support of the pending measure was made in behalf only of the United Kingdom and not the State of Arkansas, or any other State.

I read further from rule XIX:

If any Senator, in speaking or otherwise, transgresses the rules of the Senate, the Presiding Officer shall, or any Senator may, call him to order, and when a Senator shall be called to order he shall sit down and not proceed without leave of the Senate—

(Manifestations of applause in the galleries.)

The PRESIDING OFFICER. Visitors in the galleries will maintain order. They are here as guests of the Senate, and if there is any further disturbance, the galleries will be cleared.

Mr. FULBRIGHT. Mr. President, I continue reading:

which, if granted, shall be upon motion that he be allowed to proceed in order, which motion shall be determined without debate.

Mr. President, it seems to me that the statement which the Senator made clearly violated rule XIX of the Senate and that the Senator should not be allowed to proceed.

Mr. LANGER. As I have already said, Mr. President, I intended my statement to be a compliment to my distinguished brother. He is a fraternity brother of mine. He is a brother in the Sigma Chi. [Laughter.]

That order has decorated some of our great generals. I will certainly withdraw the remarks if the Senator objects to them.

Mr. HATCH. Mr. President, I make the point of order that there is no order in the Chamber. The Senator from Arkansas has presented a serious matter, and the Senate should rule upon it.

I also make the point of order that the remarks which the Senator made may not be withdrawn except by unanimous consent.

The PRESIDING OFFICER. The Senator from North Dakota will take his seat. The Chair does not understand that he must determine whether the remarks of the Senator from North Dakota involved a violation of the rules. The question is one for the Senate to decide. Is there a motion?

Mr. FULBRIGHT. Mr. President, do I understand that it does not lie within the province of the Chair to determine whether the statement which I read imputes an unworthy motive to another Senator?

The PRESIDING OFFICER. The Chair does not determine the question. It is for the Senate to determine.

Mr. BARKLEY. Mr. President, I think the rule is that when a Senator calls the attention of the Senate to remarks which are presumed to be improper or in violation of the rules, under the rule the Senator who has made the remarks should take his seat, whereupon the Senate shall determine whether the remarks are out of order, and whether he shall be permitted to resume in order.

The PRESIDING OFFICER. The usual method of determining that is for a motion to be made that the Senator who is alleged to have offended may be permitted to proceed in order.

Mr. BARKLEY. Mr. President, would it be in order for the Senator from North Dakota to ask unanimous consent that he be permitted to withdraw the remarks to which the Senator from Arkansas objects?

The PRESIDING OFFICER. The Chair would think that anything is possible in the Senate by unanimous consent.

Mr. LANGER. Mr. President, I certainly had no intention of reflecting on my distinguished colleague, and I ask unanimous consent of the Senate to withdraw the remark.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LANGER. I thank the Senate. As I was saying, this is Andrew Carnegie, an expert, a man who knows all about iron and steel and all that sort of thing. Andrew Carnegie says:

Coal, iron, steel, and all kinds of merchandise from Britain reach American ports more cheaply than American manufacturers produce within a hundred miles of these ports. Thus the coal, iron, and steel from Glasgow, Hull, Newcastle, or Liverpool reach the cities of New Orleans, Charleston, Savannah, Richmond, Baltimore, Philadelphia, New York, Boston, and Portland more cheaply than the same articles mined or manufactured in Pennsylvania, Ohio, Tennessee, or Alabama, the land carriage from these States being far greater than the ocean carriage from Great Britain. To the whole Pacific coast Britain is so much nearer in cost as to give her under reunion the complete command of that market.

I am particularly anxious to have the Senators from Pennsylvania, Ohio, Tennessee, and Alabama listen to this.

Andrew Carnegie says:

Coal, iron, steel, and all kinds of merchandise from Britain reach American ports more cheaply than American manufacturers produce within a hundred miles of these ports. Thus the coal, iron, and steel from Glasgow, Hull, Newcastle, or Liverpool reach the cities of New Orleans, Charleston, Savannah, Richmond, Baltimore, Philadelphia, New York, Boston, and Portland more cheaply than the same articles mined or manufactured in Pennsylvania, Ohio, Tennessee, or Alabama, the land carriage from these States being far greater than the ocean carriage from Great Britain. To the whole Pacific coast Britain is so much nearer in cost as to give her under reunion the complete command of the market.

He is talking now about the Pacific coast. This is Andrew Carnegie talking.

Mr. TOBEY. He is dead. [Laughter.]

Mr. LANGER. I am reading from his book.

To the whole Pacific coast Britain is so much nearer in cost as to give her under reunion the complete command of that market.

That may not mean very much to some people, but to me it means a tremendous lot. Andrew Carnegie says:

In the event of reunion the American manufacturers would supply the interior of the country, but the great populations skirting the Atlantic seaboard and the Pacific coast would receive their manufactured articles chiefly from Britain. The heavy products are taken from Britain to the United States in many instances as ballast for nothing. The freight charge is generally trifling. I do not hesitate to say that reunion would bring with it such demand for British products as would tax the present capacity of Britain to the utmost, for the products of continental nations, which now compete so seriously with Britain, would be almost excluded even by a tariff strictly for revenue.

How much greater can anybody make it?

There would not be an idle mine, furnace, or factory in the land.

He is talking about Britain.

The consumption of coal in the United States is already greater than in Britain; of iron and steel it is now fully double. Our consumption of tin plate exceeds that of all the rest of the world. The imports

of British textile fabrics grow year after year. These never were so great as at present. The only nation which is taking more and more of British products is the Republic.

He ought to know. He was here a long time.

The American market is enormous and constantly expanding. It is in vain that people in Britain hope for any radical change in the tariff laws. No party in the United States can or will make many material changes in these. Revenue will continue to be raised by duties upon imports as at present, and chiefly upon the fine textile fabrics—the luxuries of the rich. There can be little question that nothing would so certainly insure the permanent prosperity of Britain as free access to the American market, which can be effected so easily through a reunion, which would also bring with it enhanced value to land as the result of prosperity in all branches of British trade and industry; and were Britain and America again one, the American would find the former the best summer home within his reach.

We would have a place to go for the summer.

Many would purchase such homes there, and secure for themselves the delights of a beneficial change of climate.

That is what we are going to get—

And contact with a thousand sources of sweet influences only to be gained in the old home of the race. The prophecy of the Spectator, made many years ago, and just repeated, would be fully realized, that the British-American would find the old home his "restful park." It is not going too far to say that every kind of property in the sceptered isle and every business interest would be permanently benefited in value by reunion.

I do not shut my eyes to the fact that reunion, bringing free entrance of British products, would cause serious disturbance to many manufacturing interests near the Atlantic coast, which have been built up under the protective system. But, sensitive as the American is said to be under the influence of the dollar, there is a chord in his nature—the patriotic—which is much more sensitive still. Judging from my knowledge of the American manufacturers, there are few who would not gladly make the necessary pecuniary sacrifices to bring about a reunion of the old home and the new. There would be some opposition, of course, from those pecuniarily interested, but this would be silenced by the chorus of approval from the people in general. No private interests or interests of a class, or of a section of what would then be our common country, would or should be allowed to obstruct a consummation so devoutly to be wished.

In other words, if it does not suit the Atlantic coast and does not suit the Pacific coast, who want to deal in the interior, it is just too bad.

If the question be judged in Britain by the material benefits certain to flow from it, never in all her history was such enormous material gain within her reach, and never as much as now has the future position of Britain so urgently required just such an assurance of continued prosperity. The development of manufactures in other lands seriously menaces her future. She has already lost much in cotton manufacture, which I fear is never to be regained. The production of iron has fallen from nearly nine to less than seven million tons. We see decreases written too often in her trade statistics, which might be charged to the ebb and flow of industrial affairs were they not accompanied by startling increases in like branches on competing nations.

This is what he says about Great Britain:

Her position is the most artificial of all nations.

This is what Carnegie says about England:

Islands that cannot grow half enough of food to feed her people, but which produce double the amount of manufactured articles they can consume. Such a nation, in order to be secure of her future, must have a market for these surplus articles, and more land from which to draw food for her people. This is precisely what reunion offers—the most valuable and the most rapidly increasing market in the world for her manufactures, and the richest soil for the production of the food she requires. Reunion restores her to ownership in hundreds of millions of acres of fresh, fertile soil, the like of which is elsewhere unknown, and reopens a market for her manufactures sufficient even today to absorb all her surplus.

Mr. Carnegie continues:

Reunion will further benefit the United Kingdom in regard to debt and taxation, potent factors in the industrial race of nations. The national debt per capita of the United States amounts to $14, that of Britain to $88, that of Canada to $48.

Mr. President, I have here statistics showing exactly what the per capita debts are today. I repeat what Mr. Carnegie said at the time he wrote this book:

The national debt per capita of the United States amounts to $14, that of Britain to $88, that of Canada to $48.

Today the land area of the British Empire is 13,655,393 square miles. Her debt is $67,334,000,000. Her population is 495,998,880. Her debt is $136 per person.

The United States land area is 3,735,993 square miles. Her population is 150,621,331. Her debt, even estimated at the figure of $200,000,000,000, which certainly is liberal enough, shows a per capita debt of $1,998. That is $1,998 per person.

So that while at that time the national debt per capita of the United States amounted to $14 and Britain's per capita debt amounted to $88, or more than six times as great in Britain as in the United States, today the debt in the British Empire is $136 per person, while in this country it is $1,998 per person. In other words, for a GI who is married and has one child, the total debt would be around $6,000, while in England a veteran with a wife and child would have a total debt of about $450.

I come back to my amendment, Mr. President. We find an average debt in Great Britain of $136 per capita and in America of $1,998, and I ask Senators under such conditions whether my amendment should not be adopted. My amendment is to insert a new section at the end of the joint resolution, as follows:

SEC. —. Notwithstanding any other provision of law, no loan made after the date of enactment of this joint resolution, by any department or agency (including Government-owned or controlled corporations) of the Federal Government, to any person who served honorably in the armed forces of the United States during World War II, shall bear interest at a rate in excess of one and six-tenths per centum per annum, and no interest shall accrue or be payable on any such loan for a period of 5 years from the date of the making of such loan.

Why should not the American veteran be treated as well as the English veteran is treated? What sense is there in giving away $3,750,000,000 to a country in which the average debt is $136, when we, who are asked to give it, have an average debt of $1,998 per person? That simply does not make sense to me. Maybe I am just from a small farm State, so-called, the State of North Dakota, where we do not do things on the magnificent scale that things are done in some other States of the Union. But in North Dakota, where a farmer has 160 acres or 640 acres or a couple of thousand acres, he would consider the proposed loan, if it can be called a loan, in just the same fashion as if a man had furniture worth $5,000, and he gave a bum $5,000 in cash and said, "I will give it to you on condition that you buy my furniture." That is just the way it works. We are going to give the people of Britain the money so they can buy our stuff. That is the theory of it. Why not give them the stuff originally? Why give them any money at all?

Mr. Carnegie said reunion would result in our manufacturers being located only in the interior. The four States of Pennsylvania, Ohio, Tennessee, and Alabama, for example, would not be able to ship goods to New Orleans, or Charleston, or Savannah, or Richmond, or Baltimore, or Philadelphia, or New York, or Boston, or Portland, because England could put goods down more cheaply at those ports than could the manufacturers of those four States.

Mr. President, I do not care what any other Senator may think about this matter, but I conceive it to be my duty to bring it to the attention of the Senate. All that any Senator can do upon the Senate floor is to do his duty as he sees it, and I certainly want to bring this matter to the attention of the Senate because I am interested in the manufacturing plants of every town, village, city, and hamlet everywhere in the United States of America.

Mr. HATCH. A parliamentary inquiry. Who has the floor?

The PRESIDING OFFICER. The Senator from North Dakota has the floor.

Mr. LANGER. I read further from Mr. Carnegie's book:

The percentage of taxation in the United States—National, State, and local—to earnings was 5.04 last decade; in the United Kingdom, 9.03—nearly double. When the union is restored it will be upon the basis of uniting also the national debts as they stand, and making all a common obligation of the union, so that the United Kingdom will be relieved at once of the greater portion of its national debt.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. LANGER. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, the Senator from Ohio [Mr. TAFT] has pending an amendment to the bill. I understand that the Senator from Ohio would like to dispose of it in order that he may leave the city. I wonder if the

Senator from North Dakota would yield to the Senator from Ohio in order that he may offer his proposal and that we may have a vote on it, if it is understood that the Senator from North Dakota will not lose the floor by that procedure?

Mr. LANGER. I will be glad to yield.

Mr. BARKLEY. I ask unanimous consent then, Mr. President, that the Senator from Ohio be permitted to offer his amendment, and that the Senate may proceed to vote upon it, without taking the Senator from North Dakota from the floor.

The PRESIDING OFFICER. The Chair will inform the Senate that it is his understanding that the amendment of the Senator from Ohio has already been offered.

Mr. BARKLEY. Yes.

The PRESIDING OFFICER. And has been held in abeyance pending the perfecting amendments to the joint resolution.

Mr. ELLENDER. Mr. President, reserving the right to object, I understood that the amendment of the Senator from Ohio was in the nature of a substitute. I have a pending amendment which I should like to submit, and I ask what would become of it in the event that the Senate should agree to vote on the substitute of the Senator from Ohio?

The PRESIDING OFFICER. If the amendment in the nature of a substitute offered by the Senator from Ohio should be adopted, it would not be subject to further amendment.

Mr. TAFT. But if the amendment should be rejected the joint resolution would be open to further amendment. I think the Senator from Louisiana would be satisfied if this amendment were adopted. If it were defeated, he would still have the right to offer his own amendment. So I do not see that the Senator would lose anything by permitting the Senate to proceed with my amendment.

The PRESIDING OFFICER. Is there objection to the request that the amendment of the Senator from Ohio be considered at this time? The Chair hears none.

Mr. TAFT. Mr. President, the substitute which I offered, for the consideration of which at this time, ahead of the pending amendment, unanimous consent was granted, reads as follows:

Strike out all after the resolving clause and insert:

"The President of the United States is authorized to pay to the United Kingdom not to exceed the sum of $1,250,000,000 upon the agreement of the United Kingdom that said sum will be used for purchases of goods and services in the United States during the years 1946, 1947, and 1948: *Provided*, That the character of such purchases shall be subject to restriction under the provisions of the Export Control Act, and the President in his discretion may extend the time in which such purchases may be made."

I may say that the latter proviso is merely to emphasize the fact that we still have control over what goods may be bought in this country. If the President finds that this sum is not exhausted, there will be no pressure to spend it all at once in 1948, but he may extend the time until the entire sum is used up.

This amendment differs from the amendment offered by the distinguished Senator from Indiana [Mr. CAPEHART], who proposed to reduce the $3,750,000,000 to $1,500,000,000. He proposed to retain the contract, and still ask the British to make the same undertaking which they had agreed to make in consideration of the larger loan. That amendment would require renegotiation with the British; and whether they would agree to that or not, I do not know. My amendment requires no renegotiation with the British. The British are simply offered an outright grant of $1,250,000,000, to be spent in this country for the purchase of the goods which they need.

I have placed the sum at $1,250,000,000, because it is intended to cover the entire deficiency which the British are in any way likely to have in the balance of trade with this country during the next 3 years. That is to say, I am proposing to say to the British, "We will finance and permanently grant to you all the goods which you desire to purchase in this country during these 3 years, over and above what you export to us." The British deficiency in imports and exports, taking into consideration insurance and all other services during the prewar years, averaged $140,000,000 a year. This amendment would permit it to average $416,000,000 a year during the 3 years; and we would undertake to finance that operation for the British.

It seems to me that there can be no lack of generosity in our performance under such an agreement. It is in effect an extension of the lend-lease program into the peace era, to permit the British to make up deficiencies which have resulted from the war. The British cannot say that we are responsible for cutting their ration, or in any way refusing to do anything we can do from a physical standpoint in supplying the goods which they need for the next 3 years.

The other two and a half billion dollars of this loan is not to be spent by the British in this country. It is to be spent by them all over the world, to obtain goods from all the other countries in the world. It is an attempt, in theory, to stabilize the world exchange by our providing two and a half billion dollars for the British to go out and buy goods from their own colonies, and all over the world; for the British to transport their troops home from India and other points in the world, and to receive goods which it seems to me the rest of the world ought to finance if they are going to supply them.

Incidentally, the two and a half billion dollars is just so many dollars which we would cast upon the waters of the world. They would gradually drift back here again, to build up a tremendous demand in this country for goods, beyond what we could possibly supply. It seems to me that we are doing over again, with this two and a half billion dollars, over and above what the British really need in this country, exactly what we were told we were doing under the Bretton Woods agreements. We are apparently trying to stabilize exchange throughout the world. That was the purpose of the Bretton Woods agreements. The Bretton Woods fund distributed $2,750,000,000 of our money throughout the world in order to stabilize exchange, so that pounds could be exchanged for dollars and other currency.

Furthermore, under the Bretton Woods agreements we are putting $3,000,000,000 into a bank, which is intended to finance loans to countries throughout the world. In my opinion one and a half billion dollars is sufficient to deal with the present British situation, so far as we can reasonably see in advance. All the figures show that they already have available in gold, cash, and dollars in this country $2,300,000,000, to which we would add one and a quarter billion dollars to enable them to finance what they actually have to buy here.

In addition, if the one and a half billion plus the $2,300,000,000 which they already have is not enough to finance them, they can make a commercial loan from the Export-Import Bank or from the RFC, where they have $900,000,000 of securities today, against which they now have loans of only about $200,000,000. They can borrow on reasonable commercial terms from the RFC. If this total sum should prove to be insufficient they could borrow $700,000,000 from the RFC on reasonable commercial terms. It would be a commercial loan, and they would have to pay the interest; but those securities are self-liquidating. The British loan has already been reduced by applying the income derived from those securities. The British loan from the RFC has already been reduced from something like $500,000,000 down to about $200,000,000. It would be a self-liquidating loan which could be taken care of. So if they get this additional help, with the cash they already have, and if they have the right to borrow from the RFC and the Export-Import Bank, if they can get the World Bank to underwrite the sale of British securities in the United States—and that is its very purpose—I cannot see how the British Commonwealth is ever going to run short of funds to meet the situation which it has to meet.

Incidentally, the two and one-half billion dollars would add approximately $20,000,000,000 to the great flood of dollars which we are making available throughout the world, if all these agencies were to operate. It would simply add to the amount which would come here and be paid for American goods, to build up a vast export trade on a wholly artificial basis. It is bound to collapse when the lending comes to an end, exactly as the system collapsed in 1929 when the private lending suddenly came to an end. To build up an artificial export trade is artificial inflation. That is what inflation is.

The question that is asked me is, Why give it? Why do we not lend it to Great Britain? Why do we not make this a loan? In the first place, it seems to me that with this vast lending the British are most unlikely to pay this loan. It seems to me that what the joint resolution is proposing to do is, in effect, a gift. It is admitted that it is not on a commercial basis. The interest is forgivable. Probably the interest never will be paid. That certainly is a gift of the

interest. I do not see that this amendment varies, in a constitutional way or in a practical way, from the proposal actually made in this particular loan agreement. I think it would be far better for us if we were to recognize that fact.

After all, it is merely an appendage to lend-lease, in which we have already expended approximately $20,000,000,000 for assistance to England in the war. The President could have let the lend-lease run on for 2 or 3 months, probably over protest, but still it could have been done, and he could have supplied the one and one-quarter billion dollars in that way if he had wished to do so. He felt that he should comply with the clear intent of Congress, and he therefore cut it off sharply. But I think that this is no more than a continuation, a hangover, of that policy, just as we are liquidating many of our war agencies.

It seems to me also that we might as well recognize that this is in fact a gift. Let us go back to the First World War, when we were told that the operation was a loan. We have found out now that it was largely a gift, and had to be a gift. We were told when lend-lease was before us that we were only lending the money and equipment. It will be remembered that we were to lend our neighbor a fire hose, and that when the fire was out we were to get the hose back and use it for our own purposes. We now know that we might just as well have recognized then that lend-lease was a gift. When we are, in effect, lending between $10,000,000,000 and $20,000,000,000 to foreign nations, I think we might as well recognize that most of it is a gift.

I concede that I am throwing away the consideration which is alleged to exist under the proposed arrangement. I am saying to the British, "You do not have to remove all these controls. You do not have to comply with these agreements." In the first place, I do not believe that the British are very likely to be able to comply with most of those agreements. Many of the British feel that they would be far better able to work out their own problem if they were not bound hand and foot by the agreement to make sterling absolutely convertible into dollars.

I have before me a very interesting speech made to the members of the American Chamber of Commerce in London by the Right Honorable L. S. Amery, who was connected with the Conservative government, in which he protested vigorously that the policy of this loan, of tying Britain's hands, of requiring Britain to give up imperial preferences, of requiring her to make sterling everywhere convertible, is one which will seriously interfere with the prosperity of Great Britain and make it most unlikely that they can pay the loans.

I do not say that he is right, but I ask unanimous consent that Mr. Amery's speech be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. TAFT. Mr. President, I shall read part of what he said:

> I have no doubt whatever myself that we can repay the loan now proposed, and in far less than 50 years, if we remain free agents. That is to say, if we are free to control our external trade so as to suit the needs of employment and production in this country; if we are free to maintain and develop the fruitful expansionist policy of imperial preference and of the sterling system within our own family of nations; if we are free to make mutually profitable trade arrangements with foreign countries, and not least with the United States. If, on the other hand, we are to be bound hand and foot by what I regard as out-of-date, theoretical schemes under which we are to sacrifice the control over our own home market, eliminate preference, abolish the sterling, and abandon all hope of something better in foreign-trade agreements than the obsolete and restrictive most-favored-nation clause, then I say, with all the earnestness that I can command, that we shall not be able to pay our way at all and shall most certainly not be able to repay the loan.

In short, Mr. President, it seems to me that what we are requiring from the British may be of advantage to us and may be of advantage to the British, or it may not be of advantage to the British. Certainly we are assuming to tell the British how they shall operate their internal trade and their external trade. We are requiring that as a condition of this vast loan of $3,750,000,000. I simply do not think a nation will conform its policies to that kind of an agreement. Even with the best will in the world they would not do so, and in this case there is not the best will, because one party has absolutely refused to go along with the plan at all. The Conservative Party refrained from voting. The others are in no way enthusiastic, and I question very seriously whether we are actually going to get what it is assumed that we shall get. Mr. President, it is better to try to work out these problems from day to day with the British, as we have done in the past.

Finally, Mr. President, let me say that it seems to me that it is better to make a gift rather than a loan, because I think the making of a gift will remove a serious source of friction between Great Britain and the United States. I feel very strongly that if the proposed loan is made, to be repaid over a period of 50 years, until the year 2001, the British, every year they have to dig up $140,000,000, or at the least, $105,000,000, and pay it to the United States, will groan; there will be a groan every time the payment comes due, and the British newspapers will accuse us of having exacted a bargain under harsh conditions at a time when the British were unable to do anything about it. We shall be "Uncle Shylock" to the world; and not only will the British be violently critical but in this country there will be a constant criticism if they do not pay the interest; and for many years they will not have to pay interest. The result will be that we shall have stirred up a lasting and bitter feeling against the British.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. McFARLAND. I appreciate the objective the Senator from Ohio is trying to reach. But let me ask how far does the Senator think we are entitled to go in giving away the people's tax money? They have to pay it. Under the public-welfare clause, just how far are we going in giving away the people's money?

Mr. TAFT. Mr. President, we have already given away the people's money to the extent of $2,750,000,000, for UNRRA, for the relief of Europe. I voted for it and I think probably the Senator from Arizona voted for it.

Mr. McFARLAND. Yes; but I——

Mr. TAFT. It seems to me that, to a large extent, this is a hang-over of the war. I have always thought we should extend reasonable credits or grants to help Europe get on its feet. My objection to the program which has been presented is that it is far beyond the amount of money needed to help England and Europe get on their feet. It is a vast sum based on some theoretical idea about what trade should be, about doubling and trebling world trade and going back, I may say, to the nineteenth century idea of free trade, which I do not think ever will exist again.

But I have always felt that we should make reasonable advances. We did so during the war. We have given $20,000,000,000 in connection with lend-lease for the purpose of winning the war; and to liquidate the war I see nothing inconsistent in the principle of extending that grant to what it seems to me to be necessary in order in a proper way to assist Great Britain. It seems to me the so-called loan is just as much a gift as the proposal under the amendment of giving England $1,250,000,000. If we make the gift proposed by the amendment, I think it will exceed in results anything which could result from the proposed loan of $3,750,000,000.

Mr. McFARLAND. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. McFARLAND. Let me say that I shall vote for the Senator's amendment; but I think the Senator from Ohio will agree with me that in the early days of our country the Congress would not have felt that it had authority to give away money in this manner.

Mr. TAFT. I think the Senator is correct. But I say to him and to those Senators who feel that they should vote against the amendment because it is in the form of a gift to Great Britain, that it seems to me is just recognizing one-third of what is already recognized in the loan proposal itself. Whether it is a gift or a loan it seems to me is an inconsequential question. Probably there is the same constitutional objection to the gift of $1,250,000,000 proposed by the amendment that there is to the $3,750,000,000 loan. I agree with the Senator that in the beginning of this Republic it would have been considered unconstitutional. However, I think that today the practice and the custom have been such that I doubt very much whether any court would hold it to be unconstitutional.

Mr. McFARLAND. Mr. President, I concede what the Senator from Ohio has said, namely, that the modern trend has been that if Congress votes money in connection with what it says is the public welfare, then that ends the matter. But personally I feel that we have a grave responsibility in voting away or

giving away the people's money even under the guise of doing it in the public welfare, especially when we are giving it to another country. But on the theory which the Senator from Ohio has just stated, I shall, with reluctance, vote for his amendment.

Mr. TAFT. Mr. President, I only say to the Senator that it seems obvious to me that in the long run the amendment will cost the people of the United States $2,500,000,000 less than if the amendment fails to carry.

EXHIBIT A

"LOAN O. K., BUT TRADE SCHEMES CRIPPLING," BRITISH COMMONWEALTH CHAMPION SAYS

At their March 19 luncheon at the Savoy Hotel, members of the American Chamber of Commerce in London honored the Right Honorable L. S. Amery, C. H., and heard the foremost exponent of a free hand for Britain say why he urges it, while endorsing the usefulness of the proposed American loan and the necessity for close economic ties with the United States.

Among his activities, Mr. Amery helps direct the branch plant in Britain of the Goodyear Tire & Rubber Co., of Akron, Ohio. He has been Secretary of State for the British colonies, the dominions, and, at the time the Churchill government fell last year, he was Secretary of State for India and Burma.

The chamber's second vice president, Francis L. Harley, as chairman, introduced the speaker:

"Members of the American Chamber of Commerce and our distinguished guests, before I make the few remarks which I intend to make to introduce our principal guest, Mr. Amery, I would like to make a confession to all of you. I am not very comfortable standing here today for the first time to preside over one of these lunches, having in mind the sparkling ability of Mr. Phillips, your president, and also the great capacity of Mr. Carr, both of whom are out of the country on this occasion. Mr. Phillips is progressing very well, I understand; he is well out of the woods and it is only a question now, as I understand it, of learning to walk again after his very unfortunate accident; so I hope we will see him here all in good time.

"At our last luncheon we heard Mr. Harry Hawkins give the American view on the proposed loan to Great Britain, and arising out of that luncheon we today are to have the privilege and honor of hearing the views of Mr. L. S. Amery, who is here to talk to us about his own personal views, which have no connection whatsoever with the policy of the British Government, insofar as how he feels about the proposed loan and how it affects the various aspects of the Anglo-American situation. Mr. Amery comes to us prepared to speak on his own behalf on this most important and vital problem. Quite apart from being a public and political figure in Great Britain for many years past, I think it is safe to say that, at least, for the past 40 years he has been a very astute student of economics, and also has made a real fundamental study of the relationships in the British Empire, and the relationships between Great Britain itself and the dominions. Not only has he made a study of it, but has had many years of personal contact with the various countries which he has visited and has, by reason of this experience, been able to formulate some most important conclusions. Therefore, I think we are very fortunate in having him come to give his views, which may be controversial to those who were present at our last luncheon. Mr. Amery has also the distinction of being associated with American interests by reason of the fact that he is a director of the British Goodyear Co., and he has also had much contact and experience with Canadian interests thrcugh the years."

The Right Honorable L. S. Amery, C. H.: "Mr. Chairman, ladies, and gentlemen, last month I had the privilege of sitting next to your chairman and hearing a most interesting address by Mr. Hawkins on the subject of the Washington loan agreements and of the monetary and commercial policy to which the United Statets administration attach such great importance. Somewhat rashly, at the end of Mr. Hawkins' speech, I ventured to whisper to Mr. Carr that I disagreed entirely with Mr. Hawkins' economic arguments. I was promptly countered by an invitation to come here today and lay my point of view before you. So here I am, a Daniel among 300 lions, and I can only hope that, sated with a good lunch, you will not think me worth devouring when I have finished.

"Let me, at the outset, assure you that no one believes more profoundly than I do in the necessity of Anglo-American cooperation, in trade at least as well as in other fields of policy. The world's best hope, as well as the peace and prosperity of both of us, lies in our understanding each other and working together. That can only be on the basis of consideration for each other's interests and outlook, and also of complete frankness in stating each our own point of view and defending our own rights. I am sure, therefore, that you will not misunderstand me if I say exactly what I think, without beating round the bush."

LOAN AND CONDITIONS

"Let me make it quite clear, to begin with, that I am not criticizing the loan itself. That seems to me a perfectly fair and reasonable business deal, equally in the interest of both parties. We are faced with a difficult time before we can readjust our economy after the tremendous distortion to which—as Mr. Hawkins generously acknowledged—we submitted it for the sake of the common cause. During that time it will be a valuable help to us to be able to secure, without immediate payment in the shape of exports, large quantities of American goods of all kinds. America, on the other hand, is ready to sell those goods. But she cannot sell them unless others have secured the requisite dollars. In the long run those dollars can only be acquired by selling goods to the United States, but as a temporary measure they can be secured if the United States is willing to lend them. At this moment neither we, nor anyone else in the world, are yet in a position to export on a really substantial scale. America will have to lend, through public or private channels, if she wants to export, whether she lends to the public or through private channels. She will lend, if she is wise, to those who are, by their resources and their character, most likely to repay, and will avoid imposing conditions which will make repayment difficult or impossible.

"I have no doubt whatever myself that we can repay the loan now proposed, and in far less than 50 years, if we remain free agents. That is to say, if we are free to control our external trade so as to suit the needs of employment and production in this country; if we are free to maintain and develop the fruitful expansionist policy of imperial preference and of the sterling system within our own family of nations; if we are free to make mutually profitable trade arrangements with foreign countries, and not least with the United States. If, on the other hand, we are to be bound hand and foot by what I regard as out-of-date theoretical schemes under which we are to sacrifice the control over our own home market, eliminate preference, abolish the sterling system, and abandon all hope of something better in foreign trade agreements than the obsolete and restrictive most-favored-nation clause, then, I say, with all the earnestness that I can command, that we shall not be able to pay our way at all and shall most certainly not be able to repay the loan."

THE VIEW AHEAD

"Let me remind you of the position which this country will have to face in the years ahead of us. We have, as Mr. Hawkins reminded you, lost more than half of our income from overseas investments. Much of our income from shipping, insurance, and finance has gone. It is estimated that, if we are to keep our heads above water at all, we must in future increase the volume—not merely the value—of our exports by some 75 percent over the immediate prewar years. As our exports of foodstuffs and raw materials are a small and I fear stationary element in the whole, it means that we shall have at least to double our exports of manufactures. Where and how are we to do this? The European market is not exactly promising or likely to be what it was for many long years to come. Elsewhere there are many once-profitable markets where we shall find ourselves increasingly replaced by local production. We have, I am sorry to say, long ceased to be the world's cheapest producers over the field of industry taken as a whole. Our relatively small-scale industries cannot compete easily with the surplus of America's immense volume of production. On the other hand, our standard of living and our overhead of taxation are far higher than those of many other countries whose equipment and manual skill are no whit inferior to ours. It is perfectly true that the quality of British workmanship will always secure us a considerable market. But under sheer cut-throat open competition we cannot achieve that gross total volume of exports which we must have in order to secure those raw materials and foodstuffs essential to our life. Exports for us are not merely a convenience, a useful flywheel in our productive economy; they are the only way by which we can earn our daily bread."

A FREE HAND

"In these circumstances, we must have a free hand. Our first duty will be to exercise a strict economy over the expenditure of the line of credits now proposed, if that is granted, whatever credits we may earn in future by our exports. We cannot afford to admit any but essential imports. We must take whatever measures may be necessary to maintain our agricultural production at the highest level, regardless of mere price competition from outside. We must select carefully the manufactured goods that we can afford to let our people purchase. What is more, we must be free to exercise a measure of selection as to the source of our imports. In making trade agreements we have one outstanding bargaining asset, an asset on whose importance Mr. Hawkins, and more recently Mr. Clayton, have rightly laid stress, namely, the fact that we are, and always will be, an immensely important consumers' market. I can see no reason why favored access to that market should be given to those who are not prepared to give us equivalent help in return. I am well aware that this is what the present American administration calls discrimination, and is contrary to the interpretation of the most-favored-nation clause which the United States has adopted in recent years. All I can say is that the old American interpretation was much better calculated to promote trade expansion. The present rigid interpretation is a direct obstacle to the lowering of tariffs by mutual agreement. It means that concessions which might be given to the other party in a deal are not given at all because the whole world has to be let in on the same terms while the other party's concessions are hardly worth securing if they have to be shared with every competitor. In those circumstances the most paying thing for a country is to sit back and hope that someone else will make the concessions for you, or else to dodge the spirit of the clause by ingenious over-detailed classification."

ECONOMIC PREFERENCES

"Happily, we made it clear to the world nearly 50 years ago, and have done so in every trade agreement since, that the most-favored-nation clause does not apply to trade within the British family of nations. During that half century the preferential reduction of duties freely given by Dominion governments on British imports have been a most important standby in our whole economic life. They became even more important when, for the first time, this country reciprocated fully under the Ottawa agreements. Under those agreements our trade expanded remarkably in every direction. Over the 5 years, 1932–37, our exports to British countries rose by 52 percent, and our imports from British countries rose by 64 percent. This was not at the expense of our trade with the outside world, with which our exports, over the same period, rose by 35 percent and our imports by 37 percent. To suggest that the greater relative increase of our inter-Empire trade was at the expense of our trade with other countries implies a stationary conception of trade which has no justification whatever. Our foreign trade expanded because our producing and consuming power was increased by our inter-Empire trade. Indeed, if it had not been for the mutually expansionist effect of the Ottawa agreements, each country in the British Commonwealth would have been driven, as the European countries were, to much higher tariffs and to restrictive quota, barter, and exchange devices in order to meet the acute world situation. The total trade of the empire with foreign countries would have been less and not more, but for the Ottawa Agreements.

"Even before the war the British Empire, thanks very largely to preference, took more than half our total manufactured exports. We cannot possibly give up this market and its opportunities for further expansion and still pay our way in the world under conditions of promiscuous cut-throat competition. Given our freedom to pursue the policy of balanced, cooperative expansion which I have outlined, we can also conduct a steadily increasing trade with the United States as well as with other countries and, as I have said already, should find no difficulty in repaying the loan."

POLITICAL PREFERENCES

"I have dealt with this question of preference purely on the economic side. But it is also essentially a political question. To deny the right of the British countries to give each other whatever preference they choose is to deny the right to the British Commonwealth to exist as an entity. We are just as much entitled to reduce our tariffs to each other, or to have free trade with each other, if we choose, as the various States of the American Union are to have free trade with each other or, if it suited them, to set up interstate tariffs. We are as entitled, and as bound morally, to give each other help and support in trade as we are in defense. The preferences we give here are of great importance to many industries in the dominions and mean life or death to many colonies for whom we stand in the position of trustees. These are responsibilities and duties which cannot be bargained away for lower tariffs in the United States or anywhere else. In any case, they are our own concern and no one else's. Forgive my speaking very plainly, but I am only voicing the resentment which millions of my fellow countrymen here, and in other parts of the British Commonwealth, are feeling at the pressure which has been put on us, in our immediate difficulties, to induce us to acquiesce in the abandonment of our right to help each other within the British family."

STERLING

"What I have said about the economic aspect of preference equally holds good about sterling. Unlike gold, the quality of which is fixed at any given moment, sterling is an elastic currency which expands to meet the needs of trade and production—a much better currency than gold. It was a vital factor in our recovery after 1931. It played no small part in seeing us through the war. If sterling is left to adjust itself over the next few years it can be an immensely important factor in stimulating productive energies over the whole sterling area, and so increasing the trade of that area with the outside world. Instead of that, the American Treasury seems determined to wreck sterling. They have made it part of the loan agreement that within a year of the effective date all sterling arising from current transactions within the sterling area are to be released—in other words, freely exchanged for gold and dollars. What does that mean? It means that we shall be bound to pay gold or dollars for whatever we buy in the sterling area, and shall, therefore, have so much less available for our purchases in the United States.

"America will not get one cent more in the way of exports, but our power of recovery and of repaying the loan will be seriously weakened. Again, if vast quantities of sterling are in this way thrown on the world market, sterling will depreciate. An inevitable invisible tariff will thus be set up in all sterling countries against American exports, and Bretton Woods will be in difficulties from the start. If the American administration had deliberately wished to make repayment of the loan difficult—and in my opinion impossible—they could not have done better than tie to it all the strings they have done.

"I know that there are those, not only on the other side of the Atlantic, who will say that my fears are unwarranted. They suggest that under the policy which the United States is pressing upon us there will be such an expansion of world trade that there will be room not only for that trebling of American exports which President Roosevelt spoke of, but also for that doubling of our manufactured exports which are essential to our existence. I believe those who hold that view to be grievously mistaken both as regards the advantages America or the world might gain from that policy, and as regards the likelihood of the world, as a whole, seriously adopting it."

INTERNATIONALIST ECONOMY

"That policy is associated in America with what is known as the New Deal. It was a New Deal once. It was the British New Deal of the year 1846, when the world economic situation and social and economic conditions were much more favorable to its successful working than they are today. We thought then that we were giving a lead which all other nations would follow. They knew better. The United States was among the first to reject a purely competitive price policy and to concentrate on the development of their immense latent human and material resources in order to protect that development from competition by the lower-paid labor of the outside world. Look at the amazing result. Germany grew to industrial greatness by a similar policy of deliberately fostering production. More and more other nations followed their lead, whether for the sake of expanding production or of maintaining the standard of living of their working class or the stability of employment.

"All the same, after the First World War the attempt was made under American and British influence to restore the internationalist economy, at any rate so far as the gold standard and the most-favored-nation clause were concerned. Things went reasonably well for a time, but only because the excess of American exports was counterbalanced by lavish American investment and by vast sums spent by Americans abroad. When the domestic boom in the States was succeeded by slump, Americans stopped investing abroad and stopped traveling. The world's gold was sucked into America, credit was everywhere restricted, prices fell, and the great world depression set in. The story is told with admirable clarity in the report published in 1943 by the United States Department of Commerce under the title, 'The United States in the World Economy.' If only time allowed I should like to quote freely from that report, but I may mention that it was reprinted by the British Stationery Office and can be secured here at the price of 2s.

"Now two things stand out clearly from that report. One is that it was the linking up of the rest of the world with the immense dynamic momentum and the violent internal fluctuations of the American economy that brought about the world depression. The other is that the various measures taken by the nations to protect themselves did effect their purpose and brought about world recovery, and the recovery of the countries of the sterling bloc are referred to in the report as being outstanding. The recovery of the United States was slow. Yet somehow or other, the powers that be in the United States have got the story upside down. They have persuaded themselves that the world depression was caused by the measures which the world took to cure it, and that all the world needs today is a stronger dose of the poison that nearly killed it 15 years ago."

THE DOLLAR PROBLEM

"I have already expressed my conviction that if we and the world followed the policy which the present American administration is trying to force upon us, we, at any rate, could not pay our way or repay the loan. But I would add that if the world were foolish enough once again to repeat the experiment of reestablishing the internationalist economy of 20 years ago, the result would be disastrous for the world and, not least, disastrous for the United States, which were the worst sufferers from the after-effects of the world depression. The only way, indeed, as the report points out, in which such an economy could work is if the United States internal economy remained entirely free from serious fluctuations and if the United States were prepared to supply quite steadily all the dollars required to make it work. Who is going to guarantee that? No administration in the United States; still less a British Government here.

"Moreover, that policy can only be made to work in the long run by America importing more from the outside world than she exports. Lending can only postpone that necessity for a time, for interest and repayment have eventually to be made in goods. That means that America, if she really means business with her policy, must not merely lower her tariffs as a gesture to others, but lower them so effectively, regardless of the effect on the balance of American internal production of the level of American wages, as to make sure that her imports will steadily outstrip her exports and insure the interest and repayment of the loan. That is what we did, and we did it to the destruction of our agriculture and the gradual weakening of our industries until, at last, after 1931 we realized that only a change of policy could avert complete and final disaster. I wonder if the American public realize what their official policy would involve if it were ever carried out?"

ALTERNATIVE POLICY

"You may ask me, if I criticize the policy which the United States administration has put forward and to which our Government here has pledged its support, what alternative policy have I to put in its place? The policy I would commend is, first, to leave it to every nation to secure the maximum of balanced and stable expansion within its own boundaries by whatever measures are best suited

to its social and political structure, including the control of its own monetary policy. Secondly, to leave every nation free to make mutually advantageous arrangements for the expansion of trade and production with other individual nations and more particularly within groups of nations whose resources supplement each other and which, for one reason or another, wish to work in permanent association with each other.

"To put it more particularly, I would ask America to approve and support, instead of denouncing, British Empire and sterling policy and to look to securing a growing share in the expansion of trade and production which will follow. She can do so all the more effectively if she will revert to her former and, at the moment, more sensible interpretation of the most-favored-nation clause and make specific and, in effect, preferential trade arrangements with the various members of the British Commonwealth for the expansion of their mutual trade. She can also find a fruitful outlet for her capital by direct investment inside the British Empire, as she has already done in the motor industry in Canada and in many industries in this country. You, Mr. Chairman, have referred to the Goodyear Tire Co., with which I have the honor to be associated. That same report, to which I have already referred, shows how much better this type of investment is than direct dollar loans. It creates, so the report points out, an international business community making for cooperation. Being mostly investments in equities, it means that America is directly interested in the prosperity of the countries concerned; she becomes a member, not merely a creditor; and, unlike loans, direct investment automatically does not call for payment at times of serious depression. Your own Chamber, I may remind you, issued in May last an admirable little pamphlet on American participation in British industry, giving good advice as to the lines that American finance and industry might follow in this country."

EUROPEAN TRADE BLOC

"What I urge America to favor in regard to the British Commonwealth I would equally urge her to follow with regard to Europe. Let her waive the most-favored-nation clause and encourage the European nations to form a preferential union among themselves. That is by far the best hope for European recovery. The other policy is bound to lead, sooner or later, to depression, repudiation and, eventually, by reaction, as it did before, to extreme autarchy and totalitarianism.

"I shall be told that I am advocating a policy of economic blocs, and that economic blocs mean economic conflict and eventually war. If you will forgive me, that is pure moonshine. If economic blocs, as such, are a danger to the peace of the world, what about by far the most formidable economic bloc in the world, which is composed of the 48 States of the American Union? If economic blocs are a danger to world peace, should not the first step toward assured world peace be to disband the United States as an economic unit? But I would go further. There is a real danger to the peace of the world today, and that is if two predominant economic blocs, one of them practicing a totalitarian economy and the other preaching and pressing for the restoration of the nineteenth century unregulated competitive price economy, compete for mastery over an unorganized world of small economic units, forcing them, in practice to join one side or the other. The true interest of world peace, in the economic as in the political field, lies precisely in the formation of nation groups or families which can deal on a footing of equality with either the United States or Russia, and which need not follow exactly the economic policies of either but can cooperate in friendly independence with both."

AMERICAN TRADE PROPOSALS

"That, I believe, is the natural line of evolution to match modern world conditions. The United States administration are, in my opinion, pursuing a policy which is reactionary and will lead them nowhere. Our own Government here have, I know, very reluctantly promised to support the policy, which is disliked equally by their Socialistic followers and by their individual Conservative opponents. They will, I strongly suspect, feel much more doubtful even than they are today about being able to see their way to eliminating empire preference after they have discussed the matter next month with the other partners in the British Commonwealth. I no less strongly suspect that when it comes to an international conference, the American proposals will be welcomed with so many qualifications and reservations that nothing will be left of them except a few pious platitudes. Well, in that case, very little harm will have been done. The commercial proposals will fade out and we shall all go ahead with such economic policies as suit our several needs. Trade between Britain and the United States will flourish; it will, of course, flourish because it is in the interests of both. We shall repay; we can do it in our stride, whatever America finds it good business to lend us, whether through Congress or through private finance. If, on the other hand, America does not want to advance the necessary dollars, we shall have to manage somehow without the American goods which we badly need, and American export interests will have to manage without doing the good business to which they are very properly looking forward. That will be just too bad for both."

Mr. BARKLEY. Mr. President, I do not intend to detain the Senate. I think the Senate thoroughly understands what the amendment by way of a substitute is. It proposes to make an outright gift of a billion and a quarter dollars, in lieu of the loan which has been worked out after careful, tedious negotiations, and which we who are supporting it believe is a well-balanced arrangement under which we obtain something in addition to the repayment of the loan itself; we obtain the resumption of conditions in the world from which our Nation will benefit and the world at large will benefit.

It seems that the Senator from Ohio thinks this is a good-will offering to be made and that it will engender greater friendship. I doubt that very much. The amendment provides that the billion and a quarter dollars shall be expended for goods in the United States, but it provides also that the character of such purchases shall be subject to the restrictions under the provisions of the Export Control Act. In other words, we would be giving England a billion and a quarter dollars with which to buy goods in the United States and we would be telling her what she should buy in the United States.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I merely wish to point out that the Senator's $3,750,000,000 loan is subject to exactly the same condition.

Mr. BARKLEY. I understand that. But, in the first place, the $3,750,000,000 covers a longer period of time in which the purchases may be made; and, although the purchase of goods and services in the United States is the first objective, the agreement provides that other things shall be accomplished by the use of this fund, and it will not create the inflationary situation which the Senator from Ohio has feared all along. Certainly it will not create good will for us to give to England a billion and a quarter dollars and then say to her, "That is all we are going to let you use, and we will say what you may buy."

Mr. President, I hope the amendment in the nature of a substitute will be rejected.

Mr. McMAHON. Mr. President——

Mr. TAFT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from Connecticut asked for recognition by the Chair before the Senator from Ohio requested the yeas and nays.

Mr. TAFT. Mr. President, let me inquire whether the Senator from Connecticut will yield, so as to permit me to request the yeas and nays.

Mr. McMAHON. I yield.

Mr. TAFT. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McMAHON. Mr. President, this debate has been going on for 2 or 3 weeks. With the exception of asking several questions during that time, I have taken no part in the discussion. I am constrained to make a few remarks at this time—and a very few—by reason of the observations of the Senator from Ohio as to whether this loan is going to be paid back. I have finally decided, in fact, I decided 3 days ago, that I shall vote for this loan; and I want the RECORD to show now that I am one Senator who expects the British Government to keep its plighted word in the agreement which it has signed. I do not believe it to be the part of wisdom for any Member of the United States Senate to assert that the repayment of this loan is not to be expected. I care not that the British Conservative Party refrained from voting. The agreement was ratified by the British Government, and I accept such action as the word of the British Government. If I am a Member of this body when the installments on the loan become due I shall do everything I can to press upon the officials of our Government the necessity of calling upon the British Government to keep its word.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. TAFT. Does the Senator realize that there is $4,000,000,000 worth of notes in the United States Treasury which were signed by the British Government and which are not being redeemed, and which no one, including the British Government, expects to be redeemed?

Mr. McMAHON. I presume that all the lend-lease obligation is in that category.

Mr. TAFT. No; there is no expectation of lend-lease being paid. The notes to which I refer were written and signed by the British Government. I do not believe it is intended that they shall be paid, and we are not asking that they shall be paid.

Mr. McMAHON. Is the Senator referring to the loans which were made following the First World War?

Mr. ELLENDER. Mr. President, does the Senator realize——

Mr. McMAHON. Mr. President, will the Senator from Louisiana desist so that I may reply to my friend from Ohio?

Mr. ELLENDER. Very well.

Mr. McMAHON. Then I shall be glad to deal with my friend from Louisiana.

So far as the loan which was granted following World War I, the Senator from Ohio realizes only too well that at the time repayments on the loan were discontinued, no more reparations were being received from the German Government, and the debt moratorium agreement was entered into. It is too late to get into a discussion with the Senator from Ohio with reference to the default on the first loan. I only say that, so far as the proposed loan is concerned, I think it is bad practice for any Senator to make a statement before the loan is even granted that repayment will not be expected. The Senator can waive repayments on the loan if he wishes to, but I say that when I cast my vote I want the RECORD to show that I expect the British Government to keep its agreement.

SEVERAL SENATORS. Vote, vote.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Ohio [Mr. TAFT]. On this question the yeas and nays having been previously demanded and ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOEY (when Mr. BAILEY's name was called). The senior Senator from North Carolina [Mr. BAILEY] is absent because of illness. If present he would vote "nay."

Mr. HATCH (when Mr. CHAVEZ' name was called). My colleague the junior Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained on important public business. If present he would vote "nay."

Mr. MORSE (when Mr. CORDON's name was called. The senior Senator from Oregon [Mr. CORDON] is absent because of official business in connection with the Commerce Committee of the Senate.

Mr. MEAD (when his name was called). I announce that my colleague the senior Senator from New York [Mr. WAGNER] is unavoidably detained. If present he would vote "nay."

Mr. MURDOCK (when the name of Mr. THOMAS of Utah was called). My colleague the senior Senator from Utah [Mr. THOMAS] is unavoidably detained on public business. If present he would vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Georgia [Mr. GEORGE] and the Senator from Tennessee [Mr. MCKELLAR] are unavoidably detained.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I also announce that the Senator from Tennessee [Mr. MCKELLAR] has a pair with the Senator from Wyoming [Mr. ROBERTSON]. If present, the Senator from Tennessee would vote "nay."

I wish to announce further that if present and voting, the Senator from Missouri [Mr. BRIGGS], the Senators from Texas [Mr. CONNALLY and Mr. O'DANIEL], the Senator from Georgia [Mr. GEORGE], and the Senator from West Virginia [Mr. KILGORE] would vote "nay."

Mr. TAFT. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He is paired on this question with the Senator from Illinois [Mr. BROOKS]. If present, the Senator from Michigan would vote "nay" and the Senator from Illinois would vote "yea."

The Senator from Maine [Mr. WHITE] has a pair with the Senator from Indiana [Mr. WILLIS].

The Senator from Wyoming [Mr. ROBERTSON] has a pair with the Senator from Tennessee [Mr. MCKELLAR]. If present, the Senator from Wyoming would vote "nay."

The Senator from Delaware [Mr. BUCK], who would vote "nay," if present, has a pair with the Senator from North Dakota [Mr. YOUNG], who would vote "yea," if present.

The Senator from Maine [Mr. BREWSTER], the Senator from Indiana [Mr. CAPEHART], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The result was announced—yeas 16, nays 50, as follows:

YEAS—16

Bushfield	Langer	Taft
Byrd	McFarland	Tydings
Ellender	Millikin	Walsh
Johnson, Colo.	Moore	Wheeler
Johnston, S. C.	Russell	
La Follette	Shipstead	

NAYS—50

Aiken	Hawkes	Myers
Austin	Hayden	O'Mahoney
Ball	Hickenlooper	Pepper
Bankhead	Hill	Radcliffe
Barkley	Hoey	Reed
Bridges	Huffman	Revercomb
Donnell	Knowland	Saltonstall
Downey	Lucas	Smith
Eastland	McCarran	Stanfill
Ferguson	McClellan	Stewart
Fulbright	McMahon	Taylor
Gerry	Magnuson	Thomas, Okla.
Green	Maybank	Tobey
Guffey	Mead	Tunnell
Gurney	Mitchell	Wiley
Hart	Morse	Wilson
Hatch	Murdock	

NOT VOTING—30

Andrews	Briggs	Capehart
Bailey	Brooks	Capper
Bilbo	Buck	Carville
Brewster	Butler	Chavez
Connally	McKellar	Vandenberg
Cordon	Murray	Wagner
George	O'Daniel	Wherry
Glass	Overton	White
Gossett	Robertson	Willis
Kilgore	Thomas, Utah	Young

So Mr. TAFT's amendment was rejected.

Mr. BARKLEY. Mr. President, I ask unanimous consent that not later than 3 o'clock tomorrow afternoon, the Senate proceed to vote on the pending joint resolution and all amendments thereto, without further debate.

Mr. President, the yea-and-nay vote on the amendment which has just been rejected by the Senate would have the effect of a quorum call. In view of that fact, I ask that the technical requirement of the calling of the roll be waived.

The PRESIDING OFFICER. Without objection, the calling of the roll will be waived.

Is there objection to the unanimous-consent request of the Senator from Kentucky?

Mr. MORSE. Mr. President, reserving the right to object, I wish to say that under ordinary circumstances I would object, because I believe, as I have said in the past, that every possible opportunity and ample time should be given to Members of the Senate who wish to discuss the merits of an issue.

I recall that while I was not in the Chamber the other day a unanimous-consent agreement was reached in connection with the airport bill. I believe that the time allowed under that unanimous-consent agreement for the discussion of the bill was most inadequate. As that debate developed into its closing minutes, it was perfectly clear that there were many questions which should have been cleared up before the vote was taken. However, because of the automatic application of the rule some of us found is necessary to vote while questions were still pending in our minds with reference to the merits of the measure. In this instance, the joint resolution has been under discussion and debate for approximately a month. I cannot imagine much more which could possibly be said on the pros and cons of the joint resolution than have been said during that time.

I am also cognizant of the fact—and the RECORD will speak for itself—that there has been some obvious, deliberate delay in getting to a vote on this question. Hence I think the application of a principle I most sincerely support, and so long as I am in the Senate shall be inclined to support on most occasions, namely, the principle that debate should not be limited while there is legitimate discussion on the merits of any issue, must be made in light of certain circumstances which from time to time may justify an exception to its application.

Therefore, if I do not object to this unanimous-consent request, nevertheless, I want the RECORD to be perfectly clear that it is only in such exceptional circumstances as these that the junior Senator from Oregon will be found not objecting to an attempt to limit debate on the merits of any issue before this body.

As I have said before, I shall at all times sign a cloture petition whenever I am satisfied that a filibuster is in

progress, but I shall not, unless circumstances as strong as those I believe present in this case, agree to any limitation of debate by way of unanimous-consent agreements to vote as of a certain hour.

Furthermore, I shall not agree to the practice which was followed a few days ago in regard to the airport agreement, of permitting the majority leader and the minority leader, or any other two Senators on the floor of the Senate, to parcel out the time among Senators on the two sides of the aisle because I do not think it is consonant with keeping this an open forum at all times for the people whom we represent.

I am also exceedingly sorry that the circumstances of time call for a unanimous-consent agreement that makes it necessary to vote tomorrow afternoon at 3 o'clock. I think, however, that it would be quite improper for me to ask for a further extension simply to meet my own pleasure in the matter, because it involves a decision I shall have to make between now and midnight as to my own course of action.

I find, however, because of what I understood was going to be the action of the Senate today, namely, to remain in session until a vote was taken upon the British loan, that, through my office, I accepted an invitation to make a very important speech in Chicago, Ill., tomorrow noon, and I cannot get back in time to vote tomorrow afternoon. However, my inconvenience is not a matter which should be imposed on the Senate as a whole.

Nevertheless, Mr. President, I am in a very difficult parliamentary situation, because my colleague, the senior Senator from Oregon (Mr. CORDON), as I have announced on several votes today, is out of the city on official business of the Commerce Committee. He would not have missed this vote, I want the RECORD to show very clearly, unless he could have arranged a live pair with some Member of the Senate. So when my colleague asked me if I would pair with him, as, if he were here, he would vote against the loan and if I were permitted to vote I would vote for the loan, I told him I would extend to him the courtesy of such a pair. It is now going to be necessary for me to take the matter up with his office and determine what the pleasure of his office is under the circumstances.

I wish it were possible that we could have an agreement that would permit us to proceed with other business after 3 o'clock tomorrow afternoon and then vote on the British loan at a later hour, not for my convenience, but in order to accommodate my colleague, who I think certainly is entitled to the protection I took it upon myself to give to him by the agreement we entered into, but which will not be extended to him, of course, if I am not here to vote. It is true that the tally result will be the same, but there is quite a difference between the tally vote and the principle which I think is involved in the pair, because the pair will not then be a matter of record.

Hence, I should like to ask the majority leader, because I think I can get back by plane in time to vote later tomorrow afternoon, if he would be willing to suggest to the Senate a unanimous-consent agreement providing that the debate on the joint resolution shall close at 3 o'clock tomorrow afternoon, but that the vote on it shall be taken at 6 o'clock.

Mr. BARKLEY. Mr. President, I appreciate the situation described by the Senator. It is not different from that which exists with respect to other Senators. I have been trying to work out an agreement by which we could fix the time for a vote finally upon the joint resolution and all amendments, and this is the only agreement I have been able to work out, and I am not in a position to change it. I am sorry, but I think the Senator should not raise any objection. I hope he will not object to the unanimous consent request I have made.

Mr. BALL. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I do not have the floor. The Senator from Kentucky has the floor.

Mr. BARKLEY. I yield to the Senator from Minnesota.

Mr. BALL. I know of at least three Senators who have to leave about 4 o'clock tomorrow afternoon to keep long standing engagements, and it seems to me they would all be very seriously inconvenienced if the vote were at 6 o'clock.

Mr. BARKLEY. It is impossible ever for us to arrive at a unanimous-consent agreement to vote at any hour which does not inconvenience some Senators. The time will never come when it will be possible to have all Senators here, and one of the logical reasons for the existence of pairs, which are private arrangements between Senators, is the consideration of the fact that they may be recorded as if they were present. I am sorry, but I cannot possibly feel that we can work out any better arrangement than the one I have submitted to the Senate, and I hope it will be agreed to.

Mr. KNOWLAND. Mr. President, reserving the right to object, I should like to ask the majority leader whether immediately upon the vote being taken on the pending measure, Order of Business 1196, House bill 4908, will then be taken up for consideration.

Mr. BARKLEY. If the Senator is referring to the labor legislation, immediately upon the disposition of the pending joint resolution it will be in order to move to make that measure the unfinished business of the Senate, and if no other Senator makes such a motion, I shall do so.

Mr. MORSE. Mr. President, still reserving the right to object, I ask the majority leader whether he can inform me what amendments are still pending to the British loan joint resolution.

Mr. BARKLEY. The Senator from North Dakota [Mr. LANGER] has three, the Senator from Colorado [Mr. JOHNSON] has one, and the Senator from Louisiana [Mr. ELLENDER] has one. Whether there are any others I do not know. Those are all I know about.

Mr. MORSE. What time does the majority leader contemplate having the Senate convene tomorrow?

Mr. BARKLEY. At 12 o'clock.

Mr. MORSE. What time does the majority leader contemplate adjourning the Senate tonight?

Mr. BARKLEY. As soon as I can get this agreement through.

Mr. MORSE. Mr. President, with five amendments pending, and the debate still to be proceeded with on five amendments, I cannot in good conscience, in view of my convictions as to ample time for the discussion of amendments, agree to a unanimous-consent request for a vote at 3 o'clock tomorrow afternoon, convening at 12 o'clock, and with five amendments to be discussed.

Mr. BARKLEY. If the Senator will permit me to make an observation, I am perfectly willing that the Senate meet at 11 o'clock tomorrow, which will not accommodate the Senator, however, who will not be here.

Mr. MORSE. I can assure the Senator that I have already made up my mind to be here.

Mr. BARKLEY. I did not catch the Senator's remark.

Mr. MORSE. I can assure the Senator that I have made up my mind to be here.

Mr. BARKLEY. I am happy to know that.

Mr. MORSE. I hope that other Senators will also be willing to sacrifice as much in the interest of keeping the Senate an open forum.

Mr. BARKLEY. I will say to the Senator from Oregon that the Senator from Colorado has informed me that he does not desire more than 10 minutes on the amendment he will offer, and the Senator from Louisiana [Mr. ELLENDER] has assured me that he does not want to debate his amendment more than 15 minutes. The Senator from North Dakota, who has three amendments, one pending and two others in the offing, has assured me that the hour suggested for a final vote will afford him ample time. I am sure that by 3 o'clock tomorrow, if the Senator from Oregon has an amendment he desires to offer, we will have ample time to discuss it, and if we cannot discuss it from 12 to 3, I am perfectly willing that we meet at 11 o'clock tomorrow.

Mr. MORSE. Does the Senator think it would be possible for us to get the Senator from North Dakota to continue tonight for such length of time as would be necessary to dispose of his amendments?

Mr. BARKLEY. I cannot read the mind of the Senator from North Dakota. The Senator from North Dakota has been on his feet for some 3 hours or more and inasmuch as he has yielded in order that we may reach this agreement, I am not disposed to punish the Senator from North Dakota by requiring him to speak further tonight, and I do not think the Senate should do so. The Senator has been very reasonable about this matter.

If it will accommodate the Senator from Oregon and give him more time, I shall move that we recess until 11 o'clock tomorrow instead of 12.

Mr. MORSE. It is no accommodation to me. I am merely a listening Senator in the matter.

Mr. BARKLEY. I thought the Senator was fearful that from 12 to 3 would not give enough time to discuss the amendments to be offered.

Mr. MORSE. I have not the slightest idea of what arguments will be advanced

in regard to these amendments, but I certainly want to listen to the arguments which may be made upon the amendments, so I may be able to pass on their merits. I certainly will not know what their merits are, however, until I hear the arguments.

Mr. BARKLEY. I think 4 hours' time will be sufficient in which to consider three or four amendments, and will give every Senator an opportunity to discuss them as long as he wishes.

Mr. MORSE. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

SEVERAL SENATORS. Vote! Vote!

Mr. BARKLEY. Mr. President, I ask unanimous consent, under the same circumstances, that the Senate proceed to vote tomorrow not later than 4 p. m. on the bill and all amendments thereto.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Reserving the right to object, if the Senator wishes to set the hour at 5 o'clock, I will agree to it.

Mr. BARKLEY. Mr. President, in order to accommodate the Senator——

Mr. TAFT. Mr. President, I object. I am not able to be here at 5 o'clock tomorrow under any circumstances, and I think it is just as important that I should be here as that the Senator from Oregon should be here.

Mr. BARKLEY. I appreciate the fact, and I emphasize the fact that it is impossible to fix any hour that will not discommode some Senators.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MORSE. Let the RECORD be made perfectly clear that the Senator from Oregon will be here all day tomorrow.

Mr. BARKLEY. I appreciate that, and I am happy to know that, but tomorrow's RECORD will be the best evidence of who will be present.

SEVERAL SENATORS. Vote! Vote!

Mr. BARKLEY. Mr. President, I have no further request to make at this point.

Mr. TAFT. Would the Senator from Kentucky not suggest a time limitation on amendments again? It seems to me that a 15-minute limitation would dispose of these amendments.

Mr. BARKLEY. I appreciate the suggestion of the Senator from Ohio. I had heretofore made that request, to which objection was made. I will now ask unanimous consent that during the remainder of the discussion of the joint resolution no Senator shall speak more than once nor longer than 15 minutes on the joint resolution or any amendment thereto.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, I object.

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the remainder of the consideration of the joint resolution no Senator shall speak more than once nor longer than 30 minutes on the joint resolution or any amendment thereto.

Mr. MORSE. Mr. President, I object.

SEVERAL SENATORS. Vote! Vote!

Mr. BARKLEY. Mr. President, I have no further suggestion to make for the present.

The PRESIDING OFFICER. The question before the Senate is on the amendment of the Senator from North Dakota [Mr. LANGER]. The yeas and nays have been ordered. The clerk will call the roll.

Mr. AIKEN. Mr. President, may the amendment be read? I understand the Senator from North Dakota has three amendments.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. It is proposed to insert a new section at the end of the joint resolution, as follows:

Sec. —. Notwithstanding any other provision of law, no loan made after the date of enactment of this joint resolution, by any department or agency (including Government-owned or controlled corporations) of the Federal Government, to any person who served honorably in the armed forces of the United States during World War II, shall bear interest at a rate in excess of one and six-tenths percent per annum, and no interest shall accrue or be payable on any such loan for a period of 5 years from the date of the making of such loan.

Mr. AIKEN. Mr. President, may I ask one question of the Senator from North Dakota? Would his amendment cover RFC loans to veterans?

Mr. LANGER. Yes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOEY (when Mr. BAILEY's name was called). My colleague the senior Senator from North Carolina [Mr. BAILEY] is absent because of illness. If present he would vote "nay."

Mr. HATCH (when Mr. CHAVEZ' name was called). My colleague the junior Senator from New Mexico [Mr. CHAVEZ] is unavoidably absent because of important public business. If present he would vote "nay."

Mr. MURDOCK (when the name of Mr. THOMAS of Utah was called). The senior Senator from Utah [Mr. THOMAS] is unavoidably absent because of public business. If present he would vote "nay."

Mr. MEAD (when Mr. WAGNER's name was called). My colleague the senior Senator from New York [Mr. WAGNER] is detained unavoidably. If present he would vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON], are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Georgia [Mr. GEORGE], the Senators from Tennessee [Mr. MCKELLAR and Mr. STEWART], and the Senator from Massachusetts [Mr. WALSH], are unavoidably detained.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that on this question the Senator from Tennessee [Mr. MCKELLAR] has a pair with the Senator from Wyoming [Mr. ROBERTSON]. If present the Senator from Tennessee would vote "nay."

I also announce that if present and voting the Senator from Missouri [Mr. BRIGGS], the Senator from Texas [Mr. CONNALLY], and the Senator from Georgia [Mr. GEORGE], would vote "nay."

Mr. TAFT. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present he would vote "nay."

The Senator from Maine [Mr. WHITE] is paired with the Senator from Indiana [Mr. WILLIS].

The Senator from Wyoming [Mr. ROBERTSON] is paired with the Senator from Tennessee [Mr. MCKELLAR].

The Senator from Maine [Mr. BREWSTER], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Indiana [Mr. CAPEHART], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The result was announced—yeas 12, nays 56, as follows:

YEAS—12

Brooks	La Follette	Shipstead
Butler	Langer	Wheeler
Capper	McFarland	Wilson
Johnson, Colo.	Revercomb	Young

NAYS—56

Aiken	Hatch	Morse
Austin	Hawkes	Murdock
Ball	Hayden	Myers
Bankhead	Hickenlooper	O'Mahoney
Barkley	Hill	Pepper
Bridges	Hoey	Radcliffe
Buck	Huffman	Reed
Byrd	Johnston, S. C.	Russell
Donnell	Knowland	Saltonstall
Downey	Lucas	Smith
Eastland	McCarran	Stanfill
Ellender	McClellan	Taft
Ferguson	McMahon	Taylor
Fulbright	Magnuson	Thomas, Okla.
Gerry	Maybank	Tobey
Green	Mead	Tunnell
Guffey	Millikin	Tydings
Gurney	Mitchell	Wiley
Hart	Moore	

NOT VOTING—28

Andrews	Cordon	Stewart
Bailey	George	Thomas, Utah
Bilbo	Glass	Vandenberg
Brewster	Gossett	Wagner
Briggs	Kilgore	Walsh
Bushfield	McKellar	Wherry
Capehart	Murray	White
Carville	O'Daniel	Willis
Chavez	Overton	
Connally	Robertson	

So Mr. LANGER's amendment was rejected.

Mr. BARKLEY. Mr. President, I ask Senators to remain in the Chamber. There are only two or three more amendments, and I think they will be very briefly discussed. I think we can dispose of the joint resolution tonight. I ask Senators to remain here and make the effort to do so.

The PRESIDING OFFICER (Mr. HATCH in the chair). The joint resolution is before the Senate and open to

further amendment. If there be no further amendment to be proposed——

Mr. ELLENDER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be stated.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. —. It shall be a condition on any payment made to the United Kingdom pursuant to the agreement dated December 6, 1945, that not less than 90 percent of the amount thereof shall be used for purchases by the United Kingdom of goods and services in the United States.

Mr. ELLENDER. Mr. President, it is not my purpose to ask the indulgence of the Senate to listen to me for any length of time on this amendment. I spent the greater part of 3 days in discussing the joint resolution at length. One of the main reasons advanced for this loan was that it would increase our trade with Great Britain. I believe that every Senator who discussed this measure and who advocated its adoption urged as a reason that it would greatly increase our trade with the United Kingdom. I, of course, have taken the opposite view. As I attempted to point out, the agreement does not specify any amount of this huge sum which must be spent in the United States.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. REVERCOMB. I ask the Senator from Louisiana if it is not true that even before this measure reached the floor of the Senate the greatest propaganda in behalf of this loan, through magazine articles and over the radio, has been an appeal to the American people that the loan was primarily for the purpose of building up our trade?

Mr. ELLENDER. The Senator is eminently correct. As I indicated a moment ago, there has not been an argument advanced on the floor of the Senate that did not have as its main objective the point that the proposed loan would have a tendency tremendously to increase trade between the United Kingdom and the United States, and thereby increase the production of goods on our part, which in turn would create employment.

Mr. REVERCOMB. I have read articles and I have heard commentators on the radio using as their principal argument to support the loan that it was for the primary purpose of building trade with this country, whereby American goods could be sold. As the Senator has pointed out, there is not one word in the joint resolution or in the agreement which provides that the United Kingdom shall spend any definite part of this fund in the United States. I will say to the Senator from Louisiana that I believe that this is one of the best amendments offered, and I intend to support it.

Mr. ELLENDER. I thank the Senator.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BROOKS. I suggest to the Senator from Louisiana that, in the debate in the House of Lords, Lord Keynes pointed out that this was a special type of loan, because all the other loans which had been suggested had strings tied to them providing that the funds should be spent in the United States, but that this loan was free of any entanglements or strings of that kind.

To call this gift of $3,750,000,000 a loan is the same kind of subterfuge which was used when lend-lease was called a loan. We poured out $25,000,000,000, which we have now forgiven for a pittance. This is another gift.

I hope the Senator's amendment will be agreed to.

Mr. ELLENDER. I thank the Senator from Illinois.

Mr. President, I was hopeful that the Senate would adopt an amendment of some kind which would in some slight degree inure to the benefit of the United States. As I interpret this agreement, it would simply enable the British Empire to maintain the position which it has occupied for many years. I do not expect that our country will get any benefits whatever from this agreement. The huge sum will be used solely and wholly to maintain the United Kingdom for a few more years to come.

The strongest argument that has been advanced on the floor of the Senate by the proponents of this measure has been that by making the loan our country would benefit tremendously. I now desire to give Senators who have argued from that standpoint an opportunity to make it possible that every dollar that we shall lend to Great Britain shall be spent by the United Kingdom in the United States to buy goods and services from the people of our Nation.

The amendment specifically provides that 90 percent of this huge sum shall be spent for goods and services in the United States. Why should we not ask that of Great Britain? Why should that not be made a part of this agreement?

I notice from the press that day before yesterday the Canadian Parliament proposed to lend to Great Britain $1,250,000,000. In that agreement it was written that every dime of the $1,250,000,000 to be loaned by Canada to Great Britain was to be spent for goods and services to be furnished by Canada to Great Britain. The rest of the agreement was to be along the same lines as the agreement between the United States and the United Kingdom. The Canadians were to charge the same rate of interest, and allow Great Britain the same privileges—if we may so term them—that this agreement would accord to the British. Why should we not obtain the same consideration that is shown to Canada?

I cannot help but repeat what I stated at the beginning of this week. The Senate has adopted three measures which would have the effect of revitalizing the economy of many of the stricken countries throughout the world.

We have provided for Bretton Woods, in two proposals: One, establishing a bank; another, establishing a fund for the purpose of stabilizing the currencies of all the world in relation to each other. We have obligated ourselves to put up almost $6,000,000,000 in order to make those proposals workable.

In addition to that, we have increased the capital stock of the Export-Import Bank to the sum of $3,500,000,000 in order to help stricken countries. There is a proposal further to increase the capital stock of the Export-Import Bank. We have renewed the Trade Agreements Act for the purpose of helping to stabilize and to increase and help the economy of the nations of the world which have suffered during the recent war. We have done everything which has been asked by this administration up to the time when this agreement was submitted to us, in order to help to revitalize world trade. But, Mr. President, there seems to be no end to it. I believe it is incumbent on our Government to rely on the proposals to which I have alluded—the bank and the trade agreements—if we are to maintain our position in this world as a leader.

This agreement gives to the United Kingdom, privileges which every Senator knows, deep down in his heart, neither the Senate nor this country will afford to any other country. I know that if Russia today were to ask for $2,000,000,000 or $3,000,000,000 upon the same terms or conditions as those proposed in this agreement, such a proposal would be overwhelmingly voted down.

Mr. President, we must make the United Nations function if we expect to have permanent peace in this world. We cannot afford to side with any nation, because the moment we do we shall lose our leadership among the world powers. We cannot afford to treat one nation, especially a large nation, any better than we treat any other nation, because the moment we do, as I see it, we are bound to lose our leadership as a world power.

What if Russia were to ask for a $3,000,000,000 loan tomorrow and the Senate were to refuse it, and in the next breath were to grant this loan to Great Britain? Cannot you see, Mr. President, and cannot the Senate see that if we were to take such an attitude, Russia would not have the same confidence in us that she now has? Today—and when I say this I may be wrong, but judging from what I have read in the press and what I have heard here and there, I think I am correct—today there is much distrust between Great Britain and Russia. I do not think anyone will question that. And because of the fact that we are now leaning toward Great Britain, the Russians are distrusting us, and that distrust may increase as time goes on. I, for one, do not want to make it possible for the slight breach which may exist between us and Russia today to be widened. I want our Nation to assume leadership and hold on to it. The only way by which we can maintain leadership is to treat all nations alike, be they large or small.

This agreement, although termed a loan, actually is in the nature of a gift. All of us know that to be so. Britain can no more pay back the sum proposed to be loaned than I could pay back a billion dollars if I owed it today. It is impossible for Britain to do it. We are simply letting them have a few billion dollars as a mere shot in the arm, as it were; and if they are to be retained in

their present position, they are going to be coming back to us in 4 or 5 years——

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. Mr. President, I renew my request, made earlier in the evening, that at not later than 3 p. m. tomorrow the Senate proceed to vote on the joint resolution and all amendments thereto, without further debate.

The PRESIDING OFFICER. The Senator includes in his request, the Chair assumes, a request that the suggestion of the absence of a quorum be considered to have been waived.

Mr. BARKLEY. Yes; I intended to include that.

Mr. MORSE. Mr. President, reserving the right to object, I wish to make two comments. The first comment I wish to make is that since the last debate on this matter we have disposed of one amendment, and hence I think it is reasonable to agree to a limitation of debate whereby from 12 o'clock noon tomorrow until 3 p. m. we shall dispose of the remaining amendments and shall vote on the joint resolution.

The second comment, so far as I am concerned, is of vital importance, namely, that the majority leader is of the impression, in regard to a private conversation which we had earlier this evening when I was interested in seeing what could be done to bring to a close the discussion which was taking place on the floor of the Senate, that I would have no objection to a proposal to close debate on the pending matter tomorrow at 3 p. m. Irrespective of whether there was a meeting of the minds in that conversation, if—as I have stated to the majority leader—when I carry on a private conversation with any Senator, he forms the opinion that there has been a meeting of the minds, his interpretation—not mine—will be controlling, so far as I am concerned. I say that because I feel that in our relationships in the Senate one should always yield to the interpretations of his words which others may make, insofar as any agreements relative to parliamentary procedure are concerned.

Therefore, I am happy to withdraw my objection to the request for an agreement to vote at 3 o'clock tomorrow afternoon.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. TYDINGS. Mr. President, reserving the right to object, I should like to inquire of the majority leader whether 3 o'clock tomorrow afternoon is the earliest possible time tomorrow to which he can get the various conflicting interests to agree as the time for making the ultimate decision. If some Members wish to leave the city, I do not see a bit of use—for we have been going over this matter for more than 3 weeks—in waiting that long.

Accordingly, I would not object to a proposal to take the vote at an earlier hour.

Mr. BARKLEY. Mr. President, responding to the suggestion of the Senator from Maryland, I may say that I would be very glad to vote earlier, but the hour of 3 o'clock is the earliest hour that I was able to work out, and it was the hour which had been agreed upon when I made the original request.

I wish to say to the Senator from Oregon [Mr. MORSE] that I appreciate his suggestion. Knowing his attitude generally with regard to fixing an hour for voting, I approached the Senator this evening asked him whether he would object to fixing an hour for voting. I told him that two or three different hours had been suggested and discussed, and I should like to ask that we vote at 3 o'clock tomorrow. It was understood that the Senator from Oregon assured me that, under the peculiar circumstances now existing, he would not object. He explained to me that he had an engagement which he must keep in Chicago, that he had a pair with his colleague who was opposed to the loan, although the Senator himself was in favor of it. I did have such an understanding, and I appreciate the Senator's courtesy in yielding to my interpretation of what had transpired between us. As the Senator knows, without his consent I would never reveal a private conversation with a colleague concerning any matter.

Mr. MORSE. Mr. President, I am very glad that the Senator from Kentucky has brought forward his understanding of the conversation, because if it had not been revealed there would have been a misunderstanding. It was not my intention to make any commitment, in view of what might transpire thereafter, but, be that as it may, in view of the fact that the Senator from Kentucky interpreted the matter as he did, I insist that it be binding upon me, and I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. KNOWLAND. Mr. President, reserving the right to object, I should like to inquire of the distinguished majority leader whether it is his intention to hold a session of the Senate on Saturday. I believe it is important to serve notice on Members of the Senate now that it is the intention of the Senate leaders to hold a session of the Senate on Saturday, providing that one is to be held.

Mr. BARKLEY. Mr. President, I cannot answer directly the Senator's question. I have already made the statement that at the conclusion of consideration of the pending joint resolution it is my purpose to move that the Senate proceed to consider Calendar No. 1196, House bill 4908, the so-called labor bill. Whether the Senate desires to hold a Saturday session and consider that bill, I am not now in position to say.

Mr. KNOWLAND. I believe that, in view of the crisis now facing the country, the bill to which the Senator has referred is of such importance that it should be taken up tomorrow at 3 o'clock and——

Mr. BARKLEY. First, Mr. President, let me say that it is my purpose immediately upon the conclusion of the consideration of the pending measure to move to take up the labor bill.

Mr. KNOWLAND. I believe that the emergency now facing the country is of such importance that the Majority Leader should indicate to the Members of the Senate that the House bill 4908 will be taken up on Saturday so that they will not, because of any misconception, go away over the week end and allow the crisis which now faces the country to continue in its present form.

Mr. BARKLEY. I do not believe that consideration of the bill could be concluded if we should take it up tomorrow. I will also say to the Senator that I believe it would be utterly impossible to dispose of the bill even if we were to hold a session on Saturday.

Mr. KNOWLAND. In fairness and justice to the Members of the Senate, I think it is well for them to have in mind that there may be a motion made to hold a Saturday session.

Mr. BARKLEY. I may say, Mr. President, that Senators should make their arrangements and plans on the basis of a session being held by the Senate on Saturday. If such a session is not held, Senators will probably have something else to do.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. REVERCOMB. I realize that the Senator cannot tonight indicate whether or not a session will be held on Saturday. Will the Senator be in position tomorrow, at the convening of the Senate at 12 o'clock, to advise the Members of the Senate whether a session wil be held on Saturday?

Mr. BARKLEY. I hope to be able to advise the Senate at that time.

The PRESIDING OFFICER. Without objection, the request of the Senator from Kentucky is agreed to.

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing the nations to which the United States made loans following World War I, the amount of the loan to each country, the amount paid by each country, and the percentage of the total amount loaned which was repaid by each country.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Indebtedness of foreign governments to the United States arising out of World War I

Country	Principal of obligations originally acquired	Total payments received to date (principal and interest)	Percent of payments received to original debt
Armenia	$11,959,917.49		
Austria	24,055,708.92	$862,668.00	3.6
Belgium	379,087,200.43	52,191,273.24	13.8
Cuba	10,000,000.00	12,286,751.58	122.9
Czechoslovakia	91,879,671.03	20,134,092.26	21.9
Estonia	13,999,145.00	1,248,432.07	8.9
Finland	8,281,926.17	7,263,549.99	87.7
France	7,404,818,945.01	486,075,891.00	14.3
Great Britain	4,277,000,000.00	2,624,848,817.09	47.3
Greece	27,167,000.00	4,127,056.01	15.2
Hungary	1,685,835.61	556,919.76	33.0
Italy	1,648,034,050.00	100,829,880.16	6.1
Latvia	5,132,287.14	761,549.07	14.8
Liberia	26,000.00	26,471.56	140.3
Lithuania	4,981,628.03	1,237,956.58	24.9
Nicaragua	431,849.14	168,575.84	39.0
Poland	159,066,972.29	22,646,297.55	14.2
Rumania	37,911,152.92	4,791,007.22	12.6
Russia	192,601,297.57	8,750,311.88	4.5
Yugoslavia	51,758,486.55	2,588,771.69	5.0
Total	10,350,479,074.70	2,751,406,272.55	26.6

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate a message from the President of the United States submitting the nominations of sundry cadets to be ensigns in the Coast Guard, which was referred to the Committee on Commerce.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Sundry candidates for appointment and promotion in the Regular Corps of the United States Public Health Service.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc, and, without objection, the President will be immediately notified.

That concludes the Executive Calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 10 o'clock and 46 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 10, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 9 (legislative day of March 5), 1946:

The following-named cadets to be ensigns in the Coast Guard, to rank from the 5th day of June 1946:

William Lamb Aitkenhead
Roy Kenneth Angell
Charles Fredrick Baker
Leland Cook Batdorf
David Proyer Bates, Jr.
Charles DeLaCour Bishop
Vincent Anthony Bogucki
James William Bolding, Jr.
Richard Baker Bowden, Jr.
Charles Donald Bradburn
Jay Herbert Bramson
John Henry Bruce
George Herbert Patrick Bursley
Edward David Cassidy
Edward Egbert Chambers
William Russell Chandler
Lloyd Hubbard Clark
Malcolm Emery Clark
Albert Harley Clough
Donald Carlton Davis
Lawrence Davis, Jr.
Robert Lloyd Davis, Jr.
Roger Gilbert Devan
Robertson Pickett Dinsmore
Robert Joseph Dodge
Bruce Hamer Edwards
William Laurie Faulkenberry
Verne Doucet Finks
Charles Irving Foss III
Frank Hudson Fuller
Arthur Newell Garden, Jr.
James Austin Garrison
James Albert Gary III
Robert Stanley Gershkoff
Lloyd Whitman Goddu, Jr.
Dudley Chapin Goodwin, Jr.
Walter Franklin Guy
Henry Vanderhulst Harman
John Briggs Hayes
Walter Owen Henry
James Edward Heywood
Leslie Dean High
Ian Edward Holland
Archibald Barwell How II
Richard Bernard Humbert
James Patrick Hynes
David Jenkins
Bruce Clifford Johnson
Robert Wayne Johnson
Frederick Steffen Kelsey
William Joseph Kirkley
Robert Charles Krulish
Robert Allison Lee
Michael Beauregard Lemly
Rudolph Edwin Lenczyk
Glenn Milton Loboudger
James Hector MacDonald
Charles Scott Marple
Charles Madison Mayes
Donald Joseph McCann
Alfred Edwin McKenney, Jr.
John Hanson Kennard Miner
Walter Bishop Murfin
John Egbert Van Alen Murray
Milton Ray Neuman
Elliott Northcott II
William Merryman Page, Jr.
Frank Eldon Parker
Robert Donald Parkhurst
Robert Arthur Patrick
David Eaton Perkins
Warren Sawyer Petterson
William Comfort Pinder, Jr.
Thomas William Powers
Wilfred Francis Raes
Dan Rayacich
George Francis Rodgers
Randolph Ross, Jr.
Arthur William Rouzie
Edward Peter Rutken
Douglas Cargill Ryan
George Thomas Sain, Jr.
John Bean Saunders, Jr.
Wilmer Schweinsberg, Jr.
John Henry Sharp
Herbert Henry Sharpe, Jr.
Robert William Smith
Charles Hudson Steele
John Wesley Steffey
Shirl Joseph Stephany
James Paul Stewart
James Howard Swint
Alfred John Tatman
Glenn Raymond Taylor
David Harry Thomas
Thomas Cartwright Thompson
William Francis Tighe, Jr.
Richard Morse Underwood, Jr.
Otto Francis Unsinn
Emil Miroslav Valehrach
Donald Ray Vaughn
Richard Theodore Wagner
John Leland Wright

CONFIRMATIONS

Executive nominations confirmed by the Senate May 9 (legislative day of March 5), 1946:

IN THE NAVY

The nominations of Alfred E. Adams et al. to be ensigns in the Navy, from the 5th day of June 1946; and

The nominations of Robert N. Barker et al. to be assistant paymasters in the Navy, with the rank of ensign, from the 5th day of June 1946.

IN THE MARINE CORPS

The nominations of Herbert Blaha et al. to be second lieutenants in the Marine Corps, from the 5th day of June 1946.

(NOTE.—A list of the persons confirmed today, as ensigns or assistant paymasters in the Navy, as well as a list of all persons confirmed today as second lieutenants in the Marine Corps, may be found in the Senate proceedings of the CONGRESSIONAL RECORD for May 7, 1946, under the caption "Nominations," beginning with the name of Alfred E. Adams on p. 4557 and ending with the name of Paden E. Woodruff, Jr., appearing on p. 4559.)

POSTMASTERS

ALABAMA

Ethelene D. Cobb, Harvest.

ARKANSAS

Jack V. Stockburger, Winslow.

DELAWARE

Anne H. McCarthy, Delaware City.

INDIANA

Ruth E. Noonan, Lagro.
Dorothy L. Patten, Yoder.

IOWA

John W. Downey, Argyle.
Clifford L. Hamilton, Bettendorf.
Edward F. Floody, Castalia.
Emma M. Skoda, Protivin.
Selma P. Paulson, Rutland.
George H. Ellerhoff, Sperry.

KANSAS

Walter William Koch, Fredonia.

UTAH

Roland H. Mortensen, Trenton.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 9, 1946

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou eternal God, who hast created us with a capacity to be like Thee in spirit, grant that this moment of prayer may be a veritable mount of transfiguration. May our minds and hearts be illumined with spiritual vision and touched to finer issues.

We pray that Thy servants, who have been given the high calling of statesmanship in the affairs of government, may be blessed with insight and inspiration as they seek to solve the difficult and perplexing problems which are now challenging the consecration of their noblest manhood.

May we never be afraid of that which is high, or feel that the ideals and principles which Thou hast implanted within our souls are beyond the sphere of practical realization. Give us the rapture of the forward look and the courage to live hopefully and heroically. May we all be the heralds and harbingers of that new day when humanity's loftiest aspirations shall be brought to fulfillment and fruition.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

STRAWBERRIES FROM CULLMAN COUNTY, ALA.

Mr. MANASCO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MANASCO. Mr. Speaker, in the House dining room today will be found delicious strawberries grown by the farmers of Cullman County, Ala., with the compliments of the members of the Cullman County Strawberry Growers' Association and the Cullman County Chamber of Commerce, which were flown here by air express over the Pennsylvania Central Air Lines. I invite all of you to eat them.

INVESTIGATION OF DISPOSITION OF SURPLUS PROPERTY

The SPEAKER. The unfinished business is action by the House on House Resolution 385, to provide for a study and investigation of the operation of the program for the disposition of surplus property, which the Clerk will report.

The Clerk read the title of the resolution.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL HOUSING ACT

The SPEAKER. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my remarks in connection with the consideration of a motion I shall make and to have the Clerk read two letters into the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Kentucky to make a motion if he so desires.

Mr. SPENCE. Mr. Speaker, the Members of the conference committee on the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes, having been appointed for more than 20 days and failing to file a report, I desire to make a motion under paragraph 1½a of rule XXVIII of the House, which motion is at the Clerk's desk.

CALL OF THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 109]

Adams	Gillie	Monroney
Anderson, Calif.	Grant, Ala.	Morgan
Auchincloss	Grant, Ind.	Murphy
Bailey	Gwinn, N. Y.	Norton
Baldwin, Md.	Hagen	Patrick
Baldwin, N. Y.	Hall, Edwin Arthur	Patterson
Bell	Harness, Ind.	Peterson, Fla.
Bender	Hart	Peterson, Ga.
Bennet, N. Y.	Hébert	Pfeifer
Bonner	Hedrick	Philbin
Bradley, Pa.	Hendricks	Powell
Buckley	Herter	Price, Fla.
Butler	Hinshaw	Rains
Cannon, Fla.	Hoch	Reece, Tenn.
Celler	Hook	Reed, Ill.
Chelf	Jarman	Rodgers, Pa.
Cochran	Johnson, Ill.	Roe, N. Y.
Combs	Johnson, Ind.	Russell
Courtney	Johnson, Okla.	Shafer
Crawford	Kilday	Sheppard
Crosser	Kirwan	Sikes
Curley	LaFollette	Smith, Va.
Dawson	Landis	Stevenson
De Lacy	Lane	Stewart
Dingell	Lea	Tolan
Domengeaux	Lesinski	Wadsworth
Doughton, N. C.	Lewis	Wasielewski
Doyle	McCowen	West
Engle, Calif.	McKenzie	White
Fellows	Madden	Whittington
Fernandez	Maloney	Wilson
Fogarty	Mansfield, Tex.	Wood
Fuller	May	Woodruff
Gavin	Miller, Calif.	
Gearhart		

The SPEAKER. On this roll call, 326 Members have answered to their names; a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL HOUSING ACT

The SPEAKER. The gentleman from Kentucky [Mr. SPENCE] offers a motion which the Clerk will report.

The Clerk read as follows:

Mr. SPENCE moves to instruct the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H. R. 4761 to agree to section 11 (a) of the Senate amendment, with an amendment, as follows: Strike out "$600,000,000" as it appears therein, and insert in lieu thereof "$400,000,000."

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASE of South Dakota. Is the motion of the gentleman from Kentucky to instruct conferees open to further amendment for instruction?

The SPEAKER. If the gentleman from Kentucky yields for that purpose.

Mr. CASE of South Dakota. I would like to ask the gentleman from Kentucky if he would permit an amendment to his motion to require that, if the subsidy fund were allowed, it be paid directly to the veterans in proportion to the value of the house that they may build?

Mr. SPENCE. No. I do not yield for any such amendment.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOLCOTT. Do I understand that under the rules of the House there will be 1 hour debate on the motion, the time to be controlled by the gentleman from Kentucky [Mr. SPENCE]?

The SPEAKER. The gentleman is correct. The gentleman from Kentucky is entitled to recognition for 1 hour.

Mr. WOLCOTT. I wonder if we could not come to some agreement as to an extension of the time. I ask unanimous consent that the time be extended to 2 hours.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the time for debate on the motion of the gentleman from Kentucky be extended one additional hour.

Is there objection?

Mr. RABAUT. Reserving the right to object, Mr. Speaker, what is the reason for requesting the additional time?

Mr. WOLCOTT. Because of the controversial subject involved and the fact that I assume, because of that, there will be innumerable requests for time to debate it. It is essential that we have at least 2 hours to debate it if we are going to have a thorough understanding of the issues.

Mr. RABAUT. We had a great deal of debate on this several days ago.

Mr. WOLCOTT. Not on this matter.

Mr. RABAUT. The only change is a change in the sum from $600,000,000 to $400,000,000.

Mr. WOLCOTT. No. There are several other changes. As a matter of fact, the Senate has written in several matters, although they are not involved in this particular motion, which will be subject to discussion, and will be different from the amendment offered by the gentleman from Oklahoma [Mr. MONRONEY] in the House.

Mr. MICHENER. Mr. Speaker, reserving the right to object, would there be any objection—if the time is to be extended 1 hour—to providing that that hour be under the control of the ranking minority member, inasmuch as the other hour is within the control of the chairman of the committee?

Mr. PATMAN. Reserving the right to object, Mr. Speaker, I assume the gentleman's request carries with it the understanding that, if granted, 1 hour will be controlled by the chairman of the Committee on Banking and Currency and the other hour be controlled by the ranking minority member, the gentleman from Michigan [Mr. WOLCOTT].

Mr. MICHENER. Yes; that is what I intended. It was not in the request of the gentleman from Kentucky [Mr. SPENCE], however.

Mr. SPENCE. I may say to the gentleman from Michigan that I agree with the ranking minority member that the hour should be equally divided, and I am willing to yield it as he designates.

Mr. WOLCOTT. The gentleman understood, as I did, that the additional time would be distributed in the same manner.

Mr. SPENCE. Mr. Speaker, the rules of the House provide that the chairman of the committee shall control the time. I do not see any reason why the rules should be changed. I am willing to go along on the request for an additional hour.

Mr. WOLCOTT. May I ask the gentleman whether if the time is extended for 2 hours it is his intention to yield to requests from this side for half the time?

Mr. SPENCE. I want to control the time, but I will yield as the gentleman requests.

The SPEAKER. And would the gentleman from Kentucky be willing to have incorporated in the request that the previous motion be considered as ordered at the end of the 2 hours?

Mr. SPENCE. Yes.

The SPEAKER. The gentleman from Michigan asks unanimous consent that time for debate be extended for an additional hour, and that at the end of the 2 hours the previous question shall be considered as ordered.

Is there objection?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. As I understand the motion filed by the gentleman from Kentucky, it provides for agreeing to the Senate amendment with an amendment. Is it possible to have the motion divided so that a vote may be taken on the Senate amendment itself?

The SPEAKER. It is one proposition, it is not divisible.

The gentleman from Kentucky is recognized for 2 hours.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that at this time the clerk may read two letters which I have obtained previous consent to insert in the RECORD, one from Mr. Wyatt and one from Mr. Small.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read as follows:

NATIONAL HOUSING AGENCY,
Washington, D. C.

Hon. BRENT SPENCE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SPENCE: This is in response to your request of yesterday that I send you a brief statement about premium payments in connection with the veterans' emergency housing program.

The essence of the matter is that premium payments will make it possible to overcome the extraordinary difficulties that stand in the way of getting enough houses built for veterans with sufficient speed. With premium payments, despite these difficulties, the job can be done, and, I firmly believe, will be done. Without premium payments, the job cannot be done. Those responsible for the administration of the program would be less than fair to the veterans if they did not announce a substantial reduction in the size of the program if it should become apparent that premium payments would not be made available.

In view of the fact that extensive hearings were held in the Senate after the premium-payment plan was worked out in detail, while hearings in the House were held before such time, your request affords me an opportunity to cover this matter briefly. I feel that this is not only an opportunity, but also a duty on my part, in view of the urgency of the need for housing veterans and the essentiality of premium payments to help meet this need.

First of all, let me state briefly what the premium-payment provision adopted by the Senate is not:

It is not a consumer subsidy or a roll-back subsidy, paid across the board on all units of particular commodities, in order to reduce the price which the consumer pays. It is, therefore, unlike various types of subsidies recently disapproved by the House.

It is not a subsidy paid upon every unit of production of particular types of commodities, but is only a premium or incentive paid as a reward for production above normal and only where necessary to cover the temporarily higher cost of a very rapid rate of acceleration of production. Therefore, it is identical in principle with the successful copper subsidies during the war and is entirely in line with the premium-price payments—for example, $100,000,000 for copper, lead, and zinc—which the House expressly approved in the recent OPA bill (H. R. 6042).

Further, the premium payment provisions approved by the Senate in connection with the emergency housing bill are not the same as those rejected by the House when the bill was before it. On the contrary, the detailed standards and limitations written by the Senate have never been passed upon by the House. In fact, these standards and limitations are responsive to some of the criticisms that had earlier been expressed in the House with respect to loose and vague premium payment provisions.

I am enclosing a copy of the premium-payment language approved by the Senate. This language makes the following clear:

That premium payments are purely production incentives;

That they are to be used only where all other available methods are not of themselves sufficient to stimulate the production;

That premium payments are not a substitute for price adjustments and increases where necessary, but instead are merely supplementary to these other incentives to increase production;

That premium payments are not to be used to develop competition with established business or where they would cause economic dislocation;

That premium payments are to be used only in connection with limited percentages of the total output and then only at a limited percentage average rate.

In conclusion, the critical shortage of housing can be met only through a tremendous stimulation of production of materials. If the production goals of the veterans' emergency housing program can be met, not only will we get the houses, but in addition there will be enough materials for other essential industrial and commercial development. The whole economy, and not only the housing program, will benefit by this increased production.

No other satisfactory method has been presented, which could take the place of premium payments, as a final but necessary weapon in achieving this increased production.

Consequently, without premium payments, we could not get this increased production and we could not carry the veterans' emergency housing program to a successful conclusion. We would need to reduce our objectives; and even the attainment of drastically reduced objectives would be problematical.

I have tried to make this as brief as possible, but I am always ready to furnish you with further factual information.

Sincerely yours,

WILSON W. WATT,
Administrator.

CIVILIAN PRODUCTION ADMINISTRATION,
Washington, D. C., May 9, 1946.

Hon. BRENT SPENCE,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN SPENCE: I am glad to respond to your telephone inquiry about premium payments in connection with the veterans' emergency housing program. It is a matter which I have studied carefully and on which I have definite views.

On the basis of experience during the war and current experience, I can state without reservation that the goals of this program cannot be met, nor even nearly met, without premium payments as an incentive to production. The goals of the program embrace two matters of equal importance: First, enough materials to take care of veterans who are distressingly in need of housing accommodations; and second, enough materials to cover other essential construction which is vital to rapid and orderly conversion.

When I appeared recently before the Senate Banking and Currency Committee, I stated clearly my considered judgment that premium payments in the form of the amendment later proposed and approved by the Senate were indispensable to doing the production job.

I believe also that the premium-payment proposal approved by the Senate is surrounded by safeguards and standards which make it similar to the recent premium-price payments approved by the House in connection with OPA legislation, and does not involve roll-back or consumer subsidies.

For these reasons, I am very glad to have had this opportunity to respond to your inquiry on a matter which is vital, not only to the production of houses, but also to the production of materials now in critical shortage at a rate sufficient to meet our general industrial and economic needs during this year and next year.

Sincerely yours,

J. D. SMALL,
Administrator.

Mr. SPENCE. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I cannot persuade myself to believe that what I may say here today is of great importance to the membership of this House. I am confident they have decided how they will vote. But I think this motion is a measure that is fraught with great weal or woe for the American people. The housing condition in America is tragic. A home is more than shelter. A home means a contented citizen. It means the maintenance of the family. It means the strengthening of our institutions and the stability of our economy. The home is the very pillar of our Republic, and without homes men will be neither contented nor happy. The housing problem is the greatest problem that has presented itself to the Congress. We should do everything possible to secure for the returning veterans and our citizens adequate housing.

During the war we devoted our energy to making the instruments of warfare—planes, tanks, guns, and ships. We built few houses. Now the need is so vital that it must be met. How are we going to meet it unless we adopt some emergency measure to try to cope with this present situation?

The House bill did not contain subsidies. The Senate placed in its bill $600,000,000, to be used as premium payments to stimulate the production of

building materials. This is essentially a production subsidy. It is the same character of subsidy the House passed on copper, lead, zinc, and on petroleum, and on the Texas city tin smelter in the price-control bill. The House has drawn clearly the distinction between production subsidies and other subsidies.

What does this subsidy mean? There is a bottleneck in building materials. Everybody knows that. The only answer to these problems is production, production, and more production. You might get production by raising the price level so high that the high-cost producers would produce; but if you do that, you give an unconscionable profit to the low-cost producers, and you bring upon the American people a hardship that in these times they should not be compelled to endure.

I have been informed by those who made an intensive study of the matter, that for every dollar expended in this subsidy $5 will be saved to the purchasers of homes. The only practicable, sensible measure, it seems to me, to increase production right now is a subsidy given to the high-cost producer in order to keep him in production. The only other alternative is to raise the price ceiling so high that they will all produce. If that is done, the price of homes will go so high that those for whom they are intended can never purchase.

The administration has asked for this. The Administrator of the act has asked for it. He said we cannot have an effective administration without these premium subsidies. Mr. Small, the Civilian Production Administrator, said that in his experience we cannot accomplish the result we desire without the premium payments. Certainly the Members of Congress ought to do that which is effective to meet the necessities of the present emergency. If you do not instruct the conferees to accept this $400,000,000 you will sabotage this whole program.

I know there are men who say they do not want any price ceilings. I know there are men who say they want no restraints at this time. But almost everyone of them has a personal interest. The National Association of Manufacturers, the raw producers, say, "take the ceilings off and let us be free." But they do not know the train of evils that will follow as prices go up. Labor is going to become more discontented. There is going to be a train of evils that will come back to haunt us. You have the opportunity now to do something, and I think it will solve the problem.

You on the other side, I often hear you calling yourselves the opposition party. It seems to me that is not the right attitude to assume. Why do you not give the administration what it wants? Then, if we do not make good, you will have the right to call the attention of the people to it and it should make an effective issue. We believe if you give us the things the administration has asked that it will be successful in causing the production of homes for veterans and others. They say they can make good. Those who have had the greatest experience along this line, who have had constant association with the administration of housing affairs, say that unless you give them these subsidies they cannot break the bottleneck that retards construction.

Four hundred million dollars is a big sum, it is true. It is not a big sum as compared with what we have paid to preserve our liberties and the institutions that are dear to us. But if we do not meet the housing situation, maybe the greater sums we have paid will be largely wasted, because we want the men who have fought our battles to come home and be contented, happy, and prosperous. We want them to have homes. We want them to have an opportunity to work out their own destiny. Who has said that this will not be effective in breaking the bottleneck? What experts tell us that if you give us these subsidies we cannot put all of the producers in production?

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I cannot yield at this point.

Who has said it will not do what we want it to do? We have to get all the producers of building materials in production and the only way to do it is to stimulate that production. I realize that in normal times there would be no justification for a subsidy. I realize that in normal times there would be no reason for the passage of the Lend-Lease Act which saved us. I realize that in normal times none of the great expenditures would have been justified. But this is the aftermath of war. This is to carry out the purpose that we fought for—that we should have homes free from the evils of totalitarianism, not only for the people who were here during the war, but for those who are coming home and who have given so much in the cause of liberty and human freedom. I ask you to consider this carefully. All the organizations of the people who have no particular interest in production, and I think I can say this safely, according to my mail, are for it. The Legion is for it. Labor is for it. The average man and woman in America is for it. The only interests who have fought it, so far as I can see, are men who have a personal interest, a selfish interest. I do not blame them very much. Personal interest is a powerful motive. It actuates men in almost every relationship of life. I earnestly ask you to think twice before you vote against this motion. A great part of the people of America are anxiously awaiting the vote you are about to cast.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Speaker, I yield 15 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield for an observation?

Mr. WOLCOTT. I yield to the gentleman from Michigan.

Mr. BRADLEY of Michigan. The gentleman from Kentucky refused to yield to me. He repeatedly made the statement that what we needed was production and more production, and that the only way to get it was through these subsidies. I simply want to call attention to the fact that just yesterday afternoon Mr. Ingraham, the head of the lumber section of the OPA, told me it was a matter of record that the lumber industry was now operating at an all-time high and had the greatest production in its history and is making the greatest profits in history. If that is the case, why do we need subsidies in order to fatten those profits and to increase an already all-time high production?

Mr. WOLCOTT. I might say in answer to the gentleman's observation the only definite information we have with respect to the use of subsidies is that subsidies are not to be used as an incentive for the greater production of lumber nor for labor. Of course, those are the two most important elements in the construction of homes.

Mr. Speaker, the House, of course, will recall that when this matter was before it on March 4 we voted almost 2 to 1 against the provision which is not materially different than the provision in the Senate bill. The amount at that time was $630,000,000. The only restriction on that was that the money would be used only when the Expediter found that other means were not available with which to acquire the maximum amount of production. In substance they are not different.

I know it will be argued that the Senate has written in a great many safeguards, but in substance they are not different or additional to the safeguards which were in the amendment offered in the House by the gentleman from Oklahoma [Mr. MONRONEY].

So the issue is just as clearly presented to us now as it was then. At that time the vote was 92 for the amendment and 161 against it. The matter had not been presented to the House committee, but the debates were held on this and kindred subjects in connection with the housing bill for over 4 days, so we had a very clear understanding of what the issues were. In our studied judgment, we voted almost 2 to 1 against authorizing the Expediter to use $600,000,000, and we did that, Mr. Speaker, because Mr. Wyatt had not presented to the House a plan, a program wherein we were informed as to where one cent of the $600,000,000 was to be expended. The situation is no different today than it was then. The letter from Mr. Wyatt which has just been read by the Clerk is a clear example of the platitudes and generalities with which the Congress and the country have been flooded with respect to the subsidies in veterans' housing. There is not any provision in this subsidy program for the construction of one house. What are houses made of? Primarily houses which are to be made under this program are to be made from lumber, tile, cement or cinder blocks. The two most expensive materials in home construction, of the types contemplated, are lumber and labor. We do know definitely that not one cent of this $400,000,000 or $600,000,000—it does not make any difference as far as the principle is concerned—is to be spent for lumber, and not one cent of it is to be spent for labor. Is it to be spent for soil pipe? Is it to be spent for fixtures? Is it to be spent for roofing? Is it to be spent for plaster? Is it to be spent for plumbing?

I think that before Mr. Wyatt asks this Congress for $600,000,000, or any part of

$600,000,000, on the contention that it is going to increase the production of building materials, we and the country—we in particular, because we have a constitutional obligation to the country to find out where this money is going to be used—should be informed about it. I know that I have tried, I know that all members of the committee have tried, I know that as late as we were in conference last week all of the conferees, or at least four of us, tried to find out where this money was going to be spent and for what purpose.

We have never yet formulated a subsidy program whether it was for $5 or $5,000,000,000, without knowing the manner in which that money wts going to be spent. Now if this House does an about-face on this it is going to be the result of the uncertainty, the platitudes, the generalities, the confusion, and the downright dishonest statements made by those in high authority to stir up the American people to a state of hysteria, to get this Congress to react favorably to the authorization of $600,000,000 or $400,000,000 which is to be used for some purpose other than to get building materials; and until we know what that purpose is I do not think that any self-respecting man or woman in this Congress can vote for this subsidy and go back to his constituents and tell them where 1 cent of this money is to be used to get a veteran 1 foot of roofing or 1 fixture or 1 foot of soil pipe. We know that it is not going to be used for lumber, we know that it is not going to be used for labor, we know that it is not going to be used to get bricks, or cement blocks, or cinder blocks. Then where is it going to be used?

We call upon Mr. Wyatt and the people should call upon Mr. Wyatt and Mr. Small, those who sent these letters down here today filled with the same generalities and platitudes with which they have been bombarding the country for weeks—we call upon them now or some of their spokesmen to tell us where they are going to spend 1 cent of these subsidies.

Now, Mr. Speaker, if this House wants to show the yellow feather in response to this hysteria, that is their obligation, that is their responsibility. We have brought this in here, we have brought this back in order that this House may take a position on it, because in view of the tremendously heavy majority against this provision when it was here before, the conferees felt it was the obligation of the House. We will of course be bound by your decision in this matter.

In the letter coming down from Mr. Wyatt today he states how pleased he will be and how willing he will be to furnish additional factual information. Let me ask Mr. Wyatt merely to reply to the question we asked of Mr. Keyersling in the conference in that respect. We have had no reply yet except the generalities that it was not to be used for lumber, not to be used for bricks, and it was not to be used for labor. So let us now call upon Mr. Wyatt if he is willing to give us factual matter to tell us how even 1 cent of this entire sum is to be spent.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Not now.

The Senate wrote a provision in the bill which gives adequate protection to any program for prefabricated homes and new materials. They guarantee the market for 200,000 prefabricated homes. So, does Mr. Wyatt or anybody else want the $600,000,000 or the $400,000,000 for prefabricated homes? Why, they have got a guaranteed market for prefabricated homes, 200,000 of them in the Senate bill. Now, what do they want the $600,000,000 for? Do they want it in addition to a guaranteed market? If so, we should know it. If they want it for the purpose of establishing someone in business to build aluminum and plastic igloos then there should be some restraint upon that program. There would be a restraint on the program if the procedure was followed which we offered on this floor weeks ago.

Let me call attention again to the fact that in the law today there is authority to pay subsidies and it has not been removed. We insisted that it not be removed when this bill was before the House and it has not been removed. Section 2 (e) of the Price Control Act expressly authorizes the payment of these subsidies.

What do they want? They want to avoid coming to the Congress and laying their program before it as they would have to do if the language of existing law is followed. That language provides and has provided for 4 years that they can get subsidies by coming in and asking for them and presenting their program to the Congress. All they have to do is to treat it as a budget transaction. They present their needs through a budget message to the House. The House, operating through the Appropriation Committee, determines the use to which this money is going to be put, what the program is going to be; it is presented here on the floor of the House, and I may say that if Mr. Wyatt or anyone else can show a necessity before the Appropriations Committee for subsidies to obtain an increased amount of building material, then it would be our duty to so provide them. But until Mr. Wyatt or somebody in his behalf has presented to an agency of the Congress or to the Congress itself a program outlining where this money is going to be spent, then we should be very cautious in authorizing $600,000,000 or $400,000,000 for these unknown purposes.

Why do they not follow that advice? Why do they not follow the law as it exists today and bring their program to the Appropriations Committee, lay it before the Appropriations Committee and say, "Here, we want a hundred million dollars to get soil pipe; we want $50,000,000 to get brick; we want $25,000,000 to get roofing." The Appropriations Committee would hold hearings and determine whether it is necessary. The House, following the advice of the Appropriations Committee, would determine whether it is necessary. That is the proper and safe way to proceed.

If this House turns feather in this situation, Mr. Speaker, it will be one of the weakest things that the House has done in recent years. If, as a matter of principle, you stood up here on March 4th and voted "No," then in the face of this uncertainty, this hysteria, which has gripped the country, you turn feather now on this proposition, it will show the greatest weakness you have ever shown and will show this country that the Congress is enacting legislation as the result of hysteria and propaganda on the part of a very small minority.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

WILL BUILD 2,700,000 HOUSES IF WYATT PROGRAM IS CARRIED OUT

Mr. PATMAN. Mr. Speaker, the distinguished and able gentleman from Michigan [Mr. WOLCOTT] made this statement in the beginning:

There is no provision in this bill to construct one house.

The answer to that question, of course, to say yes or no, would be that he is correct; but the over-all picture is that the bill provides for the construction of 2,700,000 houses, not one house, and if the program is carried out as contemplated it will result in the construction of 2,700,000 houses.

VETERANS' PROGRAM

The veterans' emergency housing program aims at the construction of 2,450,000 permanent homes for veterans in 1946 and 1947—exclusive of 250,000 temporary units and trailers. While much larger than any previous construction in a 2-year period, this represents the minimum volume of building required during the period to meet the immediate needs of married veterans and their families for whom no other housing is available. Even after completion of these 2,450,000 homes, overcrowding and doubling-up would be more serious than at the time of VJ-day.

The minimum average cost of these homes, including lot, would be $5,000 or a total of $12,250,000,000 for 2,450,000 homes. Unless effective action is taken to check further increases in building-material prices, the average cost per house might well substantially exceed $5,000.

The best estimates of the volume of home construction that could be anticipated in 1946 and 1947 without the veterans' emergency housing program would be 500,000 houses in 1946 and 750,000 in 1947, or a total of 1,250,000. This would be 1,200,000 houses short of the minimum needs of veterans for the 2 years. Construction to fill this gap would cost a minimum of $6,000,000,000.

Another cost comparison is this: through the use of premium payments, the greatly increased production of building materials needed to carry out the construction of 2,450,000 homes in the next 2 years could be accomplished at a cost of $600,000,000; if ceiling price increases exclusively are used to stimulate the needed materials production rather than premium payments, the increased cost would be $2,600,000,000.

The gentleman from Michigan [Mr. WOLCOTT] asked the question, "What is

the money to be spent for?" It is to be spent for premium payments to keep down the prices of homes for veterans or rent for veterans where homes have been constructed under this program. The program cannot be itemized. You cannot say so much for cast-iron pipe, so much for steel, so much for copper, so much for brass, so much for different kinds of woodwork. If you were to attempt to itemize it, you would be placing the Administrator in a straitjacket and the Administrator could not properly enforce the law. It is right that it should be in a lump sum.

PREMIUM PAYMENTS FOR ALL BUILDING MATERIALS

Furthermore, it is going to be used for premium payments for all building materials, and I want to demonstrate to you, if I can, how premium payments will cut down the price of a home to a veteran. During the war we needed copper. We had a few copper mines producing all the copper. They were producing that copper for 12 cents per pound. They could make money at 12 cents per pound; they could make a big profit, so why increase it just to get more profit from that operation? You could double the price and they could not produce any more copper. Therefore, this Congress adopted the policy of paying a subsidy to the high-cost mines, the copper mines that could not produce copper for 12 cents. So we told the Administrator to go out and every place where copper could be produced to pay 24 cents a pound or 36 cents a pound or 50 cents a pound, whatever was necessary, to get the production of copper and the maximum amount in those high-cost mines. That is exactly what we did with the premium payment plan for copper. We called it a subsidy, which it was.

The result was that we increased the production of copper 10 percent over-all. If we had offered $1 a pound across the board we could not have obtained any more copper. So was that not good sense, and was that not good business to keep the copper producers, who produced 90 percent of it, at 12 cents a pound, and save the people that money? Why certainly it was. That is exactly what is contemplated here, except you can multiply it 100 times. There will be 100 different commodities used in the construction of a house. The Administrator will go out and he will see that there are certain bottlenecks, and in order to get the maximum production he will have to give a subsidy here and a subsidy there just like we did on copper during the war; exactly the same principle.

The over-all picture is that by giving $600,000,000 in subsidies it will save the veterans a minimum of $3,000,000,000 on the construction of those homes, the same way that the taxpayers were saved billions of dollars during the war by using a subsidy for the production of copper instead of raising copper prices clear across the board to the low-cost producers as well as to the high-cost producers.

The gentleman from Michigan said that if we could get these subsidies under 2 (e) he would not object to it. All right; if he is for it under 2 (e) of the Price Control Act, why object to it here? Why bring up the question of tweedledee and tweedledum when it involves houses for the veterans of this war? We owe an obligation to those veterans, I want to say to my colleague, which I know that he appreciates just as much as I appreciate. A little less than a year ago there were from ten to thirty thousand of those boys coming back here every day, landing on our shores, which has continued almost every day since. Many of them were married. They went to join their wives and children. They had plenty of points to get out. They immediately sought a home that they had been fighting for. A year ago they were looking for that home. Today, a year later, they are still looking for that home. Some of them are doubled up with in-laws and some of them are sleeping in automobiles, trucks, and parks and corridors and elsewhere. It is a pitiful situation. Here is what a critic of mine would face me with: If I were voting against the veteran on this, he would say, "Mr. PATMAN, did you not vote for subsidies for the war workers?" I would have to say "Yes." "Is it not a fact that the Congress passed laws to give billions of dollars making it available for the war workers to get low-priced homes?" I would have to admit that that was true. "Is it not correct, too, that Congress appropriated billions of dollars to make homes available to war workers which they could rent for low rents?" Certainly we did. "That was during the war," I would say. Yes; but the veteran could say, "The war is not over for me. While you were giving homes to people who were here, civilians and people who were war workers and others, providing for them—for four long years Congress was appropriating money in the way of subsidies to do that—I was away fighting for my country. Now I am back here, and I want for just 18 months or 2 years to have the same privilege that you gave to everybody else during the war for four long years."

How could I answer that? What would the answer be? I do not see how I can consistently fail or refuse to vote to give these boys the same chance and opportunity that we assured the people who stayed here at home during this war.

The proposal contained in the motion offered by the gentleman from Kentucky [Mr. SPENCE], the chairman of our committee, is this. The conferees of the House and the conferees of the Senate have been meeting for more than 20 days. We have failed to agree on one thing, that is, on subsidies. We have agreed on everything else, we believe. The Senate wants $600,000,000 for subsidies. We believe they will accept $400,000,000. We are asking this House to instruct us to accept the $400,000,000 that the Senate will take, and then we will have a veterans' housing bill.

Every day's delay means a failure to commence 3,000 homes for veterans. These 20 days we have been delaying have meant the failure to commence 60,000 homes.

In legislation, it is a question of give and take. If every Member of the 435 here should say, "I am going to stand by my own convictions, I will not yield, it is a matter of principle with me," and if the Members of the other body were to do the same thing, we would never have any legislation of any kind. It is necessary to give and take in order to pass laws. I venture to say there has never been a major bill passed by this Congress that did not represent a sacrifice of views or a compromise of opinion on the part of practically every Member of these two bodies. You have to give and take. You have to yield some in order to legislate. Otherwise there can be no legislation. We all have our own programs. Every person here has his own ideas, but every person cannot get his own ideas written into law. So, since we cannot, and there is only one program before us, that is, the veterans' emergency housing bill—the President of the United States is sponsoring it. He is pleading with this Congress to give him an opportunity to build the maximum number of houses for these returning veterans.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Speaker, I yield three additional minutes to the gentleman from Texas.

Mr. PATMAN. The President selected one man as Expediter for housing. He could not have selected a better man in the United States. He selected Mr. Wilson Wyatt. Mr. Wyatt has a good program for veterans' housing. The President is asking you to support him in order to help the veterans get homes. Since that is the only program we can vote on, it is a question of either voting for the veterans having homes under it or voting against it. A vote against this motion, I insist, is a vote to delay, if not definitely hinder and definitely harm, the veterans' emergency-housing program.

May I invite your attention to one sentence that is in Mr. J. D. Small's letter which was read here this morning. Mr. J. D. Small should know something about this. He is in the Civilian Production Administration. He says:

> I can state without reservation that the goal of this program cannot be met, nor even nearly met, without premium payments as an incentive to production.

That is what the man says who is in charge of production. He says we cannot do it unless we have this program providing for premium payments. Are you going to take his word? What about Wilson Wyatt, who came here at great sacrifice to himself in order to try and do something to help the veterans and the country in this crisis to provide homes for veterans? Mr. Wyatt says, and it is in the letter which was read this morning:

> Without premium payments, the job cannot be done.

Well, whose word are we going to take? We are going to take the word of the man who has the program, and the only program, under his administration—the man who says that the job cannot be done without premium payments. The man who is in charge of production says the job cannot be done without premium payments. What are we going to do?

Are we going to say that we know better and that there is a better way and that you can raise prices and everything and get a better job done? That is just one man's idea or one Member's idea or perhaps the idea of a few. But the people who have studied this thing and have studied this plan to give the veterans 2,700,000 homes this year and next year say it cannot be done unless you allow premium payments to be made. So I am willing to take their word. I am willing to follow them for the purpose of getting the maximum number of houses built.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, I do not propose to adopt or advocate an attitude of defeatism. I refuse to admit that our economy has broken down to the extent that we must now abandon our American way of life. I am not a subsidy man. I think we have brought about a great deal of confusion by the adoption of that policy in the past. I want to make this statement—that I have traveled down the road of nationalization just about as far as I propose to go. I want more of the people's government returned to the people and less given to administrators from here on out. Now, we propose to take a step towards nationalizing the homes of America. God forbid. The veterans do not want this. They will not give you their approval on it. You may rest assured of that. The veterans of America are sensible men. They are sensible citizens with a right to be heard. I am not so sure that they are going to appreciate the efforts of many gentlemen who would wave the flag and shout that they are doing something for the veteran when he himself well knows that it is not for him but for some prefabrication individual or somebody else who is far removed from the veteran.

They have seen the Government in the building business before, and they have seen the houses in virtually every community in this country built by the Government worth $3,000 that cost the Government $7,000 to $10,000 to build. You are not fooling the veterans at all. I have talked to some of them. When I am told that the Housing Administrator's attorney says that no part of this money is to be used in the encouragement of the production of lumber or in the expense of labor, pray tell me where will it be used, and for what purpose? Down my way most of the homes are built of lumber, and labor and lumber constitute about 85 percent of the cost, or more than that. If no part of this is to be used in lumber and no part to be used in labor, then pray tell me where the benefit is coming.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. If the gentleman wants to answer that question briefly, I yield.

Mr. PATMAN. The answer is that it will be used, if necessary, for lumber, bricks, or anything else.

Mr. BARDEN. Why did the gentleman not deny the statement made by the gentleman from Michigan, then?

Mr. PATMAN. I did deny it. It can be used for any building material.

Mr. BARDEN. You answer this question. I ask you if Mr. Wilson Wyatt's attorney did not tell the conferees it would not be used for lumber or labor, as late as the day before yesterday?

Mr. PATMAN. Not to me. I never heard him say it. If he did, I would have disputed that it was intended.

Mr. BARDEN. You mean you would have disputed what the Administrator said he was going to do himself?

Mr. PATMAN. The Administrator did not say it. He is not going to say it. The law is plain. He can use that money for any building material.

Mr. BARDEN. The fact remains, and I now remind the gentleman from Texas, that the statement was made by the gentleman from Michigan [Mr. WOLCOTT] and up to now it has not been denied.

Mr. PATMAN. I denied it immediately after he got through and I deny it again.

Mr. BARDEN. You said he, the attorney, did not make the statement to you. That is no denial.

This identical question was before the House a little over 2 weeks ago. The Members of this House went on record on a roll-call vote and voted against this same subsidy by a vote of approximately two to one. It is inconceivable to me to think that men of convictions would in such a short space of time, on so little information, and less justification, reverse themselves and approve it now. It is very distasteful to me to be called upon to participate in so many make-believe gestures. I know of no way that would be satisfactory to myself to handle the business of my constituency other than by doing so in a sincere and conscientious way.

We have the priority powers written into law. We have even the power and authority to use subsidies in existing law, but along with that power and authority goes the requirement that they must report their plan of subsidy to the House. This the Housing Administrator has refused to do, still refuses to do, and yet he expects this body to issue to him a four to six hundred million dollar check with full authority to pay as he pleases, to whom he pleases. I do not think my GI's want me to spend their money in any such manner, for they know full well they will be paying taxes to pay this back as long as they live.

We passed the GI bill with loan provisions and this Congress has stood by and let that bill be fouled up with administrative rulings, red-tape requirements, and so forth, to the point that it has virtually defeated the veterans' loan program. But before even attempting to straighten that out, we now want to set up another bureaucracy with another Administrator which will very likely result in adding chaos to confusion. While the veterans were fighting for a home, we might bear in mind that they at the same time were fighting for the right to build their own home and for the American way of life which would guarantee to them the right to enjoy that home. All these things were involved in the war, and now I think it is high time that we begin to substitute common sense for red tape and not adopt the policy that we can buy our way out of this situation by foolish spending.

This country is facing a severe test at this very moment as result of permitting too much power to be placed into the hands of one individual, John L. Lewis; and instead of meeting these questions fearlessly, we seek to attract the attention of the country away from this bad situation by shouting about a provision of this kind which would place into the hands of one individual Administrator, not only about $1,000,000,000 in taxpayers' money, but enough power and authority incident to this subsidy provision to give our almost already jittery economy a most severe shock.

There was some discussion about the Administrator's attorney saying this money would not be used to encourage production of lumber and brick and a feeble attempt to deny it was made, but I have the statement of the gentleman from Georgia [Mr. BROWN], the gentleman from Michigan [Mr. CRAWFORD], and the gentleman from Michigan [Mr. WOLCOTT], who definitely say the statement was most emphatically made and discussed; and one Member who sought to deny it had to content himself finally by saying he did not hear it.

The net result of this bill will be that a very few veterans will benefit indirectly to the extent of a few dollars. The fabricators and these people who would build houses that you would hang on a pole or something that would compare favorably to the igloo will take in the money that the overwhelming percent of the American GI's will have to pay back through their noses.

If I am wrong, I am sincerely wrong; but certainly in my present most serious frame of mind, I can do no other than to be honest with my veterans, sincere with my constituency, obedient to my conscience, and vote against this subsidy provision.

I would like to see a housing bill passed that would aid and assist every veteran in America to build or buy a home, but it would certainly be quite distasteful to me to have to vote for a provision of this kind in order to get some needed help in the way of priorities, material, and so forth.

The SPEAKER pro tempore (Mr. THOMASON). The time of the gentleman from North Carolina [Mr. BARDEN] has expired.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Speaker, in discussing this matter with various Members, I have found there is some misunderstanding with reference to the use of these subsidies, just like the one that has been the subject of a slight controversy on the floor within the last few minutes.

It is my understanding, and I think I am correct in this, that these subsidies, if allowed, will be used for the purpose of

stimulating the production of whatever building materials may be required. But I have heard some Members say that they understood these subsidies would be used for the purpose of subsidizing prefabricated houses. I asked Mr. Wilson Wyatt that question, and I have received a reply from him that I should like to read into the RECORD at this time. It is addressed to me, and it reads as follows:

NATIONAL HOUSING AGENCY,
Washington, D. C.

Hon. JOHN J. SPARKMAN,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SPARKMAN: In response to your request of yesterday, let me assure you that the premium payments authorized in the Senate version of the veterans' emergency housing bill would not be used in connection with finished houses, either conventional or prefabricated.

The premium payments would be used exclusively to stimulate additional production of materials, by covering higher costs where involved in the rapid rate of acceleration above normal current production. Of course, the materials thus stimulated would flow into the production of conventional houses, newer types of houses including prefabricated, and other industrial and commercial construction of an essential character.

While the prefabricated house would not be susceptible to stimulation through premium payments, it would be susceptible through the guaranteed market provisions adopted by the Senate. These provisions do not contemplate subsidy. They contemplate rather that where there is a tested product and a fairly certain demand, producers can be induced to develop more prefabricated units more rapidly if they have an assurance of a ready market and, therefore, do not have to undertake what may be for them unusual marketing risks. Under a tentative agreement among the conferees, the Government would guarantee to take over, at 90 percent of cost, such of these prefabricated houses as the producers might not be able to dispose of rapidly. On this basis, it is extremely unlikely that the Government would have to take over large numbers of houses, or that it would suffer losses on those that it did take over.

In addition, the guaranteed market provisions as approved by the Senate would not permit the guaranty of more than 200,000 units at any one time and would require that in any event the cost to the Government on such guaranties be kept down to 5 percent in dollar amount of the total dollar amount of guaranties undertaken.

This guaranty system is founded on much the same principles as the successful FHA guaranty or insurance of mortgage lending, which was undertaken to stimulate a large volume of home building rapidly.

Assuring you again that premium payments would not, and under the language of the bill could not, be used for prefabricated houses, I remain,

Sincerely yours,

WILSON W. WYATT,
Administrator.

Another rumor that has been going around the corridors of the Capitol is wholly unfounded. It is to the effect that some large producers or some large would-be builders or manufacturers have already been contracted with to produce a huge amount of these houses for a huge part of this money. I asked Mr. Wyatt about that rumor and he assured me that there is not one word of truth in it.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I cannot yield, I have but a minute remaining.

Mr. Wyatt assured me that there is not one word of truth to serve as a basis for any such rumor as that.

The question as I see it is whether or not we want a building program in this emergency. If we do, let us agree to this compromise. If we do not, let us send it back and say to them very frankly that we do not want a building program. By the way, I asked Mr. Wyatt what effect the denial of these subsidies would have on the building program if he had to proceed without it; and he told me that while he had not figured it out closely a rough estimate would be that it would cut down the estimated figure of 2,700,000 units to 2,000,000 units; in other words, there would be 700,000 family units short in the United States. Now, that is no small item and I believe that before we turn this down and deny this program we had better think seriously about it.

The SPEAKER pro tempore. The time of the gentleman from Alabama has expired.

Mr. SPENCE. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker——

Mr. ELLIS. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. ELLIS. Previous speakers have stressed the fact that they want to build veterans' housing. We all agree that is a worth-while objective. Does the gentleman have any statistics as to the number of veterans who are in position to purchase a house at from $6,000 to $8,000?

Mr. CRAWFORD. I have not heard of any statistics of that nature being compiled and I do not believe any statistics have been compiled.

Mr. ELLIS. Would the gentleman venture an observation on that?

Mr. CRAWFORD. The only observation I have to make is what I have constantly carried in mind and that is that the vast majority of your young men or women who have returned from the service do not have the necessary income to service a $5,000, $6,000, or $9,000 home, and pay it out within a reasonable time and thereby establish their own home.

From $6,000 to $9,000 is too high a price right across the country. Look at the hundreds of thousands of homes, comfortable homes if you please, costing no more than $3,500 and you will get an idea of what these people can afford.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I think the Members of the House would like to know what is in this bill, including priorities, allocations especially, and then controls on materials and on new homes all beneficial to the veterans. The House should also like to know that we have a billion dollars in FHA and a billion dollars in another reserve, so that they can get the money. Another thing, the House ought to be told what we agreed with the Senate in reference to 200,000 prefabricated houses and the guaranty on the same. Let me also emphatically say that all money appropriated for the veterans should be for the direct benefit of the veterans, and not for the benefit of materialmen and contractors.

We have one question here today and that is subsidies. I have not asked for time to debate the subject of subsidies. I have made a number of speeches on that matter before. We all know what it means. I honestly believe that subsidies will retard production and will not help the situation; therefore I shall vote against them.

Mr. CRAWFORD. May I ask the gentleman from Georgia if he will agree with me on this proposal with respect to the bill before us; that we have everything in the bill that the minds of legislators can reasonably conceive to channel available scarce materials to the production of veterans' homes and to encourage the building of those homes through making available the necessary financing and guaranties through FHA? In other words, we are going just as far as practical men can go, leaving subsidies out of the bill.

Mr. BROWN of Georgia. I agree with the gentleman. I think subsidies will retard production and it will not help.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Nebraska.

Mr. BUFFETT. The gentleman will be interested in a section of Barron's Weekly that made a study of this whole situation. Their inescapable conclusion is as follows:

Even if all obstacles are overcome, the dwellings the program will provide are not what the veteran wants, needs, or can pay for.

Mr. CRAWFORD. I agree with that statement.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. There has been some talk about experts here. Up to the time the bill left this House no expert in the business had testified that subsidies would in any way increase production but would rather discourage production. Have any come into the gentleman's committee since?

Mr. CRAWFORD. I am sorry that I have to state to this body that the information was not placed before our Committee on Banking and Currency justifying the subsidies here called for or the 200,000-house guaranty. The bill went to the other body and, as we labored in conference, I specifically interrogated the chairman of the conference committee, the Senator from Kentucky, and Mr. Keyserling, attorney for the Housing Expediter who constantly sat in those conferences, to try to get some information out of them which would justify me in supporting either the 200,000-house guaranty or the subsidies. Up to date, as indicated by the gentleman from Texas [Mr. PATMAN], there is an unwillingness to specify or to justify or to give us any reason to stand here and defend this proposition.

I simply want to say that so far as the gallant sons and daughters of my district are concerned, the Eighth Congressional District of Michigan—I will be specific about it—they have not in any way informed me that they want these proposals and the fathers and mothers from all over that district have informed me they do not want them. I do not propose to vote for a $600,000,000 slush fund or an unlimited check to hand to Mr. Wyatt or to any other administrator in this Government at the present time. I agree with the gentleman from Georgia that such tactics on the part of this Congress hinder bringing into operation the plants and productive facilities of our good citizens and placing on the counters and in the warehouses goods that our people are calling for.

Have we come to the place where we believe that the institution of representative government, the institution of free enterprise, and the institution of controlled economy can live under the same roof? I have come to the positive conclusion that it is utterly impossible to maintain those three institutions under the same roof, and insofar as I am concerned, I have made my decision as to which one I propose to do away with and that is this question of controlled economy, because the man who operates the controlled economy must have the power to economically guillotine any man in business who runs contrary to that controlled economy program.

For 165 years the United States progressed under the institution of representative Government and the institution of free enterprise.

Our forefathers came here to escape the regimentation and tyrannies of Europe. Here in the United States they established what was known as the new order of the ages, and this was accomplished by founding the first society in the world for the preservation of individual freedom. Prior to the establishment of our Government, all other governments had been founded for the power and glory of the state.

Our people have historically and voluntarily practiced thrift. They have, as free economic agents, invested their savings in what we define as enterprise and with the hope that the investment will bring them a profit, but with the full knowledge that ownership carries risk, and unless good judgment is exercised the hoped-for profit may result in a great loss even sufficient to wipe out the whole investment or the seed money used as venture capital. The profit motive lies back of practically every investment made by every individual. To have a reserve for the rainy day, for old age, for the acquisition of a home, for the education of the child, is the big motive back of thrift.

Our organized society, the revenue which the Federal Government must have to pay for its ordinary functions, and the Federal Treasury for its disposal of war bond issues, all depend upon the thrift of our people and the operating results of their investing habits and managerial ability under our system of free enterprise, operating within the scope of the open market. The open market is in fact the peoples' price forum. No man or corporation operating in the American economic competitive field can beat the people in the open market. There, the customer is king. Consumer loyalty to a product makes or breaks its manufacturer. For 165 years we proved that to the satisfaction of the whole world.

Shortly after our entry into World War II the judgment of our people was to the effect that war goods in a volume as never before witnessed had to be produced. It was necesasry to channel productive capacity of factories and mills and the power of labor from consumers' durable and nondurable goods to war goods.

It was also recognized that tax levies would have to be tremendously increased, and that, in addition, the Federal Treasury would have to expand the debt beyond anything ever before witnesesd by man.

To assist in the successful effectuation of the production and financing program our people accepted the principles embraced within the scope of the Stabilization and Price Control Acts. Our people wanted war goods produced to enable their sons and daughters to win the war and return home with the least possible loss of life. They were willing to forgo the comforts and pleasures of great production and use of consumers' goods. Unfortunately, too much of the statesmanship of American Government is still strangely attuned to a by-gone day—an era which ended when the Japs surrendered. Today we want plow shares literally, not more swords. A reconversion of American production is delayed by an absence of reconversion of American thinking.

As has been pointed out, War, Inc., at least temporarily—and we hope permanently—has gone out of business: Its function of death and destruction has been fulfilled. Scattered across the face of the earth we have piles of useless engines of destruction rusting and rotting away and with a salvage value of only a small portion of their enormously expensive original cost. The war personnel is looking for other jobs. "For rent" signs hang on the factories of war.

Few nations, if any, want to incorporate death and destruction in their national economic policies, so, for the time being, War, Inc., is a bankrupt concern.

But what of the aftermath? In your hands, your purses, your lockboxes, your bank deposits you hold within your possession literally billions of dollars which were issued against production that has been destroyed and left on the battlefields to which I have referred.

This mountain of money held by millions of people constitutes claims or options—and in the minds of our people represents buying power—on current and future production of goods and services.

Unfortunately, these billions of dollars clamoring for goods are listed as "available purchasing power." As a matter of fact, they are crushing burdens of unredeemed obligations.

With millions of our people holding these unredeemed dollars, it is proposed to have OPA hold back the flood, once a free people grow tired and weary of waiting for goods and owning dollars, the buying power of which decreases daily.

Specifically, we have reached the crossroads. Our people no longer travel under the emotional controls incident to wartime. They demand goods and services—consumers' goods and services—and without interference on the part of a Government bureau.

Time will satisfactorily demonstrate to our people that the institution of free enterprise, the institution of representative government, and the institution of dictated economy cannot survive under the same roof. You will have to choose which you want retained. I have made my choice.

Unless the Congress orderly retires OPA from the field, the people will liquidate this Government agency by disorderly procedure. During the many weeks of hearings before our committee on the proposal to extend the act until June 30, 1947, I begged for amendments to the present law which would make the whole affair bearable for our people so that the agency could be liquidated in an orderly manner. I supported the bill approved by the House because I believed it would do that very thing. The original OPA concept was to facilitate the production of war goods and diminish the production of consumers' goods. Our situation now is just the reverse. We want consumers' goods and services in a volume never before attained and unless those goods and services are forthcoming, the people will lose more of their present confidence in the buying power of the dollars they now hold and the black markets will flourish and OPA will be utterly helpless in holding back the tide.

To prevent inflation we must properly manage the national debt. There is no other safe course. The debt policies we pursue will absolutely determine whether the inflationary potential we have already created—which exists this very moment—is to be controlled or whether it is to prove disastrous. The OPA program is a temporizing, aggravating, appeasing approach which if pursued indefinitely will give us great trouble.

I do not propose to give them the power to guillotine the good people of our country. I have all of that I want.

Now let us go on with this bill. You have two propositions here, the one that you are voting on, but I must mention the other because they are tied together. Here is the $600,000,000 subsidy. That has been pretty well debated. On page 39 of the bill you will find a guaranty of 200,000 houses. You can calculate that herein is involved no less than $8,000,000,000 or $4,000 for each house. Here we come along and we propose to guarantee to the Kaiser-Frazer combination, whatever that combination is, and the Vultee Aircraft Corp., for instance, a guaranty that we will take off their hands up to 200,000 houses, prefabricated, which they may produce and which go sour on the maket. It does not make any difference what mistakes they make in design or what kind of gerrymandering proposition they turn out, if it turns sour on the people of this country as to cost or as to quality, this other proposal is that we will give them

a guaranty up to 200,000 and take them off their hands if there is a muddle made of the whole proposition. Imagine what you are doing to the other manufacturers of this country who do not participate? Have we gotten to the point where we have to fall for that kind of palaver in this country? There is your difficulty with your controlled economy now. The Expediter has the power to channel all these scarce materials into the hands of any organization he may select and, of course, he would be subject to pressure groups. He is human like the rest of us, and he has to be a superman to fairly administer a program like this. It was never conceived that a human being would ever have to administer such a program and do it fairly. How much more do you want to give than the guaranty? The conferees over my protest accepted the guaranty, which is enough, if you please. It should be enough to satisfy these two, three, or four pet concerns. It should be enough to get houses prefabricated—not necessarily erected. They say we have to have prefabricated houses to get mass production. Go into your districts and look at the prefab propositions now under construction and ask yourselves if you want to pay $3,500 f. o. b. for one of them and then put $5,000 on top of that so as to get it in shape so that your family can live in it. Go look at them. I have been looking at them myself.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. If we give the contractors of this country who are willing and able and waiting to build houses the materials to build them, they will build all the houses we need.

Mr. CRAWFORD. You are not going to get houses built unless you resort to the local man, put that down on your calendar and remember I said it on this date.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. Is not a subsidy program precisely the kind of program that has resulted in the lack of meat production in this country?

Mr. CRAWFORD. Simply because you cannot maintain a controlled economy in a government such as we have. How much more do we have to have to teach us that lesson? This is a method of dictated life all the way through, and you cannot get away with it and have production of quantity, quality, and at a low price.

It was my strong understanding in conference that the premium payments or subsidies, if you please, would not be used for lumber or brick or labor. There is conflict on the floor as to what was understood. It is an illustration of what runs all the way through this proposal. We had no satisfactory information in committee; we had none in conference; and you will get little on this floor, I assure you of that.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kentucky.

Mr. SPENCE. There is nothing in the law that prevents subsidies being used for any building materials; is that not true?

Mr. CRAWFORD. I do not think there is anything in the law, Mr. Chairman, that prevents the Administrator from doing anything he pleases with this money, and I do not intend to give it to him to be so used.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I voted against the housing subsidy when the Patman housing bill was before the house a few weeks ago. Today we again have an opportunity to vote on that issue. I am, if anything, more opposed to the subsidy provision than I was at the time it was before the House previously. Even if I were inclined to favor the subsidy principle, I could not see my way clear to support the present proposal because no information has been furnished Congress as to how this enormous sum of money will be used, or the purposes for which it will be spent. If we vote these funds as now proposed, we will do it blindly and Congress will thereafter have nothing whatever to say about the matter.

However, the basic reason for my vote against this subsidy proposal is that I am unalterably opposed to the extension of the subsidy principle. Subsidies are an insidious thing. They are habit forming. They are a subterfuge used in an effort to dodge the real issue. We have a serious housing problem. It is a problem of production. It is also a pricing problem. Why not face it and meet it squarely and fairly by making such changes as are necessary in prices so as to bring about increased production?

Our experience with food subsidies ought to be a lesson to us here. We have seen that subsidy grow from an annual rate of $600,000,000 to the almost $2,000,000,000 which was carried in the OPA extension bill, as reported by the Banking and Currency Committee. Even now, when the sentiment of Congress is strongly against subsidies, the Director of Economic Stabilization, Chester Bowles, is talking about increased subsidies on dairy products and other commodities. These subsidies have not prevented inflation. They have merely concealed it. Yet, if Chester Bowles had his way, they would be continued indefinitely. The time has come for a show-down. Anyone can hold prices down if we give him enough billions out of the Treasury to conceal the fact that costs have advanced and that inflation is here. Why not be realistic? Why not be honest with ourselves and the people of this country?

The housing subsidy may be applied somewhat differently than consumer food subsidies have been. We don't know whether it will be or not because nc one knows how this enormous sum will be used. It is subject, however, to exactly the same objections as our present subsidy program as far as the principle is concerned.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Speaker, the unfortunate part about this bill is that when it reached the House Mr. Wyatt had not as yet formulated his program, so that we had no discussion before the committee about how the subsidies were going to be used or how much of a subsidy was needed. However, when it got to the Senate Mr. Wyatt did present a program, and the record will show that these subsidies are intended for the production of building materials and nothing else.

I attended the meetings of the conferees. I did not hear the statement which was alleged to have been made by Mr. Keyserling, and if that statement were true, I would not vote for those subsidies. But the hearings that were taken in the Senate prove they are production subsidies.

To convince a Republican like Senator TAFT to advocate these subsidies is quite an accomplishment. Senator TAFT at our meetings of the conferees advocated subsidies, along with Senator BARKLEY. The Senate voted 2 to 1 for subsidies.

We all know that the veterans' housing problem is one of the most acute problems the Nation has ever faced. I am fearful that unless you take some action in the way of subsidies you will create so much dissatisfaction in the next 2 years that you will encourage the further growth of communism in this country.

While the war was on you unhesitatingly voted billions and billions of dollars to enable our men to shoot at the enemy and to keep us from being shot at. Now, when the war is over, they come back and are forced to live with in-laws or live in tents or barns. Then you turn around and suddenly get high-principled and say, "No subsidies" for homes. I am against them on principle.

There are very few men or women in this House who have been here any length of time who have not voted for subsidies time and time again. The way I feel about it, when you start to economize on the veterans, that is the inopportune and wrong time to do it.

Much has been said here about prefabricated housing. I am convinced that we will never get houses during the next 4 or 5 years that the great majority of veterans can buy unless we get some new, unorthodox type of house. If we can encourage mass production of prefabricated homes, many of them are of such a type, or at least some are, that, when they are put up, you cannot recognize the difference between an ordinary house and a prefabricated house. All of you know that you can practically sell a shed to a veteran today. No money will be lost because of the prefabricated chapter in this bill, because every house will be sold just as soon as it is put up.

You men voted against subsidies and may do so again. I know that many of you will vote for the British loan when it comes up. I should like to see you justify that vote in your fight for reelection if an opponent raises the issue.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BARRY. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does not the gentleman believe we should pay our way today rather than put the payment onto our children and grandchildren for the things we need? If we do not have backbone enough today to do the things we ought to do, instead of saddling the burden onto our grandchildren, then we are not big enough to be here legislating.

Mr. BARRY. I have voted time and time again, and I think the gentleman has, for subsidies for farmers, and other types of subsidies.

Mr. RICH. The gentleman is not speaking of me. No, I did not, and I do not intend to vote for the British loan, either.

Mr. BARRY. This situation is just as acute as any situation we faced during the war, and we thought nothing of voting billions and billions of dollars then.

I have seen a lot of types of prefabricated homes, and I am convinced that Wilson Wyatt, the Administrator, will select only those homes that will last. If we get into mass production, we will get hundreds of thousands of homes at a price the veteran can buy them for, in the neighborhood of $4,500 or $5,000, completely erected on the land.

When we sent this bill to the Senate we had nothing in it except what the Administrator already had under the Second War Powers Act. The Senate, by passing the subsidy section, by adopting the guaranty amendment, really gave us the bill to work on and gave the veterans something to look forward to.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Speaker, I think we will be able to close the discussion concerning lumber and labor by saying to you that about 3 minutes ago I telephoned Mr. Wyatt. He said he could not imagine where anybody got the idea that no part of these production-incentive payments which we call subsidies would be used in the field of lumber. He said that no such statement was authorized and that it was not true.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. FOLGER. I yield.

Mr. MICHENER. Where did he say these subsidies would be used?

Mr. FOLGER. For lumber and other materials and not in the field of labor. That is taken care of in another way. In my opinion, that is quite a correct approach to the subject, as Mr. Wyatt assured me was the policy and the intention. We are now in an emergency. While we are not in a shooting war, there are hundreds of thousands of people in the United States who do not have a home. It is strange to me that anyone would conclude that the granting of production payments in order to get materials out of which housing may be constructed would retard the production of materials and building of these houses. If you have low-cost producers in any field of materials and these producers cannot operate at the general over-all price or cost of production of those materials, and there are other low-cost producers who can, what is the high-cost producer to do except to stay out of the field of production? What does that mean? It means that the soldiers and other servicemen, particularly, because they have been away from home so long, and many others, have to live on the ground or in tents or in wagons or automobiles, and have no other place to lay their heads.

We ought not be so meticulously exacting about what appears in this matter. Certainly Mr. Wyatt has not undertaken to tell you how much of the $400,000,000 will be spent in the procuring of lumber. Certainly he has not undertaken to spell out to us how much would be used in obtaining the production of soil pipe or wiring or any other thing that makes a home or goes to make the things that go with the home. He could not do that. Regardless of any consideration, I do not believe we have the right to or are justified in discounting the honesty and good purpose of the men who are to administer the laws which we enact. I believe they will be honestly administered, and I am compelled to support this motion made to make these production payments to speed the home building programs so critically needed.

The SPEAKER. The time of the gentleman from North Carolina [Mr. FOLGER] has expired.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from California [Mr. IZAC] such time as he may desire.

Mr. IZAC. Mr. Speaker, I rise at this time simply to reiterate what I have said on previous occasions on the floor of this House, that the crux of this matter lies in whether or not we get houses for veterans. After all the froth of debate has been blown away, it is evident that the fight centers on the proposition of whether we should make premium payments to encourage the production of scarce building materials and thus provide for the maximum number of houses that can be built at this critical time. Those who are against premium payments or subsidies complain their adoption means a controlled economy. Of course it means control and we resorted to it on numerous occasions all during the war. Now when we need housing for the veterans who fought that war these objectors complain that subsidies are not in accordance with our way of life. They would have you believe that our way of life, therefore, does not permit us to use extraordinary measures to provide a house for a veteran who all this time has been away fighting for a continuance of the American way of life.

The statement has been made and I believe it has gone unchallenged that without these subsidies or premium payments at least one-third of the houses provided for in this housing bill cannot be constructed in this 2-year period. Seven hundred thousand veterans, therefore, will be doomed to living in shacks or barns or doubling up with neighbors, relatives, and friends at the most critical period of their lives just now when they are trying to reestablish themselves in civil life after giving their all for their country. Between the theoretical and intangible something so glibly quoted here on the floor as the American way of life, I prefer the sound, old-fashioned reality of a house for every veteran that he may call home. I insist there is no dodging the issue. If $400,000,000 in premium payments or subsidies are needed and the Senate thinks so as well as our housing authorities in order to provide 2,700,000 houses in this 2-year period, that and that alone is the issue here today. I am glad to cast my vote on the side of housing for veterans.

Mr. SPENCE. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, it is 2 months ago yesterday that we completed action on the housing bill. At that time it was manifested to the Members of this House that it would require at least $600,000,000 to do this job. It is now 60 days later, but the request has been reduced to $400,000,000. It may be that if we wait another 60 days it may be reduced some more, and progressively might prove itself, without argument, unnecessary. A mistake of 33⅓ percent in an estimate in 60 days would indicate that probably this bears much closer examination and scrutiny than it has had before. Four hundred million dollars is a lot of money.

The astonishing thing is that if I go home when the session's work is completed, and a young man with one of these bronze ducks to indicate he has served gallantly and well in World War II meets me on the street corner and says, "I see the House has approved $400,000,000 in subsidies," and then says, "What are they going to do with the money?" the only answer I can give him is, "They are going to use it to expedite the production of building material."

"What kind of building material?"

"My friend, I do not know."

"Well, were you not there when action was had upon this matter?"

"Yes, sir."

"Didn't you make some inquiry about it?"

"Yes, sir."

"Do you mean to say you gave a blank check to a gentleman by the name of Wilson Wyatt for $400,000,000 and you do not know how he is going to spend the money except that it is going to be spent for building materials?"

That is going to be a difficult question to answer and at the same time try to persuade one of your constituents that you have been mindful of your legislative and your constitutional responsibility. I have always been intrigued with the idea in the Constitution that no money shall be taken out of the Treasury except in pursuance of an appropriation made by law. That is not what they propose here. Debentures will be sold by the RFC and they will set up a credit on their books and there is not a Member of this Congress who can pry into it until Wilson Wyatt has spent the money and in his own good time gives us a report. I would be so remiss in my duty as a member of the House Appropriations Committee that I would have no explanation for that kind of action, and I refuse to go along with it.

Where is the need for this payment? Is it needed to stimulate interest in housing? Maybe so, but here are Mr. Small's figures before me taken from the April edition of the report of the Civilian Production Administration. What does he say about interest in housing and whether the hope of a subsidy is needed to stimulate it? I quote from page 11 of Mr. Small's report:

> From January 15 to April 12 more than 235,000 sales units and about 75,000 rental units were authorized by FHA.

A total in that period of time, less than 3 months, of 310,000 housing units. Evidently no subsidy was needed to stimulate an interest in that matter.

Do they need the money for materials? Let me revert again to Mr. Small, the CPA Administrator. I quote from page 9 of his report:

> In some cases, brick and cast-iron soil pipe, for example, these increases have been truly phenomenal.

There is no subsidy, yet it is going along all right. Other increases of materials are evident wherever a fair price has been allowed by OPA.

Is it necessary to meet the limiting factors of production? From page 9 of Mr. Small's report:

> Shortages of labor, of equipment, and of raw materials and components have been and continue to be the deterrents to increased production.

Is any of this money to be used for labor? No.

Is any of this money to be used for equipment? Evidently not.

Is any of this money to be used for raw materials? And if so, what kind of raw materials?

Is it going to be used for steel necessary for radiation in furnaces, in plumbing fixtures, and so forth? We do not know, but here is Mr. Small indicating already how production in material is going forward without a subsidy or without even the hope of a subsidy.

Let me refresh Members of the House that we finished action on the OPA bill a little more than 3 weeks ago. We wanted it to be a sensible price-control proposal for the next 9 months. What do we propose to do now with the subsidy suggestion that is before us? We propose to commit 20 percent of our economy until December 31, 1947, to control. That is what you propose to do. Are we going to march up the hill and then march back down again? The astonishing thing is that this subsidy has not been designated by its right name. If what the gentleman from Texas [Mr. PATMAN], the gentleman from New York [Mr. BARRY], and all the other protagonists of this proposal have said in this well this afternoon is correct, then this is a manufacturer's subsidy, it is a subsidy for the producers of building materials. When one examines the trade magazines and the press; when you listen on the radio; when you listen to the producers' council, you find they do not want it. They have said so. They—the producers of housing materials—ask only for a fair break and not for a subsidy to meet this problem of materials.

Yet, notwithstanding the fact that they think they can do this job, it is proposed now over and above their protest to force a producer's subsidy down their throats. What an astonishing situation that really is.

The thing to do, in my judgment, is to embrace the alternative that is before us and have a few price increases on a selective basis. Is there anything unusual about that? The OPA has made 86 price increases on different kinds of building material since VE-day. It is no wonder that Mr. Small's report for April of 1946 compared with his report for the last quarter of 1945 enables him to say: "These increases have been truly phenomenal." There is the story. Do we propose now to go along with this sort of business?

The alternative will be cheaper for the veterans. Consider for a moment this question of gypsum lath, and he mentions it in this report. For a time, one could not get gypsum lath except in small quantities. It was very scarce because of the backing binding paper being scarce. What happened in New York, Illinois, and elsewhere? The builders of homes had to use metal lath. The difference in cost on an ordinary house was how much? Oh, somewhere around $190 for lathing alone.

How are we going to meet that? How are we going to get these prices for veterans down so that we can get the standard grades of material into construction in the housing field? The way to do it is to lift the harassments and the restrictions so that they can go ahead and produce and make a minor profit, instead of coming along with a proposal for $400,000,000 for additional subsidies. If I thought for one moment that that would do the job, why, certainly, I would go along, but there has not been a hint as to how it is going to be expended and I am not going to surrender a blank check for $400,000,000 until I know what I can tell the boys back home.

In his report for April 1946 Mr. Small—and let it be understood that I have high regard for Mr. Small—he points out on page 11 that "plant and equipment are further limiting factors affecting the production of building materials in many cases." That may be quite true but in the same report on pages 14 and 15 you will find a list of expansion projects in the building materials industry involving millions of dollars for plants and facilities with which to manufacture plumbing supplies, insulation, radiators, cement and brick, roofing materials, plywood, and other items.

These are but a part of the producers who have already developed expansion programs and there has been no thought of a subsidy. The demand is there and all that producers require is some encouragement from Government in the form of a fair price and a minimum of restriction.

It is, therefore, not too persuasive or convincing for any administrator in Government to insist that subsidy funds are required in the face of the progress and improvements in the production of materials which has in fact been noted in the last few months.

Perhaps I should also direct attention to a statement which appeared in the Labor Department Bulletin No. 778, published in 1944 on the subject of postwar capacity of the construction industry. In that official governmental bulletin one will find this statement:

> Productive capacity for all types of building materials, except plumbing fixtures and lumber, is sufficient for a construction rate of $15,000,000,000 per year; in the lumber industry, the plant limitation is logging equipment, which is badly deteriorated but can be restored rapidly; sawmill capacity is sufficient; capacity for plumbing fixtures is adequate for a construction program of $12,000,000,000 per year with likelihood of expansion before this rate is reached.

Now read that comment again since it comes from the Department of Labor. As early as 1944 it advises the country that productive capacity is sufficient for a construction rate of fifteen billions per year and yet the entire program envisioned in this bill will call for construction in the neighborhood of ten billions for 1946 and perhaps twelve or thirteen billions in 1947. Both of these years are well within the productive capacity estimated by the Labor Department and frankly, in view of that pronouncement, it is difficult indeed, to see the persuasiveness in a single argument that has been made here today in behalf of a subsidy program.

Under the circumstances, Mr. Speaker, and in particular view of the fact that this contemplates a blank check for four hundred million, I do not see the justification for this expenditure.

I am deeply as interested in a housing program for veterans as any Member of this body and for that very reason I want to be sure that it becomes a program which will produce houses rather than frustration and failure.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Speaker, when John D. Small, Civilian Production Administrator, appeared before the Senate Banking Committee, the Associated Press reported him as saying:

> These subsidy payments might be made to help an industry build a new plant, absorb transportation costs, induce small operators to increase their production by adding new or more modern equipment, or to help local governments put in complementary facilities; for example: Docks, sewage system, access roads, and other facilities.

I presume this is a correct account of the statement made by Mr. Small before that committee. So far as I am concerned, I am opposed to forcing our veterans to sleep on docks or in sewers. I think the facts are being misrepresented insofar as the proposed subsidies are concerned, and I propose to vote against providing funds for subsidy payments of no direct benefit to veterans.

Mr. Speaker, on March 26, the Washington Post carried an article stating that National Commander Steele, of the American Legion, would fight for the housing program, including $600,000,000 of subsidies. Because of the widespread criticism which resulted, efforts were made by legionnaires in Congress to

clarify the organization's position on this measure. The Washington News later quoted the Legion commander as saying that he was without authority to endorse subsidies for housing, and he repudiated the publicity first released in connection with his stand on this question. Therefore, it is apparent that organized veterans have not supported the proposal to provide housing subsidies.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. THOM].

Mr. THOM. Mr. Speaker, I shall support subsidies for the housing program. When the House recently amended up and down the House bill for continuance of the OPA, it scrupulously preserved the subsidies for copper and petroleum production. Some of the same men who supported these subsidies on this floor today are objecting to subsidies to increase building materials for soldiers' houses. What mystifies me is the difference between the two. If building material subsidies are nefarious, then why were copper and petroleum subsidies so wise? There is, in fact, no difference whatsoever.

The question that naturally would arise in one's mind in this debate is, Why should we have the United States Treasury assist with $400,000,000 to promote the building program? To answer that we must remember that while the soldiers were at the front, the nonparticipants in the war who remained at home took possession of all housing facilities. For them the Government often provided war housing in order that war production would not be interfered with because of lack of housing for war workers. When the soldier returned to the scene he found that there was no shelter for himself and his family. Has not the soldier the moral right to ask that his country step up the production of building materials so that he, too, like his neighbors, may live in desirable surroundings? I think we owe this assistance to the veterans, even if the subsidy device must be used.

I do not know why so many feel deeply aroused about the subsidy question at this time. We have used premiums or subsidies to promote many kinds of business in the past. We gave immense acreage of land to western railroads, in order to induce them to build transportation facilities. We are using Federal money to keep our merchant marine alive by subsidies. In the old McKinley tariff law of the nineties we gave a direct subsidy out of the Treasury for the production of sugar. The subsidy abused, of course, is an evil. But it oftentimes supplies that incentive which we have been told is the cornerstone of the private profit system.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, the motion now before the House will, if adopted, place it within the power of one man to pay out nearly a half billion dollars of public funds to Tom, Dick, or Harry, and this one man will have the power to decide whether it will be Tom, Dick, or Harry who will get the money. This man will be able to say that the Smith Cinderblock Co. shall get a subsidy but that the Jones Brick Co. across the road should get nothing. This is the power of economic life and death. It should not be given to any man or group of men. Public funds should never be paid out except under rules and formula prescribed by law. No formula is here provided. No rule is prescribed to apply to all alike.

In fact, no administrator can possibly apply this program to all producers alike, and, if he could, he would defeat the announced purpose of the subsidy. While I have never met the Housing Expediter, I have received only good reports about him. I believe him to be an honest and conscientious man. I accept all of the statements that have been made in his behalf. I think he will honestly try to administer this program, but I know that he is only a mortal man, and I see no prospect of any man administering such a program without charges of graft and corruption.

Mr. Speaker, I fear that before 1 year has passed, we will all hang our heads in shame when this half-billion gravy train is mentioned. I fear that I foresee the framework for a full-grown national scandal. Please understand that I charge no individual with improper motives, but it is utterly impossible that any human being should be able to give this money to some producers and deny it to others without creating a feeling on the part of many good people that the whole thing is tarred with favoritism.

Mr. Speaker, I am unwilling to be a party to such an ill-starred project. I wish that I could believe that merely by spending tax money that it will be possible to supply scarce building materials and that by passing a bill we could assure every ex-serviceman the home of his dreams. I indulge in no such self-delusion, and I do not propose to mislead ex-servicemen into believing any such illusions. I have supported the proposal to give ex-servicemen priority in dividing the inadequate supply of building material. I am glad to let an ex-serviceman get the building material I would like to have. I am glad to provide the funds with which to finance his home on very liberal terms. We have done these things, and I voted for them.

I am not willing to tell the ex-serviceman that he will be able to get a house when I know that the chance of getting it for him is very remote. Nor am I willing to involve his Government in charges of improper use of public funds simply in order to be able to tell the ex-serviceman that we hope that perhaps we may be able to get some favored producers to turn out more building material.

Mr. Speaker, the whole policy of subsidies is unsound. It is based on the idea that the Government should pay the bill of the individual. In this case it is especially dangerous. It will not do for the veteran what it is claimed, but it will undermine the foundations of public confidence in our Government.

Mr. SPENCE. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Speaker, I think I may say without immodesty that perhaps I have manifested as great an interest as any Member of this body in providing living quarters for our veterans, but I opposed these subsidies when this measure was before us recently, and I oppose them now. In my judgment, this is a misguided effort in the name of the veteran to do the veteran a great injustice and also to do a great injustice to the American system of free enterprise for which the American veterans fought valiantly on so many battlefields.

I heard the Expediter, Mr. Wyatt, explain the purpose of these subsidies, or so-called premium payments. They were to be payments made to individuals or firms or companies or corporations for production beyond their normal production. Well, with so many sawmills and clay-products factories closed down in this country, they cannot under existing conditions even get up to normal production, and consequently established business, which is the backbone of our American system of free enterprise, may not be able in many instances to prove itself eligible to receive these premium payments. But, on the contrary, any new concern, with little or no previous output, has already reached its normal production, and consequently could be put into business through these subsidies in competition with those concerns which have been operating for the benefit of America for a long, long time, and which might not be able to qualify to receive these payments under the stipulated requirement.

Now, to whom is this money going? It must go in large measure to the class I have enumerated, to the new industries and the new people in industry, to the disparagement of those already prepared to carry on the necessary production.

Who is going to repay the Federal Government the $400,000,000 that is not going to the veterans? I think it would be very interesting to pause and consider this important question. In large measure, it must be paid by the very veterans to whom we look forward to be the backbone of this country tomorrow in preserving the fundamental principles of the American Government, in which you and I believe, and in behalf of which they fought and suffered. They will not get this money, but they are going to have to put it back into the Federal Treasury. So we are going to tax them in order to do them an injustice. "A rose by any other name would smell as sweet." Call these premium payments what you will, in my judgment subsidies of this character by any other name would smell as sour.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, the administration and the Congress of the United States have sponsored and enacted into law many bills in the past 2 years aimed at the purpose of an orderly reconversion of our wartime economy to a peacetime basis. We have passed laws and appropriated billions of dollars to aid and assist our returning veterans to insure their speedy rehabilitation from that of warriors who saved the

Republic to useful citizens in times of peace.

But we now find that entire program thwarted by a wave of strikes, which has culminated in the most harmful of all—the coal strike. If the purpose of John L. Lewis is to completely paralyze our reconversion program, he could not have chosen a better weapon at this time, for, after all, no houses, no automobiles, washing machines, radios, farm and industrial machinery and tools can be produced without steel. As I pointed out when we were trying to do something about the last coal strike, the mining of coal is the basis of our whole economy. It takes so many tons of coal to manufacture so many tons of coke; it takes a given quantity of coke to manufacture a given quantity of steel. Steel is essential to our entire system of living, including the operation of our transportation system, for heating, lighting, and even for cooking.

So it is apparent, Mr. Speaker, that by one fell swoop this arrogant, uncompromising man threatens to stymie our whole reconversion program.

Be it said to the credit of the House we have on several occasions passed legislation which would attempt to do something about this situation. But always our efforts have been pigeonholed in the other body.

Mr. Speaker, if it is the purpose of the Congress and the administration to follow the usual course of waiting to the last moment, then have the Federal Government seize the mines, operate them for a short time, meet Mr. Lewis' demands, and then turn the mines back to the operators, as one who is seriously interested in our reconversion program and as one who have given so much thought and effort to the whole matter, I would respectfully suggest that such action be taken now before the situation becomes hopeless and thereby save 6 months' to a year's progress in our reconversion program. While I do not approve of such a procedure, if that is to be the strategy, it ought to be done now.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. GILLESPIE].

Mr. GILLESPIE. Mr. Speaker, as I understand this subsidy, it will be paid to manufacturers who are unable to manufacture sufficient amount of material to satisfy the housing authorities. If there are two manufacturers, one of whom is turning out a satisfactory amount of material, and the other, because of some extraordinary expense or inefficiency in his plant, is not turning out a satisfactory amount of material, the inefficient one will get the subsidy to bring his production up, and the efficient fellow will not get the subsidy. If that is true, we would be paying a premium on inefficiency, and that is something that is contrary to what we have always done in America.

I made a tour of Denver the other day and looked at the houses that are going up. There are 1,875 houses in that city that are unfinished because of material bottlenecks. I found three large apartment houses that will house some 100 families. The investment in these buildings is around $400,000. They are nearly completed, with the exception of one thing, and that is rock lath. I found that the rock lath manufacturers were not making enough of it. In checking, I found that it is the paper used in the backing up of this material that is lacking. I had an estimate that there was only $500 or $600 worth of paper involved in the whole project, and that a raise of some 10 percent on this paper would have gotten the paper. So here for the lack of an extra expenditure for the paper of probably $100 or less, $400,000 worth of construction is being held up. That is what maladministration in Government agencies does.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. GILLESPIE. I yield to the distinguished gentleman from Michigan.

Mr. CRAWFORD. On the question just mentioned by the gentleman with respect to these premium payments, and particularly with reference to what the gentleman from Texas [Mr. LANHAM] said, who gave us considerable light on this which I have not been able to get before, listen to this language:

> Premium payments shall be used only temporarily, only with relation to additional units of production beyond that otherwise obtainable.

"Additional units." To me, that is just as clear as day that this $600,000,000 is to be used to promote new fellows in the business who know nothing about it and who, if they make mistakes, will be taken care of by the guaranty, instead of letting our established firms move ahead, as the gentleman says, and sell on the basis of a 5- or 10-percent increase.

Mr. GILLESPIE. Not only that, the premiums or subsidies would be paid to large manufacturers who would least need them, while the thousands of smaller manufacturers starting up all over the country to build prefabricated houses would receive no subsidy. It ought to be the other way around. The fellow with large production would get more, and the fellow with less production could not get any. In other words, it would gravitate to the big firms, and the smaller firms would be out. There has been a lot said about a subsidy for veterans, but the facts are that probably not over 50 percent of these subsidized materials would go into veterans' housing.

If we are going to pay a subsidy to the veteran, why do we not say to the veteran building a $6,000 house, "You have $3,000 worth of material in that house. Consequently, we are going to give you 5 percent as a bonus for building that house." That would be $150. Then, the price should be raised in the American way on those materials so that the houses can really be built in quantity and the subsidy would go direct to the veteran and would cost the taxpayer less than one-half the amount proposed. Why do we want to mess it up and do it the hard way? We all know that success in business lies in simplifying complicated things and not complicating simple things. This looks simple to me. Why do we not raise prices just a little and we will get all the production necessary.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. GILLESPIE. I yield.

Mr. CRAWFORD. The $600,000,000 figure allows $240 for 2,500,000 homes so you could give them 8 percent as a bonus.

Mr. GILLESPIE. The gentleman is absolutely right and I think if we raise the price a little on the scarce materials, we will produce all the material we need. The subsidy will not help the veterans to get houses and they know it. The subsidy is not intended to get houses but to get the veterans' votes and the veterans will know that too. They are tired of being kidded. We have the willing workers, the forests, the brickyards, mines, and everything necessary to go ahead with this program, so why complicate it with unnecessary subsidies which have been such a failure in the dairy business, the meat business, and everywhere else it has been tried. Why borrow money for our children and our children's children to pay back with interest?

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, I have consistently voted for every dollar of appropriations that I believed to be of assistance to our war veterans. I shall continue to do so. If I were convinced the adoption of this amendment would be of real assistance to the veterans of this country, I would not hesitate to support it. Mr. Speaker, the $400,000,000 in this bill will not go to the veterans. It will go to manufacturers. It is a manufacturers' subsidy, in my judgment, and not a subsidy to our ex-servicemen. If you will make provision that either the $400,000,000 in this proposal or the $600,000,000 in the original bill, may be allocated as a bonus to veterans direct, to assist in building or buying homes, I will gladly go along with you. According to the statements of those who proposed this legislation, nearly all of it will be used as a subsidy for manufacturers, especially those who have recently engaged in business—some of whom are in the promotion stage. It will not even go to the producer of building materials. It will not go to the ordinary and well-established contractors, builders or material men in our communities. It is not even claimed that any part of it will go to the men who work in the forest or in the mills. I just do not believe the ordinary, average veteran will realize anything out of it. If I thought it would build more homes for veterans at cheaper prices, of course I would support it. I realize that veterans have been led to believe it would do that very thing, but in my judgment, it will only increase the incomes of a few large manufacturers and will accomplish practically nothing in taking care of a dire shortage of houses in this country and the veterans will be required to help pay the bill in higher taxes. Follow my prediction during the next year and see if I am right. The servicemen will still be paying high prices for homes, higher than they should and a few manufacturers will get the money.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I regret that the Housing Expediter has not produced

any concrete plan or proposals to prove or even indicate these premium payments would be of real value in getting the desperately needed houses for veterans. I would vote for them in a minute if I could find any evidence they would do the job. The cost is not the decisive factor here. Any costs incurred in getting homes built rapidly for veterans is a legitimate part of the cost of the war. That has been the view all along of most of us, as proved by the fact we have approved an even greater amount—$431,000,000 with hardly a dissenting vote, as I remember—for transporting and reconditioning war housing for the use of veterans. That program was sound and has worked. If Mr. Wyatt will come before the Appropriations Committee with specific plans showing how and for what the payments would be made, and with what probable result, I will vote for them in whatever amount can be effectively used. That is the procedure followed so successfully with the subsidies we have repeatedly voted to get greater production of copper, zinc, and lead from high-cost mines. The procedure is already authorized by law. Mr. Wyatt has only to make his case and money will be granted with overwhelming support.

I realize fully that a vote against this program will be labeled by some as a vote against the veteran. However, I must vote according to facts, not according to labels.

We all recall 2 years ago when our vote against the Federal ballot for soldiers was labeled a vote against the soldier; a vote to deprive him of his right to vote. But was it? No, indeed. It was a vote to give him his vote—a bona fide vote. History proved that the Federal ballot was the phony. We were the ones who, despite all abuse, voted according to facts—not propaganda—and thus succeeded in getting to the soldier exactly the same ballot he would have had if he had been at home. In actual trial the Army found the Federal ballot unworkable and unsatisfactory, and has abandoned it this year, using instead the regular State ballots for which we fought.

Just so I am convinced events will prove that this premium-payments program, as thus far outlined, will not do the job of getting maximum production of building materials. I cannot, in good conscience, vote $400,000,000 or even $40 as a blank check for any person to spend until some sort of specifications and justification are presented. It is no kindness to the soldiers to vote such blank checks. I will vote for any veteran housing program that will deliver the goods. I am sorry that I have been unable to find evidence or even a reasonable hope that this subsidy program will do it.

It is significant to note that the ranking Democrat and Republican on the Committee on World War Veterans' Legislation voted against the subsidies. Would they have done that if they had believed the subsidies would really help the veterans?

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PATMAN].

PREMIUM PAYMENTS TO BE USED TO ENCOURAGE PRODUCTION OF ALL BUILDING MATERIALS

Mr. PATMAN. Mr. Speaker, the statement was made here that Mr. Wilson Wyatt said these premium payments would not be used to make payments for the production of lumber or bricks. I was trying to get in touch with Mr. Wyatt so that the proper information would be at hand to deny this statement. But while I was trying to get in touch with him the statement was changed and it was said that Mr. Wyatt did not make the statement but the attorney representing Mr. Wyatt had made the statement. The only attorney representing Mr. Wyatt in the conference was Mr. Keyserling. Since it was mentioned in the conference, although I consider it confidential, it has been mentioned here, and I feel I have the right to speak about it. Mr. Keyserling just authorized me to say that no statement had been made by him to the effect that premium payments would not be used for lumber or bricks. That statement was not made in the conference or any other place by him or any other person connected with the administration of this law. Mr. Keyserling further said that the premium payments are intended to be used for any building material in order to increase production. Next he said that the premium payments were not intended to be used except as a last resort and then only after consultation with the industry and only when a price increase would be deemed unwise. I must stress the point that if we fail to vote for this motion, if this is turned down and does not become a law, there will be between 500,000 and 700,000 fewer houses in this country a year from today. In other words, a vote against this motion is a vote to deprive the veterans of this war of the use of between 500,000 and 700,000 houses within the next year.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and include a letter from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I have been out in Wisconsin a few days, out where the people who pay their share of the bills live; where a great many of them are making from 40 to 60 cents an hour, regardless of what job they may have—out where the air is a little fresher—where it would be refreshing to take an hour and report what the people say about Washington, instead of going out there and telling them what is going on in Washington.

There are a few things I would like to get straightened out.

First, I would like to ask if, when this bill was under consideration previously, our colleague the gentleman from Florida [Mr. PRICE], did not offer an amendment that would have subsidized home building only for the veterans. Is that correct?

Mr. CRAWFORD. The gentleman means subsidies paid directly to the veterans?

Mr. MURRAY of Wisconsin. Yes.

Mr. CRAWFORD. Yes.

Mr. MURRAY of Wisconsin. Now, if this is a veteran's bill, why was it not referred to the veteran's committee? Why did it go to the Committee on Banking and Currency?

Mr. CRAWFORD. It happens that this bill is not in behalf of the veterans. The prayer is prayed in their name, but the benefits are to directly flow to certain manufacturers who want to get into the prefabrication of homes. That is what it does. Tell your people that when you go back home. It is written into the language of the bill.

Mr. PATMAN. Mr. Speaker, I make a point of order against the language of the gentleman from Michigan [Mr CRAWFORD] to the effect that this bill is intended to have prefabricator contractors and manufactures benefit from the bill, impugning the motives of the Members of the House who are for the legislation.

The SPEAKER. The Chair would be compelled to hold that the gentleman from Michigan [Mr. CRAWFORD] was expressing his opinion.

The gentleman from Wisconsin will proceed.

Mr. MURRAY of Wisconsin. Mr. Speaker, I have a letter from a veteran showing that they are not all interested in having a house. They are interested in making a living and making enough money so that they can have a house in which to live.

I have a letter today from a little town of around 3,000 people. He states:

WAUPACA, WIS., *May 6, 1946.*

Hon. REID F. MURRAY,
Member of Congress,
Washington, D. C.

DEAR REID: Since my release from the Army, I have gone into wholesaling meat business with my father. Our business has increased and I expected to slaughter 100 head per month during the summer as these are the business months for Waupaca. I have gone to considerable expense and built a slaughterhouse, and figured to have a small yard in time where truckers could bring their cattle the same as at Green Bay.

Now, the OPA says we can butcher 10 head per month and puts no limit on what the packers can do. I went to the OPA and asked for a quota increase and they told me that our quota was based on what my father did in 1942 and that our business shouldn't have increased.

I asked for a quota for myself as a veteran as I should have a right to be in business, and they said they would send me a form to fill out but to date I have received no form and cannot see where I am going to get it.

Let me ask why the large packing companies should be allowed to butcher all they want and the small operator be limited.

It seems to me I should be entitled to be in business, and I need a quota of 100 head per month if I am going to supply the shops I have been serving during the winter.

Why should our people go without meat so we can ship it abroad to places like India where the people don't eat meat.

As a veteran, I can say we don't need any Government help, but instead Government stopped restricting business so that we can

again have production. After all, it was American production that won the war.

We can't buy clothes, butter, farm machinery, lumber, and cars, all because of Government interference. I have covered a lot of ground in this letter and my sentiments may not be put on paper, but it seems to me when our Government lets all the foreign countries make "suckers" out of us and have things so muddled up at home, it is time for a complete change in our administration. If the people ever get a chance they will show their disapproval.

As you are in a position to help me and all of us back here, I am asking your assistance and I need it right pronto if I am going to stay in business.

Sincerely yours,

EDWIN R. POPE.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield for an observation?

Mr. MURRAY of Wisconsin. I yield.

Mr. WOLCOTT. Commenting upon the remarks by the gentleman from Texas [Mr. PATMAN] as to whether or not the attorney for Mr. Wyatt made the statement that these subsidies were not going to be used for labor and for lumber, I should like to call attention to the fact that three Members have made the statement here on the floor today that he did make that statement; and I also want to comment in substantiation of the probability that he made the statements that the OPA has increased the price of lumber and adjusted prices of lumber to the extent where subsidies are unnecessary. The reason they are not going to pay subsidies for lumber and the reason he very properly said they were not going to use subsidies for lumber is because they raised the price and that will result in a maximum amount of production of lumber.

Mr. MURRAY of Wisconsin. I will say to the gentleman from Michigan that so far as I am concerned and remembering the soldiers' vote bill of 2 years ago, and the present false plea that this is to get houses for the veterans, I think this legislation is brought in here so some folks can run around come election time and point their finger and say: "You do not want the veterans to have a house." You should vote for the subsidy even if you well know the veteran will get mighty little subsidy out of the whole program. Instead of a $240 subsidy per house for all who build, why not a subsidy for the houses for veterans? That is my personal opinion. If we want to do something for the veterans, let us stop fooling and do it; let us make the subsidy direct to the veteran; let us go to work without so much evading; let us get to building houses instead of talking about their having houses. These houses are evidently to be built in the large cities of the country and will be prefabricated houses as well.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. CRAWFORD. Let us go back to the cattle proposition. We know what happened on this floor in the last few days with respect to livestock. Here is a case where the gentleman's constituent cuts across the economic program of a dictator, the slaughter controller. That is the reason I said you cannot run this country under a dictated form of economy and have free enterprise and a representative form of government.

Mr. MURRAY of Wisconsin. In peacetime it is surely most difficult to maintain an economic dictator. It is more evident every day.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. ELLIS].

Mr. ELLIS. Mr. Speaker, I want to remind my colleagues that here, months after VJ-day, the fact remains we have built very few houses. I noticed in the press a few days ago where a Washington builder stated that a house which used to take 3½ months to build now takes 7 months, largely because of governmental interference and regulation. I should like to remind this body that in 1925 the building industry of this country constructed 900,000 housing units. In addition they constructed commercial and industrial building equivalent to 900,000 more dwelling units; consequently, in the year 1925 we constructed the equivalent of 1,800,000 dwelling units without subsidies, without Mr. Bowles, without Mr. Wyatt, without Mr. Small, without any governmental instructions whatsoever; and this great giant, the labor of the building trades and the building industry, which expanded during the war, will do it again if we let them alone and do not impose further regulations but relieve them from existing handicaps.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The gentleman from West Virginia yields back 1 minute.

Mr. SPENCE. Mr. Speaker, I yield the remainder of my time to the gentleman from Massachusetts [Mr. MCCORMACK] to conclude the debate.

The SPEAKER. The gentleman from Massachusetts is recognized for 9 minutes.

Mr. McCORMACK. Mr. Speaker, in a few minutes for the first time in this body the people of the country and the veterans of our country will have an opportunity of knowing how Members in this House are going to vote on a matter of vital concern to the veteran. One thing is certain about a roll call, we cannot do any kidding after it is over, because it then is a part of the CONGRESSIONAL RECORD for all time. I am sure the veterans will not be deceived by the sleight-of-hand thinking based on the arguments of some of my Republican friends I have heard here today.

Mr. Speaker, I do not look at this from the standpoint of subsidies and I do not think the veteran, the fellow who wore the uniform, is going to view our effort to meet this housing emergency other than in the light of sound common sense, and other than that the $400,000,000 proposed is a part of the cost of the war. I view this as a part of the cost of the war. Why? We took these young men from civilian life because our country needed their services in time of danger. They wore the uniform and they served during the period of the war when we had to concentrate all of our efforts on the production of munitions of war. Everything else had stopped. Everything else had to be suspended. One of the things suspended was the building of homes. The very necessity of winning the war required that, but, having won the war, these young men came back in the number of millions. By reason of our inability to engage in home construction for a period of 4 years or more, an emergency exists which confronts us at the present time. This emergency arose out of the war. It is the first job we have to do, one of the most important jobs we have confronting us, and in connection with the $400,000,000 this is necessary to bring the veterans' emergency housing program to a successful conclusion. The $400,000,000 proposed is just as much a part of the operations incident to the winning of the war as any other item. The premium payments are needed to accelerate the production of materials.

I wonder what the veterans are going to say when they find that only a few weeks ago this very body without any fight put through $100,000,000 in premium price payments for copper, lead, and zinc? That provision was contained in a recent OPA bill that passed this body. Not a voice was raised against that item. That $100,000,000 is a premium price payment identically along the same lines as the $400,000,000 involved in the question before us today, except in that case it was to stimulate the production of copper, lead, and zinc; the $400,000,000 involved here today is to stimulate the production of materials to go into housing. There is no difference basically—$400,000,000 in one case and $100,000,000 in the other. The $100,000,000 is to stimulate the production of copper, lead, and zinc. Nobody undertook to eliminate that from the bill when it was before us a few weeks ago.

Mr. Speaker, the question that was considered in the House before is somewhat different from the question we have before us today. The Senate adopted an amendment putting back the $600,000,000. The Members who voted against the proposition as it was before the House several weeks ago can justifiably vote for this proposition today and be consistent. There may have been some provisions contained in the House amendment that they did not agree with and other provisions they did agree with. The Senate has corrected that situation. The requirements, standards, and limitations involved in the Senate amendment are before the House and the question in this respect now is materially different than involved in the matter when it was before the House 3 or 4 weeks ago.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. SPENCE. In addition to the copper, lead, and zinc, we incorporated $50,000,000 for petroleum products to keep the stripper wells in operation.

Mr. McCORMACK. Correct. So we have this proposition where we have already in principle voted $100,000,000 for copper, lead, and zinc and $50,000,000 for petroleum and its byproducts. Nobody objected to that, yet when it comes to $400,000,000 for the veterans, basically the same proposition, then we find this severe opposition to the consideration of

this legislation so vitally important to the successful conclusion of the veterans' emergency housing program.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I think in the interest of maintaining the accuracy of the RECORD, the gentleman from New York [Mr. TABER] moved to strike out all those subsidies, and his motion lost by one vote.

Mr. McCORMACK. The fact remains that what I say is correct, that the $100,000,000 is contained in the bill.

Mr. DIRKSEN. The gentleman said that no voice was raised against it.

Mr. McCORMACK. Oh, well, the fact is it passed the House. The basic fact is that it passed the House. Does the gentleman from Illinois deny that?

Mr. DIRKSEN. I do not deny that.

Mr. McCORMACK. Of course, the gentleman cannot deny it.

Mr. DIRKSEN. There was plenty of voice raised against it, and we voted against it.

Mr. McCORMACK. Yes; but the fact is it passed the House. This House passed a $100,000,000 premium payment for copper, lead, and zinc, and $50,000,000 for petroleum, but this House refused to vote premium payments in connection with veterans' housing.

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. GALLAGHER. I have a cousin who owns 55 houses in Minneapolis. His son recently returned from the war but he does not have a place to house him.

Mr. McCORMACK. There are tens of thousands throughout the country today in a similar situation.

Mr. GALLAGHER. I could sell my house for $3,000 more than it is worth, but if I want another one I would have to pay the same thing.

Mr. McCORMACK. In conclusion I want to emphasize the fact that any Member who hitherto voted against the $600,000,000 proposition when it was in the House in the Committee of the Whole can justifiably vote for this proposition today, first, on the ground that it is not the same proposition; that the standards of the requirements are entirely different; and, second, I contend that this $400,000,000 premium payment should be considered as a part of the cost of the war. While the actual war is over the emergency housing situation exists as the result of the conduct of the war. These young men who have served have been discharged. They are now back in civilian life. They are facing this housing emergency. There is a crying demand for immediate relief. They want action. The Wyatt bill, with this $400,000,000 premium payment, is absolutely essential to bring about the early conclusion of this necessary program. I urge the adoption of the motion of the gentleman from Kentucky [Mr. SPENCE].

The SPEAKER. The time of the gentleman from Massachusetts has expired. All time has expired.

The question is on the motion offered by the gentleman from Kentucky.

Mr. SPENCE, Mr. PATMAN, and Mr. MARCANTONIO demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 187, nays 158, answered "present" 1, not voting 84, as follows:

[Roll No. 110]

YEAS—187

Abernethy	Gordon	Mills
Allen, La.	Gore	Murdock
Andrews, Ala.	Gorski	Murphy
Andrews, N. Y.	Granahan	Neely
Angell	Granger	Norblad
Bailey	Green	O'Brien, Ill.
Barrett, Pa.	Gregory	O'Brien, Mich.
Barry	Hall, Edwin Arthur	O'Neal
Bates, Ky.	Hand	O'Toole
Beckworth	Hare	Outland
Biemiller	Harless, Ariz.	Pace
Bland	Hartley	Patman
Bloom	Havenner	Pickett
Bolton	Hays	Price, Ill.
Boykin	Healy	Priest
Brooks	Hedrick	Quinn, N. Y.
Bryson	Heffernan	Rabaut
Bulwinkle	Heselton	Rabin
Bunker	Hobbs	Ramey
Byrne, N. Y	Holifield	Randolph
Canfield	Holmes, Wash.	Rayfiel
Cannon, Mo.	Hook	Resa
Carnahan	Huber	Richards
Case, N. J.	Hull	Rivers
Celler	Izac	Robertson, Va.
Chapman	Jackson	Robinson, Utah
Cheif	Johnson, Calif.	Rogers, Fla.
Clark	Johnson, Luther A.	Rogers, N. Y.
Clason	Johnson, Lyndon B.	Rooney
Clements	Johnson, Okla.	Rowan
Coffee	Kearney	Ryter
Colmer	Kee	Sabath
Cooper	Kefauver	Sadowski
Corbett	Kelley, Pa.	Sasscer
D'Alesandro	Kelly, Ill.	Savage
Davis	Keogh	Sheridan
De Lacy	Kerr	Slaughter
Delaney, James J.	King	Smith, Maine
Delaney, John J.	Klein	Somers, N. Y.
Douglas, Calif.	Kopplemann	Sparkman
Douglas, Ill.	Kunkel	Spence
Doyle	Larcade	Starkey
Durham	Latham	Stigler
Earthman	Lesinski	Sullivan
Eberharter	Lewis	Taylor
Elliott	Link	Thom
Elsaesser	Luce	Thomas, Tex.
Fallon	Ludlow	Thomason
Feighan	Lyle	Torrens
Fenton	Lynch	Traynor
Fernandez	McCormack	Trimble
Flannagan	McDonough	Vinson
Flood	McGehee	Voorhis, Calif.
Fogarty	McGlinchey	Walter
Folger	McMillan, S. C.	Weaver
Forand	Mahon	Welch
Fulton	Manasco	Whitten
Gallagher	Mankin	Wickersham
Gamble	Mansfield, Mont.	Winstead
Gardner	Marcantonio	Wolverton, N. J.
Gary	May	Woodhouse
Geelan		Worley
Gerlach		Zimmerman

NAYS—158

Allen, Ill.	Case, S. Dak.	Gibson
Almond	Chenoweth	Gifford
Andersen, H. Carl	Chiperfield	Gillespie
Andresen, August H.	Church	Gillette
Arends	Clevenger	Goodwin
Arnold	Clippinger	Gossett
Barden	Cole, Kans.	Graham
Barrett, Wyo.	Cole, Mo.	Griffiths
Bates, Mass.	Cole, N. Y.	Gross
Beall	Cooley	Gwynne, Iowa
Bennet, N. Y.	Cox	Hale
Bishop	Cravens	Hall, Leonard W.
Blackney	Crawford	Halleck
Bradley, Mich.	Cunningham	Hancock
Brehm	Curtis	Harris
Brown, Ga.	D'Ewart	Henry
Brown, Ohio	Dirksen	Hess
Brumbaugh	Dolliver	Hill
Buck	Dondero	Hoeven
Buffett	Dworshak	Hoffman
Burch	Eaton	Holmes, Mass.
Byrnes, Wis.	Ellis	Hope
Camp	Ellsworth	Horan
Campbell	Elston	Howell
Carlson	Engel, Mich.	Jenkins
	Ervin	Jennings
	Gathings	Jensen
	Norrell	Short
	O'Hara	Simpson, Ill.
	O'Konski	Simpson, Pa.
	Peterson, Ga.	Smith, Ohio
	Phillips	Smith, Va.
	Pittenger	Smith, Wis.
	Ploeser	Springer
	Plumley	Stefan
	Poage	Stockman
	Rankin	Sumner, Ill.
	Reed, Ill.	Sumners, Tex.
	Reed, N. Y.	Sundstrom
	Rees, Kans.	Taber
	Rich	Talbot
	Riley	Talle
	Rizley	Tarver
	Robertson, N. Dak.	Thomas, N. J.
	Robsion, Ky.	Towe
	Rockwell	Vorys, Ohio
	Roe, Md.	Vursell
	Rogers, Mass.	Wadsworth
	Schwabe, Mo.	Weichel
	Schwabe, Okla.	West
	Scrivner	Wigglesworth
	Shafer	Winter
	Sharp	Wolcott
		Wolfenden, Pa.

ANSWERED "PRESENT"—1

Boren

NOT VOTING—84

Adams	Gavin	Monroney
Anderson, Calif.	Gearhart	Morgan
Auchincloss	Gillie	Morrison
Baldwin, Md.	Grant, Ala.	Norton
Baldwin, N. Y.	Grant, Ind.	Patrick
Bell	Gwinn, N. Y.	Patterson
Bender	Hagen	Peterson, Fla.
Bennett, Mo.	Harness, Ind.	Pfeifer
Bonner	Hart	Philbin
Bradley, Pa.	Hébert	Powell
Buckley	Hendricks	Price, Fla.
Butler	Herter	Rains
Cannon, Fla.	Hinshaw	Reece, Tenn.
Cochran	Hoch	Rodgers, Pa.
Combs	Jarman	Roe, N. Y.
Courtney	Johnson, Ind.	Russell
Crosser	Kilday	Sheppard
Curley	Kirwan	Sikes
Daughton, Va.	LaFollette	Stevenson
Dawson	Landis	Stewart
Dingell	Lane	Tibbott
Domengeaux	Lea	Tolan
Doughton, N. C.	McCowen	Wasielewski
Drewry	McKenzie	White
Engle, Calif.	Madden	Whittington
Fellows	Maloney	Wilson
Fisher	Mansfield, Tex.	Wood
Fuller	Miller, Calif.	Woodruff

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hart for, with Mr. Woodruff against.

Mr. Monroney for, with Mr. Boren against.

Mr. LaFollette for, with Mr. Herter against.

Mr. Powell for, with Mr. Wilson against.

Mr. Hoch for, with Mr. Whittington against.

Mr. Dingell for, with Mr. Gillie against.

Mr. Roe of New York for, with Mr. Fuller against.

Mr. Morrison for, with Mr. Johnson of Indiana against.

Mr. Sheppard for, with Mr. Grant of Indiana against.

Mr. Baldwin of New York for, with Mr. Harness of Indiana against.

Mr. Combs for, with Mr. Rodgers of Pennsylvania against.

Mr. Bradley of Pennsylvania for, with Mr. Fellows against.

Mr. Pfeifer for, with Mr. Hébert against.

General pairs until further notice:

Mr. Bell with Mr. Gavin.

Mr. Domengeaux with Mr. Stevenson.

Mr. Courtney with Mr. Hagen.

Mr. Lane with Mr. Butler.

Mr. McKenzie with Mr. Adams.

Mr. Doughton of North Carolina with Mr. Bennett of Missouri.

Mr. Philbin with Mr. Anderson of California.

Mr. Patterson with Mr. Bender.

Mr. Buckley with Mr. Auchincloss.

Mr. Curley with Mr. Gwinn of New York.

Mr. Wasielewski with Mr. Gearhart.

Mr. Stewart with Mr. Reece of Tennessee.

Mr. Mansfield of Texas with Mr. McCowen.
Mr. Dawson with Mr. Landis.
Mr. Drewry with Mr. Tibbott.
Mr. Cochran with Mr. Hinshaw.

Mr. BOREN. Mr. Speaker, if the gentleman from Oklahoma, Mr. MONRONEY, were present he would have voted "yea." He has been in touch with me and in consideration of the circumstances which compel his absence, I have agreed to a live pair with him. Therefore I ask that my vote of "nay" be withdrawn and that I be recorded as answering "Present." As the House knows, the absence of the gentleman from Oklahoma is due to the death of his mother. His stand on this issue is well known. The vote comes when he is at his mother's graveside, and I could not in good conscience be a party to compelling his return in order that his vote be counted.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on the action just taken.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a conference report on the bill H. R. 4761, the National Housing Act.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 159. Joint resolution to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Justice.
2. Department of the Navy.
3. Department of State.
4. Department of War.
5. Federal Security Agency.
6. Petroleum Administration for War.
7. United States Railroad Retirement Board.
8. United States Soldiers' Home.

OPTOMETRY CORPS IN THE MEDICAL DEPARTMENT OF THE ARMY—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—H. DOC. 576

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 3755, the purpose of which is to establish an Optometry Corps in the Medical Department of the Army. In my opinion a separate Optometry Corps would be out of harmony not only with the present structure of the Medical Corps, but also with the contemplated organization of the Medical Department of the postwar Army.

During the course of the war, the Army has utilized optometrists to the maximum extent consistent with sound medical practice. The Medical Department of the postwar Army will likewise utilize optometrists to the maximum extent practicable. It is contemplated that they, together with the other professional and scientific groups included in modern medical service, will constitute a Medical Service Corps, with appropriate commissioned rank. However, our military personnel are entitled to the best medical care available; and the creation of additional separate corps will, in my opinion, hinder rather than facilitate the accomplishment of this aim. Medical care must be directed and coordinated by officers professionally trained and competent to recognize pathological conditions and assume complete responsibility for adequate care.

Furthermore, H. R. 3755 would establish a promotion plan providing more rapid advancement for optometrists than for most other branches of the Army and no persuasive reason is apparent why this particular group should be afforded more favorable treatment than others similarly situated.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 9, 1946.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on Military Affairs and ordered to be printed.

There was no objection.

SPECIAL ORDER GRANTED

Mr. PACE. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent that tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. CELLER asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. ROONEY asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD and include a statement entitled "Retirement Legislation for Civilian Component Officers."

Mrs. DOUGLAS of Illinois asked and was given permission to extend her remarks in the RECORD.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include a copy of a report to his constituents.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and include two letters from a constituent.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include two letters.

Mrs. BOLTON asked and was given permission to extend her remarks in the RECORD and include an article from the Washington Times-Herald.

Mr. CARLSON asked and was given permission to extend his remarks in the RECORD and include a petition.

Mr. JONKMAN, Mr. RIZLEY, and Mr. EARTHMAN asked and were given permission to extend their remarks in the RECORD.

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD and include a speech delivered by her at the Polish-American Congress in New Britain, Conn.

Mr. STEFAN asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. TABER asked and was given permission to extend his remarks in the RECORD and include a statement he made.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include all or part of a recent radio address.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Boston Herald.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a speech delivered by Mr. Frederick C. Crawford before the Bureau of Advertising of the American Newspaper Publishers Association.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks in the RECORD in two instances and to include editorials.

Mrs. SMITH of Maine asked and was given permission to extend her remarks in the RECORD in two instances and include in one a speech made by Colonel Marden at the State Republican convention and in the other a statement made before the Committee on the Merchant Marine and Fisheries on the Coast Guard.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his re-

marks in the RECORD in four instances and include certain excerpts and letters.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article on the coal strike by a former Member, Samuel B. Pettengill.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD under the heading "Evanston receives first prize."

Mrs. DOUGLAS of California asked and was given permission to extend her remarks in the RECORD in five instances and include certain excerpts.

A MESSAGE TO OUR REPRESENTATIVES IN THE UNITED NATIONS

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and to include an editorial from the Cleveland, Ohio, Catholic Chronicle.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RAMEY. Mr. Speaker, several hundred of our best citizens who are familiar with my work as a jurist prior to my election to National House of Representatives, have written me, the letters being received this day.

I have called the Secretary of State. Their office says they are helpless in view of the fact that those involved are not American citizens. While the Congress of the United States of America has no jurisdiction in the situation, I ask, however, that the Members request our representatives to the United Nations to act now.

There cannot be a lasting peace without justice. Justice is making right what is wrong.

Let there be a complete trial. These sisters of charity are presumed to be innocent until found guilty by a fair trial. The presumption of innocence remains with them until sufficient evidence is submitted to find them guilty beyond a reasonable doubt. The presumption of innocence continues to remain with them until in the minds of a fair tribunal there is an abiding conviction of a moral certainty of their guilt.

The so-called trial was worse than a farce. No trial at all.

To the President of the United States and our representatives in the United Nations: "Time is the essence." Let this situation be corrected at once. No favors are asked. Justice is demanded.

Under leave to extend my remarks, I include the following editorial from the Catholic Chronicle, of Toledo, Ohio:

HELP SAVE THESE NUNS?

What kind of world are we going to have?

Here is a case that puts the question to the test.

It puts the United Nations to the test.

It puts the Atlantic Charter to the test.

It puts every decent government and citizen to the test.

It puts to the test everything we fought and worked and prayed for in history's most terrible war.

Unless something is done, three Sisters of Charity in Yugoslavia are going to be hanged or shot by the Tito government.

They are accused of having cooperated in the murder of helpless Partisan soldiers in a hospital. If that were true, they would deserve the death penalty.

But their trial was a mockery.

No defense witnesses were heard.

The sisters were not allowed to defend themselves.

Defense attorneys appointed by the court never once conferred with the accused.

They offered no defense.

On the contrary, they urged the court to inflict the severest penalties on their clients.

In prison, these helpless women were half starved, denied the comforts of religion, and prevented from talking with their superiors.

They were threatened and bullyragged.

Their efforts to defend themselves at the trial were brushed aside.

Marshal Tito's military court condemned the three Sisters of Charity to death, sentenced a fourth to 21 years' imprisonment, and went on to other business.

Is this the kind of world we want? Obviously it isn't.

And we can make that fact clear.

We can write or wire to our President, our Secretary of State, or our representatives in the United Nations.

We can urge organizations of which we may be members or officers to protest.

And we can pray.

This is a matter for every American—for every member of the world community—no matter what his religion or politics.

This newspaper is wiring to President Truman, urging that the United States and the United Nations request of the Government of Yugoslavia a fair, public, unprejudiced trial for Sister Verena Fostacz, Sister Zarka Ivasic, and Sister Hubertina Dzimberg, who were condemned to death, and Sister Celectina Radosevic, who was sentenced to 21 years' imprisonment.

We invite all good men and women and organizations to do likewise.

Mr. FEIGHAN. Mr. Speaker, my able and distinguished colleague from Ohio is to be congratulated for his initiative. The gentleman from Ohio [Mr. RAMEY] has clearly and forcefully brought to the attention of the Members of Congress and the Nation the deep concern felt by every true American who believes that our Government should exercise its great power in the interest of justice and righteousness, to see that the members of the religious order who dedicate their lives to ministering to sick, wounded, and suffering humanity should be given an opportunity to have their case presented fairly and without prejudice.

The editorial which appeared in the Catholic Universe Bulletin, of Cleveland, and the Catholic Chronicle, of Toledo, Ohio, which my colleague has brought to the attention of Congress, should stir to action every American citizen who believes that the sacrifices made by Americans for the ideals which they so dearly cherish were not in vain.

I vigorously urge that President Truman and our State Department respond immediately to the appeals for justice. I urge our Government to insist that our representatives to the United Nations Organization act at once in the cause of fairness and humanity.

SPECIAL ORDERS GRANTED

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

LEAVE OF ABSENCE

Mr. BRADLEY of Michigan. Mr. Speaker, as a member of the Board of Visitors to the Merchant Marine Academy, I ask unanimous consent that I be granted leave of absence for the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPECIAL ORDER VACATED

Mr. HAND. Mr. Speaker, I have been granted a special order for today. I ask unanimous consent that that order be vacated.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EXTENSION OF REMARKS

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include a letter from the Administrator of the Civil Aeronautics Administration, together with other information.

SPECIAL ORDER GRANTED

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House today for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

EXTENSION OF REMARKS

Mr. BARDEN asked and was given permission to extend his remarks in the RECORD and include therein an article appearing in the April issue of Hollands Magazine on the Honorable Lindsay C. Warren, Comptroller General of the United States.

Mr. SAVAGE asked and was given permission to extend his remarks in the RECORD and include a speech he made in New York.

Mr. GAMBLE asked and was given permission to extend his remarks in the RECORD in eight instances and to include editorials and articles.

Mr. PATMAN asked and was given permission to revise and extend the remarks he made today and also to extend his remarks in the Appendix of the RECORD and include certain statements and excerpts.

Mr. KEOGH (at the request of Mr. MCCORMACK) was given permission to extend his remarks in the Appendix of the RECORD in two instances.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] may extend his remarks in the Appendix of the RECORD and include therein an article. The Public Printer states that this article exceeds the limit and costs $420. I ask unanimous consent notwithstanding the cost that the extension may be made.

The SPEAKER. Notwithstanding the cost and without objection, the extension may be made.

There was no objection.

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL, 1946—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 16, 24, 25, 26, 27, and 29, and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$57,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Naval Training Station, Port Deposit, Maryland, 1946, $50,000."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Pay and subsistence of naval personnel, 1946, $200,000,000."

And the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$125,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: ", and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land (other than for the authorized vessel-berthing program), except in pursuance of a specific appropriation"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert "$190,784,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$652,986,950"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,015,379,424"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 10, 20, 23, and 30.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Nos. 1 to 3, relating to Title I—Executive Office of the President, Independent Offices, and Executive Departments: Rescinds $3,800,000 of funds under the Department of Agriculture for emergency supplies for territories and possessions, as proposed by the Senate, instead of $5,000,000, as proposed by the House.

Nos. 4 to 9 and 11 and 12, relating to Title II—Military Establishment: Rescinds $4,704,700 of appropriation "Finance Service, Army, 1942–46," as proposed by the Senate, instead of $66,140,457, as proposed by the House; and restores the House provision withdrawing the availability of the subappropriation "Engineer Service" of the appropriation "Engineer Service, Army, 1942–46," for acquiring land or building permanent structures within the continental limits of the United States, except structures not costing more than $20,000.

Nos. 13 to 19, 21, 22, and 24 to 28, relating to Title III—Naval Establishment: Rescinds $57,000 of the 1946 appropriation for the Naval Research Laboratory, instead of $75,000, as proposed by the House, and $36,000, as proposed by the Senate; rescinds $50,000 of the 1946 appropriation for the Naval Training Station, Port Deposit, Md., instead of $200,000, as proposed by the House, and no rescission, as proposed by the Senate; rescinds $200,000,000 of the 1946 appropriation for pay and subsistence of naval personnel, instead of $400,000,000, as proposed by the House, and no rescission, as proposed by the Senate; rescinds $13,657,000 of the 1946 appropriation for maintenance, Bureau of Supplies and Accounts, as proposed by the Senate, instead of $15,000,000, as proposed by the House; rescinds $125,000,000 of the 1946 appropriation for transportation of things, Navy, instead of $150,000,000, as proposed by the House, and $119,474,300, as proposed by the Senate; restores the House provision reducing by $5,000,000 the contractual authorization for public works, Bureau of Yards and Docks, with respect to projects within the continental limits of the United States; restores the House provision withdrawing availability of funds or contractual authorization under "Public works, Bureau of Yards and Docks," for the acquisition of land after February 25, 1946, except in pursuance of a specific appropriation, amended to exclude land for the authorized vessel-berthing program; rescinds $190,784,500 of the 1946 appropriation for aviation, Navy, instead of $215,887,000, as proposed by the House, and $165,682,000, as proposed by the Senate; corrects the title of the appropriation for salaries and expenses, Merchant Marine Inspection, Coast Guard, 1945, as proposed by the Senate; transfers an additional amount of $500,000 from the appropriation "Aviation, Navy, 1946," to supply a deficiency in the appropriation "Pay, subsistence and transportation, 1943," as proposed by the Senate, and reduces the value of stock in the "Naval Stock Account" plus outstanding obligations under the "Naval Stock Fund" from $2,250,000,000 to $2,000,000,000, as proposed by the Senate, instead of to $1,650,000,000, as proposed by the House.

No. 29: Changes a title, as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

No. 10, relating to rights, privileges, or benefits of persons for service in the Philippine Scouts under the provisions of section 14 of the act approved October 6, 1945 (Public Law 190, 79th Cong.).

It will be proposed to recede and concur in such amendment.

No. 20, canceling authority for and on account of a field house at the Naval Academy.

It will be proposed to recede and concur in such amendment.

No. 23, providing that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 percent on such date, "will be completed."

It will be proposed that the House insist upon its disagreement to the amendment.

No. 30, relieving defense aid (lend-lease) appropriations made to the President from reimbursing appropriations for the Army and Navy.

It will be proposed to recede and concur in such amendment with an amendment, adding before the period at the end thereof the following: ": *Provided*, That of the reduction of $1,080,000,000 made in the appropriation 'Defense aid-lend-lease' under title I of this Act, $135,000,000 shall be transferred to the credit of the appropriation 'United Nations Relief and Rehabilitation Administration, 1944–1946,' instead of being carried to the surplus fund and covered into the Treasury."

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the Part of the House.

Mr. CANNON of Missouri. Mr. Speaker, if the House follows the recommendation of the Conference Committee, the bill will rescind a total of $6,268,638,311 of cash appropriations. That means that counting in the amount carried in former rescission bills we have salvaged out of the war up to this time approximately $62,000,000,000, a sum vastly beyond anything we ever hoped to save at any time during the progress of the war.

This is not all we expect to save. We start hearings shortly on the last rescission bill, which will be reported in June, and expect to add materially to the amount salvaged from the war program.

The amount carried in the conference report, $6,268,638,311, is $449,249,257 less than the amount rescinded by the bill as it left the House, but in that amount is $135,000,000 for UNRRA, which I shall explain later. Omitting UNRRA, the Senate reduced our cash rescissions by $544,948,457. Of that amount the Senate conferees agreed to recede from $230,699,200. In other words, the rescission is that much greater than the Senate had proposed.

As regards rescissions of obligational availability other than appropriated funds, the rescission stands at the House figure of $476,529,891.

Summarizing, all rescissions, as worked out by the conference committee, aggregate $6,745,168,202.

We bring back four amendments in disagreement. The conference committee is in agreement on three of the four. I shall go into each of them when that stage is reached.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

The SPEAKER pro tempore (Mr. COOPER). The gentleman from New York is recognized for 5 minutes.

Mr. TABER. Mr. Speaker, I am not going to spend any time on this conference report. It represents a complete agreement upon the part of all the conferees as to the items that are included in the conference report. There is, however, disagreement on the part of different Members with reference to the amendments in disagreement, and as to those I think the facts should be brought out as we reach them. As to the first amendment in disagreement there is no difference amongst the conferees; as to the second there should be none, although an amendment will be offered in an effort to take care of a situation that has arisen. The third amendment in disagreement is controversial. The fourth amendment in disagreement is an item with reference to which the facts should be developed thoroughly for the record because there are no printed hearings to show what the situation is.

I think that is all I care to say. I think we might just as well have a vote on the conference report and get that out of the way, if it is agreeable to the gentleman from Missouri.

Mr. CANNON of Missouri. Does the gentleman from Massachusetts desire time now?

Mr. BATES of Massachusetts. I desire time on an amendment in disagreement a little later.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Speaker, veterans can purchase surplus vehicles on priorities for business use only, and cannot resell. Therefore, they are buying the mechanical worth of the vehicle. It has been demonstrated that War Assets Administration prices used surplus vehicles at or near OPA "as is" ceilings which were written in wartime by auto dealers and adopted by the OPA. Prices of used cars remain at or above this OPA schedule and have, in general, no relation to their mechanical values. They are priced as a currency with which persons wanting new cars can buy them. Without a used car, it is difficult to get a new car, and in many instances the value of a used car traded in for a new car is lower than the ceiling price and constitutes, in fact, an over-ceiling sale of a new car. Therefore, dealers can afford to pay any price which is less than they know they can immediately realize by resale, but veterans purchasing for use only are paying prices that are above the mechanical worth of the car. An investigating committee should ascertain whether the influence of auto dealers in the administration of War Assets Administration is so strong that the used vehicles are priced excessively high to veterans in order to support the acknowledged black market in used vehicles.

Mr. CANNON of Missouri Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, the President of the United States has stated that the coal strike is a national disaster. The country is well aware of this fact, as railroads, public utilities systems, and vital industries of every character are suspending operations, due to shortages of coal. The coal strike is no longer a strike against the owners of the coal mines. It has become a strike against the American people, and the future welfare of our country is at stake.

While the President possesses ample authority to deal with the coal strike, he has refused to do so. Since he refuses to act, although he is the constitutional Executive officer of the country, it is up to Congress to take immediate action for the establishment of a policy in the coal industry and other vital industries, before the country suffers a complete economic and social collapse. We should not tolerate the present situation. Ample means are at hand to assure a satisfactory settlement of the coal strike through collective bargaining, but I insist that when the union refuses to use this method, Congress must act before the end of this week, to bring order out of the present devastating situation.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: Page 7, line 9, insert a new section, as follows: ": *Provided*, That of the provisions of law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the armed forces of the United States or any component thereof, only those conferring rights, privileges, or benefits upon persons during the time they are on active duty and those listed below shall, after the date of enactment of this act, be deemed to apply to persons for service in the Philippine Scouts under the provisions of section 14 of the act approved October 6, 1945 (Public Law 190, 79th Cong.):

"(1) The provisions of the act of March 9, 1928 (45 Stat. 251), as amended, relating to funeral expenses.

"(2) Provisions of law authorizing the payment to enlisted men of a travel allowance upon discharge;

"(3) Provisions of law authorizing retirement and prescribing or governing pay for Philippine Scouts placed on the retired list;

"(4) The provisions of the act of December 17, 1919 (41 Stat. 367), as amended, authorizing the payment of a death gratuity equal to 6 months' active-duty pay to the dependents of military personnel whose death occurs while on active duty;

"(5) The provisions of the Mustering-Out Payment Act of 1944 (Public Law 225, 78th Cong.), except that for the purpose of computing such payments for service in the Philippine Scouts, service wholly performed in the Philippine Islands shall be compensated for on the same basis as service wholly performed within the United States; and

"(6) The provisions of laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death:

Provided further, That payments made under the provisions of any law referred to in clauses (5) and (6) above shall be paid at the rate of one Philippine peso for each dollar authorized by such law: *And Provided further*, That the provisions of the National Service Life Insurance Act of 1940, as amended, shall apply to persons who serve in the Philippine Scouts under the provisions of section 14 of the Act approved October 6, 1945, only insofar as such provisions relate to contracts of insurance heretofore entered into."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Public Law 190, approved October 6, 1945, provides as follows:

SEC. 14. The Secretary of War, with the approval of the Philippine Government, is hereby authorized to enlist in the Philippine Scouts, with pay and allowances authorized under existing law, 50,000 men for service in the Philippine Islands, in the occupation of Japan and of lands now or formerly subject to Japan, and elsewhere in the Far East. Such enlistments shall be for 3 years unless sooner terminated, and citizens of the Philippine Islands shall be eligible to volunteer for such service.

Under that law, standing alone, a Philippine Scout would be entitled to certain rights, privileges, or benefits on a parity with an American soldier, which, very obviously, should not be permitted. The Senate amendment, in which concurrence is proposed, will do these things:

Philippine Scouts will not be entitled to benefits under—

First. The Missing Persons Act, providing for continuance of pay and initiation or continuance of allotments.

Second. Reemployment rights under the Selective Service Act of 1940.

Third. Relief provided by the Soldiers and Sailors Civil Relief Act of 1940, as amended.

Fourth. Servicemen's Readjustment Act of 1944—GI bill of rights.

Fifth. National service life insurance, except under contracts of insurance entered into prior to this bill become law; and benefits will be allowed on a peso-for-dollar ratio in connection with mustering-out payments and service-connected pensions.

The saving under the provision will run into very large figures, particularly if any considerable number of Philippine Scouts are enlisted, and, at the same time, the Filipino is treated as fairly and equitably as circumstances warrant.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 15, line 13, after the word "appropriation", insert the following: ": *Provided*, That the restriction on the use of the appropriation and contract authorization in amount of $1,500,000 applying exclusively for field house at United States Naval Academy, Annapolis, Md., including acquisition of land and accessories as authorized by law is hereby canceled."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur in the same with an amendment as follows: Before the period at the end of the matter inserted by said amendment, insert ": *Provided further*, That the rescission of $13,657,000 in the appropriation 'Maintenance, Bureau of Supplies and Accounts, 1946', hereinbefore provided for in this act, is hereby canceled, and such appropriation is hereby increased by $11,763,480 by transfer of such an amount from the reduction hereinbefore provided for in this act in the 'Naval Stock Fund', instead of such amount of $11,763,480 being carried to the surplus fund and covered into the Treasury."

Mr. CANNON of Missouri. Mr. Speaker, it had been our intention, as to this amendment, to propose to recede and concur in the amendment of the Senate.

Since our conference meeting, however, we have been apprised by the Paymaster General of the Navy that owing to charges not previously anticipated, such as the return of vast quantities of stores from the Pacific which previous estimates had not contemplated, and to the availability of later and more accurate expenditure figures, he will be short of funds to the extent of $31,170,480 for financing fourth quarter charges. In other words, he is now operating in the red.

Obviously, we should not pursue a course of rescinding $13,657,000 in this bill and a few days hence report a supplemental appropriation which would have the effect not only of restoring such amount but making substantially additional provision besides. This proposal is offered with the view to avoiding that sort of action.

We are not, in the proposal, providing the entire additional amount which Admiral Carter says he needs. We have reduced the added amount he states he needs by $5,750,000, which is directed against obligations not entirely firm and which may not be incurred until after the close of the fiscal year.

This matter has been taken up informally with the Senate Committee on Appropriations and I may say that we have reason to believe that the Senate will occur in this modified proposal.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. It is $11,763,000 instead of $17,513,000, as I understand, that he asked for.

Mr. CANNON of Missouri. The gentleman is correct.

Mr. TABER. I understand that that is necessary.

Mr. CANNON of Missouri. Yes. Does the gentleman desire further time?

Mr. TABER. No.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23. Page 16, line 20, after the figure "$20,387,000" insert a colon and the following: "*Provided*, That the proviso in Public Law 301, Seventy-ninth Congress, approved February 16, 1946, under the head of 'Increase and replacement of naval vessels, emergency construction', is amended to the extent that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 percent on that date will be completed."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. WIGGLESWORTH. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede and concur in Senate amendment No. 23.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, the amendment under consideration raises an important question in the vital field of national defense, namely, whether it is wise at this time to cut the combatant shipping of this country below the point the Navy considers advisable in view of existing world conditions.

It also raises the very practical business consideration of whether, having invested some $330,000,000 in 14 combatant ships now under consideration, it is good policy to resort to contract termination and scrapping of these ships when, by the expenditure of about six and one-third million dollars per vessel over and above what it will cost to terminate and scrap, every one of the 14 vessels can be made available promptly to the Navy.

In my judgment, it is unwise from the standpoint of national defense and unwise in terms of long-time economy not to adopt the Senate amendment.

Mr. Speaker, I am advised that this amendment has the approval of the Senate Committee on Naval Affairs. It has the approval of the Senate subcommittee in charge of naval appropriations, and of the Senate Committee on Appropriations as a whole. It has the approval of the Senate as a whole. I understand it has the approval of the House Committee on Naval Affairs. It has the approval of the House Subcommittee on Naval Appropriations.

That committee only recently, after very careful consideration in the course of hearings on the 1947 bill, voted unanimously, Republicans and Democrats alike, in favor of this amendment, or the policy embodied in it.

The amendment should be approved by the House as a whole today.

There are 14 ships involved, Mr. Speaker. They are scattered all up and down the east coast, with some on the west coast. They are all the latest design. Some of them have the last word in equipment which may serve to change naval tactics, and are, accordingly, desired by the Navy Department for experimental purposes.

I have only a few minutes, but I would call attention to the fact that the wording of the amendment is somewhat misleading in that it provides for the completion of those ships under construction which on March 1 were 20 percent or more completed in terms of construction.

That, Mr. Speaker, means hull construction. The formula takes no account whatsoever of the obligations of Uncle Sam in respect to ordnance, especially prepared for the ships in question. It takes no account of the sum which Uncle Sam must expend if a policy of contract termination and scrapping is adopted in respect to the ships in question.

As a matter of fact, if we look at the dollars and cents of this thing, instead of the percent of hull construction, the latest figures received from the Navy Department indicates a present obligation of almost 80 percent of the over-all total for complete construction. We have already invested in these ships $330,800,000. By a further expenditure of $89,800,000, or roughly six and one-third million dollars per ship, over and above what we will have to pay in the event of contract termination and scrapping, we can complete the whole 14 ships which the Navy desires.

In my judgment, it is not in the interest of our national defense to go below the point the Navy thinks advisable at this time, in view of existing world conditions.

In my judgment it is not sound economy in the long run to throw a $330,000,000 investment out of the window, when we can complete the ships in ques-

tion by the expenditure of the comparatively small sum I have referred to, and when in all probability if we do not complete them now we will have to complete them a short time hence at a very greatly increased cost.

In my judgment the sound course for the House to pursue is to complete these ships now at the minimum cost and let the Navy have the benefit of the most modern ships we are capable of building at this time. Let us limit our scrapping program in the future to the older ships, and not the newest ones.

This course of action appeals to me as sound, as economic in the long run, and as carrying with it the assurance of employment for skilled workers in ship construction plants which have made magnificent contributions to the national war effort in both World War I and World War II.

Mr. Speaker, I hope the House will recede and concur in the Senate amendment.

Mr. CANNON of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, at the outset let me say that no money by way of direct appropriation is involved. Congress is charged by the Constitution with authority to provide and maintain a navy. That is a responsibility fixed upon us.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman with pleasure.

Mr. CANNON of Missouri. The gentleman says no money is involved. Does he mean it will cost nothing to complete the building of these ships?

Mr. VINSON. I mean that it is not necessary in the appropriation bill.

Mr. CANNON of Missouri. You do not mean it will not cost any money if they go ahead and complete these ships?

Mr. VINSON. Of course, it is going to cost money but they already have the money.

Mr. CANNON of Missouri. I do not want the gentleman to leave the impression that it is not going to cost any money. It is going to cost plenty of money.

Mr. VINSON. They already have the money appropriated.

Mr. CANNON of Missouri. But we are recapturing all money on which construction is discontinued and we cannot return it to the Treasury if it has been used to build warships we do not need. This amendment is to spend money and spend it uselessly.

Mr. VINSON. But you are trying to recapture money which is important for the national defense. If this money is taken away, it will impair the national defense. We are charged with the responsibility of providing and maintaining this Navy. It is not necessary that any money be appropriated in this bill which will come before the Congress in a few weeks for the Navy to take care of this construction.

Mr. CANNON of Missouri. Mr. Speaker, if the gentleman will yield again, if we go ahead and order these ships completed it means we will not be able to include in the next rescission bill which we expect to report to this House the amount which would be saved on these useless ships.

Mr. VINSON. Mr. Speaker, I again repeat, if you adopt the amendment of the distinguished gentleman from Massachusetts, there is sufficient money already authorized to complete these ships. So the only question is, Who is going to say what type of Navy we should have. Is it going to be the Director of Reconversion or the Congress of the United States?

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I cannot yield now.

Mr. CANNON of Missouri. The President of the United States, not the Director of Reconversion is the man who has the say. This is merely a proposal to tie his hands as the commander in chief of the Navy. The gentleman wants to tie the hands of the President of the United States?

Mr. VINSON. The Director of Reconversion, no doubt, represents the President of the United States. The Director has said to the Navy Department that they must scrap these ships. You and every Member of Congress have authorized the building of these ships. I again say there is no money involved in this because the Navy received from the War Department enough money, which the War Department owed it, to carry on this ship-building construction. Mr. Snyder and Mr. Cummings went down to the Navy Department and told them immediately after VJ-day that they had to scrap these ships. The Navy Department agreed with them and scrapped fifty-odd ships involving an immense amount of money that had already been spent on them. Thereafter, they went back to the Navy Department and told them they had to scrap more ships. We had a hearing and the Navy Department said, "We will acquiesce in what the Director says with the distinct understanding that at a later date we will come back to the Congress and ask for money to rebuild the identical ships that you today are authorizing and directing us to scrap." Then we tried to counsel with them. We tried to show to the point of mathematical certainty that it was a false economy; that it was a penny-wise and pound-foolish proposition. We reached a compromise with them relative to this order to scrap additional ships.

Then, later on, for the third time, the Director, who is usurping the authority of the Congress in saying what kind of a Navy we will have, went down and told the Navy Department, "You have got to scrap more ships." The information became known to the Congress, and the Senate has written a provision in this bill that all ships that are 20 percent or more completed must be completed.

Now, read the language of the bill:

Provided, That the proviso in Public Law 301, Seventy-ninth Congress, approved February 16, 1946, under the head of "Increase and replacement of naval vessels, emergency construction," is amended to the extent that combatant vessels under construction on March 1, 1946, whose percentage of construction exceeded 20 percent on that date will be completed.

Now, we are exercising the constitutional right given to us to say what kind of a Navy we will have instead of permitting Mr. Snyder and Mr. Cummings and others in the Office of Reconversion to determine that factor. Who is going to run it, the Congress or Mr. Snyder? I think the Congress is competent to pass upon it.

What has happened? There are 14 ships involved in this program. They are anywhere from 20 percent to 95 percent complete. This establishment headed by Mr. Snyder says, "You must lay up those ships. Some of them have to be scrapped." How much have we invested in them? As stated by the gentleman from Massachusetts [Mr. WIGGLESWORTH] we had invested in those ships on March 1, $330,800,000. To scrap those ships will cost an additional $26,400,000, making a total cost of $357,200,000. Now, what do you get? You do not get anything if you do not agree to this motion to recede and concur. You have lost 14 ships. You have lost in addition to it $357,000,000 of the taxpayers' money. Of course, there is more money involved to finish them. Now, what does it cost to finish them? It will cost $116,000,000. I assert that if there ever was justification for using the expression "penny-wise and pound-foolish," this is the instance.

Mr. PLOESER. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. PLOESER. I hope the gentleman will also point out that the net cost to complete these vessels is $89,800,000.

Mr. VINSON. That is correct.

Mr. PLOESER. Because we are involved in an expense of $26,400,000 to scrap them.

Mr. VINSON. Exactly.

Mr. PLOESER. I would like the gentleman to tell this House what the attitude of the Naval Affairs Committee is on this subject.

Mr. VINSON. The Naval Affairs Committee had a hearing on this, and for the time being we thought we had stopped the hand in the Reconversion Director's office from interfering with this shipbuilding program, but we found we were in error. We unanimously recommended that ships in which the Government had invested enormous sums be completed and finished. I have here a letter from Admiral Cochrane which shows that these are the most modern ships in the Navy.

Our proposition was this: When you finish one of these 14 ships, take out of the line of the Navy an old ship, and not spend $300,000 a year to maintain that old ship. If we keep these old ships in the Navy we will be called upon each year to modernize and recondition them, and authorize an expenditure of from $350,000 to $400,000 on each one. So I say to you it is nothing but common sense to go ahead and finish these ships, taking out of the Navy corresponding old ships and saving the enormous amount of money involved annually in maintaining them.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield three additional minutes to the gentleman from Georgia.

Mr. VINSON. It may be argued, "Let's not do this until after the atomic tests." It might be said, let us see what is going to happen when the atomic tests take place in June. If this argument be followed one might as well stop all building of all ships of all types, and you might just as well say we will quit everything and not have even an army, or a navy, until we see what is going to happen as a result of the atomic tests. The sensible thing is to do what we are trying to do, finish these ships, spend this $89,000,000 and save the $330,000 already invested, save these 14 ships and take out of the line of the Navy corresponding old ships.

There is the battleship *Kentucky* involved here. We have spent and obligated $71,000,000 on the battleship *Kentucky*. It will cost an estimated $31,000,000 to finish and then you will have the most modern battleship ever devised by man. Is it sensible to lose that $71,000,000? Or is not the sensible thing to do to make an investment of another $31,000,000 and have an up-to-date modern battleship?

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. VINSON. With pleasure.

Mr. COLE of New York. I am concerned that there may be some misunderstanding when the expression "20 percent of construction completed" is used. Is it not a fact that these 14 vessels have been constructed so far as the overall cost is concerned to approximately 50 percent of the total cost?

Mr. VINSON. That is correct. Here is the list of ships involved and the percentage of completion: *Roanoke*, 28 percent; *Salem*, 22 percent. All the material practically is on hand and commitments are made for all these ships. The battleship *Kentucky* is 69 percent completed, and other ships as follows: 82 percent, 93 percent, 80 percent, 74 percent, 85 percent, 80 percent, 76 percent, 72 percent, 59 percent, 68 percent, and 73 percent.

That is the condition of these ships, and yet they say we should let Mr. Snyder tell us that this enormous investment must be scrapped, that Congress can have only the type and character of Navy that he says we shall have.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. HOOK. Is it not a fact that we will lose more by not finishing these ships than we will by finishing them?

Mr. VINSON. Absolutely. And as I have stated, it will mean the scrapping and sacrificing of ships that represent the very last word in naval construction.

The SPEAKER pro tempore. The time of the gentleman from Georgia has again expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Speaker, I hope that every Member of the House will this afternoon be interested in this question. I do not know of any question that has come before the Congress that has more interest in it concerning the future of America than the bill we have before us this afternoon. The chairman of the committee said a little earlier in the afternoon in substance that the financial security of the Nation is involved in this report of the Appropriations Committee. Nobody has backed up the Appropriations Committee any more than I have during my many years of service in the House. The safety of the Nation, in my opinion, is bound up in what we do today.

What is the situation? What we are asking you to do is to approve the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH], who is a member, and an old member of the Appropriations Committee. This amendment in substance means that every ship upon which we have already spent 50 percent or more of the total cost shall be completed.

There are 14 ships involved in this whole subject matter, including battleships, cruisers, aircraft carriers, destroyers, and so on.

We have already spent $330,800,000 on these ships. It will cost $89,800,000 to complete them. We are asking for no money in the present 1946–1947 appropriation bill to do this. We are informed by the Navy Department that there are ample funds available for the next fiscal year.

What has brought this situation about? First of all, as of VJ-day the Navy cut back the construction program and we were able to do that through the Naval Affairs Committee. We agreed on a program up to and including the month of February, but in the latter part of that month the Director of the Bureau of the Budget notified the Navy Department it was going to slash these 14 other ships.

The Naval Affairs Committee became interested in the matter and we called Admiral Nimitz and other naval officers before us to hear what they had to say in respect to the matter. The chairman of the committee, the gentleman from Georgia [Mr. VINSON], who I believe has been a great leader in the building up of the naval facilities of this country, asked Admiral Nimitz this question: "Do you think the reduction by the Bureau of the Budget will seriously affect the United States Navy and jeopardize our position in world affairs and jeopardize our security?" Admiral Nimitz answered "Yes."

Now, I could go on and repeat that kind of an answer through the testimony we had in the Naval Affairs Committee during the past few weeks. The Naval Affairs Committee has approved the essence of this amendment now offered on the floor of the House. The subcommittee of the Appropriations Committee having charge of the Navy appropriation bill has unanimously approved it. The Senate Committee on Naval Affairs has unanimously approved it. The Senate Appropriations Committee has unanimously approved it. The Senate as a Whole has recently passed this conference report embodying the particular amendment in question. We are asking here today to confirm the action of all the representatives of both the House and Senate in approving the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

After World War I, in 1922 to be specific, there was a great hue and cry all over the world as to what we would do with the disarmament program. We were interested in world peace, we were willing to lead the way, and we agreed in 1922 at the Disarmament Conference to scrap 29 ships. The total expenditure involved in these 29 ships at that time was $153,000,000. We did that in the interest of world peace. As against the $153,000,000 that were expended at that time on 29 ships, we have spent on these 14 ships $330,800,000.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. BATES of Massachusetts. Mr. Speaker, are we going to throw those ships into the scrap heap or are we going to follow the advice of all the naval leaders who are leading the destiny of this country? I say it is false economy and that we ought to approve the amendment offered by the gentleman from Massachusetts.

In the prewar days we would consider a battleship over-age when it was 25 years of age; we would consider a cruiser over-age when it was 20 years old and we would consider a destroyer over-age when it was 15 years old. Practically all of the ships which are to be in the active fleet have seen extended service in the battle zones of the Pacific and I am told by the Bureau of Ships, by men who know something about reconversion, repair, and over-all costs, that the ratio of repair is at least 3 or 4 to 1 on those ships that have already had extended service. If this is so we can properly say that most of the ships which will have an active status in the fleet of the Navy have had from 12 to 16 years of normal service.

Are we going to scrap these ships which are nearly complete and can be completed at an expense of $89,000,000 or are we going to complete them, preserve them, and let them take their place in the line in place of these old ships that will cost a tremendous amount of money to maintain, overhaul, and keep in repair?

I hope the amendment offered by the gentleman from Massachusetts to concur in the Senate amendment will be adopted by the House.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. BATES of Massachusetts. I yield to the gentleman from New York.

Mr. COLE of New York. Based upon the figures submitted by the gentleman, it would indicate that on a dollar value, taking into consideration the cost of scrapping these ships, they are actually over 98 percent completed today.

Mr. BATES of Massachusetts. Practically so, from a money standpoint, some of them are. The average expenditure already made on all the 14 ships is

approximately 75 percent of the total cost.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. PLOESER].

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. PLOESER. I will be happy to yield to my distinguished colleague.

Mr. TABER. I am anxious to find out if all of these 14 ships, some of which are 93 percent completed, would be scrapped if this amendment is not adopted. I would like to know the facts about it.

Mr. PLOESER. If the motion offered by the gentleman from Massachusetts fails and the House insists upon the position of scrapping these ships and the Senate concurs, we will scrap 14 ships. They are in this category: One is 28.5 percent completed, one 22.8 percent completed, one 69 percent, one 82 percent, one 92 percent, one 80 percent, one 74 percent, one 85 percent, one 80 percent, one 76 percent, one 72 percent, one 59 percent, one 68 percent, and one 73 percent.

As a matter of fact, when you figure this on the basis of dollars—and that is the only method you use is dollars in saving money, and not in ships—they are approximately 80 percent completed.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. Those ships the gentleman refers to being 73 percent, and so forth, completed, that means just the hull of the ship, the machinery, and everything else on ground, and from a money standpoint they are all more than 50 percent completed.

Mr. PLOESER. That is right. I do not have the time to read the figures on the respective ships. As a matter of fact, all of them are 50 percent completed, so far as the expenditure of money is concerned.

Here is an inventory of the situation: We have already spent or obligated $330,800,000. If we fail to do what we are attempting to do today it will cost $26,400,000 to terminate these contracts and scrap the ships. That means $357,200,000 wasted. By an actual net expenditure of $89,800,000 we get these 14 new and most modern vessels in the world to replace old vessels, and it seems to me that it is only the part of wisdom to go ahead and complete these vessels.

First of all, let it be recalled that it is not the job of the Reconversion Director to determine the size of the Navy. That is the job of the Congress, and the Congress has already said what size that Navy shall be, even though the Bureau of the Budget and others have sought to differ and change it. The Navy is our first and only integrated line of defense in America. Now we seek to destroy the most modern vessels we have, or will have within a few short months. I, for one, cannot go along with that. It was said before that certain committees of the Congress had unanimously endorsed this program. I did not hear it said; it may have been. But during the hearings on the regular Navy bill by the regular Navy Subcommittee on Appropriations we were asked what our position would be on the completion of these ships, and we unanimously agreed that these ships should be completed. That is the Navy Subcommittee on Appropriations of this House of Representatives.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. The gentleman makes the statement that unless this amendment is agreed to these ships will be scrapped.

Mr. PLOESER. That is my understanding.

Mr. CANNON of Missouri. That is not true.

Mr. PLOESER. What is true, then?

Mr. CANNON of Missouri. The President of the United States has administrative charge of the construction of these vessels. He can have them built or he can have them scrapped. He has not decided yet what he is going to do about them. If this is not passed, he still would be free to go ahead and complete every one of them.

Mr. PLOESER. If you rescind the money, what is he going to complete them with—hairpins?

Mr. CANNON of Missouri. We have not rescinded the money.

Mr. PLOESER. You are trying to rescind it.

Mr. CANNON of Missouri. We are just waiting to see what is going to happen. We have left this to the President of the United States. The President of the United States can complete every one of these vessels without this being agreed to. I just want the gentleman to be informed.

Mr. PLOESER. Can the gentleman assure the Congress that the President of the United States has given his word that he will complete these ships?

Mr. CANNON of Missouri. Certainly not. The President of the United States has not made up his mind.

Mr. PLOESER. Will the gentleman assure me that the President will not scrap these ships?

Mr. CANNON of Missouri. I can assure the gentleman that the President will do what he thinks best after consulting with everybody who ought to be consulted and after waiting 2 months to find out whether or not a Navy is going to be worth a continental in view of expected results of the atomic experiments. All the committee is asking here is delay to permit the President to act on the result of the atomic bomb experiments.

Mr. PLOESER. I assure the gentleman that as a Member of this Congress I propose to do what I think is best for the defense of this Nation, and I do not propose to stand by and watch the President junk our first line of defense.

Mr. CANNON of Missouri. I realize the gentleman is better prepared than the President of the United States and his advisers to decide such matters, but I ask him to adhere to the facts in the case.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Speaker, what is proposed here? We have a proposal here to wait for 2 months to see what the effect of the atomic bomb will be on naval vessels. As I rise on the floor of this House I yield to no man in the entire Congress in my devotion to labor, so we have no quarrel with labor. Who is asking for the atomic-bomb test? The Navy. Who is going to perform the test? The Navy. What are they going to perform the test on? On ships. They do not know themselves what the effect will be. One of the tests will be in the air, the second will be upon the decks of the vessels, and the third will be a depth charge. Suppose it rolls over every ship in the ocean within 50 miles of the bomb. Suppose it renders all the electrical apparatus within the ships absolutely inoperative. Will this be a wise expenditure of money that we are talking about today? Is it so necessary that we cannot wait 2 months? I want somebody to tell me the reason for the rush.

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and include a memorandum to the Congress from the New York naval shipyard delegation of A. F. of L., CIO, and independent organizations.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The matter referred to is as follows:

MEMORANDUM TO CONGRESS FROM NEW YORK NAVAL SHIPYARD DELEGATION OF A. F. OF L., CIO, AND INDEPENDENT ORGANIZATIONS

During World War II, the employees of the New York naval shipyard made a vital contribution to the total war effort.

With victory, the navy yards and arsenals of our country are going back to a peacetime footing.

As a reward for their services these employees are asking that the reduction in force at these yards and arsenals take place in a fair manner with due regard to their contributions during the war, and in the best interests of the Army and Navy.

Reductions in force are now taking place on a large scale. Under present procedures, the resulting lay-offs are taking place in a manner grossly unfair to the employees and with dire consequences for the future of our services to the armed forces.

All separated employees are leaving their jobs without any unemployment compensation, compensation which is a fundamental right of workers in private industry. Men with 25 years of service leave without pension.

Almost all nonveterans are being laid off, regardless of their seniority. The shipyards are losing the skills of men with 20 and 30 years of service. They are losing their most skilled employees.

Nonveterans with 20 to 30 years of seniority will find it almost impossible to find jobs in private industry, it being the policy of many private companies to practice age discrimination.

The order of lay-offs is being determined by an efficiency rating system which can cancel 20 to 30 years of seniority.

Many jobs of skilled and faithful employees could be saved if older men would be given the option of retiring after 25 years of service.

Passage of the following program would correct these inequities and be in the best interests of the Navy and the country:

1. Increase the naval appropriation for 1947.
2. The Magnuson-De Lacy seniority bill.
3. A Federal employees' unemployment compensation bill.
4. The Green-Forand 25-year retirement bill.

This emergency program demands your immediate vigorous action in behalf of its passage.

BROOKLYN METAL TRADES COUNCIL,
DAVID MALIKAN, *Secretary.*
NEW YORK, N. Y.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON of New Jersey. Mr. Speaker, the question that is now before us is one of the utmost importance, not only from the standpoint of national security but also in fixing a sane and sound policy for the shipbuilding industry in the transition from a wartime basis to a peacetime basis. Many reasons can be given to justify the adoption of the motion that has been made by the gentleman from Massachusetts. Some of these reasons have already been given. Each of them in my opinion is sufficient to justify the adoption of the motion. The gentleman from Massachusetts [Mr. WIGGLESWORTH] has pointed out very plainly and very clearly to the House that there would be no actual saving by the carrying out of the suggestion that has been made to scrap these ships. Other speakers have likewise emphasized that fact. I believe it has been made so plain that there can be no reasonable doubt of that fact.

Mr. HAND. Mr. Speaker, will the gentleman yield?

Mr. WOLVERTON of New Jersey. I yield.

Mr. HAND. Mr. Speaker, I would like to compliment my colleague on the statement that he is making. He has done a great deal of important work for the Navy and for ship construction generally, especially over the last few months. I compliment him.

Mr. WOLVERTON of New Jersey. I thank the gentleman.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WOLVERTON of New Jersey. I yield.

Mr. BATES of Massachusetts. The gentleman from Michigan [Mr. RABAUT] asked a question as to the advisability of delaying this construction until the atomic bomb test is completed.

Mr. WOLVERTON of New Jersey. I had intended before closing my remarks to answer the argument that was made by the gentleman from Michigan [Mr. RABAUT] but if the gentleman wishes to do so, he may.

Mr. BATES of Massachusetts. The gentleman from Indiana [Mr. GRANT], a member of the Committee on Naval Affairs, asked Admiral Nimitz whether or not any representative of the Bureau of the Budget ever asked any responsible No. 1 naval officer what would be the effect of the cut. He said no one asked anyone in the Navy Department what they thought of the cut and why they were doing it. Nobody was consulted. It is simply a mandatory cut.

Mr. WOLVERTON of New Jersey. The gentleman from Georgia [Mr. VINSON], chairman of the Naval Affairs Committee, has made a statement that could leave no doubt in the mind of anyone that it is important from the standpoint of national security to continue the construction of these ships. Time and again we have heard the gentleman from Georgia commended on the floor for the interest, alertness, and the intelligence he has shown over a long period of years in protecting our Nation, by making our Navy a strong arm of defense. He merits the commendation that has so frequently been given to him.

The gentleman from Massachusetts [Mr. BATES] has pointed out very plainly and distinctly the waste that would result if this policy of scrapping these ships in carried out.

The gentleman from Missouri [Mr. PLOESER] has likewise emphasized the wisdom of continuing the construction of these ships.

It is not my intention in the few minutes that I have at my disposal to emphasize the facts they have given further, but I do wish to bring to the attention of the House a phase of the question that must not be overlooked, and that relates to the importance of finishing these ships as a part of meeting our obligation in providing work in this reconversion period. It was my privilege to serve as a member of a special committee of this House on postwar and economic planning. I can say to you that there was no question presented to us that was more difficult to solve than what should be done with respect to our shipbuilding industry in the reconversion period.

The question now before the House is one of utmost importance, not only from the standpoint of national security, but also in fixing a sane and sound policy for the shipbuilding industry in the transition from a wartime basis to that of peacetime.

It is unnecessary for me to emphasize the important part taken by the shipbuilding industry in the successful prosecution of the war. It not only contributed in large measure to the success of the war, but by diligence and almost superhuman effort enabled us to claim victory sooner than would otherwise have been the case. By its accomplishments it enabled us to regain naval mastery of the seas and to transport men and supplies to the far corners of the earth to an extent that astonished the world and brought our enemies into subjection.

Since the conclusion of hostilities there has come a tremendous let-down in employment in the shipyards of the country. The number of workers who have lost employment is appalling. In the Camden-Philadelphia area there has already been a drop of more than 50 percent in the number of workers. In the plant of the New York Shipbuilding Co., located at Camden, N. J., there were 33,000 workers. Today there are less than 14,000, and, unless the Senate amendment to the Second Recission Act is adopted by this House, that number will be further decreased immediately to 8,000. The loss of employment to 25,000 workers in this one plant, constituting 75 percent of the entire force, as of a few months ago, is not only a serious shock to the workers and their families, but also to the entire community and its activities.

Furthermore, it must be borne in mind that the shipbuilding industry is different from that of most other industries that engaged in war production during the war. When the war ended, other industries were readily converted back into their regular peacetime activities. The employees in such plants went over from war to a peacetime production in the same plant. But the shipyards of the country cannot be similarly reconverted. When they cease to build ships the yards are closed and the workers lose their jobs. There is no immediate reconversion for them.

In this connection, let me say that we owe it to ourselves, as a means of future national security, to provide a program of work for our shipyards that will keep their highly specialized and skilled forces employed so that the shipbuilding industry will be ready at any time to expand sufficiently to meet any emergency with which the Nation may be confronted. Workers of this type cannot be procured overnight. They require long and careful training.

The situation for unemployed shipyard workers is also more difficult because of the fact that their skill is of a special kind that is not readily adaptable to any other industry. This places them at a great disadvantage in seeking employment. Recognizing the difficulty of shipbuilders in procuring work in other types of industry I plead with the House to support the Senate amendment to Second Rescission Act so that some measure of relief may be accorded our shipyard workers, who rendered such worth-while service in the prosecution of the war.

I also wish to bring to your attention the necessity of continuing work in our shipyards if we are going to be fair to those workers who went into the armed services. There were approximately 9,000 employees of the New York Shipyard, Camden, N. J., who answered the call of their country. We promised them their jobs back when they returned. Unless we pass the Senate amendment that promise will not be kept. We owe them jobs. It is up to us to see they get it.

I have spoken of the human elements that enter into this question. Now I wish to speak from the standpoint of national defense and the wise use of money already expended in the construction of the ships now awaiting completion. Failure to finish the ships already under construction, and more than 20-percent completed, will result in the waste of millions, yes, hundreds of millions of dollars already expended. The sum total of that waste will far exceed the cost of completing these ships. To adopt a course of destroying these ships, or permitting them to stand by in an unfinished state is unwise, unsound, and a policy that no sensible businessman would think of doing. While there are

strong and impelling reasons to save and economize wherever possible, yet, it would be injudicious and false economy not to finish the ships already under construction.

The ships presently under construction at New York shipyard are as follows:

Contract No. 437: *Hawaii*, percent completed, 84.06.

Contract No. 452: *Toledo*, percent completed, 89.81.

Contract No. 469: *Saipan*, percent completed, 93.29.

Contract No. 470: *Wright*, percent completed, 79.93.

Contract No. 465: *Worcester*, percent completed, 38.05.

Contract No. 466: *Roanoke*, percent completed, 34.69.

These percentages of completion are as of April 28, 1946. All of these ships were more than 20 percent completed as of March 1. If the contracts for building these ships are canceled, approximately 6,000 people will be laid off at the New York shipyard at Camden, N. J. The present employment at that yard is about 14,000 people. If the ships above mentioned are not completed as provided for under the proposed amendment, only about 8,000 people will remain employed at that yard, and these only up until the middle of next year.

The number of ships throughout the country that would be effected by this cut would include LST's, cruisers, carriers, and battle cruisers. This involves 24 shipyards from coast to coast. If these ships are to be completed, or a proportion of them, the majority of the people presently employed would be assured of employment up until approximately the middle of next year, probably August or September. But if they are canceled, approximately 50 percent of the people presently employed in the shipbuilding industry will be out of jobs. The number of people presently employed in the shipbuilding industry is well over 300,000. If the cut goes through, it would cut down to approximately 75,000 workers. This would constitute a catastrophe to the shipbuilding industry as well as to shipyard workers who would be unemployed.

Some of the ships are just short of completion. Most are at least half finished. All are the last word and final product of every naval lesson learned in a long and fabulously expensive war. Let us learn something from the war. Let us learn and put into steel the new techniques and scientific discoveries bought with our sons' lives. Let us learn something—that it does not pay to be caught unprepared with hopelessly outmoded and inadequate equipment. Let us keep the safety factor—preparedness—against an atomic world war which may not give us the time to make ready again.

To scrap these vessels would be more expensive than to finish them. The steel, by far the major part of the cost of ship construction, is on hand, in the Camden yards of New York Shipbuilding Co. for example, to complete the three ships canceled out by the Budget Bureau proposal. This steel is completely fabricated and useless for any other purpose except scrap. According to statistics of the Industrial Union of Marine & Shipbuilding Workers, the net dollar loss to the Navy for this delivered steel plus the labor costs of cutting up and destroying its utility and the utility of such portions of the three vessels involved—this net dollar loss—out of the pocket of the American people—would be far greater than the cost of completing the three jobs, since all that remains to be done to them is application of labor alone.

The SPEAKER pro tempore. The time of the gentleman from New Jersey [Mr. WOLVERTON] has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. WOLVERTON of New Jersey. Mr. Speaker, to take maximum advantage of the lessons of war, let us scrap our battle-scarred second-hand ships, if it is necessary or advisable to scrap any, and finish the new ones. Do not let us make the mistake we made in 1920 and destroy ships that can be a source of security in time of emergency, if and when it arises.

Furthermore, the proposed cancellation would affect the industry of every State in the Union. This is not a local interest matter. The famed battleship X, later identified after a brilliant wartime record as the *South Dakota*, launched early in the war at Camden, was built from the products supplied from resources in 48 States. Shipbuilding is a national industry.

Let us exercise common sense in this matter. The fact is we need ships. Today, May 9, 1946, more than 9 months after the end of the war, the United States Government is still paying for foreign shipping to carry our overseas servicemen to and from their occupation duties.

The war record of these shipyards and shipworkers is proof not only of patriotism and of skilled workmanship but of a lasting contribution to the welfare of the Nation and the peace of the world.

To cancel out this work—at this time—to waste the time and energy and technological developments 4 war years produced—to incur a greater cost in destruction than in production—and to forget, at this early date, the world leadership which victory has thrust upon this Nation would be a serious mistake.

To cancel the completion of the ships now in advanced stages of construction is not common sense. Let us see the job through. Vote for the Senate amendment to permit completion of ships now under construction.

I ask that this House do the sensible thing and adopt the motion offered by the gentleman from Massachusetts to recede and concur.

The SPEAKER pro tempore. The time of the gentleman from New Jersey has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield one-half minute to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I am disappointed that I could not obtain sufficient time to fully express my views on the pending motion. I regret that I must disagree with my distinguished and hard-working chairman of the Committee on Appropriations. I am going to vote "aye." I cannot see the propriety of laying off thousands of skilled employees in the shipyards of this Nation pending the atomic-bomb test. Times are bad enough for the workingman as they are. I cannot subscribe to a penny-wise and pound-foolish proposal to scrap warships for the Navy which are as much as 92 percent completed and retain and maintain vessels which are fast becoming obsolete.

Today we had here at the Capitol eight or nine hundred decent hard-working American citizens, all skilled civil-service employees of the Brooklyn Navy Yard. They came to lawfully petition Congress to take action regarding their plight. They have a most meritorious cause of action. During the late war they made a vital contribution to its successful culmination. Reductions in force in the Brooklyn Navy Yard are now taking place on a huge scale, from 75,000 employees to 10,000. All these fine American citizens ask is that the reductions in force take place in a fair manner. Under the present system of laying off they are being treated in a grossly unfair way and with possible dire consequences for the preservation of our national defense and security. They are being coldly turned loose, many without a dollar saved, without the unemployment compensation that employees in private industry enjoy. Men with a quarter of a century of good civil service to their credit are left without a pension. The system of lay-offs is governed by an efficiency-rating idea which supersedes 20 or 25 years of hard and justly earned seniority.

Why should they not be given the option of retiring after 25 years of service? Why should they not enjoy the benefits of unemployment compensation? Why should they not have a fair and equitable efficiency rating system? And why should we cut naval appropriations to the bone and scrap vessels 92 percent completed in our shipyards? Mr. Speaker, I shall vote "aye" on the pending motion.

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FULTON] such time as he may desire.

Mr. FULTON. Mr. Speaker, the Navy is our first line of defense. The Navy did such a good job during the war that the American public has the fullest confidence in its efficiency and administration and my feeling is the American people do not want its fine fighting force to be crippled or fail to progress. Ships of the Navy are not just hulls and superstructures but are intricate mechanisms of engines, safety systems, and communications systems in addition to living quarters for the crew. When you try to run a 25-year-old ship, it is mechanically a good bit like trying to run a 25-year-old automobile continuously at high speed. This is a time when we can be penny wise and pound foolish. We need this force that we have built up during the past war years. Fine equipment has made the Navy morale the highest of any navy in

the world and the equal of any military service we have ever had. A vote against this amendment is a vote to cripple the morale of the Navy personnel all over the world and it will be difficult to tell the boys on the ships otherwise. We have seen our Army and Navy personnel dissolving under our very eyes but the morale is still high—do not give these boys in the Navy the feeling that you are going to have them try to fight anything but the best fighting machines in the world. We Congressmen from the Navy ask you to support our Navy first, to maintain its efficiency, second, to maintain its morale.

Mr. CANNON of Missouri. Mr. Speaker, I yield one-half minute to the gentleman from California [Mr. IZAC].

Mr. IZAC. Mr. Speaker, I would rather not take a half minute because I could not appropriately express myself in such a short time.

Mr. CANNON of Missouri. I am sorry the gentleman did not ask me earlier for I would have been glad to have given him any amount of time he wanted. He did not ask me until debate was practically concluded and all time had been allotted. I have yielded him a half minute of the committee's time in order to give him opportunity to extend his remarks at this point.

The SPEAKER pro tempore. The gentleman from Missouri is recognized.

Mr. CANNON of Missouri. Mr. Speaker, this amendment is an invitation to the United States—and the world—to step back into the shadow of the Dark Ages—back into a world dominated by force—back into the days of Ghengis Khan, and Napoleon, and Hitler, when might made right and every international issue was submitted to the arbitrament of the sword.

America has affected to lead the way to a new day in which all nations, united in a world organization of law and order, would banish war and live in peace and amity.

But here in this amendment is a proposition to start anew the building of battleships, the spending of millions of dollars for armament which can be of no use or purpose except in a world of war. How can our sister nations interpret such action except as preparation for hostilities?

It would be different, Mr. Speaker, if other nations were building warships. But no nation in the world is building warships. It might be different if we were deficient in warships. But we have today a Navy that is incomparably superior to all the other navies of the world combined.

If appropriations requested by the Navy are made we will have a Navy of 1,079 ships with 667,000 men at an annual cost of $5,000,000,000 a year—a giant Navy such as the world never saw before—with absolutely nobody to fight. This amendment is a step to insure the construction and maintenance of that Navy. It is a step to shoulder the taxpayers of the United States with an annual burden of $5,000,000,000 for a Navy with nobody to fight.

The speech of my good friend, the chairman of the Naval Affairs Committee, bristles with inaccuracies. Here are some of them.

He would have us believe that the question of money is not an issue here.

He says no money by way of direct appropriation is involved, and so forth, when this amendment means nothing else than the expenditure of vast sums of money which otherwise would be recovered for the Federal Treasury. He also overlooks the fact that this expenditure is merely the first expense and that the cost of maintenance and men will amount to vastly more than the cost of construction.

He tells us that if this amendment is not passed the ships will be scrapped. That is not the case. If this amendment is not passed the direction of the program will be left to the President, who now has the power to complete these ships or scrap them as he deems to the best interest of the Nation. He can and may order every one of them completed. Or if the atomic bomb test proves surface ships to be valueless he can and should scrap them. But the defeat of the amendment does not mean that the ships will be scrapped.

Again, the chairman of the Committee on Naval Affairs says some of these ships are 95 percent completed and that there are 14 ships involved when as a matter of fact there are only 12 ships involved and none of them are more than 85 percent completed. Here is the tabular statement from data submitted by the Navy:

Name and category	Builder	Percent completion, Mar. 1, 1946	Obligation, Mar. 1, 1946	Cost of completion
Light cruisers:				
Roanoke	New York Shipbuilding Corp.	28.5	$20,000,000	$26,500,000
Manchester	Bethlehem-Quincy	80.7	29,600,000	4,400,000
Heavy cruiser: *Salem*	do	22.8	20,600,000	29,400,000
Large cruiser: *Hawaii*	New York Shipbuilding Corp.	82.4	62,500,000	8,500,000
Light carrier: *Wright*	do	74.5	27,600,000	6,000,000
Destroyers:				
Henley	Bethlehem-San Francisco	85.0	10,800,000	1,400,000
Laws	do	80.0	10,400,000	1,800,000
Thomas	do	76.0	10,100,000	1,500,000
Kepler	do	72.0	9,700,000	2,500,000
Destroyer escorts:				
Wagner	Navy Shipyard, Boston	59.0	2,500,000	2,600,000
Vandiver	do	68.5	3,900,000	1,200,000
Submarine: *Lancelfish*	do	73.2	6,800,000	2,300,000
Total			214,500,000	88,100,000

	On hand of above types, Dec. 31, 1945	Acquired since July 1, 1940
Light cruisers	45	26
Heavy cruisers	24	6
Large cruisers	2	2
Light carriers	8	8
Destroyers	354	[1]195
Destroyer escorts	326	326
Submarines	206	106

VESSELS IN NAVY

	July 1, 1940	Dec. 31, 1945
Combatant	383	1,099
Auxiliary and miscellaneous craft	4,181	91,450
Total	4,564	92,549

[1] Approximate.

And it should be remembered that a very substantial part of the $214,500,000 will be salvaged for the United States Treasury if these vessels are scrapped.

Mr. Speaker, the Navy is traditionally impervious to progress. It has clung to ancient routine and armament while the world of science and industry swept past. It was 20 years late in recognizing the value of airpower.

In 1920—20 years before the war—they were finally prevailed upon to experiment with bombing planes. A sleeve was attached to one of the primative aircraft of the time and flown over a derelict in Hampton Roads. The test was whether the plane could bomb the derelict while shore batteries pounded away at the sleeve. The experiment was a complete and convincing demonstration of the value of air power. The airplane passed over the derelict, sank it with one bomb, and not a single shot from the batteries on shore was able to hit the sleeve. And yet the Navy apparently took the position of "they aint no such animal" and slumbered peacefully until the menacing thunder of European air war could no longer be ignored.

Again the Navy is burying its head in the sand. There isn't a man on this floor who does not recognize the appalling import of the brief trial of atomic bombs in the Japanese war. But the Navy in urging the completion of these ships before we have had an opportunity to complete the tests which, under duress, it has been compelled to sponsor, is proceeding blissfully along under the assumption that the fall of the two bombs in Japan are of no more consequence than the sinking of the derelict in Hampton Roads.

It is the opinion of American scientists, best qualified to express an opinion, that no collection of surface ships of any character can withstand competent atomic attack. It is their belief that one well-placed atomic bomb will destroy or disable any fleet that can be assembled and that there can be no defense after the bomb has been effectively launched. If that is true the completion of these ships is a wanton waste of money. If the forebodings of those competent to

testify are realized, the expenditure of $1 more on these 12 ship will be $1 worse than wasted because it would involve armament and complements of men in addition to costs of construction.

Now what is the sensible thing to do? What would any prudent businessman do under such circumstances? He would wait the outcome of the experiments. That is all the committee is asking you to do here. The President wants to wait the outcome of the test before reaching a decision on the completion of these vessels. This amendment will take it out of the hands of the President and start immediate construction and construction will be completed even if the bombs destroy every adjacent ship in the Pacific. How can you approve such an amendment?

But the situation is even worse than that. We were told in our hearings by the highest officers of the Army and Navy that every airplane in service on VJ-day is obsolete. The modern planes—the plane that crossed the continent the other day in 4 or 5 hours—was jet driven. And all the new planes the German scientists were working on when we stormed their laboratories were jet propelled. If this war the proponents of this amendment are looking for and preparing for ever comes, every war plane will be jet equipped and will run rings around the fastest plane produced in World War II.

The same is true of battleships. In this war, so confidently prepared for by the proponents of this amendment, every ship now afloat will be obsolete. Let me quote from Dr. Condon, one of the scientists intimately associated with the development of the atomic bomb. He says:

> The most promising field of atomic energy in the near future is in ship propulsion—especially in the propulsion of naval vessels.

That means that by the time the war breaks these ships we now propose to complete—and practically all of which have their machinery installed—or have it purchased and delivered, as the gentleman from Massachusetts stated—will be obsolete before they are launched.

Why not wait a couple of months and learn whether the scientists are right or wrong? Why is it necessary to push the President and his consultants and advisers aside and put the politicians down here in the House in charge and try to beat the bomb test by getting as much of the work on these ships done as possible before the test is made?

That was the fatal defect in the French command. The French Army was run by politicians. And this amendment is a proposition to put the politicians down here on the floor in charge of Navy construction—politicians and munitions makers.

For time immemorial munitions makers have fomented war in order to coin gold out of the blood of patriots. This is a case in point. The munitions makers—the shipbuilders—are willing to imperil the peace of the world by building a Navy when none is needed, willing to prejudice the people of America in the eyes of the world and hamper our efforts to form a world organization for the peaceful settlement of international differences, willing to waste vast sums of money when we are already carrying a record public debt, willing to defer tax reduction indefinitely, in order to squeeze the last dollar of unholy profits out of war appropriations for their already overflowing coffers.

Mr. Chairman, the passage of this amendment will also, to that extent, delay reconversion and the resumption of peacetime production. In these navy yards are employed the ablest, most experienced and efficient machinists, workmen, artisans, and mechanics, to be found anywhere in the country. They should be released and employed in the production of goods so badly needed by the entire Nation. These ships consume vast amounts of materials—the choicest lumber, metals, strategic building material so sadly needed in the construction of homes for veterans, and consumer goods, from automobiles to shoes. There is not a plant or factory in the country today that is not pleading for men and materials. And yet needed men and commodities are being employed in the construction of ships that will be as useless in modern warfare as the bows and arrows of colonial warfare if the atomic bomb is a success.

It is generally conceded that an atomic war will not last more than 3 or 4 hours and that no phase of it will be fought on the sea. In such a war where would the admirals station these ships?

It is the duty of the President to decide when these ships will be completed and he is now discharging that duty admirably. There is no reason to interfere with his administration of the duties of his office until he has had an opportunity to estimate the results of the atomic test. The amendment should be rejected.

The SPEAKER. The time of the gentleman from Missouri has expired. All time has expired.

The question is on the motion offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH] that the House recede and concur in the Senate amendment.

Mr. CANNON of Missouri. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 107, noes 14.

Mr. CANNON of Missouri. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 303, nays 14, not voting—113, as follows:

[Roll No. 111]

YEAS—303

Abernethy	Fulton	Mankin
Allen, Ill.	Gallagher	Mansfield, Mont.
Allen, La.	Gamble	Marcantonio
Almond	Gardner	Martin, Iowa
Andersen, H. Carl	Gary	Martin, Mass.
	Gathings	Mason
Andresen, August H.	Geelan	Mathews
	Gerlach	May
Andrews, Ala.	Gibson	Merrow
Angell	Gifford	Michener
Arends	Gillespie	Miller, Nebr.
Arnold	Gillette	Mills
Bailey	Goodwin	Morrison
Barden	Gordon	Mundt
Barrett, Pa.	Gore	Murdock
Barrett, Wyo.	Gossett	Murphy
Barry	Graham	Murray, Tenn.
Bates, Ky.	Granahan	Murray, Wis.
Bates, Mass.	Green	Neely
Beall	Gregory	Norblad
Beckworth	Griffiths	Norrell
Bennett, Mo.	Gwynne, Iowa.	O'Brien, Ill.
Biemiller	Hall, Edwin Arthur	O'Brien, Mich.
Bishop		O'Hara
Blackney	Hall, Leonard W.	O'Konski
Bloom		O'Toole
Bolton	Halleck	Outland
Boren	Hancock	Pace
Boykin	Hand	Patman
Brehm	Hare	Peterson, Ga.
Brooks	Harless, Ariz.	Phillips
Brown, Ga.	Harris	Pickett
Brown, Ohio	Havenner	Pittenger
Brumbaugh	Hays	Plumley
Bryson	Healy	Poage
Buck	Hedrick	Price, Ill.
Bunker	Heffernan	Priest
Byrne, N. Y.	Henry	Rabin
Byrnes, Wis.	Heselton	Ramey
Camp	Hess	Rankin
Campbell	Hill	Reed, Ill.
Canfield	Hobbs	Reed, N. Y.
Carlson	Hoeven	Rees, Kans.
Carnahan	Hoffman	Resa
Case, N. J.	Holifield	Rich
Case, S. Dak.	Holmes, Mass.	Richards
Celler	Holmes, Wash.	Riley
Chelf	Hook	Rivers
Chenoweth	Hope	Rizley
Chiperfield	Horan	Robertson, N. Dak.
Church	Howell	
Clark	Hull	Robertson, Va.
Clason	Izac	Rockwell
Clements	Jackson	Roe, Md.
Clevenger	Jenkins	Rogers, Fla.
Clippinger	Jennings	Rogers, Mass.
Coffee	Jensen	Rogers, N. Y.
Cole, Kans.	Johnson, Calif.	Rooney
Cole, Mo.	Johnson, Ill.	Rowan
Cole, N. Y.	Johnson, Luther A.	Ryter
Colmer		Sadowski
Cooley	Johnson, Lyndon B.	Sasscer
Cooper		Savage
Corbett	Jones	Schwabe, Mo.
Cravens	Jonkman	Schwabe, Okla.
Crawford	Judd	Scrivner
Cunningham	Kean	Shafer
Curtis	Kearney	Sharp
D'Alesandro	Kee	Sheridan
Davis	Keefe	Short
De Lacy	Kefauver	Simpson, Ill.
Delaney, James J.	Kelley, Pa.	Smith, Maine
	Kelly, Ill.	Smith, Wis.
Delaney, John J.	Kilburn	Somers, N. Y.
	King	Spence
D'Ewart	Kinzer	Springer
Dirksen	Klein	Starkey
Dolliver	Knutson	Stefan
Dondero	Kopplemann	Stigler
Douglas, Calif.	Kunkel	Stockman
Douglas, Ill.	Lanham	Sullivan
Doyle	Larcade	Sumner, Ill.
Durham	Latham	Sumners, Tex.
Dworshak	LeCompte	Sundstrom
Earthman	LeFevre	Taber
Elliott	Lemke	Talbot
Ellis	Lesinski	Talle
Ellsworth	Lewis	Taylor
Elsaesser	Link	Thom
Elston	Luce	Thomas, N. J.
Engel, Mich.	Lyle	Thomas, Tex.
Fallon	Lynch	Thomason
Feighan	McCormack	Towe
Fenton	McGlinchey	Trimble
Fernandez	McGregor	Vinson
Flannagan	McMillan, S. C.	Voorhis, Calif.
Flood	McMillen, Ill.	Vorys, Ohio
Fogarty	Mahon	Vursell
Forand	Manasco	

Wadsworth	Wickersham	Wolverton, N. J.
Walter	Wigglesworth	Woodhouse
Weichel	Winstead	Worley
Welch	Winter	Zimmerman
West	Wolcott	
Whitten	Wolfenden, Pa.	

NAYS—14

Bulwinkle	Huber	Randolph
Cannon, Mo.	Johnson, Okla.	Robinson, Utah
Ervin	Kerr	Sparkman
Folger	Ludlow	Tarver
Granger	Rabaut	

NOT VOTING—113

Adams	Gearhart	O'Neal
Anderson, Calif.	Gillie	Patrick
Andrews, N. Y.	Gorski	Patterson
Auchincloss	Grant, Ala.	Peterson, Fla.
Baldwin, Md.	Grant, Ind.	Pfeifer
Baldwin, N. Y.	Gross	Philbin
Bell	Gwinn, N. Y.	Ploeser
Bender	Hagen	Powell
Bennet, N. Y.	Hale	Price, Fla.
Bland	Harness, Ind.	Quinn, N. Y.
Bonner	Hart	Rains
Bradley, Mich.	Hartley	Rayfiel
Bradley, Pa.	Hébert	Reece, Tenn.
Buckley	Hendricks	Robsion, Ky.
Buffett	Herter	Rodgers, Pa.
Burch	Hinshaw	Roe, N. Y.
Butler	Hoch	Russell
Cannon, Fla.	Jarman	Sabath
Chapman	Johnson, Ind.	Sheppard
Cochran	Keogh	Sikes
Combs	Kilday	Simpson, Pa.
Courtney	Kirwan	Slaughter
Cox	LaFollette	Smith, Ohio
Crosser	Landis	Smith, Va.
Curley	Lane	Stevenson
Daughton, Va.	Lea	Stewart
Dawson	McConnell	Tibbott
Dingell	McCowen	Tolan
Domengeaux	McDonough	Torrens
Doughton, N. C.	McGehee	Traynor
Drewry	McKenzie	Wasielewski
Eaton	Madden	Weaver
Eberharter	Maloney	White
Engle, Calif.	Mansfield, Tex.	Whittington
Fellows	Miller, Calif.	Wilson
Fisher	Monroney	Wood
Fuller	Morgan	Woodruff
Gavin	Norton	

So the motion was agreed to.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Sheppard with Mr. Ploeser.

Mr. Quinn of New York with Mr. McConnell.

Mr. Dingell with Mr. Adams.

Mr. Roe of New York with Mr. Bennet of New York.

Mr. Daughton of Virginia with Mr. Hartley.

Mr. Patterson with Mr. Gross.

Mr. Keogh with Mr. Bender.

Mr. Hoch with Mr. Fuller.

Mr. Pfeifer with Mr. Herter.

Mr. Eberharter with Mr. Wilson.

Mr. Hart with Mr. Johnson of Indiana.

Mr. Bradley of Pennsylvania with Mr. Harness of Indiana.

Mr. Monroney with Mr. Tibbott.

Mr. Rayfiel with Mr. Gillie.

Mr. Wasielewski with Mr. Rodgers of Pennsylvania.

Mr. Buckley with Mr. Grant of Indiana.

Mr. Torrens with Mr. Smith of Ohio.

Mr. Dawson with Mr. Landis.

Mr. Slaughter with Mr. Buffett.

Mr. Lane with Mr. Eaton.

Mr. Maloney with Mr. Fellows.

Mr. Powell with Mr. Auchincloss.

Mr. Drewry with Mr. Hale.

Mr. Combs with Mr. Anderson of California.

Mr. Mansfield of Texas with Mr. Hagen.

Mr. Bell with Mr. Gavin.

Mr. Bonner with Mr. Woodruff.

Mr. Cochran with Mr. Stevenson.

Mr. Burch with Mr. Robsion of Kentucky.

Mr. Courtney with Mr. Simpson of Pennsylvania.

Mr. Cox with Mr. Reece of Tennessee.

Mr. O'Neal with Mr. McDonough.

Mr. Whittington with Mr. Gearhart.

Mr. Hébert with Mr. McCowen.

Mr. Doughton of North Carolina with Mr. Baldwin of New York.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: On page 20, line 18, insert the following:

"The defense aid (lend-lease) appropriations made to the President are hereby relieved from reimbursing the appropriations of the Military Establishment and the appropriations of the Navy Department and the naval service for any amounts owing on the date of this act to such appropriations for materials, supplies, equipment, or services which, pursuant to the authorization or direction of the former Foreign Economic Administration or the State Department, were furnished by either the War or the Navy Department to any foreign government under the provisions of the Lend-Lease Act, as amended."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate numbered 30 and concur in the same with an amendment as follows: Before the period at the end of the matter inserted by said amendment, insert the following: " Provided, That of the reduction of $1,080,000,000 made in the appropriation 'Defense aid—lend-lease' under title I of this act, $135,000,000 shall be transferred to the credit of the appropriation 'United Nations Relief and Rehabilitation Administration, 1944–46,' instead of being carried to the surplus fund and covered into the Treasury."

Mr. CANNON of Missouri. Mr. Speaker, the Congress has authorized contributions to UNRRA totaling $2,700,000,000, and has appropriated $2,100,000,000.

An estimate has been presented for the remaining $600,000,000—House Document 543.

Inquiry has disclosed that of the $600,000,000, there is an immediate need for $135,000,000 in order to avoid disruption of the program, which has been carefully planned and scheduled. That means obligating well in advance of deliveries, and obligations, of course, may not be incurred in excess of the funds appropriated.

All of the $2,100,000,000 heretofore appropriated had been obligated at the end of March save $292,000,000, and of that amount all but $39,000,000 had been committed.

To meet commitments and obligations in May and to meet shipping expenses in June, $135,000,000 should be made available now.

The balance of $465,000,000 of the unappropriated $600,000,000 will be considered in connection with the last deficiency bill before the summer adjournment, and that will mean that we can canvass the whole UNRRA picture at some length.

In the interest of expedition, the amendment makes available $135,000,000, which is needed now, by requiring transfer to UNRRA, instead of deposit in the Treasury, that amount of the $1,080,000,000 the bill rescinds of the appropriation for defense aid—lend-lease. In other words, in effect, we are taking care of this interim need by making available to UNRRA $135,000,000 of surplus lend-lease funds.

Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the present statement of balances and the present status of funds of UNRRA as of the latest date for which our committee was able to obtain information are as follows:

Amount of United States funds made available	$2,100,000,000
Obligations	1,742,000,000
Deliveries through Mar. 31	846,000,000
Balance of obligations	896,000,000
Shipments in April	157,000,000
Balance, end of April	739,000,000
Prospective shipments in May	205,000,000
Balance, end of May	534,000,000
Prospective shipments in June	212,000,000
Balance, end of June	322,000,000
To this, add the item in the pending resolution in the amount of	135,000,000
Making a total available after July 1, 1946, of	457,000,000

This sum of $457,000,000 very evidently provides all that they can possibly handle in the months of July and August. In those months the need for clothing will be lighter; the need for other things will be lighter. The need for food should be much less after the 1st of September. It really should be less in July and August, because wheat will be coming in, and the potato crop will begin to come in.

I am making this statement without regard to the $358,000,000 which was unobligated on the 1st of April. This will pay all the shipping charges against things undelivered. On top of that, there are enormous inventories of lend-lease goods, consisting of 201,927 tons as of the end of March, in warehouses in this country, practically all of which should be suitable, insofar as clothing and other supplies are concerned, for use in UNRRA.

Of the shipments made to the 31st of December, last, the total value was $681,000,000 and, of this, only $316,000,000 was for food items. Of the shipments of $157,000,000 in April, only $60,000,000 was for food. Of the prospective shipments in May, of $205,000,000, only $86,000,000 is scheduled for food. Of the prospective shipments in June, of $212,000,000, only $87,000,000 is set up to be for food.

It is very apparent that the trouble with the serious food shortages has been the keeping of too many people on their pay roll, as was pointed out when the last bill providing funds for this organization was up, and not spending enough for food.

The people of the United States want the money to be spent for food and not on soft jobs. I hope that the new Director has made some headway in cleaning up that situation. If he has not, I hope that he will give his best endeavors to it immediately.

It is apparent that the Congress has already provided ample funds for this organization—more than they have been able to use effectively, and that the trouble has been with the way the set-up is organized. The former Director of UNRRA had his attention called many times to the way he was operating and he was not in the least responsive. The present Director has spent a great deal of his time making statements as to a situation which has resulted from the way UNRRA has been managed.

With the funds provided in this resolution $135,000,000—UNRRA unquestionably can be carried to the 1st of September, at which time a great deal of our European activities should cease, and we should give very careful attention to whatever else is asked, as to whether or not the need exists and will exist at the time the present funds expire so that we will know something about what we are doing.

We should meet our obligations to the rest of the world but we should not do it with enormous waste and without attention to reasonable business methods.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr TABER. I yield.

Mr. CASE of South Dakota. Mr. Speaker, I wish to congratulate the gentleman on his excellent statement.

Mr. DWORSHAK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Idaho.

Mr. DWORSHAK. Can the gentleman give us any assurance that other nations interested in UNRRA are living up to their commitments or is the United States being compelled to provide all of the funds to carry on the program at this time?

Mr. TABER. I think most of the other nations are at this time meeting all of their commitments. The only ones outside of our own country are the British, the Canadians, the Australians, and the South Africans. The others are not. I think those nations are all meeting them on a percentage basis as we have.

Mr. CANNON of Missouri. Mr. Speaker, unless some Member desires to speak, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

HOURS OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourns to meet at 11 o'clock a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. LYNCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD and include the result of a poll conducted by the Conference of American Small Business Organizations of Chicago, Ill.

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

The SPEAKER. Under special order of the House, the gentleman from Georgia [Mr. PACE] is recognized for 10 minutes.

THE COAL STRIKE

Mr. PACE. Mr. Speaker, the people of this country are shocked and stunned. We have the most powerful Nation on earth. Our armed forces recently conquered and destroyed dictatorship in both Germany and Japan. And yet here at home our people see one man, freely and with design, completely destroying the economy of the Nation and bringing its entire business to a standstill.

I think it is now clear to all of us that the Secretary of Labor and the President have waited too long to exercise the broad powers which the Constitution and laws of this country bestow upon the Chief Executive. I have no sympathy for the views of those who contend that the President is without lawful authority. The same was said recently of the Governor of Virginia, but he did not hesitate to employ with success his broad powers as Chief Executive of that State, and he kept the lights burning in the Old Dominion.

Our Constitution not only grants the power to, but requires the President of the United States to protect and defend this country and the people of this country against all enemies, foreign and domestic, and his powers are broad enough to treat John L. Lewis as a public enemy. The President has himself said that Lewis has brought on a national disaster. If the President has any doubt as to his present authority, he can at least suggest to the Congress any need for additional authority.

Today, we see our railroads suspending operation, our industry closing down, our farming operations disrupted, and all public utilities rapidly approaching the depletion of their fuel supplies. This situation is of such little concern to Mr. Lewis that he even failed or refused to attend the conferences yesterday which seek to bring about a settlement of this dispute. Such complete disregard for the welfare of the people of this Nation is beyond comprehension. We have already waited too long, and certainly we cannot further delay the taking of all necessary action by the Congress in view of the failure of the President to exercise his broad powers.

I have no objection to an appropriate and adequate welfare fund being set up for the benefit of the miners and their families, if it is properly established and administered. I recognize my obligation to those who go down into the earth to mine coal, and feel they should be well paid. It is dangerous work. It is hard and unpleasant work. The most modern safety measures should be taken for their protection. But, however just their demands may be, they have no right to disregard the welfare of millions of other Americans and destroy the economy of the Nation. Under our Constitution the general public interest and welfare are supreme and must be protected.

In my judgment, the measures now before the Congress, in both the House and the Senate, are of minor importance as compared to the emergency brought on by John L. Lewis. The appropriation bill now before us, and other measures on the calendar for this week, should be immediately put aside, this very minute, and we should devote our full time and effort, day and night, to the consideration and enactment of such measures as may be necessary to protect the American people.

I therefore call upon you, Mr. Speaker, and upon our majority and minority leaders, to put aside the pending appropriation bill and call up for our consideration some bill which deals with labor relations and which can be amended in a manner that will meet the present situation and permit the great productive and manufacturing capacity of this Nation to move forward.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. CHURCH. I wish to commend the gentleman.

The House Judiciary Subcommittee, I understand, tomorrow morning will undoubtedly report the bill introduced by the gentleman from Virginia [Mr. ROBERTSON], H. R. 6259. I believe the gentleman from Texas [Mr. SUMNERS], chairman of the full committee, will call the Committee on the Judiciary together tomorrow. I hope the Rules Committee will immediately grant a rule making that bill in order. I hope the leadership will not let the House adjourn this week until that bill has passed the House.

Mr. Speaker, I have received three or four long-distance telephone calls today, one from Waukegan, Ill., to the effect that the Waukegan Gas Co. will be obliged by noon on next Monday to practically shut down the furnishing of gas to the Great Lakes Naval Training Center. This means from Monday on only one hot meal a day to the thousands of men and women there. They are not sure as to how many days they will be able to furnish that much gas. Throughout Illinois businesses are shutting down. I understand there are only 100,000 tons of coal above ground to be used throughout the United States for the manufacture of gas.

The gentleman called attention to the fact that the President called it a national disaster. That was more than a week ago. I want to join the gentleman and I believe every Member joins in urging the President to do something in line with the gentleman's statement here today.

Mr. PACE. The gentleman has not made mention of it, but he understands that the embargo that goes on at midnight tonight prohibits the transportation of fertilizer material, prohibits the transportation of any seed and other farm needs, and now, with the burden upon the American people to try to feed themselves and to feed the starving of

other nations, this embargo is going a long way in disrupting the farm production throughout this Nation. Not only is that true, but, as the gentleman mentioned, our public utilities, our public-transportation systems, and everything else are about to be brought to a standstill.

I express the hope that the Judiciary Committee will meet in the morning early enough that the Rules Committee may meet at 11 o'clock; and that instead of appropriating more of the people's money to the Interior Department we spend tomorrow working on this problem.

Mr. CHURCH. I made that request of the gentleman from Texas [Mr. SUMNERS], chairman of the Judiciary Committee, only a few minutes ago after urging favorable action on H. R. 6259 with the gentleman from North Carolina, chairman of the subcommittee in charge of H. R. 6259. I am sure our colleague, the distinguished and able chairman of the House Judiciary Committee, has gone to his office, hoping that the Judiciary Subcommittee will act favorably on that bill. I feel certain the full committee will act favorably, and I hope the Rules Committee will act immediately—tomorrow—otherwise we should remain in session until action is taken on legislation of this type.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Washington.

Mr. SAVAGE. I agree with the gentleman when he suggests that the President must have power to deal with this situation, and I believe he has. It has been done before. I do not think he should necessarily step on the workers if they are making their demands in good faith. I think he should also step on the employers. They are just as contrary as Lewis. But I do feel that the President should step into the picture and if the men have got a just demand that he should help them and the thing should be settled, that the two sides should not be allowed to sit idly by and let the country suffer.

Mr. PACE. I think if they have a just demand it should be fully considered, but it is not necessary to absolutely destroy the economy of the Nation at this time.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mrs. ROGERS of Massachusetts. Has the gentleman taken up the matter of the amount of coal that is being shipped abroad for relief purposes?

Mr. PACE. Except to this extent, that I have been advised that those shipments continue.

Mrs. ROGERS of Massachusetts. I am very much appalled at that. I think the gentleman read, as I did, Mr. Ickes' article in which he said that the Army should make Germany mine its own coal. I think that is equally true of France and other European countries.

Mr. PACE. I am advised that coal production in Germany is only about 20 per cent of capacity. It is an unusual situation that our economy has to be shut down while shipments of coal go abroad.

Mrs. ROGERS of Massachusetts. I agree with the gentleman. In this emergency those shipments of coal should be stopped and coal brought back here.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Under previous order of the House, the gentleman from Wisconsin [Mr. BYRNES] is recognized for 20 minutes.

Mr. BYRNES of Wisconsin. Mr. Speaker, business upon business, plant upon plant is being forced to close its doors because of conditions created by the coal strike. Men are being forced out of work at a time when there is a big production job to be done, and there is plenty of work for all. Food, which is needed here and abroad, will be wasted because it cannot be processed. The savings of many people will be used up. Yes, the effects of the coal strike will reach out and touch every person in this country. It can have no other effect than to cause severe hardship. This hardship exists today. It will continue to exist for a long time even if the strikers go back to work today. The very unfortunate fact is that nobody will benefit. No, not even John L. Lewis.

The many people who have telephoned, telegraphed, and written me, asking that something be done by the Government to end the strike, are right. Something should be done. It should have been done months ago.

The administration should certainly sleep uneasily these nights because it is at the door of the administration that the blame must be placed. I cannot put all the blame on John L. Lewis or the miners as some people do. The administration by its action and inaction has encouraged Lewis and the miners to do just what they are doing.

The present administration has at every turn of the road given labor unions more and more power and has refused to recognize that with power there are corresponding obligations. Mr. Speaker, you cannot continue to make concessions for political favors or otherwise without eventually having to pay the full price. You are paying that price now.

Where are those Members of the House who last February 8 opposed bill H. R. 4908, the Case bill, which, if it were now law, would have prevented or at least delayed the present strike. To refresh your memory, you will recall that that bill provided for a Labor-Management Mediation Board. It provided that before a strike or a lock-out 5 days' notice had to be given to the Board and that if the Board took jurisdiction, no strike or lock-out could be effected for 30 days. It provided for compulsory mediation and for voluntary arbitration. What do those Members who opposed this legislation in the House and those Members of the other body who have opposed the legislation have to say for themselves today? Are they still afraid? Are they still cringing under the whips of labor lobbyists? Are they going to let the whole country and all its people suffer because of their temerity? Yes, Mr. Speaker, they like to pose as the great friends and champions of labor and the common man, but let me say that no greater damage can be done to the cause of organized labor than that which is being done today by irresponsible labor bosses like Petrillo, Tobin, and Lewis, whom these Members of Congress have supported and protected by their words and actions. Unrestrained labor warfare has brought and will continue to bring untold suffering and incalculable losses. It is a national disgrace.

Do not misunderstand me. Industry is no sacred cow. It is not free from blame. But it is time that we recognize that organized labor and management both have responsibilities, and, if they will not accept that responsibility voluntarily, then it must be imposed upon them by law.

Conditions in this country today are more critical than they were at any time during the war. Something must be done and done quickly. There will be inherent defects in whatever we do now because we are acting too late. In spite of its defects and inequities, I recommend, Mr. Speaker, that for a period of 1 year all strikes and lock-outs which would substantially obstruct or interfere with interstate or foreign commerce and which would affect the public interest and welfare be declared unlawful and that during that period all disputes be settled by compulsory arbitration. I am having a bill drawn to accomplish that objective.

The biggest necessity today is full and complete production. Nothing must stand in its way. Work stoppages prevent production, and they must, therefore, be eliminated. The welfare of this country and its people means more than the selfish desires and designs of a few people. We must act now and, even if we must use drastic means, we must act courageously.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Washington.

Mr. SAVAGE. I am one of those who opposed the Case bill, and since the gentleman referred to us I want to say that my position is that you cannot legislate men to work. You cannot force them to go into the pit. You cannot force men to go down into the mine and you cannot force them by law to mine coal. You could, by law, take the other side. I have listened for people to make suggestions of a constructive nature. You could, by law, force the operators to create conditions so that the workers would not have to strike.

Mr. BYRNES of Wisconsin. May I call the gentleman's attention to this fact, that this is compulsory arbitration; that it does not mean that the arbiters are going to simply take the side of the employer. In fact, under the present administration I think we can draw the conclusion that if they take any side it will be on the side of labor. It is to eliminate strikes and submit disputes to at least as impartial a board as you could possibly get, and at least let us for 12 months in this country, industry and labor both, say that we will do that and get the wheels of progress going. We have been at it now for 9 months and we have had nothing but continual strife, chaos, and disruption.

Mr. SAVAGE. Compulsory arbitration has been very unsatisfactory in the past to workers. It has usually caused the workers conditions that they are now requesting to have improved. I do not think people ought to be too critical of a strike occasionally, because the employers have terrific powers. They have the power of saying that they can work or shut down, and there is no law to prevent them from curtailing employment.

Mr. BYRNES of Wisconsin. There is nothing that causes the workers of this country today more distress, more hardship, more loss of earnings and everything else than the strike itself.

Mr. SAVAGE. It has only been through strikes that the workers have been brought up from serfdom. The particular workers on a job will occasionally lose temporarily by a strike, but in the long run, over a period of years in our history, it has been the strikes that have improved conditions for the workers.

Another thing, when you talk about protecting the public, the workers are the public. Three-fourths of the American people consist of families of workers and the workers themselves, so the American public is the workers. When you better conditions for the workers you are raising the standard of living in America, and Congress should not take sides in behalf of the employer, and I hope the gentleman does not try to insist on that inequity.

Mr. BYRNES of Wisconsin. The gentleman certainly does not understand what I am talking about in trying to get strikes settled and in getting men back to work. When he says that we are not in favor of the advancement of labor, nothing I said would justify that conclusion. Labor would be better off, business would be better off, and the people generally would be better off if everybody would be working and the wheels were going for at least a 12-month period. I am at no time recommending the elimination of the workers' right to strike. But I think that during a time of national emergency, which this is—and I hate to use the word, because it is a word that you gentlemen on that side of the aisle love so much—something should be done; an emergency which I think the administration has done a great deal to bring about. Let us eliminate it at least for a 12-month period and get going.

Mr. SAVAGE. I believe the gentleman is correct when he says it is a problem for the Congress, but Congress could do another thing. The Congress, for instance, could stop several strikes that are going on now in the South. Men are getting 40 cents an hour and are striking for 50 cents and in some cases for 60 cents an hour. If the Congress would pass the minimum wage bill and give the men a 65-cent minimum it would eliminate immediately several strikes that are going on now.

Mr. BYRNES of Wisconsin. My answer is that it might well also encourage some more.

Mr. SAVAGE. I think Congress probably should create better economic conditions, which would alleviate the necessity of workers striking for bread and butter.

Mr. BYRNES of Wisconsin. I would be more than interested to learn what the gentleman would do at the present time, today, to get the coal strike ended so that we can start other plants going and prevent them from closing down today.

Mr. SAVAGE. If John L. Lewis were a Democrat, I would go to him and ask him to consider what he is doing to the country, but since he belongs to you, I am going to suggest that you go to John L. Lewis, since he has helped you politically, and see if you cannot convince him that he is hurting the country.

Mr. BYRNES of Wisconsin. May I remind the gentleman that he also helped the late President Roosevelt at one time.

Mr. SAVAGE. The last two elections he has been a Republican.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. CHURCH. I have already called the attention of the House to what the House can do tomorrow, or before it recesses for the week-end, being hopeful that the Committee on the Judiciary will act favorably on the bill H. R. 6259.

Mr. BYRNES of Wisconsin. The remarkable part about that is that it attacks just one little phase of it. While this strike may be settled by doing that, tomorrow there is nothing to say that the railroads will not go on strike, or something else. I say that what we will have to do is eliminate strikes as a threat to the productive forces of this country for at least 12 months.

Mr. CHURCH. Does not the gentleman believe that the House should stay in session and pass legislation this week? Over in the other body is the Case bill which the House has passed. It is in bad shape since it left the House, but it can be improved upon on the floor of the other body.

Mr. BYRNES of Wisconsin. I think we should go even further than that and be here Sunday, if necessary.

Mr. CHURCH. I agree with the gentleman. That is what I have been urging. Does not the gentleman agree, further, that since the President of the United States more than a week ago called the coal-strike situation a "national disaster," that the President should, before another day is over, call together John L. Lewis and Charles O'Neal, the head of the coal operators, get them together, and hold them together, and tell them of the situation existing in America, and insist that he intends to protect the people of America from this "national disaster." At least the President should indicate publicly that he is tired of it and then take charge. He has not yet so indicated.

Mr. BYRNES of Wisconsin. I think the gentleman certainly must have the impression that I believe there should be no stone unturned to get this thing settled.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Does not the gentleman think the excuse that was given a moment ago by the distinguished Member from Washington [Mr. SAVAGE] while discussing this matter with the gentleman from Wisconsin is a pretty slender excuse of a suggestion when he suggests that in order to settle this tragic situation the gentleman from Wisconsin should talk to John L. Lewis about this serious problem? It is too important to be brushed aside.

Mr. BYRNES of Wisconsin. It certainly is no answer, I would admit, but it is typical of some of the types of suggested solutions that are given.

Mr. REES of Kansas. It is the poorest answer I have heard on the floor of the House with respect to solving such an important problem.

Mr. BYRNES of Wisconsin. I agree with the gentleman.

Mr. SAVAGE. May I ask the gentleman from Kansas if he suggests that we nationalize the mines to get away from this problem?

Mr. BYRNES of Wisconsin. If the gentleman cares to answer, I yield to him.

Mr. REES of Kansas. I am not discussing the question of nationalizing the mines, I am just discussing the very poor and weak suggestion the gentleman offers as to the manner in which he would attempt to solve this problem, when asked about his method of handling the strike situation. If the gentleman is going to bring politics into it, which I do not think belongs here—I do not believe he ought to do that, but he does inject it here—he could well go to the Chief Executive, who also heads his own party, who does, in my judgment, have the power in his hands to make some effort to settle this most serious controversy. I realize it is a difficult problem.

The President is the one to talk to John L. Lewis and other parties involved. To suggest that the gentleman from Wisconsin talk to John L. Lewis about it in order to attempt to settle the question is a trifling way to offer a solution to such a serious problem.

Mr. SAVAGE. I think somebody ought to talk to John L. Lewis, and I believe his friends would have more influence with him than anyone else.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Under previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 5 minutes.

A WELL-DESERVED TRIBUTE TO WICHITA, KANS.

Mr. REES of Kansas. Mr. Speaker, I rise at this time to call the attention of the House to a very important meeting being held in Washington this week. The President's Highway Safety Conference is conducting a 3-day session in Washington, where several hundred representatives are in session, discussing ways and means by which the safety of the streets and highways in our country may be improved and for the protection provided against loss of life and injuries.

Rewards are being made to representatives of cities and communities for outstanding achievements in dealing with this problem during the last year. I am especially proud to announce that the

city of Wichita, Kans., in the district which I have the honor to represent, as well as my own State of Kansas, are being honored on this occasion.

The people of Wichita are duly proud of the splendid record achieved in that city in 1945. Wichita, Kans., is today being awarded first place in the national traffic safety contest, sponsored by the National Safety Council, for cities in the class between 100,000 and 250,000 population. Wichita is also honored by receiving the grand award over all cities in the United States for general traffic safety. Furthermore, this city of Wichita is being given first place in what is known as the national pedestrian contest, sponsored by the American Automobile Association, in cities of 100,000 to 500,000 population.

Hon. Phil H. Manning, mayor of Wichita; Mr. George W. Shepherd, chief of police; Capt. F. R. Gunsaullis and Frank A. Bayne, director of safety education, of the Wichita police department, are in attendance to accept these honors on behalf of the city of Wichita.

I also direct attention to the fact that the State of Kansas is being awarded first place in the American Automobile Association, Pedestrian Protection Contest. Kansas also received honorable mention for traffic safety by the National Safety Council. Mr. Claude R. McCamment, safety engineer of the Kansas Highway Department, is representing the Governor of our State on this occasion.

The people of Wichita are proud of the record it has achieved with respect to the safety of its people, especially, in view of the fact that it is one of the largest-growing industrial and commercial cities of the Middle West, having increased in population from 125,000 to 225,000 during the period between 1940 to 1945. It was during that period that people from all parts of the country were flocking to Wichita to secure jobs in war plants, and to carry on other kinds of work and business. At the same time, by reason of having efficient administrative officials and because of the cooperation of the people in the community, traffic deaths were reduced by 68 percent. During this period the population practically doubled. It is especially significant that, while Wichita was reducing its traffic fatalities, the national traffic record showed an increase of 28 percent since VJ-day.

I feel that this record is of such importance that it ought to be called to the attention of this Congress and to the people of this country. It is an honor which has been well earned and to which the officials and the people of Wichita, and the State of Kansas, are justly entitled.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEOGH, for May 10, on account of meeting of Board of Visitors of Merchant Marine Academy at Kings Point, N. Y.

To Mr. EATON (at the request of Mr. WOLVERTON of New Jersey), until May 15, on account of official business.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 159. Joint resolution to extend the Selective Training and Service Act of 1940, as amended until July 1, 1946; to the Committee on Military Affairs.

ADJOURNMENT

Mr. SAVAGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p. m.), pursuant to its previous order, the House adjourned until tomorrow, Friday, May 10, 1946, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1276. A letter from the Comptroller General of the United States, transmitting report on audit of Federal Prison Industries, Inc., for the fiscal year ended June 30, 1945 (H. Doc. No. 567); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1277. A communication from the President of the United States, transmitting a proposed provision for continuing the availability of defense aid appropriations for obligation during 1947 to cover liquidation expenses (H. Doc. No. 568); to the Committee on Appropriations and ordered to be printed.

1278. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 for the United States Soldiers' Home amounting to $50,000 (H. Doc. No. 569); to the Committee on Appropriations and ordered to be printed.

1279. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1947 in the amount of $5,653,000 for the Federal Security Agency, in the form of amendments to the budget for said fiscal year (H. Doc. No. 570); to the Committee on Appropriations and ordered to be printed.

1280. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated September 17, 1945, submitting a report, together with accompanying papers and illustrations, on a review of reports on Sabine-Neches waterway, Texas, with a view to further widening and deepening of the waterway from Orange, Beaumont, and Port Arthur, Tex., to the Gulf of Mexico, including further protection works in the Port Arthur area, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on October 15, 1943 (H. Doc. No. 571); to the Committee on Rivers and Harbors and ordered to be printed, with six illustrations.

1281. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 7, 1945, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of North Canadian River, Okla. and Tex., and Beaver River, Okla., authorized by the Flood Control Act, approved on August 28, 1937 (H. Doc. No. 572); to the Committee on Flood Control and ordered to be printed, with three illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 1362. A bill to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes; with amendment (Rept. No. 1989). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 4051. A bill to grant to enlisted personnel of the armed forces certain benefits in lieu of accumulated leave; with amendment (Rept. No. 1990). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN of South Carolina: Committee on the District of Columbia. H. R. 5718. A bill to facilitate the liquidation of Washington Railway & Electric Co.; without amendment (Rept. No. 1991). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN of South Carolina: Committee on the District of Columbia. H. R. 6070. A bill to amend section 4 of the act of August 25, 1937, so as to provide a filing procedure in cases of adoption outside the District of Columbia, and for other purposes; without amendment (Rept. No. 1992). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN of South Carolina: Committee on the District of Columbia. S. 1955. An act to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator; without amendment (Rept. No. 1993). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBINSON of Utah: Committee on Irrigation and Reclamation. H. R. 4701. A bill granting the consent of Congress to the States of Utah, Idaho, and Wyoming to negotiate and enter into a compact for the division of the waters of the Bear River and its tributaries; with amendment (Rept. No. 1994). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McMILLAN of South Carolina (by request):

H. R. 6385. A bill to regulate the manufacture, sale, distribution, and use of barbiturates in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ROE of Maryland:

H. R. 6386. A bill to amend the act of March 19, 1918, so as to provide that standard time shall be the measure of time for all purposes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ALLEN of Louisiana:

H. R. 6387. A bill to amend section 301 of the Servicemen's Readjustment Act of 1944 so as to include a review of a discharge or dismissal by reason of the sentence of a general court martial; to the Committee on World War Veterans' Legislation.

By Mr. D'EWART:

H. R. 6388. A bill to declare the ownership of the timber on the allotments on the Northern Cheyenne Indian Reservation, and to authorize the sale thereof; to the Committee on Indian Affairs.

By Mr. LANHAM (by request):

H. R. 6389. A bill to amend the act entitled "An act for the acquisition, establishment, and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park, parkway, and playground system of the Na-

tional Capital," approved May 29, 1930; to the Committee on Public Buildings and Grounds.

By Mr. ROBERTSON of North Dakota:

H. R. 6390. A bill to provide for the payment of a bonus of 45 cents per bushel for all wheat, 55 cents per bushel for all corn, and 5 cents per bushel for oats purchased and sold between January 1, 1945, and April 18, 1946, and providing for payment of additional bonuses if paid by the United States Government; to the Committee on Agriculture.

By Mr. McMILLAN of South Carolina:

H. R. 6391. A bill to provide for daylight saving in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HARLESS of Arizona:

H. R. 6392. A bill to amend the act of July 1, 1944, relating to contract settlement; to the Committee on the Judiciary.

By Mr. BLOOM:

H. R. 6393. A bill to amend the act entitled "An act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes," approved March 4, 1923, as amended, in order to extend the Commission's authority to all areas in which our armed forces have operated during World War II, and for other purposes; to the Committee on Foreign Affairs.

By Mr. JUDD:

H. R. 6394. A bill to amend section 339 of the Nationality Act of 1940, as amended (54 Stat. 1160, Public Law 221, ch. 2, 78th Cong., 2d sess.; 8 U. S. C. 739); to the Committee on Immigration and Naturalization.

By Mr. SUMNERS of Texas:

H. Res. 613. Resolution authorizing that there be printed for the use of the Committee on the Judiciary of the House of Representatives additional copies of House Report No. 1980, accompanying the bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLASON:

H. R. 6395. A bill for the relief of Edward Polka (also known as Edward Polkowa), deceased; to the Committee on Claims.

By Mr. BIEMILLER:

H. R. 6396. A bill for the relief of Christ Nick Vans, alias Christos Nick Ventouras; to the Committee on Immigration and Naturalization.

By Mr. D'EWART:

H. R. 6397. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Warren E. Kelsey; to the Committee on Indian Affairs.

By Mr. KLEIN:

H. R. 6398. A bill for the relief of Takeshi Tanaka; to the Committee on Immigration and Naturalization.

By Mr. LARCADE:

H. R. 6399. A bill for the relief of Caeser Henry; to the Committee on Claims.

By Mrs. LUCE:

H. R. 6400. A bill for the relief of Joaquim Coelho; to the Committee on Immigration and Naturalization.

By Mr. PHILLIPS:

H. R. 6401. A bill for the relief of Mary W. Wertz; to the Committee on Claims.

By Mr. RANDOLPH:

H. R. 6402. A bill for the relief of Mrs. Myrtle L. Arnett; to the Committee on Claims.

By Mr. ROE of New York:

H. R. 6403. A bill for the relief of Mrs. Amelia Shidzee Nagamine Toneman; to the Committee on Immigration and Naturalization.

By Mr. WICKERSHAM:

H. R. 6404. A bill for the relief of Mrs. Mae H. Fitzgerald; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1871. By Mr. CLASON: Memorial of the General Court of Massachusetts, urging the Congress of the United States to amend the Federal old-age-assistance laws immediately so as to permit the matching with Federal funds of all amounts expended by States or their political subdivisions on account of old-age assistance; to the Committee on Ways and Means.

1872. Also, memorial of the General Court of the Commonwealth of Massachusetts, requesting the President of the United States to issue such orders to the Secretary of War as will prevent the closing of Fort Devens and Lovell General Hospital; to the Committee on Military Affairs.

1873. By Mr. GOODWIN: Petition of residents of Reading, Mass., and vicinity, in opposition to the Wagner-Murray-Dingell bill; to the Committee on Ways and Means.

1874. By the SPEAKER: Petition of the California Junior Statesmen of America, petitioning consideration of their resolution with reference to disapproval of a peacetime military-training program, and continuation of the selective service; to the Committee on Military Affairs.

SENATE

FRIDAY, MAY 10, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Lord God omnipotent, who art above all nations, and yet who dost dwell with those of an humble and a contrite heart, by Thine indwelling presence cleanse us now from the soil and defilement of the clamoring calls of these hectic days; flow through us like clean waters, and carry from our hearts the tensions, the resentments, the irritations, and the corroding fears which spoil the music of our lives. Open our eyes to the faults and evils which mar our democracy, and which we so readily condemn in other nations. Forgive us for our arrogant contempt of other races; give us to see that the best and the beautiful anywhere belongs to Thy children everywhere, and so is not to be stored, but poured, and that the high and holy things of every nation are from God and for all. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 9, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 10 and 23 to the bill and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 20 and 30, each with an amendment in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3936) to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States, and it was signed by the President pro tempore.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on May 9, 1946, he presented to the President of the United States the following enrolled bills:

S. 997. An act for the relief of Aldona Kojas;

S. 1442. An act for the relief of George O. Weems;

S. 1742. An act for the relief of Socony-Vacuum Oil Co.;

S. 1747. An act for the relief of John C. Spargo;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; and

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate the following letters, which were referred as indicated:

LAWS PASSED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN AND LEGISLATIVE ASSEMBLY OF THE VIRGIN ISLANDS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Municipal Council of St. Thomas and St. John, and by the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Territories and Insular Affairs.

REPORT OF FEDERAL PRISON INDUSTRIES, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on audit of Federal Prison Industries, Inc., for the fiscal year ended June 30, 1945 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

THE COAL STRIKE—LETTER FROM WALTER O. CURTIS

Mr. CAPPER. Mr. President, I have received a letter from Walter O. Curtis, executive secretary of the Chamber of Commerce of Clay Center, Kans., which appeals to the authorities to protect the public against the coal strike. I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE,
Clay Center, Kans., May 6, 1946.

(Re coal strike.)

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: When industry combined and throttled America we had nerve enough to pass the Sherman antitrust law, not because we were against industry, but because we had to be protected against their racketeering.

The labor situation today is a hundredfold greater menace.

We have the machinery for control, yet you pass a puny bill to control one man—a shame on the intellect of our legislators forever.

Where is your sense of responsibility to 140,000,000 people? You let a few men, for the past 5 weeks, maintain a conflagration that is devastating our entire economy. Your constituents can't get repairs for their machinery—food cannot be shipped—all industry is closing down—yet not a move is made at the controls.

We are back of you to make any move that is necessary to end this coal strike at once. Assert the power that the Constitution gives you—indicate to us that you have the nerve of your predecessors—not because you are against labor but against racketeering and for America as a whole and not one class.

Finally, never consent to an excise tax on coal or any other product, when not levied by our Government.

This letter is extremely critical, as it must be, in order to help you sense the undercurrent of revolt among the electorate in this area against present conditions.

Sincerely,

THE BOARD OF DIRECTORS,
CHAMBER OF COMMERCE,
WALTER O. CURTIS,
Executive Secretary.

PRINTING OF PRAYERS OF THE CHAPLAIN OF THE SENATE

Mr. HAYDEN. Mr. President, from the Committee on Printing, I ask unanimous consent to report favorably without amendment Senate Resolution 252, submitted by me on April 8, 1946, providing for the printing of 2,500 copies of the prayers of the Chaplain of the Senate. I request consent for the immediate consideration of the resolution.

There being no objection, the resolution was considered and agreed to as follows:

Resolved, That 2,500 copies of the prayers offered by the Reverend Frederick Brown Harris, doctor of divinity, Chaplain of the Senate, at the opening of the daily sessions of the Senate during the Seventy-seventh, Seventy-eighth, and Seventy-ninth Congresses, inclusive, be printed and bound for the use of the Senate.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDING OFFICER laid before the Senate a report for the month of April 1946, from the chairman of a certain committee, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,
SENATE COMMITTEE ON PUBLIC LANDS AND SURVEYS,
May 6, 1946.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of April, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944. (See following memorandum.)

CARL A. HATCH, *Chairman.*
STEWART A. HATCH, *Clerk.*

MAY 6, 1946.

To: Senator CARL A. HATCH, chairman, Senate Committee on Public Lands and Surveys.

From: Senator PAT MCCARRAN, chairman, Subcommittee To Investigate the Administration and Use of Public Lands.

The following persons have been assigned by the Forest Service, Department of Agriculture, to assist with the work of the above-named subcommittee:

E. S. Haskell, senior administrative officer, Forest Service, CAF–12; basic salary, $5,000 per annum.

Elizabeth Heckman, clerk, CAF–5, basic salary, $2,000 per annum.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL:

S. 2175. A bill for the relief of Louise S. Page; to the Committee on Claims.

By Mr. BUSHFIELD:

S. 2176. A bill authorizing the issuance of a patent in fee to Charles Kills The Enemy; to the Committee on Indian Affairs.

MEDIATION OF LABOR DISPUTES—AMENDMENT

Mr. BYRD. Mr. President, I ask unanimous consent to submit an amendment intended to be proposed by me to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes. The amendment provides for the incorporation of labor unions. I request that the amendment lie on the table, be printed, and be printed in the RECORD, and also that a statement explanatory thereof may be printed in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia? The Chair hears none.

The amendment intended to be proposed by Mr. BYRD to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

At the end of the bill, insert the following:

"REGISTRATION

"SEC. —. (a) Within 6 months after the date of enactment of this act and annually thereafter every labor organization having as members one or more employees of persons engaged in commerce shall register its identity with the Securities and Exchange Commission and shall state under oath the following information and such other information as the Commission may by regulations require: The name of the labor organization; the address at which it has its principal office; the names and titles of the officers and their annual compensation; the company or companies with which the labor organization deals, if a local organization; the industry or industries in which the labor organization operates, if a national organization; initiation fees; annual dues charged to each member; assessments levied during the past 12 months' period; limitations on membership; number of paid-up members; date of the last election of officers; the method of election; the vote for and against each candidate for office; and the date of the last detailed financial statement furnished all members and the method of publication or circulation of such statement. With such information shall be filed under oath, in accordance with such rules and regulations as the Commission may prescribe, detailed and intelligible financial statements and a copy of the articles of incorporation and bylaws of the labor organization.

"(b) Every labor organization incorporated after the date of enactment of this act having as members one or more employees of persons engaged in commerce shall, when incorporated and annually thereafter, register with the Commission and furnish the information required of existing labor organizations under the provisions of this section.

"INCORPORATION

"SEC. —. Every labor organization having as members one or more employees of persons engaged in commerce shall, prior to its initial registration with the Securities and Exchange Commission as provided in this act, take out articles of incorporation under the laws of the District of Columbia, except that, if permitted by the laws of the State in which a labor organization has its principal place of business, such articles of incorporation may be taken out under the laws of such State. Each such labor organization when incorporated shall have the capacity to act possessed by a natural person, shall be liable for the acts of its officers, members, or agents, to the same extent and in the same manner as ordinary business corporations, and shall have the power—

"(a) to continue as a corporation for the time specified in its articles;

"(b) to have a corporate seal and the power to alter it;

"(c) to sue and be sued in its corporate name;

"(d) to make bylaws for the government and regulation of its affairs;

"(e) to acquire, own, hold, sell, lease, pledge, mortgage, or otherwise dispose of any property incident to its purposes and activities;

"(f) to conduct its affairs within or without the District of Columbia;

"(g) to exercise any power granted to ordinary business corporations consistent with its purposes and activities;

"(h) to exercise all powers not inconsistent with this joint resolution which may be necessary, convenient, or expedient for the accomplishment of its lawful purposes and, to that end, the foregoing enumeration of powers shall not be deemed exclusive.

"PENALTIES

"SEC. —. (a) No labor organization having as members one or more employees of persons engaged in commerce and no member thereof shall be entitled to any rights, privileges, or benefits under the National Labor Relations Act unless and until such organization complies with the provisions of this act.

"(b) In the event any such labor organization is held by the final decision of a court of competent jurisdiction to have breached its employment contract with any employer or to have unlawfully damaged or destroyed

the property of any employer, such organization shall not be recognized as a labor organization, or a representative of employees, under the National Labor Relations Act insofar as any matter relating to employees of such employer is concerned.

"DEFINITIONS

"SEC. —. When used in this act the terms 'person,' 'employer,' 'employee,' 'representative', 'labor organization,' and 'commerce' shall have the same meaning as is given to those terms by section 2 of the National Labor Relations Act. In addition, the term 'labor organization' shall include national and international organizations having as members labor organizations as defined in said section 2."

The explanatory statement presented by Mr. BYRD, is as follows:

STATEMENT IN EXPLANATION OF AMENDMENT TO H. R. 4908, TO PROVIDE FOR INCORPORATION AND REGISTRATION OF LABOR ORGANIZATIONS

There can be no hope for prosperity and industrial peace for America until the equality of rights of all citizens, corporations, and organizations is written into law on a basis of justice to all.

I want to emphasize that many labor unions are faithful to their contracts and obligations, but some of outstanding importance have violated contractual obligations, for which such unions should be held to the same accountability as would be done in the case of an industrial corporation. Strikes in basic industries which supply vital materials can shut down thousands of others. Unless contracts between labor and industry are observed and have the same legal status as other contracts, we can only look forward to a long period of industrial strife and business chaos.

A manufacturer who makes a contract with a labor union must have confidence in the performance of that agreement in order to plan his operations. Yet the union may breach its contract and management has no redress in law, although the union is free to resort to all legal processes as well as illegal pressures to enforce the same contract.

With a debt approaching $300,000,000,000 we can only service this debt and perform our essential function of government by means of a high national income. This will be most difficult under the most favorable conditions, and it is possible only by an uninterrupted industrial production.

In the years gone by industrial corporations undoubtedly abused their power. The result was that the Congress created the Securities and Exchange Commission for the purpose of protecting the welfare of the public. This act has served well and has eliminated most of the abuses that theretofore existed in corporate management. Now the shoe is on the other foot. The labor unions have great power—virtually the power of life and death over the economic progress of America. Hand in hand with power goes an equivalent responsibility. For years we have seen repeated instances of broken union contracts—of sympathy strikes to encourage and support strikers working for some other corporation, the sympathy strikers having no grievance against their own employer. We have seen, time and again, jurisdictional strikes, strikes arising from disputes between two unions when the employer is in no manner involved, yet must suffer the consequences and losses resulting form shutting down his plant. This lack of union responsibility has reached an intolerable stage.

I am strongly for collective bargaining, but bargaining must mean what it says—namely, that a bargain made is equally binding on both parties to the agreement. I believe in the inherent right of labor to organize. Labor unions have a proper place in the economic life of America. Unions are here to stay, but if we are to have orderly business conditions, labor unions as such must have the same legal responsibility to perform their contracts as the owners of industry. If one can be sued for violation of a contract, the other should be in the same status. When two parties make a contract, if that contract is to mean anything, there must be a mutuality of responsibility. This does not now exist between labor and industry. Why should a labor union as such be exempt from liability for the damages resulting from broken contracts when all citizens and business corporations can be sued when a contract is violated? We may as well try to build a house without a foundation as to enact legislation to prevent industrial and labor strife without first providing for mutual responsibility.

I realize the problem is difficult, but the time is overdue to make a start. What is done must be done with full justice to the members of the unions. All of their legitimate rights must be preserved. The plan I now propose will ask no more of unions than existing laws require of industrial corporations. The Securities and Exchange Commission was established to see that neither the public nor the corporation stockholders were defrauded by industrial management. One of the powers of the Commission is to require of all corporations full reports and information as to their operations.

As a first step to union responsibility, and this responsibility I believe to be essential before any real progress can be made to end industrial strife, I am offering legislation to provide:

1. That within a reasonable time, and annually thereafter, all unions shall register with the Securities and Exchange Commission; that each union shall annually report to the Commission, among other information: Initiation fees; annual dues charged to each member; assessments levied during the past 12-month period; limitation on membership; number of paid-up members; salaries of the officers; date of the last election of officers; the method of election; the vote for and against each candidate for office; reserves in the treasury; the date of the last detailed financial statement furnished to all members, and the method of publication or circulation of such statement.

2. That every labor organization having as members one or more employees or persons engaged in commerce shall take out articles of incorporation under the laws of the District of Columbia, or any State authorizing such incorporation.

3. That labor unions can be sued for civil damages, either for the breach of its employment contract or for the unlawful damage or destruction of property.

4. That no labor organization shall be entitled to any rights, privileges, or benefits under the National Labor Relations Act unless and until such organization complies with the provisions of this law.

Labor unions today have great financial resources. At the direction of Congress, the Joint Committee on Internal Revenue Taxation has made a preliminary report stating that of approximately one-half of the labor unions reporting, those unions had an income for the year 1944 of $389,700,000. Included in the annual expenses of these unions were wages, salaries, and commissions of $50,000,000; compensation of officers, $38,000,000; other operating expenses, $88,000,000, with a total expenditure for the year 1944 of $323,000,000, leaving $66,000,000 to be added to the already very large financial reserves.

Why shouldn't union members know what salaries their officers receive? Why shouldn't the union members and the general public know how much was expended for political purposes? A business corporation is prohibited by law from making a political contribution. An individual making a political contribution over a certain amount must pay a gift tax and report the same to the Government.

Labor unions in America have "grown up." They are now "big business" in their power and financial assets. They must assume their proper responsibility for their acts affecting the economic welfare of America. This legislation will do no more than place upon unions a legal responsibility commensurate with their power. As I have said, many have large financial resources adequate to pay damages for violation of contracts (I am informed that 12 unions have financial reserves of $160,762,000). At least the employer, under this plan, will know in advance the financial responsibility of the union with which he deals.

I will press for this legislation as strongly as I can. It is democratic and just. I am convinced its enactment will be a substantial deterrent to strikes. It is the first and vital step toward the recognition that labor unions have tremendous power for good or bad in our economic life and, as such, should have a responsibility under the law as has been imposed on other powerful groups. I do not offer this as a panacea to solve all labor difficulties, but, in the long-range objective for industrial peace, I think we must put first things first and give to labor unions a legal status and responsibility.

This is the foundation. Until this responsibility to organized government is established, there can be no lasting industrial peace upon which our future prosperity so vitally depends.

AMENDMENT OF RULE RELATING TO CLOTURE—RESOLUTION REFERRED TO COMMITTEE ON RULES

Mr. SALTONSTALL. Mr. President, on May 7 I submitted a resolution which was ordered to lie over, under the rule. It is Senate Resolution 269. I should like unanimous consent to take it from the table and have it referred to the Committee on Rules.

Mr. BARKLEY. To which committee?

Mr. SALTONSTALL. To the Committee on Rules.

Mr. BARKLEY. May I ask the Senator what the resolution provides for?

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 269) to amend rule XXII so as to provide that a cloture motion may be presented at any time upon any pending matters or upon the unfinished business.

Mr. BARKLEY. Very well; it should be referred to the committee the Senator has named.

The PRESIDING OFFICER. Without objection, the resolution will be taken from the table and referred to the Committee on Rules.

EFFECT OF COAL STRIKE ON THE CANNING INDUSTRY AND THE FOOD SUPPLY

Mr. WILEY. Mr. President, I have a very short statement from Mr. D. W. Figgis, president of the American Can Co., which I think very graphically portrays the situation relating to the food shortage and the danger this country is now in. I have spoken on this subject briefly during the course of the last week. This statement says that:

Each day of the coal strike is magnifying the danger that insufficient metal cans will be available for preservation of this summer's perishable farm crops, with resultant

losses to farmers and canners and serious food shortages.

I do not have to tell this body that America has gotten into the habit of eat-out of cans. As I stated day before yesterday, Wisconsin cans more than 50 percent of the peas of this country, and the pea crop is in jeopardy because there is no coal and now because, even if we could get over that hump, there will be no cans unless we take action to bring an end to the coal strike.

I continue reading the statement of Mr. Figgis:

Dangerously low metal inventories in can-manufacturing plants throughout the country as a result of slow-ups and strikes in the steel mills, power dim-outs that are curtailing operating hours in factories and reduced shipping facilities, are causing daily losses of cans that could not be offset even by full-capacity production of the industry every day between now and the summer harvests. The processed food industry is skating on thin ice, and disastrous effects on the whole canned-food situation can be averted only through an immediate restoration of normal power requirements and transportation facilities to make possible full production and shipment of tin-mill products, operation of can plants, and shipment of cans.

In the Chicago area alone, where six of the American Can Co.'s 65 plants are now running only one 8-hour shift 3 days per week, or about one-quarter of normal hours, as a result of the power dim-out, daily losses in production amount to approximately 4,000,000 cans for fruits, vegetables, meats, and evaporated milk.

Mr. President, I desire to talk to Senators on the other side of the aisle for a moment. I have just called attention to the fact that, because of conditions existing in this country, 4,000,000 cans daily are not being made to take care of the food that is being produced. Four million cans daily. Figure that out. It is 120,000,000 cans a month. That means that we will not be eating our food out of cans; it means that our food will rot. It is such a serious situation that I felt this entire statement was worthy of comment on the floor of the Senate.

I continue reading from the statement by Mr. Figgis:

Spreading of dim-out regulations to new areas will cause further losses, and although the shipping embargo has been modified to permit transportation of cans for perishable goods, reduced operation of the railroads will cause curtailment of production in many more plants, regardless of the power supply. The production rate in all can-manufacturing plants, some of which ship as many as 4,000,000 cans on a peak day, is out of all proportion to storage space, and the plants can run a very short time without constant removal by rail of the finished product.

American Can plants alone nomally produce about 40,000,000 food cans per day. While a complete shut-down would not occur unless a settlement of the coal strike is far in the distance, this figure is an indication of what the growing curtailments mean in terms of danger to the food supply.

I was talking yesterday with the distinguished senior Senator from Georgia [Mr. GEORGE] whom I am glad to see present in the Chamber. He told me of the situation in his State and stated, as I recall, that the conditions at the present time indicate that the peach crop is in jeopardy, for cans cannot be obtained. That is another indication of what is taking place on the whole food front.

I continue reading from the statement:

The most imminent danger of losses as a result of can shortages is that of the pea canners in the Central and North Central States, particularly Wisconsin—

That is my State—

Illinois, and Kansas where canning normally begins in late May and early June. Slowed-up production of meat cans is causing a serious problem for packers in the Middle West.

Despite the tremendous daily output of the plants when operated at capacity, canners' requirements make necessary year-round manufacture and storage against the peak seasons with extra shifts and forced-draft production at harvest time after all available storage space is utilized. Since inventories of finished cans in the factories and canners' warehouses are far below last year the loss of can production now will be a serious problem throughout the year in all packing areas. The annual consumption of metal cans in the United States is more than sixteen billion.

As a result of the steel strike, Government orders had returned restrictions on manufacture of metal cans practically to a wartime basis, in order to provide ample containers to preserve the crops already planted.

Every pound of food from this summer's and next fall's crops that cannot be preserved for future use will be a loss to the world food supply that cannot be replaced until the 1947 harvesting seasons.

The coal strike has shut down the steel mills and the strike in the steel mills caused a shut-down of automobile factories. Now all factories are being shut down. We can live for a while without automobiles but we cannot live very long without food.

Mr. President, the statement I have read presents another challenge to the Senate of the United States.

WHY MINERS ARE BITTER—ARTICLE BY AGNES E. MEYER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "Why Miners Are Bitter," by Agnes E. Meyer, from the Washington Post of May 10, 1946, which appears in the Appendix.]

THE COAL STRIKE—ADDRESS BY ALBERT L. WARNER AND ARTICLE BY ERNEST LINDLEY

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD a radio address on the subject of the coal strike delivered by Albert L. Warner on May 9, 1946, and an article by Ernest Lindley, which appear in the Appendix.]

LOAN TO GREAT BRITAIN—TELEGRAM FROM I. B. CATZ

[Mr. MORSE asked and obtained leave to have printed in the RECORD a telegram on the subject of the loan to Great Britain from I. B. Catz, president of Catz American Co., Inc., which appears in the Appendix.]

JOSEPHINE BENHAM

Mr. Ellender submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1457) for the relief of Josephine Benham, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the sum inserted by the Senate amendment insert $1,000; and the House agree to the same.

ALLEN J. ELLENDER,
GEO. A. WILSON,
Managers on the Part of the Senate.

DAN R. MCGEHEE,
JOHN JENNINGS, JR.,
Managers on the Part of the House.

The report was agreed to.

PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. ELLENDER obtained the floor.

Mr. HILL. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. ELLENDER. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOEY in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senator answered to their names:

Aiken	Hayden	Pepper
Austin	Hickenlooper	Radcliffe
Ball	Hill	Reed
Bankhead	Hoey	Revercomb
Barkley	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Bridges	Johnston, S. C.	Saltonstall
Brooks	Knowland	Shipstead
Buck	La Follette	Smith
Bushfield	Langer	Stanfill
Butler	Lucas	Stewart
Byrd	McCarran	Taft
Capper	McClellan	Taylor
Donnell	McFarland	Thomas, Okla.
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tobey
Ellender	Magnuson	Tunnell
Ferguson	Maybank	Tydings
Fulbright	Mead	Wagner
George	Millikin	Walsh
Gerry	Mitchell	Wheeler
Green	Moore	Wherry
Guffey	Morse	White
Gurney	Murdock	Wiley
Hart	Myers	Willis
Hatch	O'Daniel	Wilson
Hawkes	O'Mahoney	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississipppi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably detained.

The Senator from Oregon [Mr. CORDON] is absent by leave of the Senate.

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

The question is on the amendment offered by the Senator from Louisiana [Mr. ELLENDER] for himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. ELLENDER. Mr. President, when the Senate recessed last night I was discussing the pending amendment, and I propose now to read it. It is very short, and is as follows:

SEC. —. It shall be a condition on any payment made to the United Kingdom pursuant to the agreement dated December 6, 1945, that not less than 90 percent of the amount thereof shall be used for purchases by the United Kingdom of goods and services in the United States.

As I indicated last night, one of the chief arguments advanced by the proponents of the pending resolution was that great benefits would accrue to our country by reason of trade resulting from the making of the loan. By my amendment I am seeking to effectuate that argument. I want to make it certain that 90 percent of the huge sum we are loaning, or, rather, giving to the United Kingdom for the purchase of goods and services from the people of our country.

The loan to Britain is somewhat of a lend-lease proposal, a matter which all of us heard much about during the war. All the money appropriated by the Congress for the purpose of lend-lease was spent in this country, and our manufacturers and farmers gained much profit from it. Today we are being called upon to make an advance, not in goods, not in services, but in cash from our Treasury, which will be raised through a bond issue.

Mr. President, we have established the Export-Import Bank for the express purpose of developing our foreign trade. We have, as I have stated on several occasions, increased the capital stock of that bank to $3,500,000,000. I am willing to increase it a few billion dollars more so that we may further aid foreign countries, and at the same time assist the farmers and manufacturers of our Nation. My amendment proposes to work out in practice what we have gone on record as approving in theory. It suggests a method adopted by the Congress in previous years by which we provided ways and means of obtaining more trade. My amendment seeks to expand our trade as provided through the facilities of the Export-Import Bank.

It must be well known that through the Export-Import Bank our country lends money to foreign governments or foreign corporations with the distinct understanding that every dollar that is borrowed by a foreign corporation or a foreign government must be spent in our country. The pending amendment provides that 90 percent of the loan shall be spent in this country. As I stated last night, I think it is imperative that something be done to protect the rights and interests of the American people.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. REVERCOMB. I understand the amendment to mean but one thing, and that is a definite declaration by the Congress that 90 percent of the loan money shall be spent in America.

Mr. ELLENDER. That is correct.

Mr. REVERCOMB. The greatest argument that has been made for the British loan has been that it will increase the purchase of goods and services in this country. The Senator's amendment puts us face to face with this proposition: If we really mean what has been declared, namely, that the purpose of the loan is to aid trade with America and to sell American goods to the British, I do not see how anyone could fail to support the amendment.

Mr. ELLENDER. That is my view.

Mr. REVERCOMB. On the other hand, the terms of the loan do not fix any amount which must be expended for goods and services in the United States. As I recall, the purposes of the loan are four-fold, but no particular amount is required to be spent in this country for services and goods.

Mr. ELLENDER. The Senator is correct.

Mr. REVERCOMB. Let me say to the able Senator that he has confronted the Senate in a very fair and clear way with the most important argument advanced by the proponents of this measure.

Mr. ELLENDER. I thank the Senator.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MOORE. It seems that the basis of the argument is that this loan would increase international trade, and thereby result in great benefit to this country. However, it seems to me that the truth is that, although we might require the purchase in this country of goods to be manufactured in the United States, we shall not have the goods to supply. Where are we going to get the goods? What goods could we now spare from the demands of our own people? Would it be desirable to stimulate exports at this time, or within the next several years?

Mr. ELLENDER. That remains to be seen. As the Senator knows, this money is to be drawn by the British over a period of 5 years. Of course, there is nothing to prevent the British from drawing the entire $3,750,000,000 the moment the Congress acts. But the supposition is that Britain is to take it in small amounts, as it were, so as not to interfere with our processes here and cause inflation. That is the argument which is made.

Mr. MOORE. It stands to reason that we do not now need that much export trade.

Mr. ELLENDER. Of course not; but the chief argument for the loan, as the Senator from West Virginia has just stated, is that it will increase our foreign trade, which is so necessary in order to give full employment to our people.

Mr. MOORE. It is not a sound argument.

Mr. ELLENDER. I want to make it come true, if the argument of the proponents of the resolution is sound.

Mr. MOORE. It is not a sound argument to say that this loan would inure to the benefit of the industry of this country.

Mr. ELLENDER. Certainly not.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WILLIS. Is it not true that every dollar we add to our national debt increases inflationary pressure in this country?

Mr. ELLENDER. There can be no doubt of it.

Mr. WILLIS. Would not the British loan have the same effect?

Mr. ELLENDER. Certainly.

Mr. WILLIS. Is not that the greatest menace to our country?

Mr. ELLENDER. There can be no question about it. That is another argument against the loan. But the point I am trying to emphasize is that one of the chief arguments for adoption of the joint resolution is that the loan would increase our foreign trade. I want to make that possible by providing that 90 percent of every dollar we lend to Great Britain shall be spent directly for goods and services in this country.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BUTLER. I believe it is a true statement that the agreement which we are now considering comes under the general classification of what we term "dollar diplomacy." I ask the Senator if he will permit me to read a brief article on that subject from the Wall Street Journal of today?

Mr. ELLENDER. I gladly yield for that purpose.

Mr. BUTLER. The article is headed "Dollar diplomacy, modern style, is beginning to limp badly." The article reads as follows:

DOLLAR DIPLOMACY, MODERN STYLE, IS BEGINNING TO LIMP BADLY

When United States diplomats bestowed a $90,000,000 credit upon Poland a fortnight ago, the left-wing Polish Government happily announced it to their populace. But they've strangely neglected to mention at home two big strings tied to the dollars: (1) Their promise of a democratic election, and (2) adequate and effective compensation for nationalized United States properties in Poland.

When questioned, Poles explain the text of the pact was garbled in transmission to Warsaw—though it went both by wireless and courier. And now they insist on determining compensation through commissions on which Americans have no voice. Meanwhile, they hint they'll need another loan soon.

Some of our disillusioned dollar diplomats talk of canceling the present credit. But they pursue similar plans for other nations.

Mr. ELLENDER. Mr. President, as I was about to state to the Senate, the policy which has been advocated and put into effect through this very Congress in respect to our export trade has been through the establishment of the Export-Import Bank. Through the facilities of that bank we are able to enter into contracts and agreements with foreign governments whereby every dollar we lend to a foreign government or a foreign corporation shall be spent in this country. In that way we can dispose of such surpluses as we have. It may be that in the near future we shall not have many surpluses to dispose of; but with the expansion of our war plants during the war there is no telling the extent to which this country will be in a position in a short while to supply the world with many of our products which are now manufactured through mass production.

As has been pointed out, Great Britain need not spend a thin dime in this country for any goods she desires to purchase; she can buy the goods wherever she desires to purchase them. It is stated in the agreement that she may purchase goods in the United States, but there is no obligation on her part to spend in the United States any of the money which she receives as a result of the making of the loan.

It has been said that all dollars we loan to a foreign country will find their way back into this country and be spent in the United States. That is true; but if we control the use of those dollars from the time when they leave our hands until the time when they get into the hands of the borrower and are spent by him, and if we require the borrower to purchase from us, we shall be able to dispose of our surpluses, and most farmers and merchants will thereby benefit.

Great Britain would have the right to use this money to buy cotton, let us say, from Brazil. Great Britain is no different from a private person, insofar as doing business is concerned. A country, like a person, will buy goods where it can buy them the cheapest. If the junior Senator from Ohio [Mr. HUFFMAN], who I see is about to rise, were to go down Pennsylvania Avenue today and were to go to three different stores, and if in each store he saw a suit which appeared to be the same as suits which he saw in the other two stores—suits which looked alike, but which were priced at $30, $35, and $40 respectively—my guess is that the Senator from Ohio would purchase where he could buy the cheapest.

Mr. President, countries are no different. Today we have cotton that sells for about 28 or 29 cents a pound. If Great Britain can purchase cotton from Brazil at, let us say, 17 cents a pound, where do you think she will buy the cotton? If she can use our money to buy cheap cotton in Brazil, Brazil will be able to use those dollars to pay us back for what we loaned to her at some time in the past. In other words, if this money finds its way into a foreign country, it can be used to pay off debts and obligations, rather than be used to purchase goods.

Mr. HUFFMAN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HUFFMAN. I am greatly interested in what the Senator has had to say in this portion of his argument. I merely wish to call his attention to the fact that only a few days ago Great Britain renewed her agricultural agreements with Argentina for the purpose of recapturing all the South American trade which she had prior to the war.

Mr. ELLENDER. Yes; and she is also attempting to enter into an agreement with Russia.

The point I wish to make—and I am sure my good friend the Senator from Michigan is very much interested in it, because we had occasion to discuss it yesterday evening after the Senate took the recess—is simply this: If we can maintain control of the dollars which we lend to a foreign country, in such a way as to insure that those dollars shall be spent with us, then we can be certain that our farmers and our manufacturers will receive benefits.

As I said a moment ago, it is true that Great Britain could spend the money in another country, and finally the dollars will find their way back to the United States; but there is no certainty that when the money returns to the United States it will be used by that country to purchase materials or goods of which we have a surplus. As everyone knows, today our country produces approximately a billion and a quarter bushels of wheat, and we consume approximately 650,000,000 or 700,000,000 bushels. So we have a surplus of approximately 600,000,000 or 650,000,000 bushels, let us say. Great Britain has no wheat. Suppose Great Britain chose to buy wheat from Brazil or Argentina or any other country which produces wheat. If she used our dollars to purchase wheat from one of those countries, when our dollars were transferred to one of them—for instance to Brazil or Argentina or Ecuador, countries which produce wheat in abundance—those dollars could be used by that country to discharge a debt which it might owe to the United States. The only beneficiaries would be the bondholders. But our manufacturers and farmers would not benefit to any great extent.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. The able Senator from Louisiana has been discussing this point in an excellent fashion, and I should like to ask him a question in connection with it. Has not there been one objection to this loan, namely, that the difficulty is we do not now have the capacity to produce sufficient goods to supply the needs of our own consumers, and that if we require that 90 percent of the money we loan to Britain shall immediately come back into our own markets, we shall be defeating the very purpose of the loan?

There is another point. If we allow this money to be used by Britain in her colonies or in her organization, for instance, to pay a debt to India or to Egypt or to some other part of the sterling-bloc area, the countries to which the dollars are paid by Britain will, in time, use them to make purchases in the United States. It is argued in that connection that it will be better for the United States if those dollars do not immediately come back to this country, to be used to make purchases in our markets. The argument is that, instead, it would be desirable to have the dollars used to make purchases in the United States at future dates, and that some day those countries will be compelled to use the dollars either to purchase American goods or to pay for American services.

Mr. ELLENDER. There can be no question about that, I say to the Senator from Colorado, because of the fact, as the Senator well knows, that all the countries he has named are very short of goods. They desire to obtain goods almost to the same extent that Great Britain does. The result is that those dollars will not stay very long in Egypt or in India. Today we in the United States have a large surplus of cotton. Great Britain needs it. Why cannot we say to her, "Use our cotton"? Next year we are going to have a large surplus of wheat, I am sure. Why cannot we say to Great Britain, "Rather than purchase wheat in Argentina or Russia or anywhere else, purchase wheat from the United States; we have it here to sell to you"?

The same situation applies to many other products of the farm and of industry. As the Senator knows, today Great Britain must import five-sixths of all the food her people consume. In other words, she is far from being self-sustaining. There are only a few commodities which Great Britain produces in sufficient quantity—I will not say in abundance—to satisfy the needs of a very small percentage of her population.

Under the proposal I am now advocating, we could say to Great Britain, "We have supplies of wheat and of this, that, and the other commodity which will be available in surplus quantities in the United States soon—and then we could sell them to Britain, rather than to let the dollars we lend her find their way throughout the world and eventually have other countries compete with our own people for goods which our people produce.

Mr. JOHNSON of Colorado. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Colorado. I take it for granted that if this loan is made the United States—in view of her present economy, the failure to produce sufficient quantities of certain articles, and with overproduction of other articles or commodities—will have something to say when an attempt is made to get those dollars back into this country, or when they do come back here; at that time we shall have something to say as to whether they shall be used to purchase goods or commodities of which we have surpluses, rather than to create inflation in this country by being used to back a demand for goods which we do not have in sufficient quantity to sell abroad.

I agree with the statement the Senator has made that that situation must be taken care of, or else we shall find that our economy will be upset by this arrangement.

Mr. ELLENDER. Mr. President, dollars in the hands of a foreign government, without strings attached to them, are the same as dollars in the pocket of any Senator or any other person. A person who has a dollar in his pocket can go to any store to which he wishes to go and make purchases there with that dollar.

The moment we transfer $3,750,000,000 to Great Britain that money will become free, as it were; and the ones who have the money can do what they please with it. They can use it to make purchases in any markets in which they wish to buy, regardless of whether that would be in competition with you or me or anyone else.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield

Mr. FERGUSON. I hope that the statement which has been made by the able Senator from Louisiana will apply to the future of international trade. I believe that he has struck at the very heart of the situation. What I fear in the future more than anything else is the control of dollars. The Senator has stated the situation correctly. The flow of international trade should be the same as the flow of dollars from an individual's pocket. But the difficulty in the past has been that all international dollars, so far as trade flowing from one country to another is concerned, were controlled by nations. The Mead committee found that instead of an attempt being made to increase free individual enterprise, the enterprise was between nations. I witnessed a good sign the other day when we said to approximately 15 nations that we did not want their purchasing agents to come to us as nations. We want individuals in other countries to deal with our individuals in this country. If we can obtain such trade we will solve our international trade problem.

Mr. ELLENDER. Mr. President, I am in full agreement with the distinguished Senator from Michigan. The Congress has already adopted certain measures in order to effectuate the policy to which the Senator has referred. Two proposals have been agreed to. We provided a fund, which was the most important of the two proposals. That fund is to be used in order to stabilize the currencies of the various countries in relation to each other. It will make possible the free flow of busines and trade to which the Senator has referred. But, it cannot be done merely by loaning the proposed $3,750,000,000 to Great Britain, because she will use it for the purpose of helping herself. That is why I am so anxious that we tie some kind of strings to the loan. I believe a proviso should be made of the purpose of the credit which will be tendered to Great Britain and we should make it certain that the proceeds of the loan will be spent here by the United Kingdom. I stated yesterday that newspaper headlines gave the impression that all monies to be advanced by Canada to the United Kingdom should be spent in Canada. I read from the Canadian agreement:

ART. 2. The purpose of the credit is to facilitate purchase by the United Kingdom of goods and services in Canada, to assist in making it possible for the United Kingdom to meet transitional postwar deficits in its current balance of payments, to maintain adequate reserves of gold and dollars, and to assume obligations of multilateral trade.

The newspaper from which I quoted yesterday seems to have given an erroneous impression. The language I have just quoted seems to be similar, in effect, to that incorporated in the pending agreement between our Government and the United Kingdom.

Mr. FERGUSON. Mr. President, yesterday I voted for the Aiken amendment because of the theory which the Senator is now arguing, namely, that there should be some control of the money which will be loaned. I felt we should make certain, so far as the Congress, a policy-making body, is concerned, that trade restrictions shall be removed. If we are to control dollars in international trade and encourage individual enterprise, we will find that around the globe there will be similar acts on the part of other nations.

Mr. ELLENDER. Did the Senator vote for the Export-Import Bank?

Mr. FERGUSON. Yes.

Mr. ELLENDER. The purpose of the Export-Import Bank was to develop our trade, and it is said that a similar result will follow from the loan to Great Britain. Such theory has been the basis of one of the chief arguments which have been advanced on this floor. It has been said that the main purpose of the loan is to expand the foreign trade of our great Government.

Mr. FERGUSON. The foreign trade, not of our Government, but of our individuals and our people.

Mr. ELLENDER. Yes; that is what I had in mind. I mean the people of our country.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WHEELER. The other day I called attention to the fact that in the tariff agreements which were made with England long before this present subject arose, England agreed to reduce her trade restrictions. So, when it is said that we will get something in return for this loan, I want to point out that we will get only what England has already agreed to give. Mr. Churchill stated on the floor of the House of Commons, and Lord Keynes stated in the House of Lords, that unless Great Britain's expenditures increased by 60 percent she would not be required to do anything about reducing restrictions. All the talk about our obtaining more trade because of this loan agreement, is pure nonsense. England agrees to nothing in connection with the proposed loan that she has not agreed to in the past. We have heard much said about the advantages which will accrue to the manufacturers of this country; but, it has been contended, tariffs in the United States will have to be reduced in order to obtain the removal of restrictions abroad. When the tariffs are reduced or removed what will happen to the American woolen and cotton textiles industries, for example? If we reduce the tariffs all the Republicans will be here in a comparatively short time asking for tremendous increases in the tariffs, and then the British will say, "You have gone back on your word; you are repudiating everything which you have agreed to, and consequently we do not have to pay a nickel." All Senators need to do is to read the agreements to which I have called attention on the floor of the Senate numerous times, and the statements of Winston Churchill and Lord Keynes.

Mr. ELLENDER. Mr. President, because of the lack of time, it is not my purpose to debate the tariff question. But I plead with Senators to vote for this amendment. It will yield to our country a meager advantage or benefit in return for the loan which we are asked to make. I believe it is essential that we try in some way to safeguard our own interests. I believe it to be essential for us to use the same policy that we invoked in regard to the Export-Import Bank. Let us use the Bretton Woods proposals in carrying out the suggestions made by the distinguished Senator from Michigan. Those proposals were approved by the Senate. There is no reason why we should not move in their direction in order to help stabilize the economy of a sick world.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. TUNNELL. What provision does the Senator's amendment make for guiding purchases within the 90-percent limit to the articles of which there is a surplus, instead of articles of which there is a shortage?

Mr. ELLENDER. I have not provided for that, I may say to the Senator. It is to be assumed that virtually the same method which is now in effect, namely, that of making loans to foreign governments by way of the Export-Import Bank, will be used in making the proposed loan to Great Britain. As I indicated a while ago in answering a question of the distinguished Senator from Nebraska [Mr. BUTLER], this loan is to be made to Great Britain in installments over a 5-year period. Great Britain is to receive the money in installments, starting with perhaps $500,000,000, or possibly $1,000,000,000. The entire amount is not to be utilized by them immediately. As the Senator knows, Great Britain must purchase most of the food which her population consumes. She must import a large percentage of raw materials for manufacturing purposes. Great Britain today utilizes from 15,000,000 to 17,000,000 tons of steel a year. But she can produce only, I believe, 8,000,000 or 9,000,000 tons. She must obtain the remainder of her needs from foreign countries. She must obtain all her copper and magnesium from other countries. It would not be to the advantage of Great Britain to expend this large sum of money in 1 year, because it would be necessary for her to keep some of it in reserve in order to maintain her economy for the next 4 or 5 years.

Mr. TUNNELL. At the present time it might be harmful instead of beneficial if England were to take, for example, food products.

Mr. ELLENDER. That might be true for a few years to come. I am hopeful that the present coal strike will come to an end within a few days, and that the wheels of industry will start humming. I do not believe it will take a very long period of time to achieve full production. We have in the process of growth a large wheat crop and a large corn crop. Today we have approximately 14,000,000 head of cattle more than our normal supply. I believe that many other commodities will be available to us within the next few months.

Mr. TUNNELL. I believe that there is some merit in the Senator's suggestion; but it seems to me the principal key to the solution might be the thing I have suggested, namely, some way of guiding the purchases into the articles or commodities of which there is not a shortage of supply in the United States.

Mr. ELLENDER. I submit the amendment, Mr. President, and I hope it will receive the favorable consideration of the Senate.

Mr. BARKLEY. Mr. President, I shall only take a moment, because there are other Senators who have amendments which they desire to have considered. I wish first to correct a statement made by the Senator from Louisiana in his address yesterday found on page 4747 of the CONGRESSIONAL RECORD of yesterday. I quote from what the Senator said; I am sure he does not want to be inaccurate about it if it is called to his attention:

> I notice from the press that day before yesterday the Canadian Parliament proposed to lend to Great Britain $1,250,000,000. In that agreement it was written that every dime of the $1,250,000,000 to be loaned by Canada to Great Britain was to be spent for goods and services to be furnished by Canada to Great Britain.

That is not an accurate statement as to the terms of the loan from Canada to Great Britain. I should like to call the attention of the Senate to the fact that in the agreement between the United States and the United Kingdom subsection 2 of section 6 reads as follows:

> (ii) The Government of the United Kingdom will not arrange any long-term loans from governments within the British Commonwealth after December 6, 1945, and before the end of 1951 on terms more favorable to the lender than the terms of this line of credit.

In other words, Great Britain agrees in the agreement which we are now discussing not to make more favorable terms to any of the governments within the British Commonwealth than are set forth in this loan.

Mr. ELLENDER. As to the rates of interest.

Mr. BARKLEY. As to anything; any kind of terms.

The Senator from Louisiana read a moment ago section 2, I believe he said, of the Canadian agreement.

Mr. ELLENDER. I have it before me.

Mr. BARKLEY. I should like to call the attention of the Senate and of the Senator from Louisiana to the fact that I think he will find section 3 of the agreement between the United States and the United Kingdom identical in language with section 2 of the Canadian agreement which was ratified by the Canadian House of Commons last week, or a few days ago. I think if the Senator will follow the language of section 2 of the Canadian agreement, he will find that it is almost the same as section 3 of the Anglo-American agreement. Section 3 reads:

> 3. Purpose of the line of credit: The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

That is identical with the language of the Canadian agreement.

Mr. ELLENDER. As the Senator from Kentucky just said, I quoted from what I had read in the press as it appeared in bold letters—I have it on my desk now—that the money to be loaned by Canada to Great Britain was to be used exclusively to buy goods from Canada.

Mr. BARKLEY. I have no doubt that the Senator read that in the newspaper, and that is why I am calling attention to the facts.

Mr. ELLENDER. I am glad to have the facts in the RECORD.

Mr. BARKLEY. The terms of the two agreements are identical. The first purpose is to facilitate the purchase of goods and services in this country and in Canada. The word "Canada" might be substituted for the words "United States" in the agreement. All the other purposes are secondary.

If we were to adopt the amendment of the Senator from Louisiana, requiring that 90 percent of the loan shall be used to purchase goods and services in the United States, we would be changing the terms of the agreement with Great Britain, because in the agreement it was not attempted to set a figure in percentage of the money that would be used to buy goods and services in the United States. I do not think anybody can estimate in advance how much of the $3,750,000,000 would be used immediately in the purchase of goods and services in the United States. Some of it will have to be used for the other purposes, which are set out in the agreement, just as they are set out in the Canadian agreement. If the Senate should adopt the amendment offered by the Senator from Louisiana providing that 90 percent of this fund shall be used to purchase goods and services in the United States it would be a change in the agreement which was entered into between the United States and the United Kingdom.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FULBRIGHT. Not only would it be a change, but I think it would be an undesirable change, particularly in the first 2 or 3 years, because we are going to have to use our export controls anyway—and the United Kingdom understands that—in order to avoid too extensive purchases in the next 2 or 3 years.

Mr. BARKLEY. The Senator from Arkansas is correct. If we should require Great Britain to use 90 percent of the $3,750,000,000 within the 5-year period in buying things in the United States, we might, by reason of shortages within that period, add to what some of our friends in the Senate call an inflationary situation. So, I am sure the Senator from Louisiana did not want the wrong impression to be created by the newspaper article which he read.

Mr. ELLENDER. As I have just said, I am glad that the facts have been brought out.

Mr. BARKLEY. The Senator is very fair and I appreciate his attitude. I hope the amendment will not be agreed to.

Mr. ELLENDER. Mr. President, on the amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Pepper
Austin	Hickenlooper	Radcliffe
Ball	Hill	Reed
Bankhead	Hoey	Revercomb
Barkley	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Bridges	Johnston, S. C.	Saltonstall
Brooks	Knowland	Shipstead
Buck	La Follette	Smith
Bushfield	Langer	Stanfill
Butler	Lucas	Stewart
Byrd	McCarran	Taft
Capper	McClellan	Taylor
Donnell	McFarland	Thomas, Okla.
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tobey
Ellender	Magnuson	Tunnell
Ferguson	Maybank	Tydings
Fulbright	Mead	Wagner
George	Millikin	Walsh
Gerry	Mitchell	Wheeler
Green	Moore	Wherry
Guffey	Morse	White
Gurney	Murdock	Wiley
Hart	Myers	Willis
Hatch	O'Daniel	Wilson
Hawkes	O'Mahoney	Young

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. JOHNSTON of South Carolina. Mr. President, the amendment now before the Senate reads as follows:

> It shall be a condition on any payment made to the United Kingdom pursuant to the agreement dated December 6, 1945, that not less than 90 percent of the amount thereof shall be used for purchases by the United Kingdom of goods and services in the United States.

In my opinion, Mr. President, the object of the amendment is to carry out what all the proponents of the pending joint resolution advocate in their arguments, which is that we should sell more goods to the United Kingdom.

Personally, I have been against the lending to England of this money, because I do not believe making the loan will help the United States, since, at the present time, the United States is not able to fill the bill of the requirements of the people here at home, and, in my opinion, we will not be able to do so for the next 4 or 5 years.

Much has been said concerning cotton. If we do not change our system of handling cotton and the way it is sold, this loan to Britain will greatly hazard our sales in the future. I warn Senators that it will also have the effect I shall now mention, unless an amendment of the kind now under consideration is adopted. Let us look at the picture clearly for a few minutes.

If an individual were paid 4 or 5 cents on every pound of cotton, and were allowed to employ his laborers at rates cheaper than those paid by others, would he be put in an advantageous position as compared to those with whom he was doing business? That is what we do for England if we make her this loan, and do not tie to the agreement an amendment such as the one now pending, because 4 or 5 cents is paid on every pound of cotton; the manufacturers of England are permitted to have the cotton 4 or 5 cents cheaper, and they manufacture the cloth with labor receiving less than that paid labor in the United States. Then England does not take our goods and merchandise, but she builds up England's exports. The truth of the matter is that is what this loan would do. Instead of building up her imports, we would be building up her exports. That is the truth of the whole matter. It is an attempt to balance her commerce.

I call attention to the fact that the figures of the Treasury Department show that in 1944 the imports of England amounted to $1,306,000,000, while her exports amounted to only $258,000,000. Her exports were only one-fifth the amount of her imports. Naturally, she wants to buy as much as she can, but her trouble in the future will be that of paying for the purchases and maintaining a balance. She is out of balance now to the amount of about £13,000,000,000 with all the countries with which she is doing business, and the loan will place her further out of balance.

Mr. President, I contend we should do everything we can to try to get the United Kingdom to buy whatever she must buy from the United States. I do not insist on Britain buying raw materials from us. If we in the United States could see the picture clearly we would realize that we ought not to encourage the sale to Great Britain of raw materials produced in the United States, for the simple reason that we can convert the raw materials into manufactured goods in the United States, make the resultant profit for ourselves, and thus bring about full employment in this country. We hear much about full employment, but if we should encourage the shipment of raw materials from the United States it would result in causing full employment in Britain rather than full employment in the United States. I think we must look at the picture clearly, and when we do we will realize the truth of the statement I have just made.

Mr. President, what is wrong with the United States saying to Britain that she should use 90 percent of the money we give to her with which to buy goods in the United States? Personally, I think we should go a little bit further and check on what we are going to let her have. If we are to build up the American economy we should look to what is best for our own country in each instance. After that, let us help the rest of the world. I favor helping Britain in every possible way we can, but I do not favor doing so to the detriment of the United States.

The amendment offered by the Senator from Louisiana and me would only carry into effect what we have here contended should be done—that is, to build up the commerce of the United States and at the same time try to help Britain. But I do not believe any Senator within the sound of my voice wants to help Britain to the detriment of the United States. If Senators will look at the picture as a whole, and take into consideration what has happened in the past, they will come to the conclusion that if we do not throw some protection around ourselves in connection with the loan Britain will look after herself. She will take the money we are lending to her—but I have always said it would be a gift—and she will use it to pay off debts she owes, and balance her own budgetary accounts with countries to which she owes money—to which she has run into debt year after year because her exports were not sufficient in amount to balance her imports. If Senators would investigate Britain's total debt, they would find that she is badly in debt to other nations of the world. In that respect the United States is at the present time in a favorable position. But simply because we are in a favorable position, should we for that reason give our money to Britain without asking that in return purchases be made by her from the United States? Britain needs some of our manufactured goods at the present time. It would be much better for us to let her have some of our manufactured goods than to let her have our raw materials.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. BARKLEY. I wish to announce that I have just received information that Mr. John L. Lewis has called a 12-day truce in the coal strike during which time the men are to go back to work, in the hope of working out and in the effort to work out a satisfactory agreement during that period. I feel sure the Senate is glad to hear that news, and I hope, and feel certain that we are justified in the hope, that during that period a satisfactory adjustment may be made, and that there will be no further necessity for resuming the threatening and unfortunate status of the coal strike.

Mr. JOHNSTON of South Carolina. Mr. President, I am glad to have been interrupted in order that this news might be given to us. The truth of the matter is that the United States should not permit any one man to control industrial affairs of the country and to tie up our whole Nation. So I am glad to hear that news at this particular time, and I hope that in the 12 days some solution can be reached. I hope that in the meantime the Congress of the United States will be able to enact legislation which will be adequate to handle the situation if it becomes necessary.

Mr. President, in the Senate we have now discussed the loan to Britain, and amendments, including the amendment now before us, for many, many days. I was glad, when a vote was taken a few days ago on the first amendment, that many Senators voted in favor of the amendment, because I realize that in a matter of this kind the administration can bring a great deal of pressure to bear. Therefore, I believe that the close vote of the Senate on the first amendment, should be sufficient evidence to prove to America that the loan is not justified.

The pending amendment means much to the people of the United States, and I hope that when the vote comes upon the amendment Senators will say by their votes that they believe the people should be protected in connection with the loan to Britain to the extent that we will get at least 90 percent in trade in the United States if we give Britain the money with which to do the business. If someone were to ask me to give him 90 percent of my trade, and then furnish me with more than enough money to give him that trade, I would certainly be very glad to enter into such an arrangement.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. McFARLAND. I understand that the theory of the Senator from South Carolina is that this is a gift?

Mr. JOHNSTON of South Carolina. I have always contended that it is a gift, and I voted for the amendment which would give Britain $1,250,000,000 outright, because I thought that would help Britain a little bit, and that proposal represented a gift.

Mr. McFARLAND. Then, I take it that what the Senator is working for under that theory is that we give Britain our own goods rather than to buy someone else's goods and give to Britain.

Mr. JOHNSTON of South Carolina. That is correct. We would give them of our goods to the extent of 90 percent of the full amount, and then Britain would have 10 percent on top of that. Let her have 90 percent in goods and 10 percent to use wherever she wants to, not here in the United States. I certainly consider that to be fair to Britain if she wants to be fair to us.

I hope Senators will study the amendment carefully before they vote on it.

Mr. STEWART. Mr. President, I should like to add my endorsement of the amendment of the Senator from Louisiana. I expect to support it.

I have had in mind for several days undertaking to compile some figures which I thought might be of interest to the Senate, concerning the private income of British citizens from investments of various types in this country. I have been unable to procure all the figures which I had in mind at the beginning, and I have abandoned the idea of undertaking to introduce any elaborate figures since the agreement last

night to vote on the joint resolution at 3 o'clock. So I shall make my statement rather brief and give in a very few minutes such information as I have been able to compile, which I understand to be accurate.

In 1945 the United States Treasury Department issued a pamphlet entitled "Census of Foreign-Owned Assets in the United States." For the first time in a good many years the Treasury Department was able to compile these figures, the delay in the past having been chiefly due to the fact that the figures were not available through the office of the Alien Property Custodian or otherwise. As I understand the war expedited the opportunity of the Treasury Department to procure these figures.

We find on examination of this pamphlet that the British people—individuals, corporations, and perhaps even the British Government in some instances—owned outright, or owned controlling stock in more than 600 corporations which do business in the United States. Chiefly among those, at least from the standpoint of income, are insurance companies, particularly fire, marine, indemnity, and other types of insurance. Very little life insurance is represented.

Reading a few excerpts from this pamphlet, I quote from page 17:

Individuals in foreign countries owned directly, as of June 14, 1941, 21 percent of foreign-owned United States assets, while corporations owned 63 percent and governmental bodies and other types of persons owned 16 percent.

Then the statement refers to a table, table No. IV in the pamphlet.

The proportions were greatly affected by the war which caused foreign-exchange assets to be concentrated in the hands of governments and central banks. For example, the Government of the United Kingdom took over most of the marketable securities held by British subjects. That Government, as well as others, took over the dollar receipts of their subjects, such as interest and dividends, and when private remittances were required they were licensed to be paid out of the Government's supply of dollars.

Three types of assets predominated among the holdings of individuals: Securities to the amount of $808,000,000, interests in estates and trusts, $799,000,000; and deposits, $505,000,000.

Skipping over—

Corporate holdings were principally in the form of deposits, $2,852,000,000; interest in controlled enterprises, $2,096,000,000; and domestic securities, $1,812,000,000. Miscellaneous assets, mostly accounts receivable, notes, and other claims, were also large. There are wide variations in the proportions of these various types of assets among the principal countries. More than 40 percent of the holdings of British, Canadian, and Netherlands corporations were interests in controlled enterprises in the United States, whereas only 14 percent of the French and Swiss assets were of that type.

I am skipping about in this pamphlet because my time is limited.

Three-fourths of the foreign-owned American securities, as of June 14, 1941, were held by persons in five countries—the United Kingdom, Canada, Switzerland, the Netherlands, and France. * * * The portfolios of these countries exhibited a marked similarity in the classes of securities of which they were composed, particularly the first three mentioned—

That is, the United Kingdom, Canada, and Switzerland.

With respect to those five countries, common stock comprised about 70 percent, preferred stocks about 12 percent.

Then various tables are referred to. Skipping to page 28, under the head of "Interests concentrated in three countries" we find this comment:

Three countries—the United Kingdom, Canada, and the Netherlands—had 70 percent of the foreign interests in controlled enterprises. * * * The British interests are in part the result of early participation in the development of American industry and partly the result of British preeminence in certain lines of business activity. British insurance companies, particularly in the fire, marine, and casualty group, are well known throughout the world. Their branches and subsidiaries comprised about 73 percent of the foreign-controlled interests in insurance enterprises in the United States as of June 14, 1941. In several manufacturing lines, such as cotton textiles, the British were equally predominant among the foreign-controlled enterprises. In all, there were more than 600 United States branches and subsidiaries of companies in the United Kingdom and the total value of these interests was $712,000,000.

Although a large proportion of the value of the Canadian interests was in the railroad branch lines, the remainder was spread throughout the whole industrial range. In two other industrial groups the Canadian interests were of special importance, foods, beverages, and tobacco, and life insurance.

The pamphlet adds that there were 238 branches and subsidiaries of Canadian owners, valued at $518,000,000, the total of the two considerably exceeding $1,000,000,000.

Under the head of "Foreign-owned insurance enterprises," on page 30 of the same pamphlet, we find this paragraph:

The United States branches of foreign insurance companies were valued, as nearly as possible, at the book surplus of the branches, that is, by deducting general liabilities in the United States and the reserves set up by the branches to cover their liabilities under policies, from the total assets in the United States. The foreign interest in these insurance branches, calculated in this way, amounted to $225,000,000. Foreign-controlled insurance companies incorporated in the United States were valued on the basis of the market value of the foreign-owned stock, or the book value of the stock and surplus, plus obligations due to foreigners.

Again, on page 34, which is a part of chapter IV of this pamphlet, entitled "Changes in Foreign-Owned Dollars and Gold in the United States, 1941 to 1944," we find this comment:

A more significant change in the value of foreign holdings of United States corporate securities arises out of market price fluctuations. Prices have risen substantially, particularly the prices of common stocks which comprise a large part of total foreign-owned domestic securities. The aggregate increase in market value, figured on the basis of the holdings shown in this report, amounts to more than $600,000,000. Because of their large holdings, the British Empire, enemy-occupied Europe, and neutral Europe benefit most by this increase.

There are a number of other interesting comments and paragraphs along that line, but my time is limited and I shall not impose upon Senators who desire to comment on the pending joint resolution or amendments to it before the hour of 3 o'clock arrives.

From an examination of the pamphlet to which I have been referring and of other sources of information, we find that premiums received by British companies, paid by American property-owners for fire and casualty insurance in the United States, either to British branches or properly licensed British companies in America, amount to between $450,000,000 and $500,000,000 annually. These British companies and their branches observe all regulations that American stock companies are bound to observe.

In addition, Lloyd's of London, so we are informed, do a business the volume of which nobody knows, because they make no reports in America. It is estimated to be between $150,000,000 to $250,000,000 per annum. They pay a 4 percent stamp tax on it, but since the stamp is the same stamp as the one used for other purposes by the Treasury, the Treasury has been unable to segregate precisely the amount Lloyd's pay for stamps.

Lloyds claim they do not do business in the United States; but American customers pay just the same, and policies are usually delivered out of Montreal or London direct, but through an American broker.

In addition to paying no attention whatever to the tax requirements in this country, except in Illinois and Kentucky, where they are licensed to do business because they control large liquor insurance and distilling insurance, with the exception of those two States they pay no attention to any State regulations, rules, requirements, taxes, or anything else. Perhaps the reason why they do such a flourishing business is because of the fact that they can write policies which are more liberal and contain provisions which American companies are especially enjoined from giving, due to our various State laws.

The various insurance commissioners are keenly aware of this flagrant violation of their regulations, and they have tried for many years to devise some system to enforce control over the amount of business Lloyd's do in their respective States, but so far with little success. I understand that the figures I have cited include reinsurance ceded direct to Lloyd's companies by other American insurance companies.

Therefore, Mr. President, the total of insurance premiums which we know about and can estimate, which are paid to British-owned insurance companies, runs perhaps in excess of $750,000,000 a year. That money goes to British stockholders, and, as was stated in the pamphlet from which I read a moment ago, the money has largely been confiscated or taken over or controlled by the British Government. Therefore, we may look upon it as a fund which goes directly to

the British Government. There are other British-owned companies which, like the insurance companies, draw a considerable amount of money out of the United States, and do so in the same manner in which the insurance companies draw it from policyholders who pay for the insurance policies they purchase from British-owned insurance companies.

Let me say by way of observation that I am advised that the American insurance companies do very little business anywhere in the United Kingdom. I do not know why that is. Perhaps it is due to the fact that they have too much competition in that field, or they may be prohibited for other reasons from entering it. I do not know about that; I have not gone into that matter. But the point is that this amount of money—three-quarters of a billion dollars—is paid every year by American policyholders to British-owned insurance companies. It is a tremendously large sum of money. Upon investigation, we find that a great many of these British companies have been doing business in the United States for many years. The British people and the British Government have come largely to depend upon this source of income, the total of which, when added to the insurance companies' income of three-quarters of a billion dollars, probably very materially exceeds a billion dollars annually.

With that amount of money available annually, I see no reason why it could not be pledged for the repayment of the debt which the British are seeking to incur by obtaining from us the pending loan of almost $4,000,000,000. The income which the British receive from such policies—in other words, the money which is paid to the stockholders of British-owned insurance companies—almost equals the total income of the banks of the United States, according to a statement which appeared on Monday of this week, as I recall, in one of the local newspapers. According to the newspaper article to which I refer, Chairman Harl, of the Federal Deposit Insurance Corp., announced that the net profits of insured commercial banks, after taxes were paid, reached a new high of $911,000,000 in 1945.

The amount of money paid to British insurance companies by policy holders in this country almost equals that sum of money. In other words, according to the pamphlet from which I have read, British citizens receive from insurance business done in the United States by British-owned companies a total income almost equal to the total income of the banks in the United States which are insured by the Federal Deposit Insurance Corporation. Of course, Mr. President, the British Government takes over, if it so desires, most of the income of its citizens.

So I see no reason why the British Government should object to offering as security or surety, as a guaranty of repayment of the money which they seek to borrow from us, the income, upon which they have learned to depend, of nearly a billion dollars a year which they receive from insurance payments made in the 48 States of the United States to British-owned insurance companies.

Mr. President, I hold in my hand, and I desire to read without much comment, a very interesting article which appeared in Monday's Wall Street Journal. It is entitled "France May Have To Sell British Empire Holdings To Repay London Debt."

Paris hoped they would be used only as collateral—Sees United States loan to British as help.

The article is from the Wall Street Journal, Paris bureau, and reads as follows:

The new agreement under which France will repay loans to Britain between now and 1949 indicates the extent to which France has lost her position as a world creditor, how much she was impoverished by the war, and the indirect prejudice to world trade caused by the delay in the United States' ratification to the loan to Britain.

In order to liquidate during the next 3 years the balance of her $440,000,000 debt to Britain, France will probably have to sell nearly all the British Empire securities she holds, it is reported here on good authority. These securities will undoubtedly include holdings in South African gold mines in which French capital participated before the First World War. But the French will probably keep their interest in the Suez Canal.

Financial quarters had hoped repayment would be arranged without the need to sell securities, and that they would be used as collateral on the British credit.

The extent to which the French portfolio will be liquidated will depend on how the British exercise their option under the repayment agreement to choose the securities to be sold.

It is understood that an order requisitioning nearly all arbitrage stocks will be issued here within the next few weeks.

In the loan arrangements the British refused to increase substantially their import quotas on French luxury goods which still represent France's chief products available for export. Normally this position would have been bitterly criticized, but it is recognized here that the British can't grant such concessions until they know whether they will get a loan from the United States.

It is hoped here that if the United States loan is arranged, new talks will be begun between the British and the French to loosen trade restrictions between the countries and open credit facilities.

Meanwhile, France must restrict her purchases in the British sterling area. France is contemplating a campaign to increase exports to the sterling area, especially the dominions. Egypt is seen as a big potential market for French luxuries.

Mr. President, I have read that article for what it may be worth, and I comment on it only to the extent of saying that we have heard that France will seek a loan from this Government after we have consummated negotiations with the British Empire. There are other facts and figures which might be of interest, and which I could elaborate considerably in indicating the wealth which Great Britain has in this country. She owns property in this country and derives from it a large income. The income amounts to tremendous proportions. It seems to me that these facts should emphasize in our minds the importance of requiring that adequate security be given by a would-be creditor when we know that she possesses the necessary security, and should be required to make payments on a debt which she has already negotiated.

Mr. DONNELL. Mr. President, it is highly important that, before acting on the pending joint resolution, Congress determine whether it has the legal power to make the British loan.

Under date of March 9, 1946, I addressed to Hon. James F. Byrnes, Secretary of State, Washington, D. C., a letter in which reference was made to the agreement dated December 6, 1945, between the United States and the United Kingdom. Following this reference, my letter proceeded as follows:

Please inform me (a) whether, in your opinion, the Constitution of the United States vests in Congress any power which enables Congress to authorize the extension to the Government of the United Kingdom by the Government of the United States of that certain line of credit $3,750,000,000 which is specified in the above-mentioned agreement between the United States and the United Kingdom, and (b) if, in your opinion, the Constitution of the United States does vest in Congress that power, by what specific provision or provisions of the Constitution of the United States is that power vested in Congress.

In response to my letter the Secretary of State wrote me under date of March 18, 1946, a letter, the body of which reads as follows:

I have your letter of March 9, 1946, in which you ask me whether, in my opinion, the Constitution vests in Congress the power to authorize the extension to the Government of the United Kingdom of a line of credit of $3,750,000,000. You also inquire what specific provisions of the Constitution can be cited as granting this authority.

So far as I am aware, the power of Congress to provide for loans or grants to foreign governments has not been challenged and, indeed, has been exercised frequently since the adoption of the Constitution. A very good example of the exercise of this power by the Congress is the Export-Import Bank legislation, which authorizes loans by this Government to foreign governments in time of peace as well as in time of war.

One of the basic principles of constitutional construction is that the authority of Congress is not necessarily to be found in any particular phrase or word, but may reside in the aggregate of the powers granted to Congress by the Constitution. You will recall that article I, section 8, of the Constitution provides that—

"The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States." This section also confers upon the Congress the power "to borrow money on the credit of the United States, * * * to regulate commerce with foreign nations, and among the several States, * * *" and to make all laws which shall be necessary and proper for carrying into execution any of the powers specifically mentioned.

The authority of this Government to negotiate agreements with foreign governments is surely beyond question, and the provision of funds by the Congress to permit such agreements to be carried out is clearly within the aggregate of the provisions of the Constitution to which I have referred.

I am glad to have had this opportunity to assure you that I am confident of the propriety of the action of the executive branch of the Government in negotiating the Anglo-American financial agreement and the authority of the Congress to consider the implementing legislation now before it.

May I also take this occasion to express to you my conviction that the benefits received by the United States from the arrangement are very substantial indeed. The Government of the United Kingdom has agreed to remove within a short period of time the financial restrictions and controls which have prevented the free exchange of British currency for the currencies of other countries, so that the trade of the world may be unshackled and permitted to expand. The British have also agreed to support the proposals of this Government for expansion of world trade and employment and have concurred in the principles there expressed which are fundamental to the commercial policy of the United States as expressed repeatedly in the declarations and actions of this Government.

The credit which would be extended to Great Britain is to be repaid over a period of years with interest. But in addition to the return of the money lent, we have every expectation of receiving a larger portion of a larger total of world trade in the years to come.

I hope that this will satisfactorily answer the questions which you have raised.

Sincerely yours,

JAMES F. BYRNES.

Mr. President, I ask that at this point in my remarks a copy of the letter to Secretary Byrnes from me dated March 9, 1946, and the original of the letter of March 18, 1946, from the Secretary of State to me, be incorporated in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 9, 1946.

Hon. JAMES F. BYRNES,
Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: There is pending before the Senate of the United States Senate Joint Resolution 138, which is a joint resolution which by its terms is "to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes." Said resolution undertakes to confer on the Secretary of the Treasury authority to provide and use an amount not to exceed $3,750,000,000 solely for the purpose of carrying out "the agreement between the United States and the United Kingdom." I understand that the agreement so mentioned in the course of said resolution is that which is dated December 6, 1945, between the United States and the United Kingdom and which is earlier mentioned in said resolution.

Please inform me (a) whether, in your opinion, the Constitution of the United States vests in Congress any power which enables Congress to authorize the extension to the Government of the United Kingdom by the Government of the United States of that certain line of credit of $3,750,000,000 which is specified in the above-mentioned agreement between the United States and the United Kingdom and (b) if, in your opinion, the Constitution of the United States does vest in Congress that power, by what specific provision or provisions of the Constitution of the United States is that power, vested in Congress.

Inasmuch as this matter is one of great urgency, I shall appreciate your sending me as soon as possible a response to this letter.

Thanking you for giving attention to this communication, I am

Yours very truly,

FORREST C. DONNELL.

DEPARTMENT OF STATE,
Washington, March 18, 1946.

The Honorable FORREST C. DONNELL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR DONNELL: I have your letter of March 9, 1946, in which you ask me whether, in my opinion, the Constitution vests in Congress the power to authorize the extension to the Government of the United Kingdom of a line of credit of $3,750,000,000. You also inquire what specific provisions of the Constitution can be cited as granting this authority.

So far as I am aware, the power of Congress to provide for loans or grants to foreign governments has not been challenged, and, indeed, has been exercised frequently since the adoption of the Constitution. A very good example of the exercise of this power by the Congress is the Export-Import Bank legislation, which authorizes loans by this Government to foreign governments in time of peace as well as in time of war.

One of the basic principles of constitutional construction is that the authority of Congress is not necessarily to be found in any particular phrase or word but may reside in the aggregate of the powers granted to the Congress by the Constitution.

You will recall that article I, section 8, of the Constitution provides that "the Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States." This section also confers upon the Congress the power "to borrow money on the credit of the United States, * * * to regulate Commerce with foreign nations, and among the several States, * * *" and to make all laws which shall be necessary and proper for carrying into execution any of the powers specifically mentioned.

The authority of this Government to negotiate agreements with foreign governments is surely beyond question, and the provision of funds by the Congress to permit such agreements to be carried out is clearly within the aggregate of the provisions of the Constitution to which I have referred.

I am glad to have had this opportunity to assure you that I am confident of the propriety of the action of the executive branch of the Government in negotiating the Anglo-American financial agreement and the authority of the Congress to consider the implementing legislation now before it.

May I also take this occasion to express to you my conviction that the benefits received by the United States from the arrangement are very substantial indeed. The Government of the United Kingdom has agreed to remove within a short period of time the financial restrictions and controls which have prevented the free exchange of British currency for the currencies of other countries, so that the trade of the world may be unshackled and permitted to expand. The British have also agreed to support the proposals of this Government for expansion of world trade and employment and have concurred in the principles there expressed which are fundamental to the commercial policy of the United States as expressed repeatedly in the declarations and actions of this Government.

The credit which would be extended to Great Britain is to be repaid over a period of years with interest. But in addition to the return of the money lent, we have every expectation of receiving a larger portion of a larger total of world trade in the years to come.

I hope that this will satisfactorily answer the questions which you have raised.

Sincerely yours,

JAMES F. BYRNES.

Mr. DONNELL. Mr. President, it will be observed that the Secretary of State mentions that clause of section 8 of article I of the Constitution which includes the expression "general welfare." That clause is frequently called the "general welfare clause." The power granted by said clause, however, is the power to tax and is not a general power to provide for general welfare. It is therefore, in my opinion, far more appropriate to term said clause "the taxation clause," and I shall accordingly so term it in my further references today.

In determining whether said taxation clause authorizes Congress to adopt the pending joint resolution by which the Secretary of the Treasury would be authorized to carry out the loan agreement with the United Kingdom, attention is called to the fact that the resolution authorizes, for the purpose of carrying out said agreement, the use of $3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended. Mr. President, in my opinion, said taxation clause does not authorize the making of a loan from proceeds to be derived from the sale of bonds of the United States.

Said clause reads as follows:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States;

The Supreme Court of the United States, speaking in 1935 in the *Butler Case* (297 U. S. 64), referring to the clause which I have mentioned, says:

> The view that the clause grants power to provide for the general welfare, independently of the taxing power, has never been authoritatively accepted. * * * The true construction undoubtedly is that the only thing granted is the power to tax for the purpose of providing funds for payment of the Nation's debts and making provision for the general welfare.

Professor Willoughby, of Johns Hopkins University, in his work on the Constitution of the United States, in his discussion of said clause says:

> Story, in his Commentaries on the Constitution, published in 1833, states the correct doctrine upon this point, which is that the words "to provide for the common defense and general welfare of the United States" are by way of limitation of the granted taxing power of Congress rather than a grant of a distinct power.

Mr. President, the above-mentioned taxation clause of the Constitution obviously does not grant any power whatsoever with respect to the use of moneys derived from the sale of bonds. Said clause relates solely to taxes, duties, imposts, and excises. With the exception of the above-mentioned clause in section 8 of article I of the Constitution

there is in that document no mention of general welfare. True, there is mention of general welfare in the preamble of the Constitution, but it is recognized law, and distinctly so held by the Supreme Court of the United States, that the preamble does not confer any legislative power whatever.

Inasmuch as said clause of section 8 of article I of the Constitution does not directly or indirectly authorize the use of proceeds of bonds, but is confined in its operation to taxes, duties, imposts, and excises, it is clear that the pending resolution providing for the disposal of proceeds of bonds cannot find legal foundation or justification under said section 8 of article I of the Constitution.

Furthermore, Mr. President, I do not think the power referred to by the Secretary of State vested in Congress "to borrow money on the credit of the United States" confers any authority to loan money. Consequently in my opinion the last-mentioned language of the Constitution does not grant any power to make the British loan.

As to whether the power to regulate commerce with foreign nations authorizes making the loan is, in my opinion, highly doubtful.

It may be suggested, however, that—to quote the Supreme Court of the United States—inasmuch as there are "differences between the powers of the Federal Government in respect of foreign or external affairs and those in respect of domestic or internal affairs," therefore Congress is relieved of the necessity of finding any constitutional authority for passing upon this loan.

True it is, Mr. President, that the Supreme Court says of these two classes of powers, in the case of *United States* v. *Curtiss-Wright* (299 U. S. 315):

> The two classes of powers are different, both in respect of their origin and their nature. The broad statement that the Federal Government can exercise no powers except those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only in respect of our internal affairs.

Mr. President, it may be suggested, in view of these observations of the Supreme Court, that there is applicable in the case of the British loan the further observation of the Court in that case that "the investment of the Federal Government with the powers of external sovereignty did not depend upon the affirmative grants of the Constitution."

It may be suggested further, therefore, Mr. President, that in view of these observations of the Supreme Court of the United States Congress possesses power to make the British loan even though no grant of such power is made expressly or impliedly in the Constitution.

I shall not this afternoon discuss the suggestions respecting the powers of external sovereignty. Proper presentation or discussion of that subject would require more study than I have given to those suggestions.

In my opinion, however, there is a sound constitutional basis on which Congress has authority to authorize this loan to be made. That basis, Mr. President, in my opinion resides in section 8 of article I of the Constitution in the language whereby "The Congress shall have power * * * to declare war."

The basis to which I refer is one which has been referred to by the Supreme Court of the United States in more than one case. I quote from the case of *Hamilton* v. *Distilleries Co.* (251 U. S. 146), where the Court in turn quotes from an earlier decision of itself, as follows:

> The power is not limited to victories in the field and the dispersion of the (insurgent) forces. It carries with it inherently the power to guard against the immediate renewal of the conflict, and to remedy the evils which have arisen from its rise and progress.

Mr. President, I refer further to a decision by the United States Circuit Court of Appeals for the Fourth Circuit, *Brown* v. *Wright* (137 Fed. 2d 484), the decision having been handed down by Circuit Judge Parker, in which he said the following:

> The war powers of the Government "include not only those matters specifically stated, but all others reasonably implied as necessary to the execution of the main matter of waging war to a successful conclusion. These powers are not limited to battle on land and sea, in the air, and under the waters. They inherently carry with them subsidiary faculties to deal comprehensively with all exigencies created by war or arising from its inception, progress, and termination.

The Court there is citing a decision of the Massachusetts court, in 242 Massachusetts 508.

So, Mr. President, we have before us the fact that by the decisions of the courts the power to declare war goes far beyond the mere carrying on of the actual conflict. The Supreme Court says, as I have indicated, that it carries with it the power "to remedy the evils which have arisen from its rise and progress."

Certainly, we have before us in the case of the situation with respect to Britain, in the case of the situation throughout the world, and in the case of the situation in our own country, obviously a series of circumstances constituting evils which, as the Supreme Court puts it, "have arisen from its rise and progress."

So, Mr. President, I take it that this body, the Congress, has within it, by virtue of the power to declare war, first, the power to get ready for war; second, the power to carry it on; and, third, the power to solve the problems which arise as a result of and in the course of the war.

Therefore, Mr. President, I submit that although there is grave question in my mind as to the constitutional power arising under the section cited by the Secretary of State in his letter already presented to the Senate, there is, in my judgment, sufficient sound constitutional basis, in the power to declare war and to carry it to a successful termination, and to solve the problems arising out of it, to give unto the Congress the constitutional right to make the proposed loan.

I have heard with some apprehension on the floor from time to time questions raised as to our constitutional power, and I may say, Mr. President, that I myself have had the very gravest of doubt at times upon the question, but I have satisfied myself to the effect indicated, and am no longer worried or disturbed by the possibility of the Senate acting beyond its constitutional power in this respect.

Being thus satisfied that there is a sound constitutional basis on which to make the British loan, I shall mention very briefly the considerations which have caused me to arrive at the conclusion that it is advisable that this Nation enter into the proposed agreement.

In my opinion:

First. It is of high importance to the United States that the power of Great Britain in world affairs shall be preserved. In my opinion, the preservation of Great Britain as a powerful nation of English-speaking people is to the advantage of the United States of America.

Second. It is important to the United States that all reasonable efforts be made by our Nation toward expanding our foreign markets.

Third. The proposed loan will, in my opinion, tend strongly toward both the restrengthening of Great Britain and the enlargement of the foreign trade of our Nation; and, in my judgment, it is advisable that our Nation extend to Great Britain a line of credit to the amount proposed because of the probability of these ends being effected.

I am not unmindful of the fact that in the proposed agreement various obligations of Great Britain are not of the type which bankers would ordinarily prescribe as a condition to the making of a loan. Thus, among the agreements of Great Britain in the agreement is that the Government of the United Kingdom intends to make agreements with the countries concerned for an early settlement covering certain sterling balances. Obviously, the mere expresssion of an intention is not the creation of such an obligation as would be usually required in commercial and banking transactions as a condition precedent to the making of a loan. In my opinion, however, notwithstanding what may be termed the "loose" nature of various of Great Britain's undertakings in the agreement, I believe the net advantages reasonably to be expected by this Nation make it of advantage to the United States of America that the loan be made.

Mr. HAWKES. Mr. President, I probably have given as much consideration to the question of making this loan to Great Britain as I have ever given to any subject that has come before me. I should like to say that there is every reason in the world why I should vote for this joint resolution if I could justify it in my own mind, conscience, and judgment. I have friends, many very dear friends, in Great Britain. I am associated with very many British people in this country who are in business in the United States of America. I have a very deep feeling for the British people, for their moral fiber, their character, and

for the contribution they have made to civilization over the past two or three centuries. They have made their mistakes; and I shall not forget the speech by Lord Lothian made before the Pilgrims Society, in which he put all the faults of Great Britain in one side of the scales and all her virtues in the other side of the scales, and asked the group present to weigh them and find out if the right side of the scales did not go down. I agree that the right side was weighted most heavily and went down.

But Mr. President, when I consider the joint resolution I cannot be unmindful of the fact that we have canceled approximately $20,000,000,000 of lend-lease. I cannot be unmindful of the fact that we are canceling in all reality the $6,200,000,000 debt left from the last war. I cannot be unmindful of the fact that we are selling to Great Britain $6,500,000,000 worth of war supplies, most of which are very good, for 10 cents on the dollar, or $650,000,000.

I have wrestled with my conscience over this subject. I have listened to nearly all the speeches made in the Senate on it. I say again that if I could justify voting for the loan, in the present condition in which the proposal is handed to the Senate, I would be very much happier man than I am in voting against it, but I feel that I have a deep obligation to the American people.

With respect to these agreements, I want to say that so far as I can find—and I have analyzed them very carefully and listened to all the arguments pro and con in the Senate—there is not a single fixed obligation on the part of the British people in any of the agreements. If Senators will look through the agreements it will be found that Britain will begin to pay interest after 6 years "if." In my opinion, the condition is absolutely impossible of accomplishment.

There is only one fixed obligation in this set of agreements, and that obligation is our obligation to furnish the money. There can be no question about our obligation to furnish the money, but there is a grave question about the return of the money, even about the return of the interest. If Great Britain finds it difficult and certain conditions exist, then she can ask for further "discussion" of the matter.

The other day I spoke in favor of the McFarland amendment to the joint resolution. In my opinion that amendment should never have had to come to the floor of the Senate. The British people themselves should have recognized the great opportunity they had to say to the American people, "We want you to have equal civil rights and commercial rights with us in the airports and the air bases and the naval bases." If we are going to have equity and justice, Mr. President, I do not see how we can fail to do those things which promote and develop equity and justice. When the Senate voted down the McFarland amendment—to be sure three votes cast the other way would have changed the result, which shows the sentiment of the Senate—I came to the conclusion that Great Britain was not putting into this agreement and not willing to do so, from reports made on the floor of the Senate, the things that really work toward equity and justice, and put us on an equal basis with them around the world.

I remember that when I was in Europe we found a difficult situation to exist respecting telecommunications and telephone communications. In order to send a message an American had to pay almost double the amount that an Englishman had to pay, in many vital and important cases.

I cannot agree with any Member of the Senate who says that the making of this loan or gift will not set a precedent for our friends of the other Allied Nations. I happen to know, regardless of what anyone may say, that one great nation is waiting right now until the British loan is decided upon, and if it is decided upon, and if it is decided favorably, that nation is going to ask for a very substantial amount of money—not one billion dollars, but more.

Mr. President, if we are going to try to build a peace based on justice and equity, I for one will not find it in my mind and my heart to say to our other allies, "We cannot treat you in the same way we treated the British people," notwithstanding the fact that I understand and appreciate the importance and the value of the English-speaking people standing together.

Friendly cooperation, justice, and equity are presumed to be the objectives of this arrangement. I believe the arrangement is more of a vehicle to create misunderstanding and loss of friendship than to create friendship. That point is more important to me than the $3,750,000,000, because if we create a feeling in this country that Great Britain has gone back on her promises and her agreements in connection with her loan, which is presumed to adjust and settle all the other loans and obligations, I hesitate to think what the relationship will be between our common people and the British Government.

I had a friend many years ago who told me something which I have tried to remember all through life. He said, "God deliver me from an honest misunderstanding. Dishonest misunderstandings will take care of themselves."

Mr. President, I feel very strongly, I repeat, that this loan agreement as it is presented to the Senate is a vehicle to misunderstanding which may lead to enmity and bitterness. It is foolish, it seems to me, for any Senator to say that we cannot attach any amendments or changes to this loan without having the whole thing go back and take months to renegotiate. Is it inconceivable that if a deal is almost completed, and it is not quite satisfactory to one party, he cannot go to the other party and, if he is seeking something which is just, have it agreed to in short order? That is particularly true when we are the only people in the world who can lend $3,750,000,000 at the present time. I say that the whole thing could be settled in 2 or 3 weeks. The British people always find a way to do that which is necessary to accomplish what they wish to accomplish.

As I have stated, I would have voted for this loan had the McFarland amendment been accepted. That would have been just a little evidence that we were going to get some fixed thing of value, to which we are entitled, in my opinion, in return for the money which we are to advance.

In connection with the amendment offered by the Senator from Colorado [Mr. JOHNSON] on behalf of himself and the Senator from South Carolina [Mr. JOHNSTON], the amendment provides that the RFC shall furnish so much money to the British people, and that the balance of the loan shall be covered by bonds sold to people of the United States who are willing to buy bonds the payment of which is conditioned upon payment by the British Government of the loan. If that amendment were adopted, I could find it possible to vote for the British loan. If that amendment were adopted, I, myself, would not hesitate to buy as many of those bonds as I bought in connection with World War II in support of the United States Government. That is my money. I have the right to spend it or to take a chance on its investment; but I do not believe that I have any right to vote away the money of the people under the conditions which we are asked to grant this so-called loan of $3,750,000,000. Millions of taxpayers will have to be burdened with taxes. Many of our veterans want loans. They think that they are entitled to them at as low an interest rate as we accord to any country on the face of the earth. I cannot be unmindful of all those considerations.

I now come to the point as to whether failure to approve this loan in both branches of the Congress would be fatal. In my opinion it would not be fatal. It certainly would not be fatal to the United States, because with our industries being shut down by the labor leaders of the United States, and with the pent-up demand in this great country, I for one would not like to see Great Britain do much trading with this country for some time to come. I believe that our own citizens should have the right-of-way in connection with the supplies which they need, and I believe that we must protect them.

I should like to read one thing which has probably had as much as anything else to do with my decision. I refer to the statement made by Mr. Winston Churchill. I read from the New York Herald Tribune:

CHURCHILL SEES EMPIRE RUINED BY ATTLEE PLANS—SAYS BRITAIN IS ON ROAD TO BANKRUPTCY; CONDEMNS NATIONALIZATION PROGRAM

LONDON, April 29.—Former Prime Minister Churchill, in his most scathing denunciation of the Labor government, charged tonight that its present program threatens the wholesale destruction of the British Empire and "an abridgement of one-third to a half of our population."

In a long, bitter speech at Edinburgh, Churchill castigated the Labor government for handling postwar problems in a "profligate and wanton manner," and scored the present planned-reconversion program as a "utopian" Socialist scheme.

He said that if the normal processes of enterprise and production were "bent and blurred by the violent infringement of a utopian government scheme," Great Britain was "on the road—and a direct and short road—to financial bankruptcy and economic collapse, the inexorable effects of which will be an immense decline in our present stand-

ard of living and the final and fatal loss of our world position, by which alone we can keep ourselves alive."

Asserting that the Chancelor of the Exchequer "considers himself entitled to lead a riotous life of national expenditure without one thought of economy," Mr. Churchill declared: "Now we have to go, cap in hand, to the United States for a loan of about $4,000,000,000 to balance our necessary imports for the next 2 or 3 years. I am in favor of this loan, not because I like it, but because we cannot live without it. And I do not blame the Government for seeking it."

In resuming his role as opposition leader, following his return from the United States, Churchill apparently was sounding a new challenge by the Conservative Party to the Government's nationalization program, which, with particular reference to the iron and steel industry, is slated for bitter controversy when the House of Commons reconvenes tomorrow after the Easter recess. His speech indicated the nationalization program, industry by industry.

Churchill aimed this charge at Prime Minister Attlee and his Cabinet colleagues: "There never was in all human history a community so numerous, in a position at once so magnificent and so precarious. The results of serious mistakes at this time would not be the misfortune of this class or that, or the humiliation of one party or the other, but the dissipation of the means by which more than half our population live, ending in an abridgement of about one-third to half our population, and the final extinction of Britain as the center of the widest, the most experienced and most permanent association of races and nations which has existed since the fall of the ancient Roman Empire."

Some of the restrictions and hardships now being endured by the British people, Churchill charged, are only the results of Socialist party interests and party doctrines.

He condemned the attempt to establish doctrinaire socialism in this critical period, and the unprincipled use of wartime measures as an extraparliamentary power * * * in order to give satisfaction to Socialist theories and fads and in the hopes of gathering low-grade party advantages. This deliberate and increasing tendency, he said, is hampering and poinsoning our national life.

Churchill charges the Government with tardy demobilization, holding down production of consumer goods by wartime taxation and restriction in times of peace, failure of the rehousing program and the disturbance and enfeeblement of industry and enterprise.

The latter charge, he said, came about through the launching of vague, ill thought out schemes of nationalization, and by the ceaseless outpouring of threats and abuse on all employers of labor and on all forms of wealth * * * and upon every form of private enterprise, upon which even the Socialist ministers admit we must depend for our livelihood to the extent of 80 percent for many years to come.

Mr. President, I have the greatest respect for Winston Churchill, and the greatest faith in him. I have as much faith in him as in almost any other man in the world outside the United States. I believe that no man has ever done as great a job in serving his people in an hour of need as has Winston Churchill. I believe in him.

I ask Senators, in respect to the obligation which they owe to their constituents back home, if they feel that we are justified in turning over to the British Government, as it stands, $3,750,000,000 without getting in return something, such as the bases, which they now have the power to give us without in any way injuring themselves. Does any Senator believe that the United Kingdom should not give us the right to civil and commercial use of the naval bases, the airplane fields, and the communication centers, in view of the $35,000,000,000 which we poured into the war through Great Britain? That sum includes the last war debt, and the other assistance which we have rendered to Britain. I feel very strongly that Great Britain owes us that obligation. We could have it fulfilled without any trouble.

I wish to say further that, in my opinion, the executive and administrative branch of this Government had no right to negotiate this deal in the way it did, without consulting any Member of the Senate. I have heard no Senator say that he has been consulted. Even the majority leader, for whom I have the greatest respect, tells us that he was not consulted regarding the terms and conditions of the loan. When we must be a partner in accepting responsibility, we should be a partner in formulating the plan. I do not recognize any other type of partnership than that.

Mr. President, it is with the deepest regret that I find myself compelled to vote "no" on the joint resolution covering the British loan, unless the Johnson-Johnston amendment, which would permit the people of the United States to buy bonds to furnish the money, is adopted by the Senate.

Let me say further, in order that I may not be misunderstood, that I am willing to be a party to negotiating any kind of a loan which is sound and fair, and which gives to us some rights—not necessarily security, but some rights—to which we are entitled, and which Great Britain has it within her power to give us without in any way injuring herself. If any man who is a representative of the people of the United States feels that we are not under obligation to be good negotiators; that we are not under obligation to look after the interests of our people at this time, which is the proper time to do it, when we are passing out the money, instead of 6 months later, then I do not recognize that theory of obligation. I recognize a very definite obligation to the people of this country, who already have a burden of $275,000,000,000 on their backs. That is a considerable burden. We may laugh it off in 1946, but we shall not laugh it off in 1956. I recognize an obligation to look after the interests of our people at the time when we are giving away their property.

Mr. JOHNSON of Colorado. Mr. President, those of us who have amendments to the pending measure still unacted upon find ourselves in a very unfortunate position. We shall not be able to have separate votes. We shall have to wait until the hour of 3 o'clock arrives, and have all our amendments voted upon immediately. That is not satisfactory, but we have no one to blame but ourselves. We got out of the way of other Senators having amendments. We have taken a chance, and now we find that we do not have a very good opportunity to present the merits of our amendments.

I refer especially to the amendment offered on behalf of the Senator from South Carolina [Mr. JOHNSTON] and myself. I ask unanimous consent to have the amendment printed in the RECORD at this point as a part of my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

SEC. 2. (a) (1) In order to provide funds for carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is hereby authorized to borrow, from time to time, not in excess of $2,750,000,000, and to issue therefor bonds in the form and subject to the conditions hereinafter set forth. The Secretary of the Treasury is authorized to use the proceeds of such bonds for the purpose of carrying out the agreement.

(2) Bonds issued pursuant to the authority of this subsection shall be subject to the same provisions for amortization and interest (including waiver of interest) as are provided in the agreement with respect to repayment by the United Kingdom. Payments on account of principal and interest shall be made solely from amounts paid by the United Kingdom under the agreement, but the United States shall be under no obligation to the holders of such bonds with respect to principal or interest.

(3) Bonds herein authorized shall from time to time be offered as a popular loan under such regulations prescribed by the Secretary of the Treasury as will in his opinion give the people of the United States as nearly as may be an equal opportunity to participate therein.

(4) Except as otherwise provided in this subsection, the bonds herein authorized shall be issued in the same manner, so far as is consistent with the provisions of this subsection, as bonds issued under the Second Liberty Bond Act, as amended. They shall be of distinctive design and shall bear on their face a statement to the effect that they are not backed by the credit of, or guaranteed by, the United States.

(5) No payments shall be made to the United Kingdom under the agreement or this joint resolution except from the proceeds of bonds issued under the provisions of this subsection or from funds of the Reconstruction Finance Corporation as provided in subsection (b).

(6) Inasmuch as bonds issued under this subsection are not obligations of the United States, such bonds shall not be considered for the purpose of the debt limit of the United States.

(7) The Secretary of the Treasury shall provide by regulation for the distribution on an equitable basis among the holders of such bonds of payments of principal and interest received from the United Kingdom.

(b) The Reconstruction Finance Corporation is authorized to increase the amount of the loan heretofore made by it to the United Kingdom by $1,000,000,000 on the security now held by the Reconstruction Finance Corporation on such loan, and without restriction as to the purposes for which such loan may be expended; and hereafter the interest rate on the balance of the present loan and on the $1,000,000,000 additional hereby authorized shall be 2 percent, with all net earnings from such security to be applied, first, to the interest on the loan, and the balance on the principal. The Reconstruction Finance Corporation is authorized and directed to make available the amount of the loan herein authorized for the purpose of making payments to the United Kingdom under the agreement of December 6, 1945, except that repayment of any amount so made available shall be made in the manner provided in such prior loan agreement in lieu of the manner provided in the agreement of December 6, 1945: *Provided*, That payments under this joint resolution to the Government of the United Kingdom shall

first be made out of the proceeds of bonds issued under the provisions of subsection (a), to the extent that such funds are available at the time any amount is drawn by the United Kingdom upon the line of credit extended in the agreement.

(c) No payment shall be made under subsection (a) or (b) of this section until the Government of the United Kingdom has completed arrangements relative to the sterling area as provided for in section 7 of the agreement of December 6, 1945, and has made agreements for a settlement covering accumulated sterling balances as provided for in section 10 of such agreement.

Mr. JOHNSON of Colorado. Mr. President, we believe that this amendment has great merit. It is a combination of two approaches to the pending question. It provides, in the first place, for a loan from the Reconstruction Finance Corporation of $1,000,000,000, which would be made immediately available.

I need not say anything to the Senate about the reputation of Mr. Jesse Jones, and his standing as one of the greatest bankers the world has ever known. He has made a remarkable record in the Reconstruction Finance Corporation. Mr. Jones wrote an excellent editorial on the subject of the proposed British loan. I ask unanimous consent that one paragraph of his editorial be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[From the Houston Chronicle of April 16, 1946]

In July 1941, the RFC authorized a loan of $425,000,000 to the United Kingdom of Great Britain and Northern Ireland under authority granted it by Congress June 10, 1941, to enable RFC to make loans to governments that had defaulted on their loans from us after World War I, provided such loans were secured by investments in this country. The RFC loan is payable over a period of 15 years, with interest at 3 percent. The loan agreement provides that any sales by the British of the collateral and all income, after taxes, from all the security would be applied, first, to the interest on the loan, and then on the principal. The security includes the net profits, after taxes, made in this country by 41 British insurance companies operating here, and the capital stock of 40 additional British-owned American insurance companies. The RFC made no requirement that any of the collateral be sold.

Only $390,000,000 of the loan was taken down by the British. Payments from the sale of pledged collateral have been $24,565,000 and from the net income, after taxes, $171,575,000, leaving a balance due as of February 28 of $194,000,000. The current income after taxes from the presently pledged security is about $37,000,000 a year. This is approximately the average over the past 10 or 12 years.

Mr. JOHNSON of Colorado. Mr. President, I now ask unanimous consent to have printed at this point in the RECORD an excerpt from the testimony of the Secretary of the Treasury, Mr. Vinson, on the pending British loan resolution, as given at the committee hearing.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

At the end of 1945 British holdings of securities and direct investments in the United States, including pledged assets, amounted to about $1,475,000,000. This was divided into $575,000,000 of securities and $900,000,000 of direct investments. The Reconstruction Finance Corporation estimates the value of the collateral pledged against the loan at about $895,000,000.

Senator TAFT. That is included in the $1,475,000,000, is it?

Mr. VINSON. Yes, sir.

Of the $580,000,000 of securities and direct investments which remain unpledged, many are small holdings and of the type that cannot readily be vested and sold by the British Government. Many of these direct investments consist of offices and agencies whose real value obtains almost entirely from their connection with their parent concerns. Their book value, for this reason, is greatly in excess of their liquidating value.

In addition to the direct investments, there are some British interests in estates and trusts set up under American law. British interests are intermingled with the American interests in these estates and trusts, and the assets cannot be taken by the British Government. They are under the jurisdiction of American courts. The only way to value these interests is by the arbitrary capitalization of the income. And there are also various other scattered and miscellaneous British holdings in the United States, equally difficult to vest or liquidate.

Senator TAFT. That is in addition to the $1,475,000,000, is it not?

Mr. VINSON. I am told that it is in addition.

Senator TAFT. That is what I would have gathered from this language.

Mr. VINSON. This $1,475,000,000 was all securities and direct investments.

Senator TAFT. The $895,000,000 pledged to the RFC is included in the $1,475,000,000?

Mr. VINSON. Yes, sir.

Senator TAFT. How much is now owed against that $895,000,000 to RFC?

Mr. VINSON. I think possibly $250,000,000 or $260,000,000. It was originally a credit of $420,000,000 and they drew it down to $395,000,000 as I recall it, and they pledged the securities, and from the income of the securities, and possibly the sale of some of those securities, it has been reduced down to approximately $250,000,000. They paid $38,000,000 a year on principal and interest.

Senator TAFT. RFC holds $895,000,000 of collateral against a loan of $250,000,000?

Mr. VINSON. Something like that.

Senator TAFT. I dislike to interrupt you, but in connection with this have you anywhere stated the balances in gold and cash that the British hold in the United States?

Mr. VINSON. The gross gold and dollar balances of the United Kingdom as of December 31, 1945, amounted to $2,324,000,000. Liabilities against this amounted to $427,000,000, leaving a net of $1,897,000,000. Of the gross total, $1,981,000,000 was in the form of gold and $343,000,000 was dollar balances.

These gold and official dollar balances are required for several uses: First, it will be necessary to draw upon them to meet the deficit in the British international account before the United States credit becomes available; second, such assets may be needed in connection with the negotiations for the reduction of the sterling balances, and payments in connection with the settlement; third, subscriptions to the Bretton Woods institutions must be paid in part in gold; fourth, a considerable amount of gold and dollars is needed as working balances and as a reserve against future temporary deficits in the balance of payments of the United Kingdom.

Senator TAFT. Now, as to that $427,000,000, is that the Portuguese gold?

Mr. VINSON. The largest gold liability item reported June 30, 1945, which was an earlier date, was owed to Portugal. Liability for the largest part is payable in gold. The first payment is due in 1955, and the last must be paid by 1975. They have entered into a new agreement with Portugal in regard to that obligation.

Senator TAFT. If I remember correctly, when we had the Bretton Woods Agreement up, it was testified that at that time British assets were about $2,200,000,000. So they have slightly increased since a year ago.

Mr. VINSON. I think that is correct.

Senator TAFT. So the net result is that the British have in this country today $4,000,000,000 worth of property, none of which is required to be pledged against this loan?

Mr. VINSON. If you take, let us say, the $1,475,000,000 in securities and investments and the $2,300,000,000 in gross gold and dollar holdings, that is about $3,800,000,000. Of course, some of the securities and investments are pledged on the RFC loan.

Senator TAFT. In 1925 you had $2,200,000,000, and this is $4,000,000,000; why not pay us instead of Portugal?

Mr. VINSON. What is stated here is the gold liability. Now, the terms of the Portuguese agreement provide for payments spread out over a period. But that was an obligation that was fixed before the financial agreement negotiations were under way.

Mr. JOHNSON of Colorado. Mr. President, in the editorial to which I have referred, Mr. Jones said that at the present time the United Kingdom has a loan from the Reconstruction Finance Corporation, and that as security for that loan the United Kingdom has put up certain valuable securities and holdings. Mr. Jones says that the RFC can loan an additional $1,000,000,000 on the same security, to be added to the balance which still is due the RFC from the United Kingdom, which on December 31 amounted to something more than $200,000,000. Mr. Jones says that the two amounts may be added together and that the securities which already have been put up by the United Kingdom in connection with the RFC loan are sufficient to stand back of both amounts. He suggests that the interest rate on the whole loan be 2 percent. Mr. Jones is authority for saying that if that is done, the income from the securities will pay off the billion-plus dollar loan in 40 years, and that the United Kingdom will have its securities intact.

Those securities are choice securities, Mr. President; they are gilt-edged securities. They pay $37,000,000 a year in income; and Mr. Jones has figured that in 40 years the whole transaction can be completed.

Such a loan would be a satisfactory one, Mr. President, and a loan of that sort would not cause enmity between the people of the United Kingdom and the people of the United States, because it would be a sound business loan, a good banking loan. I do not see how anyone could find any fault with a loan of that kind.

Of course, such a billion-dollar loan would tide the United Kingdom over, for the present. During peacetime the balance of trade in our favor, in connection with trade between the United States and Britain, has amounted to approximately $300,000,000. A loan of the size suggested would, of course, take care of that deficit for Great Britain.

We provide one other approach which it seems to us is entirely within keeping with American traditions. The American people have a great affection and devotion for our cousins across the sea,

for the people of the United Kingdom. The Senator from South Carolina [Mr. JOHNSTON] and I propose, by our amendment, to float a private loan in the United States for the balance of the amount, namely, $2,750,000,000. We think the American people would respond to such a loan and would subscribe to it fully. It would at least provide a referendum. The American people would be investing their own money in this great cause.

I appreciate very much what our friend the Senator from New Jersey [Mr. HAWKES] has just said on that point. He has stated here that if he had an opportunity to do so, he would make a private investment such as the one we have outlined. I feel very certain that there is not a Senator on this floor who would not be proud to possess one of those bonds.

It has been said that there might be difficulty in floating the bonds. But I hold in my hand a pamphlet which has been placed on the desk of each Senator, and which indicates the support in the United States for the loan. An organization has already been set up. It has a board of directors and a chairman, and a special committee; and some of the most responsible people in the United States are included on the board and on the special committee on the British loan agreement. Such financial tycoons as Winthrop W. Aldrich and many other of the persons whose names appear in the list would be very helpful in connection with the floating of such a loan. I am sure that if they got back of such a proposal as the one the Senator from South Carolina and I are advocating, the private loan to Britain would be floated without any difficulty whatever.

I wish to call the attention of the Senate to the fact that at the present time Americans have invested in Europe and Asia $10,200,000,000, in investments of one kind or another. Is it beyond reason to expect that the private citizens of the United States, if they had an opportunity to do so, would not invest $2,750,000,000 of additional funds?

Mr. President, in the pamphlet which I have just mentioned, which was placed on my desk, the matter is presented in a very orderly fashion. Quotations are given from statements of the views of various prominent persons. The first chapter deals with the executive branch of our Government, and we find that Mr. Truman is the first person whose remarks are quoted. Then there are quoted statements by Secretary Byrnes, Secretary Vinson, Under Secretary Acheson, Will Clayton, Clair Wilcox, and others. Those men represent the executive branch of the Federal Government.

In chapter II Philip Murray, president of the CIO, is quoted. If Phil Murray, with all his great organization of the CIO, were back of the private loan we propose, and if he and the members of the CIO subscribed liberally to it—and from reading what Phil Murray has to say about the loan, I take it that they would—there is no question that a sizable amount would be subscribed.

Next the pamphlet quotes the executive council of the American Federation of Labor. They are back of this loan. If they got back of the private loan, and if their own membership subscribed to it, that would go a long way toward making up the total subscriptions required.

The pamphlet also quotes a resolution adopted by the executive board of the National Women's Trade Union League.

In chapter III of the pamphlet, various prominent persons in the banking field are quoted. In the list of those who are quoted as favoring the loan we find the names of Winthrop W. Aldrich; Ralph E. Flanders, who is chairman of the Federal Reserve Bank of Boston; the Bankers Association for Foreign Trade; the National City Bank of New York; The Magazine of Wall Street; and Mariner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System. All those outstanding bankers and banking associations are back of this loan. If they would get back of the private loan we suggest, it would be oversubscribed.

In chapter IV of the pamphlet we find that business is in favor of this loan. The following persons and organizations are quoted and are recorded as being in favor of the loan: Eric Johnston, president of the United States Chamber of Commerce, and president of the Motion Picture Association of America; the Business Advisory Council for the Department of Commerce; the National Foreign Trade Council; the board of directors of the United States Chamber of Commerce; the executive committee of United States Associates, International Chamber of Commerce; the board of directors of the Texas Cotton Association; the board of directors, Houston Cotton Exchange and Board of Trade; Foreign Traders Association of Philadelphia; William K. Jackson, vice president of the United Fruit Co.; Frederick R. Pinter, of New York; John Abbink, chairman of the board of directors of the National Foreign Trade Council, Inc.; the Advisory Board of the Office of War Mobilization and Reconversion; the National Council of American Importers, Inc.; the Overseas Automotive Club; the Motor and Equipment Manufacturers Association; and Philip D. Reed, who appeared before the Senate Banking and Currency Committee on March 13 of this year and made a statement which indicated that he was strongly in favor of the loan. Mr. President, I have been mentioning the names of outstanding financiers and organizations who could get back of the private loan we propose and could put it over very easily in the United States.

In chapter V of the pamphlet the following farm leaders and farm organizations are recorded as being in favor of the loan: the American Farm Bureau Federation, the National Farmers' Union. If those organizations, with their hundreds of thousands of members, were to get back of the private loan we propose, there would be no question about obtaining sufficient subscriptions to it.

In chapter VI of the pamphlet we find that only one veterans organization is recorded as being in favor of the loan. That is the American Veterans Committee. But I am sure that if an opportunity were given to all the veterans of the United States to subscribe to a private loan of the kind we propose, they and all the veterans' organizations would be back of it.

In chapter VII of the pamphlet we find that the following church organizations are recorded as being in favor of the loan: The Federal Council of Churches of Christ in America; John Foster Dulles, chairman of the Commission On a Just and Durable Peace; the organization "America"; the World Alliance for International Friendship Through the Churches; the Church Peace Union and World Alliance for International Friendship Through the Churches; the Council for Social Action of the Congregational Christian Churches; and the Friends Committee on National Legislation. If all those great church organizations got back of a private loan of the kind we propose, there could be no question that it would be oversubscribed.

In chapter VIII of the pamphlet the following public-interest groups are recorded as being in favor of the loan: Americans United for World Organization, Inc.; National Council of Jewish Women; the American Association of University Women; the National Federation of Business and Professional Women's Clubs; the National Board of the Y. W. C. A.; the Committee on Education for Lasting Peace; the National League of Women Voters; the American Association for the United Nations; the Women's Action Committee for Victory and Lasting Peace; the Union for Democratic Action; the Foreign Policy Bulletin; and the Chicago Council on Foreign Relations.

In chapter IX of the pamphlet we find that the following periodicals are recorded as favoring the loan: Life, Saturday Evening Post, Newsweek, New Republic, Nation, New Leader, Nation's Business, Grace Log, Colliers, and Foreign Affairs.

In chapter X the following radio commentators are recorded as favoring the loan: Frank Kingdon, H. V. Kaltenborn, Elmer Davis, Richard Harkness, H. R. Baukhage, Gabriel Heatter, Raymond Swing, and John W. Vandercook.

In chapter XI the following columnists are recorded as favoring the loan: Frank R. Kent, Richard L. Coe, Walter Lippmann, Marquis Childs, Edgar Mowrer, Rusell Reeves, William H. Hessler, Barnet Nover, Max Lerner, Edward T. Austin, George Fielding Eliot, Jon Byrne, Donald Bell, Ernest K. Lindley, Samuel Grafton, Bertram Benedict, Russell Weisman, Griffing Bancroft, Dorothy Thompson, Thomas L. Stokes, Randolph Churchill, Mark Sullivan, Russell Barnes, Sylvia F. Porter, and David Lawrence.

In chapter XII, editorials from various United States newspapers are quoted, all in favor of the making of the loan. Of course, Mr. President, if all the newspapers which are quoted in the pamphlet got back of the private loan which we suggest, there is no question as to what would happen. It would be oversubscribed. In the pamphlet, editorials from the following newspapers are quoted in support of making the loan: The Washington Star, the Washington Post, the Baltimore Sun, the Wilmington News, the New York Herald Tribune,

the New York Times, the Ithaca Journal, the Geneva (N. Y.) Times, the Watertown (N. Y.) Times, the Amsterdam (N. Y.) Recorder, the Niagara Falls Gazette, the Elmira (N. Y.) Star-Gazette, the Elmira (N. Y.) Advertiser, the Elizabeth (N. J.) Journal, the Scranton Tribune, the Meadville (Pa.) Republican, the Philadelphia Bulletin, the Wilmington News, the Philadelphia Record, the Pittsburgh Post Gazette, the Christian Science Monitor, the Boston Traveler, the Burlington Free Press, the Lowell Sun, the Bennington Evening Banner, the Manchester Leader, the Providence Journal, the Springfield (Mass.) Republican, the Westerly (R. I.) Sun, the Woonsocket Call and Evening Reporter, the Stamford (Conn.) Advocate, the New York Journal of Commerce, the Durham (N. C.) Sun, the Baton Rouge Times, the Asheville Times, the Richmond Times-Dispatch, the Orangeburg (S. C.) Times Democrat, the Anderson (S. C.) Independent, the Charlotte (N. C.) Observer, the Macon (Ga.) Telegraph, the Anniston (Ala.) Star, the Birmingham Age-Herald, the Columbus (Ga.) Enquirer, the Luray (Va.) News and Courier, the Cleveland (Tenn.) Banner, the Louisville Courier-Journal, the Bristol (Va.) Herald-Courier, the Detroit Free Press, the Cleveland Plain Dealer, the Cleveland News, the Cincinnati Enquirer, the Youngstown (Ohio) Vindicator-Telegram, the Gary (Ind.) Post-Tribune, the Fort Wayne Journal-Gazette, the Elgin (Ill.) Courier News, the Chicago News, the Chicago Sun, the Bloomington (Ill.) Pantagraph, the Carthage (Ill.) Journal, the Decatur (Ill.) Review, the Springfield (Ill.) State Journal, the Kansas City Star, the St. Louis Globe Democrat, the St. Louis Post-Dispatch, the Des Moines Tribune, the Indianola (Iowa) Tribune, the Redwood Falls (Minn.) Gazette, the Park Rapids (Minn.) Intelligencer, the Hibbing (Minn.) Tribune, the Madison (Minn.) Independent-Press, the Topeka State Journal, the Parsons (Kans.) Sun, the Winfield Courier, the Bismarck Tribune, the San Francisco Chronicle, the Oakland Tribune, the Glendale (Calif.) News-Press, the Astoria (Oreg.) Astorian-Budget, the Eugene (Oreg.) Register Guard, the Seattle Times, the Missoula (Mont.) Missoulian, the Portland Oregonian, the Phoenix Gazette, the Cuero (Tex.) Record, the Fort Smith Times-Record, the Tyler (Tex.) Times, and the Tulsa Tribune.

Of course, Mr. President, I hear Senators say that all the groups and interests referred to in the pamphlet are very liberal, that they are liberal with other people's money, but that when it comes to putting up their own money they are not so liberal. But I refuse to accept that narrow view. I refuse to believe that the men and organizations who have endorsed the loan and have requested the Government of the United States to make a pawnshop out of its Treasury would not be willing, out of their own funds and their own money, to subscribe to a private loan.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I am sorry that I do not have time to yield. I wish I could. But our time is almost up.

Mr. President, in concluding my remarks I wish to submit tables from a speech which was made on December 6 last in the Senate of the United States by the Senator from Oklahoma [Mr. MOORE]. I ask unanimous consent that the tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Securities of other corporations (consisting principally of listed securities)

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
Allied Stores Corp., cumulative preferred	35,000	None
Allis-Chalmers Manufacturing Co., common	19,000	19,000
Amerada Petroleum Corp., common	133,000	133,000
American & Foreign Power, $7, first cumulative preferred	100,000	100,000
American Locomotive, cumulative preferred	4,800	4,800
American Locomotive, common		8,400
American News Co., capital	10,000	10,000
American Rolling Mills, common	133,000	133,000
American Smelting & Refining Co., common	56,000	56,000
American Sugar Refining Co., cumulative preferred	4,000	4,000
American Telephone & Telegraph, capital	70,000	70,000
American Tobacco Co., B common, nonvoting	34,000	34,000
Arkansas Power & Light $7 cumulative preferred	6,000	3,975
Barnsdall Oil Co., common	50,000	50,000
Briggs Manufacturing Co., capital	34,800	34,800
Chrysler Corp., common	36,000	36,000
Columbia Gas & Electric, 6-percent cumulative preferred, series A	19,000	19,000
C. I. T. Financial Corp., common	59,000	59,000
Commonwealth & Southern, $6 cumulative preferred	50,000	50,000
Consolidated Gas Electric Light & Power Co. of Baltimore, common	11,000	11,000
Continental Baking Co., 8-percent cumulative preferred	12,000	None
Eastman Kodak Co., common	57,000	57,000
Electric Power & Light Corp., $6 cumulative preferred	15,000	15,000
Flintkote Co., common	27,000	27,000
First National Bank of City of New York, capital	1,300	1,300
General American Transportation Co., common	10,000	10,000
General Motors Corp., common	434,000	434,000
Gillette Safety Razor Co., $5 dividend cumulative convertible preferred	30,000	30,000
W. T. Grant Co., common	11,800	23,600
Great Northern Railway Co., $6 preferred	44,000	44,000
Ingersoll-Rand Co., common	54,000	54,000
Loew's Inc., common	34,000	102,000
P. Lorillard Co., common	12,500	12,500
Marlin-Rockwell Corp., common capital	7,000	7,000

Securities of other corporations (consisting principally of listed securities)—Con.

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
McGraw Electric Co., common	20,700	20,700
Monsanto Chemical Co., common	53,000	53,000
National Biscuit Co., common	60,000	60,000
New York Air Brake Co., common	8,500	8,500
Oxford Paper Co., $5 cumulative preference	25,000	25,000
Public Service Corp. of New Jersey, common	24,000	24,000
Radio Corp. of America, common	177,000	177,000
Radio Corp. of America, $3.50 cumulative convertible first preferred	8,000	8,000
St. Joseph Lead Co., common	10,000	10,000
Sears, Roebuck & Co., capital	47,000	47,000
Servell Inc., common	30,000	30,000
Shell Union Oil Co., common	100,000	100,000
Simmons Co., common	17,500	17,500
Socony-Vacuum Oil Co., capital	130,000	130,000
Standard Brands, common	170,000	42,500
Standard Oil (Indiana), capital	315,000	315,000
Sterling Drug, Inc., common	36,000	72,000
Timken Roller Bearing Co., common	19,000	19,000
Tri Continental Corp. $6 cumulative preferred	30,000	30,000
United Shoe Machinery Corp., common	15,000	15,000
U. S. Steel Corp., cumulative preferred	21,000	21,000
Vick Chemical Co., capital	10,000	10,000
Westinghouse Air Brake Co., capital	40,000	40,000
Wheeling Steel Corp., $5 cumulative convertible prior preferred	7,000	7,000
F. W. Woolworth Co., capital	247,000	247,000
Youngstown Sheet & Tube Co., common	75,000	75,000
Celanese Corp. of America, 7 percent cumulative prior preferred	52,519	None
Celanese Corp. of America, 7 percent cumulative second preferred	45,783	45,783
Celanese Corp. of America, common	321,135	335,096 1/32 fm
Chicago Pneumatic Tool Co., $3 cumulative convertible preference	32,978	32,978
Climax Molybdenum Co., common	89,995	89,995
Congoleum-Nairn, Inc., common	299,181	299,181
Dividend Shares, Inc., capital	3,655,550	3,655,550
W. R. Grace & Co., 8 percent A cumulative preferred	4,700	3,676
W. R. Grace & Co., 8 percent noncumulative B preferred	4,100	3,667
W. R. Grace & Co., 6 percent cumulative preferred	3,400	2,885
W. R. Grace & Co., common	26,400	52,452
Great Northern Iron Ore, trustees certificates of beneficial interest	79,132	79,132
International Paper Co., 5 percent cumulative convertible preferred	53,334	53,334
John Morrell & Co., capital	57,000	51,294
Pure Oil Co., 5 percent cumulative convertible preferred	8,693	8,693
Singer Manufacturing Co., capital	74,173	73,701
Standard Oil Co. (New Jersey), capital	198,002	198,002
Consolidated Natural Gas Co., capital		19,800
U. S. & International Securities, $5 cumulative first preferred	29,988	29,488

Securities other than stock	Amount	
	Originally pledged	Held on Oct. 31, 1945
American & Foreign Power, 5-percent gold debentures	$2,750,000	$2,750,000
Cities Service Power & Light Co., 5½ percent gold debentures due 1952	250,000	None
Cities Service, 5-percent convertible gold debentures	1,237,600	1,237,600
Virginian Corp., collateral trust 5-percent serial note series M	1,974,000	1,474,000

Securities of corporations in which British ownership is substantial or controlling

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
U. S. Potash, 6-percent preferred	615	None
U. S. Potash, common	262,480	162,480
Delta & Pine Land Co., capital	2,976	2,976
Delta Planning Co., common	3,434	None
Linen Thread Co., capital	90,000	90,000
Yardley of London, 4½-percent preferred	30,595	30,595
Yardley of London, common	87,247	130,870½
Harry Ferguson, Inc., A common	6,000	6,000
Harry Ferguson, Inc., B common	1,500	1,500
R. T. French Co., capital	35,000	35,000
Atlantis Sales Corp., capital	50	50
Oldbury Electro Chemical Co., capital	8,400	8,400
Lea & Perrins, Inc., A stock common	2,107	2,107
Lea & Perrins, Inc., B stock common	5	5
Arkwright Finishing Co., capital	7,000	7,000
Interlaken Mills, capital	19,969	19,969
Distillers Co., Ltd., capital	850,250	850,250
Morganite Brush Co., Inc., capital	7,500	7,500
B. Priestley & Co., Inc., capital	2,500	2,500
Firth-Sterling Steel Co., 7-percent cumulative preferred	2,532	None
Firth-Sterling Steel Co., common	40,752	None
Keasbey & Mattison, capital	20,140	20,140
Funch Edye & Co., capital	12,000	20,000
Twenty-Five Broadway Corp., capital	11,300	11,300
Baker, Perkins, Inc., 7-percent cumulative preferred	1,049	None
Baker Perkins, Inc., common	64,696	64,696
Pacific Molasses Co., Ltd., capital	3,750	37,500
A. J. White, Ltd., capital	500	500
Menley & James, Ltd., capital	1,550	1,550
Hecht, Levis & Kahn, Inc., capital	4,000	4,000
Crown Mills, Inc., 7-percent cumulative preferred	5,000	None
Crown Mills, Inc., capital	9,997	None
F. W. Berk & Co., Inc., capital	100	100
American Association, Inc., capital	151,844	151,844
Mica Insulator Co., capital	5,359	5,359
C. Tennant Sons & Co., of New York capital	7,164	2,139
American Thread Co., 5-percent cumulative preferred	427,477	381,674
American Thread Co., common	1,197,375	1,197,375
Joseph Tetley & Co., Inc., 8-percent cumulative preferred	4,580	4,580
Joseph Tetley & Co., Inc., common	4,000	4,000
Dunlop Tire & Rubber Co., 8-percent cumulative first preferred	610	610
Dunlop Tire & Rubber Co., 8-percent noncumulative second preferred	31,600	31,600
Dunlop Tire & Rubber Co., common	197,334	197,334
J. & P. Coates (R. I.), Inc., capital	144,991	144,991
Clark Thread Co., capital	179,991	179,991
Clark Thread Co. of Georgia, capital	18,605	18,605
North Georgia Processing Co., Inc., capital	800	800
Stowell-MacGregor Corp., common	4,399	4,399
Spool Cotton Co., Inc., capital	2,491	2,491
Jonas Brook & Bros. (U. S. A.), capital	92	92
Dentist Supply Co. of N. Y., common	100,765	100,765
F. W. Cook Co., capital	1,005	1,005
Norma Hoffman Bearings Corp., 6 percent cumulative preferred	7,029	7,029

Securities of corporations in which British ownership is substantial or controlling—Continued

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
Norma Hoffman Bearings Corp., common	90,000	90,000
Ensign-Bickford Co., common	10,779	10,779
Okonite-Callendar Cable, 6 percent noncumulative preferred	1,000	1,000
Okonite-Callendar Cable, common capital	7,495	7,495
Pembroke Chemical Corp., capital	255	255
Josiah Wedgewood & Sons, B capital	440	440
Josiah Wedgewood & Sons, A capital	300	300

Securities other than stock	Amount	
	Originally pledged	Held on Oct. 31, 1945
Delta & Pine Land Co., first mortgage bonds	$3,000,000.00	$2,087,633.12
Delta & Pine Land Co., demand note	1,800,000.00	1,689,731.00
American Association, Inc., 5-percent second mortgage B income debentures	1,420,250.00	1,420,250.00
Assignment of Fine Cotton Spinners and Doublers Association, of money due from Delta & Pine Land Co. of Mississippi	1,926,000.00	1,926,000.00
Assignment from Dunlop Rubber Co., Ltd., of money due from Dunlop Tire & Rubber Corp	26,247,350.40	26,097,350.40
Okonite-Callendar Cable Co., first mortgage 5-percent debentures	275,000.00	75,000.00

British-owned shares of United States insurance companies

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
American & Foreign Insurance Co	14,900	14,900
Capital Fire Insurance Co. of California	9,955	9,955
Eagle Indemnity Co	19,905	19,905
Federal Union Insurance Co	9,925	9,925
Globe Indemnity Co	24,875	24,875
Newark Fire Insurance Co	398,436	398,436
Queen Insurance Co. of America	49,885	49,885
Royal Indemnity Co	24,914	24,914
Seaboard Insurance Co	5,935	5,935
Star Insurance Co. of America	9,935	9,935
American Central Insurance Co	19,985¼	19,985¼
California Insurance Co	24,945	24,945
Columbia Casualty Co	9,996	9,996
Commercial Union Fire Insurance Co. of New York	9,837½	9,837½
Commonwealth Insurance Co. of New York	9,935	9,935
Homeland Insurance Co. of America	9,935	9,935
Mercantile Insurance Co	9,935	9,935
Pennsylvania Fire Insurance Co	9,955	9,955
Columbia Insurance Co. of New York	9,935	9,935
Imperial Assurance Co	9,120	9,120
Phoenix Indemnity Co	11,000	20,000
United Fireman's Insurance Co. of Philadelphia	37,950¾	37,950¾
Potomac Insurance Co. of the District of Columbia	7,990	7,990
Orient Insurance Co	9,955	9,955
Safeguard Insurance Co	7,405	7,405
Eureka-Security Fire & Marine Insurance Co	199,994	199,994
Monarch Fire Insurance Co	102,154	102,154

British-owned shares of United States insurance companies—Continued

Stock	Number of shares	
	Originally pledged	Held on Oct. 31, 1945
Sun Indemnity Co. of New York	8,360	8,360
Sun Underwriters Co. of New York	5,935	5,935
American Union Insurance Co	9,935	9,935
Central Union Insurance Co	4,955	4,955
Provident Fire Insurance Co	18,200	18,200
Manhattan Fire & Marine Insurance Co	2,425	2,425
Seaboard Fire & Marine Insurance Co	39,394	39,394
Yorkshire Indemnity Co	4,500	4,500
Eagle Fire Co. of New York	99,325$^{846}/_{1000}$	99,325$^{846}/_{1000}$
Norwich Union Indemnity Co	5,000	5,000
Albany Insurance Co	16,870	16,870
Prudential Insurance Co. of Great Britain in New York	5,926	5,926
Caledonian-American Inance Co	2,955	2,955

Mr. JOHNSON of Colorado. Mr. President, I now yield the floor to my colleague the Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSTON of South Carolina. Mr. President, only 12 minutes remain before the vote will be taken on the pending amendment and the joint resolution. I wish to address the Senate for a few minutes.

The amendment which has been offered by the Senator from Colorado [Mr. JOHNSON] and myself would afford to the British exactly what they want, namely, $3,750,000,000. But it would do so in this way: It would afford to them $1,000,000,000 only after the United States had required the British to hypothecate a sufficient amount of security to insure the repayment of the money. There would then remain $2,750,000,000 with reference to which the people of the United States could speak for themselves in saying whether they wished to allow the British to have it. If that is not a fair way in which to handle the matter, then I do not know what is fair. The amendment would allow those persons in the United States who wish the British to have the money, to put up the funds and would not require other persons, who probably do not believe that the money will be repaid, to contribute their funds. Remember, Senators, every cent of this money will be paid by the taxpayers of the United States. We must first borrow the money before we can lend it to the British. If we now had the money I would be glad to lend it to the British, but it must be remembered that we already owe approximately $280,000,000,000.

I believe there are a sufficient number of persons in the United States who would back a loan to the extent of $2,750,000,000. Why do I believe so? It has been estimated that at the present time the British have holdings in the United States of a value of approximately $10,000,000,000. They have interests in this country, and they would try to the best of their ability to sell the bonds. I believe that the British would be more in-

clined to pay back the money if the people in this country who loaned it held the British bonds and the British knew that if they did not repay the money the holders of the bonds would keep them permanently.

Some persons smile and laugh as if to say, "No; the people would not buy the bonds." Senators know they would not. But, if they would not buy $2,730,000,000 worth of British bonds, would it be correct for us to take the money of the taxpayers of the United States and give it to the British as a loan? Yesterday I voted to give the British $1,250,000,000. I was glad to do so. However, I wanted the money to be used as a gift and not as a loan. I do not want the people of the United States to say later to their representatives, "You said you were making a loan, and yet the borrowers do not pay it back."

Mr. President, what about the loan we have already made to Britain? Long ago she ceased making payments on it. It would probably hurt Britain's feelings to receive a notice that the money is due. The matter was gone into when the hearings were held on the proposed loan. I do not know whether or not we sent Britain a notice. I shall have to check my records in order to ascertain. I believe we sent her a formal notice, but I will not state for certain that we did. I fear that the same situation may exist in the future. Mr. President, the people of this country who wish to lend money to Great Britain should go into the venture with their eyes open and buy Great Britain's bonds. If that is done, no one will be advancing funds without knowing all the facts involved.

Why should we not require that the securities to which I have referred be pledged to the persons in this country who loan the money? We have been told that the securities are here, and that they would easily pay off the principal and interest on the loan.

There is another side to this situation, Mr. President. If we make this loan as proposed by the Johnson-Johnston amendment we will let the other nations know that when they request a loan, and put up the necessary security, they will be able to obtain the money. If we make the proposed loan under the terms as they are now written, Senate Joint Resolution 138 will prove to be a headache. But if we allow the British to receive $1,000,000,000 on good security, and the remaining $2,750,000,000 from money collected from the people who have bought British bonds, and treat in the same way other nations who make requests for loans, we may all be much happier. I ask the Senator from Florida, what will be done when Russia applies for a loan? Will we refuse her request?

Mr. PEPPER. Mr. President——

Mr. JOHNSTON of South Carolina. I yield.

Mr. PEPPER. The Senator from South Carolina asked me a question as to what we will do when application for a loan is made by Russia. As a matter of fact, an application for a loan from the United States has already been made by Russia. If Generalissimo Stalin is fairly well informed about Russian affairs, as I have had a general idea that he was, he has not as yet received a very favorable response, if any at all, to his application. The first application which was made was for $6,000,000,000. According to Generalissimo Stalin's advice to me, no response was received to that request. The other application was for $1,000,000,000, which is the one that was lost in a pigeonhole, as Senators will recall.

The Senator has suggested at least a criterion which I believe to be desirable and practicable. He has stated that the same standards should be applied to all borrowers. It would please me immensely if the Senate would lay down a standard which could be applied to all nations in their requests for loans.

I am in favor of the British loan because, I believe, it would be a good transaction for Great Britain and for this country as well. But I also believe that a Russian loan would be good for this country and the remainder of the world. I believe further that a French loan, as well as some other loans, would be practical and helpful. However, I would lay down three criteria. First, could the loan, in the opinion of good businessmen, be repaid? I am willing to accept Mr. Will Clayton as a good businessman, because he has proved to be such by making approximately $20,000,000 in private enterprise. Secondly, would the loan be used for peaceful purposes? Thirdly, would the loan be used to the benefit of the United States of America? If the Senator can devise any criteria which would apply alike to all countries, I believe he would be doing a great service, because I am very much afraid that when Russia eventually succeeds in having her application heard, someone will say that in order to get the loan she should be willing to change her form of government, or do other things which, I am sure, she would refuse to do.

Mr. JOHNSTON of South Carolina. Mr. President, I thank the Senator from Florida for his statement. What he has said points clearly to the fact that Russia will ask for $6,000,000,000. She has already asked for it, according to the Senator's statement. Her application is before the United States Government at the present time. I am asserting, Mr. President, that if the Government of the United States does not treat Russia and other countries in the same way it treats the British, it will be severely criticized. That is what I fear.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Kentucky?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. BARKLEY. In order that the record may be accurate, Russia has made no application for a loan of $6,000,000,000. She has made an application for a loan of $1,000,000,000, which has not as yet proceeded to the stage of negotiation between Russia and the United States.

Mr. JOHNSTON of South Carolina. I predict that Russia, being the large nation she is, will increase her request if she has thus far asked for only $1,000,000,000. [Laughter.]

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. Mr. President, I warn the Senate that if it approves the proposed British loan it will be establishing a precedent which it will regret in time to come, because every nation wanting money will come to the United States for it.

The PRESIDING OFFICER. The Senator from South Carolina will suspend. The hour of 3 o'clock having arrived, under the unanimous consent agreement of yesterday, further debate is not in order.

The question now before the Senate is on agreeing to the amendment offered by the Senator from Louisiana [Mr. ELLENDER] on behalf of himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. ELLENDER. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

It shall be a condition on any payment made to the United Kingdom pursuant to the agreement dated December 6, 1945, that not less than 90 percent of the amount thereof shall be used for purchases by the United Kingdom of goods and services in the United States.

The PRESIDING OFFICER. The yeas and nays having previously been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. MORSE. My colleague the senior Senator from Oregon [Mr. CORDON] is absent on official business of the Senate.

Mr. HOEY. The senior Senator from North Carolina [Mr. BAILEY] is absent because of illness. If present, he would vote "nay."

Mr. HATCH. My colleague the junior Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained on important public business. If present, he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that if present and voting, the Senator from Missouri [Mr. BRIGGS], the Senator from Texas [Mr. CONNALLY], and the Senator from West Virginia [Mr. KILGORE] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris

meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present, he would vote "nay."

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The result was announced—yeas 29, nays 52, as follows:

YEAS—29

Brewster	Langer	Stewart
Brooks	McCarran	Taft
Bushfield	McClellan	Tydings
Butler	McFarland	Walsh
Byrd	Moore	Wheeler
Capper	O'Daniel	Wherry
Ellender	Revercomb	Willis
Huffman	Robertson	Wilson
Johnson, Colo.	Russell	Young
Johnston, S. C.	Shipstead	

NAYS—52

Aiken	Hatch	Myers
Austin	Hawkes	O'Mahoney
Ball	Hayden	Pepper
Bankhead	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Bridges	Hoey	Saltonstall
Buck	Knowland	Smith
Donnell	La Follette	Stanfill
Downey	Lucas	Taylor
Eastland	McKellar	Thomas, Okla.
Ferguson	McMahon	Thomas, Utah
Fulbright	Magnuson	Tobey
George	Maybank	Tunnell
Gerry	Mead	Wagner
Green	Millikin	White
Guffey	Mitchell	Wiley
Gurney	Morse	
Hart	Murdock	

NOT VOTING—15

Andrews	Carville	Gossett
Bailey	Chavez	Kilgore
Bilbo	Connally	Murray
Briggs	Cordon	Overton
Capehart	Glass	Vandenberg

So the amendment of Mr. ELLENDER and Mr. JOHNSTON of South Carolina was rejected.

The PRESIDING OFFICER. The question next arises upon the amendment offered by the Senator from Colorado [Mr. JOHNSON] on behalf of himself and the Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSON of Colorado. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The Clerk will state the amendment.

The CHIEF CLERK. In lieu of the language proposed to be inserted by the committee amendment, it is proposed to insert the following:

SEC. 2. (a) (1) In order to provide funds for carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is hereby authorized to borrow, from time to time, not in excess of $2,750,000,000, and to issue therefor bonds in the form and subject to the conditions hereinafter set forth. The Secretary of the Treasury is authorized to use the proceeds of such bonds for the purpose of carrying out the agreement.

(2) Bonds issued pursuant to the authority of this subsection shall be subject to the same provisions for amortization and interest (including waiver of interest) as are provided in the agreement with respect to repayment by the United Kingdom. Payments on account of principal and interest shall be made solely from amounts paid by the United Kingdom under the agreement, but the United States shall be under no obligation to the holders of such bonds with respect to principal or interest.

(3) Bonds herein authorized shall from time to time be offered as a popular loan under such regulations prescribed by the Secretary of the Treasury as will in his opinion give the people of the United States as nearly as may be an equal opportunity to participate therein.

(4) Except as otherwise provided in this subsection, the bonds herein authorized shall be issued in the same manner, so far as is consistent with the provisions of this subsection, as bonds issued under the Second Liberty Bond Act, as amended. They shall be of distinctive design and shall bear on their face a statement to the effect that they are not backed by the credit of, or guaranteed by, the United States.

(5) No payments shall be made to the United Kingdom under the agreement or this joint resolution except from the proceeds of bonds issued under the provisions of this subsection or from funds of the Reconstruction Finance Corporation as provided in subsection (b).

(6) Inasmuch as bonds issued under this subsection are not obligations of the United States, such bonds shall not be considered for the purpose of the debt limit of the United States.

(7) The Secretary of the Treasury shall provide by regulation for the distribution on an equitable basis among the holders of such bonds of payments of principal and interest received from the United Kingdom.

(b) The Reconstruction Finance Corporation is authorized to increase the amount of the loan heretofore made by it to the United Kingdom by $1,000,000,000 on the security now held by the Reconstruction Finance Corporation on such loan, and without restriction as to the purposes for which such loan may be expended; and hereafter the interest rate on the balance of the present loan and on the $1,000,000,000 additional hereby authorized shall be 2 percent, with all net earnings from such security to be applied, first, to the interest on the loan, and the balance on the principal. The Reconstruction Finance Corporation is authorized and directed to make available the amount of the loan herein authorized for the purpose of making payments to the United Kingdom under the agreement of December 6, 1945, except that repayment of any amount so made available shall be made in the manner provided in such prior loan agreement in lieu of the manner provided in the agreement of December 6, 1945: *Provided*, That payments under this joint resolution to the Government of the United Kingdom shall first be made out of the proceeds of bonds issued under the provisions of subsection (a), to the extent that such funds are available at the time any amount is drawn by the United Kingdom upon the line of credit extended in the agreement.

(c) No payment shall be made under subsection (a) or (b) of this section until the Government of the United Kingdom has completed arrangements relative to the sterling area as provided for in section 7 of the agreement of December 6, 1945, and has made agreements for a settlement covering accumulated sterling balances as provided for in section 10 of such agreement.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. MORSE. I should like to have the RECORD show on this vote, as on the previous vote and on all following votes, that my colleague, the senior Senator from Oregon [Mr. CORDON], is absent on official business of the Senate.

Mr. HOEY. The senior Senator from North Carolina [Mr. BAILEY] is absent because of illness. If present he would vote "nay."

Mr. HATCH. My colleague, the junior Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained on important public business. If present he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that if present and voting, the Senator from Missouri [Mr. BRIGGS], the Senator from Texas [Mr. CONNALLY], and the Senator from West Virginia [Mr. KILGORE] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present he would vote "nay."

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The result was announced—yeas 26, nays 55, as follows:

YEAS—26

Brewster	Johnston, S. C.	Shipstead
Brooks	La Follette	Stewart
Bushfield	Langer	Walsh
Butler	McFarland	Wheeler
Capper	Moore	Wherry
Ellender	O'Daniel	Willis
Hawkes	Revercomb	Wilson
Huffman	Robertson	Young
Johnson, Colo.	Russell	

NAYS—55

Aiken	Hatch	O'Mahoney
Austin	Hayden	Pepper
Ball	Hickenlooper	Radcliffe
Bankhead	Hill	Reed
Barkley	Hoey	Saltonstall
Bridges	Knowland	Smith
Buck	Lucas	Stanfill
Byrd	McCarran	Taft
Donnell	McClellan	Taylor
Downey	McKellar	Thomas, Okla.
Eastland	McMahon	Thomas, Utah
Ferguson	Magnuson	Tobey
Fulbright	Maybank	Tunnell
George	Mead	Tydings
Gerry	Millikin	Wagner
Green	Mitchell	White
Guffey	Morse	Wiley
Gurney	Murdock	
Hart	Myers	

NOT VOTING—15

Andrews	Carville	Gossett
Bailey	Chavez	Kilgore
Bilbo	Connally	Murray
Briggs	Cordon	Overton
Capehart	Glass	Vandenberg

So the amendment of Mr. JOHNSON of Colorado and Mr. JOHNSTON of South Carolina was rejected.

Mr. LANGER. Mr. President, I offer my second amendment, which is Senate bill 1891, which I ask to have read, and on which I ask for a vote.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to add the following new section:

SEC. —. (a) There is hereby authorized to be appropriated the sum of $3,750,000,000, which shall be available to the Commissioner of Public Roads for making loans to States for the purpose of enabling them to construct and repair secondary and feeder roads, and bridges and approaches thereto situated on such roads.

(b) The amounts appropriated pursuant to subsection (a) shall be apportioned among the States in accordance with the formula contained in section 21 of the Federal Highway Act, as amended. The amount apportioned to a State shall be available to the Commissioner, during the period beginning on July 1, 1946, and ending June 30, 1951, for making loans to such State for the purposes specified in subsection (a).

(c) Loans made to States hereunder shall mature in not to exceed 50 years from the date of making thereof and shall bear interest at the rate of 2 percent per annum, except that (1) no interest shall accrue or be payable for any period prior to July 1, 1951, and (2) in the case of any State, the governor of which certifies to the Commissioner of Public Roads that any portion of the principal or interest on any such loan cannot be repaid upon maturity, such unpaid portion shall be canceled.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota [Mr. LANGER].

The amendment was rejected.

Mr. LANGER. Mr. President, I now offer my amendment No. 3 and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. After the resolving clause it is proposed to insert "Title I," and at the end of the joint resolution to insert the following——

The PRESIDING OFFICER. Does the Senator from North Dakota wish to have the amendment read or printed in the RECORD? It is rather long.

Mr. LANGER. It is rather long, but I should like to have it read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. After the resolving clause, it is proposed to insert "Title I," and at the end of the joint resolution to insert the following:

TITLE II

SEC. 101. No department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over, or prescribe any requirements with respect to, any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this title, nor shall any term or condition of any agreement or any other action taken under this title, whether by agreement or otherwise, relating to any contribution made under this title to or on behalf of any school, or any State educational institution or agency, or any limitation or provision in any appropriation made pursuant to this title, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to, the administration, the personnel, the curriculum, the instruction, the methods of instruction, or the materials of instruction.

APPROPRIATION AUTHORIZED

SEC. 102 (a) For the purpose of enabling States and their local public-school jurisdiction to meet emergencies in financing their public elementary and public secondary schools by providing funds for the payment of the salaries of teachers and other school employees to keep schools open, to employ additional teachers to relieve overcrowded classes, to raise substandard salaries of teachers and other school employees, and to adjust the salaries of teachers and other school employees to meet the increased cost of living, there is hereby authorized to be appropriated for each fiscal year in which the Congress shall find a need therefor, beginning with the year ending June 30, 1946, $200,000,000, to be apportioned to the States as hereinafter provided. This authorization shall terminate 1 year after the President shall have declared the emergency due to the war to have ceased, or 1 year after the Congress by concurrent resolution shall have so declared

(b) For the purpose of more nearly equalizing public elementary and public secondary school opportunities among and within the States, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1946, and for each fiscal year thereafter, $100,000,000, to be apportioned to the States as hereinafter provided.

APPORTIONMENT

SEC. 103. The funds appropriated under section 102 of this title shall be apportioned to the respective States by the United States Commissioner of Education (hereinafter called the "Commissioner"), in the following manner:

(A) The amount apportioned to each State from the funds appropriated under the authorization of section 102 (A) shall be an amount which bears the same ratio to the total amount made available as the average daily attendance (for the latest year for which data are available in the office of the Commissioner) of pupils attending all types of public elementary schools (including kindergartens and nursery schools) and public secondary schools (including through the fourteenth grade) in that State bears to the total of such average daily attendance for all the States.

(B) From not less than 98 percent of the funds appropriated under section 102 (B) the amount apportioned to each State shall be an amount which bears the same ratio to the total amount made available as the index of financial need of such State bears to the sum of the indexes of financial need of all the States. The index of financial need of the respective States shall be computed as follows:

(1) For each State the Commissioner shall compute the percentage that the number of inhabitants 5 to 17 years of age, inclusive, in that State is of the number of such inhabitants in the United States, excluding Alaska, Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam.

(2) For each State the Commissioner shall compute the percentage that the total estimated income payments in that State is of the total estimated income payments in the United States, excluding Alaska, Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam.

(3) For each State the Commissioner shall compute the excess, if any, of the first-mentioned percentage over 65 percent of the second-mentioned percentage. This excess, if any, for each of the respective States shall be the index of financial need: *Provided*, That as soon as feasible after the enactment of this title, and annually thereafter at such time as shall be agreed upon, the Director of the Bureau of the Census shall certify to the Commissioner the estimated number of inhabitants 5 to 17 years of age in each State, and the Secretary of Commerce or his designated agent shall certify to the Commissioner the total estimated income payments in each State in the latest year for which estimates have been made: *Provided further*, That the first three annual apportionments shall be based on the indexes of financial need first determined and thereafter the apportionment for each year shall be based on the indexes of financial need determined the third preceding fiscal year.

From not to exceed 2 percent of the funds appropriated under section 102 (B) such sums as may be necessary shall be apportioned by the Commissioner to Alaska, Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam according to their respective needs for additional funds for public elementary and public secondary schools upon the basis of joint agreements made with their respective State educational authorities.

CERTIFICATION AND PAYMENT

SEC. 104. The Commissioner shall certify regularly the amounts allotted under this title to each State that has accepted the provisions of this title to the Secretary of the Treasury, who shall, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to the treasurer or corresponding official of such State the amount certified for each fiscal year in four equal installments, as soon after the first day of each quarter as may be feasible, beginning with the first quarter of the fiscal year for which appropriations made under the authorization of this title are available. Each such treasurer shall account for the moneys received as a trustee of funds of the United States, and shall pay out such funds only on the requisition of the State educational authority.

AVAILABILITY OF APPROPRIATIONS

SEC. 105. (A) The funds paid to a State from the funds appropriated under section 102 (A) of this title shall be available for disbursement by that State to local public-school jurisdictions, or other State public-education agencies, for the payment of salaries of teachers and other school employees in public elementary schools (which may include kindergartens and nursery schools) and public secondary schools (which may include through the fourteenth grade) for any or all of the following purposes: (1) To keep public schools open for a term of not less than 160 days or to make suitable provisions for the education of the pupils affected by closed schools, (2) to raise substandard salaries, (3) to reduce overcrowded classes by the employment of additional teachers, (4) to adjust the salaries of teachers and other school employees to meet the increased cost of living during the emergency.

(B) In order more nearly to equalize educational opportunities, the funds paid to a State from the funds appropriated under section 102 (B) of this title shall be available for disbursement by that State to local public-school jurisdictions, or other State public-education agencies, for all types of expenditures for public elementary schools (which may include kindergartens and nursery schools) and public secondary schools (which may include through the fourteenth grade).

(C) A State may use not to exceed 1 percent of the funds received by it under this title to pay the expenses of the State department of education necessary for the efficient administration of the funds received under this title.

(D) No provision of this title shall be construed to delimit a State in its definition of its program of public education: *Provided*, That the funds paid to a State under this title shall be expended only by public agencies and under public control.

STATE ACCEPTANCE PROVISIONS

SEC. 106. (A) In order to qualify for receiving funds appropriated under this title, a State—

(1) through its legislature, shall (a) accept the provisions of this title and provide for the administration of funds to be received; (b) provide that the State treasurer, or corresponding official in the State, shall serve as trustee for the funds paid to that State under this title; (c) provide that its State educational authority shall represent the State in the administration of funds received; (d) provide for an audit by the State educational authority of the expenditure of funds received and apportioned to local school jurisdictions, or other State public-educational agencies, and for a system of reports from local school jurisdictions and other public-educational agencies of the State to such authority; (e) provide that the State educational authority shall make reports to the Commissioner with respect to the expenditure of funds received and the progress of education on forms to be provided by the Commissioner; (f) in States where separate public schools are maintained for separate races, provide for a just and equitable apportionment of such funds for the benefit of public schools maintained for minority races, without reduction of the proportion of State and local moneys expended for educational purposes during the fiscal year ended in 1944 for public schools for minority races: *Provided*, That in any State in which the legislature has not taken the action specified in this section, the chief executive of such State may, until such action has been taken or until 6 months after the adjournment of the first regular session of the legislature in such State following the date of the enactment of this title, whichever first occurs, take such action for such period as is required by this title to be taken by legislative enactment;

(2) either through its legislature, or through its State educational authority, if the legislature so directs, provide for apportioning the funds received under this title in such manner as to comply with the provisions of section 105 of this title; and

(3) shall transmit through its State educational authority to the Commissioner official notice of acceptance and certified copies of the legislative enactments and the official regulations that may be issued by the State educational authority in connection with such funds. Any amendments of such enactments and revisions of official regulations shall in like manner be transmitted to the Commissioner.

(B) The funds appropriated under the authorization of this title shall be allotted only to those States which, during the fiscal year preceding the fiscal year for which the apportionment is made, have provided from State revenues for all public elementary and public secondary-school purposes not less than either the total amount, or the amount per pupil in average daily attendance, actually spent for such purposes in the fiscal year ended in 1944: *Provided*, That if the State fails during any year to comply with the conditions specified in this paragraph due to acts of God, or other circumstances over which the State has no control, and if such failure is not due to action or failure to act by the legislative or executive authorities of that State, the provisions of this paragraph shall not apply.

(C) The funds allotted to any State from the funds appropriated under section 102 (A) of this title shall be paid by the State educational authority only to those local school jurisdictions that from State and local funds (which shall not be interpreted to include funds made available under this title) pay average annual salaries to their teachers not less than the average annual salaries paid as of February 1, 1945, or the nearest prior date when school was in session: *Provided*, That for any local school jurisdiction that fails to comply with the provisions specified in this paragraph due to acts of God, or other circumstances over which such local school jurisdiction has no control, and if such failure is not due to actions of State or local tax assessing, levying, or appropriating bodies or officials, the State may provide the funds necessary to overcome such failure from funds received under section 102 (B) of this title. The State educational authority shall not make payment to any local school jurisdiction that fails to comply with the requirements of this paragraph until after investigation he has determined that there are extenuating circumstances as set forth above.

AUDITING

SEC. 107. The Commissioner shall cause an audit to be made of the expenditure of funds under this title by each State educational authority. If the Commissioner, after notice and hearing, finds that any portion of such funds is expended by any State in a manner contrary to the provisions of this title, or shall otherwise be lost or unlawfully used, an equal amount shall, after reasonable notice, be withheld from the next ensuing payment to any such State unless such amount is replaced by such State and expended for the purposes originally intended: *Provided*, That the State educational authority shall have the right of appeal, within 30 days, from the decision of the Commissioner to withhold funds to a United States district court and such court shall have jurisdiction as to both fact and law.

SEC. 108. In auditing the expenditure of funds allotted under this title to the Virgin Islands, American Samoa, and Guam, as provided in this title, the Commissioners authorized to utilize the services of employees of any Federal department or agency by agreement with the head of such department or agency.

PENALTIES

SEC. 109. The Secretary of the Treasury shall suspend payments under this title to any State whenever the Commissioner, after notice and hearing, certifies that any such State has failed to replace funds received under this title which are lost, or unlawfully used, or expended in a manner contrary to the provisions of this title or has failed to make required reports with reasonable promptness: *Provided*, That after the Commissioner has so certified to the Secretary of the Treasury the State educational authority shall have the right to appeal, within 30 days, from such certification to a United States district court and such court shall have jurisdiction as to both fact and law. Upon certification of the Commissioner that any such State has rectified such failure, the Secretary of the Treasury shall transmit to such State the amounts so suspended. The sums authorized to be allotted to any State under this title shall, when certified for payment, remain available for not to exceed one fiscal year after the fiscal year for which such certification was made.

AUTHORIZATION FOR ADMINISTRATION AND RESEARCH

SEC. 110. For services and other expenses necessary to the administration of this title, and for the making of necessary surveys and other studies in connection with the best utilization of the grants to States authorized in this title, there is hereby authorized to be appropriated for each fiscal year an amount not to exceed one-half of 1 percent of the total amount authorized to be appropriated for each fiscal year under the provisions of section 102 of this title. Any of the funds appropriated under the authorization of this section may be allocated by the Commissioner to State departments of education for surveys or other studies pertinent to the best uses of the funds received under this title. Such allocations shall be made by joint agreement between the Commissioner and the chief State educational authority. The amounts thus allocated shall be certified to the Secretary of the Treasury by the Commissioner, and shall thereupon be paid to the cooperating State department of education. Suitable provision for audits, reports, and repayment to the United States of amounts unexpended, lost, or misapplied shall be incorporated into the joint agreement.

REPORTING

SEC. 111. The Commissioner shall publish annually a full and complete report showing the status of education in the United States. Each such report shall include an analysis and summary of the legislative and administrative provisions adopted by each State for the expenditure of funds received through this title, and also statistical information showing the accomplishments of the respective States through the expenditure of funds received under this title. In all such reports relating to the status of education in States where separate educational facilities are maintained by law for any minority racial group, data relating to such separate educational facilities shall be separately reported. The Commissioner shall also make an annual report in writing to the Congress, giving an account of all money received and allocated by him under this title.

MISCELLANEOUS

SEC. 112. The Commissioner is authorized to make such rules and regulations in conformity to the provisions of this title as may be necessary to facilitate its administration.

DEFINITIONS

SEC. 113. As used in this title—

(a) The term "State" shall include the several States, the District of Columbia, Alaska, and Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam.

(b) The term "legislature" means the State or Territorial legislature or other comparable body, except that in the District of Columbia it shall mean the Board of Education, and in American Samoa and the Virgin Islands it shall mean the Governor.

(c) The term "minority race" or "minority racial group" shall mean any race or racial group that constitutes a minority of the population of the continental United States.

(d) A just and equitable apportionment, allotment, or distribution of the funds provided under this title for the benefit of a minority racial group in a State which maintains by law separate educational facilities for such minority racial group, means any plan of apportionment, allotment, or distribution which results in the expenditure, for the benefit of such minority racial group, of a proportion of said funds not less than the proportion that each such minority racial group in such State bears to the total population of that State.

(e) The term "State educational authority" means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education, and in American Samoa, Guam, and the Virgin Islands, it shall mean the Governor.

SEPARABILITY

SEC. 114. If any provision of this title or application thereof to any State, person, or circumstance is held invalid, the remainder of the title, and the application of such provisions to other States, persons, or circumstances shall not be affected thereby.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

The amendment was rejected.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is on the passage of the joint resolution.

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MORSE (when his name was called). I announce that I have a pair with my senior colleague [Mr. CORDON], who is away from the city on official business of the Committee on Commerce of the Senate He asked me to announce that if he had not been able to arrange this pair it would have been necessary for him to cancel his trip on official Senate business. If he were present he would vote "nay." If I were at liberty to vote I would vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

I wish to announce further that on this question the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from North Carolina [Mr. BAILEY]. If present and voting, the Senator from New Mexico [Mr. CHAVEZ] would vote "yea," and the Senator from North Carolina [Mr. BAILEY] would vote "nay."

I also wish to announce that on this question the Senator from Texas [Mr. CONNALLY] is paired with the Senator from Mississippi [Mr. BILBO]. If present and voting, the Senator from Texas [Mr. CONNALLY] would vote "yea," and the Senator from Mississippi [Mr. BILBO] would vote "nay."

I also announce that if present and voting, the Senator from Florida [Mr. ANDREWS], the Senator from Missouri [Mr. BRIGGS], and the Senator from West Virginia [Mr. KILGORE] would vote "yea."

Mr. WHERRY. I announce the following pair on this question: The Senator from Michigan [Mr. VANDENBERG], who would vote "yea" with the Senator from Indiana [Mr. CAPEHART] who would vote "nay." The Senator from Michigan is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. The Senator from Indiana is absent by leave of the Senate.

The result was announced—yeas 46, nays 34, as follows:

YEAS—46

Aiken	Gurney	O'Mahoney
Austin	Hart	Pepper
Ball	Hatch	Radcliffe
Bankhead	Hayden	Reed
Barkley	Hickenlooper	Saltonstall
Bridges	Hill	Smith
Buck	Hoey	Stanfill
Donnell	Lucas	Taylor
Downey	McKellar	Thomas, Utah
Eastland	McMahon	Tobey
Ferguson	Magnuson	Tunnell
Fulbright	Maybank	Wagner
George	Mead	White
Gerry	Mitchell	Wiley
Green	Murdock	
Guffey	Myers	

NAYS—34

Brewster	La Follette	Stewart
Brooks	Langer	Taft
Bushfield	McCarran	Thomas, Okla.
Butler	McClellan	Tydings
Byrd	McFarland	Walsh
Capper	Millikin	Wheeler
Ellender	Moore	Wherry
Hawkes	O'Daniel	Willis
Huffman	Revercomb	Wilson
Johnson, Colo.	Robertson	Young
Johnston, S. C.	Russell	
Knowland	Shipstead	

NOT VOTING—16

Andrews	Chavez	Morse
Bailey	Connally	Murray
Bilbo	Cordon	Overton
Briggs	Glass	Vandenberg
Capehart	Gossett	
Carville	Kilgore	

So the joint resolution (S. J. Res. 138) was passed.

The preamble was agreed to.

MEDIATION OF LABOR DISPUTES

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1196, House bill 4908, to provide additional facilities for the mediation of labor disputes, and for other purposes.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. MAGNUSON. Mr. President, is the Senator making a unanimous-consent request?

Mr. BARKLEY. No; I am moving that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky [Mr. BARKLEY] that the Senate proceed to the consideration of House bill 4908. [Putting the question.] The "ayes" have it, and the motion is agreed to.

Mr. MAGNUSON. Mr. President, I ask for the yeas and nays.

Mr. TAFT. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. The result of the vote has already been announced.

The PRESIDING OFFICER. The result of the vote has already been announced.

Mr. MAGNUSON. Mr. President, I was on my feet seeking recognition. I asked the Senator from Kentucky whether he was making a unanimous-consent request or a motion.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the vote by which the motion was agreed to be reconsidered, and that the yeas and nays be called on this question.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. What are we voting on?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky [Mr. BARKLEY] that the Senate proceed to the consideration of House bill 4908, a bill to provide additional facilities for the mediation of labor disputes, and for other purposes. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from West Virginia [Mr. KILGORE] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arizona [Mr. MCFARLAND], the Senator from Utah [Mr. MURDOCK], and the Senator from Maryland [Mr. RADCLIFFE] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The result was announced—yeas 66, nays 9, as follows:

YEAS—66

Austin	Byrd	Gerry
Ball	Capper	Gurney
Bankhead	Donnell	Hart
Barkley	Downey	Hatch
Brewster	Eastland	Hawkes
Bridges	Ellender	Hayden
Brooks	Ferguson	Hickenlooper
Bushfield	Fulbright	Hill
Butler	George	Hoey

Huffman	Morse	Taft
Johnson, Colo.	Myers	Thomas, Okla.
Johnston, S. C.	O'Daniel	Thomas, Utah
Knowland	O'Mahoney	Tobey
La Follette	Reed	Tydings
Langer	Revercomb	Walsh
Lucas	Robertson	Wheeler
McClellan	Russell	Wherry
McKellar	Saltonstall	White
McMahon	Shipstead	Wiley
Maybank	Smith	Willis
Millikin	Stanfill	Wilson
Moore	Stewart	Young

NAYS—9

Aiken	Mead	Taylor
McCarran	Mitchell	Tunnell
Magnuson	Pepper	Wagner

NOT VOTING—21

Andrews	Chavez	Kilgore
Bailey	Connally	McFarland
Bilbo	Cordon	Murdock
Briggs	Glass	Murray
Buck	Gossett	Overton
Capehart	Green	Radcliffe
Carville	Guffey	Vandenberg

So Mr. BARKLEY's motion was agreed to, and the Senate proceeded to consider the bill (H. R. 4908), to provide additional facilities for the mediation of labor disputes, and for other purposes, which had been reported from the Committee on Education and Labor with an amendment, to strike out all after the enacting clause, and insert:

That the Congress hereby declares that the objectives of this act are to encourage settlement of disputes between labor and management by collective bargaining and by conciliation, mediation, and voluntary arbitration, thereby minimizing industrial strife, strikes, and lock-outs.

DEFINITIONS

SEC. 2. (a) When used in this act—

(1) The term "commerce" means trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia or any Territory of the United States and any State or other Territory, or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia or any Territory or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign country.

(2) The term "industry affecting commerce" means any industry or activity in commerce or in which a labor dispute would burden or obstruct commerce or tend to burden or obstruct commerce or the free flow of commerce.

(3) The term "labor dispute" includes any disagreement, or any dispute, concerning terms, tenure, or conditions of employment, regardless of whether the contestants or disputants stand in the proximate relation of employer and employee.

(4) The term "employer" includes any person acting in the interest of an employer, directly or indirectly, but shall not include the United States, or any State or political subdivision thereof, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

(5) The term "employee" shall include any employee, and shall not be limited to the employees of a particular employer, and shall include any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice, and who has not obtained any other regular and substantially equivalent employment, but shall not include any individual employed as an agricultural laborer, or in the domestic service of any family or person at his home, or any individual employed by his parent or spouse.

(6) The term "representative" includes any individual or labor organization.

(7) The term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers, concerning grievances, labor disputes wages, rates of pay, hours of employment, or conditions of work.

(b) The provisions of this act shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended.

PUBLIC POLICY

SEC. 3. It is the policy of the United States that—

(a) Sound and stable industrial peace and the advancement of the general welfare, health, and safety of the Nation and of the best interests of employers and employees can best be secured by the settlement of issues between employers and employees through the processes of conference and collective bargaining between employers and the representatives of their employees; and

(b) The settlement of issues between employers and employees through collective bargaining may be advanced by making available full and adequate Government facilities for voluntary conciliation, mediation, and voluntary arbitration to aid and encourage employers and the representatives of their employees—

(1) to reach and maintain agreements concerning rates of pay, hours, and working conditions, including provision for adequate notice of any proposed change in the terms of such agreements and provisions for the final adjustment of grievances or questions regarding the application or interpretation of such agreements; and

(2) to make all reasonable efforts to settle all differences by mutual agreement reached through conference and collective bargaining or by such methods as may be provided for in any applicable agreement for the settlement of the dispute.

FEDERAL MEDIATION BOARD

SEC. 4. (a) There is hereby created in the Department of Labor a board to be known as the "Federal Mediation Board" (hereinafter called the "Board"). The Board shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate. One of the original members of the Board shall be appointed for a term of 1 year, one for a term of 2 years, one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years. Their successors shall be appointed for terms of 5 years, except that any person chosen to fill a vacancy occurring prior to the expiration of any member's term shall be appointed only for the unexpired term of his predecessor. The President shall designate a member of the Board to act as chairman. Any member of the Board may be removed by the President for neglect of duty, inefficiency, or malfeasance in office, but for no other cause.

(b) A vacancy in the Board shall not impair the authority of the remaining members to exercise all the functions of the Board, and three members shall at all times constitute a quorum for the transaction of business. The Board shall have an official seal, which shall be judicially noticed.

(c) The Board may from time to time adopt, amend, and rescind such regulations and rules as may be necessary for the administration of its functions.

(d) Each member of the Board shall receive a salary at the rate of $12,000 a year, together with necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, subject to the provisions of law applicable thereto, while away from the principal office of the Board on official business. Members of the Board shall be eligible for reappointment, and shall not engage in any other business, vocation, or employment.

(e) The Board shall make an annual report in writing to the Congress.

(f) The Board may appoint and fix the compensation of such officers and employees and make such expenditures for supplies, facilities, and services as may be necessary to carry out its functions. Without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, the Board may appoint and fix the compensation of an executive director and such conciliators and mediators as may be necessary to carry out its functions. The Board may, subject to the civil-service laws, appoint such clerical and other personnel as may be necessary for the execution of its functions, and shall fix their compensation in accordance with the Classification Act of 1923, as amended. No officer or employee of the Board shall be competent to act as an arbitrator in any labor dispute. All expenditures of the Board shall be allowed and paid on presentation of itemized vouchers therefor approved by the Chairman or by any employee designated by the Board for that purpose.

(g) The principal office of the Board shall be in the District of Columbia, but the Board may establish regional offices convenient to localities in which labor controversies are likely to arise. The Board may by order, subject to revocation at any time, delegate any authority and discretion conferred upon it by this act to any member, regional director, or other officer or employee of the Board. The Board may establish suitable procedures for cooperation with State and local mediation agencies.

(h) All mediation and conciliation functions of the Secretary of Labor or the United States Conciliation Service under section 8 of the act entitled "An act to create a Department of Labor," approved March 4, 1913 (U. S. C., title 29, sec. 51), and all functions of the United States Conciliation Service under any other law are hereby transferred to the Board, together with the personnel, records, property, and unobligated balances of appropriations, allocations, or other funds of the United States Conciliation Service. Such transfer shall take effect upon the sixtieth day after the date of enactment of this act. Such transfer shall not affect any proceedings pending before the United States Conciliation Service or any certification, order, rule, or regulation theretofore made by it or the Secretary of Labor.

FUNCTIONS OF MEDIATION BOARD

SEC. 5. (a) It shall be the duty of the Board, in order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes—

(1) to encourage employers and employees in industries affecting commerce to make and maintain agreements concerning wages, hours, and conditions of employment; and to encourage such employers and employees to settle their differences by conferences between representatives of the parties and by other peaceful means without resort to strikes, lock-outs, or any form of violence; and

(2) to assist parties to labor disputes in industries affecting commerce to settle such disputes through conciliation and mediation.

(b) The Board may, in its discretion, proffer its services in any labor dispute in any industry affecting commerce, either upon its own motion or upon the request of one or more of the parties to the dispute. Whenever the Board does proffer its services in any such dispute, it shall be the duty of the Board promptly to put itself in communication with the parties and to use its best efforts, by mediation and conciliation, to bring them to agreement.

(c) If the Board is not able to bring the parties to agreement by mediation or conciliation within a reasonable time, it shall seek to induce the parties voluntarily to submit the controversy to arbitration: *Provided*, That the failure or refusal of either party to agree to arbitration shall not be deemed to be a violation of any duty or obligation imposed by this act. Upon the request of the parties to the dispute the Board shall cooperate with the parties in formulating an agreement for the arbitration of the dispute, in selecting an arbitrator or arbitrators, and in making such other arrangements and in taking such other action as many be necessary to provide for the arbitration of the dispute. When any labor dispute in an industry affecting commerce is submitted to arbitration pursuant to the suggestion of the Board under this subsection, the Board, upon the request of the parties to the arbitration proceeding, shall pay so much of the compensation of the arbitrator or arbitrators and of the cost of reporting and preparing the transcript of the proceedings as does not exceed $500 in the aggregate in any one case. Any member of the Board and any officer or employee of the Board designated by the Board, is authorized to take acknowledgments of agreements to arbitrate. If arbitration at the request of the Board is refused by one or both parties, the Board shall at once notify the Secretary of Labor and both parties to the controversy, in writing, that its efforts at mediation and conciliation have failed.

(d) Final adjustment by a method agreed upon by the parties is hereby declared to be the desirable method for settlement of grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement. The Board's conciliation and mediation services should be utilized only as a last resort and in exceptional cases in the settlement of grievance disputes. Accordingly, whenever the Board, in its discretion, proffers its services in such a grievance dispute, the Board shall emphasize to the parties involved their obligation under this act to provide in their agreements for the final adjustment of such grievance disputes, and shall, before attempting other methods of settlement, endeavor to induce the parties to agree to submit such dispute to an umpire or adjustment board empowered to make a decision final and binding upon both parties.

(e) The Board is authorized to furnish to employers, employees, and other public and private agencies, information concerning the practicability and desirability of establishing suitable agencies and methods to aid in the settlement of labor disputes by mediation, conciliation, arbitration, and other peaceful means, whether or not such disputes are in industries affecting commerce; and the Board is further authorized, upon request, to furnish assistance in establishing and administering such agencies and methods and in the conciliation and mediation and arbitration of such disputes.

INTERFERENCE WITH TRANSPORTATION OF PERISHABLE FARM PRODUCTS

SEC. 6. Whoever by violence or threat of violence, or by any other form of intimidation or coercion, obstructs, impedes, or affects commerce by preventing or seeking to prevent the transportation or delivery of perishable farm products, by a farmer or his employees, to market or to processing plants, or to a carrier for transportation or delivery to market or to processing plants, or by extorting or attempting to extort any payment to a labor organization or any other form of tribute from a farmer or his employees in connection with such transportation or delivery, shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by a fine of not more than $2,000 or by imprisonment for not more than 1 year, or both.

MISCELLANEOUS PROVISIONS

SEC. 7. (a) For the guidance and information of interested representatives of employers, employees, and the general public, the Bureau of Labor Statistics of the Department of Labor shall maintain a file of copies of (1) all available agreements reached as a result of mediation, conciliation, and arbitration of labor disputes; (2) all available arbitration agreements and awards in labor disputes; and (3) any other available collective labor agreements between employers and employees. Such file shall be open to inspection under appropriate conditions prescribed by the Secretary of Labor.

(b) The Bureau of Labor Statistics in the Department of Labor shall be authorized and equipped to furnish upon request of the Federal Mediation Board, or employers, employees, or their representatives, all available data and factual information which may aid in the settlement of any labor dispute.

(c) The office of the solicitor in the Department of Labor shall, upon request, furnish legal assistance to the Federal Mediation Board.

SEC. 8. Nothing in this act shall be construed to diminish or interfere with the exercise of the rights of employees or labor organizations under the National Labor Relations Act, as amended, or to impair the functions of the National Labor Relations Board established pursuant to such act, or to amend or modify the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," approved March 23, 1932 (the Norris-LaGuardia Act).

SEC. 9. Such sums as may be necessary for carrying out the provisions of this act are hereby authorized to be appropriated.

SEC. 10. This act may be cited as the "Federal Mediation Act of 1946."

Mr. BARKLEY. Mr. President, I wish to state to the Senate for its information that it is not desired at this hour today to proceed to the discussion and disposition of any matter connected with the bill just made the unfinished business. In view of the fact that the Senate has been rather hard at work this week, in view of the fact that tomorrow is Saturday, and also in view of the fact that there is a majority report and also a statement of the minority views, and in view of the further fact that the tenseness of the situation has been somewhat relieved by the announcement made today regarding the resumption of the mining of coal for a period of 12 days, it is thought that the consideration of this proposed legislation might well go over until Monday.

Therefore, I wish to inform Senators that when we have concluded the deliberations for today, I shall move that the Senate take a recess until 12 o'clock noon on Monday next.

Mr. MORSE. Mr. President, I should like to make a brief comment on the suggestion made by the majority leader. Briefly, Mr. President, my comment is as follows: I think it unfortunate and unwarranted that the Senate take a recess as of the time suggested—at that time it was 25 minutes to 4—or at such time as the Senate does take a recess this afternoon—Friday afternoon—and remain in recess until Monday, in view of the great issues which face the United States today and still are unsolved by the Senate of the United States.

Comment was made by the majority leader or by some other Senator that there is now a recess in the coal strike. The labor problems of this country are still vital, Mr. President. I think the Senate should stay in session during its regular hours today, certainly until 6 o'clock, and should meet tomorrow, preferably at 10 o'clock, and proceed with discussion of the labor legislation pending before it. I think that nothing could be more in the service of the American people than an attempt to enlighten them by the debate which, I think, will take place on the floor of the Senate in the days ahead on the various pieces of proposed labor legislation.

I do not share the views of those who came to me today and suggested that I vote against having the Senate take up the now pending labor legislation. It will be noted that I voted to have the Senate take it up, because I think the time has come to settle once and for all, as far as this session of Congress is concerned, the matter of how the Members of the Congress are going to stand when a vote is called for on the various issues involved in the labor measure which is the unfinished business.

For my part, it will be discovered as this debate progresses that I shall vote for the measure which has been reported by the Committee on Education and Labor, and I shall vote against most of the amendments which will be offered, which constitute, for the most part, the provisions of the Case bill which was rejected by a majority of the members of the Committee on Education and Labor.

I shall vote against it, because, as the majority leader himself pointed out the other day, in some way, somehow, we must make the American people aware of the fact that the social and economic problems involved in labor issues cannot be solved by passing strait-jacket restrictive legislation. Instead of solving them, such legislation would create them. However, as a Member of this body, I do not propose to ignore the fact that the American people are demanding, and have a right to demand, that we take a stand one way or the other with regard to the various pieces of legislation pending before the Congress bearing on the subject of labor. If the time has arrived when a majority of this body and a majority of the House of Representatives can be panicked into passing unwise labor legislation, I think that under our democratic form of government such actions should manifest themselves in recorded votes. Then the people of the country will be able to decide for themselves, after they have had some experience with the type of legislation which has been enacted, whether those among us who were pleading not to follow such course of action were right or wrong, and then render their verdicts in regard to us when they have their next opportunity at the polls.

Merely because a truce has been declared in the great labor strike now facing the country, I think it is most unfortunate for us to relax and take the position that we can wait for some time until we are again faced with a similar crisis. If there was ever a time when we should remain in a long session and fight this battle out in the Senate, the

time is now. I think that if we take an early recess this afternoon, it will be misinterpreted by the American people.

Yesterday a prolonged discussion took place with reference to the legislative program which would be followed in the next few days. Possibly I was mistaken, but I thought the general understanding among my colleagues was that we would go ahead and dispose of the British loan measure, and that thereafter we would take up the labor bill and continue its consideration over the week end and into next week until we disposed of it. However, it is not only labor legislation, important as it is, which is facing the Congress, but the Senate Calendar is filled with other important legislation as well.

Mr. President, I believe it to be very important for the Senate to proceed from now until the adjournment date of this session of Congress, and remain in session for long hours, holding evening sessions, if necessary, so that we can dispose of our business as early in July as possible. To do so will afford an opportunity for Members of the Congress to return to their people and ascertain whether I am right or wrong in making the observation that the Congress of the United States is very much out of step with the thinking, the purposes, and desires of the American people at the present time.

I close by merely saying that I want the RECORD to show my protest against the proposed recess, and that, so far as my personal preference in the matter is concerned, I hope the Senator from Kentucky will make his proposal for a recess in the form of a motion, and that on the motion we may have a yea-and-nay vote.

Mr. BYRD. Mr. President, I submit the amendment to House bill 4908, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 28, it is proposed to strike out section 8, and in lieu thereof to insert the following:

SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer, or (2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other similar fees payable by such employee to such labor organization.

(d) Any person who willfully violates any of the provisions of this section shall upon conviction thereof be subject to a fine of not more than $10,000 or to imprisonment for not more than 6 months, or both.

(e) The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended (U. S. C., title 28, sec. 381), to restrain violations of this section, notwithstanding the provisions of sections 6 and 20 of such act of October 15, 1914, as amended (U. S. C., title 15, sec. 17, and title 29, sec. 52), and the provisions of the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," approved March 23, 1932 (U. S. C., title 29, secs. 101–115).

(f) As used in this section—

(1) Goods means goods, wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof.

(2) Produced means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this section an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof, in any State.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Virginia.

JOINT COMMITTEE TO INVESTIGATE WORKING CONDITIONS IN THE ANTHRACITE- AND BITUMINOUS-COAL INDUSTRIES

Mr. McMAHON. Mr. President, out of order, I ask unanimous consent to submit a concurrent resolution providing for the appointment of a joint committee to be composed of seven Members of the Senate and seven Members of the House of Representatives to "make a full and complete study and investigation with respect to working conditions in the anthracite- and bituminous-coal-mining industries which relate to the health and safety of persons employed in such industries, with particular emphasis upon such matters as accident and fatality statistics, practices and procedures followed by miners and mine operators in the interest of safe working conditions, medical care and hospitalization made available to miners injured in the performance of their work, the conditions under which miners live, the adequacy of compensation payable to miners injured in the performance of their work, and the extent to which insurance against death or accident is available to miners; and (2) report to the Senate and the House of Representatives at the earliest practicable date, but not later than 30 days after the adoption of this resolution, the results of its study and investigation together with such recommendations as to necessary legislation as it may deem desirable."

Mr. President, I ask for immediate consideration of the resolution.

Mr. BARKLEY. Mr. President, I am sorry the Senator from Connecticut has made that request, because I shall be compelled to object to the request for present consideration of the resolution. In view of the fact that the Senate has taken up for consideration the bill reported by the Committee on Education and Labor, I think that a resolution of the kind submitted by the Senator from Connecticut should not be acted upon without first receiving some study and consideration. So I hope the Senator from Connecticut will not insist upon his request.

Mr. McMAHON. Mr. President, in view of the objection which has been made by the majority leader and in view of the fact that the Senate will take a recess until Monday, I shall not press for immediate consideration of the resolution. I should like to have it referred to the Interstate Commerce Committee, where I assume it could be considered perhaps early in the coming week, if the chairman of the committee would agree to do so.

Mr. BARKLEY. Mr. President, in view of the fact that the Committee on Education and Labor has jurisdiction over labor legislation and has reported the bill which is now before the Senate, I think the resolution should go to the committee to which it normally would go by way of reference by the Chair. I have always objected to having Senators who introduce bills or submit resolutions decide to which committees they should be referred. I think the concurrent resolution should take the regular course. If that is to the Committee on Interstate Commerce, very well. But I do not think it should be referred to a particular committee merely on the request of the author.

Mr. McMAHON. Mr. President, I do not press my suggestion.

There being no objection, the concurrent resolution (S. Con. Res. 62) submitted by Mr. McMAHON was received and referred to the Committee on Interstate Commerce, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint committee to be composed of seven Members of the Senate (not more than four of whom shall be members of the same political party) to be appointed by the President pro tempore of the Senate, and seven Members of the House of Representatives (not more than four of whom shall be members of the same political party) to be appointed by the Speaker of the House of Representatives. Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original selection. The committee shall select a chairman and a vice chairman from among its members.

SEC. 2. The committee shall (1) make a full and complete study and investigation with respect to working conditions in the anthracite and bituminous coal-mining industries which relate to the health and safety of persons employed in such industries with particular emphasis upon such matters as accident and fatality statistics, practices and procedures followed by miners and mine operators in the interest of safe working conditions, medical care and hospitalization made available to miners injured in the performance of their work, the conditions under which miners live, the adequacy of compensation payable to miners injured in the performance of their work, and the extent to which insurance against death or accident is available to miners; and (2) report to the

Senate and the House of Representatives at the earliest practicable date, but not later than 30 days after the adoption of this resolution, the results of its study and investigation together with such recommendations as to necessary legislation as it may deem desirable.

SEC. 3. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress occurring within 30 days after the date of adoption of this resolution, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary and advisable, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

(c) The expenses of the committee, which shall not exceed $25,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman.

Mr. McMAHON. Mr. President, I should like to make a concluding remark, if the Senator from Kentucky will permit.

Mr. BARKLEY. Yes; I am glad to yield.

Mr. McMAHON. I wish to say that the resolution was drafted by me before I had the news of the cessation of the strike, at least temporarily. The idea behind it is to find out the truth—and only the truth—as to the conditions in the mines of this country. All of us must realize, whether we like the idea or not, that conditions in the mines constitute a national problem. The resolution is submitted without any relationship to recent hostilities and recent strikes, and is not in any sense submitted in approval of what has taken place in the last week or 10 days, but is submitted merely in an effort to provide for the Congress information concerning the conditions which exist in the mines in the United States, so that the Congress may determine whether such conditions should be alleviated or cured.

SPECIAL COMMITTEE ON REORGANIZATION OF CONGRESS

Mr. BARKLEY. Mr. President, several Senators, including the Senator from Virginia [Mr. BYRD] and the Senator from Tennessee [Mr. MCKELLAR], have one or two matters which they wish to bring up for consideration. The matters they wish to present will not involve any lengthy discussion or controversy, I am informed. I hope Senators will be willing to consider them.

I yield now to the Senator from Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate Resolution 260, Calendar 1325. The resolution, which is known as the La Follette resolution, creates a special committee to consider certain matters relating to the reorganization of the legislative branch of the Government.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 260) submitted on April 15, 1946, by Mr. LA FOLLETTE (for himself, Mr. THOMAS of Utah, Mr. PEPPER, Mr. RUSSELL, Mr. WHITE, and Mr. BROOKS) and reported from the Committee on Rules with an amendment to strike out:

Resolved, That a special committee to be composed of the six Senators who are members of the Joint Committee on the Organization of the Congress is hereby established, with authority to sit and act during the session, recesses, and adjourned periods of the Seventy-ninth Congress, for the purpose of receiving and considering all bills, resolutions, and amendments relating to the reorganization of the legislative branch of the Government. All bills, resolutions, and amendments relating to the reorganization of the legislative branch of the Government shall be referred to the committee for its consideration and such committee is hereby authorized to report to the Senate with respect to any matter referred to it, together with such recommendations as it may deem advisable; except that no matter shall be referred to the committee which has the effect of repealing, amending, or changing the rules, practices, or precedents of the Senate relating to cloture or relating to the germaneness of amendments, and the committee shall make no report or recommendation with respect to any such matter. Any vacancy occurring in the membership of the committee shall be filled by appointment by the President of the Senate.

And insert:

That a special committee to be composed of the six Senators who are members of the Joint Committee on the Organization of the Congress is hereby established, with authority to sit and act during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress (and such committee shall cease to exist with the expiration of such Congress), for the purpose of receiving and considering a bill, when introduced, and germane amendments relating thereto, having for its purpose the carrying out of the recommendations contained in the report of the Joint Committee on the Organization of the Congress, Report No. 1011 of March 4, 1946. Such bill, when introduced, and amendments shall be referred to the committee for its consideration and such committee is hereby authorized to report to the Senate with respect to any such matter referred to it, together with such recommendations as it may deem advisable. Nothing in this resolution shall be construed to authorize the committee to report any bill or amendment containing any provision which has the effect of changing the rules, parliamentary procedure, practices, or precedents of either House, or which has the effect of changing in any manner the consideration of any matter on the floor of either House, unless such provision is to carry out a recommendation contained in such report of March 4, 1946. Any vacancy occurring in the membership of the committee shall be filled by appointment by the President of the Senate.

Mr. BYRD. Mr. President, this resolution, as I have said, is known as the La Follette resolution. It provides for the establishment of a special committee to consider the reorganization of the legislative branch of the Government in accordance with the report which recently was made by the Joint Committee on the Reorganization of Congress.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARKLEY. I understand that the effect of the resolution is to make the Senate members of that Joint Committee a Senate committee for that special purpose.

Mr. BYRD. That is correct; and the appointment is limited to the present session of Congress. The authority will expire with the end of the present session.

Mr. REVERCOMB. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REVERCOMB. Probably my inquiry can be answered by the Senator from Virginia. I understand that the resolution now brought up for consideration provides for the extension of a presently existing committee. I ask the Senator to state the purpose. It is not clear to me.

Mr. BYRD. The resolution, if adopted, would constitute the Senate membership of the Joint Committee on the Reorganization of Congress a special committee to consider the report which was made by the joint committee on the reorganization of the legislative branch of the Government.

Mr. REVERCOMB. The resolution provides for the appointment of a committee; does it?

Mr. BYRD. It provides for the establishment of a special committee. It is the unanimous recommendation of the Rules Committee that a special committee be created to consider the reorganization of procedure in the Senate and in the House of Representatives.

Mr. O'MAHONEY. Mr. President, I should like to determine what the resolution provides. Do I correctly understand the Senator from Virginia to say that it merely provides for the appointment of a committee, and that it does not commit the Senate to action of any kind?

Mr. BYRD. That is correct. It merely provides for the creation of a committee to report proposed legislation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The resolution, as amended, was agreed to.

ADDITIONAL COMPENSATION FOR POSTMASTERS AND EMPLOYEES OF THE POSTAL SERVICE

Mr. McKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 5059, an act to provide additional compensation for postmasters and employees of the postal service.

The Senator from Kentucky [Mr. BARKLEY] will explain the matter for me, because I am hoarse today.

Mr. BARKLEY. Mr. President, the Senator from Tennessee [Mr. McKELLAR], chairman of the Committee on Post Offices and Post Roads, has requested unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 5059, Calendar No. 1259, an act to provide additional compensation for postmasters and employees of the postal service.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. WHERRY. Mr. President, reserving the right to object, let me say that some of us on this side of the Chamber could not hear the announcement which was made.

Mr. BARKLEY. Unanimous consent has been requested that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 5059, Calendar 1259, a bill reported from the Committee on Post Offices and Post Roads. The bill provides additional compensation for postmasters and employees of the postal service.

Mr. President, I wish to speak briefly on House bill 5059, which would increase the compensation of postmasters. The report of the committee was unanimous, and I speak on behalf of the chairman of the committee, the Senator from Tennessee [Mr. McKELLAR], who is suffering from a severe cold.

The bill proposes to grant an increase of $400 per annum in the salaries of all postmasters, officers, and employees in the postal service whose rates of compensation are prescribed by the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945. They shall receive additional compensation at the rate of $400 per annum, provided that employees paid on an hourly or part-time basis shall receive additional compensation at the rate of 20 cents an hour, and providing further, that postmasters at post offices of the fourth class shall receive additional compensation at the rate of a sum per annum equal to 20 percent of their basic annual compensation.

As I have already said, the report is a unanimous report, and I hope that the Senate will pass the bill.

Mr. REVERCOMB. Mr. President, I merely wish to say that the bill is entirely satisfactory to me, and I hope it will be passed.

Mr. MEAD. Mr. President, I wish to commend the Senator from Tennessee [Mr. McKELLAR], the chairman of the Committee on Post Offices and Post Roads, for the way in which he has handled this very important piece of legislation, and add my hope to that which has already been expressed by the majority leader, namely, that the Senate will act favorably on the bill.

Mr. WHERRY. Mr. President, I am heartily in favor of House bill 5059. I hope that it will be passed. The reason why I reserved the right to object was that we in this part of the Chamber could not hear what bill on the calendar was being taken up. I am heartily in favor of the bill.

The PRESIDING OFFICER. Is there objection to the consideration of House bill 5059?

There being no objection, the bill (H. R. 5059) to provide additional compensation for postmasters and employees of the postal service, was considered, ordered to a third reading, read the third time, and passed.

DISPOSITION OF RADAR SETS BY THE WAR ASSETS ADMINISTRATION

Mr. O'MAHONEY. Mr. President, I desire to ask unanimous consent to have printed in the body of the RECORD a letter which I have addressed to the War Assets Administration. The special subcommittee of the Senate Committee on Military Affairs which is dealing with various phases of the disposal of surplus property has been studying the situation with respect to all types of property, and it has come to our attention, and some mention of it has been made upon the floor of the Senate by the junior Senator from Wisconsin [Mr. WILEY], that the War Assets Administration is now the possessor of Government property in the form of radar sets to the number of from 100 to 150. These sets were manufactured by the United States at a cost of $100,000 or more each. There is, however, no commercial market for such sets. Effort was made to sell them. They were offered to schools at $18,000, but schools are unable to pay so large a sum, although these sets are valuable in the study of electronics.

Being unable to sell the sets at the fixed price of $18,000 a set, the War Assets Administration has had in mind scrapping the sets. The letter which I am inserting in the RECORD suggests to the War Assets Administration that instead of scrapping the sets, which would produce for the Government probably less than $1,000 a set, the sets should be disposed of at not less than the scrapping value to schools which can use them. I know that Members of the Senate will be interested in the letter which I have asked to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 10, 1946.

Gen. EDMUND GREGORY,
War Assets Administration,
Washington, D. C.

MY DEAR GENERAL GREGORY: Thank you for your reply of April 26 to my inquiry concerning the extent to which items of surplus property for which there is no present or foreseeable commercial demand will be made available by War Assets Administration at nominal cost to educational institutions.

Since my initial inquiry on this subject, a staff investigation by the Surplus Property Subcommittee has revealed that certain electronic equipment specified below, which is eminently suitable for use by educational institutions, is not only in excess of commercial demand, but is now being scrapped with very slight financial return to the Government. May I suggest that the scrapping of this equipment emphasizes the necessity of immediately establishing a list of items which will be donated to educational institutions in compliance with both the spirit and letter of the Surplus Property Act.

The staff investigation revealed that War Assets Administration has in its possession, for example, 100 to 150 mobile radar sets which originally cost the Government about $100,000 each and for which there is no present or foreseeable commercial demand. These sets have been offered to schools and colleges at a price of approximately $18,000. Since practically no educational institution has funds for so expensive a piece of demonstration apparatus, no sales have been made. However, several institutions have expressed a desire to obtain such a set at a price which they can afford. Instead of making these sets available to such schools at the scrap value or a nominal price, a scrapping program has been instituted which nets the Government less than $1,000 per set (exclusive of the automotive equipment). The commercial scrapping of this equipment, instead of making it available to schools, cannot, I believe, be justified under the Surplus Property Act.

A similar situation exists in the case of several thousand air-borne radio transmitters and receivers (SCR-183 and 283) which originally cost the Government in the vicinity of $400 each, and 500 field communications sets which cost approximately $600. These sets would be ideal, I am advised, for classroom demonstration purposes although there is apparently no commercial demand for them. Despite the fact that recovery for the Government from commercial scrapping is very low, the staff investigation revealed that such a scrapping program had been initiated for this equipment.

The fact that commercial scrapping programs are already in effect with respect to these important items of educational electronic equipment emphasizes the need for prompt action in establishing a general list of items to be offered to educational institutions at a nominal price.

Sincerely yours,

JOSEPH C. O'MAHONEY,
Chairman, Surplus Property Subcommittee.

MEDIATION OF LABOR DISPUTES

The Senate resumed the consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. MAGNUSON. Mr. President, I wish to make a few remarks with reference to what the Senator from Oregon [Mr. MORSE] has said.

He made a reference to those of us who voted against taking up what has been called the Case bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MORSE. I am willing to let the RECORD speak for itself, but I made no reference to the Members of the Senate who voted against taking up the Case bill.

Mr. MAGNUSON. I believe it to be unfortunate that in our discussions of the bill we have referred to it as being the Case bill. I think those words are unfortunate. The Senator from Oregon knows that I voted against taking up the bill because of what was stated by the Senator from Oregon. The bill is not the Case bill. It solves nothing in regard to our labor problems. All it does is to take certain mediation services from the Department of Labor and place them in an independent agency. It is tweedledee and tweedledum.

I agree with the Senator from Oregon that the Senate has many very important matters to dispose of, the discussion of which would be more important than a discussion of a bill which has

many times been unfortunately referred to as the Case bill.

Mr. PEPPER. Mr. President, I am one of those who voted in favor of taking up the so-called Case bill. It is not the Case bill, but is a substitute for the Case bill. I cannot agree with my esteemed colleague from Washington that the bill is of no importance. The committee held long hearings and deliberated a long time, and, by a definite majority, reported to the Senate the bill which is now on the Senate Calendar. That bill provides far more effective mediation and arbitration machinery for aiding in the settlement of industrial disputes than has ever before been provided by Congress. A majority of the committee did not wish to report to the Senate a bill which it deemed unwise, and which imposed undue strictures upon the freedom of the working men and women of this country. I am not unwilling to consider the Senate bill at the present time, but notice had already been given that we were not supposed to act upon the Senate bill; that it was to be used as a vehicle to bring before the Senate an entirely new legislative proposal for immediate action.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. I wish to make one point clear in the RECORD. I judge from the remarks of the Senator from Washington, and, I believe, also of the Senator from Florida, that there was implied the view that I criticized Senators who voted against taking up the bill. I assert that I respect their votes, and they may, of course, vote in any way they choose. However, my reference to legislation which was voted to be taken up this afternoon had to do with conversations I had in the reception room today with three groups who suggested to me that I vote against taking up the proposed legislation, and I made clear to them that I would vote to take it up, because in my judgment we must face this issue and find out what action the Congress of the United States is willing to take in regard to the issues involved. I believe that to be what the people of the United States want us to do, and I think we should meet their desires in the matter. So far as taking action is concerned, I do not propose to vote for the type of restrictive amendments which are the so-called Pace bill amendments, and which I understand are to be proposed and added to the bill.

I agree with the Senator from Florida that the bill reported by the Labor Committee is a much broader bill than the Senator from Washington seems to believe it to be. I think it is a very constructive bill and that a great amount of good will result from it.

While I am on my feet, with the cooperation of the Senator from Florida, I will make one more point. I wish to make it because it is in line, I think, with the underlying principle of the McMahon resolution, which was offered on the floor this afternoon, which, as the Senator from Florida knows, is in consonance with views of mine expressed in the Education and Labor Committee.

The Committee on Education and Labor should without further delay appoint a special subcommittee of at least three members to proceed to conduct Nation-wide hearings on the whole problem of labor relations, and make an investigation of both employer and employee practices which are conducive to much of the labor unrest now rampant.

I think the activities of such a committee could very well cover the investigation suggested by the Senator from Connecticut in his resolution, for what I think we need, in addition to the legislation which has been pointed out, is the type of factual study which would be produced by such an investigating committee over the summer and early next fall, so that when we reconvene at the beginning of the next session there can be laid before the Senate a body of information which now is not in existence.

We cannot turn anywhere, in my judgment, and find the objective data we need to pass statesmanlike legislation in the field of labor relations. The great danger is that in these hectic days, with feelings of hysteria and panic rife throughout the country, we are likely to pass legislation which will cause more labor trouble than it will settle. That is my primary interest in this whole subject.

Mr. President, I wish to say to the Senator from Florida and to the Senator from Washington, differ as we may on legislative procedure to accomplish the end, I think we are of one mind as to the final objective, namely, the objective of getting the facts, so that we really can do a statesmanlike job in this matter. We cannot do it; it simply cannot be done, if we proceed, as I think the Senate is about to proceed, with very hasty action in the field of labor legislation.

Mr. PEPPER. I thank the Senator from Oregon.

Mr. MAGNUSON. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. I merely wanted to assure the Senator from Oregon that I meant no reflection on his reference to the vote or to the bill. I merely wanted to point out the reason for my vote, which is that, in my best judgment, this is not the Case bill at all; that if we had the Case bill before the Senate, we would have something we could put our teeth in, and could vote "yes" or "no."

Mr. BARKLEY. As the Senator knows, the Case bill is before the Senate. It is the bill as it passed the House with the Case bill language stricken out and a substitute written in. But that does not mean that the Case bill is not before the Senate.

Mr. MAGNUSON. Technically, the Case bill is before the Senate. I merely wanted to point out the situation insofar as my opinion was concerned.

Mr. AIKEN. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. AIKEN. I rise to advise the Senator from Florida, and other Senators, that I was opposed to bringing up the so-called Case bill at this time because it should not be first on our schedule of legislation. The Case bill, so-called, can do nothing whatsoever in adding to the machinery now available for handling the coal strike. It concerns permanent labor legislation.

Mr. President, there are two other bills of more vital importance which this body should decide on before we take up the matter of long-range labor legislation. One of those bills is the draft bill. More than 100,000 young men in this country today cannot make their plans for going to college or going into the Army this fall until they know what their status will be. In the meantime, the colleges are filling up with students, they have more than they can handle, and in refusing to act on the draft bill and to determine its future status at this time, we are undoubtedly depriving a good many young men of the chance to go to college which they otherwise might have.

The other matter which should have been decided by the Congress a good while ago is the future status of the Office of Price Administration. Every businessman in this country wants to know whether he is going to do business under the regulations of the OPA after July 1. We are expecting a movement of all kinds of goods now.

I still maintain that both those bills, the OPA bill and the draft bill, should have precedence over this long-range labor legislation which we are asked to consider. If the proposed legislation could do one single thing toward settling the coal strike, that would be another matter, but, as the Senator from Ohio [Mr. TAFT] pointed out yesterday, it would add absolutely nothing to the machinery now available, if that machinery were used, and we certainly cannot enact any legislation which will have any more teeth in it or provide any greater penalty than the legislation which is embodied in the Smith-Connally Act, which the Government can use at any time it sees fit.

I think we made a mistake in bringing up this bill, and putting off the more vital measures which should be before us.

Mr. HAYDEN. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. If the Senator will excuse me, I shall have to go to another engagement, and I shall take only about 2 minutes; then I shall yield the floor.

Mr. AIKEN. Mr. President, if I may add one word, the shortage of food is now the world's greatest problem, and it is likely to exist for some time to come.

All over the northeastern part of the United States, agricultural colleges have only half the number of students they had in normal times before the war. The reason for that is that as quickly as a boy comes off the farm to go to an agricultural college, if he has reached the age of 18 he is slapped into the Army, and with the production of food the most vital problem in the world for the next few years, those agricultural students should be enabled to obtain their education so that they may help in producing food, which we need more than almost anything else. Yet they cannot do it until we determine the status of the Draft Act.

Mr. PEPPER. Mr. President, I thank the able Senator. I merely wanted to say that members of the Senate Committee on Education and Labor, of whom there are several on the floor at the present time, will attest that the measure before us was not reported hastily. We deliberated several weeks over the Case bill when it came to the Senate. We held hearings and there was a keen discussion and interest in the subject manifested by all the members of the committee. Finally we reported the Case bill in the form in which it is now before the Senate for consideration. I wish to repudiate the suggestion that the Committee on Education and Labor had not dutifully tried to bring its views and thoughts upon the subject to our colleagues here.

Now, just one further matter. I have no objection to the consideration of the bill reported by the committee, or to the consideration of the amendments proposed by the minority of the committee, but what troubled me was that Senators in making the motion to bring up the Case bill, and in making their addresses relative to the motion, indicated that they wanted merely to use that as the carrier upon the back of which they could impose other legislative amendments which the committee had not had an opportunity to consider and to review.

I believe, Mr. President, that we should not legislate in a spirit of passion. We are not legislating merely for John L. Lewis. When we pass labor legislation we are legislating for all the working community of the United States, employers and employees alike.

I saw the folly of the practice we followed when we enacted the Smith-Connally bill, for which, I regret to say, I cast the only vote since I have been in the Senate of which I am ashamed. But I said that I would not again fall into the same error so soon. We learn a little bit by experience.

If the Senators have an idea that because they are angry at John L. Lewis they are going to pass a labor bill of which they would be ashamed, or perhaps I should say, would regret, at a later time, then I think that is a design they should abandon. So when we begin deliberations on this subject Monday, if Senators are going to act on the bill and on the amendments offered by the minority, then we cannot proceed as we should to the writing of labor legislation upon the general subject of industrial disputes. I am hoping that we will sufficiently moderate our passions to proceed in a serious and solemn way upon this most important subject.

Mr. REVERCOMB. Mr. President, I did not care to make any remarks on the subject of the bill now pending before the Senate (H. R. 4908) until I heard discussion as to whether it is the Case bill or not the Case bill. It seems to me it makes no difference by what name it may be called; but legislation dealing with the general subject of management and labor is now before the Senate.

Some statement has been made about attending to the troubles in the coal industry. It is certainly my hope that the Senate will not proceed with any special legislation dealing with any special industry, but that the legislation which comes out of this body will deal with all industries. I do not want to see special legislation. I want fair legislation. I want legislation which is fair to the worker and fair to the employer.

Mr. President, I have hoped that out of all this might come some plan whereby when labor disputes arise in the places of work between the workers and the management the men who wanted to continue to work in their employment could do so if they desired, in order that their savings would not be wiped out by reason of lacking employment or failing to work.

I feel that a great wrong is done, not to the public alone, but to those who work in the different places of employment when they are idle and desire to work, and must consume their own savings, the savings they have laid aside for the support of their families, for the education of their children, and for the days ahead of them. I hope that some method may be devised in fairness to the workers which will permit those who desire to continue in their work to do so. Of course, no man under any law in this country can be compelled to work if he does not want to.

I further wish to say, Mr. President, that I feel that there is now vested in the Chief Executive full powers under the wartime acts to deal with the subject. Those powers have not been used. There is no gainsaying that. Those powers have not been used, not only in the recent crisis, but in some crises before this.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. LUCAS. What does the Senator suggest that the President do?

Mr. REVERCOMB. The President could act to seize any property he wanted to seize.

Mr. LUCAS. Yes. I suggested that the other day. Then after that, what do we do?

Mr. REVERCOMB. The same thing could be done as has been done in the case of other seizures by the Government; keep the plants open so men may continue to work.

Mr. LUCAS. And that is all the remedy there is?

Mr. REVERCOMB. Yes.

Mr. LUCAS. Does the Senator think that would be sufficient?

Mr. REVERCOMB. I believe it would be. Certainly it would be one step in the right direction.

Mr. LUCAS. Then the Senator does not believe that the Smith-Connally Act is such a bad act after all, as it has been painted by some Senators to be?

Mr. REVERCOMB. I believe the Smith-Connally Act is not such a bad act if properly applied. I believe its provisions would be useful.

Mr. LUCAS. If it were not for the Smith-Connally Act the President would not have any power to seize the mines. I believe that is the truth of the matter.

Mr. REVERCOMB. Yes.

Mr. LUCAS. From a reading of that statute I would assume that he has the power under the present law.

Mr. REVERCOMB. I agree to that. But, be that as it may, if further legislation on the subject is needed, in fairness to all parties concerned we are ready to proceed with it. I hope, however, that we will proceed with deliberation and fairness. I am not interested in accusing any individuals of being ruthless or trying to be dictators. I am thoroughly unimpressed by such statements. We are here to face the subject of passing laws which will permit the workers to go back to work and earn a living under fair conditions. With that in mind I hope we will proceed with sound deliberation upon the subject.

Mr. LUCAS. Mr. President, I ask unanimous consent, without taking the time of the Senate to read them, to have certain telegrams printed in the body of the RECORD following the few remarks I shall make. I have selected a few telegrams from the many hundreds which are coming to my office daily, dealing with the coal strike; telegrams concerning certain industries and manufacturing concerns in the State of Illinois which are seriously affected as a result of what is going on throughout the country.

The PRESIDING OFFICER. Without objection, the telegrams will be printed in the RECORD.

(See exhibit 1.)

Mr. LUCAS. While I am on my feet I desire to say that as one United States Senator I am more than happy to learn of the statement made by the leader of the Senate this afternoon in which he gave assurance to the country that the miners have called a truce and are going back to work, at least for a period of 12 days.

Mr. President, I had hoped that it might have been longer than that. All industries in my own State of Illinois are operating under an order of the Commerce Commission of that State on a 24-hour a week basis. As a matter of fact, I seriously doubt that a 12-day supply of coal will induce the Illinois Commerce Commission to change the order it has heretofore issued. In other words, if we are compelled to continue in accordance with the terms of the order issued by the Illinois Commerce Commission under which all industries are on only a 24-hour a week basis, the people of Illinois will continue to suffer, notwithstanding the 12-day truce during which the miners will resume their work in mining coal.

Mr. President, I think what has just been done is a significant sign. I think it is a constructive act upon the part of those responsible for this extraordinary controversy. As one who knows what is going on in this country and what will happen if there is not a definite settlement of the coal strike, I say to the Senate that I am more than happy over this gesture, because the telegrams which come to me do not belie the facts. I know how serious this coal strike is to the welfare of the Nation. The telegrams which come pouring over my desk, and no doubt similar telegrams are pouring over the desks of my colleague from Illinois and other Senators, describe exactly what is happening in Illinois in the way of prostrating industry and paralyzing the transportation system of that great State.

Mr. President, I hope that the suggestion of a 12-day truce means the beginning of and a continuation of collective bargaining between the miners' representatives and the representatives of the operators, with the result that a constructive solution will be reached between them. Only through such cooperation can the American people go on their way in this reconversion period toward a destiny to which no country in peacetime has ever before looked forward, and which we can surely attain if we only start the wheels and machinery of industry operating and the workers back to work.

In connection with the proposed labor legislation, let me say that I do not want to see the gains of labor taken away, but, Mr. President, if the Senate of the United States is all wrought up about a situation, if it is going to be compelled under the present circumstances of passion and anger to legislate, no Member of the Senate can justly contend that it is the fault of the United States Senate, whatever its final decision may be. We are faced with a condition—and I spoke of it the other day—and not with a theory. I hope that we will legislate with reason and with order and with the purpose of maintaining the rights which the miners have secured, as well as the rights of all other laboring men throughout the country.

Mr. President, labor has obtained more rights under the Democratic administration during the last 12 or 14 years than it obtained during all the rest of the time in the history of the labor movement. Now, the obstinacy and the selfishness of a few men may result in the throwing away of some of the gains made by labor. Let no one say, if such should happen, that it will be the fault of the United States Senate. I shall never agree to that. I am willing to legislate and I want to legislate with order and reason on this subject. But if anything happens to the gains which labor has made, and which the Senator from Illinois has consistently supported for a period of 12 years, any blame attached to the Senator from Illinois, I shall disavow. When a responsibility is granted to important organizations in this country, whether it be labor or industry, or any other group of men, they must act in the spirit of fidelity and trust which is known to all of us. They must administer that trust in the American way and no individual or group, irrespective of how large or how small, has a right to have a monopolistic control over any commodity in the Nation, to such an extent that the whole Nation must suffer. Congress must, if necessary, legislate to meet this kind of a situation. If we cannot do it, then, Mr. President, you can sing your swan song for a free and orderly government.

EXHIBIT 1

MORRIS, ILL., *May 10, 1946.*

Senator SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

Restrictions caused by coal strike beginning to result in shortages which will curtail planting of corn and soy beans. The responsibility of settling strike is totally Congress'. Legislation immediately needed. Expect you to press for action.

JAMES P. HOLDERMAN,
President, Grundy County Farm Bureau.

QUINCY, ILL., *May 9, 1946.*

Senator SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

Unless coal strike is promptly settled 1,500 men will be laid off at Gardner Denver Co. and several thousand more in this area. Certainly the hardships already experienced warrant drastic measures be taken to settle this strike and legislation adopted to prevent such reoccurrences. Immediate action is vital.

GARDNER DENVER CO.,
H. G. MYERS, *President.*

CHAMPAIGN, ILL., *May 9, 1946.*

Hon. SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

The 2,300 members of Illinois Electric Cooperative believing that the present coal strike constitutes a dangerous threat not only to American agriculture but to the economic welfare of our entire country, and further believing that the security of many should not be jeoparized for the benefit of a few, earnestly solicit your best efforts to secure an early end to this strike.

ILLINOIS ELECTRIC COOPERATIVE,
H. R. OWEN, *President.*

CHICAGO, ILL., *May 9, 1946.*

Hon. SCOTT W. LUCAS,
United States Senate,
Washington, D. C.:

Please ask John L. Lewis if he will be kind enough to let us Chicagoans exist.

JOHN T. MORAN.

CASEY, ILL., *May 9, 1946.*

Senator SCOTT W. LUCAS,
United States Senate,
Washington, D. C.:

Casey Rotary Club which consists of 45 members appeals to you as our representative in the National Government to do something about the coal strike which is affecting our city and every industry in the United States.

WILLIAM LINDSEY, *President.*
L. C. BEABOUT, *Secretary.*

VIRDEN, ILL., *May 9, 1946.*

Senator SCOTT LUCAS,
Washington, D. C.:

The Virden Chamber of Commerce request you use every means at your disposal to speedily settle the labor crisis, which has paralyzed our local industries and jeopardized our health and safety, we recommend you sponsor legislation to eliminate future economic disruption.

NEAL CROUSE,
Secretary.

CHICAGO, ILL., *May 9, 1946.*

Senator LUCAS,
United States Senate,
Washington, D. C.:

We encourage and urge your immediate action in this crisis which is crippling the Nation.

Mr. and Mrs. HARRY MOHLMAN.

FREEPORT, ILL., *May 9, 1946.*

Senator SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

Our plant is shut down flat. We want intelligent legislative action to prevent a reoccurrence of existing conditions. On the whole we endorse Illinois Manufacturers' Association's recommendations. Immediate action is necessary. Situation already very serious.

BURGESS CELLULOSE CO.,
VICTOR E. FISHBURN.

CHICAGO, ILL., *May 9, 1946.*

Hon. SCOTT W. LUCAS,
United States Senate,
Washington, D. C.:

Due to coal strike our 1,150 employees in another week will be completely out of work; now on half time. Scores of them have suggested that we demand effective and quick congressional action, therefore this telegram.

J. B. SIMPSON, INC.,
ENOCH STEEN, *President.*

CHICAGO, ILL., *May 9, 1946.*

Senator SCOTT LUCAS,
Senate Office Building,
Washington, D. C.:

After our distinguished war service on the production front, now, having endured successive reconversion crises like thousands of other small businesses, we are finally getting started. Unless Government seizes coal mines and reinstitute coal production immediately, Nation's small business operations will be destroyed. Please act now.

NATIONAL ACOUSTIC PRODUCTS,
ARNOLD I. SHURE,
General Manager.

ROCKFORD, ILL., *May 9, 1946.*

Senator SCOTT W. LUCAS,
Washington, D. C.:

Our 700 employees forced to a 2-day work week by the coal strike. Urge immediate legislation leading to a prompt settlement; situation very serious here.

GUNITE FOUNDRIES CORP.

CHICAGO, ILL., *May 9, 1946.*

Hon. SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.:

Very much upset because of coal strike. Entire plant operation shut down; 150 employees laid off. Imperative that you do something.

CENTURY METALCRAFT CORP.

CHICAGO, ILL., *May 9, 1946.*

Hon. SCOTT LUCAS,
Senate Office Building,
Washington, D. C.:

Coal strike situation with stoppage of fertilizer shipments has far-reaching effect of reduced food supplies urgently needed all over the world. Appreciate your energetic approach to subject and urge pushing for immediate action on resumption of production with differences between operators and miners to be settled later.

THOMPSON PHOSPHATE CO.,
Fertilizer Shippers.

SYCAMORE, ILL., *May 9, 1946.*

Senator SCOTT W. LUCAS,
United States Senate,
Washington, D. C.:

We urgently request your prompt action toward bringing about a settlement of the coal strike which is already causing severe hardship to our employees and community. Your immediate and effective action in this regard is respectfully requested.

THE TURNER BRASS WORKS,
W. M. MCALLISTER, *Treasurer.*

DECATUR, ILL., *May 9, 1946.*

Senator SCOTT W. LUCAS,
Washington, D. C.:

We are not sufficiently informed to judge the merits of the coal miners' demands but we are convinced that it is imperative that legislation be passed that will prevent 1 man

or group of men from jeopardizing the welfare of the people and the Nation as is being done today.

THE MILLIKIN NATIONAL BANK.

PEORIA, ILL., *May 9, 1946.*

Hon. SCOTT LUCAS,
Senate Office Building,
Washington, D. C.:

As the father of four overseas veterans I beg that you vigorously support some immediate legislation which will release our Nation from the disgraceful stranglehold now forced upon us.

DAN S. ANDERSON.

DANVILLE, ILL., *May 9, 1946.*

Hon. SCOTT LUCAS,
United States Senate Building,
Washington, D. C.:

The Vermilion County Farm Bureau board of directors in session at Danville today voted unanimously that you be commended for the stand you have taken in connection with the coal strike. They trust that your fellow legislators will concur in your belief and recommended action.

VERMILION COUNTY FARM BUREAU,
ROSS BOWERS, *President.*

CHICAGO, ILL., *May 9, 1946.*

Hon. SCOTT W. LUCAS,
United States Senate,
Washington, D. C.:

Coal strike has closed our plant first time in 11 years, throwing several hundred employees on unemployment insurance so Lewis and his backers can win their demand. If our sons fought to overcome dictators and tyrants in other lands so they could live under them here what are you wasting your time for in Congress? This is to demand that some action be taken to ride down the men who are closing our industries. Why cannot the Federal Trade Commission act in the destructive act of monopoly? If any industrial company caused this widespread grief and unemployment you would bring court action immediately; of whom are you afraid? Will Congress and Truman do something or do the citizens of this country have to do it?

GITS MOLDING CORP.,
C. N. CAHILL, *Vice President.*

PEORIA, ILL., *May 9, 1946.*

Senator SCOTT W. LUCAS,
Senate Office, Washington, D. C.:

Curtailment of every type of industry due to coal shortage has caused a lay-off of thousands. This in turn has caused a sharp decline in fluid milk consumption. We are not equipped to convert the surplus of fluid milk into other dairy products and other processors in this area are flooded with milk. Unless the coal strike is ended immediately so that industry can go back to work we are faced with the prospect of pouring thousands of pounds of milk daily into the sewers at a time when the world is crying for food. I urge you to do everything within your power to end this strike.

BAKER-STUBER DAIRY,
LYMAN BAKER, *President.*

Mr. BROOKS. Mr. President, my colleague [Mr. LUCAS] has made reference to the fact that no doubt I received telegrams similar to those which he received. I am sure that I have received most of them; but I am sure that they have already been inserted in the RECORD, and it is not necessary to put them in twice. However, I ask permission to have printed in the RECORD as a part of my remarks a survey of the State of Illinois, showing the conditions in that State, which I think was hit a little harder and a little earlier by the coal strike than any other State in the Union.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

ILLINOIS STATE CHAMBER OF COMMERCE,
Chicago, Ill., May 9, 1946.

Hon. C. WAYLAND BROOKS,
Senate Office Building, Washington, D. C.

DEAR SENATOR BROOKS: Enclosed herein is a copy of the survey of the coal and power situation referred to in the telegram that I sent you yesterday.

This survey deals with the effects of the coal shortage in 68 communities in Illinois:

Thirty-five cities report 27.7 percent of all industrial workers thrown out of work because of coal shortages.

Thirty cities report that 63.5 percent of industrial employees are limited to 24 hours of work per week.

Detailed effects in each community are set forth in the enclosed sheets.

It is our hope that this information will serve as a useful guide to you as you bring your every effort to bear upon this grave situation.

Sincerely yours,

JAMES F. STILES, Jr.,
President.

How the power shut-down affects industrial employment in 44 Illinois cities

[Based on survey of Illinois State Chamber of Commerce in cooperation with local chambers of commerce]

City	Population	Total industrial employees	Employees on 24-hour week	Workers completely unemployed
Aurora	47,170	12,000	10,800	1,200
Belleville	28,405	4,000	----------	----------
Belvidere	8,094	1,400	----------	----------
Bloomington	32,868	5,300	4,500	800
Canton	11,577	1,500	----------	500
Carbondale	8,550	4,000	----------	60
Champaign	23,302	1,200	1,000	200
Danville	36,919	10,125	7,200	2,925
Decatur	59,305	12,500	10,000	550
DeKalb	9,146	2,000	1,750	250
Dixon	10,671	2,000	100	725
Du Quoin	7,515	1,575	----------	650
East St. Louis	75,609	25,000	----------	5,500
Elgin	38,333	----------	1,215	----------
Evanston	65,389	2,000	1,800	----------
Freeport	22,366	3,700	3,000	59
Galesburg	28,876	7,800	2,000	1,000
Geneva	4,101	1,500	750	400
Harvey	17,878	11,283	9,239	2,044
Havana	3,999	350	200	100
Jacksonville	19,844	1,900	----------	800
Joliet	42,365	15,000	7,500	4,000
Kankakee	22,241	6,000	2,000	1,200
Kewanee	16,901	4,000	2,800	----------
LaGrange	10,479	10,000	----------	8,000
LaSalle, Peru, Oglesby (combined)	25,733	8,100	3,000	1,100
Libertyville	3,930	750	650	100
Lincoln	12,752	1,000	900	----------
Macomb	8,764	1,100	550	150
Mendota	4,215	700	----------	630
Ottawa	16,005	3,000	1,500	150
Peoria	105,087	36,000	22,000	14,000
Pontiac	9,585	720	720	----------
Springfield	75,503	11,000	6,000	5,000
St. Charles	5,870	2,700	2,160	200
Sterling	11,363	3,795	2,115	715
Streator	14,930	4,300	1,900	2,400
Sycamore	4,702	1,400	240	700
Taylorville	8,313	3,000	----------	[2] 2,400
Urbana	14,064	2,000	1,800	200
Waukegan	34,241	20,000	----------	2,000
West Frankfort	12,383	10,000	----------	6,515
Total	----------	----------	[1] 109,389	[2] 67,223

[1] 109,389 workers on 24-hour week out of 172,623 industrial employees in 30 cities having population of 800,118.
[2] 67,223 workers completely unemployed out of 242,578 industrial employees in 35 cities having population of 849,874.

To the Members of the Illinois Congressional Delegation:

EFFECTS OF THE COAL SHORTAGE ON 68 COMMUNITIES IN ILLINOIS—A SPOT SURVEY TAKEN 1 WEEK AFTER THE CURTAILMENT OF ELECTRIC POWER

SURVEY OF COAL AND POWER EMERGENCY

[Population of cities in parentheses]

Aurora (47,170): 12,000 employed in industry; 10,800 on 24-hour week. Jobbins Manufacturing Co. closed. Take-home pay of workers on restricted week is $8 to $30 per week. Opinion is, Lewis demand too great, but workers are entitled to wage increase.

Belleville (28,405): Industrial employment, 4,000; 2,000 of these expected to be laid off in 10 days. 2,000 coal miners on strike. No effect as yet on retail and service establishments. Power supplied by Illinois Power Co.; rationing of power expected in few days. Public opinion: Get those coal mines operating.

Belvidere (8,094): 1,400 industrial employees; 800 retail. As yet, strike has had no effect on public health and safety, and retail and service establishments are operating as usual, but with lights only from 2 to 6 p. m. Power supplied by Illinois Northern Utilities; curtailment may prevent shut-down until June 1. Some factory managers have suggested complete shut-downs. Public opinion: Let Lewis and company suffer with rest of Nation on total shut-down.

Bloomington (32,868): 5,300 employed in industry; 4,500 on 24-hour week; 800 completely unemployed. Printing industry suffering greatly; 1,600 of 2,000 retail and service employees on 24-hour week. Trucking and repair companies handling farm implements curtailed, with dangerous impairing of food and agricultural progress; 9,000 applicants for unemployment compensation. Power from Illinois Power Co. dependent on Commonwealth Edison Co. Opinion: Attitude not necessarily for Government seizure. Legislation needed to prevent recurrence.

Cairo (14,407): Some local plants shut down; others expected in few days. Power and light supply expected to be down in 2 weeks. Community opinion: Immediate action should be taken to relieve situation.

Canton (11,577): Total industrial employment; completely unemployed industrial workers, 500. Principal industry affected: International Harvester, due to freight embargo. Water supply not affected. Four trains cut; freight embargo in effect Thursday, May 9. Many retail and service establishments closing down completely. No future power supply. Particular local effects: 50 percent retail trade lost in 3 days; freight embargo will affect International Harvester—"Milk cow and bread basket of Canton." Community opinion: "Is John L. Lewis more powerful than the President and Congress?"

Carbondale (8,550): Illinois Central Railroad, only industry affected, has laid off 60 men. Will cut off four passenger trains serving Carbondale on May 9, and another four by May 15. General feeling in community is that Government should take some action.

Chicago area (4,000,000): Industrial employees number approximately 600,000. All industries are observing restricted 24-hour workweek except the 20 percent producing food products which do not come under the ICC restriction order. Seven large firms have laid off 37,850; they are: Stewart-Warner Corp., 500; International Harvester, 3,800; Electro-Motive division of General Motors, 7,200; United States Steel subsidiaries, 23,500; Inland Steel, 350; Republic Steel, 2,500. Many other plants will daily lay off employees as power and coal shortage continues. Practically all theaters have been closed; some may reopen. Water supply facilities endangered. Several through trains have been

discontinued and 148 suburban trains have been taken off. All retail stores are observing ICC restrictive orders. The railroad freight embargo beginning Friday will drastically cripple industrial production and shipping. Paralysis is spreading deeper into all avenues of Chicago's economy.

Freeport (22,366): Three thousand seven hundred employed in industry; 3,000 on 24-hour week, 59 completely unemployed, 1,000 retail and service employees on 24-hour week. Illinois Northern Utilities furnishes power. Power outlook, poor. Fire of any consequence would be a calamity. Hardships will begin with curtailed pay envelopes. Opinion: Congress should make laws that safeguard the welfare of the people and not that one group could cause a national disaster.

Pekin (19,407): Seven railroads serving Pekin have partially laid off employees, and each expects to lay off more after embargo begins. Industrial employment is 5,276, and all Pekin industries will be forced into complete or partial unemployment with a continuation of coal shortage and embargo. Five large grain processing industries exempt from power restrictions will continue on full-time basis as long as coal will be allocated to them. Over 1,000 Caterpillar Tractor Co. employees living in Pekin laid off. A new 6-hour work day, 6-day week, established in retail and service establishments, most employees working full 40-hour week. Retail stores open daily from 10 to 4, electricity to be used only between the hours of 12 and 4.

Carmi (4,098): Four hundred will be unemployed if Carmi Feature Underwear shuts down due to transportation curtailment. Source of power operated entirely by Diesel.

One thousand eight hundred and seventy-six oil wells producing 30,000 barrels daily will be hit due to curtailment of oil-well supplies and lack of manufacture of heavy duty tires. Community opinion: Concern over congressional inability to handle situation.

Centralia (16,343): Unemployment, account of coal strike, numbers 850 railroad men and 400 miners. Illinois Central Railroad curtailment affects Centralia. Community feels that coal strike should be stopped instantly in interest of public health and welfare. Business on regular schedule at present.

Champaign (23,302): One thousand of 1,200 industrial employees on 24-hour week and 200 completely unemployed. One hundred and seventy-five railroad employees laid off, and this number may soon double. Fifty percent of retail and service employees working 24 hours at present, receiving full pay. Freight embargo may force 90 percent shut-down of industry.

Danville (36,919): Ten thousand one hundred and twenty-five employed in industry. Seven thousand two hundred on 24-hour week, 2,925 completely unemployed. All 4,200 retail and service employees on 24-hour week. Eighteen passenger trains and 12 freight trains discontinued May 7. Twenty-one additional trains canceled on May 9. Laundries and cleaners have 5-day fuel supply. Dairies have 5- to 7-day fuel supply.

Decatur (59,305): Twelve thousand five hundred employed in industry. Ten thousand on 24-hour week, 550 completely unemployed. Eight thousand six hundred and fifty employed in retail and services. Six thousand nine hundred on 24-hour week. Water supply can run 2 weeks unless 11 cars of coal promised are delivered. Four passenger trains abandoned. Opinion: To conserve remaining fuel, executive committee of Decatur Chamber of Commerce urges two steps:

"1. That even more drastic steps for curtailment of power than those already taken in certain sections of Illinois and cities of the country be applied by the National Government to every part of the Nation. In this emergency we believe the available fuel supply belongs to all the people, and must be conserved and used only for the most essential purposes necessary for the preservation of health and life.

"2. That the President of the United States call together the representatives of operators and miners and keep them in continuous session until an agreement has been reached for the resumption of mining operations."

Dixon (10,671): Two thousand employed in industry. One hundred on 24-hour week; 725 completely unemployed. Wire and cement company affected. Six hundred in retail and service on 24-hour week. Water system and health facilities jeopardized when present coal supply is exhausted. Borden Co. has 15-day supply of coal. Will have to shut down completely if no coal forthcoming by then.

De Kalb (9,146): Cyclone Fence Co. and Dietz Forge Co. are shut down; others may close in 2 days. Completely unemployed industrial workers number 250, and 1,750 on short workweek of 24 hours. Of 934 retail employees, 888 are on short workweek. "If coal strike not settled within 1 week, anticipate curtailment of electricity to point of cutting out all industrial and commercial service, and curtailment of residential use. Public opinion is that immediate Government action for return to work by miners pending adjustment of differences is only sane method to pursue."

Du Quoin (7,515): Industrial employment, 1,575; retail employment, 120. Industrial workers completely unemployed, 650 (miners). Power supplied by Illinois Power Co. hydro plants within 12 miles. Community opinion: Varied as to action. Miners seem willing to return to work under any condition, but will act as advised by Lewis.

East Moline (12,359): Industrial employment, 10,000. American Machine and Metals announce 2 weeks' vacation with pay to 1,600 employees beginning May 17. No brown-out as yet. Water power replaces coal and local utilities assure complete service for many months. Inability to secure assembly parts may hamper industries within 10 days. Community opinion: Government should step in.

East St. Louis (75,609): Industrial employment: 31,000, 6,000 of these railroad employees. Completely unemployed industrial employees, 5,500. Industries affected: Aluminum Ore Co., American Zinc Co., American Steel Foundries, American Asphalt, Continental Can, General Chemical Co., George Mepham Co., Key Co., Midwest Rubber Co., Monsanto Chemical Co., and Lewin Metals Co. Two thousand five hundred of six thousand railroad men completely unemployed. Power supplied by Keokuk Dam; 25 days' coal supply left. Local effects: Continental Can Co. closed, 320 employees out. In 10 days 15,000 employees expected out of several industries. (General Chemical Co. on strike.) Community opinion: Federal Government has obligation to do something. We are losing prestige as a government.

Edwardsville (8,008): Face complete shutdown within 30 days if coal strike continues. About 2,800 workers not yet affected.

Effingham (6,180): No effect.

Elgin (38,333): Total employees, 8,100. Industrial employees, 4,050; retail employees, 4,050. 30 percent or 1,215 industrial employees on 24-hour week, 2,000 retail employees on restricted week. Power supply for water depends upon Edison system (all pumped by electricity). Chicago, Milwaukee, and St. Paul Railroad has taken off five suburban trains. "An unusual number" of persons now working in Elgin, due to several large industries producing their own power. Community opinion: Urge Congress to take action.

Evanston (65,389): 90 percent of 2,000 industrial employees and 95 percent of 4,000 retail and service establishments are on 24-hour workweek. Several months' coal supply on hand for water supply.

Flora (5,474): Total employees, 1,500; 250 retail employees on 24-hour week. Water supply and sewage facilities depend on municipal light plant operation. Coal supply will not exceed 10 days. Community opinion: Immediate steps to be taken to relieve and cure source of trouble.

Galesburg (28,876) Seven thousand, eight hundred employed in industry; 2,000 on 24-hour week; 1,000 completely unemployed. American Steel Foundries plant closed. Of 1,800 retail and service employees, 800 are on 24-hour week. Business will be seriously curtailed by abandonment of trains.

Geneva (4,101): Of 1,500 industrial employees, 400 are completely unemployed and 750 on 24-hour workweek. Forty percent of 750 retail store employees are on restricted workweek. Principal industries affected are Burgess Norton Manufacturing Co. and Modern Steel Equipment Co. "General feeling in community is that President Truman should assume immediate control."

Granite City (22,974): Industrial employees number 17,000. Impending rail embargo beginning Friday will be felt immediately. Two thousand eight hundred out on strike, 2,200 idle for 14 weeks at Granite City Steel Co. and 600 idle for 8 weeks at Nesco Plant. No industrial curtailment yet due to coal and power restrictions but expect greatly reduced operations next week as industrial coal pile about gone.

Harvard (3,121): Fifteen percent of 450 factory employees are on restricted workweek.

Harvey (17,878): Eleven thousand three hundred employed in industry. Nine thousand two hundred and fifty on 24-hour week Two thousand and fifty totally unemployed. Four hundred and fifty of 1,173 retail employees on 24-hour week. Passenger train service curtailed. Shorter pay checks reducing retail sales. Due to interdependence for parts, all industry will be closed within week or 10 days. Opinion is Congress should act immediately. Do not favor royalty payments to the union. No one is happy about the situation and it would not take much to arouse Harvey citizens to the point of taking somebody or something apart.

Habana (3,999): Three hundred and fifty employed in industry. Two hundred on 24-hour week. One hundred completely unemployed. Water supply dependent on electricity. Railroad curtailment will force complete shut-down of industry shortly. Retail stores planning to close and give vacations if strike continues. Opinion in favor of Senator LUCAS' attitude in this situation.

Jacksonville (19,844): One thousand nine hundred employed in industry. Eight hundred completely unemployed. Power supply is from local gas and Diesel plant. Local industries are closing due to steel shortage Opinion: Business and public in uproar. Demand action and seemingly favor Government seizure.

Joliet (42,365): Fifteen thousand employed in industry. Seven thousand five hundred on 24-hour week. Four thousand completely unemployed. Two thousand five hundred of 5,000 retail and service employees on 24-hour week. One railroad cut off seven trains. Another road will make drastic cancellation May 10. Power from Edison group. Opinion: Administration should take immediate and drastic action to reopen mines. If not done, the country will be faced with the worst calamity in its history.

Kankakee (22,241): Six thousand employed in industry. Two thousand on 24-hour week. One thousand two hundred completely unemployed. David Bradley Farm Implement Manufacturing Co. shut down. Nine hundred laid off. Five hundred of 2,100 retail

and service employees on 24-hour week. Kankakee and Manteno State Hospitals dependent on water supply. Power from Public Service Co. 25 percent curtailment of steam trains effective May 10.

Kewanee (16,901): Industrial employment, 4,000. Two thousand eight hundred industrial employees on 24-hour week. Fifty percent of retail employees on 24-hour week. Larger retail stores operating 2 to 6 p. m. Smaller stores operating without lights from 9 a. m. to 5:30 p. m. Community opinion: Favors immediate congressional action.

La Grange (10,479: General Motors closed plant laying off 7,200. Nineteen trains have been discontinued. Many stores and offices have contrived means of furnishing own light and power.

La Salle (12,812), Peru (8,983), Oglesby (3,938): 8,100 employed in industry; 3,000 on 24-hour week; 1,100 completely unemployed. Three cement companies and a chemical company shut down. If railroad curtailment continues nearly all industry will close within short time. One thousand eight hundred employed in retail and services; 800 on 24-hour week. Retail sales down at least 40 percent. Municipal power plant in Peru has 30-day coal supply. La Salle and Oglesby dependent on Illinois Power Co. Opinion: Legislation needed to prohibit strikes affecting public utilities.

Lawrenceville (6,213): Local power company has good supply of coal; 1,000 employed in industry; 60 employees laid off May 9 on account of rail embargo.

Libertyville (3,930): General Metal Craft completely down and Foulds Milling Co. seriously affected. One hundred factory workers out and 650 of 750 total on restricted workweek of 24 hours, as are 500 of the communities' 600 retail employees. Situation considered critical. Eight daily and two Sunday trains discontinued. Half of sentiment against Government indifference and half against union stubbornness. Threat of railroad strike causing great concern.

Lincoln (12,752): Industrial employees number 1,000, of whicn 900 are on restricted 24-hour week. All of 500 retail employees are on 24-hour week. Curtailment of four trains felt: $10,000 weekly industrial pay roll loss as result of coal and power restrictions. Attitude of citizens very wrathy against Lewis and want correction legislation enacted.

McLeansboro (2,528): Powered by municipal plant having coal supply for only 8 days. Exhaustion of this supply will be major catastrophe from public health and safety viewpoint. City cannot stand serious blow to two factories supplying major income for city. Opinion is action should be taken to release coal; freedom and that which it entails should not be used to force a catastrophe so uncalled for.

Macomb (8,764): One thousand one hundred employed in industry. Five hundred and fifty working 24-hour week. One hundred and fifty completely unemployed. Majority in retail and service establishments on 24-hour basis. Sufficient coal to handle water supply for next 10 or 15 days. General feeling of indignation at lack of action by authorities in Washington exists. Favor legislation to prohibit strikes affecting public utilities.

Mattoon (15,827): No curtailment as yet.

Mendota (4,215): Industrial employment, 700; retail, 250. Ninety percent, or 63, industrial employees on 24-hour week. Conco Engineering Co. has laid off 50; Towers, Inc., 20. Two freight trains discontinued on Burlington. (Prospective strike May 18. Power supplied by Illinois Northern Utilities; future supply acute.) Community opinion: Place blame on Lewis and lack of leadership in White House. "Feel that Nation has been thrown into almost complete anarchy."

Moline (34,608): Two passenger trains cut. Power supplied by Iowa-Illinois Gas & Electric Co. Two small local plants supplement steam-produced power. (Situation same as Rock Island.)

Mount Vernon (14,724): Industries and retail and service establishments soon to curtail operations. Four daily passenger trains curtailed, passengers rerouted to Chicago, making longer trip. Missouri Pacific Railroad to curtail all coal burners Monday. "General feeling is that fair legislation designed to alleviate present situation and prevent recurrence should be undertaken."

Ottawa (16,005): Libbey-Owens-Ford Glass Co. with 1,300 employees and Ottawa Silica Co. with 180, although supplying own electricity will be forced to cut operations 80 percent next week due to coal shortage and inability to ship in or out. Completely unemployed numbers 150, and 1,500 out of 3,000 industrial employees are on 24-hour work week. By May 9 it is expected that 1,500 will be idle and by May 13 the number will grow to 2,250. Next week daily pay-roll loss will be about $12,000. Many retail stores plan to close next week. "Immediate action is paramount. Public sentiment indicates that Government has made possible dictatorial privileges for labor against industry, business, and the general public. Labor should be placed under same type of control and regulation that applies to business firms."

Paris (9,281): No curtailment as yet. When 24-hour week invoked 130 employees will be laid off immediately. One hundred and fifteen will be laid off if no coal is received within 3 weeks. Two hundred will be laid off if lumber is not received within 10 days.

Peoria (105,087): Of 36,000 industrial employees 14,000 are completely unemployed, 9,000 by Caterpillar Tractor Co. and 3,000 by Le Tourneau. Twenty-two thousand are working 24-hour week. Of 7,000 retail employees 4,200 are on 24-hour week. Carloadings down to 60 percent. Laundries and cleaning establishments on 24-hour week causing considerable distress. Situation becoming worse each day. Expect industrial production and freight transportation will virtually be at a standstill next week. After freight embargo starts, employment and also freight loadings expected to be down 80 percent to 90 percent. Unemployment claims totaling 6,200 for several days, too fast for USES staff to handle, expect substantial increase in applications.

Pontiac (9,585): Seven hundred and twenty employees in industry employed on 24-hour week. All business affected adversely in every respect.

Quincy (40,469): Power supply furnished by hydroelectric plant at Keokuk, Iowa. Manufacturers, in foundries especially, feel that conditions will bring about complete shutdown in short time. Community opinion: Feel that congressional action should be taken immediately.

Rantoul (2,367): No effect. Compliance with Illinois Commerce Commission.

Rochelle (4,200): Food-canning plants will be closed within 10 days. Three companies employing 600 will be closed within a week. Largest industry, California Packing Co., employing 2,000, will close within 10 days and lose 80 percent of pack unless coal is received. City has Diesel-operated power plant. Railroad curtailment materially affecting business. Opinion: New Representatives and Senators needed in Washington. There will be general collapse within 2 weeks unless miners go back to work.

Rockford (93,000): Winnebago and Boone Counties have 35,000 employed in industry, 75 percent of which are on 24-hour week. Approximately 34,400 in retail and services of which 25 percent are on 24-hour week. No figures available on totally unemployed. Eighty to eighty-five percent of Rockford's power comes from hydro and balance from Public Service Co. Coal supply will last 25 to 30 days at current rate of use. Coal supply for water sufficient only until May 25. Opinion: We need immediate remedial legislation.

Rock Island (42,775): Two passenger trains cut; Iowa-Illinois Gas and Electric Co. supplies power. Two small local plants supplement steam-produced power. (Situation same as Moline.)

St. Charles (5,870): Industrial employment, 2,700; retail 250. Eighty percent or 2,160 industrial employees on 24-hour week; 250 retail workers on 24-hour week. Moline Malleable Iron is principal industry affected. Curtailment of C & NW suburban trains affects commuters. Power supplied by Western United Gas & Electric Co.—few days supply left.

Community opinion: Suggest getting behind LUCAS' proposal.

Salem (7,319): Industrial employees, 2,400. No industrial lay-offs but steel production reduced 50 to 75 percent. One passenger and two freight trains cut affecting five train crews. Utilities are municipally owned and plant operated by oil.

Community opinion: Definitely hostile toward Lewis.

Springfield (75,503): Eleven thousand employed in industry. Six thousand on 24-hour week, 5,000 completely unemployed. Allis-Chalmers Co. closed on account of strike in company. Two implement companies—Hummer and Baker Manufacturing Co., shut down. Three thousand retail and service employees on 24-hour week. Central Illinois Light Co. and City Water, Light, and Power Department furnish power. Twenty-day supply of coal on hand. May soon have to confine power to water supply.

Opinion: There is complete confusion, demoralization, and exasperation. Congressional legislation needed.

Sterling (11,363): Russell, Burdsall & Ward Bolt & Nut Co. and Lawrence Bros. unemployed, total 715. Total of 2,115 industrial employees are on 24-hour weekly schedule out of total of 3,795, and 25 percent of 1,500 retail employees. Only 1 day water supply if power fails to pump water into wells. Railroad switching cut 50 percent. People are worried, uneasy, and belligerent.

Streator (14,930): Four thousand and three hundred employed in industry. One thousand and nine hundred on 24-hour week. Two thousand and four hundred completely unemployed. Glass company, tile company, and others have made considerable lay-offs. One thousand and eight hundred employed in retail and service. One hundred and eighty on 24-hour week.

Opinion: Protest of Government's inactivity should be made to Senators and Congressmen.

Sycamore (4,702): Industrial employees, 1,400; retail, 500. Seven hundred industrial workers completely unemployed. Turner Brass, chief industry affected has laid off 50 percent. Three freight trains have been cut. Power supplied by Central Illinois Light Co.

Community opinion: Immediate seizure of mines by Government. Legislation preventing strikes without arbitration. Make unions and members answerable to courts.

Taylorville (8,313): Industrial employment, 3,000. Completely unemployed industrial workers, 2,400. Peabody Coal Co. and Illinois Midland Railroad, principal industries affected. Power supply is ample but curtailment made.

Community opinion: None expressed.

Tuscola (2,838): Small curtailment of passenger-train service. "Most everything normal."

Urbana (14,064): Two thousand employed in industry. One thousand and eight hundred on 24-hour week. Two hundred completely unemployed. One thousand and five hundred retail and service employees all on 24-hour week. Sanitary district warns critical condition approaching. Municipal power

plant faces complete shut-down if no relief soon.

Opinion: Take immediate steps to open mines and enact legislation to control employees' dispute.

Waukegan (34,241): Twenty thousand employed in industry; 18,000 on 24-hour week; 2,000 completely unemployed. American Steel & Wire Co. shut down. Hospital and sanitation dependent on water supply. Freight embargo and express stoppage May 9 will bring business to grinding stop. Ninety percent of retailers on 24-hour week. Power furnished by Public Service Co. Tremendous loss to ovens and mains if gas company closes.

Opinion: This is a great crisis of the United States Government.

West Frankfort (12,383): Twelve thousand employed in industry; 6,515 completely unemployed due to shut-down of 6 coal companies. Not affected by dim-out regulations at present. Served by Illinois Public Service Co.

Woodstock (6,123): Industrial employment, 2,500 will work 24-hour week, starting Sunday, May 12. Power supplied by municipal power plant. Eight days' supply of fuel on hand. Solid Fuel's Administration says Woodstock will be unable to obtain more.

Community opinion: Glum outlook.

Zion (6,555): Industrial employment, 1,400; 420 industrial workers on 24-hour week. Completely unemployed, both industrial and retail, 100. Power supplied by Public Service Co. of Northern Illinois. Possible restriction of North Shore Gas Co. will affect 75 percent of homes and 300 employees of local bakery.

Mr. BROOKS. While I listened to the story about how much labor has benefited under the present administration, I was impressed with the fact that the people of the United States as a whole have suffered terribly and are now suffering because of the lackadaisical attitude of the administration. I do not question the power of the administration. It has the power to take over the mines; but it has more than that. It has the prestige of the executive officers. It has the power, prestige, and dignity of the President of the United States.

Today finally we hear that the President has invited members of both sides to sit down in a conference. Constantly we were told by the majority leader of the Senate that he did not know what was going on, that he had not been informed, that he did not know about the conferences.

Mr. BARKLEY rose.

Mr. BROOKS. I yield to the Senator from Kentucky.

Mr. BARKLEY. The Senator has misinterpreted what I said. I said that I was not informed of the conversations between the operators and the miners, and that I did not know what went on in their private conferences. That is what I said. I did not say that I did not know in a general way what was going on in the United States. I do not see why anyone should misinterpret what I said. The Senator from Illinois is not the only one who has done so. I was not speaking of general information. I said that I did not know what went on in the conferences between the miners and the operators, and that I could not determine from the newspaper reports whether what was stated in those reports was all that went on in the conferences. That is all I said, and that is all I had reference to.

Mr. BROOKS. I am sorry if I misinterpreted what the Senator said, but I certainly gained the impression——

Mr. BARKLEY. I will say to the Senator that the other day the Senator from Michigan [Mr. FERGUSON] made the same suggestion. I replied that I did not regard it as my duty to take a sledge hammer and batter a door in in order to hear what was going on in the private conferences.

Mr. FERGUSON. Mr. President——

Mr. BROOKS. Mr. President, I have the floor at the moment. I do not believe that this is any time for facetious remarks about taking sledge hammers and breaking down doors or coming up through floors. It was the duty of some Member of the Senate to do something besides talk on the floor of the Senate. It was his duty to find out what the administration, of which he is a part, was doing to bring these warring forces together.

I have listened to speeches on the floor of the Senate about what we were going to do; but nothing was done until the Senator from California [Mr. KNOWLAND] stated that he would move to take up the labor legislation. Then those who were making speeches about what they were going to do objected. They thought that giving away $4,000,000,000 to a foreign country was more important to America than the tragic strike which has struck home in Illinois, which State I, too, have the privilege and honor of representing here. The same Senators who were talking about wanting to do something objected to taking up the labor legislation. I say that they did not have to take it up. The President of the United States had sufficient power and prestige.

What has finally happened? Finally, when the Senator from California served notice that he was going to do something about it, and that he would move to take up the labor legislation, the President invited Mr. Lewis and the operators to sit down. Finally there came a truce, and now we say what we are going to do.

I hope sincerely that the truce will be longer than 12 days. I hope that in the future the President of the United States will use his war powers before such catastrophes as have taken place in Illinois occur, not only to production but to the health and welfare of the whole State.

Mr. WILEY. Mr. President, as I listened to Senators explaining their votes a little while ago I was reminded of something said by Elbert Hubbard which is a pretty good rule in life. He said, "Never explain. Your friends do not need it, and your enemies do not believe you anyway."

I have sought for some time to obtain the floor. I shall have something to say about this terrific menace. I will not be lulled to sleep by a 12-day respite. Neither will I be lulled to sleep by the appointment of a committee to investigate the housing situation in Kentucky and Tennessee. It is bad. There can be no question about that. We have the reports. We do not need much more evidence.

Mr. President, a great Democrat faced a situation such as this. His name was Woodrow Wilson. He faced a coal strike. I wish to quote his words under conditions very similar to those which now confront us. This great leader, this man of courage, recognized that he was at the head of the greatest Nation on earth. Did he get on the fence? No. Let me read his language in relation to the coal strike which he faced.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. WILEY. Not at this time.

Woodrow Wilson said:

From whatever angle the subject may be viewed, it is apparent that such a strike in such circumstances would be the most far-reaching plan ever presented in this country to limit the facilities of production and distribution of a necessity of life and thus indirectly to restrict the production and distribution of all the necessaries of life. A strike under these circumstances is not only unjustifiable; it is unlawful. * * * I cannot believe that any right of any American worker needs for its protection the taking of this extraordinary step, and I am convinced that when the time and manner are considered, it constitutes a fundamental attack, which is wrong both morally and legally, upon the rights of society and upon the welfare of our country.

No attempt should be made to solve any problem with undue haste, or when one's thinking is not clear. But there is no evidence of undue haste in the United States Senate when it comes to consideration of a comprehensive solution of the strike and labor problem in America. I have been a Member of the Senate for almost 7½ years. From the beginning I have suggested a solution in the form of a pro-American labor program.

Today I was glad to hear the senior Senator from Illinois [Mr. LUCAS] speak up for the Smith-Connally Act. Do Senators know how many times the President used the power conferred by that act? He seized 488 specified companies—4 in 1943, 185 in 1944, 73 in 1945, and 226 in 1946—under the authority of the Smith-Connally Act. Besides, he seized one railroad in 1943, one coal industry in 1943, and three coal industries in 1945. In 1943 there were 13 specified seizures under general powers, and one in 1944.

I ask unanimous consent that the exhibit which I have prepared be printed in the RECORD at this point as a part of my remarks.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

War Labor Disputes Act—Seizures pursuant to act of June 25, 1943 (Public Law 89, 78th Cong.)

Year	Number of Executive orders issued	Specified companies seized under Public Law 89	Unspecified companies or industries seized as a group under Public Law 89	Specified seizures under general powers
1943	7	4	1 coal 1 railroad	13
1944	25	185		1
1945	23	73	3 coal	
1946	3	226		
Total	58	488	4 coal 1 railroad	14

Mr. WILEY. I also ask that following the exhibit there be printed in the REC-

ORD at this point a bill of particulars showing the names of the companies seized.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Instances under which seizure has been made under Smith-Connally Act as result of War Labor Board cases in which there was defiance of WLB decisions by employers or employees

Company	Defiance by union or company	Period of seizure	Agency taking over
1. Toledo, Peoria & Western R. R.	Company	Mar. 21, 1942, to after war	ODT.
2. General Cable Co.	Union	Aug. 13 to 20, 1942	Navy.
3. S. A. Woods Co.	Company	Aug. 19, 1942, to ——	Army.
4. Bituminous and anthracite coal mines	Union	May 2 to Oct. 12, 1943	Interior.
5. Atlantic Iron Works	Company	Sept. 3 to 22, 1943	WSA.
6. Bituminous and anthracite coal mines	Union	Nov. 1, 1943, to June 22, 1944	Interior
7. 13 Letter Co	do	Nov. 20, to Dec. 19, 1943	Army.
8. Western Electric	do	Dec. 19, 1943, to Mar 23, 1944.	Do.
9. Fall River Textile	do	Feb. 7 to 28, 1944	Do.
10. Ken-Rad Tube & Lamp Corp.	Company	Apr. 13 to May 25, 1944	Do.
11. Jenkins Bros.	do	Apr 13 to June 15, 1944	Navy.
12. Montgomery Ward	do	Apr. 25 to May 9, 1944	Army.
13. Hummer Manufacturing Co.	do	May 21, 1944, to July 2, 1945	Do.
14. Philadelphia Transit Co.	Union	Aug. 3 to Aug. 17, 1944	Do.
15. Midwest Operators Association	Companies	Aug. 11, 1944 to (?)	ODT.
16. San Francisco Machine Shop	Union	Aug. 14, 1944 to (?)	Navy.
17. International Nickel Co.	do	Aug. 29 to Oct. 14, 1944	Army.
18. 69 bituminous mines	do	Aug. 31, 1944 to Feb. 24, 1945.	Interior.
19. Cleveland Bronze	do	Sept. 5 to Nov. 7, 1944	Army.
20. Hughes Tool Co.	Company	Sept. 6, 1944 to (?)	Do.
21. Twentieth Century Brass Co.	do	Sept. 9 to Nov. 7, 1944	Do.
22. Farrell Cheek Steel	do	Sept. 25, 1944 to (?)	Do.
23. 8 Toledo companies (indus. not listed)	Union	Nov. 4 to Nov. 7, 1944	Do.
24. Cudahy Bros.	Company	Dec. 8, 1944 to (?)	Do.
25. Montgomery Ward	do	Dec. 28, 1944 to ——	Do.
26. Cleveland Electric, Illinois	Union	Jan. 13 to Jan. 15, 1945	Do.
27. American Enka Corp.	Company and union.	Feb. 18 to June 6, 1945	Do.
28. 235 bituminous mines	Union	Apr. 10 to June 14, 1945	Interior.
29. United Engineering Co.	do	Apr. 23, 1945	Navy.
30. 363 anthracite and 3 bituminous mines	do	May 3 to June 23, 1945	Interior.
31. Bituminous mines	do	May 4 to June 14, 1945	Do.
32. Cocker Machine Co.	Company	May 20, 1945 to (?)	Army.
33. Chicago truck	Union	May 23 to Aug. 16, 1945	ODT.
34. Gaffney Manufacturing Co.	Company	May 28, 1945, to (?)	Army.
35. Mary-Leila Mills	do	June 1, 1945, to (?)	Do.
36. Humble Oil Co.	do	June 6, 1945, to (?)	PAW.
37. Pure Oil Co.	do	do	Do.
38. Scranton Transit	Union	June 15 to July 8, 1945	ODT.
39. Diamond Alkali Co.	do	June 19 to July 19, 1945	Army.
40. Goodyear Tire & Rubber Co.	do	July 5, 1945, to (?)	Navy.

Mr. WILEY. In 1945 the President took over 235 bituminous mines, acting through the Secretary of the Interior. In the exhibit which I have prepared I have set forth the dates and the Government group or institution through which the President acted.

As I have stated, I have been a Member of the Senate for 7½ years, and I have seen the same kind of tactics which I witnessed today on the floor of the Senate. The Senator from Oregon [Mr. MORSE] has a great deal of what it takes. He rose and stated what he believed. I disagree with him with regard to much of his economic philosophy, but I honor and respect him because he has what the country needs today, and that is "guts." He has stated that we should pursue a certain course and find the solution, and that probably when we find it we shall not be very far apart. But we cannot find it by procrastination and delay.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WILEY. I ask the Senator to allow me to finish. I have only three or four pages of notes. I have waited since 12 o'clock. I have stepped aside for a number of my colleagues. I shall be glad to yield for questions when I have finished.

Mr. President, during the 7½ years I have been a Member of this body I have seen the power of groups and labor leaders grow and increase to the point where it has become, as has been demonstrated in the past few months, a menace to the safety and security of this Nation.

I should like to read a synopsis of the decision of the court in *Howard* v. *Illinois* (207 U. S. 463), dealing with the power of Congress. We definitely exercised it in the Smith-Connally Act. I ask, as the senior Senator from Illinois asked, What would we have done without that act?

We know about the propaganda which was directed against it. We know that from the very start it was said it would cause more strikes. How ridiculous that statement was. It was like saying that a man who was walking down the street caused a bumblebee to sting him.

Mr. President, strikes were covered by that act, and by reason of its enactment the President of the United States exercised the authority conferred by it, as I have stated, approximately 450 times. Because he had that authority, he took possession of the industries concerned, and men worked when it was necessary that the strikes cease and that production be obtained.

Mr. President, I now read from the case to which I have referred:

On the contrary, the test of power—

The test of congressional power to regulate the relation of master and servant in connection with carriers—

is not merely the matter regulated, but whether the regulation is directly one of interstate commerce, or is embraced within the grant conferred on Congress to use all lawful means necessary and appropriate to the execution of the power to regulate commerce.

Mr. President, that is what Woodrow Wilson had in mind. But even if Woodrow Wilson had never used that language, I say to you, Mr. President, that a republic is not less potent than an autocratic form of government when it comes to self-preservation. A republic has in it the inherent power to preserve its own vitality, and that is the power we are going to exercise—not in haste, not in hatred, but, I hope, with judgment. What we are seeing now in the case of the present coal strike is the result of the failure of the Democratic administration which has been in power for 13 years to read adequately the signs of the times, not only in America, but throughout the world. I say that the administration has sown the wind, and now America is reaping the disastrous whirlwind; or, to use another analogy—one which I have used on two other occasions during the last week—the administration's chickens are now coming home to roost.

The signs of the times show that government absolutism in the guise of fascism and communism has returned in the last two decades throughout the world to contest with the the republican or democratic forms of government for the possession of the earth. The administration did not read those signs.

Mr. President, these remarks of mine are not directed at minimizing what has been characterized as the very deplorable and un-American conditions in which the miners in Tennessee, Kentucky, and elsewhere exist. But such conditions do not justify a strike which cripples the Nation. One crime does not justify another crime. The housing and health conditions of the miners may call for action by State and Government, but by no process of reasoning do they call for building and creating more power in an individual, which results in jeopardizing the health and safety of the Nation.

My remarks are directed at 140,000,000 Americans and particularly at the Congress of the United States, who, in this terrifically challenging era, have not seen the trend of the times and have not done anything.

Right now we see ourselves in a fine how-do-you-do. It has been characterized as a labor-policy depression due to the synthetic, needless, and senseless attitude of the administration now in power. It is a depression because we cannot get consumers' goods—ranging from ordinary socks and stockings and shirts to automobiles and materials with which to build houses. We cannot get these things; though we have more purchasing power than all the rest of the world combined, and only a year has gone by since VE-day, and 8 months since VJ-day.

The American public is awakening to the fact that this condition is due primarily to the administration's statement that prices were not related to wages, and that wages could be hiked but prices would not have to increase, and to the application of the statement—which was swallowed hook, line, and sinker—to the effect that wages could be increased 25 cents an hour and prices would not have to be raised at all. That is the kind of philosophy that Henry Wallace and other leaders have preached to millions of our people.

Today, the men who won the auto strike and caused so much loss to the country are laid off because of the steel strike.

Those who won the steel strike cannot find work because of the coal strike.

The coal strikers complain of terrible housing and unsocial conditions, and they go on strike and put millions of people out of work—all over America—and prevent the making of relief shipments to starving Europe, and may cause serious suffering here at home.

But, Mr. President, we sit here, as the cartoon in the newspaper showed, twiddling our thumbs, tweedledeeing and tweedleduming, as the Senator from Washington [Mr. MAGNUSON] suggested earlier today. I say we sit here just twiddling our thumbs. The result is nil.

On top of that, the OPA, with its 60,000 or more strangulations without rhyme or reason, and without comprehending the picture, keeps on issuing diverse price ceilings—many of them relating to the same commodity, neglecting increased costs of labor and material, but "holding the line"—or, rather, pretending to hold it—with the result that production is penalized. So we cannot buy what we want to buy.

Then, to fool the country further, the Administration spokesmen get labor newspapers and others to say that "industry is on strike." And Bowles and others, at the people's expense, use the radio and the newspapers, scaring the people and calling all who oppose them "reactionaries."

Mr. President, for the speech I am making now, I shall be called an extreme reactionary.

Europe has inflation for one reason, above all, and that is because there is no production. America is getting inflation and black markets because we have too many road-blocks, interfering with our productive capacity.

All the pinks and Communists and radicals in America are in this picture up to their ears, creating disunity, confusion, and poisoning the minds of our people. But we sit back, wondering whether we should pass a law that has some iron in it. Oh, yes, Mr. President; they will say about me, "But he is antilabor." That will be said about a man who was raised in a town of 10,000 people, who worked in the sawmills, who painted houses, who sold books, who clerked in stores, who washed dishes to pay his board in the university. So they will say that I am antilabor. How can they say that I am antilabor, Mr. President? But the fact is that it is impossible for many of us to speak up and try to see through the mists and find a solution, without being accused of being anti this and anti that. But, Mr. President, the thing which is most helpful to me is the correspondence which comes to me and which is evidence that the people at the grass roots are, if I may be pardoned for using the expression, literally getting their bellies full with all this Government propaganda; they are becoming sick and tired of it, and at last they are beginning to see what the facts really are.

I wish to say that it requires iron in the blood, on the part of the administration, to step into this picture, to get rid of the maladministration in OPA, to decontrol it as far as possible, and to start it on the road out, so that it will be at the exit point when production arrives.

Let this administration throttle the strike wave; it has the power. I have already stated and shown how it has been exercised upon 450 different occasions.

And let the Executive speak forthrightly to the people, saying that our labor laws must be reconditioned to meet the present era. The Wagner Act is outmoded now and outdated. It is only a one-way street. It served its purpose in its day.

Let the Congress speak with clarity and determination. No individual has the right to threaten the public security. When the public welfare is invaded by any individual or group, there is inherent in the Government the power to take corrective action. Such corrective action should not be used to set up more arbitrary power in any individual or group. Rather, it should be used to deprive any individual or group of the power to be arbitrary.

Mr. President, I restate my program in relation to the labor situation. It is as follows:

First, set up machinery for compulsory arbitration of disputes in all utilities and Nation-wide industries so as to prevent strikes. Require that all such disputes must go to appropriate courts for proper adjudication.

Second, set up complete machinery for mediation and voluntary arbitration in all other disputes.

Third, make unions equally responsible with corporations before the law for any contract violations and anti-trust-law violations.

Fourth, provide for democratic union elections and publicised finances.

Fifth, outlaw the use of force and violence in connection with any labor dispute or threatened dispute.

Sixth, outlaw illegal uses of the boycott.

Seventh, prohibit unionization of foremen who are legitimately a part of management.

Eighth, outlaw jurisdictional disputes between unions.

Ninth, prohibit taxation by unions of goods or services produced by private industry. Taxation alone belongs to Government. Under no disguise of royalty or any other name should Government delegate that power.

I call attention again to point 1, and I call the attention of the Senator from Oregon to this matter, because on this point we may differ:

First, set up machinery for compulsory arbitration of disputes in all utilities and Nation-wide industries so as to prevent strikes. Require that all such disputes must go to appropriate courts for proper adjudication.

Mr. President, it will be noted that compulsory arbitration would be at the end of the road. It would apply only to industries in which the public interest is at a maximum. It would apply only to strikes such as the ones which we are experiencing today, the present coal strike, for instance, which not only has upset the economic life of our country, but has consequences which may cost billions of dollars to the Government and to its citizens. Compulsory arbitration is in the interest of public security, in the interest of public welfare, and in the interest of the general welfare. We must see to it that no individual or group has the power to jeopardize the welfare of the Nation. That is why there must be compulsory arbitration of disputes in all utilities and Nation-wide industries.

Mr. President, as we look into the international picture we see many threatening implications, not only in the immediate present, but in the future. If we fail now to pass appropriate legislation making sure that there will be no further strikes in our great national industries, we will fail in our duty. If it be true that the Communists are infiltrating—I saw a private report today on the subject which staggered me—particularly into the CIO, it does not mean that the CIO members are all Communists. But in the private report to which I have referred I saw a description of the technique which is used, the objective of which is literally to disorganize. There is inherent in this Government the power to put an end to these difficulties. The way to do so is by enacting legislation of a compulsory character, involving utilities and Nation-wide industries.

To be specific, this category would include transportation, electric-light plants, coal mines, the major food industries, and any others which might fit into the category, in any one of which if the operations of the industry ceased the public interest would be jeopardized.

Today we voted a large sum of money in order to revitalize international trade, that is trade between nations. Have we the "guts" now to vote for a bill which would revitalize our own economy and prevent any person or group from interfering with the united efforts of our 140,000,000 Americans? I repeat. Do we have the "guts," Mr. President? That is the issue. Individuals sitting in the galleries may have their own opinions and may voice them, but Members of the Senate are policy makers, and the policies which they make must stand the test of the crucial years ahead. In the years to come those policies must be adequate to whatever may be the emergency confronting the Nation. Mr. President, in this body there must be but one objective, namely, that of serving in the most efficient manner our country and the world. I have confidence that when we analyze the various proposals which will be laid before us next Monday and during the days to follow, we will be confronted with such a test, and will be forced to meet it.

Mr. President, I assert definitely that I have hope that out of the terrific experience which this Nation is undergoing we will come forth purified and strengthened. I hope it will be like a fever that cleanses but does not kill. However, I am not satisfied merely with expressing a hope. I believe it to be imperative that we write down in legislative enactment a definite labor policy which will say to ambitious fascist-

minded men and groups, "Thus far and no farther."

Mr. President, as I was sitting in my chair today there was handed to me an article by Arthur Krock, published on May 9, 1946. I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A DO-ALL GOVERNMENT TURNS HELPLESS

(By Arthur Krock)

WASHINGTON, May 8.—The great majority of the American people do not belong to labor unions or any of the groups which have lobbied in Washington for special privileges. Since 1933 these organizations have gained many more of their objectives than the "capitalist" lobbies did in the preceding years, and their causes have flourished in all the branches of the Government—executive, legislative, and judicial.

As a consequence, the general economy has been subordinated by law to the special interests of these groups, and the current example is the coal strike that has paralyzed the Nation and weakened the voice of the United States in foreign affairs. But up to this writing, the administration's position is that it can do nothing effective to stop the strike and its spokesmen in Congress either take the same attitude of helplessness or denigrate in advance the value of any corrective laws urged by other Members of Congress.

The unorganized, lobbyless popular majority must be surprised as well as angry at the spectacle of a government confessing and even asserting its impotence to abolish a situation brought about by previous government acts. The surprise would be as natural as the resentment because, since President Roosevelt took office, the size and power of the Federal Government has grown to vast proportions and the people have become accustomed to the idea that it can do everything. The Federal Government in those years has taken authority over an infinite number of details in the everyday life of every citizen. And this sweeping paternalism, expressed in favoritism for groups with organized voting strength, was established long before it was made complete by the advent of war.

The United States was at peace when the Federal Government, controlled in all three branches by one political party with special group interests in mind, broke down State lines, overrode a strong minority and reached into the daily occupations of all citizens. Although the extension of authority through war powers was necessary, and was granted by almost common consent, the people had grown accustomed to a powerful central government which looked out for everything if not for everybody. Therefore, the inertness and handwriting at Washington now, in the presence of a desperate emergency, must come as a surprise to millions of citizens if they really believe that the conditions their public servants have created cannot by these same public servants be challenged, and through the same legal processes.

It is quite true, of course, that the public majority, which is the immediate victim of these conditions, permitted, and, in many instances, encouraged their servants in office to pass the laws and allow the administrative acts that are at the base of the trouble. But this public majority was played on by skillful politicians and divided into minorities. The question now is whether it can or will reunite in time to compel action to repair the greater part of the national damage that has been done.

A survey of some of the powers that have been voted to the central Government since 1933 supports the opinion that the American people must be surprised to be told that it is helpless before the labor leaders and does not know how to cure its impotence. In that period the Federal system has been given authority to do these things:

Use public funds from taxation to take care of cripples, the blind, indigent mothers and dependent children in every State. Provide unemployment compensation and old-age benefits. Require employers to engage in collective bargaining with employees, with penalties for nonconformance but none for nonconformance by the employees. Prevent employers from saying or doing anything to encourage of discourage membership in any labor organization, but with no restrictions on employees against doing or saying what they may choose to injure an employer's business. Protect as sacred the right of workers to strike, whatever the industry or its relation to public health and security. Leave to a board, appointed by the President, full power to interpret prolabor laws with only limited recourse to courts appointed by the President also.

Set up an "ever-normal" granary to keep supplies of nonperishable stocks stored on the farms as insurance against shortages or violent price fluctuations. Maintain farm prices at an artificial parity through subsidies and other means. Decree by the bounty system the slaughter of hogs and cattle and limit the acreage in specified crops.

Insure all bank deposits. Use the national revenues for housing loans. Cancel the gold clause in all Federal and private obligations and make them payable in legal tender. Change the purchasing power of that legal tender at will. Fix interest rates at will. Create public power systems such as the Tennessee Valley Authority.

Exempt from antitrust laws all agreements made under the National Recovery Administration Act. Exempt labor unions from these laws. Fix prevailing wages, hourly limits of work for the day and week and time-and-a-half for overtime. Set minimum wages for goods in the flow of interstate commerce. Enlarge the interstate commerce and general welfare clauses of the Constitution until State boundaries have become dotted lines.

Many of these powers were necessary, beneficial and overdue. The point is that a Government which sought and received them to deal with lesser problems shrinks from using or supplementing them to avert a national disaster.

Mr. BARKLEY obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KNOWLAND. Mr. President, I disagree with some of the statements which have been made today to the effect that there is more important legislation than that which is before us as the unfinished business of the Senate. In my opinion, no legislation of greater importance could be pending before the Senate of the United States. If we are to be enabled to fight the serious inflationary dangers now threatening our people, it will be necessary to achieve full production at once.

The coal strike which we have just gone through appears at the present moment, at least, to have moved into a truce until the 25th of May. Unless the controversy can be settled, and the stoppage of production avoided, we will be faced with a very critical inflationary program.

Mr. President, the Congress, as well as the President, have responsibilities which cannot and must not be set aside or evaded. With power must go responsibility. Since there are apparently men who are holding positions of power in this Government who do not recognize this fact, it is the obligation of the Government of the United States to act, and act promptly. That can be done, and must be done without impairing the legal rights of labor. The workingmen of this country have made great advances. As the productivity of our Nation increases, labor must be protected by law in its right to bargain collectively for a greater share of the fruits of production. The coal strike should not be used as a vehicle for legislation which would unjustly impair the rights to which I have referred. But, Mr. President, no union, no industry, no one man or group of men on any side of any issue, economic or political, is greater than the United States of America.

This issue must be squarely met head on. It must be met here and now. Government must function, or abdicate. I predict that so long as we have a voice or a vote in the Senate of the United States, the Government of the United States will not abdicate on such an issue.

WAR ASSETS ADMINISTRATION—DISPOSAL OF SURPLUS PROPERTY

Mr. MORSE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. MORSE. First, before proceeding with the remarks I have in mind to make, I wish to express myself as desiring to be associated with the remarks which the Senator from California has just made.

Mr. President, because the hour is still early, I should like to address myself very briefly to a problem affecting the War Assets Administration. The RECORD shows that several days ago the Senator from North Dakota [Mr. LANGER] submitted a resolution calling for a Senate investigation into the disposal of surplus property. At that time I spoke in support of the position taken by the Senator from North Dakota, and called attention to what I considered unquestionably to be violations of the law by the War Assets Administration in its present policies with regard to the disposal of surplus property. Some days thereafter the Senator from Virginia [Mr. BYRD] made a speech on the floor of the Senate in which he also called attention to the need of governmental action in connection with the policies of the War Assets Administration, insofar as those policies related to the disposal of surplus property.

However, Mr. President, I am sure that as the days go by each Member of the Senate accumulates through his mail and through the complaints which he receives from his constituents, more and more evidence concerning the activities of the War Assets Administration. I do not believe that the long recess which is about to be taken by the Senate over the

week end should be taken without some Member, during the closing minutes of the session, again serving notice on the administration that some steps should be taken to investigate the policies of the War Assets Administration.

Until the administration takes the necessary steps in support of the resolution pending for an investigation of certain governmental policies, it must continue to face the charge which I made the other day, and which I now repeat, that on the record it is afraid to meet the investigation called for by the resolution to which I have referred. If the administration is not afraid to meet these investigations, then it should join forces with us and see to it that steps are taken to sift the true from the false. As I have said previously, there is no doubt that a great many false charges are made, a great many complaints are filed with us that cannot be substantiated in fact. Those of us who take the time from our many other duties to trace some of these complaints find that some of them cannot be substantiated.

What we need in connection with the proposed investigation of the War Assets Corporation, as well as the proposed court-martial investigation, in regard to which I have pleaded for help with the Democratic Senators on the floor of the Senate for months past, is some support from the administration so that we may ascertain for the American people what the facts are. They are entitled to know the facts. Members of the Senate and the administration are responsible to the people to make certain what the facts are.

We constantly encounter the barrier of opposition every time any Senator on this side of the aisle proposes a resolution to investigate some of the complaints which have been presented to us. Consider the roll calls on such resolutions. The result is that we cannot get support from Democratic Senators to proceed with the investigations. The resolutions lie buried in committee. We plead time and time again for the committee to report them to the Senate. Perhaps we have reached such a stage in the Senate that we must for the record proceed to move to discharge a series of committees which have these resolutions. I hope that time has not come. I serve notice now, Mr. President, for the record, that insofar as the resolutions to which I have been a party are concerned, I shall start next week to move to discharge the committees to which they have been sent unless those committees can give me some assurance that serious consideration is being given to the resolutions.

In closing my remarks on the War Assets Administration's activities, I wish to put into the body of the RECORD as a part of my remarks a letter which I have received from a manufacturer in the State of Oregon who makes trailers, sold principally to farmers. There is a great shortage of farm vehicles of all types, and one of the greatest shortages is the shortage in trailers.

Senators will see as they read the letter and the supporting photostat copies of other correspondence and affidavits that the charge is that the manufacture of wheels in this country is pretty much a monopoly. After the war there was a great quantity of wheels in the possession of the United States Government, but somehow those wheels for the most part have now come into the possession of the manufacturers of wheels and the War Assets Administration has not made possible the distribution of the wheels to small manufacturers, such as the small trailer manufacturing plant in Oregon, and has not made the surplus wheels in the possession of the Government available to potential purchasers other than the major manufacturers of wheels.

Mr. FERGUSON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. FERGUSON. Under what priority would the War Assets Administration dispose of the wheels to the manufacturers?

Mr. MORSE. I have not the slightest idea. I think that is one of the questions which should be investigated under the resolution now pending. I am not familiar with all the jurisdictional powers of the Mead committee, of which the Senator from Michigan is a very able member, but if it is possible for the Mead committee to proceed with an investigation of the procedures and the policies of the War Assets Administration, I respectfully suggest that the committee should do so, and I am sure the Senator from Michigan, if the power rests with the committee, will agree with me on that point.

I think the junior Senator from New York [Mr. MEAD], who is chairman of the Mead committee, should take the necessary steps to ascertain, for the benefit of the Senate and the American people, what the facts are in connection with the disposal of surplus property.

I ask unanimous consent, Mr. President, to have printed in the RECORD as a part of my remarks a copy of the letter to which I have referred in connection with the surplus wheels owned by the Government, and supporting correspondence and affidavits bearing out the allegation made by the writer of the letter.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

A. YOUNG & SON IRON WORKS,
Portland, Oreg., May 6, 1946.

Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: These are the photostatic prints of the purchase orders and correspondence relating to the surplus wheels which our firm had on order with the Department of Commerce, about which Mr. R. W. Duke spoke.

Very truly yours,

JOS. M. FOUGHT,
Superintendent.

THE DEARBORN INN,
Dearborn, Mich., May 5, 1946.

Senator WAYNE L. MORSE,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR: As per our conversation, I will endeavor to comply with your request regarding surplus, and the monopoly which exists in the automotive wheel industry.

As you know, our firm purchased automobile wheels from the surplus bureau (when it was under the RFC). Of course, these wheels were for sale by the surplus board on a fixed-price basis. They (the surplus division) sent out a catalog describing the items that were for sale, at the regular list price less 84 percent for small manufacturers. We immediately enclosed a check for the amount to cover our order; this was in September 26, 1945. From then on we have received first one letter after another explaining why we were not getting our wheels, or why we haven't received back our money. By this writing you should have received our photostatic copies of the check and the various letters—also the order.

We are manufacturers of two-wheel agriculture trailers. Our need for wheels is very acute. We employ around 80 men, and it is impossible for us to keep our shop operating. For the lack of wheels we will lose thousands of dollars; in fact, we stand to lose close to a quarter of a million dollars. Our effort to purchase wheels from the manufacturer meets with the reply that they are in no position to supply us, the automotive industry is absorbing their entire production. However, I, personally, know this to be untrue, as they are supplying the manufacturers in the East and letting the west-coast manufacturers hang on the limb. The manufacturers of automotive wheels, namely Kelsey Hayes, Motor Rim & Wheel, and Budd Wheel hold a monopoly on automotive-wheel manufacture because they are the only ones that manufacture wheels.

In fact due to the pressure brought on by these manufacturers on the Surplus Board all of these wheels have disappeared from the surplus list, causing small firms like ourselves to either go out of business, or shut up our shops till they get ready to release wheels to us.

I am sure that the surplus board had and still has thousands of the automotive type wheels in their warehouses. Why they, after announcing and sending thousands of pieces of literature to manufacturers, withdraw these wheels, lies only in the fact that the big industrialist such as the powerful automotive wheel manufacturers can bring such great pressure to bear on the regimentation minded bureaucrats in executive capacity in Washington. Plainly speaking, we, the small manufacturers, are held by our umbilical cord (by these big fellows) and are slowly being strangled.

Sincerely,

RUSSELL M. DUKE.

MARCH 8, 1946.

WAR ASSETS CORPORATION,
Seattle, Wash.

Attention: W. C. BARNUM, *Chief,*
Automotive Parts Section.

GENTLEMEN: Referring to your letter of March 6, we desire to cancel our purchase order 17982, your Surplus Property order No. 11-11.

This order was paid by check No. 1590 on October 25, 1945 in the amount of $2,965.00, and it will be greatly appreciated if you will arrange prompt refund.

Thanking you, we are

Very truly yours,

A. YOUNG & SON IRON WORKS.

RECONSTRUCTION FINANCE CORPORATION,
OFFICE OF SURPLUS PROPERTY,
Seattle, Wash., November 19, 1945.

A. YOUNG & SON IRON WORKS,
Portland, Oreg.

GENTLEMEN: The great influx of orders for automotive parts, accessories, and assemblies, as the result of our national advertising campaign, has overwhelmed our organization. It has become necessary for our headquarters to provide additional sources of surplus, so that you and other surplus automotive-part

buyers will receive substantial shipments on your orders.

This office appreciates your order and will do everything possible to expedite its complete delivery. However, due to many unforeseen conditions, it is impossible at the present time to forecast this delivery in less than 60 days.

Unless we are otherwise advised by you, we will arrange to ship from available inventory all items possible and back order the unfilled portion of your order. The back-order items will then be shipped as additional surplus is declared. No back orders will be held longer than 90 days after initial shipment is made.

This office realizes the seriousness of the situation and feels that you should know the facts regarding the possibility of delivery.

Very truly yours,

O. C. BRADEEN,
Regional Director.

DEPARTMENT OF COMMERCE,
OFFICE OF SURPLUS PROPERTY,
Detroit, Mich., October 16, 1945.

Mr. RUSSELL W. DUKE,
Metal Service and Supply Co.,
Portland, Oreg.

DEAR MR. DUKE: Attached hereto find copy of reply to Senator Morse, which is self-explanatory.

This office wishes to assure you that your order will be given preferred attention as soon as received from the Seattle office.

Very truly yours,

W. P. BAUGHMAN,
Director.

RECONSTRUCTION FINANCE CORPORATION,
OFFICE OF SURPLUS PROPERTY,
Seattle, Wash., January 2, 1946.

A. YOUNG & SON IRON WORKS,
Portland, Oreg.

(Attention: Mr. Burke.)

GENTLEMEN: We are in receipt of advice from our Detroit office that the items ordered on our order 11–11 are not available at this time but they will hold the order and ship same as soon as available or notify you within a 60-day period if same is not to be available.

Very truly yours,

W. C. BARNUM,
Chief, Automotive Parts Section.

DEPARTMENT OF COMMERCE,
OFFICE OF SURPLUS PROPERTY,
Detroit, Mich., October 16, 1945.

Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR MORSE: This will acknowledge receipt of your letter of October 9, 1945, and advise that this office has not as yet received the order referred to in Mr. Duke's wire to you, dated October 5, which is returned herewith in accordance with your request.

This office is at a loss to understand why anyone should advise Mr. Duke that delivery of his order will be delayed for anything like 120 days and, particularly, that the delay will occur in Detroit. Conversely, it is estimated that, after receipt by this office, shipping instructions will be issued within five working days. The length of time it will take for delivery is, of course, dependent upon the location from which shipped, but, regardless of location, there is no reason why delivery should not be made within approximately 30 days and considerably earlier if the shipping point is favorably located.

You may depend upon the best efforts of this office to expedite the handling of Mr. Duke's order when received from the Seattle office.

Yours sincerely,

W. P. BAUGHMAN,
Director.

DEPARTMENT OF COMMERCE,
OFFICE OF SURPLUS PROPERTY,
Detroit, Mich., October 16, 1945.

DEPARTMENT OF COMMERCE,
Office of Surplus Property,
Seattle, Wash.

Attention: Automotive Division.

GENTLEMEN: The attached copies of letters are self-explanatory.

This office is concerned over the statement apparently made by someone in your office to the effect that Mr. Duke's order will remain in Detroit for approximately 120 days. The statements made in the letter to Senator MORSE express the opinion of this office in the matter.

This office will be happy to give Mr. Duke's order preferred attention upon receipt from your office.

Very truly yours,

W. P. BAUGHMAN,
Director.

WAR ASSETS CORPORATION,
CONSUMERS GOODS DIVISION,
OFFICE OF SURPLUS PROPERTY,
Seattle, Wash., March 6, 1946.

A. YOUNG & SON IRON WORKS,
Portland, Oreg.

Attention: Mr. Duke.

GENTLEMEN: Please refer to our letter of January 2 in regard to surplus property order 11–11.

We find that this material is not as yet available and we would appreciate your advising if you desire us to cancel at the present time, or do you wish to have the order held and screened at regular intervals, to be shipped if found available.

Very truly yours,

W. C. BARNUM,
Chief, Automotive Parts Section.

(The following three exhibits are omitted from the RECORD: Order and contract of Department of Commerce—Office of Surplus Property. Canceled check of A. Young & Son Iron Works, Portland, Oreg. Purchase order of A. Young & Son Iron Works, Portland, Oreg.)

Mr. MORSE. Mr. President, I close my remarks by saying again, in all sincerity, that I think that on such matters as those involved in the resolutions to which I have referred there should be no partisanship in the Senate of the United States. I think each and every Member of the Senate should be as anxious and as interested as I am in trying to find out what is going on in connection with the various departments of the Government to which the resolutions refer.

Again I invite my friends on the Democratic side to join forces with those of us on this side who believe that we should have some channelizing of the various complaints which are presented to us in regard to activities of these agencies, so that we can stop the very wasteful procedure which now prevails, namely, that 96 of us, in fact, are constantly filing our complaints with the various agencies of the Government. We meet with varying success in regard to them, whereas efficient administration of government, it seems to me, calls for the channelizing of these complaints through the types of committees called for by the resolutions, in order that we may not only find out what the facts are, but in order that we may prevent the great abuses which I am sure such investigations will disclose.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. HOEY, from the Committee on the District of Columbia:

John Russell Young, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified.

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry naval aviators of the Marine Corps Reserve to be second lieutenants in the Regular Marine Corps.

By Mr. LUCAS, from the Committee on Foreign Relations:

Executive D, Seventy-ninth Congress, first session, a convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on April 16, 1945 (Ex. Rept. No. 4); and

Executive E, Seventy-ninth Congress, first session, a convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons, signed at Washington on April 16, 1945 (Ex. Rept. No. 5).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

Mr. BARKLEY. I ask that the Public Health nominations be confirmed en bloc, and the President notified at once of the confirmations.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed, and the President will be forthwith notified of the confirmations.

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 9 minutes p. m.) the Senate took a recess until Monday, May 13, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 10 (legislative day of March 5), 1946:

DEPARTMENT OF STATE

Charles Fahy, of New Mexico, to be Legal Adviser to the Department of State.

DEPARTMENT OF THE INTERIOR

Warner W. Gardner, of New York, to be Assistant Secretary of the Interior vice Michael W. Straus.

C. Girard Davidson, of Oregon, to be Assistant Secretary of the Interior vice Oscar L. Chapman.

UNITED STATES MARITIME COMMISSION

Vice Admiral Willam Ward Smith, of New Jersey, to be a member of the United States Maritime Commission for the unexpired term of 6 years from April 16, 1943.

COLLECTOR OF CUSTOMS

Nan Wood Honeyman, of Portland, Oreg., to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate May 10 (legislative day of March 5), 1946:

UNITED STATES PUBLIC HEALTH SERVICE

APPOINTMENTS AND PROMOTIONS IN THE REGULAR CORPS

To be senior assistant engineer, effective date of oath of office

Russell W. Hart

To be medical directors, effective date indicated

William Y. Hollingsworth, May 24, 1946.
Leo W. Tucker, June 15, 1946.

To be dental directors, effective date indicated

William T. Wright, Jr., April 1, 1946.
Frank C. Cady, May 13, 1946.

To be senior assistant sanitary engineer, effective date indicated

Harvey F. Ludwig, November 25, 1925.

To be temporary surgeons

Frederick H. Hall
Ralph Porges
James L. Southworth

To be temporary senior assistant surgeon

Arthur M. Pettler

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 10, 1946

The House met at 11 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, who art the inexhaustible source of all our blessings, we beseech Thee that in our thoughts and toils during this day we may have the interpreting light and sustaining presence of Thy spirit.

May every thought, word, and deed be brought into a glad obedience to the mind of Christ, and may we hold our own desires and wishes in suspense until Thou dost declare Thy will.

Inspire us to labor faithfully and diligently while it is day, for the night cometh when no man can work. May there be nothing in this day of which we shall be ashamed when the sun has set.

Grant that at the eventide of life when Thou dost call us to Thyself we may receive the benediction which Thou dost bestow upon all who have lived by faith, labored in faithfulness, and walked in the fear of the Lord.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

IOWA LEADS IN HIGHWAY SAFETY

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DOLLIVER. Mr. Speaker, I rise this morning to inform the House that in top place among the States in traffic safety is the State of Iowa. This recognition was given yesterday at the President's Highway Safety Conference and the award was received by the Honorable Kenneth Evans, Lieutenant Governor of Iowa.

This is an honor and distinction, and we of Iowa take great pride in the fact that on our highways we have demonstrated the most effective regard for human life by holding highway accidents to the lowest minimum in the entire country.

Iowa's record, it seems to me, in addition to competent and effective enforcement of law, is due to at least two factors: First, the highways of the State were carefully engineered with safety in mind. The highways are straight; such curves as there are, are banked and wide; the paved portion of the highway is widened by broad shoulders and gently graded ditches; the bridges are generally wider than the paved highway itself; the markings of the highway are clear and intelligible. Thus, one important factor in the record of highway safety for Iowa is the engineering skill and patience which was put into our highways. The second factor is the safety-consciousness of our people. Over a long period of time, through private and public agencies, highway safety has been a watchcry in our State. Under the leadership of the American Legion and other civic-minded agencies, the highway safety program has been emphasized and reemphasized in every corner of Iowa. In addition to this, the public agencies of the State have taken seriously their responsibility to make Iowa's highways the safest in the Nation. This public consciousness has resulted in the granting of this splendid recognition to the State of Iowa.

I am sure the members of the House will join with me in congratulating the people of the State of Iowa for their splendid safety record, so completely recognized by the President's Highway Safety Conference.

SETTLEMENT OF COAL STRIKE

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BUCK. Mr. Speaker, during the past week the House Committee on Labor has been considering minimum-wage legislation, and that at a time when the coal strike has been increasingly paralyzing the country.

This morning I made a motion that that committee set aside its consideration of minimum-wage legislation and devote itself to ways and means of settling the coal strike. The gentleman from Michigan [Mr. HOOK] made a point of order against my motion which the Chair naturally had to sustain in view of the fact that no quorum was present.

Nero fiddled while Rome burned.

OPA

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, several weeks ago we were all familiar with the activities of the pressure group known as the PAC to impress upon Members of Congress, I think erroneously, that the people of America wanted a continuation of the OPA, even with its known mismanagement and inconsistent rules and regulations.

I have always taken the position that when the people got ready to make known their opinions and their desires we would hear from them and without the aid or suggestion of any pressure group. This morning I am in receipt of a telegram from Newark, Ohio, addressed to me, which I quote:

An employee vote on OPA shows 1 neutral, 1 for, and 19 against. Vote not influenced by employer, CIO, or the PAC.

THE PAC PURGE

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, members of the CIO Political Action Committee meeting in convention at Atlantic City, N. J., May 9, named 10 Senators and 22 Representatives on whom they will center their efforts to beat for reelection this year. Four of Missouri's 13 Congressmen are on the purge list. They are ROGER SLAUGHTER, Democrat, of Kansas City; MAX SCHWABE, Republican, of Columbia, Mo.; WALTER C. PLOESER, Republican, of St. Louis; and MARION T. BENNETT, Republican, of Springfield, Mo. The CIO-PAC, headed by Sidney Hillman, is meeting with two other left-wing organizations to plan joint action against these Congressmen. The two other groups are the National Citizens Political Action Committee, which has the same officers as CIO-PAC, and the Independent Citizens Committee of the Arts, Sciences, and Professions, headed by Harold Ickes. These political

organizations have split up three ways in order to get around the law which prohibits any one national political committee from raising more than $3,000,000.

When informed of the action of the convention, I issued the following statement to the press:

I would have been greatly embarrassed if they had endorsed me because it would have been the kiss of political death. The CIO-PAC was financially active on behalf of my opposition in 1944 when I was elected by a total majority of 17,710, carrying every county in the district and leading the ticket. I hope these smear artists spend twice as much money in my district as they did before because my constituents need it and will still vote as they please without advice from Sidney Hillman and his New York Communists, who are, in my opinion, public enemies No. 1. The issue in the district is now clearly drawn, and we will fight it out on this line. I will be on the side of the small businessman, the farmer, the white-collar worker, the laborer, and all of those who want to keep America American.

EXTENSION OF REMARKS

Mr. McGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HOWELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short editorial.

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD and include a talk which he delivered last night over the Columbia Broadcasting System.

Mr. TARVER asked and was given permission to extend his remarks in the RECORD and include a speech made last night by the Honorable DWIGHT L. ROGERS, of Florida, over radio station WWDC on the subject of terminal leave pay.

Mr. THOM asked and was given permission to extend his remarks in the RECORD and include a statement from the Browning, King Co., of New York City, on the clothing supply in England.

PREVENTION OF INTERFERENCE WITH INTERSTATE OR FOREIGN COMMERCE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to take up for consideration at this time the bill (H. R. 5114) to prevent interference with interstate or foreign commerce and to prevent interference with public utilities serving communities engaged in interstate and foreign commerce, which has to do with the settlement of strikes so far as public utilities are concerned.

The SPEAKER. The Chair will not recognize the gentleman for that purpose.

CONCESSIONS MADE BY CERTAIN DETROIT UNIONS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I call the attention of the Members of the House to a concession made by some of the teamsters' unions of Detroit. They have conceded that they will soften their demands made of the small businessman, the independent ice dealers and the retail merchants. They have finally concluded they will not ask the employers to pay $5 a month and join the union. Perhaps the reason is that it is going to be difficult to get collective bargaining when employer and employe belong to the same union. I do not know how that would work out under the Wagner law. How can a group bargain when all are members of the same union under the NLRA which provides for collective bargaining; employers cannot join a union.

I notice the majority leader is present. I would like to have him look up those amendments to the Wagner law I offered first in 1939 and again in January of this year and get out a rule for House action on them. The administration has been stalling since January of '37.

The SPEAKER. The time of the gentleman from Michigan has expired.

SPECIAL ORDER GRANTED

Mr. GIBSON. Mr. Speaker, I ask unanimous consent that after disposition of matters on the Speaker's table today and at the conclusion of any special orders heretofore entered, I be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

THE EFFECT OF THE COAL STRIKE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, what happens when the country runs out of coal?

In the State of Illinois there are 35 cities in which 25 percent of all the industrial employees are out of work. There are another 30 cities where 63½ percent of the industrial employees are out of work.

In 44 cities 110,000 men are working on a 24-hour-a-week basis. Sixty-seven thousand are completely unemployed. In the city of Peoria, out of 36,000 industrial workers, 14,000 are out entirely, and 22,000 are on a 24-hour-a-week basis. Out of 7,000 retail employees, 4,200 are on a 24-hour-a-week basis.

That is the result of a paralyzing Nation-wide coal strike. I trust another body may this day get busy and take up where we left off 90 days ago, on the 7th of February 1946.

The SPEAKER. The time of the gentleman from Illinois has expired.

EXTENSION OF DRAFT ACT

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 159, to extend the Selective Training and Service Act of 1940, as amended, to July 1, 1946.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. HOFFMAN. Mr. Speaker, at the request of the gentleman from Nebraska [Mr. BUFFETT] who has left the Chamber for a moment, I object.

Mr. MAY. Mr. Speaker, will the gentleman withhold that for a minute?

Mr. HOFFMAN. Yes.

Mr. MAY. Until I make an explanation.

Mr. HOFFMAN. Would the gentleman withhold that until the gentleman from Nebraska [Mr. BUFFETT] returns in about 5 minutes.

Mr. MAY. Mr. Speaker, that is satisfactory to me if it is agreeable to the Speaker. The gentleman from California [Mr. JOHNSON] is a member of the committee, and the gentleman from New Jersey [Mr. THOMAS], also a member of the committee, are both here.

CALL OF THE HOUSE

Mr. THOMAS of New Jersey. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 112]

Adams	Gearhart	Patrick
Allen, Ill.	Geelan	Patterson
Anderson, Calif.	Gillie	Peterson, Fla.
Baldwin, Md.	Grant, Ala.	Phillips
Baldwin, N. Y.	Grant, Ind.	Price, Fla.
Barrett, Pa.	Griffiths	Rains
Barry	Hale	Rayfiel
Bell	Harless, Ariz.	Reece, Tenn.
Bender	Harness, Ind.	Rizley
Biemiller	Hart	Rodgers, Pa.
Bland	Hébert	Roe, N. Y.
Bonner	Hendricks	Russell
Bradley, Mich.	Herter	Sadowski
Buckley	Hinshaw	Sasscer
Butler	Hoch	Sheppard
Cannon, Fla.	Jarman	Sikes
Carlson	Johnson, Ind.	Somers, N. Y.
Celler	Kee	Stevenson
Cochran	Keogh	Stewart
Coffee	Kilday	Sumners, Tex.
Cole, Kans.	Kirwan	Thomas, Tex.
Combs	LaFollette	Tolan
Cooley	Landis	Torrens
Courtney	Lane	Vinson
Curley	Lea	Voorhis, Calif.
Daughton, Va.	McCowen	Wasielewski
Dawson	McKenzie	Welchel
Dingell	Madden	West
Drewry	Maloney	White
Durham	Mansfield, Tex.	Whitten
Eaton	Merrow	Whittington
Elsaesser	Miller, Calif.	Wilson
Engle, Calif.	Monroney	Wolcott
Fuller	Morgan	Wolfenden, Pa.
Gardner	Morrison	
Gavin	Norton	

The SPEAKER. On this roll call 324 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF DRAFT ACT

The SPEAKER. The gentleman from Kentucky [Mr. MAY] has asked unanimous consent for the present consideration of House Joint Resolution 159, to

extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946. Is there objection?

Mr. SHERIDAN. Mr. Speaker, I reserve the right to object.

Mr. MAY. Mr. Speaker, will the gentleman withhold that for a minute?

Mr. SHERIDAN. Mr. Speaker, I withhold it for a minute.

Mr. MAY. I would like to make a very brief statement for the information of the House. This joint resolution will continue in effect the Selective Service Act until the first day of July. The situation in another body is such that it was not able to take up the act that we passed and sent over there. The bill as written contains a provision which authorizes the President of the United States to seize plants in time of war. Everybody undoubtedly knows the serious situation that prevails throughout the country at this time in one of our basic industries. If the act is permitted to expire he will lose the authority that is given under the military statute. I hope there will be no objection.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SHERIDAN. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. I would like to ask the chairman of the Committee on Military Affairs if the report we read in the press, and that is the only information available to the Members of the House regarding this Senate resolution, stating that one of the reasons for the passage of this resolution is to give the President authority in the coal strike, is correct?

Mr. MAY. The reason for passing the resolution, and the thing it does, is to extend the Selective Service Act which contains a provision that does authorize the President under certain circumstances to seize a plant. The chief objective, however, is to continue the selection of men for our armed forces.

Mr. BRADLEY of Pennsylvania. I want to make the observation, Mr. Speaker, that it is altogether inconsistent, it is a bit cowardly on the part of the Congress, to extend the draft law and say to the mothers of this country that because some one proposes a strike we have to take their boys into the military service.

Mr. MAY. The gentleman from Pennsylvania knows that no one on this floor has been more determined in his efforts than I to protect the 18- and 19-year-old boys; but the situation is such that this is merely a temporary stop-gap to enable the legislation to be considered in another body.

Mr. BRADLEY of Pennsylvania. It is also tying up the future of these boys with the threat of a coal strike. There is no justification for penalizing the youth of our Nation because of industrial conditions.

Mr. MAY. It is tying that up, yes; unless I can get the other body to take up and dispose of the pending legislation there in which we can write the necessary provisions that will protect the very thing the gentleman wants protected.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. SHERIDAN. I yield to the gentleman from Louisiana.

Mr. BROOKS. May I call the gentleman's attention to the fact that the reemployment rights of veterans are also involved, and they will lapse unless some stop-gap resolution is passed.

Mr. SHERIDAN. Mr. Speaker, that is a Senate obligation.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

Mr. SHERIDAN. Mr. Speaker, I object.

Mr. McCORMACK. Mr. Speaker, it is very apparent that quick action is necessary. I recognize that many Members probably will want time to discuss this important question. Therefore, I ask unanimous consent that it be in order on Monday next to consider the resolution, and that general debate be allowed for either 1 or 2 hours, to be controlled one-half by the chairman of the committee, and one-half by the ranking minority member. The purpose of that would be to obviate the necessity of applying for a rule because of the urgency of the situation.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. REED of New York. Mr. Speaker, reserving the right to object, the gentleman spoke about 1 hour for debate on this important question. Is that the limit of debate?

Mr. McCORMACK. I said 1 or 2 hours. I will make it 2 hours so that it will be specific. Mr. Speaker, I ask unanimous consent that general debate continue for a period of 2 hours, to be controlled as provided for under the rules of the House.

Mr. SHORT. I think that is fair and generous, and there should be no objection to it.

Mr. SMITH of Ohio. Reserving the right to object, I would like to ask the gentleman from Massachusetts why it is necessary to tie these two propositions together? If you want the President to have the authority to seize these plants, why do you not bring in a resolution specifically providing for that?

Mr. McCORMACK. Frankly, answering the gentleman's question, I do not consider they are both tied together. We have a practical situation where the present selective-service law expires on May 15, and, so far as I am concerned, this is to meet the main question on the extension of it pending consideration of legislation in the other branch. Legislation has already passed this body. I do not consider the power to seize mines, for example, the primary question. The question is involved, but I do not consider it the primary question. My unanimous-consent request simply means this: It obviates and settles the matter for Monday so that Members will know, and without the necessity of it going to the Committee on Rules this afternoon. I am requesting 2 hours of general debate, and it comes up under the regular rules of the House.

Mr. SMITH of Ohio. I do not intend to delay any action that the House wishes to take on this matter, do not misunderstand me, but I do not think that the proposition the gentleman is putting up here is quite what it ought to be.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Ohio.

Mr. McGREGOR. I would like to inquire of the majority leader, if his unanimous-consent request prevails, will we be given opportunity on Monday to amend the resolution?

Mr. McCORMACK. Yes. This is under the general rules of the House.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, this in no way would change the parliamentary situation. The bill would come up on Monday just as if it had come up under a rule. All we do is eliminate the necessity of having a meeting of the Committee on Rules.

Mr. McCORMACK. Exactly.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. The House passed a bill which made a change in the date of May 15. If we extend the time by this resolution to July 1, would that necessitate the House's going back and taking up its bill and making some change in the date in that bill?

Mr. McCORMACK. The bill we passed is pending in the other branch, and it remains there for consideration.

Mr. MILLER of Nebraska. The gentleman does not feel that the passing of this resolution would nullify anything the House did?

Mr. McCORMACK. It would not nullify the passage of the bill, but, to be perfectly frank, naturally, if the resolution passes, it means that whatever action is taken by the other branch and ultimately by this branch will be affected by the passage of this resolution, as far as the date is concerned.

Mr. HALLECK. Reserving the right to object, Mr. Speaker, and I am not going to object because I agree with the suggestion made by the minority leader that this simply expedites the consideration of this very important matter on next Monday, what disturbs me is this, and I should like to get the gentleman's reaction. In the papers this morning General Devers is quoted as saying publicly in an address he made that the Members of Congress are cowards for failing to deal with the matter of draft extension. As one Member of Congress, I resent that sort of talk and that sort of accusation against the Congress of the United States. We did deal with it here in the House of Representatives. I am just wondering what the gentleman from Massachusetts thinks about that sort of a characterization of the Members of the Congress, who are seeking to do the best they can to discharge their responsibilities?

Mr. McCORMACK. The inquiry of the gentleman is irrelevant to the unanimous-consent request submitted, but in answer to his inquiry, I would naturally say that General Devers is entitled to his own opinion, but that my personal views contrast sharply with his. Of course, I recognize there might be some limitation upon the

prudence of a general in the Army in regard to making statements, but I am not going to get into that now because I am trying to get the consideration of this resolution made in order on Monday.

Mr. HALLECK. I am perfectly willing to go along with that. It seems to me the fact that the gentleman is getting it ready for consideration on Monday is indicative of the fact that there has been no such lack of courage as the general is charging against the Congress of the United States. I resent the charge.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield for information? I just want to get some information.

Mr. McCORMACK. The gentleman can reserve the right to object.

Mr. HOFFMAN. I thought maybe the gentleman would yield to me.

Mr. McCORMACK. Certainly I will yield, if I have the right to do so.

Mr. HOFFMAN. If the other body should pass the Hobbs bill and it should be put into effect, would not that dispose of Lewis' request for the 10-cent royalty? Would it not make that demand illegal?

Mr. McCORMACK. I am unable to answer that question.

Mr. FORAND. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order has been demanded.

Is there objection to the request of the gentleman from Massachusetts?

Mr. ROBSION of Kentucky. Reserving the right to object, Mr. Speaker——

The SPEAKER. The gentleman from Rhode Island has demanded the regular order.

Mr. FORAND. I will withhold that for a moment, Mr. Speaker.

Mr. ROBSION of Kentucky. Reserving the right to object, Mr. Speaker, we are concerned about the draft matter and also about this coal-strike matter. I regret that they are tied together. May I ask the gentleman, just for my own information and for the benefit of the House, under the General War Powers Act, does not the President have the power to seize any plant in this country?

Mr. McCORMACK. I am unable to answer that question. To me, the primary question is the extension of the Selective Service Act, and, as far as I am concerned, other questions that are involved therein are incidental thereto. My request asks for nothing except to obviate the necessity of going to the Rules Committee today. Everything else is the same as if a rule were reported out.

Mr. ROBSION of Kentucky. But the President undoubtedly has the power in the General War Powers Act to seize any plant in this country.

Mr. McCORMACK. I have no knowledge of that, and I cannot confirm or contradict it.

Mr. ROBSION of Kentucky. He has the power under the Second War Powers Act.

Mr. McCORMACK. I am not challenging the statement of the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, reserving the right to object, I think we are laboring under a little misapprehension about there being two questions involved. I do not think the question of seizure is affected by this resolution to extend the life of the Draft Act. I call the attention of the House to the fact that the War Labor Disputes Act, in which the power to seize exists, has a separate termination date. I want to read it for the information of the House. It is true that the War Labor Disputes Act has a section which amends one section of the Draft Act giving this power of seizure. But in the War Labor Disputes Act there is a separate termination clause, which reads as follows:

> Except as to offenses committed prior to such date, the provisions of this act and the amendments made by this act shall cease to be effective at the end of 6 months following the termination of hostilities in the present war, as proclaimed by the President or upon the date * * * of the passage of a concurrent resolution of the two Houses.

It seems to me that removes this whole question about whether this resolution extending the Draft Act has anything to do with the seizure of coal mines.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield for a question?

Then the gentleman's opinion is, if there is a desire to seize the mines, the power does exist whether or not the Draft Act expires?

Mr. SMITH of Virginia. Absolutely. I do not think it is affected one way or another.

Mr. BRADLEY of Pennsylvania. In that event, there is no need for the passage of this resolution so far as that purpose is concerned.

Mr. SMITH of Virginia. That is another question.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

The gentleman does not contend that the unemployment rights of veterans are not involved and that if this is not passed they will lapse automatically and that the veterans will have no unemployment rights under the law?

Mr. SMITH of Virginia. I did not intend to express any view in opposition to this resolution. On the contrary I favor the adoption of the resolution.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, reserving the right to object, might I ask the gentleman from Massachusetts, the distinguished majority leader, in connection with his request for 2 hours general debate, after that will the resolution be subject to debate under the 5-minute rule?

Mr. McCORMACK. Yes.

Mr. BRADLEY of Pennsylvania. And it will be subject to amendment?

Mr. McCORMACK. Exactly.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDING THE NATIONAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the managers on the part of the House in conference on the bill H. R. 4761, entitled "An act to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes," may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

ADDITIONAL COPIES OF THE REPORT ON THE BILL (S. 7) TO IMPROVE THE ADMINISTRATION OF JUSTICE BY PRESCRIBING FAIR ADMINISTRATIVE PROCEDURE

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 1997) a privileged resolution (H. Res. 613) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That there be printed for the use of the Committee on the Judiciary of the House of Representatives 7,500 additional copies of House Report No. 1980, current session, accompanying the bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENT OF INTERIOR APPROPRIATIONS, 1947

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6335, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. General debate has been concluded and the first paragraph of the bill has been read.

Mr. MAY. Mr. Chairman, I move to strike out the last word.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. O'NEAL. Mr. Chairman, a few months ago the Members of the House of Representatives were regretful to hear that the gentleman from Oklahoma, Mr. JED JOHNSON, was being urged to accept an appointment to a Federal judgeship. We were very happy when we learned that the gentleman from Oklahoma [Mr. JOHNSON] had decided finally to remain in Congress. We are confident that he felt that he could serve his district, his State, and his Nation in a much fuller way by remaining in the legislative branch of the Government. It was gratifying to me that the gentleman from Oklahoma [Mr. JOHNSON] made the sacrifice, and it was, no doubt, a real sacrifice as far as his own personal affairs were concerned.

Mr. JOHNSON'S services in Congress were of great importance during the war, and the serious period through which the world is now passing needs the best

brains of America in the Halls of Congress. His natural ability, his common sense, and his long experience will mean much to the solution of the problems before us. His handling of the bill now before us is proof of his great value to Congress and his country. No new man, even though he had the outstanding ability of the gentleman from Oklahoma, JED JOHNSON, could hope to be as important to the work of Congress, because a new man would lack the long experience of this thoroughly trained Oklahoma Congressman.

We trust that no judicial appointment or anything else will deprive Congress and his Nation of his services for years to come.

Mr. MAY. Mr. Chairman, I think it is extremely unfortunate that a high ranking officer in the Army of the United States should make references, if he did make them, to the Congress of the United States and to its membership, as a bunch of cowards. I hope that General Devers did not make such a statement. If he did, I am in entire disagreement with any such practice by a military official. I believe when the law and the Constitution provided that the Secretary of War shall be a civilian, it was the intent of the Congress and of the writers of the Constitution that there should be a complete line of demarcation between military and civil authority.

I know General Devers extremely well. He is a great Army officer. He is a great military leader. He is a fine gentleman. But notwithstanding all that I expect to assemble the Military Affairs Committee of the House in session next Tuesday and ask him to explain his remarks. I wish to say that he will have all courtesies, but he must explain his statement.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. ARENDS. I am glad the chairman of the committee is going to do just that, for the simple reason that many Members of the House feel we are entitled to an explanation from the general, if he is correctly reported as saying what the press reports. I do not believe it becomes a high ranking officer, with the fine reputation that the general has, to make such statements belittling the Congress of the United States. I am sure if we have him before our committee we may find out just what he means.

Mr. MAY. I think, if you will pardon me for a personal reference, that the Military Affairs Committee of the House has done its whole duty toward the War Department in this great national emergency, and I do not think it is proper that they should criticize either us or our colleagues.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. ELSTON. I understand General Devers' remarks were prompted by the lack of action on the part of the Congress with respect to some legislation.

Mr. MAY. Yes, so I understand.

Mr. ELSTON. As I understand it, there is an Army regulation that makes it an offense for an Army officer to lobby or to attempt to influence Members of Congress with respect to any legislation. Under the circumstances, it seems to me the general might have to explain why he is not subject to court-martial proceedings.

Mr. MAY. Well, that is rather a technical legal question that may involve the right of an individual to express himself freely, under the Constitution. In other words the right of free speech.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Will the gentleman and his committee make any inquiry as to what the War Department, the Secretary of War, or the Chief of Staff may do or have to say relative to the statement of General Devers?

Mr. MAY. I think we will go into the whole thing.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Michigan.

Mr. HOOK. Does not the gentleman believe that we of this Congress have placed so much power in the hands of the military that we are practically under military control and that that is why they are getting pretty cocky?

Mr. MAY. I do not think so. I think we are still the great Congress of the United States and a free membership that will do as they think right about things as they generally do.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Indiana.

Mr. HALLECK. I am glad to hear the chairman of the Committee on Military Affairs say what he has said about General Devers. In raising this question with the majority leader I certainly did not undertake to question the general's patriotism or his capacity as a soldier. I cannot help but feel, however, that when high-ranking men in the Army join with many others around the country in what seems to be either purposely or carelessly quite an effort to discredit the Congress of the United States as an institution, then I think it is high time some inquiry were made. Too many times do we observe that heads of executive departments think there is never any closed season on the Congress or what it does.

Mr. MAY. I think it is unfortunate, and we will look into it.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

DIVISION OF GEOGRAPHY

Salaries and expenses: For all necessary expenses of the Division of Geography, in performing the duties imposed upon the Secretary by Executive Order 6680, dated April 17, 1934, relating to uniform usage in regard to geographic nomenclature and orthography throughout the Federal Government, including personal services in the District of Columbia, stationery and office supplies, and printing and binding, $12,956.

Mr. DIRKSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DIRKSEN. I make a point of order against the language appearing in lines 3 to 11 on page 3, on the ground that there is no authority of law for the inclusion of this item; and on this point of order I should like to be heard.

The CHAIRMAN. The Chair will be pleased to hear the gentleman.

Mr. DIRKSEN. I hope the Chair will indulge me a moment as I address myself to the point of order, because I pursued this matter several years ago.

It is customary, Mr. Chairman, when the Budget is submitted to the Congress that it contain references which indicate the authority upon which the appropriation is predicated. The only authority I could find for this item, of course, was an Executive order whereby the old United States Geographical Board was transferred to the Secretary of the Interior, together with all its existing functions. In examining that Executive order what it really does is to abolish this office or this obligation and send it back to the Secretary of the Interior. That Executive order, Mr. Chairman, which was dated April 17, 1934, was predicated on an act of March 3, 1933, which reenacted certain portions of the legislative appropriation bill for this Department for 1934. Now, when one goes back and examines, he finds that the President did have the power to transfer and abolish and consolidate agencies. The net result of the action as taken here whereby the Division of Geography was sent over to the Secretary of the Interior is actually to create an office and to create an additional function. I find no warrant for it except the annual warrant in an appropriation bill. There is nothing in substantive law which justifies continuation of this item, and I very respectfully submit to the Chairman it is subject to a point of order on the ground there is no legal authority for it.

Mr. JOHNSON of Oklahoma. Mr. Chairman, as much as it deeply pains me to do so, I must concede the point of order.

The CHAIRMAN (Mr. COOPER). The gentleman from Illinois makes a point of order, which is conceded by the gentleman from Oklahoma. The point of order is sustained.

The Clerk read as follows:

SOIL AND MOISTURE CONSERVATION OPERATIONS

For all necessary expenses of administering and carrying out directly and in cooperation with other agencies a soil- and moisture-conservation program on lands under the jurisdiction of the Department of the Interior in accordance with the provisions of the act of April 27, 1935 (16 U. S. C. 590a–590f), and Reorganization Plan No. IV, including $98,700 for departmental personal services including such services in the District of Columbia; traveling expenses; printing and binding; furniture, furnishings, office equipment and supplies; purchase (not to exceed six), operation, maintenance, and repair of motor-propelled and horse-drawn passenger-carrying vehicles, hire, maintenance, and operation of aircraft, $1,509,830: *Provided*, That this appropriation shall be available for meeting expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Department of the Interior.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the coal strike is causing not only great industrial loss but great suffering of our people. It is a national catastrophe. The House passed the so-called Case bill which, if acted on by the Senate, would help the situation. As it has not acted and nothing else has been done to ease the situation, I feel the administration should stop sending coal to Germany and France and that the Army should see that Germany mines the coal that our Army needs and that it mine coal to supply continental Europe. I feel that France also should mine its own coal. The people of our country are rebelling against taking everything out of the country unnecessarily.

I am going to read an article by Mr. Ickes in which he states in part:

I repeat the advice that I gave to President Truman one day at a Cabinet meeting in the presence of Acting Secretary of War Patterson: If the Army needs coal—and it certainly does if it is to do its job in Europe—tell it to go and get it. There is plenty of coal in Germany for Europe and that is where it ought to come from.

Mr. Chairman, I am very much interested in the statement Mr. Ickes made because I made practically the same statement last August to Mr. John W. Snyder, Director of War Mobilization and Reconversion. I hoped then that the President would do something about the matter and that coal would be produced over there.

Mr. Ickes goes on to say:

So far as coal is concerned, there is enough in Germany to supply the needs of continental Europe. But it cannot be brought out of the mines by soldiers at salute. It requires picks and shovels and modernized machinery to produce coal. Military men may know their way about a battlefield, but they are not at home in a coal mine.

Mr. JOHNSON of California. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from California.

Mr. JOHNSON of California. Last summer I was on a committee that went to Europe in an official capacity. We visited the coal mines in Germany. At that time they were idle and I wonder if the lady knows anything about what has been done to operate them. Before the war Germany was self-sustaining in its coal production, I think. I cannot see why we should not get the Germans to operate those mines and furnish their own coal.

Mrs. ROGERS of Massachusetts. Of course we could. We are in command there and certainly the Germans could mine their own coal and they should be made to do so. I stated last summer that this should be done and I assumed it would be done. I understand we are still sending coal to Europe. Why the Europeans do not mine their own coal I do not know, especially when we are so desperately in need of coal today. One industry employing 600 men in my own district shut down last night and more are to follow. This is going on like the falling of a pack of cards or like the slate off the roof during a hurricane. There is no excuse for our sending coal abroad when they can mine it over there themselves.

Mr. CASE of South Dakota. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I agree with the gentlewoman that it is an absurd situation. But when I was in Berlin last fall they told us that the reason for the fuel problem was partly a breakdown in transportation, and that the breakdown in transportation was partly due to the demolition of locomotives during the war, but was also partly due to the so-called de-Nazification program which had put off the railroads anybody who had a card in anything that might be classed as a Nazi organization, with the result that they did not have skilled people to operate the railroads.

Mrs. ROGERS of Massachusetts. I also took up the question with the administration that there were a good many German prisoners in this country who were coal miners and that they should be sent back back to mining coal. But that was not done because they were kept at work on the farms. I never have been satisfied with the reasons they gave for not returning the prisoners to Germany.

Mr. Ickes in his article goes on to say that in order to do the work the miners must be fed, and he states:

Hitler did not have any coal from the United States to depend upon when he was tyrannizing over Germany and most of the continent of Europe. He saw to it that the miners, even if they consisted of forced labor, had enough food to sustain their strength for their hard work. He realized that his whole war economy depended upon the production of coal and, reasoning from cause to effect, he realized that sufficient food given to miners would make it possible to produce more coal and, therefore more food than if he had allowed some of his brass hats to play with the idea that they knew how to do the job.

I tell the House with all the strength in my being that our economy in the United States is dependent upon the coal being mined and upon our getting the countries of Europe to mine their own coal.

I repeat again they should be made to mine their own coal.

The rest of Mr. Ickes' story I insert as it contains valuable facts:

I'M TELLING YOU

(By Harold L. Ickes)

ALLIED ARMY CONTROL BLAMED FOR LOW COAL OUTPUT IN GERMANY

In Germany, in all three of the occupied zones—British, French, and American—some coal is produced. Before the war the coal mines in the British, French, and American zones produced about 80 percent of Germany's coal, with far the greater part coming from mines now in the British controlled area. In the French zone, coal is coming out of the ground at the rate of about 65 percent of normal peacetime production. The American production is about the same. In the British zone, where there is the most coal, it is being brought out at the rate of approximately 40 percent of normal.

This does not make sense. Such a low rate of production is a reflection upon our intelligence. The armies of occupation can hardly account this another victory. Coal knows no nationality and only trained miners can persuade it out of the ground and onto a truck or railroad car. The explanation for the low rate of production in the British and American zones can be easily spelled out. It is A-r-m-y.

Over a year ago a commission of Dr. Charles J. Potter, Deputy Solid Fuels Administrator of the United States, and Lord Hyndley, one of the largest and most experienced coal operators in Great Britain, went to Germany to take a look at the coal situation. When Dr. Potter got back to Washington he recommended the the coal operation in the British, French, and American zones be unified under American civilian control. Realizing that Dr. Potter was an expert in his field and knew what he was talking about, I urged President Truman to put this recommendation into effect. His only response was an unenthusiastic promise that he would discuss the matter with General Eisenhower. Subsequently, in Frankfurt, Germany, General Eisenhower told me that he had never heard from the President on the subject of coal. Consequently nothing was done.

I suspect that I made something of a nuisance of myself trying to put over the idea of a civilian administration in order to produce more German coal for use in Europe. I talked on the subject to the head of the French purchasing mission in this country, M. Monet. When I went to London last September on the oil treaty with Great Britain, I outlined my plan to Prime Minister Attlee one day at his summer home at Chequers. I talked with one of the outstanding men in the British Government, Emanuel Shinwell, Minister of Fuel and Power. I mentioned it to Foreign Minister Bevin. I discussed it with Lord Hyndley as well as with members of the European Coal Organization who came to see me when I was in London. I knew then, and events have proved me right, that, with the best intentions in the world, the United States cannot possibly supply Europe with the coal that it needs. Even if, with the gracious consent of John L. Lewis, we could get enough coal out of the ground we do not have enough ships to carry it across the Atlantic.

Mr. MANSFIELD of Montana. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise at this time to commend to the Congress the fine work performed by the Subcommittee on Interior Appropriations under the chairmanship of the gentleman from Oklahoma, the Honorable JED JOHNSON. While this committee may have used the pruning knife to cut the recommendations of the Interior Department and the Budget Bureau too deeply I am sure we can all understand their reasons for so doing. They are interested in the economic welfare of our country; they realize we have a tremendous debt to pay, and they are doing their level best to help balance the Budget.

I have appeared before this committee on numerous occasions and never have I seen a harder working or more conscientious group anywhere. I have been granted permission to bring witnesses before them as late as 6:15 in the evening when they listened just as courteously and showed just as much consideration as they would first thing in the morning. I have seen them in their shirt sleeves pouring over statistics, interrogating witnesses, and giving every ounce of their ability and energy to the job before them. I have wondered many times how they could do their com-

mittee work, answer their correspondence, study legislation, and attend to their constituents' needs. I know what the answer is, because their days began with the dawn and ended far into the night.

My admiration for the way they have attended to the business of their committee extends to all the members of the group. To the gentleman from Oklahoma, JED JOHNSON, for his unfailing consideration and understanding; to the ranking Republican member, the gentleman from Ohio, BOB JONES, and his two colleagues, the gentleman from Idaho, HENRY DWORSHAK, and the gentleman from Iowa, BEN JENSEN, for their kindness and understanding; to the ranking Democrat, the gentleman from Ohio, MIKE KIRWAN, and his two fellow Democrats, the gentleman from Arkansas, BILL NORRELL, and the gentleman from New York, JOHN ROONEY, for their thoughtfulness and advice, and to all of them I extend my wholehearted respect and gratitude for a job well done.

I think I know what the members of this committee think of their job and I have first-hand information about the serious and patriotic way they face it. I know of no finer, nor more patriotic, nor more outstanding committee group, and I extend to them my thanks for their devoted efforts in behalf of the country which they, and we, represent. Their honesty, sincerity, and ability are attributes which make them outstanding representatives in the greatest parliamentary body in the world.

Mr. OUTLAND. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. OUTLAND. Mr. Chairman, I wish to address my remarks to that portion of the Interior Department appropriation bill for fiscal year 1947 which drastically curtails in some instances, and in other instances eliminates altogether, funds for the construction of transmission lines necessary to market hydroelectric power generated at dams constructed in connection with the development of reclamation projects.

Insofar as the action, or more correctly, the inaction, represented by this bill has as its object the attainment of economy in the expenditure of Federal funds, it will inevitably fall short of achieving that object. Revenues from the sale of power must bear the major share of the cost of construction of Federal reclamation projects. If the transmission lines necessary to bring the energy produced on these projects to the market centers are not constructed by the Government, the almost certain result will be that the Government will be forced to sell the energy only to the private power companies. They are the only other agencies which can afford to construct transmission lines to publicly owned dams and power plants, which are frequently located in remote places. In that situation it requires no great imagination to see that the Government's bargaining power will be gone entirely. The producer of power will be at the mercy of the wholesaler. Thus, in the long run, the Government will lose money rather than save money by failure to construct transmission lines.

Entirely aside from the monetary aspects of this situation, failure to provide money for the construction of Government transmission lines to market centers virtually nullifies the preference given by law in the sale of power to public bodies and cooperatives. This policy of public preference has been written into the reclamation law by Congress for 40 years. It has successfully withstood every legislative attack. This policy has been written into flood control and rivers and harbors laws, the Fort Peck Project Act, the Bonneville Project Act, and the Tennessee Valley Authority Act, but it cannot be made effective unless the Government builds transmission lines. The reason is plain. Public bodies, such as municipalities and cooperatives, which are beneficiaries of this policy of preference are in most instance not able to command the financial resources necessary to build transmission lines, often of great length, to reach the Government dams. This being unquestionably the case, the only way in which to make effective the preference the law gives them in the purchase of public power is to enable the Government to provide the transmission lines.

This matter of Government construction of transmission lines, too, has been fought out on the floor of Congress and the policy has been sustained. It was fought out in connection with the Flood Control Act of 1944 when attempts were made in the Senate to strike from that law all provisions authorizing construction of Government-owned transmission facilities. More recently it was fought out on the floor of the Senate in connection with appropriations for the Bureau of Reclamation when the First Deficiency Appropriation Act of 1946, which became law on December 28, 1945, was before Congress. In that instance the entire debate on Central Valley project transmission lines in the Senate revolved about the question of whether the energy produced at dams on reclamation projects was to be sold at the bus bar with the Government at the mercy of only one prospective customer, or whether the policy of 40 years' duration that the Government build transmission lines to enable it to market the energy would continue to be followed. The Senate rejected the policy of sale at the bus bar. This House concurred.

This issue having been contested so recently, I had hoped, Mr. Chairman, that the policy of Government-built transmission lines was finally accepted. From the provisions of this bill, however, it appears that we must make the good fight again. The House should, therefore, meet this issue squarely by restoring to the bill the Budget estimate for construction of transmission lines which have been stricken.

By failing to appropriate funds for transmission lines, funds which would flow back to the Treasury in power revenues, hydroelectric power plants on reclamation projects in the West are likely to sink to the moribund status occupied for years by Wilson Dam, which is now a key power plant in the TVA system. We all know that from the time of its construction until the Government constructed its own transmission lines, the public was denied the benefits of the low-cost power which could have been produced there. In these days when low-cost hydroelectric power offers so many possibilities for public benefit, we must make those possibilities realities by appropriating funds for the transmission lines which alone can bring those realities about.

Failure to provide low-cost power would be a tragic mistake, a mistake that easily might be a contributing factor to a new depression. We must continue to build the West, if we are to continue to build America. Progress is the only economy today that the voters of America will tolerate.

The Clerk read as follows:

Penalty mail costs: For deposit in the general fund of the Treasury for cost of penalty mail of the Department of the Interior, as required by section 2 of the act of June 28, 1944 (Public Law 364), $205,000.

Mr. DWORSHAK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the 2,600 pages of the printed hearings testify to the diligence and the thoroughness with which the members of this subcommittee approached their duties in the preparation of this appropriation bill.

During the general debate on Wednesday, several Members from the Western States, which are most essentially interested in the various items contained in the bill, expressed apprehension over the drastic cuts which were made in some of the appropriation items. As a member of the subcommittee, I was not in complete accord with the bill as presented; differing in some instances with the recommendations, particularly in reference to the Grazing Service. However, at this time, I should like to submit briefly a few statistics which may give you some factual information concerning the appropriation that the committee recommends at this time.

I have asked a clerk of our Appropriations Committee to prepare a statement showing the appropriations which have been made in the regular annual acts for the Interior Department in the years 1936 through 1946, an 11-year period, and I quote from that statement:

In 1936 the Interior Department Appropriation bill provided for $61,000,000; in 1937, $114,000,000; 1938, $132,000,000; 1939, $129,000,000; 1940, $172,000,000; 1941, $135,000,000; 1942, $188,000,000; 1943, $178,000,000; 1944, $104,000,000; 1945, $103,000,000; and in 1946, with the supplemental appropriation of about $81,000,000, the total was $191,000,000. That is an 11-year average of $137,500,000. If you compare that with the proposed recommendation for 1947 of $174,600,000, you will see that the recommendations for 1947 are approximately $37,000,000 above the 11-year average.

I quote that merely to show you that sometimes we get excited when reductions are made, but too infrequently we look at the record to see what the facts are.

In November 1939 the Interior Department reported, according to the United States Civil Service Commission, a total of 37,390 employees. In March of this year, from the same source, we find that the Interior Department had 41,640, or more than 4,000 employees in March of this year in excess of the total in the Interior Department in November 1939.

According to the recommendations submitted by the Bureau of the Budget, if our subcommittee had approved all of the proposed appropriations items it would have authorized the Interior Department to add approximately 11,000 employees in excess of their authorized personnel strength during the current fiscal year.

I know that some of the Representatives of the Western States are alarmed, but I feel that with a new Secretary, who appeared before our committee, we have a right to feel that he will streamline some of the agencies, eliminate confusion which has existed heretofore, and improve the efficiency. He is reported to be an official with considerable executive ability.

The reduced appropriation bill which has been brought to the floor of the House is in no way a reflection upon Secretary Krug. In fact, it merely is an indication that our subcommittee has faith in the ability of the new Secretary of the Interior to do an outstanding and efficient job in the administration of the various agencies and bureaus which come within the jurisdiction of his Department. I make this statement merely to point out that, while on the surface these appropriations represent drastic cuts, when compared with recommendations of the Bureau of the Budget, in reality they are not nearly as drastic as they may appear.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

BONNEVILLE POWER ADMINISTRATION

Construction, operation, and maintenance, Bonneville power transmission system: For construction of transmission lines, substations, and appurtenant facilities; operation and maintenance of the Bonneville transmission system; marketing of electric power and energy; and all administrative expenses, including printing and binding; purchase (not to exceed 29 in the fiscal year 1947), hire, maintenance, repair, and operation of passenger automobiles; purchase (not to exceed one in the fiscal year 1947), hire, maintenance, repair, and operation of aircraft; $9,000,000, to be available until expended, of which amount not to exceed $3,695,400 shall be available in the fiscal year 1947 for operation and maintenance of the Bonneville transmission system, marketing of electric power and energy, and administrative expense, connected therewith, including $24,750 for personal services in the District of Columbia.

Mr. HORAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to speak about the Bonneville Power Administration in terms of the national interest. It has been the national interest that, in the final analysis, has dictated our western development. This is true in the case of the great Grand Coulee and Bonneville Dams on the Columbia River.

It was to dispose of the power from these projects that the Bonneville Power Administration was set up. I am pleased to note on page 6 of the committee's report this year a statement as follows:

During the war this organization (the Bonneville Power Administration) performed an outstanding service to the Nation in providing continuous power essential in connection with atomic-bomb production operations in the Hanford area, adjacent to the Columbia River in Washington. During the fiscal year 1945 plants in the Northwest produced one-third of the Nation's aluminum output, and during the same year war industries served directly by the Bonneville Power Administration accounted for an over-all consumption of 5,546,277,000 kilowatt-hours of Columbia River energy.

In addition to this, I feel that it is worth while to note that power from these great dams, distributed through the Bonneville Power Administration, was most useful in the building of ships. During last year 181 ships were built in the area supplied by power from the great Columbia River. These included 54 victory ships, 62 troop ships, 65 tankers, and 2 aircraft carriers.

I might mention here that the foresight of this subcommittee in providing adequate funds at the right time while Grand Coulee and Bonneville Dams were being built, was a most fortunate thing in terms of the national defense. Grand Coulee Dam began generating power a few months before the tragedy of Pearl Harbor and power from Grand Coulee was tremendously useful in the repairing of ships damaged and wrecked by the Japanese attack.

The committee will also recall that during the past year, I was instrumental in having a pay-out study made to determine the sound financial basis of the Grand Coulee, Columbia Basin, and Bonneville projects. As you know, practically all of the developments on the Columbia River are essentially investments and by far the lion's share of the moneys which we here appropriate will be returned eventually to the Federal Treasury.

In that study, allowances were made for a rather abrupt drop in the use of Columbia River power following the war emergency. I am happy to report that a recent study of the demand for Columbia River power proves conclusively that the anticipated drop in the power market will not materialize.

There has been a surprising call for aluminum. All of this, of course, still further supports the conservative assurances contained in the pay-out studies. And, it is additional assurance to the Nation and to the Congress that their investments in the Columbia River are safe.

Now we come to another phase of the national interest and one which, should it materialize, will again make us thankful for the potentialities in the Columbia River. I refer to the recent announcements in the press of a growing interest in supersonic transportation. The word "supersonic" means, faster than sound. Of course, it was the German use of V weapons during the latter stages of the war which gave birth to the possibility of aircraft which could travel faster than sound. Experiments are being conducted in several places on a small scale in the United States today. Some of these are being conducted at Cleveland, Ohio, where I understand a total power demand for this purpose today aggregates some 200,000 kilowatts. I myself expect to travel to Langley Field, Va., next Monday to see some additional experiments in the field of supersonic transportation and flight.

These preliminary studies and experiments have opened up the possibility and the demand grows for full-scale experiments in supersonic flight. There is a possibility that experiments calling for as high as three-quarters of a million kilowatts of electricity may eventually materialize. If this is true, the most likely region in the world for such a possibility lies in the Pacific Northwest.

Naturally this all has a bearing on the activity of the Bonneville Administration which as the report says, performed such an outstanding service to the Nation during the war.

I share with the committee a desire to see cleared up the fiscal puzzles which exist in the Department of the Interior. I believe that a clarification will help me in my earnest efforts to properly represent my district and to provide for a sound development of our natural resources out there. I believe that it will help the subcommittee and above all, I believe that it will help the Department of the Interior.

Along with the committee, I have conducted my own studies and investigations of the unobligated balances which today exist for various purposes in connection with the activities of the Department of the Interior.

In the case of the Bonneville Administration my findings check exactly with the committee report found at the bottom of page 6. The unobligated balances at the time of the hearings from previous appropriations and which are today available for use in 1947, aggregated $3,506,400.

The bill before us carries an additional $9,000,000, giving a total of some twelve and one-half millions for the use of Bonneville next year.

I mention this because I want the Committee of the Whole House to know of the exact financial status of the Bonneville Administration. Let me again say that this organization stands ready to serve the national interest by a sound and continuous development of the resources in the Pacific Northwest. It is entirely possible that because of its potentialities it may have emergency projects thrust upon it at any time. Should this occur, naturally we will have to come to Congress for a deficiency appropriation.

I do feel that the Bonneville Administration has been hurt in one item particularly, and that is the item of maintenance and operation. I feel that the committee could very well agree to an increase in these funds.

Mr SAVAGE. Mr. Chairman I move to strike out the last two words.

Mr. Chairman, the Interior Subcommittee on Appropriations Tuesday reported out the 1947 Interior supply bill. On the basis of the record taken and printed, it is perhaps one of the most voluminous set of hearings submitted to this House. The time made available to the average House Member has been too short to thoroughly appraise the situation, but several facts are clearly evident.

The length of this record results from the activities of the private power lobby, which I have discussed and analyzed several times on this floor. The press releases covering the decisions of this Committee indicate the objectives behind the cut. From the press releases, it is also evident that the cuts made in this bill have been more drastic than any bill reported to this Congress. The over-all cut in this bill exceeds the combined cuts of the departmental bills reported out to date. The proportionate cut is nearly three times that given to any other department in a similar supply bill for 1947.

With these facts in mind I have searched the record to find out how the cut affects my State and my district. First, I want to emphasize the fact that the interim between the reporting of this bill and the debate is far too short to enable conscientious Members to digest the testimony and prepare an adequate presentation. Therefore, because of these limitations I must confine my present remarks to two items in the bill under the Bonneville Power Administration section, namely the Olympia-Cosmopolis project, and the so-called Bonneville operation and maintenance limitation.

With all due respect, the evidence shows that the committee was burdened with unnecessary and unprecedented appearances of outside parties. The volume of adverse testimony from such sources naturally created a fog. The nature of this burden was such that necessary vital justifying points have evidently been lost in the maze of statements and counterstatements.

I do not now take the floor as a critic, as I appreciate the circumstances. I enter the well of the House rather for the purpose of keeping the record straight so that unnoticed errors can be properly corrected under the congressional machinery available to the average Member. After covering the justification on these two points, I wish to refer briefly to some of the evidence submitted by lobby members. I hope to cover this more fully after I have had an opportunity to analyze this testimony.

OLYMPIA-COSMOPOLIS PROJECT

From the committee report, the items totaling $790,000 and covering the Olympia-Cosmopolis project were eliminated. This elimination is not good business from a governmental standpoint. It will lead to inefficiency and waste as I will hereafter point out. This item is not a burden in any sense on the taxpayers as it is a completely self-liquidating item. This item further covers transmission lines and substations from Olympia to Cosmopolis, Wash. The 1947 construction items under this project include $430,000 for a transmission line, to be operated at 115,000 volts; $165,000 for a substation at the eastern terminus of this line and $195,000 for a substation at the western terminus. These facilities are urgently needed to provide capacity outlets from the Bonneville and Grand Coulee plants to supply service to an existing load from a going established public utility district. The people of this district have voted on this set-up, and have by democratic processes indicated how they desire to be served.

This is not a case of building to a potential market. The market is there waiting for energy which will help pay out the two large governmental investments on the Columbia River.

I have received a great many telegrams on this subject, and I want to quote from one or two of them:

> We have had several enforced shut-downs in our plant because of insufficient power. This additional line to Grays Harbor is very much needed.

That is signed by E. W. Daniels, president of the Harbor Plywood Corp. I mention that because plywood is so important in the construction of homes for veterans at this time.

I have another telegram, this one from Don H. Arthaud, president of the Hoquiam Chamber of Commerce, in which the following statement is made:

> Additional power badly needed in this area if this area is expected to produce full lumber requirements.

The importance of producing lumber is one of the urgencies of getting power into the Grays Harbor public utility district as soon as possible.

I invite your attention to the committee report No. 1984. On page 2 concern is shown for materials for veterans housing, and on that I wish to make two points. First, the high-priced piling to be used for the line on this project would, under no circumstances, be made into lumber; second, the Grays Harbor public utility district serves an area in which is concentrated a number of large sawmills, several of which cut more than a million board feet of lumber per week each. There are also large plywood plants in this area. This is one of the greatest lumber-producing sections in the Northwest, and any break-down of electric service to these mills and plywood plants would cause a serious reduction in the output of building materials.

The committee, on page 4, shows a proper desire to see every effort exerted to make revenues equal expenditures. This project to connect with a ready and waiting market will soon bring in revenues far in excess of the cost of the project.

I appreciate the praise the committee shows on page 6 for the Bonneville Power Administration, and I heartily concur in the commendation.

The Gray's Harbor Public Utility District, which this line will serve, owns and operates a wood-burning, steam-generating station at Gray's Harbor, Wash., with an output capacity about equal to the capacity of the transmission line included in the rejected item.

This publicly owned steam-generating plant was built to operate on waste wood, as fuel. This district is in one of the largest timber regions in the country. Due to diminishing timber supply, more efficient and profitable lumber operations have become necessary. This change in timber operations has resulted in the elimination of wood waste as a fuel. All of the timber is now going into merchantable lumber and byproducts, and it is too expensive to use under power boilers.

Resulting from this changed condition, the Gray's Harbor Public Power District had to look elsewhere for other sources of power. After full investigation this district has decided to secure all of its power supply from the Bonneville Power Administration. A contract exists between the Bonneville Power Administration, a Federal agency, and this public district covering the power supply. The building of this line is necessary both in the public interests as well as complying with a contract obligation of the Federal Government. We have recently heard comments about the effect of the coal strike on our national economy. The action in eliminating this item has the same effect on the economy of the State of Washington as the coal strike does on the Nation.

I have investigated this project and have appeared before the committee giving them the benefit of my findings. The evidences show that the Olympia-Cosmopolis project not only represents a commitment of the Federal Government, but from a self-liquidating basis, it is one of the most highly feasible projects in the entire bill. There is an established need for this capacity and the compensatory market is at hand. These items according to the testimony were submitted to the committee on a sound self-liquidating basis.

The people of the entire area that I represent approve this project for the reason that the merits are self-evident. I have searched the record for evidences of adverse testimony, and I can find that no accurate testimony has been offered that can possibly be used to challenge the accuracy of the statements I presented. The Congress in their self-liquidating policy, applying to Bonneville and Grand Coulee have mandated the Administrator to contract for such loads. Now, we find, that after fulfilling a policy obligation written into law by Congress, that this elimination upsets mandated obligations and good business principles.

OPERATION AND MAINTENANCE LIMITATION

The record further shows that the President sent to Congress an original and supplemental estimate covering this item totaling $4,290,000. Included in this item were the additional amounts contained in House Document 493. These additional amounts cover increased pay for hourly employees. The committee in its report recognizes the justice of the showing made in connection with House Document 493 but fails to provide the funds for the accomplishment. The committee allowed $3,695,400 for this limitation, which is $595,400 below the estimate submitted by the President. It is also $97,850 below what the committee allowed for the current year 1946, when the Public Law 106

salary increases are added to the limitation adopted a year ago.

I wish to support strongly the $4,290,000 request covering the operation and maintenance limitation of the Bonneville Power Administration.

When I appeared before the committee, I brought out the fact that Bonneville and Grand Coulee hydro plants generated electricity, but the return to the Federal Treasury depends not upon this manufactured commodity but upon the service rendered. Any crippling of service will ultimately reduce the governmental return. The reduction naturally will result in crippling service.

Most of the district I represent is now purchasing power from these two Federal plants, and I am interested in protecting service to these publicly owned distributors. I have had long experience and contact with the power problem. I know from experience in the Washington Legislature that when the private power lobby starts to work, its first objective is to curtail operation and maintenance funds. If they can strip service, they are in a position to advance further. Service is an obligation that represents a contract commitment of the Federal Government. The outputs from these two plants are widely used over western Washington. It is sound business, as well as efficient governmental functioning, to protect service if the Federal Government wishes to protect the taxpayer and the resulting returns to the Federal Treasury.

PRIVATE POWER LOBBY

As a member of the Washington State Legislature as well as a member of this House I have had contact and experience with the far-flung activities of the extensive private power lobby. The record shows that representatives of this lobby have appeared before this committee and are working at this very moment. I wish to caution against the acceptance of any of their statements without a thoroughgoing check.

On February 27 and April 10 last I detailed for the benefit of this House the pattern of their propaganda operations. I have shown by references to official documents the extent that this lobby has and is going in deceiving the American people. The same group have appeared before this committee. They have in the past appeared on numerous occasions before this and the Senate committee.

Just recently one of the representatives of this lobby appeared before another House committee and stated that a certain transmission line in eastern Washington was unnecessary and a waste of public funds. This generalized statement applying to the Midway Pasco Transmission Line was factually incorrect. The transmission that Mr. Robinson of Spokane referred to in his appearance before the Boren subcommittee was the actual transmission line that made the Hanford atomic bomb plant possible.

If anyone wants official record on the past performances of Mr. Kinsey M. Robinson all they have to do is to go to the Senate record of H. R. 8745, Seventy-sixth Congress, third session, and read the cross examination of Mr. Robinson, conducted by former Senator Bone of the State of Washington. I mention this citation so that any testimony presented by Mr. Robinson and his cohorts can be easily identified and appraised. I propose later, when the time is available, to thoroughly analyze these presentations before the Interior Committee and to point out for the benefit of the American people the jokers which are being handed out.

CONCLUSION

The people of the State of Washington, as I have pointed out on numerous occasions, greatly appreciate the past outstanding vision of this committee. Its past decisions have contributed a great deal to the upbuilding of our State. The past decisions of this committee also had enabled the State of Washington and the Pacific Northwest to make outstanding war contributions of the atomic bomb and air program. I feel certain that when the facts that I have presented are fully investigated this committee will exercise the same vision that it has in the past.

I set forth at this point the telegrams to which I referred earlier in my remarks:

HOQUIAM, WASH., *May 10, 1946.*
The Honorable CHARLES SAVAGE,
Member of Congress,
Washington, D. C.:

Heartily appreciate your efforts to retain Bonneville appropriation. We have had several enforced shut-downs our plant because of insufficient power. This additional line to Grays Harbor is very much needed. Regards.

E. W. DANIELS,
President, Harbor Plywood Corp.

HOQUIAM, WASH., *May 10, 1946.*
Congressman CHARLES SAVAGE,
House Office Building,
Washington, D. C.:

Commend your action in fighting cut in Bonneville appropriation for Cosmopolis-Olympia line. Proposed industrial expansion of existing facilities would be curtailed and increased lumber production be imperiled if cut allowed. Additional power badly needed if this area expected to produce full lumber requirements. Present line through wooded areas subject to continual break-downs from storms. Loop connection essential to maintain continuous service.

DON H. ARTHAUD,
President, Hoquiam Chamber of Commerce.

ABERDEEN, WASH., *May 9, 1946.*
Hon. CHARLES SAVAGE,
House Office Building,
Washington, D. C.:

Approve your effort to retain appropriation for loop line into Grays Harbor. We believe in the value of appropriations for productive purposes and which are self-liquidating.

WEST COAST PLYWOOD CO.

SHELTON, WASH., *May 9, 1946.*
Hon. CHARLES SAVAGE,
House Office Building,
Washington, D. C.:

Understand House Appropriations Committee has cut Bonneville Power Administration appropriations to point where doubtful whether BPA will be able to build $761,000 feeder line and facilities to serve Shelton next year. This is serious situation. I am sure Congress has not been fully apprized of the power shortage existing in this area. Hope you can do something to insure program of this region will not be stopped.

C. M. DANIELSON,
Mason County, P. U. D.

ABERDEEN, WASH., *May 9, 1946.*
Congressman CHARLES SAVAGE,
House Office Building,
Washington, D. C.:

Grays Harbor is in real need Bonneville feeder to complete power loop to provide uninterrupted service to existing and new industries. At present on extreme end of single Bonneville line through storm exposed forested area. If Appropriations Committee action prevents construction of connection to main system it will seriously affect industrial outlook for future.

ABERDEEN CHAMBER OF COMMERCE.

HOQUIAM, WASH., *May 9, 1946.*
Congressman CHARLES SAVAGE,
Washington, D. C.:

Power generating capacity is useless unless there are distributing lines to the consumer. This company was seriously hampered in its war production by the occasional failure of the single feeder line from Bonneville to Grays Harbor. Our present expansion will require more power. The Olympic-Cosmopolis transmission line will safeguard us from power failure and give us that additional power we require. Since it is self-liquidating we see no reason for hampering the normal industrial development of this company which has been constantly growing for over 40 years through the failure of the Government to make their power available.

LAMB GRAYS HARBOR CO.,
A Partnership.
GEORGE E. LAMB.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

GRAZING SERVICE

Salaries and expenses: For carrying out the provisions of the act of June 28, 1934, as amended (43 U. S. C. 8A), including examination and classification of lands with respect to grazing or agricultural utility, preparation of land classification maps and reports, fighting fires, fire prevention and the suppression or emergency prevention of fires on or threatening lands under the jurisdiction of the Grazing Service, contract stenographic reporting services, traveling and other necessary expenses, personal services in the District of Columbia, purchase (not to exceed five), operation, and maintenance of motor-propelled passenger-carrying vehicles, and printing and binding, $212,500: *Provided*, That this appropriation shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Grazing Service, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed, to the appropriation for "Salaries and expenses, Grazing Service", current at the time additional supplies, materials, or equipment are procured, from the appropriations chargeable with the cost or value of such supplies, materials, or equipment.

Mr. ROBINSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBINSON of Utah: Page 7, line 12, strike out lines 12 to 25, and page 8, strike out lines 1 to 9 and insert the following:

"Salaries and expenses: For carrying out the provisions of the act of June 28, 1934, as

amended (43 U. S. C. 8A), including examination and classification of lands with respect to grazing or agricultural utility, preparation of land classification maps and reports, fire prevention and the suppression or emergency prevention of fires on or threatening lands under the jurisdiction of the Grazing Service, contract stenographic reporting services, traveling and other necessary expenses, personal services in the District of Columbia, purchase (not to exceed fifteen), operation, and maintenance of motor-propelled passenger-carrying vehicles, and printing and binding, $1,464,000; for payment of a salary of $6 per diem while actually employed and for the payment of necessary travel expenses, exclusive of subsistence, of members of advisory committees of local stockmen, $40,000; in all, $1,504,000: *Provided*, That this appropriation shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Grazing Service, of cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed, to the appropriation for "Salaries and expenses, Grazing Service", current at the time additional supplies, materials, or equipment are procured, from the appropriations chargeable with the cost or value of such supplies, materials, or equipment."

Mr. ROBINSON of Utah. Mr. Chairman, I would like to call the Committee's attention to the problem we have before us, and may I say the only purpose of my amendment is to restore to the Grazing Service the amount that was recommended by the Bureau of the Budget.

The effect of the reduction in the bill of the Budget estimate of $1,504,000 to $212,500 for salaries and expenses for the Grazing Service—a reduction of 85 percent—is to wipe out the administration of 143,000,000 acres of public grazing land in the West. The amount left in the bill would be sufficient only to pay for the accumulated annual leave of the employees who would have to be dismissed, and other liquidating expenses, and leave practically nothing with which to continue the administration of the grazing districts established under the provisions of the Taylor Grazing Act. Although the bill provides a total of $425,000 for the Grazing Service, there would be little object in appropriating the $205,000 for range improvements—page 8, line 15—or the $7,500 for leasing of grazing land—page 8, line 22—because there would be no money for salaries and expenses with which to administer these two items.

The Taylor Grazing Act has brought a great deal of benefit in the broad public interest as well as in the local community interest in the West. Some 22,000 ranchers and farmers in 10 States are dependent upon the public grazing lands for forage for their livestock for part of the year. Order has been established in the use of the lands under the Taylor Act administration, and each user is allocated a fair share of the range where strife and competition and damage to the range resources previously prevailed.

The 143,000,000 acres of land administered by the Grazing Service include the watersheds of such streams as the Colorado River, the Snake and Columbia, the Missouri, the Rio Grande, and many small streams upon which the whole West is dependent for irrigation, power, and flood control. A most important objective being accomplished under the administration of these lands by the Grazing Service is the restoration and maintenance of a plant cover—in many places sadly depleted before the passage of the Taylor Act—that will conserve the moisture and reduce the erosion that will otherwise clog the streams and fill with silt the storage reservoirs that have been constructed or will be constructed for irrigation purposes.

Another important function of the administration of the grazing districts that would be wiped out by a failure to appropriate sufficient funds for administration is the provision for big game animals on the public ranges, a matter in which the whole country is interested.

Protection from fire which formerly burned over as much as a million and a half acres in a single year has been one of the important undertakings of the Grazing Service.

Conservation of resources so that they will continue to yield human benefits indefinitely is a lesson that the people of the United States have learned the hard way. Its importance is emphasized by World War II. The Taylor Grazing Act is one of the cornerstones of our conservation program and this is no time to retreat by cutting off the necessary appropriations and thereby nullifying the act.

The subcommittee that prepared the bill apparently has based its recommendation to a great extent on making the Taylor Grazing Act self-supporting. Time will not permit a full discussion of that subject here, important as it is. Nevertheless, suffice it to say that wiping out the appropriations for administration is not an intelligent solution. Especially is this true when it is considered that only a million and a half dollars is all that is being requested to administer an area as large as the combined area of a half dozen of the Middle Western States.

Mr. Chairman, I do not think the committee intended to do that. The committee must have had in mind that there was difficulty in reference to the fees that the cattlemen and the sheepmen should pay to the Department of the Interior. They undoubtedly wanted to cut the fees somewhat. I call the committee's attention to the fact, however, that they should not put out of commission this bureau. It is true that the former Secretary of the Interior took the position that so long as subsidies were paid to cattlemen and sheepmen it was not logical to ask those cattlemen and sheepmen to raise the price of their grazing fees; so he refused to raise them during the subsidy period. However, we have now a new Secretary of the Interior.

I have always taken the position that the cattlemen and the sheepmen were not paying sufficient grazing fees. The only way, though, that we can get at this is to permit the Department to operate this year. There is no way we can now raise those fees for the present season, because the contracts are already in existence and the cattlemen and sheepmen are already on this land under those contracts.

For years the men from the West in this Congress have worked to establish a grazing service that would result in conservation where through erosion and floods the entire grazing area was being wiped out. So we tried to get some soil conservation program that would take care of our watersheds, take care of our grazing, and take care of our cattle and sheep in the West, and this law was the result. It has worked excellently. The Grazing Service is doing a splendid job. It is the only way that we people in the West have of controlling these large areas.

I plead with this Congress committee not to deny us that right; we cannot afford to wipe out this Bureau. I do not believe that the committee intended to do any such thing. I think surely this was considered at a time when there was some feeling existing in the Department. I trust the amendment will be adopted.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 50 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I rise not for the purpose of entering into this debate, but I notice the majority leader on the floor, and having expressed some interest the other day in the calendar for next week. This being Friday, it would be proper to get the information in the RECORD at this time. I would like to ask the distinguished majority leader whether he can tell us what the calendar will be for next week.

Mr. McCORMACK. I will be delighted to do so.

In the event that the bill under consideration is disposed of today, I will ask unanimous consent that the House adjourn over until Monday. I am not saying that I will, but I am hopeful that the bill will be disposed of today.

Monday is District day, with six bills. I understand none of them are controversial. Then there will be the conference report on the veterans' housing bill that we acted upon yesterday in instructing the conferees. Then there will be consideration of the continuation of the Selective Service Act, on which unanimous-consent agreement was had today.

A week or 10 days ago I assured the gentleman from Ohio [Mr. BROWN], a member of the Committee on Rules, that I would bring up the Gwynne bill, and carrying out that promise, I am setting it down for Tuesday.

On Wednesday we will consider the Coast Guard appropriation bill.

On Thursday the legislative appropriation bill will come up.

The Coast Guard bill ought to be disposed of in 1 day. I am leaving Friday open in the event that the legislative appropriation bill is not disposed of on Thursday.

Of course, conference reports will be brought up when the opportunity presents itself.

Mr. CASE of South Dakota. The majority leader said that on Monday he planned to take up the District Calendar, a conference report, and then the extension of selective service?

Mr. McCORMACK. Yes.

Mr. CASE of South Dakota. If an hour is to be taken on the conference report and 2 hours on the extension of the Selective Service Act, in accordance with the unanimous-consent request agreed to this morning, that would be 3 hours, and that, with the calendar, would make it a pretty good afternoon.

Mr. McCORMACK. Yes.

Mr. CASE of South Dakota. What would the majority leader suggest in case the Interior Department appropriation bill is not completed today?

Mr. McCORMACK. The Interior Department appropriation bill, then, after the District of Columbia business is disposed of, could be the one in order, but I will be exceedingly disappointed if the bill is not disposed of today. As far as I am concerned, I would be willing that the House adjourn over until Monday, but, of course, I would have to consult with others on it and it may be that we might have to meet tomorrow to conclude the consideration of the Interior bill. However, I am hopeful it will be disposed of today. If so, we will adjourn over until Monday. It is definite that we will adjourn over until Monday if that bill is disposed of today. If it is not completed today the Interior bill may have to go over beyond Monday.

Mr. CASE of South Dakota. A few days ago when the distinguished majority leader was stating the calendar for the current week I raised the question of whether any move had been made to call up the rule providing for the consideration of the Indian Claims Commission bill. I wonder if the gentleman has had any thoughts on that since then?

Mr. McCORMACK. I remember the colloquy well, and I have refreshed my memory as to what I said by looking at the RECORD of that day. My position is the same, that I do not intend to program the bill unless there is that influence exerted which, as one who tries to be sane and rational, I have to recognize, and that influence must come from a member of the Committee on Rules.

Mr. BATES of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. BATES of Kentucky. We granted a rule on this bill on February 6. I am under obligation to call up the rule unless we can get it on the program some time next week.

Mr. McCORMACK. The gentleman is a member of the Rules Committee. This rule being out over seven legislative days, he would like to have the bill brought up.

Mr. BATES of Kentucky. I am obligated to call it up if the gentleman cannot get it on the program.

Mr. McCORMACK. I do not think the gentleman wants to put it that way. I prefer that my friend put it that he would like to have me, as the leader, program it as soon as possible; otherwise he might feel constrained to call it up.

Mr. BATES of Kentucky. That is perfectly all right.

Mr. McCORMACK. That is the influence. Under those circumstances, I will put the Indian Claims Commission bill on the program for next Friday. That will be in addition to the announcement I have already made. This means that if the legislative situation is such that this bill cannot be disposed of on Friday, it will be a part of the order of business for the following week.

Mr. CASE of South Dakota. I appreciate the statement that has been made by the majority leader.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. HARLESS].

Mr. HARLESS of Arizona. Mr. Chairman, following up the remarks made by the distinguished gentleman from Utah [Mr. ROBINSON], I wish to point out some features of the history of the Taylor Grazing Act.

It is most unfortunate that we in setting up this appropriation bill will in effect dissolve a department of the Government which is so important as the Grazing Service. The Federal Government is primarily interested in this because it owns some 140,000,000 acres of land which is being serviced by this department. As has been pointed out by the gentleman from Utah, this appropriation cuts the Service some 85 percent. This bill provides for only $212,000 for salaries and expenses for the administration of the Grazing Service. This is barely enough for the dissolution of the department.

The Grazing Service was established to administer the grazing districts created under the Taylor Grazing Act of 1934. There are some 60 grazing districts in the 10 Western States, and they extend over more than 140,000,000 acres, as I have said.

Mr. Chairman, this bill provides only $212,500 for salaries and expenses for the administration of the grazing districts in the Western States by the Grazing Service. For the current fiscal year, the amount provided, including appropriations under the Pay Act, was $1,121,470. That is a reduction of $908,970, or a cut of approximately 80 percent. It is $1,291,500 less than was recommended by the Bureau of the Budget.

The Grazing Service was established to administer the grazing districts as provided by the Taylor Grazing Act of 1934. There are 60 grazing districts in 10 Western States. They extend over more than 140,000,000 acres of land. Something like 22,000 farmers and ranchers are dependent upon this grazing land for their living. The amount provided by this bill is so wholly inadequate to carry out the responsibilities imposed by the Taylor Grazing Act that it will result substantially in the nullification of administration and the termination of the stabilization of the dependent livestock industry and the conservation of the natural resources on these lands.

We have heard much about the "mushroom growth" of the Grazing Service. Yet I think if we will only be fair in the matter we will find that the Grazing Service is doing a remarkably good job with a relatively small amount of money. I dare say there is no other organization in the Government that is doing so much with so little. The report of the Appropriations Committee refers to a statement of the late Hon. Edward T. Taylor, the father of the Taylor Grazing Act, and for many years the chairman of the Appropriations Committee, to the effect that a former Secretary of the Interior stated that he could administer 173 million acres for $150,000 a year. I cannot see that there is much to be gained from discussing some estimate made more than 12 years ago before the act was put into operation. Nevertheless, I think it significant to point out that the last year that the Honorable Edward T. Taylor was chairman of the Appropriations Committee—for the fiscal year 1942—it approved $800,000 for salaries and expenses for the Grazing Service. Certainly, Mr. Taylor knew, as we all know now, that this job of administering more than 140,000,000 acres of land cannot be done with $150,000 or with $212,500 as is proposed in the bill. The amount appropriated in the fiscal year 1945 for this item was $1,117,740. In fiscal year 1946 there was $979,470, in addition to $142,000 under the Pay Act. The amount which was appropriated for fiscal year 1946, taking into account the pay increases and the establishment of fire protection services which formerly were provided by the Civilian Conservation Corps, represents substantially no increase as compared to the fiscal year 1942.

It is my opinion, Mr. Speaker, that we are making a very serious mistake when we practically wipe out an administration that is so essential to the conservation of the resources which are the very foundation of the Western States.

Did the Congress make a mistake when it passed the Taylor Act in 1934? Personally, I do not think so. I believe it was a good act. But if it was a mistake, let us face the issue fairly and squarely by repealing the act rather than nullifying it by failure to appropriate the necessary funds.

They give service to some 22,000 ranchers and farmers. The amount provided by this bill is wholly inadequate to carry out the responsibilities imposed by the Taylor Grazing Act. It will result substantially in the nullification of the administration and, as I have said, in the termination of the service. We have heard a great deal about the mushrooming of expenses in Government. We are all interested in cutting down expenses, but it is penny-wise and pound-foolish to make a drastic cut of this kind. I dare say there is no other organization of the Government that is doing so much with so little. The report of the Committee on Appropriations refers to the statement of the late Honorable Edward T. Taylor, the father of the Taylor Grazing Act, who was for many years chairman of the Committee on Appropriations, quoting a former Secretary of the

Interior, stating that he could administer 173,000,000 acres for $150,000 a year. I do not see that there is much to be gained in discussing estimates made more than 12 years ago. Nevertheless, I think it is significant to point out that the last year Hon. Edward T. Taylor was chairman of the Committee on Appropriations, for the fiscal year 1942 it approved $800,000 for salaries and expenses for the Grazing Service. Certainly Mr. Taylor knew, as we all know now, that this job of administering more than 140,000,000 acres of land could not be done with $150,000, or with $212,000 as is proposed in this bill. The amount appropriated in the fiscal year 1945 for this item is $1,117,740. For the fiscal year 1946 the amount appropriated was $979,470 in addition to $142,000 under the Pay Act. I plead with the House to reconsider this matter and give the Grazing Service an adequate appropriation.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. ROCKWELL].

Mr. ROCKWELL. Mr. Chairman, if the appropriation for the Taylor Act is passed and becomes a law as carried in this bill it will probably mean the liquidation of the Grazing Service. This in time might result in no supervision for the 142,000,000 acres of public grazing lands in the 10 Western States where they exist. Then we return to the might is right policy which made those lands the battle grounds for the sheep and cattle users of the past. That will be the continuation of the waste, soil erosion, and uneconomic use of public lands that existed before the enactment of the Taylor Act.

The action of the committee in cutting so drastically the Taylor grazing appropriation on the theory that only that portion of the grazing fees retained by the Federal Government should be used for the administration and improvement of those lands is entirely unjustified. Last summer and fall the Senate appointed 15 Senators to hold hearings in the 10 Western States where these public lands are located. Their findings are just published. I doubt that any member of this Appropriations Committee has read them. They show, among other things, that the users of these Taylor lands have actually carried out their part of the agreement, promised to Congress by the Secretary of the Interior at the time the act was passed.

When the Taylor Grazing Act was under consideration the then Secretary of the Interior told Congress "we have no intention of making this a revenue measure at all. We would like the range to pay its own administration, but nothing more." According to this Senate report, the Grazing Service, by the end of this fiscal year, will have collected in grazing fees $7,727,000, as compared to a total expenditure of $7,995,210 for administration and expenses during the same period. This year the 22,000 range users will pay into the Federal Treasury four times the amount that would be expended for administration under this bill. Recently the National Advisory Council, representing these range users, made these recommendations:

(a) That study of the cost of administration of grazing lands for grazing purposes be made and presented to them for study.

(b) That any fee finally fixed be based on a direct relation to the reasonable cost of administration.

(c) Amend the Taylor Act to provide that all fees paid by grazing users be used for administration only.

(d) With such a provision, the range users will finance and maintain the range improvements themselves.

Is not this in accordance with the original agreement with the Government?

The fact that Congress sees fit to appropriate 50 percent of these fees to the States is not the fault of these 22,000 permittees. That is the responsibility of Congress.

This Senate committee report had this to say about the financial condition of the stockmen in the West:

> The livestock industry using the grazing districts is in a deficit net earning position, facing great uncertainties in the immediate future, and are not prepared to absorb higher grazing fees. The sheep and wool industry is already in process of drastic liquidation.

These are some of the facts disclosed in the hearings held by these 15 United States Senators. Many of our western Congressmen attended these hearings. The information was obtained at the grass roots, not in Washington, with representatives of the Grazing Service and the National Forests present. These hearings disclosed that the users of these public lands are actually paying the cost of administration as agreed by the secretary, even though Director Forsling says that one-third of this administration is for other than grazing services. Furthermore, the livestock men of these States are not in a financial position to stand higher grazing costs at this time. Hope you will vote to restore appropriation as recommended by amendment offered by the gentleman from Utah [Mr. ROBINSON] or at least the amount they received last year.

The CHAIRMAN. The gentleman from Utah [Mr. GRANGER] is recognized for 5 minutes.

Mr. GRANGER. The distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], stated on the day this bill was under discussion in the House that it was the most drastic cut in an appropriation bill that had been made in his memory. I think that is true.

We are talking now about funds in an appropriation that are, in the main, reimbursable to the Government. In other words, the Federal Government is expending money on its own lands to make improvements on its own lands, to conserve its soil, its forests, and its grazing lands for the benefit of the people. If this were an expenditure such as we appropriated on many other occasions when we have appropriated billions of dollars to sink battleships, as we expect the atomic bomb will do, then there would be some reason to take great pride in the reduction of expenditures of this kind.

Of all the services in this bill, the one that has suffered most is the Grazing Service. I know some of the reasons why this has been done. A year ago the committee told the Grazing Service to raise its fees.

For very obvious and legitimate reasons at that time they were not raised, as my distinguished colleague has already told you. We were paying subsidies on livestock, on lambs in considerable amounts, and it seemed not the part of wisdom on the one-hand to increase expenses of the livestock producer while on the other we gave him a subsidy. So as I understand the working of the minds of certain members of the committee, that is the reason this cut has been made. But there is an invisible reason back of this cut in this appropriation that is a matter of personalities. There is no getting away from it. There are many members of the committee, or perhaps many Members of the Congress that had no great love for the former Secretary of the Interior who prepared this budget, and the committee has proceeded, in my judgment, to unmercifully cut it. They now tell us the present Secretary of the Interior is a man in whom they have great confidence, yet they call upon him to administer efficiently a program that has been virtually gutted and scuttled in the matter of appropriations.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. MURDOCK. It was said here a moment ago that only us westerners opposed this cut. I call attention to the fact that one great eastern newspaper carried an editorial yesterday entitled "Economy With an Ax." I intended to put it in the RECORD myself, but my friend here succeeded in getting ahead of me on it. It is in the RECORD, however, and I call it to the gentleman's attention.

The committee strikes at bureaucracy here but I want to ask my friend if it is not true that this Service is more democratically managed than almost any other phase of our Government that can be mentioned.

Mr. GRANGER. The gentleman is absolutely right. This new Service was set up because of a national necessity. It has been one of the most difficult administrative jobs ever undertaken; and, as the gentleman from Arizona says, it has been done primarily by the people themselves. The Grazing Service, not administered by a bureau from Washington but out in the States, has done a great job in bringing order in the control of the public domain, and I hope along with my colleagues from the West and elsewhere that this appropriation will be restored, at least to the amount that was recommended by the President.

The CHAIRMAN. The time of the gentleman from Utah has expired.

The Chair recognizes the gentleman from Wyoming [Mr. BARRETT] for 5 minutes.

Mr. BARRETT of Wyoming. Mr. Chairman——

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield.

Mr. DWORSHAK. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Utah and ask that it be read at this time.

The Clerk read, as follows:

Amendment offered by Mr. DWORSHAK to the amendment offered by Mr. ROBINSON of Utah: Strike out "$1,504,000" and insert "$1,121,470."

Mr. BARRETT of Wyoming. I shall be pleased to yield further to my distinguished colleague from Idaho, who has rendered valuable service to the people of the West.

Mr. DWORSHAK. I shall take just 1 minute to explain the objective of my amendment. The gentleman from Utah has requested for salaries and expenses, $1,504,000, which is the amount requested by the Budget for 1947.

My amendment would restore the amount which was used in 1946 for salaries and expenses.

Mr. BARRETT of Wyoming. Mr. Chairman, I rise in support of the amendment offered by my colleague the gentleman from Idaho [Mr. DWORSHAK] who is a member of the subcommittee reporting this bill, to the amendment offered by my colleague the gentleman from Utah [Mr. ROBINSON].

At the outset let me say that it seems to me that common sense and good judgment require that this bureau be given the funds necessary to properly administer the great area of grazing lands. I think the great majority of my colleagues here on the floor of the House certainly do not understand the import of this scandalous, terrific, and uncalled-for cut in this appropriation.

I want to call your attention to a few facts. To you gentlemen from the East, to you gentlemen from the South, may I say that the first 13 States retained every acre of their soil. None of it became a part of the public domain. The first 13 States not only retained all of the lands within their borders but they also received grants of a portion of the public lands in other States. In the settlement of the country the first 26 States got every acre of land within their borders, and the minerals under their lands. The country was settled in a progressive manner. That great area in the Mississippi Valley was settled before the lands in the Missouri Valley were taken up. All of these lands were rich farm lands. Nowhere in that area did the Government reserve the minerals in the lands that were homesteaded. Now let me tell you just how the lands in Wyoming were settled.

In the first place, the United States reserved several million acres of the best grazing lands and put them into national forests. Then the State was permitted to select a certain acreage, and, of course, it took the next best land. Along came the homesteaders and early settlers and they took the bottom lands and the land where there was water and where there was good pasture. Over the 50 years of our statehood thousands of people came from the East and Middle West to Wyoming and took up all the Government land that was suitable for the establishment of a home.

In 1935 there remained in our State over 17,000,000 acres of land that nobody would homestead, nobody would attempt to make a home or a living on. There are thousands upon thousands of acres of that land that do not grow any more grass than you can grow on the floor of this House.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

The Chair recognizes the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD following those of the gentleman from Wyoming [Mr. BARRETT] and I yield to him the balance of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. BARRETT of Wyoming. Mr. Chairman, as a consequence much of the good land in Wyoming was reserved in the first instance by the Government as national forests; secondly by the States, and lastly the balance was taken by the people who homesteaded in the early days. So when the Taylor Grazing Act was passed 10 years ago, the remaining lands in our public domain was the 17,000,000 acres of undesirable lands that are a part of the area under question here today.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Utah.

Mr. GRANGER. Is it not a fact, also, that the land the gentleman is talking about is such that you earn everything you get off of it? You cannot use much of it unless there happens to be snow on it, and you cannot use it unless you haul water to it.

Mr. BARRETT of Wyoming. The gentleman is right.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. Is it not true, also, that the Grazing Service is guided to a great extent by local advisory groups who are interested in the continued development of the land under the control of the Grazing Service?

Mr. BARRETT of Wyoming. That is right. May I say to the gentleman from Montana that the income from all these grazing lands in the 10 Western States from grazing fees is about $850,000 a year, 50 percent of which goes to the Federal Treasury, and the other 50 percent going to the States. However, the money that goes to the States is used to improve these very lands.

The fact of the matter is that the States put most of the money allocated to them in improving the Government lands in these grazing districts, in providing dams for water, in building fences, and in making many other improvements to make the land usable for grazing purposes.

Mr. MANSFIELD of Montana. Mr. Chairman, if the gentleman will yield further, I want to agree with what the gentleman says, and so far as the disposal of the funds to the States is concerned. What we are doing is to help create and perpetuate more wealth in land and the soil. Is it not true that if the committee recommendation goes through, the Grazing Service will be practically wiped out and its value reduced to just about nothing?

Mr. BARRETT of Wyoming. The gentleman is absolutely right, and we might just as well cut off the entire appropriation as to take the amount reported in this bill.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Colorado.

Mr. GILLESPIE. I wonder if some of these eastern gentlemen who objected to this amendment realize that the federally owned lands in the State of Wyoming alone are greater than the entire area of the State of Pennsylvania?

Mr. BARRETT of Wyoming. And New York, if I may add.

Mr. GILLESPIE. Another question I would like to ask: With the scarcity of food and grains for feeding livestock at the present time, why can we not realize that grazing is the only thing that the cattle industry has to fall back on?

Mr. BARRETT of Wyoming. The gentleman is exactly right.

I want to call attention to the fact that these Taylor grazing lands in Wyoming cost the United States Treasury a loss of $39,000 last year because the grazing fees were insufficient by that amount to cover the cost of administration allocated to them. However, the last 2 years the Government received $4,000,000 per year in oil royalties from these very same lands. It is ridiculous to come in here and say, "Well, we lost $39,000 because of the fact that we did not get enough income off of the surface, but we are not going to mention the fact that you fellows in Wyoming paid in over $4,000,000 from the oil produced on this land."

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Utah.

Mr. GRANGER. Is it not a fact, also, that the committee is in error when it charges all the operations to grazing? Is it not a fact that about 30 to 35 percent of the money spent for public improvements is for public use and public benefits outside of grazing?

Mr. BARRETT of Wyoming. That is exactly right. My colleague from New York the other day went on to say, "You had some CCC boys working out in Wyoming." Well, they had millions of them working in New York, too, but he forgets all about that.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Washington.

Mr. HORAN. Coming from the roof garden of the world, I know that the waters that are used by the people further down in altitude in Wyoming are benefited by the great protection that the watersheds have given under the administration of this act; is that not so?

Mr. BARRETT of Wyoming. That is exactly right. I want to call your attention to the fact that this Congress has seen fit to subsidize the production of meat. The subsidy did not go to the stockmen of the West. It went to the consumers. It seems foolish to me to subsidize an industry to make meat cheaper to the people and at the same time to force through legislation that will materially raise the costs of producing that same meat.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. D'EWART. Mr. Chairman, I have read the report from the Committee on Appropriations on the Department of the Interior appropriation bill. I have read the RECORD made day before yesterday on the floor and, while I can perhaps congratulate the individual members of the Appropriations Committee on their sincerity, I am forced to the conclusion that has been expressed by other western Members—that my good friends from the East and the Middle West really have little understanding of the real purpose of the Taylor Act—the functions of the Grazing Service that administers the act within grazing districts, the remaining public domain, and the western range livestock men who depend for their livelihood and very existence on the use they can make of the public domain in connection with their owned or controlled ranch property.

First, the remaining public domain, both in and out of grazing districts, is the remnant of the public land, a major part of which is too poor to go into private ownership and support taxation. The poor land, the left-over land, is unfit for agriculture except under irrigation, yet absolutely essential to furnish approximately one-third of a year's grazing, mostly in the spring, fall, and winter months, for the 22,000 users who raise the feeder beef and lambs which are often finished on the midwestern and eastern farms and feedlots.

This is the same public domain that furnishes the land for reclamation projects, the same public land that produces oil and gas, coal, shale, and all kinds of metallic and nonmetallic minerals. You see, the range livestock men only get to use the remaining public land when it actually has no so-called higher use than for grazing. The range livestock men only get to use what no one else wants.

Yesterday my good friend, the gentleman from Oklahoma [Mr. JOHNSON], when explaining the maladministration of the Grazing Service, said they had established 57, 58, or 60 offices in grazing districts. There have actually been 60 districts set up and 57 have district offices. But do you gentlemen know that the grazing districts range in gross area from somewhat less than 1,000,000 acres to as much as 12,000,000 per district? The District of Columbia, when originally established with its 10 miles square, had a gross area of 64,000 acres. For example, in my State there are 6 grazing districts that average in size from approximately 1,120,000 gross acres to 9,100,000 gross acres. The total area within grazing districts in my State is more than 31,968,000 acres. So you may visualize this, let me say that the total area of Montana is almost one and one-quarter times as large as the combined area of both Oklahoma and New York and the area in the six grazing districts alone is larger than the State of New York. Yet the Grazing Service, with generally one man and one clerk, or at the most two men and a clerk in the larger districts, together with a small staff in the regional office at Billings, are trying to the best of their ability to administer this vast area and regulate grazing use of Federal range used by more than 3,200 livestock men who operate some 264,000 cattle, 25,000 horses, and 1,054,000 sheep.

There are less than 30 permanent employees of the Grazing Service in my State. I know many of them well and, even though handicapped by lack of funds, I personally know that they are doing a job that anyone could be proud of. Hours of the day and 5-day workweeks do not seem to mean any more to them than they do to the sheep, the cattle, and the land they administer. And, by the way, in the district offices, generally manned by a district grazier and a clerk, they not only work right on the ground with the livestock men but attempt to see that the range resources are so used that the broad principles of real conservation and proper land use are carried out.

The gentleman from New York [Mr. ROONEY] has placed a great deal of emphasis on the large stockmen and calls attention to a list of 50—out of 22,000—that are listed on page 169 of the hearings, places extra emphasis on an outfit, the Utah Construction Co. in Nevada, formerly a 30,000-cattle outfit. A call to the Grazing Service informs me that this outfit has now been sold and is being cut up into eight or nine smaller outfits. Also, great emphasis is placed on large outfits being represented on advisory boards. The advisory boards are a part of the Taylor Grazing Act itself and have proven invaluable in assisting the Grazing Service in all matters regarding overall administration. There is an advisory board in each district elected by the users themselves and they represent all sizes and classes. Great emphasis has also been placed on the fact that 23 percent, or 5,164, of the users own 77 percent of the livestock. This is true, but let us consider that this group represents all those users who operate over 200 animal units, with an average size of 557 animal units. An animal unit is one cow, or one horse, or five sheep, or five goats. It is also true that the average size of the 22,000 outfits using grazing-district land is only 170 animal units. The vast majority of users—the 77 percent, or 17,392 users—who operate 200 or less animal units, only operate an average of 55 animal units. Furthermore, I cannot see what this has to do with the Grazing Service appropriations. The job to do remains to be done. We are told that a relatively few control the wealth of the Nation; few large corporations control power. We could continue indefinitely to show that in many lines of endeavor a minority has more wordly goods than the majority, but that should not prevent proper appropriations from being made to protect a national resource and prevent proper range distribution to the vast majority of range livestock men who use the Federal range in grazing districts.

Now, for a minute, let us look at the estimated income from a well-managed livestock outfit with a capital investment of from $30,000 to $50,000 in land, water, and equipment, operating 300 cattle or 1,500 sheep. From long-time studies made in normal times, and with minimum amounts of droughts, death losses, predators, and poisonous weeds, an operator might reasonably expect an average income of somewhat less than $3,000 a year from his livestock with which to pay living expenses, interest, taxes, and educate his family. These are the average range livestock men we are talking about—the cattle barons. I am interested in the welfare of the livestock industry as a whole, but the five-thousand-odd users whom the gentleman from New York [Mr. ROONEY] talks about that control 77 percent of the livestock only represent 23 percent of the users. The other 77 percent are the small ones that generally have to supplement their income from other sources, and to remove the safeguards and the benefits that have accrued to them by the operation of the Taylor Act would spell disaster. Without adequate funds for administration and a return to uncontrolled use, thousands of livestockmen would be forced into liquidation.

The CHAIRMAN. The Chair recognizes the gentleman from Nevada [Mr. BUNKER].

Mr. BUNKER. Mr. Chairman, in the general debate on Wednesday explaining the reductions applied in this bill, this statement was made and I quote:

> I measure my words when I say that no agency is hurt or even crippled.

How can he make such a statement when on page 7, line 23, the bill allows only $212,500 for salaries and expenses for the Grazing Service. This amount is in contrast to $1,121,470 allowed in the appropriation act for the current fiscal year, besides $50,000 for fighting fires which has also been eliminated from the bill, and $1,504,000 plus $50,000 for fighting fires that was allowed in the Budget estimate submitted by the President for the fiscal year 1947. That, Mr. Chairman, is a reduction in the bill of more than 80 percent. Such a cut will not cripple the Grazing Service. It will wipe it out of existence because it leaves little more than enough to pay off the employees who would have to be discharged and close up shop. It will destroy the administration of the public grazing lands in the West.

It is true that the bill carries an additional $205,000 for range improvements and $7,500 for the leasing of grazing lands but neither of these amounts is available for administration, and even these funds could not be administered without the salaries and expenses appropriation.

It is my feeling that perhaps much of the criticism of the Department of the Interior, and the Grazing Service in par-

ticular, is based upon unfriendly feeling toward the former Secretary of the Interior, Harold L. Ickes, under whose supervision the administration of the Taylor Grazing Act was established. But his day in the Department of the Interior is passed. We now have a new Secretary—a man who is recognized for his administrative ability—a man in whom we can have faith to do a good job in administering the Grazing Service as well as all of the other affairs of the Department of the Interior. But how can he do so if we cut off the appropriations of the Grazing Service at the pockets?

He did not make the statement 12 years ago that $150,000 was all that it would cost to administer the Taylor Grazing Act. I believe it should be clear, and it has been proven by the willingness of Congress to provide far greater funds every year in the past, that it is unreasonable to expect that the big job of administering 143,000,000 acres can be accomplished with the amount provided in this bill.

I have heard some criticism of the Grazing Service, but it has been no more, if as much, as the criticism I have heard of other similar agencies. It is an American trait to criticize and that is the way improvements are accomplished. But considering the difficulties of the job the Grazing Service has to do and the tremendous size of the job, the surprising thing is that criticisms have not been far greater. It is an indication that the Grazing Service is not doing a bad job.

In my opinion, it is not the solution to wipe out the Grazing Service by such a drastic cut of appropriations. A far better and the fair thing to do is to appropriate the funds that have been requested so that the new Secretary, Mr. J. A. Krug, may have the opportunity to correct any bad administration if it exists. I am convinced that the people of the West, or of the country as a whole, do not want to go back to the conditions that prevailed on the public domain before the Taylor Grazing Act was passed just 12 years ago.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. BUNKER. I yield to the gentleman from Iowa.

Mr. JENSEN. May I ask the gentleman if he does not feel that the people who use the grasslands of this Nation, approximately 140,000,000 acres, should at least pay the administrative costs of the Grazing Service? Is not that a fair question?

Mr. BUNKER. Yes; that is a fair question, and my answer is no, not entirely. Some of these lands are much more valuable for grazing than other lands. Some of these lands could not possibly pay the administration costs. Some of them could. So, on the over-all picture, I would say no, they could not pay the costs of administration.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I rise in support of the amendment.

The distinguished chairman of the subcommittee, for whom I have the greatest admiration and respect, said on Wednesday that it was contemplated when the Taylor Grazing Act was passed that it would cost only $150,000 to administer. The committee report carries this statement:

> In its report on the 1946 bill the committee called attention to the statement of the author of the Taylor Grazing Act, the late Edward T. Taylor, a former chairman of the Appropriations Committee, who, in appearing before the Senate Committee on Public Lands and Surveys on April 20, 1934, quoted a former Secretary of the Interior as stating he could administer 173,000,000 acres for $150,000 a year in conjunction with the Forest Service.

Certainly the Honorable Edward T. Taylor believed that, or he would not have presented that statement to the Senate committee at that time. But the fact remains, as I reminded this House last year when a similar statement was made in their report, the record of the hearing on the Taylor Grazing Act shows that the representatives of the Forest Grazing Service testified before the committee that it would cost over a million dollars to administer these lands, and that Service had had years of experience. The years since have proved that the Grazing Service was right. Therefore, the House of Representatives knew at the time it passed the Taylor Grazing Act that it would cost that much money. If now the House has come to the point where it feels we should not appropriate the $1,000,000 for that purpose, then for heaven's sake do not turn it back into a dust bowl. Let us return it to the States where the lands are located. We will take care of them and we will be satisfied.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. JENSEN. Are you recommending that the States have supervision over the grasslands within the States?

Mr. FERNANDEZ. I am recommending that if we are not going to take care of these lands and if you are going to permit them to go back into the eroded and terrible situation in which they were after 40 years of free grazing, then for goodness sake turn them all back to the States. We will administer them and we will be satisfied.

Mr. JENSEN. Does the gentleman realize that if the States have the authority over the grasslands they will charge about five times more for the grazing that is done on the land than is being charged today?

Mr. FERNANDEZ. When those lands have been recuperated and made as good as other lands in private ownership or under State administration now, then I say they should charge that much more, and we certainly will when they have been recuperated to that point.

The item of $212,500 for salaries and expenses for the Grazing Service in line 23 of page 7 of the bill represents a reduction of $908,970 below what was appropriated for the Grazing Service for the current fiscal year, including the Pay Act increases. It is $1,291,500 less than recommended by the Bureau of the Budget for the fiscal year 1947. Its effect will be practically to eliminate the administration of 143,000,000 acres of public grazing lands in 10 Western States.

Does this body stand ready to take such a backward step?

For more than 60 years we had no regulation of grazing on our public lands. The local settler seeking a living by grazing cattle or sheep on his small ranch and the adjoining public land was at the mercy of the tramp operator or the big operator who brought his livestock and grazed to the very door of the small rancher. There was no stability for the rancher who was dependent on the public grazing land. Neighbors often fought each other by overcrowding the range. Most of all, the range itself was being pounded to dust.

Then in 1934 the Taylor Grazing Act was passed. Now after 10 years the ranchmen and farmers who are dependent on the lands have become fairly well stabilized. Destruction of the range by overcrowding has largely been eliminated. The soil is being protected from excessive erosion. The little fellow now has equal opportunity with his bigger neighbor. The forage resources are being restored.

The Grazing Service has done a good job with the small means at its disposal to establish order where chaos reigned before. The action recommended in this bill means that the present administration will have to be discontinued and it will mean the restoration of the unsatisfactory conditions which prevailed before the Taylor Act was passed.

I do not say that the Grazing Service has not made some mistakes. But, by and large, it has done a good job and needs the support and not the condemnation of Congress. I hope that the House of Representatives, after it has had time to consider the matter more fully, will agree that we cannot afford to abandon the administration of these lands which are so vital to the whole economy of the West.

The CHAIRMAN. The Chair recognizes the gentleman from New York, a member of the committee [Mr. ROONEY].

Mr. THOM. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Ohio.

Mr. THOM. Mr. Chairman, it has just been announced in the Senate of the United States that John L. Lewis has agreed to call the coal miners back on Monday with the understanding that a 12-day truce will be observed, during which time efforts will be made to work out an agreement.

Mr. ROONEY. Mr. Chairman, I am very glad to hear the announcement just made by the distinguished gentleman from Ohio. I trust that both sides are able to get together during the truce and work out an agreement satisfactory to each.

With regard to the Grazing Service, let me say at the outset that I do not now have and never have had any unfriendly feelings for former Secretary of the Interior, Mr. Ickes. The Grazing Service was orginally instituted by Congress with the idea that it would be self-liquidating and would not cost the taxpayers of this country one nickel. At the time the

Grazing Service was first being considered, the then chairman of the Subcommittee on Interior Department of the great Committee on Appropriations, Hon. Edward T. Taylor, the author of the Taylor Grazing Act, on April 20, 1934, made the following statement:

Secretary Ickes says he has the necessary force and he fully believes that he can administer 173,000,000 acres for $150,000 a year in conjunction with the Forest Service—

During additional hearings before the Senate Committee on Public Lands on the same day, Senator McCARRAN, of Nevada, asked the following question of Secretary Ickes and received the following answer:

Question. Have you any definite policy in your mind, or any policy at all, Mr. Secretary, as to the cost of the administration of these matters?

Secretary ICKES. Our estimate is that it will cost $150,000 a year.

Now, instead of $150,000 a year it has cost the taxpayers of this Nation in appropriations, since the year 1936, the sum of $10,053,960.

Mr. BUNKER. Mr. Chairman, will the gentleman yield for a question?

Mr. ROONEY. I am sorry that I do not have the time. I would like to yield, but I cannot. I did not interrupt the gentleman or any of the other gentlemen who spoke in favor of the pending amendment.

The committee a year ago pointed out its fear that the Grazing Service would never become self-liquidating; that it was an imposition on the taxpayers of this country and would continue to be until fair and equitable grazing fees were fixed. Every Member representing the States involved will tell you that the grazing fees should be substantially increased, and that the huge amount appropriated for the Grazing Service each year is totally out of line to what the Service is worth.

I will quote from a speech of Senator PAT MCCARRAN of Nevada, made in the Senate of the United States on Tuesday, December 19, 1944:

When the Taylor Grazing Act was under consideration, Secretary Ickes and his spokesmen repeatedly told the committees of Congress that the cost of administering the act would not exceed $150,000 per year. But in 1935, when the first regular appropriation for administration of the Taylor Grazing Act was presented to Congress, the estimate was for $250,000 instead of $150,000. Spokesmen for the Department defended the estimate with the statement that the process of organization was expensive, and that the cost would decrease in subsequent years.

He further said:

Secretary Ickes testified that it would not be a separate set-up or a new bureau. He was then asked: "You think it could be administered by the same organization?" To this, Secretary Ickes replied: "Yes, without additional expenditure."

The cute little kitten has now grown to the stature of a hungry lion. This year the Grazing Service requested appropriations amounting to $2,648,000, $777,000 of which is for soil and moisture conservation. I am not in favor of wiping out the Grazing Service, but I am in favor of their putting their house in order. This will only be done if we take the action proposed by the committee. The result will be an increase in grazing fees, to be paid by companies who can well afford to stand an equitable increase. Private grazing lands, grazing lands owned by States, and those under the jurisdiction of the Forest Service bring five and six times the present fees charged by the Grazing Service.

I ask you to vote down the amendments offered by the gentleman from Idaho and the gentleman from Utah. This is the only way we will get an increase in the fees.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has expired.

All time has expired.

Mr. ROBINSON of Utah. Mr. Chairman, I rise to announce that I will accept the amendment offered by the gentleman from Idaho [Mr. DWORSHAK].

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 41, noes 29.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I demand tellers.

Mr. KEEFE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-seven Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 113]

Adams	Gossett	Morgan
Allen, Ill.	Grant, Ala.	Norton
Anderson, Calif.	Grant, Ind.	O'Hara
	Griffiths	Patrick
Andrews, N. Y.	Hale	Patterson
	Hall, Edwin Arthur	Peterson, Fla.
Baldwin, Md.		Philbin
Baldwin, N. Y.	Hall, Leonard W.	Phillips
Barrett, Pa.		Price, Fla.
Bell	Halleck	Rains
Bender	Harness, Ind.	Rayfiel
Biemiller	Hart	Reece, Tenn.
Bland	Hartley	Rodgers, Pa.
Bloom	Hébert	Roe, N. Y.
Bonner	Heffernan	Russell
Bradley, Mich.	Hendricks	Shafer
Buckley	Herter	Sheppard
Butler	Hinshaw	Sikes
Byrne, N. Y.	Hoch	Simpson, Pa.
Cannon, Fla.	Hope	Slaughter
Chapman	Jarman	Stevenson
Clark	Johnson, Ind.	Stewart
Cochran	Keogh	Sumners, Tex.
Coffee	Kilday	Thomas, Tex.
Combs	Kinzer	Tolan
Cooley	Kirwan	Torrens
Courtney	Klein	Traynor
Curley	Kopplemann	Vinson
Daughton, Va.	LaFollette	Voorhis, Calif.
Dawson	Landis	Wasielewski
Dingell	Lane	West
Drewry	Lea	White
Durham	McCowen	Whitten
Eaton	McKenzie	Whittington
Eisaesser	Madden	Wilson
Engle, Calif.	Maloney	Winter
Fuller	Mansfield, Tex.	Wolcott
Gavin	Merrow	Wolfenden, Pa.
Gearhart	Miller, Calif.	Zimmerman
Gillie	Monroney	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H. R. 6335, and finding itself without a quorum, he had directed the roll to be called, when 313 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

The CHAIRMAN. The gentleman from Oklahoma [Mr. JOHNSON] demands tellers on the amendment offered by the gentleman from Idaho [Mr. DWORSHAK] to the amendment offered by the gentleman from Utah [Mr. ROBERTSON].

Mr. GRANGER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GRANGER. As I understood the situation when the quorum was called, the Chair had already announced that the amendment offered by the gentleman from Idaho to the amendment had been agreed to; and the request comes too late.

The CHAIRMAN. The Chair had announced that on a division the amendment to the amendment had been agreed to. Thereupon, the gentleman from Oklahoma [Mr. JOHNSON] demanded tellers. At that point a point of order was made that a quorum was not present.

The gentleman's demand for tellers is now pending.

Tellers were ordered; and the Chairman appointed as tellers Mr. JOHNSON of Oklahoma and Mr. DWORSHAK.

The Committee again divided and the tellers reported that there were—ayes 78, noes 91.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Utah [Mr. ROBINSON].

The amendment was rejected.

The Clerk read as follows:

Surveys and investigations in Alaska: For expenses necessary for land classification and forest and range surveys and inventories in Alaska, $50,000, to be immediately available.

Mr. BARTLETT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am disturbed over the drastic reduction in the funds requested by the General Land Office for "Surveys and investigations," since this item vitally concerns Alaska. While I believe that there is merit in the request to plan for the suppression and prevention of coal fires on the public domain, for planning for soil and moisture conservation and range improvements, and for the development and utilization of our timber resources on a sustained yield basis in the continental United States, I am, quite naturally, particularly concerned with the reduction in the item for land examination and range and timber inventory in Alaska.

We will be derelict in our duty to our returning veterans if we neglect any phase of the work required to assist their settlement in Alaska. This is the last frontier, the only large area of public land offering material possibilities for homestead and other public land settlement. Thousands of veterans have expressed an interest in settling in Alaska. We should help them in every way we can.

The Subcommittee on Interior Department Appropriations made a trip to the Territory last summer, and therefore has first-hand knowledge of what needs to be done. I am gratified to see that they have approved an item for $50,000 for land examination by the General Land Office. This is a sum which I am sure will be used to good advantage in finding and examining lands suitable for settlement. However, it falls far short of the amount of $158,000 allowed by the Bureau of the Budget primarily for the examination of areas which are potentially suitable for settlement. I believe this is the time to undertake the full job of land examination, because in this coming season we will witness a large migration to Alaska with an attendant large demand for settlement lands.

And I am also disturbed by the lack of funds for the proposed timber and range inventory. Settlement in Alaska cannot stand alone on agriculture; it must also have an industrial base to make it stable. The utilization of the timber resources, through the establishment of sawmills, woodworking plants, boat building, and the like is needed. We also need to know how much we have of grazing lands in the Territory, for many of our veterans are interested in livestock production, in cattle and in sheep.

The settlement of Alaska will be a gradual process. But I submit that this year is a critical time in its settlement history. What we do now, or fail to do now, will have a continuing effect on the future of settlement.

I view with alarm any action which will restrict the General Land Office program of land examination and timber and range inventory in Alaska, work which is so vitally needed at this time.

Mr. BUNKER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the spectacle of Congress patting an efficient Government agency on the head with one hand while slitting its financial throat with the other would be entertaining were it not for the fact that forcing a $730,000 reduction in funds for the operation of the General Land Office in the Department of the Interior is a matter of serious concern for every western State which depends upon the use of the public lands and their resources for their economic and industrial existence. In reporting the Interior Department Appropriation bill to this body the committee called attention to the fact that the General Land Office "collected revenue from the sale of land, leases, permits, and so forth, totaling in excess of $13,000,000 during the fiscal year 1945." This amount represented a cash return of $5.66 for every dollar of expenditure made in the operation of that Bureau in that year. The report says:

> The committee again wishes to commend this Office for its splendid showing in this connection.

Mr. Chairman, actions speak more eloquently than words and it is the action of the committee in reducing the appropriation for this bureau below the levels suggested by the Bureau of the Budget which actually counts. It is, of course, unnecessary and impossible to go into the detailed effect of this reduction upon the operations of the Office, which are so essential to the well-being of our Western States. I do, however, want the House clearly to understand what the effect of these reductions upon the economy of the West will be if the recommendations of the House Committee are permitted to stand.

Take, for instance, the proposal of the committee to reduce appropriations for salaries and expenses of the General Land Office by $125,000 below the Budget estimate. This item provides for the operations of the Washington headquarters of this public land administration agency, whose 3 branches and 12 divisions are called upon to handle literally thousands of cases each year. During the war the bulk of the nonmilitary work had to be laid aside. Careful plans had been laid to begin clearing away as much of this backlog as possible while keeping abreast with current work during the 1947 fiscal year. The accomplishment of this work program would mean that hundreds of opportunities for the development of the petroleum, mineral, and other resources on the public lands would be presented during the year. This, in turn, would mean a substantial revenue to the Federal Government from royalties and rentals resulting from such increased production. It is the kind of program concerning which the committee made its commendatory remarks. The program cannot be carried out unless the full amount of the Budget estimate is restored in the bill. The effect of the proposed curtailment upon the development of these resources which form so great a part of the fuel supply and economic lifeblood of the West is too obvious to need detailed discussion.

But this, Mr. Chairman, is only one angle of the General Land Office's activities in the administration of the public land. Experience gained through literally generations of its operations produced the closely knit, streamlined organization in which any curtailment of efficiency in one of its branches is reflected in the standards of service rendered by another. For this reason the reductions made by the committee in the several items in this appropriation are more than ordinarily damaging in effect.

This clearly is demonstrated by an examination of the reduction of $255,398 below the Budget estimate for the item "Surveying the public lands." The measurement and identification of these lands is an essential step required by Federal law before the area can be made subject to the provisions of the many public-land statutes. Thus, without an initial survey none of the leases and other negotiations producing revenue to the Federal Government can be consummated. The full benefit cannot be secured under a reduced appropriation which denies funds for adequately meeting the war-accumulated backlog of work involving 41,000,000 acres of land-survey projects, to say nothing of the current land-identification problems inherent in the postwar conversion period.

The first contact which your constituents and mine have with the Federal Government in the administration of the public lands in the West is through the district land offices maintained in 13 of the Western States. The service rendered by these offices ranges from the furnishing of authentic official information concerning the technicalities of public land laws to the handling of applications for the use, lease, sale, or exchange of the public domain. The heavy demand from war veterans for assistance in ascertaining opportunities for land settlement in the United States and in Alaska places a corresponding responsibility upon these offices which cannot adequately be met if the committee's proposed reduction of $16,000 in this item for salaries and expenses of district land offices is allowed to stand.

Another element in this coordinated public-land administration service is threatened with reduced efficiency by the proposed reduction in appropriations for the Branch of Field Examination below the Budget estimate. The work of this Branch encompasses the accurate ascertainment of facts in connection with proposals for use of the public lands and the protection of the public domain from trespass and other infringements upon the Federal statutes affecting the areas. Much of this work entails extensive travel in out-of-the-way places of the West in order that the public may benefit financially and economically from the resource developments resulting from the identifications. It is essential that adequate facilities be provided to maintain this force in a highly mobile condition. This cannot be done if the reduction in the item proposed by the committee is accepted.

In all fairness, Mr. Chairman, I maintain that both from the standpoint of the benefit to the Federal Treasury and the rights of the public in the Western States to all possible assistance in securing the utmost good from the proper conservation and use of natural resources in the public domain, the House should not concur in the recommendations of the Appropriations Committee. On the contrary, I am convinced that it will be in the best public interest to insist that the full amount recommended by the Budget Bureau be provided for the operation of the General Land Office during the 1947 fiscal year.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. BUNKER. I yield to the gentleman from Iowa.

Mr. JENSEN. I want the Committee to know and I want the country to know that this committee allowed this year about $400,000 more for the General Land Office than the General Land Office had in appropriations last year.

Mr. BUNKER. That is beside the point. The fact is that you cut them below what is actually needed.

Mr. ROBINSON of Utah. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, because no portion of the public land can be put to beneficial use under our national conservation policies until it first has been officially surveyed by the Government, the reduction of more than $250,000 in appropriations below the Budget estimate for surveying

the public lands is a matter of serious concern to individuals and industries in the Western States which depend upon the use of the public domain for their livelihood and economic advancement. Literally thousands of war veterans too will find their opportunities for establishing homes on the public land in the United States and in Alaska sharply restricted if the recommendation of the Appropriations Committee is accepted by the House.

This situation is made unmistakably clear by even a cursory examination of the problem confronting the General Land Office in this field of its activities and the funds proposed to be made available by the committee for the accomplishment of the work. The Bureau of the Budget recommended an appropriation of $750,000 for surveying the public lands; the committee proposes an appropriation of $494,602.

The General Land Office is the only Federal agency constituted by Congress to execute surveys and resurveys of the public domain in the United States and Alaska. These surveys are necessary to define the areas included in mineral and grazing leases, determine boundaries of lands involved in timber sales and, in fact, are needed in connection with the administration of all the revenue-producing public land laws. As in the case with other branches of the General Land Office, the survey work of the Cadastral Engineering Service during the war years was limited to projects directly connected with the military program. As a result thousands of projects aggregating more than 41,000,000 acres of land await the official survey or resurvey essential to their administration by the various land management agencies of the Federal Government. None of these projects has been established by the whim of the General Land Office; on the contrary, they are items of work definitely required, either by departmental instructions, Executive orders, or congressional enactments. Little, if any, progress can be made in clearing away this tremendous backlog of authorized survey projects if the reduction in appropriations recommended by the committee is allowed to stand. Moreover, the ability of the Office to carry on new survey work, needed during the postwar period, will be sharply curtailed.

Aside from its effect upon the identification of land under the national conservation and reconversion programs, the proposed reduction in funds also will result in less efficient public service rendered by the General Land Office through its public survey offices maintained throughout the West and in Alaska. These offices supply the public and Government agencies with vital technical assistance and information concerning the identification of the public lands.

Carefully laid plans to furnish homesites and other land settlement opportunities for veterans in Alaska will have to be set aside if the reduction in the appropriation is approved by the House. Thousands of acres of land along the Alaska Highway are included in work programs designed to set aside these areas for veteran settlement during the coming summer. The program of survey activities in connection with this development will have to be clearly reduced if not abandoned altogether if the amount for surveying the public lands is not restored to the total of $750,000 recommended by the Bureau of the Budget.

Mr. COFFEE. Mr. Chairman, I move to strike out the last four words and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

PROTECT THE INTERIOR DEPARTMENT—DO NOT IMPAIR ITS EFFICACY

Mr. COFFEE. Mr. Chairman, a slash of 50 percent in 1947 funds for the Department of the Interior is absolutely unwarranted.

Such a reduction cannot be justified under any circumstances unless it is deliberately intended to cripple the Department and prevent it from serving the people of this country in conserving and developing their natural resources.

The Department has undertaken to perform those services in good faith. And let me point out that it has done so at the specific request of this Congress. We granted the funds necessary for the carrying out of these various programs. Now we are asked to suddenly reverse ourselves and bring those programs to a complete standstill or slow them down to the extent that it will be years before they can be completed and before the people can realize the benefits which they will provide.

The President recommended, with the approval of the Budget Bureau, an appropriation of approximately $347,000,000 for the Department during fiscal year 1947. The committee proposes to reduce that to $174,652,579, a cut of more than $172,000,000, or close to a 50-percent slash in the over-all budget. For some of the individual bureaus, the slash was even more drastic.

The Bureau of Reclamation, for example, had its proposed 1947 budget cut by more than $95,000,000—from $167,000,000 to $72,000,000. The Grazing Service was cut from $1,784,500 to $425,000; Bureau of Mines from $20,000,000 to $11,000,000; Geological Survey from $13,000,000 to $7,000,000; Bonneville Power Administration from $1,784,000 to $425,000; the Southwest Power Administration from $23,000,000 to $3,000,000; Fish and Wildlife Service from $11,000,000 to $8,000,000.

To appreciate the significance of those cuts, if not the motives for making them, I ask you to compare them with previous 1947 appropriations made for other departments and agencies of the Government.

The President asked an appropriation of $1,634,000,000 for the Treasury and Post Office Departments. The House granted $1,604,000,000. The War Department civil functions appropriations bill was approved at $301,000,000, only about $36,000,000 less than requested. The President recommended $589,000,000 for the Department of Agriculture, exclusive of special and trust fund appropriations. The House granted $574,000,000, a reduction of $16,000,000.

I shall not burden you with further figures on this point, but the ones cited indicate clearly that no other appropriations have been slashed to the degree which it is proposed to reduce the Interior budget.

I hope that the committee will be able to explain to the Members of this House just why they felt it necessary to take the axe to the Interior appropriation bill when other departments escaped relatively unscathed.

May I particularly call your attention to the proposed reductions in the 1947 budget for the Bureau of Reclamation? Its multiple-purpose projects provide irrigation for more than 4,000,000 acres of land and, at the peak of the wartime need, produced almost 14,000,000,000 kilowatt-hours of electricity, making possible the tremendously increased production of planes, ships, and other munitions of war in the West.

With the end of the war, Congress gave the go-ahead signal for the Bureau to undertake an expanded program for the further development of water resources in the West and to complete projects halted by the war. The Bureau has already launched that program. It is designed to provide farms and jobs for thousands of veterans, to help meet world-wide shortages of food, to stabilize the agriculture of the West and open new markets for the products of other parts of the country, to encourage the development of business and industry, and in other ways help us to utilize to best advantage our tremendous resources for the greatest good to the greatest number and for the benefit of the whole Nation.

I know what that program means to the economic future of the West. It will repay its cost many, many times over. That is why I want to see it go ahead. That is why I do not want to see it crippled and hamstrung by ill-advised cuts in the funds needed to carry it forward.

The masses of the people, unfortunately have no lobby, no costly propaganda machine with which to make their wishes known. But I know that I speak for the people of the Pacific Northwest when I say that we want the Columbia Basin project developed with the greatest possible speed. I am sure that the people of the Plains States want to see the Missouri River put into harness; that the people of California want no slowdown in developing the great Central Valley project.

All these projects have been authorized for construction by the Bureau of Reclamation. Congress has appropriated millions of dollars for their development. What possible justification can there be for now telling the people of the West that we have suddenly changed our minds about these and other projects; that we now want to delay their completion and postpone the date when their benefits can be brought to the people?

The Bureau is aiming at putting 400,000 acres of new land into irrigated farms for veterans on the Columbia Basin project by 1950–51. It has planned its 1947 program accordingly. How can we expect it to accomplish that objective if we cut its 1947 funds from $30,000,000 to $13,000,000 as proposed in the committee's report?

The proposed cut in appropriations for the Missouri Basin program—from $23,000,000 to $10,000,000—and from $25,000,000 to $10,000,000 for the Central Valley project—will seriously retard the work of the Bureau in developing the resources of those basins.

In my opinion, such drastic reductions are not only inconsistent with policies laid down by Congress but violate the principles of good sense and sound economics. If we do not intend to move ahead with these projects, appropriations should never have been made for them in the first place. Since there can be no question as to the need for developing our water resources to the utmost and since no question is raised as to the engineering and economic feasibility of projects under construction by the Bureau, it is our responsibility to see that they are completed and brought into production as soon as possible.

One of the major byproducts in developing the resources of our rivers is low-cost hydroelectric power. We need that power in the West for irrigation pumping and for developing our other natural resources, for building up our towns and cities and electrifying our farms. Moreover, the revenue from the sale of that power developed in connection with multiple-purpose projects helps to pay back to the Federal Treasury the bulk of the cost in constructing these projects. It means the difference in many cases between a subsidized and a self-liquidating project.

Despite that fact, the committee in this bill proposes to eliminate entirely or greatly reduce funds that are needed for the development of power plants and transmission lines essential to the success of many of these projects and plants and lines which have been previously authorized for construction.

Also, in asking us to approve the reductions for such installations the committee, in effect, is asking us to reverse ourselves on principles and policies long established by Congress. I know that this is a highly controversial issue. I know that the private utilities have spent millions of dollars and are ready to spend millions more in lobbying and propaganda activities to prevent the further development of public power projects that will bring the benefits of low-cost electricity to our people. We have fought out the public power issue on this floor many times. This is just another round in that battle. The Power Trust never gives up. What it cannot accomplish in one way it tries to accomplish in another. No matter how beneficial a project may be to the masses of the people, the private utilities can be depended upon to fight it tooth and nail if it interferes with their monopoly or shows a way out for those who are gouged by high rates.

These proposed reductions, therefore, simmer down to the simple question of whether we support the Power Trust or the rank and file of the people of the West who want and need these irrigation and power projects and who want to see their agricultural and industrial resources developed.

I sincerely hope that the Members of this House will not go along with the committee in cutting the heart out of a program which means so much to so many people in the West. I am in favor of making such reductions as may be necessary in less essential items in the Department of the Interior's appropriation bill, but it would be a tragic mistake to make reductions on the unprecedented scale proposed in the report. To do so would be disastrous to the great work the Department and its various bureaus are doing in helping the West to meet the peacetime needs of the Nation.

IT IS A GROSS MISTAKE TO CRIPPLE THE RECLAMATION PROGRAM

Mr. Chairman, the action of the committee in slashing the budget of the Bureau of Reclamation, would make it necessary that the Bureau surrender to the power trust vital interests of the people of the West. To cut Reclamation's budget for transmission lines would leave it no alternative but to place the sale of public power in the hands of the same people who have hired propagandists and lobbyists to frustrate the hopes of the people of the West for low-cost electric energy to operate their farms and make irrigation projects economically feasible.

The millions of acres of dry and semi-arid land that have already been irrigated through the work of the Bureau of Reclamation stand as solid testimony to the wisdom of the Congress in giving the work its authorization. And the millions of additional acres which the Bureau proposes to irrigate will extend such benefits to scores of thousands of the American families who want to take to the land as their preferred manner of living.

But without the help of low-cost power this program would be greatly handicapped. Low-cost power means transmission lines to carry the electric energy to the retailers. This is the point at which the private power interests press their greatest opposition. They are perhaps willing to let the Government manufacture power, provided the Government will then immediately sell it to them at the switchboard at the lowest possible rate, so that they can at once turn around and sell it to consumers at a rate calculated to return the biggest dividend to stockholders. They think public power is all right if they can make a profit, but public transmission lines are taboo. Yet, transmission lines are absolutely essential if the reclamation program is to be successful.

In my State of Washington, on the Bureau's Columbia Basin project, rests the welfare of a large section of our people. Approximately 1,000,000 acres of land, covering parts of four counties, are to be irrigated under this great project. This huge acreage, now arid and semi-arid, has prospects for great economic good if the project is developed as it has been planned. The Appropriations Committee cut the budget for this work from $30,000,000 for the next fiscal year down to $13,000,000. At this rate, our war veterans will be old men before they can get their farms. The people in my State want this project carried out as it is planned. They have already seen the rise of diversified livestock and crop farming on land that was once given over to dry farming and sheep grazing. They know of the pasture, cereal, forage and other diversified crops that can be produced on land the Bureau of Reclamation develops. They want the program to go through undiminished in any way. Yet the committee has cut nearly half the appropriations for the work there.

The Columbia Basin program requires power and transmission lines to carry that power to the distribution sources so that it can reach the consumer at the lowest possible rate. Only if the consumer gets it at the lowest possible rate can he make widespread use of it, and widespread use is essential to creating a market that will provide the yield from power revenues that is necesasry to help carry irrigation costs. If power is to be put to every use on the land of which it is capable, it must be low-cost Government power. The Nation has an interest, and the Congress has an interest, in seeing that power is so used. It cannot be so used if distribution and rates are left in the hands of private companies whose main interest is to pay big dividend checks.

Every penny the Government lays out for power and transmission lines will come back to the Federal Treasury, with interest. What the Congress appropriates for power is in no sense an expenditure. It is at most a loan to be returned over a period of years. But in the meantime, it will create new opportunities for farm folks, for tradesmen and for professional people, and develop new sources of industry and new sources of business, and provide work for scores of thousands of men.

We are in fact building an empire—building it for our people. To oppose such a program is to oppose the good of the Nation. We in Congress, as the guardians of the Nation's well-being must not permit that to happen.

The Clerk read as follows:

Conservation of health: For expenses necessary for the conservation of health among Indians, transportation of patients and attendants to and from hospitals and sanitoria; returning to their former homes and interring the remains of deceased patients; clinical surveys and general medical research in connection with tuberculosis, trachoma, and venereal and other disease conditions among Indians, including cooperation with State and other organizations engaged in similar work and payment of travel expenses and per diem of physicians, nurses, and other persons whose services are donated by such organizations, and printing and binding; $5,930,570.

Mr. STIGLER. Mr. Chairman, I move to strike out the last word.

Mr. STIGLER. Mr. Chairman, about a year ago I made my maiden speech on the annual Interior appropriation bill. In that speech I called for certain reforms in the Indian Service. I was sincere in that. A year has passed and I

see some progress, but not enough. I am hoping more will be made during the coming year. At that time a new Commissioner of Indian Affairs was ushered into office. He had not had time to get his feet on the ground, so to speak. We were, and still are for that matter, wishing him well. I want to cooperate with him in every way possible, but apparently, so far as Congress is concerned, he wants nothing, except increased appropriations. For that I am sorry. We realize no one can bring about needed reforms overnight in our Government service, and especially in the Indian Service. It is steeped with too much red tape and tradition. The system is larger than any one man. In my first conversation with the Commissioner after his appointment, I made the observation that many commissioners had come and gone before him; that opportunity was knocking at his door—the opportunity was his. He could either rise above the system or he could let the system absorb him. If he chose the latter he would become just another commissioner, but if he exercised the power given him by Congress, the opportunity was his to go down in history as a great commissioner. I am hoping he exercises that power, Mr. Chairman, as the Indians of our Nation deserve better treatment than they are receiving now.

It would seem that from 1832, when I understand the Bureau of Indian Affairs was first established, the Indian Office would have more to report now than just coming to Congress and asking for increased appropriations. I would have no objections to increased appropriations if they had something to show for it or a planned emancipation program. But, from the record, which I have read since coming to Congress, their popular pastime for the past 10 years seems to be asking for more money—most of which is wholly unjustifiable.

Therefore, Mr. Chairman, I desire to congratulate my distinguished colleague and friend the gentleman from Oklahoma, Chairman JED JOHNSON, and his subcommittee for performing a great service to the Congress and to the taxpayers of this country in writing the Interior Department appropriation bill as they did for the fiscal year ending June 30, 1947. Their courage should be an inspiration to all of us to bring about a balanced Budget at a very early date.

In the bill before us, the Budget estimates for 1947 total $346,765,830. Think of it. More than twice the amount as the whole legislative body combined—not only both Houses of Congress, but all their employees. The House owes the subcommittee a debt of gratitude. They recommended a sum of $174,652,579, which is a reduction under the Budget estimates of $172,113,251. The amount recommended in the bill is a decrease under the 1946 appropriation, including pay act funds, of $24,201,248.69.

I think it should be sounded from the house tops that the committee effected a reduction in the estimates for every bureau and office in the bill, and that in every instance the reduction is a very substantial one, and I dare say not a single department will suffer. Today we hear much about reduction of expenditures, but this is the first evidence I have seen since coming to Congress of some committee having the courage of actually doing something about it. Therefore, again I congratulate the committee which handled this piece of legislation.

Since my native State, Oklahoma, has approximately one-third of the Indian population of the United States, and my district being heavily Indian populated, and knowing something personally about the operation of the Indian Service there, I desire to direct my remarks particularly to the appropriations for the Bureau of Indian Affairs.

First, may I point out that the Budget estimates for the fiscal year 1947 for the Indian Service throughout the United States total $41,393,515, which is a net increase of $12,196,277 over the amount provided for the fiscal year ending 1946. Of course, our committee did not allow that sum. Instead it recommended $33,633,787, a decrease of $9,043,298.

In the face of this, it is very interesting to note in the hearings that the Indian Service requested a total of 1,130 new regular positions. Of these new positions, 443 are for program expansion—whatever that means—and 687 are required to permit the effectuation of the 40-hour workweek pursuant to the provisions of Public Law 106, so the Indian Service says. The only defense the Indian Service has in asking for these new regular positions is that the cost would not be greater by virtue of putting on new positions than it would be to pay overtime. I do not know how it appears to you, but it occurs to me that instead of asking for additional new positions, ways and means should be provided to bring about a reduction in the number of positions and the elimination of duplication. If it means anything to you, the proposed increase involves additional personnel amounting to 1,869 man-years over and above the 9,934 man-years provided in the current law.

INDIAN JOB PREFERENCE

Mr. Chairman, I have always been told that the Indian Service in every instance will show preference to those of Indian blood in employing its help. Of the approximately 9,000 employees which the Indian Service has, I note in the hearings that there are only 3,400 Indians employed of one-fourth degree or more. Of this number, 222 are employed at salaries of $2,500 or more per annum. The salaries of the remainder range from $720 to $2,500. The highest salary paid to any Indian in the service now is $5,600.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the gentleman from Oklahoma [Mr. STIGLER] is making a very informative statement. He is one of the greatest authorities on Indian affairs in America. I ask unanimous consent that he may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STIGLER. Mr. Chairman, having what is commonly referred to as the "Indian Capital of the United States" in my district located at Muskogee, Okla., which is the third largest city in the State, and knowing something about the employment of Indians there, I would say that when a position is to be filled above $1,500 or $2,000, certainly an Indian is not called in to fill it. That condition should not exist and I am hoping that the present Commissioner of Indian Affairs will correct it. If he does not I shall have more to say about it later and cite some concrete examples which I know about personally. And when I make that declaration, they will not be pets of mine.

CONSTANT INCREASE IN APPROPRIATIONS

Last year I inserted in my speech on the Interior bill a table showing the appropriations made to the Indian Service over a 10-year period. Mr. Chairman, I should like again to call the attention of the committee to the appropriations during that period:

Fiscal year:	*Amount*
1932	$36,655,855.11
1933	30,707,166.65
1934	25,186,168.99
1935	25,017,447.71
1936	32,672,187.87
1937	33,280,504.15
1938	47,358,375.37
1939	39,719,232.27
1940	43,630,229.64
1941	39,203,897.49
1942	39,373,797.16
1943	35,305,829.20
1944	37,392,093.49
1945	35,991,597.00

It is appalling to note how the appropriations for the Bureau of Indian Affairs have pyramided from 1935. In that fiscal year the total amount appropriated was $16,275,185, exclusive of tribal funds. For the next fiscal year they wanted $41,000,000.

SCHOOLS

Mr. Chairman, during my early school days one of the first axioms of life I learned and committed to memory was that knowledge is power. I am still committed to that axiom. Therefore, I am especially interested to note that the Indian Service in its budget estimates for the year 1947 asks for $10,311,470 for education and the committee recommended $9,600,000. I am sorry it was not more than the budget estimate.

The value of education cannot be estimated too highly. As a matter of fact, I think the salvation of the Indian is through two channels—health and education. If he is given a good education and is taught how to take care of himself from a health standpoint, upon his own initiative he will find a solution to most of his problems.

As a member of the Indian Affairs Committee of the House, and being part Indian myself, I receive quite a few letters from various Indian tribes throughout the United States telling me about their problems. It is hard for me to visualize that some of the conditions they describe exist. I do not see how anyone in the Indian Service, unless they are on the job just to draw salary and increase their power, can sit idly by and not want to do something about it.

While most of the Indian children in my section of the State attend the white schools and we have no especial school problem, yet some of the information I receive with reference to some of the other tribes concerning their educational advantages is very disconcerting, as well as appalling.

For instance, I received a report with reference to the Navaho Reservation schools. I have never been on this reservation, but I read the observations made by the director of elemenary education and director of arts and crafts of the New Mexico State Department of Public Education with a great deal of interest. It sounds incredible. I am impelled to give you portions of it.

According to the Navaho agency reports, there are approximately 55,000 Navaho Indians, nearly 12,000 families by ration-book count. Their population is increasing at the rate of about 2 percent or about 1,000 persons annually. This large annual increase indicates about 17 percent more children of school age of the Navaho Indian population than any other nation generally. Hence, a greater proportionate need for school facilities is indicated. To me it is very appalling indeed, and certainly an indictment against the Indian Service that schools do not even exist for three-fourths of school-age Navaho children. Mr. Chairman, every American child should have the opportunity to go to school, and especially those who are now classified as wards of the Government. The latter cannot help themselves, because the Government will not let them.

I am told that the basis of Navaho education by the Federal Government arises out of a treaty that was made between the United States and the Navaho Tribe in 1868. In that year the United States promised the Navaho people that it would maintain 1 school room and 1 teacher for each 30-pupil group between the ages of 6 and 18.

It has been estimated by the Indian Service that there are at least 20,000 Navaho children of school age, about one-half of whom live in New Mexico. There are school facilities for only 5,500 of these children, some 2,000 of whom were in day or community schools in 1944–45 and 3,000 in boarding schools, although the latter only had a capacity for 2,000. About 500 Navaho boys and girls are being educated by the churches of the United States and mission schools on or near the reservation.

Surely the Indian Service is aware of this shocking situation and should do something more than it has done to bring it to the attention of the Congress of the United States. To me it is more shocking when I learned that only 1 Navaho child out of 4 can go to school on account of 19 out of the 49 Government day schools on the reservation have been closed for lack of funds. I ask you, Whose fault is this?

INDIAN CREDIT ORGANIZATION

Mr. Chairman, under authority of the 1934 act, supplemented by the Oklahoma Welfare Act of 1935, an Indian Credit System was established among the Indians. When this system was first inaugurated I had lots of faith in it. I took the officials of the Indian Office at their word—that they were going to use the loan fund as a vehicle for the complete rehabilitation of the restricted Indians, not only in Oklahoma but throughout the country. After reading the provisions of the law, I came to the conclusion that at long last the Indian Service had promulgated a program which would not only completely rehabilitate the Indian but would bring about his complete emancipation from Government supervision within due course of time.

In this I was soon to be disillusioned as I saw the operation of the credit association so rooted down with unnecessary rules and regulations that scarcely any Indian wanted to have anything to do with it. Instead of having a simplified loan procedure, the original rules, regulations, and applications contained many pages, and I am informed that the application for a loan itself contained six pages which had to be signed in quintuplicate and every conceivable question was asked. No wonder the Indian got disgusted with his Government and began to look elsewhere for immediate relief. I remember some instances in my own country where a full-blooded Indian would apply for a loan and it would be some 6 or 9 months before his papers would finally come through. Such slowness is inexcusable.

Being intensely interested in the successful operation of the credit association, which was organized by the Indians in most of the counties in the old Choctaw-Chickasaw Nations, I wrote to the Commissioner of Indian Affairs for a complete break-down of the loans made by the credit associations in each one of the eight counties I have the honor to represent. That information was furnished me under date of December 21, 1945. At this point I would like to insert the table containing this information:

	Loans by credit associations		Loans by United States		Total	
	Number	Amount	Number	Amount	Number	Amount
Adair County	234	$111,119.70			234	$111,119.70
Cherokee County	113	52,372.68			113	52,372.68
Haskell County	34	22,607.82	30	$26,998.25	64	49,606.07
McIntosh County			49	28,726.52	49	28,726.52
Muskogee County	26	20,972.09	11	7,271.58	37	28,243.67
Okmulgee County			49	31,388.13	49	31,388.13
Sequoyah County	53	28,803.74			53	28,803.74
Wagoner County			13	8,892.27	13	8,892.27
Total	460	235,876.03	152	103,276.75	612	339,152.78

I think it is significant to note that since the credit associations were established as up to December 21, 1945, only 612 loans were made to Indians in my eight counties. The credit association in my own county, Haskell, was declared in default April 20, 1942, and since that time loans have been made in that county direct from the United States Government.

In addition to writing the superintendent for complete information relative to the operation of these associations, I also wrote to the officers of all the credit associations in each of my counties asking them to point out the defects in the system. A very generous response was given to my questionnaire. Upon receiving this information I then wrote to the Commissioner, submitting to him for his consideration the following recommendations:

First. The need of an Indian farm agent in each county is urgently requested by the majority of the members of the associations.

Second. The forms now used by the Indian Credit Association should be greatly simplified and be made more streamlined. Too many signatures of the applicant are required. There is positively too much red tape, which should be eliminated at the earliest possible date.

Third. There should be provisions made for loans for the purchase of land.

Fourth. Chicago and Washington approvals should not be required on any loan made but approval should be more localized.

Fifth. There are many inconsistencies in the regulations. The number should be reduced to the lowest minimum and should be stated in such simple language anyone could understand.

Sixth. At times the Government officials who have charge of these loans manifest personal prejudice.

Seventh. Only $2,000,000 used in 10 years out of the $12,000,000 authorized.

Eighth. Takes entirely too long to get loan through.

Ninth. The credit association should operate more along lines of production credit association, which appears to be operating very successfully.

Tenth. The credit board should have more authority.

Eleventh. Loans for $200 or less for 1 year should be approved locally.

Twelfth. The pay of the board of directors of the association should be on an annual basis and not by the present method.

Thirteenth. It seems to be the unanimous opinion of the members of the various credit associations that the district office, so far as loans are concerned, should be entirely eliminated.

I further stated in my letter to the Commissioner that I would be more than glad to discuss these recommendations in detail with him at his convenience. The only attention paid to my recommendations, with very few exceptions so far as I know, was a gracious acknowledgment of my letter by the Commissioner.

Nothwithstanding this, Mr. Chairman, I expect to continue in my efforts to help

bring about a complete reorganization of the Indian Service, elimination of all the overlapping agencies, simplifying the rules and regulations, investing more authority in the superintendent and field clerks, and getting away from the idea that all final decisions must be made in the Chicago or Washington office. If this were done, I am sure it would not be very long before a considerable improvement would be noted.

SOIL CONSERVATION

I am told that in Oklahoma there are approximately 2,979,000 acres of Indian lands that, generally speaking, are in need of soil and moisture conservation operations.

In the bill before us I note there is an appropriation made under this subject matter in the sum of $98,700 for departmental personal services including such services in the District of Columbia, and a total appropriation of $1,509,830.

I do not know what the condition is in other States having an Indian population, but I know in the eight counties which I represent the Department of Agriculture has one of the finest soil-conservation services that is obtainable. I further note that the Indian Soil Conservation Service of Muskogee, Okla., which has jurisdiction over my eight counties, is inadequately equipped and wholly understaffed to meet the demands which are made. I have many Indians ask me why they cannot go to the regular Soil Conservation Service and obtain assistance from them instead of having to depend upon the inadequate service of the Indian Service.

It would seem to me, Mr. Chairman, that here is a duplication of service that is wholly unjustified and could be eliminated. Certainly the service cannot be improved unless Congress appropriates more money. I am a great believer in the conservation of our natural resources and think that the conservation of our soil is one of our greatest assets. Therefore, I would like very much to see the Indian given the very best of soil-conservation service so he will be able to bring about a more productive yield from the soil he tills.

INDIANS IN THE WAR

There is one record that the Indian Office did not help make, so far as the Indian himself is concerned. It is another instance where the individual Indian upon his own initiative, without the help of his mythical great white father, made the record which we have before us today. That record deals with heroism and sacrifice. I would like to pass part of it on to you this afternoon.

Not very long ago I had the privilege of reading a pamphlet entitled "Indians in the War." This record is very impressive, and as one Member of Congress I am extremely proud of it and would like to tell you what I read:

In the spring of 1945 there were 21,767 Indians in the Army, 1,910 in the Navy, 121 in the Coast Guard, and 723 in the marines. These figures do not include officers, for whom no statistics are available. Several hundred Indian women are in the various branches of the service.

The Office of Indian Affairs recorded 71 awards of the Air Medal, 51 of the Silver Star, 47 of the Bronze Star Medal, 34 of the Distinguished Flying Cross, and 2 of the Congressional Medal of Honor. There were many Indians in the prison camps of the Philippines after the fall of Bataan and Corregidor, and later there many more on Iwo Jima and Okinawa. There were Indians in the Forty-fifth Division in Sicily and Italy, the second division with the highest number of casualties of World War II.

It is interesting to note that Pfc Ira Hayes, a Pima Indian of the marines, was one of the six men who raised the flag on the summit of Mount Suribachi.

He is one of the three survivors of this historic incident. He served on Iwo Jima for 36 days and came away unwounded. Previously he had fought at Vella La Vella and Bougainville. Because of the Nation-wide attention won by the dramatic photograph of the flag raising, symbol and expression of the invincible American spirit, Hayes and his two comrades, Pharmacist's Mate John Bradley and Pfc Rene A. Gagnon, were brought back to this country to travel extensively in support of the Seventh War Loan.

On May 1 more than 1,000 Indians of the Pima Tribe gathered at Bapchule, Ariz., to pay honor to their fellow tribesman and to celebrate his safe return.

It was my pleasure and honor to assist in obtaining permission for him to appear at a luncheon given by the National Congress of American Indians in Chicago on May 19, 1945, at which time a brief speech by Hayes was broadcast.

There are two Indian Congressional Medal of Honor men—the highest honor our Nation can bestow. Both of these are Oklahoma Indians—Lt. Ernest Childers, a Creek Indian who lives at Broken Arrow, and Lt. Jack C. Montgomery, a Cherokee who lives in my own district near Sallisaw, Okla.

While the Indian boys and girls were in uniform fighting for their country, their friends and parents at home matched the record of their fighting men. More than 40,000 left reservations and elsewhere during each of the war years to take jobs in ordnance depots, aircraft factories, on the railroads and in other war industries. Our Indians invested more than $17,000,000 of restricted funds in war bonds, and their individual purchases probably amounted to twice that sum. They subscribed liberally to the Red Cross and to the Army and Navy Relief societies.

What more could one ask?

Would that I had time, Mr. Chairman, to single out more individual Indians who distinguished themselves with glory on the field of battle. Suffice to say, however, there was scarcely a single tribe in the United States which was not represented in the armed forces of our country.

Such is the devotion of the Indian—the original first American—to his country. Yet, he is still a ward of his Government—after 114 years. What an indictment! I ask Congress this afternoon, What are you going to do about it? Their future is in our hands. Are you going to side-step the issue, or are you going to be realistic and help bring about a change in conditions so the Indian will go forth in the world marching abreast with his white brethren, with an opportunity to show his worth in civilian life as he did on the field of battle?

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. STIGLER. I yield.

Mr. MURDOCK. Coming as I do from the Southwest and having a large part of the Navaho Reservation in my own State, I want to confirm what the gentleman has just said regarding the crying need of more and better schools on the Navaho Reservation and also what he has read. The Navaho Reservation is as large as the entire State of West Virginia. I do know positively from personal knowledge that schooling is not furnished to any adequate degree to those people. Our Indians did their full share in the recent war, but too many of them were rejected from military service because of lack of early schooling.

Mr. STIGLER. I thank the gentleman.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Chairman, a few moments ago we received the good news that John L. Lewis has called the coal miners back to dig coal for a couple of weeks while negotiations are continued. His action will be most welcome news to the American people. Of course, we all hope now, that the coal strike may be settled through negotiations so that they may continue to operate.

I should like for the American people to know that the conservative Members of the House of Representatives have shown courage, time and again during the past 2 or 3 years, in particular and have tried to enact legislation which they believed to be fair to labor, fair to business, and in the hope of protecting the rights of a hundred million people who make up the public, who are not connected with various labor organizations. The Members of the House have passed such legislation. We have done our duty. It is now up to the other body. I regret that the Members of the House of Representatives who have tried to prevent this industrial crisis that is gripping the Nation today have not had the support of the administration for the past 12 years, nor have they had the support of the present administration. If the lights are turned down at the White House for lack of power, if industrial chaos envelops this Nation as it has today, I should like for the American people to know that it is not because of the lack of courage on the part of the Members of the House of Representatives. It is chargeable only to the administration in power. I hope that during these 2 weeks, the 2 weeks' truce that an agreement will be reached. If not the next move is up to the President, and the Members who sponsor his legislative affairs for him in the other body who have refused to act on legislation approved by the House.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. SHORT. I have just been reading a splendid editorial on the front page of today's Washington Daily News. The last couple of sentences read:

This is a strike against the Government. If the President and the Congress ever intend to do anything about it, the time is now.

The trouble with this editorial, as with so many editorials and articles by columnists, as well as comments by commentators over the radio, is that they condemn Congress as a whole, and fail to inform the American people that this House on three different occasions has passed good, strong labor laws, only to have them buried and pigeon-holed in another body that has not got the guts to stand up and be counted.

Mr. VURSELL. And that is continuing today. I am glad the gentleman brought that up.

I want to say to the newspaper publishers of Washington that they yell when their power and lights are about to be cut off. With the exception of the Times-Herald they have not had the courage to back up the courageous Members of this House, both on the Democratic side and the Republican side who have tried to prevent these conditions. I wish the press of this country had the courage to stand up for the things that are right for the American people all the time.

Mr. SHORT. I am not going to cite any particular newspaper but I think what the gentleman has said applies pretty generally to papers all over the United States, and it is obviously unfair to condemn Congress as a whole so when you go back to your district you have constituents jumping on your neck and asking: "Why don't you do something about it?" when we have already done everything we can do in this particular branch of the Congress.

Mr. VURSELL. Mr. Chairman, I sincerely believe that the conservative Members of this House, who have attempted in the past to write legislation in an effort to encourage collective bargaining and in an effort to help fairly define the rights of labor, business, and to protect the general public, are the best friends labor has in this body. All of us want labor steadily employed at high wages, enjoying the best possible working conditions.

If legislation can be enacted which will help bring industrial peace to the country, it will provide steady employment with a greater production of goods, which would force the price of goods and living down to the laboring men of this country and to all of the people. That in itself would make the dollar the laboring man draws purchase a greater amount of food, shelter, and clothing, which would prevent him from the necessity of expensive work stoppages which have slowed down production over the Nation, working a great hardship on the general public and costing the laboring man millions of dollars in wages.

The policy of this administration for the past 12 years and longer has been to favor legislation for special groups for votes at election time. This administration has sown to the wind and is now reaping the whirlwind. Millions of men who want to work, who belong to various unions, are out of work at the present time, and millions more will be without jobs unless in some way present strikes can be settled.

Mr. Chairman, we are likely at times like these to overlook many pertinent facts. May I point out to the Members of Congress that the thousands of coal miners who are asking for more money volunteered 3 years ago, for the duration of the war, to work 6 days or 54 hours a week. The job of the coal miner down under the ground is one of the hardest and most difficult tasks in America. Never in the history of the world has a group of men produced as much coal day after day and month after month as has the American coal miner. During 1944 the American miners produced 620,000,000 tons of coal. Due to efficient machinery the American coal miner has a record of producing 4 tons of coal to 1 ton produced in England. Their work is not only hard but is very dangerous. Mine explosions and the falling of shale in the mines throughout the Nation, cripple and kill many of them each year.

I am not posted on the wages the miners draw but I have been told that considering the long hours and the hazardous work their wage scale is lower than most of the industrial wage scales in the North and the work is more laborious and dangerous.

I just point this out so that the Members of Congress may understand and may appreciate the conditions surrounding the miner who has done a splendid job in the production of coal throughout the years. Naturally the miner wants his wages raised to conform to other prevelant wage scale raises over the Nation and doubtless they and the mine operators will be able to agree on this phase of the contract.

Mr. MILLER of Nebraska. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it is quite evident that a lively discussion of the labor subject would be more interesting than a discussion of the appropriation for the Bureau of Indian Affairs, but I want to bring the discussion back to the Interior Department bill and the Bureau of Indian Affairs in particular.

There are something over 9,000 employees in the Indian Service and the appropriation now is something over $35,000,000, an increase of $16,500,000 since 1935.

This last summer when in Alaska I had the opportunity of visiting a number of Indian families. I found quite a lot of unrest and dissatisfaction among the Indians. I have some Indians in my district, although I have no Indian reservation. They come over from South Dakota. I hope this Congress and this Committee will sometime wake up to the fact that we ought to quit setting the Indian apart as an individual who needs special privileges in the United States. I question very much whether we need special Indian schools. I question very much whether we need special Indian hospitals where just Indians come in to have their medical and surgical care. During the war the Indians of the United States, I believe the record will show, volunteered in the service of the United States in greater proportion than any other minority group. When these soldiers return home they find many restrictions to their activities. Their blood is just as red as the blood of anyone else, they should be treated as equals with white people. We deny them certain privileges off the reservation, certain privileges others have in transferring property, in going to school, and other restrictions. I am hopeful that the time will soon approach that instead of having an Indian Service pyramiding year after year we can begin to give the Indians the same treatment other people in this country receive. I question very much that we ought to continue to set them apart as a special class, giving them not special privileges, but denying them special privileges that other people have.

The Indians in Alaska intermarry, they intermarry in this country, and yet we continue to coddle them, and the Government is a paternalistic Government as far as our Indians are concerned. I am certain that instead of pyramiding the number of employees in the Indian Service, pyramiding their appropriations and denying the Indians certain privileges enjoyed by the rest of us, that this Congress ought sooner or later institute legislation to make Indians our equals in every way. The increasing bureaucracy ought to be dissolved.

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed out of order for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes to proceed out of order.

Mr. MARCANTONIO. Mr. Chairman, the same lynch labor spirit is being engendered here during the last 2 or 3 days that I witnessed at the time this House rushed through the Smith-Connally bill. Under the guise of attacking John L. Lewis, you direct your attack against the men who are engaged and have been engaged for the better part of their lives in the production of coal. The press of the country has ganged up against labor again in this instance as it always does when labor is engaged in a most critical struggle for its very existence. When I say "the press" I mean a good portion of it. In this ganging up the press has deliberately misinformed the people or omitted to tell the American people the real issues that are involved. Freedom of the press! There is as much freedom as the owners of the press and their financial overlords will permit.

As an illustration, the press tries to make people believe that when the miners ask for portal-to-portal pay they are asking for pay from the time they leave their homes to the time they get into the mine, when, as a matter of fact, portal-to-portal pay merely means payment from the time the miner enters the entrance to the mine until he gets down into the mine itself.

This is just a sample of a series of misrepresentations. Nothing is said of the working conditions, the hazards—health

and physical—and the cruel exploitations of the miner and his family. Yes, Congress must do something. May I suggest that it devote some of its time toward the amelioration of these conditions. Instead, we have antilabor stories and editorials in the press and antilabor speeches here. Not a word of condemnation of the operators. The result is an attempt to work up an antilabor hysteria in this House, similar to the hysteria that produced the Smith-Connally law, a law that now the author himself seeks to repeal, a law that has been condemned in the last Presidential campaign by the standard bearer of the Republican Party, a law repudiated by everybody. I cannot forget the days when it was hailed here and demanded here with the same feigned indignation by the enemies of the working people that we are now witnessing in this House.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. That bill was vetoed by the late President Roosevelt and overwhelmingly passed over his veto?

Mr. MARCANTONIO. Yes; and the gentleman remembers also the hysteria that was engineered right here in the well of the House on the Friday afternoon that veto message came to us. Members got up here and raved, "We have to save America from John L. Lewis." Then they overrode the President's veto. Now, everybody wants that law repealed.

Mr. Chairman, the issue here is not John L. Lewis. The issue is, shall we permit these ruthless coal operators to carry out their conspiracy against labor and against the interests of the American people? If the American people as a whole, the farmers of your district or the tenement dwellers in my district, knew the real facts they would rise up in protest and in overwhelming numbers, demanding that action be taken not against the coal miners but against the coal operators who have conspired to provoke this strike, who are now conspiring to use this strike as a weapon to destroy the gains that have been obtained by coal miners after years and years of struggle, suffering, and exploitation. Oh, you say the papers are picking on us. Why yield to their pressure? They are on the side of the operators protecting them in their nefarious plot against the American people under the guise of a smoke screen attack against John L. Lewis. I, for one, want the press to know that I voted against the Case bill and spoke against it. I am confident that time and events will vindicate us who voted against and fought the Case bill with equal decisiveness as we who fought and voted against the Smith-Connally bill have been vindicated.

No, do not make the miners your target. Make the operators your target. You want to eliminate this industrial dispute? Then put your finger on the cause and put pressure on those who are responsible. It is the operators who provoked the strike, it is the operators who provoke a continuance of the strike, it is the operators who are obstinate in their refusal to act as reasonable, patriotic persons. They are interested only in profits and not in the welfare of the Nation. Pressure them, not the coal miners of this country and the strike will be settled without delay.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I would remind my good friend from New York that there is no hysteria or misrepresentation about the fact that in 35 communities in the State of Illinois this afternoon 67 out of every 100 industrial workers are out of employment by virtue of the coal strike. I would remind my friend from New York that there is no hysteria about the fact that day after day thousands of gallons of milk and cream have had to be poured into sewage or into slop for pigs because there was no coal for the boilers whereby it could be processed. I would remind my young friend from New York that there is no hysteria about the fact that in the city of Peoria, in the very heart of my congressional district, this afternoon 14,000 men are entirely out of work and another 22,000 are on a 24-hour week. There is neither naked opinion nor hysteria nor misrepresentation about that. Those are the ascertained facts and the reason they are jobless today is for lack of coal.

Now, the fact of the matter is, if I am informed correctly—and I know how difficult it is to get the facts—that ever since the 12th day of March, when they held the very first conference, there has never been any actual bargaining between the operators and the union officials. They conditioned bargaining, if I am correctly informed—and I beg to be informed correctly, if I am not—on two conditions. Operators were asked to agree in principle to two propositions before bargaining on the usual issues could begin. The first one was that there should be an estimated tonnage tax to develop approximately $50,000,000 per year for health and welfare.

Certainly, nobody objects to health and welfare, but it is one of those situations, one of those conditions, one of those problems that needs careful scrutiny, if we shall be mindful of the fact that if that kind of a principle is extended to every industry so that there is a tax on automobiles for a certain purpose, and a tax on other units of production for certain purposes, that finally the power of private taxation rises up in competition with the Federal Government itself and finally threatens its fiscal solvency and solidarity.

Second, there was no bargaining, because there was a demand that the supervisory personnel and the company personnel and the foremen should be first forced into the regular rank-and-file union. Those are the two things upon which bargaining was conditioned, and there has been no actual bargaining upon the customary issues since the 12th day of March when the first conference was held.

There is no hysteria about it. There is no misrepresentation about that. Those appear to be the facts insofar as I can develop them. We dealt with one of those items in the Case bill. We provided that foremen and company personnel would be denied the benefits of the Wagner Act under section 12 of that proposal. So I am glad that the Senate is addressing itself today to this problem because first of all it removes one of the obstacles that stands in the way of bargaining, so that the parties involved can get around to free collective bargaining and determine the merits of the customary issues that are represented in cases of that kind. If some happy solution can be developed on this question of the tonnage tax, then there is no reason while the truce is on for the next 12 days that they cannot sit down and bargain over wages, hours, safety, working conditions, and so forth.

But there is one other aspect of this matter. Public safety is involved, public health is involved, and some day soon the Members of this body who are charged with legislative responsibility under the Constitution are going to have to make a determination how far a segment of our people can go in threatening public health, public safety, and public welfare. Certainly, nobody will impose a limitation upon the free right to strike, because it is the only weapon that labor has got. But there are some larger considerations that transcend that when they come into conflict with welfare and the safety of our people.

I do not contend for one moment that the men who go into the pits to mine coal do not have an argument with respect to welfare and health. It is a matter that will bear the fullest consideration. In fact, I expect to devote some remarks to an item in the pending bill that relates to the Bureau of Mines and the element of safety. But is it not a bit astonishing that in pressing for agreement in principle to a special tax in the interest of health and welfare that the very health, welfare, and safety of whole areas of our country are jeopardized by the method which is being pursued? In no case can the welfare of a part of the people transcend the welfare of all of the people and of the whole Nation.

That is the thing that has evoked such a high, swelling storm of protest from every section of the country. I am glad they have gone back to work, and I hope now that this dispute may be ironed out, that the facts can be truly represented to all the people, and that we also will discharge our responsibility. I regret that although more than 90 days ago this House acted, another dilatory body failed to take action consonant with what we did here.

Let me reaffirm my position—and I state it without reference to the merit that may exist on either side of the controversy between operators and union officials—that coal is indispensable to

our economic well-being, and our first responsibility is to take such action as will bring about a resumption of coal production and stop the enormous losses that are being piled up daily upon millions of people who are the innocent victims of this dispute. Thereafter, we need to do those things which will avert the health, safety, and welfare of the Nation from being so completely jeopardized by a paralyzing work stoppage. Surely, there must be enough ingenuity, enough courage, and enough tolerance on all sides for men to compose their differences without strangling the economic life of the Nation.

Mr. JOHNSON of Oklahoma. Mr. Chairman, we have been rather liberal with these speeches, but we have an Interior Department Appropriation bill we are trying to get through with today. I demand the regular order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Welfare of Indians: For welfare services, including general support, relief of needy Indians, boarding home care of Indian children, institutional care of delinquent children, and payment of per diem, in lieu of subsistence, and other expenses of Indians participating in folk festivals, $150,000: *Provided*, That formal contract shall not be required for payment (which may be made from the date of service) for the care of Indians.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is no question but that it is time for us to begin to cut down appropriations and save our money. Without coal we will have to go to cutting wood and splitting it. With all the factories closed, perhaps some of us will have to go to work making hoes and other tools to till the soil and harvest a crop.

What the gentleman from Illinois [Mr. DIRKSEN] said about the strikes is all too true. In this country of ours where there is a scarcity of so many things there is at least an abundance of talk in both this House and in the body across the corridor. Back in the early thirties the Congress passed an act to prevent racketeering, as you will recall. Then on March 2, 1942, the Supreme Court of the United States said that act did not apply to racketeering as practiced by the unions and which prevented food getting into the cities until tribute was paid. Two days later I offered an amendment to the law to prevent the collection of unlawful demands. The amendment was pigeonholed by the administration. Following that, if you will recall, a bill passed this House and was sent over to the other body on the 12th day of April 1943. That is a long time ago. It is over there yet. If the other body would pass that act, and if it was enforced, it would be a complete answer to the demand of Mr. Lewis and his United Mine Workers that operators pay 10 cents, or whatever it is, per ton royalty on the coal that is mined. So while so many here demand action, and while it is the responsibility of the Congress, and while the strikes have grown in number and in intensity, it has taken the coal mine strike, the United Mine Workers' strike, to give us a real demonstration of the power that some of these gentlemen have been exercising.

It is my contention that the fault is not here in this body but it is over across, at the other end of the corridor, and that when we passed the Hobbs bill, the amendment to the antiracketeering statute, and sent it over there, if the other body had taken it, if it would take it today, if the President had signed it, and if it had been enforced, there would be no legal justification today for the demand for the payment of a royalty, and Lewis would begin to bargain on wages and hours.

THE COMMUNISTS SEEK TO BUY A CONGRESS

Mr. Chairman, today's press carries a story of a direct threat to integrity of American elections. The threat is made by an American labor affiliate of a world labor federation directed from Moscow and dominated by Communist labor politicians.

This statement is not based on hearsay. Its truth is shown by the direct statements of the American leaders of the movement. I propose to trace this line of control, directly, chronologically, and to show its brazen challenge.

Look, first, at the facts surrounding the birth of the Political Action Committee of the Congress of Industrial Organizations. July 7, 1943, the CIO executive board, acting in the name of the entire CIO, set up this Political Action Committee.

Philip Murray, national president of the CIO, appointed the following members of the CIO Political Action Committee—to operate in the congressional and Presidential elections of 1944:

Sidney Hillman, chairman; R. J. Thomas, secretary; Sherman H. Dalrymple, Albert J. Fitzgerald, and David J. McDonald.

Shortly thereafter the country was split up into 14 regions, headquarters were opened in each, and regional directors appointed.

The general plan provided that every unit of the CIO unions—international unions, industrial union councils, union locals and so on—form a Political Action Committee to carry out national and regional decisions made at the top by the group of five men headed by Sidney Hillman.

Philip Murray, CIO head, claimed that the voting strength of CIO, including members, their families and financial dependents, was 14,000,000 in 1944.

In the 1944 elections the CIO raised some $2,000,000 for use of the PAC, aside from local funds used in State and municipal elections, raised by local units. Hillman and CIO-PAC claimed, after that election, they elected Roosevelt, and just about every Congressman who succeeded a Congressman opposed by CIO. That was in 1944.

It is more than mere coincidence that the Congressmen and other candidates opposed by CIO-PAC were identical with the blacklists of the New York Daily Worker, official publication of the American Communist Party.

It is more than mere coincidence that the legislative bills used by CIO-PAC in checking voting records of candidates, was the same list used by the Communist-front "New Republic", the Communist Daily Worker and similar mouthpieces of communism in America.

It is no mere coincidence that keymen in the organization and under the direction of CIO-PAC in 1944 elections were linked, in dozens of cases, with organizations identified over a long period of years with attainment of Communist objectives in America. It is no mere coincidence that that interlocking directorship put leaders of scores of Communist-front organizations into the directorship and leadership of CIO-PAC.

But the elections of 1944 are over the dam, we are coming into the elections of 1946 which affect every Member of this House, a third of the Members of the current Senate, and mayors, governors, members of legislatures throughout the country.

Let us look at what happened in the 1945 interim, and what is happening now.

During 1945 the war ended in Europe and in Japan.

Sidney Hillman went to France, sat in at conferences at which the World Federation of Trade Unions came into existence, an international labor organization distinctly under Communist labor domination. Sidney Hillman became a vice president of that WFTU. Harry Bridges, Communist west-coast leader of the longshoremen, and Joseph Curran, east-coast Communist fronter, heading the National Maritime Union, sent congratulatory telegrams upon formation of this international Communist labor organization.

It is significant that George Meany, secretary-treasurer of the American Federation of Labor, refused to attend.

It is a significant thing that the American Federation of Labor as a whole refused to be affiliated with this international Communist labor front.

The World Federation of Trade Unions gathered across the bay from San Francisco when the United Nations was in process of formation and tried to win recognition as the voice of labor in that United Nations. They failed.

Subsequently, in London the World Federation of Trade Unions tried again to obtain recognition as the labor component of the United Nations. Through the efforts of the American delegates to the United Nations Council that move, too, was blocked.

But do not believe for one minute that the World Federation of Trade Unions does not dominate Russian-born Sidney Hillman, or Harry Bridges, or Joe Curran, or others of the Communist and Communist-front members of CIO and of the CIO–PAC.

We have seen the announcements by Sidney Hillman and Phil Murray in the last few weeks that they plan a war chest of between $5,000,000 and $6,000,000, to be spent in this 1946 election of Congressmen and governors and legislators and mayors, to put in office men and women who will bow to the CIO-PAC dictates—the Communist-front dictatorship of Hillman, Murray, Bridges, Curran, et al., and their Moscow-directed superiors.

Many of you may have read an Associated Press dispatch from San Francisco, dated May 7, this year, in which Harry Bridges blatantly stated that a maritime strike would be called to further cripple American industry, and boasted that international help would be available for that strike. I quote certain paragraphs of that dispatch:

Our perspective is not only for a national strike but for an international strike.

We are convinced that it will be a long, hard strike, of from 3 to 6 months.

We've already made arrangements for support in other countries. If the Socialist trade unions in Russia want to help us, we won't turn them down because of their form of society.

Those quotations, gentlemen, are attributed to Harry Bridges, in the Associated Press dispatch of May 7 from San Francisco.

Another Associated Press dispatch from Atlantic City, dated May 9, this year, states:

Members of the CIO Political Action Committee today named 10 Senators and more than a score of Members of the House of Representatives they said they would try to defeat in the 1946 elections.

That dispatch told of a determination of this CIO-PAC to defeat Governor Dewey and of a bitter attack by President Murray of CIO on President William Green of the American Federation of Labor and John L. Lewis of the United Mine Workers.

For the interest of Members who may not have read the Atlantic City dispatch, it quoted the CIO-PAC leaders and who threatened to defeat those named, of which, I am proud to say, I am one.

On the list were the names of:

Senators KENNETH MCKELLAR, of Tennessee; BURTON K. WHEELER, of Montana; THEODORE G. BILBO, of Mississippi; HARRY F. BYRD, of Virginia; E. P. CARVILLE, of Nevada; PETER G. GERRY, of Rhode Island; GEORGE L. RADCLIFFE, of Maryland; HENRIK SHIPSTEAD, of Minnesota; H. ALEXANDER SMITH, of New Jersey; WILLIAM LANGER, of North Dakota; and Representatives BARRY, of New York; BENNETT, of Missouri; BUCK, of New York; BROWN, of Ohio; CLASON, of Massachusetts; CHURCH, of Illinois; GAMBLE, of New York; GEARHART, of California; GRANT, of Indiana; GWYNNE, of Iowa; HESELTON, of Massachusetts; HOFFMAN, of Michigan; JONKMAN, of Michigan; MCCONNELL, of Pennsylvania; MURRAY, of Tennessee; O'KONSKI, of Wisconsin; PACE, of Georgia; PLOESER, of Missouri; RANKIN, of Mississippi; SCHWABE, of Missouri, and SLAUGHTER, of Missouri.

Mr. Chairman, the listed Members are named for a totalitarian purge, by this self-appointed dictatorial group.

This group, led by men whose records I will tell you something about a little later, have announced their plan to expend between $5,000,000 and $6,000,000 to retire from public office the men they cannot control, and have named the list I have given above.

No national campaign committee is permitted by law to spend more than $3,000,000 in a Nation-wide campaign. This dictator-minded group propose to double that to buy the power they need to control this country.

Personally I welcome this fight. I welcome the opportunity to take, to the voters of my district at least, this fundamental issue: "Do you, the voters, want to accept a mandate of a group controlled by and affiliated with a Communist-dominated international labor group?

"Do you, the voters, want your American way of life, your American political philosophy of a republic, your system of free enterprise, to continue, or do you want to lay the foundations for Red Fascism in America?"

I place my political future in my faith that American voters will answer "No" to both those questions.

Now let us look into the records of these five men who headed this CIO–PAC in 1944, and continue to be dominating figures in the top echelon of CIO-PAC command as we go into the national elections of 1946. It would take many volumes to print the records of the lesser lights, so for the time at least, I will limit my recordings to this top-level five.

First, the unspeakable Sidney Hillman.

Hillman, born in Russia, paused for a time in England before he came to the United States in 1907—August 7, I believe, is the exact date. He became president of the Amalgamated Clothing Workers in 1914, when he was 27 years of age. He is the only major labor leader who never was a worker. He is rather in the labor movement than of it. The fact that he was born in Russia is not to his discredit. That fact should cause him to be a little slow in his efforts to overthrow our form of government.

Hillman went back to Russia in 1922 and formed the Russian-American Industrial Corp., in which much stock was sold to American workers at $10 a share. That company carried on its envelopes the slogan: "The key to the stability of the world lies in the economic reconstruction of Russia."

The notorious Garland fund, set up in 1922 and used subsequently to finance American Communist activities to a large extent, found Hillman as a director. This fund gave the Daily Worker $57,000 one year, the New Masses $64,500, the Vanguard Press $139,000, and the Federated Press $76,000, to name a few examples of Garland Fund aid to Communist publication units.

This publications channel made it possible for Communist infiltration into American labor. That led to Communist domination of many unions, until they split off from the American Federation of Labor to become the CIO. That in turn set up the PAC as I have outlined, and Hillman led CIO into the international Communist labor group—the World Federation of Trade Unions.

R. J. Thomas, through the years, rose to power in the United Auto Workers Union. The recent automobile strike, in Michigan, in which Thomas was dethroned by Walter Reuther, brought the charge that Thomas was supported in that union election by "all the Communist elements in the union." Many accept the union appraisal of its own leaders.

Sherman H. Dalrymple, one-time president of the United Rubber Workers, was closely affiliated with the activities of the notoriously seditious American League for Peace and Democracy, before its true character caused it to fold up and again become a Communist-front organization as the League Against War and Fascism.

Records of the House Committee on Un-American Activities have rather extensive records on Albert J. Fitzgerald and David J. McDonald.

Similarly, perusal of those records drive home only too clearly the communistic beliefs of Harry Bridges, Joe Curran, and nearly 100 other keymen of CIO and PAC.

Yet this closely knit group of totalitarian-minded men meet and threaten American Congressmen, directly elected by their constituents, with political oblivion because those Congressmen will not accept dictation from un-American leaders and groups.

Look back over the year since VE-day, the 9 months since VJ-day. We should be well on the way toward reconversion and a resumption of American prosperity.

It has been stopped by an unprecedented wave of strikes—many of them CIO strikes in which existing contracts have been tossed aside as this foreign-minded labor leadership aimed more at weakening American reconversion than at any improvement of the financial status of their members. What they lost in wages during their strikes cost CIO members more than pay increases will return to them over many years.

Examination of this postwar strike record will show that in a general way—there are always exceptions—American Federation of Labor contracts are fulfilled by leadership and members. The American Federation of Labor urges its subordinate units to exhaust every form of negotiation before resorting to strikes.

Whether I agree at all times with legislation sought by the American Federation of Labor, it is only fair to credit them with seeking to attain their objectives in a far more American way than their left-wing labor rival.

Before this session of Congress adjourns we will have to pass labor legislation. The House passed the Case bill, now before the Senate. There will probably be called a conference on it before the final draft is approved.

We will have to act on the British loan, the OPA final settlement, the final Selective Service Act, in addition to labor legislation.

On all of these, and many other bills, there will be the usual organized minority claque and clamor, the mass lobbying, the usual smear tactics of this CIO-PAC-Moscow inspired group. There will be the usual floods of inspired mimeographed petitions, printed postcards, pledge cards, and other paraphernalia of the Hillman crowd.

To all of this, I say we must maintain cool heads, calm judgment, and a determination to use the radar of keen perception to see through the propaganda and fear-psychology fogs.

If, in this American crisis we would save America, we must, in spite of threats and intimidation, in spite of mass pres-

sure from un-American sources, vote American.

Recently several organizations have moved to consolidate their political drive. Let me quote a release of today—May 10:

Representatives of America's three leading independent political committees—the CIO Political Action Committee, the Independent Citizens' Committee of the Arts, Sciences and Professions, the National Citizens' Political Action Committee—will meet in Washington, D. C., Saturday, May 11, at the Carlton Hotel to draw up joint plans for full mobilization of their resources in the 1946 congressional election.

It is expected that the three groups will adopt a statement of joint principles and programs and will appoint an executive committee to coordinate the activities throughout the 1946 congressional elections.

Twelve individuals will represent the organizations at the meeting, including Philip Murray and Sidney Hillman for the CIO Political Action Committee; Mr. Harold Ickes, executive chairman, and Mr. Jo Davidson, national chairman of the Independent Citizens' Committee of the Arts, Sciences and Professions; Dr. Frank Kingdon, newly elected chairman of the National Citizens' Political Action Committee, and Elmer Benson, chairman of the executive council of the National Citizens' Political Action Committee.

Perhaps the most unfortunate feature of the CIO-PAC's present drive to secure control of the Congress which meets in January of 1947, is its underhand attempt to infiltrate its agents and its propaganda into veterans' organizations.

The CIO-PAC and the Communist leaders are shrewd enough to realize that at least in the Fourth Congressional District of Michigan, and in many other districts, it can no longer conceal its true purpose when sailing under its own colors. Hence, it now has its agents out to spread false propaganda which is to the effect and in substance, that Members of Congress, including myself, are opposed to legislation designed to aid veterans. The truth is that no Member of Congress would for one moment think of opposing any worth-while, reasonable legislation requested by a veterans' organization, or by an individual veteran.

In my own case, I not only had a son in the war who served for 2 years and 8 months; I not only voted for a bonus for the veterans of the First World War, for the GI bill of rights, for other legislation designed to aid veterans, but I introduced the first bill, long before the war was ended, designed to preserve for union men who served in the war their union seniority. Something which at first some labor leaders opposed, but which later they supported.

It is extremely unfortunate that any organization whose policies are dictated, as those of the CIO–PAC seem to be, by Communists bent upon the overthrow of our Government should even try to use as its instruments for its own disloyal purpose organizations composed of those who fought—many of whose comrades died for the preservation of our Government.

Sensible, patriotic citizens will not be deceived by the false charges of anyone, or of any organization, that Congress or any individual Member of Congress will at any time deny to the veterans, or to any organization of veterans, the passage of any legislation to which the individual or the organization is entitled.

The Communists have succeeded, since the end of the fighting, to an unexpected and remarkable degree in their efforts to create want, a scarcity of necessities, strife, discord, and confusion. If they can completely, through strikes, bureaucratic rulings, or in any other way bring about disaster they think conditions will be more favorable for the success of their drive to overthrow constitutional government.

Sensible, patriotic citizens should be on their guard, for the 1946 elections are critical. The men elected then will determine through 1947 and 1948 the course which our Nation shall follow.

Mr. HOOK. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, this section deals with the welfare of needy Indians. I am reminded by my good friend, one of the most outstanding and distinguished Members of this House, the gentleman from California [Mr. WELCH], that the welfare of some other people is involved, probably not Indians, but those who were employed in the mines of Pennsylvania.

He advises me that many long years ago, one of the outstanding Members of the United States Senate, Mr. Johnson of California, made a speech on the floor of the United States Senate about the welfare of the people in the coal mines, not the welfare of the Indians. As a result of this speech an investigation was made at that time, some 25 years ago. They found there was a lockout of the workers in the coal mines at that time. People were driven out of their homes by the coal operators and were thrown out on the street, men, women, and children—many of them pregnant women. They had no homes; hunger and suffering followed. Starvation was the order of the day. The United States Senate made an investigation at that time. Not much happened because the committee was stacked. Some of the religious organizations gathered funds and built little shacks up there to take care of them—tar paper shacks, if you please, with little partitions so that the people could have some privacy and live in some sort of decency. Those conditions exist today in the coal mines with very little change. You should go to those coal mines and see the bad living and working conditions that exist now. Bargain and arbitrate? My Lord, might I ask the gentleman from Illinois [Mr. DIRKSEN] how long are we going to be asked to bargain and negotiate? Those conditions still exist. The conditions of the men working in the mines, the conditions so far as safety is concerned, still exist. Men are blown to smithereens by blasts of gas and nothing is done about it. Oh, yes; there is the little safety law, but this committee cut down on the appropriation for even the enforcement of the Federal Act for Safety. Talk about care for needy Indians.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. JOHNSON of Oklahoma. I am rather amazed to hear the gentleman say that they cut down the appropriation for safety. Does the gentleman realize that this committee has allowed every dollar requested for safety and is allowing funds for 157 people to work as safety inspectors and enforce the safety laws? The committee did that on its own initiative and without John L. Lewis or his representative ever coming before the committee. I might say that during the dozen years I have been on the Appropriations Committee neither Lewis nor anybody else representing Lewis ever asked the Interior Subcommittee having jurisdiction over the Bureau of Mines appropriations for a single dollar for a safety measure of any kind. Yet obviously there are some people who profess to believe that every benefit that miners have secured has been as a result of the activities of this would-be dictator, John L. Lewis.

Mr. HOOK. Oh, I am surprised at the gentleman from Oklahoma, knowing of these blasts, explosions, and loss of life and of the conditions and the rottenness in those mines, having to have anybody come before the committee and ask. Your committee sent investigators to other places. The gentleman yesterday told this House how his committee went all over the United States and Alaska making investigations. Why did they not investigate the mines and the conditions of safety in those coal mines and the iron and copper mines in my district of Michigan? One hundred and fifty-seven men? Why, that is only a small trickle of what should be done to save the lives and better the conditions of the men in the mines. If the health and safety of those miners was properly taken care of, you would not have the strike that you are having today. It is about time we got down and bargained properly in behalf of these suffering people. Protect their welfare and give the miners safe and proper places to work and you will go a long way toward eliminating these strikes and the hardship that follows.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move to strike out the last six words.

Mr. Chairman, I do this for the purpose of making the statement that this is practically the only item in the bill, to which the gentleman has referred, that has not been reduced a single dollar, despite the fact that neither John L. Lewis nor any of his representatives appeared before the committee and asked for a single increase of inspectors for the mines. The committee gave them 157 inspectors. The committee gave every man that was asked for. The number of inspectors has increased from 107 since 1942 to 157. During all that time no one representing John L. Lewis or any of his people appeared before the committee and asked for anything for the Bureau of Mines.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. CASE of South Dakota. When the chairman of the subcommittee was referring to this item, he was referring to the item under the heading, "Bureau of Mines, for safety work"?

Mr. JOHNSON of Oklahoma. That is right.

Mr. CASE of South Dakota. And not to the paragraph on "Welfare of Indians"?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. CASE of South Dakota. The item for "Welfare of Indians" is substantially reduced below the Budget estimate.

Mr. JOHNSON of Oklahoma. That is correct.

Now, may I say we are attempting to finish this bill today. I express the hope that there will be no speeches made except on the bill. I shall have to insist that hereafter speeches must be pertinent to the bill. If you want to get through today we can do it. If you want to sit here until midnight Saturday night, we will have to do that.

Mr. HOFFMAN. Do you expect to meet tomororw?

Mr. JOHNSON of Oklahoma. We do expect to meet tomorrow unless the bill is finished tonight.

Mr. HOFFMAN. Do you expect to finish the bill tonight?

Mr. JOHNSON of Oklahoma. That I cannot answer. It is not my responsibility.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, the Interior Department appropriation bill before us, like most of the appropriation measures that have been passed, reflects the determination of the bureaucracy to use its powers to increase its activities and become master over the economy and lives of our people.

We see from the size of the appropriation requested by the Secretary of the Interior, Mr. Krug, and the approval given by the Budget Bureau, precisely what the attitude of the administration is in this matter. The Budget approved $346,766,000. That is 80 percent more than was appropriated for the Interior Department in 1946. It is approximately 65 percent more than the largest amount ever spent by this Department, which was $209,900,000 in 1940.

In asking for this enormous increase it is, of course, unlikely that the administration expected the full amount to be given. It seems to be a fixed practice on the part of the bureaucracy builders to ask for much more than they expect to receive. It is well, of course, that the Committee on Appropriations reduced the amount requested to $174,653,000, or nearly one-half. We must be grateful to the committee for having done this. But in the light of the Government's financial plight, this is not enough. It is not enough from the standpoint of the need of deflating the bureaucracy.

Unless the Congress reduces departmental appropriations to the point of actually starving the bureaucracy, there is no hope whatever of getting rid of this terrible evil.

The administration's promise to balance the budget cannot possibly mean much in the face of the New Deal's perennial assurance of bringing this about. This can have little value in the light of current spending and the enormous potential costs involved in further New Deal proposals. It is, in fact, perfectly ridiculous to talk about a balanced budget in view of existing and prospective commitments, domestic and foreign. The New Deal is also deceiving the people when it tries to make them believe it is against inflation. The enormous foreign so-called loans for which the Nation is already committed and which are in prospect will alone add greatly to the inflationary pressures against prices and move them to higher levels.

The New Deal's housing proposal as embodied in the Wagner-Ellender-Taft bill, its plans to socialize medicine, to force fifteen or twenty million more people under the social-security scheme, its promise of full employment, its proposal to become a superlending institution to finance industry in general and so on almost without end, completely contradict the claim of the administration for a balanced budget. It might be possible with the use of the enormous amount in the general fund which was left over from war appropriations that the budget could be brought into balance. But as matters stand now, this is unlikely. Furthermore, this could be maintained for a year or so only. Once this balance is exhausted the New Deal will be infinitely worse off in respect of any prospect to bring expenditures and income from taxes in line with each other. Notwithstanding the back-breaking taxes, with which the New Deal has now burdened the working people and others, the cost of the grandiose political schemes already in operation and in prospect of being instituted will far exceed the amount of taxes that can be collected.

As matters stand, the Nation faces the gloomy prospect of more inflation, that is, Government printing-press money, to finance deficits. Wage earners and especially persons with fixed incomes should day in and day out insist upon a balanced budget and the stopping of printing more money to pay deficits. There is already more than $200,000,000,000 of printing-press money in the economy. That is the inflation. Without this printing-press money, no one would be worrying about prices. There would be no OPA.

Expenditure figures as provided me by the Bureau of the Budget for the Department of the Interior from 1932 through 1947:

1932	86,700,000
1933	90,100,000
1934	74,000,000
1935	115,100,000
1936	126,000,000
1937	163,300,000
1938	164,500,000
1939	212,300,000
1940	209,900,000
1941	193,300,000
1942	208,900,000
1943	192,400,000
1944	184,300,000
1945	207,300,000
1946 (appropriation)	191,166,000
1947 (appropriation)	174,653,000

Office of Education, St. Elizabeths Hospital, Columbia Institute for the Deaf, Howard University, Freedman's Hospital, Arlington Memorial Bridge Commission transferred from Department of Interior to Federal Security Agency. Bureau of Fish and Wildlife transferred to Interior, 1939 Reorganization Act.

The figures given above are for those branches of the Department of Interior as it exists today.

Mr. WEICHEL. Mr. Chairman, I move to strike out the last six words.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. WEICHEL. Mr. Chairman, the participation by this Nation in a global war has reemphasized the vital importance of maps for the planning and carrying out of military operations. Millions of our young men and women in the armed forces who have learned the use and value of accurate maps, not only for war but for peace, are aware that the United States has lagged far behind other leading nations of the world in its domestic mapping program.

The Geological Survey, the principal mapping agency of the Federal Government, has been carrying on topographic surveying and mapping since 1879 with funds made available by the Congress for this purpose, totaling about $30,000,000 for the 65-year period. Large areas have been mapped at various scales to meet special needs, but, with few exceptions, the mapping has not kept pace with the demand for detailed topographic information. Seventy-five percent of the United States is unmapped, according to accepted modern standards, and the maps now available are becoming obsolete almost as rapidly as the new maps are being prepared, so that little net progress is being made toward that day when it can be said that our Nation is adequately mapped.

One of the most obvious facts to come out of the recent war is that the natural resources of the United States are not without limit. It behooves this Nation, then, to develop and conserve our natural wealth, both known and potential, in the most efficient manner. There is no alternative if the United States is to continue in its enviable position as a richly endowed nation. The systematic and efficient development, utilization, and conservation of our natural resources can only be done with the aid of modern and accurate topographic maps. Appraisal of our oil and mineral resources, flood control, and the development of hydroelectric power in the several major river basins, the expansion of our transportation systems, and many other fields in which there undoubtedly will be much activity not only in the immediate period of postwar reconversion but in the long-range future, all will be handicapped and in some cases greatly retarded if adequate topographic maps are not available.

During the war the Geological Survey has concentrated its mapping personnel and equipment on high priority projects, requested by the War Department. A large number of its technicians served with the armed forces to provide the maps and charts with which to carry on military operations. This has resulted in a curtailment of domestic mapping which must now be expedited to insure sound basic planning for our postwar

economy. Thousands of veterans have received some technical training in surveying and mapping with the armed forces and are now available for employment in the Geological Survey. These men and women when supplied with modern equipment and under the direction of the Survey's highly trained technical staff, can be utilized effectively to provide this Nation with the modern maps so urgently needed in the immediate postwar period. The early implementation of such a program, in which all major mapping activities are properly correlated and expeditiously pursued, will prevent the waste and duplication that will inevitably result if each separate agency is forced to prepare maps for special projects with improvised methods and partially trained personnel.

The Clerk read as follows:

Revolving fund for loans: To increase the revolving loan fund for making loans to individual Indians, Indian associations, and Indian chartered corporations in accordance with sections 10 and 11, of the Act of June 18, 1934 (25 U. S. C. 470 and 471), and the acts of June 26, 1936 (25 U. S. C. 506), May 1, 1936 (25 U. S. C. 473a), and July 12, 1943 (57 Stat. 459), $350,000, and the authorization of $750,000 for loans from said revolving fund to individual Indians and Indian organizations otherwise ineligible to participate therein is hereby increased to $925,000.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope the chairman of the subcommittee who is piloting this bill through the House will credit me with restraint during the debate that has ensued in which legislation with which my name was connected has been the subject of discussion. I restrained myself because I wanted to address myself to the bill before us and to the section which has just been read, and for that reason I invite his attention and the attention of the subcommittee to it.

The revolving fund for loans is proposed to have an appropriation of $350,000. Last year this fund received $250,000. This $350,000, while an increase of $100,000 over the amount appropriated last year, is $1,150,000 below the Budget Bureau's recommendation. It is true that there is a carry-over of some funds which had not been used in the current year, and that substantial repayments on prior loans are expected, so that I understand there will be a total of $1,390,000 available for loaning in 1947.

The carry-over from the current year is expected to be $300,000. It is understood that $700,000 will be repaid from prior loans, $40,000 will be received in interest, and the current proposed appropriation of $350,000 make up the $1,390,000.

That fund is the fund which will be available for making loans to individual Indians, Indian associations, and Indian-chartered corporations, under the Reorganization Act of June 18, 1934, and amendments thereto. I fear this amount will not meet the situation.

I call attention to the fact that there has not been a normal demand for loans for the last few years because the young men in the various Indian tribes have been away at war. They are coming back now and they find in instance after instance that they cannot get the benefits of the GI law as promised in loans to set themselves up in business or in stock raising. It is all right to say that the Indian veteran is entitled to just as much consideration as the white soldier, but as a matter of practical application and administration the Indian just does not get the loan.

In many of the Indian reservations there are no banks. The only source of credit available to them is the loan fund operated by the Indian Office. We had that same experience a few years ago when the Farm Security Administration was making its relief and rehabilitation loans. Various banks said they were not familiar with Indian procedure, not acquainted with restrictions on Indian lands and did not know how to handle the situation when an Indian's cattle were branded ID, meaning "Indian Department" or bought with Indian funds. They said they were in doubt as to their security and consequently they asked the Indian Office to administer loans.

Now the same thing is arising under the GI bill. The Indians throughout the northwest are denied the opportunity of getting these loans, for the banks say "We find your land is restricted and cannot be obligated as security for loans. We do not know how to lend the money or provide the security which we would have to have for the 50 percent of the loan which is not guaranteed by the Government under the GI bill."

The result is that the Indian veteran must turn to this revolving loan fund for consideration and this $1,390,000 is not enough to do the job. At the most, it would only take care of 1,390 Indians, giving a loan of $1,000 apiece and there are almost that many returned Indian veterans on a single reservation in my district, the Pine Ridge.

In testimony before the Indian Affairs Committee the other day representatives of these Indians testified that it took between $2,000 and $3,000 to buy about 30 head of cattle and establish a returned Indian veteran in the cattle business. I have seen some of these Indian boys. They are the kind of boys you are proud of, that you want to help get started. I have one working in my office whom I might mention as an illustration. At 19 he entered the Air Forces, and in 2 years' time he progressed from the status of an enlisted man to a commissioned officer, a second lieutenant, and then a first lieutenant. He flew 24 missions over Italy as a part of our flying forces, as a fighter pilot—22 of his missions were carried out in a British mosquito ship.

And now he and thousands like him are back and entitled to the opportunities promised in this land they helped to save. The Indian boys were brave and skillful fighters. They responded to the needs of their country and now the country should respond to their needs. Why, in the so-called Indian counties in my district the draft boards told me that for many months after the opening of selective service, they never had to make a call, that the Indian boys volunteered in sufficient numbers to meet the draft quotas for those counties.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. In just a minute.

These are the boys who are now coming back, boys who went out to fight under the flag without any hesitancy, who volunteered, who were in the forefront of the fighting, where daring and courage and resourcefulness were required. They come back to the reservation and find that the benefits of the GI law are denied to them. They did not fail their country; will their country now fail them?

I recognize that it would be difficult to obtain passage of an amendment to increase this revolving fund under the sentiment prevailing here today that is determined to block all amendments, but I am hoping when this bill goes over to the other body that a more complete presentation may be made of this subject and that the Senate will take into consideration the facts that I have presented to you here this afternoon, and make the revolving fund large enough to meet the situation I have described.

I now yield to the gentleman from Arizona.

Mr. MURDOCK. I merely wish to add my approval in general to what the gentleman has just said and to confirm his statement not only with regard to the courage and help of the Indians in the armed services but also to express the hope that this fund, which is a revolving fund to aid the Indian GI's, may be increased. It is certainly needed; and this demand comes from many other Indian reservations as well as the reservation of which the gentleman speaks.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. JOHNSON of Oklahoma. I wish to add my voice to what the gentleman has said. I am sure all of us are proud of the fine record made by the Indians; but the situation of which he complains, of there being a scarcity of lending agencies in the area, also applies, I am sure, to a very marked extent to other people. So I am sure the gentleman understands the Indians are eligible under the GI bill of rights the same as anyone else.

Mr. CASE of South Dakota. I understand their technical eligibility but my correspondence is heavy with letters from those who have tried and been denied from other sources.

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

Roads, Indian reservations: For construction, improvement, repair, and maintenance of Indian-reservation roads under the provisions of the act of May 26, 1928 (25 U. S. C. 318a) and the act of December 20, 1944 (Public Law 521), $1,700,000, to remain available until expended, of which amount not to exceed $9,000 may be expended for departmental personal services: *Provided*, That no part of this appropriation shall be available except on the basis of apportionment among the States containing Indian population in the following manner: One-third in the ratio which the area of each State bears to the total area of all the said States; one-third in the ratio which the Indian population of each State bears to the total Indian population of all the States as shown by the Federal census of 1940; and one-third in the ratio of Indian road mileage which each State bears to the total mileage of all the said States.

Mr. CASE of South Dakota. Mr. Chairman, I wish to reserve a point of order on certain language in the paragraph which the Clerk has just read, and pending the making of the point of order I should like to address an inquiry to the subcommittee handling the bill. The point of order which I would make unless the chairman can make a satisfactory explanation would be directed against the proviso which reads as follows:

Provided, That no part of this appropriation shall be available except on the basis of apportionment among the States containing Indian population in the following manner: One-third in the ratio which the area of each State bears to the total area of all the said States; one-third in the ratio which the Indian population of each State bears to the total Indian population of all the States as shown by the Federal census of 1940; and one-third in the ratio of Indian road mileage which each State bears to the total mileage of all the said States.

I recognize that the one-third area, one-third population, one-third road mileage ratio is a carry-over of the statute that pertains to the original distribution of Federal-aid moneys which was matched by the States, but that particular division of money has never heretofore applied to the Indian road money. The Indian road money, while authorization exists in the general laws for public-road funds, has been under a separate section. I recall distinctly that in the postwar Highway Act of December 20, 1944, cited in this paragraph, it was on an amendment I suggested, accepted by the chairman of the legislative Committee on Roads, the gentleman from Utah [Mr. ROBINSON], whom I see on the floor, that an authorization was created for a $6,000,000 annual road-building program on Indian reservations.

The Bureau of the Budget requested $4,700,000 for the first year under that authorization and the committee has proposed to appropriate $1,700,000. My understanding is that $3,000,000 of the $4,700,000 has been asked for the reconstruction of existing highways and $1,700,000 for maintenance. The last amount is the figure which the committee has reported for the entire appropriation to Indian roads.

I would like to ask the chairman of the subcommittee why they added this one-third provision and if he knows how that will affect the distribution among the several States with Indian population?

Mr. JOHNSON of Oklahoma. I may say to the gentleman that he is correct in saying we have followed the proviso of the Public Roads Administration in the way they have handled the distribution of funds, and I will add further that the Indians themselves have been demanding this for many years. This committee has called on the Indian Service to distribute the road money as the Indians feel it ought to be, on the same formula that other road funds have been distributed.

Let me say also that the distinguished gentleman from Oklahoma, an Indian himself, who understands better perhaps the desires of the Indians than some of the rest of us, appeared before the committee and offered this formula. Therefore I am going to ask my distinguished colleague from Oklahoma [Mr. STIGLER] to answer any further questions and make any explanation that the gentleman may desire.

Mr. STIGLER. Mr. Chairman, as I stated a moment ago, Oklahoma has one-third of the Indian population of the United States. The Indians cannot understand why the money is not distributed on a population basis and they cannot understand why the money was not distributed under the formula used by the Public Roads Administration. All this amendment does, it gives the money to the States which have the most Indian population; in other words, it is based on the Indian population, which occurs to me is very, very fair.

Mr. CASE of South Dakota. The fact is that under the one-third, one-third, one-third distribution for primary roads, little work was done within reservation boundaries. In my State for a number of years when Federal aid was distributed on that basis it was put into a general fund matched with the money created by the State highway gasoline tax, and then that money was distributed or apportioned among the counties of the State on the basis of assessed valuation, with the result that the counties with the taxed lands got most of the money that was distributed under Federal aid and the Indian counties with trust lands got very little.

Of course, I know that this particular road money is for the building of roads and trails on the reservations themselves that are not on the primary Federal-aid highway system; primary roads are presumed to be built out of the regular Federal aid.

How will you apply the formula that is here proposed? It would be extremely difficult in the reservations with which I am familiar to determine what is an Indian road. What would you count as an Indian road? Some of the trails which the Indians are obliged to use have never been surveyed or marked, but they are the only roads they have. They have never had any mileage computed on them. So it seems to me it would be extremely difficult to apply this formula insofar as it requires determining the mileage of Indian roads.

And, for that matter, who is an Indian? How many are there? In the Committee on Appropriations the other day the gentleman from Illinois [Mr. DIRKSEN] told us that he had once asked the former Commissioner of Indian Affairs, "What is an Indian?" and he received a two-page reply. It was so general in character that it was impossible to determine what an Indian was and what would be the Indian population. So it seems to me that this formula offers tremendous administrative difficulties in determining what is the Indian population as well as determining what is a mile of Indian road, and because it is so difficult and because we do not have any tables, I am constrained to make a point of order against it.

I should like to have the attention of the Chair to the point of order which I shall now state, that is, I make the point of order against this language on the ground that it places additional burdens upon officers and employees of the Federal Government in that there is no determination as of today of the Indian road mileage in the several States, and that any computation of any apportionment of the money on the basis of one-third, or the ratio of the area in each State to the total area of all States, or a distribution involving a computation of the Indian population in relation to the Indian population of all the States, and the computation of the Indian road mileage, and the apportionment of the road money on that basis, would place additional burdens on the administrative officers and consequently comes within the category of legislation and is not in order on an appropriation bill.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. JOHNSON of Oklahoma. Yes, Mr. Chairman. First, let me again read the exact words of the amendment which was very carefully prepared by one of the greatest experts that the committee has access to:

Provided, That no part of this appropriation shall be available except—

Now, that part of it clearly indicates that it is a limitation. Except what? Except on the basis of apportionment among the States containing Indian population, and then sets out the following manner. It is a limitation pure and simple. I am not basing this on the Holman rule, but on the fact that this is a definite limitation. That must be admitted.

Mr. PHILLIPS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. Does the gentleman from South Dakota desire to be heard further?

Mr. CASE of South Dakota. Very briefly, Mr. Chairman.

The gentleman from Oklahoma has made reference to the Holman rule. I agree that it is not involved here. The Holman rule authorizes legislation where there is a reduction in appropriation, and that reduction in appropriation must be apparent on the face of the bill. There is nothing at all that is apparent here in the language of this paragraph that this particular proviso accomplishes one cent of reduction. As a matter of fact, Mr. Chairman, obviously, if you are going to

go out and measure all the Indian roads on all the Indian reservations, it will require additional employees, and it will require additional expenditures to accomplish that, in addition to the fact that it does impose additional administrative duties. Under the guise of a limitation, even though you say that no part of the funds may be available for a certain purpose, when you use the word "except" and follow that word "except" with direct, positive administrative duties and place them on an administrative officer, it becomes legislation and is not a pure limitation.

The CHAIRMAN. Permit the Chair to suggest that in the opinion of the Chair the Holman rule is not involved in the question presented here. It is clearly a question of a limitation. The Chair would be pleased to hear the gentleman from South Dakota if he has any observations to make on that point. Although some duties might be involved, if the limitation is imposed—and that is the important point to which the Chair would like to invite the gentleman's attention—the question presented is whether it is a proper limitation on an appropriation bill.

Mr. PHILLIPS. It is on that point that I wish to be heard also, Mr. Chairman.

Mr. CASE of South Dakota. Would the Chair hear the gentleman from California while I look up a reference?

The CHAIRMAN. The Chair will be pleased to hear the gentleman from California.

Mr. PHILLIPS. I thank the Chairman.

The point I wish to make has been partially made by the gentleman from South Dakota. It was in answer to the gentleman from Oklahoma, the chairman of the committee. We cannot take for granted, as the chairman seems to do, that this is a limitation, because we are devising a new formula here which is as yet unknown, and no one knows what the result will be. It seems to me this is in itself definite evidence that the formula should go before a legislative committee for investigation. If we are to have legislative committees, and if the rule requiring legislative items to be left out of appropriation bills is to hold, certainly a detail which requires the discussion and analysis that this one does, is a proper item for prior legislative approval. I support the point of order, Mr. Chairman.

Mr. CASE of South Dakota. It was never my contention, Mr. Chairman, that the Holman rule is involved here. We are all agreed on that. My only reference to the Holman rule was in comment upon what the gentleman from Oklahoma had said, to say that the Holman rule was not involved, because the Holman rule contemplates a reduction apparent on its face. My point of order was that this places mandatory duties upon executive officers and thereby constitutes legislation.

I have in my hand Cannon's Procedure in the House of Representatives, and respectfully invite the attention of the Chair to the very many citations which are made on page 46 under the head of "Executive discretion." These are propositions which have been construed as legislation. I read one reference here:

Establishing affirmative directions for an executive officer.

Another:

Making mandatory on the part of an executive officer an action within his discretion under existing law.

Obviously, the Commissioner of Indian Affairs might, if he wished, divide the road money on this particular formula, but he is not required to by existing law and this proviso seeks to require him to do it by saying that the money shall not be available except on that basis. Then it imposes additional duties. This, in effect, changes the law. I submit to the chairman that to do this when it does not exist in statutory law is amendatory of existing law and would impose additional duties on the executive branch of the Government.

The CHAIRMAN (Mr. COOPER). The gentleman from South Dakota makes a point of order against the language appearing in the bill, the proviso on page 24, lines 12 to 21, on the ground that it is legislation on an appropriation bill and imposes additional duties on executive officers. The Chair has examined the language with considerable care. The Chair invites attention to the fact that the language provides these funds may be available for certain purposes. Although some determinations may be involved in the carrying out of the provisions are here included, the Chair is of the opinion this does constitute a definite limitation on an appropriation bill. The Chair is of the opinion it comes clearly within the long line of precedents established under the rules of the House. Therefore the Chair overrules the point of order.

Mr. CASE of South Dakota. Mr. Chairman, another point of order. I recognize the force of the ruling which the Chair has just made. I assume that the ruling can be sustained on the ground it is not obligatory on the Commissioner of Indian Affairs to spend the money at all and this might be construed as a limitation in the sense that if he spends it he must spend it under this formula, so I will now make a point of order against the words appearing in line 10, on page 24, "to remain available until expended," on the ground that this is an appropriation bill for the fiscal year ending June 30, 1947. The language "shall remain available until expended" might exceed the jurisdiction of the committee. The effect of removing these words will be, I trust, to indicate that it is intended that these funds shall be used in the fiscal year 1947, which begins July 1, 1946.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

Support of Klamath Agency, Oreg. (tribal funds): For general support of Indians and administration of Indian property under the jurisdiction of the Klamath Agency, payable from funds held by the United States in trust for the Klamath Tribe of Indians, Oregon, $106,000, of which not to exceed $4,500 shall be available for fees and expenses of an attorney or firm of attorneys selected by the tribe and employed under a contract approved by the Secretary, and for relief, including cash grants.

Mr. STOCKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STOCKMAN: Insert at the end of line 5, page 27, after the words "including cash grants" in the paragraph dealing with Klamath Indian funds the following: "*Provided, however*, That there is hereby appropriated for the use of the Klamath Tribe of Indians an additional sum of $106,000 for carrying out the program of the said tribe in the purchase and propagation of cattle, subjugation of raw lands, to increase production, for tribal relief, for law and order, and for the expenses and salaries of the Indians engaged in tribal business, in carrying out said tribal program; namely, for the purchase and expense of the cattle program $52,635; for subjugation purposes $12,000; for tribal relief $20,000; for maintenance of law and order $6,840, and for per diem expenses and salaries of Indian employees the sum of $15,000."

Mr. STOCKMAN. Mr. Chairman, the Interior Department appropriation bill—pages 26–27—authorizes $106,000 out of tribal funds for the support of the Klamath Agency. This is for general support and governmental administration of Indian property.

The original recommendations totaled $212,000. This amount is reduced, therefore, by $106,000 or a cut of 50 percent.

The Klamath Indians adopted a program to care for their own needs and develop their resources and it is as to this program that the 50 percent cut is made. No appropriation is authorized for any item in this program of self-help and self-development. The items eliminated are five in number, namely: First, cattle program; second, subjugation of raw lands; third, tribal relief; fourth, law and order; and fifth, salaries and expenses of Indians engaged in tribal business and in carrying out this tribal program.

In short, administration expenses under governmental supervision are covered by the appropriation, but administration and development and self-help by the Indians themselves, out of their own funds, are denied.

First. Cattle program: The Klamath Tribe agreed to and actually received about 4,000 head of cattle in 1935. These they farmed out to individual Indians, to be paid for in kind. This program contemplated a continuous development and payment. A tribal agreement in 1943 contemplates payments extending to April 1, 1949, for about 2,000 head of cattle. The bill cuts out funds for such purchases and for the expense of such operations and denies $52,635 for such purposes. This virtually kills the development of the livestock enterprise.

Second. Subjugation of land: Individual Indians are unable to purchase the needed equipment for clearing their lands to make them available for pasturage and irrigation. The tribe, therefore, agreed to acquire such equipment and then require the individual benefited to pay the cost of the subjugation work done for him. This program is canceled by refusal to authorized the use of $12,000 for that purpose. The growth of the

cattle industry alone justifies this expenditure.

Third. Tribal relief: The Klamath Indians cannot obtain relief from county or State. There are blind, infirm, and otherwise helpless Indians on the reservation, many of whom require aid from some source. The tribe proposes to care for these needs out of tribal funds and asked for the first time for an adequate sum, namely, $20,000, for such use during the next fiscal year. This laudable move to help their own people is denied.

Fourth. Law and order: The tribe, on its own motion, has employed two game wardens to protect the game of the reservation and two cattle inspectors or detectives to keep track of all stock on the reservation and their removal therefrom. This common-sense effort to conserve their own property is denied by refusing $6,840 for 1 year's cost. The War Overtime Pay Act requires an additional amount.

Fifth. Tribal per diem and salaries: The money asked for this item, $15,000, goes exclusively to Indian employees. It includes the cost of the general tribal council, occasionally in session, and of the business committee, more constantly in session, and the expenses incident to the transaction of tribal business, including delegates to Washington when required. The denial of this sum in effect puts almost an end to the tribe caring for its own business.

The $106,000 authorized by the appropriation bill has very little effect on tribal capital, since $90,000 thereof will be covered by interest on tribal funds in the United States Treasury. The tribal council, therefore, in asking for about $120,000 additional for all purposes, chiefly for self-care and development, believes it is following a sound constructive policy and one which the Congress should recognize and approve.

Individual members of the tribe have invested more than $1,000,000 in war bonds, and had about 140 in the armed services of the Nation during the war period. This represents an enrolled membership of about 1,500. The Klamath Indians, therefore, believe they are entitled to have their own wishes with respect to their own funds, especially if their program is sound, accepted by all governmental authorities.

Mr. JOHNSON of Oklahoma. Mr. Chairman, as much as I dislike to do so, I feel obligated to oppose the amendment.

For many years we have had people in Congress and out of Congress who have been extremely liberal with funds belonging to the Indians. We have seen Indian tribes, like the Osages in Oklahoma who at one time had a lot of money, go practically broke. The Congress is to some extent responsible. It has been too liberal in permitting those Indians to spend their own funds. It has said, simply because they had the money, "Well, let them spend it as they please." So we find that that tribe which only a few years ago had twenty-five or thirty million dollars a year income is practically broke today.

Taking that into consideration, the committee not only reduced the appropriation for the Klamath Indians who have considerable funds, but we also reduced the appropriation for the Osages in Oklahoma. Let me tell you why we did it. We looked at the record. We found that the Klamath Indians had spent from forty to fifty-five thousand dollars over a period of several years for this same tribe of Indians. Two official representatives of those Indians came before us, and each of those members of the Klamath tribe agreed that if we permitted the Indians to spend the money that their 10-year program called for—and this amendment would be about in keeping with that program—this tribe would be broke, and $25,000 in the red within the next 10 years.

I do not believe it is the idea of Members of Congress to bankrupt these Indians merely because they now have some extra funds on hand. The fact is this committee is giving this tribe more than three times as much as it had over a period of several years. Included in this item is about $18,000 for relief of poor and needy Indians. If you read the record and found that Indians with money in the bank, with good farms, with no mortgage against them, are actually on relief on the Klamath Reservation, you would understand why the committee reduced the amount substantially for relief.

Eighteen thousand dollars for relief. Relieve whom? Nearly all of those Indians have land, and I will say to you that if you do that thing you are condoning one of the most sordid chapters in Indian history where money belonging to all of the tribes has been paid out in some instances not only to home owners but also wealthy Indians. This cannot be condoned. I say to you that any Member who read the record or who heard the testimony would say that this committee was not only fair, but was liberal in this appropriation in giving twice as much as they had in former years. I hope you will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. STOCKMAN].

The amendment was rejected.

The Clerk read as follows:

Support of Osage Agency and pay of tribal officers, Oklahoma (tribal funds): For the support of the Osage Agency, and for necessary expenses in connection with oil and gas production on the Osage Reservation, Okla., including pay of the superintendent of the agency and of necessary employees, and pay of tribal officers, including the employment of a tribal attorney at the rate of $4,500 per annum to be appointed with the approval of the Osage Tribal Council under a contract to be entered into between said tribal attorney and the Osage Tribal Council, which contract shall be approved by the Secretary of the Interior; not to exceed $1,500 for the education of unallotted Osage Indian children in the Saint Louis Mission Boarding School, Okla.; payment of damages to individual allottees; repairs to buildings, rent of quarters for employees, travel expenses, printing, telegraphing, and telephoning, and repair and operation of automobiles, $186,027, payable from funds held by the United States in trust for the Osage Tribe of Indians in Oklahoma: *Provided*, That of the said sum herein appropriated $7,500 is hereby made available for travel and other expenses of members of the Osage Tribal Council, business committees, or other tribal organizations, when engaged on business of the tribe, including supplies and equipment, not to exceed $6 per diem in lieu of subsistence, and not to exceed 5 cents per mile for use of personally owned automobiles, when duly authorized or approved in advance by the Commissioner of Indian Affairs.

Mr. MANSFIELD of Montana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD of Montana: Page 27, after the period in line 25, insert "Development of Hot Springs Enterprise, Federated Salish and Kootenai Indians, Mont., tribal funds: For all expenses necessary for the development of a health resort on the Flathead Indian Reservation, at Hot Springs, Mont., including the construction of buildings, the payment of tribal architectural and engineering fees, $350,000, to remain available until expended, payable from funds held by the United States in trust for the Federated Salish and Kootenai Tribe of the Flathead Reservation, Mont."

Mr. MANSFIELD of Montana. Mr. Chairman, the purpose of this item is to authorize the use of $350,000 of tribal funds for the construction of hotel and bathhouse facilities on tribal lands of the Salish and Kootenai Indian Tribes adjoining the town of Hot Springs, Mont.

This appropriation has been asked for by the Bureau of Indian Affairs and approved by the Budget Bureau in order to supplement and expand the bathhouse facilities now operated by these tribes.

The total estimated cost of this development when completed is $650,000. To date $15,000 have been spent by the tribe in its efforts to create a facility at this hot spring, which is considered quite good for its medicinal qualities.

I hope the House will not be misled by use of the term "hotel" and "bathhouse" because it is to these hot springs that Indians from western and central Montana come when they feel in need of medication and do not feel well. This bathhouse and its facilities will be used for the welfare of Indian veterans. My colleague from South Dakota and others in this House this afternoon have told you just how valuable the Indian contribution in this war has been. It will give a great deal of help and needed assistance to the Indian sick. It will be money well spent and will be most beneficial as far as the Salish and the Kootenai Indians themselves are concerned.

Mr. D'EWART. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to my colleague from Montana.

Mr. D'EWART. This tribe of Indians has an income from a power development of from $200,000 to $300,000 per annum. Is not that true?

Mr. MANSFIELD of Montana. That is approximately correct.

Mr. D'EWART. In addition to that, they have other income from a large and very successful irrigation project?

Mr. MANSFIELD of Montana. That is correct.

Mr. D'EWART. The development of this hot springs is a natural beauty spot that has already been used to quite an extent and the money of this tribe will

be used for that development; is that correct?

Mr. MANSFIELD of Montana. My colleague is absolutely correct. These are tribal funds we are asking for and we want to see the benefits which these springs can give, not only to the Indians but to all the people, developed to the maximum capacity.

Mr. D'EWART. There is no possibility of these Indians having a deficit because of this construction. It should add to their welfare and to their income.

Mr. MANSFIELD of Montana. Absolutely because the springs themselves furnish the means whereby they can have a continued and definite return.

Mr. D'EWART. I hope the committee will support the gentleman.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to the gentleman from South Dakota.

Mr. MUNDT. What tribe of Indians is this?

Mr. MANSFIELD of Montana. The Salish and Kootenai, usually known as the Flatheads.

Mr. MUNDT. May I say that we were on an investigating trip in the State of Montana a couple of years ago with the Indian Affairs Committee. We met with some of the leaders of that tribe and found them to be in excellent financial condition, in a highly advanced stage of civilization and fully as able to manage their affairs as the white people of the community.

Mr. MANSFIELD of Montana. I agree with the gentleman.

Mr. MUNDT. I think the Congress should go along with them and make this money available.

Mr. MANSFIELD of Montana. I agree with the gentleman and thank him.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Montana.

Mr. Chairman, the reason why the committee did not make this money available will be found on page 1032 of the hearings. Mr. Fickinger from the Indian Office, appeared before the committee and when asked if the Indians had sufficient funds now on hand to embark on this rather elaborate business enterprise he advised the committee they did not have the money at this time. I shall read the record:

Mr. FICKINGER. I might point out, because the question will undoubedly arise in your minds, the tribe at the present moment does not have the full amount on deposit in the Treasury.

Then he went on to say that they will have some funds available from the Montana Power Co., about $200,000.

This being true, Mr. Chairman, it would certainly just about bankrupt the tribe, even when this money becomes available. If it turned out to be a good project, then well and good, but this committee did not feel like embarking on an elaborate business proposition like that, taking the responsibility of practically bankrupting an Indian tribe.

Just let us suppose that the scheme or enterprise is a failure, and we do know that a lot of people have made failures when the venture looked very rosy. Suppose it is a failure, suppose we do bankrupt this tribe; then every Member of this Congress is or will be responsible for having done that if this amendment is adopted. Our committee thought that the amount involved, $350,000, belonging to a tribe of Indians was of sufficient importance that a subcommittee should go out there and study the matter carefully before putting our O. K. on it. We have no feeling in the matter at all. We have a great respect for the gentleman from Montana and we know he is doing fine work for the Indians and is deeply interested in their welfare.

Let your conscience be your guide. This committee ought to know, however, that we did not want to take the responsibility of entering on such an elaborate business enterprise that might be a failure and, if so, would bankrupt this particular tribe of Indians.

Mr. D'EWART. I think the chairman the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Montana.

Mr. D'EWART. I think the chairman is under a misapprehension when he says that the $200,000 is not now in the tribal funds. That is an annual income. The $200,000 that the gentleman mentioned is an annual income. It comes to those Indians every year, year after year, and is generally in a larger amount. In addition to that this tribe has other income, and therefore there is no question of bankrupting the Indians. This is not a lump sum that they expect to get. It is an annual income to this tribe.

Mr. JOHNSON of Oklahoma. In answer to that I shall have to read further the record. This is $350,000 that we are proposing to spend. Mr. Fickinger says it is not in the Treasury; it is in the making but they do not have it now. We asked the Assistant Commissioner, Mr. Zimmerman, who was present, what the annual income of these Indians is, and I quote now from Mr. Zimmerman. He said:

From now until 1953 the annual income from this source to these Indians will be $250,000 a year.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The question is on the amendment offered by the gentleman from Montana [Mr. MANSFIELD].

The amendment was rejected.

Mr. RAMEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the item of topographic surveys at the point where it occurs in the pending bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read as follows:

The following sums are appropriated out of the special fund in the Treasury of the United States created by the act of June 17, 1902 (43 U. S. C. 391, 411), and therein designated "the reclamation fund," to be available immediately:

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this point to say a word about the Reclamation Service and also about one of the main projects they are administering.

In 1927 it was my pleasure to meet a man by the name of Arthur P. Davis, who was at one time Reclamation Director. In my judgment, he was one of the greatest men I ever met, a man with vision, ability, courage, and everything that it takes to make a great man. I have known Mr. Page and I have known Mr. Bashore. I know the present Administrator, Mr. Strauss. All of them are very fine, excellent, able men. It really hurts me to hear some of the criticisms of the Bureau of Reclamation that I hear sometimes, not from members of the committee or of this subcommittee but from other persons. These men in the Reclamation are career men. They are devoting their lives to developing the resources of this Nation, so we may have a prosperous and a happy citizenry. More power to them and may their plans and dreams come true.

One of the largest projects and the most ingenious one that they are developing is the Central Valley project in California. For some reason or other many Members of Congress think this is something new, that it is novel, that we are pioneering. As a matter of fact, this project was conceived many, many years ago. It is just carrying out the dream that some great Californians had. For instance, a man by the name of Rudolph Spreckels, the noted banker in San Francisco, the man who personally financed the graft trials in 1908 which purged San Francisco of its crooked tricks and sent Hiram Johnson on to fame urged the plan. One of the really great men of California, Mr. Spreckels many years ago, had a specific, definite plan to utilize and coordinate the waters of California. It was called the Water and Power Act. He was far ahead of his time in vision and daring. They did not take his program. But right this very hour, in the Central Valley water project, in which we have invested millions of dollars, we are carrying out in substance the program of Mr. Rudolph Spreckels.

In the early twenties California began a comprehensive study of the water resources of California from which was developed the Central Valley water project, which was approved by the voters of California overwhelmingly. They voted bonds to the extent of $170,000,000 to carry out this very project we are talking about today. Later on we did not have the funds. We came to the National Government for aid. Today the Reclamation Bureau is carrying out this great project.

Many men have made contributions to the carrying out of this great plan. The one who has been at it longest and who perhaps has contributed most is Edward Hyatt, the director of the Water Resources Division of the Public Works Department of California.

I want to point out especially to the Members that are here today that when

we are talking about balancing the Budget we should not include these sums of money that go for the Central Valley water project and that are listed on page 45 of the bill. Every one of these items, and the total item, will be paid back, dollar for dollar, with interest on part of the funds. When we talk about balancing the Budget, we need to take in enough in taxes to pay the expenses of government which are not reimbursable, but every one of these items is a reimbursable item. So all we are doing is getting the Government to loan the money to complete this project, which will be so beneficial to California and the Nation, and all of the moneys advanced for irrigation and hydro-electric energy will be paid back in full.

In the area served by this project is raised and canned one-third of the canned goods, fruits, and vegetables that are consumed in the United States. In this particular area the value of the land is being increased by putting water on the land. For instance, in my county, bare land that does not have irrigation is worth about $60 an acre. With irrigation brought to the land it becomes land worth from $200 to $1,000 per acre.

I call these matters to your attention because I want to offer two small amendments to this bill. They are not offered in any spirit of hostility to the committee, which has been most generous and most courteous to me. But they are items which I think should be changed in a minor way so that this project can be carried out to completion as quickly as possible. We have locked up in Federal funds in this great project $165,000,000 to date. The quicker we can finish the project the sooner will the taxpayers of the Federal Government be paid back the cost of the irrigation and the hydroelectric features of the plan.

Mr. D'EWART. Mr. Chairman, the development of the resources of the Missouri River Basin is of vital importance to the State of Montana. Our State, which is the third largest in the Union, is dependent to a large degree on a precarious dry farming and grazing economy. The drought periods of the 1930's made it clear to us just how precarious it is. At the same time we had ample opportunity to recognize the stabilizing effect of irrigation works which now serve approximately 1,700,000 acres throughout the State. Montana and the other Plains States in the Missouri Basin have waited a long time for something that seemed to be guaranteed by the Flood Control Act of 1944, when Congress authorized the comprehensive plans of the Department of the Interior and the Corps of Engineers. The people of Montana are going to feel mighty let down if the rest of us in the House go along with the committee's recommendation of a little over $10,000,000 for work by the Bureau of Reclamation in the Missouri Basin.

Let me tell you what the initial stage of the Missouri River Basin project means to Montana. It includes 7 units which will irrigate 530,000 acres, generate 481,800,000 kilowatt-hours of power annually, and provide important flood control and other benefits. One of these units is the Canyon Ferry Dam and power plant located on the Missouri River near the capital city of Helena. This dam is designed to store flood flows for irrigation and for generation of power. Construction is supposed to start early in the fiscal year 1947. A second unit with plans well advanced is the Marias unit in north-central Montana, where irrigation is badly needed. This development consists of a storage reservoir and canal system which will serve 120,000 acres.

Another development is the Yellowstone pumping unit, which includes 24 subunits comprising 94,460 acres of irrigable land in the southwestern part of the State. The Savage subunit of this development is ready for construction early in the next fiscal year, and it was hoped to proceed with detailed planning on the other subunits. The remaining units scheduled for planning and preconstruction work in fiscal year 1947 are: South Bench, near the town of Three Forks, Mont.; Glasgow Bench, on the Missouri River, in Valley County; Hardin unit, on the Big Horn River; and the Montana division of the Missouri-Souris development in the northeastern part of the State. I do not see how anyone could be expected to carry on any kind of a program in the Missouri Basin with only $10,000,000. The work in Montana alone could use that much. Remember, however, the $10,000,000 has to be distributed to work in seven basin States. So, if we let the committee's recommendation stand all that work cannot be done, no matter how badly it is needed.

The development program for the Missouri River Basin, approved by passage of the Flood Control Act of 1944, is the culmination of long years of effort by many groups to do something about the ravages of flood and droughts in this great region, which comprises one-sixth the total area of the United States. The amount requested for the Department of the Interior for next fiscal year is approximately $23,000,000. The committee has reduced this to $10,312,000. This reduction jeopardizes the success of this project, which is of vital importance to the whole Nation. At this rate our grandchildren will not live to see the job completed. We want the existing agencies to do this job. But they have to have the necessary funds to carry on. The people in my district do not want a valley authority, but they do want the job done. We have got to give the existing agencies what it takes to do the job.

In addition to funds for construction, the funds requested for administrative salaries and expenses are essential and should not be the target for reductions which would handicap the Bureau of Reclamation in holding together the technical and administrative organization needed to carry on its activities. The committee reduced the Budget recommendation of $5,500,000 to $4,000,000 for this purpose. I urge adoption of the full amount recommended by the President and the Bureau of the Budget as the minimum requirement for successful prosecution of the integrated Missouri Basin program and other reclamation work.

FORT PECK PROJECT

The drastic cuts proposed for the appropriations for the Bureau of Reclamation will severely curtail the irrigation development of the arid western half of the United States and will particularly affect the great State of Montana in which I am deeply interested. If these cuts are allowed to stand, it will seriously impair the normal development of the irrigation works which the people of my State need if they are to contribute their share of agricultural products for the world-wide food program to which the United States is committed. In order to fully appreciate the part that power plays in our irrigation development in the State of Montana, I wish to take a few moments to explain the functions of the project.

The Fort Peck project consists of a dam, reservoir, power plant, and a transmission system for making the power generated at the plant available at various load centers. Although the Fort Peck Dam and Reservoir was constructed primarily for navigation purposes and to provide flood control along the Missouri River, the power developed incidental to these water releases plays an important part in the agricultural development of the area.

Funds have been previously granted to initiate construction of the Fort Peck-Williston transmission line and the Williston substation, an integral part of the line from Fort Peck to Garrison being built to supply construction power at the Garrison dam site on the Missouri River. Funds were also previously granted for initial construction on the Glendive-Miles City transmission line and the Miles City substation. Additional funds are now requested to complete these lines at an early date to assure a source of power for irrigation pumping along the Yellowstone River. These transmission lines serve as the backbone system for furnishing power to REA cooperatives and irrigation pumps.

The reduction in funds for irrigation pumping, transmission lines, and substations in the Yellowstone River district will curtail work already begun in supplying Fort Peck power to a large number of irrigation pumping plants through the facilities of REA cooperatives as well as to project pumping plants. Similarly, the complete elimination of funds for irrigation pumping, transmission lines, and substations for both the Missouri and the Milk River districts will seriously affect the development of REA cooperatives within these districts. Without having electrical energy available at reasonable rates from the Fort Peck project, the cooperatives will find it difficult if not impossible to expand their system sufficiently to permit the full agricultural development of the area covered by their proposed distribution systems.

I consider the full restoration of the proposed cuts in appropriations for this project as being vital to the continued growth and development of the area embraced by this great project.

SUN RIVER PROJECT

The Sun River irrigation project, located west of Great Falls, Mont., along the north and south side of the Sun River, is one of the oldest reclamation projects in existence, water having been first delivered in the year 1909. Com-

plete restoration of the appropriations for this project, operated solely for the agricultural development of the area, is necessary to safeguard the continued operation of the project which has served these many years.

Proposed repairs on the spillway tunnel and needle valves cannot be deferred further without causing excessive damage which may lead to higher costs for future repair work. Construction of an enlarged concrete siphon to replace the present unreliable wood-stave pipe is necessary to assure the delivery of water to lands now under irrigation. Additional canal work will be required to increase the capacity sufficiently to carry the added quantity of water made available by the construction of this siphon. Considerable land can be reclaimed for agricultural purposes by construction of additional drainage facilities.

It is felt that this work will greatly enhance the possibility of making more acreage available for food production. In view of this, full restoration of the funds is imperative.

CONCLUSION

Mr. Chairman, this development of the Missouri Basin has been approved by the President of the United States. It has been authorized by the Congress. Large sums have already been spent in making studies, surveys, and the necessary preliminary examinations to get this work under way. Appropriations have, in addition, been made on the start of construction on a number of these projects.

While I realize that a large sum of money is being carried over from past appropriations, the amount carried in this appropriation measure is not adequate to go ahead with the work in this basin as contemplated. This is a time when millions of people are suffering starvation, a time when there is extreme doubt as to whether there will be food enough to go around for several years, a time when veterans are returning from the war and looking for opportunities not only to start farms but to establish small businesses, by which they can build homes and maintain families. It seems unbelievable that this Congress should, at such an important period in the development of this Nation, refuse to grant the funds necessary to go ahead with this tremendous development, affecting one-fifth of the area of the country.

This money is not a gift out of the Treasury. It is a loan that will be returned, not only the principal, but many additional times in increased wealth of the Nation and increased property and income taxes. It will stabilize not only the agriculture of that area, but the whole economy of this section of the United States, which suffers repeatedly from droughts. The food is needed. Stabilization of the economy of this basin is needed. The opportunities for farms, business, and homes for veterans are needed. This is our opportunity to go ahead with the great development that will include irrigation, soil conservation, power development, rural electrification, development of our wildlife resources, and an increase in our food supply, which experience is teaching us is going to be vitally needed. I trust this Congress will see fit to grant the appropriations proposed by the Budget.

Mr. MUNDT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I simply wish to voice my disappointment over the fact that the subcommittee on appropriations has felt it necessary to reduce as much as they have the money appropriated under this section of the bill for the construction and study of irrigation and reclamation projects. We have out in the great Central West, in the Missouri River Valley, under way at this time both engineering and construction and investigation projects which are being undertaken in conjunction with the Army engineers in the development of the so-called Pick-Sloan Missouri River development plant.

The funds which are made available for the continuance of that work in this bill, I find, are inadequate to achieve the type of progress which is warranted by the importance of the project. I do not feel that working in the Committee of the Whole we can revise and expand these appropriations with due consideration and with the proper type of accuracy required in legislation as important as this. I do want to voice my disappointment at this time, however, and suggest that along with me other Representatives interested in these projects and in this type of activity might well join in discussing this serious situation with members of the Appropriations Committee of the other body when the bill gets to that point so that in the hearings and in the proper deliberative atmosphere of a committee perhaps we will be able to make some additions at points where additions are most definitely needed.

If we succeed in that effort, I hope that when we return this body will join us in supporting some greatly warranted increases for this type of work along the Missouri River Valley and other areas of the country. Since the Missouri River development program has been authorized by Congress and is an approved project I consider it economy rather than extravagance to proceed with its completion as rapidly as practical considerations permit. To achieve this desired result, we shall require more funds for planning and preparatory work than are provided in this bill as presently written. For that reason, I for one, expect to request increased appropriations in this section of the bill from the Members of the other body. I hope others will join me in this approach. If we marshal our arguments wisely, I believe the facts will speak so eloquently that we can secure additional funds on the other side of the Capitol and in that event I now urge the Members of the House to support such increases when the legislation comes back from conference. It would be penny-wise and pound-foolish to cripple this great project by inadequate appropriations at this time for the systematic and scientific completion of the necessary preliminary studies.

Mr. Chairman, in the Flood Control Act of 1944, the Congress authorized the coordinated plans of the Department of the Interior and the War Department for the development of the Missouri River Basin. A total of $13,980,300 has been appropriated in the regular 1946 appropriation bill and the First Deficiency Act of 1946 to the Department of the Interior to begin work on its part in the plan. These funds were to finance the start of construction by the Bureau of Reclamation on three of the units in the authorized initial stage and necessary detailed planning on the remainder of the plan. Also a part of these funds are to finance related activities of seven other agencies in the Department of the Interior to assure the coordinated and integrated development of all the resources in the basin, including fish and wildlife, recreation, mining, public lands, and many others. The Budget Bureau recommended an appropriation of $23,783,600 with which to continue the work started this year. As the bill now stands, with $10,312,685 for this work, there will be a serious delay and the whole program will be jeopardized.

One of the units in the authorized initial stage of development is the Oahe—James River—unit in central South Dakota. The plan of development for this unit consists of pumping water from the main stem of the Missouri and transporting it by a canal 125 miles eastward to irrigate approximately 750,000 acres in the James River Valley. The Bureau of Reclamation is mapping the area and developing the details of the irrigation system. The Geological Survey is studying ground water conditions so that ground water supplies can be integrated with surface water supplies. The intricate problems connected with the irrigation of this large body of land requires a considerable period of intensive study if the best all-around plan is to be developed. The Budget recommendations of $23,783,600 for the Missouri Basin included funds to carry on the required program of investigations. The reduced amount in the bill cannot possibly provide for the necessary work on the Oahe unit and also for the impending construction program. This will be a serious disapopintment to the people in the James River Valley.

Residents in the James River Valley are looking forward to the day when the power that will be generated at the power plants to be built as a part of the Missouri Basin plan will be available for use. They know that it is not possible to build one of the power plants in their immediate area so they realize that a transmission line system is necessary if their REA's and municipalities are to be served with the power that will be generated at the Government dams. Construction of an integrated transmission-line system to all parts of the basin is an essential part of the plan and it must be carried out by either public or private agency.

Another item of importance to the reclamation program is the salaries and expense item. These funds provide for the administrative costs of the program. Work such as the Missouri Basin project is just getting under way and work that was delayed during the war is being resumed. It is essential that the administrative offices be properly manned for the efficient administration of the work entrusted by the Congress to the Bureau

of Reclamation. The Budget recommendation of $5,500,000 for salaries and expenses is less than 5 percent of the total program. Any lesser amount than the $5,500,000, such as the $4,000,000 now in the bill, will seriously cripple the businesslike and efficient management to which the Bureau of Reclamation's program is entitled.

Mr. Chairman, as part of America's plan for increasing employment and economic opportunities for ex-servicemen and women, and as part of the whole program of better utilizing our national resources, it is prudent investment policy to appropriate adequately now for the advancement of the Missouri River development program.

Mr. JENSEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have listened with interest to the gentleman from South Dakota [Mr. MUNDT], who preceded me. Of course, like the gentleman from South Dakota [Mr. MUNDT] I am greatly and directly interested in the development of the Missouri Valley. I do, however, want to keep the record straight. First, may I say I doubt there is anybody in America more interested in the development of the Missouri Valley than yours truly, the humble servant of the people of the Seventh Iowa District, since no district has suffered more from the flood waters of the Missouri River than have five counties in my district. But to keep the record straight, it must be stated in all fairness to the members of the Subcommittee on Appropriations for the Interior Department, of which I am a member, that the original request by the Bureau of Reclamation was for a sum greater than that which they finally requested and submitted in writing to the committee. So it should be known that the Bureau of Reclamation has recommended the amount which is now in this bill for the Missouri Valley development and for many other reclamation and irrigation projects.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I am glad to yield to the gentleman.

Mr. MURDOCK. Is the gentleman now referring to the letter from the Commissioner of Reclamation which gave a new estimate, cutting to a much lower figure the original estimates?

Mr. JENSEN. Yes.

Mr. MURDOCK. I find that same list is in the committee report, on pages 17 and 18. However, in part II of the hearings, page 487, the entire letter is set out. It seems to me the committee has taken a list of that letter and apparently overlooked one paragraph of that letter, namely, the last. In the concluding paragraph of that letter the Commissioner states that that policy of reduction will be destructive of the program, if adopted.

Mr. JENSEN. Now, in order to clear up this matter once and for all, the fact of the matter is that the Bureau of Reclamation submitted the original request for funds. The able and honorable chairman of the committee [Mr. JOHNSON], with the consent of the committee, said to the Bureau of Reclamation, "Now, this is what you want, but we would like to know what you actually need for the fiscal year 1947." The chairman, with the consent of the committee, said to Mr. Krug, "Will you please go over this list again and bring back the figures which is the amount you will actually need for the fiscal year 1947?" They did that. The amount that was allowed in this bill for the Missouri Valley development program is almost identical with the revised figures, with the exception that we did eliminate some transmission lines, distribution substations, and some other related facilities which the committee felt certain were not needed at this time.

Those are the facts in the matter, as the chairman of the committee will verify.

Mr. MURDOCK. Will the gentleman yield further?

Mr. JENSEN. I yield.

Mr. MURDOCK. I find on page 487, at the conclusion of the letter to which I have referred, in the final paragraph it is stated that this plan of reduction will be destructive of the reclamation program. Did the committee take into full consideration both the reduced list and the closing warning?

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. Certainly.

Mr. JOHNSON of Oklahoma. Of course, this committee did not attempt to give the Reclamation Service all that it wanted.

Mr. JENSEN. That is right.

Mr. JOHNSON of Oklahoma. But the gentleman from Iowa is absolutely correct when he states that this committee asked the Reclamation Service to give us the lowest figure on which they could operate efficiently.

Mr. JENSEN. That is right and it cannot be denied in truth and in fact.

Mr. JOHNSON of Oklahoma. Naturally they wanted every dollar requested, but they submitted a list to us and we are convinced they can operate without any slow-down on the money allowed. The fact that they sent this face-saving letter was considered by the committee as an empty gesture. Of course they said they wanted more money. But let me say that the man who signed and sent that letter while a very affable gentleman is not an engineer. As an excellent publicity move he could not be considered the last word on what is actually needed for construction projects. The members of the committee who have listened to this testimony for years have some understanding of the needs. The committee has accepted the revised figures as given to us by the Bureau of Reclamation. The committee was told on the record and off the record that they could function on the amount allowed, although I repeat they wanted this full amount recommended.

Let me remind the gentleman again, there is or was in January a backlog of $135,000,000 in the Bureau of Reclamation. I stated the other day that in my judgment they would have difficulty in spending as much money as the committee has given them for the next year. Our committee has been extremely liberal in the matter of appropriations for the Bureau of Reclamation.

Mr. JENSEN. Now, I hope that will clear up the situation so that it will be settled once and for all. You may all be sure as the members of the committee are entirely convinced that none of the projects will be detrimentally affected one iota because of the reduced funds as are here set out in the final request for the fiscal year 1947.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MURDOCK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to clear up one thing. I want to call the attention of the committee to page 487 of the hearings, to the last paragraph of that letter. I take it that this is the same list to which the gentleman from Iowa [Mr. JENSEN] and the gentleman from Oklahoma [Mr. JOHNSON] just referred.

The committee itself in its report on page 17, about the middle of the page, says: "The Commissioner reluctantly has complied with the request of the committee," and I suppose the accompanying list is that revised list. I take it this is the list right here on page 487 of the hearings; and if you will turn to the hearings you will observe that there is a paragraph closing that letter following that list, and this is the way it reads:

> The effect of any such drastic reduction, which would be contrary to the recommendations of the executive agencies, would be disastrous to the program for the development of the West, disruptive to the President's fiscal program, and to the Bureau of Reclamation's programs, and would jeopardize the Bureau's plans for compliance with the repayment requirements of the reclamation law inasmuch as all of these projects would be left to some smaller or great degree in a non-income-producing category until further congressional action repaired the damage. Such action would also wreck the integrated program of veterans' employment in reclamation construction and veterans' settlement upon the newly irrigated lands that the construction program as it was presented to you by the President would provide.

That is the paragraph I find following this revised list. This leaves me confused.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. JOHNSON of California. Is it not a fact that the President's program for the Central Valley project was $25,000,000 and that they cut it to $10,840,000?

Mr. MURDOCK. I do not have those exact amounts at hand but I take it that is in the revised list.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. JENSEN. The fact still remains that the Bureau of Reclamation did submit this list which starts on page 486 and continues on page 487. They did submit that list to us of the revised requests and said, in effect: "This is what we will actually need for the fiscal year 1947."

Now, then, I ask the gentleman as a Representative and a very able spokesman for his district, after that request

had been made for these funds which they said they would need could the gentleman have sat on that committee and voted to increase those funds? Would the gentleman have done that? I ask him.

Mr. MURDOCK. I simply want to give to this great cause of reclamation through the Bureau of Reclamation the amount of money it needs. I would not have given them more than they asked for, but understanding the significance of irrigation and reclamation to the entire country now in this postwar period, I would have been far more generous in certain amounts than the committee has been in this bill.

But here is what I want to know: Did the Commissioner give you a list and then follow it by saying this would be the construction program?

Mr. JOHNSON of Oklahoma. If the gentleman from Arizona will yield, I know that the projects as stated by the gentleman were reluctantly submitted, but I also know that they can operate on the amount allowed in the bill.

I again call attention to the fact that there is $135,000,000 of a backlog in the Bureau of Reclamation; and I may say to those who are interested in Central Valley that $34,000,000 of that fund is for Central Valley alone—unexpended. So the committee has been liberal with reference to reclamation. All of these reclamation projects could not have been constructed except for a fair, liberal-minded committee that made funds available as they were needed.

Permit me to add that if Members will get in touch with former Commissioner Harry Bashore, one of the greatest engineers this country has ever produced, and who has just retired, I am of the opinion he will join in saying this committee has been liberal in making funds available for the Bureau of Reclamation.

Mr. MURDOCK. Much has been said here today about the hard work of this subcommittee on this important bill and of the fair-mindedness of the individual members in cutting projects in their own districts, all of which shows their high sense of public duty and responsibility. I, too, recognize those facts concerning the committee members and wish to join with other colleagues in my praise for that spirit of fairness shown by them. It is evident that no member thought first of his own advantage but he has put first the economy measuring stick as the gage of his actions. Such an attitude deserves our respect, and if each move is wise, it deserves our unstinted praise.

I do respect their thought of economy, but I doubt the wisdom of their moves in certain cases in this bill. Feeling as I do the lack of wisdom in some of these moves, I shall want to offer amendments before we are through reading the bill. There are certain cases where they have failed to carry out the plain mandates of the law, where they have withheld funds they have no right to withhold, and exercised judgments as to amounts which had previously been determined by higher authority. These ought to be corrected and no doubt will be corrected.

This bill tends to "sell America short." What a wonderful opportunity we are missing. But, of course, with the money we can save in this bill thus reduced there must be other and greater advantages apparent to the committee. I cannot see them. I am sure returned veterans will view with mixed emotions the savings effected herein for them.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. HILL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the limited amounts proposed for the Bureau of Reclamation in the pending Interior appropriation bill are disappointing. The deep cuts made in the Budget estimates for construction, for salaries, and expenses, and for general investigations, will seriously affect the entire reclamation program for the development of the West.

While I am particularly interested in the Colorado-Big Thompson project in northeastern Colorado, I am also concerned about what happens to other reclamation developments in the West. The bill reduces the Budget estimates for reclamation from $166,894,055 to $72,271,475. Construction estimates for about 40 projects were cut from $147,330,000 to $62,348,040 or about 60 percent.

The general investigation estimate was reduced from $11,000,000 to $3,250,000—a slash that will seriously delay reports on potential irrigation developments. The estimate for salaries and expenses of the Bureau was reduced from $5,500,000 to $4,000,000, and this slash will undoubtedly cripple the Bureau's administrative activities.

The blow at the Colorado-Big Thompson project's irrigation and power transmission facilities is most serious. The $15,000,000 recommended by the President for essential work on this project is reduced in the bill to $6,504,070.

Let me tell you what this great project is:

The Colorado-Big Thompson project, located in north central Colorado, is one of the major multiple-purpose projects now being constructed by the Bureau of Reclamation. The project is being constructed primarily to transport surplus water on the western slope of the Rocky Mountains to the eastern slope providing supplemental irrigation water for some 615,000 acres of fertile lands on the plains east of the Rockies. The main features of power and water storage facilities consist of the Green Mountain Dam and power plant, Granby Dam and pumping plant, and Shadow Mountain Dam on the western slope. Green Mountain Dam and power plant have been completed and placed in operation. Shadow Mountain Dam is virtually complete and some work has been done on Granby Dam. A tunnel has been driven from Shadow Mountain Dam under the Continental Divide. An 18,000-horsepower pumping plant will be installed at Granby Dam for raising water to Shadow Mountain Dam from which it will flow through the tunnel to the east side. Here the water will pass through several power plants to storage reservoirs from which the water will be drawn as required for irrigation. Part of the power needed for operating the huge Granby pumps for raising western slope water for diversion to the eastern slope through the tunnel will be furnished by Green Mountain power plant. However, additional power will be required. This power will be generated by the falling water in the power plants to be constructed on the east slope. The proposed 38-mile, 115-kilovolt transmission line from the east side over the Continental Divide is one of the vital and most important facilities needed to place the project in operation. Equally important is the proposed 35-mile, 115-kilovolt transmission line from Loveland to Greeley, Colo. This line is needed to supply power from the Kendrick project for operating the Granby pumps until the power plants on the eastern slope can be constructed. Without these two vital transmission lines it will be virtually impossible to furnish supplemental water for irrigating some 615,000 acres of fertile land for which purpose the project is being constructed. Approximately $25,000,000 has been invested in project facilities which will be of little or no use until funds are provided for construction of these transmission lines and other features as programed.

Considerable engineering study has been given to development of this project and if the benefit and repayment provisions are to be utilized, it will also be necessary to construct the 45-mile, 115-kilovolt Sterling, Colo.-Sidney, Nebr. transmission line. This will be an extension of the present system. The line is urgently needed to alleviate an existing critical power shortage situation in northeastern Colorado and southwestern Nebraska. The Bureau of Reclamation has received numerous requests from REA's, municipalities, and others in this region. One of the REA's, the Rural Electric Co., is completing plans for about 2,000 miles of distribution lines and needs additional power in 1947 to operate existing as well as proposed lines. This REA has a heavy irrigation pumping load which is increasing rapidly. Farms are being broken up into smaller units and some 2,000 additional families will be located in this area. Many of these are returning veterans and every effort must be made for providing low-cost electric power. Failure to provide this power will result in the installation of expensive, high-cost Diesel power units which will place a heavy burden on the farmers and veterans using electricity.

A 75-mile, 69-kilovolt transmission line from Kremmling to Oak Creek, Colo., is also urgently needed to supply power to an REA cooperative, two of the largest coal-mining companies of the State, and the Rio Grande Western Railroad. Construction of this line will eliminate the necessity for the Rio Grande Western Railroad Co. to replace its Diesel plant. The line would make hydro-generated electric power available for replacing fuel energy and thus conserve and utilize our natural resources to the fullest extent possible.

Power revenues derived from the sale of power generated on the project will repay practically all of the construction costs with the exception of $25,000,000 to be repaid by the Northern Colorado Water Conservancy District. In order

to market surplus electrical energy generated on this project, it will be necessary to construct transmission lines as programed.

Repayment of project costs cannot be realized without the revenue from the sale of power on a firm basis. This can only be accomplished by providing the transmission facilities requested.

Mr. CURTIS. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, there is an item in this appropriation bill for the Bureau of Reclamation for $10,000,000 for the Missouri River Basin. It is true that the committee handling this measure has a most difficult job to do. I want to thank them for their never-failing courtesy and the consideration that they have thus far shown. It is my understanding that even though the committee reduced the Budget request for funds for construction purposes for the Bureau of Reclamation in the Missouri River Basin, that it was not the intent to eliminate any projects. It is the intent of the committee, and I am sure of the Congress, to go on with that very important construction work of irrigation projects.

The Missouri River Basin is where the West and the Middle West meet. It has had very little attention paid to it from the standpoint of developing its water resources. In that area you will find the territory that comprised the Dust Bowl. Prolonged and severe drought is a real problem out there. When it comes it affects not only that area but all the United States. It is in the interests of economy and good government that the water that we do have in our streams be utilized for the improvement of agriculture in that great territory.

I am especially interested in that part of the Missouri River Basin program that affects the district which I have the honor to represent. I refer primarily to the Republican River and its tributaries. On many occasions I have told the Congress of the needs of that valley. It was in 1935 when we had a terrific flood that took the lives of 110 of our people. In that same territory we have witnessed severe droughts that have lasted for many years. There is some irrigation out there, and we know what it will do. It is the plan of the Bureau of Reclamation to soon start construction at a number of points on the Republican River. I would mention particularly a so-called Frenchman-Cambridge project, the Bostwick project, the Wray project, as well as continued studies of other areas of the Republican Basin. If the Republican River was in an area of plenty of rainfall, the taxpayers of America would be paying for flood control as a 100-percent subsidy. We need that water on our soil, consequently considerable of the work in the Republican River, as well as throughout the entire Missouri River Basin, is handled by the Bureau of Reclamation. Water is held back to prevent flood damage and then in turn it is used to cause our crops to grow. This means that great sums of these expenditures are reimbursable. The farmers will pay for it.

I am extremely disappointed that the estimates of the Bureau of the Budget have been reduced from $23,000,000 to $10,000,000 in this bill. I say that because I believe that it is an extravagant move. I will explain why I say that. If in the building of a given project 10 years are used to do what could be done in 3, you have 10 years of overhead. In addition to the increased overhead, the builders of that project are handicapped in that they cannot let the most economical contract. Thus, you add greatly to the cost of the project. This means a great deal, not only to the Treasury of the United States, but to the farmers and others who will be repaying considerable of this money to the Treasury.

There is another reason why prolonging the time for construction of a project is wasteful and expensive. If you take 10 years to build what you could build in 3 years, the people are denied the fruits of that project for 7 years. We must have irrigation for a balanced economy and a self-sustaining economy in many portions of our country. During the drought years, in the areas where there was no irrigation, the Federal Government spent millions and millions of dollars. It was relief money and did not solve anything. If we take 10 years to build what we ought to build in 3, we are going to have to spend millions more for various types of relief and rehabilitation. Now, on the other side of the ledger, I wish to point out that the income from irrigated land is many times greater in irrigated sections as compared with dryland farming in the same area. The amount collected in taxes by the Federal Government from the farmers alone is a tremendous sum. The farmers spend this money for supplies, machinery, and all sorts of capital goods. This money is placed in the channels of trade, and everyone that touches it pays more taxes. These projects are worth while—I am convinced that they are—and the Treasury of the United States, which advanced the money, and the farmers, who in turn will repay it, are entitled to have them built at the most economical rate.

I sincerely hope that by the time this bill is finally submitted to the President of the United States for his signature that this cut for the Bureau of Reclamation for the Missouri River Basin is restored. It is just and it is right and it is fair. It is in the interest of sound economy. If I did not think so I would not be here advocating it. As it now stands, the $10,000,000 that is going to be appropriated for this great area is less than one-seventh what the Government of the United States spends for propaganda purposes in 1 year. It will pay a dividend manyfold, and I shall do everything I can to get this amount increased.

The work of the Geological Survey is tied into the work of the Bureau of Reclamation. They, too, should have sufficient funds to do an economical job and at the same time protect the Federal Treasury from a wasteful development of our natural resources.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. CURTIS. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Chairman, may I say a word in connection with the carry-over of funds, this $135,000,000. A very, very small portion of that can be spent in the Missouri River Basin. That represents a backlog of funds for many years prior to the war. The work in the Missouri River Basin was not authorized until 1944. I contend that from the standpoint of carry-over funds and from the standpoint of new money that the Missouri River Basin has not received a just share of the amount that is recommended by the committee. I sincerely hope that that fact will be taken into account.

The Missouri River Basin represents one-sixth of the area of the United States. There are seven States in it. The Bureau of Reclamation only operates in 17 States. I submit that the very small fractional part of the carry-over funds that can come to the Missouri River Basin make it all out of proportion to the rest of the West, and the further fact that the rest of the West has had its major construction program before this, and the Missouri River Basin has very few projects to date. My district has never had $1 of Reclamation Bureau construction funds spent therein. The need is very great, however.

Mr. HAVENNER. Mr. Chairman, I move to strike out the last three words and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAVENNER. Mr. Chairman, year after year, during the three sessions of my membership in Congress, I have witnessed a recurrence of the struggle to obtain adequate appropriations for the completion of the great Central Valley project of California. Always there has been powerful opposition in the Appropriations Committee to allowance of the funds which the Interior Department and a very large number of people in my State believed to be essential to bring this project to completion at the earliest possible date.

Mr. Chairman, I realize that practice of a sound policy of economy in the affairs of Government is of great importance to the national welfare. For a number of years I served as chairman of the legislative committee which prepared the annual budget and fixed the annual tax rate for the city and county of San Francisco. During all that time I had uppermost in my mind the importance of sound economy.

In subsequent years I have remembered with satisfaction the fact that the San Francisco Board of Supervisors, when I was a member of its finance committee, succeeded in making the largest reduction in the annual tax rate in the history of my city. However, Mr. Chairman, it was the fixed policy of that board of supervisors to allow adequate appropriations for the prompt completion of self-liquidating public projects which we

knew would contribute to the economic and social welfare of our city and earn a profit for the benefit of our taxpayers. So, while I am in sympathy with the desire of the Appropriations Committee of this House to practice economy in the making of the National Budget, I am utterly unable to understand the reasoning behind the persistent effort, year after year, to delay the completion of projects like Central Valley which will, when completed, become self-liquidating and earn a substantial annual return for the relief of the taxpayers of this Nation.

This is not sound economy, Mr. Chairman. Indeed, such a policy delays the time when the American taxpayers can begin to enjoy the full financial benefits of the great Central Valley project. In the meantime the taxpayers of the Nation are compelled to pay the carrying charges on this great unfinished project without any compensating return for their heavy expenditures. The soundest economy, Mr. Chairman, which this Congress can employ with respect to the Central Valley project is to make the necessary appropriations to hasten its completion and thereby speed the day when the American taxpayer can begin to get back a return on the huge investment which he has already made in this great undertaking.

The Government now has a financial investment in the Central Valley project of approximately $170,000,000, and I venture to make the assertion without any fear of contradiction that the Government is not going to abandon that project, so it would be sound economy to hasten its completion.

During the war, Mr. Chairman, there was an unavoidable reason for delay in the construction of the Central Valley project. It was impossible to obtain the materials and labor required to carry on construction work during the period of national emergency. However, that period of emergency is now past, and no valid reason for delay now exists.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. HAVENNER. I yield to the gentleman from California.

Mr. JOHNSON of California. Is it not a fact that if we get this project finished so we can begin getting revenues we will get what might be called a double-barrelled shotgun in money back. We save the interest on our money and we get these replenishments, one-fortieth each year, of the total cost of the project.

Mr. HAVENNER. The gentleman is correct. That is the point I was trying to make.

I shall support the amendments offered by my colleague from California and I earnestly hope that a majority of the Members of this House will likewise support his efforts to speed up the completion of Central Valley and to hasten the day when the people of California and the taxpayers of the Nation can enjoy the full benefits of that great public investment.

Mr. NORRELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in reply to the gentleman from California I must say that there has never been a time, I believe, since the Central Valley project was adopted by the Congress, when they did not have a surplus of funds. Any delay that has been occasioned in the construction of that great project cannot and should not be chargeable to either this committee or to the Congress. The fact that they have over $34,000,000 of unexpended funds is evidence that that statement is true.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from California.

Mr. JOHNSON of California. How low will that fund be on June 30, 1946?

Mr. NORRELL. At the rate of expenditure now, when materials are so hard to get, I doubt that a very substantial part of it will be used. They are bound to have a very substantial portion of that on June 30.

Mr. JOHNSON of California. Is all that backlog of $34,000,000 allocated to specific items?

Mr. NORRELL. That is all allocated to specific items.

Mr. JOHNSON of California. In other words, the Secretary would have no discretion in the expenditure of that money, he would have to carry out the specific allocations?

Mr. NORRELL. I think it is the duty of this Congress to tell the Department of the Interior where the money shall be spent.

Mr. JOHNSON of California. I agree with the gentleman.

Mr. NORRELL. All the money that has heretofore been appropriated has been allocated, since the 1944 bill.

Mr. JOHNSON of California. Has any provision been made there for the expenditure of money for transmission lines or stand-by plants?

Mr. NORRELL. There is money now for transmission lines that have not been constructed, as the gentleman knows and can determine by referring to the hearings.

Mr. JOHNSON of California. Does the gentleman know the amount in that $34,000,000 that might be used for transmission lines?

Mr. NORRELL. We do not have that exact figure at this time, I am sorry to say.

Mr. MILLER of Nebraska. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Chairman, on page 46 of H. R. 6335 you will find the Missouri River Basin appropriation. This appropriation of $10,312,685, which the committee suggests, is a reduction, from the President's request for the Missouri River Basin project, of more than $13,000,000.

The Missouri Basin studies are new. There is a great need for proceeding with investigations on the Niobrara, Loup, and North Platte Rivers, and this is a part of the Missouri Basin. Nebraska has been far behind in the development of irrigation and the use of her available water supply. There is a number of important units in the Missouri Basin development, on which investigations and planning are under way or proposed for the coming year. This includes reservoirs and land which can be irrigated in central Nebraska and in the two river basins. There are plans for several reservoirs on the Loup River, which, when finally completed, would have something over one and a half million acre-feet of water, which could be used to irrigate many thousands of acres of land. In order to insure the development and for the construction of these projects, funds are essential now for continued planning of the ultimate Missouri Basin project. If the reduction is sustained, development of these projects will be retarded.

There is also a great need for further studies and work on the Niobrara River. This is a valley which is critically in need of full development, and the Budget recommendation included funds for that purpose. I point this out, Mr. Chairman, because this is a new development, and the need for proceeding at once with a control of water used for irrigation and electrical energy is urgent. Our Nation and the world will be in need of food in increased amounts for the next several years. The placing of land under irrigation produces food. The revenue returned to the Government can hardly be estimated in dollars and cents. The development, under irrigation, for the farms and communities is of tremendous value. Most of these areas would remain a desert and unproductive, unless water is carefully used and the land made to produce. I can remember parts of the North Platte Valley when it was a desert—barren and unproductive. Today, by the careful use of water, we have a little Nile, with productive land, and well-populated and growing communities.

I note also that the appropriation fails to provide for general investigation and administrative funds; that these funds have been cut by $1,500,000. It seems to me that the committee might be "penny wise and pound foolish" in not providing sufficient funds for administrative purposes. I do realize that there has been some severe criticism directed at the Reclamation Bureau and the Interior Department. Like any large governmental agency, they have probably been wasteful with their funds. They do need to be carefully checked, and the Congress should be concerned about getting as much value out of the tax dollar as is humanly possible. There is a place to stop, however, and in my humble judgment, this portion of the bill has been cut beyond the reasonable limits.

I note also, Mr. Chairman, that the power line in western Nebraska and Colorado has been removed from the bill. This line was a connection between the Colorado-Big Thompson power plants and those of the Kendrick and North Platte projects in Nebraska and Wyoming. These lines, when constructed, will serve thousands of farmers. They are of major importance from the standpoint of good operation and dependable service to the people. I realize that the committee has felt that there has been

too much emphasis placed on power in certain sections of this bill, but it does seem to me that the additional money spent on bringing electricity to these areas will again repay our Government. The farmers receiving electrical current under this project, or under REA, have always paid back to the Government the money, and with interest. I am amazed that some members of this committee will seemingly approve billions of dollars of money in loans to foreign countries which will probably never be repaid, and yet they deny the farmers of a large section of the West a half million dollars which, in turn, will provide them with all of the conveniences which come from electrical current.

The administration and supervision of such important projects as those under the Missouri Valley and others throughout the West should not be jeopardized by a false economy that would endanger the successful construction and proper operation and management of such works. The Department must have experienced and trained people to properly carry out the desires of this Congress. They cannot do this if we make a big reduction in the administrative funds for this purpose.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the work of this particular appropriation subcommittee can be looked at over-all and I think every fair-minded student of appropriations by the Congress will have to say that this committee has done a remarkable and outstanding job. They are recommending a total of appropriations of about $174,000,000, which represents a reduction of approximately $172,000,000 from the Budget requests. If other subcommittees of the Congress were in a position to make similar reductions, we would make rapid progress toward a balancing of the Federal Budget.

When one looks at the task which this particular subcommittee assigned to itself, namely, that of carefully scrutinizing appropriations for all the various categories which come within the purview of the Interior bill, one would have to say that they have not played favorites. They cut in the Bureau of Mines. They cut in the Geological Survey. They cut the Office of Indian Affairs and the Secretary's office as well. They cut the Bureau of Reclamation. When one compares their work as a whole, he will have to say that this committee really conscientiously applied themselves to a careful study of the whole field of estimates before them and made cuts with reason or at least with understandable explanation all along the line.

So, I am not going to rise here in this discussion of the Bureau of Reclamation and attempt to castigate the committee in any degree whatsoever. I will say here, as I have said at one other point in the debate on the bill, that I feel there are items where a further understanding of particular problems would have resulted in different figures being recommended. I recognize, however, that when you say to the Commissioner of Reclamation, "We are proposing to cut this bill approximately in two; now, you show us a table to see how that kind of principle would apply throughout your budget estimates," when the Commissioner comes back with some figures it would leave the committee in a difficult position if it were to increase those figures over those figures that were in the Commissioner's letter.

So I am not here to criticize the committee. But I am here to suggest that as this bill proceeds in its course through the Congress and as further representations are made before the committee in the other body, if they see fit to make some increases in this item for reclamation and perhaps other items in the bill, I hope the subcommittee will give careful consideration to the additional evidence supporting those increases.

As for the Missouri River Basin item, in which I am particularly interested, it was not treated in any degree more harshly than other Bureau of Reclamation items. The total request for the Bureau of Reclamation was $147,130,000. The estimate proposed under the formula responded to by the Commissioner's letter suggested a total appropriation of $63,883,000, that is a reduction from $147,000,000 to $63,000,000. The individual item for the Missouri River Basin was requested in the amount of $23,783,000 and was reduced to $10,312,000. Therefore, approximately the same treatment was accorded the Missouri River item as the other items.

It must be remembered, however, that the Missouri River Basin program is a dual program, involving the Army engineers as well as the Bureau of Reclamation. It would be desirable, it seems to me, that the programs should proceed in a parallel fashion so that the work of the Army engineers and the construction of the reservoirs on the main stem would be matched by comparable appropriations for the Bureau of Reclamation to carry along the utilization of the water at approximately the same rate, the Bureau of Reclamation having the distribution of power generated in the dam and the utilization of the water for consumptive uses, principally in the form of irrigation.

The Department of the Interior began work on the authorized plan of development for the Missouri Basin last year. At the beginning of the fiscal year the work was limited to carrying on detailed planning and preparing for construction. Soon after the start of the fiscal year 1946, the global wars were ended and resumption of normal peacetime activities on a full scale was in order. Recognizing this, Congress provided additional funds in the First Deficiency Act of 1946 to the Department of the Interior to carry on such a program. The total funds provided in fiscal year 1946 through the regular appropriation act and the First Deficiency Act amounted to $13,980,300, which is three and one-half million larger than the $10,312,000 now proposed for fiscal 1947.

These funds were for work by the Bureau of Reclamation in preparing for construction on 11 units in the authorized initial stage of the development and continuing planning activities on the ultimate plan for the basin. The funds also provided for starting construction on three of the initial stage units as well as a transmission line from Williston, N. Dak., to the Garrison Dam site.

One of the units on which the construction is soon to be under way is the Angostura irrigation project in South Dakota, in which I have been interested for many years. The unit will consist in its initial stage of a dam and reservoir and a system of canals and distributaries for 16,180 acres of arable land. Work on the Angostura unit was started before the war, but before much could be accomplished, work was stopped. The Budget recommendation of $23,783,600 for 1947 includes funds for a normal construction program on the Angostura unit. The reduction of the Missouri Basin item to $10,312,685 as it now stands in the bill retards the rate of progress on the whole basin program which includes Angostura. I do not say this unappreciatively, however, for we have worked on Angostura so long we are glad to see it started.

South Dakota needs all of the irrigation that can be developed. Unfortunately there is more land needing to be irrigated than there is water available. Wise planning for the use of the water demands that all possibilities be investigated. The Missouri Basin item includes an allowance for further investigations to determine future irrigation possibilities. These investigations include water supply studies, land classification, and determination of repayment ability, to name some of the more important ones. South Dakota has to share in the Missouri Basin item with six other States. The budget recommended by the President included funds for a well-balanced program of investigations. The bill as it now stands not only limits the construction program but also delays the additional planning studies that must be carried on notably on the Oahe unit.

The ultimate Missouri Basin plan also provides for the construction of some 20 power plants at which will be developed approximately five and one-half billion kilowatt-hours of electric energy annually. An integrated backbone transmission line grid connecting these plants is an essential part of the plan. At the present time, certain parts of the Missouri Basin have the lowest per capita use of power in the Nation today. The reason for so little use of power is simply because there is not now any adequate source of supply. Those people are now looking to the present plan for the development of the Missouri Basin, which includes a transmission line system to all parts of the basin, so they can enjoy the labor-saving benefits of electric power.

So, I venture to hope that when these reclamation items receive further consideration the conferees will give careful and sympathetic consideration to the increases that may be proposed.

Mr. ROBINSON of Utah. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time so that I may make an attempt to get the situation straight because I have an amendment which I would very likely withdraw if there is as much feeling in the committee as apparently exists, and

if there is so much anxiety on the part of the committee to do the right thing about these reclamation projects. I look at the record, however, and I find in the record that the Bureau of Reclamation came before this committee and submitted a project that is in my district and estimated that in order to proceed orderly and logically with that project they would require $3,102,000 during the coming year. I know from my own experience and from what I know of that project that unless they get that money the project will not proceed in a logical and economical manner, and it will not only not reduce the expense to the Government but it will cost the Government at least $500,000, because it will delay the project a year. Every year that the project is delayed it costs the Government approximately $500,000, because it is a $20,000,000 project and as soon as it is finished we begin to pay $500,000 a year.

The project has the security of a large portion of Utah behind it. There is no question about the security. The only question is in finishing it. It is absolutely essential to the people there, due to the droughts and due to the unemployment that is coming on at the present time, to proceed with it as fast as we can.

On page 220 of this record the Bureau came before this committee and showed conclusively to the committee, apparently from the record, that $1,302,000 was needed. Then later, for some reason, and that is what I am trying to get at, this committee wrote to the Director of the Bureau of the Budget for some information as to what apparently could be cut, and the answer, under date of March 13, reads as follows, and I want you to notice what the Commissioner says.

In a letter from Commissioner Straus to the gentleman from Oklahoma, Hon. JED JOHNSON, under date of March 13, 1946, I quote as follows:

> In an endeavor to be responsive to your inquiry of March 11 as to the result of action by your committee to cut in half the President's Budget submissions for the year 1947 for reclamation work, a proposal for action which, of course, I cannot and do not recommend—this communication goes forward.

Now, from that I take it that the committee wrote to the Director and wanted him to give them what could be done if they were required to cut the budget in half. If that is correct, then he goes on and says:

> If it is required of us to do that, here is what I suggest:

But he says:

> The effect of any such drastic reduction, which would be contrary to the recommendations of the executive agencies, would be disastrous to the program for the development of the West, disruptive to the President's fiscal program, and to the Bureau of Reclamation's programs, and would jeopardize the Bureau's plans for compliance with the repayment requirements of the reclamation law inasmuch as all of these projects would be left to some smaller or great degree in a non-income-producing category until further congressional action repaired the damage. Such action would also wreck the integrated program of veterans' employment in reclamation construction and veterans' settlement upon the newly irrigated lands that the construction program as it was presented to you by the President would provide.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. NORRELL. The gentleman is talking about the Provo project?

Mr. ROBINSON of Utah. That is correct.

Mr. NORRELL. Does the gentleman understand that as of January 1, 1946, there was a balance appropriated of unused funds of $2,262,000?

Mr. ROBINSON of Utah. No. The record shows there was a balance of $110,000, but that balance does not mean anything, for this reason: The balance, under the record presented to you here, is $110,000.

Mr. NORRELL. I think the gentleman's figures are not correct.

Mr. ROBINSON of Utah. They are not my figures. They are your figures. It is your record on page 220, and it shows $110,000.

Mr. NORRELL. Our records show a carry-over as of that date of $2,262,631.

Mr. ROBINSON of Utah. I think I understand what is in the gentleman's mind. That means that contracts have been entered into that will absorb all of that, so that by June 1 there will not be anything left.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. ROBINSON of Utah. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. NORRELL. There is an unencumbered balance in the Bureau of Reclamation on that project of $1,860,942.

Mr. ROBINSON of Utah. Now we have three figures. Which are we to take? The point is that the project consists of several different items. The Bureau will not contract any of these different projects until it gets the money on hand to contract for them. It has told you that in order to make those contracts and to proceed expeditiously it needs $3,000,000. It is not costing the Government anything for you to say that if they need $3,000,000 they can have it. That does not cost anything.

It is unfair, I think, for this committee to say that it is saving so much money when all it is doing is postponing a project that is under contract and well along toward completion. They say they need $3,000,000 for it next year. You allow them but $1,000,000 and then say you have saved $2,000,000. I cannot see the logic of that kind of reasoning. That only adds to the expense, for, if this project is proceeded with properly, it will be finished in 2 years and commence to pay back. If, however, the committee's plan is followed, it will not be completed for 5 years and will not start to pay back for 5 years and will cost the Government an additional $1,500,000. That is how it seems to me and I cannot see any other logic to it. It is not like a proposition that was not secure or that was all in one piece. The Bureau of Reclamation cannot contract for the work in the various phases of this project until they have the money ready with which to enter into contracts.

The CHAIRMAN. The time of the gentleman from Utah has again expired.

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

NEED FOR MORE BASIC STUDIES IN FISH AND WILDLIFE SERVICE

Mr. ANGELL. Mr. Chairman, I note in checking the action of the Appropriations Committee on the Fish and Wildlife Service appropriations that they have again been very saving on funds for securing basic information. For biological investigations the Bureau of the Budget recommended $355,600, yet the committee voted out $237,975, only a slight increase over present funds. For investigations respecting food fishes the Bureau of the Budget recommended $765,000 and the committee granted $659,440.

Dr. Gabrielson, former Director of the Service, has often told me that the research work of the Service is basic to intelligent management. They need to know more about fish and animal populations each year, about disease, predators, and foods, about crippling losses in wildlife, winter death rates, and all of the things that go to make up this thing they call wildlife management. In some places there is conflict between livestock and deer and elk that needs to be studied by trained biologists. In other spots they need to learn more about fish populations, the effects of stocking streams, how to improve fishing conditions, and so forth. All of these things are essential so the State and Federal people who are hired to carry out the jobs can do so intelligently.

The funds for this sort of work in both the fish and wildlife fields have been cut to the bone during the war. Young men were in this field when war came and large numbers went into the armed forces. Now they are returning to the jobs for which they were trained and there are not nearly enough funds in this bill to put them back to work. It seems a shame to force these well-trained biologists into other lines of work when there are so few of them in the country and when the need in this particular field is so great.

I hope these funds will be restored.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

> Minidoka project, Idaho, $433,605, of which $100,000 shall be available for surveys and preconstruction work in connection with the North Side pumping division.

Mr. FERNANDEZ. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Interior Department appropriation bill for this year includes only $3,250,000 for the Bureau of Reclamation for general investigations, which is $7,750,000 less than the Budget estimate. This drastic reduction jeopardizes the success of the Bureau's planning program.

The gentleman from Oklahoma, chairman of the subcommittee, said during general debate that there were certain projects in his State which would be cut along with the rest of our projects. But let us remember that in his State and other States some of these programs have already been investigated, and the investigations are about completed, which I am sure he would verify if he had not left the floor a minute ago. Unfortunately, that is not true in New Mexico and some other States, where investigations are not too far along because of delay occasioned by the war. The reduction of this amount will jeopardize those investigations at the very time when we should go forward with them in order that they may be at such point of completion that if there is to be any unemployment we may then be able to proceed with the construction work to provide employment for veterans and returning war workers.

It must also be remembered that these investigations cannot be carried on piecemeal—the water users above and below any proposed dam must know how and to what extent their rights will be affected. The State authorities who must also pass on final investigation must know what the effect of any proposed project will be as regards other projects on the stream. They are charged with the duty of speaking, or forever keeping silent, when a project is declared feasible and authorized for construction. Unless these investigations are completed on the whole stream, the entire program is disrupted. Some consideration should be given to this aspect of the matter. Once the plans and surveys are made and approved, then projects may be picked up one at a time as our economy permits, but if we cut this appropriation, we do incalculable harm to those States, especially in the far West, where surveys have not been completed.

I am satisfied all of us who have given the matter any consideration are satisfied and convinced this item should be increased, although we will offer no amendment at this time for obvious reasons; however, I hope that when the conferees meet they will see fit to agree to some increase for this appropriation so that these investigations along the Rio Grande and other streams may be completed.

The Bureau's over-all program is aimed at an orderly development of the land and water resources of the West. But this objective cannot be attained without sound planning which, in turn, depends on adequate appropriations of general investigation funds.

The limited amounts of water supply available in the arid and semi-arid West makes comprehensive basin and regional planning essential to the selection of potential reclamation projects for consideration for detailed investigation. Adequate planning for optimum use of the water and land resources can be attained only through this comprehensive basin approach. The reduction in planning funds will slow down the basin studies of the Bureau of Reclamation, many of which are now nearing completion; as, for example, those for the Rio Grande Basin and Arkansas River Basin, all of which cover large areas in my State, and for the Columbia River Basin in the Northwest, and the Bonneville Basin in the intermountain region.

If the proposed reduction in general investigation funds stands, the progress on the completion of individual project investigations will be retarded to an even greater extent than the basin studies, because the basin investigations logically precede the project investigations. It is imperative that the investigations for certain projects which will provide for the supply of supplemental water for, or the rehabilitation of, existing irrigation developments, as for example, the Middle Rio Grande, Vermejo, Fort Sumner, and Carlsbad projects in New Mexico, be completed promptly to alleviate serious water shortages and other water utilization problems. The Southwest has experienced severe drought periods, one of which occurred in the 1930's, and even now is facing a severe water shortage because of deficient rainfall. Future drought periods can be expected to occur periodically in both the arid and semi-arid regions. Droughts in the past have assumed very serious proportions and there is no assurance that droughts in the future may not be even more severe. The only hope of remedying this is through expansion of Federal reclamation developments which requires, first of all, sound planning.

Continuation of an adequate and orderly program of investigations of other new projects which will provide for the irrigation of new lands or the production of low-cost electrical power for farm, home, and industry is equally desirable, not only to provide economic opportunities for returning war veterans and surplus war workers but also to insure the economic future of the 17 Western States. Examples of this type of potential project in my State are the San Juan-Chama, Estancia Valley, Mora, and South San Juan projects. There are many other possibilities in the other 16 Western States.

In the recent war years the Bureau of Reclamation was unable to make ready a large shelf of potential reclamation projects for which the investigations have been completed so that the projects are ready for construction. Its planning program could make little progress under wartime restrictions. Consequently, it is highly desirable that ample funds be provided for general investigations at this time, in order that sound plans can be made for the future development of the vital water resources of the entire West.

In conclusion, I would like to emphasize that the successful production of crops in the arid regions is possible only through irrigation, and thus the present and future prosperity of the West is in a very large measure dependent directly on the full utilization of its limited water resources. Therefore, the project-planning program of the Bureau of Reclamation, which is aimed at the formulation of plans for development and use of these water resources, shou'd not be allowed to lag because of deficient appropriations of funds by the Congress, and before the bill becomes law I trust that the full amount of $11,000,000 for general investigations will be restored.

The Clerk read as follows:

Deschutes project, Oregon, $563,685.

Mr. STOCKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STOCKMAN: On page 40, line 8, strike out "$563,685" and insert "$1,300,000."

Mr. STOCKMAN. Mr. Chairman, this amendment is designed to restore the Budget estimate of $1,300,000 for the continuance of construction work on the Deschutes project in Oregon. The committee, in the bill, reduced the amount for this project to $563,685.

The 1947 work planned through the funds proposed in the Budget estimate is principally for completion of the canal and lateral systems. The canal system is now nearing completion and the laterals are necessary to distribute the water to the land.

On May 18 the first irrigation water will be turned on to serve 23,000 acres of the Deschutes project. Approximately 300 newly irrigated farms will go into production this year as a result of this important event, which will be celebrated at Madras, Oreg., on the date I mentioned. I congratulate the Jefferson water conservancy district, which is the contracting agency for the repayment of the construction charges on the Deschutes project, and the new settlers who are taking up the land that will be irrigated by this system.

By the end of this fiscal year approximately $6,000,000 will have been spent on the construction of the Deschutes project which, when completed, will irrigate a total of 50,000 acres of productive land in central Oregon. Including the Budget estimate of $1,300,000, more than $2,000,000 will be required to complete the project. The program calls for bringing water to the remainder of the irrigated land in 1947, provided the full amount of the funds for construction is made available. More than 300 additional farm families will be able to settle on the lands of the Deschutes project in 1947 or as soon as the project is completed.

A large number of these new settlers are veterans of World War II and they are anxious to get on to irrigated land so that they may turn to useful peacetime pursuits. I urge that the full amount of the Budget estimate be restored as provided for in this amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Oregon.

Mr. Chairman, it is difficult to believe that the gentleman is really serious in asking the committee to pick out one item and give the full amount of the

Budget estimate when there are many other deserving projects before us. The committee made a fair cut. It might have cut deeper than some Members felt some of these projects should be cut, but, as I said in my opening statement, a project in Oklahoma was cut much deeper than many of my friends back there felt it ought to be cut.

All of these projects are desirable. We could spend twice as much money as is allowed and do it profitably, but the question is, considering the $279,000,000,000 deficit, are we going to try to make some real cuts in this bill or are we going to select one project and give it the full amount requested without giving all other projects the same? If we do that, then let us be consistent and go back and increase all of the projects and give everybody all they want. I am sure you will agree that no other procedure would be fair to other Members of this House. I have asked my colleague in whose district the project in Oklahoma is located not to offer an amendment to increase it. So we are not playing favorites. The question is, Do we really wish to economize? So that is the situation. The committee has endeavored after 6 or 7 weeks of hearings to do a good job. The committee is convinced that no injustice has been done. Your project may not move up as far as you would like to move it, but considering the very critical shortage of material and the demand for housing for veterans which all of us believe should have preference, the committee feels it has been fair and reasonable in these appropriations.

I hope that the amendment will be voted down.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the genleman from Utah.

Mr. ROBINSON of Utah. Has the committee made any distinction between projects that are under contract and new projects?

Mr. JOHNSON of Oklahoma. The committee submitted that matter heretofore suggested to the Bureau of Reclamation. We asked them to take these things into consideration and report back to the committee. The Bureau of Reclamation did that thing, as I stated, with extreme reluctance. I do not want to say here or leave the impression that the Bureau of Reclamation wanted these cuts to be made. That is our responsibility and the committee gladly accepts it, but I will say to the gentleman that the Bureau of Reclamation made these lists of proposed reductions and I believe it tried to do so in a fair manner, and we are hewing to the line. Again I assure my good friend that we are trying to be fair to all concerned.

Mr. ROBINSON of Utah. That is what I am trying to get at. Did they make these lists because you requested them?

Mr. JOHNSON of Oklahoma. Certainly, because we requested them. No one pretends to say that the Bureau voluntarily asked for the revised list. Make no mistake about it, the Bureau did not do it voluntarily. But they made up the list and we are convinced can operate nicely on the funds allowed.

Mr. ROBINSON of Utah. Wait until I finish my question and maybe the gentleman's answer will be the same. You requested them to reduce the amount by one-half?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. ROBINSON of Utah. That is correct, is it not?

Mr. JOHNSON of Utah. That is correct, and they did it. They called in their experts. All are reduced more than one-half. It so happens that the project in Oklahoma was cut considerably more than 50 percent, and I did not object to it.

Mr. ROBINSON of Utah. If the gentleman will yield further, if you request to cut a project such as I have one-half, and they could finish it next year by completing the other half, you would simply cost the Government money by carrying it over one more year, would you not?

Mr. JOHNSON of Oklahoma. Of course, every Member here thinks, in fact, he knows, that his project is the best project in all the United States. That is understandable. That is only natural. Why the gentleman from Minnesota tells me that his project is by all odds the best in the United States. Yet the gentleman from Montana says his is the best. Every Member from California knows that Central Valley is the best. The same is true of many others. Several Members from other States have come to me and said, "That is my project. Please do not cut my project." All seem to join in a mighty chorus with:

> Congress, Congress, don't slash me,
> Slash that guy behind the tree.

Over and over we hear: "I am for economy, but, but, but"—and some Members, I regret to say, want to "but" this bill clear into kingdom come. Make all the stump speeches you want to make. This committee, however, stands by the bill. It is fair. It is reasonable. It is in the interest of economy. There is or was some weeks ago a $135,000,000 backlog for these projects. The Bureau of Reclamation is getting much more money than it had in the past. Again I say we have been liberal with these projects, and I hope you will vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. STOCKMAN].

The amendment was rejected.

Mr. FERNANDEZ. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the action taken in drastically reducing the Interior Department's Budget estimate, of course, is disheartening. The amounts allowed in this bill will seriously impair development of the vast natural resources in the West. It seems logical to me, and I believe each of you will agree, that our natural resources should be utilized to the fullest possible extent.

The coal crisis has brought forcibly to our attention the importance of having large quantities of hydrogenerated electrical power available. This cannot be made available in every section of the United States, but it should be developed wherever possible. The drastic limitations being imposed on Interior Department's Budget estimate is a serious matter to all the people of this great country. Every acre of land which can be placed in agricultural production must be developed to alleviate the critical food situation. Every kilowatt of power that can be economically developed should be made available for the people's use. This can only be accomplished by following an orderly program.

The Bureau of Reclamation has been seriously handicapped in completing the Tucumcari and Rio Grande projects in my State, the State of New Mexico. Its construction estimate for virtually completing the Tucumcari project in fiscal year 1947 is $1,738,000. The committee has only allowed $755,605. Similarly on the Rio Grande project $831,000 was requested. This has been reduced to $360,675. The significance of this proposed cut is that it will take just twice as long to finish these projects.

I would like to give you a brief description of them:

The Tucumcari project, located at Tucumcari, N. Mex., was authorized in 1938 and construction was initiated with WPA labor. Early in the war the War Production Board ordered all construction work on the project to cease. Subsequently, in April 1944, the War Production Board permitted the resumption of construction activities on a limited basis in order that the project might be of assistance to the war food program.

Facilities are being provided for irrigating some 45,000 acres of some of New Mexico's most fertile lands. Water is stored in Conchas Dam for use on this project.

Funds available during 1946 amount to $4,568,216. All but 10 miles of the Conchas Canal and most of the work on the Hudson Canal will be completed with these funds. Laterals for supplying irrigation water to a total of 11,116 acres of land are being completed. Laterals for an additional 16,140 acres of land are under contract and will be partially completed this year. Surveys for the remaining features of the project are being continued.

Only $1,738,000 is being requested for work to be done in 1947. These funds are required for construction of laterals to supply water to the remaining 17,700 acres of project lands. Construction of the drainage system should also be started. This work may extend into 1948.

A survey of water conditions in this section indicates the possibility of severe drought conditions which may equal the dry year experienced in 1934. Unless water can be supplied heavy crop losses will be incurred. In view of the critical world food situation it is expedient that the funds be furnished now so that the project can be completed and placed in operation at the earliest possible date.

Practically all construction work on this project consists of building canals which in no way will conflict with the reconversion program. The project will materially assist in the production of additional agricultural products. Every possible effort must be made to complete this project.

The Rio Grande project, located on the Rio Grande in south-central New

Mexico, is a multiple-purpose project. The power and storage system consists of Elephant Butte Dam and power plant and the Caballo Reservoir. Some 255 miles of project transmission lines have been constructed for delivering Elephant Butte power to various load centers. The present 115-kilovolt transmission line from Las Cruces to Alamogordo, N. Mex., is being extended to Hollywood, N. Mex., to alleviate a critical power storage situation in that area. Improvements and additions are also being made at the Elephant Butte Dam and power plant. A 115-kilovolt transmission line is being constructed from Elephant Butte Dam to Albuquerque, N. Mex.

The only funds now being requested—$831,800—are for completion of the line to Albuquerque. This line will provide service for the Socorro Electric Cooperative which now has a demand for about 400 kilowatts. This REA has advised that this load will increase to approximately 2,360 kilowatts with 2,461 customers by 1955. It is also estimated that Albuquerque will require 7,500,000 kilowatt-hours of energy at a demand of approximately 1,500 kilowatts. Power will also be furnished for an REA at Hillsboro, N. Mex. It now needs 300 kilowatts which is expected to increase to 1,070 kilowatts with 2,464 customers by 1955.

Materials used in constructing high voltage transmission lines are not used in building homes and office buildings. However, the availability of low-cost power will assist in the reconversion program by providing power to meet the needs of expanded building and agricultural activity. It is hoped, therefore, that before the bill becomes law the necessary funds may be granted for completion of the Elephant Butte-Albuquerque transmission line. For reasons obvious to the Committee of the Whole House, I am not now offering an amendment, but I hope that in conference the conferees of the House will give serious and realistic consideration to the need for the appropriation requested.

The Clerk read as follows:

Klamath project, Oregon-California, $216,800:

Mr. ROBERTSON of North Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my State of North Dakota possesses 600,000,000,000 tons of lignite as a fuel resource. These deposits in North Dakota constitute about six-tenths of the total lignite resources of the United States. This fuel has not been used widely because of its distance from eastern markets and the problems of handling it in shipping. Lignite is a low-cost fuel, the most cheaply mined in this country, and the possibilities of utilizing it were recognized only a few years ago when the Minnesota-North Dakota Development Commission and the United States Department of Interior, Bureau of Mines, planned a program to develop the gasification possibilities of the lignite in the Great Plains States.

The Bureau of Mines constructed a commercial-size pilot retort on land donated by North Dakota to test the possibilities of making a wide variety of gases for industrial use. This retort was first operated during the latter part of the 1945 fiscal year. The operation was successful, but during the 1946 fiscal year the project was hampered because only about one-quarter of the money necessary was available from a defense appropriation. Now there are indications that the retort will not be able to operate for more than 6 months of the 1947 fiscal year because of a similar lack of funds in a regular appropriation. An estimate of $150,000 was allowed by the Bureau of the Budget and considered by industrial leaders and scientists of the Joint Resources Commission to be the minimum amount that would permit operation of the retort during the entire 1947 fiscal year.

Coke is commonly used in the production of gas for industrial use. North Dakota does not have coking coal, and in many of our towns, the cost of gas to the consumer is three times as great as in those areas where coke does not have to be shipped long distances. This retort is ready for continuous operation and has produced gas that can be used for domestic and industrial heat. The costs of production and the life of the retort have not been determined fully. Operation during this coming year is necessary for that purpose. The lignites and subbituminous coals slack and crumble upon exposure to the air and therefore cannot be shipped and stored unless special precautions are taken in preparing the fuel for shipping or in storing it. A steam-drying plant has been built as an auxiliary to the gas-making retort at Grand Forks and coal operators wish to have large-scale tests made on the possibilities of steam-drying their coals and the effect of steam drying on the storing properties.

This pilot plant at Grand Forks is already constructed and will not require critical materials except for minor changes in the plant mechanism. The report of the Committee on Appropriations in speaking of lignite and subbituminous coal investigations states, "During the current year, $29,884 is available for such investigations at Golden, Colo., and Grand Forks, N. Dak." The $29,884 has always been expended at Golden, Colo. I am familiar with the funds spent at Grand Forks and this $29,000 would not be available there. In the bill which we are considering now, only $75,000 increase was allowed by our committee on Appropriations for lignite and subbituminous coal investigations, including the gasification of lignite. I have inquired how long this amount would last and have been informed that the pilot plant at Grand Forks could not be operated more than 6 months.

Because of the large lignite resources, principally in North Dakota but extending into Montana and South Dakota, and the subbituminous coal deposits, principally in Wyoming and Colorado, the Government should do everything in its power to develop this low-cost fuel, bring new industries to these areas, and conserve some of the higher rank coals for special purposes for which they are absolutely essential. I am not giving you the opinion of only one person but the opinion of the Minnesota-North Dakota Resources Development Commission which met at the pilot plant on April 26 and 27 of this year and observed it in operation and examined data taken by the engineers on past operation. It was the unanimous opinion of this commission that the pilot plant should be operated continuously during this coming year to provide operating data on many types of gas, data on useful life of critical parts of the plant, and more reliable cost data. In order to provide this necessary information which is essential to industrial growth in the fuel-producing regions and the iron range of Minnesota, I urgently request the restoration of $75,000 of the estimate of the Bureau of Mines testing fuel appropriation for the item, "Subbituminous coal and lignite."

Mr. STOCKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STOCKMAN: On page 40, line 9, strike out "$216,800" and insert "$500,000."

Mr. STOCKMAN. Mr. Chairman, in support of my amendment to restore the full amount of the $500,000 Budget estimate for the Klamath project in Oregon and California, I call the committee's attention to the urgency of providing adequate funds for this project. The pending bill reduces the estimate to $216,800.

While the public lands which will be benefited by the development to be financed by this appropriation are in California, the people of Klamath Falls and vicinity in Oregon are deeply interested in providing opportunities at their door for the settlement of the large number of veterans from that area who are seeking public-land farms.

About 7,000 acres of public lands are to be opened to settlement this year, and the plans of the Bureau of Reclamation call for the opening of an additional 7,000 acres in 1947 if certain construction work can be done to protect existing irrigation developments and assure an adequate water supply for the new lands.

The construction work provided for includes the lateral system necessary to distribute the water and the drainage system necessary to protect the land. Work is also necessary on the storage system in the Boundary Reservoir near the line between California and Oregon and for the main canal system. I urge that the full amount of the $500,000 Budget estimate be restored.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. STOCKMAN. I yield to the gentleman from Iowa.

Mr. JENSEN. Does not the very able gentleman from Oregon think that this committee in the past, and even in this bill, has been quite liberal to the State of California, and does he not think that the money that is provided in this bill will be sufficient to do what the gentleman would like to see done in the State of California and in his State of Oregon in a manner that will be not only to the best advantage of those great States but also for the benefit of the United States Treasury, which is beginning to crack at the seams? The money is running

out through those seams so fast that we are afraid one of these days, if we do not stop, look, and listen a little, there will be no money whatever to spend for California, Oregon, or any other State in the Union. Just how bad does the gentleman think the committee used his State or the State of California or any other State in this bill? I hope the gentleman feels that we have not picked on his State or picked on the State of California.

Mr. STOCKMAN. I agree with the gentleman's statement that in the past the committee has been very generous indeed. I do think that this time the committee has been somewhat penurious.

Speaking about the seams of the National Treasury, in view of the fact that the money leaked out to the tune of $400,000,000 yesterday, this reclamation appropriation would not hurt any.

Mr. JENSEN. The gentleman would not blame the committee if we tried to save a little money occasionally in a piecemeal manner in order to pay that $400,000,000?

The CHAIRMAN. The time of the gentleman from Oregon has expired.

The question is on the amendment offered by the gentleman from Oregon [Mr. STOCKMAN].

The amendment was rejected.

The Clerk read as follows:

Provo River project, Utah, $1,345,040.

Mr. ROBINSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBINSON of Utah: Page 40, line 10, strike out the sum "$1,345,040" and insert "$3,102,000."

Mr. ROBINSON of Utah. Mr. Chairman, the President has recommended that the Bureau of Reclamation be provided with $3,102,000 in fiscal year 1947 for work on the Provo River project in Utah. The Committee on Appropriations proposes that $1,345,040 be made available for this work. It is important that the full amount which the President recommended be appropriated if work on the project is to proceed in an orderly and economical manner. The $3,102,000 will permit the continuation of the Bureau's normal program on this project, which was resumed with the supplemental appropriation recently made available.

The Provo River project is located in the vicinity of Salt Lake City consisting of three main divisions—Deer Creek division, Salt Lake aqueduct division and the Utah Lake division. The Deer Creek division involves the construction of a storage dam and reservoir on the Provo River, to furnish a supplemental water supply for the irrigation of 45,000 acres in the Utah and Salt Lake Valleys. The Salt Lake aqueduct division involves the construction of an aqueduct and two tunnels to convey water for the irrigation of fertile suburban lands amounting to approximately 10,000 acres along the eastern border of the Salt Lake Valley and for municipal and industrial uses of Salt Lake City. The Utah Lake division will furnish a supplemental water supply for about 40,000 acres in the Jordan River Valley.

Work on the project was under way prior to the entry of this country into the war. Shortly thereafter all work was stopped by order of the War Production Board. The War Production Board subsequently approved resumption of construction on certain features of the project. This action was taken to preclude any possibility of a domestic water shortage in the Salt Lake area. Under this restricted approval work progressed on the Deer Creek and Aqueduct divisions during the war. On the Deer Creek division, the only activity during the war was that on the Weber-Provo Diversion Canal. Upon completion of the Duchesne Tunnel this canal will increase the flow of water into the reservoir created by Deer Creek Dam. On the Aqueduct division, the work in progress during the war consisted of the manufacture and laying of the concrete pipe line.

The funds appropriated for fiscal year 1946 have permitted a resumption of the normal construction program on this project. Work on the Provo Reservoir Canal, Weber-Provo Canal enlargement, and the Provo River Channel division, all of which are in the Deer Creek division, is being continued. Work has been initiated on the steel pipe sections and a current contract for more than 10 miles of the concrete pipe line is being completed on the aqueduct section. The funds requested for fiscal year 1947 will be expended principally for the continuation of work on the Deer Creek and Aqueduct divisions. This will bring the work on both divisions well along toward completion. Preconstruction work will be continued on the Utah Lake division.

During the war there was a large industrial expansion in the Salt Lake area. This was accompanied, of course, by a corresponding increase in population. These factors caused a great increase in the demand for industrial and municipal water supply. The War Production Board recognized these conditions and granted priorities in order that this work might move ahead. The area has been extremely fortunate in that there have been several years of above normal precipitation. However, long experience has shown that periods of from 5 to 6 years above average are followed by periods of substantially the same length of below normal precipitation and the beginning of a period of shortage is past due. In the event of a low-water year, the construction which has been continued during the war on the Salt Lake aqueduct would make it possible to make an emergency connection with the city's Little Cottonwood conduit, thus assuring a temporarily adequate water supply before any shortage could occur. In order that a permanent solution of the Salt Lake City water problem may be had, it is extremely urgent that the Salt Lake City aqueduct be completed as soon as possible. The water supply system serving the city which now has a population of 200,000 people, is very little more than adequate for the 1934 population under water supply conditions of that year. In order that the increased needs for domestic and industrial water in the area may be met, an additional filtration plant will be necessary for Salt Lake City. The city has requested that provision for a filtration plant be included in the plans for the aqueduct division.

In order that Salt Lake City may be provided with an adequate water supply as soon as possible at the least cost to the Government and people of Salt Lake City, it is imperative that the full amount of $3,102,000 as recommended by the President be made available.

It seems to me that we are all not thinking the same way here. The gentleman from Oklahoma makes a fine speech, but my question was not answered. How are you going to save any money by continuing a project, whether it is in my country or whether it is in your State or some other State, by continuing it over a period of 5 years when it should be finished in 2 years and payment back to the Government starts as soon as you complete it?

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I am glad to yield.

Mr. JONES. I understand the Department of the Interior has established a policy that there is a development period of 10 years without interest on the expended sum before payment starts.

Mr. ROBINSON of Utah. That is not on this project. The situation is that as soon as this project is finished the State of Utah, Salt Lake City joined with several other counties and cities in my State, have a contract that they will pay every cent of it and begin the day the project is finished.

Mr. JONES. The gentleman says they have a contract to that effect?

Mr. ROBINSON of Utah. The Government has a contract that is to that effect. We are obligated to do that. Yes, instead of finishing it in the next 2 years, you are making us go on for 5 years to finish it. I say, it is costing the Government money for at least 2 or 3 years, which money it should have and which is ready and waiting for it as soon as this project is finished. Not only that, this money is for the purpose of putting in certain ditches or canals which lead into Salt Lake City. The water is already impounded in the dam. Until those are finished into Salt Lake City, that water cannot be used. If there is a drought this year in Salt Lake City or in the Salt Lake area, we would have a catastrophe in that State. Yet, we stand here, and the Committee on Appropriations tells us that in spite of the fact the Bureau of Reclamation says we must have $3,000,000 that we must get along with $1,000,000. That is how the situation looks to me. Surely you men do not mean that, do you?

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. JONES. Will the gentleman state categorically that his project is different from most of the other projects in the Bureau of Reclamation where they have established this policy of a 10-year development, in that there is this contract so that this project is different from all other projects?

Mr. ROBINSON of Utah. That is as I understand it exactly.

Mr. JONES. And the contract is in existence at the present time?

Mr. ROBINSON of Utah. Yes; the contract is in existence. Several thousand people in six or eight cities representing the heart of Utah, are obligated jointly and severally to pay every dime of this money as soon as the project is completed.

Mr. JONES. Prior to Pearl Harbor, what was the average annual appropriation on this project?

Mr. ROBINSON of Utah. Prior to Pearl Harbor?

Mr. JONES. Yes.

Mr. ROBINSON of Utah. Over a period of about 6 or 8 years you have appropriated $10,000,000 on this project.

Mr. JONES. So that the average would be about the same amount appropriated in this bill.

Mr. ROBINSON of Utah. No. You have got that wrong. We have been going under a backlog, because we could not get any priorities, so we have accumulated work that should be done.

Mr. JONES. Then that puts the gentleman in a worse position than he was before. If you have accumulated a backlog of funds, then why not use that, together with the very liberal amount the committee has allowed?

Mr. ROBINSON of Utah. As I pointed out, the only funds that are available are $110,000. If funds are available and can be used and these contracts entered into, you and I think just alike. If they are not available and cannot be used to continue these new contracts that have to be entered into, then I think surely this committee will agree that it should raise this amount so that work can go in an orderly way.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. JONES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, taking the gentleman's statement as to the amount of money given for this project prior to Pearl Harbor, the committee has been most liberal with this particular project. The item "Provo River project, Utah, $1,345,000," is one of the largest items in this list of appropriations for construction from the reclamation fund. The gentleman has received the lion's share from this group of reclamation projects, and I ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. ROBINSON].

The question was taken; and the Chairman being in doubt, on a division there were—ayes 29, noes 38.

Mr. ROBINSON of Utah. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The Clerk read as follows:

Yakima project, Washington, Roza division, $624,650.

Mr. HOLMES of Washington. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to address the House for a few minutes about the Roza division of the Yakima project in the State of Washington, as we are on that item in the bill now. I hope that after the appropriation proceeds through conference between the two bodies we will be able to recommend for final passage a substantial increase in the amount of money allowed in this bill.

This project has been cut from $1,440,600 to $624,500.

I wish to call the committee's attention further to the fact that this particular project had such merit that during World War II in the midst of hostilities, in the midst of some of the most important phases of the war, the War Production Board was so impressed with its worth that they continued to allocate short-supply materials of a strategic nature so that the construction of this project could continue. I also wish to emphasize to the committee that this one million four hundred forty thousand six hundred asked for by the Budget was practically completion money for this project. It would not require more than a million or a million and a half actually to complete it. To stop it now in the near phase of completion that exists would be to prevent the bringing into production of fertile land and deny to veterans the opportunity to seek homes on that land now—not in the future, but now. It is one of the finest two-crop projects in the United States, and by a "two-crop project" I mean that it is capable of producing two crops of separate commodities per season, and we need that production of food now.

I ask the chairman of the committee to indulge me in a question which will be presented to him in just a minute. A great deal has been said about a carry-over fund of $135,000,000 in the Bureau of Reclamation funds. If I remember correctly, on December 28, 1945, there was enacted a deficiency appropriation bill providing approximately $88,000,000. Was not the $135,000,000 carry-over fund of the Bureau of Reclamation computed by the Bureau or by the committee on January 1, 1946? And if that be true, Mr. Chairman, would it be possible between December 28, 1945, and January 1, 1946, for the Bureau of Reclamation to have spent and allocated the approximate $88,000,000 of deficiency? Likewise is it not true that the balance between the $88,000,000 and the $135,000,000 was already allocated for future work in this year's program?

Mr. JOHNSON of Oklahoma. Answering my distinguished friend, I may say that when the Bureau of Reclamation asked the Deficiency Committee for $88,000,000 last fall members of that committee felt it was such a gigantic sum that it ought to be cut at least in half. Sitting on that committee as I do, I went to bat for the Reclamation Service for every dollar of that $88,000,000.

We were told at that time that if we allowed the full amount it would permit the Reclamation Service to start on these projects at once rather than wait.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. HOLMES of Washington. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JOHNSON of Oklahoma. They stated further that the money appropriated then would not have to be appropriated in the annual supply bill. We therefore allowed the Reclamation Service the $88,000,000 even thought at that time the Bureau had a tremendous surplus.

When this committee met a few weeks ago we found that there was at that time a backlog of $135,000,000. Add to that the amount allowed in this bill of $72,000,000 and the gentleman can see the tremendous amount the Bureau of Reclamation has at this time.

Mr. HOLMES of Washington. I want to thank the chairman, but it is difficult for me to understand that explanation. Referring back to this particular program in which I am interested, it involves two major projects and each in Washington, the Columbia Basin project and the Roza Division of the Yakima project, both of which I spoke on in general debate day before yesterday.

Mr. JOHNSON of Oklahoma. If the gentleman will examine the hearings on page 16 he will find that the Yakima project had a balance of $2,262,631, of which $1,860,982 were not even obligated; so the committee has been rather liberal so far as his project is concerned.

Mr. HOLMES of Washington. By not being obligated, does the gentleman mean not under contract or not being set aside?

Mr. JOHNSON of Oklahoma. Not under contract.

Mr. HOLMES of Washington. Does the gentleman mean not being set aside for contract?

Mr. JOHNSON of Oklahoma. It is all provided for that purpose, of course.

Mr. JENSEN. The money is available.

Mr. JOHNSON of Oklahoma. The fact remains there are $2,262,000 surplus, a carry-over, a backlog in that project alone.

Mr. HOLMES of Washington. Does the gentleman believe that the $624,500 will continue the project under the schedule that they had outlined for it in relation to their sequence in contracts, pumping program, and so forth?

Mr. JOHNSON of Oklahoma. I am of the opinion it can carry on in a very fine way with that amount. Maybe it is not as much as they want, but there is not any project getting as much as they want. I do think this project is hurt about as little, if you can call it hurt, slowed down as little, as any project in the United States.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. HOLMES of Washington. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HOLMES of Washington. Mr. Chairman, I wish to thank the committee for providing $25,000 in additional money for the operation and maintenance of the Wapato project on the Yakima Reservation.

I also want to leave with them some memories of the time when they were on

this particular Roza division of the Yakima project and saw its possibilities, saw the food that the project produces. I question if any project had a more meritorious record in the entire history of World War II as to permit the War Production Board to continue its construction with strategic materials in the face of the scarcity of those materials for the prosecution of the war.

I address myself to this particular project at the present time because I do not think that the Columbia Basin project, the greatest ever undertaken by the Bureau of Reclamation, does not have tremendous merit. It is probably the most constructive program for bringing water on to land for production purposes that has ever been made in the history of this country. But I want to particularly stress these points with reference to the Roza division of the Yakima project. It is right up to the point of completion, it has land available now. I wish to emphasize those points and prevail upon the House to keep them in mind when the conference report comes up for final enactment.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. HOLMES of Washington. I yield to the gentleman from Arkansas.

Mr. NORRELL. I want to say to the gentleman that I had the pleasure of visiting this project. I know of no better reclamation project anywhere in the United States than this one. I wish I had time to elaborate upon how much I did enjoy going out there.

Mr. HOLMES of Washington. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, had come to no resolution thereon.

ANNOUNCEMENT

The SPEAKER. The Chair desires to announce that on January 14, 1946, he laid before the House a letter from the Clerk submitting a list of reports which it is the duty of any officer or department to make to Congress. This letter and report was referred to the Committee on Accounts but inadvertently was not ordered printed. Without objection, the letter and report will be printed as a House document.

There was no objection.

EXTENSION OF REMARKS

Mr. CAMP. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by me at Savannah, Ga., on May 7 before the Cotton Club. This may exceed two pages of the RECORD, but I ask that it be printed, notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include an address delivered by him over the Michigan radio network.

Mr. D'ALESANDRO asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an appeal received by the Minister of Lithuania, and in the other a statement by Mr. J. Milton Patterson, director of the Maryland State Department of Public Welfare.

Mr. STARKEY asked and was given permission to extend his remarks in the RECORD and include a statement from the American Veterans' Organization.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include a description of the ceremonies at the White House yesterday.

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD and include a statement presented by his colleague the gentleman from Washington [Mr. DE LACY] and himself, during a radio debate.

Mr. EARTHMAN asked and was given permission to extend his remarks in the RECORD and include a news item.

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD and include a statement by the president of the Sanitary District of Chicago, Mr. James Whalen.

Mr. SAVAGE asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and include telegrams.

Mr. DE LACY (at the request of Mr. SAVAGE) was given permission to extend his remarks in the RECORD and include telegrams.

Mr. WOODRUFF (at the request of Mr. JONES) was given permission to extend his remarks in the RECORD in two instances.

Mrs. LUCE (at the request of Mr. MARTIN of Massachusetts) was given permission to extend her remarks in the RECORD.

Mr. REED of New York (at the request of Mr. CASE of South Dakota) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HOFFMAN (at the request of Mr. CASE of South Dakota) was given permission to extend his remarks in the RECORD at the completion of other special orders today.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the subject of origin of Mother's Day.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

ORIGIN OF MOTHER'S DAY

Mr. CASE of South Dakota. Mr. Speaker, when America pays homage to its millions of mothers next Sunday, the Nation will follow an example set by a South Dakota Governor 37 years ago, who issued the first Mother's Day proclamation and 4 years later saw the idea become a national day of tribute.

Robert S. Vessey, who served as South Dakota's seventh chief executive from 1909 through 1913, issued the initial Mother's Day proclamation on April 16, 1909, after the idea had been suggested by Mrs. Anna Jarvis, of Philadelphia, who wrote to the governors of the 46 States in the Union that year, asking that they proclaim the second Sunday in May as a day of tribute to mothers. Although 45 other governors acknowledged the request, Vessey alone issued a proclamation, and South Dakota became the first State to observe the day.

Miss Jarvis, who still resides in Philadelphia, has credited South Dakota with leading the way toward national observance, which was proclaimed by congressional resolution on May 10, 1913, when the second Sunday in May was made a Nation-wide day of tribute.

While Vessey was later surprised to learn that his was the only Mother's Day proclamation issued by a governor that year, South Dakotans deem the act typical of the Governor, who was noted for his personal kindness and zeal for moral legislation.

Vessey died in October 1929, but he lived long enough to see a suggestion which only he and one other person thought important enough to warrant an official proclamation, become a national holiday, a day in which 130,000,000 people of the world's most powerful nation pause to pay humble and grateful tribute to their mothers.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INVESTIGATION OF MINERS' CONDITIONS

Mr. GORE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GORE. Mr. Speaker, I am today joining with Senator MCMAHON in the introduction of a resolution providing for the establishment of a joint committee to make a full and complete study and investigation with respect to the working conditions, adequacy of pay, adequacy of medical care, hospitalization, and compensation payable to miners when injured, with the direction that that committee report as expeditiously as possible back to the House and the Senate the result of their findings.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I wish to congratulate the gentleman for introducing

this resolution. As far as I am concerned, I hope the Committee on Rules will give favorable action for its consideration at an early date.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield to the gentleman from Washington.

Mr. SAVAGE. I want to congratulate the gentleman. I think if something like that had been done before, we would have prevented a lot of the strikes and trouble that is going on.

Mr. GORE. I thank the gentleman.

EXTENSION OF REMARKS

Mr. ELLSWORTH asked and was given permission to extend his remarks in the RECORD and include addresses made by Hon. W. STERLING COLE, Representative from New York, and the Honorable Earl Snell, Governor of Oregon, on the occasion of the dedication of the Mott Basin in Oregon.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD in two instances and include in each an editorial.

THE COAL STRIKE

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, the chickens are coming home to roost for the New Deal Since 1933 labor has practically controlled the administration of this Nation. Any fair-minded man or woman will agree on that statement.

Yesterday I noticed in a leading Washington newspaper a cartoon entitled "The State of the Nation." This cartoon shows big, burly John L. Lewis, with a white vest prominently displayed, covering his somewhat ample bay window. In one pocket of this vest is a figure symbolizing the President of the United States, and this Tom Thumb is quoted as saying, "The coal strike is a national disaster." In the other pocket is a second miniature figure representing the Senate of the United States, asking why does not somebody do something about it?

It is inconceivable that any good American citizen could obtain amusement from that particular cartoon. It is also inconceivable that conditions in this Nation can be such, or have come to such a pass, that the subject matter of the cartoon can justly be labelled as having semblance to the truth.

The House has endeavored time after time to put labor unions where they belong, and that is, on a par with but no higher than, any other group in the United States of America. The Senate, at least the majority of it, has promptly pigeon-holed any antistrike legislation passed by the House. The Senate Committee on Education and Labor has buried such legislation without formality, at the request of the administration, and no attempt has been permitted by the New Deal to pass corrective legislation which might lessen the power of labor organizations.

Yes, the chickens are coming home to roost. John L. Lewis is today closer to strangling the economic life of this Nation than has ever any one individual. Letters are pouring in asking me just why and how this should be. There is no question but what John L. Lewis will receive from this administration a so-called compromise plan satisfactory enough to him so that the miners will shortly get back to work. It is a disgrace, however, to this Nation that any one man can exert the power which John L. Lewis exerts today. It is a disgrace to any administration to permit the exerting by that one individual of that power, and the only permanent solution to the headline in today's paper which states, "Schools and railroads to shut down if strike lasts," is for the American people to demand legislation which would prohibit the striking by any group against the public interests and safety.

MAKING PERMANENT PROVISIONS OF ACT OF JULY 11, 1941, PROHIBITING PROSTITUTION IN THE VICINITY OF MILITARY AND NAVAL ESTABLISHMENTS

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6305) to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. MAY. I will be delighted to, Mr. Speaker.

This bill makes permanent the provisions of an act passed early in the war, which authorizes the Secretaries of War and the Navy in collaboration with State authorities to quarantine sections around heavy centers of population like Army camps and naval installations and to prevent the gathering of questionable characters.

Mr. MARTIN of Massachusetts. How long does this bill extend that act?

Mr. MAY. This makes the statute permanent. It developed in the testimony before the committee and in the reports from the War and Navy Departments and the Public Health Services that prostitution is increasing and that venereal diseases in the armed forces are increasing at an alarming rate, so much so that I would hestitate to say what it is. They think this law ought to be made permanent, and the armed services and others interested have requested that it be made permanent.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to prohibit prostitution within such reasonable distance of Military and/or Naval Establishments as the Secretaries of War and/or Navy shall determine to be needful to the efficiency, health, and welfare of the Army and/or Navy," approved July 11, 1941, as amended, is amended by striking out "May 15, 1946, or the date of the termination of hostilities in the present war, or on such earlier date as may be specified in a concurrent resolution of the two Houses of Congress for that purposes. As used in this section the term 'date of the termination of hostilities in the present war' means the date proclaimed by the President as the date of such termination or the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, whichever is the earlier."

With the following committee amendment:

On page 1, line 8, strike out "May 15, 1946", and insert "until May 15, 1946."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPORTATION OF CERTAIN COMMODITIES

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1280) to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. MAY. The act sought to be continued authorizes the Department of Commerce and the Export Control Board to provide licenses and in that way control the allocation of exports. The situation might be illustrated very fairly this way. Take the wheat situation now, when bread is needed abroad. These licenses are very helpful in assigning products to the places they are most needed. They have worked well in connection with export control during the war, and the extension of this authority is needed.

Mr. MARTIN of Massachusetts. What is the expiration date of that act?

Mr. MAY. It expires on the 30th of June next, and this bill continues it for only 1 year after that.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act of July 2, 1940 (54 Stat. 714), as amended by the act of June 30, 1942 (56 Stat. 463), the act of July 1, 1944 (58 Stat. 671), and the act of June 30, 1945 (59 Stat. 270), is hereby further amended by deleting from subsection (d) thereof the words "June 30, 1946" and substituting therefor the words "June 30, 1947."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOOK] is recognized for 15 minutes.

AMENDMENT OF THE FAIR LABOR STANDARDS ACT

Mr. HOOK. Mr. Speaker, 8 months ago I introduced in the House of Representatives a bill, H. R. 3914, to amend the Fair Labor Standards Act of 1938. The purpose of that bill is to provide more adequate minimum wage protection to a greater number of workers than is now possible under the law.

Events during the last 8 months have intensified the need for substantial upward revision in the minimum and for broadening the coverage of the act to the greatest extent possible under the Constitution.

A month ago the Senate passed a bill to amend the Fair Labor Standards Act. The form in which the bill passed the Senate was much modified from that reported by its Committee on Education and Labor. The committee proposal called for a 65-cent minimum now with an increase to 70 cents after 2 years and to 75 cents after 4 years. The Senate watered this modest objective down to a flat 65-cent rate to become effective 10 months after enactment with virtually no change in the present coverage.

It is my earnest hope that the House of Representatives will consider the minimum wage and coverage questions in a more realistic and contemporary manner when the decision is before us.

I have proposed in my bill that the present minimum of 40 cents an hour be increased to 65 cents immediately, to 70 cents after a year, and to 75 cents after a 2-year period.

A 65-cent minimum, as the hearing before the Committee on Labor makes clear, would do little more than mark time—would not, in view of changes in the cost of living, do more than maintain the purchasing power of workers at the 1938 level. Because the increases in the cost of living are felt more by low income groups, the 65-cent minimum would not represent even a bona fide cost of living adjustment over the "obsolete" 40-cent rate.

A flat 65-cent rate, without provision for progression up to 70 cents and 75 cents, is obsolete also in that it takes little or no account of the changes in productivity which continued to occur after the passage of the Fair Labor Standards Act and before our entry into World War II. It does not take into account the spurt in productivity which comes from the application of new techniques developed during the war.

It would be a great mistake, Mr. Speaker, to think that by raising the minimum wage to 65 cents we would be bringing the Fair Labor Standards Act up to date. Actually, we would be restoring the real wage to a 1938—not a 1946—level.

We must remember that Congress, in 1938, was pioneering in the field of a national wage policy. That pioneering venture—the Fair Labor Standards Act—was recognized by those of us who supported the legislation then as merely a start toward the goal set forth in the act of a minimum standard of living necessary for health, efficiency, and general well-being of workers.

The most comprehensive, and most widely acceptable, information in the Federal Government on the cost of living is to be found in the Bureau of Labor Statistics. The Bureau's information, as shown in testimony before our Committee on Labor, indicates that minimum wages of 65 cents an hour now and 75 cents in 2 years would mean earnings for a fully employed worker of $1,300 now and $1,500 in 2 years. The committee was advised in the language of the BLS experts that—

> The statistical evidence of the inadequacies * * * of a $1,300 or $1,500 family income seem to be almost overwhelming.

And that—

> For a family to obtain a minimum standard of adequacy all workers must either earn more than 75 cents an hour or must work many hours of overtime, or else two or more people in a family have got to have jobs.

I would like to emphasize at this point that in view of many reliable witnesses, the estimates of the increases in the cost of living compiled by the Bureau of Labor Statistics are very conservative estimates. During the past 2 years there has been a good deal of controversy as to whether these figures on the cost of living may not be too low. In any event, I know of no responsible student of the cost of living who asserts that the Bureau's figures are too high. Obviously then, we must consider the BLS estimates as having been carefully, even conservatively arrived at. The inescapable conclusion from their figures is that the objective of a 65-cent minimum now and a 75-cent minimum after 2 years would be no more than another step toward that minimum standard of living which Congress established as its goal back in 1938.

Let us look a little more closely at that record. That record shows clearly that even the 75-cent minimum at present prices does not provide a decent minimum standard for a family of four. In 1935 the Works Progress Administration developed an emergency-level budget for a family of four as a guide in handling unemployment relief. This budget was designed for emergency purposes, and the WPA warned that there were dangers to its continuation over a long period of time. That budget was priced in 1944 in five textile communities and cost a little over $1,400. Increases in the cost of living since that time would bring the total cost to about $1,450. I would like to emphasize again that this is an emergency-level budget to keep people from extreme want. Such a budget does not even approach the income necessary to assure to the worker who receives it an American standard of living.

The emergency-level budget includes 15 cents a meal per person, and $16.73 a month for rent. Other items are priced accordingly. Mr. Speaker, it simply is not possible to cut down on such a family budget. We should not expect any worker to have to try to cut down below the levels there provided. In fact, we should devote our thinking and our efforts to the possibilities of even higher levels.

Some of the opponents of this bill for a 75-cent minimum in 2 years will say that many of the lower-paid workers are single people, for whom a 75-cent minimum would not be necessary. I have always believed that the family is a basic foundation of our American civilization and it seems to me unthinkable to consider a minimum wage on any other basis. Moreover three-fourths of the wage earners of America getting less than the minimum proposed in my bill are married and a larger proportion of the single workers getting less than the minimum hope to marry when their economic standards permit. Many of those single workers are veterans. Will we condemn these workers to substandard wages? The veteran deserves far more from his country than bare subsistence.

Mr. Speaker, there may be those in the House as there were in the Senate who acknowledge that the objectives of a 65-cent and a 75-cent minimum are not too high, as far as the living needs of families are concerned, but who ask, Can we afford it? Mr. Speaker, it seems to me that they are faint of heart who would sell the workers of America short. They do not realize the enormous implications which ensue from an increase in our national income from sixty-four billion in 1938 to over one hundred and sixty billion in 1945.

This increase, even considering the change in the cost of living, represents an addition of over 75 percent in the per capita income of the country. Even if we took into consideration the somewhat longer workweek which many workers had much of in 1945, the increase is substantially more than 60 percent greater. In other words, the country has the resources, the income, and the productivity which permit the attainment of the minimum-wage objectives which my bill would provide.

During the war, we announced as one of our objectives the attainment of freedom from want. We do not have freedom from want for millions of our citizens as long as we have a 40-cent minimum in our National Fair Labor Standards Act. Nor will we have taken an appreciable step forward if the minimum is no higher than 65 cents. Even the 75-cent minimum will not achieve an adequate living standard for our lowest paid workers but it would represent a real and important advance in that direction. Such an advance in 2 years, when the bulk of the pent-up savings during the war shall have been spent, will provide an important reservoir of purchasing power which will help stabilize our economy against that cycle of wage cutting and price cutting which spelled depression after the last war.

The Congress in 1938 provided for coverage of workers in commerce or in the production of goods for commerce. As many court decisions have made abundantly clear the Congress has considerable power under the commerce clause of the Constitution which was not made use of in passing the Fair Labor Standards Act. It seems to me that we in Congress should be very conscious of the fact that we are asking a great deal of workers who

are exempt from the act. For many of those workers we are asking in effect that they should subsidize the country by their low wage. Their employers are frequently in active competition with establishments which must comply with the act. In consequence, I favor the extension of the minimum-wage, overtime, and child-labor provisions of the Fair Labor Standards Act to activities affecting commerce in the manner proposed by the Senate Committee on Education and Labor in the bill reported by that committee.

Some of the workers most in need of the minimum-wage protection of the Fair Labor Standards Act are the large group of retail workers and other employees of chain stores and of large department stores. Studies of the wages of these workers have revealed them to be badly underpaid by an American standard, although individual employers have led the vanguard by paying more adequate wages. I think the time has come when the Congress should extend the Fair Labor Standards Act to protect these workers. Back in 1938, since the idea of the Federal Fair Labor Standards Act was new, the Congress had a cautious approach to the problem of coverage and therefore wrote into the act many exemptions from the minimum-wage and overtime provisions. The experience under that act has clearly shown that no important branch of the American economy has suffered from its inclusion, while on the other hand millions of American workers have been, and today still are, denied the protection of the basic standards of the Fair Labor Standards Act. I believe that we should reconsider those exemptions from the act and bring the benefits to large groups of workers not now covered.

Our American seamen have a job which has elements of danger, skill, difficulties, and inconveniences, substantially in excess of many shore jobs. I believe that our seamen, consequently, should be brought within the coverage of the act. In the extensive hearings before the Senate Committee on Education and Labor and the House Labor Committee, as well as during the prolonged debate in the Senate on the amendment to the Fair Labor Standards Act, not one voice was raised to urge that it costs seamen less to live than it does other American workers. American seamen need a 65-cent minimum now and a 75-cent minimum later as much as do other American workers.

I believe that the time has come to extend coverage under the act to several hundred thousand workers engaged in processing agricultural commodities and to remove the exemption for workers handling and processing fish and other sea-food products. Since the original enactment of the Fair Labor Standards Act, union contracts in these fields have revealed that the basic standards of the Fair Labor Standards Act are eminently practicable for such workers.

There are two other proposed changes in the Fair Labor Standards Act which would mark important advances. One of these extends the child-labor provisions. At the present time, there is no restriction of any kind concerning the employment of children in many hazardous occupations in transportation and in commerce. There is a restriction on the employment of children in the production of goods for commerce, but that restriction merely prevents the shipment for 30 days of goods produced in establishments where oppressive child labor has been employed. A manufacturer or dealer can easily circumvent the spirit of the child-labor provisions of the Fair Labor Standards Act merely by holding the goods from shipment for more than a month. Since in normal times, many factories have inventories substantially larger than 30 days' production, the child-labor provisions often do not apply to factories where they are particularly needed. The country at the present time is busy in bringing back to our civilian-labor force the millions of fine American boys and girls who served their country so well during the war. The employment of oppressive child labor can impede that activity. There are many of us who believe that, in the richest country on earth, there is no longer any excuse whatsoever for the exploitation of our children in oppressive child labor. The bill as passed by the Senate proposes to prohibit the employment of oppressive child labor in all the employment covered by the present Fair Labor Standards Act. I am in hearty agreement with that proposal, but I believe we should go one step further and prohibit such oppressive child labor in activities "affecting commerce" as well.

The proposed amendment to the Fair Labor Standards Act would provide for a uniform statute of limitations. At the present time, there is no statute of limitations for suits brought by the employees to collect back wages. As a result, the length of time during which employees may bring suit for back wages depends on the State in which they are working and varies from 1 year to 6 years. The varying length of State periods gives competitive advantages to violators in States with arbitrarily short periods, and has subverted in considerable measure an important purpose of the Fair Labor Standards Act, that is, the elimination of unfair competition. In fact, some of the States provide for a statute for employee suits substantially shorter than suits to collect money where the employee is the debtor. This situation, Mr. Speaker, I believe, is patently unfair. The worker is usually less able, rather than more able, to engage legal counsel to protect his rights than are his creditors. In many of the States, the employee's creditors may sue for money due up to 5 years or longer. I believe, therefore, that a uniform period for employee suits is a vital part of amending the Fair Labor Standards Act and that this period should be adequate in length, preferably 5 years.

Mr. Speaker, amending the Fair Labor Standards Act along these lines which I have spoken for is an act of simple justice to millions of American workers, an act of justice which is long overdue. Even before the war, the Congress enacted much legislation for the protection of American businessmen having defense or war contracts. During the war, provision was made to guarantee markets for American farmers for 2 years after the war. Millions of American workers in the well-organized industries have received wage increases during the war and thereafter. The Congress has done nothing whatever for the millions of unorganized low-paid workers since 1938. I believe we should act to remedy this situation and act immediately.

The SPEAKER. Under the previous order of the House, the gentleman from Georgia [Mr. GIBSON] is recognized for 25 minutes.

STRIKES—WHAT DID OUR BOYS FIGHT FOR?

Mr. GIBSON. Mr. Speaker, I want to predicate what I am fixing to say on the query, "What did our boys fight for?" When we look about and see the economy of our Nation torn to threads and trampled under foot by a bunch of gangster labor leaders like Sidney Hillman, Walter Reuther, and John L. Lewis, before the boys whom we sent abroad to fight and die to preserve what they are destroying get home, I am brought to wonder where the courage of the leadership of this Nation has found refuge.

We have hundreds of thousands of boys who have just returned from the battle fronts, where they lived through the day under heavy gunfire and slept in mud at night for $50 per month, who are walking the streets seeking honest employment; practically 9,000 within the shadows of the National Capitol in the city of Washington. Yet, we permit those who stayed at home and enjoyed high wages to leave their jobs and sit down and live off of the war bonds they bought in a gesture of patriotism, and so completely paralyze the economy of this Nation that not only can these returning soldiers not find gainful employment, but they are even denied food and shelter by the treasonable acts of such characters as John L. Lewis.

The distressing thing to me about this whole situation is the seeming surrender that has been made by the leadership of this Nation to such characters as Sidney Hillman and John L. Lewis. Sidney Hillman represents the most vile type of Communist bigots. He came to this country from Russia, where he was one of the fomenters of a communistic revolution that put the inhabitants of that nation in slavery and suffering. He now gloats through the press that he is going to defeat all Members of the National Congress who have had courage enough to stand up and try to protect the American people and the American way of life. No better could be expected of him; he comes as a traitor, he lives as a traitor. He has never, nor will ever, feel the kindly and humanly impulse of a true American. But it is beyond me to see how those blessed to be American citizens by birth, and to have enjoyed the traditions of America, could back him up in his nefarious and damnable plans and purposes. Only recently when this body had courage enough to pass what is known as the Case bill, which would have prevented these strikes and the devastating effect the same is having on this Nation had it become law, some of the

leadership of my party, the Democratic Party, the party I love, went to Hillman's camp and joined in his avowed purpose of purging us Members from political life because we dared to defend our country and the soldiers who fought for its very existence. That great political Samson, Henry Wallace, joined in his purge plans. More than this, in the May issue of the Democratic Digest, a monthly publication of the National Democratic Party, it was stated that the Members of the House who voted for the Case bill had voted against the American people. In reply to this charge I now want to ask those responsible for this statement in the Democratic national publication, who they consider the American people, the labor racketeers who have put out to destroy this country, or the rank and file of the public who form the bone and sinew of true American democracy?

I hope the American people will analyze this statement fully, and that my party will discover the error of its ways before it is too late. I hope that it may clean its own house before the decent people of this Nation have to step in and clean house for the party. Those who first detect their own sins are smart.

What is the answer to all this chaos and the destructive activities that are running rampant in this country today? The Congress and President had the power to reach into every American home and take fathers away from small children, young sons away from school and the protection of mothers and fathers, and send them abroad to fight and die to protect the freedom of America. Then, may I ask why that same power cannot be used to stop destruction before our eyes of everything accomplished by the toil and ingenuity of all those who have gone before us and built this great Nation from a wilderness inhabited by wild Indians and the beasts of the forest? If for once those in Washington representing the American people could forget political strategy and think of the well-being of this Nation and the generations to come, then our democracy would be preserved. The House, the body of which I am a Member, has well done its duty. It has passed three bills, either of which would have prevented these strikes had the same become law, but instead of the President asking the Senate to promptly pass upon this legislation, every force of the Democratic Party exercised its influence upon the Senate to pigeonhole the legislation. Further, the shameful, distasteful, and disgusting feature of this is that our party in so doing joined with and cooperated with Sidney Hillman and his communistic CIO gangsters.

I notice in the press today that President Truman states that if the railroad brotherhoods strike he will take over the railroads. I want to ask why he did not take over the coal mines when the strike was first called? He had the same power then that he has now. No strike has or can ever so completely stagnate the industry of this Nation, and the very right to live of our people, as this coal strike.

It is known that the railroad brotherhoods are not tainted in any degree with communistic influence. It is further known that they are the most truly American of all labor unions and that they have more grievances justifying a strike than any other organization. Then again, I ask why the railroads should be taken over and other industries where Sidney Hillman and John Lewis have established themselves as American dictators should not be subjected to the same power to which the railroad brotherhoods are subjected? Cannot we be fair in our dealings on all matters?

We must bear in mind that Lewis is not conducting this strike primarily for wage adjustments, but for the avowed purpose of establishing the right in him to levy and collect a tax on the American consumer on every ton of coal produced. With this he hopes to amass millions under his control to carry on his drive against our American way of life. The power to tax is dangerous in the hands of Government, but when placed in the hands of one of his type would be more destructive than any power that could be given him. It must never happen.

The most serious feature of this whole situation is that the chaos in which we live today is the result of a concerted drive by the Communists in this country, who no doubt get their instructions from abroad, and yet our Justice Department sits idly by and permits them to thrive openly and aboveboard with the avowed purpose of destroying our form of government. It is beyond me to conceive of any such condition being permitted to exist by the American people.

I say to the people throughout the length and breadth of this land that if you love our system of government, it is high time that you exert yourselves in the political life of this Nation. I hold in my hand a letter addressed to me by V. J. Jerome, associate editor, under the following letterhead: "Political Affairs, a magazine devoted to the theory and practice of Marxism-Leninism, 35 East Twelfth Street, New York, N. Y., May 2, 1946":

DEAR SIR: For the past year, we have been mailing Political Affairs monthly to you and to the other Members of Congress.

We have been doing this on the assumption that you would find it of practical value to receive, at first hand, an authentic and systematic presentation of the viewpoint and programmatic position of one of the representative political groups of this country—the Communist Party—on the economic, social, and political problems of the Nation in regard to domestic and foreign affairs.

If you have found Political Affairs useful and would like to continue receiving it, we should appreciate receiving your notification to that effect.

Very truly yours,

V. J. JEROME,
Associate Editor.

It is astounding to me that our Justice Department permits such filth to go through the United States mails. Please do not confuse yourselves with the idea that the Communist Party is just another political party. Instead, it is a subversive organization organized and operated with the avowed purpose of overthrowing our form of government and setting up a Soviet America. They are guilty of open and mass treason, but those who are supposed to protect the American people sit idly by and are permitting them to eat the very heart out of our Republic.

According to the press, this same bunch of un-American gangsters, in convention assembled in the city of New York last July, pledged themselves, amid loud cheers, to overthrow our form of government and substitute therefor a Soviet America within 5 years. They were bold enough to even state that they would accomplish that aim through the medium of a workers' revolution. With this warning thrown out, my friends, we just as well admit that those in authority in Washington are responsible in toto for the disaster that is facing our Nation and its people today. When you look into the face of your child and see it hungry, remember that those in Washington charged with the responsibility of protecting this Nation are responsible for that pitiful spectacle.

I want to speak one word of warning to those decent members of the labor organizations throughout this country, and that is this: If they follow this line of activity and philosophy, they are cutting their own throats. If they would only look about themselves and think one time, they would know that nothing but serfdom and slavery has been the result of the activities of these groups in the old country. A great majority of the members of labor unions today are good American citizens, but they are permitting themselves to be led by a bunch of enemies of a free democracy, with the avowed purpose of bringing the citizenry of this country into a state of poverty and slavery, and are permitting themselves to be the tools used to accomplish this dastardly end. I wonder if you will wake up before it is too late. If you do not, you are then sowing the seeds that will cause your children to hate you and your existence in this Nation.

Futhermore, according to the press, a message was read at the convention of the Communists in New York from Joe Stalin wherein he predicted economic chaos in the United States following the war. We must realize that we are on guard for the American people we represent, and please let us not fall asleep. There can be no doubt that all this industrial chaos is nurtured from abroad, and I say to you frankly that, unless the representatives of the American people have courage enough to stand up in their boots and fight this influence, in a very few months our economy will be so completely destroyed that we will not even be able to live in peace, to say nothing about combating a foreign enemy. If you close your eyes to these facts, then you are definitely inviting destruction of our democracy and the homes of America that have in the past supported and maintained American freedom and justice.

We further had as well admit a fact, and that is, that the confusion and turmoil we have and the hold that the Communists have in our country, have at least been invited by those in authority in Washington over the last few years. The sooner we who are in power realize these facts and stand up with a determination to correct our wrongs in the past, and I

direct this at those individuals at whose doors the responsibilities lie, the better off this Nation and her people will be.

Furthermore, I want to say to you that free and uninterrupted private enterprise has been the medium through which this Nation has been made great, and that unless we weed the bureaus out of this Government that are regimenting the economy of this country and directing every move that every individual makes, you may expect a complete collapse of the American economy. You may take this or leave it, but time will prove that I am right. We have many bureaus here that are striving day and night to create and maintain a dire scarcity of commodities in this country and perpetuate themselves in power and position, and, I hope, for no viler purpose than this.

I call upon the President of the United States, in his lofty and powerful position, to act, and act now, and there may be a hope of saving this the greatest Republic that God has ever permitted human creatures to enjoy the freedom and liberty of.

Mr. Speaker, I ask unanimous consent to insert at this point in my remarks an editorial appearing in the Washington Daily News of May 10.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. GIBSON. The editorial is as follows:

IT IS A STRIKE AGAINST THE GOVERNMENT

Never in history have we had such a demonstration of official impotence as is being shown in this coal strike.

The American people have been pushed around by an insolent, power-mad egocentric—John L. Lewis—whose determination to defy the Government and impose his will on a whole people now threatens to destroy the national economy and the public security.

It would seem a situation to stir a storm of wrath that would blow this strutting, beetle-browed tyrant forever into oblivion.

Yet the President of the United States, in whose opinion the strike was a national calamity 6 days ago, now says coolly that it has not yet become a strike against the Government; that if and when it does he, the President, will do something about it.

And the President's party leader in the Senate urges Congress to wait for calmer times before acting to correct the biased laws and Government policies which have given Lewis his power and made this situation possible.

Meanwhile, the arrogant Lewis isn't even attending strike conferences.

And what happens while we wait?

Two million people already are jobless or working only part time because of the strike. Their number swells by many thousands daily as steel plants close in Pennsylvania, auto plants in Michigan, factories of all kinds in Ohio, Illinois, Indiana, and other States. Seventy-five percent of rail freight is embargoed. Two thousand passenger trains go out of service today; two thousand more next Wednesday. Use of electric power is drastically restricted over a wide area. Streets of scores of cities are darkened. Their food supplies are dwindling. Their hospitals and schools are running out of fuel. Their water and sewage systems are endangered. And much, much worse is still to come as paralysis gallops across the land.

This Lewis coal strike is, and has been from its start, a strike against the Government.

It is a strike against that domestic tranquillity and general welfare which the Constitution says it shall be the purpose of Government to insure and promote.

It is a strike to destroy the price and wage controls by which the Government is attempting to protect the people from calamitous inflation.

It is even a strike against the National Labor Relations Act, which law, President Truman says, forbids payment of the coal tonnage royalty that Lewis insists must be granted before he will even discuss other demands.

The issue has gone beyond the merits of an employer-employee relationship. It has become the simple issue of whether one man shall be allowed to wreck our society.

This is a strike against the Government. If the President and Congress ever intend to do anything about it, the time is now.

This condition is nothing new to me. I have tried to warn those in authority in Washington, and the people of the United States, since my entry into the Congress of this Nation in 1941, of what may be expected if we did not act with courage, intelligence, and determination.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is the editorial to which the gentleman has just referred the one that appeared on the front page of today's Washington News?

Mr. GIBSON. Yes.

Mr. CASE of South Dakota. That particular editorial appears under the heading "It Is a Strike Against the Government," and proceeds to make that point. In that connection, may I call the gentleman's attention to the fact that Dr. Edgar L. Warren, who is the present head of the Conciliation Service in the Department of Labor, is on record in testimony, which I would be glad to place in the RECORD, as saying that he does not agree with the theory that employees of the Government have no right to strike against the Government. He goes on to develop that thought and states that although he recognizes that some people contend that there should be no right to strike against the Government, as far as he is concerned he does not agree with that policy. I may say that it is partly because of that philosophy dominating the leadership of the present Conciliation Service, I think, that some of its efforts to achieve mediation and conciliation have been unsuccessful in many of the strikes we have had.

Mr. GIBSON. I agree with the gentleman fully and I have some information on the Labor Department that I may later give which will bear out that theory.

Mr. CASE of South Dakota. With the gentleman's permission, then, I will place here the quotation of testimony by Edgar L. Warren, Director of the United States Conciliation Service, to which I have referred:

[From Public Administrative Review, No. 4, autumn 1945, p. 378, A Panel Discussion. Labor Unions and Collective Bargaining in Government Agencies]

CHAIRMAN OF PANEL. Should the right of Government employees to strike be admitted? And should the same policy apply to all Government employees?

Mr. WARREN. Certainly on a theoretical basis, I see no reason why Government employees, simply because they are Government employees, should not be entitled to the right to strike. I can see why people might argue that particular types of Government employees should not be entitled to the right to strike; but on the basis of the same argument I see no more reason why the employees of a privately owned power plant should be permitted to strike. The employees of the Bureau of Useless Documents, for example, could strike with much less injury to the public safety and welfare. Of course, under the present policy of the Government, Government employees cannot strike and it is therefore somewhat of an academic question. Personally, I am not in agreement with the general policy.

I might add, Mr. Speaker, that fortunately the President of the United States, whatever his feeling of helplessness may be, does not share Mr. Warren's view and recognizes the principle of sovereignty. For, as the President said at his press conference, May 2, 1946:

If strikes of Government employees occur, the Government will cease to exist.

Mr. GIBSON. Mr. Speaker, I have made many speeches on this subject, but I now ask unanimous consent to insert into the RECORD a speech I made on October 30, 1941, under the title, "Are We So Weak as To Surrender to John L. Lewis?", that it may be seen that these dangers are not new to me.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ARE WE SO WEAK AS TO SURRENDER TO JOHN L. LEWIS?

(Speech of Hon. JOHN S. GIBSON, of Georgia, in the House of Representatives, October 30, 1941)

Mr. GIBSON. Mr. Speaker, I am so incensed and outraged at what our leader and the Congress is permitting John L. Lewis to do until I feel it my sacred duty to address this body. I am brought to wonder if we are going to hide our heads in the sand and let him take this Government over without firing a gun, while we are crying "Down with the dictators" to the tune of billions of dollars of the taxpayers' money. I wonder if this administration, including this Congress, has become so weak, so afraid, and so spineless as to let one man take from the great people of these United States their right to live as a free people.

What I say I want to predicate on the fact that I have not only supported 100 percent the President's foreign policy, but have warned time after time of the useless delays in effectuating that policy.

I want to commend our President for his present declaration with regard to sponsoring legislation to stop this perfidious conduct in our defense industries. With humility that the question can be asked, I want to inquire why we who have seen this menace growing were unable to get enough support in this House to pass the many bills and amendments that have been before us that would have controlled this enemy of American freedom. I am happy to say I have supported them all. Those who have assisted in their defeat must accept the responsibility. The people are looking to us, they have no other source of protection or redress.

I am happy that my constituency is composed of courageous people who are willing to give their all to preserve American freedom and justice. But when I think of the good women who bend their backs in cotton fields and over washtubs and men who toil at the end of a turpentine puller or dip pad-

die to help pay the enormous tax we have voted on them and provide support for a large family while their sons live in camps and drill for hours a day at $21 per month to defeat the aims of a dictator whose purpose it is to take this country over, and we sitting cowardly by and letting a self-appointed dictator not only shut down our defense work but defy the Government to try to interfere, I wonder if we have become so weak that we are not worthy of the protection of a democracy ourselves. The whole thing presents itself to me as a nightmare; it is not possible to actually believe that a country that claims to be free would surrender so passively. Let me tell you something: if we do not take hold of this thing and provide laws to put that fellow where he belongs we will not be worthy of the casual respect of the people of the United States.

Let us pause for a moment and analyze why Lewis called this strike. To better working conditions of labor? No. To secure increased pay for labor? No. To secure a closed shop, the effect of which would be to force each workman to pay dues, as he calls it, to John L. Lewis. Personally, I say it is a brazen, treacherous, and flagrant racketeering scheme to enrich himself at the expense of blood money from the American laborer and the expense of a possible defeat in the greatest conflict the world has ever known. It is unthinkable that the leadership of the American people, including the Congress, would surrender to and be bulldozed by one that every informed person knows would be glad to destroy this Government and that he is making rapid strides in this direction. When I read of his insulting and daring remarks to the President of the United States I wonder "upon what Caesar feasted to become so great." Cowards is the most flattering name we should be referred to by if we do not stop him and place him where he belongs. It is unbelievable that any person who respected the welfare of the populace of the United States would permit this man and others of his kind to cause the loss of more than 17,000,000 working days in defense industries since we have started the great expenditures of American money to try to prepare to defend democracy. Yet this is a fact that cannot be denied. Think of the waste of the taxpayers' money that this has caused simply for the want of leadership and courage in the steering of the great old ship of state. I tell you that this spectacle stands out as an unerasable national disgrace. Not only will it be a blot on the memory of this Congress, but if we do not act and act quickly this Government will be destroyed from this very same source. I make this statement to you in full knowledge of the full meaning of the assertion, and say to you that when it is too late the fruits of his vicious labor will prove the assertion.

I have sat and listened this morning to numerous speeches coming from courageous Members of this House condemning in well-placed language the disgraceful spectacle that we have permitted the American public to become subjected to. I am wondering what we are going to do about it. Personally, I want to here and now go on record as being ready to use my time, my energy, and my life if necessary, to defeat the avowed purposes of John L. Lewis and all of his kind.

In the month of June the gentleman from Oklahoma, Hon. LYLE H. BOREN, and the gentleman from Oklahoma, Hon. Wesley E. Disney, introduced bills numbered H. R. 5148 and H. R. 5149, which with a few amendments would amply take care of those would-be destroyers of our American Government. They have lain as silent as a tomb in committee since said date while the outrages of these enemies have continued to ply their trade. A few weeks ago, I, along with others, wrote the chairman of the Committee on Labor requesting hearings on the said bills that same may be brought to the floor for final vote. To this date I have heard nothing about any arrangements being made to give us sponsors of these measures a hearing. Why condemn the thief if you sit idly by and let him tote off your goods without a murmur? I am so disgusted until it is impossible for me to fully express my emotions.

I am issuing this call to those Members of this body who condemn the practice of John L. Lewis and others of his kind to meet in caucus and work out proper strategy for bringing a measure to the floor and passing same that will protect the American public from a continuance of the outrages. I have before me a copy of the CIO News, under date of August 4, carrying headlines as follows:

"Antiunion report killed in 255-114 House vote; CIO scores again in defeat of antistrike amendment."

I am thankful to God that I can number myself one of the 114 that voted for this legislation. I wonder what the Members who assisted in defeat of this measure think of the present conduct of the same party who boasts in his publication that his organization "scores again in defeat of antistrike amendment."

If there is any Member in this House that is ready to form a bloc for the avowed purpose of putting through this House proper restrictive legislation, I invite you here and now to call me and give me your name. I shall be delighted to put any amount of time that is necessary toward pushing legislation through this House that will protect the American public from the destruction that it is headed for if this man is not stopped.

I want to appeal to every Member of this body to build up in himself a courage strong enough to stand up and fight a menace he sees eating into the vitals of his Government, irrespective of its political effect. The loss of one man's political position means nothing to a nation; but when your nation crumbles from under your feet, your political position, your child and mine, go down in destruction to live as serfs in the bondage of slavery.

I call on each Member of this House to rally to the support of the defeat of John L. Lewis and his avowed purposes.

Mr. GIBSON. Mr. Speaker, my closing question is, Will those in power in Washington refuse to come to the aid of the people of this Nation who are now standing on the brink of suffering untold, or shall we continue to stand with bowed heads before a minority group who constitute the most bitter enemies this Nation has ever had and let them continue to kick the good American citizens around?

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield.

Mr. SAVAGE. A while ago one of our colleagues, the gentleman from Tennessee [Mr. GORE], announced he had introduced a resolution suggesting an investigation of the conditions of miners and their working and living conditions and so on. Since the gentleman is so close to the activities of the workers and the union to better conditions, does he believe that recommendations made by a committee which would investigate, according to the resolution which has been introduced, should be followed by the Congress and does he believe that the Congress should help straighten out these conditions so the workers would not have to strike?

Mr. GIBSON. In answer to the gentleman, I might say that I do not mean to attribute any ill purpose to any Member of this body, but if those gentlemen are so serious about their undertakings I ask, why did they wait until the house caught fire before trying to do something to save it? They have been in this body many years and just now are becoming interested in conditions that the miners are working under. I hope that resolution is not a little straw bridge by which the gentleman who introduced it hopes to walk out from under his responsibility.

Mr. SAVAGE. I think probably it has just been brought to the attention of the country more recently than it was before.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield to the gentleman from Michigan.

Mr. HOOK. I was very much concerned because I notice that the gentleman referred to Sidney Hillman and John L. Lewis, who I understand are deadly enemies. I do not believe that Sidney Hillman addressed any letter to the Members of Congress supporting John L. Lewis. But William Green, the head of the American Federation of Labor, did. I notice the gentleman did not mention Mr. Green or the American Federation of Labor. Can he tell us why?

Mr. GIBSON. I am glad you brought that to my attention because I have that letter and I meant to cover that matter. I want to tell you for your benefit that they are not enemies, but friends and allies. Bill Green, for whom I once had very high regard and great respect, after reading the letter he wrote to John Lewis, convinced me that his purpose and his motives are no purer and no higher than those of John Lewis or Sidney Hillman.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield.

Mr. CASE of South Dakota. Will the gentleman yield for a unanimous-consent request that at the place I interrogated him earlier I may insert the quotation from Dr. Edgar L. Warren's testimony which I cited at that time?

Mr. GIBSON. That is all right with me provided you insert it as your own language and not mine because I am not conversant with the facts.

Mr. CASE of South Dakota. As a matter of fact, it will not be my language, but it will be the language of Dr. Warren, together with the citation of his testimony.

Mr. GIBSON. What I meant is that it is being inserted in the RECORD by you. I am not questioning the veracity of it, but I want to speak on subjects only on my own knowledge and I will insert things in the RECORD only on my own knowledge.

Mr. CASE of South Dakota. I am glad to have that understanding.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. I yield.

Mr. SAVAGE. The gentleman has not yet answered my question. He did comment on it. But my question was, Would the gentleman be willing for the Congress to help these workers in remedying these

conditions if they are found to be as reported?

Mr. GIBSON. I think the coal miner has the worst work of any man in the world. I do not know what he is paid. I think it is very timely that this Congress investigate and see if their wages are sufficient and also investigate to see what his working conditions are.

Mr. SAVAGE. And their living conditions?

Mr. GIBSON. Yes, and living conditions. I have been told by some that the wages are very good and by others that they are not. I am not an enemy of the men who go down in the earth to do that work. It is hard. But I do not think that the power to tax should be put into the hands of John Lewis or any other man to set up a life insurance or health fund for anyone. I think their wages should be sufficient to take care of them and their own health funds, just like you and I and farmers and other people of this Nation have to do. I see no harm in making an investigation. If it is done with sincerity and with proper purpose, much good can come from it.

The SPEAKER. The time of the gentleman from Georgia has expired.

(Mr. CASE of South Dakota asked and was given permission to revise and extend his remarks and include therein a quotation.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BAILEY, for Monday, May 13, on account of illness in immediate family.

To Mr. HARE, for Monday May 13, on account of official business.

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Commitee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3936. An act to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States.

BILL PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Commitee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 3936. An act to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States.

ADJOURNMENT

Mr. JOHNSON of Oklahoma Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 2 minutes p. m.), under its previous order, the House adjourned until Monday, May 13, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 1 of the Committee on the Judiciary on the bill (H. R. 5089) to amend the First War Powers Act, 1941, beginning at 10 a. m. on Thursday, May 16, 1946. The hearing will be held in room 346, House Office Building (Judiciary Committee room).

EXECUTIVE COMMUNICATIONS, ETC.

1282. Under clause 2 of rule XXIV, a letter from the Clerk, House of Representatives, transmitting a list of reports which it is the duty of any officer or department to make to Congress (H. Doc. No. 573), was taken from the Speaker's table, referred to the Committee on Accounts, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. Senate Joint Resolution 159. Joint resolution to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946; without amendment (Rept. 1995). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOOD: Committee on Un-American Activities submits report on the subject of the sources of financial aid for subversive and un-American propaganda (Rept. No. 1996). Referred to the Committee of the Whole House on the State of the Union.

Mr. BULWINKLE: Committee on Printing. House Resolution 613. Resolution authorizing that there be printed for the use of the Committee on the Judiciary of the House of Representatives additional copies of House Report No. 1980, accompanying the bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure; without amendment (Rept. No. 1997). Referred to the House Calendar.

Mr. BONNER: Committee on the Merchant Marine and Fisheries. H. R. 6219. A bill to authorize the commandant of the United States Coast Guard to accept enlistments of certain individuals for duty at lifeboat stations during the year 1946; with amendment (Rept. No. 1998). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1999. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Committee on Expenditures in the Executive Departments. H. R. 6336. A bill to authorize the administrator of the War Assets Administration to lend or sell surplus property equipment for use at the twenty-eighth annual national convention of the American Legion; with amendment (Rept. No. 2001). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 6371. A bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended, and for other purposes; with amendments (Rept. No. 2002). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. S. 1980. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities; without amendment (Rept. No. 2003). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 6305. A bill to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments; with amendment (Rept. No. 2004). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS:

H. R. 6405. A bill to amend section 115 of the Internal Revenue Code in respect of distributions by personal holding companies; to the Committee on Ways and Means.

By Mr FISHER:

H. R. 6406. A bill authorizing the State of Texas, acting through the State Highway Commission of Texas, or the successors thereof, to acquire, construct, maintain, and operate a free bridge across the Rio Grande at or near Del Rio, Tex.; to the Committee on Interstate and Foreign Commerce.

By Mr MANSFIELD of Texas:

H. R. 6407. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. McCONNELL:

H. R. 6408. A bill to authorize the War Shipping Administration and the Maritime Commission to make available certain surplus property to certain maritime academies; to the Committee on the Merchant Marine and Fisheries.

By Mr. BUCK:

H. R. 6409. A bill to authorize the President of the United States to declare certain strikes contrary to the national interest and for other purposes; to the Committee on Labor.

By Mr. STIGLER:

H. R. 6410. A bill authorizing the Secretary of Agriculture to lease the interest of the United States in minerals in or under certain real property located in Muskogee County, Okla.; to the Committee on Agriculture.

By Mr. GORE:

H. Con. Res. 147. Concurrent resolution authorizing an investigation of working conditions in the anthracite and bituminous mining industries; to the Committee on Rules.

By Mr. ROGERS of Florida:

H. Res. 614. Resolution making H. R. 4051, together with committee amendments, to grant to enlisted personnel of the armed forces certain benefits in lieu of accumulated leave, a special order of business; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolution were introduced and severally referred as follows:

By Mr. BYRNE of New York:

H. R. 6411. A bill for the relief of Joseph E. Killian, Jr.; to the Committee on Military Affairs.

By Mr. CLEMENTS:

H. R. 6412. A bill for the relief of G. H. Lazarus, Jr., and Jesse F. Bewley; to the Committee on Claims.

By Mr. HOBBS:

H. R. 6413. A bill for the relief of J. W. Dopson; to the Committee on Claims.

H. R. 6414. A bill for the relief of G. E. Enslen, Sr.; to the Committee on Claims.

By Mr. TAYLOR:

H. R. 6415. A bill granting an increase of pension to Elizabeth Higley West; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1875. By Mr. HEFFERNAN: Petition of Mary S. McDowell, of 25 Rugby Road, Brooklyn, N. Y., and signers, in opposition to conscription; to the Committee on Military Affairs.

1876. By Mrs. ROGERS of Massachusetts: Memorial of the General Court of Massachusetts, against the closing of Fort Devens and the Lovell General Hospital; to the Committee on Military Affairs.

SENATE

MONDAY, MAY 13, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as another week claims our strength and our days, grant us such courage for the right and such confidence in the triumph of the good that our efforts for a just solution of the tangled problems of humanity may never falter. May our own spirits be so dominated and motivated by good will that our supreme gift to a troubled world shall be to buttress those forces which must at last beat down every barrier to brotherhood and to equality of opportunity. Endue us with such understanding wisdom of the total pattern of human needs that every vexed question of boundary and trade, of production and distribution, of language and culture may be changed into bridges across all the chasms that separate man from man. Give us such faith that when the climbing way is hard and steep we may still follow the gleam, nor turning back, march breast forward to the city which hath the foundations of God. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, May 10, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1980) to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities.

The message also announced that the House had passed a bill (H. R. 6305) to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5059) to provide additional compensation for postmasters and employees of the postal service, and it was signed by the President pro tempore.

REPORT OF GOVERNOR OF THE PANAMA CANAL

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals:

(For President's message, see today's proceedings of the House of Representatives on p. 4924.)

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

LAWS PASSED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, AND LEGISLATIVE ASSEMBLY, VIRGIN ISLANDS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Municipal Council of St. Thomas and St. John, and by the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Territories and Insular Affairs.

REPORT OF DIRECTORS OF THE FEDERAL PRISON INDUSTRIES, INC.

A letter from the Secretary of the Federal Prison Industries, Inc., Department of Justice, Washington, D. C., transmitting, pursuant to law, the Annual Report of the Directors of the Federal Prison Industries, Inc., for the fiscal year 1945 (with an accompanying report); to the Committee on the Judiciary.

CLAIM OF JOHN E. PETERSON ET AL.

A letter from the Administrator of the National Housing Agency, transmitting a draft of proposed legislation for the relief of John E. Peterson, James M. Hiler, Vivian Langemo, Floy Sibrie, and Ross Lee Brown (with an accompanying statement); to the Committee on Claims.

FINANCIAL STATEMENT OF THE AMERICAN LEGION

A letter from the Director of the National Legislative Committee of the American Legion, Washington, D. C., transmitting, pursuant to law, the final financial statement of the American Legion for the calendar year ended December 31, 1945 (with an accompanying statement); to the Committee on Finance.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS

Petitions, etc., were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the City Council of the City of Rockford, Ill., favoring the retention of the Office of Price Administration; to the Committee on Banking and Currency.

A resolution adopted by the international convention of the Office Employees International Union at Milwaukee, Wis., favoring the continuation of the Office of Price Administration, extension of the Second War Powers Act, and consumers' subsidy program; to the Committee on Banking and Currency.

A letter in the nature of a petition from Howard L. Minker, Washington, D. C., praying an amendment to the Constitution to relieve the distress of the people of the Nation; to the Committee on the Judiciary.

A letter in the nature of a petition from Eleanor Nelson, secretary-treasurer, United Public Workers of America (CIO), Washington, D. C., praying for the prompt enactment of legislation to increase the salaries of Federal employees; ordered to lie on the table.

A telegram in the nature of a petition from the board of directors of Americans United for World Government, New York City, N. Y., signed by Raymond Swing, chairman, praying for the complete mobilization of American industry and agriculture to meet the world famine; to the Committee on Foreign Relations.

THE COAL STRIKE

Mr. CAPPER. Mr. President, I have received a telegram from Elmo J. Mahoney, president, Russell County Farm Bureau, of my State, Kansas, asking that action be taken at once to settle the coal strike. I am in full accord with his appeal and ask unanimous consent to have the telegram printed in the RECORD and appropriately referred.

There being no objection, the telegram was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

DORRANCE, KANS., *May 10, 1946.*

Senator ARTHUR CAPPER,
United States Senate,
Washington, D. C.:

For the sake of our national economy and the people you represent at home, take action at once to settle the coal strike and be courageous enough to give us laws to protect us from such a catastrophe in future. We just won't tolerate the dictatorial attitude of these strike leaders any longer.

ELMO J. MAHONEY,
President of Russell County Farm Bureau.

THE LABOR SITUATION

Mr. CAPPER. Mr. President, I have received an interesting statement from C. H. Martin, of the Martin Tractor Co., Topeka, Kans., protesting against the conditions which exist at the present time with respect to the labor situation. Mr. Martin makes an earnest appeal for the passage of the Case bill, and I am in accord with his stand on that matter. I ask unanimous consent to have the statement printed in the RECORD and appropriately referred.

There being no objection, the statement was received, ordered to lie on the

table, and to be printed in the RECORD, as follows:

MARTIN TRACTOR CO.,
Topeka, Kans., May 7, 1946.

Senator ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: I am writing to let you know how your fellow Kansans feel about the present situation in Washington. I know a lot of Kansas people feel as I do about this unusual and deplorable situation.

It is a downright shame that one man, backed up by a comparatively small group, can so nearly wreck this entire country.

It is my belief the Wagner Act should be changed, trimmed down or repealed. The provisions of the House Case bill should be enacted. The law to clip the wings of the Music Masters should be extended to Lewis and all similarly situated. It looks as if it is high time that Congress should be doing something—and without delay.

A law should reflect the wishes of the majority of the people. Certainly the majority of people are becoming tired of the entire situation created by the labor unions and the OPA. If Congress is going to represent the people and stay in power it certainly should be doing something about it.

I am wondering what our grandsires would have done with a man like Lewis. Some people may say conditions are different today. However, fundamentally, our Government is, and should be, the same. There are some changes, it is true, but many of these changes have made things worse because of their acceptance. The fundamentals of our Constitution are still most necessary for this country to carry on.

Our good Senators and Congressmen have asked us to write them and to express our feelings about such things as are going on now, and that is just what I am doing at this time.

Most sincerely yours,

C. H. MARTIN.

LETTER TO SENATOR LANGER FROM HARVEY H. SPRINGER, D. D.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a letter which I received this morning, written under date of May 13, 1946, from Harvey H. Springer, D. D., pastor of the Englewood, Colo., Baptist Church.

There being no objection, the letter was received and ordered to be printed in the RECORD, as follows:

MAY 13, 1946.

The Honorable WILLIAM LANGER,
Senate Office Building, Washington, D. C.

HONORABLE SIR: I have observed your conduct as a member of the United States Senate through the past nearly 6 years. You have impressed me as a man of courage. Consequently, this letter.

For your information, I am the pastor of the largest Baptist Church in the State of Colorado. Along with my activities as the pastor of this church, I am an editor, a publisher, and an evangelist. I am the head of a Bible school which supplies special training for students of the ministry and individuals who desire to train themselves for specialized service in the church. I maintain something like 11 assistants and associates in carrying on these activities. For many years I have been on the radio in Denver.

I am known among my Baptist friends as a fundamentalist. Fundamentalists, as you perhaps know, believe the Bible to be the word of God and believe in the complete divinity of Jesus Christ. This faith naturally gives us a high respect for the Constitution of the United States and makes us natural enemies of communism, fascism, and all forms of bureaucratic tyranny.

We, of course, like most American Christians, are opposed to anything that would tie the church to the state and make religious activity subject to the whim or the opinions of politicians, public officials, and bureaucrats.

As a gospel preacher, I have always held the opinion that preachers should not mix in politics. I have contended that the preaching of the gospel was a full-time enterprise for an ordained minister. I still hold to that conviction.

I have never frequented courthouses, State capitol buildings, or our National Capitol. I have tried to be a good citizen. I have voted consistently for the man and the party which most nearly represents my sincere opinions, but I have never attempted to impose my theological or doctrinal beliefs upon those having authority over me, except as I might attempt to save the souls of men and women as individuals, regardless of their station or position in life.

In recent years, however, I have observed ominous signs. I find that the Government of the United States and its representatives in various communities have imposed upon my liberty as an American and my liberty as a preacher of the Gospel. Just as I have always opposed any attempt on the part of the church to dictate to the state, I now oppose any attempt on the part of the state to dictate to the church.

I not only am alarmed over the interference of our Government agents with the function of the church, but I am alarmed to observe that agents of our Government seem to be positively under the influence of left-wing, modernistic, and pro-Communist elements.

1. BUREAUCRATIC CONTROL OF THE TRANSPORTATION FOR GOSPEL PREACHERS

This point is more or less introductory and deals with the past, but it serves to illustrate how easy it becomes for a government agent to absolutely control the activities of a church.

During the period of gasoline rationing there were flagrant examples all over the United States of local bureaucrats denying gasoline to gospel preachers, because those gospel preachers did not seem politically favorable or because the local rationing board was positively unsympathetic to Christianity.

It was my contention at that time, in the face of juvenile delinquency and the rising tide of a crime wave, that gospel preachers should have been put on a preferential basis. Missionaries, serving from 5 to 10 little country churches, were cut off to the point where they could not visit their congregations; they could not bury the dead; they could not baptize the young. The point I am making, Senator LANGER, is not that in every instance the authority was abused, but it is a violation of the Constitution of the United States and a violation of tradition for us to permit any situation to develop in the United States where gospel preaching can be limited, curbed, or denied to a people by a decision by an agent of the Government.

One gospel preacher with 2,000 parishioners that I know of was cut off by a ration board which issued a statement, saying, "The quicker we close these churches the better." It was actually necessary for the pastor in this church to picket the OPA in order to get back the gasoline ration for the pastor.

I know scores of instances where an OPA bureaucrat who didn't like a particular minister or a particular priest could veto a tire application or a gasoline application to the point where a Christian project that had required years to develop was paralyzed because the minister, priest, or the missionary could not obtain transportation.

In one instance the pastor took up a collection of stamps and the local OPA board actually threatened him with 10 years in prison for accepting donations of gasoline stamps.

I repeat: This phase, of course, is history, but it was during this period that I became alarmed at the potentialities of bureaucratic interference with local churches and what might be well called the attempt on the part of the state to rule the church.

I call your attention to three developments that illustrate what I mean:

The next two phases deal with current problems.

2. GOVERNMENT INTERFERENCE WITH FREEDOM OF RADIO FOR GOSPEL PREACHERS

In the early days of radio, gospel preachers with initiative and ability developed their radio programs on an independent basis—that is, they walked into the radio station, bought radio time, signed contracts, and operated on the true American basis, namely, if they were good enough to command public support, they were able to carry on, pay their bills and pay for their contracts. But if they weren't good enough to win the attention and confidence of the people, they lost out. This system developed several hundred great radio preachers across the Nation. Some were men with Nation-wide appeal. Others were men with a strong appeal in a local zone.

This system didn't suit the bureaucrats in Washington and didn't suit certain manipulators who wanted to bring all religious broadcasting under the control of a few theological and political bureaucrats.

What happened? Stations and networks began to refuse to sell time to religious organizations. They announced that instead of selling time, they would donate time. This sounded good to the naive and uninitiated, but in donating the time they reserved the right to decide to whom they should donate the time. Thus, the free time made available to radio broadcasters concentrated into the hands of a few men, mainly in the East and mainly in Washington, D. C.

Three of the big networks now refuse to sell time to any religious organizations. One of the networks, although still selling time to two or three religious groups, threatens to conform its policy to the other three networks.

How ridiculous this system is. Here we have a Nation built on Christianity and the whole radio system should be answerable to our people, but it is impossible for me or any other gospel preacher to buy time for a network broadcast.

These radio stations and networks sell time to beer companies, soap companies, tobacco companies, etc., but refuse to sell time to gospel preachers. They answer by saying, "Yes, but we donate time." This is not convincing. It would be as though you would return to North Dakota to carry out your campaign for the United States Senate and the radio station would call you in and say, "Mr. LANGER, we are not going to sell you any time for your political broadcasts, but we are going to donate you 15 minutes during the campaign and we are going to donate 100 other men 15 minutes." What would that do to your campaign? It would ruin you.

To further illustrate: Suppose the radio station would say to its leading advertiser, the largest store in town, "We are not going to sell you any more radio time, but we are going to divide the time between all the stores on the street, little and big." What would that do to the store as far as radio advertising was concerned?

To further illustrate: Suppose that the control over which politicians would receive the free time and which store would receive the free advertising was in the hands of a Washington bureaucrat with a political bias?

By this system most of the strong, successful preachers with large followings in

the United States have been kicked off the radio. These men nearly all have big congregations. Most of them are fundamentalists. They meet in big tabernacles, and as a rule are the preachers in the community that can get out big crowds. These men have been silenced by the Washington bureaucracy. They have been denied their American right to buy radio time.

The right of a radio station to deny a preacher the right to purchase time was recently upheld by the Supreme Court. Therefore, Senator LANGER, we need new legislation on this proposition.

Recently in Knoxville, Tenn., I addressed 20,000 people who gathered in a stadium to protest the denial by the local radio station of gospel preachers to purchase radio time. As of today the radio station has succeeded.

Why can beer companies, tobacco companies, chewing gum companies buy radio time to peddle their wares, while a Baptist preacher cannot buy radio time to preach the Gospel.

3. BUREAUCRATIC INTERFERENCE WITH CHURCH BUILDING CONSTRUCTION

J. Edgar Hoover recently made a very pessimistic speech about the rising tide of juvenile delinquency and the oncoming crime wave. In Denver (Englewood community) where my church is, we proposed to do something about this. We raised the money to build a Bible school for young people and children, a three-story structure designed to help accommodate a Sunday school of around 2,000, to be used during the week for gatherings of young people and their parents.

We got the material. The material is at this moment all on the ground—steel, brick, and cement—but the Government will not permit us to build this church. Oh, I presume we will succeed eventually in whipping the bureaucrats and getting the building up, but I am a fighter and I won't take "No" for an answer. Many of my friends in the ministry are quiet-mannered men who not only do not want to fight, but do not know how to fight. When a Government bureaucrat says "No," they give up. In other words, we are in a situation right now where a New Deal bureaucrat can decide, regardless of his religion, whether or not a church can be built.

I claim, Senator LANGER, that it is unconstitutional for any politician or any Government official or any bureaucrat to be given the authority to decide when a church building can or cannot be built. Is that Americanism?

The incidents I have illustrated in this letter are merely symptoms of a growing tendency on the part of the state to control the destiny of the church. This must stop. I appeal to you to join with me in curbing this new attempt to combine the church and the state.

I am today organizing the leading radio preachers of the Nation who have been the victims of this bureaucratic interference. We are about to launch a Nation-wide compaign for the circulation of petitions, seeking legislation which will restore the freedom of the air to gospel preachers of all faiths.

I am making a survey of the Nation concerning the curbing of church-building construction by a bureaucratic edict. I ask you to cooperate in this campaign to preserve and restore freedom.

I regret to say, Senator LANGER, that in many instances preachers have been put off the radio and their activities have experienced interference after pressure had been brought on Government bureaus by pro-Communist elements. This situation we have taken up with the congressional Committee for the Investigation of Un-American Activities.

Should any of your friends desire to keep in touch with this movement, invite them to address their inquiries to the Western Voice (the official periodical of our crusade), post-office box 90, Englewood, Colo.

Sincerely yours,

HARVEY H. SPRINGER, D. D.,
Englewood Baptist Church.

P. S.—For your information, Englewood is a suburb of Denver, Colo.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

S. 1198. A bill to authorize the Secretary of Commerce to sell certain property in the State of Michigan now occupied by the Weather Bureau and to acquire land in the State of Michigan for the erection of a Weather Bureau station; without amendment (Rept. No. 1327).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 2044. A bill to promote the common defense by unifying the departments and agencies of the Government relating to the common defense; without amendment (Rept. No. 1328).

By Mr. BANKHEAD, from the Committee on Agriculture and Forestry:

H. R. 5991. A bill to simplify and improve credit services to farmers and promote farm ownership by abolishing certain agricultural lending agencies and functions, by transferring assets to the Farmers' Home Corporation, by enlarging the powers of the Farmers' Home Corporation, by authorizing Government insurance of loans to farmers, by creating preferences for loans and insured mortgages to enable veterans to acquire farms, by providing additional specific authority and directions with respect to the liquidation of resettlement projects and rural rehabilitation projects for resettlement purposes, and for other purposes; with amendments (Rept. No. 1329).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon pursuant to law.

DEPARTMENT OF COMMON DEFENSE—MINORITY VIEWS (PT. 2 OF REPT. NO. 1328)

Mr. BRIDGES (for himself and Mr. HART), as members of the Committee on Military Affairs, submitted minority views to accompany the bill (S. 2044) to promote the common defense by unifying the departments and agencies of the Government relating to the common defense, which were ordered to be printed as part 2 of Report No. 1328.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

S. 2177. A bill to provide for increased efficiency in the legislative branch of the Government; to the Special Committee on Reorganization of Congress.

By Mr. WALSH:

S. 2178. A bill to provide for making certain Navy Department articles and equipment available for use at the convention of the Veterans of Foreign Wars to be held in Boston, Mass., in September 1946; to the Committee on Naval Affairs.

S. 2179. A bill to provide for making certain War Department articles and equipment available for use at the convention of the Veterans of Foreign Wars to be held in Boston, Mass., in September 1946; to the Committee on Military Affairs.

Mr. PEPPER. Mr. President, on behalf of myself and the able chairman of the Senate Special Committee to Study and Survey Problems of Small Business Enterprises, the distinguished junior Senator from Montana [Mr. MURRAY] I ask unanimous consent to introduce for appropriate reference a bill to encourage fuller participation by small business concerns in soundly expanded foreign trade and to aid in maintaining high levels of employment and production in the United States

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred.

By Mr. PEPPER (for himself and Mr. MURRAY):

S. 2180. A bill to encourage fuller participation by small business concerns in soundly expanded foreign trade and to aid in maintaining high levels of employment and production in the United States; to the Committee on Banking and Currency.

By Mr. TAFT:

S. 2181. A bill for the relief of the Superior Coach Corp.; to the Committee on Claims.

S. 2182. A bill for the relief of Anna M. Kinat (Mrs. John P. Taylor); to the Committee on Immigration.

By Mr. TYDINGS:

S. 2183. A bill to authorize the heads of executive departments and independent establishments of the United States Government to grant scientific, technical, and professional employees short leaves of absence for advanced research and study; to the Committee on Civil Service.

By Mr. McCARRAN:

S. 2184. A bill to amend the Federal Airport Act; to the Committee on Commerce.

By Mr. WHEELER:

S. 2185. A bill authorizing the issuance of a patent in fee to Gladys May Doyle;

S. 2186. A bill authorizing the issuance of a patent in fee to Spencer Burgess Doyle;

S. 2187. A bill authorizing the issuance of a patent in fee to Lawrence Stanley Doyle;

S. 2188. A bill authorizing the issuance of a patent in fee to Raymond Wesley Doyle;

S. 2189. A bill authorizing the issuance of a patent in fee to Thurlow Grey Doyle;

S. 2190. A bill authorizing the issuance of a patent in fee to Richard Jay Doyle; and

S. 2191. A bill authorizing the conveyance of certain lands in Roosevelt County, Mont., to Earl A. Lund; to the Committee on Indian Affairs.

By Mr. ROBERTSON:

S. 2192. A bill for the relief of the Albany National Bank; to the Committee on Claims.

HOUSE BILL REFERRED

The bill (H. R. 6305) to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments, was read twice by its title and referred to the Committee on Military Affairs.

MRS. RETA H. HARDIN ET AL.—RECOMMITTAL OF BILL

On motion of Mr. ELLENDER, the bill (S. 1444) for the relief of Mrs. Reta H. Hardin and others, was taken from the calendar and recommitted to the Committee on Claims.

EQUAL JOB OPPORTUNITIES—ADDRESS BY SENATOR GUFFEY

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered by him before a mass meeting sponsored by the Council for Equal Job Opportunities at the Tindley Temple Methodist Church, Philadelphia, Pa., on May 10, 1946, which appears in the Appendix.]

MOTHER'S DAY ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a Mother's Day address delivered by him at Gunton's Temple Memorial Presbyterian Church, Washington, D. C., on May 12, 1946, which appears in the Appendix.]

ARTICLE BY SENATOR WILEY ON BUSINESS EDUCATION

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article on Business Education, written by him and published in the April-May 1946, issue of the magazine Dictaphone Educational Forum, which appears in the Appendix.]

GOVERNMENTAL POLICIES—ADDRESS BY HON. ALF M. LANDON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address delivered by Hon. Alf M. Landon before the Nebraska State Convention of Young Republican Clubs at Grand Island, Nebr., on May 11, 1946, which appears in the Appendix.]

GLOBE TIME—MEMORANDUM BY RICHARD COUDENHOVE-KALERGI

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a memorandum entitled "Globe Time," by Richard Coudenhove-Kalergi, which appears in the Appendix.]

ECONOMIC ANARCHY—ARTICLE BY GEORGE E. SOKOLSKY

[Mr. MOORE asked and obtained leave to have printed in the RECORD an article written by George E. Sokolsky, on the subject of industrial and economic conditions, which appears in the Appendix.]

THE COAL STRIKE—EDITORIAL FROM WASHINGTON DAILY NEWS

[Mr. MOORE asked and obtained leave to have printed in the RECORD an editorial entitled, "It Is a Strike Against the Government," published in the Washington Daily News of May 11, 1946, which appears in the Appendix.]

NEGRO EDITOR ANSWERS SOLON'S GO NORTH PLEA—ARTICLE BY ALONZO B. WILLIS

[Mr. OVERTON asked and obtained leave to have printed in the RECORD an article entitled "Negro Editor Answers Solon's Go North Plea," by Alonzo B. Willis, editor of The Negro South, published at New Orleans, La., which appears in the Appendix.]

FOOD PLANK FOR PEACE—ESSAY BY MIRIAM THELMA PETERSON

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an essay on the subject Food Plank for Peace, written by Miriam Thelma Peterson of Northfield High School, Northfield, Vt., in the Pillsbury Institute of Flour Milling history essay contest, which appears in the Appendix.]

PUBLIC SERVICE RESPONSIBILITY OF BROADCAST LICENSEES—ARTICLE BY JACK GOULD

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an article by Jack Gould, dealing with public service responsibilities of broadcast licensees, published in the New York Times of May 12, 1946, which appears in the Appendix.]

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. WILLIS. Mr. President, as we take up today legislation to provide the machinery to obviate the industrial disturbances which threaten the peacetime recovery of this Nation, particularly the coal strike, let us keep firmly in mind that we are legislating for the public welfare and not for this or that segment of our people. Let us make it plain that we are not acting hastily, that in whatever legislation we pass we are not dignifying any one man by specific action, but that we are attempting to legislate honestly and fairly for the whole Nation.

If we do the job thoroughly and not as a temporary expediency, our deliberations will include an examination of the Wagner Act, setting up the National Labor Relations Board and drawn more or less in favor of one segment of the population. In all fairness, our deliberations ought also to include an examination of the activities of the executive branch of this Government in the wartime administration of labor disturbances, to see if we have learned anything which could be applied to peacetime conditions. No matter what law we may pass in this body, if the President of the United States refuses to use that law, or allows it to be used as a weapon by one group or another, then the law will not remedy the conditions we want it to remedy.

There have been a lot of recriminations, during the past 2 weeks, both on the floor of this body and in much of the public press, about John L. Lewis. I hold no brief for John L. Lewis or any other man who would deliberately cause the industrial tie-ups and the economic waste which he has caused during the past months—and in other years. He has dramatized the danger which exists under the law when one man or group of men is able legally to threaten the American people in their fundamental right to "life, liberty, and the pursuit of happiness."

But let us get this clear: John L. Lewis is doing only what the Wagner labor law under Democratic administration has made it possible for him to do. When the Wagner Act and other nationally one-sided legislation were being forced through this and our companion body, let the people not forget that there were overwhelming Democratic majorities in both Houses of Congress. Let the people not forget that all during the past 13 years the Democratic majority has winked at violations of the law, catered to the more radical union leaders, and has failed miserably to carry out its clear duty to legislate and administrate in the public interest.

The people of my State of Indiana are not antiunion. They recognize the right of a man to leave his work, to strike, to bargain collectively, to work for the general welfare of his group. The people of my State are not against progress. But they are for just laws, justly administered.

And the lack of these things—just laws, justly administered—is the crux of the national chaos which has descended upon us.

Those who vent their spleen upon John L. Lewis, or those who curse the operators of the mines, both are shooting wide of the mark if they earnestly are trying to place the blame for the present crisis where it belongs. That blame belongs first with the Democratic majority which passed the one-sided laws, and second with the Democratic executive branch of the Government which deliberatively through the years has administered even loaded laws with a plain intent to gain political advantage.

The present state of the Nation is the direct result of a complete lack of action, a break-down in responsible leadership, on the part of the executive branch of this Government. There have been many things that President Truman could have done, but he has chosen to follow a do-nothing policy while precious days slipped away and the industrial paralysis has become worse and worse.

More than a week ago, President Truman learned from one of his many surveys that the coal strike and its repercussions were a "national disaster." Every informed American knew that even before the President released his survey. Yet, he let almost an entire week pass without even calling John L. Lewis and the mine operators into conference.

The present truce solves nothing. It only puts off for 2 weeks the day of judgment for the American people.

Through the Smith-Connally Act, the President has had the power to seize the mines. While it is doubtful that the miners would go back to work, the President could at least have said that he took this action.

But most important, Mr. President, the Chief Executive could have used the whole power of his office to break a strike that is clearly antisocial and to prove once and for all that the Government of the United States still is stronger than any segment thereof. This was a chance to prove again, as did Lincoln and Cleveland, McKinley and Wilson, that the Federal Union is more powerful than any component part of it. The President last week could have become a national hero, but he chose instead to become a symbol of a "too little and too late" government.

Let us today not legislate in a spirit of rancor. Let us not aim any bill we consider at any one group, for the inevitable results of such legislation are clearly apparent this morning. Let us consider well our actions, that our people will give us support for whatever we do that is right, and that for a sorely troubled Nation, we may find a workable solution that will help us quickly to recuperate from our present industrial illness and become as strong and as prosperous as we ought to be in this peacetime period.

ALLEGED HOARDING OF WHEAT

Mr. LANGER. Mr. President, I wish to call to the attention of the Senate

an article which appeared in Life magazine entitled "Greed on the Farm," in which Life states that "the farmers are hoarding wheat to get famine prices."

Mr. President, no one knows better than many of the Senators upon this floor the splendid record for unreliability, lying, slander, and outright smearing for which Life magazine is so well known. The record of this magazine stinks to high heaven, and out in my State people even doubt the accuracy of photographs that appear in it.

Today I bring to the attention of the Senate the latest outrage perpetrated by it, and because of my zeal to let the people of America know what a contemptible issue of Life this is, I might possibly use some objectionable language, but therefore I shall content myself by quoting one of the most conservative newspapers in America.

Mr. President, I hold in my hand a copy of the Fargo Forum, a daily newspaper which has a larger circulation than any other paper in my State. In this issue I find this headline, "Life Magazine libels wheat farmer." This is what the Fargo Forum says:

If it were possible to sue a magazine for libeling a large and vital segment of America's production population, then unquestionably, Life magazine would be in for a whale of a damage suit for its charges that wheat producers are hoarding their wheat.

That is the opinion of William Plath, president of the North Dakota Farm Bureau, after looking over an editorial and a picture in the current issue of Life.

"In view of the facts, this is one of the most uncalled for and most insulting pieces of misrepresentation I have ever seen in print," said Mr. Plath.

That sentiment is echoed by John W. Haw, agricultural development director of the Northern Pacific, and by many North Dakota farm leaders.

The editorial—the only one in the magazine and occupying almost an entire page—is captioned: "Greed On the Farm," and it charges that American wheat producers are hoarding wheat "to get famine prices."

The whole tenor of the editorial is that the farmers of the United States are so greedy they would willingly let people starve to make a few extra pennies.

Saying there were 200,000,000 bushels of wheat left on the farms last week, the editorial makes this comment:

"It is not enough to save the world, or even to fulfill our promises, but it is enough to choke the farmers who are hoarding it."

This is typical of comment which was coming from some of the country's editorial writers and radio commentators early in the campaign to get the wheat off the farms, evidence of woeful ignorance of the situation, and scotched in his public address at Climax, Minn., by Clinton Anderson, Secretary of Agriculture.

"In view of the fact that most of this wheat is on the farms because farmers couldn't get cars to haul it, because the Government agencies failed to recognize the extent of this most terrible food-shortage tragedy that was developing through the fall and winter, I should think this editor would choke on his owns words," said Mr. Plath.

"It is deplorable that one ignorant man, sitting in some eastern editorial office, can blast away the good repute of thousands of farmers who are eager to get this wheat to the starving people, who did not need any 30-cent bonus to get their grain in.

"Can't these eastern people understand that the farmers didn't haul this grain—for the most part—because it was a physical impossibility to get it off their farms, unless they took it to town and dumped it on the ground? The cars were not moved in fast enough to the elevators, hundreds of which were blocked for months last year."

Mr. WHERRY. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield.

Mr. WHERRY. Is it not a fact that the very condition mentioned by the Senator was forcibly brought to the attention of the Senate weeks and weeks ago by the distinguished Senator from North Dakota, the fact that trucks were needed in the Northwest in which to haul the wheat which was then awaiting cars for transportation—wheat produced by the very farmers who have been accused?

Mr. LANGER. As the distinguished Senator from Nebraska says, that matter was brought to the attention of the Senate, to the attention of the Department of Agriculture, and to the attention of President Truman himself, time and time again. Finally, through Senate Resolution 185, we had an investigation, presided over by the distinguished Senator from Tennessee [Mr. STEWART], and when he was not present, the Senator from Kansas [Mr. REED] presided. We had men here from every part of the United States, from all over the West, begging and begging for boxcars so that the farmers could transport their wheat in.

The Senator from New York [Mr. MEAD] said they were unable to get 7,000 western boxcars because of a great storm in Buffalo. Then, when those boxcars were cleared, there was a second storm. Thousands of those cars were in the eastern section of the United States, and hundreds of elevators in North Dakota were blocked.

We had meetings with Mr. J. Monroe Johnson—and I think the distinguished Senator from Nebraska was at some of the meetings—where we begged for boxcars.

Now we have this article in Life, and it is accompanied by a picture which I want every Senator to see. It is a picture of hundreds of grain bins in which wheat was supposed to be stored. The editor of Life said they were all filled with wheat. He says they were in Jamestown, N. Dak.

Mr. President, what is the truth about the situation? The article in the Fargo Forum, quoting comment on the Life editorial, says.

"Secretary Anderson has explained to all the press associations and made the statement over a Nation-wide hook-up, that there is no evidence that farmers hoarded their wheat. He said that, as a matter of fact, despite the car shortages the railroads and the farmers through heroic efforts were able to and did move vast quantities of wheat into the terminal markets last week."

Checking back in its files to get the picture of last year's troubles during the normal wheat marketing time, the Fargo Forum finds Mr. Plath's statement fully justified.

In August last year the Fargo Forum began carrying stories about the huge grain movement and the fact that cars were not being received by the northern lines fast enough to meet the demands rolling in from the country elevators.

The huge movement was hampered by an ICC ruling which prohibited, for a time, the stopping of grain cars at sampling points, according to protests filed by C. H. Conaway of the North Dakota Farmers Grain Dealers Association and by the traffic committee of the Minneapolis Chamber of Commerce.

I might say, Mr. President, that at that time both the junior Senator from North Dakota [Mr. YOUNG] and myself protested that ruling. My colleague happened to be in North Dakota at the time, so he and Representative ROBERTSON of North Dakota, went to Minneapolis and had conferences with the traffic association. I had a conference with the heads of the railroads—four of them—seeking boxcars, so that the elevators could send their wheat to market. I continue the quotation from the Fargo Forum:

That led to a blockade at the terminals which resulted in an embargo on grain shipments for a time. It was reported in the Fargo Forum, September 8, 1945.

Also early in September the Fargo Forum carried a headline "Boxcar bottleneck blocks 461 elevators."

I might say that that did not include the elevators in the State of Montana, and the distinguished Senator from Montana [Mr. WHEELER] also appeared when my Resolution 185 was being considered, and pleaded that something be done so that the wheat, some of which was piled up outside the cars, and in some instances, flax, could be taken to market.

The shortage continued all through September and October and into November. On November 1, the Forum reported 293 North Dakota blocked elevators.

By then winter conditions, blocking country highways with snow, began to slow the movement, and all through the winter and into the spring, that situation prevailed, as the Fargo Forum has explained on several occasions.

Then it was time for seeding—and up to the first of this week—

The article appeared on May 8—

farmers have been hard pressed to get their wheat and feed crops planted. They are just now beginning to get in position to move a large tonnage of wheat, and it is beginning to roll into the elevators, as late dispatches from country points indicate, in great quantities.

Then the Fargo Forum—and, as I have said, this is a newspaper with the largest circulation in North Dakota—said this:

The editor of Life owes the wheat producers of the Nation an apology and should publish a refutation of these baseless charges.

Now I wish to refer to the picture in Life. Of course, Life is a magazine which has a tremendous circulation all over America. On its lead page Life reproduces this picture of a great many grain-storage bins at Jamestown, N. Dak., with this caption:

North Dakota storage bins—

These are at Jamestown—

and fields hold 20 percent of the United States wheat supply and therefore the fate of millions.

The fact is these are not farm storage bins—they belong to the Commodity Credit Corporation—

They were not owned by the farmers at all, as Life magazine said, Mr. President, but owned by our Government—

they belong to the Commodity Credit Corporation—a Government agency, and there is not now and there was not at the time the picture was taken, one bushel of wheat in those bins.

Yet Life says that 20 percent of all the wheat that was in this country and that was needed to feed those who were starving, was in storage here.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. WHERRY. If there had been any grain in those bins it would have been out of the hands of the farmers and would have been in the ownership of the Commodity Credit Corporation.

Mr. LANGER. Yes.

Mr. WHERRY. The farmers themselves were not hoarding it, because whatever went into those bins went into the ownership of the Commodity Credit Corporation.

Mr. LANGER. That is true. These bins had been filled months ago, and the wheat had all been shipped away, and the bins were then empty. There was not a single bushel of grain in them at the time this picture was taken.

Mr. WHERRY. It was out of the control of the farmers who produced the wheat. The wheat originally placed in the bins went into the storage of the Commodity Credit Corporation, a Government agency.

Mr. LANGER. Yes.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. HATCH. I want to ask if the Senators know whether they are making quite a true statement about the wheat in the hands of the Commodity Credit Corporation being entirely out of the control of the farmers. That statement is not quite correct.

Mr. WHERRY Mr. President, will the Senator again yield?

Mr. LANGER. I yield.

Mr. WHERRY. It is a fact that the farmers can take wheat to an elevator and place it in storage, but when they borrow money on that wheat the Government owns the wheat. The farmers can elect to sell, it is true, whenever they want to sell under the provisions of the contract, but when they place the wheat in the bins it is out of the farmers' control; it is then in bins belonging to the Government. It is in storage in the Commodity Credit Corporation bins, and the farmers do not have anything to say about it.

Mr. LANGER. The Secretary of Agriculture has said just what the Senator from Nebraska now says.

Mr. HATCH. Mr. President, I do not desire to interrupt the Senator or to get into a discussion, but clearly to me the implications were entirely wrong and quite far beyond the provisions of the contracts between the Commodity Credit Corporation and the farmers.

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And I may say, he is one of the best grain men we have had in North Dakota.

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Mr. LANGER. Senators, look at the picture in Life magazine. Here is a picture of a great number of bins, and below it says:

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Here we have farmers who worked 18 hours a day, who had done everything in the world they could to feed the starving people of other lands. Farmers sold their wheat at $1.50 when they should have received $2 a bushel. Their wives went out in the fields and worked; their little children went out in the fields and worked. They did not hoard any of the wheat. They took it to town as soon as the roads were open so that they could get it to town. They hauled in all the wheat they produced, except the little bit needed at home for seed. Then, having done all that for suffering humanity, we find a magazine coming out with such a picture as this, which says that here is 20 percent of all the wheat to help relieve famine in the world, when, as a matter of fact, there is not one single bushel in the bins pictured here. I agree with what the editor of the Fargo Forum says—and I might say that I do not remember when that newspaper supported me politically, and if it did, it was by accident—I agree with the editor when he says:

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Mr. MOORE. Mr. President, among many bills that are pending in this Congress today that are intended to hasten all private enterprise into some form of statism is legislation for an agency known as the Southwest Power Authority, which, if the money were made available to it that is contemplated by the measure, would effect Government ownership of all power facilities within five Southwestern States, comprising an area of 350,000 square miles. This legislation does not even employ the camouflage language of flood control, but asserts that it is a "power authority." When the TVA was being so strongly advocated it was dressed up as a flood-control project and it is thought by the most ardent advocates that, if it had been designated as a power authority, it would have been held to be unconstitutional.

Apropos of this Southwest Power Authority legislation, it will be noted that the Speaker of the House has asserted that he will fight to the last ditch for the restoration of the preliminary appropriation which has been reduced by the Committee on Appropriations to some extent. If this program were carried out, it would supplant all private power ownership in this vast area.

The Tulsa Daily World has published an editorial entitled "Power Scheme Checked," and I ask unanimous consent that this editorial be printed in the RECORD.

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and indicated a purpose to fight the main appropriation. Second, the action represented the recurring sanity of the public and the disposition to rebuke vast Government spending for special purposes.

It is possible, of course, the scheme, which involves a power network to cost up to $200,000,000, may survive this set-back, but the chances are against it. The public is gradually being aroused to the danger of governmental domination of everything. The trend is back to normal business and common enterprise. Speaker SAM RAYBURN announces there will be a real battle for the $23,000,000 budget, which was the subject upon which the committee operated, and we can well believe him. RAYBURN'S district is his personal battleground; he has gotten a great deal for his territory and he wants a lot more. The Denison Dam is one of his projects. What his desires and ambitions will cost the Government unless this scheme is checked would be hard to estimate. He distinctly represents the element which insists upon almost unlimited public enterprises for fairly narrow purposes.

The present effort to place a network of power lines over the great district in reach of the lakes already created at Government expense is a continuation of the socialistic and New Deal plans for overcoming enterprise and putting the Government over all private or business affairs. The show-down may be coming now. The scheme is to utilize the dams and other big improvements for further encroachments upon business or private enterprise. These improvements are constantly being built into political power.

In such matters as this there should be business methods and the application of sound financial precepts. In the present ambitious southwestern scheme there should be a requirement for a showing of necessity. Theoretical and speculative and special benefits are not enough. This scheme calls for the expenditure of public money in overpowering amounts, and it should be subjected to the severe scrutiny usually applied to smaller affairs.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

Mr. WHERRY. Mr. President, I have in my hand the latest report of the Surplus Property Subcommittee on borrowed personnel. This report is found on page 4533 of the CONGRESSIONAL RECORD for May 7, 1946.

The report is properly made pursuant to Senate Resolution 319, Seventy-eighth Congress. It reports the name and address of each person who is not a full-time employee of the Senate, the name and address of the department or agency paying the salary of each such employee and the annual rate of compensation. The chairman's letter of transmittal also states that the department or agency so listed will be reimbursed by the subcommittee in the amount of the salaries paid to such employees, pursuant to Senate Resolutions 77, 201, 210.

I wish to call attention of the Senate to the fact that Senate Resolution 77 and Senate Resolution 319 are entirely independent of each other. Senate Resolution 319 is still in full force, and it requires all Senate committees to report the above noted information on all persons who are borrowed by Senate committees but who are not full-time employees of the Senate. Committees which are now required to reimburse the departments or agencies from which their personnel is borrowed are not exempted from the provisions of this resolution. They must continue to report.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The PRESIDING OFFICER (Mr. HOEY in the chair). The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD] as a substitute for section 8 of the committee amendment, on page 28.

Mr. MURRAY. Mr. President, at the opening of the debate on the Case bill, H. R. 4908, I should like to address the Senate briefly on the background of the vital national issues involved in this proposed legislation.

Labor disputes and strikes in all industrial nations create problems of the gravest public concern. When we review the history of labor disputes in America over the years, we cannot but feel impressed with the fact that we have already surmounted some of the most serious dangers which have threatened the continuation of democratic government in America.

We have made great strides of progress from the days when labor-management controversies were uniformly resulting in violence, bloodshed, destruction of property, and demoralization of civil authority. Gradually a semblance of law and reason has been growing up in this country under which we have been meeting these problems with an ever-increasing degree of intelligence and sound public policy. But, Mr. President, we have just passed through a great war which has created an unprecedented convulsion in our social and economic life, and we are confronted today with a period of unrest in the field of labor and management which is challenging our democratic procedures.

Mr. President, the ordeal of war is invariably followed by a painful period of reconversion to peace. This is the record of wars all down through history. The years 1919 and 1920 were filled with labor strife and economic disorder. In fact, 1919 was one of the worst strike years in history. During World War II labor and management were subject to manpower controls, wage controls, and price controls. It was total war, and our entire economy was transformed into production for war purposes. Civilian production was held to a minimum. The end of the war came suddenly. It was not to be expected that the transition to a peacetime economy would be less difficult than in 1919, even though the change-over following that war was a good deal less extensive.

The year 1945 and the early part of 1946 have been marked by several serious labor disturbances. In steel, automobiles, electrical and farm equipment, and now in coal, strikes of serious national concern have taken place. There is no question that regardless of where the fault may lie, whether with management or with labor, the Congress and the public are vitally interested in expeditious settlement of the issues. The threat to inflation engendered by labor disputes is not to be minimized. Nevertheless, there are certain long-run objectives to be considered. In our eagerness to achieve full production we should not overlook the danger of seeking a short-term victory through compulsory techniques and losing the long-term objectives of the preservation of freedom and democracy.

Your committee has given serious study to many diverse proposals for facilitating the settlement of labor disputes. We have attempted to be guided by the dictates of reason rather than by the impulses of emotion. We devoted many weeks of hearings, during which we examined and questioned the country's leading experts on labor relations. We have come to the conclusion, after many hours spent in executive session, that no legislation can be enacted which will be of utility in solving the existing strikes. Legislation aimed at any one labor leader or any one industrial concern will prove illusory. By the time such legislation has finally been enacted the isolated disturbance at which it is aimed will have been adjusted and the unsatisfactory elements which are inevitably present in legislation aimed at any one group would nevertheless remain. We must legislate not for the fleeting present, but for the long tomorrow.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. LUCAS. Suppose they are not adjusted.

Mr. MURRAY. They will be adjusted by the regular processes of collective bargaining.

Mr. LUCAS. Can the able Senator, who is chairman of the Committee on Education and Labor, guarantee to the American people that the coal strike will be settled?

Mr. MURRAY. Yes; but it cannot be settled by legislation at the moment.

Mr. LUCAS. I am not asking that. The Senator told the Senate that these questions would be adjusted.

Mr. MURRAY. Yes. They must be adjusted, though, with justice to both sides.

Mr. LUCAS. I want to know whether the able Senator can guarantee to the American people that the controversy which is now existing between the operators and the miners will be adjusted.

Mr. MURRAY. I am not a prophet, but I undertake to say that the settlement will occur within a few days. The parties are now engaged in an earnest effort to bring about a settlement of this strike, and if they are given an opportunity, I am sure that they will bring about a settlement.

Mr. LUCAS. The Senator realizes, of course, that industry after industry has been shut down, and that already billions of dollars have been lost because of the coal strike. The only thing the Senator from Illinois is vitally interested in is the statement which the Senator makes, because that is exactly what the American people want to know—whether the coal strike is going to be adjusted. The Senator gave us a blanket declaration that it would be, and I wondered if

They were not owned by the farmers at all, as Life magazine said, Mr. President, but owned by our Government—

they belong to the Commodity Credit Corporation—a Government agency, and there is not now and there was not at the time the picture was taken, one bushel of wheat in those bins.

Yet Life says that 20 percent of all the wheat that was in this country and that was needed to feed those who were starving, was in storage here.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. WHERRY. If there had been any grain in those bins it would have been out of the hands of the farmers and would have been in the ownership of the Commodity Credit Corporation.

Mr. LANGER. Yes.

Mr. WHERRY. The farmers themselves were not hoarding it, because whatever went into those bins went into the ownership of the Commodity Credit Corporation.

Mr. LANGER. That is true. These bins had been filled months ago, and the wheat had all been shipped away, and the bins were then empty. There was not a single bushel of grain in them at the time this picture was taken.

Mr. WHERRY. It was out of the control of the farmers who produced the wheat. The wheat originally placed in the bins went into the storage of the Commodity Credit Corporation, a Government agency.

Mr. LANGER. Yes.

Mr. HATCH. Mr. President, will the Senator yield?

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Mr. HATCH. I want to ask if the Senators know whether they are making quite a true statement about the wheat in the hands of the Commodity Credit Corporation being entirely out of the control of the farmers. That statement is not quite correct.

Mr. WHERRY Mr. President, will the Senator again yield?

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he really knew or if he were merely prophesying.

Mr. MURRAY. I can say with full assurance that we shall not settle it by restrictive labor legislation at the moment. Congress itself has been remiss, I think, in not meeting this problem long ago, when we had the problems of reconversion before us. At that time we gave industry every opportunity, under most favorable terms, to reconvert. We gave industry liberal tax laws; we gave industry a Contract Termination Act, which enabled it to take full advantage of its activities during the war and to fill its treasuries with profits as a result of the settlement of contracts. But nothing was done to aid labor to become reconverted to postwar conditions.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. MURRAY. I yield.

Mr. LUCAS. I do not wish to labor that question at the moment. That will be discussed, perhaps, as we proceed with the debate. But the Senator made a flat statement which interests me considerably, and I think it must be of some interest to the Senate and to the country. I shall stick to the point, Mr. President, and the only thing I ask the Senator is this: If the coal strike is not settled within the next few days, what does the able Senator propose to do, as creeping paralysis seriously threatens the public health, the safety, and the welfare of the Nation?

Mr. MURRAY. What could be done more than what is being done? We cannot settle it by drastic labor legislation at the moment. The trouble is, as I have stated, that the Senator from Illinois and the rest of us have been remiss in undertaking to adjust our economic conditions so that strikes would not occur.

Mr. LUCAS. Then, Mr. President, if I understand the position of the Senator from Montana, it is that no one in the Congress or in the executive branch of the Government can do anything, and that, regardless of whatever a labor organization wishes to do or whatever the operators wish to do in connection with the coal strike, we are a powerless, helpless group, unable to do anything to aid in the situation.

Mr. MURRAY. That is not correct. The fact of the matter is that the machinery of the Government is already in operation in an effort to bring contending forces together, and they are making rapid strides. We failed, however, to provide a proper program for the reconversion of labor to postwar conditions.

Mr. LUCAS. I certainly hope they will make strides more rapid than the ones the Senator has suggested.

What I am thinking about and what I am trying to picture is what is going to happen to the economy of the Nation and what is going to happen to the welfare and safety of the Nation in the event the strike is not settled. That is what I am interested in. That is what all America is thinking about.

Mr. MURRAY. If the Senator will bear with me, I think that as I proceed with my discussion the Senator will see that our failure is in the past and that everything possible is being done now, under the existing machinery which we have, and that if there is any fault, it lies with the Congress itself in not providing for meeting the problems which exist today. The Congress did meet the problem insofar as industry is concerned, but the Congress did not meet its obligations insofar as labor is concerned.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. McCLELLAN. I should like the Senator to tell us in what way the Congress has been remiss in not enabling labor to reconvert. If the Congress has fallen down on the job in respect to aiding labor, I should like to have the Senator tell us how the Congress has fallen down.

Mr. MURRAY. Because we have done nothing to meet the changed conditions.

Mr. McCLELLAN. What does the Senator think the Congress should have done?

Mr. MURRAY. I think that when we were legislating for reconversion, we should have enacted legislation to meet the problems of labor in the reconversion period. We failed to do that, and now we are up against an effort on the part of labor to negotiate wage adjustments and to obtain appropriate working conditions for themselves in the reconversion period.

Mr. McCLELLAN. The Senator has made a general statement, but I do not yet understand what legislation the Senator from Montana claims Congress has failed to enact, which it should have enacted, which would have helped labor to reconvert. I should like to have the Senator be specific.

Mr. MURRAY. Mr. President, I cannot now write a bill on the floor of the Senate while I am engaged in this discussion; but the Senator from Arkansas knows that at that time the Congress should have enacted legislation to bring about a readjustment of conditions so that labor might continue to work and to earn wages which would enable workers to live. For instance, in addition to wage adjustments we should have enacted a national health measure. We should have expanded our social-security system. We should have done many things.

Mr. McCLELLAN. If that is the Senator's explanation of the way the Congress has been remiss, I submit that the steps he has mentioned would have had no effect on earth on reconversion for labor.

Mr. MURRAY. I ask the Senator whether he thinks we should sit idly by, here, and do nothing to bring about a readjustment of wages and working conditions for labor in this country while even before the war ended we were doing everything necessary to make adjustments for industry?

Mr. McCLELLAN. No; I do not think we should sit idly by. I think we have done that too long already, and I think that is the reason why we have the present conditions.

I do not agree with the Senator that the Congress or the Federal Government is impotent and that it is impossible for it to do something about present conditions.

Mr. MURRAY. Mr. President, my position is that we must legislate, not for the fleeting present, but for the long tomorrow. The dangers of hasty legislation aimed at any particular individual are well illustrated by the ill-advised Smith-Connally Act. The Congress enacted that statute under circumstances almost identical with those existing today. Then, as now, there was a serious and bitter coal strike. Then, as now, John L. Lewis was the object of attack. If we allow our emotions concerning one man to distort our perspective, we shall make the same mistake all over again. Let us profit by the lessons of experience and let us consider the problems of the settlement of labor disputes in the spirit that makes for wise statesmanship.

As we have indicated in our majority report, the primary emphasis for the settlement of disputes must be placed upon collective bargaining. That is the only way we can handle these problems in a democratic country. Governmental intervention must be kept at a minimum. If labor and management are to develop in the process of self-government, they must settle these problems themselves. In many industries collective bargaining has a long history of success. We must not forget that collective bargaining has that long history. We must not forget that collective bargaining, as an instrument for the settlement of disputes, did not receive any tangible Government assistance until 1935, with the enactment of the National Labor Relations Act. In many basic industries it was not until 1937 that the unions won recognition. For nearly 4 years during the war period, collective bargaining was not free to function. We must give collective bargaining a fair opportunity to succeed.

Your committee thinks that the best way in which the Government can give assistance to the development of collective bargaining is to improve our conciliation and mediation services. The Committee bill would establish a five-man Federal Mediation Board, whose members would receive salaries of $12,000 a year. The Board would mediate and conciliate disputes and, where other means failed, would attempt to persuade the parties to arbitrate their differences. The Board would encourage the use of collective bargaining and the use of voluntary arbitration, particularly in situations involving grievances under existing contracts.

The committee rejected all proposals to limit or abridge the right to strike. As stated in the majority report, "the right to strike is one of the principal democratic freedoms." Where employees do not have such a right, the bargaining power of employers greatly outweighs that of the employees. If the right to strike is abridged, the protection of labor under the Wagner Act is an empty gesture. While the employees may be protected in their right to organize, they will not be able to obtain a fair bargain. Where resort to the right to strike is taken away, employers will have no pressure on them to make concessions or compromises.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. BALL. How does the Senator square his statement that any kind of regulation or limitation on the right to strike in effect destroys the bargaining powers of labor unions with the fact that in many States there are laws which require unions to withhold strike action for 10 days or 30 days? We have such a law in my State. Since it was enacted, the unions have grown steadily in membership, in influence, and in bargaining power. It does not seem to me that our experience and the facts jibe with the Senator's statement.

Mr. MURRAY. I am not entirely familiar with the situation as it exists in the State of Minnesota, but I believe that the correct democratic method of handling labor disputes in a democratic country is to allow both sides to sit around a table and settle their disputes under the collective-bargaining process. If that is not done, and an effort is made to tie down labor on the one side without also tieing down industry on the other, labor will be placed at a disadvantage. If we attempt to introduce labor controls of the nature proposed we will be forced to enact legislation controlling all industry, as well as the workers, and in so doing we will develop a totalitarian instead of a democratic form of government.

Mr. BALL. Mr. President, in view of the Senator's statement, does he consider that the Railroad Labor Act is an undemocratic form of legislation, and that the great railroad brotherhoods are weak and powerless unions? I may point out that they operate under the kind of law such as that to which the Senator has referred.

Mr. MURRAY. I do not know whether it has been completely demonstrated that even that method is the best method. A strike is now being threatened among the railroad workers. I am inclined to believe that under our democratic form of government, the proposal which I have made is a sound one.

Mr. BALL. The Senator's argument was that any limitation on the right to strike would destroy the effectiveness of unions. The limitation to which reference has been made has already been placed in the Railroad Labor Act. It has been there since 1926. Yet, the railroad brotherhoods are among the most completely organized unions in the country. They are organized about 100 percent. On the basis of what experience and facts does the Senator make his statement?

Mr. MURRAY. Conditions in the railroad industry are somewhat different than those in industry generally. Already railroads are controlled. If there is a desire to control all other forms of industry in the same way railroads are controlled, we might have laws regulating industry similar to the Railroad Labor Act. But I am not in favor of it. I am in favor of the private enterprise system. I am opposed to totalitarian methods. I want to see our enterprise system conducted in such a way that labor can sit at a table and negotiate for what it is entitled to receive without unfair restrictions.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. MORSE. I think the Senator has made a vital point which we should keep in mind when speaking of the Railroad Labor Act of 1926. When we speak of that act we are speaking about an industry over which the Government exercises tremendous controls in a variety of ways. It is quite a different thing to seek to exercise restrictions over labor in industries in which the employers are not subject to the same checks as those to which the railroad industry is subject.

Mr. President, there is another point in regard to the Railroad Labor Act of 1926. I think we may say that the act has certainly been successful in bringing about a rather high degree of stability in the railroad industry, but like many other public concepts, the concept that the Railroad Labor Act has been 100 percent effective is not true. As a matter of fact, it has not been nearly so effective as the public has been led to believe. There are many things with reference to the Railroad Labor Act which have not worked out as well as the proponents of the act would have us believe.

We should also keep in mind the fact that the railroad brotherhoods have never hesitated, since the enactment of the act, to exercise the great power of the threat to strike. The power which is encompassed in the threat to strike in the railroad industry has brought about a great deal of modification of some of the decisions of the Board which was established under the Railroad Labor Act. I speak with some experience in that regard, and as one who was subject to more or less criticism, even on the floor of the Senate before I became a Member of the Senate, in regard to the decision of 1941.

Of course, those who criticized had not taken time to read the decision of November 5, 1941, or they would have found that the decision was in two parts, namely, a decision on the merits in the case rendered by the Board as an arbitration tribunal, and second, a decision rendered by the members of the Board as mediators who had been asked to mediate the dispute following the refusal of the brotherhoods to accept the decision of November 5, 1941. The final decision was reached after the carriers and brotherhoods had admitted that they could not go along with the decision which had been reached on the merits because, as the brotherhoods contended, an enforcement of the decision would mean a railroad strike. I am not criticizing the brotherhoods for their attitude, but I wish to point out that they have a right, under the act, either to accept or reject a decision. After a decision has been reached they then have the right to strike.

A great deal of public misconception with regard to the Railroad Labor Act lies in the belief that the act is a preventive of strikes on railroads. Such strikes have occurred in the past, and they will occur in the future whenever the brotherhoods believe they have sufficient power in connection with specific disputes to obtain a modification of a decision through mediation or intervention by the Chief Executive.

In 1941, after the decision of November 5 had been handed down, the Chief Executive intervened. He did not go along with the report as originally filed, although he admitted to the Board that it was an excellent report. But at four separate times he tried to settle the dispute after a decision on the merits had been handed down, and when he reconvened the Board on November 8, 1941, he said, "I want you to take back the case because we are further apart now than we were before attempting to arrive at a settlement." It was then that the brotherhoods and the carriers asked us to mediate a settlement.

The point I am attempting to make, Mr. President, is that mediation was consummated in the face of a threat on the part of the brotherhoods to strike unless they received a settlement which would be fairly satisfactory to them.

Mr. MURRAY. I thank the Senator for his remarks. He has pointed out the vast difference between the situation with which we are now confronted and the situation which is generally involved in railroad-labor disputes. He has also pointed out that the system which was adopted with regard to the settlement of railroad-labor disputes is not so perfect as some of us have been led to believe.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. BALL. My original question was prompted by the statement of the Senator from Montana that any abridgement or limitation of the rights of unions to strike would, in effect, destroy their power and effectiveness. I merely cited the various State laws, including one in Minnesota, which do limit the right to strike. The Railroad Labor Act limits the right of members of unions to strike. Such limitations have not in the least weakened the unions. My remarks were being directed only to the Railroad Labor Act, and the Senator from Oregon and the Senator from Montana got into a discussion of the merits of a particular limitation which we are not discussing at this time.

Mr. MORSE. I certainly shall not disagree with the Senator from Minnesota that we may establish certain restrictions upon the right to strike which would not destroy unions. However, I wish to see the proposed restrictions before I accept the general premise that restrictions do not endanger the freedom of the workers to organize for their own protection.

Mr. MURRAY. I should like also to see some balancing provisions to protect labor. If it is desired to propose legislation which would restrict the right of labor to strike, labor should be given something on which it can stand and enforce its rights in situations of that kind.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Illinois?

Mr. MURRAY. I yield.

Mr. LUCAS. As I understand, we are now talking about a coal strike and not a railroad strike. The Senator has been

discussing collective bargaining. That term will be debated here and talked about a good deal. Would the Senator tell the Senate what he understands to be true collective bargaining?

Mr. MURRAY. True collective bargaining is a situation where both sides stand on equal ground. They cannot stand on equal ground when one side is all-powerful and has the power of the press and the power of every other economic advantage, including wealth, on its side. Labor has only one strong ground to fight on, and that is the right to strike. If that is taken away from them they are deprived of their most fundamental right, and it is destroyed.

Mr. LUCAS. I am talking about collective bargaining which the Senator was discussing before he began to refer to railroads and the question of the right to strike. I should like to stay with collective bargaining for a moment, and elaborate a little upon it. The Senator is an expert upon labor legislation, and has been a very faithful chairman of the Committee on Education and Labor. Am I correct in my understanding that under the Wagner Act only the operators for instance in the case of the coal dispute are forced to collective bargaining, and that the miners or the union are not forced to collective bargaining?

Mr. MURRAY. There is no merit to that argument.

Mr. LUCAS. I am not making an argument. I am simply asking a question for my own information.

Mr. MURRAY. I shall be glad to answer the Senator. There is no need to enforce collective bargaining against labor. That is a thing they demanded and fought for, and which they finally won. And are now following.

Mr. LUCAS. And I supported it.

Mr. MURRAY. They are following it, but an effort has been made to hamstring them in their collective bargaining process and to weaken their position.

Mr. LUCAS. Let me say to the Senator that I supported the Wagner Labor Relations Act as a Member of the House of Representatives in 1935; but what I am interested in is the immediate, primary emergency which the country is facing. Assuming the newspapers are giving the American people the facts, I should like to know whether or not the Senator believes that John L. Lewis was doing a true piece of collective bargaining when, according to the press, he met with the coal operators for two weeks or more to discuss this question and never once raised the issue. I should like to know whether or not that is collective bargaining.

Mr. MURRAY. I did not sit in on those conferences.

Mr. LUCAS. I said, "assuming the facts I have suggested are true," I should like to have the Senator answer.

Mr. MURRAY. I am not here seeking to defend John L. Lewis or any other individual. I am here seeking to protect the rights of labor generally in connection with this problem when they seek to have their rights respected and settled by the collective bargaining system. If one man makes a mistake, if John L. Lewis, according to the statement of the Senator from Illinois has done something that is wrong, that is another problem.

Mr. LUCAS. But the Senator is also interested in the whole country, I take it, at the present time.

Mr. MURRAY. Yes; I certainly am.

Mr. LUCAS. I am interested, too, in labor's rights, and always have been, but I am also interested in seeing my country go along in an orderly fashion, and, so far as I am concerned, I am going to do everything within my power to see that no one man and no one minority group in this country, whether it be labor or management, shall be placed in a position to stifle the economy of the Nation to the point where the national welfare and safety of the people of the United States as a whole are seriously threatened. As I see this picture, I think that is in the offing, unless somebody comes to reason and does what ought to be done.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from Oregon.

Mr. MORSE. If I understand properly the actual question put to the Senator from Montana by the Senator from Illinois, I will agree with the Senator from Illinois if the facts are that Mr. Lewis for days on end in fact refused to discuss the merits of the controversy with the operators and refused to make any offers or refused to make any counteroffers if offers were made by the operators, and that he did not participate in collective bargaining. If that be the case, if in a great labor dispute either party does not sit down in good faith with the other party and try to make offers and meet offers, I remind the Senate of the great General Motors strike some 2 months ago. In my judgment any Senator who has read the statement of a committee of leaders that went over the record in that case must agree that the officials of the General Motors at no time made any attempt to proceed in good faith with collective bargaining on the issues involved in that dispute.

The point I make to the Senator from Illinois is that when it comes to labor disputes, if there is found a case where labor has not lived up to its obligations there will be found many cases of employers not living up to their obligations. I think, as I said last Friday afternoon, what the Senate needs is to have an objective study made by impartial Members of the Senate into the causes of labor disputes as they are involved in both union and employer practices in this country; and come back here next fall with a body of material on the basis of which the Senate could pass intelligent legislation.

Mr. MURRAY. I agree with the Senator. Such a study should be made free from the emotions of the moment. We cannot expect to enact competent and effective legislation at a time when people are excited and wrought up.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. LUCAS. I do not know what the conditions in the State of the Senator from Montana have been but had he been living in Illinois and had seen industry after industry shut down, if he had seen the dim-out which took place in that State and had seen people in the metropolitan and urban areas of Chicago working from 2 to 6 o'clock in the afternoon, I am sure he might have become a little excited about it. I doubt that I am overly excited as a result of this situation when I analyze the dark facts before me. While I am on my feet I should like to ask the Senator from Oregon if he agreed with what the General Motors officials did as a result of not bargaining with the labor group.

Mr. MORSE. Mr. President, will the Senator from Montana yield in order that I may reply to the Senator from Illinois?

Mr. MURRAY. I yield.

Mr. MORSE. Has the Senator read some of the comments I have already made on the floor of the Senate?

Mr. LUCAS. I cannot read everything the Senator says; it would take too much time.

Mr. MORSE. If the Senator feels that way about it, I do not know whether I can now elucidate my position for him. I do no know how any man could be more critical than I have been of what I call the lack of industrial statesmanship portrayed by officials of General Motors or the General Motors organization. So far as coal is concerned, I may say to the Senator from Illinois, I think I have had a little experience with the coal operators as well as with John L. Lewis, and I do not know anyone who has been more critical of Mr. Lewis in the past than has the junior Senator from Oregon. Let me say that, within my knowledge, the coal operators have never appeared in a coal case in this country, including the present one, with clean hands.

Mr. LUCAS. I do not know anything about the coal operators, and I know very little about the labor leaders; but speaking as one individual, I know that such a condition exists in the country at the present time that if this coal strike should come again at the conclusion of a period of 2 weeks, the Senate as well as the executive department and the other branch of Congress, must continue to give their utmost consideration to it.

Certainly I agree with the Senator from Oregon insofar as the industrial leaders in Michigan in connection with the strike in Detroit are concerned. I had something to say about that strike situation some 2 months ago in a speech at Springfield, Ill., and I did not hesitate to condemn both labor and management at that particular time, because of what was going on or what I believed was going on in the way of affecting the reconversion program in which all America was interested. I am glad to hear the able Senator say that he has taken the same position with respect to John L. Lewis in this crisis insofar as collective bargaining is concerned as he did in the case of the General Motors strike. Both industry and labor should do something constructive in this crisis, sacrifice, give and take, demonstrate superb statesmanship in order that America and her

people may enjoy liberty, happiness, and security.

Mr. MORSE. Mr. President, will the Senator from Montana yield further?

Mr. MURRAY. I yield.

Mr. MORSE. In reply to the Senator from Illinois, let me say that I think we are, perhaps, not too far apart insofar as fixing the responsibility for the present coal strike is concerned. I have consistently taken the position, and take it again today, that if and when a stalemate is reached, as it appears to have been reached in the coal strike, the solution ought to be for all sides concerned, including the Government of the United States, to agree voluntarily to abritrate their differences, because, in the present state of mind which permeates this country, I know of no other way in which the facts can be properly considered. If there was ever a dispute in which the American people need to know what the facts are before reaching a conclusion the coal strike is one of them, and if resort could be had by the operators, Mr. Lewis and representatives of the Government to the judicial process of voluntary arbitration of the dispute, a fair and decent settlement would be reached. I criticize all three groups, and have done so on the floor of the Senate in days past, for not following that procedure. I think today—and I say this sincerely to the Senator from Illinois—that is the only way to do it. For the life of me, I do not know what legislation we could pass through the Congress of the United States that would settle the coal case on its merits, and, after all, what we need if we are going to have the maximum production we want, is to have the coal dispute settled fairly on its merits; but that cannot be done by way of passing legislation.

Mr. LUCAS. Mr. President, if the Senator from Montana will yield further, I want to say to the Senator from Oregon that I agree with him that voluntary settlement should be obtained between the Government and the operators and the union leaders. That, of course, is the way it should be done; that is what everybody expects, and we are all hoping and praying that settlement will be made in that atmosphere. I am asking the Senator if it is not done, what is the next objective of Congress or the executive branch of Government.

Mr. MORSE. The Senator asked me that question the other day, and I replied to him on the floor of the Senate. I am going to repeat my reply now. If, after the so-called truce passes and we are once again faced with a shut-down of the coal industry, with the result of the shutting down of a great many other industries, I say it is the obligation of a free government to recognize that we have what is in the nature of a general strike or a general stoppage of production, and it must proceed then in the emergency period to exercise all the force of the Government to keep its economy operating. If that means seizure of the mines, seize the mines; if it means pleading with the workers of this country in the interest of the flag that will fly over the mines to help to settle the difficulty on its merits, that plea should be made. To put it in a nutshell, what it means is that the President of the United States, under the circumstances, should take steps to exhibit some leadership, which he has not done up to date in the coal case.

Mr. LUCAS. I do not agree with the Senator that the President has failed to give us leadership. Had he been bold and belligerent, I am sure some would be saying that such leadership was that of a dictator, and that he was doing things under his Executive power he had no right to do. That is the argument we would hear, perhaps, if the President had moved in, especially if he obtained no results.

I am glad to hear the Senator from Oregon make the statement that the Government will not be helpless and hopeless and supine if the crisis continues to get worse and worse. I, for one, will never take that position, I do not care who challenges the powers of the President of the United States. Powers have been taken before by Executives of this Government, in the days of Lincoln, and in other days, when some said they did not have the powers sought to be exercised; and they will be taken again, if necessary, in order to preserve free government in this Nation.

Mr. MORSE. Mr. President, with one further interruption, I assure the Senator from Montana I shall be silent. I agree with the Senator from Illinois that the Executive of this country in times past has seen fit to exercise Executive power to meet great emergencies. The late President Roosevelt did it during the war. This is not my first experience with the coal industry. We had a series of coal cases during the war, and, so far as my views are concerned, when we are faced with a complete blockage of production, I think then a free government must take action. But what we should keep in mind is not to let our feelings in regard to certain procedures which have been adopted by the union in a given case blind us to the merits of the case for the miners.

I venture the suggestion that if we walked into a committee room and really had before us the issues which are involved in the coal case, if we really took the data which I think could be presented to us as to the deplorable conditions under which thousands of miners still have to live, in spite of all that has been gained for them in the past 20 years, it would still be plain that their plight, compared with that of many American workers, is a sorry one.

Let us look at just one significant fact, namely, that there is no other group of workers in America whose average life expectancy in occupational employment is as low as that of the coal miners of America.

I have suggested before that the public sometimes becomes the most unreasonable of employers, and once the public is stirred up against a group of men, as it is being stirred up these days against the coal miners, it is easy for the public to forget the great injustices which we, as a public, are imposing upon the men who work down in the bowels of the earth. We are realizing how significant their work is to our economic prosperity and our national happiness; but as a public we should be willing to pay for coal a price which will enable the men who toil in the bowels of the earth to enjoy a decent wage and the decent standard of living to which they are entitled. We certainly should be willing to provide for them social-security laws and health laws which will protect their working conditions and their health.

I suggest that the Senate of the United States could much better afford to spend some time adopting amendments to the social-security laws and to the safety laws which would give the coal miners the protection they so richly deserve. than to sit here trying to figure out ways of placing strait-jacket restrictions upon free labor in America.

Mr. MURRAY. Mr. President, I wish to thank the distinguished Senator from Oregon. I am not at all embarrassed by his interruption. I think the interruptions have been very fruitful, and we have learned much from his very able remarks.

Mr. AIKEN. Mr. President, will the Senator from Montana yield?

Mr. MURRAY. I yield.

Mr. AIKEN. I have just been reading the amendment proposed by the Senator from Illinois [Mr. LUCAS] and while he is on the floor I should like to ask him if I am right in understanding that the purpose of the amendment is to force the coal miners to return to work.

Mr. LUCAS. Oh, no; it does not force anyone to return to work. I do not want to get into a debate on the amendment in the time of the Senator from Montana. If we do, we shall be engaged on that all afternoon.

Mr. AIKEN. I ask, then, what the amendment means in the language I shall read. It is provided that after the Government takes possession of the mines—

> Any such employee who fails to return to work (unless excused by the President) or who does engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such properties are in the possession of the United States, shall be deemed to have voluntarily terminated his employment in the operation of such properties, shall not be regarded as an employee of the owners or operators of such properties for the purposes of the National Labor Relations Act, as amended, unless he is subsequently reemployed by such owners or operators, and if he is so reemployed shall not be entitled to any seniority rights based on his prior employment.

It seems to me that is a plain statement that if he does not return to work he loses practically everything he has of value outside his own family. He loses his protection under the labor laws, he loses his seniority rights, and he loses his right to collective bargaining. That is nearly all most of them have outside of their families.

Mr. LUCAS. He does not lose his right to collective bargaining, but he does lose other rights. I should like to ask the Senator whether he does not think the people of the United States are entitled to some consideration in connection with the present strike, or whether he is willing to let it go on without an attempt on

the part of someone to suggest legislation which might help.

Mr. AIKEN. Of course we want the mines to be operated, but does the Senator from Illinois believe that the adoption of his amendment would result in the miners going back to work?

Mr. LUCAS. I do not know whether it would or not, but I will say to the able Senator from Vermont that it is an effort along that line, and it is the only thing I have seen in the way of an amendment in the Senate which attempts to meet the present emergency. If the Senator has anything better I should like to hear about it.

Mr. AIKEN. I want to do all possible to make the labor relations in this country better.

Mr. LUCAS. I want to do the same thing, but I am not in favor of making labor relations better if the country is going to hell.

Mr. AIKEN. I am not in favor of casting overboard all concepts of liberty under which this country has been governed since 1776, in order to force one man against his will to work for another who will make private gains from such service.

Mr. LUCAS. If the Senator reads anything like that into my amendment he does not understand at all what the amendment means. I am the last person in the world who wants involuntary servitude in this country. Such a thing cannot be done under the Constitution anyway. Everyone knows that we cannot make the men go back to work if they do not want to go back to work.

Mr. AIKEN. I do not think we could make the men go back to work under our present form of government. I was not reading anything into the Senator's amendment. I simply read the amendment.

Mr. LUCAS. The Senator interprets it in the wrong light. He does not understand the amendment; that is all. But I am not surprised at that.

Mr. MURRAY. Mr. President, one of the many mistaken notions that exists in the minds of a large section of the public is that men like to strike. Men do not go without pay nor risk the comfort and well-being of their families except under the most impelling urgency. It is the workers who suffer most during a strike.

Once you take away the right to strike, something must be done to create a balance between labor and management. That means that not only must wage rates and working conditions be regulated, but also prices and profits. Many of those who urge compulsory arbitration and limitations upon the right to strike would be the first to oppose price and profit control, and yet how can it be avoided? The committee is firm in its belief that neither wage control nor price control should be made permanent functions of the Government.

The committee was opposed to the President's fact-finding proposal. In the first place, the committee believes the Secretary of Labor and the President already have the authority to appoint such boards. In addition, both the subpena power and the cooling-off period were opposed by both labor and management. Moreover, the committee is of the opinion that if fact finding is set up on a statutory basis the parties to disputes will merely go through the motions of bargaining in the belief that they might do better with the fact-finding board than they could through striking a genuine bargain. It would be very easy, too, for fact finding to develop into public arbitration, a result which we consider undesirable.

For the same reasons, the committee is opposed to the theory that fact-finding boards should be appointed in labor disputes involving public utilities. In addition, fact finding in the public utilities field inevitably is bound up with rate fixng. This means that every time there is a labor dispute in a public utility and fact finding is employed, you have both a wage case and a rate case. Such a result would mean long delays in the issuing of determinations, and delay is generally fatal to the prompt solution of a labor dispute. Employees become restless and strikes inevitably result.

A word might be said at this point about cooling-off periods. Our experience under the Smith-Connally Act ought to demonstrate the futility of the cooling-off period as a cooling-off device. As the Members of Congress well know, the strike notice and cooling-off provisions of the War Labor Disputes Act proved no deterrent to strikes and lockouts. There is no reason to suppose that such provisions will be any more efficacious now than they were during the war.

Furthermore, attempts to impose sanctions for failure to comply with statutory waiting periods are based on the mistaken notion that compulsion can be effective in labor disputes. Adoption of judicial enforcement measures is undesirable. The courts are not the place for the settlement of labor disputes. Litigation is long drawn out and expensive. The delays involved tend to operate against the financially weaker party. Moreover, the history of the courts with reference to labor disputes is an unhappy one. As was stated in the majority report, "no possibility of the revival of the abuse of the injunctive process which featured the unfortunate era prior to the enactment of the Norris-LaGuardia Act should be afforded." We ought not to turn the clock back by opening the door to the issuance of ex parte injunctions, injunctions of broad scope with punishment for contempt as a threat overhanging the heads of individuals who are merely trying to obtain a better living for themselves and their children.

A good deal has been said to the effect that the Federal courts should be made available for suits under contracts and that all collective-bargaining contracts should be required to be mutually binding and enforceable upon the parties thereto. In all States, however, the law is that either party to a contract is bound thereby. The advocates of the proposal for making contracts mutually binding usually argue, however, that it is difficult to sue a union, even though the contract theoretically is binding on the union. In most of the States, however, unions can be sued in some way or other. In the few States in which service of process is difficult, the problem apparently is not one of major significance. If it were, the legislators of those States would already have acted and are, of course, free to do so now.

The committee also considered many proposals to deny to supervisory employees the protection of the National Labor Relations Act. The majority of your committee felt that the National Labor Relations Board, a Federal agency expert in the field of labor relations, was the proper tribunal to determine these involved and difficult problems. We were convinced it could not be denied that foremen, for example, are employees. They have their problems of wages and salaries and working conditions, just as do other employees. They ought to be entitled to organize for their own protection. The Board is capable of laying down the rules of conduct that will enable supervisors to enjoy the right to organize without, at the same time, violating any of their duties to management.

In addition, the committee considered the proposals of the Case bill and many other proposals to outlaw the secondary boycott. The majority of the committee is not unmindful of the fact that in several instances the boycott has been used unfairly and unjustifiably by some labor organizations. Nevertheless, the boycott is a defensive mechanism that fair-minded men cannot take away from labor organizations. Unions have a right to meet competitive wage-cutting, which undermines their very existence, by the use of the boycott. Where labor organizations have carefully and slowly built up the economic standards, nonunion employers should not be free to attack such standards while the unions have their hands tied and cannot defend themselves.

The committee would consider it necessary, however, to recommend a provision which would prevent interference with the transportation of perishable agricultural commodities. Under the committee proposal, certain types of activity with respect to such transportation would be prohibited. This provision, as is indicated in the committee report, "is addressed solely to situations involving the use of violence, threats of violence, and actual or threatened physical force." It is not intended to limit or narrow the carrying on of ordinary and legitimate union activities of employees who are engaged in the transportation of perishable agricultural commodities, nor is it intended to render illegal the activities of labor organizations which seek by strike, peaceful picketing, or persuasion, to improve the economic standards of their members.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. EASTLAND. Why was that provision limited to farmers hauling perishable commodities?

Mr. MURRAY. Because it was deemed that that was a situation which justified going to that extreme. It was felt that in case of perishable goods there should be no delay, and that therefore

a provision of that kind could be justified.

Mr. EASTLAND. If I correctly understand, then, it is the conception of the committee that coercion and robbery are all right so long as a farmer is not involved.

Mr. MURRAY. No; the Senator is mistaken. That is not the position of the committee. The committee feels that labor has a right to exercise such measures as to enable it to meet the problems with which it is confronted in its efforts to obtain decent living conditions and decent wages, under which workers can protect their families.

Mr. EASTLAND. I have before me an advertisement from a Pennsylvania newspaper which I should like to read to the Senator:

Notice, truckers: To all timber and coal truckers:

A meeting will be held at Henderson's Fairway Inn, Route 90, April 9, at 7:30 p. m., to sign up with our local union to affiliate us with the United Mine Workers.

I call the Senator's attention particularly to this paragraph:

The deadline for hauling these commodities will be April 15, to anyone who doesn't belong to this organization; $3 initiation fee and $1.50 each month.

Is it the position of the committee that a union can prohibit a man with a truck from going on the public highways and hauling coal and timber unless he pays tribute to that organization against his will?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. PEPPER. My impression is that violence or robbery of that sort would be illegal under the State laws of the State of Pennsylvania. I should like to ask the Senator if what he is suggesting is not that the Federal Government should create a Federal crime, when an act is already a State crime, and whether the Senator wishes to lay down the precedent that acts that are already State crimes and are criminal in character should also be made Federal crimes. If the Senator says he wishes to establish such a precedent, would he follow that precedent in the case of a Federal antilynching bill?

Mr. EASTLAND. I will discuss that question when it comes before the Senate; but I cannot see the point in saying that it is a violation of the law and a misdemeanor to rob a farmer, but that robbery is permissible against any other citizen.

Mr. PEPPER. Are we going to make every robbery and every assault and battery that occurs in the United States a Federal crime? That is the whole point.

Mr. EASTLAND. Why the distinction? If it is wrong to rob one man, why is it not wrong to rob another man?

Mr. PEPPER. Because it is no more wrong for a worker who calls himself a union picket to rob a man operating a truck into a city than it is to break into the man's house and steal his goods and assault him in his own yard, or on the public street. They are all crimes; and if we are not going to make them all Federal offenses, why pick out one segment and make it a Federal offense as well as a State offense? The answer is for the State to enforce the laws.

Mr. EASTLAND. That is exactly what the Senator from Montana recommends to the Senate, and I should like to know the reason for the distinction.

Mr. MURRAY. That was the action of the majority of the committee. It did not exactly appeal to me; but it seemed to me that an exception could be made in the case of perishable goods, which would be destroyed if action were delayed. At any rate, that is a matter for further discussion at a later time. I have only a few more minutes, and I should like to conclude. It would have been easy for the committee to have yielded to the pressure of the special-interest groups and to have recommended severely restrictive labor legislation. The very groups which now express dissatisfaction with the existing state of the law and with the committee recommendations would have been the first to applaud such ill-advised action. It is clear that such action would not be in the public interest. It would be unfair to single out one of the parties to a labor dispute and assess penalties against it. Both labor and management are sometimes right and sometimes wrong in these matters. It would be unfair to impose sanctions on one party alone.

The futility of attempting to force men to work against their will through indirect sanctions is obvious. Labor disputes are problems in social psychology as well as economic problems. Men frequently act irrationally and emotionally in these things. Laws which purport to require men to render service against their will would be in contravention of democratic principles, and would be completely unenforceable. Such statutes would suffer the same fate as did prohibition, and would be marked more by their violation than by their observance.

We have sought, rather, to build a firm foundation for the peaceful and expeditious solution of labor disputes. We feel strongly that the function of the Government in this field must be limited to assistance to the parties by way of strengthened and efficient conciliation services. There is no easy road to industrial self-government. If democracy is to survive, it must preserve fundamental freedoms, such as the right to strike. Sound labor legislation, in my opinion, must place the responsibility for the settlement of labor disputes where it belongs—upon labor and management. The methods of compulsion will lead us only to the desolation of totalitarianism.

The PRESIDING OFFICER (Mr. HATCH in the chair). The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD] as a substitute for section 8 in the committee amendment, on page 28.

Mr. BYRD. Mr. President, I should like to make a brief explanation of this amendment. The amendment is for the purpose of prohibiting the payment of royalties to labor unions, which is the issue in dispute between the coal miners and the coal operators.

This amendment to House bill 4908, the so-called Case bill, strikes out section 8 of the committee amendment, which relates to the exercise of rights of employees or labor organizations under the National Labor Relations Act and also to the Norris-LaGuardia Act, and inserts in lieu thereof a new section. It is necessary to take out section 8 as it conflicts with the subject matter of the amendment.

Subsection (a) of this amendment makes it unlawful for an employer to pay money or other thing of value to any representative of his employees. For constitutional reasons it is limited to employees who are engaged in commerce or in the production of goods for commerce. The term "representative" includes an individual who is a labor representative as well as a labor organization. This subsection does not prohibit an employer from building health and recreational facilities for his employees.

Subsection (b) makes it unlawful for any representative of employees to demand, receive, or accept from the employer of such employees any money or other thing of value. This subsection does not prohibit the employee himself from accepting money or other thing of value if it is paid directly to the employee by the employer. Nor does this subsection prohibit a demand for a raise in wages if such wages are to be paid directly to the employees themselves.

Subsection (c) is necessary in order to take two classes of cases out from under the prohibitions contained in subsections (a) and (b). In some instances an employee will also be a labor representative, and there should be no prohibition from paying him his compensation for, or by reason of, his services as an employee. The second class which it is deemed desirable to exempt from the prohibition is the payment of dues or other similar fees payable by such employee to his labor organization as a result of an agreement between the employee and his union. This exception preserves the check-off system.

Subsection (d) provides that any violation shall be subject to a penalty of not more than $10,000 or imprisonment for not more than 6 months, or both.

Subsection (e) authorizes the district courts of the United States and the United States courts of the Territories and possessions to restrain violations of this section, notwithstanding the cited provisions of the Clayton Act and the Norris-LaGuardia Act.

Subsection (f) contains the necessary definitions.

In general the amendment prohibits payments by an employer of money or other things of value to labor representatives and labor organizations, but in no manner does it prohibit the payment of such things to employees directly. It provides a criminal penalty and authorizes injunctions for violations. It does not prevent an employer from building health and recreational facilities for his employees.

Mr. President, regardless of the name by which it may be called and regardless of the purposes for which the fund may be used, the demand of the United Mine Workers for the payment to them of a royalty of 10 cents a ton on all coal

mined is an excise tax on product. The same is true of Petrillo's royalty on phonograph records produced by the members of his musicians' union. A similar royalty or excise tax imposed by the unions on the products of every industry would amount to approximately $4,500,000,000, which is more than the total tax revenue of the Government in 1937.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. EASTLAND. I think the Senator's statement is too broad. A similar tax on the products of industry would raise $4,500,000,000, when the tax was limited to the products of manufacturing enterprises which are owned by corporations.

Mr. BYRD. That is correct.

Mr. EASTLAND. The figure $4,500,000,000 does not include the proceeds of such a tax on the products of manufacturing enterprises which are privately owned or are owned by partnerships. A similar tax on all industry, including them, would amount to a great deal more money.

Mr. BYRD. That is correct. A 10-cents-a-ton royalty on coal would amount to approximately 3 percent of the value of the coal at the mines. Of course, I was referring to the production of corporations when I mentioned the figures I cited a moment ago. The figure $4,500,000,000 for such a tax exacted from all manufacturing corporations does not include the proceeds of such a tax on the products of many small firms which are engaged in similar production.

Mr. President, the Revolutionary War was fought over the issue of taxation without representation. The new Republic was founded on the basis that only the duly elected representatives of the people, functioning in a governmental capacity, should have the right to levy taxes. Through a century and a half of our national history that fundamental principle of our democracy was never challenged. Then Mr. Petrillo, president of the musicians' union, exacted a royalty from the manufacturers of phonograph records, and he still collects it from them, but he cannot now levy a tribute on the broadcasting companies which use the records. He is unable to do that, by reason of the legislation which was enacted by Congress.

At one point during the war the production of coal amounted to 620,000,000 tons. There is a current demand for coal, both in the United States and abroad, for the production of at least 600,000,000 tons. A royalty of 10 cents a ton on that production would be equivalent to a tax of $60,000,000 a year on the consumers of the coal. Of course, if John L. Lewis can establish his right to impose that tax on the commodity produced by the members of his union, every other labor leader will feel under compulsion to attempt to inaugurate a similar program. Even if there had been no previous legislation on this subject, the principle that only a Government agency can levy taxes is so fundamental that the power of Congress to prohibit a private agency from exercising that function would be too clear to be debatable.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. EASTLAND. As the Senator has said, Mr. Lewis's royalty demand is a tax. But it amounts to a tax by one individual upon another individual—which is foreign to every basic concept of our Government.

Mr. BYRD. The Senator is entirely correct about that. It is a tax enacted by a private organization, not an agency of the Government.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. PEPPER. I am not quite able to bring myself to the conclusion, from what I have read in the newspapers—and, unhappily, that is where most of us have to get our information about this controversy—that what is required or made a condition by Mr. Lewis and the miners is in the nature of a tax.

The able Senator from Virginia can sell his apples to me for any price at which he wishes to sell them. I take it that he can require me to pay so much a bushel for the apples I buy, and an additional number of cents a bushel which might be put into a special fund of some sort; and if I did not wish to buy his apples on those terms, I do not know of any law which would subject the Senator from Virginia to imprisonment or other punishment. I would not consider that that would be a tax, in the sense in which the able Senator from Virginia has compared it to a tax imposed by the authority of law.

The controversy, as I have understood it, relates to whether Mr Lewis, for the miners, can negotiate controversies with the management of the mines until they agree to the establishment of a health fund—perhaps the health fund to be the equivalent of so many cents a ton for each ton of coal mined. So far as I know, under the law and under our constitutional concepts, if a man does not want to work for an employer who has not provided a health fund for his employees, he has a right not to work for that employer.

Would not the able Senator make a distinction in the case of a worker who says "I will not work for you unless you create a health fund of a certain size for me and my coworkers"? Does the Senator say that in his considered opinion as a fiscal expert—perhaps the outstanding fiscal expert in the Congress—that is a tax?

Mr. BYRD. Mr. President, I say that under the conditions which exist today it is a tax, because John Lewis is dealing with a necessity for existence. He produces coal, and today he is the only producer of bituminous coal in America; and he can close down every furnace, every public utility, and all the factories producing the very necessities for our existence. When a man is in such a position of power and when he says that unless a certain payment is made to him as the representative of the employees, he will continue to keep those industries closed down and will inflict on the country one of the greatest catastrophes it has ever known, I say that in my judgment the payment which is demanded is unquestionably a tax which would be passed on to the consumer, if such an arrangement were made.

Mr. PEPPER. Mr. President, will the Senator further yield?

Mr. BYRD. I yield.

Mr. PEPPER. I hold in my hand a little bulletin designated as No. 841. It appears to have been issued by the United States Department of Labor, L. B. Schwellenbach, Secretary, and it comes from the Bureau of Labor Statistics. It purports to show some things on the subject of health programs established through collective bargaining as of 1945.

On page 3, under the heading "Financing of the plans," I read the following:

> Most of the health-benefit plans included in this report are financed entirely by the employer.

And on page 2 there is a list of a large number of unions which have obtained some kind of health benefit plan. I observe a quarter of a page of them. There is a considerable number of unions involved. It looks, therefore, as though Mr. Lewis is not contending for something which may be considered to be a precedent, however much I may disapprove of the manner in which he is endeavoring to achieve his purposes, and the fact that instead of emphasizing the plight of his workers he is emphasizing his own arbitrary authority. But I assert that, however much I may disapprove of the method which Mr. Lewis employs, it appears from the report of Secretary Schwellenbach that the substance of what Mr. Lewis seeks has already been sought and gained by other unions through their union representatives.

Mr. BYRD. Mr. President, so far as I am aware, no union of this country has ever attempted to close down the life of the entire Nation in the way which Mr. Lewis and his union has attempted to do, unless a specific payment were made to the union. I am not objecting to the establishment of health and welfare funds for workers; I am in favor of it; but I do object to a union leader saying to the coal operators, "You must give to my union money with which to establish a fund, and in so doing give me exclusive control"—not a joint control as some other agreements provide, such as those which the Senator from Florida has read—"over the expenditure of the money as I please." The employer who pays the money would have no voice in its control. Mr. President, I consider that such payments to be exactions which could result in complete destruction of the private enterprise system of the United States.

Mr. PEPPER. The condition at which the able Senator from Virginia is striking is not so much——

Mr. BYRD. I am endeavoring to strike at the attempt of representatives of labor to obtain payments from employers in excess of the salaries paid their employees, and use such payments in establishing funds over which no one but the labor representatives would have any

control. If such a privilege were extended under all contracts made between employers and employees throughout America, it would result in payments totaling at least $4,000,000,000 a year, and perhaps more. The figures which I have before me relate only to corporations. I assert that if such a condition were allowed to take place, labor unions would become so powerful that no organized government would be able to deal with them, as is practically the case at the present time.

Mr. PEPPER. Mr. President, I return to the question which I was attempting to propound to the Senator from Virginia. Is it not true that if Mr. Lewis had not imposed the particular requirement which we are discussing, he could just as well have called out his miners on a strike in support of some other form of demand?

Mr. BYRD. Mr. President, the Senator from Florida may defend Mr. Lewis all he wishes, but he knows, I know, and the country as a whole knows that Mr. Lewis has refused even to present his demands for other payments until first the question pertaining to the payment of royalties has been disposed of. If the Senator does not know that to be the fact, he has not read the newspapers nor kept abreast of what has taken place.

Mr. PEPPER. The Senator from Florida is not trying to defend Mr. Lewis any more than he would attempt to defend other men and women who are working in this country.

Mr. BYRD. The Senator has a perfect right to defend Mr. Lewis. I am not objecting to his defense of Mr. Lewis. He has a right to defend on the floor of the Senate any person whom he wishes to defend.

Mr. PEPPER. Mr. President, I am trying to get the Senator from Virginia to go to the core of the question being presented.

Mr. BYRD. I have gone to the core. If the Senator cannot understand me, I cannot present the English language in such a way that he can understand it.

Mr. PEPPER. Mr. President, the Senator from Florida will be as alert in endeavoring to understand the arguments of the Senator from Virginia as his limitations will allow. But what I wish to find out from the Senator is what can be done to keep the coal of this country flowing to the places where it is needed. I merely assert that, with his fertile mind, if John L. Lewis wants to keep his miners out of the mines he can find other ways in which to do it than by merely demanding the payment of money to be used to establish the health and welfare fund to which reference has been made. What does the Senator from Virginia propose that will compel miners to produce coal?

Mr. BYRD. The issue between Lewis and the coal operators today is the one involving the payment of royalties. If the Congress of the United States would say that such royalties exacted under the conditions named were illegal, I believe that it would do a great deal toward bringing Mr. Lewis off the high horse on which he now rides, and force him to give some consideration to the people of America instead of confining selfishly his considerations to himself and to the members of his union.

Mr. PEPPER. Would the Senator make it illegal for the miners, the employees of Ford, the employees of General Motors, or any other enterprise in this country, to refuse to sign a working contract with management unless management provided a health fund which, in the opinion of the workers, would adequately take care of their health requirements?

Mr. BYRD. Mr. President, the Senator's statement shows that he has not read my amendment. All the amendment does is to provide that the money will not be paid to representatives of the union. It would still be possible to establish a health program and place the money under joint control. All the amendment provides is that the representatives of the employees, which means the union, shall not receive a tribute of this kind, even though it may be provided for in a collective bargaining contract. The amendment is very clear, short, and simple.

Even if there had been no previous legislation on this subject, the principle that only a Government agency can levy taxes is so fundamental that the power of the Congress to prohibit a private agency from exercising that function would be too clear to be debatable. But the Congress has both directly and indirectly legislated on that subject during the past 10 years. It directly legislated on the subject in the passage of the Wagner Labor Relations Act, which makes any contribution by an employer to his employees over and above their wages or salary an unfair-labor practice, enforceable by the National Labor Relations Board. That Board has enforced that law with respect to payments to a company union, but has never seen fit to enforce it against any national union. At his press conference last Monday President Truman said that he was personally opposed to royalty demands and royalty payments, and that they were prohibited by the Wagner Act. It is quite apparent, however, that the Wagner Labor Relations Act is not sufficient to reach the problem which now confronts us.

Again, in the passage of the Fair Labor Standards Act the Congress exercised its power to regulate and control interstate commerce by including in that act a provision that no employer should burden interstate commerce by the payment of wages below the minimum fixed by that act. The power of the Congress to protect interstate commerce in that manner has repeatedly been upheld by the United States Supreme Court, and it necessarily follows that the Court would be compelled to uphold the law to protect interstate commerce from being burdened and restricted by demands in excess of fair wages. This amendment deals with employees who are engaged in commerce or in the production of goods for commerce. With respect to such goods, it prohibits the employer to pay, or any representative of any of his employees to collect, or attempt to collect, any money or other thing of value, for the use of such representative, or in trust or otherwise.

My amendment would prevent an employer from paying a royalty to the representative of a union. He would be clearly liable, under the provisions of this amendment, if he paid a royalty or other money to the representative of a labor union, the purpose of which was to bribe that representative. The amendment does not prohibit the direct payment of wages to an employee nor the payment to a union of union dues through the check-off system. The penalty for a violation of the act is a fine of not more than $10,000 or imprisonment for not more than 6 months, or both. United States district courts are given jurisdiction to enforce the act, and in addition to the criminal penalty can grant injunctions, notwithstanding any provision of any antitrust law which seeks to relieve labor unions from injunction proceedings.

Mr. President, I merely wish to say a few words about what the payment of a royalty on production would do. There can be no question whatever that the demand made by Mr. Lewis on behalf of the United Mine Workers means a royalty on the production of coal, because he is not asking a flat sum, he is not asking an increase in the salaries of the members of his union in this instance, but he is asking that there be paid to him as the head of his union, 10 cents for every ton of coal that is mined and produced, which will mean $60,000,000 a year. That is a royalty; no one can deny it.

If Mr. Lewis succeeds in doing this, why should not the copper miners demand it, why should not all the other unions which produce different articles have the same privilege Mr. Lewis would have? Why should not those who make automobiles charge $10 or $20 or $30 as a tribute to the labor union for every automobile they produce?

Mr. President, what will happen if this is done? The royalty will all be paid by the consumers. Let us not deceive ourselves about that, the consumer will be the man who will have to pay the tribute if John Lewis succeeds in getting it, because it will be added to the cost of the coal.

Let us consider what may happen with respect to the 10-cent royalty on coal. It is 3 percent, as I have stated, of the value of the coal as sold by the producer. Let us, for example, say that railroad unions will charge a tonnage levy. There is no reason why they should not do that, if Mr. Lewis can get 10 cents on the production of every ton of coal. If he can do that, why cannot the railroad unions get a certain percentage for the handling of every ton of freight? It is exactly the same principle. Suppose the teamsters should exact another royalty. Then I think it could be conservatively estimated that instead of the consumer paying 10 cents a ton, which Mr. Lewis would get, he would pay 30 or 40 cents, by reason of the pyramiding of the different royalties. It would all come out of the pockets of the consumer.

As I have said Mr. President, it is a privately imposed tax. It is just as much a tax as an excise tax which would be levied by the Government, just as much

a tax as a tax on gasoline, which is paid into the Federal Treasury. The only difference is that it goes into the treasury of Mr. Lewis, and I am told that in the negotiations he has refused to say what he is going to do with the money, he has refused to agree to have any auditing of it, he has refused to give any accounting of what he is to do with it.

In that connection, Mr. President, let me say that the labor unions are the only great accumulations of wealth which do not have to make accountings. Of course, they are not "small" business any longer. The labor unions of the United States last year had a total revenue, according to the reports made to the finance committee, of $400,000,000. Yet they talk about big business and the big manufacturers. They had a revenue of $400,000,000 last year, and this tribute would be added to that. So as time went on the other unions would say, "We have to do as well as Mr. Lewis has done for the members of his union," and all the rest of them would say, "We have to get the same tribute."

We should understand, Mr. President, that this money does not go to the employee directly, it does not go to him in the sense of increased wages, but it goes to the union headed by Mr. Lewis, who has up to this time refused to say what he will do with it.

I have said that the labor unions are the only great accumulations of wealth in this country which make no reports of their financial operations. With a great income of $400,000,000 a year, no report is made to any branch of the Government as to what they do with the money, or as to any of the items of its expenditure. I venture to say on the floor of the Senate here and now that if the members of the labor unions which paid this $400,000,000 into the coffers of the union knew what it was spent for, if they knew of the high salaries which are paid to the labor leaders, if they knew how much was expended for political purposes to defeat Members of Congress who would not take orders from the CIO Political Action Committee, and would not wear the collar of John Lewis, and Sidney Hillman, and Caesar Petrillo—I venture the assertion that if the members of the unions who paid this money knew where it went, there would be quite a correction of what is being done now.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Virginia yield to the Senator from Florida?

Mr. BYRD. I yield.

Mr. PEPPER. Has the Senator any suggestion about how to keep big manufacturers, big banking interests, and other big business interests, from trying to defeat Senators who will not bow to their will and become their servants?

Mr. BYRD. The Senator should know, but he does not seem to know, that a corporation cannot contribute $1 for political purposes, while a labor union can.

Mr. PEPPER. But the Senator from Virginia should know that they find ways to do it.

Mr. BYRD. If they find ways illegal of doing it, just as in the case of anyone else who breaks the law, they can be punished for it. The law specifically prevents a corporation from giving $1 for political purposes, but no such prohibition extends to a labor union. If an individual contributes money for political purposes in excess of $3,000, he has to report it to the Government and pay a gift tax. Yet, those who are on the "purge" list of the CIO may have CIO money spent to defeat them. I happen to be one who is on that list, and I wish to say that I regard it as a badge of honor. I am proud to be on the purge list of the Political Action Committee of the CIO, because I know that that means that they know they cannot control me in my votes in the United States Senate. Yet they can spend an unlimited amount of money to defeat me and other Members of Congress without making a report to anyone as to how the money is collected or how it is spent.

Mr. PEPPER. Mr. President, will the Senator further yield?

Mr. BYRD. I yield.

Mr. PEPPER. I am not absolutely sure that I am technically correct, but it was my understanding that the funds which have been raised by the CIO, or the Political Action Committee, have been raised by contributions made by individual members of the unions; that the contribution has not come out of the treasury of the union, but from a fund raised by contributions made by individual members.

Mr. BYRD. I do not care how it is raised; that is a matter of no consequence at all, if it is raised by the union members.

The point I am making is that the labor unions make no report. It is not a question of where the money comes from. They make no report, and are governed by no laws as to how the money is to be spent, for political purposes or otherwise, while there are very strict laws with respect to corporations and individuals. The laws may not be obeyed, though I have never known them not to be, but those who do not obey them can be prosecuted and can be put into jail.

Mr. PEPPER. Mr. President, will the Senator yield again?

Mr. BYRD. I yield.

Mr. PEPPER. I merely wanted to make the observation, comparable to the one the Senator has made about it being a badge of satisfaction to him that he is on the purge list of the CIO and the NAACP, that there are some of us who derive much satisfaction from the fact that ever since we have been in public life we have been on the purge list of some of the reactionary big business interests of the United States.

Mr. BYRD. I am glad that there is a situation from which the Senator from Florida can derive a great deal of satisfaction, and out of the same situation the Senator from Virginia can derive satisfaction. It is one of the few times we can derive mutual satisfaction out of the same proposition. [Laughter.]

Mr. PEPPER. Except that it comes from opposite directions.

Mr. BYRD. That may be, but I am very glad there is at least something out of which we can get a mutality of satisfaction.

Mr. President, I shall not labor this matter any longer at this time. It probably will be discussed further.

I merely desire again to emphasize that all the amendment does is to prohibit the representatives of a labor union from receiving from an employer a specific sum of money. It does not prohibit in any way an increase of wages, it does not in any way prohibit the establishment of a health fund, if it should be controlled by mutual agreement, and not go directly to the union. It does not prohibit the employee from establishing a health fund of his own. Today the unions are one of the greatest single forces in America. They have the power of life and death, virtually, over the people of this country, and what I am undertaking in this amendment is to make it illegal for John L. Lewis to hold this Nation up at the point of a gun, which is what he is doing today, in order to get a fund of 10 cents on every ton of coal mined, which would give to him a fund of more than $60,000,000.

I call attention to the fact that if this is done for John Lewis, it will be done in the case of many other unions. I am offering this amendment, not entirely because John Lewis is doing what he has been doing in the past few weeks, creating suffering and distress, rampant throughout the land today, with the smoke no longer rolling out of the chimneys of thousands of industries which should be operating and furnishing employment. It is a proper amendment to provide that no labor union may levy tribute upon an employer and use the fund so derived for its own purposes, without making an accounting for it.

Mr. PEPPER. Mr. President, will the Senator yield again?

Mr. BYRD. I yield.

Mr. PEPPER. I do not wish at this time to go into a full discussion of this matter, but I think it is a little difficult to reconcile what the able Senator from Virginia has in mind with what the language of his amendment actually provides. As I read the amendment—and it not the first time I have read the amendment of the able Senator from Virginia—section 8 reads as follows:

SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer, or (2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer

in payment of dues or other similar fees payable by such employee to such labor organization.

Those are the pertinent parts of the amendment, I believe I am correct in saying. Is not that true?

Mr. BYRD. That is true.

Mr. PEPPER. Mr. President, I wonder if the able Senator realizes that the amendment, which carries a penalty that—

Any person who willfully violates any of the provisions of this section shall upon conviction thereof be subject to a fine of not more than $10,000 or to imprisonment for not more than 6 months, or both.

Would apply to anyone who actually received the pay check of a fellow worker and took it to the worker's home, if the worker to whom the money was due might happen to be sick? It merely goes to show how carefully we must consider these things when we start to write a law.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TYDINGS. I think that would be a rather strained interpretation, because if the Senator and I were fellow employees in a plant, and he were ill, and I would take home his money to him from his employer, both of us being workers in the plant, I would not be receiving the money. I would be the employer's agent until I delivered the check into the hands of the Senator from Florida. The language of the Senator from Virginia is "You shall not receive." I would not be receiving it. To receive means to keep.

Mr. PEPPER. Oh, no.

Mr. TYDINGS. I do not think any court in the world would put such a labored construction on it, although in writing almost any law we can conceive that 100,000 different constructions could be put on the language. But there would be no logic behind such construction as the Senator from Florida points out.

Mr. PEPPER. I thank the able Senator. Of course he is a very successful and, no doubt, well paid, deservedly so, lawyer. If Mr. John L. Lewis or if a trustee for the miners' union or some other union should happen to receive a fund, not for his personal beneficial use but in order to set up an insurance or a hospital benefit fund or hospital facilities or a fund to provide medical services, would not the able Senator allow that to be explained and allow it to be shown that it was not for a personal beneficial use of the money that the representative of the mine workers was receiving it? That is the reason I said that what the able Senator from Virginia has in mind is one thing, and what the language of his amendment would provide is another thing.

Mr. BYRD. It is only the interpretation of the language of the amendment by the Senator from Florida, with which I am in total disagreement.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHEELER. Let us suppose the employees themselves were putting up a hospital, and the employer wanted to contribute some money toward that hospital. If he did so he would be violating the law, as it is proposed to be written under the amendment.

Mr. PEPPER. The Senator from Montana is absolutely correct. He himself is an eminent lawyer. Neither one of these two exceptions in the amendment would protect the employer in such a case from being criminally liable.

Mr. BYRD. I will say that the only prohibition here is from making a payment to a representative of the employees, and that means a representative of the union. A joint fund can be set up which is handled in some other way, or the employer himself can set up the facilities for health, and so forth.

Mr. PEPPER. But the amendment does not say so.

Mr. BYRD. It does not prohibit it.

Mr. PEPPER. It does not say anything about that.

Mr. BYRD. All it says is that no payment shall be made by the employer to a representative—not to the employee himself—but to a representative of the employees.

Mr. PEPPER. If a hospital is to be built to serve the workers and they put up 90 percent of the money, and there is a board of trustees which is raising the money to build the hospital, and the employer should give 40 cents to that representative group or board, he would be guilty of violating the statute, as the Senator from Montana has pointed out.

Mr. WHEELER. Mr. President, will the Senator again yield?

Mr. PEPPER. I yield.

Mr. WHEELER. Frankly, I think there are a good many employers in this country who want to contribute and have contributed personally to something the employees wanted to do for their own benefit. This language clearly goes so far as to make the employer guilty of violation of the law if he contributed anything to the union for the benefit of the union, even, for instance, to a dance or a picnic for the union. In my home State whenever the smelter men's union or whenever the miners' union, or any of the unions, plan to hold a picnic on Labor Day, they go to the employers and ask for contributions for that purpose, and they go around among the merchants of the town and take up contributions for the picnic. But if the amendment were enacted into law the corporation could not contribute 1 cent to such a picnic or to a celebration, either a patriotic celebration or whatever it might be.

Mr. PEPPER. I thank the able Senator for his statement.

Mr. WHEELER. The Senator from Florida has already called attention to agreements which some unions have at the present time with the companies whereby the companies contribute to health funds. He referred to the report of the Department of Labor dealing with health-benefit programs established through collective bargaining in 1945. The plans have been negotiated by the following unions: International Ladies' Garment Workers Union, A. F. of L.; Amalgamated Clothing Workers of America, CIO; United Hatters, Caps, and Millinery Workers' International Union, A. F. of L.; Textile Workers' Union of America, CIO; United Textile Workers of America, A. F. of L.; International Fur and Leather Workers Union of America, CIO; United Electrical, Radio, and Machine Workers of America, CIO; Upholsterers' International Union of America, A. F. of L.; United Furniture Workers of America, CIO; Industrial Union of Marine and Shipbuilding Workers of America, CIO; Hotel and Restaurant Employees' International Alliance and Bartenders' International League of America, A. F. of L.; Paper Workers' Organizing Committee, CIO; United Retail, Wholesale and Department Store Employees of America, CIO; and the Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, A. F. of L.

One third of the fund, according to the report of the Department of Labor, is paid by the employer to the union, and the union handles it. Frankly, I think it would be much better to set up a joint organization of employer and employees. The railroads themselves contribute to an insurance fund which is partly paid for by the Railroad Brotherhoods and partly paid for by the railroad companies. But the proposed amendment would absolutely upset such operations under which the unions are getting along all right with the employer. It would upset the whole program now in existence.

Mr. PEPPER. The Senator from Montana is absolutely correct. If the Senator from Virginia wants to pose to the Senate the square, clear-cut question of whether or not we should prohibit a union from refraining from work unless the employer contributes the whole amount necessary to an insurance fund or hospital benefit fund, very well, then, the Senate can meet squarely that issue, as it might be presented. I dare say the Senate would like to have a chance to express itself on that particular question. But the way the Senator's amendment is worded it would absolutely invalidate the plans which are already in existence, as the able Senator from Montana has already pointed out, and it would actually make it illegal for an employer to contribute $100 to a baseball team a labor union was trying to organize for the recreation and entertainment of its members, because this is what the amendment provides:

SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employee any money or other thing of value.

That language forbids every type of delivery by employer to employees and every type of receipt by employees from employers, except two, and they are specified on page 2 of the amendment. The first is payment of compensation for services rendered, and second is the so-called check-off. Any other payment

or any other receipts under the language of this amendment would be made illegal.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TYDINGS. If what the Senator from Florida says is sound I think we ought to find some new words to do what the Senator from Virginia has in mind. I have just been reading the amendment. As I understand, the sole prohibition is against a representative of an employee, and not the employee himself. Let up suppose that X corporation wanted to give $100 to the X baseball team. It could do it.

Mr. PEPPER. Not unless the money were given to each individual to contribute to the common fund.

Mr. TYDINGS. The corporation could give it to one of its own employees. If I am mistaken I wish to be corrected. Let us suppose that there are 20 men on the team, and that A is the captain of the team. He is a man who works in the carpenter shop. Cannot the X corporation give the $100 to A, and say, "Bill, here is $100 for your baseball team?"

Mr. PEPPER. Is he an employee?

Mr. TYDINGS. Yes.

Mr. PEPPER. If he were an employee and the management were the employer, then the management would be guilty of paying or delivering, and the employee would be guilty of receiving or accepting $100.

Mr. TYDINGS. No; because the only prohibition in the amendment is not against an employee, but against a representative of an employee.

Mr. PEPPER. The man in the Senator's illustration would be a representative of the employees.

Mr. TYDINGS. No.

Mr. PEPPER. It would be an employees' organization which would be organizing the baseball team.

Mr. TYDINGS. He himself would be an employee. He would not be a representative.

Mr. PEPPER. Would the Senator contend that he would be the sole beneficiary, and that the contribution would not be for the benefit of the employees?

Mr. TYDINGS. There is no provision in the amendment as to what the employee shall do with his wages when he gets them, or what he shall do with any gift which the employer sees fit to give him. The only prohibition in this amendment is against a representative of the employees. I will say to the Senator that, personally, I am not sure that I would vote for this amendment in its present form, but what I am trying to do is to reduce the situation to facts. As I see it, under the terms of the amendment, an employer could, in the case of the baseball team, give the captain of the team $100 and say nothing about the purposes for which it was to be used.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHEELER. Let me call attention to the language:

(b) It shall be unlawful for any representative of any employees——

Mr. TYDINGS. That is correct.

Mr. WHEELER. This man asks for some money to support the baseball team——

Mr. TYDINGS. No; he does not ask.

Mr. WHEELER. Suppose he says, "We are organizing a baseball team"—or it may be a picnic—"and we want you to donate some money." He is the representative of the employees. He is not going to put the money in his pocket. If the company thought he was going to put it in his pocket, it would not give it to him. The company is not going to give him the money unless he is the representative of the employees themselves. Otherwise the man could say to the other employees, "The company gave me $100, and I will stick it in my pocket," and the other employees could not do a thing about it, because it was given to him. The company wants to know that he is representing the baseball team, or representing the union, before it gives him any money for the baseball team or for the picnic. In the case of every picnic ever held by the miners' union in Butte, or every picnic ever held by the railroad brotherhoods, the employees go to the employer and say, "How about donating some money?" That brings about good will between employer and employees. When the miners' union picnics are held in Butte, the employees go to the businessmen of the city for donations. When the coal miners hold their annual meeting at Billings, Mont., they go to the companies for donations, and money is given to them. Every decent company in the United States does the same thing.

Mr. TYDINGS. Yes; and I am heartily in favor of it.

Mr. WHEELER. Something was said about the CIO. The Senator from Virginia is not the only one on the CIO purge list. I was placed upon it, notwithstanding the fact that I have supported every piece of labor legislation that has ever come to the floor of the Senate.

Mr. TYDINGS. Let me say to the Senator from Montana that, notwithstanding the fact that Wall Street and the CIO are both against him, I am betting that he will be reelected.

Mr. WHEELER. I thank the Senator very much.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield, although I am reluctant to terminate this fine discussion.

Mr. EASTLAND. I agree with the Senator from Maryland. Subsection (a) provides that—

It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

In the case of a baseball team, of course the baseball team is not engaged in commerce or in the production of goods for commerce.

Mr. WHEELER. The employees are the ones who are engaged in it. The amendment provides that such contributions may not be made to representatives of employees who are engaged in production. Notwithstanding the fact that the employees are holding a picnic for all the employees, they are nevertheless still employees of the company.

Mr. EASTLAND. Oh, no.

Mr. WHEELER. Oh, yes. When that interpretation is placed upon the amendment, I say without fear of contradiction that it would prevent any company in the country from contributing any money for a miners' union picnic, a railroad picnic, or for any purpose whatsoever.

Mr. EASTLAND. Is not the test what they are engaged in at the time?

Mr. WHEELER. Of course not.

Mr. EASTLAND. The prohibition is against a gift to employees who are engaged in the production of goods for commerce. Of course it would not apply to a baseball team.

Mr. TYDINGS. Mr. President, may I make a suggestion to the Senator from Florida?

Mr. PEPPER. I should be happy to have it.

Mr. TYDINGS. This suggestion is aimed at meeting one point in the argument. Perhaps this would not make the amendment a finished product, but suppose it were to read as follows:

It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees, other than to another employee.

Would that take care of the situation?

Mr. PEPPER. Mr. President, I am a little behind the able Senator from Maryland in my thinking. I do not quite see exactly what the effect of the Senator's suggestion would be.

Mr. TYDINGS. The man who got the money would have to be one of the employees of the employer, rather than a representative on the outside. The Senator has made that point, and I have attempted to meet it, hoping to be a peacemaker—and I understand that peacemakers are the first people shot in every war. [Laughter.]

Mr. PEPPER. In the first place that does not really get at the situation at which the Senator from Virginia is striking.

Mr. TYDINGS. I think it does.

Mr. PEPPER. I think we ought to have the issue squarely presented. As I understand, what the Senator from Virginia was agitated about—and perhaps justly so—was something which we read in the newspapers. We are at a great disadvantage in trying to legislate upon a coal strike which we do not know anything about except what we read in the newspapers. But the Senator from Virginia has the impression from the newspapers—unless he has had private information of which I am not aware—that Mr. John L. Lewis——

Mr. BYRD. I may say that I have information from some of those who have been engaged in negotiating with Mr. Lewis, which is exactly what I stated on the floor of the Senate.

Mr. PEPPER. The substance of it is that the Senator from Virginia has understood that John L. Lewis has laid down a condition to his negotiating with the mine owners, that before he will discuss wages and working conditions they must agree to the provision of a health fund, in the amount of 10 cents a ton. I do not know whether he said 10 cents a ton or not. That is a figure which I have heard quoted. He has said,

> We will not renew our contract to go back to work in the mines unless you will first agree to the principle of setting up a health fund.

That is a very different thing from what the able Senator from Virginia has so far put in his amendment. Senators should know what they are voting on. We have a right to determine whether we want to send a man to the penitentiary because he and his coworkers, or those whom he represents through their lawful selection of him, say, "We will not work for employers who do not give us some health safeguards, so that we shall not be left without any protection whatever for our health and strength."

If we wish to vote on that issue, we should have an opportunity to do so, knowing that this Congress has not adopted health legislation which would give the poor worker health protection, and knowing that it is not likely—at least at this session of the Congress—that such legislation will be enacted, in view of the very strenuous and pronounced opposition which is now being expressed to the national health insurance bill introduced by the Senator from New York [Mr. WAGNER] and the Senator from Montana [Mr. MURRAY].

Mr. OVERTON. Mr. President, if the Senator will permit an interruption, I venture to make a suggestion which I think will bring the Senator from Florida and the Senator from Virginia into complete harmony.

Mr. PEPPER. I should like very much to have the Senator accomplish that end.

Mr. OVERTON. If I can do that, I think I shall have accomplished a great deal.

Mr. PEPPER. It certainly would be a pleasant experience for me.

Mr. OVERTON. Let me suggest an amendment which I think would carry out the purpose of the Senator from Florida, and also the purpose of the Senator from Virginia.

Mr. WHEELER. The Senator does not mean to say that he can persuade the CIO to withdraw its opposition to the amendment, does he? [Laughter.]

Mr. OVERTON. If the Senator will follow the Byrd amendment, suppose it were to read in this way:

> It shall be unlawful for any employer to agree, in the course of collective bargaining, to pay or deliver any money—
>
> And so forth.

Mr. PEPPER. Again——

Mr. OVERTON. As I understand, that is the objective. Such a provision would not interfere with baseball teams, picnics, or anything else; but when it came to collective bargaining, an inducement could not be held out to the representatives of the employees, and the representatives of the employees could not exact it of the employer. The employer would be prohibited from agreeing to pay or deliver any money or thing of value, in the course of collective bargaining.

Mr. PEPPER. The able Senator from Louisiana is one of the most distinguished lawyers in the Congress. Does he really believe that his suggested amendment would get at the question which the able Senator from Virginia is trying to strike at, namely, John L. Lewis saying, "We will not sign another contract unless you provide a health fund"? If that is what we are really getting at, why not let us put that in the amendment, and then vote for the amendment or against it?

What I am saying is that the way the measure now stands, and even the way it would stand if amended by the amendment suggested by the able Senator—although no doubt it would be somewhat different in that event—it still misses the core of the situation at which the Senator from Virginia is striking. He is considering whether John L. Lewis should go to the penitentiary because he says to the mine operators, "I will not sign another contract with you unless you first agree to the principle of a health fund."

Mr. BYRD. Mr. President, there is nothing whatever in the amendment to provide that John L. Lewis shall go to the penitentiary merely because he asks for the establishment of a health fund.

Mr. PEPPER. Mr. President, now the Senator from Virginia is asking us to draw on our knowledge of the coal strike. Practically every newspaper has carried an article almost every day that John L. Lewis has refused to engage in negotiations with the mine operators until they agree to provide for the establishment of a health fund. Certainly either the newspapers have misrepresented the situation or else I have misread the newspapers. But I dare say that all my colleagues have an understanding of the situation similar to mine.

If the Senator wishes to have the Congress provide that such an offense shall be punishable by a fine of $10,000 or by imprisonment in the penitentiary for 6 months, then let him provide for it in his amendment. The Senator knows that is what he is striking at.

Mr. BYRD. Mr. President, does the Senator from Florida say that if John L. Lewis asks for the establishment of a health fund, under the amendment he would have to go to the penitentiary?

Mr. PEPPER. If the amendment is adopted and if it is not held unconstitutional by some court and if a mine owner gives to John L. Lewis or some other representative of the employees, for administration by them, funds with which to establish a health fund, they will be guilty of violating this measure.

Mr. BYRD. Both of them will be guilty.

Mr. PEPPER. Both the employer and the employee or the representative of the employee.

Mr. BYRD. A few moments ago the Senator said that even if John L. Lewis asked for it he would be liable to punishment.

Mr. PEPPER. Mr. President, the amendment provides that—

> (b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand—

And so forth. Mr. President, if John L. Lewis—and I use him just as a symbol, for the same argument would apply to William Green, or Mr. Johnson, or any other labor representative in this country—were to say, "I will not sign a contract unless you provide for a health fund," if he were convicted under the terms of this measure, he would go to the penitentiary.

Mr. KNOWLAND and Mr. BALL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield; and if so, to whom?

Mr. PEPPER. The Senator from California first addressed the Chair, so I yield now to him.

Mr. KNOWLAND. Mr. President, I ask the Senator from Virginia if there is anything in the amendment to prevent employers and employees from setting up a health fund by contract, just so long as the fund is not under the exclusive jurisdiction of the union? There is nothing in the Byrd amendment, as I read it, which would prevent the employers and employees from sitting down and agreeing, by contract, to establish a corporation, either in conjunction with the Government or between the parties themselves, to set up such a fund and to put it under a trusteeship arrangement for the benefit of the health of the employees.

Mr. PEPPER. It would not make any difference whether the employer and the employees had entered into a contract, under seal, by which the employees would receive any of this money, no matter whether provision were made for a trustee. If he were a representative of the employees, he would be subject to a $10,000 fine or to imprisonment for 6 months, or both, under the terms of this amendment.

Mr. WHEELER. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. WHEELER. Not only would it apply in the future but under some of the arrangements which have been mentioned this afternoon it would also apply to unions which today are receiving from the companies money for the purpose of establishing health funds. Yet the amendment now under consideration provides:

> (b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

Clearly, such a provision not only affects any future organization, but it would prevent a union even from receiving or agreeing to receive at this time anything in the way of a health fund.

With reference to what the Senator from Florida has said, let me say, as I have said before, that I am not trying to pass upon the question whether it is

right for a union to receive such money, either to be used by it or to be administered by both the employer and the union. But if we are going to say, by law, to the representatives of the employees in the United States that they cannot ask for the establishment of a health fund for the benefit of the workers in the United States, then we might just as well say that the only thing they can do is to come to the Congress and make their requests.

It has been stated during the debate that the mining of coal is a public utility. I wonder how many of the coal-mine operators would agree that the Congress could pass legislation regulating them as a public utility. We would find every one of the coal operators, regardless of whether the mines were owned by the United States Steel Corp. or by some other company, fighting any legislation to regulate them as a public utility. They would fight it from one end of the country to the other.

Mr. President, let me also say that if such a regulation were made with respect to coal, it would eventually be done with respect to copper and practically every other basic commodity produced by industry in the United States, because although coal affects more of our economy than do lumber or the other commodities, yet relatively they are all in the same position, because all of them play a part in making up our total industrial economy; and if one of them breaks down—whether it be copper, lead, zinc, lumber, or any of the others—our economy cannot function, insofar as the general industrial life of the United States is concerned.

The amendment would have the Congress provide by law that a man could not act as a representative of employees and say to the company employing them, "The conditions in this coal mine are so bad that it is necessary to establish a health fund or an accident fund."

Mr. President, the trouble is that a great many people have not visited the districts where the coal mines are located, and they have not seen how the companies own the houses in which the miners live, and they have not seen the companies throw the wives and children and babies of the workers out of those houses and throw their furniture out. Many of our people have not visited the communities in which the churches and the stores are owned by the coal companies, and many of our people do not know personally of the exorbitant prices which are charged in those stores—prices so high that when the workers finishes a season of work, he still owes the company money.

No doubt none of us agrees entirely with what John L. Lewis has said and with what some of the other labor representatives have said, but we must look at the situation from the other side, for it is not a one-way street by any means. All we have to do is observe some of the places where the miners work and some of the places in which they live. As good Americans, we must say that we do not subscribe to such conditions. Mr. President, I thank God that those conditions do not exist in my State, but I realize that they at this time certainly do exist in many other parts of the United States.

Mr. PEPPER. I thank the Senator.

Mr. BALL. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. BALL. Let me say that I can understand that the Senator from Montana and the Senator from Florida are correct in saying that if John L. Lewis or any other bargaining agent for the union or the employees demands that the employer pay to their union a certain fund to be used as a welfare or health fund, such a demand would violate the provisions of the measure we are discussing. But I do not see anything in the language of the Byrd amendment which would prevent any union business agent or union leader who was in negotiation with an employer from demanding as one of the provisions of the contract that the union and the employer agree upon the establishment of a nonprofit corporation or association to adminster an accident fund or a welfare fund or a health fund, or whatever it might be called, for the benefit of the employees. That would not be paying money directly to the representatives of the employees.

It seems to me that what Lewis had demanded, as I understand it, is a royalty payment of 10 cents a ton, to be paid to the United Mine Workers, and to be completely under their jurisdiction, and to be expended by them in any way they see fit.

I think that is all that the language now under consideration seeks to reach. They could still set up a nonprofit organization to accomplish the objectives about which the Senator from Montana has been talking.

Mr. WHEELER. Mr. President, let me say to the Senator that I think he is correct when he says that they could set up a nonprofit corporation. But the amendment provides:

(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

When we so provide by law as to "anything of value," we must realize that as a matter of fact a health fund is something of value, regardless of whether it is paid directly to the union or is paid to a nonprofit corporation. In making such a request, they are requesting something of value, and the union representative is demanding it or is receiving it. So it seems to me the language of the amendment could easily be construed to apply in such a case.

Mr. BALL. Mr. President, under the Senator's interpretation the representative of the unions could not even demand a wage increase.

Mr. WHEELER. That is excepted, because the amendment provides:

(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services, as an employee of such employer, or (2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other similar fees payable by such employee to such labor organization.

Mr. President, the amendment goes entirely too far. Suppose a representative of a labor organization were to say to the employer, "One of our members has been injured by your railroad and we want you to contribute the money with which to pay him." There is a question whether under the language of the amendment the making of such a request would be in violation of the amendment. In some instances the unions have set up funds for the protection or assistance of employees who are injured on the railroads.

Mr. BALL. Mr. President, that would be compensation payable by reason of the employee's services as an employee.

Mr. WHEELER. No, Mr. President, that would not be compensation payable by reason of his services as an employee.

Mr. BALL. It certainly would be workmen's compensation.

Mr. WHEELER. But the railroads are not under the Workmen's Compensation Act. The railroads do not come under the provisions of that act.

Mr. BALL. They are covered by the same law.

Mr. WHEELER. No; they are not covered by any compensation law whatsoever.

If a railroad employee receives an injury on the railroad, he may either settle privately with the railroad, or through his organization, or bring a personal injury action against the employer. I happen to know because I have represented employees in many of such cases.

Mr. PEPPER. Mr. President, the able Senator from Montana could go further. If a lawyer in the case referred to should make a demand on the employer on behalf of the employee for any kind of a payment, he would be guilty, under the proposed amendment of violating the law. I read section 8 (b) of the amendment.

It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

Section 8 (a) of the amendment reads as follows:

SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

Mr. President, under the language of the amendment a lawyer could not make a demand on an employer or receive on behalf of his client a dollar from an employer for other than two reasons set forth on page 2 of the amendment, namely, (1) payment for services and (2) a part of the check-off system, without violating the language of the amendment.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. Will the Senator allow me just one more minute to complete my statement?

Mr. President, I do not have a newspaper which carries the story in full, but on May 10, 1946, in the Houston Press, there was set forth the following as a part of a telegram from Mr. Lewis:

> Let every member be assured that the members of the National Policy Committee are determined to accept no contract that will not give to the mine workers the essential protection which is imperatively required. Let each member cooperate with this policy.

That language seems to me to bear out what I have already said. What the Senator from Virginia [Mr. BYRD] is really striking at is John L. Lewis's statement to the effect, "My miners will not return to the mines until you gentlemen who are of management first provide, in principle, a health fund." The Senator from Virginia wants to send John L. Lewis to the penitentiary for insisting upon that condition of work. Yet he does not see fit to say so in his amendment.

Mr. President, the Senator from Virginia knows what he is striking at. He is striking at John L. Lewis, and at the shut down in the production of coal. What he is now particularly putting his finger on is the statement that the miners will not sign a contract until the health fund is first provided for.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. Will the Senator please allow me a minute more?

Mr. President, as the Senator from Montana has pointed out, it may not be best that the fund be administered by the union itself, but the compilation of plans to which I have referred, as prepared by the Secretary of Labor, show that there are many plans today which are being administered by the unions in spite of the fact that all the money in support of those plans is paid by the employers. Some Senators may not have been in the Chamber a minute or two ago when I read from page 3 of Bulletin No. 841, which was issued by the Department of Labor Statistics under the Secretary of Labor. I read the following:

> Most of the health benefit plans included in this report are financed entirely by the employer.

I need only to refer to this bulletin, Mr. President, but Senators well know—I believe I am correct in this statement—that the unemployment compensation fund under which workers all over the United States are covered by the social security law, consists of money put up entirely by the employer under Federal requirement. I believe that Senators will agree that I am correct in that statement. I do not know whether the able Senator from Virginia voted for the law, but the Congress passed a law compelling employers who are covered by the social-security law to put up all the money of the United States unemployment compensation fund for the purpose of protecting workers against there being no security for them in case they lose their jobs. Yet if the very thing which we have required by law were to be administered in any way whatever by the union and the amendment of the Senator from Virginia were a part of the law, the leaders of the unions who demanded the arrangement and received it, would be made subject to an imprisonment of 6 months or a $10,000 fine.

Mr. KNOWLAND. Mr. President, will the Senator yield.

Mr. PEPPER. I yield.

Mr. KNOWLAND. I do not believe that the amendment proposed by the Senator from Virginia purports or intends to purport what the Senator from Florida has indicated. However, a technical drafting of the amendment may tend to do that. I would suggest the following language:

> SEC. 8. It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value—

And this would be the new language:

> which would be under exclusive union control.

The remaining part of the paragraph would stand as it is.

In other words, the proposed language would not prevent the establishment of a health or welfare fund where, under trusteeship or otherwise, it would be for the benefit of the miners, but the fund could not be used for political or other purposes.

Mr. PEPPER. I do not believe the able Senator really means to suggest that John L. Lewis is making as a condition of his miners returning to work, the demand that management shall give this money either for personal or political uses. The Senator does not believe, does he, that Mr. Lewis is that stupid, or that he would make such a proposal? The qualification which the Senator from California has suggested still would not cover the cases which we have instanced. If the expenditures of baseball teams were to be entirely under the supervision and control of the representatives of the union, they would be guilty of violating this amendment.

Mr. KNOWLAND. We have been using the name of Mr. Lewis. Let us use the name of Mr. X.

Mr. PEPPER. Yes.

Mr. KNOWLAND. Not long ago in the history of the United States it was known that a representative of one of the great unions made a substantial contribution out of union funds to one of the major political parties.

Mr. PEPPER. That has already been taken care of by another statute.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. The Senator cited the instance of a company supporting a union base-ball team. I may say that that kind of action has been held by the National Labor Relations Board to be an unfair labor practice, in that it indicated that the union was dominated by the company. The Labor Relations Act itself so provides. I read from it the following language:

> It shall be an unfair labor practice * * * for an employer to dominate or interfere with the formation or administration of any labor organization, or contribute financial or other support to it.

I am not entirely clear in the use of the word "representative" as shown in the amendment, but if it is intended that no money as a part of a settlement shall be paid directly to a union, it seems to me that we would be going very little further than the National Labor Relations Act already goes.

Mr. PEPPER. The Senator from Ohio is an eminent lawyer, and he knows that the act is not limited to a representative of a union, but includes representatives of employees, and unions would not have anything to do with the situation under the proposed amendment.

Mr. TAFT. I agree that that feature is something that should be clearly defined. But so far as the general principle of refusing to permit employers to pay money directly to unions is concerned, I do not believe the proposal is much of a departure from the provisions of the present National Labor Relations Act.

Mr. PEPPER. The Senator knows of no instance, does he, of the National Labor Relations Act, or any board under it, or any other Federal authority, invalidating the health plans now in existence, some of which are administered exclusively by the unions?

Mr. TAFT. No; but I know that contributions by employers to baseball teams have been held to be unfair labor practices.

Mr. PEPPER. I could conceive of a situation in which there might be involved a violation of the National Labor Relations Act, because the contribution might be construed as an intention to influence an election, or something of that nature. However, the language of the proposed amendment applies not only to union baseball teams but to baseball teams of employees who are not in any union.

Mr. TAFT. If there were an independent union, and an employer were to say to its members "We are going to set up a benefit and you will administer it," I think that under the National Labor Relations Act it would be considered as evidence of domination of the union by the employer to such an extent that it would probably result in eliminating the union as a collective-bargaining agency.

Mr. PEPPER. The able Senator may have pointed out some error in the decision of the National Labor Relations Board, but we, as Senators, are called upon to enact legislation, and we have a right to know what will be the effect of the legislation which we are called upon to enact.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. For my own information I wish to propound one or two questions to the able Senator from Florida. As I understand from the argument that has been made, there are at the present time certain unions which are administering funds of the character to which reference has been made, and that such administration is agreeable to the operators or the industrial heads concerned.

Mr. PEPPER. Yes.

Mr. LUCAS. Am I to understand that it is the Senator's position that the proposed amendment would abrogate such

contracts, if the amendment were enacted into law?

Mr. PEPPER. Yes; because, under the language of the amendment, it would be unlawful for any representatives of the employees covered under the plan to receive anything of benefit or value from the management.

Mr. LUCAS. I have one further question. Is it the understanding of the distinguished Senator that the fund which would be established, as, for example, the one which is now being contemplated, and possibly administered by some independent agency, would be abrogated and repudiated under the proposed amendment?

Mr. PEPPER. If they did not either demand it or receive it, under this language, it would not be invalidated.

Mr. LUCAS. It has to be a demand, and somebody would have to receive it, would he not?

Mr. PEPPER. Of course, and if the representatives of the union demanded that the fund continue, for example, or if anyone representing the union demanded it—and I do not see how there could be a joint administration without someone representing the union in the receipt of some of the benefits—in either case, they would be liable.

Mr. LUCAS. I should like to have the Senator from Virginia give his attention to this question. Is it the position of the Senator from Florida that if the amendment were agreed to it would definitely outlaw a fund providing for prevention of accidents to miners and protection of their health, notwithstanding the fact that the operators and the miners themselves would seek to do a thing of that kind?

Mr. PEPPER. I think it would, for two reasons. In the first place, if such a fund were set up pursuant to the demand of some representative of the miners, that in itself would be an offense; and, secondly, if the fund were received by anyone representing the employees, it would be a second offense. So those two prohibitions, for all practical purposes, would prevent the setting up of such a fund, it seems to me.

Mr. LUCAS. I should just like to make the observation that it is my understanding that the operators of the mines in the present controversy have definitely made a proposition to John L. Lewis and his leaders with respect to a fund of the character proposed. What the terms are I do not know, but when there are negotiations in a matter of this kind each party usually asks for more than it gets. I would not expect the operators to give John L. Lewis the right to administer a fund of fifty or sixty million dollars without an accounting to someone, and I do not believe they will go through with that kind of a proposition. I think there will be some compromise somewhere along the line with respect to his authority. But it does seem to me they should have the right at least to consider such a proposition, and if this amendment abrogates that right, I should like to know it.

Mr. BYRD. Mr. President, will the Senator from Florida yield to me to answer the Senator from Illinois?

Mr. PEPPER. I yield to the Senator from Virginia.

Mr. BYRD. The amendment is very clear. It prevents only the payment to a representative of employees. A joint fund could be set up and the payments could be made to the officials of the joint fund without payments being made to the representatives of the employees. To my mind there is a clear distinction. If a joint fund is set up by mutual agreement, the officials in charge of the joint fund are no longer the representatives of the employees, and therefore will not come under the prohibition.

Mr. PEPPER. Mr. President, is it not patent on the face of the statement, in the first place, if John L. Lewis says—and we are still using him as Mr. X—if John L. Lewis says, "We will not go back into the mines unless you provide a health fund, even jointly administered," that that is a thing of value? Is not that something demanded, under paragraph (b) of the amendment, by a representative of a labor union?

"It shall be unlawful for any representative of any employees." Does anyone doubt that John L. Lewis is representing the employees?

"Who are engaged in commerce or in the production of goods for commerce."

Does anyone doubt that the miners are engaged in the production of goods for commerce?

"To demand, receive, or accept, or agree to receive or accept, from the employer of such employees any money or other thing of value." Does anyone deny that John L. Lewis in making demand even for a health fund that will be jointly administered, is demanding something that will be of value to the employee? If anything is clearer under paragraph (b) than that it would be difficult to imagine it.

In the second place, let us take paragraph (a). Even if representatives of the employees only jointly share in the administration of the fund, would they not be representative of the employees in the handling of the money? Of course they would be. Whom would they be representing? Not themselves as the able Senator from Montana pointed out a while ago. They would be acting in the receipt and in the administration of the fund as the representatives of the employees of those employers engaged in the production of coal for the commerce of this country.

Mr. President, the Senator from Virginia stated in the very beginning of his argument that he was aiming at John L. Lewis and the stoppage of coal production, and he was aiming at a condition precedent imposed by John L. Lewis before he would begin to discuss the other terms of a new contract. What the Senator from Virginia wants to do is to make it illegal for a representative of a group of employees to demand of their employers in this particular case the provision of a health fund.

Mr. BYRD. Mr. President, the Senator from Virginia never made such a statement. If the Senator will get a transcript of my remarks, he will see that I never made such a statement.

Mr. PEPPER. Is not the Senator offering the amendment in order to affect the coal strike situation?

Mr. BYRD. I am offering the amendment to prevent the payment of a royalty to the representatives of a union. It would have immediate application to the coal strike, but I think it is a national policy which should be adopted regardless of the pending strike.

Mr. PEPPER. Is it not intended to make it illegal for John L. Lewis to do what he has been doing in these negotiations relative to a health fund?

Mr. BYRD. It is not.

Mr. PEPPER. Would the Senator be willing to add to his amendment a provision that it shall not apply in a case where a representative of employees seeks a health fund from the employers?

Mr. BYRD. The Senator from Florida asked me whether it was my intention to make it illegal for John Lewis to ask for a health fund, and I say it is not my intention, and if the amendment I have offered provides for that, I am perfectly willing to amend it.

Mr. PEPPER. That is what I have been talking about, Mr. President, all the time. In the very first remarks I made I said that the language of the amendment is one thing, and the effect is another thing. The Senator should clarify his amendment so that we will know what he is asking us to vote on.

Mr. BYRD. There is only one justification for the Senator's suggestion, in line 8, there I used the word "demand", which is linked with the word "receive" and "accept" which follow it, and if the Senator objects to that, I am perfectly willing to strike it out.

Mr. PEPPER. Mr. President, that would relieve the case as to the "demand."

Mr. BYRD. I think any union has a right to ask, but this makes illegal the payment of a royalty by either the employer or the employee.

Mr. PEPPER. The Senator has been good enough to agree to strike out the word "demand." Are we not entitled to ask the Senator from Virginia what he means by the word "royalty"? I suggested in the very beginning of my discussion that what the Senator said was one thing and what he was aiming at was another.

There are certain kinds of demands of employees which I would oppose, but I am talking about the kind of thing we have been discussing in connection with the coal strike. I do not know how the Senator defines the word "royalty." It is not in the bill, it is not included in his amendment. He defines "goods," he defines "produce," but he does not use the world "royalty." Yet he says he wants to forbid the payment of a royalty. If he wants merely an amendment which will forbid the demand of a royalty and the payment of a royalty, and it is not to be confused with the kind of thing I have been discussing, it might be all right as an amendment. The able Senator is using the word "royalty," but his amendment does not say anything about a royalty. Several of us have tried to point out that the effect of his amendment, whether he intends it or not, would be to make it unlawful for a representative of a union or

group of employees who are not unionized to receive any other thing of value from the employer.

Mr. President, as I have said, the cases could be multiplied almost without number in which things we all admit to be legitimate would be prohibited by the amendment. So it was my hope and thought that before we proceeded further, surely the Senator from Virginia would tell his colleagues exactly what it is he was striking at.

Mr. President, I am not making a captious suggestion. I brought the question up for the reason that there is much confused and vague thinking on this subject. I am troubled, as every other Senator is, about what Congress can do to meet a situation such as that which now presents itself.

In the first place, the ordinary member of the public would say that John L. Lewis has his miners out on strike. That is not so, if we respect the English language. The miners have not gone out on strike in violation of any contract. They had a contract with their employers to work for so many days, and that contract ran out. Then they quit work until another contract could be negotiated. That is not a strike, if the English language means anything and all the laws in the land prohibiting strikes would not in any court of this country, in my opinion, bring into subjection and punishment for criminality the people who bring that about.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. Of course, the Senator understands that under the conditions Lewis did not have to call a strike. I think the able Senator will agree with me that the longer we proceed under these conditions the worse it becomes. A strike would have been a futile, useless thing. Better results could be obtained by doing nothing. He had the economic fate of the country in the palm of his hand.

Mr. PEPPER. Surely. I think we can all agree then that technically John L. Lewis does not have the miners out on strike. That is the first point I want to make. The corollary of that is, is it not, Mr. President, that what John L. Lewis and his miners are doing is refusing to go back to work in an essential industry except upon conditions that are satisfactory to them? Is that not essentially a statement of the case? We have the case of a man representing so many hundred thousand mine workers. They had a contract. Their contract has run out. They will not agree to go back to work until they get a new contract which is satisfactory to them. Now every lawyer in the Senate knows that that is substantially a statement of this case at the present time, and the question is not whether we like John L. Lewis; not whether we need coal to keep our economy running. The question is: What can we do about an American citizen named B who will not work for A except upon conditions that are satisfactory to the worker? That is what is involved in this matter when we come to the heart of it.

Now what are we going to do? It would certainly be a great departure from any past legislation, but I am asking Senators whether we are prepared to pick certain key industries in this country which are essential to the working of our economy, and say that the safeguards of our Constitution do not protect a man against not working in such an essential industry even if the terms of the employment are unsatisfactory to him.

In other words, in order to do any good in this situation, and not merely pass a law which will politically look as if we have done something—in order to have coal mined, or if the telephone girls were to strike, in order to obtain continuation of telephone service, or if the steel workers were to strike, in order to continue the steel output, which is also essential to our economy, or if the drug-laboratory workers were to strike in order to continue to get the medicines essential to the health of the people I ask: Is not the fundamental question whether such workers are engaged in an industry so essential that we can strip them of the constitutional safeguard against compulsory labor except as a punishment for crime of which they shall have been duly convicted? That is what it gets down to when it is stripped to the very bone, and that is the question which the statesmanship of the United States should deliberately and wisely and thoughtfully face, because it is a very serious question in the present evolution of our society.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. Does the able Senator believe we can do anything?

Mr. PEPPER. Insofar as getting people back to work in the mines by coercion and force, without a radical change in our judicial concept, I am not at all sure whether there is anything we can do or not.

Mr. LUCAS. Well, I know that we cannot force a man to work in this country against his own will. I am certain of that, and every other Seantor is certain of that. But does the Senator believe that the Congress of the United States and the executive branch of the Government are absolutely helpless in a crisis of this kind, assuming that the crisis were at its worst?

Mr. PEPPER. No, I would not say that the Government was entirely helpless. What we could do in order to get the miners back to work, or the railroad workers back to work if they were not at work, or the workers of any other essential group, I do not know. The Government can take over the mines, and then, the Government once being the operator of the mines, might have authority to negotiate with the workers, and then have authority to enter into agreements which are satisfactory to the workers. But then what are the operators going to say? Are they willing to let the Government fix the wages, if inadequate wages might provoke a strike by the workers? Are they willing to let the Government become the negotiator for the operators in these management-labor negotiations?

Suppose in this particular case the President should take over the mines, and then go into the facts of this particular situation. Suppose the President were to say, "Mr. Lewis, I do not like the way you handle this thing, but as I have looked into the facts, as I see too many open privies adjoining the homes of the workers of the mines of this country, as I have had a report of the Surgeon General of the Public Health Service respecting the mortality rates and the other physical casualties in the mine group, I am convinced that management has not been fair to these workers. Now you negotiate with me. I am for the time being, running these mines as President of the United States. I will hear you. What have you got to say about how much of a health fund you think the workers ought to have? Do you think the management should pay it all, or do you not think you fellows should pay part of it? How do you think it should be administered? Let us go into experience on that subject."

Would Senators be willing to give the Government the right of contract for management in such a situation? I should like to ask that question and see what the answer would be in a case where the mines are taken over by the Government? Would Senators be willing to let the Government make the contract for the management, or to fix the contract that should be governing upon both management and employees? I can understand that if we were to give the Government that power, then in most of the cases, although maybe not always, but in most of the cases it would be possible for the Government to take over the facilities, and then work the thing out in what might be considered a fair way.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. I want to say to the able Senator that that is practically what my amendment contains, insofar as those who own property are concerned. They will not make exorbitant profits as long as the Government has this property, and a number of factors must be taken into consideration before any money is paid to the owner of the property. It is in line with what the Senator is suggesting. In other words, what I am trying to do is not to give management any advantage as the result of the Government taking over the mines, and I am not giving labor any advantage when the Government takes over the mines under my proposal. What I am trying to do in my limited way is to bring labor and management to their senses, so to speak, to the point where they will, through collective bargaining, finally work out this program without serious consequences to the economic conditions of this Nation.

Let me say just one more word, if I may, to the able Senator. There is no one who appreciates the conditions in certain mining areas more than does the Senator from Illinois, and there is no one who knows better that reforms are needed, than does the Senator from Illinois. But I ask the question whether or not to accomplish these reforms at this particular time is it necessary to wreck

the entire economy of 137,000,000 people? That is the question I ask.

Mr. PEPPER. Mr. President, I thank the able Senator from Illinois for that statement of his position. I know how sensitive he is to the conditions under which people live in this country, and what a strong advocate he has always been for bettering the standard of living of the people of the Nation. But when the Senator goes a little bit further into the heart of the problem he will realize that, after all, whether a group of men go down into a mine and work or not is a matter which is personal to them. So far as I now know there is no authority of the United States Government or in Congress to subject those men to imprisonment or the loss of rights if they do not desire to go down into those mines and work for their employers, in spite of the fact that I individually may suffer from the fact that there is no coal in this country, any more than there is any law or power in Congress to put in the penitentiary a mine owner who closes his mine down and goes to Europe, notwithstanding the indirect effect would be that I did not have coal, which I might need.

The whole society which we have is an interdependent society, and the profit motive is the primary impulse that keeps men working in the mines and keeps management worrying with management problems, and keeps capital investing capital in enterprise.

But Mr. President, all those are not actions which are subject to compulsion. Let me just put this case. Let us suppose that those who provide the capital for these mines decline to advance their capital any further, or should choose to withdraw it. Can we pass a law putting them in the penitentiary because the indirect effect of it was to close the mines?

Mr. President, strangely enough we never seem to attach any responsibility in a strike to management, but it is always the fault of labor. It makes no difference what the wage is, it makes no difference what the working conditions are, it makes no difference what the record of casualties is; it is in the public mind nearly always the fault of labor, because that is the dramatic thing, that is the easy thing—to blame the employee for quitting work, however unsatisfactory the working conditions. And the whole fervor of the animosity of the public many times, and sometimes a great deal of the antipathy of the Congress, is directed at some symbol of the employees. John L. Lewis becomes the devil. But nobody is telling us about how many times management has not paid the wages they should have paid or provided the facilities they should have provided, or how many defaults on their part have had to do with the fact that we do not have coal here today.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. I just want to say to the able Senator that the argument he has last made does not apply to me.

Mr. PEPPER. Oh, no.

Mr. LUCAS. Because I have said some pretty bad things here on the floor of the Senate about the National Manufacturers Association, about the National Chamber of Commerce, and others when I believed their position was unwarranted and unreasonable. I will continue to do so when I think they are wrong. But as I view the thing, John L. Lewis puts himself in the same position some of these industrial barons have placed themselves in time gone. However, I do not want to talk about that at this time in the debate. I should like to ask the able Senator this question, or simply make this observation.

Take the doctors and nurses in hospitals. Under the law, they do not have to work. They do not have to go to the hospital tomorrow. Suppose there was a strike all over the country with respect to hospitals and doctors?

Mr. PEPPER. Have not doctors the right not to operate on a single person in the United States tomorrow?

Mr. LUCAS. That is correct; but there would be a hue and a cry.

Mr. PEPPER. We are not talking about that. We are talking about legal rights.

Mr. LUCAS. The farmers of the country do not have to produce any more food than is necessary to take care of themselves and their families.

Mr. PEPPER. That is correct.

Mr. LUCAS. And yet agriculture is the basic industry upon which everyone must depend.

Mr. PEPPER. That is quite correct.

Mr. LUCAS. Some of these days we may find the farmers doing some of the things which others are not doing. They will be saying, "We are not going to produce any more than we have to produce unless someone gives us what we want." It may be in the South. It may be in certain sections of my part of the country, where farming is not so profitable. The farmers may say, "We want more, as a result of what we do for this Nation and the world, than we are now getting, and we are not going to produce any more until that time comes." They will have the right to do that.

Mr. PEPPER. The Senator is correct. They have that right. I was born on a farm, and I have worked on one, but I do not profess to be one of the Senate's farm experts. But I have been reading in the newspapers that the Government must follow the most delicate operations to keep farmers from feeding too much corn to hogs. If they get a better price for corn in hogs than they get for corn out of hogs, they will feed the corn to the hogs, no matter how much the Government and the people may cry for corn. What is that but the farmer making an election, as a private citizen, as he has a right to do, to feed his corn to the hogs instead of selling it to the starving people of Europe? That is a part of the private enterprise system about which we hear so much, and to which we are all so much attached.

Mr. LUCAS. I should like to set the Senator straight on the corn-hog problem.

Mr. PEPPER. I know that the Senator is an expert on it.

Mr. LUCAS. I am not an expert; but I remind the Senator that 85 percent of the corn we raise must be fed to hogs and cattle in order to produce some of the ham and choice steaks, which Senators eat.

Mr. PEPPER. Then there should be a better balance of distribution, because we are not getting as many as we would like to have. [Laughter.]

I do not say it in any serious criticism, but we all occasionally fall into error. I dare say that the able Senator from Virginia [Mr. BYRD] would not agree with all the things which I have advocated, because he feels that I have fallen into error. There may be cases in which we are not in agreement because the able Senator believes that I have fallen into error in my philosophy and in what I advocate.

I should like to make a suggestion about the pitfall of error into which some of my brethren have fallen. They are great defenders of private enterprise. They are the most dynamic advocates of a private enterprise system when they are talking about their kind of private enterprise. One could not convince the Senator from Virginia that anyone had the right to tell him how many apples to grow in his great apple orchards. If anyone told him how many apples he had to grow, and how many days he had to spend in his apple orchards, he would cry to high heaven that it was a violation of his constitutional rights. He would say, "I will grow apples or not grow apples, regardless of how much people need apples or how much they like them." He would think that he was preserving the system of private enterprise if he preserved his right to grow as many apples or as few apples as he wished to grow.

I thoroughly agree with him, but I say that one man working in a mine has the same right that the able Senator from Virginia has. He is an American citizen. If the Senator from Virginia does not have to work in his apple orchard except when he wishes to do so, the man working in the mine does not have to work in the mine except when he wishes to work; and we can no more put a bayonet at his back and make him go down and dig coal in the dark and dangerous bowels of the earth than we could put a polished bayonet on an ornamented gun in the hands of a uniformed soldier at the back of the distinguished Senator from Virginia and send him out to his apple orchard with a hoe in his hand. How we feel about this thing called private enterprise is illustrated by the expression "It all depends on whose ox is being gored."

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HAWKES. I wish to make only one comment.

Mr. PEPPER. I am glad to yield.

Mr. HAWKES. I believe the Senator from Florida is anxious to state the facts in accord with what has happened in the United States.

Mr. PEPPER. I should like to do so. I wish I knew everything that has happened.

Mr. HAWKES. I do not believe the Senator meant to say what he said a few moments ago, that when big businessmen did something which injured the public nothing was said about it, but that

when a labor leader did such things he was violently attacked.

Mr. PEPPER. No——

Mr. HAWKES. Or words to that effect.

Mr. PEPPER. I said that when there is a strike or a stoppage of work, too often all we hear about is the worker, because that is the dramatic side of the picture. We never hear about all the things which management does which contribute to the stoppage of work.

Mr. HAWKES. I thought the Senator left the impression that we never did anything when anyone in management or ownership did something that seemed wrong; and I wish to remind the Senator that we have done a great deal.

Mr. PEPPER. The Senator is correct.

Mr. HAWKES. We have taken some very decided steps, in some cases to the point where I have considered the action to be almost unconstitutional. I have always said that one can lead a horse to water, but he cannot make him drink.

Mr. PEPPER. That is correct.

Mr. HAWKES. We shall never accomplish any good in the solution of these very difficult problems if we approach them in a spirit of anger.

Mr. PEPPER. I am glad to hear the Senator say that.

Mr. HAWKES. Labor has grown up. It has had plenty of time to grow up. I have implicit faith in the workingmen of this country, if we will only give them the protection of law to which they are entitled in going to and coming from work. They have their rights. The history of the United States shows that the laboring man of today is the capitalist of tomorrow. He has his rights. But labor unions have had an opportunity to grow up. They have an obligation to the public. They have assumed power and have within their grasp power which in my opinion sometimes makes them as strong as the Government, if not stronger. That is a position which the Senator and I do not want any group in America to occupy.

Mr. PEPPER. Would the Senator provide in any legislation which he would endeavor to have enacted that the same restrictions be imposed upon management and capital that are imposed upon labor?

Mr. HAWKES. I certainly would; and I believe that is the only solution to our problems. I thoroughly believe that we are working in the interests of millions of working men and women in this country when we enact laws which are fair laws, which control labor leaders to the same extent only that they control management and ownership. I believe that such controls and restrictions must be equalized. Otherwise I predict that the so-called free enterprise system will be a thing of the past. I do not particularly care for the name "free enterprise system." I call it the American way of making a living. I do not want it to be a thing of the past. I believe that it is in the interest of the poorest man in the country to keep alive the system which permits the poorest man to advance from a railroad section gang to the presidency of a railroad. I believe that the Senator and I have a duty to try to solve these problems without anger. I assure the Senator that I have seldom had any trouble with labor. For 50 years I have got along beautifully with labor.

I believe that we have a duty to the people of the United States and to the working men and women of the United States to see that labor leaders are regulated so that they do not disorganize the working crew of the United States, and to see that management and capital are regulated to such an extent that they do not usurp the rights which belong to the people.

I thank the Senator.

Mr. PEPPER. I always profit by what the Senator from New Jersey says; and I thank him.

Let us take a particular situation. The Senator has laid down some good principles, which sound fine; and I know that in his heart he means them. Yet he is thinking in terms of the power which exists in John L. Lewis, which, of course, is one of the most striking examples of absolute power over workers. Yet, so far as I know, it is with the acquiescence of the workers. So far as I know he does not use violence or weapons to compel the workers to elect him. The Senator is talking about John L. Lewis' power being regulated by law.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HAWKES. I do not want the Senator to misunderstand me, and I do not want a wrong impression to be gained from the RECORD. I am not talking about John L. Lewis at all. I am talking about the over-all situation of regulating labor leaders so that they will be law-abiding and look after the rights and interests of the working people, and not usurp their rights.

Mr. PEPPER. Mr. President, I was saying that perhaps the amendment does not state all that the author had in mind. When the employees are represented by their representatives, and capital investment is represented by its representatives, we have both sides represented. But the Senator does not propose to lay down any standards to govern the conditions under which management shall exercise its negotiating power. He does not propose that management shall agree to employ so many workers. Are Senators who are so anxious to enact this legislation willing to say that no employer in negotiations with an employee group may offer less than a specified minimum in terms of hospital benefit and other benefits? Do Senators really mean to place labor and management in an analagous position?

If they do, it is very difficult to accomplish that purpose, because, in general, management represents dollars, and the labor leader represents men, women, and children—human souls. Management thinks in terms of profits; labor in terms of food, clothing, and shelter, which may mean life itself.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HAWKES. I believe the Senator will admit, because he has traveled widely and seen conditions in other parts of the world, that our terrible system of making a living, and the terrible relationship between employer and employee, as depicted by certain Senators and others, have led to the finest standard of living in the world. If he does not admit that, I should like to have him tell me where else in the world there is a condition such as the one we have in the United States.

Mr. PEPPER. Mr. President, I say to the Senator that for more than 300 years my ancestors have been exceedingly well satisfied with the United States.

Mr. HAWKES. And so have mine.

Mr. PEPPER. And I think we are going to continue to be satisfied.

Mr. HAWKES. In referring to me, the Senator from Florida said, in effect, "The Senator from New Jersey does not say that management should be compelled to pay so much to establish a welfare and safety insurance fund." I ask him this question: Is there any law which provides that a man cannot ask for any wages he can obtain which fit within the economic circle? I have not heard of anything of that kind.

Mr. PEPPER. But, Mr. President, suppose the man cannot get it, and then he strikes. Then, under the proposed measure, the Congress would make him go back to work.

Mr. HAWKES. I think not.

Mr. PEPPER. That is the attempt which now is being made.

Mr. HAWKES. I say to the Senator that I am one of the strongest advocates in the United States of the preservation of the right to strike in a lawful way.

Mr. PEPPER. Is there anything unlawful about what John L. Lewis is doing now, Mr. President?

Mr. HAWKES. I shall not go into that question at the moment. I am saying—and I know that the Senator from Florida feels about the matter the same as I do—that a great national emergency has been created by what John L. Lewis happens to be doing now.

Mr. PEPPER. That is correct.

Mr. HAWKES. And we may have another emergency of the same sort at some other time.

Mr. PEPPER. That is correct.

Mr. HAWKES. That is why I am not thinking of John L. Lewis. I am thinking of the national welfare and the emergency which confronts our people.

I am saying that if I were to do something, with a plant which I might own, to jeopardize the national welfare, I am sure the Senator from Florida and every other Senator who is a good American—and I think most Senators are—would see to it that prompt action was taken to correct the situation in the interest of the welfare of the people of the Nation.

The Senator from Florida has asked how we can secure the desired results. I think I know how, and I say that if it is impossible, God help America. I say that if we pass a law which is fair and which does not do any greater hardship by way of controlling labor leaders than already has been done by way of placing restrictions on capital and management, and then if the President of the United

States and the Members of Congress all appealed to the decent, patriotic impulses of the people of America to go back to work, I think they would go back to work under those circumstances. I say to my dear friend the Senator from Florida that if we do not do it, God help America, because the workingmen will suffer just as much as will anyone else.

Mr. President, remember that we cannot tear down the temple without having it fall on all alike. In Germany, labor thought Hitler was wonderful when he took capital by the back of the neck and shook it and rattled it around; and subsequently capital thought it was fine when Hitler took labor by the back of the neck and shook it around. But finally Hitler took both of them by the back of the neck and threw them into a bag and tied it up and threw it down the sewer. The result was a desolated country and, finally, a desolated world.

The greatest obligation on all Members of Congress is to enact fair laws—not laws which preclude strikes, because when we make people work at the point of a bayonet, we have nothing but dictatorship, as the Senator from Florida well knows.

Mr. PEPPER. Yes; certainly that is the case.

Mr. HAWKES. But we must enact fair laws. If I had my way, after the Congress enacted fair laws I would have many good Americans begin to make speeches over the radio and in all other forums which did not hiss hate at the various groups of the people of America, the way it has been hissed for months and months now, and I would say to the American people, "Let us try to solve our problems gradually, and not try to solve them all at once."

Mr. President, I wish we had a man who was big enough—a man like Abraham Lincoln—to put his arms around all the people of America and say to them, "Let us begin to cooperate with each other to solve our own problems as rapidly as possible without shutting down our Nation."

Mr. PEPPER. Mr. President, the Senator from New Jersey is to be commended for the splendid spirit he has manifested. He has pointed out that the private enterprise system which we have has produced the high standard of living and the greatest economy in the world. But it grew that way, Mr. President, with the right of the employees to strike and the right of the employees to exercise their economic bargaining power and the right of the employees to work when they were satisfied to work, just as it grew from the right of capital to invest when it was satisfied that it would obtain a profit, and the right of management to work when it was satisfied that it would receive a proper reward. That is what built America.

Yet because the complicated nature of the economy has become such that if a few hundred thousand men quit work our economy is stagnated, some Senators have been led to advocate something much different from what the committee did, namely, to advocate arbitration machinery and provision for Federal assistance in the direction of arbitration and mediation, under a bill on which the committee labored for months. But some Senators wish to have the Congress pass a law which will keep John L. Lewis from doing again what he has done. That is what they are aiming at.

I realize that many people feel that the present strike situation has become a menace to society. But they have not thought the situation through, as the Congress must do if it is to legislate properly for the 130,000,000 people of America.

In the final analysis, Mr. President, the able Senator from New Jersey was coming very close to the truth when he said, "Let us proceed on the basis of persuasion and appeal to the people and let us try to enact laws that are fair." He might well have added a recommendation of what the committee had recommended to the Senate, namely, the setting up of machinery to help management and labor get together and arbitrate their differences.

Mr. President, for years the able Senator from Montana who sits on my left has been advocating, as has the able Senator from New York [Mr. WAGNER], that the Congress enact a national health insurance plan which will make it possible for the people of our country to obtain adequate health safeguards under a plan to which they may contribute. It may be that if we had progressed more rapidly toward the enactment of legislation providing for such a program, the present condition would not have been imposed by John L. Lewis. If it had been possible for the workers to have paid 1½ percent of their salaries each month as employees, and for their employers to have paid a similar amount, to provide an insurance fund out of which the workers could obtain hospital, medical, and dental care, I dare say that John L. Lewis would not have imposed the condition which has led in a considerable degree to the stoppage of mine production at the present time.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MURRAY. Does not the Senator from Florida agree that one of the principal difficulties which confronts us is that there has been no free flow of public opinion? Very few of us know what this coal strike means. We are struggling to enact legislation without having had a previous hearing and without knowledge of the facts involved in the controversy. The public has been fed only one side of the story.

A similar situation exists with respect to nearly every other important problem which arises in the United States. For instance, the propaganda which has been put out against the national health insurance bill is probably the worst example of that sort of thing which exists in the United States. For years a fight was made against the workmen's compensation law, for instance. It was claimed that it was communistic, that it was regimentation, that it would destroy the Nation. Yet, after it was enacted it worked so well that today no one would dare ask that it be repealed.

A similar situation exists in the case of the problem now confronting us. The measure now before the Senate has been rushed before the Senate because of the emotional appeals which have been made through the newspapers to the people of the United States. It seems to me that this measure should be sent to a committee for study, to enable the committee to discover the facts, before an attempt is made to have the Senate take action.

Mr. PEPPER. The Senator from Montana is entirely correct.

I hold in my hand a copy of the Case bill, so-called, as reported by the Senate Committee on Education and Labor. It was reported on April 15 on the legislative day of March 5 of this year. It has been on the Senate calendar since the 15th of April. Yet not until the John L. Lewis coal-production stoppage occurred did we get excited about consideration of this measure. But when that situation became acute and when it became obvious that the economy of the country was slowing down in its functioning, then Senators suddenly realized that there was not any legislation to prevent or to correct such a condition. Then they began to grope at a remedy, in the utmost sincerity; they began to seek some way by which the situation might be cured.

All we are requesting is what we requested the other day—namely, that this matter be recognized as going to the very fundamentals of the Nation's economy, that Senators recognize that they are dealing with the civil rights of the citizens of the United States, that Senators recognize that they are being asked to legislate, not just against John L. Lewis and 400,000 mine workers, but in respect to the working force of the United States, composed of over 62,000,000 men and women, boys and girls. Mr. President, we are basing our action upon the supposed facts of the coal-strike situation, but most of us openly admit that we do not know what the facts are. All we know is the picture which has been given us by the press.

Mr. President, I think John L. Lewis has erred, if the press has not misrepresented him, in putting more emphasis on John L. Lewis than upon the unsanitary conditions existing within the homes of the miners, and the rate of mortality and casualties which occur among them. I think the public would have understood better if Lewis had emphasized those conditions. But, Mr. President, I have had some experience with the press, as I know other Senators have had. It is a great deal easier to have printed in the press something of a spectacular nature than something of a factual nature, however appealing it should be. What about our Washington newspapers? The conditions to which reference has been made have been known to the minds of the people for a long time. Until recently, none of the Washington newspapers had devoted very much space to those conditions. Until the Lewis coal stoppage occurred, we did not see in the Washington newspapers anything such as we saw this morning in the Times Herald concerning the character of houses in which miners live.

Until Mrs. Meyer, who is interested in humanitarianism, visited miners in their homes a few days ago we did not see

anything in the Washington Post about the plight of miners. It was only when John L. Lewis, with his power—and I must say with his courage—decided to stop our economy did we interest ourselves in the homes of miners. I do not know why the press had not played it up before. Why did not the Congress a long time ago pass a law providing that no commodity moving in interstate commerce may be moved unless it comes from localities in which sanitary conditions are satisfactory? Why can we not now impose such a condition throughout the Nation in connection with the exercise of movements through the channels of interstate commerce? no; the truth is, Mr. President, that we go along callous to the sufferings of miners, and we ignore their appeal and their entreaties until a man like John L. Lewis throws them in our faces. Then we want to excuse our own delinquency by striking madly out against him with all our force and power.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. Assuming that the newspaper reports are correct, is the Senator defending the actions of John L. Lewis in this particular case?

Mr. PEPPER. Mr. President, as to whether or not I am defending John L. Lewis, is a matter which we lawyers would call in a court of law a legal conclusion. I defend the right of any American to refuse to work for anyone for whom he does not wish to work.

Mr. LUCAS. Does the Senator know of anyone who is attempting to force through such a situation?

Mr. PEPPER. The entire controversy now taking place is that John L. Lewis has said that he and his miners will not work for us unless we provide for a health fund and certain other things.

Mr. LUCAS. Does the Senator know of any other Senator who takes the position that he can force anyone to work unless he wants to work? I do not know of any Senator who takes such a position.

Mr. PEPPER. No. The Senator from Florida would have to admit the truth of what the Senator from Illinois has said. Yet, because some Senators cannot do what they would like to do they try to find some indirect way of accomplishing the same effect. For example, my able friend the Senator from Illinois has an excellent labor record, and he would not compel miners to go into the mines. But, if they refused to do so he would take from them certain seniority rights and other benefits. I would say that that attitude represents a form of coercion of a man with respect to his own labor.

Mr. LUCAS. No; my bill would not attempt to compel a man to work, but it would lay certain economic sanctions upon him if he refused to work in the public interest.

Mr. PEPPER. Yes.

Mr. LUCAS. I make such provision in the bill only because economic sanctions are also being applied to millions of people in this country at the present time through the actions of certain groups who seek, as the Senator has said, to help themselves through the type of strike which we are now witnessing.

Mr. PEPPER. Yes.

Mr. LUCAS. So long as a particular strike does not affect a tremendous segment of society, no one can have any objection to it. But it does seem to me that the time has arrived when a minority group entrenched with power, such as John L. Lewis and his group now have, to the extent that they can stifle, slow down, choke, and stagnate the economy of the Nation to the point where it interferes with orderly government—we must attempt to do something about it. It must be done through Congress or the executive branch of the Government. I am one who believes that it can be done. I do not believe there is any minority group in this country, at least there has not been up to the present time, which can destroy this Government. As surely as I am standing here, if this strike should continue for a period of 60 days, and no miner went to work, it would not be safe for the family of the Senator from Florida or the family of the Senator from Illinois to leave their homes at night. That is what I believe would be the future situation of this country as the result of a continuation of the strike. I pray God that it will not happen. But that is the result which the Senator from Illinois fears from a prolonged coal strike. That is why I have been insistent, and perhaps somewhat belligerent, in connection with the great problem now confronting us all. I have seen Mr. Lewis before in strikes, and I have never seen him very conciliatory or cooperative. I hope the President of the United States, and others who are dealing with John L. Lewis will be able to persuade him. I hope the President will be able to show him and the operators the light.

I undertake to say that John L. Lewis is traveling a most dangerous course. He has tremendous responsibilities resting on his shoulders. He, too, must be concerned in protecting the welfare of all Americans, including those of the miners. As the Senator from New Jersey said a while ago, they too will suffer in this crisis if the condition is allowed to continue.

Mr. PEPPER. I thank the Senator from Illinois. The Senator from Florida recognizes the significance of a few men who occupy key places in our economy exercising their full power. I have so stated many times. But, Mr. Lewis is not the only man. I assume that Mr. Philip Murray could call out the steelworkers of this country and we would not have any steel. The situation resulting from a strike of that kind would be almost comparable to the coal strike, so far as the economy of the country is concerned. I dare say also that the head of the telephone operators could call out the operators, and that would result in practically a stagnation of our modern complicated industrial life. I dare say also that the railroad workers, involving only a few hundred thousand persons, could prevent the trains of this country from running, and the country would be just about as bad off as it would be without coal. I dare say that there are several drug manufacturers in this country who make, for example, penicillin and other drugs essential to the public welfare. If they should suddenly cease operations literally thousands of men, women, and children would die each day.

No, Mr. President; Mr. Lewis is not the only one who has great power in the United States. But the problem is, have we arrived at a place where we know what the remedy is? Are we willing to abandon the constitutional guaranties against compulsory labor in order to prevent the situation taking place which is taking place today? Are we willing to abandon constitutional protectives in order to remedy some unfortunate situation? That is the question which confronts us. Yet, Mr. President, some Senators would legislate upon that complicated question not in a committee, but here upon the Senate floor. They would deliberate upon that matter not in the sense of the tradition of the Senate as being the greatest deliberative body in the world, but under the impulse of the passion aroused by their animosity toward John L. Lewis. Senators know that to be true. The newspapers are full of statements to that effect. Senators are saying it on the floor of the Senate and in the cloakrooms. The reason we are debating the pending bill today, the reason we almost set aside consideration of the joint resolution for a British loan, and the reason we would have set aside consideration of the proposal to extend the Selective Service Act and take up the pending bill, is that Senators were mad at John L. Lewis.

They thought they would be able to prevent a repetition of what John L. Lewis has done, and at the same time cure the situation which now exists. I assert that such a hope is a delusion and a snare. The Senator from Virginia [Mr. BYRD] is not interested in the little hospital fund which the miners want. What he is really striking at is that which is being struck at by the telegrams which pour in every day, many of them coming to me from my State. The senders of the telegrams do not want these work stoppages to occur, but they have not stopped to consider how they would feel if Congress were to pass a law making them work for someone whom they did not wish to work for, and under conditions which were not satisfactory to them.

Mr. President, I realize this is one of the difficulties and problems which have made our lives so complicated, and the causes of them are all interdependent. If a lever be pulled, a great machine will stop. If 400,000 coal miners are taken out of the mines the Nation's economy will stop. I am aware of that fact. But a long time ago our forefathers wrote a Constitution. They treasured the words which they put into that Constitution, just as we have treasured them ever since. In that Constitution they wrote their concepts of individual liberty, such as the freedom of an individual to act according to his choice, except in well-defined categories and exceptions.

I know we can send the soldier to war, but we can send John L. Lewis' son or anyone in his household, or him, if we apply the same law we apply to everyone else. John L. Lewis has not been

exempted from the selective-service laws, or the war powers of the United States Government. The sons of the miners have died in battle like the sons of others in this country, and I dare say no less bravely. They are not within the exception. They are asking only for the privilege every other American has. He will work if he gets the contract he likes. I can tell anyone I will not work for him because I do not like the color of his eyes, and what can anyone do about it, unless we change the whole concept of individual liberty and freedom in the United States?

I started to say a while ago that some of our friends criticize men like the Senator from Montana [Mr. MURRAY] and me and others on this floor because we want to pass a compulsory health insurance law, when that is the only way, in our opinion, that most of the men, women, and children of the United States will get the kind of hospital and dental and medical care to which they are entitled. We are willing to use the power of the Government to accomplish the purpose, to make them join an insurance fund. We would be taking a sum of money away from them. They would not have to work, but if they did work, we would take 1½ percent, it is agreed, out of their wages each month, we would take the same amount out of the employer's treasury, and put the money into a common fund, in an effort to provide for the health of the people of this country.

We also favor a minimum-wage law. We tried to get one across here a little while ago, a bill providing a minimum of at least 65 cents an hour. It is said we are totalitarian, that we do not believe in individual freedom, that we have forsaken the concept of laissez faire, which is eighteenth-century liberalism, that we do not have the right to be called liberal, that only they who would leave everyone completely free have the right to the honor of the appellation of "liberal." But when it comes to labor, they have no reluctance about becoming totalitarian. They are perfectly willing to lay the heavy hand of legislation upon the back of the workingman, Mr. President. They are perfectly willing to interfere with his freedom, and then claim the right to be called liberals.

Mr. LUCAS. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. LUCAS. I should like to have the RECORD show, and to have the Senator corroborate, that I favored the minimum-wage bill.

Mr. PEPPER. I am sure of that.

Mr. LUCAS. I supported it to the utmost, even as against my agricultural interests, in attempting to defeat adding the cost of labor to the parity formula, because I knew that if that went in, the minimum-wage bill would not become law in this country.

Mr. PEPPER. The Senator is quite correct. His record has been excellent in both respects I have mentioned.

At one time in my life I worked in a steel mill. How many hours a day did I work? I worked 12 hours. How many days a week did I work? I worked 7 days a week and 12 hours a day.

How long did the little boys and girls of the South have to work in the cotton mills? I used to see them in some of the cotton mills in the Southern States, with their little sallow faces, pallid, shrunken human beings coming out of the cotton mills, with lint in their eyes and in their hair and in their souls. Yet anyone who tried to better their working conditions was an agitator, and many times those who tried to organize those workers were driven out of their quarters by deputy sheriffs and policemen, who were on the company pay roll, beating them over the head or applying to them some other kind of coercive force. Just go back and read the record compiled by the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Utah [Mr. THOMAS], who disclosed the browbeating and the other acts of bullies, coercion, and intimidation inflicted upon the working people of this country by management, Mr. President, until finally some humane legislation, under the great-hearted Franklin D. Roosevelt prevented them by the Federal power from such abuses and such vicious practices. Yet, Mr. President, when workers try to organize in some of the States of the Union they still run into bullies, they still run into violence.

Talk about protecting constitutional rights. Very well, protect the constitutional rights of a labor organizer to go into a community and call a public meeting of workers and address them about the advantages of unionization, and see to it that he is not interfered with by the local police or the sheriff or some hired representative of management who does not want the worker to exercise the right of organization.

Mr. President, all history tells the pathetic story of what the working men and women of the world have had to endure, but it is the labor union, to a large extent, which has lifted them up even to the pitiable place they now occupy. Now that the labor unions have gotten to be a real power, now that they can pit 500,000 miners against $500,000,000, management cries to high heaven that they are being imposed on, and they run down to Congress to get Congress to bail them out from their own perfidy and delinquency.

Mr. President, every time legislation has been proposed to better the plight of the workers, to raise the standards of their living, there has always been very determined opposition coming from some of the same people and some of the same papers we hear about in this case. And speaking of the papers, they seldom have given both sides of the controversy, where one side was the workingman and the other side was management, because their eyes are closed to the workingman's experience and to his tragedies and his appeals, in all too many instances.

Mr. President, all we know about the coal strike is what we have read in the papers. In too many instances, I regret to say, the papers are not disposed to give the full facts, at least from the viewpoint of the working people. It has been my experience that as a general rule the story of the workingman is not fully told, and it would not have been told in the present instance even as completely as it has been if it had not been for the drama of the stoppage of work in the mines that sent Mrs. Agnes Meyer and representatives of the Times-Herald into the mining districts of this country to tell us in the Washington papers what conditions really are.

I dare say there are few Senators on this floor who have made a personal visit to the mines. I have made but one visit, on one Sunday afternoon, and the management very graciously offered to take me for a ride inside the mine. I made the mistake of accepting. They took me 5 miles back into the bowels of the earth, through the chasms and corridors of that mine. I think it was one of the most awesome experiences I ever had. Speaking only as a tourist in the mine, not a worker, I recall that I had to lean over in the little cart, water was dripping from the top and from the sides, and the little old cart ran off the track about half the time. One never knows where he is going to run into a gas pocket, or whether there is going to be a failure of some sort which will maroon him in the mine. I say that even when one is carried on a conducted tour it is an awesome experience to go far back into the recesses of the earth in the modern mine. Those who have to do that day in and day out for their livelihood are entitled to very sympathetic consideration on the part of all who have to deal with the problems.

Mr. President, I started to say that because the facts are not always fully presented on both sides, public opinion never gets a chance properly to form. I do not believe all the individuals whose telegrams I read this morning as coming from my State would have sent those telegrams if they knew the facts in this controversy, if they had thought through the problem that presents itself to us. But all they do is to read a newspaper which is owned by some railroad or owned by big men who are antilabor anyway, or a syndicate which much of the time is antilabor anyway, and they get the colored story which dramatizes the fault of the miner and says nothing at all about the fault of the management.

That is not true in all cases, Mr. President, but I am saying that public opinion's furor and fervor is traceable in a great many instances to the fact that the people have not had all the facts in these labor controversies.

A little while ago we had some strikes for wages to be increased in the steel industry and in the automobile industry. How many people do Senators suppose knew actually what were the living conditions of the men in the automobile factories and in the steel mills; or how much their standard of living had been torn down by increase of prices? No; individuals could not obtain their automobiles, and they got mad with the steel workers or the automobile workers. Later on, when the President had the courage to come in and force management to settle the strike, and automobiles finally started to trickle out a little, then the public forgot about the matter. The public never did actually make a critical scrutiny of the causes of the strike to see how much management was at fault as well as labor in the controversy.

Mr. President, I have before me some figures for the bituminous coal mines giving the number of days a year that the coal miners have worked since 1919.

In 1919 they worked 195 days a year; in 1920, 220 days a year; in 1921, 149 days; in 1922, 142 days; in 1923, 179 days; in 1924, 171 days; in 1925, 195 days; in 1926, 215 days; in 1927, 191 days; in 1928, 203 days; in 1929, 219 days; in 1930 187 days; in 1931, 160 days; in 1932, 146 days; in 1933, 167 days; in 1934, 178 days; in 1935, 179 days; in 1936, 199 days; in 1937, 193 days; in 1938, 162 days; in 1939, 178 days; in 1940, 202 days; in 1941, 216 days; in 1942, 246 days; in 1943, 264 days; in 1944, 278 days.

Mr. President, it will be seen from those figures that the miners have seldom had a whole working year. I wonder how many times the mine operators have agreed to give them an annual contract, at an annual wage, and employ them the year round? I wonder how many times management has said, "Gentlemen, would you not rather have a fixed income per year? We will guarantee you $2,000 a year, if you will work every day that work is available in the mines."

That would give stability to the miner's family budget. That would give a decent standard of living to the miner's family. And the situation with respect to work explains ofttimes, I dare say, why, when the miner comes in to negotiate, he insists upon a rate for an hour's work that seems like a very excessive amount to the ordinary lay observer.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HATCH. Does the Senator know whether any definite proposal for an annual wage has ever been made by either labor or management?

Mr. PEPPER. I do not know.

Mr. HATCH. Or whether any discussions have been had on the part of either?

Mr. PEPPER. I do not know whether any discussions have been had on the part of either. In a good many industries I know management is taking advantage of the authority in the wage-hour law of 1938 to provide annual or semiannual contracts for the employment of the workers. I am informed by the chairman of the Committee on Education and Labor that more than 36 corporations of the country have already put into effect the annual wage. That is a very salutary thing, Mr. President.

Mr. HATCH. The reason I interrupted the Senator when he merely casually mentioned the question of an annual wage was that I thought he was putting his finger perhaps on the fundamental cause of labor disputes, strife, and discord in this country, and that is because there has not been stability with respect to work and wages. I think a far more important question is that men have stability of employment than the question of wages per hour. I have made some study of the subject, and can corroborate what has been said about a number of corporations in this country which have voluntarily put into effect an annual wage program. In all cases I know of wherever the plan has been inaugurated it is working most successfully and is helping to keep down continuous strikes, or reducing the causes for strikes and discord. I had hoped that the Senator would be able to tell me that either management or labor, or both, in the coal-mining industry, were making a strong constructive effort to work out a plan whereby wages could be stabilized and men could have employment the year round.

Mr. PEPPER. I thank the able Senator for his characteristically valuable contribution. No, I cannot say whether either side has proposed an annual wage in the mines or not, but I will say that one of the beneficial effects of the bill which the committee reported out is to make it possible for conciliators and mediators and representatives of the Government to help the two parties in finding a basis for peace instead of strife in our industrial relations.

Mr. HATCH. Mr. President, will the Senator yield again?

Mr. PEPPER. I yield.

Mr. HATCH. No more valuable contribution could be made than that. Again expressing my opinion I will say there will be no peace in labor relations until our present system of a daily and hourly wage is gotten away from.

Mr. PEPPER. I thank the Senator very much. That shows how right I think some of us are in saying that this is not the kind of thing that calls for rash action. There may be Senators who think that the workers of this country are arbitrary and greedy and avaricious. Frankly I do not think history bears out that accusation. I think that the ordinary man who works is trying to better himself; yes. Perhaps the worker of today is the capitalist of tomorrow. But that man is primarily thinking about a decent standard of living, not as a capitalist, but as a worker for himself and his family. He wants to put his family, the children whom God has blessed him with, the wife who as a bride he carried over the threshold—he wants to put them in a place, a habitation, that can be called a home. Not in a peasant's cottage in Europe, but in the home of an American workingman. And he wants enough wages to pay rent. He wants the Federal Government to make it possible for him eventually to buy such a home for himself and his family. He wants enough food, Mr. President, that will give a balanced diet to the children whom he has fathered.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HATCH. I want to disagree with one statement the Senator has just made, which is that the workingman wants the Federal Government to provide the way by which he can buy a home. I think the workingman ought to be able to do that himself as the result of his labor. I do not think the Federal Government ought to have to do that.

Mr. PEPPER. The able Senator is placing the emphasis on private enterprise and self-help. I am sure that upon reflection he will understand that what I am talking about is something like the Federal Housing Administration, or some provision by the Federal Government by which it will be possible for the worker to buy a home. I happen to have been one who could not have bought his own home without the help of the Federal Housing Administration, and I know what it means. That is what I am talking about. The worker wants to be able to rent or, with the aid of his Government, to buy, the kind of a house that he can call a home.

Mr. HATCH. Of course I do not disagree with the Senator's statement as to the value of the Federal Housing Administration; but I still insist that our system should be such that the workingman could provide his own home without having to receive aid from the Federal Government.

Mr. PEPPER. I wish it were. Perhaps the private loan companies and private capital will follow the example of the Federal housing plan and the Federal public assistance in housing, so that at some time it will not be necessary for the Government to aid. It may be possible at some time for the workingman, by his own efforts, to acquire his own home. We certainly look forward to that happy day.

Mr. President, I do not regard the American workingman as any more greedy, avaricious, and selfish than management. He wants a home. He wants a decent diet for his family. When his children go to Sunday school or day school, or to the social affairs of the community, he wants them to wear clothes which will not embarrass them. He would like to have a radio in his little cottage. He would like to have an automobile. His children read the advertisements about motion-picture shows, and they want to go. The family would like a little vacation occasionally. When his child becomes ill he wants to be able to get a doctor and pay him, and to place the child in a hospital if necessary. He wants to be able to provide adequate medical care for his family.

His wants are the ordinary aspirations of the ordinary American. No one can tell me, Mr. President, that merely because he has learned that he and his fellow workers may get together, they have in mind wrecking managment or wrecking private enterprise, or wrecking the American economy. They do not. Ninety-nine times out of a hundred the demands which they make are just. They are not always just. Perhaps sometimes they go too far. I believe that at times they quibble over nonconsequential matters. I do not have the slightest sympathy for jurisdictional strikes. There ought to be some way for the Government to provide arbitrators to settle such disputes without the stoppage of work being necessary. But ninety-nine times out of a hundred workingmen are asking only the laborer's hire, and approximately the same number of times out of a hundred management is trying to keep wages down to the lowest possible level. If it costs too much to provide better working conditions, employers will try to get out of it in every way they can.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. I shall be glad to yield in a moment.

Today I heard it said by someone that the woeful conditions which prevail in

the mining districts exist because the mines are only temporarily in operation, and that if management had to install plumbing in all the houses it would cost too much, because the mine would soon be closed, and management would lose all the benefit of such costly installations. I mentioned one case in which a man stated that his grandfather had worked in the same mine.

I presume that people living in mine houses remain there at least as long as soldiers lived in barracks, and as long as war workers lived in temporary housing; and yet we installed plumbing in those buildings. We placed some sanitary safeguards around them. I see no reason why it should not be done by management in the case of all mines.

I now yield to the Senator from New Mexico.

Mr. HATCH. The Senator has passed the point where I rose to interrupt him. The Senator vigorously condemned the jurisdictional strike. I believe that practically everyone in the country agrees with him. He stated that he favored arbitration under such circumstances. Would that include compulsory arbitration?

Mr. PEPPER. I will gladly address myself to the subject of compulsory arbitration, because that is the effect of the amendment of the Senator from Illinois. In committee I have voted against compulsory arbitration. Why did I vote against compulsory arbitration? Because I am not yet willing to surrender the private-enterprise system to governmental mandate and authority. If we give the arbitrator the power to fix wages we must also give him the power to fix profits. If we give him the power to fix salaries of workers we must also give him the power to fix the salaries of management. If we give the arbitrator the power to fix wages and salaries for management and labor, we must give him the power to fix the rate of dividends which management may pay or investment. If we give him those powers, we must give him the power to determine how much management may lay aside for future use. In substance, if he is to settle the matter he must have control over every aspect of the controversy, and all the interests of both parties to the controversy.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HATCH. I narrowed my question because I realized that the Senator would probably take the view which he did with respect to compulsory arbitration generally, which includes all the things which the Senator has mentioned. So far as I know, no one favors compulsory arbitration to that extent; but there are cases in which compulsory arbitration might be proper. I specifically asked the Senator about the jurisdictional strike. Would compulsory arbitration be favored in that instance?

Mr. PEPPER. In answer to the Senator's question, I would be willing to grant authority to bring jurisdictional strikes under the authority of compulsory arbitration. I would be unwilling to let it go to the point where one side or the other might be required to perform labor compulsorily. If some way could be devised whereby the rights of the parties could be determined in case of conflict so as not to impose compulsory labor upon any worker, or take away seniority rights and other rights of that character, I should like very much to see some such machinery devised.

Mr. HATCH. The jurisdictional strike would not in any sense involve compulsory labor. As the Senator well knows, a jurisdictional strike is a dispute in which two unions merely dispute as to which one shall perform the labor.

Mr. PEPPER. Yes.

Mr. HATCH. There should be some way of determining which ones shall have the right to do the work.

Mr. PEPPER. I believe that such authority might well be conferred upon the National Labor Relations Board, so that it could settle the question after hearing, and make certification under the National Labor Relations Act.

Mr. HATCH. Things like the jurisdictional strike are doing the cause of labor more harm than anything else. Such disputes ought to be settled according to established procedures of law, arbitration, or otherwise.

Mr. PEPPER. Mr. President, I have made reference two or three times to some pictures of mining towns. I hold in my hand a copy of the Washington Times-Herald of May 13, 1946. This particular page is devoted to photographs of some of the mining cottages in a mining town. Under this particular picture of a row of houses with open privies I find the following description:

> This is Kenvir—and Privy Row. It is only 30 feet—through cow and swine excretion—from kitchen door to privy. There are no bathtubs in the four-roomed frame house. The lucky ones have running water; and that's the way it's always been.

At the bottom of the page there is a photograph of a group of small boys—six of them, to be exact—standing in front of a dump pile. The caption of the picture is as follows:

> Here is dumped the refuse from the privies—along with dead cats, dogs, and miscarriages. Here, too, barefoot boys root for scrap iron and hogs root for garbage. The burning dump is only 600 feet from the homes of the miners.

Those are only a few of the conditions depicted.

I am not willing to send John L. Lewis to the penitentiary or to make John L. Lewis pay a fine of $10,000 because he says to management, "We will not go back into the mines until we get some decent health provision for our workers." Those who are excited about the strike do not see the scenes which are depicted in this newspaper.

A few minutes ago the able Senator from Illinois spoke about an amendment which he is to propose. I am sorry that I have not had an opportunity to read the entire amendment. The Senator asked what could be done. I said that if the Government were to be vested with authority, in case it takes over the mines, in this case, for example, to determine what the contract ought to be, then I see no reason why the Government could not get the parties together. But even if the Government takes over the mines, we have the further question of whether the workers will work in the mines. I realize that it would make the workers appear in a bad light if they did not work for the Government. But do the workers of Washington have to work for the Government? Can they not quit and go home if they so desire? No matter how badly the Government may need them, can they not quit? If a girl becomes homesick, can she not go home? Cannot a man go home from Washington if he so desires? Could not even Senators quit if they became too tired of being Senators? Would not they be able to resign without anyone denying them the right to resign from the laborious and important duties of Senators? So when we come to grips with the implications of this situation we get to the very heart and core of the constituency of modern society.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HATCH. I feel compelled to interrupt to say that, of course, there is a vast difference between the individual employee of the Government becoming homesick and going back home, or a Senator resigning, and a whole industry quitting work and plunging the entire Nation into disaster. That is the difference, and it is quite a difference—so much so that if it were only a question of an individual workingman, of course none of these measures would even be considered.

But, as the Senator was discussing so ably—as he always does—the rights of the individuals, with the protection of which we are all concerned, I thought of the fact that not only must the rights of individual workers be protected and the rights of management also be protected, but there is a right of the great body of the public which cannot be squeezed between these two contending factions without having the whole Nation brought to distress. That is what confronts us in a situation of this kind.

Certainly I approve of the Senator's statement that we should not legislate in haste and passion, and all that. But certainly, in all these controversies, we must bear in mind the rights of the great public. That is where our duty as the representatives of the people perhaps is strongest. To act for the welfare of the public as a whole, rather than for either of the contending factions.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Florida yield to the Senator from Vermont?

Mr. PEPPER. I yield.

Mr. AIKEN. I should like to ask this question: If the Government has not felt it practical or feasible to take over the mines under the presently existing law, is there any reason to believe that it would find it practical or feasible to take them over under another law which the Congress might pass?

As the Senator from Ohio [Mr. TAFT] pointed out the other day, it would be difficult for the Congress to enact strike

legislation any more severe than the Smith-Connally Act or to provide any penalties more severe than those now provided in that act. I am sure that the Smith-Connally Act provides that the Government may seize the mines and that if thereafter any of the miners quit work or slow up work they shall be subject to very severe penalties. If I remember correctly, the penalty is a fine of $10,000 or 5 years' imprisonment.

Certainly the Congress, today or next week, or 2 weeks from now, is not going to pass legislation which will deal with the coal strike any more severely than does the legislation which now is on the statute books. That is why I was opposed to having the Senate take up this permanent labor legislation before it acted on the extension of the draft and on the OPA bill.

Mr. HATCH. Mr. President, I think there is quite a difference between the amendment which the Senator from Illinois proposes and the Smith-Connally Act. I am not altogether familiar with what the Senator's amendment proposes, so I am not able to discuss it in detail at this time. But I wish to say that I think the pending legislation should have been taken up long ago, long before there ever was a coal strike; and the Congress should have set up and made permanent the procedure by which mediation and conciliation and various other processes would be commenced—some of which could have been exercised long before the coal strike arose, and perhaps in time to have prevented it.

Mr. AIKEN. Yes, Mr. President, it is entirely possible that if that had been done, we would have avoided some of the strikes which have occurred.

However, the measure now under consideration cannot be considered as emergency legislation which is required in order to deal with the particular situation which exists today in the coal industry.

Mr. PEPPER. Mr. President, that is the situation which presented itself before this hasty action was decided upon by the Senate and before Senators gave notice—not that they intended to vote to have the measure taken up in order to have the Senate pass the bill recommended by the Committee on Education and Labor—but that, on the contrary, some Senators openly said, they would use the bill reported by the committee as a vehicle with which to enact some really effective legislation against the labor strike situation. That is the whole problem at present.

Mr. AIKEN. And they felt that the time to get the most severe antilabor legislation through the Congress was while the public generally was mad at John L. Lewis.

Mr. PEPPER. Exactly. Senators knew that with the general animosity existing in the country against John L. Lewis, now was the time to pass some stringent anti-Lewis and antilabor legislation.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HATCH. I wish to say that I am not going to act on the basis of anti-Lewis and antilabor legislation. I have tried for many months to get this subject before the Senate, and I hope it can be considered calmly, reasonably, and properly, with the result that proper legislation will be enacted.

I am prompted to say now to the Senator from Florida what I was prompted to say to him when he was discussing these measures on the floor of the Senate the other day, when he said that the Senate Committee on Education and Labor has not acted hastily. Mr. President, in view of the long time which has been taken by that committee, I wish to say that I am sure it did not act hastily. In fact, it might have been better if it had acted more promptly, so that we might have taken up this measure before the crisis arose.

Mr. PEPPER. Mr. President, I thank the Senator from New Mexico for saying that our committee has deliberated carefully on this legislation.

Mr. HATCH. Oh, Mr. President, I did not say that the committee has deliberated carefully on this legislation. I say that it did not act hastily——

Mr. PEPPER. Very well, Mr. President; I thank the Senator for saying that the committee did not act with haste on this legislation.

No, Mr. President; the committee did not act hastily, for two or three obvious reasons. One was that we wished to hold hearings which would give the public a chance to be heard on the question of the enactment of such important legislation. The second reason was the very honest and earnest doubt which a majority of the committee had as to whether the strictures embodied in any legislation which the Congress might enact could prove anything other than what the Smith-Connally Act has proved—in short, a disappointment to those who advocated it as a means of preventing or curing work stoppages in the United States.

Mr. President, I have said before that when the Smith-Connally Act came before the Senate the war was still in progress. I believe I had as good a record of supporting labor as did almost any other Member of the Senate. Yet I felt it was my duty as a Senator and as a citizen to do anything I could do to advance the progress of the war. I had advocated in the early days lend-lease, selective service—many of the things for which I think some people called me—mistakenly, as I believe—a warmonger. But I felt that if I were asked to vote against labor or anything else, I should do so if such action would result in advancing the progress of the war. Of course, a work stoppage at that time would have impeded the progress of the war, and accordingly, would have exacted tolls in human life.

Therefore, I made a speech against John L. Lewis and against his practices and his arrogance. I made a speech in which I said that the time had come for the friends of labor to ask for certain concessions of certain technical privileges which they had; and that if they did not make those concessions, in the long run they would suffer in the loss of rights which they had carefully built up.

Although I then knew that there was question about the efficacy of the Smith-Connally Act, there was the same mass telegram and mass letter impact from the people back home who were earnestly concerned about the stoppage of production, and I thought perhaps the Smith-Connally Act would do some good in stopping work stoppages; and, therefore, I voted for it.

Now we have the Smith-Connally Act on the statute books. It was enacted against the same John L. Lewis and against the same miners. Yet now we find that we wish to pass another act. We have found out that we had harbored a delusion and a snare when we thought that these statutory provisions would stop work stoppages.

Mr. AIKEN. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. AIKEN. I should like to observe that I do not think we need to go back as far as the Smith-Connally Act to find the ineffectiveness of certain kinds of legislation in taking care of certain kinds of labor leaders. I think we need go back only a few weeks, to the time when the Congress passed the so-called anti-Petrillo bill. It was passed for the purpose of putting Mr. Petrillo in his place, once and for all. I believe that about 2 days after the act was signed, Mr. Petrillo doubled his demands. But, so far as I know, he has not gone to jail. Neither has anything else happened to him.

Mr. PEPPER. Mr. President, when we get to the very fundamental of the matter, we find that we must decide whether the public interest in the maintenance of production drops the scales down against the preservation of the individual liberty of the individual worker to work for another man upon his own terms. That is essentially what is involved in the entire controversy.

Mr. HATCH. Mr. President, will the Senator yield

Mr. PEPPER. I yield.

Mr. HATCH. I merely wish to observe, further, that I have frequently said on the floor of the Senate, in connection with other legislation, that I think whenever the Congress acts hastily in the light of any individual or any specific condition which has arisen, it is likely to enact bad legislation. I do not believe in that way of legislating. But there are times when in the Senate we are confronted with situations in which we find it impossible to obtain legislation—in fact, in which we find it even impossible to have proposed legislation considered—until something does happen to arouse the public mind and to arouse Senators and Representatives.

In justice to all those who, perhaps, took advantage of the present condition to get a labor bill considered on the floor of the Senate, I think it should be said that they were justified in doing so because of the strong attitude of some against any legislation whatever.

I voted to take up the bill at this time with that situation in mind, regretting that we had to legislate in the light of such conditions, but believing that if we did not legislate now, in all likelihood this

session of Congress would end and there would be no legislation of any kind whatever. I believe that many of my fellow Senators voted because of exactly the same reason, and did not desire to take advantage of the situation. They were rather forced and compelled to do what they did.

Mr. PEPPER. Mr. President, we all respect the honesty and the sincerity of purpose of the Senator from New Mexico in connection with every matter, including the present one. But feeling equally strong that the Senate would not take up this bill and calmly and dispassionately act upon it, I was one of the nine Senators who voted against taking it up. Had it been under any other circumstances the chairman of the committee, or the majority of the committee, would not have opposed consideration of the bill at any time. But we knew that if the bill were taken up at the present time it would receive a consideration which would be appropriate to the atmosphere of the times and the circumstances. We knew that when we measure the rights of workers to work on their own terms against the public interest, we are making one of the most important determinations of public and constitutional policy that the Government can make. If we break down the right of the individual worker in one case it can be broken down in another. When we legislate, Mr. President, we must think not only about the particular case involved, but also about other cases to which the same applications may be made.

Mr. HATCH. I know of no person who seeks in any way, or to any degree whatever, to break down the rights of the individual worker. There is a vast difference—I think that probably in this respect is where the Senator and I do not agree—between the manner of exercising the right to which the Senator refers, and of taking it away from someone. No one proposes to take any rights away from anyone. However, there is a way by which rights may be exercised and the public protected.

Mr. PEPPER. The only question which is important in this controversy is that of whether the miners will mine the coal. The public is interested only in whether it is to be furnished with coal. The only way to get the coal is for miners to dig it and have it brought out of the bowels of the earth where it may be placed in channels of commerce. The only way we can obtain coal is to do something that will compel miners to dig it and have it transported.

Mr. HATCH. I think I can say for the public in general, and for Members of Congress, that we are all interested in something more than the digging of coal. I think the Senator will find Congress perfectly willing to provide, for example, every safety measure which should be provided. I do not believe there is a single American citizen who wants men to mine coal when in so doing they are subjecting themselves to unreasonable dangers and hazards. I do not believe that the American public wants men and women and children to live in hovels such as those shown in the picture to which the Senator has referred. I think the American public is perfectly willing that every reasonable safeguard be provided for the health of miners and their families. Furthermore, I think it is our duty to take steps to preserve all those measures. But on the other hand, the public does not like to be taken by the throat and told that it must do something.

Mr. PEPPER. Mr. President, the miners are a part of the public. I am told that there are 400,000 of them. The average family is supposed to consist of four. That would mean there are sixteen hundred thousand persons who compose the families of American miners. They are a part of the public. They do not like to have someone take them by the neck and tell them what they must do. They are American citizens. They do not want to mine coal without a satisfactory contract. At least, that is what they say. Again, all I know is what I read in the reports published in the newspapers. The miners do not want to renew their contract, even for a livelihood, until they receive a certain health fund and certain safeguards. Mr. President, do we have the right to tell them, whether they are satisfied with their contract or not, that they must go back into the mines and mine coal because we need the coal? To deprive them of their right to refuse to go into the mines if they do not want to do so would be to make one of the most serious deviations from constitutional right and liberty which could be proposed. If we could succeed in such measures insofar as the miners are concerned, we could succeed in imposing similar requirements on railroad workers, on telephone workers, on steel workers, and on the men and women who are employed by the drug manufacturers and all other essential occupations. Our economy today is so complicated that we could enforce such demands on practically every element of our working population.

Mr. HATCH. I probably do not know about everything that is contained in the pending bill. But if there is anything in the bill which would do what the Senator has said, or if there is anything in any proposed amendment along that line, I would like to have the Senator point it out.

Mr. PEPPER. The Senator from Virginia [Mr. BYRD] has an amendment which I construe would put John L. Lewis, William Green, Philip Murray, or John Smith, for example, in jail if he attempted on behalf of his workers to administer for his union a health fund, or if he demanded one as a condition of the reexecution of a contract. I do not know what other amendments will be proposed, but I dare say there are some pretty drastic amendments which will be proposed before we complete consideration of this bill. But, Mr. President, what Senators are endeavoring to achieve is the enactment of a law which will provide power to be exercised by the Federal Government in preventing work stoppages. Whether it be done directly or indirectly, it is, nevertheless, a form of coercion. Senators do not want the public interest to suffer. All I am suggesting is that in correcting the situation we must balance the suffering which the public interest will sustain in the one instance against what the public interest might sustain if we deprive workers of this country of their right to work for others on their own terms.

Mr. HATCH. I fail to see in the pending bill, or in the amendment offered by the Senator from Virginia, anything which even touches upon a coercion of employees and a compulsion that they shall return to the mines and resume work. There is not a single thing in either measure which would infringe upon their rights in that regard. The right of John L. Lewis to administer a health fund created by a tax upon every ton of coal is altogether different from the right of an individual workman to make his contract with someone else under which he will work. In my opinion and judgment, there is absolutely no connection between the two.

Mr. PEPPER. With all deference to my friend, whose legal judgment I highly esteem, I cannot agree with what he has said. What the Senator from Virginia [Mr. BYRD] calls a royalty, and what he calls a tax on a ton of coal, Mr. Lewis or the miners might call a health fund. I understand that Mr. Lewis has said, in effect, "We will not sign a working contract with management unless management agrees to provide a health fund consisting of a certain amount of money equivalent to 10 cents a ton for every ton of coal mined."

Mr. President, if Mr. Lewis, John Smith, or Bill Jones wants to say to his employer, "I will not enter into a contract with you unless you provide a certain kind of health protection which will be satisfactory to me," and I know anything about the Constitution of the United States, he has the right to say so. And after having said so, if he does not get what he asked for, he may turn on his heel and walk out of the employer's office and be on his way. For having done that there is no power of which I know in this Congress or in this Government which can deprive any man of any right of liberty or property which he may possess.

Mr. President, I have stated the fundamental issue involved here. Why do not Senators face it squarely? If they believe that, in the balancing of the public interest against private interest, we should deny to workers in essential industry their right to refuse to work, let us debate it and discuss it on the floor of the Senate, and ascertain what we can devise as a solution of this acute problem. No, Mr. President, it cannot be done in any roundabout way of circumlocution. Everyone knows what the proponents of these amendments are endeavoring to do. They are endeavoring to provide punitive measures against John L. Lewis and the miners, or others similarly situated. I ask whether the people of the United States are at the present time willing to enforce compulsory labor upon any man for another man's profit without conditional terms of employment. It was said a while ago that the mines might be subjected to the same criteria to which rail-

roads are subjected. Two Senators have already pointed out that the Interstate Commerce Commission fixes the rates which railroads may charge for services which they render. Is business generally in this country willing to accept that kind of control?

The Interstate Commerce Commission rules how much the railroads may pay in the way of dividends. Are the mine owners willing to accept those conditions? If labor and management would submit their enterprise and their controversy to compulsory governmental arbitration, let the Government fix wages, fix salaries, fix dividends, fix the amount which should be set aside for future use, fix the amount of the advertising fund of the industry, along with all else, well and good, it could be done that way, provided we were willing to do it that way. But would it not be better to have an occasional strike, even by so arrogant and able a leader as John L. Lewis, than it would be to make industry and labor fit into that kind of a governmental strait-jacket? That is what we are talking about, the balance of interest. Of course, we have often been vexed and in many instances hurt by what Mr. Lewis has done, but I have been in the Senate for 10 years, and I have noticed it is a little difficult to get all the social legislation through one would like to have to prevent things like the present trouble occurring.

If we do not want houses like those now existing to be the homes of miners, let the Senate send a committee tomorrow to investigate, and if they find them a disgrace to America, let them return and report, and let us pass a bill to remedy the condition as quickly as we passed the draft bill a few days ago. Does anyone think we can get that done in the Senate? If the miners are not getting enough wages, let us send a Senate committee to the mines to find out what they should get, let the committee return, and let us act according to its report.

I will say, out of some justification of John L. Lewis, that if it had not been for his dramatic bringing of the facts surrounding conditions in the mines to the public attention, nothing would have been done about it, either by management or by the public; and that is too often true. It is conditions like that, so long neglected on the part of management, which oftentimes force labor to take the dramatic stands they take, so often to the detriment of the whole public. Yet I should like to go back over the history of the betterment of the conditions of working men and women in this country and see how many of the improvements have graciously and beneficently been bestowed upon the uncomplaining worker by the generous employer.

According to my observation, most of the betterments men and women have achieved, and improvements they have got in their working conditions have come about after a battle to better themselves. They have had to fight management, they have often had to fight the police, they have had to fight in many instances a bought press, and in many cases an unworthy, unscrupulous crowd of bought politicians. Only in the last few years, since labor unions have come to have some money and some power comparable in a small way to the power which big business has, have they come to be able to exert any collective power politically upon their public representatives. And now, as soon as they are able to exercise such a power, what do we hear? A determination to make it impossible for them to exercise the power.

But any Senator who tries to advocate a liberal policy, to run in any State of this Union, has to fight the moneyed interests of the State. No one can tell me anything about that subject, because I have been experiencing it for a good many years myself. I know where the money comes from ordinarily against a Senator who stands here and fights for what we call liberal legislation. Those who oppose him can dump hundreds of thousands of dollars into a perfidious pot, but if the CIO contributed a thousand dollars, they will cry to high heaven like a stuck pig.

Mr. President, I rejoice in the growing strength the labor unions are beginning to acquire, although it is an infant strength compared with what they will eventually have. Thank God they are men and women who have votes, and they have learned how they can put their votes and their dollars together, and stand up a little bit against the opposition.

Most of the papers are owned by people who are antisocial and antiliberal, and who are getting money out of advertisers who do not want us to pass beneficent legislation. I thank God that the labor unions are getting to the point where they can stand up and walk like men, and not have to crawl like animals across the face of the country.

Mr. President, they are going to grow stronger instead of weaker. They may have their little temporary set-backs. A combination in Congress may emasculate their power, it may curb their authority and their rights. All the bitter, vicious propaganda of the politically kept and bought may sometimes discredit them in the eyes of the public, but there is more political integrity in a labor union than there is in most trade associations.

When we are talking about subjecting labor unions to certain criteria, then I want to know how many of these trade associations are going to be put under the same rules and regulations. When we talk about collecting income taxes from labor unions, I want to know if we are to collect income taxes from trade associations—the National Association of Manufacturers, the United States Chamber of Commerce, the Associated Industries, in my State, and many other organizations of that character. When we are talking about putting curbs on labor leaders, I want to know when we are to put curbs on the power of money interests who exercise their authority in such a way as to affect adversely the economy of our country.

Mr. BALL. Mr. President, will the Senator yield?

Mr. PEPPER. I think it is time we began to put these things in the same scale. I yield to the Senator from Minnesota.

Mr. BALL. A while ago the Senator spoke about some of the amendments being punitive, and just now he mentioned curbs on management. I wonder if he would regard the National Labor Relations Act, which certainly applies considerable compulsion to management in the labor-relations field, as punitive.

Mr. PEPPER. It depends on the spirit in which it was enacted. The act was simply to protect the workmen in the enjoyment of the rights they should have had protection in a long time ago.

Mr. BALL. Was it aimed primarily at the correction of what Congress felt to be abuses on the part of employers which had developed in the labor-relations field?

Mr. PEPPER. That is correct.

Mr. BALL. To do that it had to apply certain restraints on employers, and it did so.

Mr. PEPPER. That is correct.

Mr. BALL. Is it not quite possible that some of us might believe that unions, in their share of the labor relations picture, have also developed abuses which need some correction, and would the Senator then apply the adjective "punitive" to any attempt by legislation to correct those abuses?

Mr. PEPPER. I would not. As I said, it would depend on the spirit in which the legislation was proposed. But there are those, the able Senator well knows, who take advantage of every opportunity to try to inflict some kind of restraint on labor and it is entirely possible that there are people like that today who are interested in the pending legislation.

Mr. BALL. Does the Senator believe that there can be organizations as powerful economically and politically as labor unions are today—and the Senator just expressed the hope they would become 10 times more powerful——

Mr. PEPPER. I did not say 10 times more, I said many times more.

Mr. BALL. Does he believe there can be such organizations subject to absolutely no restraint, and still have a free democracy, without complete domination by such powerful organizations?

Mr. PEPPER. I am willing to subject them to the same controls, that are comparable, to which we subject management, and those who have millions and hundreds of millions at their beck and call and at their disposal. There are plenty of men sitting in New York today—the chairman of the board of directors of the United States Steel Corp., for example—who, by the mark of a pen, can exercise more power than any labor union in the United States. Yet, I do not see anyone curbing their power.

Mr. BALL. I never met one of those gentlemen; but one of the abuses of unions today which was clearly brought out in our hearings is their use of the secondary boycott to create economic monopolies, which are as vicious as any brought about by the great trusts of 50 years ago. Yet the majority of the Senate Committee on Education and Labor refused to adopt any amendment which

would put any kind of restraint whatever on unions in the use of their tremendous power today to create absolute monopolies to the detriment of the consuming public.

Mr. PEPPER. Yes; and private business in this country today can sell an automoble to anyone to whom they want to sell it; they can sell a radio to anyone to whom they want to sell it; they can say, "You are a Republican, and I do not like you," or "You are a Democrat and I do not like you. I will not sell you a radio, even if my warehouse is bursting with them." And what can we do about it? So today, speaking of a secondary boycott, if a worker says he will not associate himself with certain people, what are we to do about it without curbing the right of selection we all have in the business world?

Mr. BALL. I am sorry, but we do not let them have it in the business world. If businessmen combine to create monopoly, they are subject to prosecution under the antitrust laws, as the Senator knows.

Mr. PEPPER. Yes; if there is a combination in restraint of trade as a part of a business practice. This is not done as a part of restraint in violation of the Sherman antitrust law, as the court has held. In one case it is business enterprise carrying out a business purpose; in the other case it is one individual associating with others according to his own standards.

I do not have to deliver a truck of groceries to the Senator's house if I do not want to deliver it, whether I am the grocer who owns a grocery store or not. We cannot make a truck driver deliver a load of groceries to my house if he does not want to, any more than we can make a grocer sell me a dollar's worth of groceries if he does not wish to.

Mr. BALL. We do not let a grocer combine with two other grocers and say, "This one shall serve these customers, and the other these customers, and we will double our prices." Grocers cannot do that. The Supreme Court has held unions can do it, and they are doing it.

Mr. PEPPER. That is not the typical case of the boycott.

Mr. HATCH. Mr. President, it is apparent the Senator from Florida is not going to be able to conclude this evening. The Senator from Kentucky has asked me to have an executive session.

Mr. PEPPER. That is all right, if the Senator will let me finish a sentence or two more, then I shall desist, with the understanding that I may resume tomorrow.

I wish to make just one more statement and then I shall conclude for today. The Committee on Education and Labor, under the able chairmanship of the distinguished junior Senator from Montana, has labored long and diligently and faithfully in trying to find the kind of legislation that the Congress properly can enact at the present time, and I do beseech my colleagues that they give us a chance to have this bill, over which we have labored so much, considered on the floor of the Senate before it is cast aside and spurned by the adoption of new amendments which have had no committee consideration and cannot possibly be considered with any thoroughness or fairness when brought to the attention of Senators here on the floor.

Mr. President, all of us are interested in the solution of the problem of continued production. We want to find the best answer we can possibly find, but we want to evaluate and to weigh all the considerations involved, and I do hope that instead of proceeding angrily or hastily or piecemeal, that we will so deliberate upon this legislation that in the months or years to come we may look back at our efforts here with pride and real satisfaction.

I should like to ask unanimous consent to retain the floor tomorrow.

Mr. MURRAY. Mr. President, before the Senator sits down, I should like to ask him a question. Is it not a fact that throughout the hearings which we held, the leading authorities in the field of labor relations came before us and fortified us in the conclusions we have arrived at which we placed in the bill we reported?

Mr. PEPPER. The Senator is absolutely correct.

Mr. MURRAY. Here, for instance, is the statement made by Mr. Davis, who is one of the very well known experts in the field of labor relations.

Mr. PEPPER. And who was chairman of the War Labor Board during the war.

Mr. MURRAY. He said before the committee:

> Now, what is the relation of strikes and lock-outs to this situation?
>
> The creative adventure of the conference table loses all color of reality if the workers who have been deprived of their right to reject management's offer and quit, or if management had lost its right to refuse the workers' terms and close the plant. It is, in the last analysis, the pressure of this right to strike or to lock out that keeps the parties at the conference table; that tests their courage, resourcefulness, and decision. Especially in times of emergency like the present time, those who are not involved in a dispute, the general public, are too prone to think of a strike as an unmitigated evil. The man on the street is not likely to know, or very much to care, about what the controversy means to those who are in it. He wants peace and production. He resents the stoppage and the strife. He is likely to feel as though the strike were an insult or an injury aimed at him directly.
>
> But the truth is, Senators, that the people are the primary sufferers in a strike or lockout, primarily. They are the one who pay the bills, and it is particularly the individual wage earner who suffers most, because he is generally the one with the least resources.

All through the month of hearings we were fortified and supported in our conclusions by the ablest men in the country in the field of labor relations.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes.

VETERANS' EMERGENCY HOUSING ACT—CONFERENCE REPORT

Mr. BARKLEY submitted the following report:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
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> That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Veterans' Emergency Housing Act of 1946.'
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> "SEC. 1. (a) The long-term housing shortage and the war have combined to create an unprecedented emergency shortage of housing, particularly for veterans of World War II and their families. This requires during the next 2 years a house-construction program larger than ever before. The first step toward such a program is to overcome the serious shortages and bottlenecks with respect to building materials, to expedite the production of such materials, to allocate them for house construction and other essential purposes, and to accelerate the production of houses with preferences for veterans of World War II and at sales prices or rentals within their means. To carry out this program, it is necessary to invest a housing expediter with adequate powers, including the power to issue policy directives. Accomplishment of these objectives will assist returning veterans to acquire housing at fair prices, stimulate industry and employment, prevent a post-emergency collapse of values in the housing field, and promote a swift and orderly transition to a peacetime economy.
>
> "(b) The provisions of this Act, and all regulations and orders issued thereunder, shall terminate on December 31, 1947, or upon the date specified in a concurrent resolution by the two Houses of the Congress, declaring that the provisions of the Act are no longer necessary to deal with the existing national emergency, whichever date is the earlier.
>
> "(c) The provisions of this Act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.
>
> "SEC. 2. (a) There is hereby created an office to be known as Housing Expediter; and the President is authorized, by and with the advice and consent of the Senate, to appoint an existing official of the Government to serve as Housing Expediter, or to appoint the Housing Expediter either within any existing agency or as an independent officer of the Government. In the event of an appointment of an existing official, he is hereby authorized and permitted to continue in his present post while serving as Housing Expediter, except that he shall receive no additional compensation by reason of his appointment hereunder. If, however, such Housing Expediter is appointed within an existing agency of the Government, he shall receive compensation in compliance with the laws and regulations applicable to officers within such agency; if the Housing Expediter is appointed as an independent officer of the Government, he shall receive compensation at the rate of $12,000 per annum.

"(b) The Housing Expediter, in addition to such other functions and powers as may be delegated to him by the President, is authorized to—

"(1) formulate such plans and programs as are necessary to provide for an increased supply of housing accommodations of all kinds and, in particular, of homes available for sale or rental at moderate prices to veterans of World War II and their immediate families;

"(2) issue such orders, regulations, or directives to other executive agencies (including the Office of Economic Stabilization and the Office of Price Administration) as may be necessary to provide for the exercise of their powers in a manner required by or consistent with the execution of the aforesaid plans and programs, and to coordinate the activities of such agencies directed to the execution of such plans and programs. Each executive agency shall carry out without delay the orders, regulations, or directives of the Housing Expediter, and shall, to the extent necessary, modify its operations and procedures from time to time to conform to the directions of the Housing Expediter;

"(3) recommend to the President the enactment of such legislation as may be necessary to provide the authority to carry out such plans and programs as are not authorized under existing law;

"(4) consult and cooperate with other agencies of the Federal Government, State and local governments, industries, labor, and other groups, both national and local, with respect to the problems created by the housing emergency and the steps which can be taken to remedy it.

"(c) The executive agencies of the Government shall exercise their emergency powers and other powers for the purpose of aiding in the solution of the problems created by the existing housing emergency, the alleviation of which is vital to an orderly transition from war to peace.

"(d) (1) All functions, powers, authority, or duties vested in the Office of War Mobilization and Reconversion or the Director thereof by the War Mobilization and Reconversion Act of 1944 which are or may be necessary or suitable to enable the Housing Expeditor to carry out the provisions of this Act and such plans and programs as such Housing Expediter may develop for the alleviation of the housing emergency, are hereby transferred to the Housing Expediter. The powers so transferred shall include the power to issue orders, regulations, or directives to other executive agencies with respect to the exercise by such agencies of their respective powers and authority.

"(2) The powers so transferred shall continue during the period in which this Act is in effect, notwithstanding any other provision terminating such powers contained in the said War Mobilization and Reconversion Act of 1944.

"SEC. 3. (a) Whenever in the judgment of the Expediter the sales prices of housing accommodations the construction of which is completed after the effective date of this Act have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this Act, he may by regulation or order establish maximum sales prices for such housing accommodations in accordance with the provisions of this Act. Any such regulation or order may be limited in its scope to such geographical area or areas and to such types or classifications of such housing accommodations as in the judgment of the Expediter may be necessary to effectuate the purposes of this Act. Before issuing any regulation or order under this section, the Expediter shall, so far as practicable, advise and consult with representative members of industries affected by such regulation or order, and he shall give consideration to their recommendations and to any recommendations which may be made by State and local officials concerned with housing conditions in any area affected by such regulation or order.

"(b) Any regulation or order issued under the authority of this section with respect to housing accommodations the construction of which is completed after the effective date of this Act shall provide that no sale of any such housing accommodations shall take place until after the builder thereof has filed with the appropriate agency designated by the Expediter a description of such accommodations, including a statement of the proposed maximum sales price, and has received from such agency a certification that such price is reasonably related to the value of the accommodations to be sold, taking into consideration (1) reasonable construction costs not in excess of the legal maximum prices of the materials and services required for the construction, (2) the fair market value of the land (immediately prior to construction) and improvements sold with the housing accommodations, and (3) a margin of profit reflecting the generally prevailing profit margin upon comparable units during the calendar year 1941. Any prospective seller of such housing accommodations may apply for such certification at any time, including before the commencement of construction, during its progress, or after its completion. In any case where a certification of approval of a proposed maximum sales price has been issued prior to the completion of construction, the prospective seller may, at any time before the first sale, apply for such revision of the maximum sales price previously certified as may be justified by a showing of special circumstances arising during the course of construction and not reasonably to have been anticipated at the time of the issuance of the earlier certification. The first sale of housing accommodations the construction of which is completed after the effective date of this Act shall not be made at a price in excess of the maximum sales price certified under this subsection. The actual price at which any such housing accommodations is first sold, plus any increases authorized pursuant to subsection (c), shall be the maximum sales price for any subsequent sale of such housing accommodations.

"(c) The Expediter shall by regulation or order provide for appropriate price increases for major structural changes or improvements, not including ordinary maintenance and repair, effected subsequent to the first sale after the effective date of this Act.

"(d) The Expediter may promulgate such regulations as he deems necessary and proper to carry out any of the provisions of this Act and may exercise any power or authority conferred upon him by this Act through such department, agency, or officer as he shall direct. Any regulation or order under this Act may contain such classifications and differentiations and may provide for such adjustments and reasonable exceptions as in the judgment of the Expediter are necessary or proper in order to effectuate the purposes of this Act. The Expediter shall have power to forbid the exportation to any foreign country of any lumber or other materials which are needed for the housing program.

"SEC. 4. (a) Whenever in the judgment of the Expediter there is a shortage in the supply of any materials or of any facilities suitable for the construction and/or completion of housing accommodations in rural and urban areas, and for the construction and repair of essential farm buildings, he may by regulation or order allocate, or establish priorities for the delivery of, such materials or facilities in such manner, upon such conditions, and to such extent as he deems necessary and appropriate in the public interest and to effectuate the purposes of this Act.

"(b) In issuing any regulation or order allocating or establishing priorities for the delivery of any materials or facilities under this section, the Expediter shall give special consideration to (1) satisfying the housing requirements of veterans of World War II and their immediate families, (2) the need for the construction and repair of essential farm buildings, and (3) the general need for housing accommodations for sale or rent at moderate prices. In order to assure preference or priority of opportunity to such veterans or their families, the Expediter shall require that no housing assisted by allocations or priorities under this section shall be sold within 60 days after completion or rented within 30 days after completion for occupancy by persons other than such veterans or their families: *Provided*, That the Expediter by appropriate regulation may allow for hardship cases.

"(c) The provisions of this section shall not be construed as in any way affecting the power of the President to assign priorities or to allocate any materials or facilities under the provisions of subsection (a) of section 2 of the Act of June 28, 1940, entitled 'An Act to expedite national defense, and for other purposes' (50 U. S. C. 633), as amended.

"SEC. 5. It shall be unlawful for any person to effect, either as principal or broker, a sale of any housing accommodations at a price in excess of the maximum sales price applicable to such sale under the provisions of this Act, or to solicit or attempt, offer, or agree to make any such sale. It shall be unlawful for any person to violate the terms of any regulation or order issued under the provisions of this Act. Notwithstanding any termination of this Act as contemplated in section 1 (b) hereinabove, the provisions of this Act, and of all regulations and orders issued thereunder, shall be treated as remaining in force, as to rights or liabilities incurred or offenses committed prior to such termination date, for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"SEC. 6. Any person who is aggrieved by any action taken pursuant to any regulation or order issued under the authority of this Act may petition the district court of the district in which he resides or has his place of business for a review of such action, and such district court shall have jurisdiction to enjoin or set aside, in whole or in part, such action or to dismiss the petition. No such action shall be enjoined or set aside, in whole or in part, unless the petitioner establishes to the satisfaction of the court that such action is not in accordance with law, is unsupported by competent, material, and substantial evidence, or is arbitrary or capricious.

"SEC. 7. (a) Whenever in the judgment of the Expediter any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of section 5 of this Act, he may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Expediter that such person has engaged or is about to engage in any such acts or practices a permanent or temporary injunction, restraining order, or other order may be granted and if granted shall be granted without bond.

"(b) Any person who willfully violates any provision of section 5 of this Act, and any person who knowingly makes any statement false in any material respect in any description or statement required to be filed under section 3, shall, upon conviction thereof, be subject to a fine of not more than $5,000, or to imprisonment for not more than one year, or to both such fine and imprisonment. Whenever the Expediter has reason to believe that any person is liable to punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought.

"(c) The district courts shall have jurisdiction of criminal proceedings for violations of section 5 of this Act, and, concurrently with State and Territorial courts, of all other proceedings under this section. Such criminal proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred. Such other proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred, and may also be brought in the district in which the defendant resides or transacts business, and process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found. Any such court shall advance on the docket and expedite the disposition of any criminal or other proceedings brought before it under this section. No costs shall be assessed against the Expediter or the United States Government in any proceeding under this Act.

"(d) If any person selling housing accommodations violates a regulation or order prescribing a maximum selling price, the person who buys such housing accommodations may, within one year from the date of the occurrence of the violation, bring an action for the amount by which the consideration exceeded the maximum selling price, plus reasonable attorney's fees and costs as determined by the court.

"SEC. 8. As used in this Act—

"(a) The term 'maximum sales price' means the maximum price for which any housing accommodations the construction of which is completed after the effective date of this Act may be sold and includes the total consideration which may be paid by the buyer for such housing accommodations with accompanying land and improvements, excluding only those incidental charges, such as brokerage fees or commissions or charges, which buyers or sellers of such housing accommodations customarily assume in the community where such accommodations are located and which actually have been incurred for services rendered at the buyer's or seller's request.

"(b) The term 'person' includes an individual, corporation, partnership, association, or any other organized group of any of the foregoing, or legal successor or representative of any of the foregoing.

"(c) The term 'district court' means any district court of the United States, and the United States court for any Territory or other place subject to the jurisdiction of the United States.

"(d) The term 'veterans of World War II' shall include persons who have served in the active military or naval forces of the United States on or after September 16, 1940, and prior to the termination of hostilities in World War II, and who have been discharged or released therefrom under conditions other than dishonorable, and persons serving in the military or naval forces of the United States requiring housing accommodations for their dependent families.

"SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions and purposes of this Act: *Provided, however,* That so much of the First Deficiency Appropriation Act, 1946 (Public Law Numbered 269, Seventy-ninth Congress, approved December 28, 1945), as reads '*Provided,* That none of the funds available under this head for administrative expenses shall be used in paying the salary of any person engaged in making or processing loans in excess of $500,000 to any State, any subdivision thereof, any municipality therein, or any public authority, for construction purposes, unless in pursuance of a specific authorization, except, however, that this provision shall not apply to any application or loan approved or made prior to December 15, 1945', shall not apply to loans made for construction, removal, or remodeling of housing by publicly supported educational institutions where made for the purposes of housing veterans enrolled and attending such institution.

"SEC. 10. (a) Section 603 (a) of the National Housing Act, as amended, is hereby amended to read as follows:

"'(a) In order to assist in relieving the acute shortage of housing which now exists and to increase the supply of housing accommodations available to veterans of World War II at prices within their reasonable ability to pay, the Administrator is authorized, upon application by the mortgagee, to insure as hereinafter provided any mortgage which is eligible for insurance as hereinafter provided, and, upon such terms as the Administrator may prescribe, to make commitments for the insuring of such mortgages prior to the date of their execution or disbursement thereon: *Provided,* That the aggregate amount of principal obligations of all mortgages insured under this title shall not exceed $2,800,000,000 except that with the approval of the President such aggregate amount may be increased to not to exceed $3,800,000,000: *Provided further,* That no mortgage shall be insured under this title after June 30, 1947, except (A) pursuant to a commitment to insure issued on or before June 30, 1947, or (B) a mortgage given to refinance an existing mortgage insured under this title and which does not exceed the original principal amount and unexpired term of such existing mortgage: *And provided further,* That the Administrator shall, in his discretion, have power to require the availability for rental purposes of properties covered by mortgages insured under this title in such instances and for such periods of time as he may prescribe.'

"(b) Section 603 (b) (2) of the National Housing Act, as amended, is hereby amended to read as follows:

"'(2) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Administrator shall approve) in an amount not to exceed 90 per centum of the Administrator's estimate of the necessary current cost (including the land and such initial service charges and such appraisal, inspection, and other fees as the Administrator shall approve) of a property, urban, suburban, or rural, upon which there is located a dwelling designed principally for residential use for not more than four families in the aggregate, which is approved for mortgage insurance prior to the beginning of construction. The principal obligation of such mortgage shall in no event, however, exceed—

"'(A) $5,400 if such dwelling is designed for a single-family residence, or

"'(B) $7,500 if such dwelling is designed for a two-family residence, or

"'(C) $9,500 if such dwelling is designed for a three-family residence, or

"'(D) $12,000 if such dwelling is designed for a four-family residence:

Provided, That the Administrator may, if he finds that at any time or in any particular geographical area it is not feasible, within such limitations of maximum mortgage amounts, to construct dwellings without sacrifice of sound standards of construction, design, or livability, prescribe by regulation or otherwise higher maximum mortgage amounts not to exceed—

"'(A) $8,100 if such dwelling is designed for a single-family residence, or

"'(B) $12,500 if such dwelling is designed for a two-family residence, or

"'(C) $15,750 if such dwelling is designed for a three-family residence, or

"'(D) $18,000 if such dwelling is designed for a four-family residence.'

"(c) Section 603 (b) (5) of the National Housing Act, as amended, is hereby amended to read as follows:

"'(5) bear interest (exclusive of premium charges for insurance) at not to exceed 4 per centum per annum on the amount of the principal obligation outstanding at any time.'

"(d) Section 603 (c) of the National Housing Act, as amended, is hereby amended (1) by striking out of the third sentence the word 'emergency' and inserting in lieu thereof the words 'shortage of housing', and (2) by striking out the last sentence thereof and inserting in lieu thereof the following sentence: 'The Administrator shall prescribe such procedures as in his judgment are necessary to secure to veterans of World War II, and their immediate families, and to hardship cases as defined by the Administrator, preference or priority of opportunity to purchase or rent properties covered by mortgages insured under this title.'

"(e) Section 604 (b) of the National Housing Act, as amended, is hereby amended by striking out the words 'appraised value of such property as determined by the Administrator' and inserting in lieu thereof the following, 'Administrator's estimate of the necessary current cost'.

"(f) Section 608 (b) of the National Housing Act, as amended, is hereby amended:

"(1) by amending paragraph numbered (2) thereof to read as follows:

"'(2) Preference for priority of opportunity in the occupancy of the mortgaged property for veterans of World War II and their immediate families, and for hardship cases as defined by the Administrator, shall be provided under such regulations and procedures as may be prescribed by the Administrator:';

"(2) by amending paragraph (3) (C) to read as follows:

"'(C) not to exceed $1,500 per room for such part of such property or project as may be attributable to dwelling use: *Provided,* That the Administrator may increase this amount to $1,800 where in his discretion, cost levels so require,';

and

"(3) by striking out 'reasonable replacement cost' and inserting in lieu thereof 'necessary current cost'.

"(g) Section 608 (c) of the National Housing Act, as amended, is hereby amended by inserting in the third sentence before the semicolon at the end of clause (C) the following: "and any mortgage insurance premiums paid after default."

"SEC. 11. (a) The last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended (50 U. S. C. 902 (e)), shall not apply to subsidies, which the Reconstruction Finance Corporation may make hereunder, in the form of premium payments used only to the extent that the Housing Expediter (after considering all available means) finds them temporarily necessary to increase the supply of materials for the veterans' emergency housing program and for other construction, maintenance, and repair esesential to the national well-being: *Provided,* That not more than $400,000,000 shall be used for such premium payments.

"(b) The following standards shall be applied by the Housing Expediter to premium payments:

"(1) Premium payments shall be used only temporarily and only with relation to additional units of production beyond that otherwise attainable (as determined by the Housing Expediter by general regulation for the industry involved), where such premium payments are necessary to stimulate such additional production with greater rapidity, economy, or certainty than other available methods.

"(2) The value of the units of production to which premium payments are applied (A) in the case of any new producer (except of new type materials) shall not exceed 50 per centum of the value at the producers' level of the output of such producer, and (B) in the aggregate shall not exceed 30 per centum

of the value at the producers' level of all materials needed for the veterans' emergency housing program and for other construction, maintenance, and repair essential to the national well-being. The average rate of premium payments shall not exceed 25 per centum of the value of the units of production to which they are applied.

"(3) Premium payments shall wherever feasible be applied at a uniform rate within any industry requiring them, rather than at varying rates for each producer.

"(4) The stimulation of necessary additional production by premium payments shall place emphasis upon avoiding either economic dislocations or adverse effects upon established business.

"(5) New type materials to which premium payments are applied shall be tested for sound quality.

"(c) Not more than $15,000,000 of the funds made available under this section may be used to the extent that other funds are unavailable for the construction of access roads to standing timber on lands owned by or under the jurisdiction of an agency of Government.

"SEC. 12. (a) The powers vested in the Reconstruction Finance Corporation pursuant to clause (a) of section 5d (3) of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 606b (3)), may be used to underwrite or guarantee markets for new type building materials and prefabricated houses, but only to the extent that the Housing Expediter finds this necessary to assure a sufficient supply for the veterans' emergency housing program: *Provided*, That the number of prefabricated houses covered by outstanding underwriting or guaranty (including such houses as may be held by the Housing Expediter) shall at no time during the program exceed two hundred thousand.

"(b) The following standards shall be applied by the Housing Expediter to such underwriting or guaranty:

"(1) To avoid impairment of established enterprises, new type materials and prefabricated houses shall be encouraged only to supplement such expanded production of conventional type materials and houses (with access to available materials) as can be achieved with sufficient rapidity and economy.

"(2) There shall be reasonable prospect of either (A) full return to the Government of any funds involved in such underwriting or guaranty, or (B) net cost to the Government substantially lower than under any other available method of achieving the necessary expansion of production. Toward this end, the underwriting or guaranty of such materials or houses shall not be for more than 90 per centum of the producers' standard delivery price. The Housing Expediter shall maintain constant review of experience toward the objective that the total net costs to the Government shall in no event exceed 5 per centum of the total amount of underwriting or guaranty undertaken.

"(3) There shall be clear evidence that the new type materials or prefabricated houses require underwriting or guaranty only temporarily until they attain general market acceptability.

"(4) Emphasis shall be placed upon avoiding either economic dislocations or adverse effects upon established business.

"(5) New type materials and prefabricated houses shall be tested for sound quality and (in the case of such houses) for durability, livability, and safety.

"(6) Any underwriting or guaranty shall require adequate showing by the producer that he has sufficient working capital and experience, and that he can achieve the desired production on time under conditions satisfactory to the Housing Expediter.

"SEC. 13. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

ALBEN W. BARKLEY,
ABE MURDOCK,
GLEN TAYLOR,
HUGH B. MITCHELL,
ROBERT A. TAFT,
C. D. BUCK,
Managers on the Part of the Senate.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
WM. B. BARRY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
Managers on the Part of the House.

Mr. BARKLEY. Two or three conferees were not in town, and therefore did not sign the report.

Mr. WHITE. I understand that all who were in the city joined in the report.

Mr. BARKLEY. All who were in the city joined in the report, and the House has just adopted the report. I might say that the report as agreed to reduces the amount of the premium payments for stimulation of material from $600,000,000 to $400,000,000.

The extension period contained in the bill as it passed the House was lengthened from June 30, 1947, to December 31, 1947, through next year.

In regard to the guaranty of prefabricated houses, the bill as it passed the Senate provided a guaranty of 100 percent of the sale price, but never to exceed 200,000 units at one time. The conferees reduced that to 90 percent of the sale price.

Outside of these changes the others are purely textual and routine.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the report?

There being no objection, the report was considered and agreed to.

ARTICLE BY AGNES E. MEYER ABOUT MEMPHIS AND MR. CRUMP

Mr. STEWART. Mr. President, my attention has been called to a most contemptible and obviously malicious and untruthful publication appearing in the Washington Post of Monday, May 13. This article concerns Memphis, Tenn., and Mr. E. H. Crump, and is written by Agnes E. Meyer, the wife of Eugene Meyer, editor and publisher of that paper.

Mrs. Meyer has been busying herself for some time going about over the country and writing articles about different sections, with special emphasis on the South. During the war Mrs. Meyer contributed her patriotic bit by trying to stir up racial trouble between the white and black people of the South, at which time she would visit Army camps. She did her very best to incite race trouble, with only a small degree of success.

Now that the war is over and the country is struggling through the trying period of reconversion Mrs. Meyer, probably having little else to do, again goes South, this time in the interest of CIO-PAC and communism.

She visits one of the South's greatest cities; indeed, one of the Nation's greatest cities; a city which has long since been famously known for its cleanliness, for its general good health and great hospitals, hospitals that are superior to those in Mrs. Meyer's home town; a city free of cheap politicians and graft; a city that has several times taken national safety awards because of its comparatively few traffic accidents.

Memphis is a city which has taken national awards because of the small amount of property destruction by fire; a city which enjoys perhaps the lowest fire-insurance rate of any city in the Nation, and is among those cities which have an extremely low property tax rate; a city where the people, both white and black, are happy and contented and prosperous; where they are at work and at peace with another; a city that has some of the finest churches, of all denominations, that exist anywhere in the land. Mrs. Meyer goes to this city, I say, and undertakes to slander its people. She says that they are forced to "kowtow" to Mr. E. H. Crump, its No. 1 citizen and builder, and one of the greatest men this Nation has ever produced or probably ever will produce. She undertakes to picture Mr. Crump as a sort of Hitler, and she develops fictitious interviews with imaginary persons who whisper to her that Mr. Crump rules the city through fear and intimidation.

Mrs. Meyer seeks to slander the South and its greatest leader. The statement made by Mrs. Meyer about Mr. Crump and the people of Memphis is utterly untrue. It is a malicious, wiliful, and wanton falsehood.

Mrs. Meyer does not give the name of a single respectable citizen and businessman of Memphis from whom she procured any such information. She uses the same old time-worn gag of deception when she says that they told her these things, but they are "afraid" for their names to be made public. She is a falsifier. Nobody told her any such things as she has written.

Mrs. Meyer claims to be interested in human welfare and improvement of living conditions, and so forth, in the country. She is not interested in any such a thing at all. If she were she would spend more time in Washington, D. C. Her delight seems to be to tear down and to destroy, to abuse, and to slander and vilify. In common parlance, Mrs. Meyer is a "nosy busybody."

The people of the South know that her statement is not true. This is another of her malicious efforts to slander, made in furtherance of a desire and purpose to do injury to a great section of the Nation and to stir up strife and, of course, direct attention to herself. But underneath all of this is the basic desire to forward the cause of CIO—PAC—communism—the old ruse of masquerading as a reformer while trying to advance the cause of democracy's greatest enemy.

But Mrs. Meyer cannot hurt Mr. Crump or the people of Memphis. She will reap only the sound of her own voice and see her own name in print. Neither can she injure the senior Senator from Tennessee [Mr. MCKELLAR] or

Mayor Chandler—two great public servants. All these men have been slandered by able writers. The senior Senator from Tennessee is known for his independence, and he and Mr. Crump are warm personal friends. Mr. Crump is not the sort of man Mrs. Meyer describes at all. He never abuses his friends or holds them up to ridicule as she says. Mrs. Meyer probably got some of her stories from Edward J. Meeman whom she pictures as a hero in a bad land.

Years ago Meeman went to Memphis to drive Mr. Crump out. People have already forgotten Meeman, and Mr. Crump's popularity grows each day. Mr. Crump has been in Memphis about one-half a century. He has grown up with it, so to speak. His everlasting honesty has stood the test of time; not even once has an opponent been able to score on him. He does not have spies; he does not need them. The people down there fairly worship him, and what Mrs. Meyer has to say will not hurt him at all.

Mr. Crump numbers his friends by the thousands. Those who have felt the warmth of his friendship and the strength of his comradeship never forget it. Memphis and Tennessee and the South love him. In an hour of sorrow which came to him and his lovely wife a few years ago, every heart down there beat to the fullness of southern sympathy.

Mr. Crump has character, courage, strength, and friends. He is one of the Nation's all-time great, and the Meyer-CIO-PAC-Communists coalition cannot begin to hurt him or Memphis.

EXECUTIVE SESSION

Mr. HATCH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Joseph Kormann, for appointment as Assistant Chief, Research and Statistics Division, Philadelphia Branch, Selective Service System, under the provisions of law.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

DISTRICT OF COLUMBIA

The legislative clerk read the nomination of John Russell Young to be Commissioner of the District of Columbia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. HATCH. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That completes the calendar.

Mr. HATCH. I ask unanimous consent that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. HATCH. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 24 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 14, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 13 (legislative day of March 5) 1946:

COMPTROLLER OF CUSTOMS

Charles I. Lafferty, of Atlantic City, N. J., to be comptroller of customs with headquarters at Philadelphia, Pa. (Reappointment.)

UNITED STATES TARIFF COMMISSION

John Price Gregg, of Oregon, to be a member of the United States Tariff Commission for the term expiring June 16, 1947.

FEDERAL COMMUNICATIONS COMMISSION

Paul A. Walker, of Oklahoma, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1946.

IN THE NAVY

LIEUTENANT COMMANDERS

Brewer, James T.
Sigel, Clinton H.
Traua, Harold F.
Wallis, Adelbert V.

LIEUTENANTS

Atkinson, Richard H., Jr.
Bankert, Boyd A.
Gage, Kenneth L.
Meneke, Kenneth E.
Steffanides, E. F., Jr.

LIEUTENANTS—JUNIOR GRADE

Blackwood, Herbert B.
Boles, Warren C.
Bull, Carl E.
Cameron, Gerald L.
Cole, Shelby O.
Crutcher, William R.
Curtis, Walter L. J.
Darroch, James W.
Davis, Lewis F.
Deitrick, Virgil S., Jr.
Dimpfel, Emerson H.
Ellis, Paul B.
Fagan, Robert H.
Faulkner, Frederic L.
Fleming, Edward S.
Flynn, Leonard J.
Francis, Duncan F.
Frauenheim, Gilbert J.
Gallagher, Harry J.
Green, Allen V.
Gregg, Thomas A.
Harrison, Harry W., Jr.
Hillis, Thomas W.
Hines, Kenneth W.
Holden, James R.
Hoolhorst, Robert A.
Howe, Thomas F.
Hunnicutt, James L.
Huston, Robert C.
Jennings, Verne A.
Kirkpatrick, William S., Jr.
Lafferty, Kenneth F.
Marvin-Smith, Harry
McAllister, Joseph D.
McCurtain, James H.
Meakin, John B.
Miller, Floyd F.
Monk, Ivan
Nienstedt, Donald A.
Pawka, Edward J.
Pear, John F.
Pearson, Gerald R.
Riley, Frederick D., Jr.
Sinkankas, John
Sintic, Anton J., Jr.
Smith, Hinton I.
Strauss, Ben Arthur
Van Gorder, Harold B.

ENSIGNS

Abbott, Myron J.
Adams, Arthur J.
Adams, Fred I.
Adkisson, Hubert K.
Agin, Kenneth G.
Ahlstrom, Orin J.
Alber, Lavier C.
Alexander, Robert C., 3d
Allen, Eugene T.
Allen, Joseph S.
Allmon, Clyde E.
Aloisio, Veto
Amman, Bernard
Ammerman, Charles, Jr.
Anderson, Thomas E.
Andrews, George G.
Andrus, Richard C.
Aney, John L.
Anglemyer, Robert E.
Archie, Addison S., Jr.
Appel, Robert B.
Armstrong, Frank D., Jr.
Armstrong, Sam "T", Jr.
Armstrong, William H.
Arseneault, Arthur J., Jr.
Axson, Frank A.
Bacon, Noel R.
Bacon, Schuyler W.
Baer, John H.
Bagwell, Ralph M.
Bailey, Gordon W.
Bailey, John D.
Baker, Philip
Baker, Robert G.
Baker, Robert J.
Baker, Royal W.
Bakle, George F.
Balestri, William L.
Ball, Robert R., Jr.
Ballew, John L.
Ballinger, William C.
Bally, Walter L., Jr.
Bark, Durward A.
Barker, Gilbert H.
Barker, Jesse T.
Barkley, Edward P.
Barnes, Robert M.
Barnsdale, William J.
Barrett, Russel R., Jr.
Barry, Bruce C.
Barton, Elbert M., Jr.
Barton, George E.
Bates, Sheldon "S"
Batson, Roland R., Jr.
Bauder, Eugene W.
Baumgaertel, Lawrence F.
Baumgardner, Neal G.
Bayless, Terry S.
Beal, Roby A.
Beaver, Chester E.
Becker, William P.
Bell, George M.
Bellinger, Duane J., Jr.
Bellis, Charles A.
Bennett, Edgar T.
Benton, Burgin "L"
Berg, Frederick E.
Bergey, Gale L.
Bergsma, Earl R.
Berkstresser, Charles C.
Bertoglio, Lloyd W.
Bevan, Thomas Q.
Bigelow, Charles C.
Bigelow, Marvin R.
Bigham, Frank, Jr.
Bing, John H.
Bingham, Byrum C.
Birch, Thomas L.
Bird, Wesley E., Jr.
Blair, Marvin S.
Blake, Frank W., Jr.
Bland, Sylvan R.
Bland, William F.
Bodger, Walter C.
Bolt, William H., Jr.
Boucree, James J.
Bowen, Alva M., Jr.
Bowers, Roscoe H.
Box, Herbert G.
Boyd, Earl I.
Boyle, John A.
Bradford, John R., Jr.
Bradley, Frank H.
Branson, "J" "P", Jr.
Branton, Richard C.
Brasca, John P.
Breeden, George B.
Brekke, Trond G.
Brent, Sherman E.
Bridges, Johnie J.
Brokaw, Bergon F.
Brooks, Paul R. M.
Brown, Donald N.
Brown, Guy C.
Brown, Ian F.
Brown, Joseph W., Jr.
Brownsberger, James A.
Buckles, Harland R.
Bucklew, Oscar T.
Burchfield, James L.
Burkey, Gale C.
Burnam, Harold W.
Cady, Joseph
Cain, Elbert V., Jr.
Caine, Lawrence B., Jr.
Call, William R.
Callahan, Charles W.
Callis, John L.
Capistran, John H.
Carlenzoli, Henry
Carman, Robert E.
Carpenter, Melvin J.
Carr, Leslie "J"
Carrier, Francis A.
Carros, John Z.
Carter, Harold L.
Cates, Kenneth W.
Cauchon, Herve P.
Cavanaugh, "O" "B," Jr.
Cawley, Max E.
Cella, Roy F.
Chandler, Murray L. C.
Chiles, Richard H., Jr.
Chinnis, Carter C.
Chisholm, John E.
Christensen, Gordon P.
Christiansen, William
Clock, Richard L.
Cobb, Myron M., Jr.
Cockrell, Fred T.
Cody, Harold R.
Colbert, Vernon E.
Colkitt, Benjamin E., Jr.
Compton, Oliver D.
Connolly, Joseph A.
Cook, Francis C.
Cook, John F.
Cooper, George R., Jr.
Copeland, James D.
Copeland, William E.
Corcoran, Thomas J.
Corkran, Richard L., Jr.
Corner, Sheldon L.
Cornish, James E.
Cortner, Howard M.
Coryell, George R.
Couch, Howard W.
Coulter, Fred W.
Cousins, Gordon M.
Covington, Earl L.
Crangle, Eugene V.
Crann, Lawrence B.
Cressman, Wilmer H.

Crevelt, John T.
Crockett, Luther M.
Croft, Merion W.
Cross, R'chard F., 3d
Culotta, Joe Joe
Cunningham, Paul J.
Currin, Norman P.
Curry, Robert E.
Curtin, John R.
Curtin, Robert H.
Cushman, Charles H., Jr.
Cyr, Robert B.
Czerwonky, Andreas R.
Dabbs, Billy
Dalton, James B.
Dana, Martin L.
Dane, Samuel
Daniel, Sidney T.
Daniels, John
Darby, Lowel E.
Darnall, Charles W., Jr.
Darnold, Marshall P.
Daubert, Henry C., Jr.
Daugherty, John A.
Davidson, Carl W.
Davidson, Edward A.
Davis, George W., 5th
Davis, Jack E.
Davis, John F.
Davis, Leland E.
Davis, Stanley O.
Davis, Tharrell W.
Davis, William H.
Davol, Charles D., Jr.
Decallies, Richard N.
Degroote, Douglas F.
Deitz, Charles J.
Delaney, John A.
Denegre, Thomas B., Jr.
Denkler, William A.
Devold, Thorpe G.
Dierker, John R.
Ditzler, David D.
Dodson, John D., Jr.
Doherty, James F., Jr.
Donahue, Philip M.
Donald, Herbert L. Jr.
Donnaud, Charles O., 3d
Dooley, Raymond J.
Dorchester, Chester H.
Dore, Edward J., Jr.
Doudican, Edward
Douglass, Robert R., Jr.
Dow, John F.
Dowdy, James C.
Drayton, Leslie H.
Driscoll, John R.
Dubiel, Robert A.
Dubrul, Donald C.
Duhon, Willis P.
Duke, Edwin L.
Duncan, Charles L.
Duncan, John H.
Duncan, Marvin H.
Duncan, Richard E.
Duncan, Theodore N.
Dunson, William B.
Dunston, Charles E.
Durtche, Carl, Jr.
Efird, Terril A.
Efland, Mack P., Jr.
Egert, Marlin V.
Eisele, J., Christian
Eldridge, Paul W.
Eldridge, Richard A.
Ellis, Frederick L.
Ellis, George G., Jr.
Ellis, Kermit Q.
Ellison, Wayne W.
Elsworth, Donnel "E"
English, Addison R.
Entringer, James S.
Eriksen, Einar A.
Esch, Robert R.
Esposito, Michael J.
Ettinger, Raymond L.
Eubanks, Jack L.
Evans, Kenneth J.
Evans, Malcolm G.
Evans, Roy A.
Ewing, Frederick B., Jr.
Fairbanks, John W.
Fallon, James V.
Fallon, Leonard T.
Farr, Jesse B.
Farrand, Langdon S.
Farrell, Charles S.
Fears, Charles L.
Ferguson, Gerald L.
Ferguson, William L.
Ferrell, Otis C., Jr.
Feuerbach, Theodore
Fewell, Kinsey K.
Fielding, Teddy R.
Fife, Milton E.
Filson, James B.
Finneran, John F., Jr.
Fiorini, Elmer B.
Fischbeck, Roy S.
Fisher, Dale W.
Fisher, Philip S., Jr.
Fisher, Robert A.
Fisher, Robert D.
Fite, Wallace A.
Fitzgerel, John H.
Fitzpatrick, John G.
Fitzpatrick, L. J., Jr.
Fleet, John P.
Fleming, Robert J.
Flitton, Charles N. 2d
Flood, Robert E.
Fogarty, William E.
Foley, Edward M.
Forbis, Roy E.
Forcier, Alfred A.
Ford, "J" "D"
Ford, Truxton K.
Forgy, William J.
Forth, Edward W.
Fortner, Herschell
Fortner, Leslie O.
Foster, John I.
Fowler, R. E., Jr.
Franch, Ardwin G.
Francis, Leverett M.
Franklin, George E.
Franklin, Roy V.
Frates, George H., Jr.
Fries, William D.
Frisbie, Charles N.
Fritz, Charles W.
Frosio, Joseph M., Jr.
Frossard, Clarence F.
Fry, Elmer C.
Fulwider, Robert E.
Gabel, Robert W.
Gallagher, Glen F.
Galland, Frank J.
Gallivan, James J.
Gammell, John F.
Gamwell, Stephen E.
Garbark, George H.
Gardner, Robert M.
Garrison, Lloyd W.
Gartland, Paul V.
Gayle, Robert E., Jr.
Gear, Bud B.
Gehrmann, Charles P., Jr.
Gentilini, Joseph J.
George, Milton D.
Gerdes, Henry A.
Gerry, Joseph H.
Gersuk, Ipser J.
Geselbracht, Thomas H.
Gibbs, Charles W.
Gibson, Aubrey L.
Gibson, Charles C.
Gibson, Freal J.
Gibson, Moses M., 3d
Gibson, William R.
Gifford, Lewis G.
Gill, Alfred M.
Gilmore, Garth D.
Gilmore, Grover G.
Ginn, John O.
Girard, George W.
Glanzman, John B. J.
Glascow, Robert N.
Glass, Ira A., Jr.
Gleeson, Richard G.
Glover, John W.
Glowacki, Theodore, Jr.
Goben, Howard G.
Gockel, Bernard N.
Godek, Mieczyslaw
Godfrey, "J" Thomas
Godin, John E.
Goll, Robert R.
Gompf, Charles H.
Goodberlet, Alphonse G.
Goodrich, "J" Harold
Goodwin, Glendon
Goodwin, John T.
Gordon, Harold L.
Gordon, Wendell G.
Gorman, Frederick E.
Gossman, Thomas J.
Gotch, James R. P.
Goulder, Morton E.
Graffy, Richard
Grafton, Warren C.
Graham, James T.
Graham, Ralph E.
Grazda, Melvin G.
Greeley, Douglas H., Jr.
Greene, Robert E.
Greer, Richard D., Jr.
Gregonis, Joseph P.
Griffin, Bayard F., Jr.
Griffin, Thomas H.
Griffith, Marvin L.
Groot, Henry A., Jr.
Grosser, John F.
Guilfoyle, Robert F.
Gullaksen, Gilbert V.
Guttenberger, Frank M.
Guy, James W.
Guy, Robert S.
Guyer, George F.
Hagen, Harold A.
Haines, Joseph E.
Hall, George A.
Hall, Harvey W., Jr.
Hall, Robert E.
Hallett, Burton C.
Hallman, Robert E.
Hamilton, Charles B., Jr.
Hammons, Lonnie S.
Hampshire, Victor A.
Hancock, Alex F.
Hanecak, Richard G.
Hanley, Robert T.
Hansen, Baron L.
Hansen, John G.
Hanson, George W.
Hargis, William H., Jr.
Harper, George A.
Harper, Wyatt E., Jr.
Harrison, Curg W.
Harrison, Wayne J.
Hart, Gordon M.
Hart, Richard H.
Hartman, William F.
Hartshorn, Richard L.
Harvey, Vernon A.
Hasse, Raymond W., Jr.
Hassell, John T.
Hassell, Victor G.
Haszard, Harry A.
Haverty, Edmund
Havron, Billy L.
Hawkins, William T.
Hawkinson, Thomas D.
Hazelton, Dewitt W.
Heagerty, Harold R.
Heaps, James R.
Heath, Robert G.
Heeszel, Edwin H.
Heindsmann, T. E., Jr.
Heinmiller, George A.
Hemler, Frank T.
Henderson, James C.
Hendrickson, Rudolph
Henry, Robert R.
Henwood, William C.
Hicks, Frank R.
Hicks, Richard E.
Higgins, Roy T.
Hile, William H., Jr.
Hill, Ralph B.
Hinman, Charles R.
Hitchcock, John H.
Hobbs, James A.
Hoch, Harry K., Jr.
Hodell, Raymond W.
Hoene, Lloyd C.
Hoerner, Helmuth E.
Hoffberg, Howard J.
Hoffman, Edward N.
Hoffman, Glen E.
Hoffman, Glenn
Hoffman, Lloyd K.
Hoffman, Robert J.
Hogan, William M.
Hogg, Frank W.
Hoggard, Preston
Hogue, "J" "C"
Holley, Ervin D.
Hollister, Vincent L.
Homer, Roger H.
Hooker, Franklin
Hopkins, Francis D.
Hornsby, Henry C.
Horrigan, David E., Jr.
Hosier, Ray S., Jr.
House, Roy A.
Howard, Billy D.
Howe, Lee V.
Howell, Wiley B.
Howlett, John
Hubert, William E.
Hunt, Charles R.
Hunt, Clyde G.
Hunt, James R.
Hunt, William T.
Hunter, Robert H.
Hurst, Walter
Hutcherson, Huron, Jr.
Hynson, Herbert R., Jr.
Imholte, Karl H.
Ingraham, Mark W., Jr.
Ingrassia, Robert P.
Irby, Barton
Ivy, James E.
Jackson, Billy G.
Jackson, Chandler C., 2d
Jackson, Clifton E.
Jackson, James R., Jr.
Jacoby, Richard E.
Jasper, Melvin W.
Jenkins, John A.
Jennings, "E" "F" Kahle
Jennison, Lewis L.
Jerbert, Arthur H.
Jester, Jack A.
Jester, Richard H.
Johns, Ruben L.
Johnson, Ace
Johnson, Carl W., Jr.
Johnson, Harold T.
Johnson, Henry J., Jr.
Johnson, Robert O.
Johnson, Richard C.
Johnson, Walter P.
Johnston, Juel D.
Johnston, Reginald J.
Jones, Albert L.
Jones, Charles C.
Jones, Donald P.
Jones, Gomer J., Jr.
Jones, John F.
Jones, Raymond F.
Jones, Robert S.
Jorgensen, Paul T.
Joy, Harmon R.
Juarez, Robert
Judith, Joseph H.
Justman, Leroy G.
Kalas, Anthony S., Jr.
Kallenberg, Gordon L.
Kalstad, Henry M.
Karl, Richard L.
Kauth, John L., Jr.
Kay, Robert
Kaye, Alan J.
Kelley, Lawrence
Kellogg, John L.
Kelly, James J.
Kelly, John "L," Jr.
Kelly, Joseph "F," Jr.
Kelly, Leo
Kelly, Thomas "J"
Kendrick, David C.
Kennedy, Reginald W.
Kent, Donald G.
Kern, Donald H.
Kessing, Oliver O., Jr.
Keusseff, Stephen
Kilbride, Robert L.
Kiley, Donald W.
Kilgore, Jasper C.
Kimbrel, Robert W.
Kincaid, Robert A.
King, Mahlon H.
Kirkendall, Melvin S., Jr.
Klaessy, Dale S.
Klemawesch, James
Klink, Erwin J.
Knapp, Donald R.
Knight, Louis F.
Knott, Zebulon V., Jr.
Konzen, Joseph J.
Koressel, William J.
Kosciusko, Henry M.
Krueger, Duane M.
Kuencer, William O.
Lambert, John R.
Lang, Marvin H.
Langham, "J" "W," Jr.
Larson, Henry F.
Lauer, Albert C.
Leach, Alvin D.
Lee, Howard "C"
Ley, Gerald M.
Lippincott, Leslie C.
Loeb, Jacob N., 2d
Long, John O., Jr.
Loomis, William R.
Love, David "K"
Lubberts, Albert C.
Luecking, William H.
Luka, Earl
Lundy, Jack R.
McAndrew, Richard J.
McCall, Graham H.
McCandless, Arlin R.
McCarthy, Cornelius A.
McCarthy, Edward J.
McCarty, Joseph B.
McClaugherty, Harry C.
McCormick, Thomas E., Jr.
McCort, John W.
McCraney, Virgil H.
McCuddin, Leo B.
McDougal, Clifford A.
McEntee, William J. H., Jr.
McFadden, William J.
McGraw, Bruce A.
McIntosh, David M.
McKee, John C.
McKellar, Robert M.
McMahon, Richard E.
McMullan, James J.
McQuary, John E.
Mabey, Alfred
MacDonald, James R.
MacFarland, Jay W., Jr.
Mack, Donald D.
Madson, Rae P.
Mahoney, James H., Jr.
Malahy, John S., Jr.
Malnerich, Joseph N.
Marn, Albin
Martin, Gus D.
Martin, Posey L., Jr.
Maulden, Hoyt P.
May, Hobert
Mayer, Juan R.
Meadows, Warren T.
Mendenhall, Sy E.
Mentzer, Howard D.
Merritt, James F., Jr.
Meyer, Joseph J., Jr.
Meyer, Robert J.
Meyring, William W. R.
Miller, Donald G.
Miller, John R., Jr.
Minor, Gerald E.
Mitchell, Paul D.
Mize, Wilton S.
Moessner, Julius H.
Moore, James S., Jr.
Moore, John M., Jr.
Moore, John R.
Moorhead, Daniel R.
Morris, Kyle H.
Morris, Robert E.
Moyer, Eugene H.
Moyers, Frederick C.
Mullen, James L.
Murphy, Harold N.
Murray, James G.
Neal, Charles
Nelson, Arthur A.
Nichols, Keith G.
Nixson, Walter H., Jr.
Northrup, Franklin C.
Norton, James C.
Novak, Marvin R.
Now, John G.
Nuttall, John L., Jr.
O'Connor, Paul
Ohsiek, Robert R.
O'Leary, Harold M.
Olsen, Clifford E.
Olson, Edward C.
Orme, Samuel T.
Parks, David P.
Parrish, Elbert W.
Pavela, Joseph V.
Paxton, Norman L.
Payne, James A.
Payson, John G.
Pease, William L.
Pendery, William P.
Penick, Robert E., Jr.
Petricka, Robert P.
Pfiester, Charles W.
Phillips, Donald M.
Phillips, William R.
Pickens, Charles M.
Pickrel, Evan W.
Piller, Marcel N.
Pimentel, Antonio T., Jr.
Pine, Frank L.
Pittman, Leonard
Poenicke, Charles F., Jr.
Poindexter, Jhon T.
Polgar, Paul S.
Pollock, Lewis H.
Potter, Horace S.
Powell, "J" Paul
Pulford, Stafford S.
Pulliam, William E. 2d
Quelland, Obed R.
Ragazzini, Louis J.
Rand, Robert C.
Randall, John H.
Ray, Russell J.
Rayburn, Joseph H.
Redgrave, Dewit C. 3d
Reeves, Roy S.
Regan, Robert F.
Reintjes, Leonard J.
Rhoades, Everett A.
Rice, Jonathan F.
Riceman, Ernst A.
Rich, Charles W.
Rich, Clarence E.

Richards, Albert A.
Richardson, Neil H.
Richardson, Robert L.
Riggan, Thomas H.
Riley, Francis C.
Rimer, John P.
Rippey, William H.
Robbins, Robert D.
Roberts, Berthel L.
Roberts, Loy G.
Robinson, Clifford E.
Robinson, Jack Vere
Rockoff, Herbert
Rodenburg, Eugene E.
Rodgers, John R., Jr.
Rodriquez, Richard
Roemer, Robert F.
Rogers, Charles A.
Rogers, Donald M.
Rogers, Robert B.
Rohland, Wayne E., Jr.
Romer, Robert D.
Rose, Alfred W.
Rose, George S.
Roseberry, Wilmer R., Jr.
Ross, Jack S.
Ross, John W.
Rothenberg, Allan
Rountree, Frederick M.
Rourke, Robert A.
Rule, John D.
Rule, Shelley E.
Rusk, Alfred D.
Russell, Kenneth M.
Russell, Louis J.
Rust, Charles C.
Salyer, Herbert L., Jr.
Samuelson, Ralph H.
Sanders, Charles
Sands, John M., Jr.
Satterfield, Loyd M.
Savacool, James M.
Saveker, David R.
Saylor, Philip G.
Scales, Clyde M., Jr.
Scantlebury, Edwin W.
Scapa, Jacob
Schaedler, George A.
Scheuhing, Robert E.
Schluter, Milford E.
Schoenfeld, Samuel J., Jr.
Scholes, George S.
Schoulda, George C.
Schroeder, Charles J.
Scott, Ralph C.
Scott, Walter
Seay, George W.
Sebring, Clair W., Jr.
Segerblom, Richard B.
Sexton, Richard A.
Shaar, Camille M., Jr.
Shackford, Robert W.
Shaffer, Charles A.
Shaffer, James B.
Shaw-Corthorn, G.
Shaw, Frank J.
Sheffield, Richard A.
Shell, James E.
Shelton, Samuel M.
Shepard, Everett C., Jr.
Shepard, Wayne C.
Sheppard, Charles P.
Shinneman, John R.
Shirley, James A.
Shocken, Julian I.
Shofner, Orville W.
Shropshire, Paul H., Jr.
Shuff, John W., Jr.
Shuler, Ewart A., Jr.
Silberstein, Howard J.
Sistrunk, Vernon J.
Sivo, Anthony J.
Slawsky, Stanley M.
Smeltzer, John W., Jr.
Smith, Andrew R.
Smith, Arthur C., Jr.
Smith, Bruce B.
Smith, Byers G.
Smith, Elven H.
Smith, Frank W., Jr.
Smith, Horace G., Jr.
Smith, Hugh M.
Smith, John E.
Smith, John J.
Smith, Kenneth D.
Smith, Lawrence M.
Smith, Ralph C., Jr.
Smith, Walter F.
Snyder, Robert "R".
Sodke, Henry E., Jr.
Spafford, William W.
Spargo, Paul L.
Speicher, Paul E., Jr.
Speirs, Carl L.
Spielman, James S.
Spooner, William A.
Sprott, Arthur L.
Spuhler, Ralph W.
Stafford, James S.
Stanley, Earl W.
Stanley, Gordon A.
Stark, Alvin.
Stark, Francis A.
St. Clair, Robert H., Jr.
Stearns, William G., Jr.
Stebbings, Harry E., Jr.
Stephenson, Marion G.
Stewart, Ellis E.
Stichka, James B.
Stinemates, Daniel H.
Stirnweiss, Andrew P., Jr.
Stoddard, Gerald W.
Stone, Frank B.
Stonis, Leo P.
Stowers, William C.
St. Pierre, Ferdinand W.
Stroud, George W.
Sullivan, Edward T., Jr.
Sutton, James E., Jr.
Swan, Charles W.
Sykes, Ira D., Jr.
Syverson, Laverne E.
Talbert, Cornelius H.
Tappan, Benjamin
Tate, James D.
Taylor, William P.
Teeter, Phillip H.
Terry, George D.
Teufer, William E.
Thewlis, Alan M.
Thibodeau, Howard A.
Thomas, Fred L.
Thomas, Lloyd H.
Thompson, David Lee
Thompson, Vernon
Thomson, Robert M.
Thornton, William G.
Thueson, Theodore S.
Thurston, Curtis A.
Tidwell, Joseph P.
Tidwell, William L.
Tilburne, Leopold R.
Timm, William J.
Tippey, James M.
Tipton, Elden C.
Tomlinson, Clifford S.
Toon, Owen R.
Toponce, Harvey E.
Towle, Barnaby L.
Tozer, Arthur F.
Tracy, Gilbert L.
Travers, Sumter L.
Treadwell, Thurman R., Jr.
Trexler, Burton R.
Trinkle, Austin J.
Trittipo, Ivan L.
Turner, Earl J.
Turner, Frederick C.
Turner, George M., Jr.
Tyler, Charles G.
Tyree, David A.
Ustick, Perry W.
Utgoff, Victor
Utke-Ramsing, Verner, Jr.
Vaklyes, John W., Jr.
Vanderford, Gordon J.
Vanni, Mario A.
Venne, Antoine W., Jr.
Vereen, Jackson
Viguers, Allan K.
Viscardi, Peter W.
Wade, Leroy G.
Waller, Preston
Walsh, Arthur L.
Walstrom, Clifford C.
Walters, Joseph F.
Walton, Russell E.
Wardall, William K.
Wareham, Richard A.
Warton, David
Waters, William T.
Webber, Clarence E.
Webster, James T.
Webster, William S., Jr.
Wegmet, Howard N.
Weigel, John J.
Weintraub, Jerome I.
Wells, Lionel E.
Wencker, Donald P.
Wendorf, Edward G.
Werner, Ralph L.
West, Frank R.
Wetmore, Eugene S.
Wharton, Claude A., Jr.
White, Jackson
White, Samuel L.
Whiteaker, James G.
Whiting, Thomas S., Jr.
Wiesner, Henry B.
Wigington, Everett E.
Wilkes, Gaylen L.
Wilkinson, Roland F.
Willey, John Robert
Williams, Benjamin O.
Williams, Charles M.
Williams, D. Hunt
Williams, Edward A.
Williams, George P.
Williams, Harrison A.
Williamson, Elmer F.
Wilson, Gerald H.
Wilzer, Kenneth R.
Wimpey, George A.
Wise, John H.
Wise, Maurice H., Jr.
Wisner, Robert J.
Wiss, Donald H.
Witczak, Raymond J.
Wood, Charles E., Jr.
Wood, Robert J.
Woolley, Jackson E.
Woolling, Robert F.
Worley, Howard M.
Wouters, John C.
Wyckoff, Jacob B., Jr.
Wyllie, Raymond G.
Wyman, Herbert B.
Young, Earle B.
Young, Felix G., Jr.
Young, Norman A.
Younkin, Robert D.
Zaiser, Warren E.
Zakarian, Aaron M.
Zawoiski, Andrew J.

The following-named officers for appointment to the Medical Corps of the Navy in the grades and ranks indicated below:

SURGEONS WITH THE RANK OF LIEUTENANT COMMANDER

Fogel, Roland H.
Gray, John A. C.
Lund, John A.
Nichols, Ira C.
Oard, Harry C.

PASSED ASSISTANT SURGEONS WITH THE RANK OF LIEUTENANT

Beck, Richmond J.
Belair, Joseph F.
Chaffin, Alexander N.
Connors, Raymond J.
Gruggel, John S.
Hill, Harold H.
Hirshland, Harold
James, Roger A.
Kirkpatrick, Louis P.
Lessig, Daniel K.
Myers, Ralph R.
Olechowski, Leo W.
Smith, Lewis M.
Smith, Oney Percy

ASSISTANT SURGEON WITH THE RANK OF LIEUTENANT, JUNIOR GRADE

Burge, Edward S.
Closson, Harold O.
Dasler, Adolph F.
Fidler, Albert J.
Hurlburt, Edward G.
Klein, William A.
Knight, Melvin K.
Manchester, Robert C.
Morrow, Thomas L., Jr.
Mullin, Charles S., Jr.
Murphy, William F.
Pierce, Wilmot F.
Roberts, William L.
Runkle, Stuart C.
Shepard, Bruce M.

The following-named officers for appointment to the Supply Corps of the Navy in the grades and ranks indicated below:

PASSED ASSISTANT PAYMASTER WITH THE RANK OF LIEUTENANT

Boundy, Charles M.

ASSISTANT PAYMASTERS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

Collins, Ernest P.
Collins, Lewis S.
Cope, Raymond W.
Curtin, Neale W.
Glocheski, Virgil R.
Grassino, Caesar M.
Muller, William F.
Williams, Chauncey C.
Winslow, Richard E., Jr.

ASSISTANT PAYMASTERS WITH RANK OF ENSIGN

Ainlay, Henry L. Jr.
Babbit, Cameron "W"
Baker, Joseph W.
Biltoft, Charles W.
Bland, Herbert L.
Brislawn, Richard W.
Brohard, Dwight J.
Brown, Thomas M.
Burns, Hugh F. J.
Byard, Ralph D.
Carpenter, William O.
Clark, Walter H., Jr.
Cooley, Hollis W.
Cooper, John W.
Curtis, James R.
Dinsmore, Dale D.
Donohue, Philip V.
Duncan, Henry C.
Eschenberg, Louis "G"
Fowler, Theodore C.
Gibbs, Charles A.
Greene, Daniel W.
Hauge, George E.
Honey, Leonard G.
Hooper, John C.
Johnson, William H.
Kamrar, Simon D.
Keith, Robert E.
Kennedy, Austin J., Jr.
Lewis, John M., Jr.
Mackinnon, Willis T.
Maddox, Kenneth W.
Mather, Fred I.
McIver, John F.
Meyer, William H., Jr.
Mooney, James J.
Nickovich, Eli
Nugent, Francis F.
Olbrey, Harold M.
Rader, Albertus S.
Raube, Chester H.
Saladin, Mahlen G.
Sams, William D.
Seelos, Robert G.
Seidenright, Doyle W.
Shumaker, Paul C.
Smith, Bert E.
Sponseller, Harling E., Jr.
Stearns, Lyle A.
Stephens, William E.
Strebel, Kermit W.
Strouss, John P.
Taylor, Edward S.
Timmons, Joseph H.
Turner, Roger E.
Utterback, Carl W.
Walton, Billie M.
Washom, Paul S.
Weatherson, Frederick W.
Wettermark, Alfred B.
Willetts, Philo F.
Williams, James M.

The following-named officers for appointment to the Chaplain Corps of the Navy in the grades and ranks indicated below:

CHAPLAIN WITH THE RANK OF LIEUTENANT COMMANDER

Gerhart, Luther F.

CHAPLAINS WITH THE RANK OF LIEUTENANT

Nelson, Charles William
Wright, Dewitt E.

ACTING CHAPLAINS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

Bonner, Robert A.
Cahill, Richard A.
Covert, Charles J.
Czelusniak, Adolph J.
Emerson, James E.
Ernstmeyer, Milton S.
Fenning, Robert C.
Garrett, Francis L.
Greenlaw, Earle D.
Harter, Richard L.
Iley, Charles H.
Ingvoldstad, Orlando, Jr.
McClellan, Harvey H.
McPherson, John B.
Meachum, Lonnie W.
Menges, Harold F.
Palmer, Wendell S.
Read, Alden A.
Sassaman, Robert S.
Seymour, Howard A.
Spinney, William J.
Sullivan, James A.
Tennant, William G.
Walter, John H.
Wolf, Warren L.

The following-named officers for appointment to the Civil Engineer Corps of the Navy in the grades and ranks indicated below:

CIVIL ENGINEER WITH THE RANK OF LIEUTENANT COMMANDER

Ray, Frederick C.

ASSISTANT CIVIL ENGINEER WITH THE RANK OF LIEUTENANT

Peltier, Eugene J.

ASSISTANT CIVIL ENGINEERS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

Cornwell, George G., Jr.
Dillon, John "G."
Dumont, Thomas J.
Gibson, Edwin E.
Gordon, William M.
Johnson, Tom R.
Johnson, Weston M.
Kravath, Fred F.
Lakos, Eugene A
Raymond, John M., Jr
Reid, George F., Jr.
Richey, John
Roessler, Bernhard O.
Seufer, Paul Ernest
Spellman, Clemens E.
Stamp, Thomas L.
Wende, Charles T.
Wilson, Samuel K.
Wright, James A., Jr.

The following-named officers for appointment to the Dental Corps of the Navy in the grades and ranks indicated below:

DENTAL SURGEONS WITH THE RANK OF LIEUTENANT COMMANDER

McKee, Dale L.
Schneider, Wilbert J.

PASSED ASSISTANT DENTAL SURGEONS WITH THE RANK OF LIEUTENANT

Blair, Robert E.
Goodell, Fred E.
Jacob, Thornton N.
Lett, Walter B.
Manson, Emmet L.
Martin, Clyde L.
McIntyre, John R.
Odiorne, George D.
Schnell, Paul A.
Seiser, Edwin O.
Snyder, Paul L.
Waas, Clifford J.

ASSISTANT DENTAL SURGEONS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

Ball, Eugene R.	Lieuallen, John W., Jr.
Bohn, Clayton L.	Lockwood, Allen T.
Bonnette, Paul C.	Lofgreen, Eugene J.
Burnett, Robert F.	Mauer, Norman C.
Combs, Robert L., Jr.	McGrath, Stephen T.
Deflebre, Bruce K.	Merriam, Kenmore E.
Dobyns, Frank D.	Ohl, Richard W.
Frye, Charles S., Jr.	Renwick, Ralph G.
Gallagher, Walter N.	Rice, Clifford H.
Gelb, Martin J.	Robie, John Charles
Hanes, Rolenzo A.	Schneider, John J.
Heartwell, Charles M., Jr.	Scola, Francis P.
	Sheppard, Furman L.
Hedman, Warren J., Jr.	Sorensen, John T.
	Tessman, Clarence C.
Hogan, John A.	Tuma, Richard F.
Janetos, Dion S.	Vincent, Burnell W.
Key, William H.	Williamson, Harry P.
Konikoff, Benjamin S.	Wittich, Kenneth C.
	Ziolkowski, Edwin T.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 13 (legislative day of March 5), 1946:

DISTRICT OF COLUMBIA

John Russell Young to be Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified.

IN THE MARINE CORPS

APPOINTMENTS IN THE REGULAR MARINE CORPS

To be second lieutenants in the Regular Marine Corps to rank from the dates indicated

Hardy Hay, from December 16, 1941.
Gelon Hann Doswell, from January 9, 1942.
Thomas Harvey Hughes, Jr., from May 15, 1942.
Howard James Finn, from July 16, 1942.
Lloyd Spencer Penn, from February 1, 1943.
Kenneth Burdette Nelson, from February 16, 1943.
Frank Christian Lang, from March 1, 1943.
James Dean Boldman, from June 1, 1943.
Georges Charles Knapp, from June 1, 1943.
Godfrey Muller, from June 16, 1943.
Royal Alfred McGraw, Jr., from July 16, 1943.
Byron Herbert Beswick, from August 16, 1943.
John James Hilburn, Jr., from September 16, 1943.
James Duncan Johnson, from November 16, 1943.
George Joseph Collins, from November 16, 1943.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 13, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The Lord God is a sun, the source of all good; the Lord God is a shield, the defense from all peril; therefore, we wait before Thee. O spirit divine, summon us to acts of wisdom couched in understanding, and in the solution of every problem lead us to do the things we know we ought to do. In these anxious days fortify us with serenity and penetrating insight that shall be translated into terms of life that spell uprightness and conviction. Stimulate the patriotic sentiment of our country; allow no man or group to be the dictators of its fate. Each day let goodness and justice spring from characters that are altogether worthy, and unto Thee be the praise forever. Through Christ our Saviour. Amen.

The Journal of the proceedings of Friday, May 10, 1946, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on May 9, 1946, the President approved and signed bills of the House of the following titles:

H. R. 2483. An act for the relief of the estate of Michael J. McDonough, deceased; and

H. R. 5719. An act to amend the act entitled "An act to authorize black-outs in the District of Columbia, and for other purposes," approved December 26, 1941, as amended.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5059. An act to provide additional compensation for postmasters and employees of the postal service.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 138. Joint resolution to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1457) entitled "An act for the relief of Josephine Benham."

SPECIAL ORDER GRANTED

Mr. OUTLAND. Mr. Speaker, I have a special order for this afternoon of 40 minutes. I ask unanimous consent that this be transferred to Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks in the RECORD and include a citation to accompany the awarding of the Medal for Merit to William Rufus Boyd, Jr.

NATIONAL ASSOCIATION OF MANUFACTURERS

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'TOOLE. Mr. Speaker, there has been some very severe criticism in this House of the labor unions and the Political Action Committee for their expending money in political and economic campaigns. However, I have not heard any drastic criticism of the actions of the powerful and wealthy National Association of Manufacturers who are now endeavoring to emasculate and obliterate the Office of Price Administration.

I believe the Banking and Currency Committee of this House should call before it the president of the National Association of Manufacturers to give to the members of that committee the opportunity to cross-examine at length this gentleman. This House should be informed as to where the hundreds of thousands of dollars that are being expended to wipe out the OPA are coming from. We should know the financial source of the hundreds of mats, cartoons, and editorials that have been sent to every rural and city newspaper in the country to bias public opinion. We should be informed as to whether or not special assessments have been placed against the individual members of the National Association of Manufacturers. We should further know the prices paid for advertising in newspapers, for it is strongly rumored that in the case of many of the small-town journals the prices paid were several times that of the usual rate.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Speaker, it is a sad commentary upon our situation in this House of Representatives when one of our committees relies upon biased and questionable sources in seeking evidence of subversion.

I have been reliably informed that the Committee on Un-American Activities has invited Harvey Springer, the so-called cowboy evangelist, of Englewood, Colo., to Washington to discuss his findings on communism in America. At least that is the public boast he made in speeches in Knoxville, Tenn., last week, in which he told of spending 10 hours with the committee's investigators who were returning from a trip to Hollywood.

This Harvey Springer has used his pulpit and his four-page weekly circular, the Western Voice, to spread the vilest type of hatemongering. He has repeatedly indulged in vicious attacks upon the Protestant Federal Council of Churches of Christ in America, upon the Catholic Church, as well as upon the Jews of this country.

He has praised and supported Rev. Gerald B. Winrod, one of the defendants in the sedition trial, and Gerald L. K. Smith.

Before the war and throughout the period of our Nation's devotion to the cause of victory it has appeared to be

Springer's aim to spread hate among various groups of Americans, to divide our unity, and cause us to lose confidence in those directing our struggle.

With all of the vast investigative power which lies within the authority of the Federal Government, through the FBI and other security agencies, it reflects poorly upon this House that one of its committees should turn to sources polluted by bigotry to gain this information which it seeks.

It is by the use of such unsavory sources as Harvey Springer and Gerald L. K. Smith that the committee has brought itself into disrepute.

NATIONAL MARITIME DAY

Mr. BLAND. Mr. Speaker, I ask unanimous consent that on Wednesday, May 22, 1946, which has been designated by proclamation of the President of the United States as National Maritime Day, immediately after the reading and approval of the Journal I may be permitted to address the House for 1 hour and to yield to such Members as I may desire within that time.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

[Mr. BRYSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include an article from the Washington Times-Herald.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include a full-page advertisement appearing in the New York Times and the Washington Post by the Dallas Chamber of Commerce entitled "By the Grace of God, Geography, and Lots of Natural Gas."

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. BLOOM asked and was given permission to extend his remarks in the RECORD and include a speech by Lord Halifax.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in four instances and include in each either letters or editorials.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include an article by Samuel Crowther.

Mr. BLACKNEY asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Flint Journal.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD in two instances and to include an article in each.

Mr. HARNESS of Indiana asked and was given permission to extend his remarks in the RECORD and include an editorial entitled "Strikes and the Law," appearing in the Marion Chronicle, Marion, Ind.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by him.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. WOODRUFF addressed the House. His remarks appear in the Appendix.]

FEED SHORTAGE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, the announcement has been made of an increase in the prices of various grains and of protein feeds and quite properly so, no doubt, under the present circumstances. The proposal has been made that the country go back to rationing of scarce commodities. I am for that, I do not mind saying publicly, as a means not only of helping the hungry but also of assuring fair distribution in our own country. But as a matter of simple, elementary justice, if the price of this feed is going to be raised, then the price ceiling on poultry, for example, and the products of farmers who have to buy those grains and feeds in producing their food commodities have got to be adjusted. At this very moment there is no cushion in the ceiling price of eggs, and those prices ought to be adjusted upward at once to take care of that situation. Such a cushion is necessary in any case if the farmers are actually to receive the parity price which the law requires.

LOAN TO GREAT BRITAIN

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, with a national debt of $275,000,000,000, and the body at the other end of the Capitol having passed a bill carrying an agreement whereby we give to Great Britain $4,400,000,000. They call it a loan. I want to ask you a question that no one that voted for that bill asked, Where are you going to get the money? It was asked by some other Members of the Senate who voted against it but they received no favorable reply. They know not where they are going to get it, neither do we. We cannot pass it or we will endanger our national economy. So says Jesse Jones. I quite agree with Jesse Jones on that. Why wreck American free enterprise for the trade of the world, when we know that that will happen by the passing of this bill? We must not tear America down. What good will a wrecked America be to insuring the peace of the world? What good will a wrecked America be to our own people? Never was such an agreement made by sound statesmen. If we were looking to give away $4,400,000,000, why not give it to our men who won World War II as extra compensation? The agreement calls for free trade; this is the worst feature of the bill. How can American labor compete with countries who receive one-fifth as much as American labor receives? The answer—they cannot.

EXTENSION OF REMARKS

Mr. ALLEN of Illinois asked and was given permission to extend his remarks in the RECORD and include a brief essay.

Mr. MASON asked and was given permission to extend his remarks in the RECORD and include a letter from the Rockford Chamber of Commerce on the coal strike.

Mr. COLE of New York asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include a statement received from a constituent.

Mr. HOPE asked and was given permission to extend his remarks in the RECORD and include two letters.

PRESERVATION OF GERMAN WORKS OF ART

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, I was deeply shocked to read in the Washington Post of this morning that representatives of certain museums had sent a resolution to the President demanding that 200 art treasures "looted" from Germany be immediately returned there. That any group of people holding responsible positions with museums of any sort should be so unaware of the facts covering the removal from the Kaiser Friedrich Museum in Berlin of 200 of the most world famous masterpieces seems incredible.

The decision to protect for future generations such art treasures as could be safely removed to this country is perhaps one of the most outstanding evidences of American recognition of responsibility to future generations that exists. The action was taken at Potsdam after the State Department had made three careful investigations of the situation which made evident that there would be no coal for heating, air-conditioning, and so on. General Clay also took the position that he could not be responsible for these

works of art as he did not have adequate personnel.

The White House announced the decision on September 26, 1945. On the arrival of these 200 paintings the War Department issued a statement December 6, 1945, and Chief Justice Stone as chairman of the American Committee for the Preservation of Art in Europe issued a statement on December 14, 1945. It was through him that arrangements were made with the National Museum here in Washington for the storage of these 200 masterpieces.

Such a statement as that printed in the Washington Post this morning could not have been issued except by individuals who have no confidence in the honor and integrity of their own government.

I ask unanimous consent, Mr. Speaker, to extend in the Appendix of the RECORD the article I refer to and the three statements heretofore mentioned, as well as a list of the paintings involved.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

OFFICE OF WAR INFORMATION

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, I hold in my hand photographs printed in a New York paper of last Friday indicating that the old OWI still has 10 floors in the General Motors Building, and 1 floor in another building in New York City, and that better than two-thirds of the space is empty. This is an illustration of the respect the administration has for the taxpayers of the United States—no space for private people to do business but lots of empty space for bureaucrats to glory in.

LEGISLATION GOVERNING LABOR RELATIONS

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Speaker, the so-called truce in the coal strike, while welcomed as affording temporary relief, does not in any way lessen the obligation of Congress to enact legislation which will save this country from the excesses of power-hungry labor leaders. Even if the coal strike should end right now, there would exist the same necessity for going ahead with constructive legislation to protect the public. Unless it is settled in the meantime, this week will see the beginning of a railroad strike, even more paralyzing than the coal strike.

The Labor Department advises me that on May 9, there were 376 separate strikes going on in this country. As of May 1, there were 999 strike notices on file. The Department advises that the number of actual strikes covered by these notices is probably less, since some of the notices include groups. Nevertheless, it can be seen that unless action is taken now, the industrial paralysis now gripping the Nation will be further extended as new strikes are called. The people of this country are demanding action by the President and by Congress. They will be satisfied with nothing less than genuine, constructive legislation dealing with the basic principles of labor relations.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered, I may address the House for 10 minutes today.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. ENGEL of Michigan asked and was given permission to extend his remarks in the RECORD and include an address by Hon. Robert P. Patterson, Secretary of War, before the Detroit Bar Association on May 8, 1946.

Mr. HOEVEN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Sioux City Journal.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. CURTIS asked and was given permission to extend his remarks in the RECORD and include a copy of a letter.

Mr. BUFFETT asked and was given permission to extend his remarks in the RECORD.

THE OPA

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I hold in my hand a tear sheet from the Toledo Blade published April 27, 1946. At the top of this sheet is printed in large type What Does the Largest Store in Northwestern Ohio Think of the OPA?

Then appear reprints of two telegrams. One is addressed to Senator ROBERT A. TAFT and urges the "retention of the OPA despite all pressures as a necessary check against run-away prices." This is signed by the LaSalle & Koch Co., of Toledo.

The other telegram is addressed to the President and is signed by the H. R. Macy Co., Inc., of New York. It also urges the retention of OPA against all pressures.

This tear sheet came to my desk in a franked envelope from the Office of Price Administration, Washington 25, D. C., official business. Mr. Speaker, I think this is clearly a violation of the statute providing for the prohibition against illicit use of the franking privilege, regardless of certain official interpretations of the statutes. I also think it is a violation of the statute prohibiting the use of Federal funds for the purpose of influencing congressional conduct.

Mr. Paul A. Porter, head of OPA, is responsible for having sent this material through the mails in the manner indicated.

How possibly can it be expected that the public will have any confidence in the word of OPA when this agency resorts to illegal tactics such as I have indicated? What are black markets compared with wrong doings such as this by the Government itself?

The SPEAKER. The time of the gentleman from Ohio has expired.

PRODUCTION OF PIGS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, the planners are at work again. Secretary of Agriculture Clinton P. Anderson now asks farmers to reduce their pig production 10 percent; in other words, to ship 10 percent of your brood sows to slaughter. Shades of Henry Wallace. Then comes along Chester Bowles in the same breath and says, "In 1947 we are going to have a real pinch in the meat industry. It is really going to be scarce." It is going to be hard. Shades of NRA. Then both of them go on to explain that pigs are going to come to market lighter because feed is going to be higher. That is the best evidence that I have ever had from those fellows that farmers understand their own business. They always work along that line. When it does not pay, they do not produce so much, and neither does industry. Just as soon as the OPA and other Federal bureaucrats leave industry and agriculture alone we will get production; we will go along. Production and more production is the answer to all the world's problems.

We are now in the springtime; it is planting time, and if the Secretary of Agriculture or the OPA Director want to help the country they should encourage planting, especially of corn, so we will have the feed for the the hogs we need. This is just good horse sense. The Army should stop taking farm boys, thus further curtailing production.

These bureaucrats are still preaching the New Deal theories of scarcity. I am happy to say few farmers will follow their advice. Farmers want to have their farms produce to capacity, and this will give a generous supply of food for all. But this is not possible with bureaucratic interference, regulation, or advice. The farmers know best what and how to produce. Price will regulate the amount produced, and supply and demand will regulate price.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

BUREAU OF RECLAMATION

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, on May 10, after I had complimented the members individually of the Subcommittee on Appropriations, I criticized certain items in the Interior Department bill to some extent by saying:

> There are certain cases where they have failed to carry out the plain mandates of the law, where they have withheld funds they have no right to withhold, and exercised judgments as to amounts which had previously been determined by higher authority.

Now, if I am correct in judging the work of the committee on those certain items, this statement ought to have some influence on the proper modification of this appropriation bill. If I am not correct, I ought to be corrected when we get to the reading of the bill for further amendment, for I propose to specify those certain items just referred to.

EXTENSION OF REMARKS

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include a statement made by Mr. Bernard Baruch before the Rules Committee.

Mr. HÉBERT asked and was given permission to extend his remarks in the RECORD and include a portion of an address made yesterday morning by the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ROBERTSON of North Dakota (at the request of Mr. LEMKE) was granted permission to extend his remarks in the RECORD and include a short editorial.

Mr. MUNDT (at the request of Mr. MICHENER) was granted permission to extend his remarks in the RECORD and include a letter.

FOOD PRODUCTION AND RATIONING

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BARDEN. Mr. Speaker, until Friday of last week I had had a very high regard for the judgment and opinion of the Honorable Clinton Anderson, a former Member of this body and at present Secretary of Agriculture, but he was credited last Friday with issuing the statement that hog production in this country should be cut 10 percent in order to save grain. We are now in the midst of planting season where it would be a fine opportunity for the Secretary of Agriculture to advocate increasing corn production, rather than decreasing meat production when we are already short on meat in this country. It sounds very much like the man who burned his house down in order to get warm. Now this morning Mr. Chester Bowles, feeling that possibly his OPA set-up is in danger, attempts to frighten the country by telling the people he will probably call for food rationing again in August. Full well does Mr. Bowles know that this is going to start a rush of buying and hoarding, and when that is done he feels the road will be clear for him to again begin food rationing. This follows mighty closely on the heels of the statement given out by Secretary of Agriculture Anderson, and my suggestion to Mr. Anderson is that unless he wants to become the laughingstock of the agricultural people of this country and those who understand agriculture, he had better find him some associates and agricultural advisers more dependable than Mr. Chester Bowles and the Little Flower of UNRRA, LaGuardia.

TERMINAL LEAVE PAY FOR ENLISTED MEN

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, I had hoped that my bill, H. R. 4051, would be taken up this morning. That is the bill granting terminal leave pay for enlisted men. However, the Military Affairs Committee reported the bill favorably; therefore, the petition to discharge becomes inoperative. It has been my intention to ask unanimous consent to consider that bill, but I think the Military Affairs Committee, and I am sure the Rules Committee, is going to give us cooperation and that this House can soon consider the bill. I hope that the Rules Committee will give a rule immediately. It is an important bill. It should have been passed long ago. It is long overdue. I am sure that when 218 Members of this House sign a petition, that means they want to consider the bill and such a discharge petition has been signed by 218 Members.

I appreciate the cooperation of both the Military Affairs Committee and the Rules Committee, and hope the bill will soon be passed.

Mr. NORBLAD. Mr. Speaker, I concur in the remarks of the gentleman from Florida [Mr. ROGERS]. It is an absurd situation where the enlisted man is not given the same rights as the officer in the matter of terminal leave. There is certainly no reason for it and it is one which we should correct. I urge the Rules Committee to grant a rule on this legislation and bring it on the floor as soon as possible.

The SPEAKER. The time of the gentleman from Florida has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. DIRKSEN addressed the House. His remarks appear in the Appendix.]

CHRISTIAN MINISTERS SHOULD BE ALLOWED TO USE THE RADIO

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I desire to reply briefly to the remarks of the gentleman from New York [Mr. KLEIN] and his unwarranted attack on the Committee on Un-American Activities.

He said we have invited Dr. Springer, a Baptist preacher who is fighting communism, to come before the Committee on Un-American Activities. No resolution was passed inviting Dr. Springer; he came of his own accord. Christian preachers are pleading to be given the right to use the radio of this country, which they have a right to do. If the radio is going to be used to spread the doctrine of atheistic communism, then these Christian preachers have a right to reply.

Let me say to the gentleman from New York [Mr. KLEIN] that if Dr. Springer does come before the Committee on Un-American Activities I hereby now extend the gentleman from New York [Mr. KLEIN] an invitation to come and debate with him; and I will ask for the caucus room in order that all of you may come; for I can think of nothing you would enjoy more than hearing a debate such as this between a Jewish politician and a Baptist preacher.

PRIVILEGE OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I raise a question of the privilege of the House.

The SPEAKER. The gentleman will present the resolution, if he has one.

Mr. HOFFMAN. I have a resolution, and wish to be heard on it.

The SPEAKER. The Clerk will report the resolution.

Mr. HOFFMAN. May I be heard on it?

The SPEAKER. After the resolution is reported. The Chair always appreciates Members conferring with the Chair beforehand when they intend to raise such questions.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 114]

Bailey	Bell	Bonner
Baldwin, Md.	Bender	Boren
Baldwin, N. Y.	Bennet, N. Y.	Boykin

Buck	Hart	Reece, Tenn.
Buckley	Hartley	Reed, Ill.
Butler	Hinshaw	Robertson, N. Dak.
Cannon, Fla.	Horan	Rockwell
Clark	Jarman	Rodgers, Pa.
Cochran	Johnson, Ind.	Roe, N. Y.
Corbett	Keogh	Rooney
Curley	Kirwan	Russell
Daughton, Va.	Kopplemann	Sheppard
Dawson	LaFollette	Stewart
De Lacy	Lanham	Sumner, Ill.
Drewry	Lea	Sumners, Tex.
Eaton	Lyle	Taylor
Elsaesser	Mansfield, Tex.	Torrens
Engle, Calif.	Merrow	Towe
Flood	Monroney	Wasielewski
Folger	Morgan	White
Gearhart	Mundt	Wolcott
Grant, Ind.	Murphy	Wolfenden, Pa.
Hall, Leonard W.	Norton	Zimmerman
Hand	Patrick	
Hare	Patterson	
	Peterson, Ga.	

The SPEAKER. On this roll call, 356 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

FAIR ADMINISTRATIVE PROCEDURE

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 615, Rept. No. 2008) on the bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure, for printing in the RECORD:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the act (S. 7) to improve the administration of justice by prescribing fair administrative procedure. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PRIVILEGE OF THE HOUSE

The SPEAKER. The gentleman from Michigan [Mr. HOFFMAN] has offered a resolution (H. Res. 616), which the Clerk will report.

The Clerk read, as follows:

Whereas on Friday, the 10th day of May, under permission granted the gentleman from Michigan [Mr. HOOK] caused to be inserted in the [daily] CONGRESSIONAL RECORD, pages A2755-A2756, an address delivered over the radio by August Scholle, president of the Michigan CIO Council; and

Whereas said address as appears from the printing in the RECORD said address was not only a plea for a continuation of the OPA but an attack upon the Congress and individual Members of Congress, reflecting upon the integrity of the Congress and individual Members of Congress named therein; and

Whereas said address as printed in the CONGRESSIONAL RECORD contained, among others, the following statements:

"Ladies and gentlemen, I have called you ladies and gentlemen. Perhaps that is the wrong way to begin a talk on what has just happened to price control in the House of Representatives. When men and women have just been slugged over the head and thrown down a flight of stairs they don't feel much like ladies and gentlemen. They feel like picking themselves up and looking around for the guy who did it.

"Well, you, my friends, have just been slugged over the head and thrown down a flight of stairs. Your bodies may not be bruised, you may not feel light in the head or in the stomach. But you, the great American suckers, have just been given the beating of your lives by a handful of Congressmen in the House of Representatives. * * *

"Are you going to play the role of innocent bystander while prices go through the roof and a howling pack of profiteers and pressure boys steal the shirt off your back? Are you going to mumble behind the morning newspaper while a few selfish profit-hungry men pick your pockets and lead this country down the road to inflation and another depression? * * *

"I say that we have been beaten up and taken for a ride. I say we have been robbed. * * *

"These powerful and cynical men have their servants in the Congress of the United States. * * *

"But the reality, as it is practiced by congressional servants of powerful pressure groups—the reality as it was practiced the other day in the House of Representatives—this reality is an insult to the high principles of democracy to which we pay lip service and in whose name we send men out to die.

"The House of Representatives murdered price control the other day, just as Congress a few weeks before had scuttled the full employment bill. * * *

"In Michigan Congressman WOLCOTT and Congressman CRAWFORD were among those who led the fight to wreck price control. The clearest test of congressional sympathies for and against the basic principles of price control came when Representative WOLCOTT's cost-plus mendment was put to a vote. Despite sharp warning of its crippling effect on OPA, the following Michigan Congressmen voted against effective price control: BLACKNEY, BRADLEY, CRAWFORD, DONDERO, ENGEL, HOFFMAN, JONKMAN, and MICHENER.

"You and I were slugged over the head and thrown down a flight of stairs when the House tossed OPA to the wolves of profit.

"We're tired of being pushed around by supply and demand, tired of taking it on the chin for the big boys and their spaniels in Congress.

* * * * *

"Write to Senator FERGUSON and Senator VANDENBERG. Tell them to talk to Senator TAFT. Tell them you mean business."

Whereas the remarks of the president of the CIO, as printed in the CONGRESSIONAL RECORD, reflect upon and challenge the integrity of the Congress, and the excerpts just quoted reflect upon the Congress and upon the individual Members of Congress therein named and tend to impair the usefulness of the Members of the Congress so named and to destroy the confidence of the people in the Congress as a whole and in particular the Representatives so named: Be it

Resolved, That the remarks of August Scholle, president of the CIO Council as printed on pages A2755-A2756 of the [daily] CONGRESSIONAL RECORD of May 10, and the same be and the same hereby are stricken from the RECORD.

Mr. STARKEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STARKEY. Will the resolution just read be printed in the RECORD?

The SPEAKER. It will.

Mr. HOFFMAN. Mr. Speaker, it is bad enough to have the members of the CIO, the PAC, and Communists making false statements reflecting upon the good faith, the common sense, the patriotism of the Congress and the individual Members of Congress. Under our system of government no doubt Mr. Scholle, as president of the CIO, had the right to make the speech he made. But it is a violation of the rules of the House for a Member of the House to cause a speech of that character to be placed in the RECORD, from which, if permitted to remain, it may be used by anyone who sees fit to have it printed and have it franked out at the taxpayers' expense, if he can secure the consent of any one of 435 Members of Congress.

You will note that the speech itself seems directed primarily at the members of the National Association of Manufacturers. Without proof it charges them with all sorts of unworthy, unpatriotic, and disloyal motives, and that perhaps is within the doctrine of free speech. But the state president of the UAW-CIO in Michigan goes on the radio and makes false charges—the words have been read by the Clerk—that the men and women who heard him have been slugged over the head and thrown down a flight of stairs. He further charges that in the Congress the people's representatives are the ones who did the slugging. He not only charges the Congress as a whole with slugging the people over the head and throwing them down the stairs, but makes the same false charge against individual Members of Congress whom he names. The gentleman (Mr. Scholle) acting in line with the policy of PAC-CIO and the Communists makes the false charge that every Republican from Michigan acted as the agent, as the stooge, as the dog—and he names a special breed of dogs, the "spaniel"—of those he charges with slugging the people, the servants of those who entertain unpatriotic motives. I am sorry the gentleman from Michigan [Mr. HOOK] saw fit to put into the CONGRESSIONAL RECORD charges reflecting upon the integrity, the sincerity, the patriotism of his colleagues in the House.

Not only do those remarks, Mr. Speaker, violate the rules insofar as the House and the Members of the House are concerned, but they violate the rules of the House in that they refer to individual Members of the Senate by name.

Because of the falsity and the seriousness of the chages made by the UAW-CIO official this resolution was offered and its adoption is urged as a declaration of the policy of this Congress that it does not approve of putting into the RECORD libelous or slanderous statements reflecting upon its Members.

Mr. Speaker, I will not prolong this discussion. A reading of that talk shows the unfairness of it, it shows how vicious people can become. This is not the first time this has happened. I say it is time that the House refuse longer to let a Member of this House befoul the Chamber in which we sit by making charges of that kind. I call attention to it because it is a violation of the rules of the House and tends to destroy the confidence of the people in the men they have chosen to represent them. Therefore I

have offered this resolution that it be stricken from the RECORD.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. HOOK) there were—ayes 135, noes 32.

Mr. SABATH and Mr. MASON demanded the yeas and nays.

Mr. HOOK. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HOOK. Mr. Speaker, I ask for the yeas and nays. I object to the vote on the ground a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 247, nays 77, not voting 106, as follows:

[Roll No. 115]

YEAS—247

Abernethy	Dworshak	Kilburn
Adams	Earthman	Kilday
Allen, Ill.	Elliott	Kinzer
Allen, La.	Ellsworth	Knutson
Almond	Elston	Kunkel
Andersen, H. Carl	Engel, Mich.	Landis
	Ervin	Larcade
Anderson, Calif.	Fallon	Latham
Andresen, August H.	Fellows	LeCompte
	Fenton	LeFevre
Andrews, Ala.	Fisher	Lewis
Andrews, N. Y.	Flannagan	Luce
Angell	Fuller	McConnell
Arends	Fulton	McCowen
Arnold	Gamble	McDonough
Auchincloss	Gary	McGehee
Barden	Gathings	McGregor
Barrett, Wyo.	Gavin	McKenzie
Barry	Gerlach	McMillan, S. C.
Bates, Mass.	Gibson	McMillen, Ill.
Beall	Gifford	Mahon
Beckworth	Gillespie	Maloney
Bennett, Mo.	Gillette	Manasco
Bishop	Gillie	Martin, Iowa
Blackney	Goodwin	Martin, Mass.
Bland	Gore	Mason
Bolton	Graham	Mathews
Boren	Grant, Ala.	May
Bradley, Mich.	Griffiths	Michener
Brehm	Gross	Miller, Nebr.
Brooks	Gwinn, N. Y.	Morrison
Brown, Ga.	Gwynne, Iowa	Murray, Tenn.
Brown, Ohio	Hagen	Murray, Wis.
Brumbaugh	Hale	Norblad
Bryson	Hall, Edwin Arthur	Norrell
Buffett		O'Hara
Bulwinkle	Hancock	O'Konski
Burch	Harness, Ind.	Pace
Byrnes, Wis.	Hays	Peterson, Fla.
Camp	Hébert	Peterson, Ga.
Campbell	Hendricks	Philbin
Canfield	Henry	Phillips
Carlson	Herter	Pickett
Case, N. J.	Heselton	Pittenger
Chenoweth	Hess	Ploeser
Chiperfield	Hill	Plumley
Church	Hobbs	Poage
Clason	Hoeven	Price, Fla.
Clevenger	Hoffman	Priest
Clippinger	Holmes, Mass.	Quinn, N. Y.
Cole, Kans.	Holmes, Wash.	Rains
Cole, Mo.	Hope	Randolph
Colmer	Howell	Rankin
Cooley	Hull	Reed, Ill.
Cooper	Jenkins	Rees, Kans.
Cox	Jennings	Rich
Cravens	Jensen	Richards
Crawford	Johnson, Calif.	Riley
Cunningham	Johnson, Ill.	Rivers
Curtis	Johnson, Luther A.	Rizley
D'Alesandro		Robsion, Ky.
Davis	Johnson, Lyndon B.	Rockwell
Delaney, James J.		Roe, Md.
	Jones	Rogers, Fla.
D'Ewart	Jonkman	Rogers, Mass.
Dirksen	Judd	Sasscer
Dolliver	Kean	Schwabe, Mo.
Domengeaux	Kearney	Schwabe, Okla.
Dondero	Keefe	Scrivner
Durham	Kelly, Ill.	Shafer
Sharp	Sullivan	Weichel
Short	Sundstrom	West
Sikes	Talbot	Whitten
Simpson, Ill.	Talle	Whittington
Simpson, Pa.	Thom	Wickersham
Slaughter	Thomas, N. J.	Wilson
Smith, Maine	Thomas, Tex.	Winstead
Smith, Ohio	Thomason	Winter
Smith, Va.	Tibbott	Wolverton, N. J.
Smith, Wis.	Trimble	Wood
Sparkman	Vinson	Woodruff
Springer	Vorys, Ohio	Worley
Stefan	Vursell	Zimmerman
Stevenson	Wadsworth	
Stockman	Walter	

NAYS—77

Barrett, Pa.	Harless, Ariz.	Neely
Biemiller	Havenner	O'Brien, Ill.
Bloom	Healy	O'Brien, Mich.
Bradley, Pa.	Hedrick	O'Toole
Bunker	Hoch	Outland
Byrne, N. Y.	Holifield	Pfeifer
Carnahan	Hook	Powell
Celler	Huber	Price, Ill.
Clements	Izac	Rabaut
Coffee	Jackson	Rabin
Crosser	Johnson, Okla.	Ramey
Delaney, John J.	Kee	Rayfiel
	Kefauver	Robinson, Utah
Douglas, Calif.	Kelley, Pa.	Rogers, N. Y.
Douglas, Ill.	King	Rowan
Doyle	Klein	Ryter
Eberharter	Lane	Sabath
Feighan	Lemke	Sadowski
Fogarty	Lesinski	Savage
Forand	Link	Sheridan
Gallagher	Ludlow	Somers, N. Y.
Geelan	McGlinchey	Stigler
Gordon	Madden	Torrens
Gorski	Mansfield, Mont.	Traynor
Granahan		Woodhouse
Granger	Marcantonio	
Green	Murdock	

NOT VOTING—106

Bailey	Folger	Mundt
Baldwin, Md.	Gardner	Murphy
Baldwin, N. Y.	Gearhart	Norton
Bates, Ky.	Gossett	O'Neal
Bell	Grant, Ind.	Patman
Bender	Gregory	Patrick
Bennet, N. Y.	Hall, Leonard W.	Patterson
Bonner		Reece, Tenn.
Boykin	Halleck	Reed, N. Y.
Buck	Hand	Resa
Buckley	Hare	Robertson, N. Dak.
Butler	Harris	
Cannon, Fla.	Hart	Robertson, Va.
Cannon, Mo.	Hartley	Rodgers, Pa.
Case, S. Dak.	Heffernan	Roe, N. Y.
Chapman	Hinshaw	Rooney
Chelf	Horan	Russell
Clark	Jarman	Sheppard
Cochran	Johnson, Ind.	Spence
Cole, N. Y.	Keogh	Starkey
Combs	Kerr	Stewart
Corbett	Kirwan	Sumner, Ill.
Courtney	Kopplemann	Sumners, Tex.
Curley	LaFollette	Taber
Daughton, Va.	Lanham	Tarver
Dawson	Lea	Taylor
De Lacy	Lyle	Tolan
Dingell	Lynch	Towe
Doughton, N. C.	McCormack	Voorhis, Calif.
Drewry	Mankin	Wasielewski
Eaton	Mansfield, Tex.	Weaver
Ellis	Merrow	Welch
Elsaesser	Miller, Calif.	White
Engle, Calif.	Mills	Wigglesworth
Fernandez	Monroney	Wolcott
Flood	Morgan	Wolfenden, Pa.

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Taylor for, with Mr. Dingell against.

Mr. Reed of New York for, with Mr. Dawson against.

Mr. Elsaesser for, with Mr. Patterson against.

General pairs until further notice:

Mr. McCormack with Mr. Halleck.

Mr. Doughton of North Carolina with Mr. Taber.

Mr. Mansfield of Texas with Mr. Wigglesworth.

Mr. Hart with Mr. Horan.

Mr. Wasielewski with Mr. Bender.

Mr. De Lacy with Mr. Wolcott.

Mr. Lynch with Mr. Hartley.

Mr. Roe of New York with Mr. Wolfenden of Pennsylvania.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Rooney with Mr. Hand.

Mr. Keogh with Mr. Eaton.

Mr. Bailey with Mr. Cole of New York.

Mr. Buckley with Mr. Mundt.

Mr. Heffernan with Mr. Corbett.

Mr. Eberharter with Mr. Reece of Tennessee.

Mr. Monroney with Mr. Buck.

Mr. Lyle with Mr. Rodgers of Pennsylvania.

Mr. Folger with Miss Sumner of Illinois.

The result of the vote was announced as above recorded.

The doors were opened.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—ANNUAL REPORT OF THE GOVERNOR OF THE PANAMA CANAL

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on the Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Governor of the Panama Canal for the fiscal year ended June 30, 1942.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 10, 1946.*

TO AMEND THE RULES GOVERNING DEBATE ON QUESTIONS OF PRIVILEGE AND MOTIONS TO EXPUNGE FROM THE RECORD

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, orderly procedure, justice, and fair play demand that the rules of the House be amended to permit a Member, when a motion is made to strike out or expunge remarks made or inserted by him, to have an opportunity to speak against such motion.

To that end, I propose to introduce a resolution to so amend the rules that the one whose remarks or insertion is to be expunged may be given time to explain and oppose such motion to expunge.

DEBATE ONE-SIDED

Under the rules any Member making such a motion can speak for 1 hour on his motion and on any question of privilege of the House; and he can close the debate at any time by moving the previous question. Regardless of what may be said, no one has an opportunity of defending or explaining his previous remarks, or to make a showing that his insertion, taking all factors in consideration, did not constitute a violation of the rules of the House, nor of the dignity and integrity of the House or its Members. A Member in charge of any privileged resolution has 1 hour and is not obliged to yield to anyone, and, though having yielded to no one, can and invariably does move the previous question, foreclosing those opposed from answering.

This I consider unfair and should be remedied.

In the instant case, the gentleman from Michigan [Mr. HOOK] inserted in the RECORD a radio address critical of Members of Congress who voted for the amendments which emasculated the price-control act, and which mentioned several Members by name. While under existing rules, the gentleman from Michigan [Mr. HOFFMAN], who raised the question of privilege and moved to expunge the remarks, is not obliged to, he might have yielded during the course of his remarks, but one can assume from he would not have yielded to any Members speaking on a question of privilege he would not have yielded to any Member. Upon completing his remarks, he moved the previous question.

PREVIOUS QUESTION VOTED DOWN

Mr. Speaker, only a few weeks ago the gentleman from Mississippi [Mr. RANKIN] moved to strike from the permanent RECORD remarks I had made; but the unusual happened and the previous question was voted down, giving me an opportunity to explain, whereupon the gentleman from Mississippi [Mr. RANKIN] withdrew his motion to expunge my remarks. I feel that in every instance such an opportunity should be given to a Member whose remarks or insertions are moved to be expunged.

Mr. Speaker, I yield to none in safeguarding and protecting the dignity and fair name of the House; but it has occurred several times lately that some Members, whose remarks actually did not affect the standing of the House, have not been afforded the opportunity of making rebuttal, and without that opportunity their remarks were stricken.

Not only should the rules be amended in this respect but they should also be amended so that at all times those opposed to any motion, bill, or resolution shall be given equal time with those favoring or defending a motion, bill, or resolution. We provide for this in the Committee of the Whole when a bill is under consideration for amendment under the 5-minute rule, so why should it not be in the House on important questions? To that end, as I have stated, I shall draft and introduce a resolution to amend the rules.

FREE SPEECH GUARANTEED

Mr. Speaker, I feel that the action taken by the House was not fair to the gentleman from Michigan [Mr. HOOK] and that a majority might have voted to delete the names of the Members, and even of the Senators, but of that portion of the speech which the gentleman from Michigan [Mr. HOFFMAN] has read, I cannot see anything therein that would actually reflect upon the House.

Our Constitution, in which we all believe, and which guarantees freedom of speech, unabridged, I feel also applies to Members of Congress, and they should not be denied that privilege, whether the speech is actually made, or leave is given to extend one's remarks, or unanimous consent granted to insert a radio speech made by a citizen; it must not, however, reflect upon the dignity and integrity of the House, though it may criticize its action. As I have said before, from the portion of the remarks read by the gentleman from Michigan [Mr. HOFFMAN], I cannot see how this speech in question reflects upon the Congress, though it criticizes its action.

The remarks of the gentleman from Michigan [Mr. HOOK] appear in the Appendix of the daily CONGRESSIONAL RECORD of May 10 on pages A2755 and A2756 and I hope, however, I shall find the time to read the entire insertion covering the radio address of Mr. August Scholle, president of the Michigan CIO Council, as inserted by the gentleman from Michigan [Mr. HOOK] and as ordered to be stricken from the CONGRESSIONAL RECORD.

Mr. Speaker, in conclusion let me say that I do believe that there have been altogether too many extensions and insertions that have gone far afield and it might be for the best interest of the House if the membership refrained from making insertions that have extremely stretched the truth. Consequently I hope that the membership henceforth will be mindful of their responsibilities to the House. We should avoid giving justification to those who love to heap not only ridicule but contempt upon the Congress.

EXTENSION OF REMARKS

Mr. HARRIS asked and was given permission to extend his own remarks in the Appendix of the RECORD on the United Nations Organization.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include a speech made by President Truman at Fordham University last Saturday, and also to extend my remarks in the Appendix of the RECORD and include therein a poem written by Francis Cardinal Spellman and read on that occasion.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

These was no objection.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the Appendix of the RECORD and include an article; second, that I be permitted to extend and include a letter despite the fact that it may be a little beyond the usual limit.

Mr. HOOK. Mr. Speaker, reserving the right to object, does any one of these articles refer to the OPA?

Mr. JENNINGS. The letter does refer to the OPA, but it does not make a scurrilous attack on any Member of Congress.

Mr. HOOK. I object to that request, then.

The SPEAKER. Objection is heard to one request.

Is there objection to the request of the gentleman from Tennessee that he extend his remarks and include an article?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Mr. Speaker, does that mean that Members of the House are now forbidden from now on to extend their remarks in the RECORD and criticize the OPA or refer to it? Is that the point we have reached in our parliamentary procedure?

The SPEAKER. That is not a parliamentary inquiry.

Mr. RANKIN. Mr. Speaker, I just wanted to get it before the House.

DISTRICT OF COLUMBIA

The SPEAKER. This is District of Columbia day.

FILING PROCEDURE IN CASES OF ADOPTION OUTSIDE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 3070) to amend section 4 of the act of August 25, 1937, so as to provide a filing procedure in cases of adoption outside the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the act entitled "An act to regulate proceedings in adoption in the District of Columbia," approved August 25, 1937, as amended (D. C. Code, 1940 ed., sec. 16–204), is amended to read as follows:

"SEC. 4. Notice of a final decree of adoption shall be sent to the Bureau of Vital Statistics of the Health Department. This bureau shall cause to be made a new record of the birth in the new name and with the names of the adopter and shall then cause to be sealed and filed the original birth certificate with the order of the court and such sealed package shall be opened only by order of court. If the adoption occurred outside of the District of Columbia, upon filing with the Bureau of Vital Statistics of the Health Department a certified copy of the final decree of adoption, the bureau shall cause to be made a new record of the birth in the new name with the names of the adopters, and shall then cause to be sealed and filed the original birth certificate with the certified copy of the final decree of adoption; and such sealed package shall be opened only by order of a court of competent jurisdiction. If the birth occurred outside of the District of Columbia, the clerk of the court shall, upon petition by the adopter, furnish him with a certified copy of the final decree of adoption."

Mr. McMILLAN of South Carolina. Mr. Speaker, the House District Committee unanimously reported H. R. 6070 to the floor of the House for consideration. The purpose of this bill is to safeguard the identity of illegitimate children for adoption by foster parents.

This bill has the approval of the District Commissioners and is more or less a clarifying act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UTILITIES FOR VETERANS' HOUSING

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up

the bill (S. 1955) to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator, and ask unanimous consent that this bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized and empowered to provide necessary sewers, water, and streets in the District of Columbia; Montgomery and Prince Georges Counties, Md.; and Arlington County, Va., for such temporary housing for families of servicemen and for veterans and their families as may be furnished to and erected for the District of Columbia by the National Housing Administrator under authority of the First Deficiency Appropriation Act, 1946. For the purpose of providing such sewers, water, and streets there is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated, the sum of $250,000.

SEC. 2. All temporary housing erected on lands owned by the United States or the District of Columbia, for which authority to provide sewers, water, and streets is granted by this act, shall be removed within 2 years after the termination of the emergency declared by the President to exist on September 8, 1939, except that such period for the removal of such housing may be extended for a period not to exceed one additional year upon a determination by the National Housing Administrator, after consultation with the Commissioners of the District of Columbia, that such housing is still needed to provide housing for eligible tenants in the interest of the orderly demobilization of the war effort.

Mr. McMILLAN of South Carolina. Mr. Speaker, Senate bill 1955 recently passed the Senate. The House District Committee unanimously reports this bill to the floor of the House for consideration today.

The purpose of this bill is to facilitate construction of temporary houses to accommodate veterans and their families in the District of Columbia, and specific areas outside of the district.

This proposed legislation is for the purpose of providing sewers, water and streets. The bill authorizes funds to be appropriated, out of any money in the Treasury not otherwise appropriated, moneys out of the United States Treasury, for the District of Columbia in the sum of $250,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VOLUNTARY APPRENTICESHIP

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1189) to provide for voluntary apprenticeship in the District of Columbia, and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That it is the purpose of this act to open to young people in the District of Columbia the opportunity to obtain training that will equip them for profitable employment and citizenship; to set up, as a means to this end, a program of voluntary apprenticeship under approved apprenticeship agreements providing facilities for their training and guidance in the arts and crafts of industry and trade, with parallel instruction in related and supplementary education; to promote employment opportunities for young people under conditions providing adequate training and reasonable earnings; to relate the supply of skilled workers to employment demands; to establish standards for apprentice training; to establish an apprenticeship council; to provide for the establishment of local joint trade apprenticeship committees to assist in effectuating the purposes of this act; to provide for a Director of Apprenticeship within the District of Columbia; to provide for reports to the Congress and to the public regarding the status of apprenticeship in the District of Columbia to establish a procedure for the determination of apprenticeship agreement controversies; and to accomplish related ends.

SEC. 2. Without regard for any other provision of law with respect to the appointment of officers and employees of the United States or the District of Columbia, the Commissioners of the District of Columbia shall appoint an Apprenticeship Council, composed of three representatives each from employer and employee organizations, respectively. The Superintendent of Schools in the District of Columbia or, if he shall so designate, his representative in charge of trade and industrial education, and the Director of the District of Columbia Employment Center shall, ex officio, be members of said council, without vote. The terms of office of the members of the Apprenticeship Council first appointed by the Commissioners shall expire as designated by them at the time of making the appointment: One representative each of employers and employees being appointed for 1 year; one representative each of employers and employees being appointed for 2 years; and one representative each of employers and employees for 3 years. Thereafter, each member shall be appointed for a term of 3 years. Any member appointed to fill a vacancy occurring prior to the expiration of the term of his predecessor shall be appointed for the remainder of said term. The compensation of each member may be fixed without regard to the provisions of the Classification Act of 1923, as amended, and each member of the council, not otherwise compensated by public money, shall be paid not more than $10 per day for each day spent in attendance at meetings of the Apprenticeship Council.

SEC. 3. The Secretary of Labor shall appoint a Director of Apprenticeship who shall serve without compensation and who shall have no vote. Without regard for the provisions of any other law with respect to the appointment of officers and employees of the United States or the District of Columbia, the Director of Apprenticship shall be chosen from among the employees of the Apprentice-Training Service actually engaged in formulating and promoting standards of apprenticeship under the provisions of Public Law No. 308. The Apprentice-Training Service is further authorized to supply the Director or the Council with such clerical, technical, and professional assistance as shall be deemed by said Service to be essential to effectuate the purposes of this act.

SEC. 4. The Apprenticeship Council shall meet at the call of the Director, or the chairman thereof, and shall aid in formulating policies for the effective administration of this act. Subject to the approval of the Secretary of Labor, the Apprenticeship Council shall establish standards for apprenticeship agreements in accordance with those prescribed by this act, shall issue such rules and regulations as may be necessary to carry out the intent and purposes of said act, and shall perform such other functions as are necessary to carry out the intent of this act. Not less than once every 2 years the Apprenticeship Council shall make a report through the Commissioners of its activities and findings to the Congress and to the public.

SEC. 5. The Director, under the supervision of the Secretary of Labor and with the advice and guidance of the Apprenticeship Council, is authorized to administer the provisions of this act in cooperation with the Apprenticeship Council and local joint trade apprenticeship committees, to set up conditions and training standards for apprentices, which conditions or standards shall in no case be lower than those prescribed by this act; to act as secretary of the Apprenticeship Council and of joint trade apprenticeship committees; to approve, if in his opinion, approval is for the best interest of the apprentice, any apprentice agreement which meets the standards established by or in accordance with this act; to terminate or cancel any apprenticeship agreement in accordance with the provisions of such agreement; and to perform such other duties as are necessary to carry out the intent of this act: *Provided*, That the administration and supervision of related and supplemental instruction for apprentices, coordination of the instruction with job experiences, and the selection and training of teachers and coordinators for such instruction shall be the responsibility of the District Board of Education.

SEC. 6. Local joint trade apprenticeship committees in any trade or group of trades may be approved by the Apprenticeship Council. Such apprenticeship committees shall be composed of an equal number of employer and employee representatives appointed by the groups or organizations they represent, or the committee may consist of the employer and not less than two representatives from the recognized bargaining agency. In a trade or group of trades in which there is no bona fide employee organization, the Apprenticeship Council may appoint a joint trade apprenticeship committee from persons known to represent the interests of employers and of employees, or the Council may act itself as such joint committee. Subject to the review of the Council, and in accordance with standards established by or under authority of this act, joint trade apprenticeship committees may set up standards to govern the training of apprentices and give such aid as may be necessary in effectuating such standards.

SEC. 7. The term "apprentice", as used herein, shall mean a person at least 16 years of age who has entered into a written agreement, hereinafter called an apprenticeship agreement, with an employer, an association of employers, or an organization of employees, which apprenticeship agreement provides for not less than 4,000 hours of reasonably continuous employment for such person and for his participation in an approved program of training through employment and through education in related and supplemental subjects.

SEC. 8. Every apprenticeship agreement entered into under this act shall contain—

(1) the names and signature of the contracting parties, including the apprentice's parent or guardian if he be a minor;

(2) the date of birth of the apprentice;

(3) a statement of the trade, craft, or business which the apprentice is to be taught

and the time at which the apprenticeship will begin and end;

(4) a statement showing the number of hours to be spent by the apprentice in work and the number of hours to be spent in related and supplemental instruction, which instruction shall be not less than 144 hours per year;

(5) a statement setting forth a schedule of the processes in the trade or industry divisions in which the apprentice is to be taught and the approximate time to be spent at each process;

(6) a statement of the graduated scale of wages to be paid the apprentice and whether the required school time shall be compensated;

(7) a statement providing for a period of probation during which time the apprenticeship agreement shall be terminated by the Director at the request in writing of either party, and providing that after such probationary period the apprenticeship agreement may be terminated by the Director by mutual agreement of all parties thereto, or canceled by the Director for good and sufficient reasons;

(8) a provision that all controversies or differences concerning the apprenticeship agreement which cannot be adjusted by conference between the apprentice and the employer or under the terms of the apprenticeship standard shall be submitted to the Director for determination as provided for in section 9;

(9) a provision that an employer who is unable to fulfill his obligation under the apprenticeship agreement may, with the approval of the Director or under the direction of the joint trade apprenticeship committee, transfer such contract to any other employer: *Provided*, That the apprentice consents and that such other employer agrees to assume the obligations of said apprenticeship agreement;

(10) such additional terms and conditions as may be prescribed or approved by the council not inconsistent with the provisions of this act.

SEC. 9. No apprenticeship agreement shall be registered or approved by the Director under the provisions of this act unless it conforms with the standards established by or in accordance with this act and is in the best interests of the apprentice. Where a minor enters into an agreement for a period of training extending into his majority, and such agreement has been approved by the Director, then such apprenticeship agreement shall, if the parties therein so provide, have the same force and effect during the period covered by the majority of such minor as if such agreement were entered into during the majority of such minor.

SEC. 10. (a) Upon the complaint of any interested person or upon his own initiative, the Director may investigate to determine if there has been a violation of the terms of an apprenticeship agreement made under this act, and he may hold hearings, inquiries, and other proceedings necessary to such investigation and determination. The parties to such an agreement shall be given a fair and impartial hearing after reasonable notice thereof. All such hearings, investigations, and determinations shall be made under authority of reasonable rules and procedures prescribed by the Apprenticeship Council, subject to the approval of the Secretary of Labor.

(b) The determination of the Director shall be filed with the council. If no appeal therefrom is filed with the council within 10 days after the date thereof, as herein provided, such determination shall become the order of the council. Any person aggrieved by any determination or action of the Director may appeal therefrom to the council, which shall hold a hearing thereon after due notice to the interested parties. Any person aggrieved or affected by any determination or order of the council may appeal therefrom to the District Court of the United States for the District of Columbia at any time within 30 days after the date of such order, by service of a written notice of appeal on the Director. Upon service of said notice of appeal, said council, by its secretary, shall forthwith file, with the clerk of said district court to which said appeal is taken, a certified copy of the order appealed from, together with findings of fact on which the same is based. The person serving such notice of appeal shall, within 5 days after the service thereof, file a copy of the same, with proof of service, with the clerk of the court to which such appeal is taken; and thereupon said district court shall have jurisdiction over said appeal, and the same shall be entered upon the records of said district court and shall be tried therein de novo according to the rules relating to the trial of civil actions, so far as the same are applicable. Any person aggrieved or affected by any determination, order, or decision of the district court may appeal therefrom to the Court of Appeals for the District of Columbia in the same manner as provided by law for the appeal of civil action.

SEC. 11. The provisions of this act shall apply to any person, firm, corporation, or craft in the District of Columbia which has voluntarily elected to conform with its provisions.

SEC. 12. As used or referred to in this act the term "the Secretary of Labor" shall mean the administrator of that Department or agency of the United States Government authorized to administer the provisions of Public Law No. 308.

SEC. 13. Sections 13, 14, 15, 17, 18, 20, and 21, chapter 2 of title 15 of the Code of Laws of the District of Columbia are hereby repealed.

SEC. 14. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

Mr. McMILLAN of South Carolina. Mr. Speaker, the Senate passed Senate bill 1189 and the House District Committee unanimously reports this bill to the floor of the House for consideration. The purpose of this bill is to open to young people in the District of Columbia the opportunity to obtain training that will equip them for profitable employment. The sponsors of this bill are of the opinion that legislation of this nature will set up a program of voluntary apprenticeship under approved apprenticeship agreements providing facilities for their training and guidance in the arts and crafts of industry and trade, with parallel instruction in related and supplementary education. To promote employment opportunities for young people under conditions providing adequate training and reasonable earnings. This training should supply skilled workers for employment demands, should also establish standards for apprentice training. The bill also provides that the District Commissioners should appoint an apprenticeship council composed of three representatives each from employer and employee organizations. The Superintend of Schools and the director of the District of Columbia employment center shall be made ex-officio members of the council.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIQUIDATION OF WASHINGTON RAILWAY & ELECTRIC CO.

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 5718) to facilitate the liquidation of Washington Railway & Electric Co. and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the inhibitions and restrictions contained in sections 804 and 805 of title 43 of the Code of Laws of the District of Columbia be, and the same are hereby, removed so far, and only so far, as they affect the validity of any action taken by Washington Railway & Electric Co. or Potomac Electric Power Co., with the approval of the Public Utilities Commission of the District of Columbia, pursuant to an order of the Securities and Exchange Commission under the provisions of the Public Utility Holding Company Act of 1935.

SEC. 2. Notwithstanding the provisions of section 216 of title 29 of the Code of Laws of the District of Columbia, Potomac Electric Power Co., with the approval of the Public Utilities Commission of the District of Columbia, may acquire the capital stock of Braddock Light & Power Co., Inc., if authorized so to do by the Securities and Exchange Commission under the provisions of the Public Utility Holding Company Act of 1935, and, after such acquisition, may hold the same and, from time to time, acquire additional shares thereof.

SEC. 3. The inhibitions and restrictions contained in section 502 of title 43 of the Code of Laws of the District of Columbia be, and the same are hereby, removed so far, and only so far, as they affect the acquisition and ownership of any stock or bonds lawfully owned by Washington Railway & Electric Co. by any corporation lawfully holding the stock of Washington Railway & Electric Co. at the time of any such acquisition, provided such acquisition is pursuant to an order of the Securities and Exchange Commission under the provisions of the Public Utility Holding Company Act of 1935.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved to the Congress.

Mr. McMILLAN of South Carolina. Mr. Speaker, the House district committee unanimously reports H. R. 5718 after extensive hearings. The bill under consideration is merely enabling and permissive legislation. The proposed legislation does not contain any plan for the corporate simplification of the Washington railway and electric companies' holding companies system; nor does it expressly or by implication give prima facie or prior approval to any plan which may be submitted for such purpose. The sole purpose of this proposed legislation is to permit a plan to be put into effect if it is found to be in the public interest by both the Public Utilities Commission of the District of Columbia and the Securities and Exchange Commission. The legislation specifically reserves to the Securities and Exchange Commission and the Public Utilities of the District of Columbia full and complete control over the details of any plan which may come before them.

Since the bill is merely permissive and enabling in character, a plan cannot become effective unless and until the Public Utilities Commission has approved the issue of all securities as required by section 802 of title 43 of the District of Columbia Code and by section 1 of the proposed legislation. The Public Utilities Commission has approved the acquisition by Potomac Electric Power Co. of the capital stock of Braddock Light & Power Co., Inc., as required by section 501 of title 43 of the District of Columbia Code and by section 2 of the proposed legislation.

The Securities and Exchange Commission has determined that the plan is in the public interest and is given approval as required by the act of 1935 and by sections 1, 2, and 3 of the proposed legislation.

Upon the approval of the plan by the Securities and Exchange Commission, or at a subsequent date, the application may be made by the commission to a Federal court to enforce and carry out its terms and provisions. The bill has the approval of the Public Utilities Commission for the District of Columbia.

Mr. DIRKSEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: At the end of line 25, page 2, add the following:

"Nothing contained herein shall affect the jurisdiction of the Public Utilities Commission for the District of Columbia, the Securities and Exchange Commission or any agency or officer of the United States; nor shall anything herein be construed as approving or disapproving or prejudging any action taken by either Commission or any agency or officer of the United States; nor shall anything contained herein be construed as a prejudgment to the issues raised by the United States in *United States* v. *Public Utilities Commission for the District of Columbia* (now pending a decision in the United States Court of Appeals for the District of Columbia, Case No. 8995)."

Mr. McMILLAN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from South Carolina.

Mr. McMILLAN of South Carolina. Mr. Speaker, the committee agrees to that amendment.

Mr. DIRKSEN. Mr. Speaker, we are confronted with a little difficulty in the District of Columbia as a result of certain statutes passed long ago, plus an action that is incumbent upon the Securities and Exchange Commission under the act of 1935 which calls for the dismemberment of some of these large holding companies. As everybody knows, the Washington Railway & Electric Co. is a subsidiary holding company of the North American Co. Now that section 11 of the utilities statute of 1935 has been affirmed by the Supreme Court it becomes necessary to carry out a certain proposed merger in pursuance of a mandate by the Securities and Exchange Commission. However, in so doing we find that we are up against the antimerger statute in the District of Columbia, and in consequence, the action taken by, and the admonition that has been directed to, the Washington Railway & Electric Co. by the Securities and Exchange Commission cannot be carried out until existing law is modified. In consequence the bill before us today does nothing more than make it possible for the integration of the system and for the disbanding of a subsidiary holding company to take place, and to that end the statutes must be modified. Manifestly that action can only be taken with the approval of the Public Utility Commission of the District of Columbia and the Securities and Exchange Commission.

Now then, in connection with all this, some litigation is pending in the Circuit Court of Appeals in the District of Columbia at the present time. It was the thought of the members of the subcommittee and of the full committee on the District of Columbia that no action that we might take here should in anywise prejudice the merits on the issues involved in that litigation. I am advised that all the testimony is in.

In connection with this matter we had representatives from the Department of Justice, we had the chairman of the Securities and Exchange Commission and others before the committee to make sure that the legislation will do what it is intended to do, and at the same time in no-wise prejudge the litigation now pending. In consequence, that amendment recites as follows:

Nothing contained herein shall affect the jurisdiction of the Public Utilities Commission for the District of Columbia, the Securities and Exchange Commission, or any agency or officer of the United States; nor shall anything herein be construed as approving or disapproving or prejudging any action taken by either commission or any agency or officer of the United States; nor shall anything contained herein be construed as a prejudgment to the issues raised by the United States in *United States* v. *Public Utilities Commission for the District of Columbia.*

That is merely safeguarding language so the Congress does not find itself in the difficulty of having prejudged any pending litigation or that there was any intimation that they desired to prejudge it in any way, so that the issues can finally be threshed out to a conclusion in the regularly constituted courts.

I respectfully submit, Mr. Speaker, that this is in the interest of good procedure and I hope the bill, together with the safeguarding amendment, will be adopted.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. MILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 5933) to authorize and direct the Board of Education of the District of Columbia to establish and operate in the public schools and other suitable locations a system of nurseries and nursery schools for day care of school-age and under-school-age children, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. STEFAN. Reserving the right to object, Mr. Speaker, will the chairman of the committee explain this bill? This is the day nursery bill, is it not?

Mr. McMILLAN of South Carolina. That is right.

Mr. STEFAN. I call the attention of the gentleman to the fact that when the House Subcommittee on Appropriations for the District of Columbia was holding hearings on appropriations for the District a committee of citizens appeared before us favoring the day nursery care program. I think the principle is good but this bill should be amended.

Mr. SABATH. It is.

Mr. STEFAN. However, in the discussion we were told that a man and wife whose combined income was over $10,000 a year were participating in this day care program. The feeling of our committee was that this service should be made available to widows and mothers with low incomes, who have to work, and who have to send out their children, but when it comes to putting up a program here of furnishing day care for children whose mothers and fathers earn a combined salary of over $10,000 a year, I think the committee has gone too far. If this bill permits that, Mr. Speaker, I will have to object, because I am for the day care program. The service should be given to needy mothers and not to parents who can well afford to take care of their own children.

Mr. McMILLAN of South Carolina. I would not vote to continue the type of day nursery we had during the war. However, this bill streamlines this organization and forbids the very thing to which the gentleman refers.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I share the feeling about this program as expressed by the gentleman from Nebraska. The matter was roundly discussed in the committee. As a result, the chairman of the committee is ready to offer an amendment which provides that this program will be available only to those people who are financially unable otherwise to provide for day care of their children.

Mr. STEFAN. May I see the amendment?

Mr. DIRKSEN. Here is a copy of the amendment.

Mr. STEFAN. I see the chairman of the Subcommittee on Appropriations for the District of Columbia is here. May I ask him if he will read that amendment and see if it meets with his approval?

I call to the attention of the House at this time that it was the sense of the Subcommittee on Appropriations for the District of Columbia that the best place for a mother is at home with her children, but, when she is forced by circumstances to go out to work to support those chil-

dren, we believe there should be some kind of service where the children can be taken care of when she is away at work, and then when she comes home she can be with the children. However, when we find in the District of Columbia people whose combined salaries are over $10,000 a year sending their children to be taken care of at the same price that children of poor widows are being taken care of, we think it is going too far. We should give our attention to the needy widow and families of indigents. I am sure the gentleman from Illinois [Mr. SABATH] will join with me in saying that the best place for a mother is at home. If we can help these mothers to be with their children, I certainly want to follow a program like that.

Mr. SABATH. I fully agree with the gentleman from Nebraska, and congratulate him on favoring this legislation and also on his thinking that it should apply only to needy people and not those who are earning salaries such as the gentleman referred to, who are not obliged to send their children there but do it for the purpose of having plenty of time on their hands to attend parties, and so on. However, this bill applies only to those that are actually in need and must send their children out, where the mothers must go to work and have no other place to send their children.

Mr. STEFAN. The gentleman and I agree on that. Has the gentleman from Washington read that amendment?

Mr. DIRKSEN. If the gentleman will yield, the chairman of the Subcommittee on District of Columbia Appropriations has just examined the amendment and, as I understand, it is quite agreeable with him.

Mr. STEFAN. In view of that fact, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, as used in this act, "Board" means the Board of Education of the District of Columbia; "parent" means natural parent, grandparent, legal guardian, or stepparent; and "child" means natural child, grandchild, stepchild, adopted child, or legal ward.

SEC. 2. On and after July 1, 1946, the Board is authorized and directed to establish, maintain, and operate in and on the buildings and grounds of the public schools of the District of Columbia and at other suitable locations, a system of nurseries and nursery schools for the day care of children of school or under-school age of parents residing in the District of Columbia who are employed or so handicapped that they cannot otherwise provide for the day care of their children. The Board is authorized to employ teachers, attendants, clerks, custodians, and other persons necessary to provide such day care and to pay compensation for their services in accordance with the Classification Act of 1923, as amended.

SEC. 3. The Board is authorized to make and enforce rules and regulations governing admission to and use and enjoyment of said nurseries and nursery schools, including the fixing of fees to be charged parents for care and maintenance therein of their children; which fees shall, as near as practicable, reimburse the District of Columbia its costs for personal services, labor, food, and supplies in the operation and maintenance of such nurseries and nursery schools: *Provided*, That the Board may, in cases where parents are unable to pay for such care, waive all or part of such fees. All fees collected under the provisions of this act shall be paid to the Collector of Taxes of the District of Columbia and deposited in the Treasury of the United States to the credit of the revenues of the District of Columbia.

SEC. 4. There is authorized to be appropriated out of any moneys in the Treasury of the United States to the credit of the District of Columbia, not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act.

SEC. 5. Sections 2 and 3 of the act entitled "An act to amend the District of Columbia Appropriation Act, 1943, so as to authorize the use of public-school buildings in the District of Columbia as and for day nurseries and nursery schools, and for other purposes", approved December 22, 1942 (Public Law 827, Seventy-seventh Congress), are hereby repealed. This section shall take effect July 1, 1946.

Mr. McMILLAN of South Carolina. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCMILLAN of South Carolina:

On page 2, line 6, after the word "employed", strike out the word "or" and add the following: "and are financially unable themselves to provide for the day care of their children or who are."

On page 2, line 6, after the word "necessary" add a comma and insert the words "not to exceed $500,000 annually."

Mr. McMILLAN of South Carolina. Mr. Speaker, the House District Committee by a unanimous vote directs me to report H. R. 5933 to the floor of the House for consideration. Personally, I was against legislation of this nature until some of the destitute families appeared before our committee. I learned that from 30 to 40 percent of the working mothers who had children attending the day nursery school are wives of soldiers serving overseas. I also learned that a number of the working mothers were compelled to work on account of their husbands being confined in mental hospitals. It is true that practically all these mothers and children receive compensation or allowances from their husbands and fathers; however, they do not receive a sufficient amount to purchase food and pay the high rent here in Washington. I certainly approve of mothers staying at home with their children when it is not absolutely necessary for them to work in order to properly care for their children; however, since thoroughly investigating the situation here in Washington I do know that we have some families here where it is absolutely necessary that the mothers work in order to purchase food and pay the high rent in the District of Columbia.

Mr. DIRKSEN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the first of these amendments is with reference to the point raised by the gentleman from Nebraska [Mr. STEFAN]. I thoroughly share the opinion expressed here, and, as a matter of fact, raised that same question in the subcommittee and in the full committee on a number of occasions. I do not believe that the District of Columbia government, whether it comes through their welfare agency or through the Department of Education, is chargeable with day care for people who can afford to make provision for their own children.

Moreover, there is a social consequence involved, namely, an incentive and invitation ofttimes to take care of children of people who can well afford to take care of their own and thus have a very definite and deleterious effect on continuing family life. Consequently, this amendment was submitted to the effect that day care shall not be available to those people who are financially able to make provision for their own children. May I also say to the gentleman from Nebraska that on one occasion in the course of the hearings one of the witnesses, as a matter of fact, was a member of a family where the income of the family was nearly $1,100 a month, as I remember, and yet they were availing themselves of this kind of service. Obviously, the District of Columbia, and no other jurisdiction for that matter, in my judgment, should go that far. I believe, however, that this amendment when properly administered by the Board of Education requiring an examination and screening of those who are going to avail themselves of this care will do the job and hold it down to a minimum. In addition perhaps I ought to say that this is in line with a new trend because in some 15 major cities of a size comparable to that of the District of Columbia, day care now is a part of the educational system. We felt after a thorough exploration of the matter that that was probably the best place to put it. We recommend the bill to the favorable consideration of the House, together with the two amendments, one of which places a ceiling limit on the amount that can be expended, and the second of which makes this care unavailable to those who can afford it on some private basis.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. SABATH. I congratulate my colleague as well as the gentleman from Nebraska and the committee in bringing this bill in and also in agreeing to the amendment. I think it is absolutely necessary that we do take care of children of mothers who are obliged to work so that they will have a place to send their children. I think it is humane legislation in the right direction. I again congratulate the gentleman.

Mr. DIRKSEN. I thank the gentleman from Illinois. I believe a word of commendation ought to be bestowed on the gentleman from California [Mr. HEALY], who has been very much interested in this matter. He is the chairman of the subcommittee that handled it, and through his persistent effort, finally, I believe, we are going to get a day-care bill which will meet the requirements and do the job for Washington.

Mr. DONDERO. Mr. Speaker, will the gentleman yield? What is the age limitation prescribed in the bill as to the children who can be taken care of?

Mr. DIRKSEN. The term that is used in the bill is "under school age."

Mr. COFFEE. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the House Subcommittee on the District of Columbia Appropriations gave consideration to the prayerful request of many needy and indigent mothers who came before our committee seeking our help at the time the annual District of Columbia appropriation bill was before us. Considerable testimony was taken from these worthy ladies and we were very much persuaded of the justice of their general plea, but did not believe we had the jurisdiction at that time to originate the proposal in our committee. We suggested to these worthy ladies that they go before the District of Columbia Legislative Committee and see that the bill contained proper safeguards against the District of Columbia assuming the costs of child care for parents who are financially able to take care of their own children. This the committee has done. I take advantage of this occasion to commend the District of Columbia Legislative Committee, its distinguished and industrious chairman, the gentleman from South Carolina [Mr. McMILLAN], and also the very able gentleman from California [Mr. HEALY] who was chairman of the subcommittee which had within its jurisdiction this particular proposition, who worked long hours, day and night, trying to get support for his proposal. I want to commend him and commend the members of the committee for going along. The only concern of the Appropriations Subcommittee is that the District of Columbia be not put in the position of pouring out unlimited sums of money for a cause, no matter how meritorious. The committee has taken care of that by limiting the total sum. It has taken care of it by inserting a proviso in the bill which directs that only care should be extended to children of genuinely indigent parents.

I want to assure the Members of the House that when a man so cautious and painstaking as the brilliant Republican Congressman from Illinois [Mr. DIRKSEN] has looked over a bill and has found it is worthy and meritorious, those of us who may have similar apprehension about grievously overloading the taxpayers of the District need have no further qualms in the matter.

I want to commend the gentleman from Illinois [Mr. DIRKSEN] also for the very fine and diligent work he has always performed in behalf of the District. A man as busy as he is, a man so devoted to the public welfare, who still finds time to spend on the District of Columbia problems, deserves the commendation of all of us, regardless of our political complexions. That likewise goes for the District of Columbia legislative committee membership, who worked day and night in behalf of the District of Columbia taxpayers and the people of the National Capital. They are doing a remarkable job and deserve the commendation of this city, of its newspapers, the Congress, and of the country. The new chairman of that committee, the gentleman from South Carolina [Mr. McMILLAN], who succeeded the gentleman from West Virginia [Mr. RANDOLPH], is taking hold of things in very laudable fashion and deserves the encouraging backing of all of us, as do the other hardworking members of the District of Columbia legislative committee.

The SPEAKER. The time of the gentleman from Washington has expired.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CREATING A DEPARTMENT OF CORRECTIONS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 6265) to create a Department of Corrections in the District of Columbia, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. McMILLAN]?

Mr. SMITH of Virginia. Reserving the right to object, Mr. Speaker, this is a very important matter and involves a reform of the penal institutions of the District of Columbia. It so happens that the greater portion of the penal institutions of the District of Columbia are in Virginia, in my district. I do not think this subject has been given as careful consideration and as thorough consideration as I believe it ought to have. I would like to see it explored more fully.

As far as the institutions in Virginia are concerned, we have had no breaks. We are getting along all right. I think much of the trouble had here has been due to a division of authority and to the fact that they have been experimenting with the subject. I do not want to see any more experiments until we can study the matter a little more carefully. I asked the gentleman from Louisiana [Mr. HÉBERT] to defer this matter for a couple of weeks so we could have some hearings and go into it a little more fully. I wish the gentleman would accede to that request. I dislike to have to object.

Mr. HÉBERT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HÉBERT. I dislike to disagree with my distinguished friend from Virginia, but I cannot agree with him on this matter when he says that the subject has not been explored thoroughly and completely. The bill which is now before the House is a bill which was gone into after thorough hearing by a subcommittee. It has the commendation of the Commissioners of the District of Columbia. Nothing can be gained by delaying the bill at this time. As a matter of fact, I think if the bill is delayed it may cause its subsequent death, and that is something that cannot be done at this time. As much as I dislike to disagree with the gentleman, of course if the gentleman wishes to object, that is his privilege, but I cannot agree with him that the matter should be delayed.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. STEFAN. Mr. Speaker, I was informed that about 13 organizations were studying this situation of public welfare in the District of Columbia. It does seem to me this legislation should be deferred in view of the fact that these citizens who are directly interested and who pay the taxes here should be given an opportunity to finish their study. I understand their report will be coming in within a very short time.

Mr. SMITH of Virginia. May I say to the gentleman from Nebraska that there is a bill pending, which likewise has the approval of the District Commissioners, to do this whole job in one bill. I happen to be chairman of the subcommittee in charge of that bill. I have been waiting until this investigation was completed hoping that we could have some hearings on that bill and do the whole job at one time.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Minnesota.

Mr. O'HARA. I wish to say to the gentleman from Virginia that this bill was reported by the subcommittee which investigated the jail situation.

Mr. SMITH of Virginia. I understand that.

Mr. O'HARA. Of which I happen to be a member.

This legislation was intended as a temporary effort to take care of conditions which needed immediate remedying. It is not intended as permanent legislation, and I am sure the gentleman from Louisiana [Mr. HÉBERT], chairman of the subcommittee will bear me out in that statement. It is in the nature of stopgap legislation to handle the matter until a complete study of the situation can be made.

Mr. SMITH of Virginia. But the fact is that it is permanent legislation. Once the bill is enacted it becomes permanent law.

Mr. O'HARA. It will not be when the other study is completed. The gentleman from Virginia, I believe, is in charge of the bill which has to do with the permanent study of this situation. If another jail break should occur it might well occur because this legislation had not been passed. This bill is intended as a stop-gap measure. I think if the gentleman thoroughly understood it he would be in favor of it.

Mr. SMITH of Virginia. There is nothing temporary about the bill; it is permanent legislation.

Mr. HÉBERT. Furthering what the gentleman from Minnesota has already said, I may add that the Federal Bureau of Investigation has conducted its own investigation in connection with the jail situation. A possible break out of the jail could occur if we do not legislate very promptly to relieve the situation.

Mr. SMITH of Virginia. I challenge the gentleman's statement that the passage of this legislation now would prevent another jail break. What we need is permanent legislation that places the responsibility in one man instead of putting it in several different agencies so there can be no discipline. At the present time there is not a single person who has the right to hire or fire any guard. As a matter of fact the jail break which all the noise has been about was

not due to any defect in the jail, it was not due to any defect in the personnel of the jail. It was due to criminal negligence of two members of the police force who were borrowed by the jail authorities. The gentleman knows that is true.

Mr. HÉBERT. All right; now the gentleman from Virginia compels me to say something here that I would prefer not to say, but the gentleman is certainly not conversant with what went on in that jail when you can have a situation in the District of Columbia, the Nation's Capital, where women are brought into the death cell for the satisfaction of the condemned prisoners. Do you tell me we do not need legislation?

Mr. SMITH of Virginia. Then why have not the hearings been printed so that the rest of us might have the advantage of the information the committee has?

Mr. HÉBERT. There is no discipline in the jail.

Mr. SMITH of Virginia. Why have not the hearings been printed? I ask the gentleman.

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, is the gentleman determined upon his objection?

Mr. SMITH of Virginia. Yes.

Mr. DIRKSEN. Then I will say there probably is no particular point in pursuing the discussion further at this time, that we should let it go over for further consideration by the subcommittee.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. SMITH of Virginia. Mr. Speaker, I object.

Mr. McMILLAN of South Carolina. Mr. Speaker, I withdraw the bill from consideration today.

VETERANS' EMERGENCY HOUSING ACT, 1946

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CALL OF THE HOUSE

Mr. BRADLEY of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 116]

Abernethy	Biemiller	Cannon, Fla.
Bailey	Bonner	Case, S. Dak.
Baldwin, Md.	Buck	Celler
Baldwin, N. Y.	Buckley	Clark
Bell	Butler	Cochran
Bender	Byrne, N. Y.	Corbett
Curley	Herter	Priest
Daughton, Va.	Hinshaw	Reece, Tenn.
Dawson	Hobbs	Reed, Ill.
De Lacy	Horan	Robertson, N. Dak.
Dingell	Jarman	Rodgers, Pa.
Douglas, Calif.	Johnson, Ind.	Roe, N. Y.
Drewry	Keogh	Russell
Eaton	Kirwan	Sabath
Elsaesser	Kopplemann	Sheppard
Engle, Calif.	LaFollette	Slaughter
Feighan	Lanham	Stewart
Flannagan	Lea	Stigler
Flood	Lyle	Sumners, Tex.
Folger	Mansfield, Tex.	Tolan
Gardner	Merrow	Towe
Gearhart	Monroney	Wadsworth
Grant, Ind.	Morgan	Wasielewski
Hale	Mundt	Weaver
Hall, Leonard W.	Murphy	Welch
Hand	Norton	White
Hare	Outland	Winter
Hart	Patterson	Wolfenden, Pa.
Hartley	Powell	
	Price, Fla.	

The SPEAKER. Three hundred and forty-four Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

VETERANS' EMERGENCY HOUSING ACT OF 1946

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Veterans' Emergency Housing Act of 1946'.

"SEC. 1. (a) The long-term housing shortage and the war have combined to create an unprecedented emergency shortage of housing, particularly for veterans of World War II and their families. This requires during the next two years a house-construction program larger than ever before. The first step toward such a program is to overcome the serious shortages and bottlenecks with respect to building materials, to expedite the production of such materials, to allocate them for house construction and other essential purposes, and to accelerate the production of houses with preferences for veterans of World War II and at sales prices or rentals within their means. To carry out this program, it is necessary to invest a housing expediter with adequate powers including the power to issue policy directives. Accomplishment of these objectives will assist returning veterans to acquire housing at fair prices, stimulate industry and employment, prevent a post-emergency collapse of values in the housing field, and promote a swift and orderly transition to a peacetime economy.

"(b) The provisions of this Act, and all regulations and orders issued thereunder, shall terminate on December 31, 1947, or upon the date specified in a concurrent resolution by the two Houses of the Congress, declaring that the provisions of the Act are no longer necessary to deal with the existing national emergency, whichever date is the earlier.

"(c) The provisions of this Act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

"SEC. 2. (a) There is hereby created an office to be known as Housing Expediter; and the President is authorized, by and with the advice and consent of the Senate, to appoint an existing official of the Government to serve as Housing Expediter, or to appoint the Housing Expediter either within any existing agency or as an independent officer of the Government. In the event of an appointment of an existing official, he is hereby authorized and permitted to continue in his present post while serving as Housing Expediter, except that he shall receive no additional compensation by reason of his appointment hereunder. If, however, such Housing Expediter is appointed within an existing agency of the Government, he shall receive compensation in compliance with the laws and regulations applicable to officers within such agency; if the Housing Expediter is appointed as an independent officer of the Government, he shall receive compensation at the rate of $12,000 per annum.

"(b) The Housing Expediter, in addition to such other functions and powers as may be delegated to him by the President, is authorized to—

"(1) formulate such plans and programs as are necessary to provide for an increased supply of housing accommodations of all kinds and, in particular, of homes available for sale or rental at moderate prices to veterans of World War II and their immediate families;

"(2) issue such orders, regulations, or directives to other executive agencies (including the Office of Economic Stabilization and the Office of Price Administration) as may be necessary to provide for the exercise of their powers in a manner required by or consistent with the execution of the aforesaid plans and programs, and to coordinate the activities of such agencies directed to the execution of such plans and programs. Each executive agency shall carry out without delay the orders, regulations, or directives of the Housing Expediter, and shall, to the extent necessary, modify its operations and procedures from time to time to conform to the directions of the Housing Expediter;

"(3) recommend to the President the enactment of such legislation as may be necessary to provide the authority to carry out such plans and programs as are not authorized under existing law;

"(4) consult and cooperate with other agencies of the Federal Government, State and local governments, industries, labor, and other groups, both national and local, with respect to the problems created by the housing emergency and the steps which can be taken to remedy it.

"(c) The executive agencies of the Government shall exercise their emergency powers and other powers for the purpose of aiding in the solution of the problems created by the existing housing emergency, the alleviation of which is vital to an orderly transition from war to peace.

"(d) (1) All functions, powers, authority, or duties vested in the Office of War Mobilization and Reconversion or the Director thereof by the War Mobilization and Reconversion Act of 1944 which are or may be necessary or suitable to enable the Housing Expediter to carry out the provisions of this Act and such plans and programs as such Housing Expediter may develop for the alleviation of the housing emergency, are hereby transferred to the Housing Expediter. The powers so transferred shall include the power to issue orders, regulations, or directives to other executive agencies with respect to the exercise by such agencies of their respective powers and authority.

"(2) The powers so transferred shall continue during the period in which this Act is in effect, notwithstanding any other provision terminating such powers contained in the said War Mobilization and Reconversion Act of 1944.

"SEC. 3. (a) Whenever in the judgment of the Expediter the sales prices of housing accommodations the construction of which is completed after the effective date of this Act have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this Act, he may by regulation or order establish maximum sales prices for such housing accommodations in accordance with the provisions of this Act. Any such regulation or order may be limited in its scope to such geographical area or areas and to such types or classifications of such housing accommodations as in the judgment of the Expediter may be necessary to effectuate the purposes of this Act. Before issuing any regulation or order under this section, the Expediter shall, so far as practicable, advise and consult with representative members of industries affected by such regulation or order, and he shall give consideration to their recommendations and to any recommendations which may be made by State and local officials concerned with housing conditions in any area affected by such regulation or order.

"(b) Any regulation or order issued under the authority of this section with respect to housing accommodations the construction of which is completed after the effective date of this Act shall provide that no sale of any such housing accommodations shall take place until after the builder thereof has filed with the appropriate agency designated by the Expediter a description of such accommodations, including a statement of the proposed maximum sales price, and has received from such agency a certification that such price is reasonably related to the value of the accommodations to be sold, taking into consideration (1) reasonable construction costs not in excess of the legal maximum prices of the materials and services required for the construction, (2) the fair market value of the land (immediately prior to construction) and improvements sold with the housing accommodations, and (3) a margin of profit reflecting the generally prevailing profit margin upon comparable units during the calendar year 1941. Any prospective seller of such housing accommodations may apply for such certification at any time, including before the commencement of construction, during its progress, or after its completion. In any case where a certification of approval of a proposed maximum sales price has been issued prior to the completion of construction, the prospective seller may, at any time before the first sale, apply for such revision of the maximum sales price previously certified as may be justified by a showing of special circumstances arising during the course of construction and not reasonably to have been anticipated at the time of the issuance of the earlier certification. The first sale of housing accommodations the construction of which is completed after the effective date of this Act shall not be made at a price in excess of the maximum sales price certified under this subsection. The actual price at which any such housing accommodations is first sold, plus any increases authorized pursuant to subsection (c), shall be the maximum sales price for any subsequent sale of such housing accommodations.

"(c) The Expediter shall by regulation or order provide for appropriate price increases for major structural changes or improvements, not including ordinary maintenance and repair, effected subsequent to the first sale after the effective date of this Act.

"(d) The Expediter may promulgate such regulations as he deems necessary and proper to carry out any of the provisions of this Act and may exercise any power or authority conferred upon him by this Act through such department, agency, or officer as he shall direct. Any regulation or order under this Act may contain such classifications and differentiations and may provide for such adjustments and reasonable exceptions as in the judgment of the Expediter are necessary or proper in order to effectuate the purposes of this Act. The Expediter shall have power to forbid the exportation to any foreign country of any lumber or other materials which are needed for the housing program.

"SEC. 4. (a) Whenever in the judgment of the Expediter there is a shortage in the supply of any materials or of any facilities suitable for the construction and/or completion of housing accommodations in rural and urban areas, and for the construction and repair of essential farm buildings, he may by regulation or order allocate, or establish priorities for the delivery of, such materials or facilities in such manner, upon such conditions, and to such extent as he deems necessary and appropriate in the public interest and to effectuate the purposes of this Act.

"(b) In issuing any regulation or order allocating or establishing priorities for the delivery of any materials or facilities under this section, the Expediter shall give special consideration to (1) satisfying the housing requirements of veterans of World War II and their immediate families, (2) the need for the construction and repair of essential farm buildings, and (3) the general need for housing accommodations for sale or rent at moderate prices. In order to assure preference or priority of opportunity to such veterans or their families, the Expediter shall require that no housing assisted by allocations or priorities under this section shall be sold within 60 days after completion or rented within 30 days after completion for occupancy by persons other than such veterans or their families: *Provided*, That the Expediter by appropriate regulation may allow for hardship cases.

"(c) The provisions of this section shall not be construed as in any way affecting the power of the President to assign priorities or to allocate any materials or facilities under the provisions of subsection (a) of section 2 of the Act of June 28, 1940, entitled 'An Act to expedite national defense, and for other purposes' (50 U. S. C. 633), as amended.

"SEC. 5. It shall be unlawful for any person to effect, either as principal or broker, a sale of any housing accommodations at a price in excess of the maximum sales price applicable to such sale under the provisions of this Act, or to solicit or attempt, offer, or agree to make any such sale. It shall be unlawful for any person to violate the terms of any regulation or order issued under the provisions of this Act. Notwithstanding any termination of this Act as contemplated in section 1 (b) hereinabove, the provisions of this Act, and of all regulations and orders issued thereunder, shall be treated as remaining in force, as to rights or liabilities incurred or offenses committed prior to such termination date, for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"SEC. 6. Any person who is aggrieved by any action taken pursuant to any regulation or order issued under the authority of this Act may petition the district court of the district in which he resides or has his place of business for a review of such action, and such district court shall have jurisdiction to enjoin or set aside, in whole or in part, such action or to dismiss the petition. No such action shall be enjoined or set aside, in whole or in part, unless the petitioner establishes to the satisfaction of the court that such action is not in accordance with law, is unsupported by competent, material, and substantial evidence, or is arbitrary or capricious.

"SEC. 7. (a) Whenever in the judgment of the Expediter any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of section 5 of this act, he may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Expediter that such person has engaged or is about to engage in any such acts or practices a permanent or temporary injunction, restraining order, or other order may be granted and if granted shall be granted without bond.

"(b) Any person who willfully violates any provision of section 5 of this act, and any person who knowingly makes any statement false in any material respect in any description or statement required to be filed under section 3, shall, upon conviction thereof, be subject to a fine of not more than $5,000, or to imprisonment for not more than 1 year, or to both such fine and imprisonment. Whenever the Expediter has reason to believe that any person is liable to punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought.

"(c) The district courts shall have jurisdiction of criminal proceedings for violations of section 5 of this act, and, concurrently with State and Territorial courts, of all other proceedings under this section. Such criminal proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred. Such other proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred, and may also be brought in the district in which the defendant resides or transacts business, and process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found. Any such court shall advance on the docket and expedite the disposition of any criminal or other proceedings brought before it under this section. No costs shall be assessed against the Expediter or the United States Government in any proceeding under this act.

"(d) If any person selling housing accommodations violates a regulation or order prescribing a maximum selling price, the person who buys such housing accommodations may, within one year from the date of the occurrence of the violation, bring an action for the amount by which the consideration exceeded the maximum selling price, plus reasonable attorney's fees and costs as determined by the court.

"SEC. 8. As used in this Act—

"(a) The term 'maximum sales price' means the maximum price for which any housing accommodations the construction of which is completed after the effective date of this Act may be sold and includes the total consideration which may be paid by the buyer for such housing accommodations with accompanying land and improvements, excluding only those incidental charges, such as brokerage fees or commissions or charges, which buyers or sellers of such housing accommodations customarily assume in the community where such accommodations are located and which actually have been incurred for services rendered at the buyer's or seller's request.

"(b) The term 'person' includes an individual, corporation, partnership, association, or any other organized group of any of the foregoing, or legal successor or representative of any of the foregoing.

"(c) The term 'district court' means any district court of the United States, and the United States court for any Territory or other place subject to the jurisdiction of the United States.

"(d) The term 'veterans of World War II' shall include persons who have served in the active military or naval forces of the United States on or after September 16, 1940, and prior to the termination of hostilities in World War II, and who have been discharged or released therefrom under conditions other than dishonorable, and persons serving in the military or naval forces of the United States requiring housing accommodations for their dependent families.

"SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions and purposes of this Act: *Provided, however,* That so much of the First Deficiency Appropriation Act, 1946 (Public Law Numbered 269, Seventy-ninth Congress, approved December 28, 1945), as reads '*Provided,* That none of the funds available under this head for administrative expenses shall be used in paying the salary of any person engaged in making or processing loans in excess of $500,000 to any State, any subdivision thereof, any municipality therein, or any public authority, for construction purposes, unless in pursuance of a specific authorization, except, however, that this provision shall not apply to any application or loan approved or made prior to December 15, 1945', shall not apply to loans made for construction, removal, or remodeling of housing by publicly supported educational institutions where made for the purposes of housing veterans enrolled and attending such institution.

"SEC. 10. (a) Section 603 (a) of the National Housing Act, as amended, is hereby amended to read as follows:

"'(a) In order to assist in relieving the acute shortage of housing which now exists and to increase the supply of housing accommodations available to veterans of World War II at prices within their reasonable ability to pay, the Administrator is authorized, upon application by the mortgagee, to insure as hereinafter provided any mortgage which is eligible for insurance as hereinafter provided, and, upon such terms as the Administrator may prescribe, to make commitments for the insuring of such mortgages prior to the date of their execution or disbursement thereon: *Provided,* That the aggregate amount of principal obligations of all mortgages insured under this title shall not exceed $2,800,000,000 except that with the approval of the President such aggregate amount may be increased to not to exceed $3,800,000,000: *Provided further,* That no mortgage shall be insured under this title after June 30, 1947, except (A) pursuant to a commitment to insure issued on or before June 30, 1947, or (B) a mortgage given to refinance an existing mortgage insured under this title and which does not exceed the original principal amount and unexpired term of such existing mortgage: *And provided further,* That the Administrator shall, in his direction, have power to require the availability for rental purposes of properties covered by mortgages insured under this title, in such instances and for such periods of time as he may prescribe.'

"(b) Section 603 (b) (2) of the National Housing Act, as amended, is hereby amended to read as follows:

"'(2) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Administrator shall approve) in an amount not to exceed 90 per centum of the Administrator's estimate of the necessary current cost (including the land and such initial service charges and such appraisal, inspection, and other fees as the Administrator shall approve) of a property, urban, suburban, or rural, upon which there is located a dwelling designed principally for residential use for not more than four families in the aggregate, which is approved for mortgage insurance prior to the beginning of construction. The principal obligation of such mortgage shall in no event, however, exceed—

"'(A) $5,400 if such dwelling is designed for a single-family residence, or

"'(B) $7,500 if such dwelling is designed for a two-family residence, or

"'(C) $9,500 if such dwelling is designed for a three-family residence, or

"'(D) $12,000 if such dwelling is designed for a four-family residence:

Provided, That the Administrator may, if he finds that at any time or in any particular geographical area it is not feasible, within such limitations of maximum mortgage amounts, to construct dwellings without sacrifice of sound standards of construction, design, or liveability, prescribe by regulation or otherwise higher maximum mortgage amounts not to exceed—

"'(A) $8,100 if such dwelling is designed for a single-family residence, or

"'(B) $12,500 if such dwelling is designed for a two-family residence, or

"'(C) $15,750 if such dwelling is designed for a three-family residence, or

"'(D) $18,000 if such dwelling is designed for a four-family residence.'

"(c) Section 603 (b) (5) of the National Housing Act, as amended, is hereby amended to read as follows:

"'(5) bear interest (exclusive of premium charges for insurance) at not to exceed 4 per centum per annum on the amount of the principal obligation outstanding at any time.'

"(d) Section 603 (c) of the National Housing Act, as amended, is hereby amended (1) by striking out of the third sentence the word 'emergency' and inserting in lieu thereof the words 'shortage of housing', and (2) by striking out the last sentence thereof and inserting in lieu thereof the following sentence: 'The Administrator shall prescribe such procedures as in his judgment are necessary to secure to veterans of World War II, and their immediate families, and to hardship cases as defined by the Administrator, preference or priority of opportunity to purchase or rent properties covered by mortgages insured under this title.'

"(e) Section 604 (b) of the National Housing Act, as amended, is hereby amended by striking out the words 'appraised value of such property as determined by the Administrator' and inserting in lieu thereof the following: 'Administrator's estimate of the necessary current cost'.

"(f) Section 608 (b) of the National Housing Act, as amended, is hereby amended:

"(1) by amending paragraph numbered (2) thereof to read as follows:

"'(2) Preference or priority of opportunity in the occupancy of the mortgaged property for veterans of World War II and their immediate families, and for hardship cases as defined by the Administrator, shall be provided under such regulations and procedures as may be prescribed by the Administrator.';

"(2) by amending paragraph (3) (C) to read as follows:

"'(C) not to exceed $1,500 per room for such part of such property or project as may be attributable to dwelling use: *Provided,* That the Administrator may increase this amount to $1,800 where in his discretion cost levels so require.'; and

"(3) by striking out 'reasonable replacement cost' and inserting in lieu thereof 'necessary current cost.'

"(g) Section 608 (c) of the National Housing Act, as amended, is hereby amended by inserting in the third sentence before the semicolon at the end of clause (C), the following: 'and any mortgage insurance premiums paid after default'.

"SEC. 11. (a) The last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended (50 U. S. C. 902 (e)), shall not apply to subsidies, which the Reconstruction Finance Corporation may make hereunder, in the form of premium payments used only to the extent that the Housing Expediter (after considering all available means) finds them temporarily necessary to increase the supply of materials for the veterans' emergency housing program and for other construction, maintenance, and repair essential to the national well-being: *Provided,* That not more than $400,000,000 shall be used for such premium payments.

"(b) The following standards shall be applied by the Housing Expediter to premium payments:

"(1) Premium payments shall be used only temporarily and only with relation to additional units of production beyond that otherwise attainable (as determined by the Housing Expediter by general regulation for the industry involved), where such premium payments are necessary to stimulate such additional production with greater rapidity, economy, or certainty than other available methods.

"(2) The value of the units of production to which premium payments are applied (A) in the case of any new producer (except of new type materials) shall not exceed 50 per centum of the value at the producers' level of the output of such producer, and (B) in the aggregate shall not exceed 30 per centum of the value at the producers' level of all materials needed for the veterans' emergency housing program and for other construction, maintenance, and repair essential to the national well-being. The average rate of premium payments shall not exceed 25 per centum of the value of the units of production to which they are applied.

"(3) Premium payments shall wherever feasible be applied at a uniform rate within any industry requiring them, rather than at varying rates for each producer.

"(4) The stimulation of necessary additional production by premium payments shall place emphasis upon avoiding either economic dislocations or adverse effects upon established business.

"(5) New type materials to which premium payments are applied shall be tested for sound quality.

"(c) Not more than $15,000,000 of the funds made available under this section may be used to the extent that other funds are unavailable for the construction of access roads to standing timber on lands owned by or under the jurisdiction of an agency of Government.

"SEC. 12. (a) The powers vested in the Reconstruction Finance Corporation pursuant to clause (a) of section 5d (3) of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 606b (3)), may be used to underwrite or guarantee markets for new type building materials and prefabricated houses, but only to the extent that the Housing Expediter finds this necessary to assure a sufficient supply for the veterans' emergency housing program: *Provided,* That the number of prefabricated houses covered by outstanding underwriting or guaranty (including such houses as may be held by the Housing Expediter) shall at no time during the program exceed 200,000.

"(b) The following standards shall be applied by the Housing Expediter to such underwriting or guaranty:

"(1) To avoid impairment of established enterprises, new type materials and prefabricated houses shall be encouraged only to supplement such expanded production of conventional type materials and houses (with access to available materials) as can be achieved with sufficient rapidity and economy.

"(2) There shall be reasonable prospect of either (A) full return to the Government of any funds involved in such underwriting or guaranty, or (B) net cost to the Government substantially lower than under any other available method of achieving the necessary expansion of production. Toward this end,

the underwriting or guaranty of such materials or houses shall not be for more than 90 per centum of the producers' standard delivery price. The Housing Expediter shall maintain constant review of experience toward the objective that the total net costs to the Government shall in no event exceed 5 per centum of the total amount of underwriting or guaranty undertaken.

"(3) There shall be clear evidence that the new type materials or prefabricated houses require underwriting or guaranty only temporarily until they attain general market acceptability.

"(4) Emphasis shall be placed upon avoiding either economic dislocations or adverse effects upon established business.

"(5) New type materials and prefabricated houses shall be tested for sound quality and (in the case of such houses) for durability, livability, and safety.

"(6) Any underwriting or guaranty shall require adequate showing by the producer that he has sufficient working capital and experience, and that he can achieve the desired production on time under conditions satisfactory to the Housing Expediter.

"SEC. 13. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
WM. B. BARRY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
Managers on the Part of the House.

ALBEN W. BARKLEY,
ABE MURDOCK,
GLEN TAYLOR,
HUGH B. MITCHELL,
ROBERT A. TAFT,
C. D. BUCK,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the text of the bill strikes out all the House bill after the enacting clause. Under the conference agreement the House recedes from its disagreement to the amendment of the Senate with an amendment, which is a substitute for the language of both the House bill and the Senate amendment. The substantial differences between the House bill and the Senate amendment and the proposed conference substitute are as follows:

STATEMENT OF POLICY

The conference agreement accepted the amendment of the Senate to the statement of policy with a clarifying change, to make the statement more descriptive of the purposes of the conference agreement.

TERMINATION DATE

The bill as it passed the House fixed the termination date as June 30, 1947. The Senate amendment fixed the termination date as December 31, 1947. The conference agreement accepts the Senate provision.

MODIFICATION OF EXPEDITER'S POWERS

The bill as it passed the House contained a subsection specifically giving the Expediter power to make regulations to prevent circumvention or evasion of the proposed new legislation and to regulate or prohibit speculative or manipulative practices. The conference agreement eliminates this subsection.

VETERANS' PREFERENCE

The Senate amendment contained a provision that in order to assure preference or priority of opportunity to World War II veterans or their families the Expediter shall require that no housing assisted by allocations or priorities under the proposed new legislation should be sold within 60 days after completion or rented within 30 days after completion for occupancy by persons other than such veterans or their families. Provision was made for allowing for nonveteran-hardship cases. The conference agreement contains this provision.

TREBLE DAMAGES AND SUITS BY THE UNITED STATES

The Senate amendment eliminated the provision of the bill as it passed the House permitting actions for treble damages in the case of violation of maximum selling price regulations or orders. The Senate amendment also eliminated the provision of the bill as it passed the House which authorized the Expediter to bring an action on behalf of the United States within one year from the date of the violation if the buyer fails to bring an action within 60 days from such date. The conference agreement accepts the Senate changes.

ADJUSTMENT OF MAXIMUM MORTGAGE AMOUNTS

The conference agreement retains provisions in the Senate amendment adjusting the maximum mortgage amounts eligible for insurance under title VI of the National Housing Act, as amended, for two-, three,- and four-family residences so as to make these amounts more consistent with the increased amount specified by the House for single-family residences.

The House bill increased the top limit on mortgages per room on rental housing under title VI of the National Housing Act from $1,350 to $1,500. The Senate amendment increased this amount to $1,600. The conference agreement retains the House limit of $1,500 with the provision that the Administrator may increase this amount to $1,800 where in his discretion cost levels so require.

PREMIUM PAYMENTS

The Senate amendment authorized premium payments by the Reconstruction Finance Corporation not to exceed $600,000,000, to the extent that the Housing Expediter might find them temporarily necessary to increase the supply of materials for the veterans' emergency housing program and for other construction, maintenance, and repair essential to the national well-being, and set up standards to govern the administration of these premium payments. The conference agreement accepts the Senate provisions for premium payments but in line with instructions of the House to its managers the amount of the authorized premium payments has been reduced from $600,000,000 to $400,000,000.

The Senate amendment also provided that not more than $25,000,000 of the amount authorized for premium payments could be made available for construction of access roads to standing timber on lands owned by or under the jurisdiction of an agency of Government. The conference agreement reduces the amount from $25,000,000 to $15,000,000.

MARKET GUARANTIES

The Senate amendment includes a provision for market guaranties of new-type materials and prefabricated houses, subject to certain standards, and subject to the limitation that the number of prefabricated houses covered by outstanding underwriting or guaranty shall at no time during the program exceed 200,000. The Senate amendment provided that the underwriting or guaranty of such materials or houses should not be for the full amount of the producer's standard delivery price. The conference agreement accepts the Senate provisions but specifically provides that such underwriting or guaranty shall not be for more than 90 per centum of the producer's standard delivery price.

TITLE

The Senate amendment to the title of the bill was retained as more descriptive of the purposes of this legislation.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
WM. B. BARRY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, the matters contained in the conference report have been debated at such great length, I am sure all Members of the House are familiar with them. Nothing is in disagreement. All of the conferees but one of the House and Senate have signed the report.

Mr. Speaker, I now yield 8 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from New York.

Mr. TABER. If there is any sincerity on the part of the Housing Administration I wonder why they have granted a permit to build a great big expensive sports arena back of the Dorchester Apartments on Sixteenth Street?

Mr. CRAWFORD. I do not know. I thought buildings of that kind were to be eliminated until this housing program is completed. I am not informed on that matter.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from New York.

Mr. KEARNEY. I have been advised by the office of CPA that that building permit was granted on May 2 and they will start work Wednesday.

Mr. CRAWFORD. I thank the gentleman.

Mr. Speaker, conscientiously I declined to sign the conference report. Having considered this proposal since last December 1 I have not yet been able to convince myself that the provisions of this bill will benefit the veterans of this country and certainly I have not been able to convince myself that it is a sound program for the so-called civilian population of the United States to support.

I shall leave it to the future to answer the question as to whether or not this proposal is a child of economic ignorance or pure political opportunism. There are certain facts which we have to face. During and following the War of 1812 there was a rise in prices. Shortly following the close of the war commodity prices broke and declined for a long

period. Following and during the Civil War we had a high-price situation which governed, with the prices breaking about the close of the war, the so-called economic wash-out occurred, and our people liquidated themselves and went back to their normal way of living. Following the World War that ended in November 1918 we had for a number of months a rise in prices and in due course the commodity market broke again and we suffered another economic wash-out. We paid the price for our previous wartime destruction and then went on our way.

Many of the economic elements which governed on those three occasions which I have mentioned are now shaping up. This program is designed to go out and build homes for veterans at what I believe to be approximating the peak of prices following this last war. We here induce veterans to buy those homes on an experimental basis and run along and pay for perhaps 3, 4, or 5 years, and then have a commodity price situation, including labor, where they could no longer maintain their so-called equities in those homes because it would not pay them to do so economically. All because of the break in commodity prices. Mr. Speaker, I cannot conscientiously induce myself to go along on such a program, and therefore I am opposed to this conference report and I am opposed to this bill. Whatever the political consequences may be as a result of that opposition, I assume my share of those.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Georgia.

Mr. TARVER. I note that in the conference report provision is made for $15,000,000 for access roads to standing timber on lands owned by any Government agency. Is there any standing timber available except under the jurisdiction of the Forest Service?

Mr. CRAWFORD. I do not know of any. Later there might be. There might be in the working out of this program thousands of timber acres brought in under the jurisdiction of Mr. Wyatt.

Mr. TARVER. But this refers to timber on lands owned by some Government agency.

Mr. CRAWFORD. Unless the language is changed, it did not in the bill only refer to Government owned land. The bill also covered lands under the jurisdiction of an agency of Government.

Mr. TARVER. I am reading from the conference report. The House has made provision in the agricultural appropriation bill for an adequate amount of money for forest roads and trails. Why should we make additional provision in this bill?

Mr. CRAWFORD. I raised the question, if the gentleman will recall, previously; I mean, before this conference report. The original bill called for $25,000,000. I raised the question in conference as to the necessity for the $25,000,000 in view of what the gentleman has just stated, that is, the provision previously made, and it was then decided to cut the $25,000,000 down to $15,000,000.

Mr. TARVER. Neither the Forest Service nor the Public Roads Administration has indicated to the Subcommittee on Agricultural Appropriations that they needed this money for this purpose, and I am wondering why the conferees decided that they did.

Mr. CRAWFORD. Well, I decided it should not be in there, and I refused to sign the conference report. The gentleman will notice on page 9 that this $15,000,000 applies for the construction of access roads to standing timber on lands owned by or under the jurisdiction of an agency of Government. I do not know how far the powers of Mr. Wyatt will be extended. In my opinion, the power granted in this bill are the broadest and most far-reaching this Congress has ever delegated to any Government agency.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. PHILLIPS. I have a brief question. Does the gentleman see any possible chance of building any houses for the veterans directly as a result of this bill?

Mr. CRAWFORD. I do not. At no time have I been convinced that there would be.

Some of the influences now at work following this great war in which we destroyed facilities and when production was interfered with are that the backlog of so-called buying power was tremendously increased, and the demand for everything in the way of consumer goods and capital goods has been stepped up measured by the excess dollars we have. We are short on capital goods and consumer goods; we are short on buildings, on houses, on machinery, and on railroad equipment. The sum of all these presents to us staggering figures. The spendable funds created through the waging of this war, not only in the United States but throughout the whole world, are potentially able to express themselves in all markets—legitimate as well as illegitimate. Never before in all history did civilized society have so much money to spend—and where are the goods and services to be bought? Mr. Chairman, let it now be recorded again that we face some very hard conditions. We have yet to prove that you can spend $400,000,000,000 financing a great and destructive war and then turn around and spend the same dollars again for the comforts and pleasures of life. Let this present tide now based on deficit financing and the monetizing of the debt once turn in the opposite direction and we can witness a terrific decline in the value of commodities, panic selling of corporate securities and Government bonds, millions of unemployed, a general collapse in the prices of industrial and agricultural goods and commodities, another panic far exceeding that of 1938, and a form of social revolution with which we would have no pleasure in dealing. Such a calamity coming at a time when veterans are loaded with houses built and sold to them under the Wyatt housing plan could bring to them economic washouts sufficient to destroy all their accumulated savings. I shall not be a party to such a game at the cost of the Veterans of World War II.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from West Virginia [Mr. ELLIS].

Mr. ELLIS. Mr. Speaker, in debating the conference report of the housing bill I want to emphasize these pertinent facts:

Subsidies were not mentioned when the original Patman bill was before the committee; the word "veteran" was not placed in the title until it went to the Senate, and the most reliable information disclosed that only approximately 1½ percent of the veterans would be interested or could afford to buy or pay rent on a dwelling costing from $8,000 to $10,000.

Housing Expediter Wyatt has stated that every day's delay in the passage of this bill would delay to that extent the construction of 3,000 houses. If the measure becomes law it will be interesting to look around in 4 or 5 months and see how many houses costing in the neighborhood of $5,000 are available to the veteran.

The administration forces displayed a lack of interest in the veteran when they defeated the Wherry amendment, which provides, if subsidies were approved, that the payments be made direct to the veteran when he purchased a home.

Again, since January our Government has shipped to the French Government 8,111 housing units. These units cost $1,589 per unit and were sold to the French at $855 per unit—a loss to the United States of about $6,000,000 in addition to the housing units.

And again, the Civilian Production Administration is granting permits for hundreds of millions of dollars worth of nonessential construction. The past week a permit was granted for the construction of a tremendous sports arena in the city of Washington.

It is my firm conviction that the administration's housing proposal is a measure of political expediency and that the veteran is being used as a political football. The veteran has been led to believe by the proponents of the bill that he is going to be able to secure a good house at a price he can afford to pay, which I am afraid will not be the case, principally because of acts of the administration which I will set out in a moment.

You are reminded that in 1925 the building industry of this country constructed 900,000 housing units. In addition, they constructed commercial and industrial buildings equivalent to 900,000 more dwelling units; consequently, in that year we constructed the equivalent of 1,800,000 dwelling units without subsidies and without Government regulations or interference.

Today, this great giant, the building industry, the labor of the building trades, and the manufacturing plants which expanded during the war, will do it again if they are let alone. Additional regulations will only complicate the situation.

Now, we have the raw materials, all the manufacturing and fabricating

plants, and all the labor of the building trades, and the President through his authority under the War Powers Act has had the power to adjust prices, allot material, and grant priorities. Yet, after 8 months since VJ-day we have no construction, all because of the simple fact that our managers lack the courage to approach the problem realistically. Consequently they resort to new legislation. This will give them a breathing spell and something to point to with pride during this crucial election year, and in a few months we will have another crisis and another utopian legislative proposal.

The Price Administrator was supposed to be an expediter. His business is to promote production, but he has operated in reverse. We have controls but no butter, no shirts or pajamas; and, likewise, we have not constructed houses. There is no assurance that another expediter, provided he has ability, would be permitted to exercise good judgment.

Anyone who has experience for the past 4 years the necessity of going to a Government bureau for the approval of every transaction would be apprehensive about the proposed housing legislation. In my opinion, it will act as a deterrent to the building business because of the fact no one would have the patience or fortitude to wade through all the requirements and regulations. From the time you thought of buying a lot until the lock is on the door, every act, every decision, practically every move of purchaser, builder, and seller, would have to be approved by a Government agency.

Mr. Wyatt, the Housing Expediter, must recognize that not all veterans unable to find homes can afford to or want to live in detached houses. It should be assumed that provision will be made for the construction of apartment buildings for veterans or others needing homes. But the emphasis, very obviously, is on detached houses.

This is little short of insane The average veteran is still in his twenties. Most of those looking for dwellings were either married during the war or have married since. If such a man had a wife, and perhaps a child, while he was in uniform, it took virtually all of his pay and allowance, and perhaps some of his savings, if any, to maintain them. Even if he came out of the Army single, he did not manage to save a great deal while he was fighting. The average veteran, in short, probably has not the money for a down payment on a $10,000 house.

There are other economic reasons why such houses are not suitable for him. In most instances, he is getting a long-delayed start in business and his earnings are low. It costs more to pay for and maintain a house than it does to live in an apartment. He is also feeling his way for business opportunities. Working in his home community he may get a better opening in a month or so in some other city. If he does, he will not want to be tied down by a house in which he has a very narrow equity, representing all or most of his savings. What the average veteran needs, and I suspect wants, in short, is not a house but an apartment.

It is doubtful whether any program for large scale apartment construction will be successful under present conditions of high building costs, expensive and scarce materials, and at rentals the average person can afford.

One way to make apartments available to veterans is to let the people now renting apartments build the houses for which they have been saving their money during the war. It is a matter of simple arithmetic that when you provide two living units where only one existed before, you have room for one veteran who doesn't have a place to live now, even though the veteran doesn't build or buy a house.

The remedies proposed would not require any vast plan or extensive administrative machinery on the part of the Government. They are merely essentials of the method by which the country has always avoided a housing shortage in the past, namely, that people who either want to build houses for themselves, or who see a possibility of fair profit of building to rent to others, have been free to go ahead and build. Perhaps that is why such procedure has not occurred to the bureaucrats here in Washington. They brought on the housing shortage by tangling the country in such a mesh of regulations that building came to a virtual standstill. Now they propose to solve the crisis they have created by issuing more regulations, still further restricting building. I do not think it will work.

There is one broad question the veteran can ask the administration which has controlled this Government during the time he served in the armed forces: Has the country, since the end of the war, been brought to a statisfactory peacetime level? Has the things he needs for comfortable living been made available at prices he can afford to pay? The answer, obviously, is "No."

While complete power has been in the hands of the administration to control prices and expedite production, it has failed in every particular.

It is noted that under the most trying circumstances, and with the building industry hampered and shackeled by Government regulations, about 315,500 houses were started in the first 4 months of this year, which is a clear indication that the building program would have been well on its way many months ago if intelligent direction had been supplied under the powers already vested in the Government.

This building program, as proposed in the conference report, more nearly approaches nationalization of industry than any measure ever proposed to this body. I feel sure our citizens, particularly, the veteran, would not approve of its drastic provisions. No person has ever been given so much power as it granted the Expediter under this bill.

Mr. Speaker, I would like to talk about subsidies for a moment. Four hundred millions of dollars is a lot of money—it will be borrowed money and added to the national debt.

Within 60 days they have reduced their estimate on subsidies by one-third. Possibly by another 60 days it may be reduced some more and, without argument, prove itself unnecessary. The proponents have not told us what is to be done with the money, and the legislation does not specify. Mr. Wyatt is reported as saying that it will be paid to manufacturers for the production of materials above that of a certain base period, but we do not know. It could be used to subsidize new industry for preferred persons while old-established firms are strangled and put out of business by existing regulations. The fact is, this practice has and does occur in other industries.

They tell us the subsidy money is not to be used for labor or lumber; so we wonder. We are sure of one thing—the veteran does not get it.

When I go home after the session's work is done and the veteran asks me, "What is to be done with the $400,000,000 in subsidies?" I will say to him: "They are going to use it to expedite the production of building materials."

"What kind of building materials?"

"I do not know."

"Were you not there when action was taken on this matter?"

"Yes; I was."

"Did you make some inquiry about it?"

"Yes; I did."

"Do you mean to say you gave a blank check to a gentleman by the name of Wyatt for $400,000,000 and you do not know how he is going to spend the money except that it is going to be spent for building materials?"

That is going to be a difficult question to answer and at the same time try to persuade one of your constituents that you have been mindful of your legislative and your constitutional responsibility.

Under the circumstances, Mr. Speaker, and in view of the fact that this contemplates a blank check for $400,000,000, I do not see the justification for this expenditure.

I am as deeply interested in a housing program for veterans as any Member of this body, and for that very reason I want to be sure that it becomes a program which will produce houses rather than frustration and failure.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, this conference report comes back in pretty general agreement and in much better shape than I expected to see the enactment as it was originally passed by the House last March. Time will not permit my discussing more than one point, but I do want to say something with regard to the $400,000,000 provision for premium payments to induce maximum production of building material for these homes for veterans. I supported and voted for this proposal in the Monroney amendment when the bill was before the House early last March, the proposal to provide $600,000,000 for production subsidies on such building materials. Of course, if we cannot get agreement on $600,000,000 for that important purpose, then I approve the $400,000,000 which is recommended in this report.

There has been an unusually bitter debate in both Houses of Congress and in the country generally over this provision of a certain sum of money fur-

nished Expediter Wilson Wyatt to accelerate the production of building materials now in scarce supply. Some who say they are good economists declare that this idea is economic heresy, and they imply that it will not help the veterans one bit in getting homes, but rather it will hinder the general program of veterans housing and will be an outright waste of public funds, which will be added to the debt which the veterans themselves will be called on to pay. I must be terribly blind and entirely unfamiliar with economics if these voices in opposition are correct, for I cannot see it that way at all.

Yes, I can see that if the Government borrows money and spends that money, that the taxpayers, many of whom are veterans, will have to dig it up sometime, but it is a question of whether it is better to dig up $400,000,000 for a great benefit or dig up 10 times $400,0000,000 for a lesser benefit. It is a matter of comparison. The opponents of this idea say, "Simply raise the price and the scarce materials will come flooding on the market." I think these scarce materials will come forth all right in considerably increased quantities, but the question is: "How much increase in price will accomplish that purpose?" And I think the law of diminishing returns will set in and there would come a slowing up of production regardless of how much the price may be increased. Will any of these economists stand up and guarantee that, starting from conditions and prices as they are today, the increased production of scarce building material can be accelerated in direct proportion to the increase in the price thereof? Can the economists guarantee an increasing acceleration of production varying directly as the accelerated increase in price? I doubt it. But even if it were true, it would mean that in order to multiply the increase of this scarce and necessary article tenfold the price must be increased tenfold, and I would like to ask how many veterans are going to buy homes built with such material or how many veterans can attempt to build homes with the price of such materials skyrocketing.

Even in this brief debate allowable under the House rules on a conference report, and certainly in the general debates on the Patman bill last March, the opponents implied—if they did not state outright—that Wilson Wyatt was an ignoramus who had never built a house in his life, was an administration pet, who merely wanted Congress to write him a blank check for $600,000,000 probably for use in political purposes, to build shacks and chicken coops to offer to the veterans who would be forced to take the things to supply a roof over their heads. Now, have I stated the case of the opposition too strongly or absurdly? Well, read the CONGRESSIONAL RECORD and judge, but I feel safe in saying that the assumption of the opposition has been that Wilson Wyatt is not a businessman to do this job and that it will be bungled at the public expense and to the veterans' loss.

Now, I do not understand that this enactment gives Wilson Wyatt the responsibility of building these houses. It is not my conception of this measure that it gives him $400,000,000 to play with and that he is likely to go and build barracks, such as the Army built over the country during the war. I understand that if Wilson Wyatt has a grain of sense that he is charged with the job of increasing production of all types of building material in scarce supply, both conventional and new material, needed in the building of homes, and he is to do that in conjunction with the Office of Price Administration. Of course, prices of lumber and soil pipe or any one of a variety of building materials, may have to be increased some to bring it out. In fact, it must be increased to get producers to produce it. But not increased freely according to the avarice of the producer, for OPA must have ceilings, and those ceiling prices must be kept down if veterans are going to buy or build homes, and it is up to Wilson Wyatt to use $400,000,000 to see that proper amounts of material are available in the yards and on the market for the building trade at not exorbitant prices, but reasonable prices. As I said, such reasonable prices may be higher than they now are, but not nearly as high as they would be without ceilings and without an Expeditor with funds to subsidize production. Of course, this is done at the taxpayers' expense, but for the veterans' benefit and for the businessman's reasonable profit. Under this plan the businessman will not make that reasonable profit unless he produces the goods, and I daresay that a hundred dollars of taxpayers' money wisely and properly fed into the channels of trade by the Expediter will hold down the price of the finished home to the veteran as the ultimate consumer to the extent of a thousand dollars. That is why I am for these production subsidies.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Speaker, the gentleman from Michigan [Mr. CRAWFORD] has pointed out to you that this bill gives unusual powers to the Housing Expediter. He will have the power to—

issue such orders, regulations, or directives to other executive agencies—

"To other executive agencies." That means to any or all other executive agencies—

(including the Office of Economic Stabilization and the Office of Price Administration) as may be necessary to provide for the exercise of their powers in a manner required by or consistent with the execution of the aforesaid plans and programs, and to coordinate the activities of such agencies directed to the execution of such plans and programs. Each executive agency shall carry out without delay the orders, regulations, or directives of the Housing Expediter, and shall, to the extent necessary, modify its operations and procedures from time to time to conform to the directions of the Housing Expediter.

While we struck out from the bill passed by the House the snooping provisions, there is language in this bill which will restore those provisions, in my opinion:

The Expediter may promulgate such regulations as he deems necessary and proper to carry out any of the provisions of this act and may exercise any power or authority conferred upon him by this act through such department, agency, or officer as he shall direct.

Then this bill provides for a guaranteed market for not to exceed 200,000 homes. Think of the Government of the United States guaranteeing a market for homes, when there is the greatest market for homes in this country there has ever been.

Miss SUMNER of Illinois. They are already finding out in Chicago and some of the other places where they have built these homes that the people do not like them. The Government will probably have to pay for a lot of them because the people do not want them.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. BUFFETT. I think it should be pointed out to the House also with reference to this guaranteed market for homes at a time when more people are looking for homes than at any time in our history, the guaranty provides that the manufacturer gets 90 percent of his standard delivery price and not 90 percent of the cost.

Mr. SMITH of Ohio. The least we can do here today is to understand what this action means. We are now concluding the nationalization of the building industry. Let us make no mistake about it. We have here the pattern that it may be expected the New Deal will follow from now on to completely nationalize, that is socialize, all industry, and put this Nation in the same position economically and politically as Russia is today.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentlewoman.

Miss SUMNER of Illinois. The official Communist magazine, Political Affairs, says all they need to have to communize housing and nationalize the housing industry is this bill, the Wyatt program, and the Wagner-Taft-Ellender bill.

Mr. SMITH of Ohio. Certainly. They understand this proposition very thoroughly. Make no mistake about it. The Communists are back of this bill.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. BUFFETT. In this connection, it should be pointed out that in the March issue of the official Communist magazine in this country they said, "We are for this program; we go all-out for it."

Mr. SMITH of Ohio. Certainly; that is to be expected from the Communist group.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. JENNINGS. This guaranty on the price of these prefabricated Martin boxes or chicken coops or whatever you want to call them simply enables the man who is on the ground floor to play

with loaded dice and if he makes something that nobody wants to live in, he is guaranteed in effect a profit on that fiasco that has been perpetrated on the people politically and otherwise.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield

Mr. SMITH of Ohio. I yield.

Miss SUMNER of Illinois. Under this program they have the right to put an OPA ceiling on so as to keep the legitimate producers out at the same time that they can give Kaiser and these other people free factories through rapid tax amortization privileges and set up a CIO and make their own millionaires at the expense of the veterans and the Federal Government.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I cannot support this bill. I believe it will result in the prevention of the construction of houses. It sets up an intricate red tape proposition. Its operations so far, have indicated a greater tendency to nonhousing construction than anything I have ever seen. The operation that was referred to a little while ago up on Sixteenth Street, the big sports arena being allowed to be built when we cannot have housing facilities built, the operation of the tremendous red tape and intricate applications that are required to be put in and sent long distances away from the place where the houses are to be built, the delay that results in those applications, no opportunity for them to be settled on the ground, failure to grasp the situation with reference to the production of lumber, their failure to grasp the need of seeing that properly seasoned lumber is put into these buildings—that whole thing has impressed thinking people with the idea that the bill will be carried out in such a way as to prevent the construction of houses for veterans.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. It is already apparent and obvious that this thing is a racket for the pets of the administration, and we would have to have rose-colored glasses that were red not to see it.

Mr. TABER. Well, it is worse than pets of the administration. It would not be anything to benefit the veterans at all the way the thing is set up and the way it is operated. That is why I cannot support it.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, this conference report provides for the allocation of $15,000,000 of these so-called premium payments, against which I felt obliged to vote a few days ago, for the construction of access roads to standing timber on lands owned by or under the jurisdiction of an agency of the Government.

There is no agency of the Government having any standing timber available except the Forest Service. Our Subcommittee on Agricultural Appropriations this year endeavored to find out as best we could the need of the Forest Service for funds in order to make available Government timber resources for the housing program. We stressed the fact in the hearings that we thought every possible effort should be made to make those resources available. If the Forest Service felt any need of any funds for the purpose of building access roads other than those for which provision has been made, and in the amount of $15,000,000 additional money it failed to indicate that fact to the membership of the Subcommittee on Agricultural Appropriations. Therefore, it seems to me that this $15,000,000 is something that has been flopped into the bill by somebody who wanted to show how much he thought of the veterans. It would not do the veterans any good and unless it does it is unfair to the American taxpayer. I cannot understand and so far nobody has offered to explain just why this $15,000,000 should have been dumped in here. Perhaps $15,000,000 is not enough to excite anybody's attention.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield.

Mr. MASON. The understanding is that private timber, being a scarce article, will be put under the supervision of this Expediter and then it would come under the provisions of this $15,000,000.

Mr. TARVER. The conference report reads:

> Access roads to standing timber on lands owned by or under the jurisdiction of an agency of the Government—

That could mean nobody else except the Forest Service; and the Forest Service, as I have said, has indicated no need for this $15,000,000. So why in the world there should have been $15,000,000 included here is impossible to understand unless it is simply the desire of somebody to show that he is accomplishing something for the veteran, which, in my judgment, he is not.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield.

Mr. CRAWFORD. I should like to be helpful in this, but as I understand the powers conferred by this bill, Mr. Wyatt can take any part of the $400,000,000 which we give to him and use it to induce those who own timber lands to turn those timber lands or any part of them over to him in connection with this program and that as soon as they come under the direction of this agency then he can use any part or all of this $15,000,000 for the building of access roads to that timber.

Mr. TARVER. If that is the purpose of including this $15,000,000 then why is it not made clear in the conference report? If the purpose is to build access roads in the national forests then the necessity for the authorization is certainly not only apparent but cannot be made apparent because there is no necessity for it.

Mr. CRAWFORD. I agree with the gentleman on that.

The SPEAKER. The time of the gentleman from Georgia has expired.

FINAL HOUSING BILL IS GOOD LEGISLATION—VETERANS' PROGRAM NOW CAN MOVE INTO HIGH GEAR

Mr. PATMAN. Mr. Speaker, probably no act of the Seventy-ninth Congress will be of more benefit to the American people than last Thursday's vote on premium payments in the housing bill. In keeping with the finest traditions of our form of Government, out of the fire and fury of controversy and debate has come a good law—a law that will bring homes to hundreds of thousands of our returning servicemen. The bill, as now agreed upon in the conference report, should provide a firm, sound legislative foundation on which the President can establish a building program such as this Nation has never before seen in its history.

Many irresponsible statements have been made about this bill which are not deserving of an answer and which I will ignore in this discussion.

It is true that a good deal of time has elapsed since last November 20, the date on which I had the honor to introduce this particular legislation into the House of Representatives; but that time has been well spent. As I said when the bill first came before the Banking and Currency Committee for consideration, it contained many rough spots which needed ironing out, and I stood completely ready to accept any amendments which might offer a better or more practical way to provide housing for our veterans.

I had spent 6 weeks in writing the bill, and had sought the counsel and advice of experts in the housing field—both within and without Government—but, as all of us know, no man can foresee all the contingencies and the obstacles which might arise in consideration of such a measure, nor its effect on all the differing phases of our economy.

In these ensuing months the measure has been continually hammered and polished. Defects have been found and torn out. Misunderstandings have been corrected until now, as the measure moves toward final legislative action, we have a sound, workable act. In view of these facts, I repeat again, these months of work have been very beneficially spent.

As it stands today, the bill contains the same working principles with which we started out. It provides for a Housing Expediter with sufficiently broad powers to take the necessary steps to gear Government and industry into a high-speed machine to produce the greatest possible number of houses in the shortest space of time. It will permit the Expediter to attack the housing crisis with the same speed and dispatch with which we attacked our production problems during the war.

It gives veterans first priority on new shelter being built. It channels existing supplies of materials into the lower cost homes that veterans can afford to buy. It provides for liberalization of loan guaranties so that financing is removed as an obstacle to home construction.

Designed strictly as an emergency measure, it is set to expire on December 31, 1947, so that the extraordinary powers granted to the Expediter will not remain too long in the hands of the executive agencies—yet the time limit should be sufficient to meet the problems involved.

Through the use of guaranteed markets, the bill will give the necessary incentive to permit establishment of the prefabricated housing industry on a volume production basis. This provision should go a long way toward introducing new materials into America's housing; toward modernizing our antequated system of building codes; toward opening new fields of enterprise for all builders; and finally, through use of the unparalleled American know-how in mass production, toward providing more houses at less cost than our Nation has ever had.

Finally, the Congress saw fit to provide $400,000,00 to be used as premium payments to spur production of all building materials. The President has described this provision as the "heart" of the building program. Unquestionably, this provision will be the major factor in enabling all of our productive facilities—little mills as well as big ones—to go into full capacity production making the materials that the country so desperately needs; yet, at the same time, avoiding the inflationary spiralling of prices which could so easily bring disaster to the builders, as well as the buyers.

Naturally, I would have liked to have seen ceiling prices imposed on existing homes to hold down uncontrolled inflation. Now our only hope is that increased production of building materials, spurred by premium payments, will build new houses rapidly enough and at low enough prices to save the situation before present homes go so high in price that the great mass of the people cannot buy them.

As it stands now, H. R. 4761 is a good bill. As Mr. Wilson Wyatt, the Housing Expediter, said:

> This throws the veterans' housing program into high gear.

Mr. SPENCE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. SMITH of Ohio) there were—ayes 130, noes 65.

Mr. SPENCE. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 298, nays 71, answered "present" 1, not voting 60, as follows:

[Roll No. 117]

YEAS—298

Abernethy	Barry	Bloom
Adams	Bates, Ky.	Bolton
Allen, La.	Bates, Mass.	Boren
Almond	Beall	Boykin
Anderson, Calif.	Beckworth	Bradley, Pa.
Andrews, Ala.	Bell	Brooks
Andrews, N. Y.	Bennet, N. Y.	Brown, Ga.
Angell	Bennett, Mo.	Brown, Ohio
Auchincloss	Biemiller	Bryson
Barden	Blackney	Bulwinkle
Barrett, Pa.	Bland	Bunker
Burch	Harless, Ariz.	O'Neal
Byrne, N. Y.	Harness, Ind.	O'Toole
Camp	Harris	Outland
Campbell	Havenner	Pace
Canfield	Hays	Patman
Cannon, Mo.	Healy	Peterson, Fla.
Carlson	Hébert	Peterson, Ga.
Carnahan	Hedrick	Pfeifer
Case, N. J.	Heffernan	Philbin
Case, S. Dak.	Hendricks	Pickett
Celler	Henry	Pittenger
Chapman	Herter	Ploeser
Chelf	Heselton	Plumley
Chiperfield	Hess	Poage
Clason	Hobbs	Powell
Clements	Hoch	Price, Fla.
Coffee	Hoeven	Price, Ill.
Cole, Kans.	Holifield	Priest
Cole, Mo.	Holmes, Wash.	Quinn, N. Y.
Colmer	Hook	Rabaut
Combs	Hope	Rabin
Cooley	Howell	Rains
Cooper	Huber	Ramey
Courtney	Hull	Randolph
Cox	Izac	Rayfiel
Cravens	Jackson	Rees, Kans.
Crosser	Jennings	Ressa
Cunningham	Johnson, Calif.	Richards
D'Alesandro	Johnson, Luther A.	Riley
Davis		Rivers
Delaney, James J.	Johnson, Lyndon B.	Robertson, Va.
		Robinson, Utah
Delaney, John J.	Johnson, Okla.	Robsion, Ky.
	Judd	Roe, Md.
D'Ewart	Kean	Rogers, Fla.
Dirksen	Kearney	Rogers, Mass.
Dolliver	Kee	Rogers, N. Y.
Domengeaux	Keefe	Rooney
Dondero	Kefauver	Rowan
Doughton, N. C.	Kelley, Pa.	Ryter
Douglas, Calif.	Kelly, Ill.	Sabath
Douglas, Ill.	Kerr	Sadowski
Doyle	Kilday	Sasscer
Drewry	King	Savage
Durham	Klein	Sharp
Earthman	Kunkel	Sheridan
Eberharter	Landis	Sikes
Elliott	Lane	Simpson, Ill.
Elsaesser	Larcade	Slaughter
Elston	Latham	Smith, Maine
Engel, Mich.	LeCompte	Smith, Va.
Ervin	Lesinski	Somers, N. Y.
Fallon	Lewis	Sparkman
Feighan	Link	Spence
Fenton	Luce	Springer
Fernandez	Ludlow	Starkey
Fisher	Lynch	Stevenson
Flannagan	McConnell	Stigler
Flood	McCormack	Sullivan
Fogarty	McCowen	Sundstrom
Forand	McDonough	Talbot
Fuller	McGehee	Talle
Fulton	McGlinchey	Taylor
Gallagher	McKenzie	Thom
Gamble	McMillan, S. C.	Thomas, N. J.
Gardner	McMillen, Ill.	Thomas, Tex.
Gary	Madden	Thomason
Gathings	Mahon	Tibbott
Gavin	Maloney	Torrens
Geelan	Manasco	Traynor
Gerlach	Mankin	Trimble
Gifford	Mansfield, Mont.	Vinson
Gillette		Voorhis, Calif.
Gillie	Marcantonio	Vorys, Ohio
Goodwin	Martin, Iowa	Vursell
Gordon	Martin, Mass.	Walter
Gore	Mathews	Weichel
Gorski	May	Welch
Gossett	Michener	West
Graham	Miller, Calif.	Whitten
Granahan	Mills	Whittington
Granger	Morrison	Wickersham
Grant, Ala.	Murdock	Wigglesworth
Green	Murphy	Wilson
Gregory	Murray, Tenn.	Winstead
Hagen	Murray, Wis.	Wolverton, N. J.
Hall, Edwin Arthur	Neely	Wood
	Norblad	Woodhouse
Hall, Leonard W.	O'Brien, Ill.	Worley
	O'Brien, Mich.	Zimmerman
Halleck	O'Konski	

NAYS—71

Allen, Ill.	Buffett	Ellsworth
Andersen, H. Carl	Byrnes, Wis.	Fellows
	Chenoweth	Gibson
Andresen, August H.	Church	Gillespie
	Clevenger	Griffiths
Arends	Clippinger	Gross
Arnold	Cole, N. Y.	Gwinn, N. Y.
Barrett, Wyo.	Crawford	Gwynne, Iowa
Bishop	Curtis	Hale
Bradley, Mich.	Dworshak	Hancock
Brehm	Ellis	Hill
Hoffman	Miller, Nebr.	Short
Holmes, Mass.	Norrell	Simpson, Pa.
Jenkins	O'Hara	Smith, Ohio
Jensen	Phillips	Smith, Wis.
Johnson, Ill.	Rankin	Stefan
Jones	Reed, Ill.	Stockman
Jonkman	Reed, N. Y.	Sumner, Ill.
Kilburn	Rich	Taber
Kinzer	Rizley	Tarver
Knutson	Rockwell	Wadsworth
LeFevre	Schwabe, Mo.	Winter
Lemke	Schwabe, Okla.	Woodruff
McGregor	Scrivner	
Mason	Shafer	

ANSWERED "PRESENT"—1

Brumbaugh

NOT VOTING—60

Bailey	Grant, Ind.	Norton
Baldwin, Md.	Hand	Patrick
Baldwin, N. Y.	Hare	Patterson
Bender	Hart	Reece, Tenn.
Bonner	Hartley	Robertson, N. Dak.
Buck	Hinshaw	
Buckley	Horan	Rodgers, Pa.
Butler	Jarman	Roe, N. Y.
Cannon, Fla.	Johnson, Ind.	Russell
Clark	Keogh	Sheppard
Cochran	Kirwan	Stewart
Corbett	Kopplemann	Sumners, Tex.
Curley	LaFollette	Tolan
Daughton, Va.	Lanham	Towe
Dawson	Lea	Wasielewski
De Lacy	Lyle	Weaver
Dingell	Mansfield, Tex.	White
Eaton	Merrow	Wolcott
Engle, Calif.	Monroney	Wolfenden, Pa.
Folger	Morgan	
Gearhart	Mundt	

So the conference report was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Monroney with Mr. Hartley.
Mr. Lyle with Mr. Mundt.
Mr. De Lacy with Mr. Bender.
Mrs. Keogh with Mr. Rodgers of Pennsylvania.
Mr. Roe of New York with Mr. Wolcott.
Mr. Bailey with Mr. Reece of Tennessee.
Mr. Kopplemann with Mr. Johnson of Indiana.
Mr. Dawson with Mr. Baldwin of New York.
Mr. Sheppard with Mr. Horan.
Mr. Hart with Mr. Wolfenden of Pennsylvania.
Mr. Wasielewski with Mr. Hand.
Mr. Dingell with Mr. Grant of Indiana.
Mr. Hare with Mr. Gearhart.
Mr. Lanham with Mr. Corbett.
Mr. Stewart with Mr. Eaton.
Mr. Patterson with Mr. Butler.
Mr. Cochran with Mr. Robertson of North Dakota.
Mr. Mansfield of Texas with Mr. Buck.
Mr. Buckley with Mr. Towe.
Mr. Folger with Mr. Merrow.
Mr. Lea with Mr. Hinshaw.

Mr. SHARP changed his vote from "nay" to "yea."

Mr. RAMEY changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend and revise their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

TO EXTEND SELECTIVE TRAINING AND SERVICE ACT

Mr. MAY. Mr. Speaker, pursuant to unanimous consent heretofore obtained, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 159 to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 159, with Mr. BULWINKLE in the chair.

The Clerk read the title of the Senate resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. According to the consent request under which this bill is called up, the gentleman from Kentucky [Mr MAY] is recognized for 1 hour and the gentleman from New York [Mr. ANDREWS] for 1 hour.

Mr. MAY. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from Kentucky is recognized for 10 minutes.

Mr. MAY. Mr. Chairman, the membership of this body knows that we have had in effect during the entire period of the war—in fact, prior to actual hostilities—what is known as the Selective Training and Service Act, the law under which we raised our Army for the wars through which we have just passed. A year ago it would have expired but for the fact that your Committee on Military Affairs brought to the House of Representatives an amendment extending it for a period of 1 year, or until midnight tomorrow. I believe the record will disclose that when it was extended the last time for the period I have just mentioned it was done by unanimous consent in less than 5 minutes. We were then at war. We were then engaged in actual conflict throughout the world.

The act is again about to expire. This House passed on the 10th day of April a bill which would have extended it until February 15, 1947. That bill has been pending in another body since the 15th day of April, or 1 day less than 1 month.

The other body advises me, after about six or seven trips to see about the matter, that it is in a log jam where it cannot take up anything except the pending bill, which is the one commonly known as the Case bill. That has finally been brought up in the Senate.

In that dilemma it passed on last Friday Joint Resolution 159, which merely provides that section 16 (b) of the Selective Training and Service Act of 1940, as amended, is amended by striking out "May 15, 1946," and inserting "July 1, 1946." In other words, the pending resolution extends the original Selective Service Act, as amended, until July 1. I do not know what was in the mind of the proponent of the resolution at the time it was passed or prepared.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Michigan.

Mr. DONDERO. Does that mean it extends the act as passed by the House?

Mr. MAY. No. It means the original act, not the act which we passed on April 10.

Mr. DONDERO. That act exempted boys 18 and 19 years old. If we extend this act until July 1, does that mean that boys in high school 18 and 19 years of age will be taken out before they graduate next month?

Mr. MAY. I do not know whether it means they will be taken out, but it does mean they can be taken out.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. I understand that there are some 140,000 of our youth who have been deferred in order to complete their school semester which will end before July 1. Is it not possible, if we extend this law until July 1 as proposed in the pending resolution, that all of these 140,000 boys who have heretofore been deferred will be inducted?

Mr. MAY. That is my understanding of the situation, and, furthermore, I understand that instead of there being 140,000 there are somewhere between 160,000 and 200,000 who will be eligible and subject to immediate induction under the provisions of the law.

Mr. Chairman, we are up against the situation that unless this act is extended before midnight tomorrow there will be no selective-service law in effect and there will be no power or right in the local draft boards or the Selective Service Bureau to induct a single individual. So this House is up against the proposition of either discontinuing selective service now or passing the pending resolution.

Mr. Chairman, as I said a moment ago, I made five or six trips to the other body in an effort to expedite the matter in order to get it into conference so that we could write and bring to the House a bill that would cover all of the mooted questions involved. Within the last 2 hours I talked to the Senate leader and he tells me it is utterly impossible to consider it, if it is amended, for the purpose of even concurring in a House amendment.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. The gentleman said he made several trips over to the other body to urge them to expedite action on the House bill so you could get it in conference. Does the gentleman want to change the House bill or is he satisfied with the House bill?

Mr. MAY. The gentleman knows I will be contending for the House bill when it comes to conference. I do not care to commit myself in advance, which I would regard as highly improper. I cannot say what I would do in conference, but the gentleman can imagine what I will do.

Mr. HARNESS of Indiana. In other words, the gentleman would be willing to have the Senate change our bill?

Mr. MAY. I did not say that.

Mr. HARNESS of Indiana. What the gentleman means to say is that he is standing on the House bill then?

Mr. MAY. I would like to get the House bill that is now in the Senate either passed without amendment or passed with amendment and sent to conference so that we can complete the legislation and bring it back to this House for consideration. I will say this, that I have not backed up on anything I have stood for yet.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from California.

Mr. JOHNSON of California. Referring to the 160,000 boys 18 and 19 years of age, is it not a fact that if they should be drafted, the ordinary administrative process would take at least a month to 6 weeks to function to get any portion of those boys in the Army?

Mr. MAY. I think it would take at least 6 weeks, and I believe if this resolution passes that the Senate will take up our bill and dispose of it as soon as they dispose of the pending Case bill. I have been assured that that would be done.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MAY I yield to the gentleman from Michigan.

Mr. DONDERO. Can the gentleman give the House the picture whether or not it is absolutely necessary to do it; at least, in regard to taking these 18- and 19-year-old boys?

Mr. MAY. Of course, I have never thought it was necessary to take them and I did not think so when I offered the amendment to exclude them, and I do not think so yet, but we are in a dilemma here where we have either got to act or let the whole works suspend and drop, and I do not think that that would be the wise way to do it. I think it ought to go to conference, and I think it ought to be considered deliberately and cooly.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Michigan.

Mr. WOODRUFF. I gather from the gentleman's remarks that he was told by the Democratic leader in the Senate that there was no possible chance to get an extension of this act if the House changed the Senate proposal in any way; in other words, he intimated, it seems to me, that we would not be able to go to conference even if we changed the bill?

Mr. MAY. That is exactly right.

Mr. WOODRUFF. I want to say to the gentleman that I believe that the House, rather than accept a mandate of that character, should give the Senate the opportunity to kill this legislation if it cares to.

Mr. MAY. If the gentleman feels that way, that is his right, of course.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. MAY. Mr. Chairman, I yield myself two additional minutes.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. In the gentleman's opinion, would there be any danger in prohibiting the induction of any youth during this 6 weeks' period of extension?

Mr. MAY. I do not think there is any danger in the situation if we do not induct anybody for the next 6 weeks, but the danger is in permitting a law to terminate that would then have to come back for reenactment and we would have to go over the whole works again as we did in the beginning.

Mr. WOODRUFF. Mr. Chairman, if the gentleman will yield further, I wish to say to the gentleman that my intention was to convey to him the idea that if I could have my way about it I would take the position the gentleman takes, and I would have the House insist upon its position on this matter and pass it back to them. That is what I would do.

Mr. MAY. What I am trying to do is to keep from having to do the work all over again.

Mr. WOODRUFF. As a matter of fact, how are you going to get to conference unless you do something of that kind?

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I wonder if the gentleman can inform the House how long the original draft extension bill, which the gentleman proposed and which was passed by the House recently, has been pending in the Senate.

Mr. MAY. I have stated that.

Mr. BROWN of Ohio. I did not hear the gentleman.

Mr. MAY. I stated in the beginning that it has been over there since the 18th of April.

Mr. BROWN of Ohio. There has been sufficient time for the Senate to act.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Kentucky.

Mr. CHELF. In other word, the other body put this House in the position where the ox is in the ditch and we have to comply or the law will have terminated?

Mr. MAY. That is correct, unless the Senate will in the meantime accept the House bill.

Mr. ANDREWS of New York. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I believe my views as to the extension of the Selective Service Act are well known. I have favored the extension of the Selective Service Act as is for 9 months. That is neither here nor there today, to my mind, but I should like to make a few observations on the situation as I see it.

We passed the Selective Service extension, such as it was, on the 15th day of April, and it went to the Senate. It is most unfortunate that the Senate has not seen fit to act upon that up to the present time. The fault is obviously theirs. The facts are that they have not acted upon it, and they are in a situation over there at the present time, whether we like it or not, under which they will not act upon it and cannot act upon it for some little time.

The Selective Service Act expires tomorrow night at midnight, unless we pass this resolution. The resolution in effect is nothing more than the Senate's saying to us, "Will you give us until July 1 to consider the bill which you sent us on April 15?" That is all there is to it, to my mind.

I have heard a great many arguments for amending this resolution. The resolution is nothing more than a stop-gap. Our bill is in the Senate. It represents the views of the House of Representatives. It is there today. To put the same amendments into this resolution that we put into the House bill would have no real effect upon the situation either for those who are against selective service or those who are for it.

The answer seems to me conclusive. We either agree to the Senate resolution and give the Senate until July 1 to act upon the extension of the Selective Service Act, and, if they do not act upon it by July 1, selective service will expire then, or, if we fail to agree to this resolution tonight, or if we insist upon amendments in any substantial form whatever, we are killing selective service tomorrow night at midnight. That is all there is to it. It is just a question of how we vote, and when we do vote I hope there will be a record vote on it so we will know where everyone stands.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of New York. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. The original bill passed by the House suspended inductions for how long?

Mr. ANDREWS of New York. It suspended inductions until October 15.

Mr. MILLER of Nebraska. This bill will permit the 18- and 19-year-old boys to be drafted until July 1?

Mr. ANDREWS of New York. Until July 1.

Mr. MILLER of Nebraska. Then the Senate could very well pass another resolution extending the original draft for 6, 8, or 9 months as of July 1, as they get up to that point.

Mr. ANDREWS of New York. Of course, that would be possible.

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of New York. I yield to the gentleman from Michigan.

Mr. SHAFER. Relative to the gentleman's statement that failure to pass this resolution will end the draft tomorrow night, we must take into consideration, as I see it, the fact that there are still 1,700,000 inductees in the United States Army. That is as of May 1, according to Selective Service. The reemployment rights of all these men will be taken from them if this act expires tomorrow night, if we permit it to lapse. In that connection, may I say to the gentleman from Michigan, I have a bill that was on the Consent Calendar last week, and on which we are going to the Committee on Rules tomorrow to get a rule, which will extend that permanently.

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of New York. I yield to the gentleman from New Jersey.

Mr. THOMAS of New Jersey. Then if you should get a rule on that bill, the bill would also have to go to the Senate, and we have no assurance that they will ever pass that bill, any more than we have that they will pass the Selective Service Act extension.

Mr. ANDREWS of New York. That is quite correct.

Mr. Chairman, I ask unanimous consent that the following gentlemen be permitted to extend their remarks at this point in the RECORD: Mr. HESELTON, Mr. CASE of New Jersey, Mr. ADAMS, and Mr. BENNET of New York.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HESELTON. Mr. Chairman, there appeared in the editorial columns of the New York Times on Wednesday, May 8, 1946, an editorial which I would like to quote. It is entitled "Congress and the Strike" and is as follows:

While the Government conciliator declared yesterday that he had made a proposal to clear the way for settlement of the coal strike, and while both operators and union representatives denied that any serious proposal had been made, a rising chorus of criticism came from Congress directed against Mr. Lewis for precipitating the strike, and against the President for doing nothing about it.

Congress is now back in a familiar phase of what seems to be a perpetually recurrent political cycle with regard to labor. Small strikes are ignored, no matter how frequent. Threatened strikes of Nation-wide importance are usually ignored until they become realities. Even these are treated complacently until the strike has reached a point where it threatens the economic life of the Nation. The strike is then generally bought off by the administration by granting substantially what the strikers demand. As soon as this happens Congress breathes a sigh of relief and forgets about the whole matter. The labor problem is treated as if it did not exist. No one dreams of appointing an expert commission to study the matter and recommend a rounded program of labor legislation. One would think that no major strike threatening the economic life of the Nation was ever going to occur again.

It does, however, occur again. The country demands action from Congress. Congress demands action from the administration. Those who, in more quiet periods, have been urging moderate steps toward the restoration of a better balance in Federal labor legislation think this an opportune moment to urge their moderate proposals again. But just as those proposals were ignored in quiet times on the ground that there was no need for them, so they are now rejected on the ground that they are obviously too late, and too moderate, to stop the existing strike and solve the existing crisis.

It is now 3 months since the House passed the Case bill, which has been allowed to slumber quietly in the Senate. The Case bill was itself a measure passed by the House in haste and anger during a strike wave. It was not a particularly well considered measure, and it had what appear to be some unworkable provisions. But it did propose a few moderate reforms that were long overdue. Yet even these were rejected as extreme. The Senate committee to which it was referred could find nothing fundamental

in existing Federal labor law that needed correction. But those who have refused to do anything to modify the Wagner Act (which has done more than any other measure to strengthen the strike weapon, and has hence greatly increased the frequency of resort to strikes) dismiss any effort to modify that act now, not on the ground that such a step would be too extreme, but on the ground that it would be too weak to be helpful in the present crisis. In short, many of those who would not take moderate measures in time are the very ones who are now driven to advocating drastic measures, ranging from Government seizure to the outlawry of strikes.

May I emphasize the following sentence:

No one dreams of appointing an expert commission to study the matter and recommend a rounded program of labor legislation.

It is obvious that the author of the editorial was not familiar with some of the action of the House on February 5 and 6 last.

To make the record clear, I wish also to quote the amendment offered on February 5 by the gentleman from New York [Mr. BENNET] as it appears on page 918 of the CONGRESSIONAL RECORD:

On page 11, after section 9, line 21, insert a new subsection, section 9 (a): "SEC. 9 (a). It shall be the further duty of the Board to make a broad and comprehensive study of the field of labor-management relations from the viewpoint of both labor, industry, and the public to determine what adjustments are necessary to promote continuity and regularity of employment, industrial peace, and the uninterrupted production and distribution of goods and services for commerce. The Board shall make its final report to the President and to the Congress, including recommendations with respect to legislation, not later than June 30, 1946."

In the remarks of the gentleman from New York, page 919 of the RECORD, he outlined the background of the amendment as follows:

This amendment has not been hastily drawn and submitted at the last minute. It is the result of the labors of several Republican Members of Congress who have been meeting off and on for the past 2 or 3 weeks in an effort to make some lasting contribution toward the difficult task of helping American industry to operate at maximum efficiency, which it must do if we are to have steady employment for the greatest possible number of Americans.

This amendment was agreed to in the Committee of the Whole House on the State of the Union and was subsequently incorporated as section 9A of H. R. 4908. This appears at page 1069 of the RECORD of February 7.

On February 6 another amendment was offered by the gentleman from New Jersey [Mr. CASE] to the Adams substitute. It appears at page 1014 of the RECORD and is as follows:

At the end of section 12 insert the following new section, to be numbered section 13:

"TEMPORARY LABOR-INDUSTRY RELATIONS COMMISSION

"SEC. 13 (a). There is hereby established a Temporary Labor-Industry Relations Commission (hereinafter referred to as the Commission) to be appointed by the President by and with the consent of the Senate and to be composed of (1) five members representing the public; (2) two members representing labor; and (3) two members representing management. Any member may, when unable to attend a meeting of the Commission, authorize another member to act and vote for him in his absence. A vacancy in the Commission shall not affect the power of the remaining members to execute the functions of the Commission and shall be filled in the same manner as the original appointment.

"(b) The Commission shall select a chairman from the public members. A majority of the Commission shall constitute a quorum, and the power conferred herein may be exercised by a majority vote.

"(c) For the purpose of this section, the Commission, or any subcommittee designated by it, shall have authority to administer oaths and affirmations.

"(d) In case of contumacy by, or refusal to obey a subpena issued to any person, the Commission may invoke the aid of any court of the United States having jurisdiction of the person and such court may issue an order requiring the appearance and testimony of such person. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(e) It shall be the duty of the Commission to make a broad and comprehensive study of the field of labor-management relations from the viewpoint of labor, industry, and the public to determine what adjustments are necessary to promote continuity and regularity of employment, industrial peace and the uninterrupted production and distribution of goods and services for commerce. Without limiting the generality of the foregoing, the Commission in its investigation shall inquire into:

"(1) The underlying causes of labor-industry disputes and the factors obstructive of their settlement, including, among other things, the effect of governmental policy both in the labor-industry and in other fields;

"(2) Whether special principles, policies, and practices should be applicable in the case of enterprises, interruptions in the continuous operation of which would vitally affect the health or safety of the people and, if so, what special principles, policies, and practices should be applicable in such cases;

"(3) Existing impediments to the success of collective bargaining procedures and how they may be improved, with special reference to the possibility of further strengthening mediation and conciliation services;

"(4) The possibility of further improvement in procedures for the adjudication of controversies as to the interpretation and application of contracts arrived at through collective bargaining, and the peaceful settlement of grievances arising under such contracts or otherwise in the course of employment;

"(5) Means by which, without impairment of the essential rights of either labor or management, the obligations of each may be enforced;

"(6) The possibility of further clarifying and defining the respective rights and spheres of authority of labor and of management;

"(7) Problems arising in connection with the selection of representatives for the purpose of collective bargaining and disputes between labor organizations relative to the foregoing and other matters;

"(8) Problems arising in connection with strikes or lockouts having objectives other than the furtherance of labor-industry disputes within the trade or industry in which the strikers or employers are engaged;

"(9) Means by which all forms of violence, espionage, intimidation, and other unlawful conduct on the part of any parties to labor disputes may effectively be eliminated; and

"(10) The problem of the most effective utilization, in the public interest, of new discoveries, inventions, and techniques, and the elimination of practices restrictive thereof and, at the same time, the minimization of the hardships resulting from the introduction of such new discoveries, inventions, and techniques, in connection with which investigation the Commission shall consider, among other things, the effect of existing laws and the regulations and practices of governmental bodies administering such laws.

"(f) The Commission shall make its final report to the President and to the Congress, including recommendations with respect to legislation, not later than October 1, 1946.

"(g) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000, or so much thereof as may be necessary to cover the expenses of the Commission. Such expenses shall be paid upon certification of the chairman of the Commission and shall include compensation for members, not to exceed $25 per diem, employment of experts, stenographic and other services by contract if deemed necessary, transportation, rent of office in the District of Columbia or elsewhere, purchase of necessary books and documents, printing and binding, and such other expenses as the Commission deems necessary, without regard to the provisions of any other act.

"(h) All authority granted under this section 13 shall terminate at the expiration of the Seventy-ninth Congress."

2. Renumber sections 13, 14, and 15 as sections 14, 15, and 16, respectively.

It is difficult to reconcile the rejection of this amendment in terms of the acceptance of the amendment offered by the gentleman from New York [Mr. BENNET], since this amendment was an effort to define more specifically the purpose and scope of the study provided for in the amendment offered by the gentleman from New York [Mr. BENNET].

In any event, it now appears from the form of this bill as it is now being considered, and I refer to pages 4807 and 4808 of the RECORD for May 10, that the proposal has been eliminated. Because of that, this group, to which the gentleman from New York [Mr. BENNET] referred, is introducing identical resolutions providing for the study referred to by the writer of the editorial and for specific recommendations of legislation. We believe it should receive the prompt and vigorous support of the representatives of labor and industry and from the public as a whole. We are confident that it can develop a constructive approach to sound legislation in the field of labor-industry relations.

We were heartened by the introduction last Friday by the gentleman from Tennessee [Mr. GORE] of the resolution for the establishment of a joint committee to make a full and complete study and investigation of conditions in the mining industry and by the endorsement of that study by the majority leader. We hope that we may have their support in this effort to make a comprehensive study in the full field of industry throughout this Nation.

Mr. CASE of New Jersey. Mr. Chairman, the following Members—SHERMAN ADAMS, New Hampshire; AUGUSTUS W. BENNET, New York; JOHN W. HESELTON, Massachusetts, and myself, of the House of Representatives, have joined in introducing today the following resolution providing for a comprehensive review of

the whole matter of labor-industry relations:

Joint resolution to establish a Temporary Labor-Industry Relations Commission and a Joint Committee on Labor-Industry Relations

Resolved, etc.—

TEMPORARY LABOR-INDUSTRY RELATIONS COMMISSION

SECTION 1. (a) There is hereby established a Temporary Labor-Industry Relations Commission (hereinafter referred to as the Commission) to be appointed by the President by and with the consent of the Senate and to be composed of (1) five members representing the public; (2) two members representing labor; and (3) two members representing management. Any member may, when unable to attend a meeting of the Commission, authorize another member to act and vote for him in his absence. A vacancy in the Commission shall not affect the power of the remaining members to execute the functions of the Commission and shall be filled in the same manner as the original appointment.

(b) The Commission shall select a chairman from the public members. A majority of the Commission shall constitute a quorum, and the power conferred herein may be exercised by a majority vote.

(c) For the purpose of this section the Commission, or any subcommittee designated by it, shall have authority to administer oaths and affirmations.

(d) In case of contumacy by, or refusal to obey a subpena issued to any person, the Commission may invoke the aid of any court of the United States having jurisdiction of the person and such court may issue an order requiring the appearance and testimony of such person. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(e) It shall be the duty of the Commission to make a broad and comprehensive study of the field of labor-management relations from the viewpoint of labor, industry, and the public to determine what adjustments are necessary to promote continuity and regularity of employment, industrial peace and the uninterrupted production and distribution of goods and services for commerce. Without limiting the generality of the foregoing, the Commission in its investigation shall inquire into:

(1) The underlying causes of labor-industry disputes and the factors obstructive of their settlement, including, among other things, the effect of governmental policy both in the labor-industry and in other fields;

(2) Whether special principles, policies and practices should be applicable in the case of enterprises, interruptions in the continuous operation of which would vitally affect the health or safety of the people and, if so, what special principles, policies, and practices should be applicable in such cases;

(3) Existing impediments to the success of collective bargaining procedures and how they may be improved, with special reference to the possibility of further strengthening mediation and conciliation services;

(4) The possibility of further improvement in procedures for the adjudication of controversies as to the interpretation and application of contracts arrived at through collective bargaining, and the peaceful settlement of grievances arising under such contracts or otherwise in the course of employment;

(5) Means by which, without impairment of the essential rights of either labor or management, the obligations of each may be enforced;

(6) The possibility of further clarifying and defining the respective rights and spheres of authority of labor and of management;

(7) Problems arising in connection with the selection of representatives for the purpose of collective bargaining and disputes between labor organizations relative to the foregoing and other matters;

(8) Problems arising in connection with strikes or lock-outs having objectives other than the furtherance of labor-industry disputes within the trade or industry in which the strikers or employers are engaged;

(9) Means by which all forms of violence, espionage, intimidation and other unlawful conduct on the part of any parties to labor disputes may effectively be eliminated; and

(10) The problem of the most effective utilization, in the public interest, of new discoveries, inventions, and techniques and the elimination of practices restrictive thereof and, at the same time, the minimization of the hardships resulting from the introduction of such new discoveries, inventions, and techniques;

in connection with which investigation the Commission shall consider, among other things, the effect of existing laws and the regulations and practices of governmental bodies administering such laws.

(f) In exercising its powers, functions, and duties under this act—

(1) the Commission may constitute such advisory committees and may consult with such representatives of industry, agriculture, labor, consumers, State and local governments, and other groups, as it deems advisable;

(2) the Commission shall, to the fullest extent possible, utilize the services, facilities, and information (including statistical information) of other Government agencies as well as of private research agencies, in order that duplication of effort and expense may be avoided.

(g) The Commission shall make its final report to the President and to the Congress, including recommendations with respect to legislation, not later than November 1, 1946.

(h) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000, or so much thereof as may be necessary to cover the expenses of the Commission. Such expenses shall be paid upon certification of the chairman of the Commission and shall include compensation for members, not to exceed $25 per diem, employment of experts, stenographic and other services by contract if deemed necessary, transportation, rent of office in the District of Columbia or elsewhere, purchase of necessary books and documents, printing and binding, and such other expenses as the Commission deems necessary, without regard to the provisions of any other act.

JOINT COMMITTEE ON LABOR-INDUSTRY RELATIONS

SEC. 2. (a) There is hereby established a Joint Committee on Labor-Industry Relations, to be composed of seven Members of the Senate, to be appointed by the President pro tempore of the Senate, and seven Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The party representation on the joint committee shall, as nearly as may be practical, reflect the relative membership of the majority and minority parties in the Senate and the House of Representatives.

(b) It shall be the function of the Joint Committee—

(1) to make a continuing study of relations between labor and industry; and

(2) to report to the Senate and House of Representatives not later than December 1, 1946, the results of its inquiries together with its recommendations for proposed legislation by bill, resolution, or otherwise based upon the report of the Temporary Labor-Industry Relations Commission which shall be referred to the joint committee for consideration and report to Senate and House of Representatives, by bill or otherwise, and from time to time thereafter to make such other reports and prepare and submit such bills and resolutions embodying such recommendations to the Senate and House of Representatives as it deems advisable.

(c) Any proposed legislation on the subject of labor-industry relations, which has been prepared by the joint committee, and introduced by bill, resolution, or otherwise in the Senate or House of Representatives shall be referred to the joint committee for consideration and report, by bill or otherwise, at any time to the Senate or House of Representatives.

(d) Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of original selection. The joint committee shall select a chairman and a vice chairman among its members.

(e) The joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings as it deems advisable, and, within the limitations of its appropriations, the joint committee is empowered to appoint and fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants, to procure such printing and binding, and to make such expenditures, as it deems necessary and advisable. The cost of stenographic services to report hearings of the joint committee, or any subcommittee thereof, shall not exceed 25 cents per hundred words. The joint committee is authorized to utilize the services, information, and facilities of the departments and establishments of the Government, and also of private research agencies.

(f) There is hereby authorized to be appropriated for each fiscal year, the sum of $10,000, or so much thereof as may be necessary, to carry out the provisions of this section, to be disbursed by the Secretary of the Senate on vouchers signed by the chairman or vice chairman.

Our resolution contemplates a searching inquiry into the basic causes of labor-industry disputes and a complete review of existing Federal laws and their administration. It is designed to provide the basis for changes in existing laws and administration, where necessary, and to deal with many problems which to date have not been given adequate, if any, attention.

Obviously, our resolution will have no direct effect in settling the present coal strike. The primary responsibility in this immediate crisis rests with the administration for we believe that the President has adequate power, under existing law, to deal with the situation. If he has any doubt as to his power or wishes further legislation from Congress on the subject, we have no doubt that, upon his request, it will be enacted. That, however, is not the primary purpose of our resolution.

No single factor is responsible for our present difficulties. There is, however, a widespread belief that one of the great contributing causes has been the inadequacy of Federal policy as expressed both in existing legislation and in the manner in which the laws have been interpreted and administered. It is imperative, therefore, that Congress provide at once procedures for a complete review of governmental policy in this field. The fact that great numbers—perhaps the great majority—of the people of the country are deeply dissatisfied with the situation affords, in itself, more than

sufficient reason to impell Congress to undertake this task immediately.

Indeed, we believe this should have been done long ago. We do not here attempt to assess the blame for it not having been done, or even to present fully the reasons why it has not been done. It is perfectly true, however, that what is everybody's business is nobody's business and it is further true that the committees of both Houses of Congress, within whose jurisdictions the matter falls, have not had adequate staff or financial resources to do the job properly.

Accordingly, we have been faced from time to time, and particularly within recent months, with one crisis after another. At the time of each, everyone has agreed that a complete review of Federal policy in labor-industry matters should be made but, as each succeeding crisis is resolved in one way or another and the tension is eased, the matter is forgotten until the next crisis arises.

We attempted to have this matter dealt with when the House had under consideration the so-called fact-finding bill recommended by the House Labor Committee at the suggestion of the President, and, in fact, at our instance, a modified provision on the subject was included as an amendment to the so-called Case bill. That provision, however, appears to have been discarded.

Hasty, piecemeal legislation on the subject will provide no permanent solution. We believe it is completely apparent that whatever action, if any, may be taken by Congress to deal with the immediate crisis, or whatever may be the fate of the Case bill, the need for the investigation proposed by our resolution will still remain. Perhaps it will be even greater if, as is so often the case in time of strain, legislation should be adopted which is ill-considered and ill-advised.

Our resolution provides for a commission, adequately financed and staffed, to which would be assigned the primary responsibility for making the study and preparing recommendations, including legislation based thereon. Its report would be made to the President and to Congress by November 1 of this year and would be referred to a special joint committee of the Senate and the House, also created by the resolution. That committee would be charged with the duty of receiving and of reporting directly to both Houses the legislation which it considers necessary, not only on the basis of the commission's report but on the basis of any other information which it receives and study which it makes.

Moreover, the joint committee would be a continuing body charged also with the function of following this subject in the future and of keeping Congress abreast of developments in this field.

The procedure to be established by the resolution would insure that legislation recommended by the special committee would be brought directly to the floor without delay. While the commission is not to be limited in any way in investigating any subject which it deems relevant, we would suggest that you examine the particular subjects to which, among others, the commission's attention is directed by the resolution.

It is the duty of the Government to establish and maintain a policy, as well as a framework of legislation and administrative procedure, in this field which the great body of American opinion will recognize and accept as sound, reasonable, and fair. We are deeply confident that such a policy and such a framework can be developed and maintained if, first, the facts underlying the difficulties in our labor-management relations system are brought to light, and understood, and second, intelligent and fair-minded men devote themselves to the development of solutions of the problem which those facts present.

Mr. ADAMS. Mr. Chairman, there is a very definite legislative responsibility on Congress in the present strike crisis. The country expects more than stop-gap legislation designed simply to meet the crisis in coal or transportation. The country will not be satisfied if Congress fails to make a careful and complete study of our whole labor-industry system. There has been no effective work done in this Congress designed to determine what is wrong with that system. Everybody knows, including Congress, that our labor-management system is not working well. There have been a variety of ideas presented for modification of the laws regulating the system. Up to date there has been no logical approach designed to coordinate those ideas and to recommend a solution to present difficulties.

There is no more important legislative responsibility confronting us today. There is no problem, the solution of which promises such important results. The people demand a settlement not only of the coal strike but of the unknown number of industrial disputes ahead which will result only in additional loss of wages, production shortages, public inconvenience, and economic stagnation. The people are entitled to action by Congress. Congress fails to meet its responsibility if it does not proceed immediately to find out what is wrong with this system and what is needed to straighten it out.

Today, I have joined in the introduction of a resolution providing for a temporary Labor-Industry Relations Commission and a Joint Committee on Labor-Industry Relations to provide for the study of the whole labor-management relationship problem which is needed as a beginning for constructive action. This resolution in part was submitted on February 5 as an amendment to H. R. 4908 and appears on page 918 of the CONGRESSIONAL RECORD of that date. The amendment was subsequently adopted by the House on February 7. The resolution was carefully drafted, has since been perfected and offers a feasible method for procedure to the study of the difficulties in our present labor-management relations and the most reasonable cure of the strike situation. Such study must be followed by action by the Congress. The people are looking for constructive action and are impatient with congressional temporizing.

Mr. BENNET of New York. Mr. Chairman, I wish to make the following statement with regard to the identical joint resolutions introduced in the House today, May 13, by Representative ADAMS of New Hampshire, CASE of New Jersey, HESELTON of Massachusetts, and myself.

Everyone is clamoring for a solution to the labor-management mess which has involved our country in a series of tremendously costly strikes since VE-day and, of course, the action of Mr. John L. Lewis in bring the Nation's business almost to a standstill in recent weeks has dramatized the shortcomings of the provisions heretofore made by the United States Government for dealing with disputes between employers and employees.

The danger is that the House may, in the heat of its anger at Mr. Lewis, pass legislation designed to punish him without getting at the underlying causes of these disturbances and without providing machinery for determining why labor in general is dissatisfied and what contribution the Government can make toward eliminating the reasons for this dissatisfaction.

Here again the Congress is faced with the same problem which it almost always encounters. It does not have any substantial quantity of unbiased factual data on which to base its conclusions. The same is true when it tries to make intelligent cuts in the Federal pay roll. This was evidenced recently when the House had to resort to adoption of the so-called Dirksen amendment forcing Government agencies to absorb any increased cost brought about by raises in salaries of Government employees without increasing the present over-all pay roll. The proper way to have done this would have been to first study the whole Federal structure by means of a committee of experts employed specially for that purpose and then to have passed legislation based on the report of that committee but an effort which I have been making for over a year to have such a study made has been completely thwarted by the committee which has charge of the so-called Fulton resolution providing for such a study.

No one who writes in to me demanding action to solve the labor-management problem seems to know how to do it and I don't either. It is my hope that the adoption of the resolutions which I mentioned will furnish me eventually with the details of a comprehensive plan which I can support and in view of the fact that this House, in connection with the debate on the Case bill, has already once adopted a substantially similar resolution, I feel sure it will be glad to act favorably again and it would seem that the Senate should by this time be convinced of the need for similar action.

Mr. ANDREWS of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, and Members of the House, I do crave your close and earnest attention. Just about 1 month ago, on April 15, the House of Representatives by an overwhelming vote, 290 to 108, or more than 2 to 1, by a majority of 182, passed the bill H. R. 6064, an act to extend the Selective Training and Service Act of 1940, as amended, and for other purposes.

It is a very short bill. It consists of less than four pages. The other body, a branch of this Congress, has had a whole month in which to consider the three and a half or four pages of this measure. But to refresh your memories, I want to tell you exactly what we provided for in H. R. 6064:

First. We exempted 18- and 19-year-old boys.

Second. We declared a holiday on induction from May 15 to October 15, 1946—a provision known as the Vinson amendment.

Third. We established the size of our armed forces in section 2 of the act.

Fourth. We established the length or period of service, 18 months, for all men heretofore or hereafter inducted into the service.

Fifth. We exempted fathers from conscription.

Sixth. We left it to the local draft boards to decide, and they were given sole and exclusive authority to decide, whether a registrant is necessary to or regularly engaged in an agricultural occupation or endeavor—the deferment of farmers.

Seventh. Subsection (b) of section 6 sets the date of the expiration of the act on February 15, 1947, or such earlier date as may be specified in a concurrent resolution of the two Houses of Congress. And all of the functions, responsibilities, records and property of the Personnel Division of the Selective Service System shall be transferred to any agency of the Federal Government which the Congress might designate.

Now, gentlemen, you who only a month ago voted by an overwhelming majority of more than two to one for the seven specific provisions that I have pointed out in this act must decide today whether or not anything has transpired since then to cause you to change your positions.

The House bill as amended, which we passed on April 15, met with the overwhelming approval of the American people and they still want that bill.

If the act expires at midnight tomorrow, it will not be the fault of the House of Representatives. We faced the issue. We went on record. We stood up and were counted. The world knows where we stood then and I hope it will find out where we stand now.

Apparently some people in this country and some members of our Government are more concerned in taking a whole month's time in debating the giving away of $4,400,000,000 of the American taxpayer's money, which we do not possess, to a foreign country, than they are in facing a great national crisis such as the coal strike or in dealing with this immediate and pressing problem of the extension of the draft.

I do not approve for 1 minute, sir, the parliamentary maneuvering and the reprehensible tactics employed by anyone to postpone until the eleventh hour the making of such a vital decision and then to have Members come on the floor of the House and try to cram down our throats something that was passed in 5 minutes' time without debate in another body; after our House Committee on Military Affairs held lengthy, thorough, and exhaustive hearings on this measure; after it was fully debated in this House and passed by an overwhelming majority; and after the other body had had a full month in which to consider it.

We have had only since last Friday to consider this little, simple Senate Joint Resolution 159 which would extend the draft—not the bill which we passed a month ago, the bill H. R. 6064, but which would simply extend the original draft.

What would it do? You know why they want to extend the time until July 1. Do they think they are fooling anyone in this House? They cannot fool even a poor ignorant hillbilly from the Ozarks like myself. We all know that hundreds of thousands of high-school students are graduating the latter part of this month and in early June. Within 3 weeks most of those teen-age boys, 18 and 19 years old, will be let out of school, and this little resolution to extend the time of induction for 6 weeks is nothing more than a guise to catch those boys of teen age, to take them away from their homes, when we know they make willing but unsatisfactory policemen and they are not suited for occupational duties.

Mr. Chairman, if I had the time, I would like to give you some figures. When we go back into the House, I am going to ask unanimous consent to include in my remarks the Army's calculations, the Army's own figures, which beyond peradventure of doubt prove that the draft is not needed.

ARMY FIGURES PROVE NO DRAFT IS NEEDED

The Army asks on July 1, 1947, 1,070,000 troops.

The Army will have on July 1, 1947, 62,000 Air Corps officers, 68,000 ground force officers—deduct 130,000; 940,000 balance.

Fifty thousand Philippine Scouts—deduct 50,000; 890,000 balance.

There are 25,000 WACS now in service. Since many are in for duration and 6 months, 12,000 is a conservative estimate of those remaining until July 1, 1947—deduct 12,000; 878,000 balance.

One hundred and sixty thousand men drafted between January 1 and May 15, 1946, of whom Army samplings reveal about 50 percent later volunteer—deduct 80,000; 798,000 balance.

Volunteers at 30,000 a month, July 1 to December 31, 1946—deduct 180,000; 618,000 balance.

Volunteers at 20,000 a month, January 1 to July 1, 1947—deduct 120,000; 498,000 balance.

Volunteers, October 1945 to July 1, 1946, at least 800,000—deduct 800,000; 302,000 surplus.

One-year and 18-month enlistments which expire before July 1, 1947—deduct 257,842; 44,158 surplus.

WITHOUT ANY DRAFT EXTENSION

With a 6-week draft extension at least 65,000 including some deferred students will be drafted—add 65,000; 169,158 surplus.

With at least 20-percent pay rise, General Textor predicted a 30-percent increase in volunteers—add 66,600; 175,758 surplus.

During the past 7 months since VJ-day we have had over 737,000 men volunteer into the Army, if you please, the largest volunteer army that any country in all history ever had, and they are coming in by the thousands every day since the House passed the increased pay bill, even though the Senate has not yet passed it.

Gentlemen, do not let someone throw a hot potato in your lap. They are passing the buck. When we come to vote this afternoon, I am going to offer to strike out everything after the enacting clause of Senate Joint Resolution 159 and substitute House bill 6064 which we passed by more than a two-to-one majority. Do not let anybody tell you it will die. If they can pass Senate Joint Resolution 159 in 5 minutes last Friday, we can send this resolution, as amended, that we pass today, over to them and they can pass it in 5 minutes, or we can go to conference and resolve our differences and reach an agreement.

We are not trying to crowd anyone. But I am getting a little sick and tired of being pushed around and being placed behind the eight ball continually. We have suffered that all through this war—on the passage of the Selective Service Act, on the drafting of nurses, on the work-or-jail bill, on the problem of strikes.

Do not let the press and radio frighten anyone. They can report that the Congress has failed to act, but they cannot truthfully say that the House of Representatives has ignored its duty or shunned its responsibility. We have passed the draft bill. We have passed several labor bills. The Senate finally has reached consideration of their watered-down measure, but it is no more important than the present measure before us.

I hope when I offer my motion to strike out everything after the enacting clause of this Senate Joint Resolution 159 and substitute the provisions of the House bill 6064 as we passed it a month ago, that you men who had the courage to stand up and vote for it then will do likewise this afternoon, and we will get it through before tomorrow night.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MAY. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, there is one thing I will say about the gentleman from Missouri [Mr. SHORT], and that is that he is consistent. He opposed the original draft bill. He bitterly fought its extension when it carried by only one vote in this House. I just wonder what would have happened had his views prevailed at that time. I wonder if the Germans and Japs might not be in possession of this country.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. No; not right now. Likewise I wonder just what our position in world affairs will be if his position today prevails. There is no use, of course, for me to consume your time if you are against any kind of extension of the draft in order to get over this terrible crisis in which we and our allies find ourselves.

The situation is this, as the gentleman from New York [Mr. ANDREWS] so well said, this is stop-gap legislation. There is one thing my friend, the gentleman from Missouri [Mr. SHORT], forgot to tell you when he was speaking of the majority by which the House passed the bill it

sent to the Senate. Many of us had to vote for the emasculated bill to keep it alive. It was that or let selective service die. I happen to be the one who begged, pleaded, and demanded a roll-call vote on the elimination from the draft of the 18- and 19-year-olds, but it was impossible to get a record vote on that amendment. Later I tried to get a roll-call vote on the question of the draft holiday until after the primary elections and then throw it into the lap of the President, and I could not get a record vote on that. I hope before this discussion is over that we will be able to get on the record how every man in this House feels about the situation.

I am just as loath as anyone to draft teen-age boys, but I am also thinking about some other boys because I have some facts here from the War Department and I do not believe they would misrepresent the situation.

Of the 1,700,000 draftees now in the Army to which the gentleman from Michigan [Mr. SHAFER] referred, 600,000 will have had 18 months' service on July 1. Not only that, but I want to put on record one other fact, and that is that of those men 120,000 are fathers, several thousand of whom have never seen their babies. Their babies have been born since they were overseas. Literally thousands of them have been in the islands of the Pacific or within the borders of Europe from 12 to 17 months already. They deserve to come home Where are you going to get replacements?

Why all this hue and cry and all this great sympathy for some fine boys we do not like to induct, yet who have never served 1 day when, I repeat, 600,000 of the draftees presently serving will have had 18 months by July 1, and 120,000 of them fathers.

Now to come back to the situation that faces us. The Senate has not passed the House bill. I do not know their reason or excuse, perhaps they do not have a valid reason, but nevertheless we are confronted with a fact today, not a condition or a theory. They have not passed it. So what in the world is there left for us to do? We must be realistic. Have our honored dead died in vain? The peace is not yet won.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. No; not for the moment.

What is there left for us to do except to pass this continuing resolution? We frequently pass continuing resolutions. Why, if you fail to pass this resolution, or, as the chairman of our committee said, after conferring with the Senate leaders, fail to pass this resolution as it is before tomorrow night, then selective service is dead and out of the window. Several thousand draft boards all over the country, and all their employees and voluntary workers, will fold up.

But there is one other thing to which I wish to call your attention. I respectfully request that you Members have a page go to the document room and get you a copy of the selective service law as it stands today, and that you read section 8 under which every one of the 2,000,000 men left in the Army today has prior rights of reemployment. That is also dead and goes out of the window if you defeat this resolution. I say that would be an outrage to the thousands of fine soldiers now in service who would not get their old jobs back.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. No; not now.

You say to these men, literally thousands of them, who have been in combat and been overseas for 18 months and more, when they come back to their homes or rather lack of homes because not many of them have homes to come back to—120,000 of them have wives and babies—and you in effect say to them they cannot come back to their old job; and some civilian who is pretty slick and slides by the draft for some reason or other, takes the veteran's job. Are you going to place yourself on record as favoring that kind of thing? I do not propose to do anything of the kind.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield.

Mr. THOMASON. I yield.

Mr. MILLER of Nebraska. The House in its bill suspended the draft until October, I believe.

Mr. THOMASON. Yes; but I would hardly say that was a courageous act.

Mr. MILLER of Nebraska. And reemployment rights of the veterans could be restablished by this House by a simple resolution. Is that right?

Mr. THOMASON. Yes; it is true after the House refused a roll call on the political amendment you mention, it suspended operation of the act until after every primary election in the United States is held. I do not believe that the people back home thought much of the courage of Congress about that. We shirked our responsibility and passed the buck to the President.

Mr. MILLER of Nebraska. But the gentleman knows the act the House passed did not provide for any inductees into the Army?

Mr. THOMASON. Of course, if you have your way, we will go on a great big holiday until the 15th of October and let these boys stay overseas, because if you do not extend this there is no way in the world to get them back home. We will have to keep many men overseas to maintain the security and the peace of the world. There is still a lot of trouble and unrest in the world.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Indiana.

Mr. HALLECK. I desire to ask a question that I am sure the gentleman can answer, because I get confused by these various figures that are put out by the War Department and by things that are said on the floor. I have in my hand a clipping from a Washington newspaper of May 7 in which this opening line is found:

> The United States will have a regular standing Army of 1,000,000 volunteers by the end of June, Maj. Gen. H. N. Gilbert, Chief of Army personnel programs, predicted.

The question in my mind is this: This bill that the gentleman's committee reported out had a top limit of 1,070,000 men for the Army.

Mr. THOMASON. As of July 1, 1947.

Mr. HALLECK. If by the end of June, next month, we are to have a volunteer Army of a million, does that not approach the number of men indicated as being necessary for the Military Establishment?

Mr. THOMASON. I do not know what the gentleman has read. I did observe that it is only a prediction. I want to read from the statement given to me this morning by the office of General Paul, Chief of Personnel in the War Department, as follows:

> Some 600,000 nonvolunteer enlisted men in the Army as of July 1, 1946, may be forced to serve over 18 months. Congress has approved an 18 months' tour of service for men in the Regular Army.
>
> There is no fair reason why draftees should have to serve more than this length of time. Yet if the draft is not continued, it may not be possible for the Army to go to an 18 months' policy without falling short of its long-range needs.
>
> There are 120,000 nonvolunteer enlisted fathers estimated to be in the Army on July 1, 1946. It is highly desirable to return these men to their families as soon as possible.

In this connection may I say that the volunteer enlistments as of today furnished me by the Selective Service this morning are 736,590, but the number of enlistments have been dropping rapidly in the last month or two. We might as well be frank about it. Many of these boys who enlisted saw the draft coming. Then, too, there will be a total of 156,722 who will soon have completed their 1 year's service, and, of course, they will not go back into the service.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to my friend from Texas.

Mr. POAGE. If we pass the Senate resolution what assurance have we that these men who will have had 18 months' service on the 1st of July, including 120,000 fathers, will be released on the 1st of July?

Mr. THOMASON. We have this assurance: The other body, if it does pass any kind of a bill, will send that bill back here, after which it will probably go to conference in the hope we can work out a fair and just bill or determine what the majority wants, if it wants to do away with selective service.

Mr. POAGE. The gentleman has had assurances from the War Department. Has he had any assurance that if we pass the Senate resolution the War Department will release the 700,000 men to which the gentleman refers?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. THOMASON. Mr. Chairman, in the House committee and likewise in this body there was no objection to limiting the term of service to 18 months. I assume that if there is any law passed on the subject that will be a part of it.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from California.

Mr. JOHNSON of California. It is also a fact that that program is in the War Department's orders now?

Mr. THOMASON. Yes; and is being carried out.

Mr. JOHNSON of California. All of these 18-month men are to get out?

Mr. THOMASON. They are not drafting any fathers and they are not drafting any men over 26 years of age.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Indiana.

Mr. HARNESS of Indiana. Does not the gentleman think it is only fair for him to finish his statement about these 600,000 men who would be discharged on July 1 after 18 months' service? They will be discharged anyway regardless of whether there is any more drafting of men because the Army has about two and a half million men now and it wants to reduce that number.

Mr. THOMASON. There is no law now compelling that they be discharged, and we must carry out our world commitments in this terrible time of crisis and uncertainty. Why, Members of the House, we have not agreed on a single peace treaty with any nation of the world. Our delegates are meeting probably this very minute in Paris. General Eisenhower is in Tokyo today meeting with General MacArthur, and here we are going to throw our victory away almost overnight, when there is nothing to this except to continue the resolution before midnight tomorrow night. Things will remain in status quo and no change from present conditions.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. You are throwing away the pledges made before our men went to Europe and all you are doing to those men over there is to wait for another Pearl Harbor and Bataan.

Mr. THOMASON. That sounds like the same speech the gentlewoman made when she voted against the extension of selective service. I am trying to vote so that my sons and grandsons will never see a Pearl Harbor or Bataan. I am thinking of lasting world peace.

Miss SUMNER of Illinois. And all we got out of this war was communism and radicalism.

Mr. THOMASON. Well, we won the war and we kept our liberty, and that is more than some people did.

Miss SUMNER of Illinois. And you are working toward another war.

Mr. THOMASON. No; I am trying to prevent another world war.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ANDREWS of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, this joint resolution to extend the Selective Training and Service Act is one that calls for our careful consideration. This is a very serious matter and I want to take the time to make some observations. I want to recall to Members of the House, lest we forget, that in May 1942 the American soldier was fighting a losing battle on Bataan and building bases in Iceland.

In May 1943, the American soldier was fighting in Africa and bombing Jap supply lines in Burma.

In May 1944, the American soldier was slogging through the Italian mud and about to establish a beachhead on New Guinea.

In early May 1945, the American soldier was driving through Germany, a few days away from victory, and pushing deeper into Okinawa.

Then came May 7, 1945, just about 1 year ago, when the German aggressors lost another ruthless campaign to seize world domination; and finally on August 14, 1945, when the Japanese military leaders cried for mercy and all fighting ended.

I listened in this Congress at the time to the glowing tributes paid to the Army and the Navy and the Air Corps for their magnificent victories on all the fighting fronts of the world, and we recall with all thankfulness the load of anxiety that was lifted from a world of mothers' hearts and how a war-torn world turned back to peace with a profound gratitude to the God who gave it and to the men who paid for it with their lives. We gloried in our leadership and the great victories of our fighting forces.

However, in a few short months what a great change has come over the Members of the Congress since that day of victory of VE-day, May 7, and VJ-day, August 14, 1945.

It would appear from previous discussions to which I have listened intently that the judgment of those men who led our forces and brought the war in Europe and Japan to a victorious conclusion was all wrong. The figures they submitted to us were questioned; their timing was bad, and it appears their conclusions and recommendations were unsound; and what I am now trying to determine here today is whether we are approaching the problem as hard-hitting, practical, clear-thinking Americans—realists—or whether we are carefully weighing the matter from a standpoint of expediency for our own future.

I recall how the American people clamored for a just and lasting peace. They were all out for the United Nations. They demanded the demobilization of the Army and the Navy and the Air Corps. They wanted the boys back home, and almost all of them have now been returned home; so today we have a pitiful skeleton of a military organization with a world afire with unrest and discontent, with some nations armed to the teeth, threatening to break out any moment to upset the peace of the world. I want to call to the attention of the House that mankind has been at war a total of 14 years during the past 32 years between 1914 and 1946; in those 14 years of wholesale blood-letting millions of men, women, and children have been slain. Most of them were noncombatants who found themselves trapped in the wrong countries. During those 14 years of war cities large and small were wiped out and nations pillaged. Now a universal fear of the future has gripped the hearts of men everywhere.

Here in the United States alone—where no foreign enemy has struck—nearly 1,300,000 young men have been killed or wounded, and more than $400,000,000,000 have been spent for death-dealing weapons during the past 32 years. That is our contribution toward helping to win the two world wars.

So, now, again, this problem is before us, as to what we shall do for the future.

I might say that men who have defended their countries against armed aggression are not so foolish as to think that love and soft-thinking alone are substitutes for preparedness and training; and today, I want to call to the attention of the Congress the fact that we must not fail to remember that we must do a better job of preserving the peace—that they have won—than the Nation has yet done, or their sacrifices will be lost and without justification.

What is worth having is not only worth fighting for; it is also worth protecting when we have won it, and we cannot scatter our military forces to the four winds and have this great world order, which we all crave.

Senator John Sharp Williams, in a letter written in April, 1917, at the time we were entering the First World War, spoke plainly and sharply when he said:

> It is given to every man to either eat his cake or to keep his cake, but it is given to no man to do both. A country can choose to be a great military power, and to remain in peace times upon a military footing, subtracting from education and religion and progress all along the line the cost of it; or it can choose to be a great democracy of hope and peace and progress, and knowing well before hand that if it chooses to be the latter, it must muddle and suffer infinitely in men and money when war is forced upon it. Each Nation can choose one of these two things. Nobody can choose both.

We have the right to agree or to disagree with this philosophy, but, at the present time, as when he made the statement, Senator Williams has the better of the argument.

The United States chose to disarm after the First World War; to sink its ships, to discharge its soldiers and sailors, to dismantle its forts, to put our trust in treaties that had no backing save the say-so of those we hoped were as high-minded as ourselves. It appears as though we may again pursue the same pathway.

So what happened we reaped the harvest planted by the pacifists and propagandists.

So we were confronted with the result of trusting the theorists and disdaining our practical and hard-headed realists.

Now we have learned the lesson that, God willing, we shall not so soon forget again.

What profiteth us if we gain the luxury of easy living, of a slackened civilian discipline, or the pleasure of listening to those who play the pipe of an easy and pleasant peace—backed only by wishful thinking—and lose the best of the youth of each new generation in preventable war?

If we pay the price to be assured of our national security, we shall the longer have peace.

If we attempt to maintain an easy, irresponsible peace, without the means of national security, we shall surely have another great war, and the wars will follow in succession until we either learn the hardest way, or lose altogether the recuperative strength to rise from the lazy lounges of civilian comfort to again defend ourselves in battle.

General Jan Smuts, the great South African leader said, and I quote:

> Peace without the power to back it up becomes but an empty dream.

If this land is worth defending with the bayonet and the gun, the battleship and the airplane in time of war, it is worth preparing to defend in time of peace.

Some of our boys, called into duty from civilian life in World War II, were actively engaged in this war for 3 or more years.

Three or more years were spent in fighting and dying in malaria-infested jungles; on blazing, blasted oil tankers—some for weeks with burning thirst—afloat on a raft on a brazen sea; of frostbitten nights and soggy days in the Aleutian fogs.

Three or more years, our boys took a beating—learning to fight, while fighting.

Three or more years of desperate national spurting to make up for the time we lost as we dawdled along the pleasant pathways of pacifistic peace—but, thank God, we had the reserve strength for the final stretch of a total victory.

So let us pray that God may give us the wisdom to take those steps which will keep our Nation safe from the marauder nations of the future, and sensible enough to pay the price of peace in the coin of preparedness and security—and not in the coin of the lives and health of our next generation of youth.

This problem before us today is one that needs our careful and wise judgment. Let nothing stand in our way of reaching a decision for the welfare of our Nation. Remember this is an atomic age; when war hits again there will be no time for a rousing call to arms. It will be too late. You are the judges as to the position you take here today, and I sincerely hope and pray it will be a right one.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SHERIDAN].

Mr. SHORT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirty-five Members are present; a quorum.

The gentleman from Pennsylvania is recognized.

Mr. SHERIDAN. Mr. Chairman, I appreciate the enthusiasm that is attempted to arouse, and our patriotism, in reciting the history of what our armies have done in the last year or two, but we must be factual about it. This is most important legislation before the Military Affairs Committee of the House. In my opinion, it is shotgun legislation, because what they are trying to do in the closing hours of the selective-service law is to shoot through legislation for which there is no foundation in fact to sustain.

We passed H. R. 6064 by a tremendous majority. Nobody can honestly charge that the House of Representatives has failed in its duty.

Mr. ERVIN. Mr. Chairman, will the gentleman yield?

Mr. SHERIDAN. I refuse to yield at this time.

When it comes to maintaining the security of the Nation and its position in world affairs today, I yield to nobody. But we did put into the field the greatest democratic army ever known, because of our way of living, and with no draft during peacetime. Let us be fair about it. Let us take General Eisenhower's own words. He will need 1,500,000 men, and that is to be gradually reduced to 1,070,000 by July 1, 1947.

The previous speaker referred to 120,000 fathers. I see no reason why the War Department cannot release them today, because it is the attitude of this Congress, expressed in H. R. 6064, that it will be mandatory on the War Department to release either fathers who have been drafted heretofore or will be drafted at this time. So that we should make it mandatory that the War Department comply with the intent of the Congress.

In this morning's mail I received a letter from a chap in the far eastern theater. He is a private, first class. In this letter he states:

> Passes have been cut down. The reason given is that the rate of V. D. has gone up. About everything is off limits now. The hospitals are loaded with men with such cases. Most of them don't care any more what happens.

That is on the basis of 452 out of every thousand in that theater who have such an affliction. Now they want to extend the draft to July 1, take these youngsters, 81,000 of whom have been deferred in their last semester of high school, and approximately 160,000 who will become of age in the next 45 days, and put in that area these 18-year-old boys. We are charged with the responsibility of preventing it. We are the representative branch of the Government.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SHERIDAN. I yield.

Mr. HARNESS of Indiana. The gentleman referred to the strength of the Army as recommended by General Eisenhower, about 1,500,000 on July 1, and 1,000,000 on July 1, 1947.

Mr. SHERIDAN. One million seventy thousand July 1, 1947.

Mr. HARNESS of Indiana. Yes; 1,070,000. I understand the strength of the Army today is about 2,500,000 or 2,400,000. Is that correct?

Mr. SHERIDAN. I believe the figure is 2,100,000.

Mr. HARNESS of Indiana. Then these men to whom the gentleman from Texas [Mr. THOMASON] referred, who will have had 18 months' service on July 1, will be discharged anyway, regardless of whether the draft is extended, because the Army will have their 1,100,000 on July 1. Is that correct?

Mr. SHERIDAN. They will have more than 1,500,000. I believe the gentleman's figures are correct. And may I say that if the Senate, instead of the joint resolution, could set aside their deliberations for 5 minutes and pass the House bill that may change the whole lives of 18-year-old boys, 5 minutes could have been utilized for the passage of the pay bill whereby we increased the base pay from $50 to $75 for buck privates and to $80 for private first class.

A recent survey of men being released from the Army showed that 23 percent would have reenlisted had the pay been increased.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. SHERIDAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Would it not be the proper thing for the Senate to consider the bill we sent over there so we would get legislation in the proper way, rather than to pass this bill which they took 5 minutes to consider, and pass, and send over here?

Mr. SHERIDAN. I believe it would. In fact, that was why I objected on Friday when they tried to circumvent the regular consideration of the bill or its consideration by the Rules Committee where it is doubtful, in my mind, whether they would have gotten a rule.

Mr. SHORT. Mr. Chairman, would my able friend from Pennsylvania yield?

Mr. SHERIDAN. I yield.

Mr. SHORT. Two or three of the speakers have pointed out the fact that, unless we accept the Senate joint resolution, all discharged veterans will lose their right of reemployment. That is absolutely untrue as they must know, and as well as you and I know, because the House bill we passed a year ago could be continued by the Senate or enacted by the Senate which gives every one of these discharged veterans his employment rights.

Mr. SHERIDAN. That is true; and if there is any question as to the legal interpretation, this House could reenact this bill with all inductions suspended and then there would be no question of interpretation.

I may say to the gentleman from Missouri that to make doubly sure of it I have at the Clerk's desk now an amendment to that effect, likewise an amendment to take out the 18- and 19-year-old boys, and also an amendment to prohibit the induction of fathers.

But let me proceed one step further. The voluntary enlistments as of today are approximately 737,144. As of July 1, to which date this extension is made by the pending resolution, the projection of that figure would give them well over 800,000 enlistments. Of the enlistments about 83 percent are for 3 years or more. So that our commitments on the basis of Eisenhower's own figures of 1,070,000——

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. SHERIDAN. I shall be pleased to.

Mr. ANDREWS of New York. The figures show that of the seven-hundred-and-fifty-odd-thousand enlistments only about 53 percent are for the longer period, about 400,000. Over 300,000 of the enlistments in the Regular Army represent young men who were inducted first but who have gone into the short-term enlistment for obvious reasons and get

out of the Army with a shorter term of service.

Mr. SHERIDAN. I cannot agree with the gentleman's figures for the shorter period. I think he will find the approximate figures are 15.8 percent. But had we just increased the pay of the boys 50 percent, it would mean that 23 percent of those coming out of the Army at the present time and those who will come out in the next 18 months would reenlist and would approximate the 400,000 more enlistments needed. Also, they would represent regular trained troops who have seen service in various theaters and who might under the circumstance make the Army their life's endeavor. That coupled with the voluntary enlistments would take us beyond the base figure on which the Army has projected its strength.

Mr. ANDREWS of New York. Mr. Chairman, I ask unanimous consent that the gentleman from Iowa [Mr. MARTIN] be permitted to extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARTIN of Iowa. Mr. Chairman, throughout the entire postwar work of the Committee on Military Affairs I have given considerable thought to the matter of developing a complete and adequate peacetime program of national defense that will meet our needs for peacetime and for any possible future emergency that may arise, including the possibility of war. As I stated to the House on April 12, during the debate on the extension of the selective service, some of the most important factors of preparedness are the building of adequate stock piles of strategic and critical materials; the creating of a proper research and development program, including the training of scientists; the provision for an adequate service of intelligence and information; an adequate program of industrial production, including the setting up of pilot plants; building an adequate Army, Navy, and National Guard and Naval Reserve to meet any immediate emergency that might come up; building up an adequate reserve of trained manpower; and preserving the will to rise and defend our Nation.

In the foregoing points the building of an adequate reserve of trained manpower and the support of adequate Regular Army and Regular Navy forces come into direct conflict in the issues of military training and the extension of the draft. An adequate reserve force cannot be maintained over a period of time without universal military training and yet our highest ranking officers of the Army and Navy have told us that universal military training cannot operate simultaneously with a program of compulsory military service. For that reason I have given particular time and thought to the matter of developing a program of increased pay and other benefits that would build up our standing forces to the size needed through the system of volunteer enlistments, and unless the case for extension of compulsory military service is so strong as to amount to a situation analogous to war conditions, and unless it is conclusively proven that volunteer enlistments are wholly inadequate, we should discontinue compulsory military service at once.

The House of Representatives recognized the importance of discontinuing actual inductions when they approved amendment to the selective service extension bill recently, which amendment would defer all inductions until October 15.

However, there is another great issue involved in the measure now before you for consideration, providing for the extension of the selective service law until July 1. I refer to the fact that this measure does not provide for stopping all inductions from May 15 as provided in the bill, H. R. 6064, as passed by the House on April 15. During the proposed extension under the bill before us today the issue is not so much the clash between a universal military training program and the extension of compulsory military service as it is a clash between the extension of compulsory military service and the proper maintenance of an adequate research and development program.

To me the successful defense of our Nation in the future is more dependent upon research and development than on any other single factor. I was very greatly impressed by the statement of Howard A. Meyerhoff, geologist and executive secretary of the American Association for the Advancement of Science, before the Committee on Military Affairs, February 19, 1946. Dr. Meyerhoff was then representing engineers and scientists in the following organizations, whose total membership equals 145,000 engineers and scientists: American Association for the Advancement of Science, American Chemical Society, American Institute of Electrical Engineers, American Institute of Mining and Metallurgical Engineers, American Society of Civil Engineers, American Society of Mechanical Engineers, Electrochemical Society, Engineers Council for Professional Development, Engineers Joint Council, Engineers' Society of Western Pennsylvania, and the Institute of Radio Engineers.

Dr. Meyerhoff appeared before us on that occasion not in opposition to universal military training which was then under study by the Committee on Military Affairs nor in opposition to universal military service but he brought to us some startling information regarding the effect of World War II on the field of science and engineering. In the course of his testimony, Dr. Meyerhoff made the following statement:

> Statistically, the situation may be summarized as follows: As a direct consequence of war service, there has been a loss which was estimated by Dr. Vannevar Bush and his associates at 150,000 men of college age who would now be trained and at work in scientific and technological fields. At least 17,000 of those men would have received doctor's degrees or their equivalent in their major fields of interest, a fact which evidently means a critical loss in people qualified to carry on and to direct research of high caliber. All these losses have been sustained since compulsory military service went into effect in 1940, and insofar as a judgment may be formed from preliminary returns, the cumulative loss is not being reduced materially by returning servicemen who have taken advantage of the opportunity to continue their training at the college and university level. Many of these men are 3 to 4 years older than they were when they went into service, and the acquisition of the technical skills herein considered normally requires several years of work beyond the bachelor's degree. Comparatively few men are willing to spend this amount of time acquiring technical training after so long a period in the armed forces. In consequence, we must regard the figures given above, namely, 150,000 men at the bachelor's-degree level and 17,000 men at the doctorate level, as a net loss to the technological preeminence of the United States. Steps must be taken immediately to achieve complete recovery No one can claim that the United States was overstocked with scientific and technological personnel in 1940 when we were compelled to turn our full attention to the serious business of war It is not a non sequitur, therefore, to conclude that we are now alarmingly understaffed both for the requirements of reconversion in peace and for any possible military contingency that may confront us in the future. It is our conviction that the replenishment of the ranks of engineers and scientists cannot be left to chance but must be incorporated in plans for the future, whether these plans be military or nonmilitary in character.
>
> It is significant that our allies and our enemies in the war just ended placed a much higher value upon scientific and technological skill than we did. The British, the Russians, and the Germans knew, as we did, that military success was dependent upon technological and scientific success Unlike us, however, they gave serious thought to the replenishment of scientific and technological personnel and refused to interrupt the training of students who were specializing in these fields. Indeed, certain of these countries made it possible for new students to enter programs of training in order that the exacting requirements of war and of the peace that was to follow might be met.

Dr. Meyerhoff then discussed the situation regarding enrollments in our engineering and science courses, but inasmuch as his testimony was given to our committee on February 19, and much has happened during the past 3 months in the readjustment of our GI's, especially in the colleges of the country, I called Dr. Meyerhoff today for the latest information regarding the enrollment in our engineering and science courses, and I am now able to give you a more recent report than the report set out in the hearings before the Committee on Military Affairs last February.

In 110 schools and departments in the United States there were on March 15 60,000 enrollees in engineering, 55,000 of these are veterans, but we had 110,000 enrollees in these same schools in prewar times.

Sixty-one percent of the enrollment today is in the freshman year, 19 percent in the sophomore year, 11 percent in the junior year, and 5 percent in the senior year. Practically all of the juniors and seniors are foreign students, that is, not citizens of the United States, or they are in IV–F classification.

In other sciences the figures are complete only for the upper three classes inasmuch as students usually do not indicate their major course of instruction in their freshman year. In chemistry

there is today only 25 percent of the prewar enrollment. There are only 28,000 now enrolled in the upper three classes, and most of these are foreign student or IV-F.

In physics, geology, and mathematics in the upper three classes the enrollment today is only 20 percent of the prewar enrollment, but in these sciences there is an increasing number of GI's enrolled in the sophomore year.

There is another important factor involved in the field of science. Forty percent of the GI's are married, and these students will be confronted with the expiration of their Government assistance before they can complete their long courses in the sciences. Many of them will be unable to support their families and complete their course, and there is bound to be some loss of talent because of that situation.

Regarding engineering, there is another important point that has developed since the hearings February 19—the engineering enrollment of the country is below what it was the first semester of this year; in other words, the GI increase of enrollment has not offset the loss of students through inductions. From all the GI's from 5 years of induction we now have enrolled only 50 percent of 1 year's normal prewar enrollment.

There is another factor that should be given some consideration during the course of this debate; namely, there has been a very definite increase in the enrollment of foreign students in our colleges of engineering and science. There is today enrolled just a shade over 200 percent of the prewar enrollment of foreign students in engineering and science course in our American schools. There are 50,000 foreign applicants not yet taken care of, and if these are all admitted it would make eight times as many foreigners enrolled in our colleges of engineering and science as were enrolled in our schools in prewar times. This situation should bring home to us very strikingly the contrast of our own failure to appreciate the importance of research and development as compared with the importance given to this field of work by foreign countries today.

We should bear the foregoing in mind when we realize that the greatest single group available for immediate induction with the extension of selective service beyond the present school year is the group of students who have been deferred to complete the present semester of school work. Practically every one of these students who can pass the physical examinations will be taken into the Army and Navy immediately on the close of the present school year unless we stop inductions under any extension of the selective-service law.

From Popular Science of March 1946 I quote:

> Even if every possible remedial step were taken immediately, it would be 1955 or 1960 before this country could catch up in scope of research activity with Britain and Russia. Russia, where the number of higher educational institutions was increased from 91 to 782 in 20 years, opened 60 new colleges during the war.

Mr. ANDREWS of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Chairman, as I look about me here in this Chamber I see men who served in the recent war, some who served in World War I, and some in the Spanish-American War. As I look about I see many Members of the House who had sons in the recent war. Some of those sons did not come back. That is one of the elements which makes us representatives of the people whom we represent.

There are those in the House who would prefer to see the selective service law passed and extended simply as the resolution of the Senate provides, as it is now before us; however, we are confronted with a matter which I think is the ultimate thing, that most of us do not want a chaotic condition to exist and have no extension of the draft at all. I voted for the last extension of the draft in the form it was and the conditions then existing.

Let me say to the membership of the House that if we pass the resolution as it is, without the amendment which is going to be offered by the gentleman from Missouri, we are in an incongruous position. We are in the position that here is the great Committee on Military Affairs that has considered this legislation for a long time, that brought it in, and, after a great deal of debate, we passed overwhelmingly in the form in which it went to the Senate on April 15, 1946. There are graduating from the schools of the country this month and next month I suppose several hundred thousand boys. How are they going to feel about us who have passed this legislation a month ago and now we turn around and pass what the Senate sent over here? Are they not going to rightfully say to us Members of the House, What kind of Representatives are you? You tell us one thing on the 15th of April and you tell us another thing today.

How are they going to feel about our sense of logic, our reason, our sense of fairness, when we go back and meet those youngsters who have been hauled in by the Selective Service just as fast as they get to be 18 years of age so that they can be examined and inducted? Are you going to say that you have acted fairly, honestly, and decently to those youngsters who are graduating in the next 30 days after our action of April 15th this year.

Mr. SHERIDAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Pennsylvania.

Mr. SHERIDAN. The gentleman also realizes that of those youngsters 31 percent have signed up at scientific schools and will now be taken into the Army. What is our answer to them?

Mr. O'HARA. Well, as great a thing as the study of science is, I make no distinction; as great as the unquestioned ability of those young men is to go into those scientific schools, I make no distinction; I make no distinction whether they are married or single in connection with this matter. It is just the situation whether we do one thing in a deliberate manner in this body, then because of a condition with reference to which this House has no responsibility, we turn around and run down the hill again.

Mr. SPARKMAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Alabama.

Mr. SPARKMAN. I should like to ask the gentleman what answer he is going to give to these other boys who have become 18 years old, who were not fortunate enough to be in school or perhaps be a graduate of a school, who have already been taken into the service and will remain in the service for 2 years simply because you refuse to take these boys?

Mr. O'HARA. The gentleman's statement is not entirely fair. We are dealing with something that we have to meet now and we are not going to escape the answer to it.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. All they do with these men is keep them in Europe, presumably to prevent Russian aggression which we are still financing, and all your Army does in Europe is act as a decoy in case the Russians should start to fight us. The boys over there should be brought home immediately.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. ANDREWS of New York. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. O'HARA. Mr. Chairman, I want to make my point clear, if I may conclude without interruption, and that is, that we either adopt the amendment which is going to be offered by the gentleman from Missouri, substituting what was the deliberate judgment of this House under different conditions than we are now in, or we face the situation of placing many in the unhappy situation where we have to vote against the continuation of this act under this resolution to which we might not agree. Yet, we agree, if you please, that it is important and essential that the draft be continued until the will of the House and the will of the Senate may be worked out in whatever disagreement there may be, but if there is anything more inconsistent than merely blanketing in this resolution that comes over here different ideas compared with what our deliberate action was on the 15th of April, the House will be making a spectacle of itself which the youngsters of this country graduating in the next 30 days cannot reconcile with American fairness or deliberateness or consistency which we, as Members of Congress, should exert.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from New York.

Mr. ANDREWS of New York. Is it not true that the young men were only deferred? I am under the impression that

the question was raised that those deferred in school might then be drafted.

Mr. O'HARA. Well, that is part of it, yes.

Mr. ANDREWS of New York. But is it not true that every young man in school is in a preferential class, unlike the one who went to work? The young man in school was deferred. He was not told that he would be drafted.

Mr. O'HARA. The matter of deferment of students has been created by Selective Service to a limited extent and rather late in the war.

Mr. ANDREWS of New York. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, to me this is a very serious situation. When I think back to 1919, when I came out of the Army and came to Washington in March of that year, I did not have the remotest idea that we would ever be in a war again. I was so firmly convinced of this that when they talked to me about participating in national defense I said, "Why, it is useless; we will never in my lifetime be in a war again." Then I saw our country drift during the twenties and during the thirties; a great, giant strong nation just gradually drifted into a war. Now here we are. We can condemn the other branch of Congress. We can talk about all the delays and other things, but we are faced with this situation: We have certain commitments to fulfill and we ought to keep them if we are to maintain our leadership for world peace. The Secretary of State personally told us, as well as others, that our bargaining and our program for world peace is largely dependent on the strength of our military forces. Just because the Senate may have committed a wrong or made a bad mistake bordering on tragedy let us not add to it and make a catastrophe out of it.

I believe that if we prolong the present draft law for 45 days we can get out the kind of law the Congress really wants. We have provided for the stimulation of voluntary enlistments by increasing the pay rates. We can put our house in order, and we can then lay the groundwork for real world peace. None of us thinks there is anything more important than to lay the groundwork for perpetual peace. In my opinion, the temporary retention of selective service is one of the steps we have to take to make our bargaining capacity effective and successful.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. If they want to prepare for peace they have not even taken the first step. The first step is, stop financing Russian aggression. The second step is, jerk the Communists out of our own Government.

Mr. JOHNSON of California. I do not quite agree with the gentlewoman. If she had children, as I have, or the hope of grandchildren, she might look at this problem of world peace in an entirely different manner.

Miss SUMNER of Illinois. I have seen a lot of dumb people who had children.

Mr. JOHNSON of California. That may be. The gentlewoman may think I am dumb. I distinctly do not think she is dumb. It is entirely a matter of one's attitude. She has the right to think what she will as to whether or not I am dumb, and I respect her opinion; but I at least am sincere when I say that the retention of the Draft Act now will be a distinct step in the direction of peace. I am thinking of those that come after us. I want to do what little I can with the life I have and my experience to lay the foundation that will enable our country to lead the nations of the world to peace and away from another war.

Many people worry about these young men that are in high school and I do also. But what about the hundreds of thousands, the several millions, that served from 2½ to 4 years in the Army of the United States to protect and preserve American prestige and bring the victory that was necessary before we could build a new world of law and order and of peace. I am worried about these young men, but I am more worried about the 120,000 fathers that are in the Army and that we want to get out so they may rejoin their families. We have to get this little group of men into the Army in order to get those people out.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Missouri.

Mr. SHORT. The gentleman well knows that the House bill we passed a month ago provides for the deferment of fathers.

Mr. JOHNSON of California. Yes. But the House bill is not yet the law. The gentleman knows that, too.

Mr. SHORT. No, but we are trying to make it the law. The gentleman wants to hinder us.

Mr. JOHNSON of California. The gentleman knows very well we do not have the time to make it the law.

Mr. SHORT. We do have time.

Mr. JOHNSON of California. If the gentleman conducts a filibuster on this bill, what will happen is that the whole thing will go in the ash can. That is my candid opinion.

Mr. SHORT. If there is a delay, who is respo sible for the delay?

Mr. JOHNSON of California. I do not care who is responsible for the delay. I am not going to add to the trouble we have had by having this dumped in our lap by trying to blame the other branch of Congress, only to wake up and find the whole Selective Service System dead.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. A good many of the boys in my district came to see me when I was home last, boys of the age that would be taken into the Army under the Selective Service Act. Their remarks boiled down to just this. Every boy, almost without exception, said, "I would rather go in now and not be killed than go in later and be killed."

Mr. JOHNSON of California. That is what I think is the attitude of most of those young men. They will not object to this present "stop-gap" program, when they realize they are thereby helping to lay the foundation for lasting peace.

Mr. SPARKMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. BRADLEY of Pennsylvania. Mr. Chairman, first I want to say, apropos of what the previous speaker said, that I do have children, one of whom served for several years in this war, and one of whom may have to contemplate going in to the service, and I hope that I can have reasonable expectations of having grandchildren.

This bill came to us last Friday with public statements from leaders in the Senate that it was necessary because of the coal strike. You recall reading that in the press. That is a fine thing to tell the American people. If we did not have a draft law and there was a coal strike, would this Congress have the audacity to say to the American people that the way to meet a coal strike was to enact a conscription law? That is virtually what they told the American people in the Senate on last Friday. Happily, the miners are back in the mines today or I suppose we would hear a great many arguments on that score this afternoon. But there is no need then in the minds of the Senate by their own statement for this legislation to be rushed through here today. The truth of the matter is that the Army authorities have not been honest with the Congress of the United States. They have been most contradictory in their statements. They have brought about an atmosphere of general confusion.

A few weeks ago in the Committee on Naval Affairs, after a great deal of questioning, we forced an admission from the Navy officials that the Navy did not have to consider the enlistment of men over 30 years of age because it was so easy to get them. Volunteer troops of mature age can be secured if the Army adopts a proper policy. My friends, the Army has failed dismally in maintaining discipline and has failed in their duty to these boys in the occupation forces. Look at their own figures. In some sections of Germany, the venereal disease rate is 427 to 1,000, while the average rate is 211 to 1,000. Those are the conditions into which you are contemplating sending these 18-year-old boys in the full flush of their innocent youth, without any contact with life aside from their home and classroom experience. Why, it is atrocious even to think of it. You cannot give any adequate reply to the American people if you send these boys into an atmosphere for which the Army itself is responsible because discipline has broken down, and they admit it.

The Army did not make one concrete constructive recommendation to the Congress of the United States with regard to voluntary enlistments. They

did not come with a suggestion for increased pay until a month ago, when they saw they could not get their bill through as quickly as they desired. Now, in the eleventh hour, the Senate comes to us with what my colleague has so aptly described as "shotgun legislation," and we are supposed to forget that just a month ago this House overwhelmingly passed an amendment to the Draft Act after great deliberation, exempting 18- and 19-year-old boys from induction into the armed forces. There is no need of inducting them. If we take this resolution which was written in the Senate, so the press tells us, in lead pencil very hurriedly, if we take it and accept it as our judgment, we deserve the condemnation of every American citizen. I cannot criticize the Senate rules, but because they have endless days of filibustering and because they do nothing to check the endless flow of oratory which halts their deliberations, they think we must succumb to their pressure at the eleventh hour. If we do take this, if we refuse to amend this resolution, we deserve the condemnation of our constituents.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. SHORT. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania.

I congratulate the fighting Irishman from the great State of Pennsylvania for the sound argument that he has given against our voting for this resolution which was sent over from the Senate. I quite agree with him that it was absurd and ridiculous last Friday when it was sent over here under the flimsy pretext of breaking the coal strike. As the gentleman knows, under Public Law 89 of the Seventy-eighth Congress, known as the War Labor Disputes Act, section 3 and section 10 gives the President of the United States the power to seize any plant, mine, or facility.

Mr. BRADLEY of Pennsylvania. The gentleman from Virginia brought that out very, very clearly on the floor of the House last Friday.

Mr. SHORT. And it is absolutely unanswerable.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired again.

Mr. SPARKMAN. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. ERVIN].

Mr. SHORT. Mr. Chairman, I also yield 2 minutes to the gentleman from North Carolina.

Mr. ERVIN. Mr. Chairman, I hope we pass this Senate resolution. It gives us about 45 days to correct a great mistake we made a month ago.

When we passed a draftless draft law and took a draft holiday a month ago, it reminded me of an occasion when, in accordance with an old custom that prevails down in North Carolina, a bunch of us gathered together in a little churchyard to clean up the weeds and briars. There was a colored boy working there. He was pulling up some weeds near a tombstone. All at once he broke into laughter such as might reasonably be provoked by the act of a solemn body like this passing a draftless draft law.

I said, "George, what are you laughing about?"

He says, "Boss, don't you see that joke that is written on this tombstone?"

I said, "No, George. What is it?"

He said, "Get down here and read it."

I got down and read it. In addition to the name and the date of birth and the date of death of the deceased, there were these words, "Not dead, but sleeping."

I said, "George, what is funny about that?"

He said, "Boss, he ain't fooling nobody but himself."

Now, that is the situation with this House. When last month we passed a draft law that excused from the draft every male under 20 years of age, we did not fool anybody but ourselves, because everybody else in this country, knows that every male that is 20 years of age and over, who is physically qualified, is already in the Army or the Navy or the Marine Corps, or has been discharged therefrom after honorable service therein.

Mr. Chairman, I want to speak for two groups of people who cannot speak for themselves. I am a believer in extending the draft—drafting every male from 18 years on up. I have a young boy in Japan, 20 years old. He is a second lieutenant. He writes me that practically every boy in his outfit is either 18 or 19 years of age. That is, all the soldiers and noncoms.

I want to speak to you and say this, that I am a believer in what Oliver Cromwell said: "Trust in the Lord, but keep your powder dry." I think if this Nation 25 years ago had heeded the advice of Oliver Cromwell, if we had kept our powder dry, if we had kept prepared, I do not believe we would have ever had a Second World War.

I want to speak to you for those 18-year-old boys, hundreds of thousands of them in the service who have been drafted. If you do not extend the draft, you will have to keep those boys in the service longer than they should be.

Then, I want to speak to you for another group who cannot speak for themselves. We fought a war and we fought a war that was fought for definite objects. We have won the war and now we have got to win the peace. The only way we can win the peace and speak with a tone of authority in a world where a man like Stalin rules a nation as powerful as Russia, is to keep our powder dry and let the world know that we are going to maintain an adequate Army and an adequate Navy, even if we have to draft people to do it.

I speak to you, as I say, for the 18-year-old boys already in the service who cannot speak for themselves. I also speak to you for those thousands of Americans who have suffered death on the battlefield and who cannot speak here for themselves. I speak for those described by England's hero-poet, Rupert Brooke, in these words:

> These poured out the red, sweet wine of youth,
> Gave up the years to be of work and joy,
> And that unhoped serene that men call age;
> And those that would have been their sons,
> They gave their immortality.

For God's sake, do not tell those who have poured out their lives on the battlefield that this Congress is unwilling to keep this Nation strong.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SPARKMAN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Georgia [Mrs. MANKIN].

Mrs. MANKIN. Mr. Chairman, several weeks ago the House passed a bill extending the draft. I know you all read the papers of the United States and know that nine-tenths of the newspapers of this country felt that this House had dodged an issue because of the weakness of the measure passed. We were severely criticized and we were accused of playing politics with the security of the Nation. Certainly, we shall be playing politics if we use empty excuses such as "It is not our fault. It is the fault of the Senate" and fail to pass this resolution that is before us today.

It was not our fault that Hitler invaded Poland, yet we became involved. It does not matter if the present predicament is someone else's fault. We are faced with the fact that the law extending the Draft Act is not on our statute books. The Draft Act will expire tomorrow unless we pass this resolution. I feel very definitely that we will be playing politics and that we will be gambling with the security of this Nation if we do not pass this measure. I feel that we will be letting down and we will be unheeding the advice and the needs of those men who have served us ably and who have brought us through this war successfully. I refer to our military leaders.

Mr. SHERIDAN. Mr. Chairman, will the gentlewoman yield?

Mrs. MANKIN. I yield.

Mr. SHERIDAN. Does the gentlewoman feel that we should not heed also the united voices of every church denomination in the United States, the voice of both labor parties, and even the voice of those who might be drafted? Is not that a loud voice to hear likewise?

Mrs. MANKIN. I believe the most important voice to heed is the voice that calls for the security of our Nation, the United States. As General Eisenhower said:

> If we pretend that the war is over when the shooting stops, we are likely to lose the aims and purposes for which we made the sacrifice of war.

We have commitments abroad. Many of our boys who are overseas should be permitted to return home. Until at least one peace treaty is signed we must keep together our draft machinery, although with our many voluntary enlistments we may not need it.

We will indeed be playing politics, if we fail our country in this critical period.

Mr. ANDREWS of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I shall support Senate Joint Resolution 159, not because I think it offers any adequate solution of our military problem but because it seems to be the only practical

arrangement that can receive legislative sanction in the 30 hours before the Selective Service Act expires. I would have much preferred H. R. 6064 in the form in which it first came before this House, but H. R. 6064 was so weakened by amendments that I think it is an even worse piece of temporization than this resolution which now comes before us from the other body. If we pass Senate Joint Resolution 159 in concurrence we shall at least have gained time to produce some better considered piece of legislation.

I am in favor of selective service only to supplement voluntary enlistments, and I do not see how any devotee of the voluntary principle can quarrel with this program. But in this critical interim period before peace treaties have been agreed upon, and when we have ample notice that agreement on peace treaties will be enormously difficult, we ought to be resolute in maintaining our armed forces. In fact, the dismemberment of our armed forces is now advocated nowhere more vigorously than in the Communist Party line.

I vote for this resolution to prevent immediate disintegration of our armed forces and express the hope that it will enable us to concert in both branches of the Congress some adequate military program at least for the next 12 months. The defeat of this resolution will cause jubilation among our enemies and will cause us to speak with a diminished voice at the world's council tables.

Mr. SPARKMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. CAMP].

Mr. CAMP. Mr. Chairman, I yield to no one in my desire to see this country have adequate armed forces and be prepared, but reports I have from the War Department General Staff show that they have now nearly 740,000 voluntary enlisted men and that they have more than a year within which to get the balance of their 1,070,000 they say they need. The last week for which they report shows that in voluntary enlistments they got 14,981. Practically 15,000 men in 1 week and they need take in only 5,000 a week in order to reach the strength they wish to attain.

Now we have all this talk about their not having adequate strength. Their own figures show they have more than 2,500,000 men in the Army now. I do not believe it is my responsibility or that of any Member of this House to keep the draft bill in effect 60 more days in order to bring in these two hundred or more thousand young men who are in high school now and who will be caught just exactly in time.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. ROBSION of Kentucky. If we adhere to the arguments advanced here today we would never get through drafting boys 18 and 19 years of age.

Mr. CAMP. Why, of course not.

Mr. ROBSION of Kentucky. Another point. I visited all the counties in my district recently and I found this situation, a great many, I would say 50 or more, young men told me that just as soon as the pay bill was put on the books they intended to volunteer. It is my prediction that with that pay bill enacted it will not be long until they will have more men enlisting than they can use.

Mr. CAMP. They are getting nearly three times as many enlistments now as they need to bring them up to the strength the General Staff says they want. Their own figures show that.

Mr. ROBSION of Kentucky. Furthermore, they desire to continue a law that was passed when we were at war. Here the war is over, yet they are insisting on our continuing this law that was originally passed in wartime.

Mr. SPARKMAN. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, my views are pretty well known to the membership of this House on the Draft Act and its extension. I do wish to address myself for a moment to the tactics employed in connection with this particular piece of legislation. I do not like them and the rest of you do not like them. How much are you going to wince under the whip? Does any Member of this House think it is becoming of us to take this kind of a deal lying down? If so, I must disagree with you.

Mr. Chairman, I am tired of this expression down here in the well that if we do not do so-and-so by tomorrow night we will be ruined. The overwhelming sentiment of this House was to suspend the draft until October 15. The sentiment of this House and the good sense of this House said exempt 18- and 19-year-old boys; we did not think that was going to ruin us then. We do not think so now. I was in this body when the Senate kept us here until 3 o'clock in the morning and I am ready to do that again. I think somebody ought to begin to raise his voice against this kind of treatment of the House. I do not wish to be too direct, but the gentleman occupying the saddle today is laying the whip on the House. The whip does not hurt my hide because I am not going to let any bunch, I do not care what legislative body they happen to be in, do any swivel-hip, broken-field running around me in connection with a proposition of this kind.

I think what we ought to do is send the bill back as the House passed it and say: "Here it is. Now act."

So far as the War Department is concerned, there is no great emergency existing now for men and they know it. As far as that is concerned, I would suggest they pay a little more attention to trying to make their branch of the service a little more popular with the men. That would be a fine stroke and, in my opinion, it would meet with the general approval of the American people.

In this particular deal I want these 18-year-old boys looked after, as the overwhelming majority of this House wants done. We have expressed ourselves, we have written our constituency, we have notified the people. What are we going to do? Run away again? Not me.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SHORT. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. BARDEN. Mr. Chairman, perhaps I have already said too much, but I am as sincere about this as anything I ever did in my life.

Mr. SHORT. The gentleman has offered a very convincing argument to any fair-minded person. I can say that. Will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Missouri.

Mr. SHORT. Some speakers have said here this afternoon that the only alternative we have of saving this draft law is to accept the Senate Joint Resolution 159. That is loose talk and it is not true, because if the Senate will accept the bill which the House sent over there, after holding exhaustive hearings, having a thorough debate here and passing it by an overwhelming majority, the draft would be continued and the benefits and reemployment rights of all veterans would continue likewise.

Mr. BARDEN. There is not a man in this House who does not know we have right now approximately twice as many men in uniform as the Army says is necessary. If this bill does not pass by tomorrow night they will still have them. They will still have over 2,000,000 men in uniform on July 1. The War Department failed miserably in making out a case and they know it. When are they going to learn that they must deal the cards on top of the table?

There is no use arguing about it, and I am not going to play ping-pong with this question any more. I do not care how many generals come to see me. I cannot agree with everything they say. I do not even agree with what General Devers said the other day, and I would not suggest that he try to make me believe it, either. The Senate has ignored the House. The War Department has assumed that we are a bunch of jelly backs. My people expect their Representative to not only have conscientious convictions but to stand by them, and that is exactly what I propose to do.

Mr. ROBSION of Kentucky. Mr. Chairman, we have before us Senate Joint Resolution 159, which provides for the extension of the Selective Service Act to July 1, 1946. This resolution contained only five or six lines and merely extends the original Selective Service Act, and the amendments thereto, to July 1, 1946. Without some extension the Selective Service Act would expire at midnight, tomorrow, May 14. It is insisted that we accept this Senate resolution without the dotting of an "i" or the crossing of a "t," because if we amend this resolution by adding or taking away a single word the Senate would not have time to approve or amend it and, therefore, the Draft Act would come to an end.

More than a month ago the House, after holding extensive hearings and two or more days of consideration on the whole subject and the amendments, by an overwhelming majority, extended the draft until February 15, 1947, with a number of very important amendments. The principal amendments were as follows:

It excluded from the draft boys 18 and 19 years of age, the fathers, and gave special consideration to the deferment

of farmers. It also suspended the induction of draftees for 5 months until October 15, 1946, to determine whether or not the necessary personnel for the Army could be secured by volunteers without the draft, and if the necessary Army personnel could not be secured by the volunteer method the President could on October 15 order the induction of so many of those draftees that might be necessary to meet the requirements. The Senate had more than a month to consider this bill as passed by the House, but they failed to take action. They knew the Draft Act would expire at midnight on May 14 by operation of law. They waited and delayed it until Friday, May 10, and without any consideration, without any debate or other consideration, in a few minutes adopted the resolution, Senate Joint Resolution 159, now before us. The Senate absolutely ignored all the amendments and changes put in the House bill and sent over to them for action. The House bill was adopted by an overwhelming majority. I favored the House bill. The House is entitled to have its bill fairly and fully considered.

The Draft Act which will expire at midnight on May 14 was passed by the House and Senate when we were actually engaged in a global war. The war in Europe has been over more than a year and it will soon be a year since the war closed in Japan. It is unthinkable that we need the same kind of draft law, if any at all now, that we needed when we were engaged in actual conflict in a two-front war.

WHAT ARE THE REQUIREMENTS FOR THE ARMY, NAVY, AND MARINE CORPS

The Navy and Marine Corps say that it is not necessary and they do not desire draftees for either one of these branches of the service. They can secure all the men they need by the volunteer method. Therefore, the only branch of the service that claims they need draftees is the Army. Now does the Army need to resort to the draft and take the 18- and 19-year-olds, the fathers, and to strip the farms of needed workers with the food famine confronting us? The President and the War Department say that they will need an Army of 1,070,000 men on July 1, 1947. How many men do they now have in our armed services and how many are volunteers? There are nearly 2,400,000 men now in the Army. They say they are going to reduce this Army to 1,500,000 by July 1, 1946. Therefore, they will have to discharge between now and July 1, 1946, 800,000 to 1,000,000 men. They state that they plan to discharge only about 600,000 men by July 1, 1946. After the discharge of all the men they say they are going to discharge they will still have more than 1,500,000. Now are we receiving volunteers? If so, how many?

The War Department reports that in the last 7 months the Army has received in voluntary enlistments 737,000 men. This is on an average more than 105,000 per month. It is 13½ months before July 1, 1947. How can anyone claim that we shall not have 1,070,000 in our Army on July 1, 1947, and that is the full and total amount that the Army says they will need at that time.

PAY INCREASE AND BENEFITS

There was brought into the House about a month ago a bill providing for an increase in pay of approximately 50 percent for the lower grades of enlisted men together with other benefits, including the right to make allotments to wives, children, and other dependents. It was urged at the time that this increase was just and right and would greatly encourage volunteer enlistments and obviate the necessity of the draft. That bill went to the Senate where it has been permitted to slumber. If that bill had been promptly passed by the Senate there would have been, in my opinion, such a rush in volunteers that there would have been no cause whatsoever to extend the draft. But the Senate took no action and has not yet acted on it. The Senate not only failed to act on that bill but also to act on the draft bill that the House passed and sent to the Senate more than a month ago. If either bill had been considered and acted upon by the Senate there would be no cause for them sending to us a little resolution of five lines extending the draft a day or two before it expired. Someone behind this whole matter wanted this draft extended in toto and without amendment.

Recently in going over my district I talked with a great many young men and with some of the parents of prospective volunteers, and to my knowledge more than 50 either by themselves or through their parents pointed out that these boys would enter the service just as soon as the new pay bill was passed by the Senate and signed by the President. It is my considered opinion that when this pay bill becomes a law that instead of seeking more volunteers the Army will be refusing thousands of volunteers.

EIGHTEEN- AND NINETEEN-YEAR-OLDS

Before the end of June approximately 200,000 18- and 19-year-olds will finish their high-school courses and tens of thousands of other young men will reach the age of 18 before July 1. Those backing this resolution—Senate Joint Resolution 159—and others who wish to continue the draft in peacetime do not want the draft law amended. They were quite willing to extend it only to July 1, 1946, and in the meantime the Army would grab off these 200,000 to 300,000 18- and 19-year-olds and draft them into the Army, and also draft the fathers, and strip the farms of needed workers in this great food emergency. The House was not in favor of that program and so provided in its bill that it sent to the Senate more than a month ago and the House is now not in favor of that program. Amendments have been offered to this resolution that exclude the 18- and 19-year-olds, the fathers, and give deferment preferences to young farmers that are needed on the farm, and these amendments have my heartiest support. This will not delay discharge of any serviceman.

The Congress included the 18- and 19-year-old boys in the draft when we were in the midst of the greatest war in all history. Every speaker who took the floor at that time deplored the fact that we were drafting these young boys, but the President and the War and Navy Departments insisted that it was absolutely necessary for the defense of our country in time of war. There was no other reason assigned. There could be no other good reason assigned in my opinion to take these young boys from their homes, their schools, and place them on the firing line in that terrible war.

The war has long been over. Those who are taken into the Army now are largely used for police or occupational services in Japan and Germany. I am sure that the board of aldermen and other officials of your city, my city, or any other city would not make policemen out of 18- and 19-year-old boys. They are not sufficiently experienced or matured for such work. If we would not entrust these duties to them in our home towns, surrounded by the good influence of their homes, schools, churches, and their neighbors and friends, what excuse could we have to send them to the hellholes of Europe and Asia, surrounded by enemy aliens, and the conditions and influences which now obtain in Germany and Japan? It simply does not make sense to me. In fact, I do not think it is right. General Eisenhower, himself, says from his observation and experience that they would not be very desirable as police or occupational troops. We have medical reports and other reports from our own Army officers in Germany that reflect accurately the conditions that our young servicemen face. In one section more than 420 out of a thousand were afflicted with syphilis or gonorrhea and the average was more than 200 to the 1,000 and there are many other undesirable conditions that would likely affect the morals and the health of our boys. We have heard much from our own chaplains and officers of conditions in Japan. The only way that we can keep our young boys from being subjected to these conditions is to vote for amendments before us to exclude the 18- and 19-year-old boys from the draft. I cannot, for the life of me, understand the insistence of drafting these 18- and 19-year-olds.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to my friend from Iowa.

Mr. JENSEN. I am afraid that one reason why they are sending those 18- and 19-year-old boys for the policing is for the simple fact that they cannot strike back at those who impose this service on them. They are not old enough to vote.

Mr. ROBSION of Kentucky. That is true, that they are not voters except in one or two States of the Union. Furthermore we do not need to draft these boys, or the fathers, or strip the farms of needed workers.

Maj. Gen. H. N. Gilbert, Chief of Army Personnel Procurement, announced that we would likely have a million volunteers by the end of June 1946. If the Senate passes the pay bill I feel sure that General Gilbert's prediction will be fully realized. He points out that up to some days ago the Army had accepted 737,144 volunteers in 7 months, and he states that this is the largest volunteer army ever raised by any nation at any time. All of these things point unerringly to the conclusion that by July 1,

1947, we will have all the men and more, too, than is necessary to meet the quota insisted upon by the War Department of 1,070,000 men.

UNWILLING TO RELINQUISH POWER

To recapitulate—the Navy and Marine Corps do not desire extension of the draft. The Army sets its outside limit at 1,070,000 men as of July 1, 1946. We have approximately 2,400,000 men still in our Army. We are taking in volunteers on an average of 105,000 a month without any increase in pay. This likely will be greatly increased when the Senate acts on the pay bill. General Gilbert—and he ought to know—asserts that the 737,000 volunteers of the last 7 months will be increased to 1,000,000 by June 30, 1946.

The Army proposes to discharge, they say, 600,000 fathers and others who are entitled to be discharged, on July 1, 1946. This will still leave us hundreds of thousands more men than the Army say they expect to have on July 1, 1946, and then we will have 12 more months to secure at least another 1,000,000 or more of volunteers.

This administration refuses to surrender any of its wartime powers. They refuse to recognize that the war is over. They want to keep their hands on the American people and all of their activities and also to keep their hands on the youth of the land. They insisted that they must have these 18- and 19-year-olds to win the war, and now they must have them to police the world and win the peace. Power breeds power.

The House today must assert itself and take the hands of the administration off these boys, the fathers, and the needed farmers, and the Congress and the country as a whole must assert themselves and insist that the extraordinary war powers must be surrendered and the people given a chance to resume their peaceful and constructive pursuits. We can blame this inordinate demand for power and more power for the discord and chaotic conditions at home and abroad.

It is unthinkable for the House of Representatives to knuckle down and at the point of the gun surrender its constitutional right to consider and amend, if they think it proper, this resolution and the Draft Act. The Members of this body are no less patriotic and are no less interested in the welfare of our Nation than are the Members of the other body. Let us express ourselves in no uncertain terms. The majority on the amendments to this resolution should be overwhelming. The Senate will have all day, May 14, to consider and adopt these amendments. They are so manifestly fair. But we are told by some of the distinguished Members of the House and by others that we must draft these boys in order to take care of the commitments made by the administration in various parts of the world. Let me say to those who make this claim that we owe a duty to these boys, their parents, to these fathers, and their wives and children, and to these needed farmers, and the amendments that are proposed here will fulfill our duty.

Some of our colleagues say that they are going to have a roll call and put us on record. I shall be anxious when my name is called to vote "yes," and with the full approval of my own conscience.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, we are all for national defense. The question is just what is the best national defense. Just how much national defense do we as one of the so-called 50 peace-loving nations need?

The Committee on Military Affairs recently brought in a bill and a report. In that report they stated that the Army wanted and needed 1,070,000 men. Well, the Army still recently had 2,673,000. In place of asking for more men, they ought to discharge at least 1,500,000 of the more-than-needed men they have at present.

Of these 2,673,000, at least 700,000 are enlistees and at least another 600,000 draftees since the war with Germany ended. In addition, I am informed the Army rejected about 400,000 who attempted to enlist, because of flat feet and other unreasonable requirements and restrictions. So the Army could discharge all of the servicemen inducted prior to the surrender of Germany, and still have more than enough men left to make up the 1,070,000.

Just why all this rush of taking the teen-age boys from the farms and the colleges? Just what is the best national defense against the atomic bomb? If it is scientific training, surely these teen-age boys can get that better in colleges than in military camps.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. If the Congress today would stop the draft and say that it is not necessary in the national defense, they would lose one of the cutest little arguments they have for the British loan, and I think that is one reason this bill is here.

Mr. LEMKE. I am aware that some people want to give our America's shirt to a nation that is far richer than we are, but I am not interested in that subject just now.

Just what is national defense? I submit that the taking of more farm boys and farm help from the farms in this critical shortage of food is not national defense, but national destruction. We realize that in order to keep the armies going the farmer had to work his children and old folks from 14 to 18 hours a day. If he had lived in a city, he would have been arrested for violating the child labor laws and cruelty to the aged.

Recently while in North Dakota I saw scores of teen-age boys taken from the farms where their services are sadly needed, and sent to Army camps. I am aware that General Hershey says that North Dakota had more farm deferments than any other State. My answer is that a little knowledge, even on the part of General Hershey, is a dangerous thing.

The general forgot that North Dakota is entirely agricultural, that it is fast becoming the first State in the Union in producing agricultural products. He forgot that out of 680,000 inhabitants, 119,000, most of them from farms, left the State and engaged in war work. They have not and will not return. He forgot that the average North Dakota farm consists of 494 acres as against 150 in Iowa and 80 in Illinois. There are different factors in different States. But there can be no difference of opinion that the world needs food and needs it urgently.

The war disarranged our entire economic structure. Yet that is but a small part of the price we paid. We have lost about one-half of a generation of people. No wonder the servicemen are on the verge of mutiny. The place for a young married man is with his wife and children. The place for a single serviceman is back home renewing his acquaintance with the girl that waited.

In conclusion, if we must continue the Selective Service Act, then let us continue it, but prohibit any further induction until October 15 or until further action of Congress. That will give the Senate time to consider the House bill. It will give us time to find out what is national defense and what is blind and senseless national destruction.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, in a few minutes the committee will start to amend this resolution. Amendments will be offered to the resolution and some should be accepted. After listening to the arguments for the last 2 hours, I am certain no one in the House is very happy about the resolution that has come from the other body. I wonder if we cannot arrive at some common ground and find a solution of our differences and the unusual situation in which we now find ourselves. I understand an amendment is to be offered by the gentleman from Pennsylvania [Mr. SHERIDAN] and the gentleman from Missouri [Mr. SHORT]. Amendments which stop drafting 18- and 19-year-old boys and the drafting of fathers should be adopted. This House passed on these provisions. The vote was better than 2 to 1 for these amendments adopted a month ago.

Many Members of the House are hesitant about marching up the hill, and sort of marching down again. It has placed many of us in a very embarrassing position. Members who would like to see the draft continue were hopeful and felt that the other body should have taken some very definite action before this time. It has been suggested that the other body would not have time to act upon any changes that might be placed in this resolution I submitted to the Committee. It took about 5 minutes for them to send this resolution over to us. If we see fit to place some amendments in the resolution, the amendments to be offered by the gentleman from Missouri and the gentleman from Pennsylvania, they will have an opportunity to act on them tomorrow and they can take 2 or 3 hours instead of 5 minutes. I am convinced in my own mind that the

draft is no longer needed. I am convinced that the military can get all the men they want under a volunteer system, and particularly if the other body would pass the pay bill which this House passed some time ago to increase the pay of enlisted men and then make a concerted effort to get these men to voluntarily enlist in the Army.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. SHORT. I am very happy that the able gentleman from Nebraska brought out that significant point which I am sure many Members might not have heard clearly. The gentleman from Kentucky [Mr. ROBSION] said that 50 young men told him when he was back in his district during the Easter recess that they were going to volunteer as soon as the pay bill was passed. The House has already passed the pay bill and, as the gentleman from Nebraska suggests, if the other body passes it and it becomes law, then there will be less need than ever for the continuation of the draft.

Mr. MILLER of Nebraska. I am certain that the gentleman from Missouri is correct. You know that a handcuffed and impressed army is not a good army. If you take these 18- and 19-year-old boys and continue to put them into the Army, they will not make good policemen nor the best soldiers.

I know that those gentlemen at the head of the Military Affairs Committee, who will follow me on the program, will make an impassioned plea that this bill must be passed as is tonight or things will be bad in this country tomorrow.

I do not want to approach it in the form of hysteria. This House ought to take deliberate action and not march down the hill from the action we took a few weeks ago. If you want to take out the draft holiday, I have no objection to that, but certainly we ought to be consistent. As I have said, in my opinion, the draft is no longer needed. We can get sufficient men under the voluntary-enlistment method by increasing the pay and making service in the military more attractive.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. MILLER] has expired.

Mr. SPARKMAN. Mr. Chairman, I yield myself the remainder of the time.

Mr. Chairman, I have listened to this debate with a great deal of interest. I want to say that I agree with everyone who has said something critical of the manner in which this legislation is thrown back at us. I resent it just as much as any one of you may. Yet at the same time I believe we ought to be realistic and recognize the conditions that exist.

We all know that about the time we sent the House proposal to extend the Selective Service Act over to the Senate the British loan was under discussion. We know further that that was just finished at the end of last week. We know further that when it was finished there was a great clamor, not only there but among the Members of this House, in fact among many of those who have spoken this afternoon, and all over the country, urging the Senate to take up labor legislation; take up action on another bill that we had sent over there some time ago, the so-called Case bill.

We know something of the maneuvering that had to be done in order to finish up the British loan. We know that an arrangement was worked out ahead of time; that the next order of business would be the labor bill. I dare say that had the Senate not taken up the labor bill a great many of those who have been criticizing it this afternoon would have criticized it very bitterly for not taking up that particular measure. I think we should remember those things when we consider the situation in which we find ourselves.

I was not in favor of the kind of draft bill we sent to the Senate. It is true we sent it there by a tremendous vote, 290 to 108. But let no one believe that that represented the feeling of this House. That was the final vote by which the bill was kept alive. A great many of us, such as myself, voted for that bill on final passage, although I voted against both of the disabling amendments that were in it. The bill that we sent there was a demobilization measure. Even if the Senate could act on that measure by midnight tonight, is there anyone who believes that the conferees could agree and get a report back to the respective bodies in time to have it signed by the President by midnight tomorrow? It is utterly impossible. As a matter of fact, under the rules of this House, a conference report has to lie over a day, and a single objection could prevent bringing up that conference report. Oh, they say, "Let us amend this bill and send it back to the Senate." Now, let us look at the real situation. What would happen? It would go back to the Senate. The majority leader would ask unanimous consent to lay aside temporarily the pending legislation and to take up this amendment that we had sent back over there. Again it would be at the mercy of a single Member of the Senate. If they failed to agree and asked for a conference and came back to the House, a single Member could prevent a conference from being held. Again, under the rules, it would have to lie over a day.

I want to say this, looking at this thing realistically, there is no practical manner in which we can extend the Selective Service Act beyond midnight tomorrow except by adopting this resolution that is before us without any amendment. If we do not adopt it, at midnight tomorrow Selective Service dies, the boards go out of existence, the employees go off the pay rolls, the volunteer workers cease to be connected with it any longer, the machinery stops, and there is no way under the sun regardless of what has been said here, by which reemployment rights can be insured to all of those returning veterans after midnight tomorrow.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. VURSELL. Being realistic about the matter, does the gentleman think that if we were to amend this bill for instance so that we inserted the date "June 5" instead of "July 1," which would give the Senate 15 or 20 days to act, that would untangle the situation?

Mr. SPARKMAN. No; I do not. To begin with it would be subject to the decision of a single Member of either body.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. Briefly.

Mr. H. CARL ANDERSEN. I recall to the gentleman's mind the fact that just the other day the majority leader of the Senate thought so little of our bill that he said the British loan must come first whether the draft were extended or not.

Mr. SPARKMAN. Of course, the thinking of the majority leader in the Senate does not establish my thinking; and whatever he may have said does not excuse us for any inaction of which we may be guilty.

Something has been said about the working of the volunteer system. It is true that we did get 15,000 for each week during April, but I want to call your attention to how the number of volunteers has been decreasing from month to month. Our heaviest month for volunteers was in November of last year. In November 1945 we had nearly 185,000 volunteers. But listen to how the number has fallen off month by month: December, 131,000; January, 113,000; February, 93,000; March, 73,000; April, 63,000. You can see where that curve is leading, it is leading to a dangerous situation.

I say again this is stopgap legislation and I want to say to you that if it is adopted I shall be greatly disappointed if the other body does not take up the bill we sent over there and try to work out a decent established policy by which we are to be governed over the months for which the act will be extended. I do not mean that they will wait until June 30, but I mean that within the next few days they should take it up. I regard this as purely stopgap legislation.

I want to say to you, however, that if this resolution is not agreed to by this House then the draft dies and those boys, 600,000 of them, who are in there already more than 18 months are going to stay there; they cannot come out, that is all there is to it; and those 120,000 fathers who are in there are going to stay there beyond July 1; they cannot come out, that is all there is to it. We may as well face the real situation.

A great deal has been said about taking these boys who are in school and who have been deferred to go to school. I do not think anyone has tried harder to protect our educational system and our educational welfare during this war than I have. I supported the amendment to defer boys in schools and colleges. I supported every amendment looking toward maintaining our educational standards during this war. Goodness knows, I hate to see a boy who has been deferred to go to school being taken out. I know what it means to him. But we have been taking these 18-year boys who were not able to go to school, we have been taking these 18-year old boys who have already graduated from high school, we have taken them and they are doomed to stay in the Army for 2 years or more if we do not pass this resolution.

The CHAIRMAN. The time of the gentleman from Alabama has expired. All time has expired. The Clerk will read the Senate joint resolution for amendment.

The Clerk read as follows:

Resolved, etc., That section 16 (b) of the Selective Training and Service Act of 1940, as amended, is amended by striking out "May 15, 1946" and inserting "July 1, 1946."

Mr. SHORT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHORT: Strike out all after the enacting clause of Senate Joint Resolution 159 and insert the following:

"That so much of the first sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso is amended to read as follows:

" 'SEC. 3. (a) Except as otherwise provided in this act, every male citizen of the United States, and every other male person residing in the United States, who is between the ages of 20 and 30, at the time fixed for his registration, or who attains the age of 20 after having been required to register pursuant to section 2 of this act, shall be liable for training and service in the land or naval forces of the United States: *Provided*, That so much of the second sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso in such sentence is amended to read as follows: "The President is authorized after, and not before, October 15, 1946, to select and induct into the armed forces of the United States for training and service, in the manner provided in this act, such number of men as is required for such forces to bring them to the strength authorized by the Congress, and no monthly requisitions for men shall be made on selective service by either the Secretary of War or the Secretary of the Navy between May 15, 1946, and October 15, 1946, and thereafter only with the approval of the President." '

"SEC. 2. The fourth proviso of the second sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows: '*Provided further*, That on July 1, 1947, the number of men in active training or service shall not exceed 1,070,000 in the Army, 558,000 in the Navy, and 108,000 in the Marine Corps; and the monthly requisitions on selective service under this act by the Secretary of War and the Secretary of the Navy shall not exceed, after consideration of the actual number of voluntary enlistments during the previous month, the number of men so required.'

"SEC. 3. Section 3 (b) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

" '(b) Each man heretofore or hereafter inducted under the provisions of subsection (a) shall serve for a training and service period of 18 months, unless sooner discharged, with the exception of cadets of the Military Academy and midshipmen of the Naval Academy who have been certified by the Secretary of War or the Secretary of the Navy to have completed successfully 18 months of satisfactory service.'

"SEC. 4. Section 5 (e) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

" '(3) After May 15, 1946, no individual who has a child or children shall be inducted without his consent for training and service under this act. As used in this paragraph the term "child" includes a child legally adopted, a stepchild, a foster child, and a person who is supported in good faith by the individual in a relationship similar to that of a parent and child but such term does not include any person 18 years of age or over unless such person is physically or mentally handicapped.'

"SEC. 5. Section 5 (k) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

" 'In carrying out the provisions of this subsection the local selective-service board in classifying the registrant shall base its findings solely and exclusively on whether the registrant is necessary to and regularly engaged in an agricultural occupation or endeavor.'

"SEC. 6. Section 16 (b) of the Selective Training and Service Act of 1940, as amended, is amended to read as follows:

" '(b) All of the provisions of this act, except the provisions of sections 3 (c), 3 (d), and 8, and the fourth proviso of the second sentence of section 3 (a), shall become inoperative and cease to apply on and after February 15, 1947, or on such earlier date as may be specified in a concurrent resolution of the two Houses of Congress for that purpose, except as to offenses committed prior to such date. On February 15, 1947, or on such earlier date as may be specified in such concurrent resolution, all of the functions, responsibilities, records, and property of the Personnel Division of the Selective Service System shall be transferred to such agency of the Federal Government as the Congress may designate, or, if not so designated, to such agency of the Federal Government as the President may prescribe.' "

Mr. ANDREWS of New York. Mr. Chairman, I make a point of order against the amendment just offered by the gentleman from Missouri on the ground that the exact language in another bill has been acted on favorably by the House.

The CHAIRMAN. The Chair states to the gentleman from New York [Mr. ANDREWS] that that is a matter for the committee to pass on, not the Chairman. The Chair overrules the point of order.

Mr. SHORT. Mr. Chairman, there is very little more I can say. I made my position clear when I spoke in general debate. At that time I pointed out the seven different things which the House bill stood for:

First. It exempted 18- and 19-year-old boys from induction;

Second. It declared a holiday on inductions from May to October of this year;

Third. It established the size of our armed forces;

Fourth. It established the length of service not to exceed 18 months;

Fifth. It exempted fathers;

Sixth. It deferred real farmers; and

Seventh. It set the date of expiration of the act.

It has been said here this afternoon that this is stopgap legislation. I suppose that is a good name for it. But how wide is the gap? The gap is extended from May 15, day after tomorrow, from midnight tomorrow evening, until July 1 or for 6 weeks, until 200,000 teen-age high-school boys in this country become eligible and are inducted.

If this is such an important measure, if the life of our Nation is at stake, if the failure to accept the Senate joint resolution will spell doom for this Nation, why in the name of common sense was not the resolution brought in before the eleventh hour? Only last Friday was it brought in, only 3 days have we had this joint resolution to consider. And the House was not in session on Saturday and Sunday to publicly debate it. The other body has had the House bill for a whole month to consider, after that bill had been considered by your House Committee on Military Affairs for weeks, listening to long, controversial testimony debated on the floor and passed by a majority of 2½ to 1.

Mr. Chairman, if the Committee passes the amendment I have offered it will stop debate on other amendments that will be proposed here tonight, perhaps every amendment that has been included in the House bill, along with other amendments. I do not know how long we will be kept here, and I do not care, but if the Committee adopts the amendment I have offered it will close debate on other amendments, it will send this bill back to conference, it will serve notice on the other body that we mean business. It will give us time, it will avoid even a conference if the Senate will accept it, the law will be continued and all the benefits of these discharged veterans will not be denied as has been suggested.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. Does the gentleman have any assurance that if we pass the Senate resolution that on or about the 28th of June another stopgap resolution will not come back?

Mr. SHORT. I do not have that assurance nor does the gentleman from Oklahoma or anyone else. I do know, however, that if we accept the Senate resolution we will continue in force not this bill we passed a month ago, but the original Draft Act that will make eligible all these 18- and 19-year-old boys in this country, 200,000 of them, graduating within the next 3 weeks.

It seems to me that there was some conniving somewhere, I will not say where, to put this off, in order that these men might be inducted, and that the voice of this House which is equal, I think, in importance, to any other branch of the Government, shall not be heard. I agree with my colleague, the gentleman from North Carolina [Mr. BARDEN] that the time has come when the Members of this body should rise, not in anger, but in righteous indignation, to defend the dignity of this House, its privileges and prerogatives, instead of yielding to these reprehensible parliamentary tactics and dilatory maneuvers of infinite delay.

Mr. BROOKS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment which is presented now is a very clever parliamentary maneuver which would seem to, on its face, perhaps offer possibilities. I want to call attention to several things, however, that would happen in the event this amendment is adopted by this House today. The first thing that I would call to your attention is the fact that H. R. 6064, which is the amendment, is in itself an amendment throughout to the original draft bill. Naturally, if the draft law itself expires tomorrow night at midnight then we are presenting to the Senate for consideration tomorrow a bill which, unless it is enacted by tomorrow night, will in itself be a dead-letter law.

For instance, the first paragraph of it amends section 3 (a) of the Draft Act. Naturally, if the Senate waits until day after tomorrow, or if it waits until tomorrow night after 12 midnight to pass this resolution which we send back, it in effect will then attempt to amend a law which has already gone off the statute books by its own limitations.

What does that mean? Take, for instance, the status of the draft boards. There are some 68,000 of them. The commissions issued to the members of the draft boards would automatically be dead. They will have to be reissued. Employees will have to be reemployed. The records which they have had, many of which are confidential under the draft law, become whose property? I do not know. Personally I have been very much against closing a great department of the Government such as the Selective Service System by simply letting it run out without providing for its orderly liquidation. Surely this organization has property which is worth protecting. Surely the records must be conserved and protected and put into the archives. Surely some provision ought to be made for the reemployment rights of its own employees, much less the reemployment rights of the veterans who have already come out of the service, and who will come out of the service in the next month or two.

Mr. Chairman, it might be said, "Well, we can pass another bill and take care of the reemployment rights of the veterans." But can you pass a law, Mr. Chairman, in such a case and make that law retroactive? What position will the employer take in the event 30 days from now we pass a resolution and say that "we hereby reinstate the reemployment rights of every veteran who has been discharged since the draft law went off the statute books"? Will he be compelled as a matter of law to reemploy a veteran when there is no law on the books requiring him to reemploy that veteran? Will he be compelled to say, "Yes; I will accept the law as retroactive and go back and reemploy the veteran, because the law subsequently passed attempts to make the reemployment rights effective back to an earlier date"?

So I say, Mr. Chairman, I think there are a number of very serious questions which will arise out of this amendment. I view this resolution as purely a stopgap resolution. I favored some of the amendments which were placed in the bill H. R. 6046, and some parts of the bill I did not favor. I supported the bill H. R. 6046, which was a House bill which we sent to the Senate. The Senate has its rules, and under its rules it did not get around to this bill which we sent to them, we all think in ample time. I think, Mr. Chairman, as a Member of the House, that we ourselves have been a little subject to criticism in this respect. We had one full year in which to take up and pass a bill extending selective service if it were the desire of the House of Representatives to take this action. We waited not until the last 6 months, not until the last 3 months of that year; we waited until the very last month of that year, and then we brought into the House a bill which this House debated for 4 or 5 hours of most vitriolic debate here on the floor of the House of Representatives, and finally sent to the Senate the bill H. R. 6046 as a completed measure.

Mr. Chairman, again I say I view this resolution only as a stopgap piece of legislation. I would not be in favor of it otherwise. I am afraid the entire Selective Service System will fall into the discard without this measure. I am afraid any amendments whatsoever attached to it will not be acted upon in time to prevent the original act itself from passing out of existence, and with it the right for reemployment of hundreds of thousands of our veterans. These are all matters requiring thought and consideration; and I do not think the Senate should rush through these matters any more than it should rush through other important legislation. Passage of this measure will give the Senate 6 weeks more time; and during this period many, if not all, of the salutary features of the House bill may be accepted by the Senate.

Mr. RANKIN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it is not necessary for a Senate committee to hold long, extended hearings on this proposition. The House committee has already held those hearings. The measure was debated here in the House at length. We know what it is about.

My distinguished friend from Louisiana says the Senate will have to pass it in a day if we send it back. That is what the Senate is asking us to do in a day. The Senate can legislate as fast as we can.

For my part, I think we should pass a resolution, as we did before, to declare the war at an end. American boys have won this war, American ingenuity and American enterprise, and the American taxpayers have supplied the sinews of war. The American people want to get back down to earth and get back to business, and here we are with this resolution that will disturb the mothers and fathers and the young men who are trying to go through school today.

Mr. KLEIN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. KLEIN. The gentleman says that Americans of all kinds have won this war. Does that mean Americans of all religions, including Jews and colored people?

Mr. RANKIN. The gentleman from New York is the last man on earth who ought to ask that question. If he does not know, I am not going to begin to try to educate him.

I am for this amendment, and I think it should pass, and the Senate should accept it without reservation.

I will say to the gentleman from New York [Mr. KLEIN] that those Baptists, Methodists, and Presbyterians, and other white gentiles, the Communists in New York are attacking, shed their blood in this war. The God-fearing Christian men and women of this country sent their sons to fight and die in this conflict, and it is about time those alien-minded, as well as the foreign-born, atheistic Communists in New York stopped attacking them.

When we get through with this measure we ought to pass a deportation law to send those Reds back where they came from.

Why should we wait for Members of another body to get down out of the international stratosphere and get their feet on the ground, get some good old American dirt between their toes? Let us pass this amendment and send this resolution back to them as amended.

That meets the approval of the American people. The Senate will pass it almost unanimously with hardly a dissenting vote.

I remember we had this situation after the last war. They tried to continue the war indefinitely. We had some international moon gazers in those days. Some fellows thought we were going to find safety, happiness, and prosperity for our country beyond the seas, along the Thames, the Volga, or the Rhine. When as a matter of fact we are going to find safety for our country only in the strength of the American people.

A resolution was brought to the floor of the House in 1921, almost 3 years after the fighting ceased, to declare the other war at an end. It passed on a roll call by 307 to 61.

I have a resolution in now to declare this war at an end. If you vote down this amendment and continue the draft, you will continue to drag these teen-age boys out of school, and continue to disturb mothers and fathers of this Nation.

We have already passed a law to raise the pay of the members of the armed forces. If the Senate passes it, we will get all the men we need. Then we can bring those boys home who desire to come.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. GREEN. If we were to pass this amendment, would it not be similar to the bill which passed the House?

Mr. RANKIN. It would be the same bill.

Mr. GREEN. May I ask the gentleman how he voted on the bill which passed the House?

Mr. RANKIN. I voted for it.

I will ask the gentleman if he voted for it.

Mr. GREEN. I voted for it.

Mr. RANKIN. Then the gentleman agrees with me that we should adopt this amendment?

Mr. GREEN. No; I do not.

Mr. RANKIN. Then the gentleman has changed his mind?

Mr. GREEN. No; I have not changed my mind. I voted against some of the amendments, and I voted to send the bill to the Senate so it could be corrected.

Miss SUMNER of Illinois. A lot of people want to keep this country in a state of war because they can make a lot of money.

Mr. RANKIN. The best thing we can do is to adopt this amendment offered by the gentleman from Missouri.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WALTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, during the month preceding the attack at Pearl Harbor, when we were attempting to provide some semblance of protection, we were asked frequently by the gentleman from Missouri to follow him. The gentleman from Missouri insisted that we did not need airplanes when it was perfectly apparent to everyone that sooner or later we would be attacked. The gentleman from Missouri contended that it was not necessary to have a draft law when everyone knew that there would not be volunteers in sufficient numbers in order to make our safety complete. The gentleman from Missouri opposed every step taken which was necessary to defend ourselves. Thank goodness, we did not follow the gentleman from Missouri. I trust we will not follow the gentleman from Missouri today.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I will be very glad to yield to the gentleman.

Mr. SHORT. The gentleman has made some statements that are absolutely untrue. He says I stood in the well of the House long before Pearl Harbor and made certain statements. In a day or two I am going to quote from those speeches for the benefit of the gentleman from Pennsylvania.

Mr. WALTER. Mr. Chairman, I decline to yield further. I stated that the gentleman from Missouri contended we did not need an air force.

Mr. SHORT. I never contended that.

Mr. WALTER. He opposed that measure. He also opposed the draft bill.

Mr. SHORT. How many Democrats opposed it also?

Mr. WALTER. I do not care how many. Thank God I was not one of them. Mr. Chairman, I decline to yield further.

Mr. SHORT. You claim that every bill you recommended was for peace.

Mr. WALTER. If we had followed the gentleman from Missouri during that hour of dire peril, I know where we would be today. I would like to call the attention of the House to something I heard the Secretary of State say in testifying before the Pearl Harbor Investigating Committee. Cordell Hull said that he always had the feeling when he was dealing with Nomura and the other Japanese diplomats that they were looking over his shoulder in order to see what he had behind the strong words that he was giving them. Bear this in mind; the shooting is over but the war is not over. We stand to lose all of those things that many of us fought for. We stand to lose today that which we lost after the last war, because we did as my friend from Mississippi boasts we did. We declared the war to be ended too quickly.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I decline to yield for the moment.

It seems to me that we ought to be practical about this matter. Let us place in the hands of our diplomats the only thing that the nations of this world understand. If they feel we are not going to back up our diplomats and statesmen, what are they going to think when we tell them what we expect them to do with respect to territory aggressions in this world? What will their attitude be when we insist on certain things being done? They will laugh at us, because they know we will do nothing but talk and carry toothpicks.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield.

Mr. RANKIN. I will say to the gentleman from Pennsylvania that I went along and voted for every measure to support the war effort.

Mr. WALTER. Yes. Now I decline to yield further.

It seems to me that the least we can do is to keep the draft law alive. That is all the Senate resolution provides. Then we will have 45 days in which to write the kind of legislation that probably will be necessary.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the matter before us today is one which involves the national interest of our country and which is directly connected with the national safety of our country. I say those words deliberately.

As we sit here, elected by our constituents, charged with the responsibility of voting our conscience as legislators, not our fears, thinking of the future and not the next election, thinking of the years in the future, we see around the world many things happening which ought to cause us to pause and hesitate for a moment and reflect, and which ought to cause us to feel somewhat disturbed. We should realize the importance of continuing this law beyond midnight tomorrow night. I think it is pretty generally agreed by all Members, whether they agree on 18 years or 20 years for induction, that some kind of a selective service law should be extended for another year.

I am not going to get into a discussion of 20 years or 18 years on this occasion, but I am going to stress if I can the necessity of action before tomorrow night at 12 o'clock. I recognize that some Members might justifiably feel they should not be placed in this position, but the fact is that the situation exists, and the interest of the Nation calls for an extension of the Selective Service Act. The Senate has passed this resolution, and it is before us.

If any amendment is adopted to the resolution, as I see it, this means that the selective-service law on the statute books at the present time expires tomorrow night at 12 o'clock. The gentleman from Alabama [Mr. SPARKMAN] has ably and pointedly presented the reasons why this is so. It would be impossible to have any action taken by the other branch and certainly a conference committee by tomorrow; and, automatically, if this resolution is not passed without amendment the law expires tomorrow at midnight.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. RANKIN. I wish to say to the gentleman from Massachusetts that if we adopt this amendment offered by the gentleman from Missouri the Senate will agree to it in less than an hour.

Mr. McCORMACK. I seldom agree with the gentleman from Mississippi——

Mr. RANKIN. I know that.

Mr. McCORMACK. And I must be frank in stating that this is one time I sharply disagree with him.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. GREEN. When I had the disagreement with the gentleman from Mississippi I was a little uncertain as to how he voted. On the day we voted on this bill the gentleman from Mississippi voted "no" and then went down to the well and changed his vote to "yes."

Mr. RANKIN. I said I voted for the bill.

Mr. McCORMACK. Let us not get into that.

Mr. GREEN. The gentleman asked me if I changed my vote. The gentleman changed his mind and vote the day we voted and should be the last one to question anyone on changing his mind.

Mr. RANKIN. A Member can always change his vote at the proper parliamentary stage. When I found I was in error, of course I changed my vote.

Mr. McCORMACK. I am wondering, Mr. Chairman, in the crisis, in the situation that confronts us now, with tomorrow midnight the deadline, how twelve or eighteen million young men are going to feel who wore the uniform in actual wartime. We are considering extending in the national interest of the country until July 1, because of the situation that exists legislatively, a law that is necessary in the national interest of our country, with a little over 100,000 involved, with 600,000 in uniform now who are under 20 years of age.

I hope the amendment and all amendments will be defeated.

Mr. ANDREWS of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall not take 5 minutes. I believe every man in the House knows how he is going to vote on this amendment and on the bill. I do not see any reason for delaying the vote, no matter who chooses to speak to us.

But I do feel that unless we adopt this resolution as it is, that it is the end of Selective Service. In the second place, if we adopt the amendment offered by the gentleman from Missouri with the restrictions and limitations it carries Selective Service is dead.

So the issue is clear. I ask only one thing. Let us all be recorded. I want to be recorded so that I will be on the record of the family of every man who served in this war.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. SHORT].

The question was taken; and on a division (demanded by Mr. SHORT) there were—ayes 124, noes 151.

Mr. SHORT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SPARKMAN and Mr. SHORT.

The Committee again divided; and the tellers reported that there were—ayes 128, noes 160.

So the amendment was rejected.

Mr. SHERIDAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHERIDAN: After line 5, insert the following: "Section 5 (e) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

"'(3) After May 14, 1946, no individual who has a child or children shall be inducted without his consent for training and service under this act. As used in this paragraph the term "child" includes a child legally adopted, a stepchild, a foster child, and a person who is supported in good faith by the individual in a relationship similar to that of a parent and child, but such term does not include any person 18 years of age or over unless such person is physically or mentally handicapped.'"

Mr. SHERIDAN. Mr. Chairman, this amendment is the amendment to prohibit the further induction of fathers and those who have children in the status of a child or a physically handicapped dependent.

Mr. THOMASON. Mr. Chairman, will the gentleman yield?

Mr. SHERIDAN. I yield to the gentleman from Texas.

Mr. THOMASON. I do not recall if the gentleman from Pennsylvania was present, but I am certain that General Eisenhower testified before the Committee on Military Affairs that no fathers are now being drafted and that he did not propose that any would be drafted.

Mr. SHERIDAN. But we are making that mandatory under the law with this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SHERIDAN].

The question was taken; and on a division (demanded by Mr. SHERIDAN) there were ayes 132, noes 128.

Mr. SPARKMAN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. SPARKMAN and Mr. SHERIDAN.

The committee again divided; and the tellers reported that there were—ayes 139, noes 127.

So the amendment was agreed to.

Mr. SHERIDAN. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. SHERIDAN: After line 5, insert the following section:

"So much of the first sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso is amended to read as follows:

"'Section 3 (a). Except as otherwise provided in this act, every male citizen of the United States and every other male person residing in the United States who is between the ages of 20 and 30 at the time fixed for his registration, or who attains the age of 20 after having been required to register pursuant to section 2 of this act, shall be liable for training and service in the land or naval forces of the United States.'"

Mr. SHERIDAN. Mr. Chairman, this is the amendment that was adopted in H. R. 6064, restricting the induction of the 18- and 19-year-old boys. It restricts future induction of those between the ages of 20 and 30.

I hope it is agreed to.

Mr. SPARKMAN. Mr. Chairman, I rise in opposition to the amendment.

I want to call the attention of the Committee to the remarks that I formerly made in Committee of the Whole during general debate, when I stated that if we adopt amendments to this resolution we might as well count selective service as dead. We have just adopted one amendment in Committee of the Whole, on which I certainly hope we shall have an opportunity to go on record in the House. It is an amendment that simply provides that that shall not be done that is already carried into effect by regulation. Not a single father has been inducted since VJ-day, and the regulation is on the books today. Yet, by adding this amendment you have created a legislative situation that kills Selective Service. The vote that is put in the RECORD when the roll is called will determine whether or not you want to keep Selective Service alive in any shape whatsoever.

The present amendment seeks to eliminate the 18-and 19-year-old groups. We thrashed that out in the House when H. R. 6064 was under consideration. The House decided in favor of eliminating those age groups, and it is now in the bill that is pending in the Senate. But again, if we add that amendment here, we are simply killing Selective Service. We can laugh as much as we want to, but we all know the rules of the Senate. We know that whereas we operate under the 5-minute rule here, they do not. We know that it is impossible, upon the objection of a single Member of that body, to lay aside pending legislation and take up any matter such as this, to send it to conference or to agree to amendments. Therefore, we may reasonably expect that this resolution will not be taken up in the Senate on tomorrow and that no action will be taken on it.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. In just a minute.

If that action is not taken, Selective Service is dead. I am not arguing as to the merits of changing the age limits. Personally, I am against it, simply because we do not have enough in the brackets between 20 and 30 to supply the needs of the armed forces over and above what is contemplated will be received from voluntary recruitment. I am not at the present time however arguing the merits of this question; I am arguing simply the legislative situation which is this: That if we adopt amendments to this resolution we might as well write it off the books because it will die at midnight tomorrow.

Mr. THOMASON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I agree with my friend the gentleman from Alabama [Mr. SPARKMAN] when he in effect says if you are against Selective Service and want to see it pass out of the picture tomorrow night at 12 o'clock, it is fine to vote for this amendment, as we did the amendment just adopted.

Referring to the last amendment, I may say that there is not a single man in this House who does not favor the exemption of fathers from further military service, but it should not be forgotten that that was an absolutely futile amendment, because General Eisenhower and the Selective Service have not only testified but the records will show that they are not drafting one single father, and do not intend to do so. I believe the record will show further that they have not drafted one father since VJ-day.

We have to be realistic about this thing, we have to be practical about it. I sent down this morning to the Selective Service Bureau and asked for figures on the men between 20 and 30 years of age. I hold in my hand an official statement from Selective Service in which they made the requested reports from their directors in every State of the eligible men between the ages of 20 and 30. This gives it by States. I do not of course have time to read it in detail, but it shows that the total number of men all over the United States between the ages of 20 and 30 is 71,860; and approximately 50 percent of these registrants would be found physically and mentally unacceptable to the military service. Surely we can let this thing ride until the Senate, whether right or wrong in having sent us this resolution, has a chance to consider the bill we sent them. It just means that Selective Service is absolutely dead if we add any kind of amendment to this resolution. For the security of our country and the future peace of the world, I do not believe we can take that gamble. It is not a pleasant task but we must think of our country and its future above everything else. There will be great rejoicing in many parts of the world if Selective Service dies tomorrow night. I grant you we are confronted with an awkard and unusual parliamentary situation. I am no prophet and I can be mistaken, but it is my definite conviction that if this resolution is amended, then Selective Service is dead. I am not willing to take that chance.

Mr. SHORT. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Missouri is recognized for 5 minutes.

Mr. SHORT. Mr. Chairman, I have on previous occasions seen this House ignominiously surrender, but I have never witnessed a more pusillanimous capitulation than we have seen here this afternoon. You would think that we were honor and duty bound, slavishly and blindly to follow another body in this Congress, that we must accept without equivocation or evasion, without any mental reservation, anything that some august, infallible, and omnipotent body may send over here.

We have been repeatedly told that by adopting these amendments we would kill selective service. No such thing is true. It is just as easy for the other body to accept a measure on which we have held exhaustive hearings and

thorough debate as it is for this body cowardly to surrender and accept a resolution which that body passed in 5 minutes time. When, in the name of reason are Members of the House of Representatives going to stand up and defend their rights and protect the interests of their people?

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. RANKIN. The gentleman from Texas talked about the rules of the Senate. You ask any Senator over there and he will tell you they have only one rule and that is unanimous consent. They can pass this bill in 5 minutes if they desire to do so.

Mr. SHORT. I agree with my friend from Mississippi. I think they could do that. They demonstrate it often. They passed the present resolution in 5 minutes.

Before the Senate Committee on Military Affairs, Senator JOHNSON asked General Eisenhower if these 18- and 19-year-old boys made good policemen. General Eisenhower said, "I do not think they do."

Is there any Member of this body so naive, so gullible or inexperienced as to believe these men are qualified to make good occupational troops? Many of our Members have visited foreign countries; we have seen these boys in those countires and we have talked to them here at home. There is not a city council in all America that would employ them for police service. We all know they do not possess the mature judgment or the wise discretion that older men possess.

In fact, General Eisenhower stated before the Senate committee that for occupational duty in foreign lands he did not believe an 18-year-old boy is as good as the 25-year-old. Yet we are asked to accept here at the eleventh hour a resolution from another body to extend the time for 6 weeks. Why? I repeat for the third time this afternoon, it is nothing more than a surreptitious attempt by sabotage, by subterfuge, to come here under false pretenses in order that 200,000 high-school graduates within the next 3 weeks might be inducted into our armed forces. The fathers and mothers do not want it and I do not even think the Army officers want it. I have talked with many Army officers who fought on both the Pacific and the European fronts, and they will tell you in private conversation that the loss of morale as well as of morals among the young men in our armies abroad have injured them more than even the enemy did during the war itself.

Mr. Chairman, I sincerely and earnestly hope that the amendment offered by the gentleman from Pennsylvania will be adopted.

Again, if Members of this body will take the figures of the Army itself they will find that the draft is no longer needed.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the pending amendment was the main part of the amendment offered by the gentleman from Missouri [Mr. SHORT] which the Committee of the Whole defeated a short while ago. I hope we will not respond to some high-sounding phrases and an appeal to the emotional mind with reference to another body, august or otherwise, as indulged in by the gentleman from Missouri. The fact remains that Selective Service expires tomorrow night at midnight. That is an indisputable fact that we cannot escape. We might like to laugh it off, we might like to forget it, but time passes, and it is only a matter of a few hours until midnight tomorrow night arrives.

I am not going to discuss the last amendment because apparently it is being complied with by the War Department at the present time. I do urge the Committee of the Whole to defeat this amendment because if it is adopted I fear the situation will be such that we will not be able to get through legislation extending the selective-service law.

I am trying to appeal to reason and not to emotion. I am not criticizing the action taken on the last amendment. I do say that this amendment, if adopted, in my opinion, will be a harmful one. I do say that when you voted down the amendment offered by the gentleman from Missouri a short while ago, that the main part of it, the body of it, was the amendment that the gentleman from Pennsylvania has offered.

Mrs. LUCE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from Connecticut [Mrs. LUCE].

Mrs. LUCE. The gentleman from Missouri made the most astonishing accusation that I have ever heard made on the floor of this House which was to the effect that the leaders of our armed services are bent on sabotaging this country. It was my impression that General Eisenhower and our other military leaders are bent on protecting our country and safeguarding it.

Mr. McCORMACK. Pardon me. I might say, and I think the rest all agree, that they were bent on saving our country during the war. I quite agree with the gentlewoman on her observation after the war.

Mrs. LUCE. Will the gentleman be kind enough to explain the effect that the sabotaging of this resolution may have on the forthcoming peace conference? I gather that all the nations expect to meet in June, in Paris, and that one of the things that will be most effective toward securing just and lasting peace treaties is their knowledge that America is intent on keeping herself so strong and armed that she can prevent any other kind of peace treaties.

Mr. McCORMACK. I think the observation made by the gentlewoman herself is the best answer. I said in my previous remarks that I tried to convey some disturbing thoughts. We see over the horizon something coming. All right. Democracy is involved. We have got to have a dynamic democracy. We have got to have a militant democracy. We have got to have a strong democracy and we have got to have our country in a position where it can, in its own national interest, meet any crisis that might develop, and particularly in relation to laying a firm foundation for lasting peace.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. If the amendment is adopted, and if despite the dire predictions made here this afternoon, the Senate should agree to it, the selective service can begin drafting from the 50,000 pool that they admit they have between the ages of 20 and 30, and in the meantime, between now and July 1, this matter could be determined so that the other chamber will make up its mind about the 18- and 19-year-old boys, could it not?

Mr. McCORMACK. The gentleman is offering a hope. This is the main amendment offered by the gentleman from Missouri which we defeated, and I say if this amendment is adopted, the chance of an extension going through will be impaired.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this is the first time in many weeks that I have taken the well of this House to speak. I have been in constant attendance, however, listening to the arguments on proposals that have been made, and especially those made here today. I cannot conscientiously vote for any proposal that I believe will have the effect of destroying the Selective Service. However, I do not share many of the apprehensions that have been expressed this afternoon by some of the distinguished gentlemen who have spoken in opposition to the two amendments that have been proposed. I think we all lose sight of the fact that the matter which is before us is a simple resolution which extends the Selective Service Act until July 1, 1946.

Really, what we have before us is this. This body has gone on record overwhelmingly against the drafting of fathers and against the drafting of 18- and 19-year-old boys. Is not that true? Just a short time ago we so voted together with other things as amendments to existing law and sent it to the other body for action. For some reason they have not acted. They then passed this simple little extending resolution. They have our bill before them. They say, "We want until the 1st of July in order to act on your bill." What the House proposes doing is simply this—extend Selective Service until July 1, 1946, but in the meantime, between now and July 1, 1946, you shall not draft these 18- and 19-year-old boys and you sh'ant draft any fathers." Is not that what it amounts to?

Then the majority leader comes before us and says, "Oh, no; it is not proper for you to ask the Senate to do that, because the Senate has told us if we put any amendment on this resolution it will not have time to give it consideration before 12 o'clock tomorrow night, and, therefore, because it will refuse to consider the resolution passed by this House, selective service will die."

I cannot believe from my experience with Members of the United States Senate and from my contact with the Democratic leadership in the United States Senate that they are going to permit selective service to die by midnight tomorrow night. So, the very worst that can be expected, if you adopt these amendments that have been suggested, is that they will be in the law until July 1, 1946. That is all. In the meantime, the Senate will have an opportunity to pass upon the bill which the House has sent over and have a conference, and then we will have an opportunity to reach an agreement in the ordinary legislative way.

If I thought for one moment that the adoption of an amendment to this resolution would kill selective service, I would certainly vote against it, but it does seem to me, in view of the universal demand on the part of the people of this country that we stop the drafting of 18- and 19-year-olds, that we can afford to put this amendment in with assurance that the Senate will accept it for the period that we know ends July 1.

Mr. RANKIN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I was surprised to hear members on this floor express a lack of confidence in the Senate of the United States. I was surprised to hear my majority leader pound on this board and say that if we adopt this amendment the Senate would not act.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield right there?

Mr. RANKIN. I yield.

Mr. McCORMACK. I said I fear for action.

Mr. RANKIN. Yes. The gentleman expresses fear of the United States Senate. I do not have any such fear. The Senate of the United States is just as much interested in America and American boys as we are.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RABAUT. The last CONGRESSIONAL RECORD we have here is Friday's, May 10. The other body was not in session on Saturday, and they knew this was coming up today.

Mr. RANKIN. Certainly.

If we adopt these amendments, and they ought to be adopted, it is absolute nonsense to be dragging fathers of children from their homes and teen-age boys out of high school at this time; as I said, if we adopt them, the Senate will either approve them or pass the bill we sent them.

Mrs. LUCE. Mr. Chairman, will the gentleman yield for a question?

Mr. RANKIN. Yes; I yield.

Mrs. LUCE. I also have the greatest of confidence in the Senate of the United States as a whole, but I was given to understand that one dissident vote in the Senate could stall this legislation indefinitely.

Mr. RANKIN. I have the same confidence in the Senate of the United States that the Senate of the United States has in the House of Representatives. They took it for granted that we could pass this measure in a day, and I take it for granted they could do the same thing.

Mrs. LUCE. Mr. Chairman, will the gentleman yield for a question?

Mr. RANKIN. Yes.

Mrs. LUCE. Is it or is it not true that one Senator tomorrow could stall this legislation? That is the technical question I am putting.

Mr. RANKIN. I do not think so. I have seen the Senate operate. I will say to the lady from Connecticut that there has never been a legislative body on the face of the earth that could expedite legislation more rapidly than the Senate of the United States. Look how quickly they sent this measure over here to us. I have confidence in the Senate. I do not even entertain the fears of my distinguished friend, the gentleman from Massachusetts [Mr. McCORMACK]. When we send this measure back to the Senate, they will either accept these amendments or they will do the wise thing and just say, "Oh, well, let us pass the House bill and be done with it." That is what they should do.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Missouri.

Mr. SHORT. Does not the gentleman from Mississippi seriously fear that if we continue to draft 18- and 19-year-old boys, taking them out of high schools and colleges, this Nation in a few years will wake up with an acute shortage of doctors, dentists, technicians, and technologists, and other scientifically trained men?

Mr. RANKIN. Yes; not only that, but you are injuring the morale of these boys when you drag them out of college.

The feeling in the mind of the average American today is that Europe is in a worse mess now than it ever was before in all its history, and that Asia is in a worse mess.

Somebody said that this measure would disturb the peace conference. Are we going to have a peace conference? If so, it is about time we had it. It is about time we signed some treaties of peace. After we have taken Germany's arms away, and have taken her navy away, and have destroyed her air force, and have torn down all the factories that could manufacture weapons of war and after we have taken everything that Japan had, "in the name of all the gods at once" are you going to draft teen-age boys and fathers of children and send them throughout the world for a generation to come?

Mr. SPARKMAN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Alabama.

Mr. SPARKMAN. With regard to the matter of stripping our schools and the effect that that would have on education over the years to come, is it not quite well known that schools and colleges throughout the country are having to turn away our war veterans because they cannot find the facilities so that they may go to school?

Mr. RANKIN. Yes; the boys we took before are coming back and trying to complete their education. The one we would take away now would probably be deprived of that opportunity.

I hope the amendment is adopted.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope the members of the committee will permit me to speak quite frankly as a physician—and I mean frankly. The last report I saw from the army of occupation in Germany and Japan showed something like 400 boys to the thousand have contracted venereal disease. Now, let us call it by its right name—it is syphilis and gonorrhea. That record is appalling. In some places the military had houses of prostitution under license and supervision. Members of this Congress, how many of your constituents want their 18- and 19-year-old boys sent into areas where morals are so loose, where prostitution and venereal disease has such a record?

As long as the Army has the type of morals that it apparently has, it is certainly an awful act to send 18- and 19-year-old boys into such foul and nasty conditions. These boys are young, inexperienced, and do not know how to cope with these immoral situations.

When I was State health director in Nebraska we had at one time a rate of 61 cases of venereal disease per thousand in a neighboring city, and that was the all-time high among the enlisted personnel at that time. Thirty-one to the thousand. The present venereal disease rate in the Army has reached an all time high.

I say to you it is a serious thing to take these teen-age boys and send them into conditions of that kind. This House last month said very definitely they did not want to draft 18- and 19-year-old boys. We should stay by that decision. It is difficult for me to walk up the hill and then walk down again. Let us reaffirm our position in this resolution.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. JENNINGS. Is it not a fact that the farms of this country have been stripped of manpower, and that many of them will be unable to operate if they take these 18- and 19-year-old boys into the Army at this time?

Mr. MILLER of Nebraska. That is true. Of course, the draft boards, through the insistence of the Selective Service Administration in Washington, have not followed the Tydings amendment which this House passed and which the Senate passed. We reaffirmed our conviction in the Tydings amendment. It has not been followed. They have taken the boys off the farms when they did not have suitable replacements of experienced farm help. But the most serious thing, as I see it, is the morals that exist presently in the Army. The boys of 18 and 19 years old are not good policemen. They should stay in school.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SHERIDAN].

The question was taken; and on a division (demanded by Mr. SPARKMAN) there were—ayes 176, noes 119.

So the amendment was agreed to.

Mr. SHERIDAN. Mr. Chairman, I have a third amendment which is at the desk but I wish to withdraw it.

The CHAIRMAN. The gentleman withdraws his amendment.

Mr. ARENDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARENDS: Insert a new section as follows:

"Section 5 (k) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

"'In carrying out the provisions of this subsection the local selective-service board in classifying the registrant shall base its findings solely and exclusively on whether the registrant is necessary to and regularly engaged in an agricultural occupation or endeavor.'"

Mr. ARENDS. Mr. Chairman, there is no use taking further time on this amendment. It is already incorporated in the bill the House has passed, H. R. 6064. It speaks for itself.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. ARENDS) there were—ayes 97, noes 165.

So the amendment was rejected.

Mr. THOMASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sure everybody knows what the situation is. I am not here to tell anybody how to vote because this is still a free country and everyone votes as he thinks best. But I think that we certainly ought to be realistic about this thing at the present time.

The chairman of the Committee on Military Affairs the gentleman from Kentucky [Mr. MAY] said in his opening statement that he had consulted with the majority leader of the Senate who said it was impossible for the Senate to take up this bill including these various amendments before 12 o'clock tomorrow night. It is all right to criticize the other body, if you want to, but there are some able and patriotic men over there. Some lost sons in this war and they have the same interest that we do in the welfare of the Nation.

It is my conviction that if these amendments are adopted tonight by this body and the resolution goes back to the Senate with these amendments, we might just as well sound the death knell for selective service. I know how a lot of you feel and I appreciate the rejoicing it will bring in some parts of the world. We are heading back to the old days of isolation. I am not willing to travel that road.

Peace has not yet been won. Our Secretary of State and two distinguished Senators, one from Texas and one from Michigan, are at this very moment in a conference room in Paris trying to work out the situation so that we will not have to go through this thing again, so that our children and grandchildren will not have to go through another war 25 years from now. While we want to be on peaceful terms with every nation in the world, yet I have in mind one nation that already has a standing army of 6,000,000 men with compulsory universal military service, not training. I know of the trouble in China, in Manchuria, at Trieste, and a lot of other places throughout the world. I read the articles of Mr. Walter Lippmann last week as to what is going on in Europe. We have made little progress in teaching democracy to Germany. There is but one thing some people in the world understand and respect, and that is military strength.

Mr. Chairman, we have demobilized our Army, Navy, and Air Corps of 13,000,000 men to two and a half million men. Ask General Eisenhower about it. He led us to a great victory. He has been before our committee to give us warning as to what the situation is today in world affairs.

Mr. Chairman, nobody is going to be fooled about this thing. There are some fathers and mothers who do not want their boys to go into the service for awhile, but I know a lot of boys the service has not hurt. I am thinking about the peace and security of the world, especially for the next 12 months.

Mr. Chairman, when we get back into the House I am one of those, and I am sure there are others, who will insist that we get a record vote on these amendments.

Mrs. LUCE. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentlewoman from Connecticut.

Mrs. LUCE. What will it profit the mothers of the United States to know that their sons can now continue to learn that 2,500 years ago all Gaul was divided into three parts and that today the world is split into two warring factions?

Mr. THOMASON. We are living in a sick and chaotic world. I am sorry we do not have peace, I am sorry we cannot officially declare the war at an end; but you cannot have a world war like that we just went through and not have serious repercussions and disturbances. Our envoys are meeting at different places all over the world trying to fix it so that the next generation will not have to go through with this thing again and so that we will not drift back into that spirit of isolationism that we had a few years ago. I hope you will not adopt a single one of these amendments. This is no time to think of elections. This is the hour to place the welfare of our country above everything else. Some of you talk long and loud about the danger of communism, and yet you now vote to reduce our Army to one of the smallest and weakest of any of the big nations of the world. You make impotent the efforts of our delegates around the peace table. Surely we can wait a few months until we know what the situation is and whether or not we can work out an enduring peace. I beg of you not to vote for these amendments.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. JUDD. Mr. Chairman, when H. R. 6064, the bill to extend the Selective Service Act was before us a month ago, I voted for these amendments being offered today, namely, to exempt fathers and boys under 20 years of age. The Army admitted what we all know, that most boys of 18 and 19 years of age are wholly unsuited for occupation or policeman duties, that deterioration of morale and of morals is exceedingly alarming among them, and that it would prefer to have volunteers. Its figures did not prove it would need to draft any such lads, at least during this year. The reasons for not inducting them are so very strong and compelling that I could not vote to draft them until at least an honest-to-goodness attempt had been made to get an adequate number of men by volunteering.

If that were the issue here today, I would vote the same way. But the issue here today is simply whether we will agree to extend the selective-service law for 6 weeks until the Senate can get around to considering our bill, and in what form it will extend the draft.

I do not see how one can look at our world today and vote to destroy the selective-service machinery entirely, including the right to their former jobs of some 2,000,000 men still in the service. If we reject these amendments and vote for the resolution, it goes at once to the President and it is certain the draft will be extended for 6 weeks and their rights secured. If we vote for the amendments the resolution must go back to the Senate and be accepted there before tomorrow night or selective service expires. No one can predict whether or not the Senate would accept the amendments. I hope it would, but if it did not, the situation would be confused beyond words. It would not satisfy my conscience just to be able to say the confusion is the Senate's fault. I do not want the confusion and the danger to our national safety which such a situation would involve. The only way to be sure of avoiding it is to vote against the amendments, no matter how strongly I approve their purposes, and then vote for the resolution to extend the present law until July 1. When the Senate acts during the next 6 weeks and the bill to extend the draft beyond that date comes before us, I expect to vote, as previously, to exempt fathers and 18- and 19-year-olds, unless, God forbid, the international picture should greatly darken and the volunteering program fail miserably, which I am confident it will not.

Mr. SPARKMAN. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the State

of the Union, reported that that Committee, having had under consideration the joint resolution (S. J. Res. 159) to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

Mr. MAY. Mr. Speaker, I move the previous question on the joint resolution and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The question is on the amendments.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

Mr. DONDERO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DONDERO. Do I understand that we are now voting on both amendments?

The SPEAKER. We are voting on the amendments en gros. No request was made for separate consideration.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the amendments be again reported.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. SHERIDAN: After line 5, insert the following:

"Section 5 (e) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

"'(3) After May 14, 1946, no individual who has a child or children shall be inducted without his consent for training and service under this act. As used in this paragraph the term "child" includes a child legally adopted, a stepchild, a foster child, and a person who is supported in good faith by the individual in a relationship similar to that of a parent and child but such term does not include any person 18 years of age or over unless such person is physically or mentally handicapped.'"

Amendment offered by Mr. SHERIDAN: Add a new section after line 5 reading as follows:

"That so much of the first sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso is amended to read as follows:

"'SEC. 3. (a) Except as otherwise provided in this act, every male citizen of the United States, and every other male person residing in the United States, who is between the ages of 20 and 30, at the time fixed for his registration, or who attains the age of 20 after having been required to register pursuant to section 2 of this act, shall be liable for training and service in the land or naval forces of the United States.'"

The SPEAKER. The question is on the amendments.

The question was taken; and there were—yeas 213, nays 154, not voting 63, as follows:

[Roll No. 118]

YEAS—213

Abernethy	Gillette	Morrison
Allen, Ill.	Gillie	Murray, Wis.
Andersen, H. Carl	Goodwin	Neely
Anderson, Calif.	Gordon	O'Brien, Mich.
Andresen, August H.	Gorski	O'Hara
Angell	Gossett	O'Konski
Arends	Graham	Outland
Arnold	Granahan	Peterson, Fla.
Barden	Granger	Peterson, Ga.
Barrett, Pa.	Grant, Ind.	Pfeifer
Barrett, Wyo.	Griffiths	Philbin
Beall	Gross	Phillips
Bennett, Mo.	Gwinn, N. Y.	Pittenger
Biemiller	Gwynne, Iowa	Ploeser
Bishop	Hagen	Powell
Blackney	Halleck	Price, Fla.
Boykin	Harness, Ind.	Quinn, N. Y.
Bradley, Mich.	Havenner	Rabaut
Bradley, Pa.	Hébert	Ramey
Brehm	Heffernan	Randolph
Brown, Ga.	Hendricks	Rankin
Brown, Ohio	Henry	Reed, Ill.
Brumbaugh	Hill	Reed, N. Y.
Buffett	Hoch	Rees, Kans.
Butler	Hoeven	Resa
Byrnes, Wis.	Hoffman	Rich
Camp	Holmes, Mass.	Riley
Campbell	Holmes, Wash.	Rizley
Cannon, Mo.	Hook	Robsion, Ky.
Carlson	Howell	Rockwell
Chenoweth	Hull	Roe, Md.
Chiperfield	Izac	Rogers, Fla.
Church	Jenkins	Rogers, N. Y.
Clevenger	Jennings	Rooney
Clippinger	Jensen	Rowan
Coffee	Johnson, Ill.	Sabath
Cole, Mo.	Johnson, Okla.	Sadowski
Colmer	Jones	Savage
Cox	Jonkman	Schwabe, Mo.
Cravens	Kee	Schwabe, Okla.
Crawford	Keefe	Sharp
Crosser	Kelley, Pa.	Sheridan
Cunningham	Kelly, Ill.	Short
Curtis	Kerr	Simpson, Ill.
Dirksen	Kinzer	Smith, Ohio
Dolliver	Knutson	Smith, Wis.
Dondero	Landis	Springer
Doughton, N. C.	Lane	Stefan
Doyle	Larcade	Stevenson
Dworshak	LeFevre	Stockman
Earthman	Lemke	Sumner, Ill.
Elliott	Lewis	Talbot
Ellis	Ludlow	Talle
Ellsworth	Lynch	Tarver
Engel, Mich.	McCowen	Thom
Feighan	McDonough	Thomas, Tex.
Fellows	McGehee	Tibbott
Fenton	McGlinchey	Torrens
Fernandez	McGregor	Vinson
Fisher	McKenzie	Voorhis, Calif.
Flannagan	McMillan, S. C.	Vursell
Flood	McMillen, Ill.	Weichel
Fogarty	Madden	West
Fuller	Mansfield, Mont.	Whitten
Gardner	Marcantonio	Whittington
Gathings	Martin, Iowa	Wickersham
Gerlach	Martin, Mass.	Wilson
Gibson	Mason	Winstead
Gifford	Michener	Winter
Gillespie	Miller, Nebr.	Wolverton, N. J.
	Mills	Wood
		Woodruff

NAYS—154

Adams	Clason	Gallagher
Almond	Clements	Gamble
Andrews, Ala.	Cole, Kans.	Gary
Andrews, N. Y.	Cole, N. Y.	Gavin
Auchincloss	Combs	Geelan
Barry	Cooley	Gore
Bates, Ky.	Cooper	Grant, Ala.
Bates, Mass.	D'Alesandro	Green
Beckworth	Davis	Gregory
Bell	Delaney, James J.	Hale
Bland	Delaney, John J.	Hall, Edwin Arthur
Bloom	D'Ewart	Hall, Leonard W.
Bolton	Domengeaux	Hancock
Brooks	Douglas, Calif.	Harless, Ariz.
Bryson	Douglas, Ill.	Harris
Buck	Drewry	Hays
Bulwinkle	Durham	Healy
Bunker	Eberharter	Hedrick
Byrne, N. Y.	Elsaesser	Herter
Canfield	Elston	Heselton
Carnahan	Ervin	Hess
Case, N. J.	Fallon	Hobbs
Case, S. Dak.	Forand	Holifield
Celler	Fulton	Hope
Chapman	Gallagher	Huber
Chelf	Gamble	Jackson
	Gary	Johnson, Calif.
	Gavin	Johnson, Luther A.
	Geelan	Johnson, Lyndon B.
	Gore	Judd
	Grant, Ala.	Kean
	Green	Kearney
	Gregory	Kefauver
	Hale	Kilburn
	Hall, Edwin Arthur	Kilday
	Hall, Leonard W.	King
	Hancock	Klein
	Harless, Ariz.	Kunkel
	Harris	Latham
	Hays	LeCompte
	Healy	Lesinski
	Hedrick	Link
	Herter	Luce
	Heselton	McConnell
	Hess	McCormack
	Hobbs	Mahon
	Holifield	Maloney
	Hope	Manasco
	Huber	Mankin
	Jackson	Mathews
	Johnson, Calif.	May
	Johnson, Luther A.	Miller, Calif.
	Johnson, Lyndon B.	Murdock
	Judd	Murphy
	Kean	Murray, Tenn.
	Kearney	Norblad
	Kefauver	Norrell
	Kilburn	O'Brien, Ill.
	Kilday	O'Neal
	King	O'Toole
	Klein	Pace
	Kunkel	Patman
	Latham	Pickett
	LeCompte	Plumley
	Lesinski	Poage
	Link	Rayfiel
	Luce	Richards
	McConnell	Rivers
	McCormack	Robertson, Va.
	Mahon	Robinson, Utah
	Maloney	Rogers, Mass.
	Manasco	Ryter
	Mankin	Sasscer
	Mathews	Scrivner
		Shafer
		Sikes
		Simpson, Pa.
		Slaughter
		Smith, Maine
		Smith, Va.
		Somers, N. Y.
		Sparkman
		Spence
		Starkey
		Sullivan
		Sumners, Tex.
		Sundstrom
		Taber
		Taylor
		Thomas, N. J.
		Thomason
		Trimble
		Vorys, Ohio
		Wadsworth
		Walter
		Weaver
		Wigglesworth
		Woodhouse
		Worley
		Zimmerman

NOT VOTING—63

Allen, La.	Folger	Norton
Bailey	Gearhart	Patrick
Baldwin, Md.	Hand	Patterson
Baldwin, N. Y.	Hare	Reece, Tenn.
Bender	Hart	Robertson, N. Dak.
Bennet, N. Y.	Hartley	Rodgers, Pa.
Bonner	Hinshaw	Roe, N. Y.
Boren	Horan	Russell
Buckley	Jarman	Sheppard
Burch	Johnson, Ind	Stewart
Cannon, Fla.	Keogh	Stigler
Clark	Kirwan	Tolan
Cochran	Kopplemann	Towe
Corbett	LaFollette	Traynor
Courtney	Lanham	Wasielewski
Curley	Lea	Welch
Daughton, Va.	Lyle	White
Dawson	Mansfield, Tex.	Wolcott
De Lacy	Merrow	Wolfenden, Pa.
Dingell	Monroney	
Eaton	Morgan	
Engle, Calif.	Mundt	

So the amendments were agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Mundt for, with Mr. Bennet of New York against.

Mr. Folger for, with Mr. Lyle against.

Mr. Bender for, with Mr. Baldwin of New York against.

Mr. Keogh for, with Mr. Roe of New York against.

Mr. Bailey for, with Mr. Hartley against.

Additional general pairs:

Mr. Lea with Mr. Horan.

Mr. Boren with Mr. Reece of Tennessee.

Mr. Hare with Mr. Towe.

Mr. Courtney with Mr. Eaton.

Mr. Sheppard with Mr. Corbett.

Mr. Hart with Mr. Hand.

Mr. Dingell with Mr. Johnson of Indiana.

Mr. Lanham with Mr. Wolcott.

Mr. Bonner with Mr. Rodgers of Pennsylvania.

Mr. Cochran with Mr. Wolfenden of Pennsylvania.

Mr. De Lacy with Mr. Merrow.

Mr. Monroney with Mr. Gearhart.

Mr. Wasielewski with Mr. Hinshaw.

Mr. Kopplemann with Mr. Welch.

Mr. Mansfield of Texas with Mr. Robertson of North Dakota.

Mr. White with Mr. LaFollette.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. BROOKS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 280, nays 84, not voting 66, as follows:

[Roll No. 119]

YEAS—280

Abernethy	Gardner	Mankin
Adams	Gary	Martin, Mass.
Allen, La.	Gathings	Mathews
Almond	Gavin	May
Anderson, Calif.	Geelan	Michener
Andrews, Ala.	Gerlach	Miller, Calif.
Andrews, N. Y.	Gibson	Mills
Angell	Gifford	Morrison
Arends	Gillette	Murdock
Auchincloss	Gillie	Murphy
Barrett, Pa.	Gore	Murray, Tenn.
Barrett, Wyo.	Gorski	Neely
Bates, Ky.	Gossett	Norblad
Bates, Mass.	Graham	Norrell
Beckworth	Granahan	O'Brien, Ill.
Bell	Grant, Ala.	O'Brien, Mich.
Blackney	Green	O'Neal
Bland	Gregory	O'Toole
Bloom	Gwinn, N. Y.	Outland
Bolton	Hale	Pace
Boykin	Hall,	Patman
Bradley, Pa.	Edwin Arthur	Peterson, Fla.
Brooks	Hall,	Peterson, Ga.
Brown, Ga.	Leonard W.	Pfeifer
Brumbaugh	Halleck	Phillips
Bryson	Hancock	Pickett
Buck	Harless, Ariz.	Ploeser
Bulwinkle	Harness, Ind.	Poage
Bunker	Harris	Price, Fla.
Butler	Havenner	Price, Ill.
Byrne, N. Y.	Hays	Priest
Byrnes, Wis.	Hébert	Quinn, N. Y.
Camp	Hedrick	Rabaut
Campbell	Heffernan	Rabin
Canfield	Hendricks	Rains
Cannon, Mo.	Herter	Randolph
Carlson	Heselton	Rankin
Carnahan	Hess	Rayfiel
Case, N. J.	Hill	Reed, Ill.
Case, S. Dak.	Hobbs	Rees, Kans.
Celler	Hoch	Resa
Chapman	Hoeven	Rich
Chelf	Holmes, Mass.	Richards
Clason	Holmes, Wash.	Riley
Clements	Hope	Rivers
Cole, Kans.	Howell	Rizley
Cole, N. Y.	Huber	Robertson, Va.
Colmer	Izac	Robinson, Utah
Combs	Jackson	Robsion, Ky.
Cooley	Jenkins	Roe, Md.
Cooper	Jennings	Rogers, Fla.
Cox	Johnson, Calif.	Rogers, Mass.
Cravens	Johnson,	Rogers, N. Y.
Curtis	Luther A.	Rooney
D'Alesandro	Johnson,	Rowan
Davis	Lyndon B.	Ryter
Delaney,	Johnson, Okla.	Sabath
James J.	Jonkman	Sasscer
Delaney,	Judd	Scrivner
John J.	Kean	Shafer
D'Ewart	Kearney	Sharp
Domengeaux	Kee	Sheridan
Dondero	Keefe	Sikes
Doughton, N. C.	Kefauver	Simpson, Ill.
Douglas, Calif.	Kelley, Pa.	Simpson, Pa.
Douglas, Ill.	Kelly, Ill.	Slaughter
Doyle	Kerr	Smith, Maine
Drewry	Kilburn	Smith, Va.
Durham	Kilday	Somers, N. Y.
Earthman	Klein	Sparkman
Eberharter	Kunkel	Spence
Elliott	Larcade	Springer
Ellis	Latham	Starkey
Ellsworth	LeCompte	Sullivan
Elsaesser	LeFevre	Sumners, Tex.
Elston	Lesinski	Sundstrom
Engel, Mich.	Lewis	Taber
Ervin	Link	Talbot
Fallon	Luce	Tarver
Fellows	Lynch	Taylor
Fenton	McConnell	Thom
Fernandez	McGehee	Thomas, N. J.
Fisher	McGlinchey	Thomas, Tex.
Flannagan	McKenzie	Thomason
Fogarty	McMillan, S. C.	Tibbott
Forand	McMillen, Ill.	Torrens
Fuller	Madden	Trimble
Fulton	Mahon	Vinson
Gallagher	Maloney	Voorhis, Calif.
Gamble	Manasco	Vorys, Ohio
Vursell	Whittington	Woodhouse
Wadsworth	Wickersham	Woodruff
Walter	Wigglesworth	Worley
Weaver	Winstead	Zimmerman
West	Wolverton, N. J.	
Whitten	Wood	

NAYS—84

Allen, Ill.	Goodwin	Martin, Iowa
Andersen,	Gordon	Mason
H. Carl	Granger	Miller, Nebr.
Andresen,	Grant, Ind.	Murray, Wis.
August H.	Griffiths	O'Hara
Arnold	Gross	O'Konski
Barden	Gwynne, Iowa	Philbin
Beall	Hagen	Pittenger
Bennett, Mo.	Healy	Plumley
Biemiller	Henry	Powell
Bishop	Hoffman	Ramey
Bradley, Mich.	Holifield	Reed, N. Y.
Brehm	Hook	Rockwell
Brown, Ohio	Hull	Sadowski
Buffett	Jensen	Savage
Chenoweth	Johnson, Ill.	Schwabe, Mo.
Chiperfield	Jones	Schwabe, Okla.
Church	King	Short
Clevenger	Kinzer	Smith, Ohio
Clippinger	Knutson	Smith, Wis.
Coffee	Landis	Stefan
Cole, Mo.	Lane	Stevenson
Crawford	Lemke	Stockman
Crosser	Ludlow	Sumner, Ill.
Cunningham	McCowen	Talle
Dolliver	McDonough	Welchel
Dworshak	McGregor	Wilson
Feighan	Mansfield,	
Flood	Mont.	
Gillespie	Marcantonio	

NOT VOTING—66

Bailey	Folger	Norton
Baldwin, Md.	Gearhart	Patrick
Baldwin, N. Y.	Hand	Patterson
Barry	Hare	Reece, Tenn.
Bender	Hart	Robertson,
Bennet, N. Y.	Hartley	N. Dak.
Bonner	Hinshaw	Rodgers, Pa.
Boren	Horan	Roe, N. Y.
Buckley	Jarman	Russell
Burch	Johnson, Ind.	Sheppard
Cannon, Fla.	Keogh	Stewart
Clark	Kirwan	Stigler
Cochran	Kopplemann	Tolan
Corbett	LaFollette	Towe
Courtney	Lanham	Traynor
Curley	Lea	Wasielewski
Daughton, Va.	Lyle	Welch
Dawson	McCormack	White
De Lacy	Mansfield, Tex.	Winter
Dingell	Merrow	Wolcott
Dirksen	Monroney	Wolfenden, Pa.
Eaton	Morgan	
Engle, Calif.	Mundt	

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Mundt for, with Mr. Bender against.

Mr. Keogh for, with Mr. De Lacy against.

Mr. Kopplemann for, with Mr. Patterson against.

Mr. Roe of New York for, with Mr. White against.

Additional general pairs:

Mr. Barry with Mr. Winter.

Mr. Courtney with Mr. Dirksen.

Mr. Daughton of Virginia with Mr. Hartley.

Mr. Engle of California with Mr. Bennet of New York.

Mr. Stigler with Mr. Horan.

Mr. Burch with Mr. Eaton.

Mr. Stewart with Mr. Hand.

Mr. ALLEN of Illinois changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. THOMASON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. RABAUT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement of policy by the UAW-CIO.

Mr. BYRNES of Wisconsin (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. JUDD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two places, one immediately following the other, and in each to include certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD on two subjects.

Mr. THOM asked and was given permission to extend his remarks in the RECORD and include a statement by Roger Babson.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. STIGLER, from May 14 to May 21, 1946, to attend graduation exercises of his daughter.

To Mr. HORAN (at the request of Mr. ARENDS), for today.

To Mr. LANHAM (at the request of Mr. LUTHER A. JOHNSON) for today, on account of important business.

To Mr. KIRWAN (at the request of Mr. EBERHARTER), on account of illness.

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5059. An act to provide additional compensation for postmasters and employees of the postal service.

ADJOURNMENT

Mr. THOMASON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 6 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 14, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON BANKING AND CURRENCY

The Committee on Banking and Currency will begin hearings on House Joint Resolution 311 (the British loan) on Tuesday, May 14, 1946, at 10:30 a. m., in the Banking and Currency Committee room, 1301, New House Office Building.

COMMITTEE ON INDIAN AFFAIRS

There will be a public hearing before the Committee on Indian Affairs at 10 a. m. on Wednesday, May 15, 1946, in the

committee hearing room, 246 Old House Office Building, to hear a delegation of Navajo Indians on current legislation.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Subcommittee on Tax Liability of Ship Operators will meet in open hearing on Thursday, May 16, 1946, at 10 a. m.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Commerce and Trade of the Committee on Interstate and Foreign Commerce, at 10 a. m., Friday, May 17, 1946.

Business to be considered: Continuation of public hearing on H. R. 4871 and S. 1367—to provide for the appointment of three additional Assistant Secretaries of Commerce, and for other purposes.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1283. A letter from the Acting Secretary of the Interior, transmitting copies of legislation passed by the Municipal Council of St. Thomas and St. John and by the Legislative Assembly of the Virgin Islands; pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Insular Affairs.

1284. A letter from the Administrator, National Housing Agency, transmitting a draft of a bill to relieve various employees of the Federal Public Housing Authority from liability for the loss of Government funds stolen from publicly owned housing projects; to the Committee on Claims.

1285. A letter from the Secretary of War, transmitting a draft of a bill to amend the act approved July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), entitled "An act to provide for the settlement of claims for damage to or loss or destruction of property or personal injury or death caused by military personnel or civilian employees, or otherwise incident to activities of the War Department or of the Army," as amended by section 4 of the act of May 29, 1945 (Public Law 67, 79th Cong.), which the War Department recommends be enacted into law; to the Committee on Claims.

1286. A letter from the Archivist of the United States, transmitting report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1287. A communication from the President of the United States, transmitting a schedule of judgments rendered by the Court of Claims which has been submitted by the Treasury Department and requires an appropriation for payment, amounting to $224,835.24 (H. Doc. No. 577); to the Committee on Appropriations and ordered to be printed.

1288. A communication from the President of the United States, transmitting estimates of appropriation amounting to $5,584,938.94, to cover claims allowed by the General Accounting Office and for the services of the several departments and independent offices (H. Doc. No. 578); to the Committee on Appropriations and ordered to be printed.

1289. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the War Department to pay claims for damages to or loss or destruction of property or personal injury or death, in the sum of $108,638 (H. Doc. No. 579); to the Committee on Appropriations and ordered to be printed.

1290. A communication from the President of the United States, transmitting an estimate of appropriation for payment of judgments rendered against the Government by United States district courts, amounting to $46,287.93, together with an indefinite appropriation to pay interest (H. Doc. No. 580); to the Committee on Appropriations and ordered to be printed.

1291. A communication from the President of the United States, transmitting an estimate of appropriation under the Treasury Department for payment of a certain claim allowed by the General Accounting Office, amounting to $748.60 (H. Doc. No. 581); to the Committee on Appropriations and ordered to be printed.

1292. A communication from the President of the United States, transmitting an estimate of appropriation under the Treasury Department for payment of a certain claim allowed by the General Accounting Office amounting to $394.20 (H. Doc. No. 582); to the Committee on Appropriations and ordered to be printed.

1293. A communication from the President of the United States, transmitting an estimate of appropriation amounting to $382.12 under the Treasury Department for payment of a certain claim allowed by the General Accounting Office (H. Doc. No. 583); to the Committee on Appropriations and ordered to be printed.

1294. A communication from the President of the United States, transmitting a proposed provision pertaining to an appropriation for the fiscal year 1947 for the National Housing Agency, in the form of an amendment to the Corporation Supplement to the Budget for said fiscal year (H. Doc. No. 584); to the Committee on Appropriations and ordered to be printed.

1295. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 for the United States Soldiers' Home amounting to $275,000 (H. Doc. No. 585); to the Committee on Appropriations and ordered to be printed.

1296. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Public Roads Administration to pay claims for damage to roads and highways of States or their subdivisions in the sum of $64,942.28 (H. Doc. No. 586); to the Committee on Appropriations and ordered to be printed.

1297. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 31, 1946, submitting a report, together with accompanying papers and illustrations, on a review of the report on the Delaware River and its tributaries submitted to Congress on August 4, 1941, with a view to determining whether recommendations contained therein for the Lehigh River, especially at Bethlehem, Allentown, and Easton, Pa., should be modified at this time in the light of recent floods in that area, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on October 20, 1942 (H. Doc. No. 587); to the Committee on Flood Control and ordered to be printed, with three illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HEALY: Committee on the District of Columbia. H. R. 5933. A bill to authorize and direct the Board of Education of the District of Columbia to establish and operate in the public schools and other suitable locations a system of nurseries and nursery schools for day care of school-age and under-school-age children, and for other purposes; without amendment (Rept. No. 2007). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 615. Resolution providing for the consideration of S. 7, an act to improve the administration of justice by prescribing fair administrative procedure; without amendment (Rept. No. 2008). Referred to the House Calendar.

Mr. MANSFIELD of Texas: Committee on Rivers and Harbors. H. R. 6407. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; without amendment (Rept. No. 2009). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LACY: Committee on Naval Affairs. H. R. 5520. A bill for the purpose of regulating the conditions of employment of mechanics, helpers, laborers, and all per diem employees engaged in trades and occupations at all Government naval shipyards, naval stations, arsenals, and other Government industrial establishments, within or without the continental limits of the United States, and for other purposes; with amendment (Rept. No. 2010). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Military Affairs. H. R. 6343. A bill to authorize the Secretary of War to lend War Department equipment for use at the Twenty-eighth Annual National Convention of the American Legion; without amendment (Rept. No. 2011). Referred to the Committee of the Whole House on the State of the Union.

Mr. KELLEY of Pennsylvania: Committee on Invalid Pensions. H. R. 3908. A bill to provide increased pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein during other than a period of war; with amendment (Rept. No. 2030). Referred to the Committee of the Whole House on the State of the Union.

Mr. JACKSON: Committee on Indian Affairs. H. R. 3843. A bill to provide for the disposition of tribal funds of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana; with amendment (Rept. No. 2031). Referred to the Committee of the Whole House on the State of the Union.

Mr. JACKSON: Committee on Indian Affairs. H. R. 4315. A bill to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation; without amendment (Rept. No. 2032). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LESINSKI: Committee on Immigration and Naturalization. S. 203. An act for

the relief of Margery Anderson Bridges; without amendment (Rept. No. 2005). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. S. 875. An act for the relief of Mercy Duke Boehl; without amendment (Rept. No. 2006). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 1201. An act for the relief of Arthur F. Downs; without amendment (Rept. No. 2012). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. S. 1563. An act for the relief of Ferris Ruggles; without amendment (Rept. No. 2013). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. S. 1604. An act for the relief of Leo Stuhr; without amendment (Rept. No. 2014). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 1322. A bill for the relief of the Marine Engine Works and Shipbuilding Corp., of Tarpon Springs, Fla.; with amendments (Rept. No. 2015). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 1460. A bill for the relief of D. C. Todd; with amendment (Rept. No. 2016). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 1480. A bill for the relief of the S. G. Leoffler Operating Co., of Washington, District of Columbia, and for other purposes; with amendments (Rept. No. 2017). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 1673. A bill for the relief of the Superior Coach Corp.; with amendment (Rept. No. 2018). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 2954. A bill for the relief of John Hamlet; with amendment (Rept. No. 2019). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 3744. A bill for the relief of Alfred E. Dudley and Eva L. Dudley; with amendments (Rept. No. 2020). Referred to the Committee of the Whole House.

Mr. KEOGH Committee on Claims. H. R. 4215. A bill for the relief of Jane O'Malley; with amendments (Rept. No. 2021). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4492. A bill for the relief of Charles Marvin Smith; with amendment (Rept. No. 2022). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4495. A bill for the relief of William H. Roman; with amendment (Rept. No. 2023). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 4577. A bill for the relief of Dolores Joyce; with amendment (Rept. No. 2024). Referred to the Committee of the Whole House.

Mr FERNANDEZ: Committee on Claims. H. R. 4917. A bill for the relief of the Western Union Telegraph Co.; with amendment (Rept. No. 2025). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 5352. A bill for the relief of Joseph Ippolito; with amendments (Rept. No. 2026). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 6010. A bill for the relief of the Yakutat Cooperative Market; without amendment (Rept. No. 2027). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 6011. A bill for the relief of Dr. Harry Burstein, Madeline Borvick, and Mrs. Clara Kaufman Truly (formerly Miss Clara M. Kaufman); without amendment (Rept. No. 2028). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on claims. H. R. 6245. A bill for the relief of Mary G. Paul; without amendment (Rept. No. 2029). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LEA:

H. R. 6416. A bill to authorize the Secretary of the Interior to call a convention of the Indians of California, and for other purposes; to the Committee on Indian Affairs.

By Mr. BULWINKLE:

H. R. 6417. A bill to amend the Federal Airport Act. To the Committee on Interstate and Foreign Commerce.

By Mr. HESELTON:

H. J. Res. 348. Joint resolution to establish a temporary Labor-Industry Relations Commission and a Joint Committee on Labor-Industry Relations; to the Committee on Labor.

By Mr. ADAMS:

H. J. Res. 349. Joint resolution to establish a Temporary Labor-Industry Relations Commission and a Joint Committee on Labor-Industry Relations; to the Committee on Labor.

By Mr. BENNET of New York:

H. J. Res. 350. Joint resolution to establish a Temporary Labor-Industry Relations Commission and a Joint Committee on Labor-Industry Relations; to the Committee on Labor.

By Mr. CASE of New Jersey:

H. J. Res. 351. Joint resolution to establish a Temporary Labor-Industry Relations Commission and a Joint Committee on Labor-Industry Relations; to the Committee on Labor.

By Mr. SMITH of Virginia:

H. J. Res. 352. Joint resolution creating a joint select committee to study and recommend legislation concerning labor relations; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN of New York:

H. R. 6418. A bill for the relief of Leon Nikolaivich Volkov; to the Committee on Immigration and Naturalization.

H. R. 6419. A bill for the relief of Hatzel & Buehler, Inc.; to the Committee on Claims.

H. R. 6420. A bill for the relief of Hou Chung Chay; to the Committee on Immigration and Naturalization.

By Mr. BARTLETT:

H. R. 6421. A bill for the relief of Walter U. Morris; to the Committee on Claims.

By Mr. CELLER:

H. R. 6422. A bill for the relief of Nander (Nathaniel) Frieder; to the Committee on Immigration and Naturalization.

By Mr. COLMER:

H. R. 6423. A bill for the relief of Mrs. Ivan B. Hofman; to the Committee on Claims.

By Mr. GWINN of New York:

H. R. 6424. A bill for the relief of Edward White; to the Committee on Claims.

By Mr. HEDRICK:

H. R. 6425. A bill for the relief of Clark Wiley; to the Committee on Claims.

By Mr. ROGERS of Florida:

H. R. 6426. A bill for the relief of the Fort Pierce Port District; to the Committee on Claims.

By Mr. BALDWIN of New York:

H. R. 6427. A bill for the relief of the Amsterdam Building Co. of New York; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1877. By Mr. McCOWEN: Petition of various farmers to abolish the OPA; to the Committee on Banking and Currency.

1878. By Mr. VOORHIS of California: Petition of John J. Sugar and 314 others, asking the Congress to pass legislation providing a pension of $150 per month to railroad men of 30 years service or at 60 years of age with two-thirds of such pension payable to the widow of such a man, requesting that amendments to the foregoing effect be attached to House bill 1737, and protesting provisions of House bill 1362; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, MAY 14, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, infinite in mercy, love, and power, to whom all flesh shall come, we turn unfilled to Thee. For the beauty which fills the earth, for the love which hallows our homes, for the joy which springs from work well done, we thank Thee, the source of all gladness.

At this altar of Thy grace we pause with tasks waiting, lest with the light shining clear upon us we choose the dark. If in our frantic seeking for satisfactions and solutions we find all except Thee, we have nothing but vanity and our spirits remain still famished and athirst. For all life's quests illumine the darkness of our minds. And to those who by their counsels lead the peoples of the earth grant a right judgment in all things, O God, who in our private conduct and for the commonwealth maketh us both to will and to do those things that are good and acceptable in Thy sight. Through riches of grace in Christ Jesus our Lord. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 13, 1946, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILL

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 13, 1946, the President had approved and signed the act (S. 2) to provide Federal aid for the development of public airports.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the

House had passed without amendment the following bills of the Senate:

S. 1189. An act to provide for voluntary apprenticeship in the District of Columbia; and

S. 1955. An act to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator.

The message also announced that the House had passed the joint resolution (S. J. Res. 159) to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946, with amendments in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5718. An act to facilitate the liquidation of Washington Railway & Electric Co.;

H. R. 5933. An act to authorize and direct the Board of Education of the District of Columbia to establish and operate in the public schools and other suitable locations a system of nurseries and nursery schools for day care of school-age and under-school-age children, and for other purposes; and

H. R. 6070. An act to amend section 4 of the act of August 25, 1937, so as to provide a filing procedure in cases of adoption outside the District of Columbia, and for other purposes.

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4761) to expedite the availability of housing for veterans of World War II by expediting the production and allocation of materials for housing purposes and by curbing excessive pricing of new housing, and for other purposes, and it was signed by the President pro tempore.

REPORT OF CIVILIAN PRODUCTION ADMINISTRATION—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Military Affairs:

(For President's message, see today's proceedings of the House of Representatives on p. 5012.

SUPPLEMENTAL ESTIMATES — DEPARTMENT OF COMMERCE (S. DOC. NO. 183)

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, supplemental estimates of appropriations for the Department of Commerce, amounting to $2,436,000, for the fiscal year 1947, and drafts of proposed provisions in the form of amendments to the Budget for that fiscal year, which, with an accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIAL

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Los Angeles (Calif.) Traffic Manager Conference relating to the coal strike; ordered to lie on the table.

By Mr. CAPPER:

A petition of sundry citizens of Bayard, Iowa, praying for the enactment of legislation to prohibit the advertising of alcoholic beverages in newspapers, periodicals, and motion pictures, and over the radio; to the Committee on Interstate Commerce.

By Mr. TYDINGS:

A resolution adopted by the State Council of Maryland, Junior Order of United American Mechanics, Frederick, Md., favoring the enactment of the bill (H. R. 3663) to amend the immigration and naturalization laws to deny admission to the United States of certain aliens who have served in the armed forces of countries at war with the United States, also members of certain parties and organizations, and to deny naturalization to such persons, and to reduce immigration quotas; to the Committee on Immigration.

A resolution adopted by the State Council of Maryland, Junior Order of United American Mechanics, Frederick, Md., protesting against admission into the United States of East Indian people as immigrants; to the Committee on Immigration.

THE LABOR SITUATION

Mr. CAPPER. Mr. President, I have received an interesting letter from Albert L. Cole, general manager of Reader's Digest, protesting against the labor conditions which exist in this country today. I ask unanimous consent to have Mr. Cole's letter printed in the RECORD and appropriately referred.

There being no objection, the letter was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

THE READER'S DIGEST,
Pleasantville, N. Y., May 7, 1946.

The Honorable ARTHUR CAPPER,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR: The coal strike has now reached the point where it is obvious that within a few days much of the Nation will be prostrate.

Our printers have advised us that they will very soon have to shut down their presses because of lack of power. They will not be able to print the Reader's Digest or any other of several publications for which they act as printers. The newspapers report that the railroads will soon have to stop, or at least curtail freight shipments and passenger service. And when goods cannot be moved, even starvation for people in some parts of the country may follow.

We respectfully urge you in your position as a representative of the American people to do something to pass the laws necessary to make it impossible for disaster to overtake this Nation merely because machinery does not exist for the settlement of disputes involving rates of pay and other working conditions. The courts of our land settle other disputes and, when necessary, take men's lives as a part of a judicial decision. Why can't disputes involving rates of pay and other conditions of employment be settled on a basis of impartial justice?

Sincerely,

ALBERT L. COLE.

THE LABOR SITUATION RELATING TO TRANSPORTATION

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD, as a part of my remarks, a resolution adopted by the National Industrial Traffic League in convention at Chicago, May 7, 1946.

In view of the present national curtailment and possible paralysis of the Nation's transportation facilities caused by the national coal strike, the league, composed of some 1,300 industrial traffic managers, call upon the Congress of the United States at once to curb such strikes.

There being no objection, the resolution was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

Whereas the Nation's transportation facilities already are alarmingly curtailed and face complete paralysis in the near future due to the unprecedented national coal strike; and

Whereas it is our duty and obligation through the National Industrial Traffic League and other channels of constructive effort to see that adequate, economical, safe, and efficient transportation by common carriers be made continuously available to the shippers of the Nation; and

Whereas the issues involved in this strike threaten national economic strangulation and the extension of a precedent already set, of usurpation by selfish organized minorities of the power to tax, which is the power to destroy; and

Whereas the impact of this strike has directly or indirectly affected the constitutional rights and privileges of all the people of these United States: Now, therefore, be it

Resolved by the National Industrial Traffic League in general membership meeting here assembled, That as protectors of shippers' interests in adequate, economical, safe, and efficient transportation services by the Nation's common carriers, and as American citizens who individually are injuriously affected by such strikes of national scope and effect, we do officially and in our individual rights call upon the Congress of the United States at once so to curb the power of any organized selfish minority, that they shall not commit acts which would tend to paralyze the Nation's arteries of commerce, to strangle its national economy, to usurp the power to tax which the people have delegated solely to local, State, and Federal governments, or to vitiate the constitutional rights of the citizenry at large; be it further

Resolved, That copies of this resolution be forwarded at once to Members of both Houses of Congress, to the President of the United States, and to members of the league, with suggestion for similar action by their local and regional organizations, and to the press.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PEPPER, from the Committee on Patents:

H. R. 1654. A bill to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes; with amendments (Rept. No. 1333).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 4338. A bill for the relief of Anna Blanchard and others; without amendment (Rept. No. 1330).

By Mr. McCARRAN, from the Committee on the Judiciary:

H. R. 5744. A bill to incorporate the Civil Air Patrol; without amendment (Rept. No. 1331).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. WHEELER introduced Senate bill (S. 2193) to grant to personnel in the military or naval forces certain benefits with respect to accumulated leave, and for other purposes, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

By Mr. RUSSELL:

S. 2194. A bill authorizing the Secretary of War to eliminate the conditions and limitations relating to the use of certain lands previously conveyed to the city of Savannah, Ga.; to the Committee on Military Affairs.

By Mr. GREEN:

S. 2195. A bill relating to the naval service of Lt. (jg) Warren DeForest Sargeant; to the Committee on Naval Affairs.

By Mr. HOEY:

S. 2196. A bill to authorize the rezoning of certain property in the District of Columbia as a residential area; to the Committee on the District of Columbia.

TERMINAL LEAVE PAY FOR MEMBERS OF THE ARMED FORCES

Mr. WHEELER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill which would provide payment to all enlisted men in the Army, Navy, and Marine Corps for accumulated leave, known generally as terminal-leave pay.

This legislation is necessary if we are going to treat all men alike. I realize fully that the Army and Navy believe that there must be a distinction between officers and enlisted personnel while in the service but I do not subscribe to that theory being followed when men are discharged. Both officers and men are American citizens with equal rights and equal responsibilities, and are certainly entitled to equal treatment. If it is right and proper to grant officers payment for accumulated leave, then it is right and proper that all other personnel in the services should have the same payment.

I am well aware that the War and Navy Departments have objected to this kind of legislation in the past, claiming that it is impossible of effective administration. That sort of objection does not seem tenable to me, regardless of the difficulties involved. If it is just that such payment should be made, then we should not wink at the injustice by claiming that it is difficult to make the payments. The men and women who served in the armed forces at great sacrifice of earnings and in danger of their lives are at the very least entitled to be compensated for the time they served without having taken leave. As I see it, this proposes simple justice and I shall do all I can to see to it that service personnel get that justice.

There being no objection, the bill (S. 2193) to grant to personnel in the military or naval forces certain benefits with respect to accumulated leave, and for other purposes, was received, read twice by its title, and referred to the Committee on Military Affairs.

MEDIATION OF LABOR DISPUTES—AMENDMENTS

Mr. EASTLAND (for himself and Mr. BYRD) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. MOORE submitted six amendments intended to be proposed by him to the bill (H. R. 4908) to provide additional facilities for mediation of labor disputes, and for other purposes, which were severally ordered to lie on the table and to be printed.

Mr. BYRD submitted an amendment intended to be proposed by him to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 5718. An act to facilitate the liquidation of Washington Railway & Electric Co.;

H. R. 5933. An act to authorize and direct the Board of Education of the District of Columbia to establish and operate in the public schools and other suitable locations a system of nurseries and nursery schools for day care of school-age and under-school-age children, and for other purposes; to the Committee on the District of Columbia; and

H. R. 6070. An act to amend section 4 of the act of August 25, 1937, so as to provide a filing procedure in cases of adoption outside the District of Columbia, and for other purposes; ordered to be placed on the calendar.

EMERGENCY FOOD COLLECTION—ADDRESS BY SENATOR WALSH

[Mr. WALSH asked and obtained leave to have printed in the RECORD a radio address in behalf of the emergency food collection, delivered by him in Worcester, Mass., on May 12, 1946, which appears in the Appendix.]

DEVELOPMENT OF THE ST. LAWRENCE RIVER—EDITORIAL FROM MOBILE (ALA.) REGISTER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "The Register Replies to Senator's Challenge on St. Lawrence Seaway," from the Register of Mobile, Ala., issue of May 2, 1946, which appears in the Appendix.]

LEARNING TO LIVE TOGETHER

[Mr. HILL asked and obtained leave to have printed in the RECORD quotations from the program on the occasion of a dinner given in honor of Mrs. Franklin D. Roosevelt, by the Women's Joint Congressional Committee, of Washington, D. C., which appear in the Appendix.]

THE EQUAL PAY BILL AND THE EQUAL RIGHTS AMENDMENT—LETTER BY MISS MARY ANDERSON

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter addressed to the Christian Science Monitor by Miss Mary Anderson, former Director, Women's Bureau, United States Department of Labor, on the subject of the equal pay bill and the equal rights amendment, which appears in the Appendix.]

STATEMENT OF FACTS ABOUT WATCHES—ADVERTISEMENT OF AMERICAN WATCH ASSEMBLERS' ASSOCIATION

[Mr. MEAD asked and obtained leave to have printed in the RECORD an advertisement entitled "Statement of Facts About Watches," by the American Watch Assemblers' Association, published in the New York Times of April 11, 1946, which appears in the Appendix.]

CALL OF THE ROLL

Mr. HILL. Mr. President, I understand the Senator from Florida has the floor. If he will yield to me, I should like to suggest the absence of a quorum.

Mr. PEPPER. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Mahoney
Austin	Hayden	Overton
Ball	Hickenlooper	Pepper
Bankhead	Hill	Radcliffe
Barkley	Hoey	Reed
Brewster	Huffman	Revercomb
Bridges	Johnson, Colo.	Robertson
Brooks	Kilgore	Russell
Buck	Knowland	Saltonstall
Bushfield	La Follette	Shipstead
Butler	Langer	Stanfill
Byrd	Lucas	Stewart
Capehart	McCarran	Taft
Capper	McClellan	Taylor
Cordon	McFarland	Thomas, Okla.
Donnell	McKellar	Thomas, Utah
Downey	McMahon	Tobey
Eastland	Magnuson	Tunnell
Ellender	Maybank	Tydings
Ferguson	Mead	Wagner
Fulbright	Millikin	Walsh
George	Mitchell	Wheeler
Gerry	Moore	Wherry
Green	Morse	White
Guffey	Murdock	Wiley
Gurney	Murray	Willis
Hart	Myers	Wilson
Hatch	O'Daniel	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from South Carolina [Mr. JOHNSTON] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Jersey [Mr. SMITH] is necessarily absent.

The PRESIDING OFFICER (Mr. HOEY in the chair). Eighty-four Senators having answered to their names, a quorum is present.

SECOND SUPPLEMENTAL SURPLUS APPROPRIATION RESCISSION BILL—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, will the Senator from Florida yield to me for the purpose of having two conference reports considered and acted upon?

Mr. PEPPER. I am very glad to do so.

Mr. McKELLAR. I think there will be no objection to the conference reports, and that they will be acted upon immediately. They have been gone over very carefully by the conferees on the part of the House and of the Senate.

Mr. President, I move that the unfinished business be temporarily laid aside, and that the Senate proceed to consider the conference report on House bill 5604, the second supplemental surplus appropriation rescission bill.

Mr. LANGER. I object.

The PRESIDING OFFICER. The motion is privileged.

Mr. McKELLAR. I will state to the Senator from North Dakota that I am merely asking to have action taken on two conference reports.

The PRESIDING OFFICER. The Chair will state that they are privileged matters.

The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 16, 24, 25, 26, 27 and 29, and agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$57,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Naval Training Station, Port Deposit, Maryland, 1946, $50,000."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Pay and subsistence of naval personnel, 1946, $200,000,000."

And the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$125,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: ", and neither the appropriation nor contractual authorization under this head shall be available after February 25, 1946, for the acquisition of land (other than for the authorized vessel-berthing program), except in pursuance of a specific appropriation"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$190,784,500"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$652,986,950"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,015,379,424"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 10, 20, 23, and 30.

KENNETH MCKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the Part of the House.

Mr. McKELLAR. I move the adoption of the conference report.

The motion was agreed to.

Mr. McKELLAR. I ask the Chair to lay before the Senate a message from the House of Representatives announcing its action respecting the amendments of the Senate numbered 20 and 30.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5604, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 9, 1946.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 10 and 23 to the bill (H. R. 5604) reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 20 to said bill and concur therein with an amendment as follows: In the last line of the matter inserted by said Senate engrossed amendment, after "canceled", insert ": *Provided further*, That the rescission of $13,657,000 in the appropriation 'Maintenance, Bureau of Supplies and Accounts, 1946,' hereinbefore provided for in this act, is hereby canceled, and such appropriation is hereby increased by $11,763,480 by transfer of such an amount from the reduction hereinbefore provided for in this act in the 'Naval Stock Fund,' instead of such amount of $11,763,480 being carried to the surplus fund and covered into the Treasury."

That the House recede from its disagreement to the amendment of the Senate numbered 30 to said bill and concur therein with an amendment as follows: In the last line of the matter inserted by said Senate engrossed amendment, after "amended" insert ": *Provided*, That of the reduction of $1,000,000,000 made in the appropriation 'Defense aid-lend-lease' under title I of this act, $135,000,000 shall be transferred to the credit of the appropriation 'United Nations Relief and Rehabilitation Administration, 1944-46,' instead of being carried to the surplus fund and covered into the Treasury."

Mr. McKELLAR. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 20 and 30.

The motion was agreed to.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 10, 11, 14, 36, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 6, 7, 8, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 39, 42, 43, 44, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, and 103, and agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$5,250"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$100,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$250,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$837,127"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$800,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 40, 46, and 62.

KENNETH MCKELLAR,
CARL HAYDEN,
M. E. TYDINGS,
RICHARD B. RUSSELL,
C. WAYLAND BROOKS,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the Part of the House.

Mr. McKELLAR. I move the adoption of the conference report.

Mr. WHITE. To what appropriation bill does the conference report relate?

Mr. McKELLAR. The second deficiency appropriation bill. This is the final conference report.

Mr. WHITE. Is it signed by all the members of the conference committee?

Mr. McKELLAR. Yes. There was no objection, as I recall.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5890, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 8, 1946.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 40 and 46 to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 9 to said bill and concur therein with an amendment as follows: Before the period at the end of the matter inserted by said amendment insert ": *Provided*, That, effective May 1, 1946, the appropriation for salaries, Office of the Architect of the Capitol, contained in the Legislative Branch Appropriation Act, 1946, shall provide as follows: 'For the Architect of the Capitol, Assistant Architect of the Capitol (whose compensation shall be at the rate of $7,000 per annum), Chief Architectural and Engineering Assistant, and other personal services at rates of pay provided by law; and the Assistant Architect of the Capitol shall act as Architect of the Capitol during the absence or disability of that official or whenever there is no Architect, and, in case of the absence or disability of the Assistant Architect, the Chief Architectural and Engineering Assistant shall so act; $66,700.'"

That the House recede from its disagreement to the amendment of the Senate numbered 62 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert ": *Provided further*, That until December 31, 1946, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies and equipment to the United Nations and, when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization."

Mr. McKELLAR. I move that the Senate concur in the amendments of the House to amendments of the Senate numbered 9 and 62.

The motion was agreed to.

Mr. McKELLAR. I want to thank the Senator from Florida for his kindness in yielding so that the two conference reports could be acted upon.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT—MESSAGE FROM THE HOUSE

Mr. THOMAS of Utah. Mr. President, will the Senator from Florida yield to me so I may submit two matters? One is privileged and the other is necessary because of the impending date deadline.

Mr. PEPPER. I yield.

Mr. THOMAS of Utah. First, Mr. President, I ask that the message from the House of Representatives setting forth its action on Senate Joint Resolution 159 be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 159) to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946, to which were, after line 5, to insert:

SEC. 2. Section 5 (e) of the Selective Training and Service Act of 1940, as amended, is amended by adding at the end thereof the following new paragraph:

"(3) After May 14, 1946, no individual who has a child or children shall be inducted without his consent for training and service under this act. As used in this paragraph the term 'child' includes a child legally adopted, a stepchild, a foster child, and a person who is supported in good faith by the individual in a relationship similar to that of a parent and child but such term does not include any person 18 years of age or over unless such person is physically or mentally handicapped."

And after line 5, insert:

SEC. 3. So much of the first sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso is amended to read as follows:

"SEC. 3. (a) Except as otherwise provided in this act, every male citizen of the United States, and every other male person residing in the United States, who is between the ages of 20 and 30, at the time fixed for his registration, or who attains the age of 20 after having been required to register pursuant to section 2 of this act, shall be liable for training and service in the land and naval forces of the United States."

Mr. THOMAS of Utah. Mr. President, at the conclusion of my remarks I am going to move that the Senate agree to the House amendments; but before I do that I should like to make an explanation of what I believe is the feeling and the will of the Senate Military Affairs Committee in regard to this motion.

In the first place the ideas of the Senate Military Affairs Committee have already been expressed and are on the calendar in the form of what is known as Senate bill 2057. When I attempt to express the will of the Senate Military Affairs Committee I entertain no doubt at all that the committee has not changed its mind in regard to Senate bill 2057; that it will attempt to bring Senate bill 2057 into being as the law of the land.

Mr. President, in order to be fair to everyone I must also say that the motion to accept the amendments of the House of Representatives is acquiesced in by the committee because of the extreme situation due to the date line we face, and not because the committee is in agreement with the House amendments. As a matter of fact, I do not believe that any member of the committee is happy either over the motion I have to make or the result of the action of the House.

Also, in order to be fair, I should explain to the Senate that we hope to be able to take up Senate bill 2057 before the Draft Act comes to an end, in accordance with the action of the House and the action of the Senate the other day, that is, before July 1.

I shall say a word or two in explanation of the action taken by the committee. As everyone knows, the Draft Act will come to an end by law tonight at midnight if some action is not taken here today and if the President does not approve that action. Everyone knows that the draft act is an extremely complicated act. It not only calls men into the service, but it also attempts to take care of men after they have completed their service. Those sections of the act which are related to the veteran's welfare must in some way be kept alive, and it will be our aim to keep them alive, so that no person who has been drafted and who has entered into a contract with his Government under which his Government has made certain promises to him will lose the benefit of such promises.

There is, of course, a question in the minds of all of us as to the power and authority of the President of the United States to transfer, before midnight tonight, certain activities under the provisions of the act in order that rights and privileges may not be lost. There is so much doubt in our minds that it seems to us to be wise to extend the act as it is until July 1. It will then die by law on July 1; but at any rate it can die in an orderly manner, which will allow certain adjustments to be made to take care of the rights of those who have already served their Government, and we shall at least have another opportunity of reviewing the actual need for the extension.

Mr. President, I move that the Senate concur in the House amendments to Senate Joint Resolution 159.

Mr. HILL. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. HILL. The Senator might state, if he sees fit, that the statement which he has made today was made after a meeting of the Senate Committee on Military Affairs at which there were present a goodly number of members, and at which the membership of the committee gave serious consideration to the question of the House amendments to the joint resolution which the Senate passed last week.

The statement of the Senator from Utah has been made with the full authorization of the Senate Committee on Military Affairs; and in making the statement he is stating to the Senate and to the country that we are proposing to accept the House amendments not because we favor them, not because we believe that those amendments are right or should be written into the law, but simply because of the compulsion of the emergency, due to the fact that the Draft Act expires at midnight tonight. In accepting these House amendments we in no way preclude or estop ourselves from endeavoring to do that which we think ought to be done in connection with the extension of the Draft Act. At the very first opportunity we shall endeavor to bring before the Senate the so-called Gurney bill, reported by the Senate Committee on Military Affairs, with reference to the extension of the Draft Act, which bill is now on the Senate Calendar, and which, because of the press of other legislation, we have been unable to get before the Senate. But as soon as we can we will endeavor to bring that bill before the Senate for passage.

Mr. THOMAS of Utah. I thank the Senator for making our position doubly clear.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield to the Senator from Vermont.

Mr. AUSTIN. Mr. President, I feel it my duty to say something about this matter, for one reason, in order to show that the action of the committee is wholly nonpartisan. There is no element of party interest in this question. As we have done heretofore with respect to great measures which determine the attitude of the United States in the family of nations at this critical time, Republicans and Democrats have acted together in an attempt to find the way out of a dilemma.

I venture the opinion that the Senate has never been in a worse dilemma in a parliamentary sense than it is today in connection with this measure. We have discussed all possible ways of endeavoring to express our opinions by action with respect to the amendments adopted by the House, and we have finally reluctantly concluded that the only way available to us to do so is by statements on the floor of the Senate in connection with a vote to extend the draft law, if possible, for the meager time between now and July 1, 1946.

Mr. President, the seriousness of this situation is illustrated by some simple facts. Even with the draft law in existence as it stands on our books, there has been a descending scale of voluntary enlistments since last October, until during the month of April we succeeded in obtaining only 60,000 voluntary enlistments. The requirement was 185,000 for the month of April. Through the Selective Service as it is, and by means also of relaxing the physical standards and reviewing the IV–F cases, we were not able to fill the quota for the month of April. All we could get was a total, in round numbers, of 40,000 in addition to those who had enlisted, making approximately 100,000 recruitments for our armed forces, whereas we needed 185,000.

Mr. President, another vital fact to consider is this: The effect of the amendment relating to age is practically to prostrate the efforts of this great Government to maintain the standard of efficiency of the armed forces for the purpose of carrying out our commitments in the occupation of enemy territory, our own defense, our garrisoning of island bases, and our fulfillment of our commitment to the United Nations. The effect of what we do today by accepting the particular amendment relating to the age brackets is to cut down the possibility of obtaining selectees to 3,000 a month. Why is this? It is because during the past years men of 18 and 19 years of age have been selected; and all those who are 20 years of age, which is the age at which inductions would begin under this amendment, are now in the service, except those who have been deferred for one cause or another or those who have been reclassified by having regained their health or by having become competent, whereas they were incompetent at the age of 18 years. Those may not be all the reasons, but they are offered for consideration in regard to the dilemma in which we find ourselves at this moment. We will need 30,000 a month as a continuing program, after we have attained the number for July 1, 1946, namely, 1,550,000. We shall need 30,000 continually after that. Under the joint resolution with the proposed amendments all we could obtain would be 3,000, because the great pool, the great resource for manpower lies in the age group of 18 and 19 years.

We must not by our action give out to the world or to those brave boys who now are still in the service the impression or entitle them to form the opinion that this great Nation has become so enfeebled that it cannot maintain by one method or another which is strictly within the Constitution the necessary manpower to carry out our commitments for the great purpose of establishing security and peace in the world. The main objective, of course, is to create such a situation, by negotiations now going on, that we shall not have to have an Army or a Navy or an Air Force for the purpose of waging war; that we shall have to maintain only such armed forces as amount to peace forces, and tend to prevent the use of war as a means of settling disputes among nations. In other words, our greatest objective of all is peace. We aim to give our Government in the negotiations with the great powers of the world a standing which will command their respect, and we know very well, as a practical matter, that our conduct today subjects us to their utter contempt for voluntarily putting ourselves in a position of being one of the weakest of all the negotiators. I wonder how the negotiators in Paris look upon the action of this country, which within one year had risen to the pinnacle of leadership in thought and in political power in the world. Do we wonder that they shoot at our planes as they come down to land on our own runways in Europe? How much cuffing about will now follow, so long as this country pursues the course of reducing its strength to the point of subjecting it to utter contempt?

Mr. President, if there is any effect in what I have to say I wish it to be that we have served notice to those over there who are vis-a-vis in those negotiations that the present action does not represent the considered judgment of the Senate, and that the Senate—whatever it does as a matter of expediency to save some parts of the wreck, and as a pure matter of salvage—still is determined to bring up this matter and within the earliest convenient time to pass a general bill with respect to the maintenance of the necessary manpower to keep this Nation strong and competent and give it some authority in the negotiations it is conducting and to keep it competent to defend itself if such an event should occur that the use of armed force would be necessary.

So I say for the Republicans on the committee that we reluctantly join in this motion. For varying and differing reasons on our side, we oppose these amendments, and probably we shall soon join with our Democratic friends on the committee in bringing to the attention of the Senate a review of these amendments along with consideration of general measures that are adapted to peacetime for maintaining the manpower of our country in the armed forces.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. MAYBANK. Mr. President, there is little that I can add to what the distinguished Senators who have preceded me have said. However, I wish to make my position perfectly clear, namely, that I merely acquiesce in the House amendments. The amendments destroy everything selective service stands for, except to keep the offices and the boards and the records.

The Senator from Vermont has spoken of a dilemma. There will be a dilemma in the Army and Navy for those who have served long and well and faithfully when they find out that those who come on today are unwilling, because of congressional action and because of their own positions, to take their places in the armed forces and thus enable the married men to come home and also to enable those who have had long and distinguished service to return to their homes. Those who are in our Army and Navy believe that in this great democracy of ours the burdens as well as the joys should be shared.

Mr. President, the distinguished Senator from Vermont and the distinguished Senator from Alabama did not mention the fact that some 200,000 students who are to graduate from college or high school during the coming month have

been deferred in order that they might complete their education, and will not be selected because of the action which is to be taken in regard to the Selective Service Act. As a result, they will be put in a privileged class. Oh, yes, Mr. President the Selective Service took those from the cotton mills and took those from the farm or wherever they may have been. They were not deferred. They were not completing their education, and so they were selected. But those of 18 or 19 years of age who were completing their education—the 200,000 of whom the Senator from Colorado has so ably spoken—have been deferred. With the July extension they would have been taken, but now they are to be deferred forever. Mr. President, injustice never pays.

I may add another word for those who may volunteer for the Army and the Navy. Some like the Navy; some prefer the Marine Corps; some prefer the Artillery; some prefer other branches of the services. There will be a general slump in volunteering, not only for the Army but for the Navy and the Marine Corps as well. As the Senator from Vermont said, the Army call for this month amounted to 125,000 volunteers, so they hoped, and 60,000 selectees, or a total of 185,000. That was the call for April. Of the total of 185,000 comprising the call, the armed forces got 101,000; and in that 101,000 there were a good many duplications due to the fact that when some are selected they are permitted to volunteer for service for the 18-month period.

Mr. President, I join in the hope that the day is not far away when justice will be done to those who have made sacrifices, and that they may have an opportunity to return to their homes and to resume their education.

Mr. BARKLEY and Mr. REVERCOMB addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. THOMAS of Utah. I yield first to our leader the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I thank the Senator from Utah [Mr. THOMAS], the Senator from Alabama [Mr. HILL], the Senator from Vermont [Mr. AUSTIN], and the Senator from South Carolina [Mr. MAYBANK], as well as all the members of the Committee on Military Affairs, for the assurance which they have given, not only to us but to the country and to the world, that the precipitate and unfortunate action which we are compelled to take does not represent the settled viewpoint of the Senate of the United States and, in my judgment, does not represent the settled viewpoint of the country as a whole.

It seems regrettable and rather difficult of understanding that the other House did not accept the joint resolution extending the Selective Service Act for 6 weeks. I do not criticize that body, although I understand that in the debate yesterday considerable criticism was made of the Senate on the ground that the Senate could have reached this subject and have disposed of it sooner if it had wished to do so.

Mr. President, neither body is perfect. In determining what course should be pursued, and in view of the deadline at midnight tonight, I imagine that the Senate Committee on Military Affairs was compelled to give consideration to the fact that if we should ask for a conference and return the resolution to the other House, it would be impractical to have a conference today except by unanimous consent of the other body, so the deadline would have been reached anyway. Criticism of the Senate for delay may have been justified, but it was very unbecoming of the other body to indulge in it.

Regardless of that fact, Mr. President, I see no other action which the Senate can take at this moment. I am happy that members of the committee have announced that what is being done is being done under compulsion. I am sure the Senate will act under compulsion, under circumstances which it cannot now control, and which might have been different if the Senate had heretofore proceeded in a different manner. However, Mr. President, all that is water over the dam, and I do not make the statement in any spirit of criticism.

If I am incorrect about this I should like to be put right, but it seems to me that since the end of the war our Nation has been more precipitant in its effort to cripple its power and its standing among the nations of the world than has any other nation which fought with us during the war. I do not recall that any other nation among the Allied Nations has been so precipitant and has run over itself so rapidly in trying to disband as fast and as completely as possible its military and naval organizations.

I realize that pressures are being brought to bear upon us. We are supposed to be able to resist some of them. I have received many letters in regard to maintaining an army in Japan, in China, in the islands of the sea, and wherever else we have military forces, and in those letters there were requests for an explanation of the situation. I have tried as honestly and as sincerely as I could to answer every letter which I received and explain the necessity for our maintaining sufficient military and naval power to carry out our obligations all over the world.

Mr. HAWKES. Mr. President, will the Senator from Utah yield for a moment so that I may propound a question to the majority leader?

Mr. THOMAS of Utah. I yield.

Mr. BARKLEY. I shall endeavor to answer to the best of my ability.

Mr. HAWKES. Mr. President, I should like to know whether we, who are Members of the Senate, have tried to ascertain whether the House, inasmuch as it is unwilling to agree to extending the date until July 1, would be willing to agree to extend it until June 15. In my opinion, 2 or 3 weeks would be a very important contribution to the time in which the subject may be considered. I may say to the majority leader that I personally feel the same as he has expressed himself. I believe that the present is one of the most unfortunate situations that have occurred in the Senate since I became a Member of it. I should like to know if the majority leader, who is skilled in parliamentary procedure and the art of conference, believes there is any chance of compromising this matter in order to afford us 2 or 3 weeks in which to give the subject a little more mature consideration?

Mr. BARKLEY. Mr. President, I have not conferred with Members of the other House as to whether they would be willing to accept a short period of extension. They had an opportunity to do so when the joint resolution was before the House, and they did not do so.

Mr. HAWKES. I know that the Senator is just as anxious as am I to obtain a little time in which to consider further the matter. I wonder if it is now too late—the Senator knows better than I do—to endeavor to ascertain whether the House and the Senate cannot agree upon some date between now and July 1.

Mr. BARKLEY. If we had 2 days for a conference, we might take a chance. But if the act is not extended today, it will expire at midnight tonight. I have no way of knowing whether a conference would be agreed to if we were to ask for one. If the other House refused to meet with us in conference where would we be left? The Military Affairs Committee has undoubtedly canvassed all possibilities and has decided that it would be the better part of wisdom to come before the Senate and make the motion which has been made by the Senator from Utah.

Mr. HAWKES. I have found during my life that sometimes when things seemed impossible of accomplishment they could be accomplished very quickly if they had in them the essence of justice and right. I think the issues today are on the side of justice and right.

Mr. BARKLEY. I appreciate the Senator's statement. I am sorry that I cannot give him a categorical answer to his question.

Mr. President, as I have already said, I have received perhaps as many letters with regard to this subject as has any other Member of the Senate. I have undertaken to explain to each correspondent why it is necessary to maintain as many forces as we now have in the Army and the Navy, and why we must keep them where they are now located. I have not yet received from a single correspondent any criticism after having taken him into my confidence and explained why it was necessary to maintain as large a force as we are now maintaining in different parts of the world. I believe that Members of both branches of Congress have an obligation to take persons into their confidence and explain things which those persons may not be able to understand because of their distance from the legislative process here in Washington.

Mr. President, I shall vote for the motion, but I join with all of those who have indicated that a vote for the motion will be no indication of the final judgment of the Senate on this important subject. I believe that whenever the American people are made fully aware of the

necessities and the obligations as they exist, they will rise and meet them, now that the war is over, no less than they rose to the occasion while the conflict was in progress.

I wish also to have it understood among foreign nations, whether they are in conference now or may be in conference later, that no implications are to be drawn and no conclusions are to be reached by any of them because of the situation in which we now find ourselves in regard to the matter now before the Senate.

With reference to the bill on the calendar, I wish to state that if the conference report is agreed to, the Draft Act will expire again on the 1st of July. When that date arrives we shall be confronted with another question of time We are in the same situation with reference to the Stabilization Act, which expires on June 30. That act is not ready for consideration by the Senate. It is still in the Committee on Banking and Currency, and the chances are that it will not be ready to be reported to the Senate this week, and probably not before week after next. In the meantime I should like to urge Senators to facilitate consideration of the bill now under consideration, which is controversial and which will involve some debate, and that we expedite the consideration of the draft measure as much as possible, having due regard for the rights of Senators to debate it. I do not want the Senate to get into such a situation that we will have a foot race between the OPA and the further extension of the draft, when both of them are about to expire again at the end of June. So I appeal to Senators to help facilitate the consideration of the pending measures.

Mr. THOMAS of Utah. Mr. President, I think, in view of what has been said, I should say now, before I yield to any other Senator, a word in regard to the parliamentary situation. It would be a very simple matter to throw the draft bill into conference. The House has already acted and sent over to us amendments to the Draft Act, embodying certain ideas. By laying aside the unfinished business we can act on S. 2057 very expeditiously. That will throw the two bills into conference, and we can spend, if necessary, the whole 6 weeks in working out a proper bill. As chairman of the committee, I am sure that our committee is ready to do that.

I say that merely to clear the minds of those Senators who have asked if there was not time between now and tonight to do something else. We can do that, and then we can take the whole 6 weeks in getting a perfected bill. From a parliamentary standpoint, it is very easy, if we could have Senate bill 2057 passed. Then if the House will go into conference with us on it, we can report back a bill which will be more than satisfactory, I am sure, to the country and fair to all concerned.

But, Mr. President, I have another obligation resting upon my shoulders. I do not want to talk about bill No. 2 until some action is taken on bill No. 1. The thing we have to do—and to that end these words of explanation have been given—is for us to accept the House amendments to Senate Joint Resolution 159, and then we will have 6 weeks or more in which to work.

I do not make this explanation to cut off members of my committee who I know want to say something, but I do make it in answer to the Senator from West Virginia [Mr. REVERCOMB] and in answer to the appeal the Senator from Kentucky has made.

Mr. GURNEY. Mr. President——

Mr. THOMAS of Utah. I yield to the Senator from South Dakota.

Mr. GURNEY. I merely wish to make the record a little more clear as to the number of men coming into the Army and to utter a word of caution to those who may think that the Selective Service is merely a scheme to get men into the Army. We should not forget the Navy. The Navy has had volunteers right along, but possibly the same difficulty now confronting the Army will soon also confront the Navy.

In the month of April the call of the Army on Selective Service was for 125,000 men, and the Army expected 60,000 volunteers, making 185,000. The selective-service boards, anticipating that the Selective Service Act would expire on May 15, provided only 40,000. There were volunteers of 60,000, making a total of 100,000. So, we were 85,000 short in the month of April.

The Army demobilization schedule for May and June is predicated upon their receiving about 100,000 men in May and 90,000 men in June. They anticipated with the renewal of the Selective Service Act that they would have 50,000 volunteers in the month of May and would call on the Selective Service for an equal number of men. In June they estimated 40,000 volunteers, and their call on the Selective Service would be for 50,000.

Now we are short 85,000 for the month of April, and we cannot expect that the number of men we anticipated will enter the service in May and June, so there will be a great shortage during the time between now and when the Congress enacts the renewal of the selective service law.

It is a great opportunity for the young men of America to recognize the call of the Nation and to come forward and volunteer their services to replace the boys who have been in the service a long time. I think many of the young men of the Nation will recognize that call and we will have volunteering beyond what some of us may at the moment expect.

Mr. REVERCOMB. Mr. President——

Mr. THOMAS of Utah. I yield to the Senator from West Virginia.

Mr. REVERCOMB. Mr. President, I feel that I should make before the Senate the statement which I made before the Senate Military Affairs Committee this morning as to my position upon the pending draft measure.

I am one of those who reluctantly voted for the action which was unanimously taken by the committee. It was unanimous because of the situation that has been explained by the chairman of the Military Affairs Committee. Different reasons were assigned by members of the committee for the positions assumed by them and for their attitude of reluctance.

I think that I should state frankly that when any law is written permanently upon the subject—and I wish it were written in the pending measure—it should provide for the immediate discharge from the Army of fathers. I wanted to offer an amendment to that effect, but I learned and knew how futile it would be to attempt thus to amend this measure.

Mr. President, I think the exemption of men with families from service in the Army is of far greater importance than the question of not drafting teen-age boys. Fathers who are held in the service through the draft and are prevented from returning to their homes and their families are caused by their Government to neglect a duty which when not performed certainly involves a national danger. So I say I want written into this measure a provision requiring the release from the armed services of men with children or a child. That would not call for any new classification, because already there are being released from the armed services men with three children.

Mr. President, I wish to address in particular a remark to the General Staff of the Army, which makes the rules for release of men from the Army. Even without it being written into the bill they should take steps, and they are justified in doing so, for the immediate release of fathers.

Upon this point let me call some figures to the attention of the Senate. In January of this year, 1946, we were told by the members of the General Staff that they expected enlistments by July 1 of this year of 650,000, and that upon that basis they would release from the Army all except 120,000 fathers by July 1946. Because of the unexpected number of enlistments, in March of this year they revised their figures, and said they expected 950 000 volunteers by July 1, 1946, 300,000 more than they had estimated in January. So, Mr. President, if they could release all but 120,000 fathers upon a basis of 650,000 volunteers, certainly they can release those 120,000 when they have increased their enlistment estimate by 300,000. I make these remarks because I want to call the attention of the Army to the fact that they can act upon this subject without legislation upon it.

I subscribe wholeheartedly to the idea of a strong Army for the protection of this country, a strong Navy, and a strong Air Force, but I believe definitely that end can be attained through volunteers, and I believe my feeling is justified by the record that has been made since the voluntary enlistment bill was passed. As of April 30 of this year, 730,590 men had volunteered into the Army alone. More than 52 percent volunteered for 3 years' service. I had hoped that all inductions could be stopped, because I believe we will never get a volunteer army until the Army energizes and accelerates a plan to obtain volunteers.

March 8 of this year, without announcement to the public or to the Congress, the Army raised the passing mark on the classification test from 59 to 70, and thereby cut down the number of volunteers who enlisted in the Army. If the

Army is to follow that course of action, we will never get a volunteer army so long as we give them men through enforced service. The mark of 59 for a soldier was good enough during the war, it was good enough for the American Army prior to the war, but the officials felt they must raise it to 70, and the result was the cutting of the volunteer forces. If the Army is going to continue on that kind of policy the Army itself will be responsible for the lack of volunteers.

I hope, Mr. President, when permanent legislation is written upon this subject, between now and July the first, if the Army will not issue an order releasing from the service men who have children, that there will be written into the new bill a direction that they shall do so. I trust, further, that by that time we will see clearly that enforced service is not necessary longer in this country, and that we may have an army of volunteers sufficiently large to meet the needs of the Nation's defense.

Mr. President, I support the measure as now presented primarily for one reason, namely, that if we let the law die tonight, the veterans of this war will lose their rights of reemployment preferment. I do not want that to happen. I think a great wrong would be done to them. So I hope that the motion will be agreed to, and that those rights may be saved to the veteran, and that when we write legislation upon this subject of a permanent nature, we may then all have our opportunity to present the measures and provisions we think will meet the situation.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. KNOWLAND. Mr. President, the able majority leader and the Senator from Vermont have both expressed very clearly the serious situation in which this Nation has been placed as a result of the parliamentary situation. In consequence of that and of the action we are forced to take today, we have undoubtedly weakened ourselves in dealing with the critical international affairs which confront us.

The Senator from West Virginia [Mr. REVERCOMB] has pointed out the problems of the fathers in the armed services, but I should not want this occasion to pass without saying a word on behalf of another group who perhaps are the forgotten men of the Army.

Overseas today, in Japan and in Germany, and in the other outposts where we find it necessary to keep our troops, are many single men who have had long months of service. Many of them have had combat service. They have not yet had the opportunity to marry and to raise families, and what has been done will be a serious blow to them. They have given some of the best months of their lives to this Republic, at great sacrifice, and I think they are deserving of better treatment than to be served notice that they may have to wait for a longer time because the Congress of the United States has not been able to meet a challenge which was very clearly before it.

Mr. LUCAS. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. Mr. President, can the Senator tell us the number of soldiers affected by the proposed legislation, who are now serving overseas or in this country and who expect to be discharged between now and July 1st?

Mr. THOMAS of Utah. Mr. President, I do not think any great number of soldiers will be affected. It is a matter of opinion. The Army has given us the figures as to the number needed to put the Army at a strength of 1,070,000 on the 1st of July 1947. They start out with the aim of having an Army of 1,500,000 on the 1st of July 1946.

I think—and this is merely an opinion—that, while, of course, it would be desirable to have all the volunteers and the inductees who are necessary to take the places of all those the Army desires to release, already the Army has done such a good job that not great numbers of men are to be affected as a result of the action taken today.

Mr. LUCAS. I gained the contrary impression from the statements made by other Senators.

Mr. THOMAS of Utah. The great problem is that of the difference between an Army of approximately 1,070,000 men on the 1st of July next year, and 1,500,000 on the 1st of July this year.

Mr. LUCAS. It is a fact, as I understand, that certain men will have to remain in the occupation zones and in the Army in this country as the result of the failure to draft 18- and 19-year-old men during the next 60 days.

Mr. THOMAS of Utah. We know that the Army will have 1,500,000 on the 1st of July this year, because they now have them, and they are going to reduce the number somewhat up to that date. So the number who will be affected between this year and next year is represented by approximately the difference between 1,500,000 and 1,070,000, and those who should be released will be released, and those who desire to come in by voluntary arrangement will enter the Army.

No matter how it is figured, it is not a great number of men, but the idea of the Committee on Military Affairs, and I know the idea of the Senator from South Dakota [Mr. GURNEY], who is defending the proposal for us, is that we should not impose an injustice upon anyone if we can avoid it.

Mr. GURNEY. Mr. President, may I interrupt?

Mr. THOMAS of Utah. I am glad to have the Senator from South Dakota make a statement.

Mr. GURNEY. In reply to the Senator from Illinois, let me say that the length of service of 85,000 men in the Army was absolutely affected by the shortage in the number of men who entered the armed forces in April. They were short that many men. Some who are already in the Army will have to stay that much longer. Eighty-five thousand men must stay longer because of the shortage in the month of April. How many more will have to stay longer because of the shortages in May and June I do not know.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. I am still in the dark, and there is no adequate answer to my question.

Mr. THOMAS of Utah. There is no answer, because we are dealing with unknowns.

Mr. LUCAS. But it is a certainty that as a result of the failure to induct into the services during this month and up to July 1 boys 18 and 19 years old, some men must take their place, and those men are already in the Army, and so far as their service is concerned they are going to have to stay in the Army that much longer than they would have had to stay if the House had accepted the extension measure the Senate passed the other day. In other words, the men who have served long and faithfully will now serve for the boys who would have gone into the Army at the ages of 18 and 19.

Mr. THOMAS of Utah. That is true, but I cannot give the definite number of men involved.

Mr. HILL. Mr. President, men now in the Army also will have to continue to serve for boys who would have been drafted before and would have been in the service except for the fact that we deferred them so they could finish their college educations.

Mr. LUCAS. Mr. President, I simply cannot understand it all.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. REVERCOMB. The enlistments as of July 1, 1946, estimated by the General Staff of the Army, will be 950,000. In addition to that, there will be elistments in Philippine Scouts to the number of 50,000; making a total of a million men. Those are enlistments entirely; they are not draftees.

Now with respect to inductees. It has been somewhat of a surprise apparently to some that only 40,000 were taken in in the month of April. Senators will recall that after the fall of Japan the President fixed the monthly quota at 51,000, as I recall, and selective service has been taking about 35,000 a month. So 40,000 in April was really an increase in the number of inductees. That was in addition, as I have said, to the 60,000 volunteers. There is some overlapping there because some of the inductees volunteered. So if we have had 35,000 a month, it means that within the past year, as of July 1, 420,000 have been inducted. That would make a figure of 1,420,000 men who had volunteered and had been inducted, and who had not up to that time served more than a year in the services. That is a big army. Of course, there is some overlap, and I cannot tell how many of the 1,420,000 represent inductees and how many represent voluntary enlistments. So therefore servicemen of long service certainly ought to be out now, or definitely by July 1 of this year.

Mr. GEORGE. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield.

Mr. GEORGE. May I ask the distinguished Senator if the Army contemplates final termination of the Selective

Service Act, the Draft Act, at any fixed time or any particular time?

Mr. THOMAS of Utah. The Army, of course, has made its plans for May 15, because that is the way the law reads. The Army has held out its hopes for July 1, because that is what the Senate measure provided.

Mr. GEORGE. Of the current year?

Mr. THOMAS of Utah. Yes; and that is what the Senate joint resolution would do. Under it the Draft Act would come to an end unless other legislation were passed between now and July 1.

Mr. GEORGE. Has the Army at any time ever suggested a termination date for the Selective Service Act?

Mr. THOMAS of Utah. No; the Army has not. Various suggestions have been made by different witnesses. The Army has approved a measure which would extend the act for a year. The War Department asked for such action.

Mr. GEORGE. I am curious to know if the Army regards the Selective Service System as permanent. That is what the American people are anxious to know, I may say to the distinguished Senator.

Mr. THOMAS of Utah. I hope the Army does not regard the selective service as a permanent system.

Mr. GEORGE. Is it not time that the Congress and the country were given rather definite advice on so important and so vital a matter as the drafting in peacetime of young men into the Army?

Mr. THOMAS of Utah. So far as civilians can give advice to the Army it has been given, that it should not depend upon selective service. What is more, many of the witnesses who appeared before the committee said that they would rather have a volunteer army than an inducted army. What is still more, it has been pointed out time and time again to the Army that this is a subject upon which Congress must pass. No one has suggested a permanent selective service except one witness who suggested that it be continued indefinitely. No one agreed with that suggestion.

Mr. GEORGE. Does it not seem obvious to the distinguished Senator from Utah, who has given a great deal of thought to the subject, that so long as we have a mixture of the compulsory system with the volunteer system we are not going to secure the best results?

Mr. THOMAS of Utah. Mr. President, the Senator from Georgia has put into exact words the greatest of all problems facing the Army of the United States. We are fast coming to the position, due to the selective-service functioning in peacetime, where all those in the Army of the United States who command volunteered to command, and where all those who are commanded in the Army of the United States will be inducted to be commanded. Mr. President, if a nation cannot continue half slave and half free, neither can it continue, under such a system, to have an army which is at the highest peak of morale.

Mr. GEORGE. I thank the Senator.

Mr. HILL. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. HILL. The Senator from Georgia has asked a very pertinent question. I think the answer is that the Army has declared that it favors a volunteer army, an army composed of personnel raised by the volunteer system rather than by the Selective Service System. The Army has said, however, that in order to do the jobs it now has to do and in order to meet the commitments which have been imposed upon it, it must have an army of July 1 of this year, 1946, of 1,550,000 men; and that in order to meet its commitments and to do the work required of it, it must have an army a year from now, July 1, 1947, of 1,070,000 men. It would rather have a volunteer army. It hoped that Congress would do everything it could to stimulate and encourage the raising of a volunteer army; but that if it is to perform the tasks assigned it and meet its commitments it must have the number of men I have stated.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield.

Mr. JOHNSON of Colorado. I wanted to make the same statement that the Senator from Alabama has made, with this addition, that the Military Affairs Committee warned the War Department time and time again that it ought not to depend upon an extension of the Draft Act on May 15; but it is also true that the War Department asked that it be given a 1-year extension of the Draft Act.

In regard to the question of the Senator from Illinois [Mr. LUCAS] as to how the action of the House and the Senate will affect the situation, the answer, of course, may vary with private opinion of different members of the committee who have studied the question. In my opinion, 200,000 replacements are affected. The size of the army is not affected. I think the Senator from Vermont [Mr. AUSTIN] was entirely mistaken when he said that we are weakening the hands of the Secretary of State and our diplomats in France by this action, because the Army is going to have the size army it says it needs, regardless of this action.

The thing which is affected is replacements. The proposed action means that 120,000 fathers who should be discharged from the Army the 1st of July, and perhaps 80,000 combat troops and men with long service, will not be discharged, as they had hoped. That is about the whole story.

Mr. HILL. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield.

Mr. HILL. The fathers to whom the Senator has referred, and the men with long service, will not be discharged. They cannot be discharged, and they will have to serve in the places of 200,000 men who were subject to draft and who would have been drafted before this but for the fact that we deferred their service to permit them to finish their college education.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. I know that throughout the country there is an unusual interest in boys who are 18 or 19 years old. I can understand why a certain amount of pressure comes from mothers and fathers with respect to those boys, and why such pressure has its influence upon Members of Congress. But I wish to make what I believe to be a pertinent observation. We must also take into consideration the mothers, fathers, and wives of the 200,000 men who are left in the Army and are serving in the places of a couple of hundred thousand boys who have performed no military service. This is one of those things which work both ways. It is a two-edged sword.

Mr. HILL. Exactly. In that connection the Senator from Illinois will no doubt be interested to know that the Gurney bill for the extension of the draft which the Senate committee reported, and which is now on the calendar, provides, as I recall, for the discharge on August 1 of approximately 120,000 fathers, and, beginning October 1, the discharge of men who have had 18 months' service.

Mr. LUCAS. Mr. President, I should like to ask one further question.

Mr. THOMAS of Utah. I yield to the Senator from Illinois.

Mr. LUCAS. How many volunteers are in the Army at the present time?

Mr. THOMAS of Utah. By the 1st of June there will be 950,000.

Mr. LUCAS. We should certainly be rid of selective service by June 1947, or before then, if the Army needs only a little more than 1,000,000 men to take care of the situation at that time.

Mr. HILL. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield.

Mr. HILL. I think we should keep the record straight. We must remember that some of the men who volunteered did so last September, and many of them volunteered for only 18 months. Their 18 months might well expire before July 1, 1947. I did not want the impression to be created that, come what may, we might have sufficient volunteers to provide an Army of 1,070,000 on July 1, 1947.

Another thing we must remember is that we cannot have 1,070,000 on July 1, 1947, and then on July 2, July 4, July 5, or July 10 drop far below 1,070,000. As the distinguished Senator from Illinois knows, much depends upon the jobs and commitments imposed on the Army, upon what we do about overseas garrisons, upon what we do about the armed forces we now have in defeated enemy territory, and many other things which might change during the next year, and which might have a determining effect. So far as the Army can now see, it must have 1,070,000 men on July 1, 1947; but that does not mean only on that date. It undoubtedly means for several months afterward.

Mr. LUCAS. I think it is a fair statement to make and a logical conclusion to reach that if the rate of enlistment continues during the next year as it has during the past year, we shall have a sufficient number of men in 1947 to take care of the needs of the Army, through the voluntary system.

Mr. HILL. With respect to the rate of enlistment, of course the Senator recognizes that the rate of enlistment has de-

clined very much. Yesterday Representative SPARKMAN, of Alabama, in the debate in the House, made the following statement:

Our heaviest month for volunteers was in November of last year. In November 1945 we had nearly 185,000 volunteers. But listen to how the number has fallen off month by month: December, 131,000; January, 113,000; February, 93,000; March, 73,000; April, 63,000. You can see where that curve is leading; it is leading to a dangerous situation.

We must remember also that the effect of adopting the House amendments and no longer drafting boys of 18 or 19 will undoubtedly be substantially to reduce voluntary enlistments, because many men in that age group have volunteered because they realized that if they did not volunteer they would be drafted.

Mr. LUCAS. If we do not solve some of our economic problems there will be plenty of volunteers.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. BREWSTER. Mr. President, this seems to be an anomalous situation. Apparently the Senate is about to take action unanimously on a proposal with which not a single Senator has expressed agreement. Not a single Senator has approved the proposed action. That is certainly a very extraordinary situation. Not one voice has been raised in behalf of the merits of the proposal which the committee asks us to approve. That fact certainly invites exploration. The Senator from Vermont [Mr. AUSTIN] has made a very impressive, and almost alarming, statement as to the situation in which we shall be left.

Reference has been made to the other body. While we do not need to hold any brief for that body, the fact remains that that body did take action in this matter more than 4 weeks ago and sent the measure over here. For the remaining 4 weeks the entire responsibility for drifting over what is now alleged to be a Niagara Falls rests upon those in this body who have not given an opportunity for consideration. I think that should be made very plain before the Congress and the country, in justice to all concerned, and that those responsible for determining the program of this body should give us as plausible an explanation as possible as to why this question has not previously been considered. It seems to me that that is a question which the country is going to ask.

Mr. PEPPER. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield.

Mr. PEPPER. First, in response to the pertinent remarks made by the able Senator from Maine, what the Senator has said emphasizes the fact that eventually the time will have to be recognized as having arrived when the rules of the Senate will have to be adapted to the necessity of disposing of public business.

We debated the British loan in the Senate for a little more than a month. I am not making any point of the fact that we did not stay in session every day, nor of the fact that the rules of the Senate and the arrangement of the duties of Senators have been so imperfect in the past that we were distracted by many interruptions of committee work and other things during the course of that debate. I hope, by the early adoption of the La Follette committee report, that it will be possible for us to segregate our weeks into certain days for committee meetings, certain days for Senate sessions, and perhaps even night sessions, and that it will be possible for us to expedite our business. But we can never transact the public business with the dispatch which the public demand requires until we have such rules that the leadership of the Senate can outline and lay out a program for the Senate's business, and then require some reasonable observance of that program.

Mr. HILL. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. HILL. The Senator from Maine well recognizes the fact that after a bill once comes before this body, unless the leadership feels that it should be laid aside, or can well be laid aside, there is no way by which the leadership can determine when there shall be action on that bill. We still have free and unlimited debate in this body. Senators can continue to do what they did in regard to the British loan, namely, speak as long and practically as many times as they wish to.

There may be a question as to whether we should have laid the British loan measure aside. There were many Senators who felt that, important as was the extension of the Selective Service System, it was no more important than the British loan. To lay the British loan measure aside after we had once begun its consideration would have been more unfortunate—perhaps even more tragic insofar as our foreign relations are concerned and insofar as the part which we may be playing in the affairs of the world and in trying to build the peace at this time is concerned—than to let the Selective Service Act expire. Surely there was much to be said in favor of keeping the British loan measure before this body until it was finally disposed of.

Mr. PEPPER. Mr. President, if the Senator from Utah will permit me to conclude, I shall appreciate it very much; and I am sorry to have interrupted him so long.

I thoroughly subscribe to what the able Senator from Alabama has said. The answer is not in laying aside one piece of legislation for another piece of legislation, but the answer lies in making it possible for the leadership to budget in some reasonable measure the length of time available for debate on pending measures, and then to adhere to the budget which has been established.

To recur to the pending measure, Mr. President, let me say that I do not understand why there is anything so important about the labor bill which is the unfinished business that would give it priority of consideration over the emergency of providing an army for the United States of America.

There is another anomalous situation—and I do not say this because I am not in favor of some of the amendments which have been proposed and some which will be proposed to the committee bill dealing with labor—which we now are allowing ourselves to present. Everyone admits the folly of the United States military policy that is embodied in this bill, and yet we are about to proceed for days and perhaps for weeks to debate a rather vain labor bill, after sacrificing the national interest—namely, the national security—and possibly endangering the future peace of the United States and of the world.

I would certainly be one of those who would look with great favor upon a request by the Senator from Utah, as chairman of the Military Affairs Committee, that the Senate put first things first. If this matter is of the importance that has been suggested, it should be given that degree of priority on the Senate Calendar.

Mr. KNOWLAND. Mr. President, will the Senator yield to me?

Mr. PEPPER. I do not have the floor.

Mr. President, if I may make one further observation, I shall not interrupt any more. The third consideration I submit is that, although I may not have been fully informed as to what our representatives are doing in respect to foreign affairs, nevertheless, frankly, I have been a little disappointed that there has not appeared in the newspapers, at least so that we might know about it or so that we could obtain the information otherwise, news that our Government has been making a determined, persistent, and effective effort, in collaboration with Great Britain and Russia, by which all nations could reduce their military establishments. That may have been tried and there may have been a failure on the part of our foreign-policy-making officials; but I should like to know whether our Secretary of State has made an appeal to the British and the Russian Governments, and also to other governments insofar as they, too, are in the scheme, that all of us shall abandon compulsory military training and that all of us shall agree upon a limited personnel for military forces. I do not know when we are ever going to get around to it if we do not start rather soon. I am not complaining and I do not mean to criticize our State Department, but I wish to know whether a determined effort is being made to relieve the taxpayers and the young men of this country from the continuing burden of military service in peacetime, after we have won the greatest war in history.

Mr. KNOWLAND. Mr. President——

Mr. THOMAS of Utah. I yield to the Senator from California.

Mr. KNOWLAND. Along the line the distinguished Senator from Florida has been speaking, let me say I am sure he recognizes the fact that, no matter how strong an army or navy or an air force we have, throttling of the industrial capacity of this Nation would cut a hole in the dikes of our national defense. The reason why the unfinished business—not the selective-service measure, but the labor measure which is the unfinished business—is before the Senate of the United States is that the economic life of the Nation was being slowly but surely strangled; and the issue with which the Senate was confronted and is now confronted is whether any man or any group of men or any organization has the right

to use his or its power to strangle the economic life of 140,000,000 Americans.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield to the Senator from Vermont.

Mr. AUSTIN. Mr. President, I should like the attention of the Senator from Florida, not with the idea of educating him, for that is something I would not undertake to do, but for the purpose of telling him that in the Committee on Military Affairs the subject he has mentioned was considered, with respect to its bearing upon the number of men—that is, the minimum number—estimated as necessary for the carrying out of our commitments. I refer to our commitments at home and abroad. Among the assumptions indulged was the very favorable one, I think so far as to the United States in concerned, that within a reasonable time we would be able to complete the definitive treaties of peace with respect to Austria and Italy, for example, and thereupon withdraw our troops from those countries.

Already we have discovered that that assumption was not well founded. We are not going to be able to make the progress with those treaties of peace that we assumed we would make. In the meantime I have seen it reported that the Secretary of State of the United States has made proposals for the withdrawal of troops from different places around the world.

In the interest of peace, in the interest of the theory of having a universal arrangement which will be effective in the cause of security and peace, instead of unilateral arrangements made by great nations for themselves, is it not wise, as a practical question which we must face, for us to occupy those enemey countries with our troops so long as our representatives are vis-à-vis with the representatives of other nations in the negotiations which are going on there? It is a practical question. It is one which I think carries its own answer. For example, what kind of a picture would be presented to the negotiators if our troops were withdrawn from the position which they occupy with respect to Trieste and the boundary there which is under dispute? What position would this country be in if we removed our troops from the American occupation zone in Germany, and if France kept her troops there, and if Russia kept hers there, and if Britain kept hers there?

Mr. President, these questions are vital to us. All we can do in passing on the question of manpower, as I see it, is to consider these matters, not in the light most favorable to us, but in the reasonable light which leads us to believe that for some time to come the figures 1,550,000 as of July 1, 1946, and 1,070,000 as of July 1, 1947, are certainly the minimum, and that there is a possibility that we shall need more.

Mr. THOMAS of Utah. Mr. President, I believe the Senator from North Dakota [Mr. LANGER] wishes to obtain the floor in order to speak upon another matter. I think that before my motion is put to a vote I should at least make another statement.

All my life I have been trained in what some persons call science. It is extremely difficult for me to talk about unknowns. Therefore, I cannot project myself into the future and state what will take place in the middle of next month in regard to international relations, the Army, or anything else. There is one thing, however, which is known and which is based on facts. Neither the world, nor even the American people, will decide with regard to the strength of the United States, or the obligations of the United States to its allies, on the basis of some action taken today or some action taken yesterday. The United States has already made its program clear so far as an international organization is concerned. We shall have all the troops which it will be necessary for us to have. They will be strong regardless of anything that may be done so far as satisfying the demands of the world in meeting our obligations to the United Nations Organization is concerned. There were only two persons who were foolish enough to announce to the world that democracy was weak. Those two persons are now dead. The name of one of them was Mussolini and the name of the other was Hitler. No one will judge the strength of the United States and its ability to create great armies in order to carry into effect its program, on the basis of whether we are short 1,000 troops in accordance with a certain quota. Our obligations will be lived up to. Everyone in the world knows that they will be lived up to because America has not often failed in her promises. The Army of the United States is today very strong. Its potential strength is very much greater. There is no desire on the part of anyone that we shall maintain an Army of 8,000,000 men such as we had during the war. That Army, great and glorious as it was, Mr. President, did not in any sense represent what is called the full strength of the United States. We base our strength upon our morals, upon our history, upon our determination, and upon the will of our people, quite as much as upon any other factors.

Mr. President, as chairman of the Military Affairs Committee, I believed it to be necessary to make the statement which I have made. If somebody unwisely assumes that we are taking a backward step, that person will be very badly disappointed.

I believe the discussion is now over, and I should like to have the question put to a vote of the Senate.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. MAGNUSON. I hesitate to interrupt the Senator's remarks. I was not present in the Chamber when the session began. The Senator from Utah and other Senators have spoken about the strength of the Army. I should like some information. How does the pending measure affect the so-called strength of the Navy so far as its volunteers are concerned.

Mr. THOMAS of Utah. I believe that, in theory and in fact, the Navy will not be affected. The Navy stated, through its representatives, that volunteers are coming into the Navy because, primarily, the draft act is in existence. However, that is one of the unknowns. Personally I believe that service in the United States Army and in the United States Navy will continue to be very attractive to many of the thoughtful youth of our Nation.

Mr. MAGNUSON. Insofar as the information known to the Senator is concerned, voluntary enlistments in the Navy have been holding up very well, have they not?

Mr. THOMAS of Utah. The Navy has been receiving enlistments during the past few months at a monthly average rate of 13,000. The Senator from Vermont [Mr. AUSTIN] has some figures with regard to the situation. I believe that 13,000 a month is the Navy's quota.

Mr. AUSTIN. Mr. President, I will quote from General Hershey, who referred correctly to the position of the Navy. I know that his reference was a correct one because I also listened to Secretary Forrestal on the same subject. I read:

> The Navy Department estimates 328,000 of that number—
>
> That is, of 384,000—
>
> will be under contract September 1, provided the current rate of enlistments continues. Assuming an additional attrition of 13,000 enlisted personnel through August, the Navy Department will require 185,000 enlistments from civilian life by September 21, or 27,000 monthly in order to meet a postwar strength of 500,000. The Navy believes that their 2- and 3-year contracts will offer sufficient inducements for voluntary enlistments, and that its goal will be reached by September 1. Inasmuch as the enlistments from civilian life are almost entirely made either from persons who are liable or who are about to become liable for military service under the provisions of the Selective Service Act, I am of the opinion that termination of the act will seriously affect their recruiting program.

That was the opinion of the Secretary of the Navy.

Mr. THOMAS of Utah. Mr. President, may we have a vote?

Mr. LANGER and Mr. PEPPER addressed the Chair.

Mr. THOMAS of Utah. May we have a vote on my motion?

Mr. LANGER. Mr. President, I wish to make an inquiry. I wonder if I may have the floor in order to speak in opposition to the position taken by the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah [Mr. THOMAS] has the floor.

Mr. PEPPER. Mr. President, what is now the parliamentary situation? Are we about to vote on the motion?

The PRESIDING OFFICER. The Chair so understands.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. All in favor of the motion——

Mr. TAFT. Mr. President, the Senator from Utah has no right to occupy the floor until the vote has been taken on the motion. The Senator from North Dakota has been waiting for the Senator from Utah to sit down, but he refuses to sit down until a vote is taken.

Mr. THOMAS of Utah. Mr. President, I am sure that the Senator from Ohio is indulging in some of those great un-

knowns about which I have spoken. If he has any reason for saying that the Senator from Utah intends to do this or that, and is sure of what he says, I shall be glad to have him say so.

Mr. TAFT. Mr. President, I did not make a point of order during the discussion which has been held, but the discussion was subject to a point of order at any time because the Senator from Utah was occupying the floor, farming it out to various Senators, and then concluding by making a speech. I do not believe that is the proper way to proceed under the rules of the Senate. I did not raise an objection, but I do not think the procedure was correct.

The PRESIDING OFFICER. The Senator from Utah still has the floor.

Mr. THOMAS of Utah. I think the Senator from Ohio should be informed that the Senator from Utah obtained the floor by asking the Senator from Florida [Mr. PEPPER] to yield for a certain purpose. Until that purpose is accomplished I believe that the Senator from Utah has the right to hold the floor.

The PRESIDING OFFICER. The Senator from Utah may hold the floor, but not to the exclusion of some other Senator who wishes to speak on the same subject.

Mr. THOMAS of Utah. Mr. President, the Senator from Utah has never attempted to do that. The Senator from North Dakota asked to be recognized. Because of the papers which the Senator from North Dakota was holding in his hands, I assumed that he wished to speak upon another subject. Therefore, I asked the Senator from North Dakota—and if there is anything discourteous in this I should like to have the Senator from Ohio point it out—if he would not be willing to wait until the Chair put the question before the Senate, and then ask me to yield to him.

Mr. PEPPER. Mr. President——

Mr. THOMAS of Utah. The Senator from North Dakota informed us later that he wanted to speak on the pending motion. If the Senator from North Dakota desires to speak on the motion, I shall be glad to have him do so, but the Chair should remember that I asked for two specific things when I took the floor. When the motion shall be carried one of them will have been accomplished, and I asked the Senator from North Dakota if I might not accomplish the other one, too. I do not think there has been any discourtesy. I do not think there has been any need for what has been said about the action of the Senator from Utah.

Mr. PEPPER. Mr. President, perhaps I could be helpful to the Senator from North Dakota. I think the RECORD will show that the junior Senator from Florida had the floor and that he yielded it to permit the disposition of the business which was to be presented to the Senate by the able Senator from Utah.

If the Senator from North Dakota was fearful that if he did not at the present time obtain leave to speak to the Senate because of the fact that the junior Senator from Florida had the floor, I shall be glad to assure him I shall gladly yield to him as soon as this matter is disposed of. I should not like to lose the floor, but I should be glad to yield to the Senator for as long as he would like.

Mr. LANGER. I wish to speak on the pending business, and I have a right to do so, under the rules of the Senate.

Mr. THOMAS of Utah. As I understand, the pending business has been temporarily laid aside so that the privileged business can be considered. Does the Senator wish to speak in regard to the motion that has been made as a privileged matter?

Mr. LANGER. Mr. President, I wish to speak on the business that has been made a privileged matter, and which has been discussed by the distinguished Senator from Utah.

The PRESIDING OFFICER. The Senator from North Dakota is entitled to speak on the motion.

Mr. LANGER. Mr. President, I rose to take a position opposite to that expressed by the distinguished Senator from Utah. I desire to speak at some length, and I request that I not be interrupted until I have concluded. Then I shall be glad to answer any questions.

First of all, I wish to call the attention of the Senate to an article which appeared in the Washington Daily News on the 7th of May last entitled "Million Volunteers Forecast for Army, Setting a Record." I read from the article:

> The United States will have a regular standing Army of 1,000,000 volunteers by the end of June, Maj. Gen. H. N. Gilbert, chief of Army personnel procurement, predicted today.
>
> At the same time, General Gilbert warned the Nation cannot maintain a regular peacetime volunteer Army until the War Department can compete for manpower on equal footing with private industry. He said it would be necessary to continue selective service "indefinitely"—perhaps for 3 years.
>
> In 7 months, General Gilbert reported, the Army has recruited 737,144 men—"the largest Army of volunteers ever maintained by any country at any time.
>
> Imagine that, Mr. President—never before in the history of the world has any country had a larger army of volunteers at any time than we have at the present time.
>
> In November, more than 189,000 enlisted. Since October, the Army has obtained an average of 105,000 new soldiers each month.
>
> May and June are expected to produce between 250,000 and 300,000 new men, drawn largely from high school graduating classes. General Gilbert said surveys indicate at least 25 percent of senior class boys plan to enlist this summer. There is reason to hope, he said, that 17- to 18-year-old enlistments will "run even higher," particularly if Congress approves a pay raise bill now pending.

Mr. President, I have listened with much interest to the distinguished Senator from Vermont [Mr. AUSTIN]. I wish to say, first of all, that the youth of this country, the GI's, the veterans, have had no better friend upon this floor than the senior Senator from North Dakota. How well I remember when I rose shortly after the war broke out and asked that the pay of a buck private be made $100 a month. It is significant that I was sustained in my argument by Senator Bennett Clark, now a distinguished Federal judge, at that time a Senator from the State of Missouri, a man who at one time was the national commander of the American Legion. Senator Clark at that time said that $100 a month, instead of $50 for a buck private in his opinion was right, and just, and proper, and fair.

Instead of my suggestion being followed, we had the spectacle here in the United States of two brothers, both eligible for service, one of them going into the Army at $50 a month, while when President Roosevelt asked the Senate that the amount of salary the other brother could receive sould be limited to $67,200, or a net of $25,000, the suggestion was turned down by the Congress of the United States. I believe I was the only Republican voting for it at that time, although there may have been one more. I recall today the fact that from the beginning the senior Senator from North Dakota did everything in his power to get the buck private decent pay, $100 a month.

Mr. President, it is significant that a few months ago one of General MacArthur's right-hand men came back from the South Pacific, a distinguished gentleman, a man who three times had been Governor of the great State of Wisconsin, Mr. Philip La Follette. Mr. Philip La Follette appeared before the Committee on Military Affairs and said, basing his answers upon the experience he had had, that he believed the men who volunteered should now receive $100 a month, that that would do more to cause young men voluntarily to enlist than anything else that could be done.

Mr. President, what was the strength of the Army on May 1 of this year? Exclusive of officers on terminal leave, the Army's strength was 2,100,000 men and women. The Army's strength goal for July 1, 1946, is 1,550,000 men and women, so there is a surplus today of 550,000 men and women.

I have here an analysis of the statement made by the distinguished Senator from West Virginia [Mr. REVERCOMB], as appears in the CONGRESSIONAL RECORD of April 6, 1946, page 3258:

Approximate enlistments by July 1, 1946	900,000
Philippine Scouts	50,000
Men not in service a year	226,000
Draftees not in a year	400,000
Total	1,726,000
Army strength goal on July 1, 1946	1,500,000
Estimated surplus (as estimated by the distinguished Senator from West Virginia, who is a member of the Senate Committee on Military Affairs)	226,000
Estimated surplus July 1, 1946 (according to prediction of Major General Gilbert, Chief of the Army Procurement that there will be an increase of a million by July 1, 1946)	326,000

Mr. President, a few days ago I discussed this matter rather fully over the radio, on a national hook-up. I said at that time:

> We won the war. But we are losing the peace. We are losing the peace because we are doing all kinds of double-talk about supporting the United Nations to restore and keep world order and at the same time calling for vast armed might of our own by which to threaten the rest of the world. We are losing the peace because we are telling

ourselves that everybody trusts us and believes in our peaceful intentions while announcing to the world by our actions that we are not going to trust anybody. We are losing the peace because we are trying to substitute power politics supported by B–29's and atomic bombs for constructive statesmanship. We are losing the peace because we keep asserting that the war is not over and that we must maintain further into peacetime all our war-inspired restrictions and regimentations, including military conscription.

Mr. President, as I view it the war ended more than a year ago. We have been proud here in America that the only time we have ever conscripted men has been in wartime; that we have never done so in peacetime. Personally I am entirely and unequivocally and absolutely and completely opposed to conscripting men and women in peacetime. Anyone who has read history knows very well how in Europe this insidious method of conscription began and has grown and grown until today it is a festering sore upon the political life of Europe.

Conscription starts generally on a small scale; it is instituted for a few months, and a little later it is extended for a year, and then some time later conscription is extended for 2 years, and later it is made to cover a period of 3 years. Then conscription is fastened forever upon the people of a country.

Mr. President, some of the very best citizens of America have come to our shores in order to escape 1, 2, 3 and 4 years of universal military conscription which was in effect in their fatherland or in their motherland. So far as I am concerned, I do not propose to have military conscription in peacetime fastened on the people of the United States of America if I can help it.

I repeat what I stated in my broadcast:

The war is over. The sooner we recognize that fact and set ourselves to rebuild democracy and justice at home and help inspire and maintain them abroad, the better promise we will have of winning the peace. This false alarm, "The war is not over" is being used by Secretary Patterson and General Eisenhower as official spokesmen for the War Department to foist upon America military conscription in peacetime. After having failed to pressure Congress and the American people into the acceptance of peacetime conscription for military training, they now come before us and declare that the war is not over.

That this effort to extend selective service now is part of a long-range plan to fasten conscription on America as a permanent policy is quite clear when one puts all the pieces of the puzzle together. Even before the war had ended powerful forces in the Government had launched a drive to get a universal military training law on the books. When the religious and educational forces of the Nation, the laborers and the farmers, and many of its wisest statesmen repudiated this move, the War Department went before the Committees on Military Affairs of the Congress and requested that the wartime draft be extended indefinitely.

Mr. President, when the religious and educational forces of the Nation, when the representatives of churches, when a great many of the presidents and professors of our colleges in America filed petition after petition protesting to Congress against universal military conscription in peacetime, when laborers and farmers, and many of our wisest statesmen repudiated this method, the War Department went before the committees on Military Affairs of the Congress and requested that the wartime draft be extended indefinitely.

If it had not been for the great work done by the religious leaders in America, if it had not been for the magnificent fight put up by the presidents of a great many of our universities, we would long ago have carried out the wishes of members of the War Department who appeared before the various committees. It was only because of the magnificent fight of the religious leaders and of the educational leaders and of leading farmers and businessmen that this has not been done up to the present time. When these religious leaders, educators, farmers, and businessmen were assured that the Congress would not write the War Department this blank check, then the War Department agreed—to what? To take a 1-year extension—the very thing the Department originally said it could not do—but it required that conscription be applied to all citizens from 18 years to 45 years of age. This just shows what public opinion, led by the religious forces and the educational forces of America, succeeded in getting the Army to do when they mustered their forces and came before the proper committees of this great body.

Since the House has passed a bill exempting the 18- and 19-year-old boys in response to public opinion outraged at the prospect of using these boys for police in Europe and Asia—

And that is what they wanted these boys for originally; they wanted 18- and 19-year-old boys to be used as police in Europe and Asia. They wanted to take them out of school and make policemen out of them.

Since the House has passed a bill exempting the 18- and 19-year-old boys in response to public opinion outraged at the prospect of using these boys for police in Europe and Asia, the Secretary of War now states for publication that if Congress will let them keep drafting these youths they won't send them abroad. First they tell us they can't get along without these boys and keep the necessary forces overseas. And then the Secretary of War tells us they don't need them for foreign-occupation troops at all. They will just keep them at home—in the Army, of course. Well, I say let's keep them at home—on the farms and in the factories, in school and college, and give them a chance to become decent and useful American citizens.

Let them stay at home with their parents instead of taking them into camps away from the fine home influences of which we Americans are so proud.

Two months ago I introduced a bill in the Senate to declare that the war is terminated so far as war legislation is concerned. I had already introduced a bill last September to stop the involuntary induction of men into land and naval forces of the United States under the Selective Service Act. I introduced these bills in the confident belief that we are impeding the recovery of our liberties at home and the reestablishment of freedom elsewhere by the hypocritical pretense that we are still at war. To be sure, we do have great problems before us. But we shall not settle them by maintaining wartime controls and a wartime military draft.

Mr. President, I have here a letter which I received from my home State of North Dakota, from the Young Men's Christian Association, at Grand Forks, N. Dak., which is the second largest city in our State.

Senator LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: I am writing as one of your constituents—

This letter is written to me by the general secretary of the Young Men's Christian Association, of Grand Forks, N. Dak., a man who deals with the very finest in life.

I am writing as one of your constituents to urge you to use all of your energies in opposition to military conscription.

I served as an enlisted man through five campaigns in Europe during the past war—

Here is a young man, Leonard H. Engstrom, of Grand Forks, N. Dak., general secretary of the Young Men's Christian Association, who served as an enlisted man through five campaigns during the recent war. He continues:

and I feel capable and obligated to express an opinion opposing military conscription.

I share identical views with Senator GLEN H. TAYLOR, of Idaho, as expressed in his radio address over Columbia Broadcasting System on Saturday, April 20.

I will be watching with interest for the views which you express in opposition to military conscription.

Yours very truly,
LEONARD H. ENGSTROM,
General Secretary.

Continuing with my radio address, I said at that time:

Again we are told by these advocates from the Pentagon Building that we must have a continuation of the draft in order to meet our foreign commitments. Now just what commitments are these gentlemen talking about? There are insinuations that our signature to the Charter of the United Nations has obligated us to occupy the rest of the world, to maintain armed garrisons all around the globe. We have agreed to help occupy Japan and Korea and Germany. But why do we need troops in Iceland and Egypt and Canada and China and some 50 other parts of the world?

Why should the fine young men of this country who want to make a success in life, who want to serve apprenticeships in various businesses, who want to go to college and get an education—young men who want to get married and establish their own homes and have their own families—be sent to Iceland, Egypt, Korea, and China, and 50 other parts of the world?

Secretary Patterson, under cross-examination before the Senate Committee on Military Affairs, admitted that if we did away with guarding surplus supplies abroad no further conscription of troops would be necessary.

Mr. President, I do not take as serious view of this question as perhaps some of my colleagues do, because I remember so well, only a few days ago, when the distinguished majority leader in this body stated that it was more important that we give away $3,750,000,000 than to consider the question of universal military training. The British loan was far more important than the discussion of

universal military training. Every Senator who was present at that time will remember that statement by the distinguished majority leader. It was far more important to make the loan to Great Britain; and he stated that if the loan to Great Britain were not out of the way by the 15th of May it would be just too bad that we would have no draft law, but that we would get along in some way or other. He stated that we had to pass the loan to Great Britain first. So I really do not see very much to worry about today, when giving away $3,750,000,000 of our money to the British was more important, so the distinguished senior Senator from Kentucky said, than having the draft law passed by the 15th day of May.

To repeat:

Secretary Patterson, under cross-examination before the Senate Committee on Military Affairs admitted that if we did away with guarding surplus supplies abroad no further conscription of troops would be necessary.

He now says that they need these troops, not to occupy Korea, China, Iceland, or any other country, but to guard surplus property—trucks, jeeps, and what not.

What a travesty on common sense and honesty, that we are being cajoled and frightened and threatened into extension of conscription to provide men who can watch our tractors rust away on Pacific islands, to stand guard over beer going stale, 500,000 cases of it in Guam alone, according to Time magazine, to keep naked natives in India from taking blankets that will be burned in the end anyway.

We take our boys out of school and send them over to Guam to stand guard over half a million cases of beer, according to Time magazine.

Why do we keep these surplus supplies all over the world at enormous expense? Is it in order to make a case for an army to guard them? And how much longer are we going to permit this thing?

Now here is another picture for intelligent Americans: We are asked to maintain troops in Germany. And recently in Paris Secretary Byrnes proposed a treaty to bind us to continue occupation of Germany for a quarter of a century. One of the reasons why this is regarded as necessary is to put down disorder among a people that are actually starving to death. Yet we are asked to keep on conscripting men to guard supplies much of which could be used to create the food and clothing and other necessities to relieve this need. But because we have no statesmanship adequate for this, we are further asked to conscript men to stand ready to shoot down hungry Germans who may grow too impatient with our blundering.

That is along the line of what was said today by the distinguished junior Senator from Florida [Mr. PEPPER].

If we want to talk seriously about our commitments to create world order, to establish democracy and to preserve peace, we must abandon this illusion of peace by threat, of democracy by compulsion, and of order by deploying military power all over the globe. In place of these purely negative and repressive measures we must turn to positive and constructive ones.

Let us look a little further at the case of the War Department for extension of the draft beyond its expiration date of May 15. We must not gamble with national security, we are told.

They say, "Do not gamble with national security. Do not take that responsibility."

But it is not our national security that is in danger. We have and are able to maintain by voluntary enlistment a Navy bigger and more powerful than all the rest of the navies of the world. We have air forces, well equipped and well based, which excel the air power of any other nation and are more powerful than all the others combined. We can maintain these forces without further drafting men for their ranks. And we alone possess the atomic bomb, which dwarfs all the military power of the rest of the world. For the first time in the history of the world, one nation—ourselves—could annihilate the military establishments and the centers of population of the rest of the world. If it is defense that we seek, there has never been a nation more secure from defeat than the United States is today.

But the suspicion grows here—as it certainly has already grown abroad—

It grows in Washington; it grows in Oklahoma; it grows in North Dakota; it grows in Michigan; it grows in Ohio; it grows in Maine. The suspicion grows all over the United States—

that it is not national security that is sought by this new policy of conscription in peacetime for our tremendous naval and air power and the atomic bomb cannot be used for policing and dominating other peoples.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. LANGER. I prefer not to yield at this time.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Senator from North Dakota declines to yield.

Mr. LANGER. Mr. President, the suspicion to which I have referred has grown not only here in Washington but all over the United States. That suspicion is, as I said in my radio speech—

That it is not national security that is sought by this new policy of conscription in peacetime, for our tremendous naval and air power and the atomic bomb cannot be used for policing and dominating other peoples. And even if we blasted the rest of the world to ruins, we would still have to have ground forces to retain control over the ruins. In short, the kind of overwhelming military and naval power we possess is really not sufficient to establish nor maintain empires. For this a nation must have armed garrisons. Are we being asked to stand ready to stand guard over the remnants of Britain's disintegrating empire? Or are we getting ready to launch an empire-building program of our own? Are we getting ready to pull British chestnuts out of the Near East fire where Russia is bidding for the oil of Iran and Iraq and Arabia by the very same methods that have given Britain a practical monopoly over the oil of these countries? Are we ready to guarantee that the Mediterranean is to remain a British lake, denying to Russia at the Dardenelles what we are protecting for Britain at Gibraltar and Suez? Must we conscript our boys—

And, Mr. President, in some instances that means boys who already have served in our armed forces, boys who already have gone to Europe and have served 1 year or 2 years. Must we conscript them, as I said in my speech over the radio—

to keep British troops in Indonesia and India where they shoot down the colonists for seeking the freedom we fought Britain for a century and three-quarters ago?

Reduced to its final analysis, extension of the draft—

As I view it—

is demanded as a countermeasure against fear of Russia.

Mr. President, I am one Senator who believes that this country never again should go to war. I am one Senator who believes in everlasting peace. I am the one Senator who upon this floor pointed out to every other Senator, at the time when the United Nations Charter was about to be voted for by the Senate, that those who spoke in favor of it—and I particularly mentioned the distinguished Senator from New Hampshire, after he had said that the United Nations Charter we were about to vote for was similar to the Constitution of the United States—I, and I alone, on this floor, Mr. President, pointed out that, under our Constitution, when the Thirteen Colonies joined together, neither Vermont nor New York nor any other State had the power of veto over any of the other of the 13 Colonies. I pointed out that the veto power provided by the Charter of the United Nations was going to cause a great deal of trouble. I pointed out that in my opinion the Charter of the United Nations could not work, if one country had the veto power over all the actions of the other countries who signed the United Nations Charter.

Mr. President, it is indeed remarkable that within a comparatively few weeks after the United States signed the United Nations Charter, we find that in the newspapers for the past Sunday there appeared an article by the Secretary of the United Nations—and it appeared in newspapers all over America and, no doubt, all over the world—in which he said that in his opinion the United Nations Charter could not succeed unless the veto power were eliminated. However, there is no provision in the United Nations Charter for removing the veto power. There is no provision for amending the United Nations Charter, unless it is done by unanimous consent of every one of the countries who signed it.

Yet the American delegation and the British delegation at San Francisco put up no battle to get rid of the veto power, at the time when the United Nations Charter was being drafted. Nay, Mr. President, to the contrary, when one of the distinguished delegates to the San Francisco Conference—the representative of Australia—fought to have the small powers placed on a basis of equality with the larger powers, under the United Nations Charter, when the representative of Australia fought for the same thing that the smallest, tiniest colony of the Thirteen Colonies in America fought for at the time when our Constitution was being drawn up and adopted, the United States and England said, "No." Mr. President, when history is finally written the greatest statesmen among all the men who appeared at San Francisco will be found to be that brilliant statesman from Australia.

What are the important facts, figures, and testimony pertaining to the matter of draft extension? Let me say that I am delighted that the distinguished senior Senator from Minnesota [Mr.

SHIPSTEAD] is now in the Chamber, because in his speeches in the past he has time and time again verified the figures I shall cite. As I was about to say, the important facts and figures and testimony show that the Army can have more than 1,550,000 men by July 1 without the draft. If we pay enough for service in our armed forces, a sufficient number of young men will enter them. The very figures I have read prove that. But instead of giving the poor GI's who were drafted more than $50 a month—just think of it, Mr. President, $50—their brothers who did not go into the armed forces were permitted to make as much as they possibly could make. When an effort was made to limit salaries in the United States, Congress would not even pass the proposed measure, and Congress said to those who were not drafted, "Go ahead and make all you possibly can make." During the war there was a proposal that salaries be limited to $25,000 net, but the Congress refused to pass such a measure. It was proposed that salaries in the United States be limited to a gross amount of approximately $67,200, which would leave a net amount of not more than $25,000 after the payment of income taxes. But the Congress refused to enact such a measure. Oh, yes, Mr. President; the Congress showed what it thought of the sacrifices the GI's were making. In fact, one man in California, at the very time when the GI's were risking their lives in the fox holes, made approximately a million and a half dollars. It was said that he would lose much of it by way of payments to the Government under the income-tax law. It is significant that last year the Federal Government paid more than a billion dollars in income-tax refunds. The GI's will be glad to know that a man like the one I have just mentioned could even have, as a hobby—this man who made a million and a half dollars—the maintenance of a race track. If he wished to do so, he could pay $50,000 for a race horse and could race it—as a hobby—and could deduct that amount from his income tax, as an expense. That was the case at the very time when, upon this floor, it was alleged that Marshall Field was running various newspapers as a hobby, and that he could make income-tax deductions for the expenses of operating his newspapers—in short, that he could do as other men had done for a long time, and that it was perfectly legal to do so. Mr. President, I wonder what the GI's who were sacrificing their all thought about a Congress which refused to limit to a net of $25,000 a year the amount of money a man or a woman in the United States could make in salary alone, and when the Congress said, "That is too little; go ahead and make all you possibly can make."

Another important fact is that those who make the estimates of the number of volunteers do not consider the matter of pay increases. Mr. President, how can it be said that voluntary enlistments will decrease in May and June and July and August? As a matter of fact, they may increase.

The other House has already voted for pay increases. If the Senate votes to concur in the House action, and the pay is increased, thousands of boys may enlist who would not enlist under the present rate of compensation. So it is idle to say, as it was said by the distinguished Senator from Vermont, that we will not receive a sufficient number of voluntary enlistments.

One of the most important questions is, Are enlistments being retarded by raising the point system? I assert, Mr. President, that so many contradictory statements have been issued by the representatives of the War Department, and so much confusion exists with regard to the issues of military compulsion, that we must reanalyze the problem in its broader significance if we propose to solve it in a logical and rational manner. There is only one justification for approving the War Department's program of extending the draft act now, with its related recommendations, which would inflict a military system or a caste system upon the United States. I refer to national security. I repeat the statement. The only excuse for universal military training is the possibility of our national security being in danger. If we believe our security will be jeopardized by failure to accept the Army's recommendations, we must, however reluctantly, agree to the program in spite of its obvious dangers.

Mr. President, how often have we seen Senator after Senator arise in his place and say that he, though reluctantly, would vote for the bill to extend the draft act even though it did not meet with his approval? I maintain that no Senator should vote reluctantly for anything. I do not propose to vote reluctantly for anything. A thing is either right or it is wrong. If it is right, we should vote for it. If it is wrong, we should vote against it. To me, it does not make any sense to hear, as we heard today, a Senator say that he does not agree with the proposal before the Senate, but that he will vote reluctantly for it. I assert, in all sincerity and with full knowledge of the importance of the present issue to the people of the United States, that the Army's program for controlling the manpower of the Nation has no bearing on the security of the United States. If we do not extend the draft beyond May 15, we will be just as secure on May 16 as we are today. It is of vital importance that Congress, as well as the American people, understand that situation. Mr. President, allow me to explain.

If we will analyze the military policy of the United States, and the program of the Army under such policy, we will be compelled to admit that the Army has not been too brilliant in its approach to the problem of national security. If any disinterested person had sat in the conference of the Civil Service Committee the other day—we have now had about 13 or 14 meetings—and had heard the reports which were made by representatives of the Army, he would have agreed with the statement which was made that it was not possible to tell within 25 percent how many persons would be required by the Army during the next quarter. So I say that if we will analyze the military policy of the United States, and the program of the Army under that policy, we will have to admit that the Army has not been too brilliant in its approach to the problem of national security.

We have accused the Japanese of being copyists, and of not being able to originate any new ideas. I wonder if our Army has done much better? For generations our military leaders copied certain techniques of the Germans. No other country has had such influence on our Army leadership. Our officers attended German military schools. Some of them proudly commended the German panzer divisions during their maneuvers just before the outbreak of World War II. A great deal of the pattern of our uniforms, as well as much of our military discipline has been copied from the Germans. Our Army leaders studied German strategy and tactics which were considered superior to those of any other nation in the world. The military attaché of Germany was a welcome visitor at the office of the Assistant Chief of Staff and the G–2 office of our Army until the very moment of the German invasion of Belgium and France. Our military officers and our G–2 office, in their estimate of the military situation just before the German invasion, stated that Germany would not invade Belgium. The prediction was based upon the personal word of the German military attaché given to one of the subordinates in the G–2 office. Now, after the militarism of Germany, Italy, and Japan has been defeated and discarded during the terrible war, our Army goes off the deep end for militarism and aspires to becoming the leader in this new world.

The Army has consistently condemned the American people for their lack of preparedness during peacetime. I suggest that the Army look at the mote in its own eye before trying to cast out the beam in the eyes of our citizens.

Mr. President, we came out of World War I as the inheritor of the new revolutionary weapon, air power—a weapon as revolutionary in its way as the atomic bomb is now. We trained a nucleus of air force during World War I. We had every asset necessary to develop a new kind of military force, and to lead the world. At our colleges we had the finest body of young men of any country in the world. They would have taken to flying like ducks to water. We had an unlimited number of mechanics who could service airplanes. Nearly every boy knew how to drive a car and how to keep the motor in operation. We had an unlimited supply of gasoline for training purposes. Most countries of the world lacked an equal supply. In Gen. Billy Mitchell and his assistants we had inspired leaders who had a vision of the potentiality of air power. We had scientists who designed planes. We had a national industry capable of producing planes in unlimited numbers, just as we produced them later, but much too late. With all those assets we might, with the proper Army leadership, have developed the finest air power in the world. We

could have built a fighting air force ready for instant action, an air power which neither Germany nor any other nation in the world would have dared to challenge.

Mr. WHITE. Mr. President, will the Senator yield to me in order that I may make a very brief statement?

Mr. LANGER. I yield with the understanding that I will have the floor at the conclusion of the Senator's statement.

Mr. WHITE. I ask unanimous consent that I may be permitted to make a brief statement without prejudice to the rights of the Senator from North Dakota to hold the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Senator from Maine.

Mr. WHITE. Mr. President, yesterday I reached an arrangement with the majority leader and those in charge of the labor bill to the effect that a recess would be taken at 3 o'clock this afternoon in order to permit the minority Members of the Senate to hold a conference on matters which they deemed to be of importance. In view of the situation which has developed, and in view of the great desire of at least most of the Members of the Senate to dispose of the pending motion, either affirmatively or by rejection, I have released the majority side from any obligations which may have existed with respect to the recess.

Mr. LANGER. Mr. President, what did the Army do with this potential power? It liquidated General Mitchell, and hamstrung his entire program. It shackled air power to the foot soldier, and placed its development at the whims of the foot soldier. It circumscribed instruction in air power in our service schools. It taught all the techniques of World War I all over again, when it should have had the vision to realize that another world war could not follow the pattern of the first. It spent as much money buying forage for horse cavalry in the National Guard, to permit officers to play polo and their wives to ride horseback without cost, as it did on air power in the National Guard.

I wish to repeat that. This Army which is now criticizing the Congress spent as much money buying forage for horse cavalry in the National Guard to permit officers to play polo and their wives to ride horseback without cost as it did on air power of the National Guard.

Just a few weeks ago, after a long generation of waste, it finally abolished the horse cavalry. While we neglected air power, Germany saw the potentialities of new weapons, used the techniques which we had rejected, and almost defeated us in World War II with our own weapons. So the Army, and not the people of the United States, fumbled our national security, and with almost fatal results. We may ask ourselves how many men had to die to pay for that blunder.

Now we come out of World War II with another revolutionary weapon, the atomic bomb. It is more revolutionary than air power. Every principle of military science which had previously been accepted became obsolete or suspect when the first atomic bomb fell on Hiroshima.

Has the Army profited by that lesson? Not at all. It sends its representatives before the Military Affairs Committees of Congress—and I have the record, Mr. President, right here in my hand—to advocate a program of compulsory military training, and an extension of the draft, in order to man armies which are as obsolete as the bow and arrow. Even the children in the street have ceased playing "cops and robbers" in their war games, and have turned to atomic weapons. But the Army has not learned that lesson. It still speaks of bayonet training, and the .30 caliber rifle, and urges that training facilities for these weapons be not neglected. It takes proud credit for having, one generation too late, abolished the horse cavalry, and points to the fact that it has kept up to date by turning to tanks instead, but it is completely oblivious of the fact that the tank is as obsolete today as horse cavalry was after World War I. It proposes that we must drag the obsolete paraphernalia of mass armies along with us, as a ship drags its barnacles, until it finally awakens to the fact that these weapons, too, are obsolete.

These Army advocates state that we must have an army in being and immediately available, and conclude that this can be accomplished only with compulsory training and the draft. Obviously, the next war will not be fought with these weapons. We are all intelligent enough to realize that World War III, if it comes, will not follow the pattern of any other war. It will be fought with the atomic bomb, or with other new weapons of terror which are unknown at the present time—death rays, or death germs, or super V-bombs. It will be a short, sudden, devastating war. If we have not the time to train mass armies after war commences, as the Army rightly contends, neither will we have time to mobilize mass armies, or to retrain them in new techniques, or to transport them to any place in the world. The armies which our high command proposes to train have already been bypassed by the new weapons, just as Japanese foot soldiers were bypassed in China without having had an opportunity of firing a shot. We are still trying to transport those Japanese back to Japan.

The rigidity of the Army thinking on the problem of national security is as dangerous as the Maginot Line complex was to France. If we adopt its policy of basing national security on mass armies, we will pay stupendous sums to maintain obsolete forces, and will be purchasing a delusion of national security, instead of real security.

We do worse that that. We waste the youth of the United States. At the present time the Army has scraped the bottom of the barrel in selecting men for military service, and all that remain are the 18- and 19-year-old boys. These boys have no military value. They are totally unsuitable, because they are too immature, to be used as occupational troops. They are unsuitable for use in a technical army, as our new Army must be, because they have developed no techniques. We found during World War II that the more mature men were most valuable for our technical army, because they had developed techniques in college or in industry to fit them for their technical duties. If we now siphon off our young, immature boys, we will defeat our own purpose, and make them less valuable, potentially, for military service than if we left them in college or industry until they had developed the necessary techniques. The Army has no machinery for developing such techniques, as we discovered during the war, when our young men, drafted into the military service, were sent to schools and colleges at Government expense to acquire the techniques which the Army was unprepared to give them.

Obviously, if there is another war it will be fought with new weapons and new techniques, which demand a minimum of manpower. We do not know at the present time how large an Army we would require, if it were built around the new weapons. The Army has no right to come before Congress and demand a blank check on our manpower until it has thought its way through the problem, and is prepared to give us some conclusive estimates.

In this connection I might say, speaking about 18- and 19-year-old boys and about selective service, this is what General Eisenhower testified before the Senate Committee on Military Affairs on April 8:

> There is no one that I know of, either in or out of the Army, that would rather have selective-service men than volunteers could he get all the volunteers.

That was General Eisenhower speaking, and I say that if we should raise the pay of the buck privates to such a point that they would receive the amount of money they should have gotten when the war broke out, we would have so many volunteers the Army could not use them all.

It has been stated that General MacArthur estimated that an army of 100,000 men, armed with the new weapons, would be sufficient. We do not know for certain what his estimate of the number is. We can take it for granted, however, that if General MacArthur were in favor of this system of military compulsion he would have been summoned by the War Department to appear before the committees of both Houses to state his views, or his views would at least have been obtained for the record. The very fact that General MacArthur was not summoned, that he did not give his testimony, is to me very significant, as I believe it must be to all the GI's everywhere in the United States of America.

Mr. President, it is not unreasonable to suppose that an army of two or three hundred thousand men would be sufficient. A tremendous number of atomic bombs can be carried and dumped by an air force of 400,000 men, which the Army proposes. Or perhaps we should have a small corps of saboteurs instead of men in uniform, because we may reasonably expect that the next war will be conducted largely by saboteurs.

The Army convicts itself of confused thinking in its own calculations of the number of men which it can obtain by voluntary enlistment even for the vast armies to which it has foolishly committed itself. When all of the shouting and the tumult dies we find, much to our surprise, that all the arguments revolve about a possible deficit or shortage of 70,000 men, based on a total estimated strength of 1,070,000 men as of July 1, 1947. It is a strange commentary on the Army General Staff calculations that civilians without any special background of military training were in the Senate committee hearings able to take the Army's own figures and show that the Army had omitted 50,000 Philippine Scouts and thousands of men drafted between January 1 and May 15, 1946, who will still be in service in 1947, 18 months later. Civilians and not the Army dug that fact out and presented it before the Senate Committee on Military Affairs during the hearings.

If Army figures are to be trusted it will have all the men it requires by that date. If it has not it can obtain them by other means within its own capabilities without calling for an extension of the draft. It can, for example, eliminate the caste system. Let it get rid of the caste system which the GI's hate and which has no place in the American Army. We cannot get rid of it too soon. Let the Army get rid of the caste system. Let the Army raise the pay and thus induce more general volunteering. I know the feelings of the distinguished Senator who now occupies the chair, the senior Senator from Idaho [Mr. TAYLOR]. I listened to the magnificent radio speech he delivered in April of this year. I know that the Army of the United States would profit if it would call into consultation the distinguished Senator from the State of Idaho and listen to some of his splendid suggestions.

So I say, Mr. President, that if the Army wants to get more young men to volunteer let it get rid of the caste system. Let it give the GI the same terminal leave that it gives to the officer. Let it treat the GI more like a human being, and the Army will get all the volunteers it needs, and more, because, as I said before, all these arguments revolve about a possible deficit or shortage of 70,000 men.

The Army can bring back our soldiers stationed in countries which we do not need to occupy. There are fifty-some such countries, as I said a little while ago. What business have our soldiers in Iceland or in Korea or in some other country I mentioned earlier in my speech?

In addition to this, the Army can speed up the disposition of surplus property which our men are now guarding all over the world, or dump it in the ocean, since much of it will have so deteriorated in the Tropics as to be absolutely useless, indeed, most of it, so far as another war is concerned.

Mr. President, we have one hundred and some billion dollars' worth of surplus property. Until a few days ago the veteran did not even get enough of surplus property to wad a shotgun. The farmer did not get any of it. Every Senator on this floor knows that in the last 15 months or so we have had four different organizations handling surplus property, and that the thing was almost a hopeless mess. Besides that, as newspapers have stated, much of the surplus property was sold anyhow. We loaned Italy money to buy some of the surplus property. Italy bought much of it.

Furthermore, Mr. President, the Army can employ civilian guards both at home as well as in foreign countries to guard such property. Why should the Army draft a young lad 18 or 19 or 20 or a man 21 or 22 or 23 or 24 or 25 or 26 years of age and take him away from his wife and children, take him out of school, take him out of college, and send him over to Iceland or Korea or some other country to guard surplus property; to guard, for example, half a million cases of beer in Guam? I am in favor of pouring the beer out and letting those men come home. Or the Army can give away the beer or sell it if the Army wants to, or do anything it wants to with it so far as I am concerned. I do not want to be one Senator who votes to take our young boys from the United States and send them over to Guam to guard half a million cases of beer, or to guard whisky, or anything else along that line that the Army has over there. If the Army wants to guard that stuff, let the Army hire civilians and pay them enough to do it, instead of taking young boys into the Army to do such work.

In addition to that, our Army can get men from other countries where this stuff is located to do the guard duty. The Army does not have to take young men from America and send them to Iceland, for example, to guard anything over there. Mr. President, in my State of North Dakota there are two counties in which the majority of the people are of Icelandic extraction. We have had men of Icelandic extraction as chief justices of our Supreme Court. We have had them in the office of the attorney general. They have occupied the highest position of trust in the State. The people who came from Iceland have made splendid citizens, and I am perfectly willing to have the United States Army hire all the Icelandic boys they think necessary, or that they want to hire, and pay them well to guard beer or trucks or jeeps or anything else in Iceland or any other country rather than to take these 17-, 18-, 19-, 20-, 21-, 22-, 23-, 24-, 25-, or 26-year-old boys. Our Army can require the foreign countries to furnish the guards. Our Army can develop a military constabulary on a voluntary basis for guard and occupational duties. Primarily it can set its own house in order and make Army service such a desirable occupation that our men will be glad to enter the Army as a career. There is no reason why young men should not choose the Army as a career if we but pay them enough, if we give them the same terminal leave as officers are given, if we abolish the caste system and do away with the abominable distinction that now exists between GI's and officers.

Mr. President, I say it is a tragic commentary on our military system that with a million and a half trained soldiers presently unemployed, another one-half million taking training who will soon be looking for employment, and another million still to be discharged, the Army cannot induce a sufficient number of men to enlist notwithstanding it offers the largest labor outlet in the United States today. I say, Mr. President—and I believe the overwhelming number of GI's will agree with me—that something is definitely wrong with the Army, and it is about time that the Congress made it its business to find out what the trouble is.

Since mass armies cannot be used for a foreign war, and since the atomic bomb cannot be used on the home front, is it not reasonable to assume that one reason for continuing mass armies is their potential value at home? During the depression the Army leadership was concerned with the military problem of putting down domestic insurrection. This situation arose because our leadership had failed at home and we were preparing to solve economic problems by military force, just as we try to solve international problems with military force. Whenever we find ourselves down an intellectual blind alley and cannot think our way out, we reach for our guns and try to shoot our way out, and often we end up by blowing out our own brains.

Does the Army have in mind a program of placing guns in the hands of our 18-year-old boys to suppress the veterans of this war, just as it planned to suppress the veterans of World War I who were selling apples on street corners even here in the city of Washington? Soldier boys were employed to shoot at the men who had offered their lives in defense of our country. I ask again, does the Army have in mind today the program of placing guns in the hands of our 18-year-old boys to suppress the veterans of this war, just as it planned to suppress the veterans of World War I who were selling apples on street corners? If we are realistic we will face this issue openly and not try to cover it up. Let the Army present an answer.

The point has been made that we require a large army as an instrument of power politics. If we actually intend to engage in power politics, backed up by military force, what value is possessed by large immobile, clumsy armies as instruments of foreign policy? If we commit ourselves to the same kind of army we have used in the past, we shall serve notice on every other country in the world that it will take us from 2 to 3 years to get ready for combat in the event of another war.

Too many officers in the Army are clamoring for war with Russia. I have talked with Army officer after Army officer who wants war with Russia. Let us remind them, if they cannot see the military situation themselves, that the United States cannot train and transport to Russia enough men organized into mass armies to defeat Russia on her home soil. At least, if we did it would be tremendously costly in human life. In my judgment we should likely be defeated, just as Napoleon and Hitler were defeated. Perhaps not. I am only a civilian. I am not one of the brass hats. Perhaps they have some system or plan worked out, about which the average

Senator or Representative knows nothing. At least that is the conclusion of the Army and Navy men with whom I have talked; and I have talked with some of the best ones. Neither can Russia train and transport to the United States enough millions of men to defeat us on our own soil, for they likewise, I know, would be defeated. If we must fight Russia or any other power it must be with new weapons; and to place our reliance in the field of diplomacy on the mass armies advocated by the military is to jeopardize our very existence.

Let me suggest that the Russian people possess nothing that the American people want, and the American people possess nothing that the Russian people want. The quarrel is a quarrel between the leaders of the two countries. As for me, I am not as much afraid of what Russia may do to us as I am of what we are about to do to ourselves in this very prosperous country.

Let us take up a second significant point concerning the Army program. What is it that we have fought for in all the wars of our history? We believed—at least we were told—that we were fighting for human liberty. We were fighting in the first war to make the world safe for democracy. This time we were told that we were fighting for human liberty. In the Revolutionary War it was for independence; in the Civil War, emancipation. In World War I we were fighting to make the world safe for democracy; in World War II, for the "four freedoms" and the Atlantic Charter These were all things of the human spirit, which we have added up to mean democracy. That is the only thing for which our boys would fight. They were not mercenary soldiers, and they would not fight for money. Those were the reasons given by our statesmen to cause them to fight.

It is true that between wars our soldiers were often cheated of the fruits of their victory, nevertheless the fight for democracy has continued relentlessly. We must now ask ourselves how the Army program of military compulsion will affect our democratic liberties.

Looking at the Army dispassionately for what it really is, it is clear to all of us that the Army is not a democratic institution. Its structure is fundamentally absolutist and totalitarian. It is highly centralized, with orders given from the top down. It is founded on implicit obedience to the will of the commander. Its leadership is ultra-conservative and reactionary. It has been isolated from the people of the United States for so many generations that it has little understanding of the point of view of the average civilian. Historically it has shown little concern for the views of the people.

Even in the hearings on this bill for an extension of the draft its higher staff officers have practically boycotted the meetings and have left only third-string staff officers to attend the meetings. I wish to repeat that for the benefit of every GI who was in this war. Even in the hearings on this bill for an extension of the draft—and I hold in my hand the record—the higher staff officers practically boycotted the meetings. As Al Smith used to say, "Let us look at the record." What do we find?

We do not find the testimony of MacArthur. Oh, no. We find that in these hearings on the bill for an extension of the draft, which determines the lives of literally millions of boys and girls, the higher staff officers of the Army have practically boycotted the hearings, and have left, not first-class men, but only third-string staff officers to attend the hearings, notwithstanding the fact that representatives of millions of our citizens testified in opposition—representatives of labor, the farmer, education, religion, veterans, and dozens of others, both in groups and individually.

The Army talks of democracy, but its leadership has little understanding of the inner meaning of democracy, and certainly has no machinery within its structure to carry democracy into practical effect. This totalitarian Army is stratified into classes, particularly between the officer class and the enlisted class. This caste system is a throwback to the middle ages, when the overlord could not stand on an equal footing, either officially or socially, with his vassals. We now observe the strange phenomenon of feudalism making its last stand in the military forces of a democratic America. How can we explain to the mother of two boys, one a lieutenant and the other a sergeant, that one is a gentleman by act of Congress and the other is not? One has the privilege of an officers' club and a well-managed officers' mess, and the other eats his food from a mess kit. One is not permitted to meet on the basis of fraternity with the other without risk of military discipline. I do not wish to be misconstrued as advocating any relaxation of military discipline or in favoring a complete leveling off of all men in the military service. Any organization, civilian as well as military, must have discipline. But I do protest with all the vigor at my command against caste distinctions by reason of artificial distinctions of rank. We are all aware of the fact that the first sergeant of an organization can fraternize with his men. Yet no one in the Army possesses a stronger position in respect to discipline than does the first sergeant. The same is true within the officer caste. The colonel and the lieutenant may fraternize at a cocktail party in the evening, but the next morning there is no question as to who gives the orders. If we can maintain discipline within each caste, we can obtain discipline even though we wipe out rigid class differentiations and permit fraternizing between American citizens.

Mr. President, this absolutist Army presents another question to democracy. Its system of justice is just as absolute and arbitrary as is the rest of its machinery. We are aware of the fact that the Secretary of War has appointed a civilian board of outstanding jurists to investigate the Army's system of justice. That investigation is long overdue. Stated bluntly, there is actually no system of justice in the Army, but, rather a system of discipline and punishment. Every phase of judicial action revolves about the commander. The commander may, and often does order charges preferred against a soldier. When so inclined, he may then select the most hard-boiled field officer to investigate the charges, and he may call in the investigating officer and make it clear to him that military discipline has fallen off in the command and that it would be quite in order to put the screws on the accused. Naturally, the investigating officer, in order to establish a record for efficiency for his commander, strives to please. The accused is, therefore, prejudged before he goes to trial.

Mr. President, in my judgment there is not a Senator upon this floor who has not received, time and time again, letters from some GI who has been court martialed, or letters from his father or mother or some other relative, saying that the young man has not had a square deal; and, upon investigation by some of the very Senators who now are upon this floor, some of the sentences have been reduced.

The members of the court are aware that the commander considers the accused guilty. That fact makes all members of the court suspect of prejudice. The commander designates the composition of the court. He selects another hard-boiled officer as president of the court, and he backs him up with several experienced officers. He selects the best officer as prosecutor; and, too often, he selects an inexperienced officer as defense counsel. No enlisted man can sit on a court or be tried by a jury of enlisted men. Each man is reasonably sure, therefore, that the court will be prejudiced in part and inexperienced in part, and that his counsel will be inexperienced and under the domination of the president of the court. How can we expect abstract justice to emerge from such a situation?

I wish to make clear that I do not accuse all members of Army courts of being callous of the rights of the accused, because as good American citizens some of them do their best. What I do insist is that the system itself does not lend itself to the administration of justice.

After the trial the commander has another opportunity to inject himself into the situation. He must review the case for sufficiency of evidence to convict, only. He may reduce the sentence, but he cannot increase it. He may have called in the president of the court, in advance, and reminded him that it would be a good thing for discipline within the command if stiff sentences were imposed for certain offenses. When he reviews the case, if he is in a happy mood he may cut off a part of the sentence, but if he is in an ugly mood he may permit the entire sentence to stand. The level of punishment in that command may rise and fall like the tides of the ocean, according to the whim of the commander at a particular moment. The staff judge advocate who assisted the commander in reviewing the case has one client—his commander. The Judge Advocate of the Army, to whom the case finally is forwarded, has one client—the War Department. Neither is interested primarily in the GI. Neither is interested in the poor GI who may be away from home for the

first time. Neither is interested primarily in abstract justice, but only in protecting the commander.

At last the victim ends up in the guardhouse. There we find our 18-year-old boy, or 19- or 20- or 21- or 22- or 23- or 24- or 25- or 26-year-old boy, who has gone absent without leave because of homesickness. There we find him placed behind the bars or forced to work about the reservation, guarded by another 18-year-old boy who carries a loaded gun. If the prisoner tries to run out on his guard, he is shot in the back—as happened recently at Fort Sheridan, where two such boys were filled full of buckshot when they tried to run out on a leaf-raking job.

I have discussed this point at length because of the effect of this military system upon our concept of democracy. I insist that if we place our 18-year-old boys in an establishment which is structurally absolutist in character, under leadership which has little understanding of the fundamental spirit of democracy, which has no techniques for carrying it into effect, which is reactionary in its outlook and has little belief in freedom of speech or freedom of press or freedom of assembly, which demands complete and unquestioning obedience of orders, which is split into two contending castes, and which has no true system of justice under law to protect the rights of the individual, we shall end up with less democracy, instead of more.

Mr. President, were we to continue the draft program during peacetime it is appalling to realize that in the Army's total system of military compulsion every American boy would eventually be conditioned to the Army's existing philosophies. We cannot permit that to take place without understanding very clearly that we will be headed for complete destruction of our American democracy.

Senators, allow me to discuss a third important point, namely, the influence of the military program on the morals of our youth. Again, I am not concerned with only the provisions for extending the draft but also the long-range determination of the Army to inflict compulsory military training upon us. We may be sure that if we now extend the Draft Act, next spring the Army will be back before us with its compulsory military training program, as well as with fresh demands for additional manpower to implement the training program. The point I wish to make applies equally to both phases of the situation.

The Army would like to make it appear that training in the Army develops our young men. It mentions dental work. Of course, that would be for men only, because girls are to be given no consideration under such a program. The Army conveniently forgets to remind us that it skims the cream of our young manhood and throws back upon society all those who most need proper health protection. The Army mentions courses of instruction in basic subjects for the illiterate. The Army spent thousands of dollars of the taxpayers money in preparing a brochure for the purpose of selling Congress on the value of military training.

Mr. President, allow me to remind Senators, if they need being reminded, that this is not a youth program. All the benefits to which I have referred, and which the Army intimates can be achieved through military training, merely emphasizes the fact that society has failed in some of its primary purposes. Every benefit which has been mentioned can be achieved more efficiently within the home surroundings if he will spend an amount of money in behalf of the girls of the country who are its future mothers, equal to the amount we are willing to spend for the boys.

Mr. President, at the time the joint resolution to give England $3,750,000,000 was before the Senate, I introduced certain bills. Some of them would have taken care of the very situation which the Army says it is now going to take care of by the proposed extension of the draft. I ask Senators to think of what would happen in this country if we were to give $3,750,000,000 to the States, as I suggested, for the purpose of protecting the health not only of the youth of those States, but of every man, woman, and child in America. The distinguished Senator from Louisiana [Mr. ELLENDER] explained on the floor of the Senate a few days ago what happened in Louisiana when three hospitals were erected in that State and it was made possible for any indigent man, woman, and child to go to those hospitals, free of charge, and remain for 1 day, 1 week, 1 month, 1 year, or even longer if necessary, in order to receive proper medical treatment. In Louisiana a person is not required to be entirely indigent if his doctor certifies that he is in need of medical care. Compare that fact, Mr. President, with the fact that hundreds of thousands of our boys were refused admission to the armed forces because they were illiterate or physically unfit. I do not need to tell Senators what was the nature of the test which was employed. As everyone knows, the test, or examination, was finally so trivial as to be almost laughable.

Mr. President, a few days ago I received a letter from Walcott, N. Dak. A man there was receiving an old-age pension of $40 a month. It was not sufficient for him to take care of his needs. He did some work on the side and, believe it or not, the Bureau of Internal Revenue charged him an income tax on his entire pension. When I telephoned to the Bureau of Internal Revenue I was told that I would be given an opinion as to whether a person can be required to pay an income tax on his old-age pension, but I have not as yet received the opinion.

In one of the bills which I introduced there was a requirement that farm-to-market roads be provided so that farmers could transport their products to market.

Mr. President, only yesterday I read upon this floor an article in Life magazine which insulted every farmer in America. The article stated that the farmers of America were so greedy that they preferred to keep their wheat on the farms even though in doing so it meant famine all over Europe. It will be remembered that I read the statement of William Plath, the president of the Farm Bureau of North Dakota. I also read the statement of Mr. John Kasper, State chairman of the production marketing administration of North Dakota. The president of the Farm Bureau said that the wheat had not been delivered because of poor roads. Mr. President, a farmer may live 5 miles from an elevator and he may have a good road all the way from his farm to the elevator with the exception of one or two mudholes. If those mudholes were repaired he could drive his truck to the elevator and transport perhaps a hundred bushels of wheat. However, as every farmer boy knows, one or two mudholes make it pretty hard for a truck to get through. So, if we had used within our own country the $3,750,000,000 which the Senate has already voted to give to England, one-half of which, according to my suggestion had been used to repair farm-to-market roads, the farmers would have been enabled to transport their grain to market and there would be no famine in Europe today.

Mr. President, one of the very men on the emergency relief organization, appointed by the President, is Tom Campbell, who comes from Harding, Mont., who is known as the wheat king of the world. What happened to Mr. Campbell? It will be remembered that a day or two or three or four after the 30-cent bonus was offered, Mr. Campbell said that he was getting tractors from some place or other, caterpillar tractors and other tractors, so that he could deliver 400,000 bushels of wheat to the elevators.

Mr. BYRD. Mr. President——

Mr. TOBEY. Who has the floor, Mr. President, may I ask?

The PRESIDING OFFICER (Mr. LUCAS in the chair). The Senator from North Dakota has the floor.

Mr. BYRD. Mr. President——

Mr. LANGER. I refuse to yield.

The PRESIDING OFFICER. The Senator from North Dakota refuses to yield.

Mr. LANGER. But Mr. Campbell could not deliver the 400,000 bushels of wheat in Montana to the elevator and get it to the market. Mr. Campbell, living out in the country, may have had a good road all the way to the place where the elevators were located, but unfortunately there likely were mud holes which he was unable to cross. If we had $3,750,000,000 we could fix up every mud hole in America on the roads, so that the farmers could get their products to the market.

Remember also, Mr. President, that there was a great deal of joking at one of the bills because it provided for a urinalysis. Yet some of the leading doctors of this country, including the members of the Rockefeller Foundation, have pleaded—they came to my State when I was Governor and sent men there to plead—to get enough money for making urinalyses, because it would save literally hundreds of thousands of lives all over the country. For the little expense of 2½ cents, three diseases can be detected. Yet, the majority leader said it was so important to give $3,750,000,000 to England—a loan, he called it—that he said he was perfectly willing to put aside the

bill extending the draft until a joint resolution for a loan to England could be passed.

Mr. President, I maintain that the Army glosses over the fact that Army camps have not changed much in thousands of years. It was for that reason perhaps that the leaders of religion and the leaders in education came before the committees and protested.

I submit that the Army cannot be made to substitute for the home, the school, the church, and society in general in maintaining restraints on morality. The situation becomes worse now that the war is over, the men are idle, there is no excitement of war to keep up their standards, and their efforts appear little better than boondoggling. Unquestionably, a general deterioration in morale, followed by a deterioration in morality, is taking place throughout the Army. And now the Army proposes to fill all quotas from the only remaining source, the 18- and 19-year-old boys. We often speak of the boys who fought the war as the "lost generation." Now the Army proposes to make of each generation a "lost generation." We may be certain that all these boys, drawn out of their homes at too early an age, will require the same sort of reconditioning to fit them for a return to civilian life as is now required for the boys who fought the war. We will be wasting our youth, and wasting it to no purpose, if we subscribe blindly to this Army program.

Although 18- and 19-year-old boys are perhaps to be exempted now, the fact remains that in the testimony the Army indicated it wanted them, the Army said it would have to have them. The Army at that time was going to send them across the ocean and it was only when the religious leaders and leaders in education and farmers and laborers protested, when those brave, outstanding, courageous men appeared against the Army leaders and begged—it was only then, when the Army saw public opinion aroused, that the Army officials said, "Well, we will draft them, we will take the 18- and 19-year-old boys, but we will not send them across. We will keep them here." Of course, they said at first, "We will send them across to take care of surplus goods, to take care of the jeeps and the trucks. We will send a part of them over to Guam to take care of half a million cases of beer. We will send some boys over there to take care of that."

Be it said to the everlasting credit of the religious and educational leaders of America that they were able to arouse public opinion to such an extent that in the House of Representatives an overwhelming majority said, "You have gone far enough, you brass hats of the Army. You are not going to take 17- and 18-year-old boys."

That was a great day in America, Mr. President, when the religious and educational leaders could arouse the conscience of the people of America and formulate public opinion to such an extent.

So I say, Mr. President, Congress must face another practical problem if it passes this bill to extend the draft. Are we prepared to follow through with the necessary action to enforce it after we pass it? This bill is very unpopular throughout the country, and especially with the parents of 18-year-old boys. If they were convinced that the draft were necessary for reasons of national security, they would be willing to support the measure, but the Army has not, thus far, convinced them that national security is at stake. They do not want to give up their sons to guard property all over the world, or to end up in armies of occupation all over the world, with all of the demoralizing influences to which these boys will be subjected, or to permit their sons to be used as instruments of shabby international power politics. They were willing to sacrifice their sons for democracy, but are not willing to sacrifice them for all of the oil wells in Iran or of the entire world. They have little faith in the integrity of the Army, for the Army broke faith with them before when it promised that their 18-year-old boys would be given a full year of conditioning to fit them for military duties, only to break its promise, with the result that boys were killed all over the world who had only a few weeks' training.

Mr. President, how well I remember the day when the distinguished senior Senator from Ohio [Mr. TAFT] rose on this floor to ask about a boy who was the son of a neighbor of his, who had been killed after only a few weeks of training, in violation of the promise which had been made by the War Department. How well I remember the alleged excuse. It was that he had voluntarily signed some kind of a paper waiving the months and months of training here, so that he could get to the front right away.

Mr. President, I and others, the religious and educational leaders, farmers and laborers, and businessmen see this program largely as another WPA, another boondoggling program for the unemployed. They remember that many of our ancestors ran away from their home in Europe in order to escape conscription, and wonder if our boys must now run away from their homes in order to escape conscription in the United States. They are not fooled by public polls, for many vote in such polls who have no sons to sacrifice, and only those who are directly concerned should have a right to vote. Too often the polls reveal nothing more than the effectiveness of deliberate propaganda of those who are determined on fastening this program of compulsion upon the United States. If we pass this measure, therefore, I predict that it cannot be enforced any more than prohibition was enforced. This draft measure deals with the American way of life, and with the lives of our future generations. If we pass it we must be prepared to strengthen the powers of the Department of Justice, to build more jails, and to set up more courts to try our young men who want no part of this un-American program of military compulsion.

At this point I cannot help but ask: What does the Army propose to accomplish by this program? What is its purpose? Why do Army officers lobby up and down the halls of Congress, on Army pay and at Government expense, to force this program on the American people? I have found no one except the Army and one or two other reactionary organizations that want this program. The Navy is only mildly interested—the Navy, I repeat, is only mildly interested, as it is doing all right on a voluntary basis. The Marine Corps is not at all interested. The Marine Corps does not want the draft. It is not interested in it. And the Navy is only mildly interested in it.

Why is the Army so interested in getting this program in spite of public opinion aroused by the religious and educational leaders of America?

Let me try to answer my own question. I believe that the answer goes as deep as the American way of life. I have already pointed out that the extension of the draft cannot be justified in the slightest degree on the basis of national security. The Army has tried to blackmail Congress to put through this measure by threatening to hold on to the fathers still in the service. It has tried to frighten Congress by reiterating that if this measure is not passed we will be gambling with national security. I am convinced that instead of gambling with national security if we do not pass the measure, we will be gambling with the American way of life if we do pass it. One of the reasons we fought the Revolutionary War was because we detested the militarism which the British forced upon our early settlers. We came out of the war with an ingrained antagonism toward militarism, so much so that we were reluctant to have an Army even of 2,000 men. After the Revolutionary War we were reluctant to have even an Army of 2,000 men. That ingrained suspicion of militarism has become part of the American tradition, and has a part in making us willing to fight to destroy militarism abroad.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I am sorry, but I can not yield, Mr. President, to the distinguished Senator from Michigan. I wish I could.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. LANGER. What a change has taken place since that time

After the Revolutionary War our Army was small and scattered. Our wars were small, chiefly with the Indians on our frontiers, and the Army was given a free reign in fighting them, since, except in the Civil War, the rest of the population was not too deeply concerned. World War I saw a marked change in the situation. We learned that warfare had become the business of the entire population, yet the military was given major control over the war. World War II carried that phase to its logical conclusion, for the war became a levy en masse with every man, woman, and child in the country directly concerned. Notwithstanding that fact, in the old accepted manner we turned the war over to the military. Every farmer in America, every businessman, every wife, the head of every household, every man who cannot get a shirt, every woman who cannot get nylon stockings, every man, woman or child who cannot get butter or bread—every one of them knows that

Congress abdicated. Everyone knows that we turned the war over to the military. Congress, industry, labor, education, religion, and society as a whole abdicated their powers to the military because Americans said "We have got to win this war." The people were willing to do that, Mr. President, at that time, but the war has been over for a year, and I for one say that the Congress and industry and labor and education, religion, and society should no longer abdicate to the military.

During the war every path led to the Pentagon Building. Everyone took orders from the military, for the leaders of the armed forces held a monopoly on national security. Our Army leaders, conditioned to small tasks in a small Army in the piping times of peace, had little experience in handling the difficult problems of logistics of an entire Nation at war. It is true we did a splendid job, but through the efforts in many cases of our civilians in uniform.

Now the war is over, but the Army still insists that it holds the monopoly on national security. It maintains the fiction of a continuation of a national emergency, when no emergency exists any longer, in order to keep control over men already drafted. It accepts as a certainty the fiction that this emergency will continue for at least another year, for it counts on keeping all draftees in service for at least 18 months. It presented a program of compulsory military training which would give it control over all of the manpower of the Nation during at least one period. Its insistence on continuing the draft is but another phase of its control over manpower. It proposes to control the atomic bomb for military purposes. All of these proposals, if carried into effect, would give the Army tremendous power, in times of peace, over the entire national manpower and national economy.

On top of it all the Army is fighting for a merger of the three forces in the expectation, no doubt, that an Army leader will be the first to head up the new organization. Desirable as I think a merger might be from the standpoint of bringing about greater cooperation between the various forces, let us not forget that cooperation cannot be achieved merely by piling one bureau head on top of another bureau head. Confusion and compartmentalization already exist within each of the forces, in spite of the fact that each has its own head. Cooperation and understanding are achieved from the lower levels on up through to the top by training, sound organization, and actual experience.

The proposal for unification has this danger: One man might emerge at the top and be obeyed by the Army, under its indoctrination of unquestionable obedience, or one man in a military hierarchy might emerge and find it easy to negotiate with one man heading up the armed forces.

Militarism is a dangerous and ugly thing, whether it be German militarism, Japanese militarism, Russian militarism, or American militarism. Herein lies the greatest danger of the total Army program.

We are now the strongest militaristic nation in the world. We still have the most powerful army, in spite of the Army's program of demobilization through disintegration, for all the men demobilized are still in the reserve. We have the largest Navy and the largest air power. We have the atomic bomb, and we have shown the world that we have no hesitation to use it not only once but twice, and that after Japan had already been defeated. There was no military need to use it. The attitude of the Army on the atomic bomb has shown that we stand ready to use it again—and I might say "again, and again, and again."

We have a powerful industry to back up any military program we may wish to undertake. Our scientific achievements are unsurpassed. We have seized bases all over the world, pointed at the hearts of our former allies. Our international policy has been aggressive and almost endless. So today the United States emerges as a great military nation to be feared and distrusted by the peoples of the world. We inherit the tradition of Napoleon, Kaiser Wilhelm, Hitler, and Mussolini.

Again we come too late, for militarism died when the first atomic bomb was dropped at Hiroshima. Certainly militarism founded on mass armies came to an end with the development of the atomic bomb. Few military leaders in the United States or anywhere else in the world seem to have grasped that fact.

We are beginning to acquire a fatalistic feeling that we are living at the present time in a state of armed truce or armistice; that our soldiers, as suggested by Dr. Hutchins, of the University of Chicago, are merely home on furlough; and that world war may break out at any time. The only changes we anticipate have to do with a new alinement of powers when warfare is resumed.

If war starts all over again, what sort of a war will it be? Will it be a war of bayonets and 30-caliber rifles, tanks, landing barges, flame throwers, artillery, and all the implements of war which we have accumulated in such quantities? I realize that it will be a great temptation to our military leaders to commence where we left off, with all the techniques and equipments with which they are familiar, and which they have been trained to use. Herein lies our greatest danger, for the next war, if there is to be a next war—which Heaven forbid—will bear little resemblance to the wars of the past.

It may not be waged with men in uniform at all, but with scores of skilled saboteurs trained in the secret placement of weapons of terror. It will in all probability be a pushbutton war, in which the engines of terror are suddenly released at a given time and entire cities are blown up in a few seconds, or it may be waged with disease germs released to spread death and destruction throughout the Nation. If it is a war of men in uniform it may be fought in the stratosphere with atomic bombs carried high above the earth by super B-29's, or projected half-way around the earth as guided missiles, radio-guided planes, or super bombs; or we may develop a death ray, with which the Japs were successfully exprimenting before the end of the war. If they succeeded in killing rabbits at 300 feet, it will not be difficult to develop rays to kill men at 3,000 miles.

Such will be the weapons actually used. Every dollar that we spend on misnamed forces of security will be wasted. This is the reality which we must face.

And what is the ultimate reality? It is the inescapable fact that these weapons will certainly be developed; that no other kinds of weapons will be used. But if we use these weapons we destroy civilization. The mind of man has caused us to gain control over power so great as to be beyond our comprehension. If we now use that power for human destruction, it will be a comparatively simple matter to destroy humanity. The tremendous potentialities of these weapons of terror automatically outlaw them for warfare, and automatically outlaw war itself. Universal disarmament and peace have now become the most urgent military necessity.

I repeat that, Mr. President. Universal disarmament and peace have now become the most urgent military necessity. No military commander will undertake a compaign which is doomed to failure. No military commander can develop or plan a campaign and present it to his superiors or to the President of the United States as a plan of campaign, and then state that the campaign must end in failure. Yet that is exactly the position in which all commanders find themselves today.

General Eisenhower might well report to the President at the present time that the only salvation of the United States for the future is the prevention of war through diplomatic means, because armies and armaments and military force have become completely useless to assure the security of the United States. Civilization is moving toward the precipice. It is moving forward in a thick fog and may plunge over the edge at any moment.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. LANGER. I am sorry that I cannot yield to my friend the distinguished Senator from Utah, whom I love very much.

This cannot be an armistice, or peace between battles. The present moment must mark the end of warfare for all time if civilization is to survive. Whether we like it or not, and whether we are mentally prepared to meet the issue or not, solutions in world affairs cannot be found in military force. They must be found in human intelligence and in human understanding.

Mr. President, that is why I wish to bring to the attention of the Senate some of the hundreds of letters which I have received from my constituents in the State of North Dakota. For example, a little while ago I read a letter from the secretary of the Young Men's Christian Association in Grand Forks, N. Dak., a young man who had served in five campaigns in this war, begging that we do not have universal military conscription. I wish to read that letter again so that the people of America may know what the youth of America is thinking, what

those men who have put on the uniform are thinking. This young man wrote me on April 24 as follows:

I am writing as one of your constituents to urge you to use all of your energies in opposition to military conscription. I served as an enlisted man through five campaigns in Europe during the past war and feel capable and obligated to express an opinion opposing military conscription.

I share identical views with Senator GLEN H. TAYLOR, of Idaho, as expressed in his radio address over CBS on Saturday, April 20.

I will be waiting with interest for the views which you express in opposition to military conscription.

LEONARD H. ENGSTROM,
General Secretary.

Mr. President, I hold in my hand a letter from the president of the North Dakota School of Forestry, one of the outstanding schools in the State of North Dakota. His letter is dated April 23. He says:

I have been informed that S. 2057 is now before the Senate and that it includes the extension of the draft to 18- and 19-year-old boys.

It is true that under the provisions of the amendments which have been adopted by the House of Representatives there is now an attempt to exempt 18- and 19-year-old boys from the draft, but I call attention to the fact that Senator after Senator has risen upon this floor this afternoon and has said that he reluctantly acquiesces in the amendments; that he is opposed to this measure; that he might vote for it, but would do so reluctantly. I call the attention of the Senate to the fact that the Army wanted the 18- and 19-year-old boys for 18 months more, and that it was only after the leaders of the religious groups and the educational groups and the farmers and the representatives of labor came before the committee and only after they aroused public opinion that the House of Representatives, sensing public opinion, adopted the two amendments. And you will remember, Mr. President, that only a few days ago our distinguished majority leader said he was in favor of extending the draft or allowing it to perish—he did not care which—but that England had to be taken care of first, and that we had to vote for the $3,750,000,000 for England, even though the draft did die.

Mr. President, in the letter to which I have just referred, Mr. C. N. Nelson, of the North Dakota School of Forestry, a leading educator in North Dakota, and the president of that great school, says:

Frankly, I cannot see that young men of that age would be as valuable for police duty in occupied territories as men who have reached greater maturity. I believe that you will agree with me in the statement that young men of 18 or 19 are particularly vulnerable to the vicious influences of military conscription.

Let me add that I do agree with him. I read further from his letter:

If it looks as if this extension is going through, it would seem that any boy of this age who is a bona fide registrant at any institution of higher learning should be exempted. We must remember that we already have a 5-year lapse in the educational progress of our population. It will take years and years to "catch up." I do not believe we can afford to do so, particularly since most other countries allowed students in science to continue their education, even during the war.

It would seem to me that an effective occupational policy, our foreign relations, and the national welfare demand that we consider this question in the light of its effect upon the future of our democracy. I am convinced that we have always paid more for the lack of education than what we have paid for education.

Sincerely yours,

C. N. NELSON,
President.

I repeat that there we have the judgment of the great president of a great school in North Dakota—in fact, one of the great schools in the United States.

It is a well-established principle that unless positive evidence exists to the contrary, anyone who commits suicide is insane. If anyone has any doubt about that let him go to the teachers of philosophy in any of our large universities. The urge to survive is so powerful in the individual that only the mentally unbalanced destroy their own lives.

Today humanity is in that situation. It stands with a gun at its temples and it is about to pull the trigger. If it pulls the trigger it will be because we have suddenly gone insane. I cannot believe—I refuse to believe—that we have arrived at that unhappy state. I still have hope that we may draw back from the abyss and may save ourselves while yet there is time. Who dares to give the command, "Fire!" or to pull the trigger of the weapon pointed at our own head?

At this particular time, as never before in the history of the world, there is a crying need for leadership and for effective machinery to bring about a new world order. The United States has assumed a degree of leadership in setting up the United Nations, which, as I said 2 hours ago, is the only instrumentality in existence which may lead the way to universal peace. However, at a time when this very Senate had a chance to do away with the veto power in connection with the United Nations it refused to do so. Yet today the secretary of the United Nations says the United Nations cannot succeed—he said so in an article which was printed in last Sunday's newspapers—unless the veto power provision is eliminated from the Charter of the United Nations. Although the necessity for eliminating the veto power from the Charter of the UN was brought to the attention of the Senate by the distinguished Senator from New Hampshire [Mr. BRIDGES], yet the Senate did nothing about it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. LANGER. I am sorry that I cannot yield.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from California?

Mr. LANGER. I refuse to yield.

Mr. President, when I read what the distinguished Senator from New Hampshire said upon that occasion I stated that he compared the United Nations Charter to the Constitution of the United States, and that, in my opinion, the Thirteen Colonies never would have joined in that Constitution if New York or Virginia or any other large State had had a veto power over the other States. But when I brought that matter to the attention of the Senate it availed for nothing.

Yet, Mr. President, today we find former Associate Justice Roberts of the Supreme Court, the man who did so much to make the Charter of the United Nations a reality, speaking in the State of Pennsylvania and arousing public opinion to the fact that the veto power must be abolished from the Charter of the United Nations if the United Nations is to be a success.

So, Mr. President, it is at this particular time that our Army leaders have chosen to start the United States off as a leader in a new militarism race under the fatal assumption that we have a head start in that race and can maintain that advantage. Our Army leaders turn away from the thought of war with Russia. Mr. President, we are always prone to underestimate the possibility of war, as we did in the case of the Japanese. Now we are underestimating the Russians. It would be as foolish as it would be dangerous to assume that Russia has no weapon, even now, to counter our own atomic bomb, or that within a year or two, most assuredly, Russia will have such weapons.

So, Mr. President, I repeat what I said earlier in the afternoon—namely, that the common people of the United States want no war with Russia, any more than the common people of Russia want a war with the United States of America. Today the mass armies which our military leaders propose to build have no reality in fighting a war. The program of compulsory military training, the continuation of the fiction of an emergency—when there is actually no emergency—in order to permit the Army to retain control over our soldiers, and, finally, this program to extend the draft so as to give the Army continued control over the youth of the Nation, have no value for military security. All that this program can accomplish is to inject ill will and suspicion at this great moment in history. When good will is required as never before, the Army demands a program of militarization of the United States which would destroy the very foundations of international understanding. We cannot have it both ways, Mr. President. Either we must support the United Nations or we must go in for militarization. We cannot have both. They are inconsistent with each other. Yet, our Army talks in one breath about our commitments to the United Nations and of the force which will be required to fulfill our obligations, and in the other breath it demands the largest military force in the world. It must have its tongue in its cheek when it presents such an inconsistent program.

I should like to know what is behind all this, Mr. President. Is it indeed a program which is desired by the Army? Do our military leaders indeed believe that their program will insure further the security of the United States? If they are sincere, however mistakenly, must we swallow their ideas, knowing that they are conditioned mentally to

thinking in terms of war and destruction, and that they have no responsibility for the furtherance of peace? Have they deluded themselves? Has the wish been father to the thought that mass armies, calling for very high rank, promotion, and pay have any significance? Or is there someone or some influence behind the Army, needling it on, and using it as an instrument for selfish purposes? If so, who is it or what is it? The people of the United States do not want this program. The Congress does not want the program, because only a few hours ago Senator after Senator rose on this floor and said that he voted reluctantly for the program. The entire proposal goes counter to every instinct and every tradition of the American people. Are we to be bribed, frightened, or blackmailed into accepting militarization at a time when so many of our sons have already died to destroy militarism abroad? Are we to lose the fruits of our victory through the influence and the leadership of officers of the United States Army? I assert, Mr. President, that the mantle of militarization does not look becoming over the cadet grey of West Point. This is not the time to fasten militarization upon the United States. This is the time to reanalyze our entire military policy in the light of the total national situation and of the new weapons of destruction which are now at hand. This problem cannot be settled in a piecemeal manner such as the Army is trying to solve it. It must be considered in its entirety, and long-range solutions must be found which will lead to the new world order, which is the most desperate need of all the world at the present time.

Mr. President, I should like to suggest a course of action to achieve this much-needed objective. First of all, I recommend that we kill once and for all the proposal to extend the draft, and that we be prepared likewise to kill any proposal for compulsory military service which the Army may present at a later date. I recommend also that we give serious consideration, even now, to declaring an end to the spurious emergency which is being maintained by Executive fiction. I repeat, Mr. President, that months ago I introduced a bill declaring this war to be at an end, and yet that bill has not been given a hearing before any committee. Months ago I introduced a bill which would end the draft. Months ago I introduced a bill which provided that if some of the foreign countries were to be occupied continually, we use the manpower of some of our allies in occupying those countries.

Mr. President, how many boys from Mexico, how many boys from Brazil, how many boys from Argentina, how many boys from Uruguay or Ecuador, how many boys from any of our allied countries are being used in the occupied zones of Europe and Japan? Why should boys from North Dakota, from Michigan, from New York, from Illinois, and other States be used in the occupation of those zones? Why should not the boys of our allied countries be stationed in those zones, and in the same proportion as are the boys of the United States? So, Mr. President, months ago I introduced bills with regard to this entire subject.

Once again I want to make my record clear, and I want it to be available to every North Dakota boy so that he may read it and be informed. I want that record to be where every constituent in my State may look at it between now and election day, which is only 6 weeks away. Far be it from me, Mr. President, to hold my Senate seat by any cowardly act. I shall not sit here in silence because election day is only 6 weeks away. I believe that when the constituents of a Senator send him to the United States Senate he is sent there to vote his honest convictions, and that it is his duty to vote his convictions whether election day is 1 week, 4 weeks, 4 months, 4 years, or nearly 6 years away. It may be, as the CIO and the PAC have said, they will defeat me in my campaign for election in the State of North Dakota. They have boasted that they will do so. It has also been boasted that the Republican Party has under its control approximately $6,000,000 to use in the campaign if necessary. But I promise every Senator that when LANGER goes out of that door he will go out with his head up and with his conscience clear, knowing that he has represented honestly and to the best of his ability his constituents in his home State of North Dakota, and that he voted as he believes an overwhelming majority of the people of that State would have voted if they had had an opportunity to vote on the proposal now before the Senate.

Mr. President, while some of the Members of the Senate may not agree with me, I believe sincerely that we would be making a serious mistake if we were to agree to the motion which has been made by the distinguished Senator from Utah, for whom I have the highest regard and the greatest admiration.

I repeat, Mr. President, that I want to keep the record straight. Months ago I introduced a bill to have the war declared to be at an end. Months ago I introduced a bill declaring an end to the draft. When the war started I wanted the GI's to be given decent compensation; not $50 a month, but $100 a month. In that effort the distinguished former Senator from Missouri, Bennett Champ Clark, who was at one time the first national commander of the American Legion, backed me on this floor.

Mr. President, I believe that the Army has in its power means to establish such a military force as might be needed to protect our country during the years which lie ahead. Allow me to remind you, Mr. President, that when Germany was deprived of her mass armies following World War I she found means to increase her power by switching to new weapons so that she became stronger than ever before. We would be doing the Army a favor if we were to require it to modernize. By eliminating this useless program of military compulsion we would achieve an important psychological result in our international relationships. We would show the world that we are not the hypocrites which the program makes us out to be. We can take the lead in eliminating conscription all over the world. Such conscription will never be an effectual guaranty of peace since the nations do not now wish to maintain mass armies. The elimination of the program would help to bring about a better understanding between nations, and would lift the present terrible burden of taxation from the necks of all the peoples of the world. I say, Mr. President, that it is our duty to assume leadership in this direction. We should not, however, assume it by increasing, increasing, and increasing everlastingly greater armies, greater armies, larger armies and larger armies. Our primary problem in connection with the national security is psychological. Our little minds are unable to grasp the fact that we must not have any more world wars. We have become so used to wars and rumors of wars that they have become a part of our environment. We cannot imagine a world in which wars do not take place. It will require time and education to convince our people of the realities of the situation. Very well; let us be realistic. Let us admit that the United States cannot abolish its own armies in this critical moment in the world's history until other nations do likewise, or until a new world order is established under the United Nations Organization. In this situation we cannot commit ourselves to obsolete mass armies, and thus serve notice on the world that it will take us two to three years to get ready for a war. If the Army were strictly honest with itself and with us, it would realize that it has no intention of committing itself to mass armies, for it has established special powerful units to develop the new weapons. It is holding onto the old weapons because of its own inertia, because it is incapable of the daring act of abolishing them now that they have become useless, and because of reasons of sentiment. It likes the old armies which have become familiar.

Again I want to call to the attention of the Senate the fact that the Navy does not want this extension of the draft law, the Marines do not want it, only the Army is here begging and pleading for it. So I say, Mr. President, that we must build our armies about the new weapons. We must call in our top military leaders, who had experience in the new weapons, our scientists, our industrialists, and others who can contribute to the development of a really modern military force. Only after the basic factors have been established can the final problem of manpower be tackled. The Army has put the cart before the horse. It is crying for manpower before it knows the weapons which are to be served. Perhaps all that we shall need is a corps of saboteurs.

Any army that we organize is certain to be a technical army. It will be made up of scientists and technicians of all sorts. Some of the best minds of the country must be brought into the Army.

In such an organization there will be no place for a feudalistic caste system.

The channels must be cleared for advancement from the bottom to the top. How unfair it is to have a young GI realize that he cannot advance, that he is held back by a caste system. Leaders at the top must be selected from individuals who have shown qualities of leadership and ability at lower levels. The barricade between an officer class and an enlisted class must be removed. Fraternization between citizen and citizen, between brother and brother, must be permitted if not encouraged.

The Army training system must be overhauled and correlated with training in industry and in our schools. During World War II the Army should have learned its lesson that it cannot train in new, highly specialized techniques, but must call upon other training facilities to help it do the job. That training program should be integrated in time of peace. It will be too late after war has started, if the war lasts only 24 to 48 hours, or at most a week or two.

Our Army must be justly administered. There can be no democracy in the United States if it is not founded on justice under law. The entire feudalistic judicial system of the Army must be completely revised to remove justice from the hands of the commander who, too often, used it as a club.

And very important, Mr. President, our technical army must be well paid. In that connection, I wish to call the attention of the Senate to the debate in the House of Representatives yesterday. There was a very interesting debate on this particular question. Here were some men who within a few weeks have to face their constituents. They were told time and again that if they insisted on eliminating the 18- and 19-year-old boys, they would tie up the joint resolution, with the result that the legislation would not be enacted. I wish to read again what some of those great men said—and they are great, Mr. President. We have great men in the House of Representatives, men who are willing to sacrifice their positions because they believe they are right. I want to read what some of them said when they were debating this particular question on the floor of the House.

First, however, I wish to call attention to what some of my constituents in the State of North Dakota have had to say about this matter.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. LANGER. I refuse to yield at this time.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Senator declines to yield.

Mr. LANGER. I have here a letter from Alexandria, N. Dak., a town in the very western part of the State, from one of the outstanding women of that place. She says:

> DEAR SENATOR: Are we to be saddled with a never-to-get-rid-of military machine that will be our fate if the draft law is extended. Why the big army? We cannot afford it financially, nor can we afford to have our youth cast into the infernal machine as it is too corrupting. Our young lads thrown into such awful environment as military training is no more than a criminal institution where murder is being taught. A young man who was sent to Japan writes and tells of the houses of prostitution over there under Government supervision.
>
> What are we doing to our youth? I trust you are not in favor of extending the draft law beyond May 15 and I never saw anyone who favors it. Farm boys are still being drafted and they are not surplus. Returning soldiers are not interested in work, especially the youth; somehow their interests are not what they used to be.
>
> Food, food, yes; and still farmers are robbed of their help.
>
> Hoping you will help defeat the draft bill which is a military enslavement bill, I am,
>
> Respectfully yours.

I might say, Mr. President, that what this woman says about farm help is absolutely true. The selective service is in full force and effect in North Dakota. I know of a case where two sons have been killed in the war, and there is only one boy left. When the Selective Service sent notice to him, his father and mother wrote to me. The reply they got from the Selective Service in North Dakota is typical. When this father and mother said, "We need this boy upon the farm," they were told to go hire somebody.

I say to my distinguished friend, the senior Senator from Utah, that it is absolutely impossible to hire help in North Dakota and the Northwest. That is as true in Montana and South Dakota as it is in North Dakota. When one goes to an employment agency and says he wants to hire someone, they say, "It is too bad, but there is no help available." I can show the distinguished Senator, not scores, not hundreds, but petitions and letters signed by thousands of constituents in my State who say that it is absolutely impossible to hire help, absolutely impossible to keep on doing the work, and if the Senator will go through North Dakota in an automobile I can show him farms which have been abandoned, where crops have not been put in, some of them within 4 or 5 miles of some pretty good-sized cities.

What every sane man desires today is peace. We are making an armed camp of the United States. It only builds a war economy, and compels other countries to do likewise. The result is an armament race, while money which should go for food and clothing is poured down the drain of defense, or offense, as the case may be.

This an atomic age, and there is no sense in building a wall of bristling guns and ships manned with uniformed tarzans when an atomic bomb could sail across the horizon and land a knock-out blow instantaneously, crushing the industrial factories that feed the war machine. Our Army would be but another Maginot Line.

In "One World or None," 15 scientists responsible for the atomic bomb and Gen. H. H. Arnold and Walter Lippmann explain in simple terms the stark challenge. There is no defense against the atomic bomb, and there is no secret about its manufacture. Here is their own summary:

> Atomic energy will bring death to the society that produced it if we do not adapt ourselves to it. * * * No program is sound unless it recognizes the special duties of the United States, unless it is built upon the principle that our insight and our patience must be greater than that of all the others. * * * There is not much time.

What we need today is a moral regeneration. General Eisenhower said recently that without it the world would go up in an atomic explosion.

In this atomic age the draft is as unrealistic as a straw hat is on a rainy day. In the first place, if we fear that some country is planning to attack us in the future, our best defense is our industrial strength, our scientific progress, and young Americans with initiative, self-reliance and with a gift of leadership. In the last war we learned that such men usually came from liberal arts schools and not schools which had gone over completely to military training.

In the second place, and more to the point, I believe we should think in terms of preventing war and not planning for it. We should strive for a more regeneration that would result in a sane foreign policy based on moral law, rather than brute force, and in a liberal domestic policy dedicated to liberty and justice for all.

It is imperative that we reach a mutual understanding with all peoples everywhere, and not just a few million on the small island of Great Britain, whose good will we try to buy with $3,750,000,000. Good will can never be bought, just as the friendship of an individual can never be bought.

There are certain definite steps we can take. First, we must insist on world disarmament and world control of atomic energy in view of the fact we know that a nation like Russia can produce the atom bomb in a few years.

Second, we must stop building Russia into a Frankenstein. We certainly do not want war with her, so why do we not try to sit across the conference table from her and reach an agreement whereby this world can live in peace?

Third. We have got to insist on justice to minority groups, and stop the insane policy of trying to starve Germany into extinction. Unhappy and starving people are a fertile bed for revolution and another Hitler. Hate produces only more hate. We are in reality destroying this Nation and the world. Yet, as Christians we have special duties to our less fortunate brethren, as is ably expressed by the 15 scientists who are frightened by the world-shaking bomb they have produced, when they said:

> No program is sound unless it recognizes the special duties of the United States, unless it is built upon the principle that our insight and our patience must be greater than that of all others.

The Government and the people of the United States have seen fit to place their hope of peace in the United Nations. How the same people can approve the draft and military conscription is inconceivable to me. It is admitting defeat. In effect it is saying, "We know the United Nations will not work, so we are preparing for the war that is sure to come." We have got to make the United Nations more than military allies among victor powers—a friend behind whom brute force stalks ominously.

Walter Lippmann said in an article on May 7 of this year:

A duel is in progress between London and Moscow for the control of the German population, and its high military potential. As a result, the political reeducation of Germany about which we have heard so much, now consists of teaching the Germans that by exploiting the competition between Britain and Russia, making the two rivals bid against each other, they can recover the unity of Germany and make themselves the decisive military factor in European and world balance of power.

We shall commit the greatest folly of all if, instead of exposing and denouncing this mad Anglo-Soviet contest, we let ourselves be sucked into it, blindly following the leadership of the blind.

The United Nations is being used by both England and Russia as the legal excuse for carrying on their own selfish desires, and each has its tentacles outstretched to grab whatever political and economic advantages they can.

By meekly adhering to the United Nations, we are indicating approval of their actions for, despite the words shouted angrily in the Security Council, I say that brute force stalks the world.

Indeed, Mr. President, I repeat that we must be prepared for the next step, a psychological readjustment, as I said, of our point of view. The Army we propose to create can never be used except at the risk of destruction of world civilization.

If we build our techniques around the new weapons, we must do so openly. We must publicize the effect of our weapons throughout the world by radio, press, motion pictures, and practical demonstrations. We shall have nothing to lose and much to gain by such publicity. If we arm openly, we will have the satisfaction of knowing and of showing to the rest of the world that competition in armaments with the new weapons of terror means competition for world suicide. If we conceal the effects of such armament, we conceal the truth from our own people as well as all the peoples of other countries, and may blunder into destruction through ignorance

Mr. President, I would recommend that we announce to all the world that the army we are creating is to be held in trust for the United Nations, and is to be turned over to that organization, in whole or in part, as soon as it is firmly established. When that time arrives we should be able to abolish all military force, except what we require to maintain internal order. Such an announcement would be evidence of good faith, would disarm suspicion, and would set an example for other nations to follow.

To supplement our armed forces at the international level, I would recommend that we establish, under the United Nations, international courts for the punishment of those who incite to war, just as domestically we punish those who incite to riot. We would not permit anyone to stand on the street corner and preach murder, yet we permit our columnists, our editors, our military leaders, to preach wars which will cause international catastrophe. It is high time that there should be summoned before the proper court the citizens of any nation who incite to war; they should be tried, and, if found guilty, punished in advance, and not after the event, when it is too late.

We must also break the monopoly over national security now held by our military leaders. Warfare has become a matter of concern to every person in the United States, and not only to a few military leaders in the Pentagon Building. As a matter of fact, the Army will be the safest place to be in the next war, as it will be under cover and widely scattered. It is our citizens and our cities who will be the victims hereafter. They have a right to participate in assuring their own security. I recommend, therefore, that we establish a national security council to stand above our military forces and be composed of Members of Congress and representatives of management, labor, science, education, farmers, religion, and other similar groups.

Congress has been asked to extend selective service for another year. I say that it is time for us to assume the attitude of a stern and righteous father who knows that only destruction can result if the two bullies in the family of nations become locked in mortal combat—destruction not only to Russia and England but to the United States as well, since we shall be sucked into the conflict.

At the same time, Mr. President, we must denounce the vicious Morgenthau plan, under which our Government is carrying out a program of exterminating 15,000,000 Germans and reducing the whole nation to a state not unlike that of the stone age. This murderous policy is not only unbecoming to a Christian people; it is sheer insanity. We not only create a deep well of hatred in Germany, but we upset the entire economy of Europe, since this is an interdependent world. When the exports and imports of a nation like Germany are cut off the rest of the world suffers with her.

Mr. President, I wish to read from a letter written by the economic adviser to the American Army in Germany, dated in March of this year:

The greatest famine catastrophe of recent centuries is upon us now in central Europe. Our Government is letting down our military government in food deliveries promised, although what General Clay, General Draper, and General Hester asked for and were promised was the barest minimum for the survival of the people. We will be forced to reduce the rations from 1,550 to 1,000 calories a day.

Mr. President, we come now to the present situation in the Senate. I hold in my hand a pamphlet known as Capitol Gist, issued by the Capitol Gist Service and published at 100 C Street SE, Washington 3, D. C., to which I have for a long time subscribed. I find it to be a very good service, and that what it says usually is about right. I hold in my hand volume 9, No. 10, of Gist. It reads as follows:

ARMY WILL HAVE MORE THAN ITS 1,550,000 BY NEXT JULY, STATES REVERCOMB

Senator CHAPMAN REVERCOMB, of West Virginia. If the able Senator will add those figures he will find that on July 1 the Army will have more than its 1,550,000 men (figures referred to are totaled below):

Army strength goal for July 1, 1946, 1,550,000

Approximate enlistments (by July 1, 1946)	900,000
Officers	150,000
Philippine Scouts	50,000
Not in service a year	226,000
Draftees not in a year	400,000
Total	1,726,000

If we follow this to its conclusion, the draft could be ended on May 15 without affecting the proper discharge of men from the Army. (P. 3258, CONGRESSIONAL RECORD of April 6.)

PAY INCREASE EFFECTS ON ENLISTMENTS NOT CONSIDERED IN ARMY ESTIMATES

Gen. Gordon E. Textor, Office of Chief of Staff, presented a personal survey to the Senate Military Affairs Committee estimating that should the draft be ended May 15 there would be no manpower deficits for the Army July 1, 1946, a 221,000 deficit on July 1, 1947, and a 336,000 deficit on July 1, 1948. (These estimates based on reducing terms of inductees from 24 to 18 months, thus hastening discharges.)

Senator H. ALEXANDER SMITH, of New Jersey. General, may I ask whether you included in your figures the so-called inducements for enlistment which we have discussed this morning, such as the higher pay?

General TEXTOR. I didn't include the prospective pay increase. I think increased pay would help a lot and we would get higher type men. (Pp. 174–176, Senate hearings.)

ARMY LOST TRACK OF 300,000 INDUCTEES IN 1944, TESTIFIES COLONEL CONKLING

Col. Roscoe Conkling, formerly with Selective Service, testifying before Senate Military Affairs Committee: "About April 8, 1944, someone decided to check up a bit and discovered they had lost track of 300,000 inducted men. They wanted General Hershey immediately to stop all inductions. The general had been crowding the local boards for weeks, 'scraping the bottom of the barrel,' and wouldn't do it." (P. 207, Senate hearings.)

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. LANGER. I regret that I cannot yield.

I continue reading from Gist:

ENLISTMENTS RETARDED BY RAISING ARMY ENTRANCE TESTS SAYS REVERCOMB

Senator REVERCOMB. A month ago the Army raised the passing grade in the Army general classification test from 59 to 70 * * * its effect has been that the number of volunteers accepted has dropped * * *. If competent to serve in time of actual war, certainly they are competent for a peacetime army. This action has a very direct bearing on the question of the extension of the draft, because if it can be shown that a volunteer army can be raised * * * there is no need to extend the draft. (P. 3240, CONGRESSIONAL RECORD, April 6.) (Next page: General Paul says Army "eliminating professional private.")

What did General Eisenhower say? I challenge any Senator to dispute it. I continue to read from Gist:

Gen. Dwight D. Eisenhower, testifying before Senate Military Affairs Committee, April 8:

"There is no one that I know of, either in or out of the Army, that would rather have selective-service men than volunteers could he get all the volunteers."

We maintain, Mr. President, that if the soldiers' pay is raised, if the caste system is taken out of the Army, if the

men are given the same terminal leave as officers, we will have all the volunteers we need in this country. I well remember the distinguished Senator from Colorado [Mr. JOHNSON] agreeing with the distinguished Senator from West Virginia [Mr. REVERCOMB]. They believed that if those things were done, there would be very little difficulty in getting all the additional volunteers that we need.

Gist continues with the statement of General Eisenhower:

I can't tell any more than anyone else what this unknown factor of the 20 percent (proposed base pay increase) will make on our recruiting. I believe in it.

The 18-year-old man is not so suitable as an older man for a number of duties in the Army (including garrison duty).

Senator EDWIN JOHNSON of Colorado. We are a great Nation with 140,000,000 people strong and yet in order to get an army of 1,070,000 men on July 1, 1947, we have to resort to conscripting school boys.

General EISENHOWER. If there is some other way of raising this army—giving us an army of 3-year volunteers, sir, to do these jobs, you may be sure I will welcome it.

Senator JOHNSON. I want to thank you, General, for making that point clear. Some of the folks in the War Department seem to think it is their job to give us the details and lay down rules and formulas and go into the whole mass of ways and means of securing the army. The War Department's responsibility ends when they tell us their minimum needs and ours begins. It is our duty, it is our responsibility to the homes of America, to the 18-year-old youths of America, to the college and school boys of America, to see that we do not adopt a harsh method, a more harsh method than necessary.

Mr. President, never in the history of the Senate has there been a statesman who has spoken truer words.

I continue to read from Gist:

General EISENHOWER. If you can find a way of solving this without the 18-year-olds, I am for it.

Senator JOSEPH C. O'MAHONEY of Wyoming. The thing to do is to improve the inducement for the voluntary enlistments and forget about taking the 18-year-old boys, first because they don't constitute very much and secondly because they are not good garrison soldiers.

Mr. President, nearly 4 years ago upon this very floor I advocated exactly what the Senator from Wyoming [Mr. O'MAHONEY] asked for. The United States Senate would not grant it. It said that $50 a month was enough for a GI. The only other Senator who advocated it on the floor was the distinguished former Senator from the State of Missouri, Bennett Champ Clark, the first national commander of the American Legion.

I continue to read from Gist:

Senator CHAPMAN REVERCOMB, of West Virginia. Until a short time ago the passing mark was 59 (Army general classification test). It was raised about a month ago to 70. It was raised while we were in this program of taking in volunteers.

According to Gist, Maj. Gen. W. S. Paul, who was in charge of Army recruiting, said:

We were getting more of the low-grade men than we can use in the Army. Our small Army must be a highly capable Army. We are eliminating the professional private.

Then the Senator from Utah [Mr. THOMAS], the chairman of the Committee on Education and Labor, and the very man who now is advocating that the Senate concur in the House amendment, said:

Comparative statistics are no good if you change any of the rules in regard to the statistics.

Statistics are kept for exact information so that we can read into the future, if possible. If, for example, the number is changed something like 10 percent, then it is improper to come and say there is a falling off in voluntary enlistments for March. We know that 10 percent falling off has come about as a result of your own action.

Those are the words of the distinguished Senator from Utah. I repeat, Mr. President, that 4 years ago, upon this very floor, time and time and time again, opportunity was given to the Senate to take steps to enable the GI's, the men who compose the fighting forces of America, to obtain some of the things which now are suddenly being offered to them in the hope of stimulating voluntary enlistments. Let me make the situation clear. Fifty dollars a month was paid to a boy who was down in the fox holes, to a boy who was risking his life, to a boy who did not know from one hour to the next—not even from one minute to the next—whether he was going to live, whether he was going to have the use of his arms or his limbs. But now, in peacetime, those who are in the Army are told, "We are going to give you more"—which is absolute proof of the correctness of the statement made on this floor by former Senator Bennett Clark, of Missouri, who said that $50 a month was not enough for the GI's to be paid. It is proof that Senator Clark, the former distinguished commander of the American Legion, knew just what the GI's were going to be up against.

Mr. President, at the committee hearings to which I have been referring, the Senator from West Virginia [Mr. REVERCOMB] said that a pay raise "certainly will induce greater volunteering."

In reply, General Eisenhower said:

I don't see how it could help but do so.

Mr. President, the House of Representatives has already passed the joint resolution including the amendments, and now the Senate is asked to agree to the motion to concur in the House amendments. But if hereafter voluntary enlistments increase, it will not be necessary to extend the draft.

Mr. President, I have another matter which I wish to call to the attention of the Senate. Congress has been asked to extend Selective Service for another year, but the statements of those favoring draft extension reveal that, in the final analysis, the real goal is to draft the 'teen-age boys. Only General Eisenhower, of all our military leaders, has expressly stated that he would prefer to have older men than to have 18-year-old boys. He not only said that "for occupational duty in foreign lands I do not believe the 18-year-old boy is as good as the 25-year-old," but he said, "Frankly, if you can find a way of solving this without the 18-year-olds I am for it."

Mr. President, in my judgment the most serious aspect of the whole idea of draft extension is the drafting of young boys who should be at home and in school. There are at least five important reasons. There is a moral reason; there is a health reason; the draft will injure democracy; it will injure this Nation's educational and scientific status; it will injure this Nation in its foreign and diplomatic relations, thus endangering world peace.

The newspapers have been filled with accounts of the moral conditions in the Army—the black markets, the looting, the prostitution, and the riotous conduct even toward former allies. In order to meet this situation General McNarney instituted a program for combating "deterioration of discipline and morale among American troops in Europe." I quote from an Associated Press dispatch of April 25:

Admitting that both discipline and morale had declined seriously within the last few months, the European commander told a news conference he had issued orders that "prompt and corrective measures must be taken to remove the cause, deal swiftly and justly with the offenders, and prevent any future occurrences."

McNarney had cited as examples of weakened Army discipline black market sales, drunkenness, high automobile accident rate, general lack of smartness in appearance and military courtesy, and an excessive venereal disease rate.

Mr. President, that is what was said by the general who was in charge over there, the man who knows the situation, the man who has been there and is there now. That is his analysis of this entire matter.

Mr. President, I do not speak for any other Senator upon this floor, but I feel that in the keeping of the Senate of the United States is the well-being, the happiness, and the health of all those who are the children of our neighbors and who are over there in the forces of occupation.

Mr. TOBEY. Mr. President, will the Senator yield to me for a minute?

Mr. LANGER. I am sorry I cannot yield at this time. I said when I began that I wished to conclude. I shall finish in a little while, if I possibly can do so.

Mr. TOBEY. Will the Senator be through in a short time?

Mr. LANGER. I hope to do so.

Mr. TOBEY. Will the Senator be through by 6 o'clock?

Mr. LANGER. Perhaps not; perhaps it will be 7 o'clock or later.

Mr. TOBEY. I have asked these questions because I wish to make some plans; that is all.

Mr. LANGER. Mr. President, when there is talk of drill-field exercises to combat promiscuity, venereal disease, and black-market activity, it is obvious that the root of the problem is being untouched. A New York Times correspondent, Raumond Daniell, understood this very well when he wrote for the New York Times of April 28 that:

The restoration of discipline in the United States Army of Occupation in Germany, as ordered by Gen. Joseph T. McNarney, European theater commander, will not be an easy task. Money, women, and liquor, in just about that order, are the chief preoccupation of too many soldiers for the situation to be cured by the imposition of a curfew

regulation, close-order drill, and other similar measures, it is believed.

Redeployment and agitation for ending the so-called caste system have contributed to the deterioration of the morale, but the trouble lies deeper than that. Basically, it springs from the lack of effective political indoctrination and a general feeling of utter futility among the soldiers, who too often have no conception of why they are here.

Mr. President, first we have the words of the general in charge of the occupation forces abroad, and, secondly, the words of the correspondent of the New York Times. I assert that it is important for every Senator to have in his mind a picture of the real situation into which boys are being placed before Senators vote in favor of the extension of the draft. We must keep in mind that these boys have been drafted out of homes and out of schools. Many of them have never before been away from home.

Mr. President, nearly 10 days ago, both the Senate and the House of Representatives passed a bill concerning this matter and sent it to the President for his signature. Up until last night he had not signed it. If he has signed it since, I have not been so informed. The bill provided that persons in North Dakota, New Mexico, Kentucky, or any other State, who wished to send food to relatives in Germany would be permitted to do so.

The Congress also passed another bill, one relating to the postal situation, which has been lying for a long time on the President's desk for his signature. It has not been signed.

I represent many constituents who have relatives in Germany. They wished to know why they were not allowed to send to their relatives in Germany a little food so as to keep body and soul together, especially when the calories allowed to each person in that country have been reduced to 1,000 a day.

A few days ago there was some criticism of my remarks with regard to the British loan. I had talked in opposition to the loan, but certainly not so long as one other Senator who had spoken in its favor. It was so easy to say that some of us who were opposed to the loan had talked hours, hours, and hours, when, as a matter of fact, that was not true at all. I agreed to have the joint resolution providing for the extension of the draft come before the Senate. It was passed and sent to the other House. When it got there the Members of the House took, to some extent, an adverse view of the matter, having read, no doubt, newspapers and periodicals like the Christian Century, which portrays the deplorable conditions affecting our Army in Germany, or, perhaps, the Members of the House had been reading mail from home. Perhaps they had been receiving telegrams from persons who opposed the extension of the draft.

I have been told that the Chief of Army Chaplains, Maj. Gen. Luther D. Miller, in testifying on peacetime conscription before a House committee, said that he believed Army training and service would stimulate the religious life of the men of our Nation. I quote from his statement as reported in the July 2, 1945, issue of Newsweek. This is what Maj. Gen. Luther D. Miller said:

As a parent and as a clergyman, I would oppose military training with all my heart if I thought it would destroy morals.

When a young corporal, Erwing W. Wadsworth, of Gulfport, Miss., saw this statement, he wrote a letter to Newsweek which appeared in their July 30 issue. He said:

I wish to express complete disagreement with the contention of Maj. Gen. Luther D. Miller, chief of Army chaplains, "that, due to the religious program of our armed forces, more young men have attended church, read the Bible, and earnestly prayed than at any other time in the history of our country." Just the reverse is the case.

Owing to the separation from his home, parents, wife, sweetheart, and friends, the average serviceman drinks more, swears harder, attends church less, and is more promiscuous than at any time previous to entering the armed forces. There is nothing whatever in the training program of impressionable youths in the service which would make them read the Bible, attend church, or earnestly engage in prayer. They are taught to hate and kill the enemy. There is no consolation to be found in religion to help them accomplish the things for which they are trained.

I might add, Mr. President, that that is not exactly true. Some months ago I had the great privilege of attending, with a great many other Senators, at Hotel 2400, a meeting presided over by the Senator from Nebraska [Mr. BUTLER], one of the finest meetings of the Gideons I have ever attended. We have that organization in North Dakota, and they have done a remarkable job for the home life of this country.

I have here a pamphlet gotten out by Governor Philip La Follette, three times governor of the State of Wisconsin, one of the outstanding men in this country, who takes a position against peacetime conscription. I desire to read merely a part of what this distinguished statesman says. Philip La Follette, a veteran of World War I and a veteran of World War II, three times governor of the State of Wisconsin, says:

I take my position against peacetime conscription as an individual, as an American citizens who has served in the Army in both world wars, briefly as a youth in World War I, more extensively as an adult in World War II.

I am convinced that the conscription issue is one whose determination is bound to have an enduring impact on the peace of the world, the security of America, and the survival of our cherished democracy. I should like to make two points clear at the outset. In the first place, my argument, as will soon become clear, is directed against all versions of peacetime conscription, the new proposal by the American Legion no less than the original scheme of the War Department and President Truman.

In the second place, I do not propose to deal in this article with what I regard as a synthetic, or artificial type of argument in behalf of peacetime conscription—the arguments, for instance, that universal military service will develop the health of our youth, indoctrinate our young men with a moral discipline, provide them with job training, strengthen their characters, or provide a substitute for full employment. Arguments of this kind, it seems to me, have been adequately dealt with by the educators, clergymen, Senators, and others who have already written on this subject for the Progressive.

Governor La Follette said further—and certainly his words are entitled to much credit, for he served in two wars:

I approach the subject here exclusively as an issue of national defense—the defense of America from external aggression and the defense of our democracy from the internal assaults of those who are captivated by the short cut methods of alien ideologies and the total militarism of foreign totalitarianism.

The invasion of an American's liberty by universal military service is justified only when it is unmistakably clear that the Nation's security demands it. Our national security does not now demand it. On the contrary, universal military service is now almost completely out of date and its adoption would almost certainly lull us into a false sense of security, just as the Maginot Line tricked the French into a complacency which proved their undoing 6 years ago.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. LANGER. Not now; a little later.

Mr. KNOWLAND. I wonder if the Senator can give me any information as to how much later.

Mr. LANGER. Sometime later, not so long.

Mr. President, one House amendment we are considering provides:

(3) After May 14, 1946, no individual who has a child or children shall be inducted without his consent for training and service under this act. As used in this paragraph the term "child" includes a child legally adopted, a stepchild, a foster child, and a person who is supported in good faith by the individual in a relationship similar to that of a parent and child but such term does not include any person 18 years of age or over unless such person is physically or mentally handicapped.

The second House amendment reads:

SEC. 3. So much of the first sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso is amended to read as follows:

"SEC. 3. (a) Except as otherwise provided in this act, every male citizen of the United States, and every other male person residing in the United States, who is between the ages of 20 and 30, at the time fixed for his registration, or who attains the age of 20 after having been required to register pursuant to section 2 of this act, shall be liable for training and service in the land or naval forces of the United States."

Mr. President, the joint resolution as passed by the Senate provided as follows:

Resolved, etc., That section 16 (b) of the Selective Training and Service Act of 1940, as amended, is amended by striking out "May 15, 1946" and inserting "July 1, 1946."

So, Mr. President, we come back to the proposition enunciated a short time ago. Governor La Follette further said:

Most of us can agree that in time of war conscription is the fairest and most equitable way of sharing the risks and hardships of combat. In time of peace, however, the duties of the average soldier are comparable to those of any metropolitan policeman. There is no more reason to apply coercion to the recruitment of GI's than to policemen.

America needs a peacetime army, both for overseas duty and to provide a powerful,

swift, mobile, highly trained, perfectly equipped force to defend us against any threat of aggression.

But we are talking here not of sheer numbers, or of size for the sake of size, but rather of a compact, highly specialized force of experts. We are talking here of a force of keen technicians thoroughly trained to master and keep abreast with the highly complicated instruments of modern warfare, rather than millions of conscripts rushed through a "quickie" course of calisthenics, close and extended order drill, and the other routines of a 1-year course under conscription.

Modern science is repealing many of the old laws of war which served so usefully in the past. The classical military injunctions have become obsolete in the age in which a single atomic bomb can pulverize an entire battlefield. Some of those old military concepts become perilous folly in an age in which a rocket plane streaking through the sky with the speed of sound can blast to bits a transport vessel ploughing through the seas with 10,000 conscript foot-soldiers.

Anyone who has looked with any imagination into the Pandora's box that military science has opened in recent years knows that the technical complexity of warfare will increase rather than diminish.

Governor La Follette offers a program of four points which he says is better than universal military conscription, and in the short time I have remaining, Mr. President, I wish to place the four points in the RECORD:

1. Establish a minimum pay scale starting at $100 a month, plus the usual allowances, for privates, with a corresponding increase in scale for noncommissioned officers.

2. Provide a system of promotions from the ranks and a program of education and in-service training to enable GI's to qualify for advancement and to become trained technicians.

3. Strike at the military caste system by narrowing the difference in clothes, quarters, mess, legal rights, and social life between GI's and officers.

4. Improve the officer class by putting appointments to West Point (and Annapolis) on a civil-service basis, and by putting peacetime promotions on a basis of competitive examinations.

So, Mr. President, although I have taken some 2½ or 3 hours, I feel that I have truly represented my constituents, as requested in the thousands of letters I have received. I have presented, I believe, in the 2½ hours the feelings of those who are opposed to universal military conscription at this particular time. I have presented it in my humble and feeble way, but as best I could.

I want to say to those who have asked me to yield, especially to the distinguished majority leader, who so many times has been very kind to me, that I thought I could save time and expedite the matter by presenting it as promptly and as rapidly as possible. I am very sorry if I have taken more time than perhaps some Senators thought I should have taken, but I did so on my conscience and as a matter of duty, feeling that in the hands of the Senate today rests the moral welfare of thousands and thousands of our neighbors' boys in all States, New York, Maine, Illinois, and Ohio and all other States and to the thousands who have written to me and protested against the extension of the draft I say that I have presented the matter in the best way of which I am capable.

Mr. President, I agree fully and entirely with what the House has done. The overwhelming vote in the House yesterday shows the influence of public opinion, as it has been expressed by religious organizations, by educational institutions, by businessmen, by farmers and laboring men all over America. If the measure is passed, I only hope that in passing it the Senate will make no mistake.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). The question is on the motion of the Senator from Utah [Mr. THOMAS] to agree to the amendments of the House of Representatives to Senate Joint Resolution 159. All those in favor will say "Aye."

Mr. WHERRY. Mr. President——

The PRESIDING OFFICER. Those opposed will say "No." The "ayes" have it, and the amendments are agreed to.

Mr. WHERRY. Mr. President, I asked for recognition before the Chair announced that the amendments were agreed to.

The PRESIDING OFFICER. The Senator is mistaken. The Senator did not.

Mr. WHERRY. Mr. President, I was on my feet, and wanted to make a parliamentary inquiry before the Presiding Officer ever used the gavel and announced that the amendments had been agreed to.

The PRESIDING OFFICER. That is a matter of judgment, the Chair will say to the Senator from Nebraska.

Mr. WHERRY subsequently said: Mr. President, I should like to have the RECORD show, inasmuch as the distinguished Senator from West Virginia has asked unanimous consent to consider the increased-pay bill, that I had agreed with some Members on this side that before the House amendments were concurred in I would either call for a quorum or summon them to the floor, because one of them wished to offer an amendment to the joint resolution.

I wish the RECORD to show that I was on my feet seeking recognition in order to protect other Senators, because they were not present, and that I did so in good faith. I also wish to reiterate that I feel that the present occupant of the chair [Mr. O'MAHONEY] announced the concurrence of the Senate in the House amendments at the time I was seeking recognition. Although I was on my feet, I was not recognized, and I feel that the rights of Senators who wished to be protected were foreclosed because of the action of the present occupant of the chair.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1189. An act to provide for voluntary apprenticeship in the District of Columbia;

S. 1955. An act to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator; and

S. 1980. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities.

PROHIBITION OF PROSTITUTION IN THE VICINITY OF MILITARY AND NAVAL ESTABLISHMENTS

Mr. THOMAS of Utah. Mr. President, there is one more matter respecting which I ask the Senator from Florida to yield to me so that I can ask for Senate action. Tonight the act which prohibits prostitution in the military camps of the country will expire. The House has passed a bill dealing with the matter, and I am going to ask unanimous consent that the Senate may consider it and pass it, so that the law may not come to an end tonight.

Mr. PEPPER. I yield.

Mr. THOMAS of Utah. Mr. President, from the Committee on Military Affairs I ask unanimous consent to report favorably, without amendment, the bill (H. R. 6305) to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments, and I sumbit a report (No. 1332) thereon.

The PRESIDING OFFICER. Without objection, the bill will be received and placed on the calendar.

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent that the unfinished business be laid aside, and that the Senate proceed to consider House bill 6305.

The PRESIDING OFFICER. Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object, with all the noise in the Chamber I could not quite hear what the proposed legislation would cover. Also, I should like to inquire whether the request is merely for the temporary laying aside of the unfinished business?

Mr. THOMAS of Utah. It merely means the laying aside temporarily of the unfinished business.

In answer to the first question, Mr. President, I will say that there is on the statute books a law which allows the Army and the Navy to prohibit prostitution within the borders and within close proximity of Army camps everywhere. That law comes to an end tonight unless Congress reenacts it. The House has already acted.

Mr. KNOWLAND. What is the calendar number?

Mr. THOMAS of Utah. The bill is House bill 6305, but it has not a calendar number, because it was unanimously reported from the Committee on Military Affairs only today. I am sure the Senator from California would not want to see this law expire at this time.

Mr. TAFT. Mr. President, I should still like to know what the law is. I object to taking up a bill which is not on the calendar, unless we know in detail what it is.

The PRESIDING OFFICER. If the Senator from Utah will send the bill to the desk the clerk will read it by title for the information of the Senate.

Mr. THOMAS of Utah. I am glad to have it read.

The PRESIDING OFFICER. The clerk will read.

The CHIEF CLERK. A bill, H. R. 6305, to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments, reported from the Committee on Military Affairs without amendment.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, reserving the right to object, I should like to have an explanation of the bill. We cannot hear back here, and I should like to have an explanation of what this bill is and what it purports to do.

Mr. THOMAS of Utah. Mr. President, several years ago, when the Army camps were organized, the Congress of the United States passed a law prohibiting prostitution in areas which are close to the Army camps. That law has been in force for several years. It is a law which had a termination period. That termination period is tonight, at the same time as the Selective Service Act. This bill would make the law permanent, and continue the act as it has been administered for the last several years. It would do great hurt to our country, especially in the military districts, and would cause great confusion if we were to allow to elapse the law dealing with this great peril at this time. I am sure every Senator will agree that the action taken by the House was a proper one. The House passed the bill on May 10, but we received the bill only this morning and reported it favorably, so it is necessary for me now to ask unanimous consent for its consideration.

Mr. TAFT. Mr. President, my difficulty is this: It is now proposed to make permanent a law of which I have no copy and of which no Senator has a copy. It was a temporary law; now it is proposed to make it permanent, instead of merely extending it, as we have done with respect to other temporary laws. It is proposed to make a temporary law permanent, and I have no copy of the bill. I certainly object to taking up the bill on any such basis.

Mr. THOMAS of Utah subsequently said: Mr. President, I do not like to persist in a point, but the Senator from Ohio [Mr. TAFT] has withdrawn his objection to the consideration of House bill 6305.

The PRESIDING OFFICER. Does the Senator from Utah renew his request for unanimous consent for the consideration of the bill?

Mr. THOMAS of Utah. I renew my request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah for the present consideration of House bill 6305?

There being no objection, the bill (H. R. 6305) to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION FOR SIGNING OF ENROLLED BILLS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Presiding Officer, the Senator from Wyoming [Mr. O'MAHONEY], during the recess of the Senate may sign enrolled bills ready for his signature.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and, without objection, it is so ordered.

FEDERAL AID FOR VETERANS' EDUCATION

Mr. MEAD. Mr. President, I have today released a statement with reference to the Federal housing problem, particularly as it affects colleges. In that connection I will say that I have introduced two bills, Senate bill 1770 and Senate bill 2085, dealing with veterans' aid, which are now before the Committee on Education and Labor. The hour is late and Senators are desirous of going to their homes. So, Mr. President, I shall wait until tomorrow to make my statement on the necessity for the enactment into law of these two bills. The statement which I released today with reference to the Federal aid for veterans' education will be made in the Senate tomorrow.

INCREASE OF BASE PAY OF ENLISTED MEN

Mr. REVERCOMB. Mr. President, I should like the attention of the majority leader and the chairman of the Military Affairs Committee. There is pending on the calendar the bill S. 2038, to increase the rates of monthly base pay of enlisted men of the lower five pay grades of the Army, Navy, Marine Corps, and Coast Guard for the purpose of encouraging voluntary enlistments in the armed forces. I believe that there is no controversy with respect to this measure, and that it will not be opposed by any Senator, though, of course, sometimes we cannot tell about such matters. The bill has been thoroughly discussed heretofore. It is a bill that may well accompany the extension of the Selective Service Act to July 1, because it encourages enlistments by raising the pay of men in the services in the lower five grades.

I will say, Mr. President, that the amounts fixed in the bill are the same as those fixed in another bill which was reported favorably by the Senate Military Affairs Committee. Senate bill 2038 was introduced by the Senator from Iowa [Mr. WILSON] and myself. We placed in it the amounts for each grade which were agreed upon by the Military Affairs Committee when the other bill was reported.

Mr. President, I ask unanimous consent at this time that the unfinished business be laid aside temporarily, in order that the Senate take up for consideration Senate bill 2038.

The PRESIDING OFFICER. Will the Senator from West Virginia state the calendar number?

Mr. REVERCOMB. It is calendar No. 1189.

Mr. GURNEY. Mr. President, reserving the right to object, I will say it is true that the bill alluded to by the Senator from West Virginia is a pay bill, a bill seeking to raise the Army pay of the first five grades of enlisted men, and it is true that the rates of pay are the same as carried in the more comprehensive bill, which encompasses all the features of renewing the selective-service law. But the Senator's bill is by itself merely a pay act, while the larger bill, renewing all the provisions of the present existing Selective Service Act, takes into consideration everything else it is so necessary to consider now in reinstating selective service. Therefore I hope the Senate will not consider merely a pay-increase bill at this time, but will look at the larger problem, the necessity, for instance, of discharging veterans, the necessity of fixing a maximum length of service to be required of each inductee, and many other matters which will come up when we consider the more comprehensive measure.

I also wish to say that the bill is not in line with the pay increases recommended by the House of Representatives. The House bill passed some few weeks ago recommended an increase of 10 percent in the pay of officers in the higher ranks, 20 percent for lieutenants, and some different amounts for enlisted men in the several grades. I believe we should reconcile the two bills; that is provide equal rates of pay in the Senate bill and in the House bill. Certainly I would not like to see Senate bill 2038 taken up by unanimous consent at this time, at least without a quorum call. I should want more members of the Committee on Military Affairs present, to ascertain whether in their judgment it should be taken up at this time. So I hope the Senator from West Virginia will not press his request tonight. I should not like to object, but I should rather have more members of the Miltary Affairs Committee present when he makes his request.

Mr. REVERCOMB. Mr. President, let me say to the able Senator from South Dakota that this bill is a counterpart of the very bill reported by the Senator from South Dakota. The rates of pay are identical with those contained in the general bill for extension of the draft. We know that the Senate has extended the draft, not through the bill originally reported from the Committee on Military Affairs, but by means of stop-gap legislation. I want the effect of the pay increase at once, so that the pay of the enlisted men may be raised, and so that we may have the benefit of the inducement of increased pay for further enlistments for the 6 weeks until July 1.

The sole purpose is to increase voluntary enlistments. If the Army really wants voluntary enlistments, and if we in the Senate are going to support the idea of voluntary enlistments, I see no reason to postpone the pay raise which is included in a separate bill.

With respect to the bill which was passed by the House of Representatives, of course that is a different bill, and it will have to go to conference. But long before we could act upon the bill originally reported by the Committee on Military Affairs, and referred to by the able

Senator from South Dakota, we should put into effect the pay raise, so that the inducement for the enlistments will exist from this time on, or just as quickly as we can put it into effect. So I ask unanimous consent that the bill be taken up at this time.

Mr. WHITE. Mr. President, I shall not object to the request of the Senator from West Virginia, but I apprehend that when we assembled today we had no purpose, after the long afternoon session, to call the calendar, and I feel that we ought not to attempt to do so piecemeal tonight. I shall not object to the pending request, but I shall object to any further requests for consideration of legislation.

The PRESIDING OFFICER. Is the Chair to understand that the Senator from Maine is objecting to this particular request?

Mr. WHITE. No. I am merely giving notice that I shall object to further requests.

Mr. REVERCOMB. Let me say to the Senator from Maine and other Senators that I would not make this request except that there has been an extension of the draft. We have talked of voluntary enlistments. This is one of the inducements to voluntary enlistments. It is complementary to the act extending the draft, and that is the reason why I think special consideration should be given to the bill at this time.

Mr. HART. Mr. President, the measure which the Senator from West Virginia seeks to bring up at this late hour is very important. It is of vast scope. As the distinguished Senator from South Dakota [Mr. GURNEY] has said, it is allied with many other subjects. I believe that the hour is too late, and that there are not enough Senators present to consider it as this time, and I regret that I am obliged to object.

The PRESIDING OFFICER. Objection is heard.

FEDERAL ASSISTANCE TO STATES IN MATTERS RELATING TO SOCIAL PROTECTION

Mr. PEPPER. Mr. President, I know that Senators probably look with disfavor upon the idea of requesting consideration of a bill on the calendar at this time; but the bill which the able Senator from Utah [Mr. THOMAS] had passed a little while ago has to do with protecting military camps against the evils of prostitution.

There is on the calendar a bill which has the unanimous recommendation of the Senate Committee on Education and Labor, after hearings. The authors of the bill are the Senator from Georgia [Mr. GEORGE], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Ohio [Mr. TAFT], and myself. The bill would make $700,000 a year available through the Federal Security Administrator for continued cooperation with the various States and political subdivisions in the fight against the vice of prostitution.

The bill is so pertinent to the bill which has just been passed that I shall ask unanimous consent for its present consideration. It involves a very small amount of money. The bill is recommended by the military authorities and by the Surgeon General. Hearings have been held, and the committee unanimously reported the bill. I wonder if the Senate would grant unanimous consent for the consideration of the bill.

With that explanation, I ask unanimous consent for the present consideration of Senate bill 1779.

The PRESIDING OFFICER. Is there objection?

Mr. BALL. I object.

The PRESIDING OFFICER. Objection is heard.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair) laid before the Senate a message from the President of the United States submitting several nominations in the Coast and Geodetic Survey, which was referred to the Committee on Commerce.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

David L. Bazelon, of Illinois, to be an Assistant Attorney General, vice Norman M. Littell; and

Victor E. Anderson, of Minnesota, to be United States attorney for the district of Minnesota.

NOMINATION OF JOSEPH KORMANN

Mr. BARKLEY. Mr. President, there is only one nomination on the Executive Calendar. I ask unanimous consent, as in executive session, for the consideration of the nomination of Mr. Joseph Kormann to be Assistant Chief, Research and Statistics Division, Philadelphia Branch, Selective Service System.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the clerk will state the nomination.

The legislative clerk read the nomination of Joseph Kormann to be Assistant Chief, Research and Statistics Division, Philadelphia Branch, Selective Service System.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 33 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 15, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 14 (legislative day of March 5), 1946:

COAST AND GEODETIC SURVEY

The following-named employees of the Coast and Geodetic Survey to the positions indicated:

Henry W. Hemple to be hydrographic and geodetic engineer with rank of commander in the Coast and Geodetic Survey from the 1st day of April 1946.

Edwin A. Dorner to be aide with rank of ensign in the Coast and Geodetic Survey from the 1st day of April 1946.

Robert C. Darling to be aide with rank of ensign in the Coast and Geodetic Survey from the 16th day of April 1946.

CONFIRMATION

Executive nomination confirmed by the Senate May 14 (legislative day of March 5), 1946:

SELECTIVE SERVICE SYSTEM

Joseph Kormann to be Assistant Chief, Research and Statistics Division, Philadelphia Branch, Selective Service System, with compensation at the rate of $6,230 per annum.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 14, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Heavenly Father, for the sake of Him who has worn the robe of mortal flesh that we might be saved, hear our prayer. We pray for the humble heart wherein may be enshrined the spirit of our Master, in which there is no guile or presumption. In the crises of sin, of sorrow, and disappointment, when life suddenly leaps into fierce emergency and the shadows are deep, Thy unsearchable riches are ever available. O let us feel the clear realm of patience and the supremacy of a sustaining faith in Thy Fatherhood, in which we can be more than conquerors.

Thou who art wisdom incarnate and love divine, may our souls be beyond the clutch of adversity or the defeat of fear; taught by the experience of the years and directed by the blessedness of Thy companionship, lead us on to the heights of sacred duty and aspiration. In the name of Him who was wounded for our transgressions. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the

amendments of the Senate to the bill (H. R. 4761) entitled "An act to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes."

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of the Navy.
2. Department of the Treasury.
3. National Archives (General Schedule No. 3).
4. Office of Price Administration.
5. Selective Service System.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. BOYKIN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 617) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

ADDITIONAL STENOGRAPHER, COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS

Resolved, That until otherwise provided by law there shall be paid out of the contingent fund of the House the sum of $2,400 per annum, payable monthly, as compensation to an additional stenographer for the Committee on Expenditures in the Executive Departments, to be appointed by the chairman thereof.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON FOREIGN AFFAIRS

Mr. BOYKIN. Mr. Speaker, I offer a further privileged resolution (H. Res. 618) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

TEMPORARY STENOGRAPHERS, COMMITTEE ON FOREIGN AFFAIRS

Resolved, That effective May 1, 1946, there shall be paid out of the contingent fund of the House of Representatives compensation at the rate of $2,460 per annum each for a period of 60 days for the services of two additional temporary stenographers for the Committee on Foreign Affairs, to be appointed by the chairman thereof.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL COMMITTEE INVESTIGATING FOOD SHORTAGES

Mr. BOYKIN. Mr. Speaker, I offer a further privileged resolution (H. Res. 619) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

FOOD SHORTAGES—INVESTIGATION

Resolved, That the further expenses of conducting the investigation authorized by House Resolution 195 of the present Congress incurred by the Special Committee Investigating Food Shortages, acting as a whole or by subcommittee, not to exceed $10,000 in addition to funds heretofore made available, including expenditures for the employment of experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON MILITARY AFFAIRS

Mr. BOYKIN. Mr. Speaker, I offer a further privileged resolution (H. Res. 620) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the investigation authorized by House Resolution 30 of the Seventy-eighth Congress and House Resolution 20 of the Seventy-ninth Congress, incurred by the Committee on Military Affairs, acting as a whole or by subcommittee, not to exceed $30,000 in addition to sums heretofore made available, including expenditures for the employment of experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, unless otherwise officially engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CATHERINE L. HARRINGTON

Mr. BOYKIN. Mr. Speaker, I offer a further privileged resolution (H. Res. 512) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Sergeant at Arms of the House of Representatives is hereby authorized and directed to pay to Catherine L. Harrington the sum of $2,448.76, which sum represents the difference between the congressional pay and military pay of her late husband, Vincent F. Harrington, a member of the Seventy-seventh Congress, who obtained a leave of absence therefrom, effective May 8, 1942, to enter the military service, and who resigned his congressional office on September 4, 1942.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COAST GUARD, TREASURY DEPARTMENT, APPROPRIATION BILL, FISCAL YEAR 1947

Mr. LUDLOW, from the Committee on Appropriations, reported the bill (H. R. 6428) making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes (Rept. No. 2038), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order tomorrow, Calendar Wednesday, be dispensed with.

Mr. BIEMILLER. I object, Mr. Speaker.

THE AMERICAN LEGION

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6336) to authorize the Administrator of the War Assets Administration to lend or sell surplus property equipment for use at the twenty-eighth annual national convention of the American Legion.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of the War Assets Administration be, and he is hereby, authorized to lend, or sell, at his discretion, to the twenty-eighth national convention to be held at San Francisco, Calif., in the months of September and October, 1946, bunting, unoccupied barracks, cots, blankets, pillows, mattresses, and bed sacks: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered at such time prior to the holding of the said convention as may be agreed upon by the Administrator of the War Assets Administration and the American Legion through its national convention committee: *Provided further*, That the Administrator of the War Assets Administration before delivering said property shall take from the American Legion a good and sufficient bond for the return of said property in good order and condition and the whole without expense to the United States.

With the following committee amendment:

Page 1, line 5, after "Convention", insert "of the American Legion."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. WHITTEN asked and was given permission to extend his remarks in the RECORD and include a letter from the chairman of the Committee on Appropriations.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances, and to include in one a cable, in another a radio address delivered by him, and in the third a speech delivered by him.

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD and include an editorial.

EMPLOYEES OF THE HOUSE

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, as chairman of the subcommittee of the Committee on Accounts, I wish to advise the members that the committee is going to take action after June 1 in the study of salaries of clerks of committees and those who work for the House in various capacities such as the men at the doors and others who perform various duties in connection with the work of the House of Representatives. At the present time there is much need for various adjustments. For instance, some workers here have responsible positions. The page boys at the present time receive as much as $20 a month more than men who have been on the job for a period of 20 years. The committee is going to give these matters every consideration as compared with the salaries paid in the Senate, and we hope to make the proper adjustments and report back to the House.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I am glad to yield to the gentleman.

Mr. RABAUT. I commend the gentleman and his committee for the stand they are about to take. There have been great injustices going on here for years.

The SPEAKER. The time of the gentleman from California has expired.

THE SILVER SITUATION

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, we have at West Point huge and idle Treasury reserves of unmonetized silver amounting to 245,000,000 ounces. Despite this huge stock pile of useless silver, under the Silver Purchase Acts the Treasury Department must continue to purchase silver at the outrageous price of 71 cents per fine ounce. Although the silver-mine owners have battened on the Treasury they are still not satisfied.

They seek a Senate rider on the Treasury appropriation bill, boosting the present price of silver from 71 cents to 90 cents per ounce, and then next year to $1.29 per ounce.

Is it not time to call a halt to this insanity?

We should no longer worship silver as a sacred cow. Silver must compete in the open market with all other metals without Federal coddling.

The SPEAKER. The time of the gentleman from New York has expired.

EXTENSION OF REMARKS

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD in two instances and include newspaper extracts.

Mr. RIZLEY asked and was given permission to extend his remarks in the RECORD and include a newspaper extract.

Mr. CARLSON asked and was given permission to extend his remarks in the RECORD and include a letter that a farmer in his district received from the Agricultural Adjustment Administration regarding the sale of his wheat.

INDUSTRIAL STRIFE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, in these days of widespread industrial strife, it is refreshing to note that where truly human relations exist between management and employee there is no need for having industrial strife, and indeed no need for unionism as practiced under the Wagner Act. Within the past few weeks in my home town in northern Michigan there was an NLRB election held in the Bradley Transportation Co., which was started by my father many years ago and which for 25 years has been in its entirety a unit of the United States Steel Corp. The result showed 12 votes to join the Seamans International Union, AFL, 37 votes to join the National Maritime Union, CIO, and 115 votes to join no union at all. Human understanding, humane treatment and mutual cooperation between management and labor alike breeds contentment and industrial peace and above all honesty and fair treatment of the public at large through the elimination of industrial strife. I suggest it be tried out some time between Mr. John L. Lewis on the one hand and the coal operators on the other.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include an editorial from the Times-Herald, From Laski Without Love.

Mr. SCRIVNER asked and was given permission to extend his remarks in the RECORD and include a newspaper article on veterans' hospitals.

VETERANS' HOUSING

Mr. KEARNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEARNEY. Mr. Speaker, so much has been said on the floor of this House, in the press, and on the radio concerning the question of veterans' housing that the following may be of interest to the membership of the House.

On May 2 a reviewing committee of the Civilian Production Administration approved a project providing for the construction of a huge sports arena on Kalorama Road NW., in the rear of the Dorchester apartment house. It is claimed that the materials to be used are noncritical; but I would like to know how any building can be constructed without using critical material. This proposed building will house a roller-skating rink, garage, bowling alley, and some commercial space.

I am also advised that in Monmouth County in the State of New Jersey a beautiful new race track is to be built, with the usual clubhouse, grandstands, and stables for the horses. I cannot understand why priorities to build these two projects were granted in view of the situation all over the country today concerning the lack of homes for veterans. To my mind it is an outrage—and these projects should be stopped, and stopped immediately. Evidently the new slogan is "Never mind the vets, but be sure the horses are housed."

PERMISSION TO ADDRESS THE HOUSE

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include a copy of a bill I recently introduced.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. BUCK addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from the Cleveland Plain Dealer under date of May 10. It is time we had a re-deal on some labor legislation.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRY asked and was given permission to extend his remarks in the Appendix of the RECORD with reference to the CIO-PAC purge.

Mr. MORRISON asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an address by Mr. W. S. Terret.

Mr. KERR asked and was given permission to extend in the RECORD a brief synopsis of the argument in the Supreme Court of the United States in the case of United States against Watson, Lovett, and Dodd, as reported in the United States Law Week of May 7.

Mr. GAMBLE asked and was given permission to extend his remarks in the Appendix of the RECORD in six different instances and to include editorials and news items.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein a letter. It may exceed the limit established by the Joint Committee on Printing, but I ask that the extension may be made, even though it does.

The SPEAKER. Notwithstanding the excess, without objection the extension may be made.

There was no objection.

Mr. WELCH asked and was given permission to extend his remarks in the

RECORD and include therein an editorial published in the San Francisco Call Bulletin.

Mr. DAVIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a letter.

RELIEF OF JOSEPHINE BENHAM

Mr. McGEHEE submitted the following conference report and statement on the bill (H. R. 1457) for the relief of Josephine Benham:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1457) for the relief of Josephine Benham, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the sum inserted by the Senate amendment insert "$1,000"; and agree to the same.

DAN R. MCGEHEE,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.
ALLEN J. ELLENDER,
GEO. A. WILSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1457) for the relief of Josephine Benham, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The bill as passed the House appropriated the sum of $1,300 to Josephine Benham in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and property damage sustained as a result of being struck by a United States post-office truck in Springfield, Ohio, on December 18, 1943.

The Senate reduced the sum to $661.81, and at the conference a compromise of $1,000 was agreed upon.

DAN R. MCGEHEE,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 1457) for the relief of Josephine Benham.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

QUESTION OF PERSONAL PRIVILEGE

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. KLEIN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state his question of privilege.

Mr. KLEIN. Mr. Speaker, in my absence the gentleman from Mississippi [Mr. RANKIN] spoke and made the following statement about me, which appears toward the close of his remarks:

Let me say to the gentleman from New York [Mr. KLEIN] that if Dr. Springer does come before the Committee on Un-American Activities I hereby now extend the gentleman from New York [Mr. KLEIN] an invitation to come and debate with him; and I will ask for the caucus room in order that all of you may come; for I can think of nothing you would enjoy more than hearing a debate such as this between a Jewish politician and a Baptist preacher.

The SPEAKER. The language the gentleman complains of was not placed in the RECORD in an extension of remarks, but were words uttered upon the floor of the House. The gentleman from New York or some other Member at that time had his remedy, and that was to ask that the words be taken down. When they were read the House could take such action as it desired with reference to the remarks.

The Chair, under the rule and under the precedents, is compelled to hold that the gentleman does not state a question of personal privilege.

Mr. KLEIN. Mr. Speaker, in order that I may be permitted to reply to the gentleman I ask unanimous consent that I may proceed for 5 minutes.

The SPEAKER. The Chair must hold that before the business of the day is transacted the Chair cannot recognize the gentleman or anyone for more than 1 minute. That has been a rule the Chair has followed in the past. If the gentleman wants to proceed for 1 minute, the Chair will entertain such a request.

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

REPLY TO MR. RANKIN OF MISSISSIPPI

Mr. KLEIN. Mr. Speaker, there is not very much I can say in 1 minute. The gentleman from Mississippi deliberately waited until I left this Chamber yesterday, before making his insulting remark in which he referred to me as a Jewish politician. I was here for 20 minutes after I delivered my remarks, and waited to see if the gentleman—the self-constituted spokesman for the Committee on Un-American Activities—would answer me. He was here, but he did not see fit to do so at that time.

I do not object to the gentleman calling me a Jew. I am proud of that fact. But I want to say to the gentleman that I object to being called a politician by him. I consider myself to be a statesman, as I do all the Members of this House. However, this is an election year and I suppose we all are indulging in a little politics at this time, even the gentleman from Mississippi. However, it is easier for him to indulge in political activities because of the poll-tax situation in his State. There are not many people down there who can vote. But I object to being called a politician by the gentleman from Mississippi, because it puts me in the same category with the gentleman from Mississippi and that I violently object to.

The SPEAKER. The time of the gentleman from New York has expired.

REPLY TO MR. KLEIN OF NEW YORK

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, if I have ever said anything that put the gentleman from New York [Mr. KLEIN] in my category, as he says, of course, I would gladly withdraw such remarks.

I had no intention of putting the gentleman from New York in my category or in the category of the other Members of the House.

The gentleman from New York [Mr. KLEIN] rose on the floor yesterday and attacked the Committee on Un-American Activities which is rendering one of the greatest services of any committee of this House in protecting the American people against the dangers of atheistic communism with which America is now threatened.

The gentleman from New York [Mr. KLEIN] attacked a Baptist preacher, Dr. Springer. I had never met Dr. Springer until yesterday; but I am convinced that in a joint debate he would take care of the gentleman from New York.

The Speaker did not recognize me until all the other Members who requested recognition had spoken. If the gentleman from New York [Mr. KLEIN] wanted to hear what I said, all he had to do was to stay here and hear it.

Mr. KLEIN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. KLEIN. Did not the gentleman wait until he saw me leave the Chamber?

Mr. RANKIN. No; I did not see the gentleman leave. I never looked for him, as a matter of fact. What I said is in the RECORD. If he wants to debate, I am sure Dr. Springer will meet him at any time.

The gentleman from New York says he does not object to being called a Jew, but that he does object to being called a politician. He says he is not a politician, but a statesman.

I was afraid of that.

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Yankee Division Veterans' Association.

PRIVILEGE OF THE HOUSE

Mr. KNUTSON. Mr. Speaker, I rise to present a question of the privilege of the House.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 120]

Baldwin, N. Y.	Gearhart	Patrick
Bell	Geelan	Patterson
Bender	Gibson	Pfeifer
Bennet, N. Y.	Hall, Edwin Arthur	Plumley
Bonner	Hart	Powell
Boren	Hartley	Reece, Tenn.
Brumbaugh	Hays	Robertson, N. Dak.
Buckley	Hébert	Rodgers, Pa.
Burch	Hinshaw	Russell
Byrne, N. Y.	Hoch	Sasscer
Cannon, Fla.	Hope	Shafer
Clark	Jarman	Sheppard
Cochran	Johnson, Ind.	Sheridan
Cole, Kans.	Keogh	Short
Corbett	Kirwan	Stewart
Courtney	LaFollette	Stigler
Curley	Lea	Thom
Daughton, Va.	Lyle	Thomas, N. J.
Dawson	Mansfield, Tex.	Thomas, Tex.
De Lacy	May	Tolan
D'Ewart	Merrow	Towe
Dingell	Monroney	Wasielewski
Eaton	Morgan	Weaver
Engle, Calif.	Norblad	West
Folger	Norton	White
Fulton	O'Toole	Wolcott
Gallagher		

The SPEAKER. On this roll call 348 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PRIVILEGE OF THE HOUSE

The SPEAKER. The gentleman from Minnesota is recognized.

Mr. KNUTSON. Mr. Speaker, at this point I ask unanimous consent that the proceedings may appear in continuity in the RECORD so that they will not be interrupted, if any consent requests relating to other matters should be submitted.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, the question of the privilege of the House is set forth in a resolution, which I send to the Clerk's desk; and on that I ask for recognition.

The Clerk read as follows:

Resolution offered by Mr. KNUTSON:

"*Resolved*, That Senate Joint Resolution 138, authorizing the Secretary of the Treasury to use as a public-debt transaction certain proceeds of securities hereafter issued under authority of the Second Liberty Loan Act, as amended, to effectuate a certain debt agreement between the United States and the United Kingdom of Great Britain, extending the purposes for which securities may be issued under that act and requiring payments of interest to the United States to be covered into the Treasury as miscellaneous receipts, is a bill to raise revenue within the meaning and intent of article I, section 7, of the Constitution of the United States requiring all such bills to originate in the House of Representatives;

"That Senate Joint Resolution 138 therefore is an infringement of the prerogatives and privileges of this House and that said bill be taken from the Speaker's table and respectfully returned to the Senate with a message communicating this resolution."

The SPEAKER. The gentleman from Minnesota is recognized.

Mr. KNUTSON. For 1 hour?

The SPEAKER. For 1 hour; and within that hour the gentleman may yield time if he desires.

Mr. KNUTSON. If the other side wishes to be heard we would be glad to divide the time, but I should like to have the names of the Members on that side who wish to be heard.

Mr. McCORMACK. I suggest that the gentleman yield half the time to the gentleman from North Carolina.

Mr. KNUTSON. Mr. Speaker, I yield half of the hour to the gentleman from North Carolina [Mr. DOUGHTON] and reserve the last 10 minutes to myself.

I yield myself such time as I may use.

The SPEAKER. The gentleman from Minnesota is recognized.

Mr. KNUTSON. Mr. Speaker, ours is a Government by laws. We could not exist as a free nation if this were not so. And of all the laws under which we govern ourselves the most fundamental and the most important of all are found in the Constitution of the United States. We cannot abandon the requirements laid down in that great charter of liberties and even hope to continue as a free nation. Our failure to uphold the Constitution at all times will eventually destroy that great monument of human freedom.

The Constitution of the United States provides:

All bills for raising revenue shall originate in the House of Representatives but the Senate may propose or concur with amendment as on other bills.

In this case the Senate has not proposed or concurred in amendments to a revenue measure, but on the contrary, it has initiated a bill the sole purpose of which is the raising of revenue through the issuance of bonds or notes of the United States.

Senate Joint Resolution 138 in its original form was identical with House Joint Resolution 311. The House resolution provided for raising the necessary revenue to effectuate the British agreement by adopting the language of section 7 (b) of the Bretton Woods Agreements Act. Even section 7 (b) is a revenue measure, but the revenue raised under the Bretton Woods Act was merely incidental to the accomplishment of the nonrevenue objectives of that act. Now we find the identical language in a bill that is independent of the Bretton Woods Act and the only purposes of which is the raising of revenue to effectuate a trade agreement. We are not proposing to delay consideration of this matter—we already have a bill, virtually identical to Senate Joint Resolution 138, pending before the Banking and Currency Committee at the present time. That, too, is a revenue bill, but it is a House bill. It is the bill which the House should consider; it is a revenue bill for exactly the same reasons that Senate Joint Resolution 138 is a revenue bill. It is a bill to breathe life into a trade agreement, the terms of which will constitute the very foundation and basis for fixing tariff duties. The rates of duty on goods imported from Great Britain in the future will be fixed in an amount which the State Department determines to be consistent with the terms of the financial agreement which this bill brings into existence.

The Senate report, on page 17, says:

The proposed credit is to enable Britain to participate in world trade without currency and trade discrimination, while she reconverts her industries to peacetime production and resumes her place in world trade.

Tariff duties are, in their very nature, trade discriminations.

The bill amends the Second Liberty Loan Act by adding to and expanding the purposes for which securities may be issued under the authority of that act. It does not merely refer to similar authority contained in some other act of Congress but explicitly authorizes bonds to be issued under authority of that act and expressly extends the scope of that act to include such bonds. The purposes for which bonds may be issued, and the authority for issuing them are strictly revenue matters.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The purpose of this operation is to enable us to indulge in international deficit financing and the creation of dollars?

Mr. KNUTSON. I am trying to discuss, in my feeble way, the parliamentary situation.

Miss SUMNER of Illinois. I am trying to agree with the gentleman.

Mr. KNUTSON. Mr. Speaker, the revenue to be raised under the Senate bill is not revenue which results as a mere incident of some broader, nonrevenue purpose. The raising of revenue is the sole and entire objective of this bill. It would authorize the Secretary of the Treasury to raise revenue so that he may devote that revenue to a particular purpose. It is the purpose of the proposed expenditure which is incidental to the main objectives and purpose of this legislation—namely, the raising of revenue. The raising of revenue is the sole and entire objective of this bill. We are authorizing the Secretary of the Treasury to raise revenue so that he may devote that revenue to a particular purpose. It is the purpose of the proposed expenditure which is incidental to the main objective and purpose of this legislation, namely, the raising of revenue.

I desire to call to the attention of the House section 2 of Senate Joint Resolution 138, and more particularly to the language on lines 9, 10, and 11:

And the purposes for which securities may be issued under that act are extended—

Of course, you cannot extend an act without amending it—

to include such purpose.

I am now referring to the Second Liberty Loan Act.

Mr. Speaker, I have here a report of the subcommittee of the Committee on

Ways and Means submitted to the House on January 31, 1925, which deals with jurisdiction of revenue legislation, and under the findings of that report, which was signed by such able parliamentarians as John Q. Tilson, John N. Garner, and Charles R. Crisp, all concur that matters of this kind should originate in the House and with the Committee on Ways and Means.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Tennessee.

Mr. COOPER. Of course, the distinguished gentleman from Minnesota and I both have the privilege of being members of the Committee on Ways and Means, and we likewise are jealous of the prerogatives of that committee. It is true, I assume, that the main desire of the gentleman is with respect to the jurisdiction of the Committee on Ways and Means of this subject; is it not?

Mr. KNUTSON. I do not get the gentleman's point.

Mr. COOPER. The gentleman's position is that this bill should properly come under the jurisdiction of the Committee on Ways and Means.

Mr. KNUTSON. I am not trying to say to what committee this bill should go. My sole desire is to uphold the prerogatives of the House. I contend that it is a revenue-raising measure; that it amends the Second Liberty Loan Act, and as such should originate in the House of Representatives.

Mr. COOPER. And under the jurisdiction of the Committee on Ways and Means?

Mr. KNUTSON. That is a bridge that we will cross when we get to it.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Nebraska.

Mr. CURTIS. There is nothing in the gentleman's resolution that deals at all with jurisdiction of committees.

Mr. KNUTSON. Not at all.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from New York.

Mr. REED of New York. As I understand the gentleman's position, and I think we have all the same thought, we are jealous of the prerogatives of the House, and no matter to what committee this bill may be assigned, that is not the question at issue at all. The question is whether or not a revenue measure should originate here in the House, according to all the traditions of the Anglo-Saxon system of government on down, and as provided for by the Constitution.

Mr. KNUTSON. The gentleman will recall that a British king lost his head because he ignored that principle.

Mr. REED of New York. I will say this, too, that the fight for Anglo-Saxon liberty was fought out on the battlefield of taxation.

Mr. KNUTSON. Yes. It goes clear back to the time when King John was compelled to yield to the inherent rights of a free people. The issue before us is far weightier than the question as to committee jurisdiction, as the membership of this great body well knows.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, in rising in opposition to the resolution, I want to compliment my friend from Minnesota. He has made an argument that addresses itself to the question involved. In disagreement, as I honestly am, with the views expressed by my friend, I want him to know that I thoroughly respect his views. I compliment him on addressing his remarks to the House as he has on a very important question, presenting an argument from his side that one who opposes his views recognizes as the most powerful and pertinent argument anyone could make from his side of the question.

We are considering a vital, a very important question. This is in a sense a constitutional question. It is a technical question. The gentleman contends that by reason of section 2 of the bill as it passed the Senate the House should not receive the bill from the Senate, in that it violates the constitutional provision about such legislation originating in the House.

The answer to that is that the main body of the bill relates to the agreement entered into, and section 2, while important, is simply incidental to carrying out the main purpose of the bill. Of course, under those circumstances the argument of my friend falls to the ground.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Do I correctly understand the gentleman to say that a matter involving $3,375,000,000 is a minor point in this legislation?

Mr. McCORMACK. I think the gentleman misunderstood me. I said that while important it is incidental to carrying out the objective of the bill. If my friend will let me develop that, I intend to do so.

Mr. TABER and Mr. CURTIS rose.

Mr. McCORMACK. It is very difficult for me not to yield to either of the two gentlemen who are standing. Even at the expense of taking up my time, I would not have it on my conscience that I refused to yield to either, so I yield first to the gentleman from New York.

Mr. TABER. Does not the language in section 2 constitute an appropriation of funds?

Mr. McCORMACK. I will develop that as I go along, within my time.

Mr. CURTIS. Mr. Speaker, will the gentleman yield for a question?

Mr. McCORMACK. Yes.

Mr. CURTIS. Is it not true that that section breathes life into section 1 on the very foundation of the whole legislation, a loan of $3,750,000,000? Without section 2, the whole agreement fails.

Mr. McCORMACK. Even if what the gentleman says is true, that does not change the fact that section 2, while an important part of the bill, is not the main part of the bill. While necessary to carry out the objective, it is not the part which accomplishes the objective. If we were to take any other position, we would have brought before the House a hundred times a session a resolution of this kind and, of course, comity between the branches would not permit that to continue.

Mr. CURTIS. Mr. Speaker, will the gentleman yield further?

Mr. McCORMACK. My time is running, and I have a few observations to make.

Mr. CURTIS. I just wanted the gentleman to insert in the RECORD those hundreds of times in each session of Congress. Will the gentleman cite them?

Mr. McCORMACK. I did not quite get the significance of the gentleman's question.

Mr. COOPER. Pay no attention to it.

Mr. CURTIS. The gentleman from Tennessee says not to pay attention to me, but my question was this: Will the gentleman cite those instances, which he says run into the hundreds of times, which would occur if this procedure were always being followed?

Mr. McCORMACK. What I said was that the question could be raised at least 100 times during each session. Now, let me give some illustrations. An examination of some statutes recently enacted by Congress which provide for the financing of projects in a manner similar to that called for in Senate Joint Resolution 138 shows, for example, that two of the measures originated in the Senate. One case, where the question of privilege was not raised is on an act to guarantee the bonds of the Home Owners' Loan Corporation and amend the Home Owners' Loan Act of 1933. This act, which was approved April 22, 1934, authorized the Secretary of the Treasury to use funds obtained from the sale of Government bonds under the Second Liberty Bond Act to purchase bonds of the HOLC. The second case was that of the United States Housing Act of 1937. This legislation provided that obligations of the United States Housing Authority should be guaranteed by the United States and that the Secretary of the Treasury could issue bonds under the Second Liberty Bond Act and use the proceeds to purchase the obligations of the United States Housing Authority.

However, I have a decision directly in point with the basic proposition involved in the resolution presented by the gentleman today and volume 2 of Hinds' Precedents, on page 953:

In 1874 the House declined to take issue with the Senate over an amendment of that body authorizing certain Government obligations.

It is for the House, and not the Speaker to pass on a question relating to the constitutional prerogatives of the House.

On April 14, 1874, the House proceeded to the consideration of the bill of the Senate, S. 617, to fix the amount of United States notes and the circulation of national banks and for other purposes—

This involved United States notes.

The bill in its first section provided "that the maximum amount of United States notes is hereby fixed at $400,000,000." The second

section provided for the issue of $46,000,000 in circulation in addition to the circulation already allowed the national banks—

and so forth.

Mr. James A. Garfield—

Than whom no more distinguished person ever served in this body, or ever will—

Mr. James A. Garfield, of Ohio, made the point of order that the bill was a charge upon the people as it provided for issuing a class of obligations, to pay every one of which obligations was by its very terms a charge upon the people. Therefore, it was a bill which should not originate in the Senate.

This was his contention just as that is the contention that is being made here today, that this resolution ought to originate in the House.

Mr. Garfield thereupon moved that the Clerk be instructed to return the bill to the Senate with a message that the bill did not properly originate in the Senate. On this question, the yeas were 157 and the nays 179. So the House declined to agree to the motion.

There is no difference basically between a bill which provides for the maximum amount of United States notes, the one I just read, and also providing for the issuance of additional currency. The House defeated that motion. As I say, there is no fundamental difference between the bill authorizing the issuance of United States notes and the bill authorizing the issuing of United States securities. United States notes are currency which has no specific security behind it, but which is secured by the general credit of the United States. The United States notes are part of the public debt. The House overruled the motion. The same basic question is involved here.

Suppose the Senate had not put in section 2? Note that section 2 does not increase the debt limit; its provisions are within the debt limit since it only directs the raising of the money since the Secretary of the Treasury already has the authority to sell these bonds—this is a direction from the House in connection with this resolution if it becomes law.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I yield five additional minutes to the gentleman from Massachusetts.

Mr. McCORMACK. Suppose, for example, instead of providing for authority to use it as a public-debt transaction, not to exceed $3,750,000,000 of the proceeds of any securities issued hereafter, it had said, "There is hereby appropriated to carry out the purposes of this bill $3,750,000,000." Suppose that had been put in there. I do not think anyone would seriously claim that the Senate was violating the provision of the Constitution which is raised today.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield for a question.

Mr. CASE of South Dakota. Does the gentleman admit, then, that the proceeds from the second Liberty bond securities go into the Treasury?

Mr. McCORMACK. In connection with the pending resolution, I do not quite get the significance of the gentleman's inquiry.

Mr. CASE of South Dakota. The point is this: The gentleman suggested language authorizing the Secretary of the Treasury to take money out of the Treasury and use it, which would constitute an appropriation.

Mr. McCORMACK. The language is that he is authorized to use it as a public-debt transaction; not to exceed the amount of the proceeds of any securities hereafter issued.

Mr. CASE of South Dakota. The Constitution says no money shall be withdrawn from the Treasury except by appropriation.

Mr. McCORMACK. The gentleman does not say that the Senate has no authority under any conditions to make appropriations, does he?

Mr. CASE of South Dakota. No, if the gentleman makes it as broad as that; but, I question whether the Senate can initiate the sale of securities and appropriate the receipts thereof without violating the constitutional provision on raising revenue. The question of making an appropriation is pertinent in determining the raising of revenue, under the historical interpretation of that clause. And the question of the jurisdiction of the Appropriations Committee would then be involved.

Mr. McCORMACK. I am not conceding the gentleman's position, but I will say that the gentleman would be just as justified in raising that question as in raising the question of revenue bills originating in the House. I disagree with my friend on that point, the same as I disagree with my friend from Minnesota [Mr. KNUTSON] for the reasons which I have stated.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield for a pleasant observation.

Miss SUMNER of Illinois. It is very pleasant to see the majority leader realize that this is historic, but I think the citation of 1874 could not be in point, because until 1917 deficit financing was never heard of in the United States.

Mr. McCORMACK. Well, that question is not involved in this main question.

Miss SUMNER of Illinois. It is the whole question.

Mr. McCORMACK. That is a matter of argument on legislation but not on this point.

Miss SUMNER of Illinois. This is the whole question.

Mr. McCORMACK. It is not involved in the basic question.

Miss SUMNER of Illinois. It is the basic question itself.

Mr. McCORMACK. You know, I am in difficulty in yielding to the gentlewoman from Illinois because several years ago when she thought a Republican legislature was going to legislate me out of Congress she said, "I will go up there and tell them what I think of them." I have never forgotten it and I never shall. I am not one who forgets. That is why I said I would yield for a pleasant observation.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield briefly.

Mr. CELLER. Does the gentleman know that the last British loan after the First World War originated in the House?

Mr. McCORMACK. That is not pertinent to the question either. This could have originated in the House but it could have originated in the Senate also.

Mr. COX. Mr. Speaker, will the gentleman yield for an observation?

Mr. McCORMACK. I yield.

Mr. COX. While my mind is inclined to the view of the gentleman from Minnesota [Mr. KNUTSON], yet the point is too close to justify this House challenging the constitutional competency of the Senate to deal with the question.

Mr. McCORMACK. I thank the gentleman.

I want to refer to Cannon's Precedents, on page 448, "a bill raising revenue, incidentally, was held not to infringe upon the constitutional prerogative of the House to originate revenue legislation."

The gentleman from Minnesota [Mr. KNUTSON] has properly raised a constitutional question.

The gentleman has made an able argument from his side. I believe, however, that the precedents which I have shown, and there are plenty of court decisions also, but the precedents I have shown clearly indicate that there is a distinct line of difference, of demarcation, between the bills the gentleman has in mind and Senate Joint Resolution 138.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. McCORMACK. Recognizing the honesty of the question being raised, recognizing its seriousness, it is my intention—and I state it now so that Members of the House will not be surprised—and they well know I do not like to make motions to catch Members by surprise—it is my intention—and this while I sharply disagree with but respect the view of the gentleman and those who believe as he does in the offering of this resolution—it is my intention after the debate is closed to offer an amendment to refer this resolution presenting this question to the House Committee on the Judiciary.

Mr. MATHEWS. Mr. Speaker, will the gentleman yield for a question?

Mr. McCORMACK. I yield.

Mr. MATHEWS. Is it the opinion of the gentleman that should this resolution pass its sole purpose could be carried out without any raising of revenue?

Mr. McCORMACK. I do not know. Certainly it would not be carried out without the loan provision being carried out. But that does not mean that the Senate cannot originate a bill the major part of which properly originates in the Senate, but which as a purely incidental part of the bill carries an appropriation or some feature that by its nature might be considered as a revenue item.

MEMORANDUM

Senate Joint Resolution 138, "to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes," has originated in the Senate. The question arises, therefore, whether there is reasonable ground for sustaining a question of privilege which might be raised under article I, section 7, clause 1 of the Constitution which states: "All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills." An examination of the judicial decisions, congressional decisions, and precedents in the form of similar bills leads to the conclusion that there is not sufficient basis for sustaining a question of privilege.

I

With respect to the contention which may be made that Senate Joint Resolution 138 is a bill for raising revenue because it provides for the sale of Government securities, the most recent decision of the House of Representatives in a closely analogous case supports the conclusion that the privilege of the House is not violated. The precedent involved the issuance of United States notes. The bill in question provided for the maximum amount of United States notes to be issued and also provided for the issuance of additional currency. The House defeated a motion that the Clerk be instructed to return the bill to the Senate with a message that the bill did not properly originate in the Senate. (2 Hinds' Precedents 953.) There is no fundamental difference between a bill authorizing the issuance of United States notes and a bill authorizing the issuance of United States securities. United States notes are currency which has no specific security behind it but which is secured by the general credit of the United States, and United States notes are part of the public debt. Accordingly, this decision of the House which overruled a contrary decision made in 1837, 2 Hinds' Precedents 944, is clear authority for the proposition that legislation dealing with the issuance of Government bonds may properly originate in the Senate.

It may be contended that decisions of the House that bills increasing the postage rates are revenue measures which must originate in the House of Representatives would support a question of privilege against Senate Joint Resolution 138. It is submitted, however, that these decisions, 6 Cannon's Precedents 450, 452; 2 Hinds' Precedents 944, carry to its furthest extent the construction by the House of the meaning of "revenue bills," and that the House would not extend this interpretation as a matter of logic to measures relating to the issuance of currency and the sale of Government securities. The sale of postage stamps is a governmental act closely allied to the imposition of stamp taxes, which are of course revenue measures, and thus lends itself to the construction that postal rate measures must originate in the House of Representatives. Currency and securities bills, however, bear little resemblance, if any, to excises or other types of tax measures which could be considered revenue bills in the narrow sense. Moreover, with respect to a postal-rate measure, the Circuit Court for the Southern District of New York reached a conclusion contrary to that cited above. (*United States* v. *James* (1875) (26 Fed. Case No. 1456).)

An examination has been made of all statutes enacted by the Congress which provide for the financing of projects in a manner similar to that called for in Senate Joint Resolution 138. Two of these measures originated in the Senate and in neither case was a question of privilege raised. The first was an act to guarantee the bonds of the Home Owners' Loan Corporation and to amend the Home Owners' Loan Act of 1933. This act, which was approved April 27, 1934 (48 Stat. 643), authorized the Secretary of the Treasury to use funds obtained from the sale of Government bonds under the Second Liberty Bond Act to purchase bonds of the HOLC. The second case is that of the United State Housing Act of 1937 (50 Stat. 888). This legislation provided that obligations of the United States Housing Authority should be guaranteed by the United States and that the Secretary of the Treasury could issue bonds under the Second Liberty Bond Act and use the proceeds to purchase the obligations of the United States Housing Authority.

Thus it appears to be clear that a bill to raise funds through the sale of Government obligations does not violate the privilege of the House as set forth in article I, section 7, clause 1 of the Constitution. Even if it should be concluded, however, that a bill to raise funds by selling Government bonds violates the privilege of the House, it would be necessary for the House to reach the additional conclusion that Senate Joint Resolution 138 does provide for the raising of funds through the sale of Government obligations. Such a conclusion would be illogical. Under the Second Liberty Bond Act, as amended, the Secretary of the Treasury is already authorized for certain purposes to issue public debt obligations of the United States up to a specified maximum. Senate Joint Resolution 138 merely instructs the Secretary of the Treasury how to use funds which he is already authorized to raise under the Second Liberty Bond Act, as amended. The resolution would not increase the limit of public-debt issues, it would not authorize the Secretary of the Treasury to issue any securities not already provided for by the Second Liberty Bond Act, as amended, and it would not vary in any way the type of security which may be issued at the present time under existing law. In other words, this resolution authorizes the Secretary of the Treasury to expend funds the raising of which has already been authorized by the Second Liberty Bond Act, as amended.

II

The conclusion reached above that the Senate Joint Resolution 138 is not a bill for raising revenue is further supported by judicial decisions and congressional precedents drawing a distinction between bills whose primary purpose is to raise revenue and bills which have quite different purposes, but which incidentally provide for the raising of revenue. In the latter case both the courts and Congress have followed the rule that the bills may originate in either the Senate or the House.

There are two authoritative Supreme Court cases on this point. The first is that of the *Twin City Bank* v. *Nebeker* ((1897) 167 U. S. 196), where it was contended that a bill to provide a national currency secured by the pledge of Government bonds was void because the Senate had added to it a provision imposing a tax on the amount of notes in circulation of certain banking associations. The Court held that the addition of this revenue provision by the Senate did not violate the constitutional provision that "all bills for raising revenue shall originate in the House of Representatives." The Court said:

"The case is not one that requires either an extended examination of precedents, or a full discussion as to the meaning of the words in the Constitution, 'bills for raising revenue.' What bills belong to that class is a question of such magnitude and importance that it is the part of wisdom not to attempt, by any general statement, to cover every possible phase of the subject. It is sufficient in the present case to say that an act of Congress providing a national currency secured by a pledge of bonds of the United States, and which, in the furtherance of that object, and also to meet the expenses attending the execution of the act, imposed a tax on the notes in circulation of the banking associations organized under the statute, is clearly not a revenue bill which the Constitution declares must originate in the House of Representatives. Mr. Justice Story has well said that the practical construction of the Constitution and the history of the origin of the constitutional provision in question proves that revenue bills are those that levy taxes in the strict sense of the word, and are not bills for other purposes which may incidentally create revenue. (1, Story on Constitution, § 880.) The main purpose that Congress had in view was to provide a national currency based upon United States bonds, and to that end it was deemed wise to impose the tax in question. The tax was a means for effectually accomplishing the great object of giving to the people a currency that would rest, primarily, upon the honor of the United States, and be available in every part of the country. There was no purpose by the act or by any of its provisions to raise revenue to be applied in meeting the expenses or obligations of the Government."

A similar question was raised in the case of *Millard* v. *Roberts* ((1906) 202 U. S. 429), which involved "An act to provide for eliminating certain grade crossings of railroads in the District of Columbia, to require and authorize the construction of new terminals and tracks for the Baltimore & Ohio Railroad Co., in the city of Washington, and for other purposes," approved February 12, 1901; an act entitled "An act to provide for eliminating certain grade crossings on the line of the Baltimore & Potomac Railroad Co., in the city of Washington, D. C., and requiring said company to depress and elevate its tracks, and to enable it to relocate parts of its railroad therein, and for other purposes," approved February 12, 1901; an act entitled "An act to provide for a union railroad station in the District of Columbia and for other purposes," approved February 28, 1903. It was contended that these acts were void because they originated in the Senate and provided that payments to be made to the railroad companies involved were to be levied and assessed on the taxable property and privileges in the District of Columbia. The Supreme Court held that the bills properly originated in the Senate and relied upon the case of *Twin City Bank* v. *Nebeker*. The Court said:

"The titles of the acts are the best brief summary of their purposes and these purposes are obviously of public benefit. We do not think that it is necessary to enter into a discussion of the cases which establish this."

The First Circuit Court of Appeals reached the same conclusion in *Bertelsen* v. *White* ((1933) 65 F. (2d) 719), when the same argument was raised with respect to a tax provision in the Merchant Marine Act.

The practice of the House of Representatives is in accord with the court decisions referred to above. In 1920 a Senate joint resolution directed the Secretary of the Treasury and the members of the War Finance Corporation to revive the activities of that corporation in order to assist in financing the exportation of agricultural and other products to foreign markets. In the House of Representatives a question of privilege was raised that this resolution constituted an infringement of the privilege of the House under section 7 of article I of the Constitution because it involved the possibility of large profits accruing to the Public Treasury and because "it involves an increase in the debt of the United States by $386,000,000, which can be met only by raising additional revenue" (60 CONGRESSIONAL RECORD 523). The point of order was made that a question of privilege was not raised be-

cause the purpose of the law was not to produce revenue but to aid in the transaction of business and to aid in financing exports. The Speaker of the House, following the established practice, ruled that questions involving the privilege of the House of Representatives with respect to revenue legislation were questions for the House rather than for the Speaker and put the question to a vote. The House decided that a matter of privilege was not involved. (6 Cannon's Precedents, pp. 448-449.)

The only thing in Cannon's or Hinds' Precedents which does not completely support this conclusion is a misleading heading in 2 Hinds' Precedents 961. The heading indicates that a general bill with incidental revenue provisions was returned to the Senate as a violation of the privilege of the House. It seems clear, however, that the bill in question was primarily a revenue measure since its sole purpose was to reduce the tax on Panama Canal bonds from 2 to 1 percent.

Senate Joint Resolution 138 is not a bill providing for the raising of revenue within the meaning of article I, section 7, clause 1, of the Constitution. But even if it did provide for the raising of revenue it would fall within the class of legislation where revenue-raising provisions are only incidental to broader general purposes. The primary purpose of Senate Joint Resolution 138 is to authorize the execution of the financial agreement between the United States and the United Kingdom dated December 6, 1945. It is, accordingly, legislation to make effective agreements between the two Governments regarding exchange controls, monetary policies, import controls, participation in the International Monetary Fund and the International Bank for Reconstruction and Development and participation in efforts to bring into being an internationl trade organization for the purpose of eliminating restrictive practices detrimental to world trade. In short, the real purpose of Senate Joint Resolution 138 is to establish American-Anglo monetary and trade policies for the postwar period.

III

In view of the fact that Senate Joint Resolution 138 authorizes the expenditure of funds by the Secretary of the Treasury, an examination has also been made of the practice of Congress with respect to appropriation bills. This purpose is stated in Cannon's Procedure in the House of Representatives (4th ed. 1945), as follows:

"Under immemorial custom the general appropriation bills (as distinguished from special bills appropriating for single, specific purposes) originate in the House of Representatives and there has been no deviation from that practice since the establishment of the Constitution."

In a later passage, Cannon states that there are only 12 general appropriation bills, and lists them as—

1. Agricultural Department appropriation bill.
2. District of Columbia appropriation bill.
3. Independent offices appropriation bill.
4. Interior Department appropriation bill.
5. Labor Department, Federal Security Agency, and related independent agencies appropriation bill.
6. Legislative and judiciary branches appropriation bill.
7. Navy Department appropriation bill.
8. State, Justice, Commerce, and Labor Departments appropriation bill.
9. Treasury and Post Office Departments appropriation bill.
10. Military appropriation bill.
11. War Department civil appropriation bill.
12. Deficiency appropriation bills.

He also states that "bills providing special appropriations for specific purposes are not general appropriation bills * * *."

It is clear, therefore, that a resolution appropriating funds for the extension of a line of credit to the United Kingdom is not a general appropriation and can originate either in the House or in the Senate.

Mr. KNUTSON. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, as the distinguished gentleman from Minnesota [Mr. KNUTSON] and the distinguished majority leader from Massachusetts have indicated, this is a very important matter. I know that constitutional questions are usually rather abstruse and that this House sometimes is not in a temper to give very close attention to debates but this is a motion seeking to raise a question of the highest privilege of the House. This motion suggests that one of the highest prerogatives of this House has been challenged. For this reason we should give this matter our most thoughtful consideration. It is not only our privilege to protect the dignity of this House but it is our sworn duty to do it. I surely appreciate the rapt attention that you are giving my feeble efforts. Let us look into the history of this important matter that is now claiming our attention.

As you know we had the Bretton Woods Conferences. Since then we had the Anglo-American Financial and Commercial Agreements. These were entered into by our Secretary of the Treasury and Lord Halifax for Great Britain. These latter agreements were entered into in December 1945. These agreements are somewhat lengthy and I shall read only the first three paragraphs:

1. Effective date of the agreement: The effective date of this agreement shall be the date on which the Government of the United States notifies the Government of the United Kingdom that the Congress of the United States has made available the funds necessary to extend to the Government of the United Kingdom the line of credit in accordance with the provisions of this agreement.

2. Line of credit: The Government of the United States will extend to the Government of the United Kingdom a line of credit of $3,750,000,000 which may be drawn upon at any time between the effective date of this agreement and December 31, 1951, inclusive.

3. Purpose of the line of credit: The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

In order to implement these paragraphs it was felt necessary for the United States to make a large loan of $3,750,000,000 to Great Britain.

Hence a resolution, Senate Joint Resolution 138, was introduced in the Senate. While the Senate was considering this resolution a question was raised as to the authority of the Senate to consider revenue legislation. The Senate discussed this matter at great length. It was of such importance that the Senate gave it a great deal of consideration. The debates in the Senate were learned and exhaustive. These debates show that the Senate itself doubted very much whether it had the right to consider this legislation. The Senate usually has not been as strict about upholding the dignity of the House as it has been in upholding its own dignity. That is perfectly natural. Frequently the Senate has passed legislation that did not properly come within its original jurisdiction, but it has willingly accepted the return of such legislation when the House has taken action similar to the action we are seeking to take here and now. Several very distinguished lawyers in the Senate discussed this matter exhaustively. Two of the most distinguished lawyers in the Senate happen to be the two Senators from my State, Ohio. One a Republican and the other a Democrat. Both are distinguished constitutional lawyers and both took the position that the Senate had no rightful jurisdiction under the law and under the Constitution to take jurisdiction of legislation of this kind. There was a very sizable vote cast in the Senate in support of that view. I repeat that this matter comes before us with a great deal of history. Let me read you the resolution; not in detail. I shall insert it in the RECORD at this point:

Joint resolution to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes

Whereas in the Bretton Woods Agreements Act the Congress has declared it to be the policy of the United States "to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations"; and

Whereas in further implementation of the purposes of the Bretton Woods agreements, the Governments of the United States and the United Kingdom have negotiated an agreement dated December 6, 1945, designed to expedite the achievement of stable and orderly exchange arrangements, the prompt elimination of exchange restrictions and discriminations, and other objectives of the above-mentioned policy declared by the Congress: Therefore be it

Resolved, etc., That the Secretary of the Treasury, in consultation with the National Advisory Council on International Monetary and Financial Problems, is hereby authorized to carry out the agreement dated December 6, 1945, between the United States and the United Kingdom which was transmitted by the President to the Congress on January 30, 1946.

SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed $3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payments to the United Kingdom under this joint resolution and pursuant to the agreement and repayments thereof shall be treated as public-debt transactions of the United States. Payments of interest to the

United States under the agreement shall be covered into the Treasury as miscellaneous receipts.

The preamble of this resolution is full of the words "Bretton Woods." It mentions Bretton Woods many times. But nowhere in the bill itself are the words "Bretton Woods." If this bill does become law, in not one single section of the bill, will there appear the words "Bretton Woods." The authors of this proposed legislation have retreated from Bretton Woods. That was the whole foundation of this resolution in its original form. But after the resolution was introduced the original section 2 which did mention Bretton Woods was stricken out and a new section 2 was inserted, and this new section 2 omits Bretton Woods and makes the Anglo-American agreements as the basis of the legislation. This change proves that the real purpose of the legislation is to furnish Britain with $3,750,000,000 for the purpose of putting into effect many trade agreements which are tariff agreements and consequently solely within the jurisdiction of the House.

When the gentleman from New Jersey [Mr. MATHEWS] propounded the question to the distinguished majority leader [Mr. MCCORMACK] just a few minutes ago he asked a very profound question. He asked the gentleman from Massachusetts, would this bill be of any consequence if it were passed if it did not raise revenue? He meant that if this was only a bill to ratify the Anglo-American agreement would it be here for passage. Of course not, this is a bill to enable Britain to make advantageous trade agreements and to permit the Secretary of the Treasury to sell $3,750,000,000 in Government bonds and give the proceeds to Britain.

Mr. Speaker, that is the test. That is the test as to what the heart of the bill is. What is the heart of the bill? It is not Bretton Woods. It is the proposition of raising $3,750,000,000 to loan to Great Britain. We do not have to pass on whether we are in favor of that loan or not. Whether you are for or against the proposed loan to Britain makes no difference here now. The question is not whether we are in favor of it, but the question is where should legislation of that kind originate?

The Constitution answers that question. Let me read it to you. Here it is: "All bills for raising revenue shall originate in the House of Representatives."

If that is not revenue-raising, what is it? My friends, this bill authorizes the Secretary of the Treasury to sell bonds and to put the proceeds in the Treasury and pay it over to Britain. This legislation provides word for word that the money that Great Britain is going to get from this legislation it will get from an additional amount of bonds issued by the Secretary of the Treasury and added to the national debt.

Mr. Speaker, there is no question but what this is a revenue-raising matter. So, my colleagues, do not be deceived by the argument that when you vote on this you are voting against the loan to Britain or you are voting for the loan to Britain. This transcends in importance that question. This is by far a more important transaction. This is a transaction involving the dignity of the House.

The Constitution gave the House a great privilege. It did not give that same privilege to the Senate. The Constitution recognized the old original principle of free government that has run down through the ages and that is that the people in order to be free must have control of the purse strings. The Constitution said that control of the purse strings shall be given to the House. Are you going to throw away that prerogative here today? Are you going to give it back to another body, many of whose Members believe and have said publicly that they believe it is not rightfully a prerogative of that body?

We should rise up in all our dignity here and say that this does not belong to the Senate. This comes to us as a constitutional prerogative, as a sacred prerogative that we should guard, and I say that we should uphold the dignity of the House today and I hope we will do so.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. KNUTSON. Mr. Speaker, I yield the gentleman one-half minute.

Will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Paraphrasing, may I say, political expediency, how many crimes are committed in thy name?

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Pennsylvania.

Mr. RICH. In connection with the House controlling the purse strings of this country, we have not done a very good job in the House and the Senate certainly has far exceeded the House.

Mr. JENKINS. The distinguished gentleman from Pennsylvania [Mr. RICH] is ever zealous of the rights of the House and he never fails to cry out against extravagances wherever they are practiced or threatened. In reply may I say that the House has done a fine job down through the ages in taking care of the purse strings of the country. This is one of the finest traditions of the House. The records are full of instances where the statesmen who preceded us stoutly and successfully defended against threatened invasions of our constitutional rights and duties.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, as has been indicated by those who have preceded me in debating this question, this is indeed an interesting matter presented by the resolution offered by the gentleman from Minnesota; however, I think it is fair to state that the real question involved here is that of committee jurisdiction. If the gentleman from Minnesota did not feel that the great Committee on Ways and Means had jurisdiction of this Senate joint resolution he would not be offering this resolution or raising the question about it.

Mr. KNUTSON. Well, now, I resent that. It carries the implication that I am not concerned about the prerogatives of the House, and that is false.

Mr. COOPER. I have not yielded to the gentleman.

Mr. KNUTSON. That is all right.

Mr. COOPER. The gentleman stated yesterday that if the bill was referred to the Ways and Means Committee he would not raise any further question about it. He knows he said that.

Mr. KNUTSON. I made that as a compromise offer.

Mr. COOPER. The gentleman made the statement anyhow.

Now then, the question here as to the Constitution being involved has been settled by several decisions of the Supreme Court. As indicated by the able argument presented by the gentleman from Massachusetts, that question is not open to serious debate in connection with this resolution. I certainly do not yield to anybody in loyalty to this House of Representatives and the great Committee on Ways and Means, of which I have the honor to be a member. I have served on that committee longer than any other present member of it except our distinguished chairman. But under the rules and precedents of the House of Representatives this resolution should properly go to the Committee on Banking and Currency.

The gentleman raises a question about the language appearing in section 2 of the bill. I simply invite attention to the fact that in subsection (b) of section 7 of the Bretton Woods Agreement Act you find word for word the exact language as it appears in the pending resolution. The only difference is in the amount of money. In that section of the Bretton Woods agreement you find this language:

> The Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed the amount of money of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose.

That is word for word the same language appearing in the Bretton Woods Agreement Act, and the Committee on Banking and Currency had jurisdiction of that act and no question was ever raised about it.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. Until that Bretton Woods legislation reached the Senate, no witness ever rose to explain to the country that it was a money creation instrument, which it is, and now most bankers understand it.

Mr. COOPER. I am sorry that I cannot consider that relevant to the question I am here presenting. The pending resolution, Senate Joint Resolution 138, does not raise revenue and does not seek to raise any money. The fact is it is a spending measure and not a revenue-raising measure. It does not raise one dollar and does not purport to raise

one dollar. It authorizes the Secretary of the Treasury as provided in section 1:

The Secretary of the Treasury, in consultation with the National Advisory Council on International Monetary and Financial Problems, is hereby authorized to carry out the agreement dated December 6, 1945, between the United States and the United Kingdom, which was transmitted by the President to the Congress on January 30, 1946.

Section 2 provides that the Secretary of the Treasury is authorized to use money, not raised under this legislation, but money provided for by other legislation already upon the statute books, so that the question presented here by the resolution offered by the gentleman from Minnesota does not violate the prerogatives of the House of Representatives. It does not violate any prerogatives of the great Committee on Ways and Means.

The Supreme Court has held in several decisions that measures of this type can originate in the Senate and do not violate the prerogatives of the House of Representatives under the Constitution by originating in the Senate. On the question of the jurisdiction of the committees of the House, you take this resolution just as it appears, and in the first three whereases the Bretton Woods agreement is referred to specifically in every one of those whereases of the resolution itself.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. On the question of the reference to committee, if any Member here were the Speaker, under the rules of the House he could do nothing else but what the Speaker has done in his reference.

Mr. COOPER. The gentleman is absolutely right about that. It is my privilege to serve, by direction of our distinguished Chairman, as parliamentarian for the Committee on Ways and Means. Time after time I have come in here with measures that originated in the Senate and asked that they be respectfully returned to the Senate as violating the prerogatives of the House of Representatives. I would be among the first to resort to that on this occasion if this were not so clearly a matter that could originate in the Senate as well as in the House of Representatives.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I yield the remainder of my time to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, I want to compliment the gentleman from Minnesota on raising this question. The House cannot be too jealous of its prerogatives. The control of the purse strings is the foundation stone of democratic government. In all countries the rise of government by the people has been predicated upon control of the sources and disbursement of the national revenues. The Stuarts of England and the Bourbons of France, ruling "by divine right," were brought to terms on this one issue. Charles I, of England, and Louis XVI, of France, lost their heads in revolutions precipitated by attempts to levy taxes without consent of the people. As a matter of fact, so important has this prerogative been considered through the centuries that in the English Government the House of Lords is not only prohibited from originating bills of this character but it cannot amend them in this particular when received from the House of Commons.

The question before us is a very simple one. Section 7 of the Constitution provides that bills raising revenue shall originate in the House. It follows, then, that if this bill is a bill raising revenue it must originate in the House, and the resolution of the gentleman from Minnesota should be agreed to.

The sole question here is, whether this is a bill raising revenue.

It is not a bill raising revenue. The question has been decided many times. According to the finally established interpretation of this section of the Constitution, through a long line of decisions from the beginning down to the present time the Senate bill cannot be considered a bill raising revenue.

By way of analogy, let us note the custom of the House in the reference of bills as practiced every day the House is in session.

Practically any bill introduced today, or any other day, embodies provisions under which it could be referred to any one of half a dozen committees. To what committee is it actually referred? It is referred to the committee having jurisdiction of the subject matter covered by the principal purpose of the bill. Likewise, bills are frequently introduced which incidentally provide for the raising of revenue. They are not considered revenue bills. It is only the bills which have for their main and specific purpose the raising of revenue which under this section of the Constitution have been considered as "bills raising revenue."

I remember we had a case directly in point, a case precisely on all fours with this proposition, in the Sixty-sixth Congress. In the course of debate on a resolution proposed by Mr. Luce, of Massachusetts, an eminent parliamentarian, Mr. Mann, of Illinois, who I think is universally conceded to have known more about procedure in the House of Representatives than any other man who ever sat in the American Congress, drew this distinction. He said, "All laws which incidentally raise revenues are not laws for the purpose of raising revenue." He then cited a hypothetical instance which has become a classic in the interpretation of this class of legislation. He said, in effect, "For example, if a bill provided for the sale of a former public building site, we would have a bill providing for the payment of revenue into the Treasury of the United States, but the purpose of the bill would be to sell the lot, not to raise revenue, and therefore it would not come within the purview of this section of the Constitution."

Mr. HENRY. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. HENRY. If the proposed loan is approved and made, is it the intention of the United States Government to sell securities in order to make the loan?

Mr. CANNON of Missouri. The one purpose with which we are dealing in the consideration of the Senate bill before us is the lending of money to England. That is the dominating purpose of the bill. Any incidental provision of the Senate bill is not considered in determining whether it is a bill for raising revenue under the constitutional inhibition.

The purpose of the bill is to lend a definite sum of money to England and despite any incidental matter contained therein, according to the interpretation which has long been recognized and which was specifically reaffirmed in the decision by Speaker Gillett in the Sixty-sixth Congress, this is not a bill to raise revenue, and its origination in the Senate is not subject to question by the House.

And may I suggest, Mr. Speaker, that no political or partisan consideration should be allowed to interfere with a decision of this question on its merits. As has been well said by several distinguished gentlemen on both sides of the aisle, it is a question which deals with valued prerogatives of the House of Representatives. It involves an interpretation of the provisions of the Constitution of the United States. It is too serious a matter to admit of interference by any but the most academic and impartial review of the law and the precedents.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. KNUTSON. Mr. Speaker, I yield 7 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Speaker, it is not easy to disagree with the distinguished gentleman who preceded me, the chairman of the Committee on Appropriations. In my opinion the major portion of this bill is to raise money. Certainly we have not come to that point in this country of ours when the raising of $3,700,000,000 is incidental to anything whatever. It is primary. Certainly it is not minor nor incidental to the man who pays the taxes. The distinguished chairman of the Committee on Appropriations and the distinguished majority leader have given ample justification for the presentation of this resolution to this body. They have recognized the seriousness of the question which is before us, a question I might add which was before the Senate also. In the other body when the question was, "Shall we grant to ourselves some additional power?" those who had any doubt voted to grasp that additional power. That same attitude, I think, should be in our minds here as we consider the retention of a power given this body by the Constitution, namely, the right to raise revenue. With respect to the matter of the committee having jurisdiction, I have no concern whatever. The Speaker of the House of Representatives will make the proper designation.

What I am concerned with is the rights of the House of Representatives. Those rights are, I believe, violated when the other body initiates that part of Senate Joint Resolution 138 which raises revenue. All legislation raising revenue

must, according to the Constitution, originate in the House.

My personal belief is that the committee to which I understand the bill will be assigned and which has had many months of preparation for this type of legislation could best handle it under existing circumstances. But that point is not before us in any degree. That point will be decided by our Speaker, in whom we have every confidence. The sole question is, Should this bill be accepted, having come from the Senate under what we may or may not believe to be an unjust and improper assumption of power on their part? I claim it is a revenue-raising bill. I claim that without section 2 of this bill no funds will be available to fulfill the obligation contained in section 1 of the bill. The loan authorized in section 1 cannot be made without the revenue to be raised as provided in section 2. Someone suggested earlier in the debate that the loan may be paid from the large working balance, which I believe we have in the Treasury today. This balance is not a surplus, but the money is there which perhaps could be used for this purpose if authorized. But this is not the case. Here we seek new revenue for the loan. In my opinion, under the provisions of section 2, no money whatever can be made available to Great Britain as a loan unless this be termed a revenue-raising law. I call your attention to page 3, line 7, where, after reciting that the Secretary of the Treasury may use $3,750,000,000 of the proceeds of any securities we limit that power by adding that the securities must be sold hereafter—after we pass this resolution. Further, they must be issued under the Second Liberty Bond Act, as amended, and then that law must and is in this resolution amended to include the purposes for which this loan is made. We can get the money in no other way than by amending the law and then issuing new bonds, selling them, and using those funds. That I claim is raising revenue if anything conceivably may be.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. CHURCH. Suppose—when you come to the sale of these securities which the gentleman mentioned are to be sold—that the Supreme Court should hold this transaction unconstitutional, we having raised that point at this time.

Mr. SIMPSON of Pennsylvania. I can only guess, but should the Supreme Court rule that the bonds were sold improperly and without proper legislative authority, I hazard the belief that the bonds would be declared invalid.

Mr. CHURCH. Does the gentleman recognize that the point we have just discussed is different from the situation under the citation which the gentleman from Massachusetts [Mr. MCCORMACK] cited a while ago, where the Congress voted funds, some years ago, simply by a vote of the Congress?

Mr. SIMPSON of Pennsylvania. I do recognize the distinction; yes.

Mr. MCCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. MCCORMACK. I am sure my distinguished friend recognizes, from the angle of legislative procedure, and having in mind the Constitution and the question raised here, the difference in legislation originating in the House or originating in the other body, between a direct revenue bill and one that might carry a revenue provision which, while it might be important, is still incidental to carrying out some other legislative objective of a greater nature. Does the gentleman recognize that difference?

Mr. SIMPSON of Pennsylvania. I recognize that difference. I also recognize that, from the standpoint of the people investing in these securities, this is a direct revenue-raising bill. It could not in my opinion be more direct.

Mr. MCCORMACK. I recognize the gentleman's position, but I want it understood that the gentleman recognizes there is a difference between direct and incidental revenue raising.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. KNUTSON. A point that has been overlooked by the opponents of the resolution is the testimony of Secretary Vinson before the Senate committee, where he said the primary object of this whole legislation is to remove trade barriers and to permit world trade. How do you remove trade barriers? By lowering tariffs, making concessions, and so on.

Miss SUMNER of Illinois. And further he said, in both the Senate and House committees this morning, that a purpose of this was to raise means by which these people could cooperate in Bretton Woods.

Mr. Speaker, this body of Congress should be ever watchful of its duties and prerogatives. Those prerogatives given it by the Constitution are basic law and must be guarded. This resolution, so obviously a revenue bill, should have originated in the House of Representatives, and another body having assumed the power to raise revenue should not have its action recognized here. We should return the resolution to the other body, respectfully advising them that the House refuses to recognize their action as proper. In this way only can we, who are the sole judges in this important matter, protect the integrity of the House of Representatives.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. MCCORMACK. Mr. Speaker, I offer a motion.

Mr. KNUTSON. One minute; time is not up.

Mr. MCCORMACK. Pardon me.

Mr. KNUTSON. The gentleman must not try to jump the gun

Mr. MCCORMACK. I hope the gentleman does not feel I had that thought in mind, because that was farthest from my mind.

Mr. KNUTSON. No; I understand the gentleman was not trying to jumo a homestead claim.

Mr. MCCORMACK. I thought the time had expired.

Mr. KNUTSON. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, one of the highlights of my experience in Congress was on January 3, 1941, when I heard our beloved Speaker say:

> The House of Representatives has been my life and my love for more than a quarter of a century. I know its tradition, I love its precedents, I love its dignity. I glory in the power of the House of Representatives. As your Speaker and presiding officer it shall be my highest hope and unswerving aim to preserve, protect, and defend the rights, prerogatives, and power of the House of Representatives.

Mr. Speaker, I think today we should all approach this problem in that spirit, and I know it will be done. This is not a technical question, it is a broad question that goes to the very foundation of liberal government, the right of the body closest to the people to hold the purse strings, to determine what burdens shall be placed upon the people.

The Senate has passed Senate Joint Resolution 138 and transmitted the same to the House. This joint resolution is in two sections. Section 1 provides that the Secretary of the Treasury, in consultation with the National Advisory Council on international, monetary, and financial problems, is authorized to carry out the agreement dated December 6, 1945, between the United States and the United Kingdom which was transmitted by the President to the Congress on January 30, 1946. Section 2 provides in substance, that for the purpose of carrying out that agreement the Secretary of the Treasury is authorized to use as a public debt transaction not to exceed $3,750,000,000 of the proceeds of any of the securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the act are extended to include such purpose.

The gentleman from Minnesota [Mr. KNUTSON] has offered a resolution alleging that this Senate Joint Resolution 138 is a bill to raise revenue within the meaning and intent of article I, section 7, of the Constitution of the United States, and is therefore an infringement of the prerogatives of the House of Representatives, and asks that the resolution be respectfully returned to the Senate.

The issue raised here does not involve the merits or demerits of the Senate resolution. It does not involve the question as to what committee of the House shall have jurisdiction of the proposed legislation. It is not intended as a delaying move, and it need not delay the consideration by the House of the legislation in question. The sole question involved is the right of the Senate to initiate such legislation.

Before taking up the section of the Constitution involved, and the citations thereunder, it might be well to consider what this Senate resolution does. This legislation does two things. It provides for amendment of the Second Liberty Bond Act so that $3,750,000,000 of bonds can be issued for the establishment of a line of credit for the United Kingdom. In addition to the loan or line of credit,

this resolution authorizes the carrying out of an agreement between the United States and the United Kingdom. This agreement, sent to Congress on January 30 last, relates to trade and tariffs, both directly and by inference and by reference. It relates to an arrangement between our country and the United Kingdom which consists of three inseparable parts. They are the settlement of the lease-lend accounts, the loan, and the commercial policy between the two countries.

The agreement transmitted to Congress by the President on January 30 is the financial agreement, or the loan agreement. In paragraph 3 of that agreement, found on page 587 in the CONGRESSIONAL RECORD, we find this language:

3. Purpose of the line of credit: The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

Further reference is made to the commercial or trade agreement in the document transmitted by the President to the Congress in paragraph 9, where we find these words:

If either the Government of the United States or the Government of the United Kingdom imposes or maintains quantitative import restrictions, such restrictions shall—

Quantitative import restrictions mentioned above can only relate to tariffs, quotas, and like trade barriers. A quantitative restriction on imports might be brought about merely by raising the tariff on a commodity. Under the Trade Agreements Act, which is an amendment to section 350 of the Tariff Act, as well as under the Tariff Act generally, absolute quotas are imposed. An outstanding example of this is the recent Philippine Trade Act which passed the Congress.

Referring again to this agreement transmitted to the Congress by the President, subparagraph (ii) of paragraph 10 contains this language:

In consideration of the fact that an important purpose of the present line of credit is to promote the development of multilateral trade and facilitate its early resumption on a nondiscriminatory basis.

The term "nondiscriminatory basis" must relate to trade barriers, and particularly to the lowering of tariffs.

The "other agreements" referred to in paragraph 3 of the financial agreement above quoted are discussed in an official document of the Department of State published in December 1945 and entitled "Anglo-American Financial and Commercial Agreement." This pamphlet contains a statement by President Truman and Prime Minister Attlee released simultaneously in Washington and in London concerning the financial agreement, the joint statement regarding the settlement of lease-lend, and the joint statement regarding the understanding reached on commercial policy. The financial agreement bears the signatures of our Secretary of the Treasury Fred M. Vinson and Lord Halifax. In setting forth the understanding reached on commercial policy, in this pamphlet, the intentions of the two countries are disclosed and their future negotiations are charted. We find this interesting statement:

These negotiations will relate to tariffs and preferences, quantitative restrictions, subsidies, state trading, cartels, and other types of trade barriers treated in the document published by the United States referred to above. The negotiations will proceed in accordance with the principles laid down in that document.

Again it may be repeated that the settlement of the lease-lend account, the loan, and the agreement on trade relations are inseparable. The proponents of the loan to Great Britain contend that our own selfinterest is served by making the loan because of the trade features involved. One of the supporters of the proposal is the Chamber of Commerce of the United States. The finance department of that organization has published a pamphlet in February 1946 entitled "Financial Agreement With the United Kingdom, Related Settlements, and Understandings on Trade Policies." In that pamphlet on page 6, the question is raised as to the quid pro quo, and we find this statement:

Under the financial agreement and related settlements and understandings, both the United States and the United Kingdom make commitments.

The United States agrees:

1. To provide a line of credit to the amount of $3,750,000,000, with payments of principal and interest over a 50-year period commencing at the end of 1951, and with a waiver of the 2 percent interest in years of adverse conditions.

2. To cancel lend-lease obligations up to VJ-day, except where surpluses remain, and allow obligations incurred thereafter to be paid under the same terms as the line of credit.

3. To accept long-term obligations in settlement for surplus war property, war installations, and claims, this amount totaling with the lend-lease settlement $650,000,000 and making the aggregate of the British loan, $4,400,000,000.

4. To join with other nations in eliminating or modifying trade barriers, the commitment implying a further reduction in tariffs under the Reciprocal Trade Agreements Act.

Can anyone deny that the passage of the Senate resolution does not commit the United States to lowering tariffs? In passing may I point out that a tariff is a tax, and that the lowering or modifying of a tariff involves the revenue powers vested in the House, but I will have more to say on that point later.

The full import of Senate Joint Resolution 138 is set forth in a pamphlet entitled "Anglo-American Financial Agreement," published by the United States Treasury in January 1946. In that pamphlet the Honorable Fred M. Vinson, Secretary of the Treasury says:

The American people want a world of peace and prosperity. So do the people of all countries. This will be possible only through international cooperation to establish fair currency and trade practices that will make it possible for the world trade to expand and grow.

Mr. Vinson also says:

England can secure imports only by paying for them by exports.

Mr. Vinson goes on to say:

And they agree that with this help, England could abandon wartime currency and trade discrimination and join with the United States in a program of international economic cooperation. This is the essence of the financial agreement between the United States and England which is now before Congress for approval.

It is apparent that the Secretary of the Treasury feels that the trade agreement features of our proposal with England are foremost. In other words, it involves trade negotiations, reductions in tariff and possibly import quotas.

The trade-agreements program between the United States and the United Kingdom set in motion by this legislation will last for many years, far beyond the life of our present Trade Agreements Act. When President Harry S. Truman transmitted the document to the Congress, he said:

It is not too much to say that the agreement now transmitted will set the course of American and British economic relations for many years to come.

The question raised by the resolution of the gentleman from Minnesota [Mr. KNUTSON] is, Are any or all of the features of this bill, to wit: the issuance of the bonds and the making of the loan, or the settlement of the lease-lend account, or the trade relation features, such that would require this legislation to be originated in the House of Representatives? Let us examine the Constitution in that regard. Section 7 of article I of the Constitution provides:

All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

For a definition of the term "raising revenue," and for light as to the intent of the framers of our Constitution on the term, I wish to quote from the book Legislative Problems, by Robert Luce, A. M., LL. D. Mr. Luce was a member of the General Court of Massachusetts for 9 years; of the governor's council, as lieutenant governor; of a constitutional convention; and of the Congress of the United States for 16 years. As a writer on the constitutional prerogatives of legislative bodies Mr. Luce had no superiors and few equals. After a discussion of the historic development of the foregoing section of the Constitution, Mr. Luce said:

Therefore it was wholly natural that at the very outset the lower House should construe revenue as money in the public treasury made available for the uses of the government; that it should apply raising to the whole process, from the levy to the expenditure; that it should grasp the granting as well as the getting of money, appropriations as well as taxation.

It is interesting to note Mr. Luce's extensive research in ascertaining the meaning of the word "revenue." Among other things he said:

Turning first to the dictionaries, we find that those of the eighteenth century do not go into detail enough to be of service. When

in the next century those printed in England began to be copicus, they gave two elements to the definition of public "revenue," one to the income element, the other the outgo element. Such in the main continues to be the English construction. It was copied in the earlier American dictionaries of size, and has not yet been rejected by all the American lexicographers. Regardless, however, of what a modern definer might say, were the full bearing of his decision brought home to him, there can be no doubt, as we have seen, that the leading men of the Federal Convention drew no distinction between "money" and "revenue." The weight of the evidence is that they thought they were giving to the lower branch the control in all matters of finance, whether income or outgo.

The very essence of Anglo-Saxon liberty is that the power over the purse is vested in that legislative body which is closest to the people. As the gentleman from Missouri [Mr. CANNON] so well said today, "The control of the purse strings is the foundation stone of democratic government." The power to tax is the power to destroy. That is not an argument or a theory; it is a reality. The framers of our Constitution were familiar with the struggle of mankind down through the ages to wrest from the king the power to tax, to bond, and to burden the people, and to spend the public money.

There can be no doubt that the framers of our Constitution, in writing the section above referred to, intended to invest in the House of Representatives, that body elected directly by the people every 2 years, full power over the purse. There can be no power over the purse unless that power is broad, complete, full, and absolute. It would be to make a joke of the noble efforts of the founding fathers to contend that the House of Representatives alone must originate bills for imposing taxes, but grant to another body power to originate bills to repeal or modify taxes, or cause bonds to be issued or appropriations made which would later call for the imposition of taxes. That would not be delegating to the House of Representatives power over the purse. If the Senate has power to originate bills to repeal or lower taxes, they will eventually force the House to impose new taxes to take the place thereof, and then the House would lose the power vested in it by the Constitution.

While it is true many types of miscellaneous receipts may come to the Treasury of the United States, the main portion of the funds for running our Government must be obtained by taxing the people now, or issuing bonds that the people must pay later. Both of them are the power to tax. Both involve the power of life and death, the power to destroy. In keeping with the broader meaning of the term "revenue," and in keeping with the doctrine that power over the purse must be full and absolute to be effective, the House of Representatives originate appropriation bills.

Coming back to the three things that this legislation does, to wit: the settlement of lease-lend, the making of a loan, and the trade agreement features, let us consider the precedents. The settlement of the lease-lend account, which also includes surplus war property and claims, does involve income and outgo of funds from the Treasury of the United States. It is highly significant that the legislation settling the indebtedness of Great Britain following World War I originated in the House of Representatives. It was H. R. 14254 of the Sixty-seventh Congress, Public Law No. 455. It was reported in the House of Representatives on February 8, 1923, by Mr. Fordney from the Committee on Ways and Means. That procedure was never questioned. It should be followed now in the settlement of the lease-lend accounts, surplus war supplies, and claims following World War II.

Should legislation amending the Second Liberty Bond Act so that $3,750,000,000 in bonds may be issued to provide a line of credit or a loan to the United Kingdom originate in the House of Representatives? Past practice indicates that it should. It matters not that you might call this an appropriation, it is still within the broader meaning of revenue. The Liberty Bond Acts all originated in the House of Representatives. The Second Liberty Bond Act was H. R. 5901 of the Sixty-fifth Congress, known as Public Law No. 43. It was the basis for making the loan to the United Kingdom and other countries in connection with World War I. This Second Liberty Bond Act authorized the Secretary of the Treasury with the approval of the President to issue bonds for the purpose of "more effectually providing for the national security and defense and prosecuting the war, to establish credit with the United States for any foreign government then engaged in war with the enemies of the United States; the Secretary of the Treasury is hereby authorized to purchase, at par, from such foreign governments respectively their several obligations hereafter issued."

All of the amendments to the Second Liberty Bond Act have originated in the House of Representatives. Among the recent ones were the bills fixing the debt limit. Within recent weeks, the junior Senator from Virginia, Senator BYRD, announced that he would sponsor legislation to reduce present debt limits. It is my understanding that the authority to originate such legislation in the Senate has been questioned and will be further questioned.

The language in Senate Joint Resolution 138 in reference to the Second Liberty Bond Act is identical with the language used in the Bretton Woods legislation. That legislation originated in the House. It could originate no other place, so long as it carried that language.

If it was the intent in the Constitution to vest in the House of Representatives power over the purse, by vesting in the House sole authority to originate revenue measures, the House must have authority over the issuance of bonds and the using of the proceeds thereof.

It is interesting to note that in the early years of our Government, under the Constitution, it did not refer to "bond" issues but rather to "stock" issues. The act of August 4, 1790, making provision for the payment of the debt of the United States—1 United States Statutes 138–144, chapter 34—and the act of March 3, 1795, making further provision for the support of the public credit and for the redemption of the public debt—1 United States Statutes 433–438, chapter 45—and the act of May 31, 1796, making provisions for the payment of certain debts of the United States—1 United States Statutes 488–489, chapter 44—all originated in the House of Representatives.

It might be argued that section 2 of Senate Joint Resolution 138 with reference to the issuance of bonds is merely incidental to section 1 of the bill. Surely no one could seriously contend that an item of $3,750,000,000 is "incidental revenue." While that argument is not conceded at all, I wish to point out that section 1 of the bill together with the agreement transmitted to Congress by the President, with the other agreements incorporated therein both by inference and by reference, do modify, alter, and change tariffs. Does anyone doubt that if this deal with the United Kingdom goes through that our tariffs will not be changed? That is the central idea of the whole arrangement. The legislative reference service of the Library of Congress in their bulletin number 41, which is entitled "The Anglo-American Financial and Trade Agreements," explains this entire arrangement with the United Kingdom. On page 65 of that bulletin we find this statement:

> The degree of risk will depend largely on whether we make it possible for Great Britain to pay by lowering our tariffs and other trade barriers.

Earlier in my argument I cited in some detail those parts of these agreements that relate to the lowering of tariffs.

In 1871 a controversy arose between the House and the Senate over the authority of the Senate to originate a bill affecting the tariffs. In that particular instance the question appears to have been dealt with by the conferees. I wish to quote from volume 2 of Hinds' Precedents of the House of Representatives, page 947, as follows:

> After a long and full discussion the conferees failed to agree, and arranged to report to their respective Houses their disagreement, and such further report as they might decide to make. The House conferees therefore presented a report giving at length the reasons on which they had founded their action. From a careful review of the proceedings of the Constitutional Convention and a consideration of the analogy of the British Constitution they derived the opinion that all bills directly affecting the revenue should originate in the House of Representatives. "The practice of the English Commons," says the report, "was to have all tax bills considered by a committee called the ways and means, and all appropriations were considered by a committee on supply. Analogous to this, the first Congress that assembled provided a Committee on Ways and Means that should originate all revenue measures, whether of taxation or appropriation. The same Congress also borrowed another rule from the Commons, that this class of bills should be first considered in Committee of the Whole House on a day fixed, so that free discussion should be permitted and unlimited amendment allowed.
>
> "Under these rules the right to originate not only tax and tariff bills, but also appropriation bills, was conceded to the House of Representatives until February 22, 1832, when Mr. Clay submitted certain resolutions in relation to the tariff, by which it was pro-

posed to repeal the duties on all articles of importation not coming into competition with similar articles manufactured in the United States, etc.

"These resolutions were referred to the Committee on Manufactures, which committee, on the 30th of March, made a long report, accompanied by a bill proposing an absolute repeal of certain duties."

This report led to a long debate on the constitutional power of the Senate to originate revenue bills or repeal duties. Finally, on motion of Mr. Dallas, the bill was laid on the table.

"The question again came up in the Senate in 1833," continues the report, "when, at a time of great political excitement, reaching almost to rebellion, Mr. Clay, with a patriotic purpose, brought forward in the Senate his compromise tariff bill to reduce existing rates of duty on imported articles. The leading minds of the Senate revolted at what seemed to them an unconstitutional exercise of power, and the authority of the Senate under the clause now under consideration was debated by the ablest lawyers of that body.

"On February 27 the bill was laid on the table, a House bill for the same purpose having reached the Senate. The House bill was passed."

The managers on the part of the House in that same report went on to say:

"It seems clear to your committee, therefore, that the only way to preserve, in its fullness, the power to originate bills for raising revenue is to insist upon the right of the House to originate all bills relating directly to the revenue, whether imposing or remitting taxes; that the House should, in the first instance, be the judge of the manner, the measure, and the time of such impositions or remissions."

It might be argued that the proposed commercial policy between the United Kingdom and the United States will not result in a repeal of any duties or tariffs. The precedents of the House are such that the Senate does not have a right to originate a bill to modify, in the least, the tariff or duties on a single article. I wish to read from volume 6 of Cannon's Precedents of the House of Representatives, page 452.

On January 16, 1928, Mr. William R. Green, of Iowa, rising to a question of the privilege of the House, offered the following resolution:

"*Resolved*, That Senate Concurrent Resolution 4, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with a message communicating this resolution."

At the request of Mr. Green, the Senate concurrent resolution referred to was read by the Clerk, as follows:

"*Resolved by the Senate (the House of Representatives concurring)*, That for the purpose of interpreting the meaning of the Tariff Act of 1922, with respect to imported broken rice, "broken rice" shall include only rice which falls within the class "brewers' milled rice" as defined in the United States standard for milled rice as promulgated by the Secretary of Agriculture."

In support of the resolution Mr. Green said:

"Mr. Speaker, this Senate concurrent resolution, if it became a law and had any effect whatever—which, perhaps, may be doubted, as it is merely a resolution and not an amendment, in form, of the tariff law—would have the effect of changing the classification of broken rice and, consequently, change the tariff rate upon it.

"If it had any effect whatever, it would have the effect desired by the party who introduced it to change the classification of rice, and a change of classification would change the duty, and this would change the revenue.

"How such a proposition ever got through the Senate is more than I can imagine. I cannot understand how that body for a moment could think the House would receive such a resolution."

The pending resolution was then agreed to without division. The Senate concurrent resolution was accordingly returned to the Senate, and no further record of its disposition appears.

Thus it appears that even though the legislation deals somewhat remotely with the tariff, or its effect on the tariff may even be speculative, the House of Representatives has refused to concede to the Senate the right to originate such legislation.

It follows then that if the passage of Senate Joint Resolution 138 will result in having the import duties or tariffs of the United States altered in any way, or changed the slightest, or modified in the slightest degree, that the Senate is without authority to originate the pending resolution. There can be no other interpretation of the ruling raised on the question of privilege of the House by Mr. William R. Green, of Iowa, on January 16, 1928. That precedent has not been reversed. It is still the law of the House and it was acquiesced in at that time by the Senate of the United States.

Mr. Speaker, I want to again make mention of that fundamental truth, that the power to tax is the power to destroy. Whoever has power to originate legislation to raise or lower or abandon tariffs has the power to set in motion the destruction of industry in this country, or in some other country. Section 1 of the Senate resolution very clearly relates to tariffs, duties, and like taxes. It is revenue. It can only originate in the House of Representatives. It should have followed the same legislative pattern as was followed in the enactment of the trade agreements program, the several amendments thereto, and of the recent Philippine Trade Act.

Those who have spoken today against the resolution of the gentleman from Minnesota [Mr. KNUTSON] cited certain precedents in respect to the issuance of currency or money. They have referred particularly to the point raised by Mr. James A. Garfield, which is recorded in volume 2 of Hinds' Precedents, page 953. That bill proposed to fix the amount of United States notes and the circulation of national banks. It was neither a tax nor appropriation. The authority of the Federal Government for the issuance of money is found in the Constitution in article I, section 8, wherein it says:

The Congress shall have power * * * to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures.

That authority is vested in the Congress as a whole. There is no constitutional provision requiring that legislation dealing with those matters should originate in the House of Representatives. The point raised by Mr. Garfield, and referred to in this debate, is not a case in point.

Mr. Speaker, I submit that everything embodied in Senate Joint Resolution 138, to wit: trade agreements and the modification of tariffs, the settlement of the lease-lend account, the amending of the Second Liberty Bond Act, and the making of the loan are all matters that must originate in the House of Representatives. If that conclusion is not correct, the House of Representatives then does not have the authority to originate the legislation that controls the purse. Our very basic conception of government is that the House of Representatives is the first guardian of the purse. If the House yields on this point, we are apt to become but a debating society.

Mr. PHILLIPS. Mr. Speaker, the point raised by the gentleman from Minnesota [Mr. KNUTSON] is important in itself. It becomes doubly important, when we realize that this is not the first time within recent months when the other body, in exactly the same way, has assumed the rights given only to this House, under the Constitution.

Here we find a treaty, or agreement, with Great Britain, under the terms of which the United States is to do certain things. One of these is to furnish in cash, or credit, some $2,750,000,000. To say that this has nothing to do with the raising of funds is sophistry. It is just as fallacious reasoning as it was to call understandings between nations "agreements" and so evade the constitutional requirements of bringing them before the other body, which would have been necessary if they had been called treaties. It is well to recall the protests of the other body on that issue.

Obviously this has to do with the raising of money, and as such it is a prerogative of the House of Representatives. I am suggesting it is not the first invasion. Within the year, in connection with the so-called Mexican Water Treaty, the other body acted upon, approved, and sent to this House a piece of legislation which, in addition to settling water issues, specifically gave to Mexico certain physical properties which had been constructed and paid for by the citizens of the United States. Further, that document agreed to the construction of additional properties which would cost large sums of money.

The gentleman from California [Mr. HINSHAW] came on this floor with exactly the same point of order, the privilege of the House itself, a rarely invoked point of order, to point out, in that instance, exactly what the gentleman from Minnesota [Mr. KNUTSON] is pointing out today; that the basic, constitutional rights of the House, the safeguards of free governments and of free peoples, are being invaded.

In that case, the Members of the House, I say frankly, never understood the issues which some of us tried to place before them. They thought it was a controversy between the Representatives of two States, or just another controversy over western water. In fact, it is so serious that unless the House does something about it, in the few remaining opportunities presented to us, this treaty, instead of creating good will between Nations, will carry us into some international court of arbitration, or at least

into international argument. It is a serious thing to give away that which does not belong to you; it is infinitely more serious to give up, without protest, those hard-won rights of free men and women, the greatest of which is the right to control the purse. This has been well pointed out by the gentleman from Nebraska [Mr. CURTIS].

The time for the House to act on this matter is now. It is not a question of how we may feel personally. It certainly should not be a political matter with either party. It is unquestionably a matter of the protection of the constitutional right of controlling taxation, expenditures, appropriations, whatever you want to call the control of the purse. That right we as Americans are duty bound, under the Constitution, to protect with all our power.

Mr. McCORMACK. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McCORMACK moves to refer the resolution to the Committee on the Judiciary.

Mr. KNUTSON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts [Mr. McCORMACK].

The motion was agreed to.

REPORT OF CIVILIAN PRODUCTION ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and together with the accompanying papers referred to the Committee on Military Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress a report of the Civilian Production Administration covering operations under the Property Requisitioning Act of October 16, 1941, as amended, for the period from October 16, 1945, through April 15, 1946.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 14, 1946.*

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks on the resolution just passed, any extensions submitted today to follow the debate on the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made on the resolution just passed and include therein a memorandum in connection with this important question.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD and include letters.

LEGISLATIVE APPROPRIATION BILL, 1947

Mr. O'NEAL, from the Committee on Appropriations, reported the bill (H. R. 6429) making appropriations for the legislative branch for the fiscal year ending June 30, 1947, and for other purposes (Rept. No. 2040), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

Mr. TIBBOTT reserved all points of order on the bill.

DEPARTMENT OF INTERIOR APPROPRIATIONS, 1947

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6335, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Shoshone project, Wyoming, Willwood division, $58,970.

Mr. BARRETT of Wyoming. Mr. Chairman, I arise to discuss the last four projects under consideration in this section of the bill. While it must be admitted that the committee attempted to make uniform and perhaps equitable cuts in every item of this bill, nevertheless it seems to me that in many instances the cuts made will not in the long run prove either wise or economical. I am prepared to say that in my judgment this is particularly true with regard to those projects that have been held up because of the war and are nearing completion. We have several such projects in Wyoming which are integral parts of the program authorized for the Missouri Valley Basin.

The Riverton project which is now nearing completion is an important development of public lands in the Wind River area. I might say to you that 42,500 acres of this project are presently settled mainly by veterans of the First World War. If the Budget estimate of $1,500,000.00 for the fiscal year 1947 had been allowed then when the construction authorized was finished this project would have been over 80 percent complete, and most of the remaining 50,000 acres in this project would have been available for settlement. The fact of the matter is that the Bureau contemplates settling veterans on 180 farm units on 18,000 acres of this project during the present year. If the Budget estimate for 1947 had been allowed, we could reasonably expect that 325 additional farm units on 32,000 acres of public lands in this project could be opened to veterans by the end of next year. The Budget estimate for the fiscal year 1947 includes funds for construction of the last 20 miles of the Wyoming Canal; the first 30 miles of which will be built with 1946 funds. The 1947 Budget estimate also includes funds to complete the Wyoming Canal and lateral system to serve 45,000 acres. While the forecast of funds carried over to next year indicates a large amount available for construction, the increasing availability of labor and materials should make it possible to place under contract all the current funds plus the amount of the Budget estimate. Construction works such as the canal system involved here lend themselves to breaking down into convenient units all of which may be contracted for separately. Any amount less than the Budget estimate simply means that the number of farm units which might be opened in 1947 and 1948 will have to be reduced to the amount of construction that can be financed out of the total funds available.

I am not unmindful of the fact that the construction program of the Bureau has been curtailed in order to alleviate the veterans' housing program. But in this particular instance it seems to me that here we have a situation where the accelerated program of the Bureau would itself provide homes for veterans. I am hopeful that the other body will see fit to restore the Budget estimate for this item. Otherwise it seems to me that sound business will require a deficiency appropriation later on this year to restore the funds requested by the Bureau.

The Shoshone project, near Cody, Wyo., contains large areas of the public domain and presents excellent opportunities for settlement by veterans. Parts of the project are complete and funds are essential for canals and land development and the final completion of the power features so that the full opportunities afforded by this project can be realized. Funds currently available to the Bureau will make possible the opening to entry of 127 farm units on 11,000 acres this year. There has been scheduled for opening 242 farms on 19,000 acres in 1947. Current funds will permit the completion of canal and lateral systems to serve this total acreage but does not include amounts for the lateral systems to serve 7,000 additional acres on the Chapman Bench, or for the development work that must accompany the preparation for the opening of lands to entry. The net effect of an appropriation below the Budget estimate will be to delay the Bureau's predevelopment work on the 19,000 acres to be opened next year and postpone to later years the completion of facilities for the 7,000 acres on the Chapman Bench. It goes without saying that reducing the funds for Riverton from $1,500,000 to $650,510 as now in the bill and Shoshone from $936,000 to $405,855 and Kendrick from $500,000 to $216,800 will seriously cripple the program for immediate veterans' settlement.

In the case of the Kendrick project, located near Casper, Wyo., the budget estimate for 1947 amounted to $500,000, but this amount has been reduced by the committee bill by over 50 percent. The 1947 estimate includes $140,000 for improvements to the irrigation distribution system and $30,000 for its operation and maintenance. Two hundred and fifty thousand dollars is included for completion of the Seminoe-Casper 115-kilovolt transmission line and the Casper substa-

tion, which will be started with 1946 funds to replace the existing 69-kilovolt line between Seminoe and Casper. Water delivery will begin on the Kendrick project this year and funds are included in the 1947 estimate for technical assistance to the new irrigation farmers. Failure to restore the full amount to the Budget estimate will delay the completion of this change-over of the Seminoe-Casper line, force a postponement of improvements to the irrigation system, and prevent the Bureau from giving the project settlers the full assistance they are entitled to have. Although there will be a substantial balance carried over from 1946, this money has been earmarked on the basis of previous justifications for other work on the distribution system and the Seminoe-Casper line.

I have previously reminded the House that over $85,000,000 have been paid into the Treasury by reason of oil royalties from the public lands of Wyoming during the past 25 years. As has been pointed out during this debate, 52½ percent of that money is turned over to the reclamation fund. As a consequence, Wyoming public lands have contributed $45,000,000 to the reclamation fund in the past quarter of a century. As everyone knows, the settlers on irrigation projects are required to repay, in a large measure, the cost of the development of these farms. During the past year, the oil production in Wyoming amounted to 36,000,000 barrels of oil, and nearly two-thirds of that amount, 22,000,000 barrels, came from the public lands of Wyoming. Since this amounts to a depletion of the natural resources of Wyoming, it seems only fair and equitable that liberal appropriations should be made to insure the speedy development of reclamation projects in our State.

I hope that in the future this committee will keep in mind the substantial contribution which the public lands of Wyoming make to the reclamation fund when Wyoming projects are considered.

The Clerk read as follows:

Central Valley project, California: Joint facilities, including storage system, Shasta Dam and Reservoir, $1,385,365; irrigation facilities, $6,284,020; power facilities, Shasta power plant, $970,195; Keswick Dam, $510,570; Keswick power plant, $510,570; switchyards, $765,310; transmission lines, Shasta to Oroville, 230 kilovolt, $5,420; Oroville to Sacramento, 230 kilovolt, $382,655; Contra Costa Canal extension, 69 kilovolt, $26,015; in all, $10,240,120.

Mr. JOHNSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of California: On page 45, after the colon in line 7, strike out all of lines 7 to 15, inclusive, and insert a comma and "$17,500,000."

Mr. JOHNSON of California. Mr. Chairman, I have offered this amendment for two reasons. In the first place, I want to say that I am not offering this in any spirit of hostility or criticism of the committee or any member of it. However, the people in my district, which is in the center of the great interior valley of California, are vitally interested in this project. They sincerely feel that the committee has whittled down the appropriations a little too low.

The purposes for which I offer this amendment are as follows:

In the first place, if you will look on page 45 of the bill, you will notice that every other project has a lump sum appropriation, but in this particular appropriation the specific items are detailed and each one is frozen to a specific sum. In a giant project such as this, with all its diversity and ramifications, with the uncertainty of the contract market, the uncertainty of the labor market, and the uncertainty of the materials market, it is obvious that during the course of the fiscal year there may be certain changes required in carrying out the program which were not anticipated one year or more ahead of time. Therefore, I have asked that the specific designations of what this money should go for be eliminated, and the matter left to the good judgment of the Secretary, who will carry on in accordance with what the particular situation at the time dictates.

It is the belief of some, although it is not my own personal belief, that the former Secretary of the Interior was rather arbitrary in taking money and spending it for purposes which the committee did not have in mind. We have no reason to anticipate or believe that the present Secretary will do anything of that kind. We ought to have enough confidence in him, if we give him this money and impose upon him the responsibility of carrying out this giant construction program, to give him a little discretion and leeway.

The other purpose in offering this amendment is that we feel there should be a little more money than $10,840,000. The Budget Bureau, which speaks for the President and has in mind the President's program, suggested $25,000,000. We have about cut the difference in two. It seems to us that would be a very fair amount to offer to give to the Secretary of the Interior to carry out this great project during the next fiscal year.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from California.

Mr. VOORHIS of California. I think the gentleman's amendment is quite in order. I believe it should be adopted, and I am going to support it. May I ask the gentleman whether it is not his opinion that if his amendment is adopted there will be a much better chance of this work being carried on effectively and efficiently than will be the case if the procedure is adopted which the committee has proposed.

Mr. JOHNSON of California. That is my view exactly.

I want to be perfectly frank with the members of the subcommittee and the Members of the House that I feel we should have a little more money in this appropriation for the construction of transmission lines. We are developing at Shasta Dam 450,000 kilowatts of power. We have only one line provided for at the present time, on the east side of the Sacramento River, from Shasta to Oroville, on to Sacramento, and down to Tracy. We need another line on the west side of the river. While perhaps we are not prepared today to build it, we should have the money to get ready for the preparation and construction of that line. The great pumping plant that will pump the water from the Sacramento Valley down over 100 miles into the San Joaquin Valley, to put water on lands which are now deprived of water to which they are entitled and which will be diverted still further south from the San Joaquin River, will soon be built. When that day comes, we want this other line on the west side of the Sacramento River to go down there and be able to serve that giant power plant.

Those are the two reasons I have in mind for offering this amendment. You have heard me discuss this before. The power lines, the transmission lines, and every one of those things I am talking about here today were provided for in the original plan in 1933 when it was approved by the voters of California.

Mr. MURDOCK. Mr. Chairman, I rise in support of the amendment of the gentleman from California. Yet I do not wish at this time to discuss this particular item. The Clerk read rather rapidly and I did not hear him read the amount of the appropriation for the Davis Dam. I want to return to that item. I find, although the Clerk did not read it distinctly enough for me to catch it, that the appropriation for the Davis Dam on page 45, line 6, is $6,504,070. I believe the original estimate was $15,000,000. This is one of the items I had in mind the other day when I said the committee has exercised its judgment with reference to amounts that have been determined by higher authority.

Mr. JOHNSON of Oklahoma. Who is higher authority than the Congress of the United States on matters of appropriation?

Mr. MURDOCK. I am glad the chairman asked that question. The answer is, the Constitution of the United States is higher authority, the very same Constitution we all swore to defend. Let me explain what I mean. A water treaty with Mexico has recently been ratified by the United States. I have a copy of that treaty in my hands. That treaty calls for this appropriation but in an amount much larger than the committee has included in the present bill. I am not a lawyer but I can read, and I find in article VI, section 1, clause 2, of that Constitution which I as a Member of the House swore to defend, the following language:

This Constitution and the laws of the United States which shall be made in pursuance thereof, and all treaties made, or which shall be made, under the authority of the United States shall be the supreme law of the land.

And if you will read the following clause in article VI each Member will see what his duty is in regard to this supreme law of the land. Now, this recent treaty with the Republic of Mexico has become a part of the Constitution of the United States. Whatever is in that treaty is a part of the Constitution of the United States.

What does this treaty say? In section 12 it says that the Davis Dam shall be built within a period of 5 years. The estimated cost of the Davis Dam is in the neighborhood of $70,000,000. When you divide 5 into 70, do you get 6? You

certainly do not. I maintain that the Committee on Appropriations has cut that amount for the Davis Dam far below what is required to be paid within a 5-year period—not required by the chairman of the Committee on Irrigation and Reclamation, but required by the Constitution of the United States. I leave it to the Committee to ponder that question. I am not offering an amendment here. I take it when the question of final enactment of this bill comes up Congress will see that it meets the requirements of the law.

I have offered an amendment in regard to another item further along in the bill where the committee has appropriated $300,000 to the Colorado River development work, which is also cut drastically. Who authorized the committee to exercise its judgment and discretion on that item? According to the Boulder Canyon Adjustment Act of 1940 there was set up a fund paid for by the power users of the Boulder Dam. That money is already in the Treasury. Annually, $500,000 is set aside in the Treasury. For what purpose? To explore and investigate the Colorado River Basin. I maintain that the committee has no discretion in regard to the appropriation of that money. That money is not paid into the Treasury as tax money. That money is collected from and paid in by the power users of Boulder Dam. When that money is put in the Treasury, it is earmarked. It cannot be legally used for any other purpose. It becomes a sacred trust fund for a specific purpose. The committee should not make a horizontal cut including this item no matter who authorized them to make general reductions. They should not cut here from $500,000 to $300,000. That item should be raised to the proper amount. The law of 1940 not only authorizes it but requires it.

The CHAIRMAN. The time of the gentleman from Arizona [Mr. MURDOCK] has expired.

Mr. HOLIFIELD. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California [Mr. JOHNSON]. The gentleman from California [Mr. JOHNSON], comes from that great Central Valley of California which comprises within its territory a great part of the agricultural and potential agricultural land of California. I sometimes wonder if my colleagues from the Midwest, the South, and the East realize what this great development is in California and what it means, particularly in the development of new lands. At this time we are having a great influx of veterans to the State of California. A week ago last Saturday I conferred with General Cross, who is in charge of the Veterans' Administration for the western region, and he informed me that for every veteran's file that goes out of the State of California, 10 veterans files go in. That means that for every veteran that moves out of California 10 veterans are coming to California to make their homes.

As you know, in the reapportionment of 1940, three new congressional districts were added to the State of California because of the increased population. It is estimated that now the additional amount of population, due to the influx of war workers and veterans, makes California entitled to another three or four Congressmen on the basis of population. Those people are coming into the State and they must have some place to work and some land on which to settle. It is these great projects, such as the Central Valley project, that makes that land available.

I do not like to quarrel with the Appropriations Committee, but I can see no reason why an arbitrary cut of 50 percent, in order to make budget reductions, should apply to cases of dire need, like this, where the land is lying there ready to be developed, and where several hundred million dollars of the taxpayers funds have already been spent on this development, and for want of just a few million more dollars these great tracts of land are withheld from settlement by veterans and others.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. OUTLAND. Is not the crux of this whole matter covered by the amendment offered by the gentleman from California [Mr. JOHNSON] as to whether or not the power development in the Central Valley is going to remain in the hands of private utilities or whether there is going to be public power for the benefit of the people coming out there.

Mr. HOLIFIELD. The gentleman is correct in his statement. It is my opinion that the itemizing of the different amounts of appropriation is for the express purpose of preventing the building of transmission lines. One of the most important transmission lines which should be built, which would bring into agricultural production thousands of acres of land, is expressly prohibited by the type of appropriation made here. I see the Columbia Basin project for more than $13,000,000 is not itemized, but in the Central Valley $10,000,000 appropriation, it is itemized, and it expressly prevents the building of this great transmission line. This line would provide a yardstick to regulate private power companies' rate.

Mrs. DOUGLAS of California. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mrs. DOUGLAS of California. Would not the gentleman agree to this, that it is not only one line that is doomed, but it must be understood that this line feeds the pumps at the delta. Some of the Members have been out there and have seen it. We have the Sacramento River which has too much water, and we have floods where the Sacramento flows, when the rains are heavy. Then we have the San Joaquin River, which has not enough water, and in the San Joaquin Valley where the San Joaquin River flows we are desperate for water. It becomes absolutely desert land. What we are doing in this engineering project through these pumps is to pump the water up out of the Sacramento into the San Joaquin River and feed it down into the southern part of the valley and make what is otherwise desert country into as fertile agricultural country as any place in the world.

In the pumping of that water whether or not it will benefit the small farmers whom we want to bring in there and the veterans about whom we talk here on every bill that comes up, depends upon whether the power is cheap enough for them to afford to do a real job on the farms in that area. If you do not have this big transmission line coming down into those pumps you are just going to eliminate those people.

Mr. HOLIFIELD. I thank the gentlewoman for her contribution. She has explained exactly the need for the increase.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. The gentlewoman has an understanding of this question because she has worked with the indigent people through this great valley during the times of depression. She realizes exactly what this cut in appropriations means to the people of California and to the veterans who expect to have homes there.

I beg of my colleagues when the vote comes on this particular amendment that they consider very seriously this cut which is some $15,000,000 below what the Budget has already allowed.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. NORRELL. Mr. Chairman, if there are no others desiring recognition I rise in opposition to the amendment.

Mr. Chairman, in opposing the adoption of the amendment let me say on behalf of the committee that there never has been a time when the Central Valley Authority did not have far more money than it could expend. I notice they had a balance on December 31, 1945, of $34,000,000. That added to what we give them in this bill makes the Central Valley Authority preferred over all other reclamation projects of the West, and certainly I do not believe we should allow any additional money.

Mr. JOHNSON of California. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. JOHNSON]?

There was no objection.

Mr. JOHNSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of California:

"Following the semicolon in line 15, page 45, add the following: '*Provided*, That, at the discretion of the Secretary, he may use the sum of $2,000,000 for the construction of transmission lines out of funds which have heretofore been appropriated but have not been expended or have not been obligated by contract for any specific purpose on June 30, 1936.'"

Mr. JOHNSON of California. Mr. chairman, in withdrawing my former amendment I did so because apparently the pattern being followed in the consideration of this bill is to allow no amendments, and I respect the views of the committee in that regard.

The amendment I have just offered does not add one dollar to the amount carried in the bill; it merely provides that from the moneys which have been appropriated in previous bills, and now stand to the credit of the Reclamation Bureau, there be allocated out of funds which remain and are not obligated at the end of the fiscal year the sum of $2,000,000. The Secretary shall, at his discretion, have the right to use a part or all of this money for transmission lines.

The reason I offer this amendment is because, frankly, if we want to adequately and efficiently develop the power features of this project, we must make allowance for more transmission lines. At Shasta Dam we are developing 375,000 kilowatts of energy. At the Keswick power plant we are developing 75,000 kilowatts more, making a total of 450,000 kilowatts of energy.

There is one line that you authorized and which is being built that now carries 230,000 kilowatts, and it is overloaded. The remainder of the power that we will have ready for transmission in about a year and a half or 2 years has no contemplated transmission lines for its use as yet. We must start today planning, building, and appropriating money for these additional transmission lines to carry this tremendous power load down the west side of the valley.

It was explained by the gentlewoman from California just a moment ago that one of the purposes of this power is to pump water down, starting at a point below the city called Tracy, into San Joaquin Valley, a distance of 109 miles. That will take almost one-third of the power generated at Shasta Dam, when the generating facilities are fully developed.

Furthermore, I call attention to the fact that we are in a competitive situation. On the west side of the Sacramento River from a little town called Cottonwood to Vacaville, a town in my district, a distance of over 200 miles, the private utility which serves that part of California is about to build a large transmission line, which is far in excess of the needs of its present customers or the needs of its potential customers. If they build this, even though it is in excess of what they now need or their potential load in the next few years, they have the right under the California law to charge 6 percent on top of the money they spend for this. The result will be that when they get this line built they will say: "Here we have these transmission lines. Why not send your juice over our lines? Why duplicate this service?"

The result will be that we will be at the mercy of the competitor in this very field.

I say it is only fair, it is only the right thing to do, if you want to make this thing a success like we all want to, and if you want to carry out the historic idea of this project, to allow transmission lines to be built on the west side of the Sacramento River, and we should start that program, in a small way, now.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Iowa.

Mr. JENSEN. Is it not a fact that the water users are not yet ready to use power, and is it not a fact, also, that we furnish power to a pumping station which will give the necessary water whenever the water is needed?

Mr. JOHNSON of California. I am not so sure that is a fact. I do not agree with the gentleman. Furthermore, this development cannot come in a day. It takes a long time to plan, to develop, and to build a power system like this. You just cannot pull it out of a hat overnight and say, "Here it is." We should anticipate our needs in 5 or 10 years today and start building accordingly.

Mr. JENSEN. But the gentleman is asking for construction.

Mr. JOHNSON of California. I am asking for construction to begin in a modest way. It is for future use. The power demand in northern California has been rising right along. It leveled off during the war, but for almost 20 years before that it increased about 8½ percent every year.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. JOHNSON of California. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAVENNER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from California.

Mr. HAVENNER. I understood the gentleman from Arkansas, a member of the Appropriations Committee, to say that the Central Valley Authority had more money than it could spend. Can the gentleman tell me what the Central Valley Authority is? I confess I never heard of it. If we could find out where it is and where that money is, perhaps we could get some of it to carry out the needs of the project.

Mr. JOHNSON of California. I think the gentleman inadvertently referred to authority when he meant to refer to the Central Valley project.

The point I would like for you to understand in order that we may put ourselves in a sound business position is this: I am one of those who believe that when we go into this sort of business we should go into it on a business basis and make a financial success of it for the benefit of the taxpayers and in order that we may secure a reduction in the cost of water to the water users, by virtue of the financial success of our power features. We will have to get ready now to build this. There is no serious shortage of materials. Mr. Snyder, the Economic Stabilizer, made the point that highway projects, reclamation projects and so forth were things that could be built and would not take away the materials essentially needed for housing. Every dollar that we spend now will hurry the completion of this project and will begin bringing dollars back from water sales and from power sales. In that way it will liquidate the project so that it will, over the long haul, not cost one cent to the taxpayers.

All I am asking you to do is, at the discretion of the Secretary of the Interior, to use unused and unallocated funds in the Treasury for transmission line construction if he thinks that advisable. It seems to me that if you have confidence in him, you will give us this allocation.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, here in Congress we hear a lot about the small man and about small business and the small farmer. We talk a lot about the "small man" but our actions frequently are in the opposite direction. I have seen over and over again in the House in the last few years votes cast which were definitely pro-monopoly and anti-small-business votes. We have an issue like that right before us at the moment.

The Pacific Gas & Electric Co. enjoys a complete monopoly of all the power business in California north to the Tehachapi Range; gas and electricity, both. That is the only company in that region. What the gentleman's amendment does is to say that the Department of the Interior may spend $2,000,000 to build a transmission line, which is going to be built anyway by somebody. The question is whether Congress is going to spend all of the funds that have been spent upon the Shasta Dam to construct a 450,000 kilowatt generating system at Shasta and Keswick Dams and then turn it all over to the Pacific Gas & Electric Co. and say to them, "You get all the power at the bus bar and you can sell it to the people of California on your own terms without any competition whatsoever involved in it."

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from California.

Mr. JOHNSON of California. Is it not also true that under the California law a public utility business is really a cost-plus business?

Mr. VOORHIS of California. It is.

Mr. JOHNSON of California. No matter how much they spend, they get 6 percent on top of it.

Mr. VOORHIS of California. The rates are fixed on that basis, and when people talk about the taxes paid by public utility companies, what they are really talking about is simply an increase in the rates paid by consumers which we label taxes, but which actually come from the people, and for the same reason that the gentleman just indicated.

This project is a unified proposition. The water will not do the farmers any good unless it gets to the land, and further, the cost of that water will be directly dependent upon what the cost of the power is going to be and the revenues derived from the sale of power. We

obviously cannot get the revenues from the sale of this power which we ought to get after the expenditure of this public money unless we have the means of furnishing that power to some of these communities and some of the consumers who need it and want it. If we have to sell it en bloc to just one potential customer we will be in absolutely no bargaining position. We are simply generating it at public expense at Shasta and Keswick Dams in such a case and selling it to the Pacific Gas & Electric Co. What kind of a deal will the people get under these circumstances?

The gentleman's amendment does not provide for the expenditure of another dime of money besides what is in the bill, but it does say that some of the money can be used for this very purpose, and this purpose which is so necessary to the effective operation of the Central Valley project.

The gentleman from Iowa raised the question as to whether or not we were ready to use the power lines. The fact of the matter is we need this power right now to use it on parts of the project itself; to pump the water through the canals, for example; to raise the water where it is necessary to do it in accordance with every basic provision of the project.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Iowa.

Mr. JENSEN. We allowed for a transmission line down to the pumping station.

Mr. VOORHIS of California. To Oroville, but that is not the transmission line we are talking about. We are talking about transmission lines that will get some place where they will do some good. We are talking about a transmission line which will come to centers where people are going to use the power. That is what we are concerned about and that is what this amendment aims to do.

Mr. Chairman, it seems to me this is a very clear proposition. Either we have a sensible economic set-up for the handling of the power to be generated here at public expense, or else the repayment to the Federal Government is going to be delayed, the expense to the farmers who use the water is going to be increased, and the Pacific Gas & Electric Co. is going to continue to exercise a complete monopoly in the only power business in northern California. Do we really mean that we want to serve the American people or are we going to cast a vote here today which confirms a monopoly in the P. G. & E. despite the fact that millions of dollars of public money have been spent on these dams?

Mr. ELLIOTT. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the Central Valley project is not new to me. I have given about 30 years of my life trying to get water into the San Joaquin Valley, my congressional district. We hear talk about the arid land. That arid land happens to be in my congressional district.

I am sorry the gentleman from California has offered this amendment, for the simple reason that this only takes away money that we need to construct the canals for the water. We are talking about running these pumps. It will not do any good to have pumps running unless canals are completed so that water can be put in them and diverted to this arid land.

The time is coming when the Members of this House will begin to learn the truth of the situation. This project was voted for $170,000,000. Now the cost is estimated at over $380,000,000. My people were told that they were going to pay the majority of the cost of the water for the arid land in my congressional district. There is not a farmer in Los Angeles County that will pay for a gallon of this water unless he takes it in a jug and takes it over the hill.

Time and again I have heard talk on this floor about helping veterans and helping the farmers with flood control, irrigation, and reclamation. Some of the same people that have talked here already today are responsible for the fact that $5,000,000 or $6,000,000 was not given the State of California a few weeks ago for flood control protection to help the veterans and other farmers.

All the gentleman's amendment does is this one thing. It takes away money the committee has already set up, as I see it, for all-over construction. I will agree that on the face of it there is not enough money in any part of the Central Valley project to rush it to completion, but it is not the fault of the committee. The Interior Department has had this project for 10 long years. It has been several years since they constructed Friant Dam. Through that dam there are from 500,000 to 900,000 acre-feet of water going out to sea every 12 months, and here below are 160 miles of canals waiting to be constructed. At the present time we actually have under construction 5½ miles of the 160 miles of the Friant-Kern Canal. If these pumps were constructed and in operation tomorrow, there would be no place to put the water. The gentleman knows that the same as I do. Is that not true?

Mr. JOHNSON of California. No, it is not true.

Mr. ELLIOTT. Where would you pump the water if the pumps were constructed tomorrow?

Mr. JOHNSON of California. It will take several years to get these pumps completed. Furthermore, I want to tell you I am not taking any money away from you because I am providing only as to money which is unexpended or unobligated.

Mr. ELLIOTT. Oh, yes; but the Department of the Interior will see to it that that money is not spent for canals so that it will be left over and they can continue to make it a power project instead of an irrigation project which it is supposed to be.

Mr. JOHNSON of California. No, they will do nothing of the kind.

Mr. ELLIOTT. Oh, yes. I do not yield further because I cannot get any information from the gentleman. You know very well that what I am telling you is the truth, and the truth is what hurts you people.

Mr. JOHNSON of California. The conclusion that the gentleman has come to is wrong.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Pennsylvania.

Mr. RICH. Your colleague from California says that this is going to be money to be taken out of the Treasury which is unexpended. Can he tell us where there is any such money in the United States Treasury?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ELLIOTT. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELLIOTT. In the reclamation law of 1902 there is a 160-acre limitation. Now we hear talk about helping the veterans. If these canals were completed and if these pumps were completed tomorrow, it would be 10 years before the man who had more than 160 acres would divide up his acreage into 160-acre tracts. That is in the law. It will take from 3 to 4 years to construct the canals. That is 4 years gone. Then it will take 10 years before you can force the farmers who have more than 160 acres to cut up their acreage into 160-acre tracts. There you have 13 or 14 years gone. How long is the veteran going to sit around here waiting for a farm? Let us not kid ourselves about this any longer. Let us be truthful. Let us be honest. I am for this project 100 percent as this Congress and the State of California voted for it in the first place. I want to see it completed more than any Member in the House of Representatives. The wells are going dry and salt water is coming up in them. We have constructed the Friant Dam. It has been completed for the past 5 or 6 years. The water is being wasted over the dam and is going out to sea. We have 5½ miles under construction of the 160 miles of canals. The gentleman talks about pumping plants that ought to be operating. You could put these pumping plants in in 12 months' time or less.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. ELLIOTT. I yield to the gentleman from New York.

Mr. TABER. I understand that $208,000,000 have already been provided for this project altogether.

Mr. ELLIOTT. That is what I understand.

Mr. TABER. How many acres of land have been brought under cultivation as a result of that expenditure?

Mr. ELLIOTT. None in my district. There is your answer.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ELLIOTT. I yield.

Mr. JOHNSON of California. Is it not a fact that under the State plan, which I studied for 25 years and know something about, it provides for the very transmission lines I am talking about on the west side of the Sacramento River, to

go to the big pump that is going to furnish the water that your people are taking away from the San Joaquin River?

Mr. ELLIOTT. My people are not going to take any water away until we get the canals completed.

Mr. JOHNSON of California. I agree with you.

Mr. ELLIOTT. I hate to see you offer an amendment which I feel will be taking some money away from the construction of the canals, although I agree, and the committee will back me up. I appeared before them and I asked for $15,000,000 for Friant-Kern Canal and sufficient money for other canals and the power features of the project. But the committee could not grant it. Why? In the first place, they started questioning the Department of the Interior, and they openly cut about $61,000,000 off their own appropriation. In the meantime, the Interior Department has done very little toward completing the project as an emergency measure. They kept stalling around. They are more interested in cheap politics than they are in completing the project.

Mr. JOHNSON of California. I do not want to take one dollar away from your money for ditches. The way I drew my amendment it only provides that if they do not use it for the purposes allocated, then they may use it to build this transmission line that is an integral part of the whole system.

Mr. ELLIOTT. But that is what they did before. When the committee did not earmark the money for a particular purpose, after they voted the money time and time again for the canals, the Department of the Interior under Secretary Ickes, took the money for the canal construction and built transmission lines and power features. You know that the same as I do.

The CHAIRMAN. The time of the gentleman from California [Mr. ELLIOTT] has again expired.

Mrs. DOUGLAS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I, too, think it is time we stopped kidding around. We who come from California know that irrigation is vital to certain parts of our State, but the fact remains that you cannot have irrigation for farms in the San Joaquin Valley that we are talking about which will really do the job that Congress wants done there and the job that California wants done unless you have cheap power.

Mr. JOHNSON of California. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS of California. I yield.

Mr. JOHNSON of California. Is it not a fact that the most successful irrigation districts, like the Modesta district, and others, have their power features tied right in with the irrigation features, and the revenues from the power features is what reduces the water to the irrigationists?

Mrs. DOUGLAS of California. Of course. For those Members who do not have these particular problems in their districts, let me point out that you need cheap power to operate these pumps, to do this tremendous engineering job I have tried to describe briefly. You also need cheap power because the greater number of the farmers receive their water not in the ditches but they receive it from underneath the ground and they have to pump the water from underneath the ground and they will have to use power. If that power comes at high rates, it limits their scope and their opportunity and prohibits a small farmer from making a living.

We hear a lot of talk about farmers on this floor. This is a chance to really help the farmers by putting over an integrated program. There is something in what the gentleman from California [Mr. ELLIOTT] said, when he said that the canals are important. Of course, they are important. An appropriation has been allowed by the committee for the canals and we do not want to take away that money.

Mr. HOLIFIELD. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS of California. I yield.

Mr. HOLIFIELD. Is it not true that every Member of the California delegation is vitally interested in these canals and we want to see those canals built right along with the transmission line?

Mrs. DOUGLAS of California. That is the point I make. We want to see the canals built, and along with the canals we want to see this great transmission line built on the western side of the valley. We do not want the canals finished and then wake up to discover that the PGE has built a transmission line from Shasta to the pumps, and be told we do not need a publicly owned line on the west side of the valley, because, if that happens, then we are not going to develop the Central Valley as we of California have dreamed it should be developed. If that happens, the benefits of the great dams already built are not going to accrue to the people of California, but to the PGE.

I am addressing this side of the House because I want to point out that a Republican has introduced this amendment, but if he had not, I would have. This is not a partisan issue in California. The Governor of the State of California asked for $50,000,000, instead of the twenty-five million the Interior Department requested for the Central Valley.

Mr. OUTLAND. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS of California. I yield.

Mr. OUTLAND. I am glad the gentlewoman pointed out that those of us who are speaking for the importance of improvements like this are not talking against irrigation projects. We are talking for them. We are not talking against canals, which the gentleman from California [Mr. ELLIOTT] mentioned, but what we are saying is that if small farmers in our area are going to survive, they will have to have cheap electric power. They are not going to get it from the PGE. They will have to get it by public transmission lines. That is what the amendment introduced by the gentleman from California [Mr. JOHNSON] aims to accomplish.

Mrs. DOUGLAS of California. Absolutely.

Mr. MURDOCK. Mr. Chairman, will the gentlewoman yield for a statement?

Mrs. DOUGLAS of California. I am very happy to yield to the gentleman from Arizona.

Mr. MURDOCK. Mr. Chairman, from the House Committee on Irrigation and Reclamation, I want to second the statement just made by the gentleman from California and also the one made by the gentlewoman herself. We must have cheap power for pumping. Cheap electric power produced by these Government irrigation dams is a paying partner, a working partner with irrigation, and without we cannot have modern reclamation in the West.

Mrs. DOUGLAS of California. And it means that we are building an expanding program when we have an integrated program. An integrated program means the people get their money's worth—jobs, new business, food.

Mr. ELLIOTT. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS of California. I yield.

Mr. ELLIOTT. As a matter of fact, if we do not get water in the San Joaquin Valley the power would avail nothing. You could give our farmers free power but we must have the water first. The project was first set up for irrigation. The third object was power, but if you will check the program back you will find that the ratio of money spent to date is practically all for power and nothing for the construction of any canals to bring the water in.

Furthermore, the Friant Dam—and this is why I have pleaded here so earnestly for canals—we have cities that may be out of water and we need the canals to take this water that is now going to waste over the spillways, going to the sea, to this area to take care of these cities which may have no water in some very dry season.

The CHAIRMAN. The time of the gentlewoman from California has expired.

Mrs. DOUGLAS of California. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS of California. I want to say to my colleague from California that we are perfectly in agreement on the matter of water. I am glad to hear him make the statement he makes, for to make water available is the program we set out to accomplish. So we are in agreement on the subject. To get water in this valley is the problem. We all know it. We need water to take advantage of the fertility of the soil and to give jobs. We need cheap water. We need the canals. The chairman knows that and he has provided money for the canals. But we do not want to be left with our canals built and find ourselves without transmission lines.

Mr. VOORHIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS of California. I yield.

Mr. VOORHIS of California. Is not that the essential point, that unless this transmission line is begun very soon the P. G. & E. will preempt the opportunity of building a line at all?

Mrs. DOUGLAS of California. Of course. And then there is this last point I wish to make: This project of ours is further along than any other reclamation project at this moment. Therefore, it is vital for us to have the transmission lines. Our dams are built, we are further along, and we want to have this thing come out altogether. It simply is not good business to operate large pieces of construction work on a stop-and-go basis; and you know it is not.

Mr. RICH. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS of California. I yield to the gentleman from Pennsylvania.

Mr. RICH. What is the State of California doing to assist in this irrigation and reclamation program? You are asking the Reclamation Bureau of the Interior Department to do a great deal of work out there. Now tell us what the State of California is doing.

Mrs. DOUGLAS of California. I see all the Members of the California delegation on their feet wanting to answer the gentleman. I will say this, and then I will ask the gentleman from California [Mr. VOORHIS] to answer the gentleman further: The people of California will pay back all of this project. Furthermore, the State of California has had the greatest population increase of any State in the Union, and we are happy to have these new people, but we want to make sure that we can take care of them and not send them back to other States in need. I am sorry there is not more time.

Mr. VOORHIS of California. The gentleman from Pennsylvania should understand that the people of California are going to pay back every cent of this. Every cent will be paid back by the people of California.

Mr. RICH. You are asking the Federal Government to put a tremendous lot of money into this project. Why does not the State of California do something?

The CHAIRMAN. The time of the gentlewoman from California has again expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me say at the outset that this committee recently visited the Central Valley in California. It is a wonderful project. The committee was very happy to visit it and was much pleased with what it saw except that we were made heartsick to learn that although $162,000,000 had been expended on the project to June 30, 1945, to put much-needed water on dry lands, among other things, that very few miles of canal had been constructed in the past 8 or 10 years, and only about 5 miles of the Friant-Kern Canal, one of the most important in the project. This committee has been saying to the Secretary of the Interior—a former Secretary of the Interior, I am glad to say—"Put water on this land! They say they need water. Put it on the land."

Mr. Chairman, we did not stop there. We made money available to build a transmission line from Oroville down to Sacramento. We provided $780,000 for this transmission line and substation in the First Deficiency Appropriation Act for 1946, and there is $750,000 additional in this bill for that purpose. We say in our report on the first deficiency bill for 1946 that we expect to send this line on down to Tracy, the pumping station, where they can pump water to the San Joaquin Valley. We are told now it will be from 3 to 5 years before they will need this line.

I say to you that this committee has been ignored in some instances, so far as the expenditure of some of these funds are concerned. They have assumed that the first prerogative of the Interior Department was to build a system of transmission lines in that area, as the gentleman said, to get cheap power. That is No. 1. I call your attention to the fact that No. 1 for reclamation projects is to get water on the land. We propose to provide power to put water on the land. But they put the cart before the horse. Only 5 miles of canal have been built on the most important canal in the San Joaquin Valley.

Mr. Chairman, if this amendment is adopted so that the Interior Department can build these lines anywhere they wish to build them, the chances are, if we can judge the future by the past, they will go out and build a transmission line paralleling the private power line I am advised is now under construction. There are plenty of things to be done without going out and trying to put a private line out of business or paralleling or duplicating an existing line. They already have cheap power in the area. We want them to have cheap power, and they are going to have cheap power, but they should have the water first.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from California.

Mr. ELLIOTT. They talk about giving my people cheap power, but the Department of the Interior with their own maps and with their own surveys show they only propose to run the line to Tracy, Calif., and not anywhere south of there.

Mr. JOHNSON of Oklahoma. That is correct. Let me remind the gentleman that originally our committee was told this project would cost $170,000,000. Instead of holding back, the committee hurried it along. They have already spent $162,000,000 up to June 30, 1945. The project ought to be about finished, but instead of that on January 1 there was an unexpended balance of $34,000,000 available to this project for construction purposes. Still they talk about our being stingy. They have spent within $8,000,000 of what the project was to cost. Now they tell us it is going to cost $384,000,000, and some have told us off the record that before it is finally finished it will cost in excess of a billion dollars.

Mr. Chairman, the time has come when Congress ought to make up its mind how much money it is going to spend on the Central Valley project as well as these other projects. Also the time has come when the Congress ought to say to the Interior Department: "We are spending this money for the avowed purpose of putting water on the land." If the time comes when they need more power, this committee will see that they get sufficient power to get every drop of water they need on the land. That is what the Congress is obligated to do.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

Mr. MURDOCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK: Page 45, line 6, strike out the sum "$6,504,070" and insert "$15,000,000."

Mr. JOHNSON of Oklahoma. Mr. Chairman, I regret that I shall be compelled to make a point of order against the amendment. The gentleman was sitting here when the bill was read, and his suggestion that the committee agree to return to the item in question means that we, of necessity, would have to return to many other projects in which many others are deeply interested. We, of course, cannot do that. If the gentleman wants to talk, I will be glad to withhold my point of order.

Mr. MURDOCK. Mr. Chairman, I believe this amendment is to the paragraph that has just been read. I do not believe we can say we have passed it in the reading.

Mr. JOHNSON of California. Does the gentleman offer his amendment to the Davis Dam provision?

Mr. MURDOCK. Yes; it has been read and gone.

The CHAIRMAN. Does the gentleman from Oklahoma insist on his point of order?

Mr. JOHNSON of Oklahoma. Yes; but I am willing to withhold it if the gentleman wishes to make a speech. As I stated we have passed that part of the bill and it would be manifestly unfair to other Members of Congress who sat here and did not offer amendments. I think the gentleman will agree that we must play fair with all of the Members of this House.

Mr. MURDOCK. Mr. Chairman, I move to strike out the last two words.

I have heard some things said rather sarcastically about our interest in veterans. I am not saying it sarcastically, but I just want to call attention again to this fact, and it is a mathematically correct fact, that the Bureau of the Budget estimated $2,000,000 for the Gila project for this coming fiscal year. The committee cut that to $867,210. That is a reduction of $1,321,790. I wish I could offer an amendment to restore the cut, but I do feel sure that that cut will be restored by another body. It should be restored. Talk about putting water on the land! Heaven knows, there is no man more anxious to put water on thirsty land than the man now speaking to you, and that is exactly what this amount would do, and do it more fully if fully allowed.

We have already brought the water at great initial expense right to the edge of this desert near Yuma and we have

passed legislation, signed by the President on March 6 last, giving the veterans preference on land that is reclaimed in this area. If we cut this item down to the amount in the bill, we will still keep the office of the Bureau of Reclamation at Yuma functioning, of course, but we will not be putting proportionally as much water on the land as with the Budget estimate. The veterans are waiting for it. They are hungry for this land. By cutting this particular item you have delayed putting water on land for veterans who are right near the area awaiting your action and the Bureau of Reclamation work.

I have had letters from some men who have recently visited Yuma, and one man who recently flew over the area and afterwards visited it. That man, a veteran of the First World War, has a son, a veteran of the Second World War, and he is interested in two plots of land; one for himself and one for his son. I have several hundred letters of similar purport. When this cut is restored, as it will be, 95 cents of every restored dollar will go toward furnishing irrigated farm units for veterans.

Now, about this Davis Dam, gentlemen, the question is: Will we deny an appropriation to carry out a solemn treaty? Will we renege on our treaty with Mexico? You may say, "What is the importance of that treaty to you more than anybody else? It is mighty important to Arizona and other Colorado River Basin States. We have been negotiating a treaty with Mexico for years. While I am not entirely satisfied with all terms of this treaty, yet we needed to settle this problem by treaty and it is a treaty. It is part of the Constitution of the United States. If we do not within 5 years build Davis Dam—and I tell you we will not build it in 10 at the rate we are appropriating for it, unless we accelerate our efforts in that regard a little bit in the next 4 years—we will not build Davis Dam as the treaty specifies. We will have made a scrap of paper out of that treaty. I tell you the whole Pacific Southwest, including Texas, is going to be in an awful fix if that treaty is scrapped. Not only the whole Southwest but the lower Rio Grande Valley is going to be in a great fix if that treaty is scrapped. The people in the lower Rio Grande Valley depend upon us to keep that agreement. We must keep our agreement with Mexico. If we do not keep the treaty with Mexico, they can go ahead and take Colorado River water, put it on that rich delta land, and establish a legal claim to it and get several times as much as the treaty referred to accords them. In the absence of a treaty fulfilled on our part, that is our great risk. I hope the Congress will not make such a mistake and lose for us this precious water.

Mr. HARLESS of Arizona. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret that the gentleman from Oklahoma insists on his point of order against the amendment offered by my colleague, for the simple reason that we are delaying the completion of an important part of the Colorado River project. I feel that what I have to say here is important to you, especially those of you from the East, because unless you have been in the Western States you cannot appreciate the fact that we must have irrigation to continue to expand. We have been absorbing the excess population as it has drifted westward. If another depression comes in this country, you will be very glad that there is a place for people to go to make their homes, so that you will not have an excess population here in the East.

You have made it possible by your appropriations to start projects, but now you choke off those projects by curtailment of these appropriations. May I emphasize that all of these projects pay for themselves. Members of the House sometimes protest that we are expending public funds, but the people who buy and use this irrigated land pay back this money. In addition, we must have the electricity to support the irrigation projects.

I particularly regret that this point of order has been made because I have in mind that the $15,000,000 will include some $3,000,000 to build a power line from Parker Dam, which has already been completed. The power is now wasted. We could build that power line into Central Arizona and help pay for the construction of Parker Dam.

Unless you have been there, unless you have seen these projects, you cannot fully understand them. Unless you go ahead with the appropriations to complete these irrigation projects, you have in effect nullified the previous appropriations for the irrigation districts in the West.

I trust that when this appropriation bill goes over to the Senate they in their wisdom will restore these funds, and when it comes back here we will be able to recede and concur, because we must go ahead with the development of that country if this great Nation of ours is to realize its full heritage.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HARLESS of Arizona. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Permit me to say at this point that the gentleman is making a very persuasive argument, as he always does. I cannot resist the temptation to say that the distinguished gentleman is not only one of the ablest Members of Congress but one of the most effective, a man whom the committee is always delighted to have come before the committee.

Mr. HARLESS of Arizona. I thank the gentleman very much.

Mr. JOHNSON of Oklahoma. As evidence of the gentleman's great work, let me say that the great State of Arizona could well afford to pay him and his colleagues many times the salaries they are now receiving because Arizona gets more money for irrigation and reclamation than several dozen other States that I could name.

Mr. HARLESS of Arizona. I thank the gentleman. If we get the money, I want to remind my distinguished friend who is so generous in his comments, all that money will be repaid. The only reason the appropriation is made is because we are one of the younger States in the Union. We have a great deal of desert country. We have a lot of fertile land and all of our future lies ahead of us because we are just beginning to realize our resources. We are a growing State. That is the reason we must come to Congress for help. I want to stress the idea here that we must have the help of the Nation to expand because when we expand the Nation expands with us.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

The pro forma amendments were withdrawn.

The CHAIRMAN. Does the gentleman from Arizona withdraw the amendment he offered against which a point of order was made?

Mr. MURDOCK. Yes, Mr. Chairman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Columbia Basin project, Washington: For continuation of construction and for other purposes authorized by the Columbia Basin Project Act of March 10, 1943 (57 Stat. 14), $13,008,145.

Mr. HORAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, along with the committee, I, too, am disturbed about the unobligated balances for the Department of the Interior and particularly for the Bureau of Reclamation found in the charts on pages 74 and 75 in part 1 of the hearings. These balances do confuse us as we consider additional appropriations.

As the committee knows, I am particularly interested in seeing the Columbia Basin project in the State of Washington rapidly developed.

I have personally conducted an investigation into the backlog of funds that have been appropriated for this project.

I have done this, first, in order to determine if the appropriation contained in this bill plus the balances will allow for continuous progress in the building of the Columbia Basin, and secondly, to determine whether it might be necessary for us to appeal to Congress for deficiency appropriations before the end of the fiscal year 1947.

I found that there were carried over from the fiscal year 1945 $2,475,000 for Columbia Basin development. Last year this committee appropriated $6,000,000 for this project, and in the First Deficiency Appropriation Act of 1946 added an additional $10,275,000. Of this, approximately $5,500,000 was spent prior to January 1, 1946. The Columbia Basin backlog of unobligated balances was, therefore, some $13,268,000 on January 1, 1946. Of this amount a little over $2,000,000 has been expended by March 31 of this year. That is the latest accounting I was able to get.

The Columbia Basin, therefore, with over $13,000,000 contained in this bill for its construction will have approximately $24,000,000 available when we pass this bill.

Now that the war is over, we can expect real action. There will be less backing up of funds.

Contracts for gates and machinery for the Grand Coulee Dam and canal construction have been awarded during the period January 1 to May 1, 1946, amounting to about $2,000,000. Specifications

and invitations for bids have been issued up to today in the amount of $10,000,000, and additional specifications and invitations for bids are scheduled for issuance between today and the end of June amounting to an additional $5,000,000. It is contemplated that these specifications and invitations totaling $15,000,000 will be awarded to contractors prior to the end of the fiscal year 1946. Specifications and invitations for award of contracts are in process, for issuance shortly after July 1, 1946, or the beginning of the fiscal year 1947, the period for which we are appropriating in this bill for amounts totaling some $40,000,000.

A large amount of construction work on the pumping plant, feeder canal, and rehabilitation of the spillway bucket is in progress by Government forces which will require the expenditure of $7,500,000 during 1947.

There is available an appropriated $2,000,000 for the land-purchase program. This work is proceeding rapidly, and an additional $2,000,000 is requested for 1947. These funds are working capital and will be returned to the Treasury. Naturally it is our hope that this project can be brought into fruition at the earliest conceivable date because of its outstanding, desirable qualities for settlement by returning veterans.

The program outlined will require the unencumbered balance on March 31, 1946, and the $30,000,000 requested in the 1947 Budget estimate, if the work is to proceed without interruption, and at a rate of progress to achieve the principal objectives of the project, that is, to convert through irrigation more than 1,000,000 acres of arid but potentially excellent agricultural lands in eastern Washington into productive farms.

The estimated unexpended balance on July 1 will approximate $10,000,000.

The amount of construction to be awarded between now and July 1 and shortly thereafter will total $57,000,000.

It seems obvious, therefore, that a deficiency during the fiscal year 1947 of some $25,000,000 for the speedy development of the Columbia Basin is indicated in order that contractual commitments can be made on time.

I share with the subcommittee, first, a desire to clarify the status of funds appropriated for the Department of the Interior; and second, a desire to eliminate by strict anticipation of future needs the troublesome and oft-recurring demands for deficiency appropriations.

Mr. HOLMES of Washington. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to address the committee for a few minutes on the subject of the Columbia Basin and its importance to this appropriation bill.

The Columbia Basin project is the key to major economic expansion in the Northwest. It will irrigate 1,000,000 acres of land and through the influence of this irrigation and its power, which is already being widely used, it will add 350,000 people to the inland empire.

It is tragic that the lands of the Columbia Basin are not now available so that young veterans returning to their homes could seize the new opportunities for themselves and their families that will be offered in breaking the sagebrush land and irrigating it. Those of us from the Northwest have been advocating a rapid construction program on the part of the Bureau of Reclamation in order that the big canals can be completed and irrigation begun in the year 1950 so that 400,000 acres could be under water in the summer of 1951. The way the land lies the long and difficult canal must be constructed before any material part of the project can be developed. It is the work on this canal that is now being started with record-breaking acceleration by the Bureau of Reclamation as a result of a deficiency appropriation made on December 28.

The program, to begin irrigation in 1950 and to water 400,000 acres of land by the summer of 1951 will require approximately $30,000,000 for fiscal year 1947, $75,000,000 for fiscal year 1948, $75,000,000 for fiscal year 1949, about $50,000,000 for fiscal year 1950, and about $25,000,000 for fiscal year 1951. The approximately $30,000,000 required for 1947 was the amount of the Budget estimate submitted by the President.

I believe it to be most unfortunate that the committee which considered this matter included but $13,008,145 for the Columbia Basin project because that will reduce the size and the speed of the program by more than half. That will mean that very likely it will take eight or more years to bring water to the lands and it will take 25 or 30 years to complete the great project. I do not believe that this kind of a slow-motion program is what we should be engaged in in the Northwest. Conditions indicate a need for measures of more heroic proportions.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the pro forma amendment and take this time for the purpose of asking the chairman of the committee some questions with reference to the decrease in appropriation for the operation of pilot plants.

Is it not a fact, Mr. Chairman, that last year we appropriated about $2,000,000 for this purpose?

Mr. JOHNSON of Oklahoma. During the war this committee permitted the Bureau of Mines to mushroom almost overnight. Before the war the largest appropriation they had was $2,500,000, but as a matter of national defense and national defense alone the committee permitted the Bureau of Mines to establish pilot plants wherever they wanted to establish them, and do a lot of other things. We permitted the Bureau of Mines to go from $2,500,000 to about $10,000,000 almost overnight. We permitted them, as I say, to build pilot plants and to go eventually to $16,000,000 last year. But imagine our surprise when instead of coming back to something like a prewar basis the Bureau of Mines actually asked this committee for $20,000,000 for this peacetime year.

Mr. COOLEY. How much did the gentleman's committee give them?

Mr. JOHNSON of Oklahoma. The committee gave them nearly five times as much as it did in prewar times, nearly $12,000,000.

Mr. COOLEY. But the committee only provided $500,000 here on page 62 in lieu of an appropriation last year of $2,000,000.

Mr. JOHNSON of Oklahoma. We allowed $500,000 for metallurgical research. They had no such appropriation before the war. The committee felt it was quite liberal in allowing the $500,000 for the item.

Mr. COOLEY. Quite liberal to allow $500,000 when you allowed at Boulder City $900,000 on that one plant alone last year?

Mr. JOHNSON of Oklahoma. Yes. The point I am trying to make is that during the war this committee allowed a lot of money in the interest of national defense that it could not see its way clear to allow in the postwar years.

Mr. COOLEY. One other question. The gentleman knows the committee has authorized heretofore the building of a research laboratory at State College in the city of Raleigh, N. C. The Government has now invested there, I am told, from $150,000 to $200,000. If I understand this bill correctly, the committee has failed to provide any amount of money whatever to carry on the work at that laboratory at State College.

Mr. JOHNSON of Oklahoma. I may say that it is up to the Bureau of Mines. We have allowed $500,000. It can expend that money wherever it is needed most.

Mr. COOLEY. I am not going to offer an amendment to this bill because it probably would be hopeless, but it seems to me that we are embarking upon a program of false economy when the committee arbitrarily cuts appropriations, not 25 percent, not 50 percent, but down to 25 percent. I would like to know how you expect these pilot plants to operate and be of any benefit to the people of this country if you are going to cripple them in the fashion contemplated by the present bill?

Mr. JOHNSON of Oklahoma. Does the gentleman want me to answer the question?

Mr. COOLEY. Yes.

Mr. JOHNSON of Oklahoma. The committee allowed $100,000 each for these pilot plants which the committee, after questioning officials of the Bureau of Mines, found is ample and liberal for these pilot plants.

Mr. COOLEY. Is it not a fact that the Bureau of the Budget approved $60,000 for this one laboratory alone at State College, yet you did not allow a dime?

Mr. JOHNSON of Oklahoma. I cannot answer that question. If it allowed $60,000 alone for that plant at Raleigh, then that was less than the average that the committee allowed of $100,000 for each plant.

Mr. COOLEY. You have not allowed $100,000 for the Raleigh plant.

Mr. JOHNSON of Oklahoma. There are five plants. The gentleman will find on page 101 of the justifications the five plants, and the committee allowed $500,000 for those five plants.

Mr. COOLEY. If I understand the matter correctly then, they will be permitted to take whatever is necessary from the $500,000 to operate the plant at Raleigh?

Mr. JOHNSON of Oklahoma. That is my understanding, yes.

Mr. COOLEY. I hope the gentleman is correct.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Is it not a fact that the committee cut the Bureau of the Budget request in half so far as the Bureau of Mines is concerned?

Mr. JOHNSON of Oklahoma. The committee cut the request of the Bureau of the Budget in half, yes. This is only cut about 40 percent. The Bureau of Mines is cut less than the average in the bill.

Mr. EBERHARTER. Does not the gentleman think that the people need today as much coal as they needed during the war?

Mr. JOHNSON of Oklahoma. This has no connection with coal.

Mr. COOLEY. It does concern tungsten, iron ore and other amendments.

Mr. JOHNSON of Oklahoma. Yes; it does affect tungsten and iron ore.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the pro forma amendment.

METALLURGICAL RESEARCH

Mr. Chairman, the point which has been raised by the gentleman from North Carolina, I believe, deserves further consideration. It is true that while the committee report would indicate there was no appropriation for work during the past year for these mine-experiment stations and the operation of pilot plants, a survey of the entire field of appropriations would show that there was money expended in large amounts for the operation of pilot plants and metallurgical research under various programs, perhaps war expenditures or through funds allotted the Bureau of Mines from other appropriations. To say that no money was appropriated last year, and that you allow $500,000 this year, does not give the complete picture.

I am hoping that as the opportunity presents itself for this matter to be given further consideration by the Senate, additional evidence will be put in the record and that the other body will take cognizance of it, and do something about it and that the members of this subcommittee in conference will give careful consideration to the further evidence that will be presented on the matter.

GEOLOGIC RESEARCH

And in this connection, I wish to say a few words about the importance of the funds for geologic surveys.

War depletion of our reserves of minerals and raw materials, plus the fact that easily discoverable mineral deposits have already been found and are now being exploited, give rise to an acute need for a greatly accelerated program in the search for new supplies of mineral raw materials. Indeed, if we are to maintain our industrial supremacy, the problem of mineral discovery is among the most important problems facing us today.

Entirely apart from the current discussion in technical journals and the press as to whether we are a have or a have-not nation in terms of mineral supplies, this much seems agreed: Our industry is now using more minerals and metals than ever before in the history of the Nation, and it seems a safe bet if industry continues to expand that the demand for minerals and metals can be expected to increase accordingly.

The record also shows clearly that the curve of mineral discovery in the United States has dropped off sharply and progressively.

Few major discoveries have been made in the past 30 or 40 years, and most new deposits that have been discovered have been found only through careful, painstaking, scientific search. This is not surprising, for in dealing with mineral resources we are dealing with a wasting commodity. Most of the deposits originally exposed at the surface have been found.

It is safe to say that the days of easy lush discovery have passed. The problem of new discoveries has not only become increasingly difficult but it has become a highly technical one.

On top of this came the war and its enormous demands on known deposits. During the emergency minerals were exploited unstintingly and without regard to future needs.

The result has been that withdrawals which normally would have been made in 10 years or so were made in the space of 5 years. Thus the need for devising ways and means to discover new supplies of mineral raw materials, which was actually upon us before the war though not generally recognized, has been sprung into sharp relief. Through the accelerated use incident to the war the problem has been made much more urgent.

We must reappraise our mineral resources and give more support to the mineral industries than was our prewar practice.

Systematic geologic surveys constitute the first indispensable step in the intelligent search for mineral deposits. All mineral deposits are the result of geologic processes. Without geologic investigation the exploration for new reserves is merely blind probing.

The Bureau of the Budget has approved and recommended a budget of $2,463,000 for accelerated and long-range geologic investigations by the Geological Survey during fiscal 1947. The House committee in reducing this item to $1,200,000 relates its cut to the fact that prior to the war the amounts appropriated for geologic surveys was even smaller. This argument does not take into account the fact that our mineral raw material situation has radically changed and that our future industrial and engineering development depends on continuing discoveries of new reserves of minerals. The state of the Nation's mineral raw material economy, following the war, calls for increased geologic investigation, rather than otherwise, and I urge that this point be kept in mind when further consideration is given.

Mr. HOOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I note on page 21 of the report this language:

> The committee once more calls attention to the greatly expanded requests for funds for this Bureau during the past several years. During the war period this agency, like the Geological Survey, performed outstanding services in the location and development of new ore reserves and carried on research and experimental work which resulted in the development of important new discoveries. In its report last year the committee indicated very clearly that with the conclusion of the war the Bureau should readjust itself to postwar operations and that several of its current activities should be eliminated or drastically curtailed.
>
> The committee regrets to report that its recommendations in this connection have been completely ignored by the Bureau of Mines, and, apparently, with the acquiescence of the Bureau of the Budget.

Mr. Chairman, I was very much disturbed to hear the chairman of the subcommittee say that they had cut the recomendation of the Budget by some 40 or 50 percent. I take it for granted that the reason for that is as stated in the report.

During the war we called heavily on our metal reserves. We have practically exhausted the reserves of the high-grade iron ore, and practically all that is left is low-grade ore. I think the postwar program of the Bureau of Mines is just as important, and I believe more important than the work that they did during the war because of the fact that we had the ore in sight during the war, and they did not have to go out and make as complete and thorough a survey and search to find the high grades of iron ore that are really necessary in order to mix with low-grade ore to get fine steel. I think instead of cutting the estimate of the Bureau of the Budget that we should have increased the estimate in order that we may be able to go out and protect and find new reserves of ores.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from North Carolina.

Mr. COOLEY. I quite agree with the gentleman. Does not the gentleman believe that since we have equipped these laboratories we should certainly finance them adequately now so that they can carry on the important work that they have started?

Mr. HOOK. Most emphatically.

Mr. COOLEY. And it will be false economy to handicap them in future operations.

Mr. HOOK. Well, it certainly is in my opinion false economy. Interfering with the efficient operation of the mining experiment stations, metallurgical research in pilot plants, manganese, beneficiation pilot plants and economics of mineral industries is false economy. In my opinion that has been done in this bill.

Mr. HARLESS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Arizona.

Mr. HARLESS of Arizona. We have the same situation with respect to copper reserves. We have practically exhausted all of the rich copper reserves, and unless

we find new reserves or develop methods of using the low-grade ore, and we are faced with another war, we will be in a most unfortunate situation.

Mr. HOOK. I am pleased that the gentleman raised that point. Let me say that we have had in northern Michigan some of the largest, deepest, and finest copper mines in the world. They have been forced to go down below the ground some 1,500 to 3,000 feet, to mine copper ore, and the further they go down the higher the cost of that ore. The result is that they have threatened to close down every single one of those mines, and if they close them down they will fill with water, and that large natural resource of copper ore will be lost for all times. It is false economy not to conserve that copper. It is false economy not to go out and look for new deposits in case we need copper in an emergency. A cut of this kind certainly is not only false economy but in my opinion will jeopardize this Nation in case of an emergency. We must have new discoveries and new methods of mining and the proper use of the copper we now have.

I hope that we do not have any more of this false economy.

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I dislike to take any more time of the Committee, but I think it is fair to correct one impression I think was left here. That is that the great bulk of the money spent for the Central Valley has gone for electrical facilities. The cost of the Shasta Dam was $116,000,000. They served a number of purposes but the main purpose is to store and conserve water to be used for irrigation. It also serves for flood control and salinity control and other purposes. The cost of the Friant Dam was $20,229,000. That dam is solely an irrigation dam. It stores water. That is the water that is going to be taken down in the lower part of the valley into the district of the gentleman from California [Mr. ELLIOTT]. We have spent $162,000,000 to date, I understand. When we take the cost of these two dams out of that, which is $136,000,000, you have $28,000,000 left. What was that to be used for? Here are some of the items. I do not have the exact amount of each item: Water rights, canals, engineering studies, transmission lines, powerhouses, rights-of-way for canals, and so forth. In other words, a very small fraction of the total cost of this project to date—less than 10 percent—has gone to electrical facilities. Without any dams we could not store water to have irrigation. I just want to make the record clear because I wanted to ask the chairman of the subcommittee about the matter but his time expired before I was able to put the question to him.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield.

Mr. ELLIOTT. Without the dam at the very northerly end of the project you would not have had any power.

Mr. JOHNSON of California. I understand that. That is obvious. Everybody understands that. The point is this: I want to show that only a small fraction of the total cost of this project to date has gone for power. And the power, I admit, is a byproduct of the main conservation plan which is to give water to other areas of the State. The $116,000,000 up in our area is what enables you to get the water to your area, which is 500 miles from Shasta Dam.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield.

Mr. JOHNSON of California. I yield.

Mr. HOLIFIELD. I am glad that my colleague brought these exact figures out for the consideration of the members of the Committee because the statement that $162,000,000 has been spent already without any ditches is to my mind a statement which does not give the whole truth to the House Members. Most of the California Members of the House are interested in seeing that the power development goes along with the irrigation canals and that should be brought to the attention of every Member of the House. We are all for ditches to bring water down in the district of the distinguished gentleman, in Tulare. We want to see these ditches built. But it was useless to build the ditches before the dams were finished to store the water which would go into the ditches. Now that the dams are finished, we want to see the water go to lands in the gentleman's district.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield.

Mr. PHILLIPS. For my own information, may I inquire how long has it been since these dams were finished?

Mr. JOHNSON of California. I am not positive that Shasta Dam is completely finished. We had spent $105,000,000 by the end of last year and construction has been carried on this year. But it is practically finished. The Friant Dam, however, has been finished. I think it is over a year that the Friant Dam has been completed.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield.

Mr. HOLIFIELD. There has been some complaint about no work being done during the last four years. It is evident, however, if you look into the matter, if there was no work done there was a reason for it—we were in a war, and many of the materials, as well as the labor which was needed to dig the ditches and do other work there, was being used in war work. Now that the war is over, I think we can go in and complete the work.

Mr. JOHNSON of California. Frankly, I think that there has been a lot more work done than could have been expected during the war. A great deal of work was done during the war.

Mr. HOLIFIELD. With reference to the Friant Dam, certain locks and machinery which were not available during the war should now be available.

Mr. PHILLIPS. Just as an individual sitting on the sidelines, I thought the argument was that there was not to be any work done next year in sufficient amount,

Mr. JOHNSON of California. I hope there is going to be more done.

Mr. HOLIFIELD. The majority of the appropriations are earmarked and provide that certain work shall be done.

The Clerk read as follows:

MISSOURI RIVER BASIN

Missouri River Basin (reimbursable): For the partial accomplishment of the works to be undertaken by the Secretary of the Interior, pursuant to section 9 of the act of December 22, 1944 (Public Law 534), $10,312,685, to remain available until expended for carrying out the initial stages (including the construction of transmission lines) and for continuing investigations on the general plan of development: *Provided*, That this appropriation shall be expended, either independently or through or in cooperation with existing Federal and State agencies.

Mr. LEMKE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are 48 States, 1 Nation. Whatever benefits 1 State benefits the Nation. I hope that the time will come when every Member of Congress will understand that we are here to represent the Nation as well as the interests of our individual States. The Nation comes first.

Mr. Chairman, I believe that the purpose of the Subcommittee on Appropriations, that brought in for our approval H. R. 6335, was laudable. Their purpose was to start balancing the Budget by cutting the Interior Budget recommendations 50 percent. They went after the Budget estimate like a fox terrier—tearing it all to pieces.

If every subcommittee of the Appropriations Committee had cut the Budget estimates 50 percent, then there might have been some justification for the slashes for the Department of the Interior, but no other subcommittee has used its knife to that extent. Why should the Department of the Interior be made the guinea pig? This especially since many of the projects of that Department are self-liquidating, and the Government will be largely reimbursed from the projects.

I am sure, however, that there is not a member on that committee that will admit they are capable of having made a mistake. The members of that committee, like all the rest of us, are fallible. They made a mistake when they cut the appropriations squarely in two for the Missouri River Basin project. This is the largest project ever undertaken by the Federal Government. It has been a much neglected project. This project before completed will cost $2,500,000,000. It will, however, add billions of wealth not only to the 10 Missouri River Basin States but to the Nation. To cut the Budget estimate 50 percent is simply being penny-wise and pound-foolish.

Congress approved this project when it passed Public Law 534 and incorporated into that law Senate Documents 247 and 191. The Missouri River Basin development is a multiple purpose project. The Nation has finally become water conscious. It has become conscious of the great damage that a surplus of water or a lack of water can produce. It has become conscious that if we harness the water resources of the Missouri River Basin, billions of dollars can be saved each year from the destruction by floods and billions gained

by irrigation as a remedy against drought.

Floods and droughts alternately have challenged the ingenuity of Congress. For years we have permitted flood waters to destroy human lives and billions of dollars worth of property in their mad rush to the ocean. Yet for every dollar lost by floods, there was a hundred lost by drought. These destructive flood waters should long ago have been harnessed and conserved for irrigation, power and other domestic uses.

Now, at last, Congress has approved the Missouri River Basin development project, but unfortunately the subcommittee has hobbled the Bureau of Reclamation in doing the thing that Congress demands be done. They have said to that Bureau "do it in piecemeal." That kind of piecemeal would take 60 years to accomplish what Congress expected the Bureau to do within a reasonable time.

I am particularly interested in the Missouri-Souris unit of the Missouri River Basin project of the Bureau. The plan for this unit when completed will bring water from the Missouri River to irrigate 1,000,000 acres of land in the Crosby-Mohall area in North Dakota. Returned floods from the Crosby-Mohall area will be diverted to the Sheyenne River. There they will be impounded behind the Sheyenne River Dam to form a reservoir from which water will be diverted to restore Devils Lake—a lake that at one time covered 135 square miles but now less than ten. From this dam water will also be released down the Sheyenne River to supply water for municipalities now in urgent need. It will also be used to reduce pollution in the Red River Valley.

I hope that before we get through with this bill, the majority of Congress will have the good judgment of restoring the cuts made in this project. The Bureau of Reclamation has requested $500,000 for the fiscal year of 1947 to continue its present program of land classification and other surveys on the Missouri-Souris unit. These funds will permit appraisal of rights-of-way, begin repayment contract negotiations, and begin preparation of construction designs and classification. To deny these funds at this time is not for the best interest of North Dakota, nor of the Nation.

There is another phase of the Missouri River Basin project in which not only the people of the 10 Missouri River Basin States are deeply interested, but in which the Nation is. That item is transmission lines for rural electrification. The Congress appropriated funds in the First Deficiency Act of 1946 to start construction on the Williston-Garrison Dam transmission line. Construction will start on that line early this spring. The Budget request included funds to complete that construction to the dam site.

I am sure that Congress is aware of the need for continuing the construction work that will be started on this key dam shortly. The Corps of Engineers is planning to start construction of the Garrison Dam and this line will furnish the power needed during the construction period. But the most important thing about this line is that it will ultimately provide a means of converting the power that will be generated at the Garrison Dam to the REA and other markets.

The financial success of the Missouri Basin project depends upon integration of the many projected power plants through adequate transmission line grid into a comprehensive power-producing facility. Studies and surveys should be undertaken immediately to determine the types and location of the backbone grid, to assure that the power to be generated will be made available to the REA and municipalities in accordance with the Flood Control Act of 1944. Also studies should be under way to determine how this power may be utilized to develop the mineral resources of the Basin.

The Fort Peck project is closely linked with progress on the Missouri Basin transmission lines. One of the lines under the Fort Peck project—the Fort Peck to Williston line—will be the source of the initial power for the Williston to Garrison line. It will also serve irrigation pumping and commercial loads near Williston. The $1,000,000 requested for the Fort Peck project will permit completion of the Fort Peck-Williston transmission line and the Williston substation, as well as to continue construction of other transmission lines and substations needed to serve the many irrigation pumping loads and the REA in that area.

The Corps of Engineers and the Bureau of Reclamation have the plans and are at work on the Missouri River Basin project. Last year we appropriated for the Bureau $14,000,000 to get this work under way. The President has recommended an appropriation of $23,783,000 for the Bureau of Reclamation for 1947 for this program. The committee has cut this to $10,312,685, which is less than the amount we appropriated to get the work started.

This $10,000,000 for the Missouri River Basin program has to be spread over seven States. This averages a little less than one and a half million for each State. At this rate it would take over 60 years to complete the authorized initial stage. You cannot carry on an efficient construction program on this multiple-purpose project with less than one and a half million in the bank. This will not finance one major constructive contract. Why should the committee crucify the Missouri River Basin?

In conclusion I hope and feel confident that Congress will have the good sense to restore the Budget estimate of $23,783,000 so that the work on this program may continue. I am also confident that it will restore the $1,000,000 for transmission lines in the Fort Peck item.

Again the reduction of five and one-half million dollars "salary and expense" item to $4,000,000 will hamstring the efforts of the Bureau of Reclamation to properly administer the reclamation program. The amount recommended by the President would permit adequate staffing of the regional offices to assure that there would be a businesslike management of the reclamation program. Four million dollars is entirely inadequate for this purpose.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska: On page 46, line 8, strike out "$10,312,685" and insert "$23,783,500."

Mr. MILLER of Nebraska. Mr. Chairman, I realize the attitude of the committee on marking down the appropriation bill which they present to this committee. In many ways I am in sympathy with that attitude. I think there have been some poor administration policies in the Department of the Interior that have needed correcting. The amendment I have offered to the Missouri River Basin project simply restores the amount recommended by the President and by the Bureau of the Budget. The Bureau of the Budget recommended $23,000,000 plus. The committee has brought in a recommendation taking off $13,000,000 plus. They allocated $10,000,000 plus instead of $23,000,000 plus, as recommended by the President and the Bureau of the Budget.

If this cut prevails you are making a reduction that will affect the development of the Missouri Valley Basin. This cut takes into consideration a transmission line that was earmarked from Colorado up into Nebraska and Wyoming, calling for an appropriation of $481,000. A part of this particular transmission line is already constructed. Contracts are about to be let for the balance of the construction of this line. I just talked with the Department this afternoon. It may be they are going beyond their authorization, but the construction of this transmission line, calling for $481,000, hooking up with Wyoming, Colorado, and Nebraska, so that the farmers in western Nebraska, Colorado, and Wyoming may get current to use for domestic purposes, run their irrigation pumps, money that is paid back, dollar for dollar, with interest, to this Government. It does seem to me that this committee, as the gentleman from North Dakota [Mr. LEMKE] has said, has been penny wise and pound foolish. In my humble judgment it does seem that the recommendation of the Bureau of the Budget and the President should be followed on this appropriation.

I know there have been some suggestions that we should pass the bill as our committee reported it to us, and let it go to the other body and let them do the dirty work on the bill and raise the appropriations. That is not a very brave thing for this House to do. I am sure most of us would rather meet this thing face to face and honestly and accept appropriation raises where they should be put into the bill.

This Missouri Valley Basin is one of the largest rivers in the Nation. It covers a tremendous area, from Montana, where it has its source, until the water is finally dumped into the Gulf of Mexico. Much damage has been done in years past to lives and property by this river. The moneys appropriated in this bill are to control some of the ravages of the river. It provides for dams up and down the river. It provides for dams on the Niobrara River, the Loup River, and the Platte River, which is a

part of the system of the Missouri River Basin. These dams when built will bring land into cultivation under irrigation, will provide power, will provide water for domestic purposes. It saves the soil from erosion, it saves further damage down the river clear to the Gulf of Mexico. So it does seem to me that this Committee ought to follow the recommendations of the Bureau of the Budget and restore the $13,000,000-plus the committee took out of this bill when it reported it to the House. Just yesterday out in one of my towns in Nebraska, at Ainsworth, Nebr., a group met to study and formulate plans on the Niobrara River. The Bureau of Reclamation and the Army engineers are now working together to try to harness that river. The waters could be used to irrigate thousands of acreas of land and could also be used to produce power for the farmers and folks up in that area. The funds provide for further studies with a view of building dams on the Loup River. It brings land under cultivation and provides power for REA.

The Reclamation Bureau has said they were going to cooperate to every extent with the Army. I think we ought to restore this money to the bill and proceed with the development of the Missouri Valley Basin. We must remember that new wealth comes from the land—irrigation means growing production, new wealth, new sources of taxes, and a healthy, growing community. Let us not cripple the growth of this country by failing to provide adequate funds for the Missouri Valley Basin.

Mr. JENSEN. Mr. Chairman, I seek recognition on the amendment.

The CHAIRMAN. The gentleman from Iowa is recognized for 5 minutes.

Mr. JENSEN. I have listened, Mr. Chairman, with great interest to my colleague from Nebraska, who is, of course, greatly interested in the Missouri River development, just as I am and as is everyone out in that great section of the country. I said yesterday that certainly I would be the last one to do anything that would detrimentally affect the development of that program, but I must call the gentleman's attention to the fact that on January 1 the Bureau of Reclamation had in the Missouri Valley fund an unexpended balance of $12,304,000. That was about the amount the Bureau of Reclamation asked us to cut out of the original request for funds.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. MILLER of Nebraska. Does not that figure represent a deficiency appropriation that was passed by the House just a few days before January 1?

Mr. JENSEN. Possibly so; but this money, whether it is part of a deficiency appropriation or the regular appropriation, the facts are that the money is there unexpended.

Mr. MILLER of Nebraska. Is it not true that the President and the Bureau of the Budget recommended $23,000,000 for the development of the Missouri River Valley?

Mr. JENSEN. That is true; and then after the Bureau of the Budget recommended it, the Bureau of Reclamation came back and said they could get along with the amount now in the bill.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. CASE of South Dakota. Did they not say that was in response to your request for a table showing an approximate 50 percent cut in all the items, and this would represent the 50-percent cut?

Mr. JENSEN. Let us be fair about this thing.

Mr. CASE of South Dakota. I am just asking a question. I read the letter.

Mr. JENSEN. There was no absolute definite demand for a 50-percent cut. The chairman of the committee, who spoke at the request of the majority of the committee, said in effect:

> This is what you want. Now, what can you get along with and do the job efficiently? And will you please take into consideration the fact that the committee wants to furnish every dollar that is necessary and that will carry these projects forward without any hindrance whatever? But the committee does not want to appropriate money that is not needed, and we do not want to cut on any project which we should not cut, and possibly fail to cut where we should cut in other projects.

So the chairman asked the Bureau of Reclamation to consider this matter again and bring back figures as to what they needed in each one of these reclamation projects, and that is what they did. The record will speak for itself.

Mr. CASE of South Dakota. I recognize the difficulty that the subcommittee would have in reporting items that were above the items that were in the letter submitted back by the Commissioner of Reclamation; but in reading the letter I was not able to find where they agreed this is all they need. In fact, they used some words to the effect that the second column of figures would be disastrous to their program. However, I am glad to have the gentleman's statement of the understanding that the subcommittee has on the question asked as it has been elaborated by the gentleman from Iowa, because I know that the Missouri River Basin program has no better friend in the Congress or in the committee than the gentleman from Iowa.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. STEFAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the cut in this appropriation on the Missouri Basin item came as a great shock to those who are supporting the Missouri Basin program. This reclamation program dovetails with the Missouri River project, with that of the Army engineers, with that of agriculture and other Federal agencies. It is an all-inclusive program and I am informed that this reduction in this reclamation bill will seriously affect the over-all program on the river. For this reason, Mr. Chairman, I am supporting the amendment offered by my colleague from Nebraska.

Mr. Chairman, I discussed this matter with the gentleman from Iowa [Mr. JENSEN], who I admire very much and who I know supports this program. He is a great booster of river improvements. I am sure he is sincere in the belief that the Bureau of Reclamation asked for a certain amount of money and his committee gave it the money asked for, but the information I received later is to the effect that the Bureau of Reclamation was told that their appropriation was to be cut over 50 percent and to trim down their program accordingly. For this reason they left out of the program some very vital surveys, some very important work, which is part and parcel of the entire Missouri Basin program.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Iowa.

Mr. JENSEN. I want to say again, and I hope this is the last time I will have to say it because I have said the same thing at least a half a dozen times yesterday and today, that the chairman of this committee nor no member of this committee said to the Bureau of Reclamation that we were absolutely going to cut them 50 percent or more.

Mr. STEFAN. Of course, the gentleman realizes that I believe what he says. But I have been informed something was said about a probable cut. But I am telling the gentleman that the cut in this appropriation came as a shock to those who are endeavoring to carry out the Pick plan on the Missouri River Basin, because they tell me out there in the field that they absolutely need this $23,000,000 for reclamation to carry out the project in connection with agriculture, in connection with the War Department, in connection with the Power Commission and the other Federal agencies who are endeavoring to carry out a program which has already started with appropriations made by this House.

Mr. JENSEN. Let me say to the gentleman that speaking as one member of the committee I was surprised when the Bureau of Reclamation sent back that revised list. But we found, after investigation, that there was a large unexpended balance.

Mr. STEFAN. $12,000,000 in this instance.

Mr. JENSEN. Yes. The Bureau of Reclamation has $134,000,000 unexpended in the over-all fund.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. JENSEN. Mr. Chairman, will the gentleman yield further?

Mr. STEFAN. I yield.

Mr. JENSEN. Mr. STEFAN, you are a very able legislator. Put yourself in the place of a member of the committee after a revised list of figures had been sent up for some 30 projects. Does the gentleman think it would have been good legislation and good representation to have sat on that committee after they said "Now, this is what we need," and then have the members of that committee raise the request they finally made for these items.

Mr. STEFAN. As the gentleman knows, I have been on the Committee on Appropriations over a period of years, and I agree with the gentleman from Iowa. If Reclamation came to you and told you that they needed only $10,312,000, there was nothing else to do but give them what they asked for. But the information out in the field is that they asked for $23,000,000 and it was approved by the Budget. They say in the field that they knew this Budget Bureau approved this $23,000,000 to match the War Department's funds that the Army engineers are now about to expend in a program that is all-inclusive.

I want to make the public statement that the gentleman from Iowa [Mr. JENSEN] is a real friend of river improvement and I am glad to hear him say that he was amazed that Reclamation came to him and asked for a reduction instead of the amount allowed by the Budget.

Mr. JENSEN. It is quite possible that the field representatives did not know about this revised request for funds.

Mr. STEFAN. Of course, the gentleman knows that his committee has made a tremendous cut in the entire appropriation for the Department of the Interior, and that requests made for over $326,000,000 were cut down to $172,000,000 plus. We do not want to hinder the Missouri River improvement work as a result of the cut; we do not want to be discriminated against. I hope the amendment will be adopted.

Mr. JENSEN. The committee tries to be fair with everybody.

Mr. STEFAN. I thank the gentleman.

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in order that we can have the record before us, I want to read a sentence or two from the letter of the Commissioner of Reclamation, to which reference has been made. The letter is dated March 13, 1946, and addressed to Hon. JED JOHNSON, chairman, Subcommittee on Interior Appropriations, House of Representatives. The first sentence of this letter reads:

> DEAR MR. JOHNSON: In an endeavor to be responsive to your inquiry of March 11 as to the result of action by your committee to cut in half the President's Budget submissions for the year 1947 for reclamation work—a proposal for action which, of course, I cannot and do not recommend—this communication goes forward.

Then further in the letter the Commission says:

> In order to comply with your request that the total amount that was recommended for the Bureau of Reclamation be reduced by 50 percent it would be necessary, therefore—

I am not questioning the word of the gentleman from Iowa at all when he says that in the discussion of this matter with the Commissioner the subcommittee did not say the Bureau would be required to reduce the estimate 50 percent, but asked, rather, "What money do you need to get along with?" I think, however, we ought to have some comment on the language of the letter in view of what has been said. I shall be glad to yield to the gentleman from Iowa if he cares to comment on the language used in the letter.

Mr. JENSEN. The gentleman has heard me explain that situation on several occasions. I just said here a little while ago that I hoped I would not have to explain it again. I am sure I am right when I say that no member of the committee gave them orders to cut this down, or we would cut it 50 percent.

Mr. CASE of South Dakota. I am glad to have the gentleman's statement, but obviously it was natural that the Members of the House who read this letter should have gained the impression that they were asked to cut 50 percent.

Mr. JENSEN. I possibly could say a lot of things that would not sound good.

Mr. CASE of South Dakota. I am not questioning the gentlemen's statement, I am merely suggesting that the Members of the House who read the letter found the situation difficult to understand. There is another reason the letter has been hard to understand. That is the $10,000,000 mistake in applying the 50 percent idea, to take the letter on its own statement. Either the Commissioner of Reclamation does not have a good adding machine or a good dividing machine, or whatever it was that he used to cut the Budget figures in half, or he applied some formula other than a 50 percent cut.

The Budget request was $147,330,000; the Commissioner's letter came back for $63,883,000, which is considerably less than 50 percent of the original figure; at least, my mathematics would say that 50 percent of $147,000,000 would be $73,000,000-something rather than $63,000,000-something. So, it would appear that the Bureau might have asked for $10,000,000 more in their reply letter had they followed the 50-percent formula. It is evident that they used some other formula in suggesting their revised figures and I do not know what it would have been unless it was that which has been stated by the gentleman from Iowa.

Mr. JENSEN. Does the gentleman believe the Bureau of Reclamation or any department of Government scares easy when a Member of Congress says to it, "Now, do not you think you are asking for too much money here? We do not think we are going to allow this much. You had better go back and bring a revised figure up here." Does not the gentleman believe they would bring back a figure they were sure they could get along with? Did the gentleman ever see any of them that got very scared of a Congressman?

Mr. CASE of South Dakota. I do not know, but I think the Subcommittee on Interior Department Appropriations has done a very good job in throwing the fear of God into the Interior Department. I am not here to say that there are not good grounds and good reasons for throwing a little fear into the departments generally.

Mr. JENSEN. No one scares any of these Government officials that I ever met.

Mr. CASE of South Dakota. The gentleman from Iowa is a little modest, because if anybody in the Congress could, the gentleman from Iowa could, and I rather think he does when he bears down.

Mr. JENSEN. I am a very mild and meek man, but no one has ever scared them to the point where they asked for less money than they needed. Certainly the gentleman knows that.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Illinois.

Mr. MASON. Is there anyone present or any member of the committee who can explain that letter from the Director of the Bureau of Reclamation, which says definitely that he was asked to submit a program that was cut 50 percent?

Mr. CASE of South Dakota. Apparently not. We have had an interesting discussion. The record at least is clear now as to why members got the impression that a 50 percent cut was requested. Returning then to the pending amendment which has been offered by the gentleman from Nebraska [Mr. MILLER], I hope it will be adopted.

As I said during the debate on Reclamation items, Friday, the Missouri Basin program is a dual-agency program. The Corps of Army Engineers have their part in building dams on the main stem of the river, and on the smaller streams where flood control is the dominant interest. The Bureau of Reclamation has responsibility for the utilization of the stored water on the main stream where irrigation and power production are concerned, as well as irrigation generally from the tributaries. It is important that these two agencies should keep their programs progressing at about the same pace, and many people feel that the funds here proposed for the Bureau of Reclamation will not let them keep pace with the Army engineers.

As the gentleman from Nebraska [Mr. CURTIS] has pointed out, the Missouri Basin program involves a dozen States and Reclamation works will be found in half of them. This item of approximately $10,000,000 now carried in the bill will be spent in six or seven States. It should not be thought of as an item for a single project or a single State. Yet there are projects in this bill where that much money will be spent in a single State. I am not complaining about the subcommittee's action; I think, as has been pointed out, the committee which was trying to accomplish substantial reductions all through the bill would have looked slightly foolish to have come in and reported more money than was suggested in the revised figures supplied by the Bureau of Reclamation. The House, however, has a responsibility for maintaining a proper rate of progress on this program and it is appropriate for us to restore the original figure. I urge support for the pending amendment.

Mr. CURTIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall support the amendment offered by the gentleman from Nebraska [Mr. MILLER]. I wish to point out to the committee that I question the wisdom of the breakdown of the Bureau of Reclamation. If we are going to appropriate $62,000,000, for reclamation the Missouri River Basin should

have more than $10,000,000. The Bureau of Reclamation was created to bring water to those areas where we have arid and semi-arid lands. Out there in the Dust Bowl we need that very thing. In the other items in this bill outside the Missouri Basin we appropriate for the specific projects. It adds up to millions and millions of dollars.

The whole Missouri River Basin is carried as one item for $10,000,000. In the State of Nebraska alone, we have the North Platte River, the great Republican River, the Blue River, the Niobrara, the Loup Rivers, and other rivers. The Missouri Basin includes the States of Kansas, Nebraska, North and South Dakota, Wyoming, and Colorado. They all need irrigation. If we are going to spend $63,000,000 for reclamation, the Missouri River Basin should have more than $10,000,000.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. JENSEN. The Missouri River Basin is getting a lot more than $10,000,000 this year. This is only the reclamation fund.

Mr. CURTIS. That is right.

Mr. JENSEN. You have the Army engineers, who are spending many millions of dollars. Then you have the Geological Survey, and you have the other related Government agencies that are spending a lot of money. Altogether it makes a complete project. That project has enough money, we think, to go forward and develop that big program.

Mr. CURTIS. The Bureau of Reclamation should have more money so that their program can move along with that of the Army engineers.

Here is another point. We hear a lot about $135,000,000 being unexpended in the construction fund of the Bureau of Reclamation. A great deal of that is a postwar accumulation. The work in the Missouri River Basin was not authorized until 1944. The only money we have on hand is that which was appropriated in the deficiency bill. I sincerely feel that on the basis of the total amount of money appropriated in this bill, the Missouri River Basin does not get its full share.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I gladly yield to the gentleman.

Mr. NORRELL. The gentleman well knows my admiration for him. But if we are going to divide this money on the basis of rivers and States, do you not then have to extend the same consideration to other major rivers of the country?

Mr. CURTIS. I think the Congress should name the projects individually and not group them in one item for the Missouri River Basin.

Mr. NORRELL. And does not the same consideration have to be given to other States of the country where absolutely no money at all has been provided?

Mr. CURTIS. I do not suggest that it be divided on the basis of States. My suggestion is that it be earmarked as to projects. For instance, the Central Valley project in California has an unexpended balance, according to your report, of $26,000,000.

Mr. NORRELL. I think probably that is too much.

I am not questioning that. But that is one project in one State. The Missouri River Basin comprises many projects in six States and it gets only $10,000,000. It ought to have more.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

The question is on the amendment offered by the gentleman from Nebraska.

The amendment was rejected.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska: On page 46, line 14, after the period, insert "*Provided*, That the Interior Department may spend the sum of $481,000 on the Sidney, Nebraska—Gering, Nebraska, line out of the money already appropriated to the Department of the Interior."

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 6 minutes, the last 1 minute to be reserved for the committee.

Mr. MILLER of Nebraska. I will give the committee 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MILLER of Nebraska. Mr. Chairman, this amendment merely provides that the Department may spend $481,000 for a transmission line that is already partly built. It does not take any more money. It does not provide for any more appropriations. The line is partly built from Sterling to Brush, Colo. We would like to extend the line to Sidney, to Gering, Nebr., and to Kendricks, Wyo., and then to North Platte, Nebr. It hooks up with the system that provides power for the REA. The REA buys power from that line. I say to the members of this committee that it also provides power for running several hundred irrigation pumps which would put water upon the ground and provide new crops, new resources, and help carry on the producing of food in this country, and incidentally paying the taxes with which this country is faced. It also provides that the farmers pay back every dollar, dollar for dollar, plus interest.

I presume there are a number of Members of this House who in a few weeks will vote upon a foreign loan of $4,000,000,000, or perhaps several loans, running into billions of dollars, upon which the principal or the interest may never be returned. On those loans we will be wasting the resources of this country without promise of a fair return. Let us give the farmers of this country a chance to get REA power. They will repay every cent of the money.

This sum should be replaced in the bill. It requires no new appropriation. It simply makes it permissible for the Department of the Interior to continue with the construction.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. STEFAN. If your amendment is agreed to, it will make possible the saving of an investment already made on a line that is now being built?

Mr. MILLER of Nebraska. The gentleman is correct. It will not require any more appropriation. It permits the Department of the Interior to spend some of the $135,000,000 they now have for this construction work. It will save the funds already expended by the Department of the Interior. A part of the line is now constructed. The balance will provide REA power for the farmers in three States. This House should not leave this important money out of this bill.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I was amazed at the gentleman's statement that a part of this line had already been constructed with funds available to the Interior Department. Let me say to members of the committee that not a dollar has been appropriated by this committee for this particular purpose. We just wonder where the Interior Department received the money to start construction of this line.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. If it is under construction, it is not the first line that the Interior Department has constructed without authority from the Congress or the committee.

Mr. MILLER or Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MILLER of Nebraska. I talked with the Department of the Interior a few minutes ago, and they said the money was appropriated for the Sterling-Brush, Colo., line in the last deficiency appropriation bill.

Mr. JOHNSON of Oklahoma. That is an entirely different line.

Mr. MILLER of Nebraska. No, no; it is a part of this line.

Mr. JOHNSON of Oklahoma. I assume it is an extension of the line allowed in the first deficiency bill. I may say to the gentleman from Nebraska that he had an opportunity to come before our committee but he did not appear and present the information he has just given to the House. Therefore the committee had little information to justify the appropriation for this purpose.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The amendment was rejected.

The Clerk read as follows:

ADVANCES TO COLORADO RIVER DAM FUND

Boulder Canyon project: For the continuation of construction of the Boulder Dam and incidental works in the main stream of the Colorado River at Black Canyon, to create a storage reservoir, and of a complete plant and incidental structures suitable for the fullest economic development of electrical energy from the water discharged from such reservoir; to acquire by proceedings in eminent domain, or otherwise, all lands, rights-of-way, and other property necessary for such purposes; and for incidental operations, as authorized by the Boulder Canyon Project Act, approved December 21, 1928 (43 U. S. C.,

ch. 12A), $433,605, to be immediately available and to remain available until advanced to the Colorado River Dam fund.

Mr. BUNKER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like briefly to mention the fact, although we have passed that part of the bill, that the money allotted by the committee for the building of Davis Dam on the Colorado River will retard the actual completion of that dam some 6 or 8 years, and that the dam is provided for in the Mexican Water Treaty and should be completed by 1950.

In the development of the West, there are a few items in the program of the Bureau of Reclamation which are of interest to the State of Nevada. It is hoped that the House will see fit to provide the funds for these various undertakings which the President has recommended for the Bureau of Reclamation for fiscal year 1947. The amounts which the President has recommended are necessary if we are to have a logical and efficient development of the natural resources of the West.

The President recommended an appropriation of $1,000,000 for the Boulder Canyon project for fiscal year 1947. The Committee on Appropriations proposes that $433,605 be made available for this work. These funds are necessary to continue contract work now in progress. The work involves the excavation and deepening of the water channel immediately downstream from Boulder Dam in order to protect the tunnel outlets and increase the power output of the generators. The work is presently proceeding under contract and is scheduled for completion in the spring of 1947. The $1,000,000 provides for the continuation of this work and its completion in the most efficient and economical manner. Extending the work period to run over a longer time would result only in increased cost to the Government. Therefore it is essential that the full $1,000,000, which has been recommended by the President, be provided for this work.

In resuming work on many projects which were deferred during the war and to continue a normal program, it is necessary that administration offices be adequately staffed to permit the accomplishment and fulfillment of the responsibilities and duties which Congress has entrusted to the Bureau of Reclamation. Work authorized by the Congress has been and continues to be added to augment the program of the Bureau of Reclamation for the development of the West through the full utilization of its water and land resources. The Congress has approved the establishment of Regional Offices by the Bureau in order to obtain the most efficient administration of the reclamation program. The President has recommended an appropriation of $5,500,000 for fiscal year 1947 to finance the Commissioner's office in the District of Columbia and the seven regional nonproject offices. The committee proposes that this item be cut to $4,000,000. The full amount of these funds are required if the normal program of the Bureau is to be continued.

In connection with the program for general investigations, a totol of $11,500,000 has been recommended for fiscal year 1947. In this instance the committee proposes that a total of $3,550,000 be made available. The program of the Bureau of Reclamation is geared to provide for completion and submission to the Congress of comprehensive reports on each of the major river basins and most of the smaller basins of the western United States during fiscal year 1947. The Colorado River Basin report is of particular interest to the State of Nevada. Reports on most of the units recommended for initial construction in the basin will be completed prior to or during fiscal year 1947 and other investigations on individual projects will be initiated or continued. The policy established by Congress makes it important that we have on hand a considerable shelf of projects upon which all necessary preliminary work has been done in order that we may be equipped to meet the possibility of the necessity for a large Federal work program. In order that this shelf of projects may become an actuality, it is necessary that the program for investigations be geared to this end. If we are to be ready for any development of this nature, it is necessary to provide the full amount of funds which the President has recommended for this purpose.

The Clerk read as follows:

Boulder Canyon project (All-American Canal): For continuation of construction of a diversion dam, and main canal (and appurtenant structures including distribution and drainage systems) located entirely within the United States connecting the diversion dam with the Imperial and Coachella Valleys in California; to acquire by proceedings in eminent domain, or otherwise, all lands, rights-of-way, and other property necessary for such purposes; and for incidental operations as authorized by the Boulder Canyon Project Act, approved December 21, 1928 (43 U. S. C., ch. 12A); for land leveling, construction of farm ditches on units of public lands, production of soil-building crops, and other necessary expenses in the preparation of raw public lands for irrigation farming, any such expenditures to be charged into the construction costs to be repayable by the lands benefited, and any sums received from the sale of crops or otherwise as a result of these operations to be credited to such construction costs, to be immediately available, and to remain available until advanced to the Colorado River dam fund, $2,384,825.

Mr. PHILLIPS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: On page 48, line 12, strike out "$2,384,825" and insert in lieu thereof "$4,500,000."

Mr. PHILLIPS. Mr. Chairman, the members of the subcommittee can now sit back and relax for a few minutes. I have no criticism to offer of the committee itself. Such comments as I am about to make are directed rather to the Reclamation Bureau, and include the committee only in passing and to thank them for their previous interest in a project and a valley which very sorely needs that interest.

I wish to turn to page 19 of the committee's report. The last paragraph on that page, in describing the All-American Canal, particularly the Coachella branch, states:

The attention of the committee was called to the possibility that the Coachella branch of the All-American Canal, which has now been constructed to a point where it enters the boundaries of the Coachella Valley County water district, may not have progressed this summer to a point where water can be served to lands which face an acute water crisis.

Mr. Chairman, that is the situation. For 8 years we have struggled to get not the All-American Canal but to complete the extension to that canal which runs from the Imperial Valley into the Coachella Valley. In the meantime the water levels are sinking to a point where we can no longer preserve some of the very valuable ranches of the district, unless this extension is completed. In that district lie almost all of the commercial date ranches in the United States; in it lie the early grapefruit ranches of California, a great many acres of Thompson seedless grapes and other agricultural commodities.

The necessity and the importance of this particular valley even in time of war was recognized by the fact that although work upon projects of this kind was stopped as a war measure during the emergency, nevertheless, in 1944 this committee, together with the Departments of Agriculture and Interior, joined in asking that this extension to the All-American Canal be considered a war emergency and continued.

The reason I bring it up here, by the technicality of an amendment, is that the Department asked for approximately $5,000,000. The bill appropriates $2,384,825. I have not the unexpended balance as of January 1, but there remains uncommitted as of July 1 approximately $2,000,000. It is my belief that the committee desires that this project be finished at the earliest possible moment that will actually save the ranches of the valley, and the lowering water tables. Consequently, the committee did not realize at that time that the amount of the unexpended balance was as low as it is, therefore it is my belief that the figure which I put in, in the amount of $4,500,000, is actually the amount the committee would have put in had it realized the low balance at the moment.

Mr. Chairman, I ask unanimous consent to withdraw my amendment, believing, as does the gentleman from South Dakota [Mr. MUNDT], that arguments on points like this can better be presented, and in more detail, in the Senate.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Chairman, I rise at this time for the purpose of serving notice and explaining also the

situation that we shall have before the House tomorrow. Undoubtedly most of you know that objection was made to the dispensing of Calendar Wednesday. The purpose of the objection is quite obvious. It was made so as to advance the Calendar and to bring about the call of the Committee on Labor so that the person who has been designated to call up the FEPC bill may do so.

The last time that we had Calendar Wednesday in this House the opponents of FEPC employed the strategy of moving to adjourn immediately after the House convened. The test, therefore, of friendship or opposition to FEPC, is dependent on how one will vote on the motion to adjourn. A vote to adjourn tomorrow is a vote against FEPC. A vote against adjournment is a vote for FEPC.

I make this statement because we have seen and read many protestations of friendship for FEPC in the press. Despite these protestations we notice that the petition here has not received the signatures of many who have professed friendship. Tomorrow we will have an opportunity to see whether these friendship statements have been made in good faith. The vote to adjourn we hope will be a record vote, if we can obtain a record vote on it, and on record we finally will know who is for FEPC and who is against it. We will know by the manner in which a Member votes on the issue of adjourning or not adjourning.

I make this statement not in the form of a threat. There is no threat involved. I make this statement to clarify the legislative situation and in the hope that Members will vote in accordance with the statements they have made to their constituents and in accordance with statements that have been made in the press.

Mr. McKENZIE. Mr. Chairman, I move to strike out the last two words, and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. McKENZIE. Mr. Chairman and gentlemen of the House, you have just heard one of the most coercive statements I have ever heard made on the floor of this House. You have been deliberately put on the spot by someone who is trying to do the very things that this House is sent here not to do.

* * * * *

Mr. MARCANTONIO. Mr. Chairman, I demand that those words be taken down.

The CHAIRMAN. The Clerk will report the words objected to.

The Clerk read the words objected to.

* * * * *

Mr. McKENZIE. Mr. Chairman, I withdraw the words.

Mr. MARCANTONIO. Mr. Chairman, I object. I have taken these attacks too long. I am not going to stand for it any more. I object, and I want a ruling.

The CHAIRMAN. The Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, certain words used in debate were objected to and on request were taken down and read at the Clerk's desk, and he herewith reported the same to the House.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read the words objected to.

* * * * *

The SPEAKER. The Chair must hold that the words are not parliamentary as, in the opinion of the Chair, they reflect upon a Member of the House of Representatives.

Mr. MARCANTONIO. Mr. Speaker, I move that the words be expunged from the RECORD and ask for recognition of the motion.

The SPEAKER. The gentleman from New York is recognized in support of his motion.

Mr. MARCANTONIO. Mr. Speaker, I shall not use the time allowed me under the rule. I rise simply because there comes a time in any man's life when he becomes indignant as a result of an unjustified and unwarranted repetition of an attack on him. However, I am not going to defend myself against the charge made here. I shall not dignify it with any defense. I yield to no one in my love for my country and my fellow countrymen. I submit that advocacy of FEPC is not subversive.

I submit that, to the contrary, advocacy of FEPC legislation and its principles is in consonance with and in keeping with the greatest American democratic traditions. The idea was conceived in the very cradle of our Nation. It was conceived in the Declaration of Independence, when the founding fathers said, "All men are created equal." They meant it. It was not just propaganda. It was affirmation of a principle that gave light to the entire world. Today in America that principle is in danger. It has been trampled upon and destroyed in many places on many occasions. Those of us who are seeking to make that principle live in every home, every field, every office, every mine, every mill, and every factory, who are seeking to make it live in the Congress of the United States, Mr. Speaker, are doing what, in my humble judgment, is a patriotic duty.

The SPEAKER. The question is on the motion of the gentleman from New York.

The question was taken; and the Speaker being in doubt, on a division there were—ayes 61, noes 4.

So the motion was agreed to.

The SPEAKER. The Committee will resume its sitting.

The Clerk read as follows:

COLORADO RIVER DEVELOPMENT FUND

Colorado River development fund (expenditure account): Four investigations of projects for the utilization of waters of the Colorado River system in the four States of the upper division, as authorized by section 2 of the Boulder Canyon Project Adjustment Act, approved July 19, 1940 (54 Stat. 774), $300,000 from the Colorado River development fund (holding account), to remain available until expended: *Provided*, That no part of this appropriation shall be available for the preparation of any comprehensive plan or project report the estimates of which are not based upon current prices and costs.

Mr. MURDOCK. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK: On page 48, line 19, strike out "$300,000" and insert "$500,000."

Mr. MURDOCK. Mr. Chairman, on reading the text of the bill more completely, I notice on page 48 that reference is made to "the Boulder Canyon Project Adjustment Act, approved July 19, 1940 (54 Stat. 774)." Now, I have in my hand the volume of statutes referred to. I take it that the subcommittee has referred to the law since they mention ceretain amounts in the report.

I should like to ask the chairman of the committee or any member of the committee whether the committee took into consideration the statute referred to.

Mr. JOHNSON of Oklahoma. If the gentleman is asking me, I would be glad to tell the gentleman that the committee did. If the gentleman will examine the figures he will find that the committee allowed $300,000 for this project, which was more than the average allowed other projects; in fact, it was more than almost any other item received on a percentage basis.

Mr. MURDOCK. I am saying to the chairman that that is not a satisfactory answer of the question asked.

Mr. JOHNSON of Oklahoma. It may not satisfy the gentleman, but I think it satisfies Members of Congress who are sincerely trying to cut the expenses of the Government and not allow the Interior Department to spend practically three times as much this year as it spent the year previously.

Mr. MURDOCK. No; I am not saying the amount does not satisfy me—although it does not, nor that it does not satisfy the Department of the Interior. I am saying that it does not satisfy the law. Let me refer the gentleman to the law.

Mr. JOHNSON of Oklahoma. All right. And see if the law says that the Congress must appropriate any certain sum of money. Read the law.

Mr. MURDOCK. I cannot take time to read the whole thing, but this statute——

Mr. JOHNSON of Oklahoma. Read that part of it.

Mr. MURDOCK. This statute provides in section 1 (d) $500,000 shall be set aside annually for the purposes specified in section 2 (d) hereof, and for no other.

Mr. JOHNSON of Oklahoma. Oh, the gentleman well knows there is a lot of difference between setting funds aside and authorizing appropriations, and saying that the Congress shall appropriate a certain amount.

Mr. MURDOCK. Oh, no; this statute is no mere authorization. This law directs the disposition of $500,000 of actual cash annually. Does the gentleman take the position that there is not

$500,000 in the Treasury for this purpose specified by the law?

Mr. JOHNSON of Oklahoma. Technically, of course, it is not in the Treasury.

Mr. MURDOCK. Why is it not in the Treasury? Have not the purchasers of Boulder Dam power been collecting it from their consumers and paying it in as directed?

Mr. JOHNSON of Oklahoma. It is not. Technically, on paper, it might be in the Treasury, but does the gentleman pretend to say that with the Government $279,000,000,000 in the red there are funds in the Treasury for this amount?

Mr. MURDOCK. The national debt has nothing to do with this question. Let us confine our thinking and speaking to this legal matter. This is not Uncle Sam's money, as he is only the trustee. If $500,000 is not in the Treasury available for this purpose, somebody ought to go to jail, for the law is explicit.

We passed the law in 1940, and that law provides that the funds shall be raised by the sale of power from Boulder Dam and that annually there shall be placed in a separate fund in the Treasury of the United States $500,000 in the nature of a trust fund to be used for what purpose? To be used for the investigation of the Colorado River Basin, including several basin States. During the current 10-year period this investigational work does not apply to my State, it applies to the four upper basin States of the Colorado Basin. That money has already been collected from the sale of power, and unless the law has been violated, it is in the Treasury of the United States. The people who bought power from Boulder Dam have paid it. They have furnished the money. This appropriation does not take a dime, a penny, of tax money because the law provides that the proceeds from the sale of power from Boulder Dam, sold mostly in California, it is true, shall be set aside in this special fund and that annually $500,000 shall be used for this investigation.

By what authority does the committee cut this to $300,000? It is earmarked. It cannot legally be used for any other purpose, and if you do not appropriate it, it simply is in Uncle Sam's hands not used. What does the committee have to say to that?

Mr. JOHNSON of Oklahoma. I will say to the gentleman that there are many special funds. This is not the only special fund. For example, there is a Federal aid in wildlife restoration fund in which there are some $10,000,000 or $12,000,000 that have accumulated. Does the gentleman hold that this committee must spend the entire amount merely because that money is in a fund that has accumulated? Is that the gentleman's position?

Mr. MURDOCK. I am talking about this fund and will not be sidetracked. The bill cites this statute. It is crystal clear. It directs an amount of $500,000 annually for one purpose only.

Mr. JOHNSON of Oklahoma. The gentleman has told Congress now that there is a higher authority than the Congress of the United States.

Mr. MURDOCK. Yes; in regard to the Davis Dam, for I mean the Constitution of the United States by virtue of our latest water treaty with Mexico.

Mr. JOHNSON of Oklahoma. So far as funds are concerned, I hold there is no higher authority than the Congress of the United States when it comes to spending money .

Mr. MURDOCK. Then I refer him to that other authority; I mean the Constitution of the United States. That was the basis of the appropriations for funds for the Davis Dam. However, in regard to this Colorado River development fund, we have the authority of Congress; we have it in the law.

Mr. JOHNSON of Oklahoma. The law does not say how much shall be appropriated out of this fund. The gentleman may be a great constitutional lawyer, but I challenge the gentleman's accuracy with reference to this.

Mr. MURDOCK. I should like to have some lawyer explain this matter to me. Here is a law which directs that $500,000 annually shall be taken of the revenues collected from the sale of power from Boulder Dam and also what they shall do with it.

Mr. JOHNSON of Oklahoma. The gentleman was quoting the Constitution a while ago.

Mr. JENSEN. The gentleman said he would like to have some lawyer explain the matter to him. The chairman of the committee, the gentleman from Oklahoma, is one of the best lawyers in this House and he has been trying to explain it to the gentleman for quite some time.

Mr. MURDOCK. I am afraid he will have to teach me to read his way, because I cannot read this the way he reads it. No, I am not a lawyer, but I am perfectly willing to submit my interpretation both of the law and of the Constitution relating to these two items of appropriation to the calm and considered judgment of the whole membership of Congress.

Mr. BARRETT of Wyoming. Mr. Chairman, I want to take a few minutes here to discuss this point myself, because I do not agree with the chairman of the Subcommittee on Appropriations or any of the members of the subcommittee. They base their whole theory in reference to this bill on the fact that they are saving the people of this country some $70,000,000. In my opinion, that is a lot of baloney because we know very well the other body is going to raise this amount, and if it does not you will come back here next fall with a deficiency appropriation bill to make up the amount that is cut out at this time.

With reference to the $500,000, let me say that money has been collected from the power users of the Boulder Dam. It is in the Treasury, it is earmarked for investigations in the upper basin States of the Colorado River, Wyoming being one of them. We need this investigational work done. It is not going to cost the Treasury of the United States a single penny. The money is there. The sole purpose of this amendment is brought about by the fact that the committee has deprived the people of Wyoming of the use of this money. I do not think it is either fair, right, or proper and, in my opinion, the gentleman from Arizona is entirely right in his position. I know that you can override us, I know that the gentleman from Oklahoma has the support of the Members on the floor today, I know that you do not have to give us a fair shake out there and you are not going to probably, but I do not think it is right. I do not think that the law ever intended that you do as you have by this bill.

Mr. MURDOCK. Mr. Chairman will the gentleman yield?

Mr. BARRETT of Wyoming. I yield to the gentleman from Arizona.

Mr. MURDOCK. Does not this fund apply over a 50-year period to the seven Colorado Basin States and in this particular period does it not apply to the four upper basin States, including the gentleman's State of Wyoming, Utah, Colorado, and Nevada, which have been the least developed; they are in need of development, and that is the reason for the existence of this fund?

Mr. BARRETT of Wyoming. May I say one more thing? The State of Wyoming is entirely different from the State of Oklahoma. The latter State produced $135,000,000 last year in oil. The State of Wyoming produced $36,000,000 in oil, but $24,000,000 of that came from the public lands. There are not very many public lands in the State of Oklahoma. During the past 25 years the public lands of Wyoming have produced $85,000,000 in royalties to the Treasury of the United States, $45,000,000 of which went into the reclamation fund. We paid every nickel that has been spent on reclamation in the State of Wyoming right out of our own public lands.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, the fact that this committee has year after year made liberal appropriations to the Bureau of Reclamation ought to be and I hope is appreciated by Members from the Middle West and especially the reclamation areas. The point has been made that this committee makes its cuts over here, that they pile on millions of dollars at the other end of the Capitol and some even have had the temerity to say that the committee accepted all of those increases. I simply want to let the record speak for itself.

In 1945 the body at the other end of the Capitol attempted to add $36,976,765 to this bill, after it went from the House to the Senate. Only $15,000,000 of that remained in the bill as finally agreed upon in conference. In 1946, a year ago, $39,149,804 was attempted to be added by the body at the other end of the Capitol. Of that amount $10,444,630, or about 24 percent, was finally agreed to and of that $10,000,000 plus let me say that a substantial part of it went to the other end of the Capitol in the form of supplemental estimates which were forwarded by the Bureau of the Budget after the bill had been reported by the House. I do not mean to say that if this committee finds that it has reduced appropriations too much that we are going to insist on

every item as it passed the House. Of course, we realize that this is a matter for compromise; but on the other hand, we feel we have made a record of which we can be justly proud. The committee has been very liberal in reference to reclamation projects and it has been more liberal in reference to this project than the average project in the bill.

Mr. FERNANDEZ. Mr. Chairman, I move to strike out the last word.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FERNANDEZ. Mr. Chairman, I will not take 5 minutes. I may not be as good a lawyer as the gentleman from Oklahoma, but as a lawyer I thoroughly agree with the gentleman from Arizona in his interpretation of the law. What I rise to speak about, though, is not on the proposition of law, but I want to remind the chairman of the committee that I appeared before that committee to point out to them the dire straits in which the Navaho Indians in northwestern New Mexico find themselves. The situation is so bad that it is getting to be a scandal, and yet those Indians can be helped if in the near future we provide some water for them. That water cannot be provided now. Plans cannot be made to be studied at any time in the near future unless these investigations are completed.

I plead with the Committee to agree to this amendment. These investigations are absolutely necessary if we are going to get some water for these Indians in the near future.

Mr. HARLESS of Arizona. I want to emphasize what the distinguished gentleman from New Mexico is saying, because in all of the Colorado River Basin they are just now planning the future development of that tremendous resource. It is essential that the funds which are set aside for the annual expenditure of plans be allotted, and I hope that the Committee will pass this amendment because it will not cost the taxpayers any money. The law states that this money comes from the sale of power from Boulder Dam.

Mr. FERNANDEZ. I thank the gentleman for his contribution.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

The question was taken; and on a division (demanded by Mr. MURDOCK) there were—ayes 35, noes 47.

So the amendment was rejected.

The Clerk read as follows:

COLORADO RIVER FRONT WORK AND LEVEE SYSTEM

To defray the cost of operating and maintaining the Colorado River front work and levee system adjacent to the Yuma Federal irrigation project in Arizona and California, and to defray the cost of other necessary protection works along the Colorado River between said Yuma project and Boulder Dam, as authorized by the act of July 1, 1940 (54 Stat. 708), to be immediately available, $75,000.

Mr. DWORSHAK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall not use the full 5 minutes, but for 3 days I have been planning to get time here so that I might discuss the fundamentals in connection with our reclamation program. I have listened to the speeches throughout the debate, and we have heard criticism of the committee for having cut the funds recommended for the various projects.

I represent a western State in which are located several projects, and I yield to no Member of the House in my endeavor to promote a sane, sound, and economical reclamation program.

Reference has been made to the reclamation law. When the supplemental appropriation bill came before the House last December, several members of this subcommittee had stated very definitely that they would be opposed to making additional appropriations available for the construction of reclamation projects until such time as the House Committee on Irrigation and the Bureau of Reclamation were willing to cooperate in formulating a policy involving the repayment of these construction charges in accordance with the Reclamation Project Act of 1939.

On January 14, 1946, the gentleman from Utah [Mr. ROBINSON] introduced H. R. 5124, which has for 4 months been before that House committee. I do not desire to criticize the chairman or the members of that committee but merely to emphasize that, if there has been any sabotaging of the program and the appropriations for the Bureau of Reclamation in the 1947 bill, that sabotage has been done unwittingly by the House Committee on Irrigation and Reclamation.

In the bulletin dated May 10, 1946, issued by the National Reclamation Association, we find the following comment under the heading, "Progress (or lack of progress) on the Robinson bill, H. R. 5124":

Despite the fact that hearings were concluded more than a month ago on H. R. 5124, by ROBINSON of Utah, to clarify the intent of Congress with reference to the 1939 Reclamation Act, and the further fact that the committee voted to go into executive session to agree upon the provisions of the bill and report it to the House, no executive sessions have as yet been called by Chairman MURDOCK and no action has been taken.

It is the belief of many observers that had the committee met and reported the Robinson bill favorably, it is very probable that the House Interior Subcommittee on Appropriations would have reported greatly increased reclamation items in the Interior appropriations bill. It is no secret that the Interior Subcommittee on Appropriations hesitates to recommend huge appropriations until the maximum amortization period is fixed by law and until it is fully determined by law to what use the interest component collected on unpaid balances on commercial power investments are to be put. The Robinson bill is designed to settle these issues.

I shall insert at this point in my remarks a letter from the Director of the Bureau of the Budget, and another letter which was sent by Director Smith to Secretary Krug on March 29, 1946, asking for a statement by the Secretary of the Interior, so that a clarification of this unfortunate controversy might be effected:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 8, 1946.

Hon. HENRY C. DWORSHAK,
House of Representatives,
Washington, D. C.

MY DEAR MR. DWORSHAK: This letter is in response to your telephone inquiry of May 6 as to views of this office on repayments to the Treasury in connection with multiple-purpose projects of the Bureau of Reclamation. This general subject is currently under study by the Bureau but has not progressed sufficiently to permit a full answer to your inquiry at this time.

On March 29 I wrote the Secretary of the Interior in reference to the establishment of rates for the sale of electric power from multiple-purpose projects of the Bureau of Reclamation. This problem involved a consideration of the repayment question. A copy of this letter is enclosed for your information.

I will be glad to have you advised of further conclusions reached on this general subject.

Sincerely yours,

HAROLD D. SMITH,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 29, 1946.

Hon. J. A. KRUG,
Secretary of the Interior,
Washington, D. C.

MY DEAR MR. KRUG: On February 6, 1946, Assistant Secretary Chapman transmitted to this office a copy of Secretary Ickes' report of January 30, 1946, to Chairman MURDOCK, of the House Committee on Irrigation and Reclamation, regarding H. R. 5124, a bill "Relating to the sale of electric power and lease of power privileges under the Reclamation Project Act of 1939."

The report indicates that lack of time prevented advance clearance of the report by the Bureau of the Budget and that it had been submitted therefor without any commitment as to its relation to the program of the President. Amendments A and B and the proposed addition to the bill designated section 2, as set forth in the letter of January 30, would not be in conflict with the program of the President.

However, it would seem that the report as to proposed amendment C, while ostensibly favorable, is actually somewhat contrary to the purpose of the bill. It would seem to me that the repayment period proposed in the bill, 50 years, should be the maximum time allowed rather than the physical life of the structure. Further, consistency with reclamation law and good business practice for the Government would seem to require the sale of electric power or lease of power privileges to be at such a rate as will produce power revenues, at least sufficient to cover (1) an appropriate share of the annual operation and maintenance cost, (2) an appropriate share of an annual charge adequate to establish and maintain a reasonable reserve for replacement of project facilities, (3) the repayment in annual installments, not necessarily equal, over a 50-year period of an appropriate share of project investment costs chargeable to commercial power facilities, together with annual payment of interest on the unpaid balance at a rate of not less than 2 percent, and (4) the repayment in annual installments, not necessarily equal, over a 50-year period of the share of the project investment costs appropriately chargeable to water uses other than electric power generation allocated for repayment from power

revenues. It would, of course, be proper to include in addition other costs and fixed charges as the Secretary of the Interior deemed proper.

I would appreciate receiving your views on this subject, and particularly with regard to whether you consider it desirable to make a new report to Representative MURDOCK on the bill in the light of ideas you may have on the subject and the views expressed in this letter.

Very truly yours,

HAROLD D. SMITH,
Director.

I am advised by the Bureau of the Budget that Secretary Krug has not replied to Director Smith's letter of March 29. I urge that my colleagues from the West carefully read these letters, so they will realize that there is more involved than merely demanding more appropriations for the construction of these various reclamation projects.

I believe that, before we can proceed with the full knowledge that the various statutes, and particularly the Reclamation Project Act of 1939, are being adhered to scrupulously, it will require the cooperation of the House Committee on Irrigation and the subcommittee handling this particular appropriation bill, in order to force the Bureau of Reclamation and the Interior Department to comply with the mandates of this Congress.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DWORSHAK. I yield to the gentleman from Missouri.

Mr. SHORT. Does the gentleman from Idaho think that the House Committee on Irrigation and Reclamation is opposed to irrigation and reclamation projects?

Mr. DWORSHAK. No. I regret it if the gentleman from Missouri drew that inference. I merely pointed out that last November, when the members of this subcommittee, not including myself, pointed out that because of two opinions handed down by the Solicitor of the Interior Department emasculating the Reclamation Projects Act of 1939 the time had arrived for a clarification of reclamation policy before additional huge appropriations would be made available. At the insistence of the National Reclamation Association, a true friend of reclamation in this country, a bill was introduced by the gentleman from Utah [Mr. ROBINSON], H. R. 5124, on January 14 of this year.

Hearings were held. Members of that committee were urged to bring out legislation on the floor of the House prior to reporting this appropriation bill so that we would know that the Reclamation Act of 1939 was not being sabotaged by the Bureau of Reclamation and the Interior Department. But no action as yet has been taken.

Mr. SHORT. I merely want to say if any man in this House has ever fought for irrigation and reclamation it is the gentleman from Idaho.

Mr. DWORSHAK. I thank the gentleman.

Mr. SHORT. I congratulate the gentleman upon his fine work.

Mr. DWORSHAK. Mr. Chairman, wartime contingencies have greatly increased the cost of constructing reclamation projects. In fact, in some instances, the costs have doubled over original estimates. In such cases, repayment contracts have already been negotiated with water districts, and, so, it will be unlikely that any additional funds will be recaptured from such sources.

There is also contention over whether the surplus power available at Federal reclamation projects should be sold at such low prices that it will be impossible for the Government to collect reimbursable costs allocated to power phases of multiple-purpose dams within the prescribed time limits. The hearings in our subcommittee disclosed the apprehension of officials of the Bureau of Reclamation, and undoubtedly they will be compelled to request legislation which will assist in solving some of these critical problems.

Mr. Chairman, I feel confident that there is no inclination on the part of this Appropriations Subcommittee to hamper the fullest development of our land and water resources under the Reclamation Act of 1902 and supplemental acts. However, there should be early determination of some of these fundamental policies, so that the Government will be justified in making these investments. When proper cooperation is displayed by interested congressional committees and the Interior Department, development of the West will continue according to the pattern which has been outlined by the Congress. To this end, I urgently request the support of my colleagues, so that there will be no delay in this program.

Mr. McGREGOR. Mr. Chairman, I believe my record will justify the statement that I believe in reducing our expenditures to the lowest possible extent, but I fear the Appropriations Subcommittee has failed to recognize the essential work, and the great volume of work that the Geological Survey is called upon to perform. I doubt if they can meet the ever-increasing demands of nearly every department in the Government with the money that is appropriated to them in this bill.

The action of the Appropriations Subcommittee, recommending drastic reductions in funds to be allotted to the Geological Survey for the fiscal year 1947, I fear does not take into account the full effects of sudden curtailment of this agency's research and mapping activities.

It should be pointed out that the major objective of the Geological Survey plans for the coming year is to provide data and recommendations that will meet the urgent needs of the mineral industries, municipal, State, and regional land utilization and development organizations; the construction industries, water supply agencies, and the transportation industries.

The curtailment of its normal peacetime functions and services during the war period, in favor of supplying the armed forces and war agencies with information and maps for special temporary strategic and exploratory uses, has left the Geological Survey in the position of being unable to furnish an adequate amount of information to fill in the gaps that have been created by such curtailment. The petroleum industry depends upon these services of the Geological Survey to aid in exploration for new oil reserves. The same is true of the iron, copper, lead, zinc, and other metal mining industries, and the nonmetallic industries as well. All of them have been concentrating attention for several years on production from proved reserves, and have of necessity been able to do very little exploration and development of new reserves. As a result, proved reserves in many mineral categories are now seriously depleted, and the Federal Government should recognize its clear responsibility in correcting these deficiencies. This calls for intensified geologic investigations on a Nation-wide scale.

This immediate postwar period is one of detailed planning of long-range land and river development and utilization programs. Geologic guidance and accurate basic maps are absolutely essential for such planning. The use of makeshift information leads in the end only to far more expense to the taxpayer.

The Nation needs as never before the topographic maps, geologic and water resources data provided by the Geological Survey. Short-range economy in compiling such information will entail economic and social repercussions that can be easily visualized. At the present time the Geological Survey is seriously handicapped in providing this information in the required volume. The backlog of unfinished work is too great and postwar programs are too diversified. Expansion of its facilities is absolutely essential if it is to fulfill its statutory functions in the period immediately ahead.

We should all remind ourselves that during the war our scientists and engineers scraped the bottom of the barrel of fundamental scientific research. They applied every principle and discovery that could possibly be brought to bear on the problem of winning the war. Thus the products of scientific research are in a condition of depletion as great as that which faces us in regard to material resources. This deficiency must be made up; and the Geological Survey, as one of the outstanding scientific research agencies of the Government, must be given full encouragement and support in order that it may bear its share of the research burden of the Nation.

Mr. Chairman, I trust that the other body will carefully consider the splendid and efficient work that the department is doing and will reinstate a portion, and a large portion, of the original request. Knowing this department as I do, and being familiar with their various duties, I sincerely hope that they will be granted additional funds so they can continue to comply with the actual and needed requests that are so essential to our Government procedure.

Mr. MURDOCK. Mr. Chairman, the gentleman from Idaho [Mr. DWORSHAK], who has just preceded me, apparently did not have time to yield for a question which I tried to ask him. I wanted to ask whether he attributed the severe cut

in the reclamation appropriation by the subcommittee to the fact that the House Committee on Irrigation and Reclamation had not yet reported out H. R. 5124. I am sorry I did not get to ask and receive an answer to that question, but as I understand the gentleman's remarks he is attributing the blame for the reduction in large part to my committee's delay on the Robinson bill, H. R. 5124. Now I think that is very unfair to tell this House and to tell the world that that was the basis for the unheard-of reduction below the Budget estimate in this bill. Or even that it was a considerable part of the cause for those reductions. Would the gentleman say that if the Committee on Irrigation and Reclamation had reported out H. R. 5124 that the items of appropriation for reclamation in this bill would have been materially increased?

My contention is that the Committee on Irrigation and Reclamation has not been dilatory in regard to this proposed legislation but has merely been carefully deliberative, considering the intricate nature of the subject matter and the far-reaching effects of the proposed legislation on the future development of the West. Let facts be submitted to a candid world.

On November 29, 1945, several gentlemen from the subcommittee on the Interior bill declared that the Reclamation Act of 1939, especially section 9, subdivision (c), pertaining to power repayments, needed clarification. At that time I, as chairman of the committee, stated that I felt the proper legislative committee should look into the matter and determine what, if any, clarification was needed.

However, there was no opportunity during the month of December last year for the committee to take any steps in the matter, and, of course, there was some delay at the opening of this session in January. However, the gentleman from Utah, J. WILL ROBINSON, introduced H. R. 5124 early in January this year to serve as a basis for the committee's consideration. The first hearing on the Robinson bill was begun January 24 of this year. Rather extensive hearings have been held on this bill and all witnesses have been heard by the committee, or we have received statements from those out West who could not conveniently appear in person. It is true that at a meeting about a month ago in my absence the committee voted to close the hearings, not knowing that I had promised the Congressmen from Nebraska to hear representatives from that State on May 9 relative to this bill. These gentlemen came and were heard on a closely related matter, but which will have to be made to relate to separate legislation, in view of the fact that the hearings had been closed and I do not care to reopen them.

The point is that from January 24 of this year to May 9, at rather frequent and regular intervals, hearings have been held on the Robinson bill, H. R. 5124. The extensive hearings are being printed in three parts. Part 1 has been printed and distributed. Part 2 is now in page-proof form, and part 3 has not all been sent to the Government Printer yet and is still in typewritten form. Now I feel that the importance of this subject matter warrants such careful and extensive study, and I feel that the nature of this subject matter is so complex that the committee ought not go into executive session to consider it until the hearings have been printed, which will require some more time.

A great many amendments have been submitted for the record, for the committee's consideration in connection with H. R. 5124. Some of these amendments have been submitted by the Department. Others have been submitted by the opponents of the Department, and to these latter amendments the Department is naturally opposed. Surely the gentleman from Idaho does not expect this deliberative committee to take snap judgment and report out a bill merely because the Department has proposed a bill, or that the critics of the Department have proposed a radically different bill. I will say in reply to the gentleman from Idaho that I conceive it to be the duty of the regularly constituted Committee of the House on Irrigation and Reclamation to give careful thought to matters of law laying down reclamation policy, and I do not consider it the duty, as I said on the 29th of last November, of the Appropriations Committee to write that law or set that policy.

I call on the gentleman from Idaho, and all the other members of the Appropriations Subcommittee, as Members of the House, to join with the Committee on Irrigation and Reclamation in determining what is wise policy, that we may shape the law accordingly, or see that existing law is correctly interpreted and administered accordingly. I cannot believe that anyone on the Appropriations Committee is trying to force the hand of the regular House committee in its deliberations, and I emphatically deny that my committee has delayed unduly the consideration of this bill and this subject matter.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, had come to no resolution thereon.

AUTHORIZING THE SPEAKER TO SIGN ENROLLED SENATE JOINT RESOLUTION 159

Mr. McCORMACK. Mr. Speaker, notwithstanding the adjournment of the House, I ask unanimous consent that the Clerk be authorized to receive a message from the Senate on Senate Joint Resolution 159, and that the Speaker be authorized to sign the enrolled joint resolution.

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, may I ask the majority leader if the resolution that will be brought back to the House will be the same which we sent to the Senate yesterday, which I presume will be the case?

Mr. McCORMACK. That is the only thing that could come back from the Senate.

Mr. MILLER of Nebraska. I want a crystal clear understanding that the Speaker would not be authorized to sign any resolution that might come from the Senate which might not be the same as we sent to them.

Mr. McCORMACK. It could not be otherwise because if it were different it would not be in the proper form for the Speaker to sign.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 9 and 62 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5604) entitled "An act reducing or further reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 20 and 30 to the foregoing bill.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ELLIOTT, until June 10, on account of official business.

To Mr. RICH, for 1 week, on account of official business.

EXTENSION OF REMARKS

Mr. COLE of Missouri asked and was given permission to extend his remarks in the RECORD and include a letter he received from a constituent.

Mr. DWORSHAK asked and was given permission to revise and extend the remarks he made in the Committee of the Whole in the debate on the pending bill and to include therein two paragraphs from a statement by the manager of the National Reclamation Association, and

also to include a letter from Mr. Harold D. Smith, Director of the Bureau of the Budget.

Mr. HOOK asked and was given permission to extend his remarks and include an article from the Journal of Commerce.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 138. Joint resolution to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of following title, which was thereupon signed by the Speaker:

H. R. 4761. An act to expedite the availability of housing for veterans of World War II by expediting the production and allocation of materials for housing purposes and by curbing excessive pricing of new housing, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1189. An act to provide for voluntary apprenticeship in the District of Columbia.

S. 1955. An act to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator; and

S. 1980. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 4761. An act to expedite the availability of housing for veterans of World War II by expediting the production and allocation of materials for housing purposes and by curbing excessive pricing of new housing, and for other purposes; and

H. R. 5059. An act to provide additional compensation for postmasters and employees of the postal service.

ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 15, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON BANKING AND CURRENCY

The Committee on Banking and Currency will begin hearings on House Joint Resolution 311 (the British loan) on Wednesday, May 15, 1946, at 10:30 a. m., in the Banking and Currency Committee room, 1301 New House Office Building.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, on Wednesday, May 15, 1946, at 10:30 a. m., in open session, in the committee room, 356 Old House Office Building.

COMMITTEE ON INDIAN AFFAIRS

There will be a public hearing before the Committee on Indian Affairs at 10 a. m. on Wednesday, May 15, 1946, in the committee hearing room, 246 Old House Office Building, to hear a delegation of Navajo Indians on current legislation.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Subcommittee on Tax Liability of Ship Operators will meet in open hearing on Thursday, May 16, 1946, at 10 a. m.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Commerce and Trade of the Committee on Interstate and Foreign Commerce, at 10 a. m., Friday, May 17, 1946.

Business to be considered: Continuation of public hearing on H. R. 4871 and S. 1367—to provide for the appointment of three additional Assistant Secretaries of Commerce, and for other purposes.

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 1 of the Committee on the Judiciary on the bill (H. R. 5089) to amend the First War Powers Act, 1941, beginning at 10 a. m. on Thursday, May 16, 1946. The hearing will be held in room 346, House Office Building (Judiciary Committee room).

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1298. A communication from the President of the United States, transmitting supplemental estimates of appropriation for fiscal years 1946 and 1947, amounting to $54,387,000, together with a draft of a proposed provision pertaining to an existing appropriation for the Federal Works Agency (H. Doc. No. 589); to the Committee on Appropriations and ordered to be printed.

1299. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1947 in the amount of $1,337,000 for the Federal Security Agency (H. Doc. No. 590); to the Committee on Appropriations and ordered to be printed.

1300. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to existing appropriations, together with a supplemental estimate of appropriation for the fiscal year 1946 in the amount of $37,261.42, for the Department of State (H. Doc. No. 591); to the Committee on Appropriations and ordered to be printed.

1301. A communication from the President of the United States, transmitting estimates of appropriation submitted by the several executive departments and independent offices to pay claims for damages to or losses of privately owned property, in the sum of $2,833.88 (H. Doc. No. 592); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOYKIN: Committee on Accounts. House Resolution 617. Resolution providing for an additional stenographer for the Committee on Expenditures in the Executive Departments; without amendment (Rept. No. 2033). Referred to the House Calendar.

Mr. BOYKIN: Committee on Accounts. House Resolution 618. Resolution providing for two additional temporary stenographers for the Committee on Foreign Affairs; without amendment (Rept. No. 2034). Referred to the House Calendar.

Mr. BOYKIN: Committee on Accounts. House Resolution 619. Resolution providing for the further expenses of conducting the study and investigation authorized by House Resolution 195 of the Seventy-ninth Congress; without amendment (Rept. No. 2035). Referred to the House Calendar.

Mr. BOYKIN: Committee on Accounts. House Resolution 620. Resolution providing additional funds for expenses of conducting studies and investigations authorized by House Resolution 20 of the Seventy-ninth Congress; without amendment (Rept. No. 2036). Referred to the House Calendar.

Mr. LUDLOW: Committee on Appropriations. H. R. 6428. A bill making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes; without amendment (Rept. No. 2038). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEAL: Committee on Appropriations. H. R. 6429. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1947, and for other purposes; without amendment (Rept. No. 2040). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOSSETT: Committee on Immigration and Naturalization. H. R. 3663. A bill to amend the immigration and naturalization laws to deny admission to the United States of certain aliens who have served in the armed forces of countries at war with the United States, also members of certain parties and organizations, and to deny naturalization to such persons, and to reduce immigration quotas; with amendment (Rept. No. 2041). Referred to the Committee of the Whole House on the State of the Union.

Mr. JACKSON: Committee on Indian Affairs. H. R. 2678. A bill conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in any and all claims which the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, or any tribe or band thereof, may have against the United States, and for other purposes; with

amendment (Rept. No. 2050). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 6303. A bill to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders; without amendment (Rept. No. 2051). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2052. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2053. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. H. R. 6372. A bill to to amend the Federal Credit Union Act; without amendment (Rept. No. 2054). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOYKIN: Committee on Accounts. House Resolution 512. Resolution for the relief of Catherine L. Harrington; with amendment (Rept. No. 2037). Referred to the House Calendar.

Mr. CHENOWETH: Committee on Claims. S. 769. An act for the relief of H. H. Ashbrook, and others; without amendment (Rept. No. 2042). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 1002. A bill for the relief of Marvin Sachwitz; without amendment (Rept. No. 2043). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3848. A bill for the relief of the legal guardian of Johnnie Pollock, a minor; with amendment (Rept. No. 2044). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4331. A bill for the relief of Esequiel (Frank) Padilla, and others; with amendment (Rept. No. 2045). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4419. A bill for the relief of Mrs. James Plumb; with amendment (Rept. No. 2046). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 5000. A bill for the relief of Marion Powell, a minor; with amendment (Rept. No. 2047). Referred to the Committeee of the Whole House.

Mr. COLE of Kansas: Committee on Claims. H. R. 5030. A bill for the relief of Mrs. Lim Shee Chang; with amendment (Rept. No. 2048). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 5053. A bill for the relief of the estate of Jasper A. Mealer; with amendment (Rept. No. 2049). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. MANKIN:

H. R. 6430. A bill to amend the veterans regulations promulgated pursuant to chapter 12 of the Servicemen's Readjustment Act of 1944 so as to provide subsistence for all veterans enrolled in and pursuing educational courses; to the Committee on World War Veterans' Legislation.

By Mr. BARTLETT:

H. R. 6431. A bill to authorize an appropriation for the establishment of a geophysical institute at the University of Alaska; to the Committee on the Territories.

By Mr. BULWINKLE:

H. R. 6432. A bill authorizing the transfer of air-navigation facilities outside of the continental limits of the United States to the Administrator of Civil Aeronautics, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FLANNAGAN:

H. R. 6433. A bill to amend the Plant Quarantine Act approved August 20, 1912, as amended, by adding thereto a new section; to the Committee on Agriculture.

By Mr. WALTER:

H. R. 6434. A bill to establish a Department of Civil Aviation, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. KING:

H. R. 6435. A bill to confer upon the Attorney General authority to advise veterans in certain matters without cost or fee; to the Committee on the Judiciary.

By Mr. DOUGHTON of North Carolina:

H. J. Res. 353. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. SMITH of Virginia:

H. Con. Res. 148. Concurrent resolution creating a joint select committee to study and recommend legislation concerning labor relations; to the Committee on Rules.

By Mr. KNUTSON:

H. Res. 621. Resolution requesting that Senate Joint Resolution 138 be returned to the Senate; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. D'EWART:

H. R. 6436. A bill authorizing the issuance of a patent in fee to Spencer Burgess Doyle; to the Committee on Indian Affairs.

H. R. 6437. A bill authorizing the issuance of a patent in fee to Lawrence Stanley Doyle; to the Committee on Indian Affairs.

H. R. 6438. A bill authorizing the issuance of a patent in fee to Richard Jay Doyle; to the Committee on Indian Affairs.

H. R. 6439. A bill authorizing the issuance of a patent in fee to Raymond Wesley Doyle; to the Committee on Indian Affairs.

H. R. 6440. A bill authorizing the issuance of a patent in fee to Thurlow Grey Doyle; to the Committee on Indian Affairs.

H. R. 6441. A bill authorizing the issuance of a patent in fee to Gladys May Doyle; to the Committee on Indian Affairs.

By Mr. ELLSWORTH:

H. R. 6442. A bill for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson; to the Committee on Claims.

By Mr. BUCKLEY:

H. R. 6443. A bill for the relief of Albert August Friess; to the Committee on Immigration and Naturalization.

By Mr. GOODWIN:

H. R. 6444. A bill granting a pension to Sarah Jennie Howe; to the Committee on Invalid Pensions.

By Mr. LESINSKI:

H. R. 6445. A bill for the relief of Stanislaw Sulkowski; to the Committee on Immigration and Naturalization.

By Mr. PACE:

H. R. 6446. A bill for the relief of Louise S. Page; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1879. By Mr. LUTHER A. JOHNSON: Petition of Mexia Machinery Co., Mexia, Tex.; L. H. Carroll Hardware Co., Bain Hardware Co., and P. N. Stockton Hardware & Furniture, all of Kerens, Tex.; favoring retention of present retail exemption under fair labor standards; to the Committee on Labor.

1880. By Mr. VOORHIS of California: Petition of Julia A. Alexander and 234 other citizens of New York and Maryland, urging passage of legislation by Congress (H. J. Res. 325) which would authorize the President and Secretary of Agriculture to issue directives preventing the use of grain for beverage purposes until the world's food shortage is relieved; to the Committee on Agriculture.

1881. By Mr. CHURCH: Petition of F. C. Rice and other railroad employees, urging an amendment to House bill 1737; to the Committee on Interstate and Foreign Commerce.

1882. By the SPEAKER: Petition of the Council of the American Academy of Arts and Sciences, petitioning consideration of their resolution with reference to urging return to consumer rationing to assure both fair distribution of food in this country and adequate supplies for famine relief; to the Committee on Banking and Currency.

1883. Also, petition of board of directors, Delta Council, petitioning consideration of their resolution with reference to request for legislation to protect the laborer, employer, and the public against unwarranted encroachment upon their rights and personal liberties; to the Committee on Labor.

1884. Also, petition of the California Society of the Sons of the American Revolution, petitioning consideration of their resolution with reference to reports concerning propaganda detrimental to the loyalty and welfare of our forces which is being spread under cover of the information and education service; to the Committee on Military Affairs.

SENATE

WEDNESDAY, MAY 15, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, to whom there is no far or near, no great or small, Thy goodness and mercy hath followed us all the days of these pilgrim years, through sunny hours and through gloomy shades. Often we had fainted unless we had believed to see the goodness of the Lord in the land of the living and the signs of Thy final mastery shaping human events even through the wrath and mistakes of willful men. Strong Deliverer, be Thou still our strength and shield in these turbulent days when victorious powers face the symptoms of their own weakness and the wrecks of nations which by tyranny and aggression have seared their own brows with the mark of Cain. In such a day, as stewards of the world's future, give us, O Lord, a lively faith, a firm hope, a fervent charity, and a will to labor valiantly for the things for which we pray. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 14, 1946, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1457) for the relief of Josephine Benham.

The message also announced that the House had passed a bill (H. R. 6336) to authorize the Administrator of the War Assets Administration to lend or sell surplus property equipment for use at the Twenty-eighth Annual National Convention of the American Legion, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 1457. An act for the relief of Josephine Benham;

H. R. 5604. An act reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes;

H. R. 5890. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; and

H. R. 6305. An act to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments.

ENROLLED JOINT RESOLUTION SIGNED DURING THE RECESS

Under authority of the order of the 14th instant,

The PRESIDING OFFICER (Mr. O'MAHONEY) on May 14, 1946, signed the enrolled joint resolution (S. J. Res. 159) to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946, which had previously been signed by the Speaker of the House of Representatives.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on May 14, 1946, he had presented to the President of the United States the following enrolled bills and joint resolution:

S. 1189. An act to provide for voluntary apprenticeship in the District of Columbia;

S. 1955. An act to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator;

S. 1980. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities; and

S. J. Res. 159. Joint resolution to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946.

LEAVE OF ABSENCE

Mr. GUFFEY. Mr. President, I ask unanimous consent to be absent from the Senate Chamber next Monday and next Tuesday.

The PRESIDING OFFICER. Without objection, leave is granted.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF SOCIAL SECURITY ACT

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title II of the Social Security Act, as amended, by giving insurance benefits under the Federal old-age and survivors' insurance provisions of that act to survivors of veterans of World War II, and for other purposes (with an accompanying paper); to the Committee on Finance.

LAWS PASSED BY MUNICIPAL COUNCILS OF ST. CROIX, ST. THOMAS, AND ST. JOHN, AND LEGISLATIVE ASSEMBLY OF THE VIRGIN ISLANDS

Two letters from the Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Municipal Councils of St. Croix, St. Thomas, and St. John, and the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Territories and Insular Affairs.

FAIR ADMINISTRATIVE PROCEDURE

A letter from the Chairman of the Securities and Exchange Commission, protesting against the enactment of the bill (S. 7) to improve the administration of justice by prescribing fair administrative procedure; to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIAL

Petitions, etc., were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A memorial of sundry citizens of Newark and vicinity in the State of New Jersey, remonstrating against a recent regulation curtailing the supply of grain for beverage purposes; to the Committee on Agriculture and Forestry.

A letter in the nature of a petition from the secretaries of the Organization of Foreign Mission Secretaries of Negro Churches of America, Washington, D. C., praying for the granting of the application of the Liberian Government for a loan to develop that country's economy, health, and education; to the Committee on Banking and Currency.

A letter in the nature of a petition from the Chamber of Commerce of the United States, Washington, D. C., praying for the immediate enactment of antiroyalty legislation, and for amendments to the National Labor Relations Act (with an accompanying paper relating to industrial relations in America); ordered to lie on the table.

A telegram in the nature of a petition from E. R. Price and H. E. Ryan, of Minneapolis, Minn., relating to labor unions and strikes; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Appropriations:

H. R. 5605. A bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1947, and for other purposes; with amendments (Rept. No. 1334).

By Mr. ELLENDER, from the Committee on Claims:

H. R. 1072. A bill for the relief of Henry R. Butler; without amendment (Rept. No. 1335);

H. R. 1238. A bill for the relief of Father Peter B. Duffee; without amendment (Rept. No. 1336);

H. R. 2926. A bill for the relief of Mrs. Alice Breon; without amendment (Rept. No. 1337);

H. R. 3177. A bill for the relief of James J. Barrett, Jr.; without amendment (Rept. No. 1338);

H. R. 3355. A bill for the relief of Elisabeth Jones Hansel; without amendment (Rept. No. 1339);

H. R. 4047. A bill for the relief of Edward A. Hollis, Sr.; without amendment (Rept. No. 1340);

H. R. 4418. A bill for the relief of the city of San Diego, Tex.; without amendment (Rept. No. 1341);

H. R. 4527. A bill for the relief of O. T. Nelson, and wife, Clara Nelson; without amendment (Rept. No. 1342);

H. R. 4763. A bill for the relief of R. L. Benton; without amendment (Rept. No. 1343); and

H. R. 5212. A bill for the relief of the dependents of Cecil M. Foxworth, deceased; without amendment (Rept. No. 1344).

By Mr. HUFFMAN, from the Committee on Claims:

H. R. 208. A bill for the relief of Marion Contracting Co.; without amendment (Rept. No. 1345);

H. R. 781. A bill for the relief of the legal guardian of Douglas Charles McRae, a minor; without amendment (Rept. No. 1346);

H. R. 1299. A bill for the relief of Morris Fine; without amendment (Rept. No. 1347);

H. R. 2242. A bill for the relief of Mrs. Lessie L. Bryant and Miss Jimmie Alexander; without amendment (Rept. No. 1348);

H. R. 2248. A bill for the relief of Joseph E. Alarie; without amendment (Rept. No. 1349);

H. R. 4172. A bill for the relief of Carlton G. Jerry; without amendment (Rept. No. 1350); and

H. R. 4639. A bill for the relief of C. LeRoy Phillips; without amendment (Rept. No. 1351).

By Mr. MURRAY, from the Committee on Education and Labor:

S. Res. 228. Resolution to investigate the causes of pending and threatened labor disputes; with amendments (Rept. No. 1352); and, under the rule, the resolution was referred to the Committee To Audit and Control the Contingent Expenses of the Senate.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. TYDINGS introduced Senate bills 2197 and 2198, to provide for a balanced budget, which were referred to the Committee on Appropriations, and appear under a separate heading.)

(Mr. KNOWLAND introduced Senate bill (S. 2199) to amend the Criminal Code of the United States, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. THOMAS of Utah:

S. 2200. A bill to amend the act approved July 3, 1943, entitled "An act to provide for the settlement of claims for damage to or loss or destruction of property or personal injury or death caused by military personnel or civilian employees, or otherwise incident to activities, of the War Department or of the Army"; to the Committee on Military Affairs.

By Mr. PEPPER:

S. 2201. A bill to extend the time for filing valid application for disabled emergency officers' retirement benefits, to grant retirement pay to World War emergency officers who now have or who may later establish a 30 percent or more service-connected permanent disability for this and/or other purpose; to the Committee on Military Affairs.

By Mr. PEPPER (for Mr. ANDREWS):

S. 2202. A bill for the relief of William F. Thomas; to the Committee on Claims.

By Mr. MEAD:

S. 2203. A bill for the relief of the estate of Elwood Grissinger; to the Committee on Claims.

(Mr. GEORGE introduced Senate bill (S. 2204) to amend title II of the Social Security Act, as amended, by giving insurance benefits under the Federal old-age and survivors insurance provisions of that act to survivors of veterans of World War II, and for other purposes, which was referred to the Committee on Finance, and appears under a separate heading.)

LIMITATIONS ON APPROPRIATIONS TO ACHIEVE A BALANCED BUDGET

Mr. TYDINGS. Mr. President, I ask unanimous consent to introduce two bills regulating the appropriations of this session of Congress. These bills are designed by law to achieve a balanced budget for the fiscal year to begin on the first of next July. Even if these bills should be passed, it would be necessary, in order to have a continually balanced budget, to reintroduce them at each session of Congress.

I should like to say that I am introducing them in two separate forms at this session of Congress so that they may go to the Appropriations Committee and then go to the subcommittee which the present Presiding Officer has appointed to consider these matters, so that they may have such suggestions as the bills may afford when they try to devise some way to have an automatically balanced budget in peacetime.

The PRESIDENT pro tempore. The Chair understands they are not appropriation bills, but merely refer to appropriations and are legislative in their nature.

Mr. TYDINGS. They are limitations on appropriations which we are making at this session, if the appropriations exceed the budget.

The PRESIDENT pro tempore. Without objection, the bills will be received and referred to the Appropriations Committee.

The bills, introduced by Mr. TYDINGS, were read twice by their titles and referred to the Committee on Appropriations, as follows:

S. 2197. A bill to provide for a balanced budget; and

S. 2198. A bill to provide for a balanced budget.

JURISDICTION OVER OFFSHORE GAMBLING SHIPS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to amend the Criminal Code of the United States.

The bill is designed to take care of a situation whereby, in the State of California—and the same situation may prevail in other coastal States—an attempt is being made to circumvent the laws of the State. The law enforcement officials are very much concerned. In 1939 a bill similar to the bill now introduced by me passed the House of Representatives by an overwhelming vote and came to the Senate. It was reported from the Senate committee, and died in the closing days of the session because unanimous consent could not be obtained for its consideration.

The situation now existing in California is briefly this: A gambling ship has been anchored off the shores of California, outside the State jurisdiction. It so happens that the owners of the ship are now obtaining lumber to refit the ship, at a time when veterans are unable to obtain lumber to build houses.

I have taken this question up with the Civilian Production Administration. The bill would provide, by Federal statute, a method of controlling the operation of offshore gambling ships operated in circumvention of the laws of the coastal States.

There being no objection, the bill (S. 2199) to amend the Criminal Code of the United States, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF SOCIAL SECURITY ACT

Mr. GEORGE. Mr. President, the Senate Finance Committee in its regular meeting tomorrow is to consider a bill which was introduced by the chairman of the committee and the distinguished senior Senator from New York [Mr. WAGNER] jointly some time ago, "To amend title II of the Social Security Act, as amended, by giving insurance benefits under the Federal old-age and survivors' insurance provisions of that act to survivors of veterans of World War II, and for other purposes." The bill has been before the committee for some time awaiting reports from various agencies of the Government. A careful study of the proposed legislation has been made by the Veterans' Administration and the Federal Security Agency, and the draft of a bill suggested by these two agencies is in my hands, and I ask unanimous consent to introduce it in order that this print may be before the Committee on Finance tomorrow when we consider the proposed legislation.

There being no objection, the bill (S. 2204) to amend title II of the Social Security Act, as amended, by giving insurance benefits under the Federal old-age and survivors' insurance provisions of that act to survivors of veterans of World War II, and for other purposes, was received, read twice by its title, and referred to the Committee on Finance.

HOUSE BILL REFERRED

The bill (H. R. 6336) to authorize the Administrator of the War Assets Administration to lend or sell surplus property equipment for use at the Twenty-eighth Annual National Convention of the American Legion, was read twice by its title and referred to the Committee on Military Affairs.

LETTER BY SENATOR BYRD IN RESPONSE TO CIO RESOLUTIONS

[Mr. BYRD asked and obtained leave to have printed in the RECORD a letter addressed by him to Mr. Boyd E. Payton, president of the Virginia CIO Council, in response to resolutions adopted by the CIO, which appears in the Appendix.]

ADDRESS TO KANSAS COOPERATIVE COUNCIL BY REPRESENTATIVE JERRY VOORHIS

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address to the Kansas Cooperative Council delivered by Representative JERRY VOORHIS, at Topeka, Kans., on May 10, 1946, which appears in the Appendix.]

THE AMERICAN HOME—ADDRESS BY MRS. CLAUDE PEPPER BEFORE THE HIGHLAND PARK WOMEN'S CLUB

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by Mrs. Claude Pepper before the Highland Park Women's Club, of Richmond, Va., on March 25, 1946, which appears in the Appendix.]

ADDRESS BY SUMNER WELLES AT DINNER OF MARYLAND CHRISTIAN PALESTINE COMMITTEE

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an address delivered by Mr. Sumner Welles at the inaugural dinner of the Maryland Christian Palestine Committee, at Baltimore, Md., on May 14, 1946, which appears in the Appendix.]

ADDRESS BY JOSEPH E. DAVIES AT DINNER HONORING THE LATE PRESIDENT ROOSEVELT

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by the Honorable Joseph E. Davies at a dinner in honor of the late Franklin D. Roosevelt and the presentation of the first annual award of the American-Russian Institute for the Furtherance of American-Russian Understanding, at the Hotel Pennsylvania, in New York City, on May 7, 1946, which appears in the Appendix.]

RELATIONS BETWEEN ARGENTINA AND URUGUAY—ADDRESS BY HON. HENRY MORGENTHAU, JR.

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a radio address entitled "Uruguay—Argentina's Victim No. 1," delivered by Hon. Henry Morgenthau, Jr., on May 8, 1946, which appears in the Appendix.]

EX-DOUGHBOY PAYS TRIBUTE TO MARINES—ARTICLE BY HENRY McLEMORE

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD an article by Henry McLemore entitled "Ex-Dough-

boy Pays Tribute to Marines," which appears in the Appendix.]

EXTENSION OF DRAFT ACT—PAY OF ENLISTED MEN

Mr. WHERRY. Mr. President, the RECORD of May 14 will show on page 4995 that I attempted to get recognition to offer an amendment to Senate Joint Resolution 159. Considerable discussion developed relative to the amendment I had intended to offer in connection with the bill which was introduced by the distinguished Senator from West Virginia [Mr. REVERCOMB], which is now on the calendar, and which he asked unanimous consent to have considered last night.

I should like to state that the reason the amendment was to be offered was to bring to the attention of the Senate the fact that within a few days now, since we have extended the Draft Act by Senate Joint Resolution 159, with the amendments adopted by the House and agreed to by the Senate it will be necessary to take up the reemployment veterans provision of the Draft Act, and that the pay bills be included when we take up the legislation.

I desire to state forcefully as I can that I feel we should look ahead immediately, and see that provisions which have been repealed by the act should be reinserted and maintained.

I believe in a volunteer Army; and, in view of the fact that the amendment was not offered, I want the RECORD to show that I believe the bill of the distinguished Senator from West Virginia, or any other bill that provides for an increase in pay should receive the early consideration of the Senate.

I ask unanimous consent that the amendment it had been my intention to offer to Senate Joint Resolution 159 be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

At the end of the House amendments to Senate Joint Resolution 159 insert the following:

"SEC. —. The first paragraph of section 9 of the Pay Readjustment Act of 1942, as amended, is amended to read as follows:

"'The monthly base pay of enlisted men of the Army, Navy, Marine Corps, and Coast Guard shall be as follows: Enlisted men of the first grade, $144; enlisted men of the second grade, $132; enlisted men of the third grade, $120; enlisted men of the fourth grade, $108; enlisted men of the fifth grade, $99; enlisted men of the sixth grade, $81; and enlisted men of the seventh grade, $75. Chief petty officers under acting appointment shall be included in the first grade at a monthly base pay of $138.'"

THE PALESTINE QUESTION—EDITORIAL FROM THE WASHINGTON POST

Mr. MEAD. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Palestine Solution," appearing in today's Washington Post. The editorial is very timely, and it is one of the best of its kind that I have read recently. It points to the fact that the British members of the Anglo-American Commission on Palestine had in mind the two conditions which Prime Minister Attlee has raised since the receipt of their report. It further points out that the British members of the commission conferred with representatives of Great Britain before submitting their report, and that after that conference they withdrew those two conditions. Thereafter, the report was made unanimously by the Anglo-American Commission, without the conditions. But after the report was made and after it was welcomed by President Truman, Prime Minister Attlee restated the two conditions. All of us are familiar with what those conditions are. As the editorial points out, it is merely another effort on the part of the British to muddle up the situation in the Middle East.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. PEPPER. If I understand the matter, one of the conditions actually imposed by the Prime Minister of Great Britain before putting the plan into effect in any respect—that is, before allowing even 100,000 or any part of 100,000 refugees to go to Palestine—was that the United States had to assume joint military responsibility with the British in a mandated territory.

Mr. MEAD. That is what I believe anyone has a right to assume after reading the conditions as stated by the British Prime Minister, although he did not elaborate on them as thoroughly and as specifically as he should have.

However, Mr. President, it occurs to me that the trouble in the Middle East is entirely chargeable to the blundering British diplomacy, and it is high time that they assumed the responsibility entrusted to them by the mandate of the League of Nations, or else turn that mandate back to the United Nations, so that, in turn, it might be given to some nation which will carry it out a little more effectively than the British have.

Mr. PEPPER. Mr. President, will the Senator yield for one more question?

Mr. MEAD. I am glad to yield.

Mr. PEPPER. Does the Senator not believe there would be a greater readiness on the part of the Arabs in Palestine and in the Middle East, in connection with the matter of attempting to solve the Palestine problem, to deal with the United Nations, which represents all nations and the consciousnesses of all people, than to deal with any one power, or two powers, whose motives and national interests might possibly be injected into the matter.

Mr. MEAD. Mr. President, I believe the Senator from Florida has given a correct interpretation, particularly as it applies to the relationships between the Arabs and Great Britain. I am sure that the Arabs would find it easier to go along with the United Nations than they would to go along with a nation which has been and which is so vascillating as is and has been Great Britain in the matter of her diplomacy in the Middle East. The editorial to which I have referred intimates that the organization of the Arab League had behind it English support. That, of course, is indicative of Great Britain's historic bungling throughout the history of the British mandate.

Mr. PEPPER. Mr. President, I said that I would not ask any more questions, but will the Senator yield for only one more?

Mr. MEAD. I am glad to yield.

Mr. PEPPER. Have we not been told in the press that during this controversy in Palestine the British brought back to Palestine the Sherif of Jerusalem, who stirred up the Arab situation in the Middle East on the side of the Axis, and who became so converted to the Axis cause during the war that he was compelled to flee to Berlin and remain there during the war? Have we not been told that that man has now been brought back to Palestine, instead of being charged with having been a war criminal, to aid in the agitation and disturbance which is taking place in Palestine?

Mr. MEAD. The Senator is correct. The sherif has been brought back to make a further contribution to the chaos and confusion existing in the Middle East in connection with the Palestine question. As the able Senator from Florida has well stated, the sherif should be tried for some of the activities in which he was engaged before and during the early part of the war.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PALESTINE SOLUTION

The Arabs in the Middle East are reported to have protested to Moscow against the alleged undemocratic and Hitler-like approach to the problem of Palestine offered by the Anglo-American Commission. This has its ludicrous aspect. Arab feudalism and Russian communism—they make bedfellows so peculiar that nobody will take the Arabs seriously, least of all the British. Yet the British are using these manifestations of opposition to the opening of Palestine's doors to 100,000 refugee Jews from Europe, as recommended by the commission, as justification for caution and safeguards. It is not a pleasant spectable—this effort to wriggle out of the recommendations of a commission which the British themselves suggested and which was half composed of British members.

Premier Attlee wants as conditions to the acceptance of the report the disbandment of the Jewish private army in Palestine and American military cooperation. Both conditions were pressed by the British members of the Commission in the course of the intra-commission discussions preparatory to the writing of the report. The Americans objected. On the spot they had found that the only possible source of strife in Palestine was Jewish-British. Remove this, they felt, and whatever difficulties were encountered in implementing the report would be manageable by the British authorities, in spite of the encouragement by middle eastern British of Arab nationalism. At one time it looked as if it was impossible to reconcile the two approaches, and that there would have to be two reports. Then the British members visited British Government officials in Geneva, where the League of Nations was being wound up, and came back fully agreed on a joint report without the conditions. The conclusion left in the minds of the American members was that their British colleagues had been given a green light by their own government.

It is odd that Mr. Attlee should now seek to restate the conditions which were rejected by the British members. By so doing he has encouraged the thing he contemplated,

viz, Arab intransigence. He has filled the refugee Jews in Europe, moreover, with a new desperation after they had been given a fresh hope by the publication of the Palestine report. President Truman's welcome to the report still stands. It is to be hoped that the British welcome will be equally forthcoming, if only to relieve the British of the charge, preferred in the British New Statesman and Nation, that British policy in the Middle East is built upon, and had a hand in creating, the Arab League.

THE PLACE OF THE UNITED STATES IN THE POSTWAR WORLD

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. The Senator from Minnesota.

Mr. PEPPER. Mr. President, I should like to suggest that a reference to the RECORD, I think, will disclose that the Senator from Florida was speaking on the unfinished business at the time when it was laid aside to take up the measures considered yesterday. I should like, if possible, to have that right recognized, and then I shall be glad to yield to the Senator from Minnesota to speak as long as he may desire.

The PRESIDENT pro tempore. The Parliamentarian informs the Chair that technically the Senator from Florida would be entitled to the floor. The present occupant of the chair was not in the chair yesterday afternoon.

Mr. PEPPER. I should be glad to have that right recognized, and then I shall be happy to yield to the Senator from Minnesota such time as he may desire.

Mr. SHIPSTEAD. Mr. President, I wish to express my appreciation to the Senator from Florida for his courtesy in yielding to me. As a mark of gratitude for his courtesy, I shall refuse to yield to other Senators, because I am speaking in the time of the Senator from Florida, when he has a right to the floor.

Mr. PEPPER. Mr. President, I thank the Senator for the consideration he shows, but I do not wish to interfere with any of his rights during the time he occupies the floor. I do not desire to have him feel under restraint about yielding to any of his colleagues.

Mr. SHIPSTEAD. The Senator is very gracious, as he usually is.

Mr. President, twice now in one generation America has poured her life's blood and treasure into a World War to end war. Twice now in one generation millions of humble men and women have sacrificed their sons and daughters and squandered their inheritance on the altars of the god of war. Millions of our finest youth have paid in full the staggering cost of a bankrupt statesmanship. Unnumbered millions of the innocent and the helpless have far overpaid the frightful price of man's inhumanity to man. Surely mankind, with all its grief, has earned at least the right to peace.

Yet the once-cherished strength of the simple allegiance and love of country which kept America united in a great singleness of purpose continues to disintegrate before our eyes. Tonight millions of our fellow Americans know that something terrible has happened to their hopes and prayers for peace.

Even the once-alleged solid front of American internationalism is fast being divided into rival camps of conflicting and alien interests.

At a time when the future of America is more gravely threatened than ever before, many of our self-styled internationalists seem determined further to beguile and to divide us. America cannot long survive the rising deluge of pro-Russian, pro-British cries which, if heeded, will divide and conquer us from within. Certain it is that our proposed surrender to world superstatism will only further drain us of our remaining resources, strangle what remains of our dignity and freedom, and drag our standard of living down to the level of the Old World's ancient poverty.

We have never quarreled with those who preached the ideals of peace. We have always encouraged a genuine international cooperation. We have always sought fervently to further the independence of nations. We have always supported the voluntary exchange of goods, ideas, and services on the basis of mutual interest and good will. We have disagreed only with the means and methods of attaining those objectives. We have quarreled only with the despicable and war-breeding methods of secret diplomacy and secret agreements which betray our fellow men into the hands of violence and slavery. We have quarreled with all those who would deny the people the truth.

Today, in spite of all the confusion that prevails, we are able to begin to understand the true nature of the postwar world. Around the earth the forces of human freedom and totalitarian tyranny are locked in mortal struggle. Even the most ignorant now know that the Four Horsemen of old—War, Famine, Pestilence, and Death—are again charging down the corridors of time. It is now clear that the frightful consequences of our second world armed intervention in one generation only confirm the ancient tragedy that history repeats itself.

There are those who seek to hide the dreadful consequences of this war by warning that the next will destroy civilization. What do these men think has already happened to the world?

The truth is that the kind of a world upon which was based the whole program of wild-eyed international schemes, through which we continue to be dragged, is crumbling beneath our feet.

That new world required Russian and British cooperation in all financial, economic, political, and military problems of the postwar era. That new world required the independence and sovereign participation in international affairs of all those nations which have now fallen under the domination of Russia. That new world required the fulfillment of the promise to both victor and vanquished alike, that they would have equal access to the trade and raw materials of the whole world.

Furthermore, the American people were promised three specific instruments with which to rebuild that kind of a world, when the smoke of battle cleared.

The first instrument was forged of the principles and ideals of the Atlantic Charter and the "four freedoms," an instrument to guide us in our task.

The second instrument was to have been a workable peace treaty based on these principles of decency and justice for all.

The third instrument was to be the United Nations organization, which was to be used solely as an instrument for peace to maintain those treaties, and to provide for the collective security of mankind.

What has happened to these instruments for peace?

The majestic principles of the Atlantic Charter and the ideals of the "four freedoms" were repudiated long ago. The late President Roosevelt himself permitted Mr. Forrest Davis to make the following sorrowful admission for him in the Saturday Evening Post, May 13, 1944, when Mr. Davis said:

> Stripped to the bare essentials we fought in 1917 and are fighting now to prevent the mastery of Europe by one aggressive power. Should Russia as a sole European power display tendencies toward world conquest our vital interests would again be called into account.

What does this mean? It means that the late President admitted that America had gone into two wars against Germany in one generation in a vain attempt to maintain the traditional balance of power in Europe. It is the tragic irony of history that Russia, which started this war in Poland with Hitler, ended up as our ally with much of the war loot of the Axis empires in her possession.

So far as the peace treaties are concerned, after many meetings of the four big powers who dominate the United Nations, the business of treaty making has reached a grim deadlock. There are no treaties of peace. Instead, the secret commitments forced by Stalin upon the United States and Britain by his continual threat to make a separate peace with the Axis during the war, seem destined to become the only treaties we are going to get.

On March 1, 1945, the late President declared that the Yalta Conference at which these secret commitments were finally signed, sealed, and delivered, would form the foundation for a decent and enduring peace. Said President Roosevelt of the Yalta Conference:

> It spells, or it ought to spell, the end of the system of unilateral action, exclusive alliances, and spheres of influence and balances of power and all the other expedients which have been tried for centuries and have always failed.

It is now clear, however, that a world reconstructed on such a basis can never have peace. On May 4, only a few days ago, Mr. Walter Lippmann warned the American people of what would happen as a result of these secret commitments:

> No one, least of all the Russians themselves, believes that the political frontier between them and the British can be stabilized where it now is.
>
> This is the reason why every statesman in Europe has it in the back of his mind as his ultimate controlling assumption that he must act as if there were going to be a war between Britain and Russia, which will involve all the other nations.

These commitments have already ushered in an age of unadulterated im-

perial deviltry. It is this very fact that is now frightening our most ardent internationalists, among them Dorothy Thompson, our foremost international interventionist, who recently cried out:

Gentlemen, speak no more to the mothers about your peace and its enforcement. Your peace seems almost more terrible to us than was the war. For beyond the war we saw the rainbow of peace, but beyond your peace we see the lightning flashes heralding the thunders of war. Speak to us, gentlemen, of law; speak to us of liberty; speak to us of justice; speak to us of humanity; speak to us of truth.

These commitments are what have caused the British publication, the New Statesman and Nation, to say:

Few wars have ended with the victors so magnificently unprepared for the long littleness of peace.

So far as the third instrument for peace is concerned, we have heard much talk in recent months of the necessity of keeping our commitments and fulfilling our obligations to Stalin through the United Nations organization. But again the loudest spokesmen for the United Nations have studiously avoided any specific statement of what those commitments are or how they are going to be kept. Instead, the United Nations organization itself is now being bitterly attacked from all sides, even by its former most enthusiastic supporters. Now they are all in despair, from Anthony Eden and Secretary of State Byrnes down. These former champions are now attacking the very provisions of the United Nations organization which I warned against and refused to support in the United States Senate.

Mr. Stassen is now in the forefront of those who are demanding that the veto must neither excuse aggression or excuse any member from discharging its obligations under the United Nations Charter.

On April 22 last, former Justice Roberts, of the United States Supreme Court, told newspaper publishers it was their duty to inform the people that the United Nations offered no security against international war. "Theoretically," he said, "the United Nations provides a multilateral treaty between big and little nations. Actually, it has created a tripartite alliance between Russia, Britain, and the United States." According to the Washington Post: "He added that failure of the three great powers to hold a united front would doom the United Nations to failure."

It is now clear that the bitter struggle that has gone on between the Big Three since the tide of battle turned has been uprooted bodily and set down in the middle of the Security Council where the United States is now helpless to move because of the veto power to which I refused to agree.

On May 7 last, Mr. Trygve Lie, Secretary General of the United Nations, stated:

The battle of the veto which can be settled only if there is unanimity of the Big Five may have to be placed before the General Assembly in September in the form of a charter amendment, which in turn would have to be ratified by two-thirds of the member nations, including all members of the Big Five.

In other words, unless and until Russia formally yields her veto power, there can be nothing settled, nothing agreed to or acted upon in the Security Council or the General Assembly that can possibly permit America to use the United Nations organization as an instrument for peace.

As it is now constituted, the Security Council remains an instrument of tyranny to maintain and enforce the secret commitments which are turning Europe and Asia into the breeding grounds of the third world war. If the time ever comes when the abolition of the veto power unlocks the present stalemate in the Security Council, America will still be confronted with the sordid, secret agreements of Tehran, Yalta, and Potsdam which formed the foundations of the alleged "peace" she has agreed to uphold and to enforce. It was against this terrifying probability that I sought to defend the American people when I voted against the Moscow declaration, the Connally resolution of November 5, 1943, and the United Nations Charter in 1945. On each occasion I stated that I refused to sign a blank check which was to be filled in secret by power politicians at a later date, and redeemed with American blood and treasure.

As it now turns out those blank checks have been filled in at Tehran, Yalta, and Potsdam with commitments which are a disgrace and an outrage to the Christian conscience and which now even threaten our own security.

At Tehran the late President agreed to Russia's demand for the incorporation of eastern Europe into the Russian sphere. One by one the small nations from the Baltic to the Balkans were betrayed into the hands of Russian tyranny. Finland, Latvia, Estonia, Lithuania, Poland, Rumania, Czechoslovakia, Yugoslavia, Hungary, Bulgaria, and Albania are now caught and held in a Russian vise.

At Yalta the late President agreed to the Russian occupation of Inner and Outer Mongolia, Manchuria, half of Korea, the Kurile Isles, and what amounted to the five northern provinces of China.

The frightful consequence of such political betrayals are not yet apparent to the American people. In the first place, in the space of 5 years, these betrayals have made possible Russian conquests that outrank the greatest conquests in history. These conquests have torn the world in two and left Russia in control of the greater part of the resources of both Europe and Asia.

Europe has never been able to exist divided against itself. Western Europe has always been dependent upon eastern Europe for the interchange of agricultural and industrial commodities. Without it western Europe will be forced into the hands of Russia.

In the Far East these conquests mean that Russia has been given all of the privileges and rights which the Chinese have fought for 10 years to deny the Japanese. Manchuria and Korea contain the rich deposits of natural resources without which Japan would have been compelled to remain an island of fisherfolk off the Asiatic coast.

These conquests mean that we have been parties to the destruction of the whole system of sovereign and independent nation states upon which all our international law of the past 400 years has been founded.

They mean that the whole world has been torn in two, that Russia has erected the iron wall of a slave-labor, state-controlled, closed-door trade monopoly around the world from Hamburg on the Atlantic to Hong Kong on the Pacific. Free trade and free enterprise are thus threatened with strangulation.

America is now in the position of contributing directly to Russian reparations and rearmament by loaning to the so-called Russian liberated nations the means to meet Russia's oppressive demands.

On the other hand, in western Europe and eastern Asia we are financing the permanent deficit economy of two bankrupt imperialisms. At the same time, we are directly contributing to the support of British armies of occupation and British rearmament, as well as our own.

In spite of the fact that Rudyard Kipling once wrote "East is East and West is West and never the twain shall meet," tonight around half the world from Hamburg on the Atlantic to Hong Kong and Singapore on the Pacific, Russia has joined the East and the West clear across the Eurasian Continent for the first time in history.

The system of little sovereign nation states has been wiped out. The Axis empires have been destroyed and this war has brought face to face the two centuries-old rivals for empire control, Great Britain and Russia.

In the heart of this tragic spectacle stands America's eternal monument of shame, the Morgenthau plan for the destruction of the German-speaking people. By the Potsdam agreement the American people were committed to the inhuman policies of mass starvation, mass deportation, slave labor, the destruction of 25 percent of the world's productive capacity which is so desperately needed for European reconstruction, and to the creation of a permanent economic and social slum in the heart of Europe. This policy has already contributed directly to the staggering hunger catastrophe that has befallen the world. It has created the breeding ground for the greatest criminal potential known to man by subjecting some 20,000,000 orphans and countless others to the ravages of disease and starvation; it has already set the stage for the third world war in Europe.

Mr. Walter Lippmann in his very recent report on Germany now warns us that neither Britain nor Russia have any intention of keeping their pledges to disarm and demilitarize Germany. They are each engaged in the mad race of reconstituting and rearming the German state against the other. Even such a person as Mr. Gardner Cowles, Jr., after his recent return from Europe, now states:

The decisions made at Potsdam must be reversed.

Even Mr. John Foster Dulles also admits that this conflict between the Big Three is tearing the United Nations

apart. He describes the action of the members of the Security Council as:

A forum where through propaganda and clever maneuvering they could score a national gain at the expense of others. The pattern of the future is already taking form and the form is not a pleasing one. It resembles much the pattern of the past.

Mr. Dulles is only admitting the tragedy in the making that I anticipated as far back as the time of my opposition to lend-lease.

On April 6 last, President Truman himself demanded a new universal foreign policy designed to oppose aggression the world over and called for strong military forces to back it up. Why does the President want the Selective Service Act extended to draft our youth for another year? Why does he want to saddle universal conscription on America for the first time in our history? Why does he want our armed forces unified and special regional security arrangements in the Western Hemisphere and the Far East which exclude Russia? Why are the British now openly advocating an Anglo-American alliance? Why all these continuing demands for increased armaments outside the United Nations Organization?

The answer is perfectly clear. The Axis nations while presently disarmed and helpless once again are becoming instruments in the hand of conflicting rivalries that are centuries old. The United Nations Organization does not permit or provide for the use of force against any one of the Big Five. Yet, there are those among the Big Five who continue to carry threats and acts of aggression far beyond Munich and Pearl Harbor.

Today the third world war is also in the making in the Orient where Russian-backed Chinese Communists and the Nationalist Government of China, backed by Britain and American marines are at each other's throats.

What then remains for America to do? Another war would be suicidal folly. To continue to prepare for another war, as though there were no other means left to arrest the present disintegration of international relations, is nothing but the counsel of despair.

First, America must take back into her hands the moral leadership of the world by repudiating the secret war-breeding commitments which already threaten another world calamity.

Second, the Potsdam decisions and the Morgenthau plan must immediately be supplanted by a creative program for the reincorporation of the German-speaking nations into the economic and social structure of Europe.

Third, a peace conference ought immediately to be called where those people whose destinies are involved are given a full voice in the settlements. These treaties must be rooted in decency, justice, and magnanimity.

Fourth, at that peace conference a central German civilian government must be reconstituted, the artificial restrictions of the four zones abolished, and an agreement reached whereby the occupying armies will be withdrawn as soon as possible, not only from Germany but from all the alleged liberated countries, as well as from the occupied nations around the world. How else can any people or nation even begin the staggering tasks of rebuilding democratic, peace-loving societies?

Fifth, at that peace conference American statesmanship must take the lead in relieving the oppressed peoples of the earth of the crushing burdens of universal conscription and a mad rearmament race. If we are ever again to know peace American statesmen must take the lead in bringing about the universal abolition of conscription and multilateral progressive disarmament. The peoples of the earth can finance either new armaments or the tasks of peaceful reconstruction. They cannot finance both.

To achieve this kind of a world America must no longer underwrite the expansion of Russian tyranny, nor can we afford to underwrite the liability of the British Empire in the form of the hatreds of the oppressed colonial peoples of the Orient.

Such moral leadership America can exercise only by demanding the abolition of the veto power in the Security Council and the removal of every provision for the enforcement of peace in the United Nations Charter. This will automatically transform the grim military alliance of the Big Three into a genuinely democratic international organization based on voluntary consultation and mutual consent. It is this kind of an international society of nations I have given my life to suport.

I can see no other way now left for America to avert the outbreak of an atomic war except by competing with Great Britain and Russia, on the basis of principle, for the allegiance and the trust of the oppressed peoples of the earth.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. SALTONSTALL. I should like to ask the Senator one question. Are not President Truman and Secretary Byrnes attempting to do just what the Senator from Minnesota has suggested, in the Peace Conference at Paris and in the various United Nations meetings? How else can the United States accomplish the desired objectives except by talking over matters with the other important powers? How else can it do so except by being strong itself? If we disarm and become a weak nation, other nations will not listen to us in the councils of the world.

Mr. SHIPSTEAD. I am not advocating the disarmament of the United States. I am asking that the United States support and demand multilateral disarmament of all peoples who say that they are for peace and do not want war. We said through the United Nations that we were going to accomplish that objective; but who ever dreamed for a moment that after we got the United Nations the President of the United States would ask for universal conscription and that Russia would continue to keep the largest standing army in the world, conscripting one and a half million soldiers every year? The world is in the condition of stalemate because of the veto power in the United Nations. That organization is locked in a vise. It cannot act. Russia sits enthroned, as I stated, from Hong Kong and Singapore on the Pacific to Hamburg on the Atlantic, across the two continents; and no one is going to remove her so long as she has the veto power.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD] as a substitute for section 8 of the committee amendment, on page 28.

Mr. BYRD. Mr. President, I wish to modify the pending amendment. The modifications are as follows:

The first modification which appears on page 1, line 8, of the printed amendment, strikes out the word "demand." With the word "demand" stricken out it will no longer be unlawful for a representative to demand money or other thing of value from an employer, but it will still be unlawful for him to receive or accept it. This modification will satisfy the objection voiced by the Senator from Florida [Mr. PEPPER] on May 13.

The second modification strikes out the world "similar" on page 2, line 11. The provision affected deals with the check-off, and I believe the word "similar" is unduly restrictive and should come out. My objective here is to permit the check-off to continue in payment of dues and also in payment of other fees such as health and welfare dues which may be payable to the union from the wages of its individual members.

The third modification appears on page 2, line 12. The purpose is to make sure that the prohibitions contained in my amendment do not apply to the payment of any money or other thing of value to an organization or fund for furnishing health, welfare, or other benefits if employers and employees are both represented in the administration of such organization or fund, with majority representation going to the one contributing more than one-half to the support of the organization or fund. If they both contribute equally, they will have equal representation in administering the organization or fund. As I interpret the language of my amendment, the prohibitions contained therein do not apply to such an organization or fund, as the amendment is now written; but to satisfy some objections that have been raised, I am willing to have specific language inserted to satisfy any doubts on the question.

The fourth and last modification inserts a definition of "representative" in order to meet some of the objections that were raised in debate with respect to an employer who gives money or other things of value to an employee baseball team or a picnic or outing of his employees. The term "representative" is defined to mean any labor organization

or any individual who is authorized to deal with an employer on behalf of his employees concerning labor disputes, wages, etc., and includes any other organization or fund of which a majority of the officers are representatives or are members of a labor organization, or are elected or appointed by a representative. This last provision is inserted to close a possible loophole whereby a corporation or other legal entity could be set up and have royalty or other funds paid to it instead of to the union. That might be a possibility under the language as now used in the amendment. The perfecting modification which I now offer will make unlawful the payment of money to any such organization or fund unless employers have at least equal representation with its employees in the administration of such organization or fund, except where the employees contribute more than half to its support.

Mr. President, I understand that under the rule, I have a right to modify my amendment.

The PRESIDING OFFICER. The Senator has that right, and his amendment will be modified accordingly.

The amendment proposed by Mr. BYRD, as modified, is as follows:

On page 28, strike out section 8 and insert in lieu thereof the following:

"SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

"(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to receive or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

"(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer; (2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other fees payable by such employee to such labor organization; or (3) any money or other thing of value paid to an organization or fund for furnishing health, welfare, or other benefits to employees and their families and dependents, if both employees and employers are represented in the administration of such organization or fund, with employees having the majority representation if they contribute more than half to the support of such organization or fund and with employers having the majority representation if they contribute more than half to the support of such organization or fund.

"(d) Any person who willfully violates any of the provisions of this section shall upon conviction thereof be subject to a fine of not more than $10,000 or to imprisonment for not more than 6 months, or both.

"(e) The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (U. S. C., title 28, sec. 381), to restrain violations of this section, notwithstanding the provisions of sections 6 and 20 of such act of October 15, 1914, as amended (U. S. C., title 15, sec. 17, and title 29, sec. 52), and the provisions of the act entitled 'An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes,' approved March 23, 1932 (U. S. C., title 29, secs. 101–115).

"(f) As used in this section—

"(1) 'Goods' means goods, wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof.

"(2) 'Produced' means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this section an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof, in any State.

"(3) 'Representative' means any labor organization which, or any individual who, is authorized or purports to be authorized to deal with an employer, on behalf of two or more of his employees, concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work; and any other organization or fund of which a majority of the officers are representatives or are members of a labor organization or are elected or appointed by a representative."

Mr. PEPPER. Mr. President, I commend the able Senator from Virginia for clarifying and modifying his amendment as he has done. Undoubtedly the modifications improve the amendment by making it clear that at least in case representatives of labor organizations or employees who are not organized into unions insist upon an adequate health and welfare fund as a condition to their continued employment by an employer, they will not be subject to imprisonment or fine for so doing.

However, it seems to me that the amendment, even as now modified, is an undesirable one; for in this particular respect, Mr. President, it would accomplish some other things which I am not at all sure the able Senator from Virginia would like to have accomplished. For example, the amendment, in the form in which it is now presented, would make illegal the continued operation of plans now in existence, which are administered by the unions themselves, and which are designed to afford medical and health protection to employees. I see no reason why the Senator from Virginia or other Senators would wish to step in and invalidate by law the continued operation of health plans now in existence, and which have been arrived at through true collective bargaining, merely because the Senator from Virginia or some other Senator or Senators might not happen to like John L. Lewis' approach to the reexecution of a contract of employment for his miners with their employers.

Mr. President, I call attention to the language of the amendment which would accomplish the purpose I have just described, namely, outlawing plans already in existence and in operation, which have been arrived at by collective bargaining, by which unions administer health funds which are provided by the employers.

Subparagraph (3) of paragraph (c) of section 8 reads as follows:

Or (3) any money or other thing of value paid to an organization or fund for furnishing health, welfare, or other benefits to employees and their families and dependents, if both employees and employers are represented in the administration of such organization or fund, with employees having the majority representation if they contribute more than half to the support of such organization or fund and with employers having the majority representation if they contribute more than half to the support of such organization or fund.

Mr. President, I now call attention to the fact that that exception is one of the three exceptions carried in the amendment which state cases in which funds received by representatives of employees from employers could be received without violating the law if this amendment should become the law. The first part of the amendment lays down, it will be remembered, two positive prohibitions.

Section 8 (a) is as follows:

SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

Section 8 (b) provides as follows:

(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

Paragraph (c) of section 8 is as follows:

(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer; (2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other similar fees payable by such employee to such labor organization.

Mr. President, we find, therefore, that the amendment offered by the Senator from Virginia attempts to step in and lay down the terms and conditions by which, even under free contractual arrangements and agreements, an employer may not put any money or other thing of value into the hands of the representatives of employers.

In the first place, why does the Senator from Virginia ask his colleagues in the Congress to legislate the conditions upon which employers and employees may enter into contractual understandings and agreements? Why, Mr. President, are employers and employees to be made incapable of making contracts concerning their own affairs? Why, Mr. President, is the Senator from Virginia asking his colleagues to say that, even if an employer wishes freely and of his own will and accord to bestow upon the representative of his employees for their benefit a sum of money or health or hospital facilities, to be administered by the employees themselves, he may not do so without violating a law enacted by the

Congress of the United States of America?

Mr. President, the entire situation indicates how far some Senators are willing to go in striking at John L. Lewis because all of us dislike the effects of the stoppage of work in the coal mines of this country, of which John L. Lewis is the symbol.

I have said that, by the enactment of the amendment offered by the Senator from Virginia, the Senate would be interfering with the internal affairs of contracts already entered into between employers and employees, and would make illegal and invalid plans which are already in existence and in operation in this country.

I have before me Bulletin No. 841 of the United States Bureau of Labor Statistics, issued under the Department of Labor. The bulletin is devoted to the subject of health benefit programs established through collective bargaining, 1945. Here are some of the pertinent statements contained in the bulletin:

Provision for health-benefit programs as a part of the contractual relationship between employers and unions was almost unknown a few years ago. Although a number of companies had provided within-plant medical service for their employees for many years and a few had established group health insurance programs, these were administered by the employer and were subject to alteration or discontinuance by the employer and were subject to alteration or discontinuance at his will. Many were started as a part of a general welfare program designed to win employee loyalty and discourage union organization. Organized labor, having no voice in their administration and suspecting the motives for which they were established, has never wholeheartedly endorsed company benefit plans.

In response to their members' need for protection against total loss of income during sickness, a number of unions have established benefit programs of their own which are financed through membership dues or special assessments. Many of these, however, cover permanent disability and old age rather than short periods of illness.

During recent years, an increasing number of unions have succeeded in having health-benefit plans included in the terms of their agreements with employers, and several international unions have established special facilities for helping their locals negotiate such plans. Although a number of the provisions in current agreements signify the substitution of contractual arrangements for already established employer-administered or union-administered benefit plans, many of them are new; some of the latter have been negotiated in lieu of wage increases which could not be obtained under the wartime wage-stabilization program.

To strengthen their case for employee participation in administration, some unions favor the policy of having employees contribute toward the payment of premiums. On the other hand, some unions have obtained virtual control of administration of programs which are financed entirely by employees. In a majority of cases the health-benefit programs are underwritten by private insurance companies; such group policies usually include, in addition to the sick-benefit provisions, accidental-death and dismemberment benefits, which are not described in this report.

The health-benefit plans described in the following pages cover more than 600,000 workers employed under agreements negotiated by unions in various industries. This coverage figure, however, is not all-inclusive, being based on agreements and other material on file in the Bureau of Labor Statistics. No attempt has been made to determine statistically the extent of such provisions in union agreements. The purpose of this report is, rather, to present a brief description of some of the more representative types of health-benefit plans established recently by employer-union contracts.

Most of the plans described in this report have been negotiated by the following unions: International Ladies' Garment Workers' Union (A. F. of L.)—

Mr. President, the able Senator from Virginia spoke of the badge of honor which he recognized as having been bestowed upon him by having been pointed out as one of the Senators whom the National Citizens' Political Action Committee, the CIO Political Action Committee, and the Independent Committee of Citizens in the Arts, Sciences, and Professions, will not support in the coming elections of this year. The able Senator from Virginia has been directing his fire at John L. Lewis. John L. Lewis is not affiliated with the CIO; John L. Lewis is not affiliated with the Independent Committee of Citizens in the Arts, Sciences, and Professions; John L. Lewis is not affiliated with the National Citizens' Political Action Committee; John L. Lewis is not one of those who said that he would not support the Senator from Virginia in the coming elections. John L. Lewis is a member of the executive council of the American Federation of Labor.

Surely neither the able Senator from Virginia nor any other Senator would contend that the American Federation of Labor is a communistic organization, that it is an organization which is trying to undermine the institutions of this country, or that it is identified with any of the organizations against which the Senator expressed himself earlier in the day. I am calling attention to the fact that the organizations which I shall enumerate are identified with the American Federation of Labor or the CIO, not with John L. Lewis, that by collective bargaining they have already entered into plans with employers to provide for the health and welfare of employees, and that those plans, in many instances, would be invalidated and made illegal if the amendment of the able Senator from Virginia were to become a part of the law of this land.

I return to Bulletin 841, and read, as follows:

Most of the plans described in this report have been negotiated by the following unions: International Ladies' Garment Workers Union (A. F. of L.), Amalgamated Clothing Workers of America (CIO), United Hatters, Cap, and Millinery Workers International Union (A. F. of L.), Textile Workers' Union of America (CIO), United Textile Workers of America (A. F. of L.), International Fur and Leather Workers Union of America (CIO), United Electrical, Radio, and Machine Workers of America (CIO), Upholsterers' International Union of America (A. F. of L.), United Furniture Workers of America (CIO), Industrial Union of Marine and Shipbuilding Workers of America (CIO), Hotel and Restaurant Employees' International Alliance and Bartenders' International League of America (A. F. of L.), Paper Workers' Organizing Committee (CIO), United Retail, Wholesale, and Department Store Employees of America (CIO), and the Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America (A. F. of L.). The Trade Union Agency, a New York consultant firm, acts as representatives for several of these unions in their health-insurance negotiations.

So, Mr. President, a great many unions representing employees, recognizing the need of the employees for health care and benefits, recognizing the fact that the Congress of the United States has not been willing to put upon the statute books an effective national health program, recognizing the opposition, the determined and, in some instance, venomous opposition, now being expressed not only by agencies of the Government but by members of professions, and by some Members of Congress, against the enactment of an adequate national health program, such as that which has been so ably sponsored by the distinguished chairman of the Committee on Education and Labor the junior Senator from Montana [Mr. MURRAY] and the great senior Senator from New York [Mr. WAGNER] in this body, and by Mr. DINGELL, a Representative from Michigan and a Democrat in the House of Representatives—I say, Mr. President, that representatives of workers, members of the A. F. of L. and CIO unions, recognizing the fact that they do not otherwise have adequate provisions for their health and loving their wives and their children and wanting to be more efficient workers themselves have in the series of instances I have enumerated already negotiated by free collective bargaining contract arrangement with their employers by which there can be adequate health insurance funds to provide medical and hospital care for the workers of these organizations.

Mr. President, the Senator from Virginia would not look with favor upon that, at least if the benefits of such funds are to be administered by the unions themselves, or if the unions have even a fraction larger percentage of authority in the administration of such plans than the employers have, notwithstanding the fact that the employer, even if technically he puts up all the money, is not really putting up money, for the employer will pass the burden of the added expense on to the consuming public that uses and enjoys the articles and the services which his institution distributes to the public.

So, Mr. President, why should management, merely because it happens to be the agency that collects the money from the public and pays it into the fund, insist that it has the primary right in the administration of a program, the obvious purpose of which is to confer benefit upon the employees and not upon the management, except, of course, that the management is benefited by employees being able to render more efficient industrial service.

Mr. President, let me interpolate to say that we have proved recently in our health report that in this country 600,000,000 man-days of labor are lost by workers because of ill health. So the employer does have an interest in the subject, however seldom he fittingly acknowledges it, because adequate health plans and programs will make for him a more efficient working force as well as assure longer life and better health to the employees in their personal capacity.

So what I am saying, Mr. President, is that these plans have already been negotiated by collective bargaining, and the Senator from Virginia, without investigating these plans, without any hearings having been had by the Senate or the House of Representatives, without any vice having been disclosed in the plans, would outlaw them, make their continuance and their operation illegal, and subject to punishment those who might have or who had anything to do with the receipt of funds for the administration of these plans.

Here is a summary of how these various plans I have described, negotiated by the AFL and CIO unions by voluntary collective bargaining, are administered. I now read from page 2 of Bulletin 841 which I have described:

Health-benefit programs provided by collective-bargaining agreements may be divided into three types, according to their method of administration: (1) Those administered solely by the union.

The Senator from Virginia, without having investigated whether these programs have been operated by the unions in such a manner that they should be outlawed, would make that illegal because the Senator from Virginia thinks John L. Lewis is imposing as a condition to the re-execution of a miners' contract agreement to such plans by the employers. The Senator from Virginia would not only outlaw what John L. Lewis is demanding but what anybody else might demand for the workers. Tomorrow it might be William Green, or it might be representatives of the railroad brotherhoods, than which there are no better and more responsible unions in this country, or it might be Mr. Philip Murray, or it might be the representative of employees who are not members of unions, because the Senator from Virginia has not limited the effect of his amendment to employees who are members of unions themselves. So I say the Senator from Virginia would outlaw these plans already in operation, arrived at by collective bargaining between employees and employers, and which are administered primarily by the employees themselves, for the very good reason that it was for their benefit that the plans were devised and for their benefit that the funds are made available.

(2) Those administered jointly by the union and employer, and (3) those administered by a private insurance company which undertakes the responsibility for determining eligibility claims and payment of benefits. Under the third type of plan, the employer may pay the premium directly to the insurance company, or he may make payment to a special union fund from which premium payments are made to an insurance company. Even when the plan is underwritten by a private insurance company, the union and employer frequently share in the responsibility of administration. For example, a joint committee of union and company representatives may review all claim and, when necessary, jointly sign drafts on the insurance company. Under some insurance-company plans all claims are filed through the union.

Mr. President, I ask your particular attention to this statement:

A little more than a third of the employees covered by health-benefit programs included in this report are under plans which are jointly administered by the union and employer. Another third are covered by programs for which insurance companies assume the major administrative responsibility—

Mark you this—

and somewhat less than a third are under those administered solely by the union.

Mr. President, the Senator from Virginia would outlaw all this. Anyone who participated in the receipt of funds for the administration of such plans already arrived at by collective bargaining would be subject, as his amendment provides on page 2, to the following penalty:

Any person who willfully violates any of the provisions of this section shall upon conviction thereof be subject to a fine of not more than $10,000 or to imprisonment for not more than 6 months, or both.

Mr. President, that is the kind of legislation which is being seriously proposed by a United States Senator merely because he is dissatisfied with the stoppage of work in the mines of this country by Mr. John L. Lewis as a representative of the miners of this Nation.

Mr. President, I wish to read a little further from Bulletin 841.

Most of the health benefit plans included in this report are financed entirely by the employer. This is true of all the union-administered plans, almost all the jointly administered programs, and more than half of those administered by insurance companies. Only a few of the jointly administered plans and less than half of those administered by the insurance company require both employees and the employer to contribute to the financing of the health program.

Most agreements stipulate that the employer shall contribute a specified percentage of his pay roll.

I hope Senators heard that. Most of the agreements now in operation, arrived at by collective bargaining between employees and employer, where the employer puts up all the money, stipulate that the employer shall contribute a specified percentage of his pay roll (usually 2 or 3 percent) to meet his obligations under the benefit plan, although in some cases no exact amount is specified. Under the latter arrangement the employer either defrays all the expenses on a current basis, or supplements regular employee contributions with such money as may be required from time to time.

Mr. President, the Senator from Virginia, by his amendment, would outlaw every one of those plans. The Senator from Virginia is hitting at John L. Lewis. I hold no brief for John L. Lewis. What I am trying to say is that in our mad haste to strike at John L. Lewis, we are hitting not only hundreds of thousands but millions of the honest and patriotic working men and women of America. That is the vice of this crusade which is reflected in the many summary amendments which are proposed on this floor to the pending bill.

Mr. President, John L. Lewis is not the first one to propose a health fund for the members of his union, as this bulletin of the Department of Labor and many other data which I have here confirm. He was preceded in this fight by other labor leaders. Does the Senator from Virginia now think it is right to go back and put them in jail, or make them pay up to $10,000 by way of fine if they continue the operations of those plans which they previously brought about by collective bargaining? Yet that is what the Senator from Virginia proposes. That is what the Senator from Virginia tells his colleagues is necessary if we are to punish John L. Lewis. That is his way of telling the American people and his colleagues that if we are to get coal, we have to act in this manner. It merely goes to show how immature and really how dangerous is this angry and speedy effort to strike at John L. Lewis in this way, without committee hearings on these amendments.

Mr. President, the able Senator from Virginia does not come here with a record of hearings on his amendment and say, "Mr. President and Senators, we have made an investigation of the subject of these health plans which are administered by the unions, and they are vile, they are wrong, they should not be continued in operation." Those who oppose the amendment are the ones who brought out the fact that they existed at all.

Nor does the Senator from Virginia come here and say, "My committee has made long study of this whole subject, and we do not think it is proper for any union to administer a health plan, even if there is an agreement that they may do so, voluntarily entered into between the employer and the employee."

Mr. President, the Senator from Virginia does not tell us either one of these things. He comes forward with an amendment which has had no committee consideration, which Senators never heard of until it was presented yesterday, which they never saw until this morning, and he asks the Senate to adopt the amendment without regard to the effect it will have on plans already arrived at voluntarily, without regard to the deterrent effect such a provision in the law might have on provision for adequate health benefits in the days and months and years ahead.

Mr. President, just a few words more on this particular subject, and then I wish to yield to the able Senator from Iowa.

Following page 14 of pamphlet No. 841, to which I was addressing myself, appear several pages of descriptive matter under the heading "Union-administered benefit plans." I shall read only one or two short paragraphs:

Of the health benefit plans described in this report, those covering somewhat less than a third of the workers require that the union assume all, or the major share, of the responsibility for administering the program. Plans of this type are found principally in the women's apparel industry, although more than 20,000 laundry workers in New York City and a few fur and millinery shops are also covered by union-administered benefit provisions.

These union-administered plans are financed entirely by the employer or a group of employers who agree to pay a stipulated amount, usually a percentage of the weekly pay roll, to a benefit fund established within the union.

Rules and conditions under which benefits are to be paid are adopted by the union, although usually subject to the approval of the employers. In several agreements the

employer and union jointly determine the amount of benefits and the rules and regulations which are ultimately to be administered by the union. According to the New York laundry workers' agreement, the employers' association is permitted to examine the books of the insurance fund, and some of the ladies' garment workers health plans require the union to submit periodic financial reports to contributing employers. Others, however, specify that "neither the association nor any of its employers shall have any right, title, or interest in and to said fund or the administration thereof."

Mr. President, no one would have any objection to the employer having a right to examine the books. No one would wish to protect any union which maladministered such a fund. I think, however, that the courts are open to any member of a union who would have any desire to complain about the misapplication of the funds which might be provided in this way. So that the Senator from Virginia does not have to become the guardian of these employees. They are pretty intelligent themselves. They have lawyers. They have awareness of their rights. They have pretty good sense, and if any union official were misadministering the funds set aside by the employer for the protection of the health of the employees, I dare say the employees would raise enough of a kick about it so that there would be an appropriate review by a responsible tribunal. So the Senator from Virginia is not aiming at the curbing of an existing strike, he is not trying to outlaw a wrongful practice. He is not trying to show responsibility where irresponsibility has been made to appear in the past.

No; the truth of it is, Mr. President—and no one knows it better than the Senator from Virginia—that this is a part of the attack on John L. Lewis and the labor unions of this country. It is an assault which has been in preparation for a long time. It is a crusade which has been gathering momentum, and this is the propitious time, in the opinion of some, Mr. President, to launch the crusade, because they think that labor in America, not just John L. Lewis, but the working men and women of America today, are on the psychological defense because John L. Lewis has exhibited an arrogance that is unbecoming to a responsible leader, and because the effect of his refusal to negotiate a contract, however worthy may be his purpose and conditions, has been to inconvenience the American public and relatively to stagnate the economy of the United States.

And today the crusaders are striking, not at John L. Lewis only, but are using John L. Lewis as the dagger to stick in the back of labor. They are using the symbol of John L. Lewis to prejudice the American people against the men and women who work and earn their livelihood by the sweat of their brows. What they are trying to do, Mr. President, is to undermine and emasculate the power of the labor unions of this country, because they have come to have an authority in improving the working conditions of working men and women which management has come to wish to deny or to limit.

No, Mr. President, the pending amendment is not really aimed at the protection of the employees against the misuse of a health fund. The purpose of it is to emasculate the power of labor unions in the United States of America, because there are some Senators, as there are some employers, who want the workingman to come, not as a dignified equal to demand his due, not as an American to insist upon his rights, not as a citizen of the United States to say to them, "I want what the Bible says I am entitled to—the laborer's hire." No, Mr. President, some Senators and some employers and some trade associations would really prefer that he come groveling like a slave upon his hands and knees to take the pittance he can get from the employers' beneficence. They want him to come like a ragged Lazarus, Mr. President, to the employers' Dives' table and be satisfied with the miserable crumbs that he may get.

I tell you, Mr. President, that, whatever may be the result of the action upon this particular measure, the American workingman, and, I say, thank God for the American workingwoman who has made such a magnificent contribution to the output which has helped us to win our great victories, cannot be strangled.

Labor is but the representation of that democracy which all over the world is on the march. We may dislike it, we may try to put our fists in the faces of laboring men and women, we may try to hurl them back down the ladder up which they are trying to climb; we may kick them as they come demanding their due justice; but believe me, Mr. President, theirs is a power which they will not give up, because when they finally realize what is the issue involved in this and other characteristic legislation, they will assert their might at the polls in no unmistakable way.

So I wanted to say that the Senator from Virginia is not justified in trying to limit the unions in their collective bargaining as to how the fund shall be administered. The attempt, therefore, has some other motive and purpose. But I shall say something more about that when I have yielded to the able Senator from Iowa [Mr. HICKENLOOPER].

Mr. PEPPER subsequently said: Mr. President, I wish the record to be correct. I inadvertently attached to Representative DINGELL the label of republicanism. While many Members of Congress bear the name Republican with honor and distinction, such as my friends on the other side who are now present, Representative DINGELL, being a good Democrat, might not like that designation. Therefore I ask that the record be corrected in that respect, so that the record may not indicate that Representative DINGELL is one who walks in the outer darkness of republicanism when really he walks in the bright light of democracy.

Mr. HICKENLOOPER. I may say that those who walk in the true path of republicanism are also walking in the true path of democracy.

Mr. WHERRY. We on this side appreciate very much the loan by the Senator from Florida of Representative DINGELL, though he did so for only a short time.

A NEGLECTED ASPECT OF THE NEW DEAL TECHNIQUE

Mr. HICKENLOOPER. Mr. President, I thank the Senator from Florida for yielding to me at this time. I will say for the information of the Senator from Florida that my remarks will take but 10 or 12 minutes. I make that statement so that the Senator may be apprised as to the length of time I expect to speak.

Mr. PEPPER. Mr. President, I would not want the Senator to shorten his remarks unduly. I wish him to feel perfectly free to discuss the matter he wishes to discuss as fully as he likes.

Mr. HICKENLOOPER. I will say to the Senator from Florida that I sometimes have difficulty in extending my remarks beyond 10 or 12 minutes. I have prepared to speak for about that length of time now.

Mr. President, the United States is a representative republic which was instituted by the people themselves for their sole benefit. They knew that it is impossible to collect the individual judgments of all of the people. They knew that it was necessary, therefore, that certain persons from among their number should be elected, to whom could be delegated the power of acting in behalf of the people. This principle of government by representation is absolutely fundamental to the American scheme of government.

The very fact that we do have government by representation requires an understanding that each Member of the House of Representatives stands in the place of the people from his district who elected him. The same thing is true of each of the two United States Senators from each of the States. The Members of the Congress, thus, are vested under our Constitution and within its limitations, with the power of the people themselves.

When Representatives and Senators are sent to the Congress, it becomes their duty to consider and possibly to adopt such measures as in their judgment are best calculated to promote the welfare of the Nation and the happiness of its citizenry. Every Member of the Congress takes an oath to support and defend the Constitution of the United States and on his conscience and on his honor, every Member of the Congress must act according to his best judgment.

To assist the Members of the Congress in arriving at a judgment, hearings are held before the committees of the Congress on various legislative proposals. Witnesses appear and testify. Experts extend their helpfulness. The Members of the Congress have before them the exact language of the bill and thus are able to discern something of the nature of the powers and the authority which a particular measure would provide. The Congress has the benefit of the arguments of its Members as they consider the possible effect of a measure. Obviously, as is true in our everyday experience, reasoning minds may differ as to whether a bill is desirable, or constitutional, or necessary. Differing conclu-

sions are reached by various Members of the Congress as to what may be the ultimate effect of proposed legislation. Finally, however, the Members of the Congress vote, and by their votes they determine whether a bill shall pass or be rejected. Historically, this has been the way the American people have exercised a voice in their own Government through their duly elected representatives in Congress.

In late years a new technique of government control has been fostered by the policymakers of the administration. They sit in their offices in the Government buildings and they decide what they wish to do to our Government. They prepare the bills and write into them grants of the powers the bureaucrats wish to exercise. Then they issue statements to the newspapers and over the radio telling their own version their own way. They urge their particular viewpoint upon the American people who do not have the benefit of listening to contrary views. The people do not have the bills before them. The people do not hear the testimony of witnesses, nor the arguments of the Members of the Congress. But the administration spokesmen use the people's own money to distribute propaganda. The people are given a one-sided presentation of the claims of the bureaucrats. This technique for developing public sentiment is used to beat down all opposition. It is designed to destroy the two-party system in the United States. Its purpose is to perpetuate bureaucratic control over the affairs of our people. Pursued to its logical conclusion, this technique would result in one-party domination of our Government, its bureaus, its agencies, its Congress, and, finally, over the people themselves.

Senators can find the evidence of the development of this pattern in the hearings which were held on March 12, 1946, by a subcommittee of the Senate Committee on Appropriations. Mr. F. J. Lawton, Administrative Assistant of the Bureau of the Budget, testified, as the records of the hearings disclose at page 16. The Senator from Michigan [Mr. FERGUSON] sought to find out how many Government personnel are now engaged in public relations and propaganda. Mr. Lawton offered for the record a statement, from which I now quote:

> Employment in educational, informational, promotional, and publicity activities in the executive branch of the Federal Government for the fiscal year 1946 is estimated as follows:
>
> Full-time employees, 23,009; employees devoting more than 1 week, but less than their full year to these activities, 22,769; total man-years of both full-time and other employee service in these activities, 14,756.6; total estimated expenditures for personal service and other obligations, $74,829,467.

Mr. President, the Congress is asked to appropriate tens of millions of dollars for these Government agencies to propagandize before the American people, not for what Congress says through legislation it believes is the proper course to be followed in a particular case; rather, these activities at public expense are carried on to bring about the acceptance of the particular ideas of some group of bureaucrats.

The propaganda activities take many turns. Last year the Department of Agriculture, of all agencies, distributed leaflets calling for the support of the Bretton Woods agreement. The United States Employment Service went on the radio concerning their activities. Nowadays it is the OPA. Other agencies and departments put out their material on various other items. For example, in the street cars and busses appears display advertising depicting a man in uniform, holding a baby in his arms, while next to him is shown his wife. The legend opposite this picture reads: "Help the land of the free, make homes for the brave," while under these lines appear the words, in large type: "Vacancies for veterans in 1946."

This copy was prepared and disseminated by the National Housing Administration.

There is not a Member of this Congress, irrespective of party, who is lacking in a desire to do what is necessary properly to legislate for the construction of housing to meet the needs of our returning veterans, as well as of the public. Members of the House, as well as Members of the Senate, have sons who either have been, or still are, in service in the armed forces of the United States. What is the purpose of this particular type of appeal? Is it to imply to the reading public that the Congress stands in the way of housing? Is it to cause the American people who see this advertisement to think that Members of the Congress who do not support every phase of the administration's program are somehow responsible for the lack of housing? The President, himself, told us in his message on the State of the Union on January 14, 1946:

> The housing shortage did not start with the war or with demobilization; it began years before that and has steadily accumulated.

Let me illustrate further. In this housing program, as spelled out by Mr. Wyatt, we find that hearings commenced on the housing bill on December 3, 1945. They continued until February 1, 1946. The bill was reported to the House, where it was finally passed on March 6, 1946. At no time over all those intervening weeks were there hearings in the House on Mr. Wyatt's subsidy proposals, nor was there explanation in the hearings of the intended manner of their use. On the floor of the House an amendment was offered to touch upon the matter of subsidies, but the House rejected the amendment for there had been no hearings upon it, and no opportunity for possible opponents to explain their opposition with reference to it, nor to argue its merits.

Following the usual course, the bill came over to the Senate and was referred to the Committee on Banking and Currency.

On the 23d of March, over Nation-wide radio networks, the President of the United States addressed the so-called Jackson Day dinners. These banquet exercises were intended to raise funds for the campaign chest of the President's party, were frankly political in nature, and were so treated by the President himself. By the way, it is said that a war chest of several hundred thousand dollars was thus accumulated.

In the course of his Nation-wide address, at that time, the President said:

> My friends in Congress will have to make up their minds whether they will fight for veterans' rights or bow to the real-estate lobby.

Remember, Mr. President, by that date, March 23, more than 2 weeks had elapsed since the bill came over from the House, and neither Mr. Wyatt nor anyone else in behalf of the administration had submitted an amendment outlining the scope and nature of the subsidy program, commonly referred to as "the premium payment plan." It was called the heart of the administration's proposal, yet never had hearings been held on it to give the American people a chance to find out who was going to get the $600,000,000 which the program contemplated. I think I know who is to get some part of the $600,000,000, Mr. President. But I will let that pass for now, since my point is that no hearings had been had, nor had evidence been submitted on this point.

Three days later, March 26, Mr. Wyatt appeared before the Senate Committee on Banking and Currency. Senators tried earnestly to ascertain from him the details of the subsidy program. Mr. Wyatt was being questioned with some vigor. Remember, Mr. President, that only 3 nights earlier the President, himself, did not hesitate to impugn the motives of Members of the House by his implication that they had voted on this bill at the behest of a real-estate lobby. No reference was made by him to the fact that the record was barren of evidence or fact to justify the innuendo.

Mr. Wyatt, however, was a witness before Senators, who had a right to know the truth. He appeared before our committee the week following the President's address. I quote from page 56 of the Senate hearings on H. R. 4761, where we read:

> Mr. WYATT. I think this must be said in fairness to the House, that the program was launched just after the open public hearings had been concluded by the Banking and Currency Committee there.

Why did not the President take note of that fact?

Mr. Wyatt continued:

> Thereafter there was not an opportunity to present to that committee, and through them to the House, the presentation we are making here before this committee. That is why I am here trying to convey it to the members of this committee, and hoping that the Senate will concur. I think it is obvious that there was a set of complications and there was not an opportunity to present it to the House committee and explain it there.

Thereupon the record discloses the following:

> Senator BUCK. Are you going back to sell it to the House?
>
> Mr. WYATT. I think the Senate is going to sell it to the House, but I would be glad to go back if you desire.
>
> Senator TAFT. Unless you give us something we are to vote on we will be in the same position; we won't have this amendment until we get on the floor of the Senate.

Mr. WYATT. Nothing could be more correct than that statement. I will see that it is not delayed.

Senator MCFARLAND. I wonder if we could not have the copies now.

Mr. WYATT. I do not know that we have them in the final language. I am sorry we do not, but we will get them to you right away.

The committee did not receive Mr. Wyatt's amendment right away. It did not get the amendment the next day. The Senators asked for the amendment. Each day that week they tried to get a copy of the amendment, but without success. On Saturday of that week, the hearings were declared closed; and not only did the Senators not have the amendment dealing with the subsidy proposal but its opponents had no chance to be heard with reference to its possible subject matter. The following week the committee met in executive session and for the first time received a mimeographed copy of the Wyatt proposal.

What is back of this pattern, Mr. President? What is the technique being followed by the administration spokesmen who deny to both House and Senate committees an opportunity to investigate proposals on the basis of the legislative language of contemplated amendments?

Are they playing politics with the urgent needs of the American people? Are they trying to implant in the public mind the idea that the administration could, and would, have provided houses for veterans had it not been for the Congress?

In this connection, it may be pertinent to observe that under date of January 11, 1946, Mr. Chester Bowles directed a letter to Mr. Wilson Wyatt, described as Federal Housing Expediter. In his letter, which appears at page A1572 of the Appendix of the CONGRESSIONAL RECORD, Mr. Bowles said:

Housing, in my opinion, is the most important single issue that faces the administration at this time. If we muff it, it will snow us under. On the other hand, if we meet it, and meet it successfully, we shall not only make good on the basic responsibility of government to the returned veteran, we will give a lift to the administration's entire program which should prove invaluable.

"If we muff it, it will snow us under," Mr. Bowles said. Are the administration bureaucrats to be snowed under? Where and by whom will they be snowed under? Is Mr. Bowles expressing politically a fear of the 1946 elections?

Mr. President, I am not now discussing the extent to which the administration has projected its controls over the real-estate economy of the United States. I am not discussing the fact that the subsidy program of Mr. Wyatt will make it possible to make guaranties running into the billions for preferred producers of prefabricated houses. I am not discussing the fact that Mr. Wyatt, himself, filed a statement with the committee to show that as of December 1945, the War Department said that 26 percent of the separatees, including both married and single veterans, stated in interviews that they "wished to own homes of their own." I am not arguing the merits of the conference report on the housing bill. I do not go into the question that amendments to the Emergency Price Control Act already provide that appropriations for subsidies were authorized to be made so that all the President ever had to do at any time was to send up an appropriation bill for prompt hearing. I do not pass upon the fact that the bill, as Mr. Wyatt himself testified, contained in legislative language the same provisions which were to be found in the Executive order by which Mr. Wyatt was appointed.

No, Mr. President, I am not discussing those things. But I do insist that it is about time the Congress take notice of the way its membership is subjected to the propaganda efforts of administration spokesmen, high and low, and as to some of the methods resorted to, I will suggest that they are rather low than high.

I have taken up just a few phases of the propaganda activities of the administration-controlled bureaucrats. There is not a Senator in this Chamber who cannot add other instances. The people of the United States are urged by this type of appeal, frequently enough beclouding the real issue, often without telling the whole truth, to demand that Congress be forced to yield its true prerogatives. This propaganda technique would substitute numbers of letters and postcards for the considered judgment of the people's elected representatives. Government employees by the tens of thousands, paid for out of public funds, are devoting their concerted efforts to develop the particular point of view of the bureaucratic administrator by whom they are employed. The taxpayers' funds are being used to deny consideration of legislation on its merits. I decry these methods. Above all, I denounce the effort to enforce one-party domination over the political thinking of the people of the United States.

Mr. President, our priceless American institution of government through the process of a representative republic is being threatened by a most subtle and ominous assault.

ALLEGED HOARDING OF WHEAT

Mr. WHERRY. Mr. President, the distinguished Senator from North Dakota [Mr. LANGER] on the floor of the Senate on Monday last delivered a very eloquent and forceful address in defense of the farmers. I am sure he spoke on that occasion because of an editorial, entitled "Greed on the Farm," which appeared some time previously in Life magazine.

Since that time those of us who represent farm States have received many letters relative to the reaction of our farmers to such an editorial, and I am sure that some releases have been made in defense of the farmer.

In Nebraska we have a very able man. I assert that he is one of the noblemen of the sand-hill country where we produce cattle. He is also a grain farmer, operating on irrigated land. He has done one of the most outstanding jobs of any official who ever served in the Department of Agriculture of the State of Nebraska in its long history of endeavoring to help the farmer and those who make their living from the soil and from feeding livestock. The name of the man to whom I refer is Rufus Howard. He is respected by all alike, regardless of party affiliation. Somehow, he has that personality which, when he speaks, causes people to accept what he says as authoritative, because they believe in Rufus Howard. He is a dirt farmer, a man who has ascended the ladder of success through his own efforts. He is one of a great number of farm families in my State. Eighty-five percent of the population of Nebraska operate either directly or indirectly farm lands. So Nebraska, in reality, is a State of farms.

Mr. Howard has been honored in Nebraska not only with the office of secretary of agriculture under the present administration—this is the third term he has served as secretary of agriculture—but also with the presidency of the National Association of Commissioners, Secretaries, and Directors of Agriculture of the United States. The vice president of that organization is Mr. W. Kerr Scott, of Raleigh, N. C. The executive secretary and treasurer is Mr. H. K. Thatcher, of Little Rock, Ark., who has also, I believe, offices in Washington, D. C.

The association to which I have referred has an executive committee which directs its policies. It includes Mr. E. L. Peterson, of Salem, Oreg.; Mr. Harry D. Linn, of Des Moines, Iowa; Mr. Frank H. Peet, of Hartford, Conn.; Mr. Raymond G. Bressler, of Providence, R. I.; and Mr. Tom Linder, of Atlanta, Ga.

The district vice presidents include Mr. E. L. Peterson, of Salem, Oreg.; Mr. E. H. Everson, of Pierre, S. Dak.; and Mr. S. E. Corley, of Jackson, Miss.; and Mr. Stanley Judd, of Montpelier, Vt.

I have given the names of the president, vice president, and directors of this association in order to show that it is very representative, and is national in scope.

I have read many documents, editorials, and newspaper comments concerning Tom Linder, of Atlanta, Ga. I believe him to be one of the soundest of our agricultural economists of this country. He has gained his experience not only from an agricultural college, but also from being a practical farmer. Time and time again, in his testimony before the Small Business Committee relative to fats and oils, as well as the meat and grain situation, the voice of Tom Linder, of Atlanta, Ga., was outstanding.

Mr. President, the organization to which I have referred embraces the foremost men of agriculture in the United States, men who are directly concerned with the production of agricultural products. That is why I have gone to considerable length in pointing out to the Senate the membership of the organization. I want Senators to know that when the president of this organization speaks, he speaks with authority as the representative of nearly 30,000,000 farm families in the United States.

In answer to the editorial which was entitled "Greed on the Farm," which appeared in Life magazine of May 6, 1946, a letter was forwarded by Rufus Howard, president of the outstanding organization which I have mentioned, to the editors of Life magazine. I think it is so important that I shall read it into the RECORD at this point. The letter is dated May 8, 1946.

To the EDITORS OF LIFE MAGAZINE:

SIRS: In your editorial of May 6, entitled "Greed on the Farm," you draw upon the legend of Robin Hood to indict the American farmer as a "corn engrosser" who "hoards grain until he can get famine prices." If I recall correctly, Robin Hood, who, with his playful associates, Little John, Friar Tuck, and Alan-a-Dale, robbed the rich to help the poor, was an enemy of the feudal barons, the king's foresters, and the sheriff of Nottingham. In other words, he strove against officialdom and bureaucracy, not against the farmer who tilled his fields and tended his flocks.

It is true perhaps that the farmer has shown some desire to participate in the profits of the war period. It is also true that hoarding on the farms, where it exists, may be as reprehensible as the hoarding of clothing and other basic commodities by manufacturers, and the withholding of labor by labor unions, until they too can get famine prices. I refer you, however, to the report of the United States Department of Agriculture released on April 29, which shows that all stocks of wheat are 40 percent below those of April 1, 1945.

Mr. President, I digress from reading the letter in order to invite attention of the Senators to the fact that the present stocks of wheat are 40 percent lower than they were on April 1, 1945. That means that the farmers not only produced, but they actually sold at the ceiling price, or below the ceiling price, wheat which they produced during 1945. That wheat has passed out of their hands and into the hands of Government agencies or private agencies to be used for export, and on the family tables of America. I believe that to be a significant fact, because it shows that if the farmer sold 40 percent of his wheat crop there has been no hoarding on his part, and that he was not only patriotic during the war, but was patriotic during the first part of this year when selling to Government agencies and to private interests nearly one-half of his crop, for which he was paid the ceiling price. If the farmer had his wheat or corn today he would now be paid a premium of 30 cents a bushel for his corn, and a premium of 25 cents a bushel for his wheat. Those are premiums to which he would be entitled under the latest directive issued by the Department of Agriculture. So, instead of condemning the grain farmer and calling him greedy when he sold 40 percent of his crop, the farmer should be given the heartfelt thanks of this Nation as well as other nations of the world for relying on the administration when it set the ceiling price which he accepted when selling his wheat. I think we should commend the farmers for the patriotism and loyalty which they displayed when selling 40 percent of their 1945 crop at the ceiling price or below the ceiling price. I think the letter which I have been reading forcefully brings to the attention of the Senate the fact that the farmers have sold 40 percent of their crop, as proven by the statistics released by the Department of Agriculture the latter part of April.

The letter continues:

And that stocks of corn are 19 percent below that of a year ago.

Corn does not move so early as wheat. It moves to feeders later on in the year. Nearly one-fifth of the corn crop has already been sold for which the farmers will not receive the premium of 30 cents a bushel. Yet, the editorial in Life calls the farmer greedy, and states that he has made untold profits, that in reality he has become totalitarian in exacting prices, and is taking from the people this toll by which the farmer profits.

The letter continues:

The movement of grain from the farms has been and is above average. Large shipments of wheat and corn are being made in compliance with the recommendations of the President's Famine Emergency Committee. These facts, I believe, are evidence that the farmer is not guilty of any general conspiracy in the matter of "hoarding" and that he does join with his urban brethren in the desire to relieve suffering in the famine-stricken areas.

I also wish to call attention to the fact that the Red Cross came out with a statement that the farming States were the first ones to go over the top in quotas. So, we have here a defense to the effect that the farmers are not hoarding, but that the Western States, where the wheat farmers make their livelihood, were the first ones to donate to the Red Cross and go over the top in their quotas, not only in this year, but in war years.

I continue with the letter:

You make comparisons of gross farm income of $10,000,000,000 before the war and $24,000,000,000 for 1945. Figures for cash farm expenses are not available for last year.

That is, the writer of this letter is now comparing the increase from $10,000,000,000 in 1944 to the $24,000,000,000 which the farmers received in 1945, attempting to show a profit, but the writer says the figures for the cash farm expenses are not available for last year so that he could give the comparison of the increase in expenses as compared with the profits.

However, farm expenses ordinarily amount to approximately 60 percent of the gross farm income which lowers the net farm income to less than $10,000,000,000.

Mr. President, I should like to say for the record that in the experience of my firm in operating farm land in Nebraska, labor costs on our farms and in our neighborhood have increased, not twofold, but in many instances threefold, in the past 2 years. Not in all cases does it go up to threefold, but corresponding increases have occurred all the way along the line. So I am positive that the statement the president of the National Association of Commissioners, Secretaries and Directors of Agriculture makes here, that while the figures as to the expenses on farms this year are not available, as a general rule the expenses are around 60 percent of the gross farm income, is substantiated by our own experience, operating our own farms, and I am quite satisfied is in line with the facts, and is not an exaggerated statement.

The letter continues:

Since 18 percent of the population of the United States live on the land, the proportionate share of the national income received by farmers can hardly be considered excessive. In fact, farmers received less than 8 percent of the total national net income.

There is a positive statement made by this man which I think should be brought to the attention of the people of the Nation. It is a complete defense against the charge that farmers are greedy, that they are hoarding wheat or other food, and are exacting the extra dollar for their products.

I continue the letter from this man who is writing to the editor of Life magazine:

Your accusation that "Farmers went on feeding our dwindling grain supplies to their cows, chickens, and pigs," suggests a failure to understand the basic nature of our farm economy, particularly in the Grain Belt. Not only are these cows, chickens, and pigs an essential part of our own dietary requirements, but a proper balance between the growing of grain and the feeding of livestock is essential to a healthy agricultural economy. If the farmer were to change overnight from a grain-and-livestock farmer to a mere grain-selling farmer, he would suffer an immediate financial loss * * * which would be reflected years hence in a lower standard of living not only for our farm population, but for the American people as a whole, and perhaps those of other lands as well.

This writer brings forcefully to the attention of the Members of the Senate the very predicament with which we are now faced, that when we take the corn out of circulation to feed to livestock—and certainly fats and oils are just as much a part of our diet as cereals or grains—when we get them out of balance, as we will get them out of balance through this last directive, the time will come when there will not be a shortage of grain, but a shortage of fats and oils which we will need to balance the diet of the American people. Yet, in the face of that fact, we cannot today feed cattle at a profit, we cannot today feed hogs at a profit, and as a result, when we are taking grain away from the farmers, they are now being criticized because they wanted to use some of that grain to feed breeding stock so as to replenish their herds, so that when the time comes when they can balance the feeding operations once again at a profitable level, they will have the livestock and have the proper price relationship between livestock and grain which might make it profitable for a livestock feeder to produce the meats and fats and oils which the people of the world will need just as badly then as they need grain today.

Mr. MORSE. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I am glad to yield.

Mr. MORSE. I did not hear the first part of the Senator's remarks, but I presume he is addressing himself to the grain problem confronting us in the western part of the country.

Mr. WHERRY. Yes.

Mr. MORSE. I am somewhat at a loss to understand just what policy we should follow in regard to it, but I should like to put this problem to the Senator from Nebraska, because I am hearing a great deal about it from my State these days. I do not know how many telegrams I have received in the last 72 hours, but there have been many.

It appears that the poultry industry in my State, for example, has made great preparations for a season of big production. These production plans were based, rightly or wrongly, upon the impression that the Government wanted them to produce in quantity in order to increase the food supply of the world. I have sent to the Department of Agriculture the communications I have received, such as one I received yesterday stating that a good many thousand poults and chicks are being drowned because there is no feed available so they can be raised to maturity.

Certainly I think we have to admit, as I have said to my constituents, that when we are facing a world starvation problem, unquestionably grain in the form of direct food for human beings is not only the most economical but the best possible food. It is cheaper, more nutritious, and much easier to transport and distribute.

Mr. WHERRY. That is correct.

Mr. MORSE. I do not feel that any of my constituents want to fail in their humanitarian obligations, any more than any of the rest of us do. What puzzles me is that it does seem that we constantly move into one domestic crisis after another in this country without any preparation to meet it by our Government. So many of these critical problems can be seen months ahead of time but this administration waits until the crisis is upon us. Certainly this food crisis could have been seen, and unless I am absolutely unfair about it, there certainly was some obligation resting on the Department of Agriculture and upon this administration to correctly advise the people in the agricultural States what grain program they had a right to expect from this administration during this particular 1946 season.

I should like to ask this question of the Senator from Nebraska, not from the standpoint of wanting my constituents to put their hand into the Federal Treasury and "get theirs, too," but from the standpoint of just common fairness, whether or not the Senator agrees with me that some sort of an adjustment should be made for the benefit of these livestock producers and these poultry producers to save them from the tremendous losses they are going to suffer this season as a result of this restricted grain program of the Government?

I say not one word against the program, because I wish to say for the RECORD that if the grain is needed to save people from dying of starvation anywhere in the world, I want them to have the grain, and I am sure these poultry people want them to have the grain. But as their representative in the Senate, they put this proposition to me in communication after communication, "We are going to lose our hatchery, we are going to lose our investment, we are going bankrupt, because we had no word from this Government to give us any warning that this restrictive grain program was going to be lowered on us all of a sudden."

I just ask the Senator from Nebraska if he does not feel that there is some equity due these people on the part of our Government, on the basis of the facts? Should not the Government give them at least some adjustment for their losses as a result of the restrictive grain program which has been foisted on them?

Mr. WHERRY. I thank the distinguished Senator from Oregon for his contribution, and also for the opportunity to answer his question.

I should like to bring the Senator up to date. I was reading into the RECORD a letter from Mr. Rufus Howard, who is the president of the National Association of Commissioners, Secretaries, and Directors of Agriculture. A man by the name of F. L. Peterson, of Salem, Oreg., is one of the vice presidents of the organization. He is a very outstanding man, whom I have heard testify.

This letter was written to Life magazine, in answer to the charge of Life magazine that the farmers were greedy. A part of this letter brought up the question of the accusation Life made that "farmers went on feeding our dwindling grain supplies to their cows, chickens, and pigs," which the writer says "suggests a failure to understand the basic nature of our farm economy, particularly in the grain belt."

That brings up the query of the Senator from Oregon, who asked whether I would concur in his opinion that some adjustment should be made so that the farmers who feed livestock and poultry, or whatever food animals they feed grain to, would receive a price which would equalize their situation. My answer is emphatically "Yes." If some adjustment is not made, and the whole situation becomes out of balance, then, as I was stating as the Senator came into the Chamber, we shall have a program under which we will find ourselves to be short of fats and oils and eggs, but with a long supply of grain.

Mr. President, the reason an immediate adjustment should be made is that when the corn order was issued, probably 10 days or 2 weeks ago, it raised the price of corn 30 cents a bushel. All the feeders in my section of the country had purchased cattle at the ceiling price, and had purchased corn, or expected to purchase corn at the ceiling price. In my locality the price of corn was $1.03 a bushel. Immediately on the issuance of the corn order raising the price of corn 30 cents a bushel, it meant that it would cost the cattle feeder $1.33 a bushel, if he could get any corn at all.

The cattle of grade B to AA are mostly fed on corn. Some cattle are fed grass, but from B up to AA they are largely fed corn. A feeder who bought his feeder cattle and expected to feed them at the ceiling price of corn, which was $1.03 a bushel, suddenly was confronted with this increase in the price of corn of 30 cents, which made the price per bushel $1.33. The only fair thing to do, and the only thing that should be done, it seems to me, is for the Department of Agriculture, with the cooperation of the Office of Price Administration, to adjust the price so that the farmers can continue to feed at least the animals they have now in the feed lots on the old feeding ratio. Such an adjustment would be the only fair and equitable one. Certainly that would not justify the accusation of the farmer being greedy.

Let us consider the situation with respect to poultry. The poultrymen were advised what they should produce, and they followed that advice. I understand the production has somewhat exceeded that which was planned. Even though something is planned, it cannot always be put into execution. Sometimes the situation cannot be completely gotten under control. If the distinguished Senator has received as many telegrams on the subject as I have he will know that in some parts of the country the poultrymen are selling their laying hens and breeding stock because it is impossible to get corn.

Mr. MORSE. Mr. President, will the Senator yield for two more questions, because I seek to give to my constituents honest advice, and I am very careful not to arouse any false hopes.

Mr. WHERRY. I yield.

Mr. MORSE. I should like to ask the Senator, out of his experience with this grain issue, if he would agree with me that as far as the Department of Agriculture is concerned the present advice we get from the officials down there is that there is no hope whatsoever for any modification of the present restrictive grain program of the Government?

Mr. WHERRY. In answer to that question I will say that I talked to the Secretary of Agriculture, Mr. Anderson, and from what he said the picture for the corn in the future is that the Government is satisfied that it will pay the 30-cent premium until it gets 50,000,000 bushels, but since I talked to him the order has gone out that private individuals can pay a premium of 25 cents a bushel. So it does not make any difference whether the Government continues to buy the 50,000,000 bushels or not. The price on the corn is increased that much, whether it goes through private hands or public hands.

I will say this for the Secretary of Agriculture. I think he has a tough problem to settle. I believe in all sincerity that the Secretary himself believes that some sort of adjustment should be made. I think he feels that no livestock should be fed that is overweight, and I

concur in that. I think those who are feeding for heavy hogs or for very heavy cattle should be discouraged. That can be done, however, by setting the prices at such a figure as to be attractive for the production of the lighter animal. But we have not had that consideration from OPA. I am not sure that Mr. Anderson has asked for it, but that is one way to handle the problem.

To get back to the Senator's question as to whether there is any immediate prospect of modification of the present grain program. I think the distinguished Senator read yesterday that an order had been issued under which 25 percent of the 1946 wheat crop would be requisitioned. In my opinion the livestock man is facing a serious problem. While corn can be fed to cattle and to hogs, yet for poultry and for all sorts of livestock we must have wheat. It is the basic commodity in the commercial feed. So I do not see any immediate relief in sight.

Mr. MORSE. Mr. President, before I ask my next question I wish to say that I have a great deal of admiration for the Secretary of Agriculture. I know of few men in the Government today who have as difficult and thankless a job to perform as has the Secretary of Agriculture. He has shouldered a very grave responsibility, and no one can talk to him as I have without realizing that he is a public servant who fully recognizes the gravity of the world situation as far as food is concerned, and that, after all, he is trying to do the best he can.

We may assume to be true, as I believe it is, and I think the Senator from Nebraska believes it is, that insofar as wheat at least is concerned there is little expectation, if any, that the program now announced by the Department of Agriculture and by it for the administration, will be changed. Does the Senator from Nebraska agree with me that there is no chance of providing our constituents with any modification of the present wheat order?

Mr. WHERRY. Yes.

Mr. MORSE. And it is going to continue to be the program for the rest of 1946?

Mr. WHERRY. Yes.

Mr. MORSE. My next question is this. Does the Senator from Nebraska, coming from the great livestock-producing State that he does, agree with me that it is of great importance that this administration make as clear as it possibly can to the livestock men of the country what the livestock program is going to have to be for the next 2 years so that we can save them from the constant changing of the rules in the middle of the game, so to speak, which has produced such tremendous losses to many livestock producers?

Restating my question, it is this: Does the Senator from Nebraska agree with me that what our livestock producers need now is a statement of finality by this Government as to what its program is going to be insofar as control of feeds is concerned, insofar as that control relates to the livestock industry for at least the next year, and preferably for the next 2 years?

Mr. WHERRY. I should like to answer the first question of the distinguished Senator from Oregon. I think it is absolutely necessary that that be done. So long as we have controls, certainly if there is a long production in grain and a short production in livestock, or vice versa, we have got to give more attention to such a situation, because if we do not, in another 6 months, we may find ourselves in such a situation as we now find ourselves to be in. If we should come to that situation again, we will simply have no meat. That is the answer. We cannot stop play in the middle of the game and tell a feeder who has 7,000 head of livestock in his feed lots, which he undertook to feed on the basis of $1.03 a bushel for corn, that the price of corn is now to be raised 30 cents a bushel, or to $1.33. The feeder did not put his cattle into the feed lots on that basis. If that is the way the game is to be played, then there should be an evening up somewhere along the line so that the producers and feeders of livestock can receive a price that will compensate them. I think nine-tenths of the trouble lies in the price-fixing program. We should give them a price which will not only make them whole but will give them a legitimate return on their investment.

I wish to thank the distinguished Senator from Oregon for what he has brought out, because the questions have come to Members of Congress, and it is Congress which is held responsible. I have so stated many times on the floor of the Senate. There is much talk about changes which are made by the Government in various programs and the damaging effect of the many changes that occur, but in my State the people are holding their Representatives and Senators responsible for such changes in the programs. When they cannot understand the reasons underlying various changes which affect them adversely they hold us to account. We are the ones who have to iron out these matters with them. So it is up to us to insist upon equality of consideration for all those affected by the changes; that there be comparable prices in grain and in livestock, and that prices be made sufficiently attractive so that the needed production may be obtained.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. YOUNG. What assurance does the farmer have with respect to the prices which he will receive for his next year's production? Recently prices were suddenly raised. The farmer does not know but that some agency of the Government may raise prices a year from now. Under such circumstances the tendency on the part of the farmer is to hold onto his products and to speculate, in the hope of a later increase in price. It seems to me it would be the equitable thing to give the farmer some assurance respecting the selling price of his grain. I would not favor saying to a Government agency what the price should be a year from now, but some assurance should be given the farmer, so he would know what his position would be.

Mr. WHERRY. I am satisfied that the Senator from North Dakota has answered his own question, and he has done so better than I can do it. The Senator from North Dakota knows as well as I do that even though a stabilization measure is written which provides that payments shall be made on a certain basis, even though directives are issued and programs are planned, yet in the face of such programs and such directives, and stabilization measures, here we find an increase in the price of corn of 30 cents a bushel made overnight. We have no protection that I know of in the statutes. Furthermore, we have no protection in the administration of the act. That is something which we cannot write into the law. I do not know what to tell the farmers. I cannot tell them what the price is going to be; and I cannot tell them, if a program is planned, whether or not the program will be carried out. From the experience which the Senator has had in an agricultural State, I do not believe that he can do it, either.

Mr. YOUNG. Last fall the price of oats was 35 cents a bushel. Now it is 80 cents. If the ceiling were removed, it would be a dollar a bushel. If the ceiling were removed on wheat prices, the price of wheat would probably be three or four dollars a bushel.

Mr. WHERRY. I did not intend to get into a colloquy, because I feel that I should yield the floor back to the distinguished Senator from Florida [Mr. PEPPER].

However, on that point, I wish the RECORD to show that I am just as anxious as is any other Member of the Senate to feed the famine-stricken peoples of the world. I believe that my record is clear in that respect. Last October I pleaded for the feeding of the people in the famine districts of the world. We are all agreed on that. But that is not the difficulty which confronts the cattle feeder and the grain farmer. The problem is before us now, and we are calling it to the attention of the departments.

If there is to be a new program for this year, it ought to be anncunced. If the prices of corn and wheat are to be set by the Office of Price Administration, there should be an announcement to that effect. We should have some assurance as to the top price of cattle. Otherwise, as surely as the sun rises, 6 months from now we shall wake up and find that instead of having a shortage of grain, we shall have no meat, no butter, no eggs, and no poultry.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. I know that the distinguished Senator has been in touch with the Secretary of Agriculture.

Mr. WHERRY. That is correct.

Mr. FERGUSON. We should have a definite statement as to the policy with relation to wheat, for example. As I understand, the Government is to buy

wheat until about the 25th of this month, and pay a premium of 30 cents a bushel. Does that mean that on the 26th the OPA ceiling will be sufficient to include that 30 cents, or will the price drop back?

Mr. WHERRY. Many things have happened since our first meeting with officials of the Department of Agriculture, when the policy was announced that there would be a premium of 30 cents on corn. The premium on wheat is 25 cents. The corn program is to extend for 60 days, and the wheat program until September.

On that occasion we pointed out that if the premium applied only to the Government, it would cause a black market in corn. An order has been issued extending the premium price to anyone who wishes to pay a premium of 25 cents a bushel. So we now find private interests buying corn at a premium of 25 cents a bushel, and the Government buying at a premium of 30 cents. As a result, the cost of feeding operations has greatly increased. So in the case of feeders placed in the feed lot on the basis of a price of $1 for corn, for example, the cost has been increased to the extent of the premium.

Mr. FERGUSON. Is that program to continue indefinitely?

Mr. WHERRY. The only assurance we had from the Secretary of Agriculture was that the Government would buy the first 50,000,000 bushels, or that the program would extend to June 1—whichever happened first. If the Government got the 50,000,000 bushels before June 1, it would be out of the market. But it is my opinion, for whatever it may be worth, that, inasmuch as the premium of 25 cents a bushel applies to everyone, the Government intends to continue buying until it is assured that it has sufficient grain to meet the needs for which apparently it has made commitments of which we know nothing.

I should like to advise the distinguished Senator that only last night the Secretary of Agriculture, apparently complying with the demand of Mr. Acheson to take the grain, is now requisitioning 25 percent of the 1946 wheat crop. Where is the poultryman coming in? Where is the livestock man coming in? It may be said that we do not need them, that what we need is grain. Of course we need grain; but I am saying that we need a balanced economy. We must have fats and oils. We must have meat; we must have milk and butter. Certainly we must have poultry and eggs. We have tried to iron out the cereal problem, but by pyramiding the prices we have thrown cattle feeding out of joint. We have thrown poultry feeding out of joint. We have no assurance as to when the program will come to an end, and we do not know what is going to happen in 1946.

I cannot answer the telegrams which come to me. I do not know what is going to happen. Let me ask the distinguished Senator from Michigan a question. If we were to write a given provision into the law, does the Senator believe that it would be administered according to the terms of the law?

Mr. FERGUSON. From past experience I would expect it to be administered just as the laws, rules, and regulations are administered today.

Mr. WHERRY. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield for one further interruption? This will be the last.

Mr. WHERRY. I yield.

Mr. MORSE. The Senator says that we cannot advise our constituents in regard to what is going to happen in 1946. I suggest that I do not believe we can give them any advice as to what is going to happen in either 1946 or 1947. Granted that the problem is subject to further study nevertheless, as I understand, there is no way of relieving the world famine problem with the crop of 1946. It is going to take at least the harvests of 1946 and 1947 to relieve the world's food shortage.

Mr. WHERRY. That is correct.

Mr. MORSE. Taking into consideration what we already know about the climatic conditions throughout the world for this season, it is perfectly obvious that the world's harvest will not be sufficient to meet the famine problem in 1946. As I understand, there is little hope that the world will be free from this very serious food-shortage problem before the harvest of 1947 and maybe not entirely then.

Mr. WHERRY. That is correct.

Mr. MORSE. I believe that the Senator is making a very important contribution this afternoon to public understanding of this problem. I believe that the existing situation bears out the importance of one observation which the Senator from Nebraska has made, namely, that for the period of the next 2 years we cannot begin to treat the American and the world food problem from the standpoint of normal times.

Mr. WHERRY. That is correct.

Mr. MORSE. That is why I think it is of such great importance that without any further delay—and I am thinking now in terms of days immediately ahead—a national food conference should be called by the President. It should be called after the President and the Secretary of Agriculture have accumulated all the data which are now apparently available to them from various surveys which have been made throughout the world as to world food conditions. Such a national food conference, attended by a small number of food and agriculture leaders in this country, should be held to lay out a blueprint of the agricultural production program of this country as it relates to both grain and livestock for the next 2 years. I have complete confidence not only in our farmers' humanitarianism and patriotism, but in their desire to help their Government solve this food problem. I am satisfied that they will cooperate in the program agreed upon at such a conference. However, I feel that there is an obligation on the part of this Government to make such adjustments as the Senator from Nebraska referred to in the early part of his remarks, in the case of those who have suffered serious losses as the result of the restrictive grain program which has been suddenly imposed upon them, and for which they have had no opportunity to prepare. In effect—of course not in legal theory—it amounts, so far as the losses to the farmers are concerned, to the confiscation of property without any compensation.

Mr. WHERRY. That is correct.

Mr. MORSE. I believe that we have an obligation to our own people in this matter. As a government we have no right to impose such losses on the American farmer, no matter how fine and humanitarian the purpose is, without, as a government, taking the steps necessary to protect the farmer from losses for which he is not responsible. We should not overlook the fact that because of the sudden imposition of a grain program which I think is basically sound, and which I will defend in the interest of alleviating starvation throughout the world, we are working tremendous financial hardship on a large number of farmers in this country.

As I stated earlier in my remarks, to all intents and purposes we are destroying poultry hatcheries so far as the present owners are concerned. Many of them are going to lose their investments. We are destroying their source of livelihood for this year. I say that it is not fair and square. All I am asking is that once this administration knows all the facts available it should tell the American farmer what the blueprint for the program of production for the next 2 years will be. It involves a period of 2 years, unless I am grossly misinformed—and if I am, so are the head men in the administration. As I said before, the official reports from the world surveys indicate that there is no hope of removing the world starvation problem until after the harvest of 1947.

We talk a great deal in this Government of ours about planning for emergencies. Here is an opportunity for this administration to demonstrate that it can do some long-range planning, and do it in a manner which will fairly protect the interests of the American farmer.

Mr. WHERRY. I thank the distinguished Senator for his contribution.

The Senator suggested an investigation to search out the facts relative to supplies and needs, on the basis of which a program could be formulated. Herbert Hoover, following his own investigation, brought back to the President in his report statistics which are entirely different from those of the combined food boards, which relied upon statistics from the countries themselves. I believe that not only should we have an investigation in the United States such as that suggested by the distinguished Senator, but investigators from the combined food boards, which are setting the pattern for the world, should go into the various countries and make an investigation from an impartial viewpoint, not only as to their needs but also as to their supplies. The report of the President dis-

tinctly shows that the combined food boards estimated the requirements for September 1 at 25,900,000 tons, or a deficit of 42 percent. When the Honorable Herbert Hoover came back from Europe he reported on the food he found abroad which was not being allocated by some of the very countries which were getting food from UNRRA. We find that the deficit amounts to only 3,600,000 tons. So what we need, in order that we may not develop surpluses, if that time ever should come—and we certainly have to look a long way ahead to contemplate such a time—and what we need for the relief of the famine situation is not only food supplies from our own country, but also those from other countries, especially the countries which are obtaining UNRRA aid, to which we contribute 75 percent. We should see whether their needs are actually what they say they are and whether they are transporting food to other countries for political purposes, instead of using it to aid their own people.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. KNOWLAND. I do not know whether the distinguished Senator from Nebraska is familiar with the conditions which face some State institutions. I wish to say that I received a long-distance telephone call from California to the effect that under the policy of paying a bonus of 30 cents a bushel on wheat, apparently wheat is being siphoned out of the mills. As a result, the mills from which the State has been purchasing the flour which is a part of the staple diet of the persons in the State hospitals and the State correctional institutions—amounting to approximately 40,000 people in California—no longer are able to supply the flour to the State. That means that the State will have no flour available for the feeding of the persons in the State institutions when their present limited supply runs out.

In the case of an individual householder, he can make substitutions fairly readily. But in the case of large State institutions, it is far more difficult to do so.

I do not think any of the State institutions are complaining about taking a cut for their fair share in respect to whatever reductions it is necessary to make in order to meet the world-wide problem; but when they find that their entire supply of flour is cut off, that creates a very serious situation.

Incidentally, I may say that I understand that California is not alone in this situation, but that New York, Missouri, Oregon, and several other States are in a similar position.

Mr. WHERRY. That is correct and I thank the distinguished Senator from California for his contributions.

Mr. President, this question has a great many ramifications. In the Senate Special Committee on Small Business Enterprises we have received a number of telegrams to the same effect. I wish to say at this time to Senators who have come to the floor of the Senate since I have been speaking that I was reading a letter from Rufus Howard to the editors of Life magazine in defense of the farmers, in response to an editorial entitled "Greed on the Farms," published in that magazine. The editors of Life magazine made the accusation that the farmers have continued to feed our dwindling grain supplies to their cows, chickens, and so forth, when they should be selling it for human relief—the theory being that they made a lot of money out of what they were doing.

In connection with my remarks on the subject, a considerable colloquy developed. I thank all the Senators who took part in it. It is most timely and helpful.

I intended to say later some of the things I have already said this afternoon, because we are running head-on into a catastrophe unless something is done whereby the feeders of livestock and poultry and the producers of eggs and milk can be assured of some security, obtain some satisfaction, and know with reasonable certainty what the future pattern is to be. They simply cannot continue as they are now operating. We cannot expect them to feed cattle, when one day the corn they feed the cattle costs $1.03 a bushel and the next day it costs $1.33 a bushel. It simply is not fair.

I hope that after the discussion we have had today, the Department of Agriculture will immediately get in touch with the Office of Price Administration, and that the necessary price adjustments will be made all along the line; and I hope that as quickly as possible, either through an investigation of their own or by means of the action of an impartial committee, we may have some picture of what is in prospect for the farmers of this country.

Mr. President, the closing paragraph of Mr. Howard's letter reads as follows:

> In one paragraph of your editorial you apparently attempt to distribute the equities fairly by pointing out that the farmer has been no worse than those engaged in other pursuits. I suggest, however, that one sentence in that paragraph might have been used as the title of your editorial, and should be your guide in future discussions of this question—"Let him who is without greed cast the first rock at the farmer."

Mr. President, this letter is signed by Rufus Howard, president of the National Association of Commissioners, Secretaries, and Directors of Agriculture, and director of the Nebraska State Department of Agriculture. The National Association of Commissioners, Secretaries, and Directors of Agriculture is one of the outstanding organizations of the United States. I understand that it is organized in all the States of the Union, but primarily it is well organized in the Middle Western States.

The letter I have read, as I said in the beginning, was written by the president of that organization. He is one of the finest and one of the most respected men in Nebraska. He has served for three terms as its secretary of agriculture. He came up as a cattle producer and a cattle feeder. He is a practical man. But he also has been educated in our schools, and he knows the academic side as well as the practical side. He has come to the defense of the farmer, but he goes further than that. He says we must somehow balance the agricultural program so far as feed and livestock are concerned. I hope this administration will recognize the necessity of doing what he has said, and will recognize it now, because the future of our American economy depends upon the successful solution of the problems which have been brought to the attention of the Members of the Senate this afternoon.

Mr. President, because during the discussion mention has been made of the food supply of the United States and also the food supply of the world, I ask unanimous consent to have printed at this point in the RECORD the report made by the Honorable Herbert Hoover to President Truman, dated May 13, 1946.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 13, 1946.*

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: We have completed your instructions to survey the principal nations affected by food shortages which have resulted, or may result, in widespread famine; to evaluate the minumum needs of these areas until the next harvest; and to discover such additional food resources as possible. In accordance with your instructions, we have also presented the American point of view on the food problem to these nations and the interest and understanding of our people in their plight. Finally, we have constantly advised American officials and the American public as to the situation as we found it.

We have traveled some 35,000 miles, visited 22 countries which have a deficiency of food, and informed ourselves of the situation in several others. The only country of large reported deficiency we did not visit was the Union of South Africa. We visited five self-sufficient or surplus countries and informed ourselves of the situation in other consequential surplus nations.

The dominant need of the world in this crisis is cereals, particularly wheat and rice. There is great need of fats and special food for children, but as cereals can furnish 85 percent of an emergency diet, we considered cereal requirements were the first concern, and the best indicator. If a foundation of bread can be assured, and as much fats and children's food as possible, mass starvation can be prevented.

At the time of our departure, the Combined Food Board's estimate of the available cereal supplies from surplus countries showed a deficit as compared with stated requirements of 11,000,000 tons, or 43 percent.

REQUIREMENTS

We attach hereto (table I) a country-by-country, month-by-month minimum program of required cereal imports to the deficit and famine areas from May 1 to September 30.

These programs represent a considerable reduction from the hitherto stated requirements of the various nations. The amounts

have in most cases been agreed upon by their governments. In the case of China, we regret to say our program is less than minimum need but is all, or more, than can be transported inland to the famine areas.

The totals are:	*Tons*
Europe	8,390,000
Latin America	1,000,000
South Africa and New Zealand	198,000
Middle East	100,000
Indian Ocean area	2,886,000
Pacific Ocean area	1,910,000
Total	14,484,000

Of course, every country would be better off if more could be furnished.

SUPPLIES

We have found some increases in supplies possible during the crisis through development of certain new sources of supply; through additional loans of cereals from early crop countries which may not themselves have annual surpluses; through substitution of other cereals for wheat and rice; and as a result of conservation up to this time.

Our estimate (table II) of probable supplies as of May 1 to September 30 are:

From:	*Tons*
United States	4,220,000
Canada	2,300,000
Australia	992,000
United Kingdom	200,000
Argentina	2,375,000
Brazil	200,000
Other Western Hemisphere states	40,000
Burma	75,000
Siam	195,000
Russia to France	300,000
Total	10,897,000

Therefore the gap in supplies between May 1 and September 30 can be reduced to about 3,600,000 tons, as against an 11,000,000-ton gap in the earlier appraisals.

In addition to the above supplies there is a possible about 1,500,000 tons more, as indicated in table III.

We are confident that if until the end of August there can be further vigorous conservation in surplus countries, mainly wheats and fats, and more energetic cooperation between nations, the remaining deficit can be largely overcome. The cooperation of Russia and the Latin-American states would greatly aid in meeting the problem. If mass starvation is to be prevented it will require constant effort.

It is of interest to note that the quantities which are provided by UNRRA as charity comprise about 20 percent of the world's cereal needs, whereas nations representing 80 percent are being financed by the importing countries themselves. But the need of these latter is no less urgent.

You will recognize that these statements are estimates. They, however, comprise a reasonable basis upon which to formulate policies.

We wish to express our especial appreciation of the unfailing aid and courtesy of the Secretaries of Agriculture, State, and War, and the American officials abroad. We are also deeply indebted to Generals George and Saville of the Air Transport Command, their efficient crews, and for their provisions for our comfort and safety.

Yours faithfully,

HERBERT HOOVER.
D. A. FITZGERALD.
HUGH GIBSON.
W. HALLAM TUCK.
PERRIN C. GALPIN.
MAURICE PATE.

TABLE I.—*Cereal requirements (including rice) showing minimum arrivals required during crisis period* [1]

EUROPE

[Loadings at seaboard about 30 days earlier]

Country or province	Population in millions	Thousands of tons					
		May	June	July	August	September	Total
France [2]*	39.1	350	350	350	350	350	1,750
North Africa*	12.0	100					100
Italy*	41.5	225	225	225	100		775
Switzerland*	4.2			30	30	30	90
Czechoslovakia*	13.5	60	60	60	60	50	290
Poland*	23.5	85	85	85	85		340
Finland*	3.8			25	40	40	105
Norway*	3.0				30	30	60
United Kingdom [2]*	47.5	400	400	400	400	400	2,000
Belgium*	8.0	60	60	60	60	60	300
Holland*	9.0					80	80
Germany:*							
American zone	18.0	50	50	50	65	60	275
British zone	23.3	180	180	180	180	180	900
French zone	6.0	30	45	45	45	30	195
Russian zone [3]							
Austria*	7.0	30	55	55	55	30	225
Spain	26.0	60	60	60	60		240
Portugal	8.0	30	30	30	30		120
Albania	1.0	5	5	5	5		20
Yugoslavia*	16.0	50	50	50	50	50	250
Greece*	7.5	55	55	55	55	55	275
Europe totals	317.9	1,770	1,710	1,765	1,700	1,445	8,390
LATIN AMERICA							
Latin America		200	200	200	200	200	1,000
NEW ZEALAND AND SOUTH AFRICA							
New Zealand			9	9	0	0	18
South Africa		40	40	40	30	30	180
Total		40	49	49	30	30	198
NEAR EAST							
Near East		20	20	20	20	20	100
INDIAN OCEAN							
[Loadings from Eastern Hemisphere 1 month and Western Hemisphere 2 months earlier]							
India (provinces affected):*							
Bombay	22.0		55	85	95	95	330
Mysore	7.6	14	25	25	25	25	114
Madras	51.4	210	170	170	170	170	890
Travy	6.5	18	10	10	10	10	58
Cochin	1.5	8	7	7	7	7	36
Deccan	2.9	43	19	19	19	19	119
Behar	37.9	19	14	20	20	20	93
Un. Provinces	57.6	24			60	60	144
Bengal	61.3			90	106	106	302
Other		50	50	50	50	50	250
Ceylon	7.0	60	60	60	60	60	300
Malaya and Straits Settlements	3.6	50	50	50	50	50	250
Total		496	460	586	672	672	2,886
PACIFIC OCEAN							
Philippines*	14.0	12	12	12	12	12	60
China [4]*	220.0	120	150	200	200	200	870
Japan*	75.0	50	250	270	200	100	870
Korea [5]*	14.0	15	30	45	10	10	110
Total		197	442	527	422	322	1,910
Grand total		2,723	2,881	3,147	3,044	2,689	14,484
SURPLUS OR SELF-SUFFICIENT COUNTRIES							
Sweden*	6.2						
Denmark*	3.8						
Hungary	9.1						
Rumania	12.1						
Bulgaria	6.5						
Egypt*	17.3						
Iraq*	4.0						
Siam*	14.0						
Total	73.0						

[1] Based on not to exceed 300 grams of cereals per person per day.
[2] Including indigenous supplies.
[3] Data unknown.
[4] Utmost capacity of inland transportation.
[5] American zone.
* Visited by the mission.

TABLE II.—*Possible world cereal supplies from surplus areas, May 1 to Sept. 30*

[In thousands of tons]

	Second quarter loadings (April, May, June)			Loadings in July and August			
	Wheat	Coarse grains	Rice	Wheat	Coarse grains	Rice	Total
United States	2,200	500	20	1,400	100	---	4,220
Canada	1,650	150	---	400	100	---	2,300
Australia	700	---	17	275	---	---	992
United Kingdom	200	---	---	---	---	---	200
Argentina	500	800	---	275	800	---	2,375
Brazil	---	50	60	---	50	40	200
Other Western Hemisphere States	---	---	40	---	---	---	40
Burma	---	---	40	---	---	35	75
Siam	---	---	75	---	---	120	195
Russia to France	150	---	---	150	---	---	300
Total	5,400	1,500	252	2,500	1,050	195	10,897

Grand total:	Tons
Wheat	7,900
Coarse grains	2,550
Rice	447

TABLE III.—*Further supplies possible*

[In thousands of tons]

	Second quarter loadings (April-May-June)			Loadings in July and August			
	Wheat	Coarse grains	Rice	Wheat	Coarse grains	Rice	Total
Indochina	---	---	50	---	---	50	50
Iraq	---	125	---	---	100	---	225
India [1]	---	---	---	---	200	---	200
Punjab and Sind [2]	100	---	---	100	---	---	200
Egypt [2]	30	---	10	50	---	25	115
United Kingdom [2]	300	---	---	---	---	---	300
Russia to France	75	---	---	---	---	---	75
Siam	---	---	---	---	---	200	200
Total	505	125	60	150	300	275	1,365
Iraq (dates)	---	---	---	---	---	---	140
Grand total	---	---	---	---	---	---	1,505

[1] Surplus provinces.
[2] Could be borrowed.
[3] Released stocks.

TABLE IV.—*Provisional balance sheet of world requirements and supplies*

[In thousands of tons]

Minimum cereal requirements:		
Europe	8,390	
Latin America	1,000	
Southern British Empire	198	
Middle East	100	
Indian Ocean	2,886	
Pacific Ocean	1,910	
		14,484
Cereal supplies probable:		
April-May-June loadings	7,202	
July-August loadings	3,695	
		10,897
Deficit probable (24 percent)		3,587
Further possible cereal supplies		1,505

TABLE V.—*Comparison of the combined food board balance sheet of Mar. 1, 1946 (retrospective to Jan. 1, 1946) and Hoover mission balance sheet as of May 1, 1946*

[In thousands of tons]

	Stated requirements	Estimated supplies	Deficit	Deficit
Combined Food Board:				Pct.
Jan. 1 to Sept. 1	25,900	14,900	11,000	42.5
Shipments to May 1	7,000	7,000	---	---
Original balance as at May 1	18,900	7,900	11,000	58
As revised by Hoover mission: May 1 to Sept. 1	14,484	10,900	3,587	24
Total	−4,000	+3,000	−7,413	---

Thus, the requirements were revised downward by	Tons 4,000,000
Supplies revised upward, through new sources developed, effect of conservation, drafts on earlier crops in some countries, etc	3,000,000
Estimated gap as of May 1	3,600,000

Mr. WHERRY. Mr. President, I am now glad to yield the floor to the Senator from Florida, and I thank him for his kindness and patience in permitting me to proceed at this time. I say to him that I did not intend to take so much time, and I hope he will forgive me for the length of time which has been consumed. But I hope that when the proposal to extend the Price Control Act comes before the Senate for consideration, the Senator from Florida will join the Senators from the Middle West in an effort to get a price adjustment from the department here in Washington which will be satisfactory and which will make it possible for the farmers to produce cattle and raise hogs and to produce milk, eggs, and poultry in a satisfactory American way.

Mr. PEPPER. Mr. President, I wish to state to the able Senator from Nebraska that he has rendered a great service, I think, in presenting the information he has given the Senate and in explaining to his colleagues his views on this important subject. When he presents specific legislation on the subject, he will find the Senator from Florida most favorably disposed to listen to whatever he may have to say.

FEDERAL AID FOR VETERANS' EDUCATION

Mr. MEAD. Mr. President, will my colleague yield to me?

Mr. PEPPER. I yield.

Mr. MEAD. Before my able colleague begins his address, I should like to ask permission, if it would not interrupt his program, to finish a statement which I started to make last evening at about the time when the Senate took the recess. If my colleague will yield for that purpose, I should like to complete the statement at this time.

Mr. PEPPER. I am glad to yield to the able Senator from New York.

Mr. MEAD. Mr. President, I desire at this time to call attention to the critical situation facing the colleges and universities of the country, and for which I have sought to provide a remedy through the introduction of two bills, namely, Senate bill 1770 and amendments to S. 1770, and Senate bill 2085, both of which are now pending in the Committee on Education and Labor.

Mr. President, it is to the institutions of higher learning that we must look for an unfailing supply of trained men and women which the efficient operation of our complex civilization requires. During the war years our colleges and universities suffered a depletion of their instructional staffs. Able teachers were recruited for the military and were drawn into industrial establishments. It was well that we had such a very large number of capable and trained instructional staffs. They made a remarkable contribution to victory. Their work during the emergency should stimulate us to continue our encouragement by supporting the colleges and universities of the country and, in fact, the supplementary schools as a whole.

Enrollments during the emergency decreased as students were called to the colors. Buildings and equipment, in many instances inadequate before the war, deteriorated and could not be repaired or replaced because of necessary restriction upon nonmilitary construction.

Today the colleges are struggling to regain their proper position, but they are doomed to failure without Federal cooperation and assistance.

Former students who have been discharged from the military forces are returning in large numbers to our colleges and universities. Other veterans to whom we made promises of benefits of higher education in the GI bill of rights are flocking to these institutions in all sections of the country in ever-increasing numbers. Thousands have been turned away for want of living space and teaching facilities. Others have been accommodated in makeshift quarters and, in some instances, in abandoned war plants. The situation will grow much worse with the larger enrollments expected at the beginning of the new semester in the coming autumn. We have only partially fulfilled the promise made in the GI bill of rights. For what can it avail the veteran to be assured of his living expenses while pursuing his advanced studies if there is no place for him to live and no place in which to study?

The housing shortage has struck the college communities as severely as it has struck other communities. The situation is especially acute at those institutions which are located in large industrial centers, as so many of them are. Before the war many students found lodgings in private homes near the campus. Today such rooms are at a premium. The situation is being further aggravated by the fact that in these communities, as elsewhere, little or no new housing was built during the war, and by the additional fact that perhaps a third of the veterans who are seeking college educations are married, and many of them have children.

Living space which was suitable for a single student back in 1940 cannot be made to accommodate three or four members of a family in 1946. We read of students living 15 or 20 miles from the campus and being required to spend 2 or 3 hours of each day traveling back and forth. In other cases housing accommodations for veterans cannot be found within a radius of 50 miles of the campus. Reliable estimates indicate that college and university enrollments next autumn will total not less than 2,100,000. I repeat that figure, Mr. President. Estimates indicate that college and university enrollment next autumn will total not less than 2,100,000 if adequate dormitory and classroom space is provided, and that such enrollment will represent an increase of approximately 783,000 above the peak prewar enrollment of 1940, although there has been virtually no new construction at these institutions since then in order to take care of the tremendously increased attendance.

Mr. President, that is only the beginning. I am informed that the tide of veterans who attend colleges will not reach its peak until 1950 or 1951. Therefore, if we now have an excess of men and women clamoring for admission to

our colleges to an extent of 783,000 more than the peak war enrollment, what will the situation be in 1950 and in 1951, when the crest resulting from the GI bill of rights is reached?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. PEPPER. Mr. President, the able Senator from New York will recall that when the GI bill of rights was proposed many critics said that the GI's would not take advantage of an opportunity to go to school. What the able Senator is now stating is one of the most magnificent tributes which could be paid to the essential character of the boys and girls of this country.

I rose, however, to ask a question. Many of us had hoped to see the time when every American boy and girl who wished to go to college, or to any kind of a school, would have an opportunity to do so by receiving some kind of financial assistance. Many of us would not have gone to college if we had not received some kind of public assistance. Does not the able Senator from New York believe that the way in which the GI's have responded to an opportunity to obtain an education, or to learn a trade, would justify the Congress in establishing some kind of a Federal-State loan fund and making it possible for every boy and girl in the country to borrow money from it, at either a low rate of interest or at no interest at all, so that he or she could obtain any kind of an education desired, and that such boy or girl should be allowed to borrow the necessary funds on the basis of his or her own obligation and responsibility? They should not be required to go around, as some of us had to do, and hunt up some friend who would be willing to sign a note and make it possible for them to continue with their educations. I cannot refrain from pointing out that what the Senator has emphasized has a relationship to the fact that many boys and girls who did not have the honor of being GI's are, nevertheless, just as anxious as they to receive educations.

Mr. MEAD. Mr. President, I wish there had been some system such as that which the able Senator from Florida has suggested when I was a young man. I certainly believe that the idea he has left with us should be considered and developed. I believe that we should encourage the youth of the country, through loans or some other reasonable system, to pursue their educations so far as they can reasonably be expected to pursue them.

Mr. President, I desire to restate the problem very briefly, namely, that our college and university enrollments by next autumn will total no less than 2,100,000, which will be 783,000 in excess of the peak prewar enrollment of 1940, and that the over-all peak resulting from the GI bill will not be reached until 1950 or 1951. At that time there will be a vastly increased number compared with the number now to be taken care of, and they should be properly provided for.

Mr. TUNNELL. Mr. President——

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Does the Senator from New York yield to the Senator from Delaware?

Mr. MEAD. I yield.

Mr. TUNNELL. In view of the great increase which probably, as I understand, will be apparent the next college year, I should like to ask the Senator whether there is not going to be a shortage of the facilities in the colleges themselves. As I understand the figures, there probably will be 800,000 new students added to the college rolls, that is, above what has heretofore been the quota. Can the colleges themselves take care of that number?

Mr. MEAD. No; the colleges cannot begin to take care of them. There will be a shortage of classrooms, dormitories, cafeterias, and other buildings and facilities which are associated with colleges.

Congress has provided for college housing. We enacted two bills which permit of disassembling, transporting, and setting up in the vicinity of colleges temporary housing which has been used for war workers, or in camps and cantonments, during the war. So we have added to the housing facilities not sufficiently, but in some measure. But as we add to the housing facilities and accommodations for more students, we overload the other facilities of the colleges, and the classrooms now available are unable to accommodate the students. Therefore the colleges cannot accommodate the increased number unless, in addition to the houses, we extend the capacity of the colleges to take care of the added number of students. So they are short all along the line.

Mr. TUNNELL. As I understand, there will be not only a shortage of housing but a shortage of classrooms, and then a shortage in the faculties themselves.

Mr. MEAD. Oh, yes; there will be a shortage all along the line, in the faculties, in classrooms, in the various other buildings, and in housing. The colleges will have to be supported or aided or assisted in some way by the Federal Government. We have a responsibility which cannot be avoided, because we enacted the GI bill of rights. We promised the veterans this opportunity for an education. The colleges of the country are willing to accommodate all they can, but that is not going to meet our responsibility. Therefore it is the duty of the Government, as I see it, to augment the work of the colleges by making certain that the returning veterans shall be able to enjoy the educational privileges and opportunities extended to them by the GI bill of rights.

Mr. TUNNELL. When that can be done for any given number of applicants, the opportunity is one where time is of the essense, is it not?

Mr. MEAD. Oh, yes; time is of the essence. The boys who are clamoring to secure an education, if not given that opportunity now may be forced into some other field of activity, and may never again have the opportunity which they should have now to acquire the education which we promised them in the GI bill of rights.

Mr. TUNNELL. Does the Senator intend to make some recommendations during the course of his remarks?

Mr. MEAD. Yes; I shall make some specific recommendations, I will say to my able colleague from Delaware, who is very much interested in this subject, as I am.

Mr. TUNNELL. I thank the Senator.

Mr. MEAD. So, Mr. President, it is not merely a temporary situation I bring to the attention of the Senate, it is more than that, it is a problem which will be here in the Senate pressing for solution for the next several years unless with foresight and vision we contemplate it and go about dealing with it in a constructive manner.

Mr. BALL. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. BALL. What is the pending question before the Senate?

The PRESIDING OFFICER. The amendment of the Senator from Virginia [Mr. BYRD].

Mr. BALL. To what?

The PRESIDING OFFICER. To House bill 4908.

Mr. MEAD. Mr. President, college enrollments will continue to increase in the future as they have in the past. Between 1926 and 1940 enrollments in this country almost doubled. The demand for education has been steadily rising throughout our history. In 1900 there were enrolled in our high schools 519,251 pupils. By 1920 the number had reached 2,200,389, and steadily climbed to 6,601,444 in 1940.

An increasing number of high-school graduates are going on to college, a response not only to the rising standards of living, but also to a growing appreciation of the value of advanced education to enable the individual to cope with the complexities of modern day life.

The cry for help is arising from every college and every university in the country. Within the month the United States Office of Education addressed inquiries to 50 colleges and universities of all types, public and private, concerning present needs. Forty-six reported a desperate or urgent need for dormitories or other facilities. I read a few typical replies. From a large Southern State university this letter was received:

> All universities and colleges in this State will be filled to capacity this fall, and many thousands of veterans will be denied admission unless college capacities are considerably expanded. Present applications from servicemen for future enrollment graphically prove the necessity for providing additional dormitories for a minimum of 5,000 veterans. We must have Federal aid in future dormitory building.

From a midwestern college, I quote the following:

> We desperately need dormitories at this college. Cannot build without Federal aid. Housing is most critical problem.

From a southwestern agricultural and mechanical college, I quote:

> Without additional dormitory space a minimum of 3,000 will have to be turned away. Impossible to build without Federal aid.

From a large western university, I quote the following:

Need for dormitories most urgent at this university, due to increase in enrollments from 2,400 a year ago to 5,700 today—

Just think of that. One university increasing its enrollment from 2,400 a year ago to 5,700 today. The letter proceeds—

with more than 8,000 expected next fall. Present enrollment includes 3,200 veterans, with 5,500 expected in the fall. Immediate need for six dormitories. We cannot build without Federal aid.

So, as the able Senator from Delaware has pointed out, the need is not only for housing. It is for dormitories, and classrooms, and other facilities of which the colleges and universities stand in need.

Next, Mr. President, is a report from a large southwestern State teachers' college. I think it is especially significant because it is to these teacher-training institutions that we must look for the maintenance of educational standards throughout the country; and not only to the teacher-training institutions but to the other colleges and universities from among whose graduates high-school and college teachers must be recruited.

The student housing problem is critical.

The president of this institution writes:

With a normal enrollment of 3,500, the college has been forced to deny admission to approximately 2,500 bona fide applicants, including more than 1,000 GI's, all because of a lack of living accommodations. Buildings for instructional purposes, even temporary structures, are not available. Certain departments are providing instruction to three times the number of students that can be properly accommodated.

Think for a moment what this means, Mr. President. Twenty-five hundred young men and women trying to prepare themselves for the highest possible type of service to their country turned away, more than a thousand of them veterans who were required to sacrifice education to the needs of their country, men to whom we have made such sweeping promises. They now knock upon the doors of our educational institutions, and the doors do not open.

The men who enlisted in our Army and our Navy, the men whom we promised an education, under a law which received the unanimous support of this body, those men are now trying to get into colleges and universities, and they are being turned away because of the overcrowded conditions of our educational institutions.

This comes from a California junior college:

Undoubtedly the most pressing problem will be that of buildings for our classes. California junior colleges particularly could be greatly helped if the Federal Government would assist in providing campus buildings. We are undoubtedly receiving a great many students from other States and if we are able to serve the veterans in their quest for education we may be compelled to deny educational opportunities to the young people who are graduating from our high schools.

I should like to stress the importance of that point. An alternative to rejecting the recent high school graduates in order to accommodate the veterans would be to reject nonresident students, including the veterans, in order to accommodate the high school graduates. And this, I think, is the more likely. For State institutions will feel that their first responsibility is to the residents of their own State.

Not only would many veterans thus be denied admission to the institutions of their choice, but students from foreign countries would also stand in danger of exclusion.

Mr. President, we must provide educational facilities so that under no circumstances will our veterans be denied the right and the opportunity which they believe are theirs. Before the war there were approximately 10,000 foreign students in American colleges and universities. It is estimated that very soon this number will increase four- or five-fold, to 40,000 or 50,000. We want these students to come. We want them to study the American way of life and carry back to their own countries an appreciation and understanding of it. This is one of the best of all ways to deepen international understanding and to promote world peace.

It will not do to tell the Texas war veteran who wants to study engineering that he can go to Maine and study anthropology instead; or the California veteran who wants to prepare himself for a career in chemistry or atomic research that he can go to New York instead and study philology. The statistics show that the great demand upon the part of returning veterans is for engineering, scientific, and technological training. And these are the particular professional skills that we need to foster in order to promote our continuing economic development and to assure the national defense. These are the skills in which we are most lamentably deficient after 4 years of war during which so many of our young men and women were called from the classroom to the military forces.

Mr. President, since the introduction of the two bills which I mentioned a moment ago, and which have been referred to the Committee on Education and Labor, I have received letters and telegrams from college presidents and other representatives of educational institutions throughout the country, heartily endorsing the objectives of the legislation, and stressing the urgent need that the Federal Government provide some assistance to them now. In addition, I have discussed the problem here in Washington with representatives of the educational groups, as well as with some of the Federal officials who have studied the question, and they are all agreed that unless immediate action is taken to alleviate the situation, the returning veteran will not receive the education which we promised.

I have talked with many of these returning veterans, and I know of their deep interest in taking full advantage of every educational opportunity. I am sure that my colleagues in the Senate have had the same experience. Numerous Senators and Representatives have telephoned my office requesting information regarding these bills and their present status, indicating the extreme interest there is in this subject matter.

Many cases have come to my attention where men overseas have cabled to the university of their choice, applying for admission even before they ever return to the country, while in other cases, after they have returned to their own homes, they immediately attempt to register at college. Mr. President, from now on, as the result of the overcrowded conditions of our colleges and universities, more and more veterans are going to be rejected, and that in my opinion is a pathetic, if not a tragic situation.

Anticipating hearings on these measures, I have already requested both the War Department and Navy Department to make a survey of the number and types of buildings already declared surplus or which are expected to be declared surplus shortly, which might be available for reuse under the provisions of S. 2085 without interfering with the temporary housing program. The buildings which might be declared surplus by the War Department and the Navy Department are buildings which might not necessarily be used to relieve the housing shortage. They might include large dormitories, drill halls, auditoriums, moving picture theater buildings, administration buildings, buildings of that type, which could be disassembled or razed and transported and reerected on the college campuses.

These two measures are pending, as I explained before, in the Committee on Education and Labor. I have requested hearings on behalf of these measures, and I understand that hearings will be held on Friday of this week. I have requested immediate hearings on both measures so that the committee might consider them together and recommend such parts of the program as appear proper on the basis of the evidence to be adduced before the committee. It is imperative that action be taken at the present session of Congress to meet the needs of the colleges for the fall semester. We in the Congress placed this heavy burden on the educational institutions by enacting the GI bill of rights. We must share that burden with them.

It is true, Mr. President, that the Congress already has done something in an effort to alleviate this situation and to redeem our promise to the veterans. At my instance we have, in title V of the Lanham Act, authorized the National Housing Agency to take over surplus temporary Army and Navy war housing and barracks and remove them to college communities and municipalities where they are reassembled and remodeled into housing units for veterans. This work is going forward and it is meeting a part of the housing problem. Helpful as this is, it does not, unfortunately, fully meet the housing need nor any part of the need for classroom and laboratory space and other essential educational facilities.

What I am now proposing, Mr. President, is that we provide additional emergency relief by enacting S. 2085, which would amend title V of the Lanham Act to authorize the Federal Works Administrator to acquire structures or facilities

no longer required for use by other Federal agencies and to disassemble, transport, and reerect them at any educational institution where there exists or impends an acute shortage of such facilities, other than housing, required for persons engaged in the pursuit of courses of training under title II of the Servicemen's Readjustment Act of 1944. For this purpose any funds previously made available under title II of the Lanham Act are made available, as well as an additional authorization of $100,000,000 or such sums as the Congress finds necessary.

Where the need is not merely temporary, but will continue, I propose amendments to S. 1770 a further amendment to the Lanham Act authorizing the Federal Works Administrator to make loans and grants to educational institutions furnishing courses under title II of the Servicemen's Readjustment Act of 1944, for the purpose of enabling such institutions to construct and equip educational facilities, including dormitories, where suitable facilities are not otherwise available and are not otherwise likely to be made available.

So under one proposal, Mr. President, we would take a large building, probably in some military camp, and disassemble it, transport it, and reerect it on the college campus.

There are a great many buildings all over the country, in camps, facilities, and training centers, which will not be required in the temporary housing program. These buildings in some instances afford the only equipment and material now available; and by making further use of them we are not tapping the critical supply of construction material which we shall need for the very necessary housing program. In a word, I contemplate making use of every available building and facility no longer required by a Federal agency which now owns the building.

By the second bill I propose a permanent program under which, by loans and grants, the college may construct permanent buildings, with the college and the Government participating in the cost of the building; and, of course, in both instances the reason must be the education of our veterans.

The amount of such grant shall be 50 percent of the cost, which recognizes the sound and equitable principle that where the need is continuing, and not merely of an emergency nature, the benefiting institution should be required to pay a just share of the cost. S. 1770 authorizes an appropriation of $250,000,000 to carry out its provisions.

Even at present prices, permanent buildings can be erected at a cost of not more than $8.50 per square foot, or at a cost to the Government of $4.25 a square foot, which is half of the total cost contemplated. Moreover, permanent buildings would meet the anticipated needs of the universities and colleges not for a year or two, but for perhaps 50 years to come.

If these buildings serve to accommodate our returning veterans over the period of the next 10 years, or even longer, we shall have been adequately compensated for the 50-percent grant which we have in the buildings. We shall be further compensated by the enrichment of the colleges and universities of our country.

If built of reinforced concrete, such construction will make relatively little demand upon the types of materials otherwise needed for housing. In any event, these educational facilities and dormitories will be constructed for the benefit of veterans.

If the Congress were in need of a precedent for such a program as this, we could turn, Mr. President, to the Bolton Act, which was passed to encourage the training of cadet nurses. To make the program effective, it was necessary to provide dormitories and classrooms at many hospitals and colleges of nursing. The construction was carried out by the Federal Works Agency in cooperation with the Public Health Service at a cost of somewhat less than $5.25 per square foot, despite wartime shortages of materials and labor. And here again the permanent construction that resulted has provided a solution to one phase of the nursing-education problem for a great many hospitals and other training institutions for many years to come.

We were confronted then with a situation in which wartime demands for nursing service far outran the existing facilities for the training of competent nurses. Only by enlarging facilities could we train the young women necessary to care for our battle casualties and to maintain the Nation's health in a time of crisis.

The need for facilitating the training of other types of intelligence in this postwar period may be less evident at first glance, but it is nonetheless critical. We may be sure that other nations are not neglecting, and will not neglect, the education of their youth needed to carry on industry, technology, government, and teaching in this scientific age. To neglect higher education is to slight the national defense itself. We, too, must see that our most precious resources—the skills and talents of our people—are preserved at a high level of efficiency.

In summary, I cannot do better than to quote the words which set forth what from the very beginning has always been the policy of the Congress, the wise words of Thomas Jefferson as embodied in the Ordinance of 1787 for the Government of the Northwest Territory:

> Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.

If there was ever a time when the "means of education" stood in need of vigorous encouragement, that time is now.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Virginia [Mr. BYRD] as a substitute for section 8 in the committee amendment, on page 28.

Mr. PEPPER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Pepper
Austin	Hickenlooper	Radcliffe
Ball	Hill	Reed
Bankhead	Hoey	Revercomb
Barkley	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Bridges	Kilgore	Saltonstall
Brooks	Knowland	Shipstead
Bushfield	La Follette	Stanfill
Butler	Langer	Stewart
Byrd	Lucas	Taft
Capehart	McCarran	Taylor
Capper	McClellan	Thomas, Okla.
Cordon	McFarland	Thomas, Utah
Donnell	McKellar	Tobey
Downey	McMahon	Tunnell
Eastland	Magnuson	Tydings
Ellender	Mead	Wagner
Ferguson	Millikin	Walsh
Fulbright	Mitchell	Wheeler
George	Moore	Wherry
Gerry	Morse	White
Guffey	Murdock	Wiley
Gurney	Murray	Wilson
Hart	Myers	Young
Hatch	O'Daniel	
Hawkes	Overton	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senators from South Carolina [Mr. JOHNSTON and Mr. MAYBANK], and the Senator from Wyoming [Mr. O'MAHONEY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Delaware [Mr. BUCK] and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

The Senator from Florida.

Mr. STANFILL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. STANFILL. The action of the United Mine Workers——

Mr. BALL. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. BALL. The Senator from Florida has held the floor for 2 days, and has farmed out his time to other Senators in order that they might make speeches.

I think the Senator from Florida has definitely lost the floor.

Mr. PEPPER. Mr. President, when the able Senator from Kentucky asked me to yield to him I extended the same courtesy which I have extended to other Senators today. The Senator indicated that he had some remarks which he wished to make. I am perfectly willing to resume the address which I was making when I yielded to other Senators. I was willing to extend the same courtesy to the Senator from Kentucky that I had already extended to other Senators. Unless the Senator from Minnesota wishes to invoke the technical and very strict construction of the rules, I think the Senator from Kentucky should be allowed to speak. The procedure to which the Senator objects is one which has been customarily indulged in during the past. If the Senator does not want that practice to obtain in the Senate, it is all right with me. But I believe, however, that every Senator to whom I have yielded addressed the Senate with reference to a matter in which he was interested. Unless the Senator from Minnesota wishes to invoke for general observance the rule to which he has referred, I think his colleague, who is a Member of the Senate on the same side of the Chamber as that of the Senator from Minnesota, should be extended the same courtesy as that which I have already extended to other Senators.

Mr. BALL. Mr. President, I have already said that I do not believe the Senator from Florida has a right to hold the floor and farm it out.

Mr. PEPPER. Mr. President, I believe the practice to which the Senator objects has been indulged in before. In the second place, the Senator from Kentucky had already begun his remarks when the Senator from Minnesota raised the point of order. I hope the Senator from Minnesota will not deprive the Senator from Kentucky of the right to make his address at this time. However, if the Senator from Minnesota wishes to urge his objection, I am prepared to resume my discussion of the bill.

Mr. BREWSTER and Mr. BANKHEAD addressed the Chair.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Florida yield; and, if so, to whom?

Mr. PEPPER. I yield first to the Senator from Maine. I believe he was on his feet first.

The PRESIDING OFFICER. The Senator from Maine.

Mr. BREWSTER. Mr. President, during the course of the remarks which were being made yesterday by the Senator from Florida, he was asked whether or not he had any constructive suggestion as to their appropriate application. I now read from the remarks of the Senator from Florida which appear in the CONGRESSIONAL RECORD at page 4977:

> Mr. PEPPER. First, in response to the pertinent remarks—
>
> I appreciate the compliment.

Mr. BARKLEY. That is what the Senator wanted. [Laughter.]

Mr. BREWSTER. I will take care of the Senator from Kentucky later on. [Laughter.]

> First, in response to the pertinent remarks made by the able Senator from Maine, what the Senator has said emphasizes the fact that eventually the time will have to be recognized as having arrived when the rules of the Senate will have to be adapted to the necessity of disposing of public business.
>
> * * * * *
>
> But we can never transact the public business with the dispatch which the public demand requires until we have the capacity and the leadership in the Senate to outline and lay out a program for the Senate's business, and then require some reasonable observance of that program.
>
> * * * * *
>
> The answer is not in laying aside one piece of legislation for another piece of legislation, but the answer lies in making it possible for the leadership to budget in some reasonable measure the length of time available for debate on pending measures, and then to adhere to the budget which has been established.
>
> * * * * *
>
> Everyone admits the folly of the United States military policy that is embodied in this bill, and yet we are about to proceed for days and perhaps for weeks to debate a rather vain labor bill, after sacrificing the national interest—namely, the national security—and possibly endangering the future peace of the United States and of the world.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BREWSTER. In view of the time which has elapsed, I am wondering if the Senator from Florida has now some constructive contribution with reference to how we are to secure rules which will cover this situation and make it possible for the leadership to carry out the program which has been outlined.

Mr. PEPPER. Mr. President, I am glad the Senator from Maine has asked me that question, because it gives me an opportunity to correct a flaw in the RECORD, about which I would not have known had not the leader, with his usual graciousness, mentioned it to me a moment ago.

I did not say "if we had the leadership." I said, "if we had the rules by which the leadership could budget the time," and so forth. The able Senator from Kentucky knows that I am one of those in this body who holds him in highest esteem and affection. The essence of my remarks, taken altogether, indicate that I was speaking about a fault of the rules and not a fault of the leadership. I have heard the majority leader stand up and plead with his colleagues and largely with those who were opposed to the British loan, among whom was the Senator from Maine, because of consuming something like a month in disposing of the British loan measure while other important measures were pending on the calendar.

I had not read the RECORD before so as to detect the language which has been read, and I ask unanimous consent to correct the RECORD so that at the place where it says "if we had the rules and the leadership" it will read, after "requires", "that we have rules so the leadership can outline", and so forth, because that is what I said. Had I corrected my remarks for the daily RECORD, that is how the language would have read.

Mr. BARKLEY. Mr President, if the Senator will permit, I wish to say that I take no offense at what the Senator said, because I understand his reference to lack of capacity referred to all other Senators except to me. [Laughter.]

Mr. PEPPER. The able Senator from Kentucky knows that I sympathize with him, and I have discussed privately with him the plight of the leadership in trying to get legislation through this body under the present rules of the Senate.

The very able Senator from Maine, the cum laude Senator from Maine, has asked me if I have any suggestion to make as to how the situation can be improved.

Mr. BREWSTER. Before the Senator goes to that, in connection with the previous remarks which referred to this side and the other side of the Chamber, and my soliciting the aid of our comrades over here, I do not know what the RECORD will show as to the distribution of responsibility for the discussion of the British loan. I am sure the Senator from Florida will agree that I at any rate did not unduly occupy the time of the Senate. I was one of those who followed the leadership of the distinguished majority leader in voting to terminate the discussion on the loan at the first opportunity that was offered, after the motion was made by a Senator on this side. So I think the RECORD should be clear that certainly, so far as either side of the aisle is concerned, responsibility may rest as much on one side as on the other. But I now welcome the approach of the Senator, since now the responsibility for the time occupied today certainly is on the other side of the aisle, as to how the Senator from Florida would suggest that situation might be dealt with.

Mr. PEPPER. Mr. President, before we get too far afield from the premise from which we began, talking about the British loan, the discussion of which consumed a month——

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. PEPPER. I am answering the Senator from Maine, if the Senator will permit.

The discussion of the British loan consumed over a month, when we had the selective service measure and all the other pieces of legislation pending on the Senate Calendar. Not once during that month did I hear the very able Senator, my cum laude friend from Maine, ever raise a protest that we were taking too much time on the British loan. Yet, because the second day has arrived, and not yet concluded—we have at least an hour left—because we have been 1 day and part of the second day in the consideration of a labor bill, and because the Senator from Florida has perhaps been overgenerous in acceding to the courteous requests of his colleagues, giving them a chance to express themselves upon matters which they at least thought important, now the Senator from Florida is made the victim of a criticism by the able Senator from Maine. It looks to me as if the old saying

about making fish of one and fowl of the other is being applied by the Senator from Maine to the Senator from Florida and to the labor bill.

Mr. BREWSTER. If the Senator will yield, I would think there might be a little more appropriate application, if I may go into the Latin, if I say it is an argumentum ad hominem. It is an argument addressed to one who within the last 24 hours has admitted delays.

While I have no challenge of the other Senators who have discussed various matters through the courtesy of the Senator from Florida, he himself, although he said we were considering a labor bill, has very properly recognized that the others were discussing many other matters than the labor legislation. That is within the Senate rules, but it is certainly the very heart of the problem to which the Senator from Florida addressed himself in his remarks yesterday when he said we must confine ourselves to an issue if we are to dispose of it.

Mr. PEPPER. The Latin which the able Senator from Maine has quoted has in the first place confirmed my modification of my remarks yesterday from "the able Senator from Maine" to "the very able Senator from Maine," and my further modification of today to "the very able cum laude Senator from Maine." But I should like to say that ideo consideratum est quod recuperat—at the present time the argument is not exactly applicable. It is what we call in law a non sequitur. The following is an explanation of a non sequitur as applied to this discussion. When the Senator from Maine participates in a debate for over a month on the British loan without a protest as to the length of time taken, and then complains to the Senate about the Senator from Florida trying to address himself just the second day to this important labor bill—for the Senator to make such a protest is what I would call a logical non sequitur.

Mr. BARKLEY. Will the Senator yield?

Mr. PEPPER. I yield to the Senator from Alabama, who rose some time ago, and then I want to continue to answer the question of the Senator from Maine.

Mr. STANFILL. I thought the Senator had yielded to me.

The PRESIDING OFFICER. To whom does the Senator yield?

Mr. BALL. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Florida has the floor, and if the Senator from Minnesota insists on making the point of order, the Senator from Florida must refrain from allowing others the privilege of the floor except for the purpose of asking a question.

Mr. PEPPER. Mr. President, I have no way of knowing, when a Senator asks me to yield, what the purpose of the Senator may be. If I were to use the words of my able friend from Maine, I would say that a Senator's mind is inscrutable; it certainly is not obvious from the exterior. So how can I have the power of divination to know what a Senator proposes to suggest when he asks me to yield? Southern hospitality and courtesy, for which I am being criticized today, lead me to yield to every request made to me, when it is within my power to yield. I assume, when a Senator rises and addresses the Chair, it is with good will and good motives, and that he is not going to make any improper request. So, upon that assumption, and with the indulgence of the Senator from Kentucky, I yield to my fellow southerner, the able Senator from Alabama.

The PRESIDING OFFICER. Is there objection to the Senator from Florida yielding to the Senator from Alabama without losing the floor? The Chair hears none.

Mr. BANKHEAD. Mr. President, I do not want the Senator to lose the floor. I rose to aid the Senator from Florida. I hope the Senator from Minnesota will not insist upon his objection.

The Senator from Florida has frankly been critical of his southern colleagues when they were engaging in lengthy discussion in opposition to antisocial and antisouthern legislation, and I wish to congratulate him because he is gradually coming along in the right direction. [Laughter.] I do not want the Senator from Minnesota to disturb the Senator in the high art and practice of filibustering. I do not object to him filibustering. I like to have him establish the principle and the right to filibuster, but I hope my good friend will be frank about it and say that he is filibustering.

Mr. President, when I came into the Senate a short time ago I said to one of my colleagues, "What is going on in the Senate?" He said, "Senator PEPPER is parceling out the time." I did not know what he meant by that, except that the Senator was delaying, and that was kind of him.

Mr. PEPPER. I thank the Senator.

Mr. BANKHEAD. I am always friendly to the kind-hearted Senator from Florida, but I do think that after a reasonable practice here for several days in postponing legislation which he construes to be hostile to John L. Lewis, he will confess that the right to filibuster is a fine practice and a fine art, and that it should be practiced when one frankly believes that the question pending should not be brought to an early vote. I hope the Senator will be permitted to filibuster just as long as he desires to do so. [Laughter.]

Mr. PEPPER. Mr. President, with the further indulgence of the able Senator from Kentucky, I wish to say to the distinguished Senator from Alabama that the filibustering procedure is a fine art, if not a fine practice.

Mr. BANKHEAD. It is both.

Mr. PEPPER. It is not a commendable practice. I wish to say further that, if the Senator will recollect what we are generally told, when many of the Senators who are associating themselves with these severe antilabor amendments are delaying the passage of legislation which other Senators consider in the public interest, they always inform us that they are just discussing, that they are debating, that they are educating, that they are illuminating the minds of their colleagues about that important subject.

We would never hear drop from the lips of one of the Senators engaged in the practice of the fine art of filibustering any such rude and vulgar word as "filibuster." No, Mr. President, they do it with a fine art. They do not use a broadax; they use a sharp sword that might be fitting for the trained hand of the most expert duelist. There is the thrust and the counterthrust, and we can almost see the good footwork the duelist would employ in the most dangerous duel, being employed by these gentlemen practicing the fine art of the filibuster.

In the first place, the Senator from Florida came here today prepared, as I think these documents on my desk will show, to make a serious argument, according to his limited ability, on the Byrd amendment. If Senators wanted me to, I could send for the transcript of the official reporter and read again to Senators what I said, because there are many now present who were not here when I addressed myself to the Senate today. If I were to indulge myself again and read to Senators who are now here who were not here before what I said, I do not think they would find many irrelevant words in my remarks on the amended Byrd amendment.

So I came here prepared seriously to try to discuss the Byrd amendment. I think Senators who were here the day before yesterday heard the Senator from Florida, following a very able address of the Senator from Montana, the chairman of the Committee on Education and Labor, try to address himself to the Byrd amendment. The able Senator from Virginia has at least three times modified his amendment since the comment that was made by the Senator from Florida or by other Senators, after the Senator from Florida raised the question that the amendment would achieve something other than what the Senator from Virginia contemplated by his amendment.

Mr. President, although this is only the second day the bill has been under discussion, because Senators will recall that the Senator from Florida sat in his seat practically all day yesterday while the Senate debated the selective service measure and many other things that the Senator from Florida had nothing to do with, yet due to the comment which the Senator from Florida and other Senators had made, the Senator from Virginia came here this day and modified his amendment by deleting at least two provisions that were in it and inserting a third, to make it less objectionable than it was when the Senator from Florida criticized it 2 days ago, which was the first day of debate upon the pending legislation.

Mr. President, we have been engaging in some levity and I have been willing to indulge in it myself, but I will say seriously that—and now I want to answer the question of my friend the Senator from Maine, and I will say to him and to my able friend the Senator from Alabama, that I will enter into a unanimous-consent agreement today to allot a period of time to every bill that is pending on the Senate Calendar, and I will match the rest of the Senate in agreeing to limitation of time if they will agree to a limitation of time to every other

bill that is pending on the Senate Calendar. If Senators want to accept that invitation, let us have a unanimous-consent request, let the leader fix the time that he thinks should be allowed for any piece of legislation, including the pending business on the Senate Calendar, and then let us see whether or not the Senator from Florida is willing to join with other Senators in that budgeting of time which I advocated on the floor of the Senate yesterday.

Mr. President, not only that, but if Senators will look up the RECORD of the Senate, it will be found that at least 2 years ago, if not 3 years ago, the Senator from Florida offered on this floor an amendment to the Senate rules. He proposed that the rules be amended to provide for cloture upon easier terms than the cloture is presently possible upon the Senate floor. If the Senate will remember further, the other day, just after we voted on the British loan, the Senator from Florida rose and said that there were three cardinal instances in which the rules of the Senate should be amended. The first is that a majority should have a right to invoke relevancy in debate in the Senate, so no Senator could rise and debate the Chaplain's prayer, or debate the Journal of a previous day, and call that debate on the FEPC measure or the anti-poll-tax bill or something else. That is the first thing the Senator from Florida proposed; that a majority of the Senate have the right to invoke a rule of relevancy in debate, and that the motion to invoke such a rule be a privileged motion.

The second thing which the Senator from Florida proposed is that the majority of the Senate should have the right to determine what is the pending business, and that a motion to invoke such a rule be a privileged motion. That, Mr. President, would prevent Senators from getting up on the floor and filibustering even on a motion to take up a bill, so that Senators not only cannot debate the merits of the bill, they cannot even take it up under the rules of the Senate. Yet did the Senator from Florida or other Senators on his side of this matter try to make a filibuster when a motion to take up the pending bill was made? Of course, no. We voted against it when a vote was had, but we did not say one word in protest, except one time when the Senator from Kentucky had the floor, simply to make an observation, but when the motion was made to take up the bill not one word of protest was made, nor was debate taken advantage of by any Senator who is opposing the strictures upon the working men and women of the country that some Senators here would impose, I am afraid, if they were allowed to have their amendment adopted.

The third proposal the Senator from Florida made was that a majority of the Senate, after a reasonable time had elapsed, after there had been reasonable debate upon the pending business—the Senator from Florida suggested on the floor 10 days or 2 weeks at the outside, but the Senator from Florida is willing to make it 1 week—after a reasonable length of time has been allowed for debate, then a majority of the Senate ought to have the right to determine when a final vote shall be had. Not only that, but I brought up in a group of 10 or 15 Senators such proposals weeks ago. Since then several Senators on the floor have made similar proposals. The Senator from Massachusetts [Mr. SALTONSTALL] has made a proposal with respect to cloture. The Senator from Oregon [Mr. MORSE] has proposed an amendment to the Senate rules. He is writing an article for a magazine on the subject of cloture, and I favor his position.

But, Mr. President, on the second day of debate on the pending bill, and when the one day of debate we have had has already led to a modification of the sponsor's amendment by the sponsor himself, I think it is unfair to accuse the Senator from Florida of filibustering merely because he has been a little indulgent here today to Senators who have asked him to yield in order that they might say something they wanted to say. I think it unfair, under such circumstances, to make such a criticism of the Senator from Florida.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to my friend from Alabama.

Mr. BANKHEAD. The Senator knows I have not criticized him for filibustering. I rather commend him for it. I simply want the Senator frankly and honestly to confess, like we do, that he is engaging in it. That is all I have said. I do not say anything about the Senator by way of criticism. When he is carrying out an objective in which he has his heart, I think he is doing exactly what he ought to do, and that is engage in a filibuster.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BREWSTER. I appreciated the suggestion, and the very practical one, that the Senator from Florida was prepared to agree to a limitation of debate in connection with this measure.

Mr. PEPPER. All measures. Not just this one; all measures.

Mr. BREWSTER. Oh, yes; I am going to add the proviso all right: *Provided, however,* That we should take the entire calendar and determine, under the leadership of the distinguished majority leader, the amount of time which should be allotted to each measure on the calendar. I have just looked at the calendar, and there are 22 pages of bills; about 10 bills on a page, which would be 220 bills in all, ranging all the way from an act for the relief of John Sefarian to acts which have very large effect upon the entire economy of the country. It is really very difficult to take seriously the suggestion that the Senator will agree to a limitation of debate on the pending measure provided every Senator will agree to a limitation of debate on 220 bills remaining on the calendar.

The Senate is in labor trying to produce a measure to deal with a question which greatly concerns the country, and the problem is to get this particular child born without undertaking to act as midwife for 220 other bills, and I am sure the Senator cannot seriously suggest that we could undertake any such propositions as he made. The question is: What is going to be done about the pending bill?

Mr. PEPPER. I can answer the Senator with language that is almost deserving of being called Chaucerian in its simplicity. If the Senator from Maine even suggests that we who believe that the antilabor forces of the Senate are trying to crucify labor are going to lie down and let labor be crucified without the maximum exertion of our efforts he has no right to draw any such inference from our conduct. We will fight it to the very limit of our ability, because we think we are fighting for the right of men and women to organize their strength to better their standard of living.

If the Senator from Maine, who with his colleagues opposed the British loan, and who took over a month to debate it, has an idea that we are going to lie down with less than our maximum efforts in defending labor against its crucifiers, the Senator has no right to draw any such inference from the conduct of those of us on this side who oppose the amendment of the Senator from Virginia.

However, if there is going to be placed any stringency upon the rules of the Senate that will apply alike to all important measures, then the Senator from Florida will go right along with the Senator from Maine in the change of those rules that will make it possible for strictures to be imposed upon time. I do not favor the filibuster procedure, but I have seen measure after measure crucified here on the Senate floor because it did not have a chance to be considered. The House of Representatives has three times passed the anti-poll-tax bill. That bill has three times been reported favorably out of the Committee on the Judiciary of the Senate. Three times it has been on the Senate Calendar. Every time it has been killed by a filibuster. I did not find the able Senator from Virginia and I did not find other Senators who are supporting his amendment trying to curb debate or place a limit on debate in those instances. I do not know how the able Senator from Maine voted. Perhaps he voted for cloture, as I did. I hope he did.

Mr. BREWSTER. If the Senator from Florida will yield further, I will say that it is quite true that I did, and that I cooperated in every measure designed to facilitate the disposition of our business, and I am sure that the Senator from Florida will not intimate that so far as the Senator from Maine is concerned there has never been any undue use of the Senate's time in the discussion of any pending measure.

Mr. PEPPER. No; the Senator from Florida has no suggestion of that character at all to make. By the same token the Senator from Maine should not today, on the second day the Senator from Florida has been discussing this subject, have made the imputation that the Senator from Florida is filibustering simply because he yielded to Senators who made requests in good faith to make remarks on various other subjects.

Mr. BREWSTER. The Senator from Florida has now used language, perhaps in the heat of the discussion, which certainly carries the full implication that he proposes to see that this measure is as exhaustively discussed as it is possible for the group immediately associated with him to do. I cannot read his language other than as saying that no legislation dealing with labor, as he feels in an unfair way, will be permitted to pass this body as long as the breath of life remains in him.

Mr. PEPPER. Oh, no, Mr. President.

Mr. BREWSTER. The language of the Senator from Florida was susceptible only of that construction. Perhaps he did not so intend it.

Mr. PEPPER. I am afraid that what may be called the inferential nerves of the Senator from Maine are oversensitive. He is like a delicate lens in a camera. He draws an inference with the greatest of ease. In this case the inference is not justified because the Senator from Florida had no intention whatever to make any such suggestion, or to indicate any purpose to engage in any such conduct.

Mr. STANFILL. Mr. President, will the Senator yield?

Mr. PEPPER. Mr. President, the able Senator will realize the embarrassment in which the Senator from Florida finds himself. On the one hand, I am torn by the earnest appeal made by the Senator from Kentucky, the colleague of our able leader [Mr. BARKLEY] to address himself to the Senate. Yet, I am afraid that if I do so I shall be subjected to an unfavorable inference by some of my oversensitive inference-gathering friends. I ask the Senator to address himself to his colleagues with such conviction that the Senator from Florida will not be held at fault for allowing him to speak.

Mr. BALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BALL. It seems to me that the solution is very simple. If the Senator from Florida is not particularly anxious to continue tonight, he can yield the floor and the Senator from Kentucky can speak. I know of no reason why the Senator from Florida cannot obtain the floor tomorrow when we reconvene. I simply do not like this practice of hanging on to the floor day after day.

Mr. PEPPER. The Senator has a technical point, and I appreciate the earnestness with which he presents it. Such earnestness is characteristic of his way of presenting any question to his colleagues.

Mr. President, I ask unanimous consent that I may yield the floor at the present time in order that the Senator from Kentucky [Mr. STANFILL] may now address his colleagues, and that I may resume my discussion when the Senate convenes tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

Mr. STANFILL. Mr. President, the action of the United Mine Workers through its president, John L. Lewis, in calling the coal strike, brought this country to the very brink of disaster.

I am aware that Mr. Lewis denies this is a strike and uses the fiction that his miners will not work without a contract, but the people of this country do not believe in this fiction and they look upon this condition in the mining industry purely and simply as a strike, which it undoubtedly is. The 2-week truce in the coal strike which has been granted by Mr. Lewis is significant as an additional evidence of the absolute power which this one man holds over the economic life of these United States. When he called the miners back to work he made this statement:

> The coal to be mined during this 2-week period can be utilized for consumption by the essential facilities and the Nation's health and security thus safeguarded while efforts are continued to negotiate a contract.

What Mr. Lewis is saying is that he knows the coal strike has endangered the health and the security of the Nation and that for reasons of his own, he is willing to abate this menace for a period of 2 weeks. But he does not say that he has relented. What he does say is that he has the unrestrained power to grant or to withhold a commodity upon which the life of this Nation depends. Can any one individual be trusted with this much power? Is not that a fact which constitutes the real issue confronting the American people and the Members of this Congress?

The question is simply whether Mr. Lewis, or any other man, should have the power arbitrarily to deprive the American people of something that is essential to their existence. If there were any doubt as to the existence of this power, Mr. Lewis, availing himself of the special privileges conferred upon him by this Congress, has removed it. Without a doubt, some will seize upon this truce as an excuse, once again, to do nothing displeasing to labor. But that has nothing to do with the question now before the Senate. This does not call for spot or hot-headed legislation aimed at Mr. Lewis or any other men. It does call, however, for legislation which will balance power with responsibility and which will reaffirm and reestablish the principle that the promotion of the national welfare is the primary concern of Congress and that this national welfare must take precedence over the interest or whims of any individual or any minority group.

Mr. EASTLAND. Mr. President, will the Senator from Kentucky yield for a question?

Mr. STANFILL. I am glad to yield.

Mr. EASTLAND. Does the Senator realize that John L. Lewis, by calling a strike which throttles the economy of this country, holds the power of life and death over the American people? The people are helpless and defenseless, and have utterly no recourse under the law.

Mr. STANFILL. I certainly realize that, and I expect a little later to express my views on that question.

Mr. EASTLAND. Will the Senator yield for another question?

Mr. STANFILL. I gladly yield.

Mr. EASTLAND. Does the Senator believe that it is Mr. Lewis' purpose to nationalize the coal industry of this country?

Mr. STANFILL. No; I do not believe so.

Mr. EASTLAND. The Senator from Mississippi thinks so.

Mr. STANFILL. The Senator from Mississippi may be correct.

Mr. President, for 14 long years the Government of these United States, a government presumably founded on justice and equality for all, has sown the wind, and that same Government now reaps the whirlwind.

For 12 of these 14 years the executive branch of our Government ridiculed the honest dollar, encouraged class hatreds, and created special privileges and exemptions for labor unions. The New Deal was compelled to soft-pedal a bit during the war; it was forced to admit the existence of certain American fundamentals it had previously denied. But even in that crisis, the administration found ways and means to pay off on the political support of radical and labor organizations, and when Mr. Truman became President he embraced all the policies of his predecessor, adding a fillip or two of his own.

As a result of these policies—those of Mr. Roosevelt and the present incumbent—John L. Lewis has become so powerful that he can do to this country that which all its wartime enemies together could not do. Neither Hitler, nor Mussolini, nor Tojo, was able to batter us down from without, but Lewis seems to be able to batter us down from within.

Is this man Lewis so powerful today that he can set himself above the 140,000,000 men, women, and children of this country? Is he so powerful that he can stop railroads, put out the Nation's lights, deny it its food, shorten our water supply, reduce our hospitals to a quick emergency basis? All this he has done and no law can touch him.

Many of the boys who died in distant lands in flaming airplanes and in pig boats under the seas were too young to realize what they were fighting for. Many who were fortunate enough to return still do not know. And many older men who fought shoulder to shoulder with homesick, bewildered youths still do not know. But they will know before John L. Lewis finishes with them. They will know that this same man can destroy their American heritage—the heritage of freemen.

Some of our people say, "throw the man in jail." But when legislation reaches the Senate designed to reduce the power voted the Lewises, the Petrillos, and the Reuthers to a level of equality with the rest of America, we manage to sit on a new bill until the heat is off.

It is now clear that the executive branch of the Government will not rescue us from the crisis of its own making. Leadership in the White House is lacking. It is now up to Congress to do what needs to be done. Three steps are vitally important in order to protect the people:

First. The Wagner Act must be made over into an instrument that will protect the employer as well as the worker.

Second. All union immunity from the laws that govern the conduct of the rest of us must be withdrawn.

Third. A law must be enacted to make it illegal for any labor leader to levy his own private tax upon production. We have the opportunity to do this in this Senate now. The record is written and there is no need for discussion or a long debate. The irresponsible behavior of John L. Lewis and some of the other labor leaders can destroy all the gains intelligent, far-sighted men have won for workers over the last century. The thoroughly discredited policies of the last 14 years must be repudiated.

There is no question that the President is in possession of all his wartime power to act and put an end to the strike before it goes any further, or to prevent another strike being called at the end of this truce. That was stated to us on the floor of the Senate by the majority leader just a few days ago. We enact laws and issue Executive orders to cut the daily food supply. We issue food stamps. We place ceiling prices on manufactured articles and farm products. We hang up subsidies and bonuses. We draft young men into military service in time of peace. We enact laws to legalize strikes and picket lines. We delve into the workingman's pay envelope, and take out for his income tax. We fine a merchant and put him out of business for selling goods above ceiling prices. We put a man in the penitentiary for moonshining, hang a man for kidnaping, force him to make out reports and swear to them when they are not understood, condemn and confiscate his private property, and so forth, ad infinitum. We do all this in the interest of humanity, justice, and equality, in the name of democracy. Yet, at the same time, we cannot punish John L. Lewis when he is calculated to cause more damage to the Nation than the violation of all the above laws and Executive orders. It just does not make sense, especially when the very lives of our people are at stake. When one of our citizens is held in the Federal court for any violation of the law, he appears before the bar meek as a lamb and he is given the full penalty. But John L. Lewis moves about like a bull in a china shop and glorifies in his destruction like an alien enemy. If he were taken before the bar of justice on the charge of trying to wreck the greatest nation on earth he would not be friendless. He would have the united support of hundreds of thousands of votes; and therein lies the difference.

Human nature is human nature, and one element in human nature is a tendency to abuse power. When one person or group takes to doing that, the rest of the community, in self-defense, has to gang up and cut the person or group down to its size. That has happened in due time to the American capitalist group, by such agencies as the Interstate Commerce Commission, the National Labor Relations Board, and the SEC, to name only a few.

Labor unions, too, have made great contributions to the American people's welfare—to the welfare of all the people, including the capitalists. This is plain to anyone who compares the condition of most American workers, say, 20 years ago, with their condition today. Not only were many workers underpaid and overworked 20 years ago but also, because of that fact, the domestic market for goods was much smaller and poorer than it is today. For this general improvement much credit must go to the labor unions.

We have some labor magnates, however, who are as powerful in their own field as the big barons of business ever were. Among these are Petrillo, Murray, Lewis, Green, Reuther, and others. Not all these leaders abuse their power. But some of them do, and all of them can, because the laws are insufficient to restrain them. We must bring the labor leaders under public control as business leaders have been brought under public control, and we must begin this work in earnest. The postwar wave of strikes is alarming many people, as well as slowing down reconversion and speeding up inflation.

The labor journal called Labor Views, which is published in Milwaukee, some time ago summed up the results of General Motors' strike. It pointed out that the value lost while plants were closed amounted to more than $1,000,000,000, a loss affecting the corporation, distributors, and its employees. But it goes on to another angle of the situation. The corporation, before the strike was called, offered an increase of 13½ cents an hour. After the strike the increase amounted to 18½ cents an hour. The strikers, by closing down the industry for months, losing approximately $170,000,000 in wages, gained an additional 5 cents an hour. How long would it take them, on the basis of a raise of 5 cents, to make this $170,000,000? It is figured by this journal that it would take 9 years and 7 weeks. That is all they would have earned in that length of time as a result of a strike because of which they lost while they were idle a far larger amount in wages.

In the meantime, other people have to be considered. Hundreds of General Motors workers, not having pay checks for 16 weeks, were unable to pay rent or to meet the installment payments on their homes. Many were evicted, and many mortgages have been foreclosed. Hundreds have lost their cars or other things, such as household goods, which were being purchased on time payments. Most of those engaged in the strike have dissipated their savings and have been driven into debt. There are also the heartaches, the anxieties, and the hardships imposed on women and children who are innocent victims of leaders who needlessly have led men into a costly strike bringing so much suffering. All this has been done in a fight for 5 cents an hour. Even in a period of 18 years, that 5 cents could never make up the losses suffered.

I am not in any sense antilabor, but I am an American citizen who believes in fair dealing in all matters, and who has the welfare of labor at heart. I believe it is my duty as a Member of the Senate to call the attention of all the citizens of our country to certain conditions which, if allowed to proceed unrestrained, will bode ill for labor and the country as a whole.

I call attention to the following statement which is contained in a recent Associated Press article:

> John L. Lewis doggedly insisted on the establishment of a health-and-welfare fund for the miners today, with only 4 days left to negotiate a new bituminous wage contract and avoid the work stop. The United Mine Workers leader declined to discuss anything but his proposal to set up a fund, which, the coal operators say, might give the union more than $50,000,000 a year.

Yet, the Wagner Labor Relations Act undertakes to require the operators or the capitalists, if you please, to negotiate in good faith, but it does not require John L. Lewis or the union to negotiate at all. Mr. Lewis has not negotiated; he has never negotiated during any part of his controversy, according to the press dispatches.

Last night John L. Lewis again made a specific demand of the coal-mine operators that the welfare fund request be granted before he would negotiate on any question about wages or anything else. Mr. President, in my judgment the outlook for the writing of a contract between the coal operators and the coal miners was never blacker. This matter has now passed far beyond a controversy between coal operators and coal miners. It has become the most serious problem that has confronted this country since the brutal attack by the Japanese at Pearl Harbor, and it is one fraught with greater dangers. A halt must be brought to a movement that is tantamount to revolution. I think that speedy congressional action is certainly imperative.

The genesis of the present-day labor law is found in the National Recovery Act passed in 1933. That law was conceived in the thought that by the use of codes of fair competition and abolishment of sweat-shop conditions, economic conditions could be improved. When the NRA was declared invalid by the courts, the National Labor Relations Act was introduced and passed in 1935. That law, which has been termed the "Magna Carta" of organized labor, guaranteed the right of employees to organize, to engage in concertive activities, and to bargain collectively through representatives of their own choosing. In 1938, the Fair Labor Standards Act, the so-called Wages and Hours Act, was enacted. It placed a floor under wages and a ceiling over hours. It was the last major peacetime law dealing with labor. Labor has grown from a group of 3,500,000 people in 1933 to an aggregate of about 13,000,000 at this time. If each one of them has an average number of dependents as disclosed by the 1940 census, organized labor now represents, directly or indirectly, some 40,000,000 people, and constitutes by far the largest single group in our population, although it is still definitely a minority. It possesses tremendous

economic power and political strength. Its power, both economic and political, has grown with its membership, so that today it occupies a position which is substantially equal to that of business. In many cases it occupies the status of an absolute monopoly. In short, labor has become of age, and no longer needs the nursing care which attended its development.

This fact seems to have escaped the notice of many liberals who still cling to the pattern of thought of a decade ago. Having been devoted to the idea that a strong and militant labor movement was desirable and necessary for the American body politic, they do not know just what to do about it now that the objective has been attained. What we now have are big unions and big business. The conflicts between the two result in a disregard of the general welfare and a disruption of our economy, which is always bad, but is particularly damaging in the present period of reconversion because it slows up the production of goods, which is the only sure bulwark against inflation and inflationary tendencies which presently beset the American economic structure.

The broadest possible interpretation has been given to the provisions of the Wagner Act. Let us review a few of them:

A refusal to hire a person because of union membership entitles that person to a position with a discriminating employer with back pay from the time of such original refusal to hire.

When non-union employees, without the knowledge or approval of the employer, forceably evicted union workers, the employer was held to be guilty of engaging in discrimination because he did not give positive protection to the union members.

If one union threatens to strike unless the members of another union are discharged, the employer cannot discharge the members of the other group in order to avoid a strike.

Under the law, strikers or employees have the right to return to work when and if they desire.

Concertive labor activities are not violative of the Sherman Act unless there is a collaboration with employers.

A sympathetic strike is considered a legitimate form of labor activity.

Although a union may agree not to strike during the life of a contract, it may nevertheless do so without legal penalty, according to the National Labor Relations Board.

Individual strikers cannot be urged to return to work, because that constitutes an attempted interference with the workers' rights to organize and bargain collectively.

If an employer commits one unfair labor practice, during a strike, he may be required to take back all strikers, with back pay.

The discharge of an employee who engages in a boycott would be considered discriminatory.

Each of the foregoing interpretations has been made by the National Labor Relations Board.

Those interpretations illustrate the degree of freedom from legal restraint which has been bestowed upon the labor movement. There is little doubt that the positive assistance to, and even the promotion of, union activities by the National Labor Relations Board has served to defeat in some measure other stated purposes of the act, such as the reduction of strikes and the lifting from interstate commerce of the interruption caused by strikes. It is claimed that that course probably was historically justified, in that without the Board's assistance, many unions could not have succeeded in organizing. I think that is true. But just as the protection of infant industries is no longer a legitimate argument for tariffs, so does this course of nursing and promotion seem no longer tenable. It was changed when the Board was reorganized a few years ago, and the present administration of the law is more in keeping with the stated purposes of the act. Almost any union spokesman will assert that the closed shop is an essential of a satisfactory labor contract. It has its virtues as to the union itself, but those virtues are not the whole story. To force a man, regardless of his wishes, to join a union as a condition to his right to work, constitutes a question of fundamental human freedom which has not yet been satisfactorily answered. In a closed union—that is, one which has prohibitive or near prohibitive qualifications for membership—enjoys a closed-shop condition, the question becomes acute.

The right to strike is considered by labor leaders to be fundamental and the chief weapon for industrial warfare in labor's arsenal. Any attempt to curb or regulate that right is met with violent opposition and the statement that the right of a man to work or not to work, as he sees fit, is constitutionally guaranteed in the prohibition against involuntary servitude. There is a militancy in the tone and attitude which labor displays upon this subject which shows how deeply ingrained into the fibers of the labor movement is this idea. Nevertheless, I think it merits examination. A strike does not involve a simple quitting of the job because of dissatisfaction with conditions, plus a determination not to resume work until conditions are changed. In a strike, a workman does not release his claim to the job. In fact, under the Wagner Act, he remains a legal employee of the employer against whom he is striking. Since he retains his employee rights, the employer cannot assure anyone who may take his place while he is on strike of continuation of employment in the same capacity when the striker returns to work, because that might constitute an unfair labor practice. Strikers are able, by mass picketing, to prevent anyone from going into the struck premises for the purpose of working while the strike is in progress. In other words, under the law, a strike includes several elements which certainly are not in the minds of our people and were not there when the thirteenth amendment was adopted. The right to strike involves concepts which go far beyond those included in the prohibition against involuntary servitude. The right to strike is not a constitutional right, although it has been clothed with certain privileges and immunities by statute, and it is certainly not illogical to place certain safeguards around the exercise of that right. These safeguards or restrictions should not be such as to hamper organized labor and its legitimate activities except where there are overweening considerations of the public welfare.

The National Labor Relations Act has clothed employees with legal guarantees of their rights to organize and bargain collectively, and there is no excuse for striking for that. Since one of the purposes of bargaining is to arrive at a contract between the employer and the union, there is no reason for a strike during the term of a bona fide contract, provided the contract contains the procedure for the enforcement of its terms. Since the National Labor Relations Act provides a mechanism for determination of jurisdictional squabbles between unions, jurisdictional strikes are not justified. It does not appear that the public interest is served by the broadening of industrial disputes to include many innocent employers and employees, so strikes undertaken in sympathy with other strikes are of questionable justification. There is a growing public sentiment to the effect that the essential services of any community should not be impaired by disputes between employers and employees. This area contains such businesses as public utilities, mass transportation, and milk supply, as well as direct governmental services. We cannot have either public utilities or mass transportation without coal, and therefore, I believe that coal should be included in those businesses in which the unions have no right to strike.

Organized labor has been repeatedly urged by its friends to clean up its backyard. This it has declined to do, and has violently attacked every attempt to accomplish this legislation as an attempt to shackle the labor movement. I do not want to see it shackled, but I do wish to see it regulated in the public interest as well as in its own interest. I do not condone the unfair and discriminatory actions of many employers, but I am convinced that peaceful and orderly settlement of industrial disputes is just as much a necessity as is the peaceful and orderly settlement of civil wrongs. Industrial warfare is an outmoded concept and should be avoided by the substitution of an appropriate code of procedure.

The unorganized lobbyless popular majority must be surprised as well as angry as the spectacle of a government confessing and even asserting its impotence to abolish a situation brought about by previous governmental acts. The surprise would be as natural as the resentment because, since President Roosevelt took office, the size and power of the Federal Government has grown to vast proportions and the people have become accustomed to the idea that it can do everything. The Federal Government, in those years, has taken authority over an infinite number of details in the everyday life of every citizen. This sweeping paternalism expressed in favoritism for groups with organized voting strength was established long before it was made complete by the advent of war. The inertia and the hand wringing of the

administration in Washington now in the presence of a desperate emergency must come as a surprise to millions of citizens if they really believed that the conditions their public servants have created cannot by these same public servants be challenged and through the same legal processes.

A survey of some of the powers that have been voted to the central Government since 1933 supports the opinion that the American people must be surprised to be told now that it is helpless before the labor leaders, and does not know how to cure its impotence. In that period the Federal system has been given authority to do the following:

Use public funds and taxation to care of cripples, blind, indigent mothers, and dependent children in every State;

Provide unemployment compensation and old-age benefits;

Require employers to engage in collective bargaining with employees with penalty for nonconformance, but none for nonconformance by the employees;

Preventing employers from saying or doing anything to encourage or discourage membership in any labor organization, but with no restrictions on employees against doing or saying what they may choose to injure an employer's business;

Protect, as sacred, the right of workers to strike whatever the industry or its relation to public health and security;

Leave to a board appointed by the President full power to interpret pro-labor laws with only limited recourse to courts appointed also by the President;

Set up an ever-normal granary to keep supplies of nonperishable stock stored on the farms as insurance against shortages or violent price fluctuations;

Maintain farm prices at an artificial parity through subsidies and other means;

Decree by the bounty system the slaughter of hogs and cattle, and limit the acreage in specified crops;

Insure all bank deposits;

Use the Nation's revenue for housing loans;

Cancel the gold clause and all Federal and private obligations, and make them payable in legal tender;

Change, at will, the purchasing power of that legal tender;

Fix interest rates at will;

Create public power systems such as the Tennessee Valley Authority;

Exempt from antitrust laws labor unions and all agreements made under the National Recovery Administration Act;

Fix prevailing wages, hourly levels of work for the day and week with time and one-half for overtime;

Set minimum wages for goods in the floor of interstate commerce;

Enlarge the interstate-commerce and general-welfare clauses of the Constitution until the State boundaries have become dotted lines;

Some of these powers were necessary, beneficial, and overdue. The important thing is that a government, which sought and received them in order to deal with lesser problems, shrinks from using or supplementing them to avert a national disaster.

The Senate should enact laws, directed specifically against admitted and widespread evils, which not only are seriously restricting free competition and industry but are curtailing the economic freedoms and opportunities of millions of workers. It has always been an axiom of liberalism that unrestrained and unregulated power in the hands of any individual or group is dangerous to democracy and freedom. The leaders of the labor unions exercise such unrestrained and unregulated power today, and the laws we pass should be aimed to be corrective of certain labor practices in the same sense that the antitrust laws of the early decades of this century were corrective of the abuses of our free enterprise system. Such measures safeguard real freedom.

Among these corrective measures, I think the one which stands out as most needed is that which requires both sides to live up to their contract. If unions can break agreements with relative impunity, then such agreements do not tend to stabilize industrial relations. The execution of an agreement does not by itself promote industrial peace. The main purpose of an employer in signing a collective labor agreement is to assure uninterrupted operation during the term of the agreement. Without some effective method of assuring freedom from economic warfare for the term of the agreement, there is little reason why an employer should desire to enter into any agreement.

President Truman, in opening the management-labor conference in November 1945, took cognizance of this condition. He said very plainly that collective agreements should be mutually binding on both parties to the contract. I quote from his statement:

> We shall have to find methods, not only of peaceful negotiation of labor contracts but also of insuring industrial peace for the lifetime of such contract. Contracts once made must be lived up to and should be changed only in the manner agreed upon by the parties. If we expect confidence in agreements made, there must be responsibility and integrity on both sides in carrying them out.

The courts have held that the purpose of the Wagner Act was:

> To compel employers to bargain collectively with their employees to the end that an employment contract binding on both parties should be made.

I cite the case of *H. J. Heinz and Company* (311 U. S. 514) decided in 1941.

But neither the Wagner Act nor any other Federal statute makes labor unions legally responsible for carrying out their agreements. A very interesting side light on this question is found in *U. S.* v. *Hutchison* (321 U. S. p. 219), in the Supreme Court hold that a secondary boycott could not be reached under the antitrust laws, because the declaration of policy in the Norris-LaGuardia Act gave employees full freedom to engage in concertive activities for their mutual aid and protection. The Supreme Court of the United States, through Justice Frankfurter, stated:

> So long as a union acts in its self-interest delicit and illicit under section 20 are not to be distinguished by any judgment regarding the wisdom, or unwisdom, or the rightness or wrongness, the selfishness or unselfishness of the end of which the particular union activities are the means.

The unions are asserting the right to organize supervisory employees, and we will recall the recent conflict with John L. Lewis when he called a strike to force management to recognize the unionization of supervisors, foremen, and so forth. To my mind, it is unthinkable that such a condition should exist. No man can serve two masters. He will love the one and hate the other. He cannot be loyal to both. This is well expressed by Hon. Gerald D. Reilly, a member of the National Labor Relations Board, in his dissenting opinion in the Jones & Laughlin Steel Corp. case in which the Board upheld the right of the union to organize supervisory employees. Mr. Reilly wrote these words of warning:

> In my judgment, the decision which we are making today so seriously distorts the principal objectives of the National Labor Relations Act that unless it is speedily corrected by legislative or judicial action, it will have far-reaching repercussions upon industry and labor. * * * In reaching this result, it is probable that we have seriously impaired the ability of the operators effectively to manage their mines. It is certain that we have discarded doctrines developed by this Board in the last 10 years for insuring complete freedom from management interference to workers in choosing their bargaining representative.
>
> It is not altogether clear from the text of the majority opinion whether the authors feel that no other conclusion was possible under the wording of the statue, or whether they were seeking to promote within the narrow ambit of discretion vested in this Board what they consider to be a better industrial relations policy. Whatever the reason, however, it is submitted that the result represents neither good law nor sound policy.

At a later point in his dissent Mr. Reilly, in a footnote, makes the following reference, which states the practical argument so well that I desire to read it:

> A recent comment by a railway employees' organization on the dilemma of the organized foremen bears repetition at this point: "If a foreman is a worker with no disciplinary authority he is, to my mind, just a glorified worker, with a title that means nothing, and I see no reason why he should not be organized. But if the title of 'foreman' means what it actually implies, the right to hire, discharge, and discipline employees for insubordination, then I do not hesitate in saying that a foreman should not be organized. How can a man be honest with himself and honest with his union, if he is forced, through a condition of unionism, to play both ends against the middle. And this is exactly what he must do as a unionized foreman. If he does not discipline insubordinate employees he can be expelled from the company for his own insubordination; and if he does discipline, as a conscientious foreman, he can be expelled from his own union, which places him right in the middle.
>
> In order for a foreman to function properly in his capacity he must be respected by all those with whom he comes in contact; and just how can he be respected, or even

trusted, when he is in a position of playing two ends against the middle? In the position of serving two masters at one time.

And further, as succinctly stated by the minority report from the Committee on Education and Labor of the Senate:

NLRB now says everybody is an "employee." Unless the line is drawn by law at the point between actual production workers and the lowest rank of actual management, where is the line to be drawn? Is the level of those subject to organization to be raised by successive steps until all employees of a company, including the president and other officers, are in the production union, and thus subject to union discipline? Actually, there are two parties to a labor contract, the owners of the business and the workers. Those parties designate agents to represent them. In the case of the owners the agent is what we call management. In the case of the workers it is generally a labor organization. The NLRB has found regularly that there can be no true collective bargaining if management interferes with the designation of the bargaining agent of the workers. It is equally true that there can be no effective collective bargaining if the agent of the workers interferes with the personnel which, as a part of management, carries out the orders of management and exercises control over production, discipline, and the administration of the labor contract. The capture of any element of management and the compromising or impairment of the undivided loyalty of any element of management by a labor organization is an interference with the function of management just as surely as the giving by management of improper inducements to the agents of the workers is an interference with their rights. Unless each is free from interference by the other there can be no true collective bargaining. It is interesting to note that President William Green, of the American Federation of Labor, agreed that foremen are a part of management and said that "the line of distinction should be drawn" in his testimony before the committee on February 23, 1946.

Mr. President, when the National Labor Relations Act was made a law everyone regarded foremen as employers or responsible agents thereof, rather than employees, as the terms were used for the purpose of that statute. Unions generally barred foremen from becoming members of their body. As pointed out in the minority views by the distinguished Senator from Minnesota:

In recent years the National Labor Relations Board has changed its mind several times on this question. The Board now holds that while a foreman is an employer in the sense that the employer is responsible for his acts, he is also an employee under the act, and is subject to the compulsions of collective bargaining and representation by unions of the workers whom he supervises and disciplines. In thus holding the Board states "so long as the Congress of the United States imposes no limitation upon their choice it is not for us to do so." (See Jones Laughlin Steel Corp., NLRB 6-R-1191.)

The issue, therefore, has been placed squarely up to the Congress. Moreover, every State has many regulatory statutes, some of them penal in their nature, regarding the duties of mine foremen or supervisors. Those laws set out certain duties of mine foremen and make the operator responsible in damages for the failure of the mine foremen to perform such duties. The foremen are required to take and pass rigid examinations, and in my own State of Kentucky, and I assume in other States also, are issued a license by the State Department of Mines. Thus they become professional men, whose duties are defined by statutory laws and who are held to a strict accountability for their adherence to these laws, and their employer is made liable in damages for their failure. Thus they owe their duties to the mine operator; it is so provided by law.

To say that they shall be forced to join a union and thus be obligated to follow the instructions of the union leaders, yet hold the operator or employer responsible at law for their actions, simply does not make sense.

I agree with the distinguished Senator from Virginia on his amendment, involving the payment of royalties to the union under the guise of a welfare and health fund for the benefit of the miners. I do not and could not object to the establishment of a proper welfare and health fund. I have lived in a coal mining district all my life. I know the conditions under which the miners work and live, and I know these conditions are usually bad. I also know something of the struggles the operators have had to keep their mines going and the struggle they have made to keep their heads above economic waters and thus prevent their being drowned in the sea of economic conditions.

But to give the union a tonnage tax or a pay-roll tax, cal lit whatever may be desired, and let the union have the sole management and control of the fund would give it more power than any group in our heretofore free country. We would sell the American heritage ot liberty, of a high standard of living, of production in the full economic system, for the support of Mr. Lewis and his union. We would bankrupt the coal industry, because that industry made considerable less money last year than Mr. Lewis' demand would amount to. On Monday, May 13, Mr. Lewis changed his demand on welfare from a production tax to a percentage tax of 7 percent on the gross pay roll. He also held fast to his demand that the contribution should be made wholly by industry and the administration of the fund wholly by his union. The amount that this would cost per ton would vary in different districts. It might be as low as 10 cents per ton in the lowest cost district, and it would probably be as high as 40 cents per ton in the highest cost district.

Mr. MORSE. Mr. President, will the Senator from Kentucky yield?

Mr. STANFILL. I yield.

Mr. MORSE. Would the Senator agree that if the union were asking for a health and welfare fund, the money not to be within the control of the union, but to be administered either jointly by the employer and the union, or by the employer and the union through a Government representative, then much of the objection to such a fund would be removed?

Mr. STANFILL. I certainly do, and I mean to touch on that in a moment, before I close.

Mr. MORSE. I am very happy to know that, because I wish to join the Senator in the observation, if it is his observation, that such a fund is not bad in principle, but is good in principle.

Mr. STANFILL. That is correct.

Mr. MORSE. It has been long delayed in the mining industry, but that certainly it should not be within the control and domination of just one of the parties to the fund.

Mr. STANFILL. I agree with the Senator in that. The over-all cost would strike an average of about 20 cents a ton on the national production, all of which, if the operators survived, would have to be passed on to the public.

In the next observation I think I answer the question raised by the distinguished Senator from Oregon. The purposes for which Mr. Lewis intended using this fund are good, according to his statement, and I for one shall not object to the establishment of a fund for such purposes, provided the fund is contributed to on a fair basis by both management and labor, and is jointly administered by them, and the contract for the fund is arrived at on a free and voluntary basis. Does that answer the Senator?

Mr. MORSE. I find myself in complete agreement with the Senator from Kentucky.

Mr. STANFILL. I thank the Senator from Oregon very much.

Mr. President, so far as this question is concerned, I am fearful that the real trouble we are facing is not economic but is political. This is a time which requires great statesmanship and deep patriotism. The question should not be settled by consideration of whether or not the pending bill is a vote-getting measure, nor should our votes depend upon political deals to hold the union vote.

The present action of Mr. Lewis is like many he has taken in the past, and such actions are likely to prove disastrous to the coal-mining industry. To my own knowledge every operator who is able to do so, or whose mining conditions will permit, has already begun or is now planning to mechanize the mines, and replace manpower with machine power, and this very fact alone will throw many thousands of coal miners out of employment. Operators claim they are forced to do this because of labor troubles with the union. This transition is gradual, but it is nevertheless certain.

In this same connection, I shall read an article by Raymond Moley which lately appeared in the public press, and which points out that industry wherever possible is adapting its machinery to the use of other fuel than coal. The article is as follows:

FLIGHT FROM COAL

(By Raymond Moley)

Everybody talks about John L. Lewis, but nobody does anything about him. Threats of dire punishments are of no importance to him. His personal daring and intelligence, his power over his miners, the weakness of the operators, and the incapacity of the Government have made his going easy. The problem of John L. Lewis is the problem of coal. If our economy were not so tightly funneled through the coal industry, no man, even with the advantages of Mr. Lewis, could throw us into an economic brown-out.

One way to lessen the Lewis threat is to grow less dependent upon coal. We can, with some safety, adapt our fuel-consuming machinery more generally to the alternative use of oil, natural gas, and water power. This partial solution for our dependence on coal will probably be pursued as the danger of re-

current coal strikes is more deeply impressed on big users. The coal industry realizes this fact and greatly fears what it calls a flight from coal.

On the labor side, it is clear that labor forces needed for coal are relatively greater than for substitutes.

In Russia and in the western United States oil is a major alternative to coal. Possibilities for our use of oil are promising, for old and woeful predictions about exhausting the oil supply are now proved to be overstatements.

There is a limit to the expansion of water power as a substitute for coal. The best engineering judgment tells us that water power grows less efficient, while coal grows more efficient with improved power machinery. Water-power plants deteriorate with years, while the power produced per ton of coal increases every year. Moreover, most industry in this country is not located convenient to the existing supplies of water power. This is a great disadvantage with present means of transmission.

The major fear of more great Government water-power projects stems from the socialistic trend thus encouraged. This is a real problem over the long run. An administration interested in vast Government expansion might, in future, use such facilities to impose intolerable pressure on private industry. It might well turn out to be a case of bringing in a harsh master to curb another harsh master. It would mean public socialism as an alternative to the private socialism of John L. Lewis and his miners.

There could be measurable protection, however, for private enterprise in creating public power plants. Government might subsidize projects which, with help, might be built with private money and control. But this would be a possible solution only under a President and Congress less disposed toward increasing their own power than we have had in the past 13 years.

In any event, under the threats of Mr. Lewis, we are helpless in peace, as we were in war. And now, in peace, we can have no recourse to patriotism. This problem must be solved by doing something about fuel. We can do little about Mr. Lewis or his successors.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Reports of committees are in order. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of David L. Bazelon to be Assistant Attorney General.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of Victor E. Anderson to be United States attorney for the district of Minnesota.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HILL. I ask unanimous consent that the President may be notified forthwith of the confirmations.

The PRESIDING OFFICER. Without objection, the President will be notified immediately.

RECESS

Mr. HILL. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 11 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 16, 1946, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15 (legislative day of March 5), 1946:

DEPARTMENT OF JUSTICE

David L. Bazelon to be an Assistant Attorney General.

UNITED STATES ATTORNEY

Victor E. Anderson to be United States attorney for the district of Minnesota.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 15, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father God, Thou who dwellest in the eternities, Thy word is a lamp unto our feet and all mysteries are dissolved before Thy face. Though we see not or understand not, we glory in our eternal inheritance, wherein we find that nourishment that makes the Holy Bible most precious, giving light and joy and comfort to the human soul. Valuable beyond words are the great simplicities of the evangel of Thy revelation.

Though we be tempted by selfishness and avarice, with doubts and many fears, we ask Thee to enable us to conduct ourselves nobly in the vocation to which our country has called us, pledging ourselves to clean living, to justice, and good will. O give us the larger vision; show us the broader fields of endeavor. Persuade us, O God, that no legislative enactment, no philanthropic movement or religious endeavor which is not based on the broad truth of fatherhood and brotherhood, can endure. Through Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6305. An act to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT

The SPEAKER laid before the House the following communication from the Clerk of the House:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 15, 1946.

The Honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to the authority heretofore granted the Clerk of the House received from the Secretary of the Senate on May 14, 1946, a message indicating that the Senate had agreed to the amendments of the House of Representatives to the joint resolution (S. J. Res. 159) to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946.

Very respectfully,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER. The Chair desires to announce that, pursuant to the authority granted him on May 14, 1946, he did on that date sign the enrolled joint resolution of the Senate (S. J. Res. 159) to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946.

SPANISH WAR AND CERTAIN OTHER PENSIONS

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, I would like to call your attention to H. R. 5662, introduced by the gentleman from Oklahoma, Congressman WICKERSHAM, which, if enacted into law, will provide an increase of pension for veterans of the War with Spain, the Philippine Insurrection, and the China Relief Expedition. The enactment of this bill will increase the amount of pension payable for total disability from $75 monthly to $100 a month. I hope that the Committee on Pensions will give early consideration to this bill, and, as one Member of Congress, I believe that the increase is justified at this time, and I highly recommend it.

EXTENSIONS OF REMARKS

Mr. MANSFIELD of Texas asked and was given permission to extend his remarks in the RECORD and to include a speech he delivered last Friday before the County Judges and Commissioners' Association of Texas at Galveston.

Mr. TORRENS asked and was given permission to extend his remarks in the RECORD and include therein a communication from Yeshiva University in his district, enclosing the presentation of an honorary degree of doctor of law to Chief Justice Stone.

Mr. PRICE of Illinois and Mr. TRAYNOR asked and were given permission to extend their own remarks in the RECORD.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an address and in the other a eulogy.

Mr. ROGERS of Florida asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement made by the Amvets deploring misuse of priority rights on surplus purchases, together with a news item referring to such charges.

Mr. HARRIS (at the request of Mr. HAYS) was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HAYS asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. ROONEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

Mr. CHURCH asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances, in one to include an editorial of May 9 from the Chicago Journal of Commerce, in one to include an editorial from the Chicago Daily Tribune of May 8 on strikes and the law, and in one to include an editorial from the Chicago Daily News of May 10 How Do You Like It, Americans?

Mr. ELLIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a certain prepared statement.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances, to include an editorial in one and a letter in the other.

Mr. HESS asked and was given permission to extend his remarks in the RECORD and include some letters.

Mr. KUNKEL asked and was given permission to extend his remarks in the RECORD and include a statement by Dr. Ruth Miller Steese on the subject Wear a Poppy for Remembrance.

Mr. LEWIS asked and was given permission to extend his remarks in the RECORD and include two letters.

Mr. GIFFORD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD in two instances, in one to include letters from constituents, and in the other to include an address which he delivered in August 1945 in Pawhuska, Okla.

Mr. HALE asked and was given permission to extend his remarks in the RECORD and include an address which he made over WTAN.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD in reference to star route mail contracts and include a letter and also on the subject of our responsibility in feeding the hungry in Europe and to include a speech by H. J. Heinz II, president of H. J. Heinz Co., Pittsburgh, Pa.

LEGISLATION AGAINST STRIKES

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BUCK. Mr. Speaker, as I told the House recently, the Committee on Labor is devoting itself to minimum wage legislation.

The coal strike has thrown a million men and women out of employment, and a railroad strike is impending.

This morning I moved in the committee—

That the Committee on Labor set aside present consideration of minimum wage legislation and devote itself immediately to devising means for protecting the Nation against strikes, present and impending, which are jeopardizing its welfare.

My motion was defeated, 7 to 5, with 1 Republican and 6 Democrats voting in the negative, 4 Republicans and 1 Democrat in the positive.

The country will draw its own conclusions.

EXTENSION OF DRAFT ACT

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I cannot refrain from calling the attention of the House to the fact that yesterday the majority whip, the majority leader, and others in the House predicted dire results if the House did not accept the resolution sent over by the Senate without changing a dot or crossing a "t." Well, democracy does work. Their dire predictions did not come true. The Selective Service Act is still on the lawbooks of the land.

I humbly suggest that the administration leaders who tried to scare Congress into taking action because they said "pass it as is or selective service will die," review the results of the last 24 hours. The tactics employed are all too familiar in this body. Their "wolf, wolf" cry is no longer effective.

I predict that within the next few hours a statement will come from President Truman and the administration saying what a terrible thing has happened because the House and Senate took the action which they did. Most of their statement will not be substantiated by the facts. The American people want the truth and not propaganda. They, nor their representatives, are being fooled.

JUSTICE FOR AMERICAN VETERANS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, the time has come when Congress should act to remove a great injustice which is being done to sick or disabled American veterans through the operation of a veterans' regulation by which hospitalized veterans are being deprived of a substantial portion of their veterans' compensation.

The gentleman from California [Mr. MCDONOUGH] has introduced H. R. 5549 to correct this injustice and he has filed petition No. 30 which is now on the Speaker's desk to force early action on this legislation. I have signed petition 30 and I urge those of you who desire to provide justice for the veterans to sign this petition promptly.

H. R. 5549 simply sets aside the veterans' regulation whereby at present the sick or disabled veteran who is hospitalized has his veterans compensation, pension, or retirement pay, as the case may be, reduced during the time he is receiving domiciliary care. In effect, this regulation compels the veteran to pay a substantial portion of his own hospital bills and this, I am sure, was never the intention of Congress. In effect, this regulation requires the veteran who has suffered most and who is least able to pay to undergo a reduction of income at the time he is least able to earn.

This injustice should be summarily stopped and by the prompt passage of H. R. 5549 we can at least relieve from financial worry the sick or disabled veteran who has more than grief enough while he is being hospitalized in an effort to restore himself to health and to regain his earning power. Certainly taking most from the veterans least able to pay, Mr. Speaker, is not the policy which Congress approves in dealing with the American veteran.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a statement by the Economists' National Committee on Monetary Policy.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. SMITH of Ohio addressed the House. His remarks appear in the Appendix.]

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a survey on the food situation in Europe.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. JENKINS addressed the House. His remarks appear in the Appendix.]

ST. LAWRENCE SEAWAY AND POWER PROJECT

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker and Members of the House, I rise to call to the attention of the House the fact that on October 3, 1945, the President of the United States, among many messages submitted to this Congress, submitted one message of paramount importance. He called upon Congress to take immediate steps for the construction and completion of the St. Lawrence seaway and power project. That is over seven and one-half months ago, and yet the Congress of the United States has done nothins to carry out his directive and his request. Was his message an empty gesture?

I want to say, Mr. Speaker, that this reminds me of that ancient story about Nero fiddling while Rome burned. A lot of fiddling is going on.

It is unfortunate in this democracy of ours that we cannot always be in a

position to demand the right to obtain a vote on legislation beneficial to the Nation as a whole and of vital importance to the future welfare of the country.

The distinguished Members of the House of Representatives may be tired, particularly after the strain of years of struggle to keep this country on an even keel, but I hope they will bear with me a moment.

Once again I come before you to make a report on progress in obtaining the St. Lawrence seaway legislation now bottled up in an important committee elsewhere on Capitol Hill. Some months ago I began a weekly report on the seaway's progress because I thought you would be interested in knowing developments, and I had hopes it would force committee consideration for a joint resolution sponsored by President Truman, the Democratic administration and the Republican leadership. I thought that a bill with such distinguished company should certainly be kept alive without the aid of an incubator. But apparently someone has to breathe life into the infant resolution before it withers on the vine just as all the other St. Lawrence resolutions, bills, agreements and treaties have done.

The weekly report did bring about committee hearings and as predicted the subcommittee brought back a favorable report. It is an established fact that the parent committee would vote in favor of the seaway and report it out on the calendar in the other Chamber. Under those conditions it is shameful that a vote is not permitted in committee at once.

Delays have been encountered which some legislators are willing to brush aside as unfortunate with the excuse that they were unforeseen and could not be avoided. That may be true to some degree, but I am convinced, as are many of my colleagues, that there is a deliberate plot to bury this seaway resolution before it has even died. This time the powerful opponents of the seaway fear the consequences should the seaway resolution ever come to a vote.

It seems impossible to me that some can turn a legislative body into a debating society, spend 4 weeks deciding to lend—or give away—$4,000,000,000 American dollars to a foreign power on the theory that it is to preserve the peace of the world, or strengthen the unity of the English speaking nations, or eliminate trade barriers, or put us in a better bargaining position should another war engulf the world, and yet refuse to consider development of a waterway which would have been invaluable during a war period now fortunately in our past. The St. Lawrence, recognized by the War Department as an outlet of immeasurable value during the past world conflict, is certainly as valuable to the Nation in peacetime—and then, should we be forced to face another war through the bungling of peace efforts, we would have the outlet so vitally needed for our own defense.

Meanwhile, our people would have the benefit of this great waterway during the years of peace, which we all hope will be forever.

It is my sincere hope that the committee now considering this legislation grasp the opportunity to approve of it and then press for a final decision in Congress. I recognize the difficulties confronting the legislation because of political fear, as well as determined opposition to kill what is good for the country.

I do not recognize the rights, however, of a single individual of a legislative body to deliberately withhold permission of a committee representing that body to cast its vote on as important domestic legislation as the St. Lawrence waterway.

If the opponents of the waterway hope thus to defeat it in this session, believing it will lie buried for another 10 years, they had better think again. If they hope to keep me from doing my utmost to keep this legislation alive; if they expect me to drop it and not force consideration in the early days of the next session, should failure be upon us today, then they must go into my legislative district and defeat me for reelection. There is no other way for the opponents of the waterway to keep it from being reintroduced in Congress again and again, until we are successful. I challenge the powerful interests that do not believe the St. Lawrence is a good project to go to the people who have sent me to Congress often enough to give me an influential position on the Rivers and Harbors Committee, headed by that distinguished Representative the gentleman from Texas, Mr. J. J. MANSFIELD.

It is time to call the bluff of these gentlemen. If they dare, let them step out into the open now against me for the St. Lawrence is as deeply rooted in me as it is in any man in Congress. We will win despite these selfish interests.

EXTENSION OF REMARKS

Mr. TALBOT asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include an article from the Pathfinder dated May 15, 1946.

COAL-TAX LEVY

Mr. ROBERTSON of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON of Virginia. Mr. Speaker, the present pay roll of the miners in the bituminous coal fields is $2,000,000,000. The 18½ percent which the operators have offered as increased wages and not yet accepted by the miners' union would add $300,000,000 to that. A 7-percent pay-roll tax on top of that would add another $100,000,000. That would mean an increased average cost of production of 55 cents a ton. On 600,000,000 tons of coal it would add over $300,000,000 to the cost to the consumers.

The subcommittee of the Committee on the Judiciary has reported to the full committee my bill, H. R. 6259, which would outlaw the taxing of employers by employees. The $300,000,000 involved in this coal contest, which would be outlawed by that bill, is a small part of the bill that the American people would have to pay if the principle were applied to all production. It would amount, in my opinion, to an annual tax of between seven and eight billion dollars per year. I know that this House will welcome an opportunity to vote on my measure when it is brought to the House by the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1457. An act for the relief of Josephine Benham;

H. R. 5604. An act reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes;

H. R. 5890. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; and

H. R. 6305. An act to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1457. An act for the relief of Josephine Benham;

H. R. 5604. An act reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes;

H. R. 5890. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; and

H. R. 6305. An act to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments.

ADJOURNMENT

Mr. BARDEN. Mr. Speaker, I move that the House do now adjourn.

Mr. MARCANTONIO and Mr. BIEMILLER demanded the yeas and nays.

The yeas and nays were refused.

Mr. MARCANTONIO. Mr. Speaker, I demand tellers.

Tellers were refused.

Mr. MARCANTONIO. Mr. Speaker, I ask for a division.

Mr. MARTIN of Massachusetts. Mr. Speaker, what is the motion before the House now, on which we are to have a division?

The SPEAKER. The motion is to adjourn.

The question is on the motion.

The question was taken; and on a division there were—ayes 99, noes 81.

So the motion was agreed to.

Accordingly (at 12 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Thursday, May 16, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation on Thursday, May 16, 1946, at 10 o'clock a. m., in open session, in committee room 356, Old House Office Building.

COMMITTEE ON BANKING AND CURRENCY

The Committee on Banking and Currency will begin hearings on House Joint Resolution 311 (the British loan) on Thursday, May 16, 1946, at 10:30 a. m., in the Banking and Currency Committee room, 1301 New House Office Building.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Subcommittee on Tax Liability of Ship Operators will meet in open hearing on Thursday, May 16, 1946, at 10 a. m.

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 1 of the Committee on the Judiciary on the bill (H. R. 5089) to amend the First War Powers Act, 1941, beginning at 10 a. m. on Thursday, May 16, 1946. The hearing will be held in room 346, House Office Building (Judiciary Committee room).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Commerce and Trade of the Committee on Interstate and Foreign Commerce, at 10 a. m., Friday, May 17, 1946.

Business to be considered: Continuation of public hearing on H. R. 4871 and S. 1367—to provide for the appointment of three additional Assistant Secretaries of Commerce, and for other purposes.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1302. A letter from the Secretary of the Interior, transmitting pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, one copy each of various legislation passed by the Muncipal Council of St. Thomas and St John; to the Committee on Insular Affairs.

1303. A letter from the Archivist of the United States, transmitting lists or schedules or parts of lists or schedules, covering records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DOUGHTON of North Carolina: Committee on Ways and Means. House Joint Resolution 353. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code; without amendment (Rept. No. 2055). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LYNCH:

H. R. 6447. A bill relating to the war tax rate on retail sale of furs; to the Committee on Ways and Means.

By Mr. MILLS:

H. R. 6448. A bill to promote the progress of science and the useful arts; to secure the national defense; to advance the national health, prosperity, and welfare; and for other purposes; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PETERSON of Georgia:

H. R. 6449. A bill for the relief of Josef Plawes; to the Committee on Immigration and Naturalization.

By Mr. PHILLIPS:

H. R. 6450. A bill for the relief of Agnes M. Baugh; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1885. By the SPEAKER: Petition of Western Mining Council, Inc., petitioning consideration of their resolution with reference to an investigation before granting the loan to Britain; to the Committee on Banking and Currency.

SENATE

THURSDAY, MAY 16, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Most gracious Lord whose mercy is over all Thy works, ere we go on to meet the draining duties of this another day, we would first fix our eyes upon One whose crystal purity shames and challenges us, and who, out of the depths, even in torture's grim grasp, whispered with faith undimmed: "Father, into Thy hands I commend My spirit." With reverent tread we would pause at this wayside cross our fathers reared; then, following in the steps of that most holy life, we, too, would entrust our all to Thy mighty hand.

May we fill our niche in the growing temple of humanity solemnized by the fateful truth Thou hast revealed, that only righteousness exalteth a nation; that there is no righteousness which does not engirdle the globe, and that the span and the strength of a nation's life is measured by its moral stamina. Grant us the pity which stoops to serve and the abiding peace which passes understanding. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 15, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 14, 1946, the President had approved and signed the following acts and joint resolution:

S. 997. An act for the relief of Aldona Kojas;

S. 1742. An act for the relief of Socony-Vacuum Oil Co.;

S. 1747. An act for the relief of John C. Spargo;

S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6 and September 15, 1944; and

S. J. Res. 159. Joint resolution to extend the Selective Training and Service Act of 1940, as amended, until July 1, 1946.

LEAVE OF ABSENCE

Mr. BUTLER. Mr. President, I ask leave of the Senate that I may be absent from the Senate for a time. I will be subject to the call of the minority leader at any time.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and leave is granted.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF SECRETARY OF THE SENATE

A letter from the Secretary of the Senate, transmitting, pursuant to law, the annual report of the Secretary of the Senate for the fiscal year ended June 30, 1945 (with an accompanying report); ordered to lie on the table and to be printed.

REPORT OF SECRETARY OF THE TREASURY OF EXCHANGE STABILIZATION FUND

A letter from the Secretary of the Treasury, transmitting, pursuant to law, his annual report of the exchange stabilization fund created by section 10 (b) of the Gold Reserve

Act of January 30, 1934, as amended, including a summary of operations of the fund from its establishment to June 30, 1945 (with an accompanying report); to the Committee on Banking and Currency.

PETITIONS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Universalist Church of America at its biennial general assembly, Akron, Ohio, favoring the continuation of the Office of Price Administration as it now exists; to the Committee on Banking and Currency.

By Mr. CAPPER:

A petition signed by Russell H. Barrett, chairman, KU Chapter, American Veterans' Committee, and 838 other students and members of the faculty of the University of Kansas, Lawrence, Kans., praying for the continuation of the Office of Price Administration without crippling amendments; to the Committee on Banking and Currency.

RESOLUTIONS OF ANTI-SALOON LEAGUE OF AMERICA

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD resolutions adopted at the recent annual meeting of the Anti-Saloon League of America, at a convention held in Washington, D. C.

There being no objection, the resolutions were received, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

1. We protest against the use of any grain for the manufacture of alcoholic beverages during the present food emergency, and we urge prompt action by the Federal Government and the UNRRA to obtain any stocks of grain now in the distillery and brewery warehouses for use as food to prevent starvation in famine-threatened nations.

2. We appeal to the Office of Defense Transportation to order the discontinuance of all passenger cars now in use for the sale and serving of intoxicating liquors at least during the present transportation emergency.

3. We recommend that the President's traffic safety conference give due consideration to the alcohol factor as a cause of auto accidents.

4. We protest against proliquor propaganda in many moving pictures and the advertising of intoxicants in radio programs.

5. We insist that any legislation for military training contain provisions to exclude beer and other intoxicants from within and in the vicinity of the training camps.

6. We endorse the efforts of the Reverend Sam Morris, of San Antonio, Tex., our Anti-Saloon League field and radio speaker, in behalf of fair allocation of time on radio stations for temperance broadcasts.

7. We endorse the appeal of the Council of Bishops of the Methodist Church that Sunday, June 2, be designated as a day of prayer for temperance, and urge the pastors and people of all denominations to join in this observance.

PREVENTION AND TREATMENT OF MENTAL DISEASES—REPORT OF COMMITTEE ON EDUCATION AND LABOR

Mr. PEPPER. Mr. President, from the Committee on Education and Labor, I ask unanimous consent to report favorably with amendments the bill (H. R. 4512) to amend the Public Health Service Act to provide for research relating to psychiatric disorders and to aid in the development of more effective methods of prevention, diagnosis, and treatment of such disorders, and for other purposes, and I submit a report (No. 1353) thereon. I believe this bill and report to be of great public importance and interest.

The PRESIDENT pro tempore. Without objection, the report will be received and the bill will be placed on the calendar.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of April 1946, from the chairman of a certain committee, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,
SPECIAL COMMITTEE TO STUDY PROBLEMS OF AMERICAN SMALL BUSINESS,
May 14, 1946.

Mr. LESLIE L. BIFFLE,
Secretary of the Senate,
United States Capitol,
Washington, D. C.

DEAR MR. BIFFLE: I transmit herewith the list of employees of the Senate Small Business Committee who are not full-time employees of the Senate. The Senate Small Business Committee, however, is reimbursing the agencies who have loaned these employees.

Sincerely yours,

JAMES E. MURRAY,
Chairman.

SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF SMALL BUSINESS ENTERPRISES

MAY 1, 1946.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of April 1946, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individua.	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Forbes, F. Preston	502 Four Mile Rd., Alexandria, Va.	Commerce Department, Washington, D. C.	$7,175.00
Groeper, Stella J	1127 Branch Ave. SE., Washington, D. C.	Reconstruction Finance Corporation, Washington, D. C.	3,710.00
Spicer, L. Evelyn	2515 Wisconsin Ave. NW., Washington, D. C.	do	3,380.00
Strubel, Margie L	4632 12th St. NE., Washington, D. C.	do	2,600.14

JAMES E. MURRAY, *Chairman.*

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOWNEY:

S. 2205. A bill authorizing the Secretary of War to lend certain property of the Army to the American Legion for use at its national convention; to the Committee on Military Affairs.

(Mr. MURDOCK (for himself, Mr. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. MCFARLAND, Mr. HAYDEN, Mr. TAYLOR, Mr. MILLIKIN and Mr. MCCARRAN) introduced Senate bill (S. 2206) to amend subsection (b) of section 4 of the act entitled "An act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised," approved July 6, 1939, was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. MEAD (for himself and Mr. AIKEN) introduced Senate bill (S. 2207) to authorize the appropriation of funds to assist the States in more adequately financing education and in removing substandard conditions in education; to aid in establishing and maintaining education services; to eradicate illiteracy; to preserve and promote the national security in peace and in war; to raise the educational level of the Nation; and to promote the general welfare, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. YOUNG introduced Senate bill (S. 2208) to encourage production of grains needed to relieve starvation by guaranteeing farmers a minimum price for such grains produced during the 1946 crop year, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. O'MAHONEY:

S. J. Res. 160. Joint resolution to amend the act of March 22, 1946, for the purpose of correcting the description of the small parcel of land authorized to be conveyed to the State of Wyoming by such act; to the Committee on Public Lands and Surveys.

EXTENSION OF POWERS RELATING TO THE STABILIZATION FUND

Mr. MURDOCK. Mr. President, on behalf of myself, the Senator from Utah [Mr. THOMAS], the Senators from Arizona [Mr. HAYDEN and Mr. MCFARLAND], the Senator from Idaho [Mr. TAYLOR], the Senators from Colorado [Mr. JOHNSON and Mr. MILLIKIN], and the Senator from Nevada [Mr. MCCARRAN], I ask unanimous consent to introduce for reference to the Committee on Banking and Currency a bill involving the question of silver.

I should like to state that the text of the bill is identical with that of an amendment which has been offered to the Treasury Department appropriation bill and is now pending before the Senate Committee on Appropriations. It is my position in introducing this bill that legislation of this type should certainly come from a legislative committee rather than as a rider on an appropriation bill.

There being no objection, the bill (S. 2206) to amend subsection (b) of section 4 of the act entitled "An act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be

exercised," approved July 6, 1939, was received, read twice by its title, and referred to the Committee on Banking and Currency.

FINANCIAL ASSISTANCE TO STATES FOR EDUCATIONAL PURPOSES

Mr. MEAD. Mr. President, on behalf of the Senator from Vermont [Mr. AIKEN] and myself, I ask unanimous consent to introduce for appropriate reference a bill to authorize the appropriation of funds to assist the States in more adequately financing education and in removing substandard conditions in education, and so forth, and I request that an explanatory statement of the bill, and especially of the operation of the formula under section 6, be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred; and, without objection, the statement presented by the Senator from New York will be printed in the RECORD.

The bill (S. 2207) to authorize the appropriation of funds to assist the States in more adequately financing education and in removing substandard conditions in education; to aid in establishing and maintaining education services; to eradicate illiteracy; to preserve and promote the national security in peace and in war; to raise the educational level of the Nation; and to promote the general welfare, introduced by Mr. MEAD (for himself and Mr. AIKEN), was read twice by its title and referred to the Committee on Education and Labor.

The statement presented by Mr. MEAD and ordered to be printed in the RECORD is as follows:

STATEMENT BY SENATOR MEAD OF THE BILL AND ESPECIALLY OF THE OPERATION OF THE FORMULA UNDER SECTION 6

1. The primary purposes of the proposed legislation is to help equalize educational opportunities for all children of the United States and its outlying Territories.

2. The allocation of Federal funds as grants-in-aid to the States is based upon an objective procedure, specifically designed to achieve a high degree of equalization, specified in detail in the law.

3. The Federal aid to the States is allocated so that it bears a direct relationship to the number of children of school age in each State, and an inverse relationship to the financial ability of the State to educate those children.

4. The proposal encourages States to put forth at least average effort from their own funds in support of public elementary and public junior and senior high schools, and encourages the States to use the Federal funds to further equalize educational opportunities among school districts within the State, without dictating to the State how and where State and local funds are to be used, and without providing any kind of Federal control over the operation of elementary and high schools.

5. The proposal gives aid to each State which maintains from State revenues as high an expenditure per pupil in average daily attendance as it made in the fiscal year 1942, which maintains its present teacher salary level, and which does not discriminate against the children of any minority racial group in the use of Federal funds for education.

THE METHOD OF APPORTIONMENT

1. The method of apportionment is specifically designed to secure, within the limits of the authorization and succeeding appropriations, the highest possible degree of equalization of educational opportunities among the lower-income States. That it will succeed in large measure is shown by the following facts. The range of total State and local current expenditures per pupil in average daily attendance was, in the school year 1942–43, from $34.60 in Mississippi to $139.37 in Montana, a State near the average in income. Had this formula been in full operation during the same period, and Federal appropriations amounted to $300,000,000, the range of current expenditures from Federal, State, and local sources would have been from a low of $72 in Mississippi to $145 in Montana. The range between the poorest and the average States would have been narrowed by 50 percent. If Federal appropriations were to be greater than $300,000,000 under this formula, the range could be narrowed still further. The expenditure of $500,000,000 to $600,000,000 could serve to make possible an equal expenditure per child with equal effort in each State where income is below the national average.

2. The formula treats all the upper-income States on a uniform basis, giving Federal aid which will, at the end of the third year, amount to approximately 3 percent of their present current expenditures for such education. It is well-known that there are poor local school districts among even the wealthiest States. Indeed, there are often greater differences among school systems within a State than between the averages of the several States. Therefore, it was felt that at least this amount of Federal aid could be used to advantage by every State in equalizing the educational opportunities of children in different districts in the State.

3. To the extent possible, the allocation procedure attempts to give equal treatment to States and Territories in comparable circumstances. The educational programs of Alaska and Hawaii compare favorably with those of the average State on the continent. The educational program of Puerto Rico (as well as its economy) more nearly resembles that of the poorest States on the continent. These similarities are reflected in the language of the apportionment section.

4. The index of need for Federal aid of each State which makes an effort to support education below the national average is reduced in the proportion by which its effort falls below the average. By using the national average, instead of a fixed percentage, the system is self-adjusting to periods of high and low income.

5. In view of the effect of this bill upon the State-wide average annual current expenditures per pupil, it should make possible a minimum annual expenditure per pupil in every local school district of at least $60 per pupil. Having such a goal in the statute will insure more effective equalization through State use of the Federal aid.

6. The authorizations contained in section 2 are graduated over a 3-year period to permit the States to plan for the development of their educational programs. The bill provides for $150,000,000 the first year, fiscal year 1947; for $225,000,000 the second year; and for $300,000,000 the third year and thereafter.

7. The formula uses an index of financial need which depends upon income payments and the number of children of school age in the State. The first term in the formula, "2 percent of such State's total income payments," also represents an approximation of the present expenditures for education; in recent years the current expenditures for education in the United States have varied closely around 2 percent.

8. The bill allocates 65 percent of the appropriation for the purpose of providing adequate salaries to teachers in public schools.

The bill also provides funds "for current expenditures for educational facilities and services such as transportation for educational purposes, library facilities, audio-visual aids, mobile facilities especially adapted for rural areas, and other scentific instructional materials, school-health programs and facilities, and other necessary educational projects." All children, regardless of the school they attend, are entitled to such services and facilities. Therefore the bill provides that the Commissioner may direct an equitable part of the remaining funds (34 percent) to nonpublic nonprofit schools (which comply with the minimum educational requirements of the State) in order that all children may have the benefits provided under this section. The bill further provides that in making allotments under this section, the Commissioner shall take into consideration both the number of children in public and nonpublic schools, and the relative financial need of such schools.

Illustration of Federal grants to States and amounts per pupil in average daily attendance under sec. 6 of S. 2207

States ranked by 1941–43 average per capita income	Potential allocation of $300,000,000 Federal aid under sec. 6 of S. 2207 (thousands)	Annual current expenditures per pupil in average daily attendance		
		From $300,000,000 Federal aid	From State and local sources, 1942–43	Potential total, State, Federal, and local
Total, continental average	$300,000	$13.66	$104.85	$118.51
Mississippi	17,983	37.29	34.60	71.89
Arkansas	13,859	41.18	43.49	84.67
South Carolina	15,085	39.80	49.37	89.17
Alabama	19,576	35.98	48.01	83.99
Kentucky	18,689	43.50	58.52	102.02
North Carolina	25,605	34.00	51.62	85.62
Georgia	17,556	32.12	52.60	84.72
Tennessee	16,368	31.55	54.81	86.36
New Mexico	3,639	38.02	92.20	130.22
Louisiana	11,088	29.38	74.10	103.48
Oklahoma	12,863	31.16	74.85	106.01
West Virginia	12,070	32.08	77.61	109.69
Texas	20,377	19.91	84.80	104.71
South Dakota	2,580	25.02	113.50	138.52
Florida	1,094	3.51	74.06	77.57
Group average		31.16	60.20	91.36
Virginia	6,508	14.01	64.37	78.38
Arizona	853	9.67	108.22	117.89
New Hampshire	763	12.80	110.03	122.83
Nebraska	2,961	14.21	98.64	112.85
North Dakota	2,702	25.09	95.79	120.88
Vermont	809	16.33	102.57	118.90
Minnesota	4,559	11.13	120.37	131.50
Missouri	2,886	5.44	94.29	99.73
Idaho	1,367	13.65	86.72	100.37
Kansas	1,797	5.64	96.10	101.74
Iowa	2,715	6.47	95.40	101.87
Colorado	718	4.06	108.91	112.97
Maine	1,073	7.69	86.94	94.63
Wisconsin	2,188	4.94	114.48	119.42
Utah	984	8.03	89.63	97.66
Wyoming	185	4.51	138.31	142.82
Montana	472	5.76	139.37	145.13
Group average		8.92	96.48	105.40
Indiana	1,490	2.38	91.17	93.55
Pennsylvania	4,365	3.02	113.31	116.33
Michigan	2,427	2.90	112.01	114.91
Ohio	3,064	2.99	113.65	116.64
Oregon	472	2.95	112.42	115.37
Illinois	3,619	3.66	138.98	142.64
Maryland	615	2.48	93.70	96.18
Massachusetts	2,053	3.83	145.96	149.79
New Jersey	2,215	3.95	173.18	177.13
Rhode Island	304	3.60	137.66	141.26
Washington	931	3.50	134.03	137.53
New York	7,701	4.64	178.56	183.20
Delaware	115	3.23	122.81	126.04
District of Columbia	313	4.04	156.62	160.66
California	4,372	4.18	154.60	158.78
Nevada	66	3.59	134.37	137.96
Connecticut	834	3.66	140.93	144.59
Group average		3.55	135.39	138.94

Illustration of Federal grants to States and amounts per pupil in average daily attendance under sec. 6 of S. 2207—Continued

States ranked by 1941–43 average per capita income	Potential allocation of $300,000,000 Federal aid under sec. 6 of S. 2207 (thousands)	Annual current expenditures per pupil in average daily attendance		
		From $300,000,000 Federal aid	From State and local sources, 1942–43	Potential total, State, Federal, and local
Territories, etc.:				
Alaska	$34	$7.36	$187.45	$194.81
Hawaii	1,346	17.93	105.75	123.68
Puerto Rico	20,894	[1] 40.80	30.93	[1] 57.03
Guam	262	[2] 41.45	(3)	(3)
Samoa	164	[2] 42.51	(3)	(3)
Virgin Islands	192	[2] 35.43	(3)	(3)

[1] These figures are not based on present average daily attendance, which in Puerto Rico is now unduly low. Instead, they represent the expenditure per enrolled pupil, assuming that enrollments become equivalent to enrollments in continental United States—that is, that approximately 85 percent of children 5–17 will be enrolled when this aid becomes available.

[2] Average daily attendance not available; estimates according to footnote 1.

[3] Lack of data regarding current expenditures in these territories prevents estimating potential totals.

MEDIATION OF LABOR DISPUTES—AMENDMENT

Mr. PEPPER (for himself, Mr. MURRAY, and Mr. MORSE) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which was ordered to lie on the table and to be printed.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT—AMENDMENT

Mr. JOHNSON of Colorado (for himself and Mr. LA FOLLETTE) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 2057) to amend the Selective Training and Service Act of 1940, as amended, until May 15, 1947, and for other purposes, which was ordered to lie on the table and to be printed.

ABOLITION OF UNIVERSAL MILITARY TRAINING BY INTERNATIONAL AGREEMENT—ADDRESS BY SENATOR HOEY

[Mr. HOEY asked and obtained leave to have printed in the RECORD a radio address on the subject of the abolition of universal military training by international agreement, delivered by him on May 14, 1946, which appears in the Appendix.]

DISCRIMINATION AGAINST INDEPENDENT LABOR—OPEN LETTER FROM THE NEW HAMPSHIRE SHOE WORKERS' UNION

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an open letter to the Congress of the United States from the New Hampshire Shoe Workers' Union, dealing with discrimination against independent labor groups, which appears in the Appendix.]

FANG AND CLAW—EDITORIAL FROM SHREVEPORT (LA.) TIMES

[Mr. OVERTON asked and obtained leave to have printed in the RECORD an editorial entitled "Fang and Claw," published in a recent issue of the Shreveport (La.) Times, which appears in the Appendix.]

RECOMMENDATIONS FOR PREVENTION OF BLOAT IN CATTLE AND SHEEP

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an article entitled 'Recommendations for Prevention of Bloat in Cattle and Sheep," from the Journal of American Veterinary Medical Association, which appears in the Appendix.]

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Virginia [Mr. BYRD], as modified, as a substitute for section 8 of the committee amendment on page 28.

The Senator from Florida has the floor.

Mr. HILL. Mr. President, will the Senator from Florida yield for the suggestion of the absence of a quorum?

Mr. PEPPER. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Daniel
Austin	Hayden	O'Mahoney
Ball	Hickenlooper	Overton
Bankhead	Hill	Pepper
Barkley	Hoey	Reed
Brewster	Huffman	Revercomb
Bridges	Johnson, Colo.	Robertson
Brooks	Kilgore	Russell
Buck	Knowland	Saltonstall
Bushfield	La Follette	Shipstead
Butler	Langer	Smith
Byrd	Lucas	Stanfill
Capehart	McCarran	Stewart
Capper	McClellan	Taylor
Cordon	McFarland	Thomas, Okla.
Donnell	McKellar	Thomas, Utah
Downey	McMahon	Tobey
Eastland	Magnuson	Tunnell
Ellender	Maybank	Tydings
Ferguson	Mead	Wagner
Fulbright	Millikin	Walsh
George	Mitchell	Wheeler
Gerry	Moore	Wherry
Guffey	Morse	White
Gurney	Murdock	Wiley
Hart	Murray	Wilson
Hatch	Myers	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from Ohio [Mr. TAFT] and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The PRESIDENT pro tempore. Eighty-one Senators having answered to their names, a quorum is present.

UNDERGROUND SALE OF SLEEPING-CAR SPACE—ADVERTISEMENT BY THE CHESAPEAKE & OHIO LINES

Mr. BRIDGES. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. BRIDGES. Mr. President, there appeared in recent issues of various publications a statement made by the Chesapeake & Ohio lines entitled "Let's Get the Black Market's Hand Out of the Traveler's Pocket! The underground sale of sleeping-car space is a national scandal. The railroads cannot escape responsibility. The C. & O. lines offer a solution that will kill the racket—if other roads will join."

I think every one of us who has traveled on the trains in recent years has seen that happen.

Mr. BALL. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BALL. I inquire who has the floor?

The PRESIDENT pro tempore. The Senator from Florida has the floor, and has yielded to the Senator from New Hampshire.

Mr. BALL. Mr. President, I raise the point of order that the Senator from Florida cannot hold the floor, under the rules of the Senate, and farm it out for speeches. I raised that point last evening, and I must insist that the Senate rules be adhered to, and that the Senator from Florida proceed and make his own statement.

The PRESIDENT pro tempore. The point of order is sustained, but, without objection, the advertisement will be printed in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

LET'S GET THE BLACK MARKET'S HAND OUT OF THE TRAVELER'S POCKET!—THE UNDERGROUND SALE OF SLEEPING-CAR SPACE IS A NATIONAL SCANDAL—THE RAILROADS CANNOT ESCAPE RESPONSIBILITY—THE C. & O. LINES OFFER A SOLUTION THAT WILL KILL THE RACKET IF OTHER ROADS WILL JOIN

Have you tried to make a sleeper reservation lately?

If you travel very much, you must have run into a situation that is being reported by angry passengers all over America. No space for sale at the ticket windows. But plenty of empty berths and rooms—when the train pulls out. Often you can't buy a ticket through legitimate channels. But you can get one anytime, by going to the right person and greasing him with the right price.

Here are just a few of the typical cases that have been reported to the C. & O.:

Mr. X in New York, needing to go to San Francisco, asked what was the earliest moment at which reservations could be made. He was told 8 a. m. of a certain date. At 8 a. m. on that date he was in front of the ticket window—the first in line. When the

window opened he was told the train was sold out. He managed to get accommodations to Chicago by paying a black-market price. In Chicago after 5 hours of desperate effort he got space on the train to the coast—by paying $20 extra to a gouger. On board there was plenty of unoccupied space. The conductor explained that it was due to last-minute cancellations.

Mrs. K, a service wife, planned a little trip for her husband's furlough. Unable to get space, she tried the black market. Space was offered at double the normal price. She couldn't afford it. A travel agent offered her space if she would stop at a very expensive hotel—which, again, she couldn't afford. The K's didn't get their trip.

Mr. A, going recently from Pittsburgh to Chicago, boarded the train after being turned away from the ticket window. On the train he offered $5 for an upper, $10 for a lower. He got a lower. In 6 days on this trip Mr. A had to pay out $55 in "fixes."

Miss Q had an experience in a New York station. She was told canceled tickets for her destination would go on sale at 10 o'clock. She waited in line before the ticket window for more than half an hour. When a ticket was brought back, a man behind her held up some money. The ticket seller said there was no space for sale. The line dispersed, but Miss Q waited and saw the man with the bribe come back and instantly get his ticket.

These are not mere wartime experiences. People by the thousands are having them today. And whether or not many railroad or pullman employees are directly involved in the scandal, neither the railroads nor the Pullman Co. can escape responsibility. For slipshod policing and inability to see the need for reforms leave the door wide open to racketeers.

WHAT BECOMES OF ALL THE SPACE?

Sleeping-car tickets can be bought up weeks in advance—in blocks—by hotels, travel agencies, or by anyone who has the money to pay for them. There is nothing to prevent this space leaking into the black market except the honesty of the man who buys it. The space is bought and paid for in advance, but if it is not resold, it can be turned in for a refund up to the minute of train departure. Therefore, anyone who wants to run a black market in sleeping-car space can do so without any financial risk. And, far too often, trains pull out with empty space while hundreds can't get accommodations.

REFORM AGITATED SINCE 1943

For more than 3 years the C. & O. has been trying to get other railroads and the Pullman Co. to agree to action that would kill the ticket racket. A proposal of a 25-percent forfeiture on tickets not canceled in a reasonable time was voted down because passengers would be offended. Lame-duck excuses were offered for the status quo, and the black market grew and flourished while the railroads lost revenue.

SIMPLE REMEDY WOULD HELP GREATLY

The C. & O. proposes that all block sales of sleeping-car space be stopped at once. All space should be reserved or sold in the name of the individual who intends to use it. Tickets should be nontransferable. Hotels, travel agencies, and business houses could follow their present system, except that the space would have to be reserved or sold in the name of the individual passenger.

The air lines do it this way, and they have never had a black market. And any objection that such a plan would be offensive to passengers is ridiculous in comparison with the offense of the present system of bribing your way onto trains.

WHAT YOU CAN DO

If you no longer want to tolerate the greedy hand of the black market in your pocket—or be content with a refusal of space when you know that many berths are empty—write to your newspaper. If enough Americans will ask the support of the press, the ticket racket—like the "Chinese Wall" that blocked through service at Chicago and St. Louis—can be broken.

CHESAPEAKE & OHIO LINES.

PLANNED ECONOMY—STATEMENT BY SENATOR BUTLER AND NEWSPAPER EDITORIALS

Mr. BUTLER. Mr. President, will the Senator from Florida yield to me so I may make a unanimous-consent request to have inserted in the RECORD a short statement, and two newspaper editorials?

Mr. PEPPER. I cannot yield to the Senator from Nebraska for that purpose under the announcement made by the Senator from Minnesota. I am very sorry. It would require unanimous consent to have the matter placed in the RECORD, under the circumstances. So far as I am personally concerned, I would be glad to yield my part of the consent.

Mr. BUTLER. Mr. President, I ask if I may receive unanimous consent to insert in the RECORD a brief statement prepared by me and two editorials.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The statement and editorials are as follows:

STATEMENT BY SENATOR BUTLER

The events of the past several weeks have been rather trying ones for all Americans, but I am sure that many of my colleagues will agree with me that no group has suffered more discomfiture than the small group of men who have advocated over-all planning by the Federal Government.

Just a résumé of recent events proves that the planners are about as unrealistic as a Hottentot in a fur coat in the steaming jungles of Africa.

The American people have been told, you know, by many spokesmen in the past decade that all planning ought to be done in Washington. They have been urged to turn over to the bureaus power to set prices, limit production, regulate sales habits and even to say what type of materials can be used in manufacturing this or that commodity. A lot of these things were necessary during the war, as we know, but there were many who urged without batting an eye that all these controls be kept on for an indefinite period in peacetime so that we could have the more abundant life.

Well, I wonder what one of these so-called planners would do under present circumstances. I wonder if any one of them will speak out and tell how his planned economy would work in view of recent events.

Let me give to the Senate some examples to show that we cannot have a planned economy as long as the men in charge of it are human beings and as long as Americans retain their inalienable rights guaranteed by our Constitution. Russia is the only country that can have real planned economy because there the people have no rights.

Just 2 weeks ago, to give a sample of how the planners are liable to make mistakes, the Commodity Credit Corporation put into operation the so-called premium payment. This payment, as we know, brought chaos to the farmers throughout the Middle West and caused a snafu in a thousand elevator offices. It threatened to harm financially cattle and poultry feeders and to have repercussions on the plate of every table in America. After a few days—because there were a few men in Washington who could see the results of the planners' hasty action—prices were changed again and some of the harm rectified.

But the automobile strike of earlier this year, the steel strike which followed, and the coal strike in the throes of which the Nation now finds itself all prove the utter fallaciousness of "national planning" on the grand scale envisioned by the proponents of planning.

How would the planners have planned the economy in view of these facts? Would they have taken away the liberties of the workers? Would they have confiscated the plants and mines of the owners? I do not know what answers the planners would give, but certainly they owe the public a detailed program of just what they would do in an economy such as ours today.

We were told in debates late last fall and early this year that the President, through his planning council that will be set up under the so-called full-employment bill, would be able to foretell the state of the Nation and to suggest remedies for whatever would happen before it would happen. Yet, that bill has been law for more than 2 months now and the President as yet has not even appointed his members of the council. It strikes me, and I am sure it occurs to others, that it is going to take some seers of the like this city has not yet seen, to foretell what is going to happen in this country under the type of administration we have been witnessing in recent months.

It would seem to me that this would be a good time for the men who believed, or pretended to believe, that a set of economists, or a group of thinkers, could chart the course of America to give the President a list of such men. I have an idea that he could certainly use some good suggestions.

I make no pretense at prophecy, but I believe that any citizen with common sense would foresee for the President and for the Democrats a difficult period ahead unless the present coal strike is settled forthwith.

[From the Chicago Journal of Commerce of May 13, 1946]

SEARCH FOR WIZARDS

President Truman is taking his time about choosing the members of the planning council set up under the modified full-employment law enacted in February. And well he might. He will have to search far and wide to find three men, in Government or out, who can accurately predict trends in production and employment a year and a half in the future.

A fresh reminder of human fallibility in appraising the future comes from the Census Bureau, which reports that unemployment at the end of April totaled 2,350,000, a decline of 360,000 in a month and the first drop in any month since VJ-day. This figure, of course, took no account of the temporary unemployment caused by the coal tie-up after April 30.

But—employment in April was only 22,000 short of the all-time high of 54,750,000 reached in July 1943. And what was in store for the workers at this time, according to the estimates of Government officials and agencies last August? Why, mass unemployment! The economic soothsayers had come up with the dismaying figure of more than 7,000,000 unemployed at this point on the calendar.

After hostilities ceased last summer, these men couldn't see the sun for the gloom. They argued, in the face of business surveys to the contrary, that the dislocations attendant upon reconversion were going to throw out of work great numbers of persons and keep them idle for months. It was seriously argued that the Treasury should make it possible for all States to pay unemployment compensation for 26 weeks, and at the rate

of $25 a week, to counteract the deflation that was inevitable through the winter.

Well, the agencies' men, supposedly qualified to guess correctly, guessed wrong. Instead of hitting the nail on the head, they hit their thumbs.

Mr. Truman presumably hopes to avoid a recurrence of this embarrassment by selecting as his economic advisers three men who can serve him more capably than those who got him out on the deflation limb last fall. He does well to proceed cautiously in appointing the economic council's members.

But the most the President can hope for is that the men he finally chooses will weigh the facts with fine impartiality and then make their estimates. Even if they do not assay the future on the basis of preconceived notions, these forecasters will have to be wizards to picture economic conditions 18 months in advance.

[From the Washington Times-Herald of May 15, 1946]

Here is one gem from that record. Last February 6, Chester Bowles, then head of the OPA, appeared before the House Appropriations Committee to ask for some money for his agency. Bowles talking:

WRONG GUESS ON FARMERS

"Now the food: We have been very hopeful—'hopeful' is the wrong word—hopeful as far as stabilization is concerned—but when I say 'hopeful,' we are hopeful for the relief of pressure; that means the relief of pressure that had come from unemployment and reduced sales and poorer business. We expected that there would be a drop in farm income quite substantial by January. There was a general belief. * * *"

Representative CLARENCE CANNON (Democrat, Missouri) broke into this gas barrage to say: "We have missed our guess in most everything, then?"

Mr. Bowles replied: "Missed our guess in all those basic facts. We had hoped to be out of some 20 percent of all farm-price control by January, and then a substantial part by April, and out of practically all by July 1."

Bowles, since the above classic was recorded, has been glorified into something called economic stabilizer, and Paul Porter has succeeded him as head of the OPA.

But Bowles is still fighting fanatically for extension of the OPA with all its wartime powers intact, and has skillfully propagandized a lot of people into bombarding Congress with demands to that effect.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. PEPPER. Mr. President, I think we ought to have an understanding of what the practice in the Senate is going to be. I do not mind playing the game of life by any rule, but I want to be sure what the rule is. I do not want one rule applied against me one time and another rule applied against other Senators another time. I am serving notice now that if the Senator from Minnesota persists in his position that a Senator who has the floor cannot yield the floor for such purposes as he has been asked to yield it, it will be my purpose to object every time the rule is violated. We have engaged in an easy relationship here in the Senate. The Senator from Minnesota well knows that what is now being requested is for opportunity to conduct the little business that Senators are accustomed to carry on at the beginning of the day's session. It is not the indulgence in long speeches, but it is simply regular business which Senators want to transact at the beginning of the day's session, such as placing matters in the RECORD, or, as one Senator did, to ask unanimous consent to be excused.

Mr. President, if the Senator from Minnesota has served notice that he expects hereafter to insist upon a rigid observation of the rules, I want him to know that it will work both ways. I do not expect to be made the victim of a rule which will be enforced against me and not be enforced against the other Senators on this floor. I was yielding to Senators in perfect good faith. A quorum call had been concluded only 5 minutes ago. I simply want my friend to know that, as I previously said, I will play the game by any kind of rule, but I want a definite understanding as to what the rule is. I will try to survive under the rule, once it is made clear. But if what the Senator from Minnesota has insisted upon is announced as the rule of procedure, it is going to be a little embarrassing to other Senators on the floor. I will have to observe the rule, I take it.

Mr. BALL. Mr. President, will the Senator from Florida yield to me for a brief comment?

Mr. PEPPER. I yield to the Senator from Minnesota for the purpose of making a unanimous-consent request.

Mr. BALL. I merely wanted to clarify my position respecting this situation.

Mr. PEPPER. The Senator knows he is acting in violation of the rule in making the statement he is now making.

Mr. BALL. While I make the statement the Senator from Florida will retain the floor.

Mr. President, of course I have no objection to the unanimous consent request to be excused, or to insert matters in the RECORD, but I do object to any Senator holding the floor to speak on the pending question, which is the modified Byrd amendment, and then yielding to other Senators to make speeches, whether they are 5-minute speeches or 20-minute speeches or 1-hour speeches, on completely different subjects than the one now pending. It is to such things as that that I shall object. In the course of normal debate Senators often interrupt not always actually to ask questions, but sometimes to make comments. So long, however, as they deal with the pending question it seems to me it is legitimate debate. But I do not think it is when the floor is yielded for a speech on a different subject, and it is to that which I shall object.

Mr. PEPPER. Mr. President, I thank the able Senator from Minnesota for his statement. However, he will recall that yesterday afternoon, when he made the point of order, the Senator asking leave to speak was the Senator from Kentucky [Mr. STANFILL], who proceeded to speak directly on the pending legislation. He happened to speak on the opposing side from the side on which I am in this controversy. The Senator from Kentucky was not speaking on an extraneous or irrelevent subject.

Mr. President, I now want to state the issue here pending as plainly as I can. There is an amendment immediately before the Senate, offered by the able junior Senator from Virginia [Mr. BYRD], which makes it "unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce."

It also would make it "unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to receive or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value."

The amendment, however, has three exceptions from those two prohibitions. The first is:

(1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer.

In other words, wages or salaries; and the second exception is:

(2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other fees payable by such employee to such labor organization.

That is the so-called check-off. That is permitted.

The third exception is:

(3) any money or other thing of value paid to an organization or fund for furnishing health, welfare, or other benefits to employees and their families and dependents, if both employees and employers are represented in the administration of such organization or fund and with employers having the majority representation if they contribute more than half to the support of such organization or fund and with employers having the majority representation if they contribute more than half to the support of such organization or fund.

Mr. President, it is a rule of law that what everyone knows even the courts know. That is what we call "judicial notice" in law. The Senate will take notice of the declarations made by the able Senator from Virginia, the able Senator from Mississippi [Mr. EASTLAND] and perhaps other Senators on this floor in debate that the situation growing out of the stoppage of coal mining was producing a national crisis; that therefore legislation was immediately required. In other words, we all know that this is an effort to amend the committee bill by a series of amendments that have never been considered by any committee. The committee bill grew out of long deliberation, extended hearings, debate, and earnest discussion of this subject by the Committee on Education and Labor. The new amendments were intended to get at the coal stoppage now in existence in this country. It is also very clear that the Senator from Virginia, by the amendment now before the Senate, is striking at the condition which John L. Lewis imposed in negotiations for the reexecution of a contract, or to his discussion of the details of a new contract.

What, Mr. President, is the condition at which the Senator from Virginia is

really striking? It is John L. Lewis' demand that before he considers the details of a new contract the employer shall agree, in principle at least, to the provision of a health fund for the miners of this Nation. The Senator from Virginia, therefore, is trying to make it unlawful, to make it a penitentiary offense, not only for John L. Lewis, but for Mr. William Green, and for representatives of the railroad brotherhoods—not only for represenatives of the A. F. of L. and the railroad brotherhoods and the CIO, but representatives of the unorganized workers, because his amendment is not limited to employees who are members of unions—or the representative of any group of workingmen and women to make it a condition to their continuing their employment that their employers shall provide a health fund, the principal administration of which, or the majority voice in the disposition of which, shall be the voice of the employees themselves.

What I have been trying to point out in my feeble way since this debate has been in progress is that the Senator from Virginia and others associated with him in this legislative enterprise are striking not only at John L. Lewis, for whom I have no brief, but at all the workingmen and women in the country. John L. Lewis has been no advocate, associate, or friend of mine, politically or otherwise, except that I have had pleasant personal associations with Mr. Lewis when I have met him socially. He did not support my party when Franklin D. Roosevelt was leading it and was its nominee for President; and, so far as I know, he is not today supporting the Democratic administration. The Senator from Virginia is not only striking at Mr. John L. Lewis, for whom I hold no brief, but he is striking at the very heart of the right of workingmen and women to organize and to condition their labor upon standards satisfactory to themselves.

Mr. President, I ask the Senate to consider whether it wishes to adopt such an amendment as that. In the first place, if the amendment of the Senator from Virginia were adopted, would that settle the coal strike—if we may call it a strike without regard for technicalities? Of course, it is not a strike. Mr. Lewis and his workers are out pending the negotiation and execution of a new contract. It is not, therefore, technically a strike. But if the amendment of the Senator from Virginia were adopted, would that send the miners back to the mines? Would it extend into permanence the truce which is now in effect? The Senators knows that it would not. The health fund is one of the conditions which Mr. Lewis is imposing, but every Member of the Senate knows that the solution of the coal dispute is not dependent upon adoption or failure to adopt the Byrd amendment.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. PEPPER. I gladly yield for a question. That is all I can yield for.

Mr. HAWKES. If this is not a strike, when all the coal mines of the United States are shut down, what would the Senator from Florida define as a strike?

Mr. PEPPER. I have understood a strike to be a cessation of employment by workers in violation of an agreement, or the cessation of their work when they have a contract or obligation to continue work. As I understand, at the present time the legal situation is that the workers are out of the mines pending the execution of a new contract. In substance it amounts to the same thing as a strike. I prefer to call it a work stoppage. I think the term "strike" would generally refer to something different from what the miners are doing in this particular case. That is only my personal opinion of the technical situation involved.

The able Senator from New Jersey is the manager of a great enterprise. If I have a contract as a lawyer to work for him for a year and the year is up and I do not renew my contract with him, he cannot call me a striker. He may say that I am not working, but I do not consider that to be a strike. On the other hand, if I had a contract to work for him for a year and I quit, that might be called a strike.

Mr. HAWKES. I think the able Senator from Florida would have great difficulty in making the American people believe that this is not a strike; and if the miners again go out at the end of the 12-day period, I think he will have still greater difficulty in making the American people, whose plants are being shut down and whose economy is being disrupted, see the fine distinction which the Senator draws between the breach of a contract by refusing to work and the present situation which he calls not a strike.

Mr. PEPPER. The able Senator may be correct. We will not argue about the technicalities of the matter.

Mr. HAWKES. Will the Senator permit me to read a short telegram which I have just received?

Mr. PEPPER. I do so with the tacit unanimous-consent approval of the Senate, because I have been admonished not to allow any Senator to violate the rule by doing other than asking a question.

Mr. HAWKES. I did not know that. I ask unanimous consent of the Senate to read this telegram.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. HAWKES. The telegram reads as follows:

TRENTON, N. J., *May 15, 1946.*

Senator ALBERT W. HAWKES, New Jersey,
Senate Office Building,
Washington, D. C.:

The 2 weeks' respite granted to the American people by John L. Lewis from a paralysis of the Nation's life and liberty in nowise removes the danger of future similar disastrous situations launched by ruthless labor dictatorship.

We may look for a recurrence of such a national paralysis at any future time unless proper legal safeguards of a permanent character are established by our elected Representatives.

Protection of the American people and their free way of life is needed to safeguard them against these periodic prostrations of the national economy by edict of labor's fuehrers.

The fact that last week one labor dictator was able to bring a whole nation to its knees demonstrates either lack of effective legal restraints or timidity in their enforcement.

In either event, the time has come for Congress to place the question of the rights of labor and the rights of management secondary to the primary issue of protecting the paramount rights and salvaging the liberties of the American people as a whole.

NEW JERSEY TAXPAYERS ASSOCIATION.

The telegram is signed by the New Jersey Taxpayers Association, a very distinguished, fine group of citizens in the State of New Jersey.

Mr. PEPPER. I thank the Senator very much.

Mr. HAWKES. I thank the Senator.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield for a question.

Mr. BREWSTER. As I understand, the Senator from Florida made some reference to the political relationships of Mr. Lewis, Mr. Roosevelt, and the Democratic Party.

Mr. PEPPER. I stated—or intended to state—that in the last elections, the campaigns of 1940 and 1944, it was not my impression that Mr. Lewis supported President Roosevelt, who was the leader of my party. So I was not defending on this floor someone who happened to be a political associate of mine or my party.

Mr. BREWSTER. The Senator from Florida did not take in more territory, then, than the 1940 and 1944 elections. I have in mind the 1936 election, when Mr. John L. Lewis was generally understood to have contributed $500,000 to the Democratic campaign fund.

Mr. PEPPER. I am afraid that the able Senator from Maine, who is usually so technically accurate, has overlooked the nature of the financial transaction between Mr. Lewis and the Democratic Party. It is my understanding that it was a loan which Mr. Lewis made, and that the money was paid back.

Mr. BREWSTER. I am very glad to be reassured.

Mr. PEPPER. I will say to my able friend that his party, too, pays its political debts, and it has generally paid back those who have made contributions to its campaign chests—sometimes in the form of tariff reductions and sometimes in the form of other political favors which it has bestowed in an act of gratitude upon those who have come to its rescue in times of need.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield.

Mr. BREWSTER. I should like to ask whether the great State of Florida has at various times requested participation in tariff protection, in respect to certain of its products.

Mr. PEPPER. I believe it has on occasion, I will say to the able Senator, and a few times I have been misguided enough to yield to their requests. But I have tended to learn better as I have gained in experience, because all the history of this country has taught us the folly of depending upon the tariff as the basis of our prosperity. It was my good friend's party, the Grand Old Party, the party of great moral ideas, that used to promise the working men and women of this

country the "full dinner pail." I can almost see now the cartoons that used to regale me in my youth: The happy, contented, healthy worker walking to his work in the morning, with the briskness of a happy and bright day in prospect before him, and under his arm a full dinner pail, the contents of which he would enjoy when he took surcease from his labors at the noon hour. I recall what the Grand Old Party held out to the workingmen of this country: "Give us the right to impose tariffs and control the Government and the money, and we will give you the full dinner pail." But I have not heard——

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. PEPPER. In just a minute.

Mr. President, I have not heard so many claims from my Republican conferees in later years about giving the full dinner pail to the workers. On the contrary, I notice that when the workers came here asking for protection through collective bargaining they did not always get a majority of support on the other side of the aisle; when the workers came here asking for a minimum wage they did not always get a majority of support on the other side of the aisle. When they came here asking for health protection, at other times, and other safeguards, the Grand Old Party somehow or other seemed to forget a little that it once offered its arm to the workingmen of this country and promised to take care of them if they followed it along.

Here, today, Mr. President, when we have proposed antilabor legislation before us, legislation the purpose of which is practically to undo and to destroy the effect of the gains made in the last decade and more under Franklin D. Roosevelt, I again find a few on my side who have erred; they have forsaken the faith of the fathers; they have gotten into a strange relationship and into company which I hope they will discover is bad company; and Mr. President, I hope they are going to repent and are going to be baptized again into the good old faith of democracy, the greatest good for the greatest number. Mr. President, I know that the Bible is right when it says that my able friend from Virginia and my able friend from Mississippi and some of the brethren who erred a little bit and strayed a little from the straight and narrow path of democracy, when they finally do come back to the house of democracy and stand by the working men and women of America and help them up, instead of holding them down, will find that truly, as the Bible says, there will be more rejoicing because of the return of these few sinners than over the multitude who have remained faithful to the obligations of the great Democratic Party.

Mr. TOBEY. Mr. President, will the Senator yield for a correction?

Mr. PEPPER. I yield.

Mr. TOBEY. The Bible does not say "Senators." It says "sinners." [Laughter.]

Mr. PEPPER. Well, Mr. President, sometimes the two words may be interchangeable, I will say to the able Senator from New Hampshire. [Laughter.] I now yield to the Senator from Maine.

Mr. BREWSTER. I have asked the Senator to yield to me for a question.

Mr. PEPPER. Yes; I yield for a question or for a unanimous consent request.

Mr. BREWSTER. Mr. President, I do not wish to embarrass the Senator from Florida; but I appreciate his eloquence in behalf of free trade and against tariff protection of any character, and I am wondering whether he is ready to join in a movement to eliminate entirely the protective tariff insofar as sugar is concerned.

Mr. PEPPER. Mr. President, I would be willing to enter into this kind of an agreement with the Senator: I would be willing to put sugar in the same category with a great many other commodities which happen to be produced in the industrial sections of the country, and agree to the lowering of the tariff on all of them.

The Senator from Maine will remember that the Senator from Florida joined in the enactment of the reciprocal trade agreements law which gave the President of the United States the power to reduce tariffs 50 percent. I did not try to exempt the sugar industry from that provision of the law. I do not recall how the able Senator from Maine voted on that matter. Did he vote for the Reciprocal Trade Agreements Act?

Mr. BREWSTER. I did not, and I do not propose to, as I still believe in the protective tariff principle and in its honest and earnest application. But if the Senator from Florida is going to make fish of one and fowl of the other, we want to know it.

I recall the eloquence, as I have no doubt the Senator from Florida does, with which he has sought protection, as he has heretofore confessed, for certain commodities produced in Florida in which we were jointly interested. I am interested to know that he has repented, but I am wondering how far the repentence goes, and how soon his eloquence is going to be devoted to that complete freedom which he thinks will solve the problems of the American worker at the expense of American industries.

Mr. PEPPER. Mr. President, the able Senator from Maine is not a great student and scholar for nothing, and the Senator from Florida is not going to allow the clever suggestion of the Senator from Maine to commit him to a policy of free trade for the United States, for which the able Senator from Maine would so much like to get the Senator from Florida on record.

No, Mr. President; on the contrary, prior to the last time—I believe it was the second time—we passed the Reciprocal Trade Agreements Act, the Senator from Florida supported it and made a public statement that the people who grow fresh vegetables in his State—and he said it on the floor of the Senate in the debate on that measure—would have to take into consideration the other point of view, and I stated that never again would I harbor the delusion and the snare to which the Republican Party as a party has been wedded for so long, and from which I am sorry to say the Senator from Maine has not yet been able to tear it loose—namely, the principle of protection as a principle of prosperity for this country.

I took the position that I favored giving the President of the United States authority to reduce by 50 percent the tariff on commodities which might come into this country, by way of expediting our return to normalcy in foreign trade and of stimulating and building up American commerce and trade. If the Florida Senator has been delinquent in coming to repent only tardily, I think he deserves a little priority over a Senator who not only has not repented at all, but even is not aware of the economic sin he has committed by holding out for the protective-tariff principle without any limitation.

Mr. BREWSTER. Mr. President, if the Senator will permit me to make a further inquiry, let me say first, that as I understand the situation, the Senator from Florida does not believe in the principle of free trade and does not believe in tariff protection. What, then, is the economic theory to which the Senator from Florida subscribes?

Mr. PEPPER. Mr. President, the Senator from Maine is now getting me into the very vice for which he criticized me yesterday—namely, into an extraneous discussion. But I will say to the Senator from Maine that we are both on record on these matters by our votes.

The Senator from Florida believes just as Cordell Hull believes, just as Franklin D. Roosevelt believed, just as President Truman and Secretary of State Byrnes believes, just as the Democratic Party believes, and, I am glad to say, just as some Senators the other side of the aisle believe, namely, that it is in the interest of the United States and of the world generally that we make all reasonable tariff reductions which will stimulate foreign trade for the United States. I believe also that the President should have the power, which he now has under the Reciprocal Trade Agreements Act, to reduce by even as much as 50 percent, if necessary, the tariff schedule in order that the people of other nations may send us some goods and articles so that they in turn may be enabled to buy from us.

Mr. BREWSTER subsequently said: Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Maine.

Mr. BREWSTER. I do not wish to interrupt the very informative and exhaustive discussion of the immediate issue, but I do desire to add a little to the RECORD in connection with the earlier colloquy, and I ask unanimous consent that my question may be inserted in the RECORD where our previous colloquy occurred, if that is agreeable.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Without objection, it is so ordered.

Mr. BREWSTER. I believe that the Senator from Florida brought up the tariff matter, although I am not quite clear how it worked its way into the discussion. But we did seem to become involved in it, and I think we probably will agree that it is one phase of the matter, since even a health and welfare fund

must rest primarily upon the welfare of the industry and of the workers, and I wish to keep the record straight.

Since the Senator from Florida made some reference to the saints and sinners on his side—and I presume he would also venture across the aisle, in that connection, and might even catalog me in some fashion—my attention has been called to the record which was made the last time the Senate of the United States passed upon tariff matters in connection with the so-called Smoot-Hawley legislation. While it does not commit the Senator from Florida, I think it has a very illuminating application insofar as his cataloging of saints and sinners on his side of the aisle is concerned.

I hold in my hand the CONGRESSIONAL RECORD for that time, and it shows that at that time the predecessors of the distinguished Senator from Florida—who, I have no doubt, were representing their State and its very many, varied industrial and agricultural interests as worthily and as intelligently as they could—the then Senator Fletcher, of Florida, voted for 27 increases in the Smoot-Hawley schedules, and voted against 8 decreases; and the other Senator from Florida at that time, Senator Trammell, voted for 21 increases and against 23 decreases—thus indicating in 79 instances their entire support of the so-called protective tariff principle. They were associated in that campaign with 37 of their fellow Democrats on the other side of the aisle. Apparently at that time there were exactly the number of Democrats—39—that there are now Republicans in the Senate. Whether that has any significance, I do not know.

Of those 39 Democrats, they voted 526 times for increases in the tariff schedules of the Smoot-Hawley tariff and 483 times against decreases—or a total of 1,009 times that the distinguished colleagues and predecessors of the Senator from Florida supported the principle which is still the principle of the Senator from Maine.

I quite recognize that that does not commit the Senator from Florida in this matter, and that the world has moved. But I do wish the RECORD to be clear as to the very distinguished sponsorship which this principle, in which I still believe, had during that period.

Mr. PEPPER. Mr. President, what is the date of that vote?

Mr. BREWSTER. That was in connection with the Smoot-Hawley tariff. The date of the CONGRESSIONAL RECORD which I hold in my hand is June 20, 1930.

Mr. PEPPER. Mr. President, the Senator from Maine now has said that the world has moved, but he has admitted that he has not, on the subject of tariff legislation. He has admitted that he has not moved a peg since 1932 on that subject, and that he is going right along with the old theory of the Smoot-Hawley Tariff Act, which I think by common consent of a great many Republicans, as well as Democrats and Independents, is regarded as one of the most provocative causes of the disastrous depression which shortly after its enactment, afflicted the United States and the world. The Smoot-Hawley Tariff Act was sponsored through the Senate by Senator Smoot, a Republican Senator from Utah, who was defeated later by the distinguished present senior Senator from Utah [Mr. THOMAS]. Senator Smoot was acting, I suppose, as chairman of the Senate Finance Committee. The Smoot-Hawley Tariff law, which was sponsored through the Senate by Senator Smoot and, principally by his Republican colleagues, contributed, I believe history will show, in fact, history has already shown it—more than any other single measure did to the tragedy of the dark days of the depression from which it took us so long to emerge.

The able Senator from Maine has revealed what I venture to believe is also the efficiency of the Republican research section and service, which enables a Republican Senator to go to the telephone and call the Republican Party's research staff, somewhere around the Capitol Building, and find out exactly how many hundred times two Florida Senators voted on certain kinds of legislation during a certain period of time.

As a matter of fact, Mr. President, the Republicans, as they always do, set us a good example in respect to efficiency. Of course, one reason for that is that they always have the money. They believe in organizing. They are like the hornets. One day, Mr. President, a farmer was driving his team along the highway. He had an old colored driver, who was showing the farmer what an expert he was with his whip. He would flash his whip and cut the end off a little twig on the branch of a tree beside the road, and when a horsefly got on one of the mule's ears, he flicked the fly off with a snap of the whip. The farmer looked up and saw a hornet's nest on the branch of a tree by the roadside, and he said, "Mose, if you are so good at cracking that whip, how about cracking it at that hornet's nest?" Mose replied, "Law, Cap'n, dem hornets is organized." [Laughter.]

I assert again, Mr. President, that the Republicans are organized. When a Senator can participate in a debate on the floor of the Senate, then step into the cloakroom or downstairs, and return and tell us how the world has moved, and how he has stood still throughout all the years, it indicates a great and efficient research on the part of the Republicans which is certainly very fine to have.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. PEPPER. I will complete my statement and then will gladly yield.

The Senator spoke of the vote which was cast in 1930 by the two Senators from Florida on the Smoot-Hawley tariff bill. I consider, and the people of my State consider those two men to have been great Senators. They served their State long and faithfully. We treasure and revere their memories. But I will also state that it will be found that the Senators from Florida have moved somewhat in their point of view on the subject of tariff legislation. My colleague and I both supported—I believe I am correct in my statement with reference to the action of my colleague, at least on the last two occasions—the reciprocal trade measures which came before the Senate, just as our President on both occasions supported them. We believed that our support was in the interest of the economy of this country, and in the interest of business, agriculture, and the workers as well. I hope that my able and brilliant friend from Maine will take a forward look, and will learn that times do change. Sometimes Senators should change their views. I hope that the Senator from Maine will become a convert to the principle of reciprocal trade agreements. If he would but lend his brilliant intellect in that direction, what a power he would be on the side of reducing tariff barriers so that we could have more prosperity in the United States.

I now yield to the Senator from Maine.

Mr. BREWSTER. Mr. President, I appreciate very much the interest which the Senator from Florida has in my education. Inasmuch as the principle of a protective tariff always involves a matter of intelligence and integrity, I may say that I have not changed my position with regard to the matter, and I see little likelihood of my doing so. It is evident, I may say, from the constitution of this body and that of our associated body, that during the period of time to which the Senator referred the Republicans did move from the difficult position which, as the Senator has said, it occupied during the time to which I have referred. I think, however, that there were other causes associated with the movement which were related to such things as, for example, prohibition, and other difficulties which prevailed.

Mr. PEPPER. I thought the Democrats repealed prohibition. [Laughter.]

Mr. BREWSTER. During the time I have been a Member of the Senate I have seen the Republicans increase in number in this body from 17 to 39, and in the House the number of Republicans increased from 87 to 187. There seems to be a speculation, at least, throughout the country as to the possibility that even more auspicious increases are immediately in prospect. So the Republican Party is moving in a direction somewhat contrary to the theories espoused at the present time by the Senator from Florida.

Mr. PEPPER. Mr. President, we will all admit that this is a time of great upheaval in the world, and many bad things are taking place. [Laughter.]

Mr. TYDINGS. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. TYDINGS. Allow me to say, in addressing myself first to the philosophy of the Byrd amendment, that the Senator from Maryland believes that coal mining is one of the most hazardous of occupations. He likewise believes that the work which the miner performs down in the bowels of the earth is not the most inviting work to be found in the country. It is very essential, as we all know, to have coal, because all of our industries depend on it. I have approached the Byrd amendment with those thoughts in the forefront rather than in the back of my mind. I would be reluctant to do anything which would retard this particular group of workers from obtaining

any just improvement which they desired to obtain in their working conditions. The Senator from Maryland likewise knows that, under the Wagner Labor Relations Act, miners have the right to make any demand upon industry which they may desire to make. Of course, industry has the right to refuse to meet the demands made upon it if it chooses to do so.

Let us assume for the sake of the argument—and I am merely trying to think my way through this problem—that the operators were to agree to pay a royalty on each ton of coal mined which would be used for the welfare of the miners. Does not the Senator from Florida believe that in time that same process might be imitated or adopted, let us say, by the automobile workers, and even the railroad men who might wish to have a certain portion of the income received by the railroads from each ton of freight hauled by them?

I do not ask this question in order to draw a red herring across the trail, but we all know that whatever one group of laboring men obtain in the way of increased compensation it is quite likely that other groups will wish to have. For example, the 18½ percent pattern in increased pay which was allowed sometime ago was adopted by industry generally. The question in my mind is this: If the philosophy to which I have referred is adopted by the workers in one particular industry will it not be adopted throughout the whole country in regard to other industries as well? I address myself with great seriousness to those propositions, and I should like to have the Senator from Florida give me the benefit of his thought with regard to each of them.

Mr. PEPPER. Mr. President, I appreciate both the inquiry and the spirit of the inquiry of the Senator from Maryland. I hope that we can discuss the amendment in the same fine spirit of earnestness as that which has been manifested by the Senator from Florida.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. ROBERTSON. A few minutes ago the Senator from Florida made a statement with reference to the Reciprocal Trade Agreements Act and its relation to foreign trade. I should like to speak with reference particularly to the wool trade. In the first 3 months of this year wool consumption in the United States was 90 percent foreign and 10 percent domestic, with a stock pile in this country to draw from of 440,000,000 pounds of domestic wool.

Mr. PEPPER. Mr. President, I hope the Senator from Wyoming will confine himself to a discussion of the subject now pending before the Senate.

Mr. LUCAS. Let us talk about the pending amendment instead of about wool.

Mr. PEPPER. Mr. President, I am not going to allow the Senator from Wyoming to pull the wool over my eyes by making a talk about reciprocal trade agreements. I prefer that he argue with the statisticians of the State Department, but I thank him for giving me the information which he gave.

Mr. ROBERTSON. The figures which I gave were furnished to me by the Department of Agriculture.

Mr. PEPPER. Mr. President, I do not have the necessary time or knowledge to go into a discussion of wool with the Senator who is an expert in that field; but I believe that many persons are trying to pull the wool over our eyes in connection with the pending antilabor measure, and I should rather address myself to that subject, although, as I have said, I thank the Senator from Wyoming for his contribution.

Mr. President, the Senator from Maryland has raised the question, Is it not probable that other groups of employees would insist upon a health and welfare fund? Before we discuss further the matter, let us get away from the obnoxious connotation of the word "royalty." I should like to speak on the subject in the light of the new proposal, namely, that a percentage of the tonnage of coal, in terms of cents, be used in order to provide a fund. We are not going to quarrel about exactly how the technique will be worked out by which the fund will be raised. Let us address ourselves to the question of whether or not we, as a Congress, desire to prohibit making it possible to establish a health and a welfare fund, the major part of the administration of which would be in the hands of the employees. That is the main issue in the amendment of the able Senator from Virginia.

Mr. TYDINGS. I have not read the last proposal which was made, but I think I would be helped in following the debate if I knew what part of the so-called tax is to be paid by the company, what part of it is to be paid by the worker, or whether the worker is to pay it all or the company is to pay it all.

Mr. PEPPER. Mr. President, since this matter is directly related in all our minds to the Lewis negotiations, I will read a statement of Mr. Lewis as published in the New York Times of May 15, 1946:

> In view of the partial and inadequate mention of the acts of the conference yesterday on the welfare fund, I thought I would make a few observations.
>
> For weeks past the country has been led to believe through statements of operators and public representatives who had little knowledge on the subject that the mine workers had been asking for a royalty on coal. In truth, the mine workers have not, in all these negotiations, made such a proposal. They did in the 1945 conference, but the plan was rejected by the operators and not pressed by the mine workers.
>
> In the 1946 conference they proposed the establishment of a welfare fund, asking its acceptance in principle by the operators, and said that the manner of raising the fund and all the details of it were negotiable questions.

I wish to emphasize that, Mr. President. I do not know whether Mr. Lewis is telling the truth or not, but I am quoting from his public statement as carried in the New York Times.

Mr. TYDINGS. Will the Senator allow me to interrupt him?

Mr. PEPPER. Yes.

Mr. TYDINGS. I interrupt the Senator merely in order that we may obtain complete knowledge and light on this matter. Without having thought as deeply about this matter as, perhaps, members of the committee have, I might see a great deal of difference in securing support for the general proposal if, for example, it was fashioned in this way rather than in the second way which has been described.

In the first place, let us suppose that Mr. Lewis asked for 5 cents an hour increase in pay for his miners, and that of that 5 cents an hour increase in pay it was agreed that 2½ cents would be paid into a separate fund to be administered under fair and reasonable regulations. As a matter of principle, that would be entirely different in my judgment, although it might not seem so to other Senators. As a matter of principle, it looks to me as though labor should be kept separate from management, and it also looks like a compulsion of management to require it to contribute to a miners' fund rather than to contribute to wages. Does the Senator understand the distinction which I have in mind?

Mr. PEPPER. I desire to discuss that point.

Mr. TYDINGS. I should like to know whether the proposal, without reading it, is in the category of the first illustration I have set forth or whether it is in the category of the second illustration.

Mr. PEPPER. It comes nearer to being in the second category because it is a 7 percent gross pay-roll tax. I read further from Mr. Lewis' last statement:

> Yesterday was the first opportunity we have had to present the details of it under circumstances where the operators would admit that they were expressed in the principle.

I do not know whether the word "expressed" is the right word, but it is there.

> Accordingly we presented it.

Then Mr. Lewis gives six reasons for the fund:

> The mine workers request the fund for the following six reasons:
>
> 1. To furnish adequate and modern medical service to the coal miners and their dependent families with a choice of physicians, which in many areas, particularly in the South, they do not now have. We plan to replace the present company doctor scourge.

I do not want to interpolate too much without finishing the reading itself, but, as I understand, one of the real vices of the present system as the workers see it, is that the only doctor they have is the company doctor. We have outlawed the company union by the National Labor Relations Act. In a good many cases the miners complain that they have no doctor but the company doctor and that not only is he the doctor to attend them in case of illness but he is the only doctor to make a certificate about the nature of their disability when they make a claim for compensation for disability sustained. It would be he, no doubt, that would also make a certificate as to the cause of the disability, which would have a relationship to the workman's ability to make out a case, it may be, against the company. It is just as if people who might be injured by a railroad train could not have any doctor to attend them and certify to

the extent and nature of their disability except a railroad doctor. I am sure the Senator understands what I mean.

Mr. TYDINGS. I am not undertaking for the purpose of my question to the Senator from Florida, as I am sure he knows, to find fault with any of the general objectives which Mr. Lewis may have in mind or which the miners may have in mind. Undoubtedly there is good reason for many of them and undoubtedly there is probably some justice back of all of them. Without knowing much about it, I will assume that is a fair statement. What I think is in issue here—and frankly I am still, I hope, in a judicial frame of mind—is as to whether or not the miner shall be paid sufficient wages to enable him to make a contribution to a welfare fund with his own approval, or whether or not the contribution is to be paid, independent of wages, by the owner. I am rather of the opinion, offhand, that perhaps there is not as much in dispute in this strike as we might think is in dispute as to money or as to objectives; but I take it as I obtain a little information from the press, that it is rather a matter of procedure. I have asked all my questions in the fervent, and I pray not ill-founded, hope that out of these conversations on the floor, rather than by legislation, a modus operandi may be achieved and found where right can assert itself without wrong being inflicted on one or the other of the parties. Without going into whether the company doctor is either a good or a bad institution, I think the question here is how the fund is to be raised.

Mr. PEPPER. I think the Senator from Maryland makes a very great contribution by approaching the subject in that spirit. But, if he will allow me just a minute more to get these two points of view before the Senate, I think we can discuss the matter with a little bit better information. I continue to read from the statement by Mr. Lewis:

> 2. To provide adequate hospitalization under proper standards.
>
> 3. To provide insurance, life insurance and health insurance for the miners, which they cannot now purchase. Life insurance now costs the mine worker about 277 percent of what it costs people in sedentary occupations. Obviously, he cannot purchase it at that price. Obviously, he has no insurance as a result and his family is unprotected in case of death by violence in the mines or from natural causes.

I again must ask indulgence to interpolate at that point what a representative of the American Federation of Labor, Mr. Lewis Hines, said to us in the Capitol this morning. I will say to my able friend from Virginia that he had learned that recently there had been a mine accident in the State of Virginia involving a number of casualties, and he said it was his information that the families of those men who lost their lives in that disaster were not adequately provided for. Now, Mr. Lewis is saying that all all over the country there are cases similar to that in the State of Virginia.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHEELER. I was about to suggest that if a similar provision had been included in the Railway Labor Act or in the Railroad Retirement Act we would have stymied completely the proper and effective operation of those laws. While I have not examined carefully the Byrd amendment yet certainly if the bill which is before the Senate was passed with the Byrd amendment included, as it was originally framed, it would have prohibited, in some instances, the railroads from giving to certain qualified employees free tickets, because of the law on the statute books, from which I read, as follows:

> (7) No common carrier subject to the provisions of this part shall, after January 1, 1907, directly or indirectly, issue or give any interstate free ticket, free pass, or free transportation for passengers, except to its employees, its officers, surgeons, physicians, and attorneys at law, and the families of any of the foregoing; to the executive officers, general chairmen, and counsel of employees' organizations when such organizations are authorized and designated to represent employees in accordance with the provisions of the Railway Labor Act;

As I read the pending amendment, what it seeks to do is to say to the employer, "You can set up a joint fund, and if the workers contribute most of it they shall have a majority on the board to administer the fund." It seems to me by such a law we would be taking out of employees' hands the opportunity for them to agree to have collective bargaining, which is what workers have always fought for and have urged as the proper procedure. Why should we attempt to say by law who shall have a majority of a particular board if both parties contribute to the fund? As a matter of fact, I am told that some of the coal operators, if such a fund is to be created, prefer to have it administered entirely by the union because they do not want the responsibility of it themselves; they do not want to be mixed up in it, and they prefer to have it, under certain limitations, turned over to the miners' union themselves.

I am of the opinion that this coal strike can be settled if the operators and the unions are willing to arbitrate the matter. Without knowing much about it, I believe it could be settled by fair and impartial arbitrators.

Mr. TYDINGS. Mr. President, will the Senator from Florida yield further to me?

Mr. PEPPER. I yield.

Mr. TYDINGS. I do not know enough about the difficulties involved in the coal strike to be quite as optimistic as the Senator from Montana is, but it is my opinion, from the little I know about it, that what is in dispute is not so much a matter of welfare as it is a matter of how to obtain that welfare without starting new forces in motion which, when they are carried to their ultimate conclusion, may wreck the economy of the country all over again. For example, the automobile strike was a long one and a bitter one and there can be no doubt that it paralyzed the country temporarily. Finally the figure of 18½ cents an hour was agreed upon as a solution of the strike. Immediately when that was done, the steel workers, quite understandingly, asked for the same treatment, and they went out on strike, and finally it was practically on the same formula or yardstick that their strike was adjusted. Then, of course, other strikes evolved.

I think it is well worthy of consideration that, regardless of the merits of the present proposal of Mr. Lewis—and let us assume, for the sake of the argument, it is a hundred percent sound—if it is once adopted, it may lead to new unrest all over the country. With people starving to death in foreign countries, dependent on American food, and our own farmers, at least, harried in getting feed for their livestock on the farms, and implements with which to raise the feed, I hope there can be found a solution under which the Government will pretty well stay out of the matter, if it can be worked out in that way, and which will not lead to new labor unrest, at least at this time.

Therefore it is not with any idea of combatting or even attacking the merits of certain proposals inherent in the welfare program that I speak, but I think the essential factor for us all to consider and decide upon is how, if the program is sound and good, it is to be financed, and not to bring about other unrest all over the country.

In conclusion—because I do not wish to divert the Sentor—it seems to me that the coal strike could be arbitrated, and arbitrated very quickly, as to the general objectives. It seems to me that the real barrier in the whole matter is insistence too strongly by one side or the other to the controversy on its own particular procedure as the way to accomplish the result desired.

I am hopeful, let me say as one final word, that Mr. Lewis will be wise enough, as I believe he is, and leader enough, as I think he is, to keep the flow of coal coming while there is evident a spirit of adjustment, and when we are trying to find a solution, because I believe it will be in his interest, in the interest of the miners, in the interest of the operators, and in the interest of the country and the world, if our own economy is not paralyzed while we are hunting for a solution.

I am hopeful that Mr. Lewis and his advisers, and the operators and their advisers, will hit first upon a procedure that will not set in motion new forces, but which will be fair and just, and stand the acid test of a long duration, rather than one that may solve only this strike for a minute, and lead to new strikes very shortly, when other workers will want the same thing and have to strike, perhaps, to get it.

Mr. PEPPER. I thank the able Senator from Maryland. As I have said, he has approached this matter in a most sympathetic, generous, and fair spirit. I wish to say only one thing, before resuming the quotation from Mr. Lewis' statement. If we could sit down and have a full attendance of the Senate, and discuss this matter as Senators deliberating upon important legislation, in the way the group here today is at the present time disposed to discuss it, and if we would suspend the controversy over the

adoption of amendments until a fair committee from the Senate could call both sides together and let each side state its case, let Members of the Senate hear them, see how fair each one was in its attitude and actions, the report of such a group back to the Senate might be extremely informative and helpful to us.

We do not know all the facts in the controversy. We read only what is printed in the newspapers. We do not know whether they have told the full story. No committee of the Congress has had Mr. Lewis before it. We have not had the mine operators before us. We have not had any hearings upon this floor, of course. All we know about this coal strike, essentially, is what we read in the press.

For the first time, in these two statements, one of which I have in my hand and the other before me, in which Mr. Lewis states his side and the operators state their side, have I heard a statement of the contending points of view about the controversy. Yet we are called upon here in the Senate to adopt an amendment offered by the able Senator from Virginia which would make it unlawful for the unions which already have health plans which are being administered by the employees from continuing the operation of those plans. The amendment of the Senator from Virginia would outlaw and make illegal the plans which are being administered today by hundreds of thousands of working men and women for their own benefit, plans which they have secured by collective bargaining with their employers.

Does the United States Senate want to invalidate every one of those plans? I do not believe the Senate upon reflection would want to commit that offense against what these people, employee and employer alike, have already arrived at by free contract and collective bargaining.

Why should we criticize what they have done? Yet that is what the amendment of the Senator from Virginia would do. Probably he had not looked into it. I do not know. The Senator from Montana has brought out case after case in which the amendment of the Senator from Virginia would have an effect which he did not intend it to have. We showed here a few days ago that probably there could not be a contribution to a baseball game which a group of employees were getting up, that there could not be a contribution to the expenses of a picnic fund when the employees were trying to have some recreation.

Now the senior Senator from Montana [Mr. WHEELER], the chairman of the Committee on Interstate Commerce, and an authority on the subject of interstate commerce, has pointed out that if railroad employers gave free passes to the representatives of their union, which they can do under the law of the land today, they would, if the Byrd amendment should be adopted, be in violation of the law, and would be subject to a fine or imprisonment by the courts.

Mr. President, that merely goes to show the sort of legislation we enact when we blindly rush in to do this kind of thing.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHEELER. Consider the contracts which have already been entered into between employers and the employees. The proposal is by law to overturn a contract which has been legally entered into between an employer and his employees. In my judgment, the Supreme Court of the United States would hold that a law of that kind, to do away with a contract, was unconstitutional. When two men sit down and enter into a definite contract for a certain specific thing, what right has the Congress to say that the contract is illegal, that it is null and void?

Mr. PEPPER. The Senator is absolutely correct, and he and I both have pointed out that in Bulletin 841, issued by the United States Department of Labor, it is stated that about one-third of the employees who are covered by health plans in existence today administer their own plans, that they were voluntarily arrived at by collective bargaining between employees and the employer; yet this amendment would invalidate every single one of the agreements, and make their continuation an illegal act.

Mr. WHEELER. Will the Senator yield further?

Mr. PEPPER. I yield.

Mr. WHEELER. If we could do this legally, then we could pass a law providing that any contract which any businessman or any group of businessmen had entered into with others was unlawful. If the National Association of Manufacturers enters into an agreement with someone which is not in violation of the Sherman antitrust law at the time, what right have we to say that it is illegal; or if a manufacturer enters into a contract with another which is a perfectly legal contract, what right have we to say that that contract is illegal, and that the one entering into it is guilty and shall be fined or imprisoned if he proceeds under the contract?

Mr. PEPPER. The Senator is absolutely correct. Not only would this amendment, if it were the law, invalidate agreements of that kind already in effect, but it would make it illegal for any employer voluntarily to enter into such an agreement with his employees in the future in any industry in the United States.

Mr. WHEELER. If we sought to do that with reference to business generally, we would find every businessman and every business organization in the country coming to Congress and saying, "My goodness, what are you trying to do? You are trying to invalidate legal contracts we have entered into which violate no law. You are trying to pass a law to send us to the penitentiary or fine us $10,000 if we carry out a contract we have already entered into."

Mr. PEPPER. The Senator is absolutely correct.

Now I wish to resume the reading of Mr. Lewis' statement:

> This fund can provide insurance on a mass basis much more cheaply than the individual can buy it himself, even if he is capable of buying it, which he is not.
>
> REHABILITATION AND EDUCATION
>
> 4. The fourth reason is rehabilitation. Men who are injured and disabled in the mines through the loss of limbs, blindness, or other major physical injuries, need rehabilitation. There are no facilities available to the mine workers now and there are probably living 50,000 men who have been incapacitated from further mining, through incapacity, who have received no assistance in rehabilitation or training for other vocational employement.

I am going to interpolate a word or two here, Mr. President. Later on I shall discuss whether the principle itself is wrong. I remember when the workmen's compensation laws were first suggested and when it was proposed that funds to provide security for those who were injured were to be contributed by the employers. I remember the argument which was made that workers would voluntarily stick their hands in a machine and get them hurt; that the workers would voluntarily get their legs cut off so as to obtain some money, and all the other foolish arguments which were advanced against that kind of legislation. I remember the cry of "socialism" which was raised against one effort to provide some guarantee to the worker who was hurt in the course of industrial employment.

It happens that I am a lawyer by profession. I have seen pitiful cases tried in the courts, where a lawyer would charge an injured workingman 50 percent of the amount he might recover in damages as his fees, and then when he had to go into court to obtain redress for the injured worker, with what was he met? The fellow-servant rule; the archaic residue of a past which was unsympathetic toward the workingman. It would be said, "You cannot recover against the employer. You cannot put this loss upon the business, or upon the public which enjoys the product this business produces. Your fellow servant was the one who left the switch open. A fellow employee was the one who pulled that lever, or did not pull it at the right time. You cannot recover." He was mutilated in the course of his industrial employment, but the foolish fellow-servant rule denied him the right to recover for the loss he had sustained.

If the injured man got by the fellow-servant rule, then he had to run the gamut of the contributory negligence rule, and in most of the States of the Union, if he were even partially contributorily negligent, if he were contributorily negligent at all, no matter if the major part of the fault was ascribable to the management, he could not recover. All through the years, in State after State, until those who were fighting the battle for humanity gradually won, men and women were denied redress for their crippling, for their injuries which occurred in their efforts to serve their country by their labor.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. Does Mr. Lewis in his statement say what set-up there would be for the administration of the fund?

Mr. PEPPER. Yes. I am coming to that.

Mr. LUCAS. I thought the Senator had concluded his reading of the statement.

Mr. PEPPER. No. I continue reading:

5. The fifth reason is economic aid in distress or hardship cases. Families that become impoverished because they have not received compensation provided by the States due to the manipulation of the company-doctor system and by reason of testimony of the company doctor, which is the only medical testimony available because no other doctor is permitted to attend the victim. The mine worker cannot secure other medical testimony to refute the claims of the company doctor. In consequence, his award for total disability may be cut to as low as 30 percent and his family becomes impoverished. There are thousands of such cases.

6. If any money is left in the fund, we propose to use it for cultural and educational work among the mine workers.

Those are the six reasons.

CHARGE AGAINST PRODUCTION COST

All of these reasons were stated to the conference yesterday together with an extensive analysis of the principle and all the details, so much so that the operators advised us that they desired no further information on welfare and asked no further questions today.

We pointed out that this fund should be a charge against the cost of production and that it should be a pay-roll charge—in other words, that amounts equal to 7 percent of the gross earnings of the men before deduction should be paid by the operators into this fund to be operated by the United Mine Workers of America.

I am sorry the Senator from Maryland is not presently on the floor. That answers his question as to what was the nature of the proposal—a 7-percent deduction from the gross pay roll of the company, such sum to be put into a health and welfare fund to be operated by the United Mine Workers of America. That was the proposal of Mr. Lewis. The Senator from Illinois would no doubt like to hear what Mr. Lewis has further to say about it. It is not long. I continue to read:

We pointed out that no other agency could operate the fund as efficiently or as cheaply as the mine workers, that it could not become a tripartite fund and simply another bureaucratic governmental agency with the overhead eating up a major part of the revenue of the fund, clogging it with red tape and with its awards delayed after the manner of other governmental agencies. In passing, I refer to the War Labor Board, which has been as many as 15,000 cases behind in its schedule.

We pointed out that it is no business of the operators to supervise this fund; that the coal industry mangled these people and that the United Mine Workers want the right to alleviate their agony and distress.

VETO BY OPERATORS STRESSED

We pointed out that the operators' veto power on this fund rested in the fact that at the end of each contract period they could, if they would, discontinue it by refusal to continue it; that the amount of aid that could be extended to the miners was necessarily limited by the contractual limitations of income; that the mine workers would be constantly on trial before the joint conferences of the industry and before the public at large as to the manner of its administration. The usage of its fund would have to meet that criticism at the end of every contract period in the industry.

The mine workers pointed out that the money would be used only for the express reasons given, which we are willing to stipulate in the contract—for those purposes and for no others.

We pointed out that governmental agencies report that practically 2,000,000 workers in America are now covered by these funds, that in the ladies' garment industry—nonhazardous—3½ percent is now paid by the manufacturers in that industry against the pay roll to the union; that if 3½ percent is a reasonable amount for the ladies' garment industry to pay, then the suggestion that the coal industry pay 7 percent is ultraconservative; that nearly every country in the world has such funds for its mine workers, including Great Britain, backward Spain, and more backward India.

Even in India they have such a fund, and the mine workers want one in America and feel that their right to have it is accepted by the majority of the American people.

The mine workers have no intentions to negotiate a contract now or later that does not provide for such a fund and for such protection to the mine workers. It is a condition precedent to the making of any agreement.

Mr. LUCAS rose.

Mr. PEPPER. I yield further to the Senator from Illinois. I have concluded the statement by Mr. Lewis.

Mr. LUCAS. I should like to ask the able Senator whether or not during the 40 days of the strike he has seen any other statement made by John L. Lewis in behalf of the miners on the definite proposition with respect to the welfare fund?

Mr. PEPPER. No; I have not.

Mr. LUCAS. I think I have a right to assume that this is the first definite, concrete proposition that has been laid before the American people or the operators on which collective bargaining and negotiation might be had.

Let me say to the able Senator that that is the thing which I have been constantly complaining against from almost the beginning of the strike. John L. Lewis knew better than any other single individual in America that every day this situation continued without any conference upon this question, the coal reserves were becoming smaller and smaller, and every day that passed this country was being dragged nearer to the economic paralysis which we all know will come if coal is not mined. I place the blame on someone for not negotiating this question long before, instead of waiting until the Nation was paralyzed before laying down a proposition of this kind.

Whether the miners or the operators are at fault, I think the able Senator from Florida will agree that long before now, when the crisis is on, industry is paralyzed, and the economy of the Nation is prostrated, labor and management should have sat around the conference table, as they are now doing. Finally, in the midst of a crisis, a proposal is laid down. It is not fair to the American people. It is not fair to the miners; and I do not think the Senator from Florida will defend actions of that sort.

Mr. PEPPER. Of course not. Let me pursue the matter a little further. We all understand what the Senator from Illinois is getting at. I believe that if we were to lay aside all the other amendments and devote ourselves exclusively to the amendment offered by the able Senator from Illinois, and consider what we can do when we have a stoppage of work, and earnestly, as Senators should, debate that amendment, deciding what, if anything, we can do or should do, we would be making some progress. But the Byrd amendment, which would outlaw a health fund, certainly is not the answer to the question. Amendments which have been offered by other Senators are not the answer to the question. They do not have any relationship to this work stoppage. They are simply designed to curb the right of labor, and in substance to emasculate the National Labor Relations Act. If we could lay aside the other amendments, which are not designed to do anything with respect to the strike—if this work stoppage may be called a strike—amendments which I do not believe, upon reflection, the Senate would wish to adopt, and immediately consider the amendment of the Senator from Illinois, and decide whether this is the kind of thing that we can do something about in a substantial way, I would yield immediately, and would lend all the assistance I could render.

I do not approve in any sense of the word of either the attitude or the tactics of Mr. Lewis. Senators who share my point of view and who do not wish to see the working men and women of this country lose rights which have been painfully built up over decades, and even centuries, are in an embarrassing situation. The embarrassment of our situation is that we are placed in the position of having to defend John L. Lewis. If someone wishes to write a law providing that it shall apply only to John L. Lewis, that is one thing. But when we enact legislation which affects every honest, patriotic man and woman in the United States, that is something else. There are 62,000,000 people in the working forces of this country, and there are not more than 500,000 miners under the jurisdiction of Mr. John L. Lewis.

In a moment I shall read the official mine management reply to the statement of Mr. Lewis. It may develop that the operators have not been at all willing to negotiate this subject, and that they are just as adamant against considering the principle as Mr. Lewis is in insisting that they shall. There we have a deadlock of the two points of view. In a moment or two I shall read what the mine operators have said about the health principle, which is the threshold over which they are unable to cross in arriving at an adjustment.

Mr. LUCAS and Mr. KNOWLAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield; and, if so, to whom?

Mr. PEPPER. I yield first to the Senator from Illinois.

Mr. LUCAS. Mr. President, I should like to reiterate what I have said many times on the floor of the Senate. I am proceeding upon the premise that in the

early days of the meeting between the operators and John L. Lewis absolutely nothing was done, and no concrete proposals of any kind or character were made. If that is not the fact, then I have been wrong in my premise; but I do not believe that I am mistaken on that score. I think I know whereof I speak. The Senator from Illinois could not sit silently by, irrespective of the record which he has made in the past with relation to labor, or the record which he has made in politics or elsewhere, without saying something with respect to what he saw creeping upon this Nation as a result of total inaction, so far as honest collective bargaining is concerned. So far as the coal strike is concerned, up to this point collective bargaining has been a joke. I believe in collective bargaining, of course, and have supported all measures looking toward that end.

Mr. PEPPER. I am sure that the Senator would not want the RECORD to show that he regards all collective bargaining as a joke. What he means is that it may be abused, or made a joke.

Mr. LUCAS. So far as the coal strike is concerned, up to this point collective bargaining has been a joke. I believe in collective bargaining, of course, and have supported all measures looking toward that end.

That seems to me to be the criterion in this whole thing. The American people are aroused as they have never been aroused before, and rightfully so. I know that many laboring men of Illinois, in their unions and otherwise, are embarrassed and frightened as the result of what John L. Lewis is doing in this particular case. They fear that some legislation will come out of the Congress which will take away rights which they have gained during the past 12 or 14 years.

I repeat what I have previously stated, that somehow, some way, somewhere along the line, the Congress of the United States must lay down some kind of a principle which will prevent a minority group from completely tying up, stopping, and paralyzing the economy of the Nation as a whole.

I am glad that the Senator from Florida at least looks upon the amendment which I have proposed with some degree of compassion so far as its merits are concerned. It is addressed solely to the core of the situation, and nothing else. I know that the Byrd amendment would have no effect whatsoever upon the real meat of this situation. My amendment was directed to one point, and one point only. I am glad to know that the able Senator from Florida feels that my position is at least in keeping with something which ought to be done at this particular moment, as the situation exists between the operators and the miners at the present time.

Mr. PEPPER. I commend the distinguished Senator from Illinois for going to the heart of the problem. In a moment I wish to discuss his approach to it.

I now yield to the Senator from California.

Mr. KNOWLAND. Mr. President, I am sure that my distinguished colleague from Florida would not want the impression to prevail that his interpretation of the Byrd amendment is that it would prevent the establishment of health and welfare funds, because there is nothing in the Byrd amendment, as my distinguished colleague well knows, that would prevent an employer and his employees, or representatives of the employer and representatives of the employees, from sitting down together and arriving at an agreement to establish a health and welfare fund, under a trust or under a nonprofit corporation, making all the provisions which the able Senator from Florida has pointed out as being highly desirable. There is nothing in the Byrd amendment which would prevent that from being done. The only thing the Byrd amendment would prevent would be the establishment of such a fund by a levy either on pay rolls or on the production of the commodity, and placing it under the exclusive control of the union.

Mr. PEPPER. Mr. President, the Senator is partially correct. In the first place, the Byrd amendment is not limited to any tax on pay rolls or payment out of pay rolls or anything like that. The Byrd amendment prohibits any employer from paying or delivering or agreeing to pay or deliver any money or other thing of value to any representative of any of his employees. That is not limited to a pay-roll tax or a so-called royalty or anything else. It also makes it unlawful for any representative of employees to receive or accept or agree to receive or accept from the employer any money or other thing of value.

Mr. KNOWLAND. Mr. President, if the Senator will yield to me again, let me say that the point I made in connection with the remarks of the Senator from Florida was to the effect that they gave the impression, at least, and I think he will find that is the case if he will examine the RECORD, that the Byrd amendment would prevent the setting up of a health and welfare fund. I was merely trying to keep the RECORD straight, to show that there is nothing in the Byrd amendment which would prevent the setting up of a health and welfare fund by any group of employers and employees under the proper circumstances.

Mr. PEPPER. Mr. President, the Senator from Florida will say to the Senator from California that he has never failed to recognize that the Byrd amendment does not outlaw action of the employees in any capacity in that respect. The Byrd amendment would prevent the setting up of a health fund if the funds were administered by the employees in a majority capacity or if they were to be the sole administrators of the fund. I have never had any doubt about that.

No doubt the able Senator from California will also admit that the Byrd amendment would invalidate all the plans now in existence, as to which the practice of having the employees administer the fund is in operation. Will not the Senator from California admit that?

Mr. KNOWLAND. I am inclined to agree that that is correct. But there is nothing to prevent any of the existing funds from being set up on the basis of a joint arrangement.

Mr. PEPPER. That is correct. But the Congress would be imposing that legal requirement—namely, that, although the employees are the people who are benefited, they could not have majority representation in the administration of the fund. Why do we have any right to say that an employer and his employees cannot enter into an agreement which will give the employees that right, inasmuch as it is their bodies that are to perform the work, it is their health that is involved, it is their children who will be under the knife. Yet, because the money happens to be raised by the industry, the employer—by an act of Congress, if the Byrd amendment became a law—would be given equal representation with the employees.

I do not see that there is any necessity for having us impose our firm hand in such a situation as that, and deny to the parties, if they wish to do so by collective bargaining, the right to give a majority representation in the administration of the fund to the employees, who are the ones primarily affected, and for whose benefit exclusively the fund was set up.

Mr. President, I wish to read the reply of the mine owners to the statement of Mr. Lewis. It was set forth in the Washington Evening Star of May 15, 1946. In my statement the other day, when I complimented the Times-Herald and the Washington Post for what they had done to bring the plight of the miners to the attention of the Congress and the country at large, by inadvertence I omitted mentioning the magnificent work which had been done by what I believe to be one of the truly great newspapers of this country, namely, the Washington Evening Star. I wish to acknowledge the debt which I believe we all owe to the Washington Evening Star, as well as to the Washington Post, and the Times-Herald. Perhaps I should include other Washington newspapers as well, but I do not for the moment have in my mind the contributions which they may have made.

I now read from the reply of the mine owners to Mr. Lewis.

It is to be noted that at least three of these demands are immeasurable on any actuarial or other basis and would result in expenditure of many more millions than those that are measureable, and that the limits upon the exenditure of money are not explained nor specified nor restricted. The operators' negotiating committee unequivocally rejects this proposal for the following reasons:

First, the committee would not exercise such authority and make a commitment of this character for the industry, and further, this matter does not go to the question of wages, hours, or working conditions.

Second, that the plan constitutes double taxation on the industry for social welfare, for which it is now paying approximately 10 cents per ton, as follows:

Social security	$0.0174
Unemployment tax	.0351
Compensation insurance	.0468
Vocational-disease insurance	.0004
	0.0997

which in 1944 amounted to more than $61,000,000. This amount was contributed solely by the operators.

Third, that it is a matter of public concern and is therefore a problem that should be considered not by this wage conference but by public legislative bodies and then only after a complete and thorough investigation by such legislative bodies of all the problems involved.

This proposal presents to the conference a new social theory.

Following that, the mine owners quote the six reasons given by Mr. Lewis for asking for a fund. I read them only a few minutes ago. At the end of the recital of those six reasons I continue to read:

Sixty-two days after the national bituminous joint wage conference began, the operators' negotiating committee were furnished by Mr. Lewis an outline of six reasons for the establishment of a union controlled health and welfare fund, financed by contributions from the operators equal to 7 percent of gross pay rolls, this 7 percent to be applied to a gross pay roll in excess of $1,000,000,000 per year, or a yield of $70,000,000.

This vast sum is to be raised by the assessment of a pay-roll tax to be paid by the operators and the proceeds turned over to the union, which is to be the sole administrator and disburser of the funds.

Mr. President, I interpolate that the mine owners must not have known about bulletin 841, which was issued by the United States Department of Labor; they must not have known about the National Health Act, 1945, report; they must not have known about the book entitled "Freedom From Fear" which is in the Library of Congress on the subject of medicine in industry and industrial insurance; they must not have known about the report of the subcommittee of the Senate Committee on Education and Labor on the subject of health and insurance; and they must not have known about many other documents which I could call to their attention. So, when it is said that the requirement that the employer, as a representative of the industry, shall put up the money and that the fund shall be administered by the employees for whose benefit it is provided, is a new social principle and philosophy, the statement is an indication of ignorance on the part of whoever makes it. Hundreds of thousands of workers of this country are covered by health funds which are administered in the same method as that which is proposed by the miners.

I continue to read from the statement issued by the coal operators:

This proposal presents to the conference a new social theory and philosophy the effect of which would extend to every industry in America, and as such must be considered and acted upon as a national problem and not as one relating to the coal industry alone, and in the judgment of the committee, we repeat, is one to be considered by public legislative bodies.

Mr. President, Senators will hear more about that if they do not want this plan to be worked out by collective bargaining in the industry. Before this debate shall be concluded some of us are going to offer an amendment to the Byrd amendment which will make it the duty of every employer engaged in an activity affecting commerce as defined in the National Labor Relations Act, to provide for the workers in his industry a health and welfare fund, and if he does not do it, there will be Federal penalties inflicted upon the employer. The kind of plan he provides will have to be approved by the Surgeon General of the Public Health Service. The plan may provide for the funds to be contributed by the industry through management, or by joint employer and employee contributions, and it may be administered in any responsible and proper way. That can be made a specified standard of responsibility laid down by the Surgeon General of the Public Health Service.

Yet, when we propose that, Mr. President, and say that the Senate, as a legislative body, should adopt it, on a national basis, as the mine owners say we should, I wonder what the attitude of the distinguished Senator from Virginia will be. I wonder if he is going to say, "Very well. I do admit that the working men and women of this country should have adequate protection for their health and welfare. I do believe it is a proper imposition of Federal responsibility that may be required to do it. I do not believe in it being provided by collective bargaining, but I do believe that the principle of such a provision should be met by the employers of this country."

I wonder what the mine operators would say to such an amendment? Would they say, "That is all right. If you are going to apply it to industry generally, we are for it." We will see whether or not Senators really want the working men and women of this country to be protected in their health and welfare and whether what they object to is what John L. Lewis has done and the manner in which he has done it, or whether they object to the principle of making the management provide the money, although it does not come out of the pockets of management; it comes out of the pockets of the public.

I continue to read from the response of the mine owners to the proposal of Mr. Lewis:

Without consideration of the cost to the industry and indirectly to the public—

We may be assured industry would not pay it out of profits. It would be the public that would have to pay it—

it proposes the imposition of what in effect is a large tax upon the industry and the public by a private enterprise, the United Mine Workers of America.

Mr. President, it is no more of a tax upon them than it is upon other industries that have agreed to such a plan by collective bargaining with their employees, and I have not heard of any American principles being deserted or any American rights being destroyed, or any great catastrophe ever impending, because such a thing as that was done.

I read further:

It encroaches directly upon the function of Government by usurping the taxing powers and the problems of social welfare and would result in increased cost of coal and lessen the tax income of the Government.

Mr. President, it is not fair to call the proposal of Mr. Lewis a tax. If an employee says to his employer, "I will not work for you unless there is a hospital to which I may go if I get hurt; I will not work for you unless there is a doctor who can attend me if I get injured; I am not coming to your isolated plant and accept your employment unless I am sure that I get adequate protection for my health and my general welfare." Is that a tax? Every lawyer knows that is not a tax at all, that the employees are not trying to usurp the functions of the Government. They are merely saying, "We will not sign a contract with you unless you will provide that kind of a fund." If anyone says that is a tax, he is perverting the English language, because it is not a tax, it is a condition of work. Yet, these mine owners want to stir up our prejudices by making us believe that these employees are trying to usurp the functions of a public legislative body and exercise the right to tax.

It might just as well have been some other condition. Mr. Lewis might well have said, "We will not work for you unless you let us work 6 hours a day instead of 8." He might well have said, "We will not work for you unless you pay us a minimum of $2 an hour." Neither the one nor the other is a tax. It is a condition precedent to the execution of a contract of employment between an employee and an employer. But the mine operators would like to have us believe that it is a tax.

I quote again:

On March 25, 1946, the operators proposed "the joint exploration and consideration of a plan to create by joint contributions a reasonable fund to be used to mitigate unusual hardship cases arising directly from accidents occurring in the course of employment, such fund to be administered by some independent agency (such as the Red Cross) with the advice of the mine workers and operators."

There they submit a counterproposal. Is Mr. Lewis to be put in jail because he did not accept the counterproposal of the operators? Are we to pass a law providing that the mine owners cannot submit a proposal for a joint contribution?

Mr. Lewis says it all has to be contributed by the management and has to be administered by the employees, because it is for their benefit and they will see to it that it is administered in the right way, for their benefit.

The mine owners say, "We will agree to a limited fund for unusual hardship cases, if it is jointly provided and jointly administered." But Mr. Lewis is to be put in jail, or Mr. Green, or Mr. Murray, or John Smith, who represents the unorganized workers, if his proposal does not agree with the proposal of management and the operators. That is the absurdity and ridiculousness of this proposal. We have to lay down the only standard for a collective agreement between management and labor, according to the Byrd amendment. We in the Congress have to tell them exactly how they will divide the contribution and exactly how they will administer it, exactly how each side will be represented in the administrative authority.

I read further:

In order to know the requirements to take care of unusual-hardship cases arising out of mine accidents, it is necessary that such investigation be conducted to disclose the facts, the funds to be based on the findings of such investigation.

Mr. President, we know about these investigations. It is an old, old trick, when one does not want to do anything, that he has a committee appointed oftentimes, to see that nothing is done. An investigation is conducted, but nothing is ever done. So the mine operators propose that they will investigate. Then, after the investigation is over—and that will be an indefinite time—they will consider the matter further. Meanwhile they want the workers to go ahead and sign the contract again.

The operators' negotiating committe also offered to agree that all operators party to the contract would accept the provisions of the workmen's compensation laws in the States wherein such acceptance is optional and to turn over all the moneys collected from the mine workers for the payment of doctors, hospitals, and for similar purposes, for administration by the union.

Mr. President, the mine owners disclose in that statement that in many States in which they operate mines they have not yet accepted the workmen's compensation laws. It is surprising to find that there is any State so backward at the present time that it allows it to be optional with management as to whether it accepts the operation of workmen's compensation laws. If they do not have such laws in effect and a workman gets hurt, as I stated, in all probability he has to go through a court case, a long litigation, pay 40 or 50 percent of his receipts to his lawyer, be met with the defense of contributory negligence or the fellow-servant rule, and meanwhile his family and he suffer, while all this laborious, unfair, and inadequate procedure is being observed. Yet the mine owners admit that in many States where they mine coal they have not yet accepted the simple requirements of the workmen's compensation laws of this country.

Not only that, Mr. President, but I think that if one will look into the facts of this matter he will find that for a long time the employees have been putting up the money for their own health funds. I am not advised whether the employers have made any contribution, but my impression is that the major part of the money has been put up by the employees, out of their own limited wages, to try to make whole the bodies which have become maimed in the mines.

Mr. President, I will finish reading the statement.

The miners are well paid—

Well-paid miners. This statement is made, I dare say, by a group of men who have been living at the Shoreham, the Wardman Park, the Carlton, or the Mayflower Hotel. I will bet that the principal members of that negotiating committee have spent more for Scotch liquor since they have been negotiating in Washington than many of their mine employees receive in wages in a month. I will bet, Mr. President, that they have paid out more in tips than many of their mine employees receive in wages in a month. I will bet, Mr. President, that many of these mine operators have a suite which they keep here in Washington the year round, just like those which many large corporations of my State keep here in Washington, which cost thousands of dollars a year. They may come here once a week or twice a month or once a month or once every 2 months, but they have a suite of luxurious rooms in one of the large hotels wating for them, and they deduct the expenses of it from their income tax. Yet they are the Pharisees who sit here with the pretense of righteousness and talk about the well-paid miners. These men say that the miners receive enough money so they can hire their own doctors. I am reading from the mine owners' statement:

The miners are well paid—

Mr. President, I wish I knew how much salary a year is received by the operators who made that statement, so that the Senate could know what it is. I wish I knew what their profit was in the last fiscal year from the mines of which they are the heads. I should like the Senate to know what their profit was. I should like to know how much they charge off against the United States Government income tax for expenditures for entertainment and recreation and for political contributions. I should like to know that, simply to be able to tell my colleagues in the Senate about it. To talk about even the organized employees being on an even basis today with the management is to talk about something which does not exist, Mr. President.

The miners are well paid and are able to maintain a very high standard of living.

Let me see, Mr. President, if I can find some of the pictures published in the Times-Herald of the other day. I show them to my colleagues. Here [exhibiting] are some of the suites; here are some of the palaces; here are some of the mansions in which the miners are compelled to live. They are pictured in the Times-Herald of Monday, May 13. After showing a line of four or five of these little hovels, and a line of privies right in front of them, we find this language below the picture.

This is Kenvir—and privy row. It is only 30 feet—through cow and swine excretion—from kitchen door to privy.

Mr. President, it has perhaps been long since one of the coal operators saw an ordinary kitchen, except when they have drinking parties, and then, Mr. President, they do not see this kind of kitchen.

The language below the picture is:

It is only 30 feet—through cow and swine excretion—from kitchen door to privy.

In such kitchens, Mr. President, is the food of the miners prepared. That is where the food comes from which these people eat; not only the miners, but their wives and children. It says further:

There are no bathtubs in the four-room houses.

I wonder if any of the operators when they come to Washington go to a little rooming house on the edge of town where there is no bathtub, where there is an outdoor privy, where the privy is just 30 feet from the kitchen door. Do Senators suppose that when the noon hour arrives they say, "We are awfully sorry, but we have to be away for 2 or 3 hours, because we are staying at a little rooming house away out about 3 miles, and we have to go there on the streetcar and have our lunch, and it will take us in all about 2 or 3 hours to get back." Do Senators suppose those are the conditions under which they live?

There are no bathtubs in the four-room houses. The lucky ones have running water. And that's the way it's always been.

Under another picture we find these words:

Wash day on the back porch. A miner's wife scrubs the week's wash as her barefoot children look on.

Mr. President, I do not know whether the children have hookworm or not, but it is my understanding that hookworm is contracted from walking barefoot over areas where there are all kinds of excretions, such as those mentioned in this caption.

Below is the picture of a little straggly-haired girl, and the words:

Not Tobacco Road—but Kenvir.

Then it gives the little lady's name—

A coal miner's daughter feeds her pet groundhog. They are great "pals."

At the bottom of the page is a picture of six boys down by a dump, and this is what we find below the picture:

Here is dumped the refuse from the privies—along with dead cats, dogs, and miscarriages. Here, too, barefoot boys root for scrap iron and hogs root for garbage. The burning dump is only 600 feet from the homes of the miners.

Here is another picture, and below it we find—

A coal miner's son enters the privy in the rear of his home. When it rains, the privies overflow. And nothing can be done about it.

It looks to me as if probably all the privies overflow toward the residences of the people themselves.

Mr. President, those people are Americans. It is hard to believe sometimes, but they are Americans. I would not be surprised to learn that soldiers went out of those little cottages to fight for the right of the coal-mine operators and for others.

No, they do not live in a palatial mansion like the Senator from Virginia, with his vast orchards around him and the luxury which he has earned as a private entrepreneur. They live in hovels, and fight for the right of the Senator from Virginia to work in his apple orchards when he wants to work. But the Senator from Virginia wants to condemn them to the mines, whether the working conditions are satisfactory to them or not, whether the wages are adequate in their opinion or not, whether they have had the safeguards for their health and security which they feel that they should have.

Mr. President, here is something that tells the story of a few more of these people. I shall cite another instance set forth in the United Mine Workers Journal. This is Trafford, Ala. The individual is William Henry Burns:

William Henry Burns, of Trafford, Ala., suffered a fractured back when a large draw

rock fell from the roof of a small truck mine operated by Virgil Trammell near Trafford on December 20, 1934. He had to wait for 1½ hours for aid after being carried from the mine, since there was no doctor or medical aid near the mine. He has been 5 months in the county charity hospital.

Oh, of course, the operators think, if the poor do not have money to buy medical care, let them take charity. Let them go to a charity hospital. I wonder if they really appreciate that the poor people of this country have pride. I wonder if they sense the stubborn pride of these poor people who have not lost it because they are poor. Some of the operators live in such a stratosphere that sometimes they forget that these lowly folk, these miners, have the essential human emotions which they themselves experience in their own bodies and in their own nervous systems. But they want these poor fellows to go to a charity hospital, to take whatever kind of doctors they can get, whatever kind of medical care they can get, whatever kind of a hospital they can get into.

Since the time of his injury, almost 12 years ago, Burns, who has a wife and three children entirely dependent on him, has been paralyzed from the hips down and unable to walk. The mine operator carried no compensation insurance, and the Burns family have been dependent on payments from the county public welfare, varying from a low of $13 to a high of $30 a month. At present his only income is this $30 a month. At the time of the accident the children were 6 years, 3 years, and 9 months of age.

Mr. President, that name, William Henry Burns, sounds to me as if it were a good Scottish name. I remember there lived a man named Bobby Burns, who was a great poet. I imagine William Henry Burns was a good American citizen. He had a wife and three children. He was working in a mine. Anyone who has ever been in a mine has difficulty in understanding why men should ever choose such an occupation, but Burns chose it. He had a right to. I dare say with all of its rough exactions, he loved it. So he was working one day in a mine. I can imagine he was thinking about his little children, one of whom was 6 years old, one 3 years old, and the other 9 months old. As he dug away in the pits of the mine, there in the darkness, frequently, I imagine, alone, as he hammered away with his little short pick, he must have thought about his wife and the three children at home and about the time when maybe, in some way, he would get out of such trouble as this, or at least, if he could not, maybe they would. I do not know whether he was ambitious enough to imagine that they would ever get a chance to go to college, but he might have dreamed of it. He may have thought of the time when they would get away from that little mining village, and that he would be able to educate his children; that maybe one of them might become a United States Senator, or perhaps a Representative in Congress, or a doctor or lawyer or engineer. I do not suppose he knew how he was going to educate them. He knew that there was in existence a public-school system, which came about over the opposition of many of the reactionary interests of the country, who said, "If you have a child to educate, why don't you educate him? I will educate mine, and you educate yours." He must have thought that he might be able to work his way through college with a little help. Then suddenly a rock fell on him and paralyzed him. What is happening to that family? Their total gross income is $30 a month, that is, a dollar a day, for a man and his wife and three children.

What is anyone going to do about it? He is getting all the charity that is available to him in the community—$30 a month from the public welfare fund. Many times when proposals to expand the social-security benefits are advanced, some of my able friends in this body wonder if we can afford to expand them, wonder if it will not cost too much. But one day some member of a State legislature got a bill through, or some member of a town council got through an ordinance, which would provide $30 a month to William Henry Burns and his wife and three children.

Mr. President, should we not be a little ashamed of ourselves that that kind of thing can happen in the United States of America? William Henry Burns will never mine coal again, but is it wrong for the representative of the William Henry Burnses who have not yet had a rock fall on them, paralyzing their bodies, to tell management, "We will not go back to work in the mines unless the mining industry provides a health and welfare and security fund for us"? Are we going to put a man in the penitentiary for telling the mine operators that? My God! Mr. President, I cannot understand how Senators can seriously profess to be Americans and ever harbor such a proposal. Yet all that the miners are talking about doing is raising a health and welfare fund to be provided by the industry, and we know that actually it would not be provided by the industry, but by all of us who use coal. Is there anything wrong with making the coal industry, which maimed William Henry Burns, pay for his maiming, and provide some succor for him in the time of his paralysis? What is wrong with that?

Let me mention one or two more cases. Take the case of Mrs. Rose Dougherty. That sounds like a good, steady name. It does not sound like the name of a Communist. Mrs. Rose Dougherty stated that the death of her husband, Chester Dougherty, from an injury received in a mine of the Peabody Coal Co., at Kincaid, Ill., left her with nine children under 16; and to raise and educate them she was awarded $18.60 a week for 295 weeks. What is going to happen to Mrs. Rose Dougherty and her nine children when the 295 weeks are up?

Sam Lawson, of Arjay, Ky., had his back broken by a slate fall August 10, 1942, at Rella, Ky. He was paralyzed from the waist down. He receives $15 a week to support himself, his wife, and four children, and states that "except for neighbors and friends making small contributions my children would have gone barefooted to school most of the winter."

Theodore R. Stewart, of Marvel, Ala., suffered a fractured leg in 1936 when a mine car fell on him in the Klondyke Mine of the Blocton Mining Co., at West Blocton, Ala. For a year he received workmen's compensation. Then he returned to work for 2 years, until the leg injury forced him to quit work. He stated:

I was never paid any compensation other than that I received while I was off with my leg broken. I was told that I had already signed my rights away. Since I was forced to leave the mines I have been unable to walk without using crutches and have been unable to do any work to earn a living to support my family.

I hold in my hand a picture of him, sitting in what is obviously his simple home, with his crutches across his leg, which is paralyzed.

Mr. President, those are only illustrations. If anyone discounts them because they come from the United Mine Workers Journal, I could just as easily have turned to the Washington Post and read the cases which Mrs. Eugene Meyer discovered and has told us about in her own writings in the Post. So we have not only the opinion of the miners, but also have the statements of others. I am sure Senators will agree that neither Mrs. Meyer, nor the Times-Herald, nor the Evening Star, is exactly in financial distress. I do not believe that anyone would say that they are communistic, or that they are trying to undermine the private enterprise system, or that they are real enemies of private enterprise.

This is what the mine operators say:

The miners are well paid and are able to maintain a very high standard of living and a first grade order of citizenship. There is no necessity for these citizens being accorded different treatment or being furnished greater privileges than those received by other citizens in the same community. A proper fund to take care of unusual hardship cases is all that is required and is all that the industry should be asked to bear.

We have seen, from my reading of the statements of the mine owners and Mr. Lewis, what the situation is in this industry. The mine workers have an annual contract with the owners. Their contract expired a little while ago. Before it expired Mr. Lewis gave public notice, as the Smith-Connally Act requires, that the miners would strike if their demands were not satisfied within a certain time. When the strike waiting period under the Smith-Connally Act had elapsed the miners quit work, and the miners and the mine owners gathered in Washington to negotiate a new contract.

Mr. Lewis says on behalf of the miners, "Until you agree to the principle of a health and welfare fund for the miners of this country I will not discuss the other demands of my miners." He says that that plan must be one in which the miners themselves will operate the system, because they know what it means to have the mine owners dominating the system, with company doctors, and all that sort of thing. The negotiations have gone on day after day and week after week; and they have been in progress for a long time. The miners have not deviated from their announced position that the welfare and health fund is a condition precedent to the discussion of

the other details of the contract. The mine operators are equally adamant in saying that they will not agree to what they call this new—and they might have said socialistic—principle which the miners are proposing. So we have a deadlock.

I do not know whether the Government should step in or not. Frankly, I believe that under the Smith-Connally Act and under the Second War Powers Act the President has authority to step in. I believe that under the Smith-Connally Act he has authority to take over the mines, without any question. I believe that the President has authority to cause an agency of the Government to operate the mines for a period not to exceed the period contemplated in the Smith-Connally Act.

I will go a step further, Mr. President. I believe that the Government, while engaged in the operation of the mines, has authority to make a contract with the workers. I believe that the Government, while it is operating an enterprise which it takes over, has a right to do what it deems to be necessary to keep that operation in progress. If that means a social-security contract, if it means the provision of a health and welfare fund, if it means a wage increase, or if it means a reduction in hours, I believe that under existing law, if the Government takes over the mines, it has a perfect legal right to enter into that kind of a contract.

If the Government were to take over the mines and were to exercise that right, I wonder how long it would be before the employers would be waiting on the steps of the White House for the President to get up in the morning, to say to him, "For God's sake, Mr. President, give us back the mines. We will gladly do anything. We will gladly talk to the representative of the miners about a social welfare fund or health fund. We will let you have a man sit down with us and see the good faith with which we discuss these matters with the miners. But give us back the mines, because at the rate you are going there is no telling what you are going to do to us." But, Mr. President, they do not believe that the Government of the United States will exercise that authority.

Getting back to the amendment proposed by the able Senator from Illinois [Mr. LUCAS], if what we are talking about in the Senate is not something that will merely penalize the workingmen of this country, something that will deny them the gains which they have achieved in the past decade or so under Franklin D. Roosevelt, if it is not something that will impose strictures on the right of collective bargaining, something that will keep the workers down instead of helping them to get up the economic ladder—if what we are really striving for is not to vent our spleen against John L. Lewis or labor in general, I say to my able friend from Virginia that if he had voted for labor all the way along, as the Senator from Illinois has done most of the time, and, under a great compulsion of conviction, had said, "Mr. President, I am alarmed about the stoppage of coal production," the situation would be different. But the Senator from Virginia has voted against practically every piece of labor legislation that has been before the Senate during the time he has been a Member of the Senate. The able Senator thinks that is right, and he would not object to my reminding him of it, because he knows that that is what the record shows. He has never voted for a minimum-wage bill. He voted against the minimum-wage bill of 1938, under which the maximum was 40 cents an hour and the minimum rate which then went into effect was 25 cents an hour. He voted against the minimum-wage law which was before the Senate some weeks ago. So the Senator from Virginia cannot escape the conclusion that his position on the pending measure is a part of what I would call a general antilabor attitude. Perhaps he would say that mine is consistent with a prolabor attitude since I have been in the Senate, except that I voted, I am sorry to say, for the Smith-Connally Act, thinking that probably it would solve the question of strikes.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Florida yield to the Senator from Illinois?

Mr. PEPPER. I shall yield in a minute.

Mr. President, if we really wish to stop the coal strike, if we may call it a strike, if we really want the miners to go back into the mines, if we do not want the trainmen and the engineers to walk out at 4 o'clock Saturday afternoon and thereafter haul no more passengers except those on hospital trains, and haul no more goods except milk and one other kind of goods which I believe they have said they will haul—if we do not want that to occur, then, Mr. President, we might get down to the heart of this matter and see what really can be done. I will tell the Senate one thing that can be done. If we let the President of the United States take over the mines, with the announcement that he believes he has the right to pick up these negotiations with the mine employees, acting in a dual capacity—first, as the representative of the management, and, second, as the Government—and to proceed with the negotiations as a principal, and if he will say that he expects to exercise the same power in the negotiations that management could exercise if it were, itself, a party to the negotiations, and then if Senators will stand up on this floor and tell the President that they will back him up because they know he will not be unfair in what he will do, and will not agree to anything that would be unfair to the management—and he would be representing both management and the public, the Government and the miners, as well as the employers themselves—that is one thing that can be done. I tell my colleagues, Mr. President, if I may, that in my opinion if we, this afternoon, will adopt that kind of an amendment or if Senators will say that they recognize that the President has that right, and if the House of Representatives will concur with us and if the President will sign such a measure, we shall practically be through with labor disputes and work stoppages in this country. There will be a few, no doubt, who will make unreasonable demands. In such cases the President or representatives of the Government could state both sides of the case to the people, and I think the pressure of public opinion would, in practically every case, prevent any group of employees from insisting upon anything which was offensive to a sense of right on the part of the public.

But, no, Mr. President; I do not imagine that the employers, the mine owners, would agree to let President Harry Truman make the kind of a contract which he felt was right. I do not imagine that they would agree to let Secretary of the Interior Krug make the kind of contract with the miners which he thought was right. I do not imagine that they would agree to let former Senator Schwellenbach, now the Secretary of Labor, make the kind of contract with the employees which he thought was right. No; they would be afraid that they might think the miners were entitled to this health, this welfare, fund.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PEPPER. I am glad to yield.

Mr. CAPEHART. I gather from what the Senator has been saying that he feels that the President should take over the mines.

Mr. PEPPER. Yes; I do.

Mr. CAPEHART. And I gather that the Senator feels that by virtue of the President's taking them over, he would have the right to enter into the kind of contract the miners are requesting.

Mr. PEPPER. I do.

Mr. CAPEHART. If the Senator feels that the President has that right—and not being a lawyer, I do not know—what is there to prevent the President from publicly stating to the people of the United States and to the mine owners and to the mine workers, as well, that he favors having the mine operators settle the strike on the basis that the miners and John L. Lewis are asking for? In other words, if the Senator says the President would do it on that basis, why cannot the President make a statement this afternoon recommending to the operators that they settle the strike on that basis?

Mr. PEPPER. Mr. President, my answer to the able Senator from Indiana is that after the President, in the case of the General Motors strike, got an almost offensive turn-down after he made such a recommendation, which was predicated upon the report of his fact-finding board, he may not wish to subject himself to humiliation from the mine owners of this country.

The President appointed a board to find the facts in the General Motors case. At that time the United States was at peace, and the people of the United States wanted automobiles. In the General Motors industry there was a strike between labor and management in regard to the amount of the wages received by the workers. The workers insisted that the cost of living had gone

up so much that they had to have a wage increase. The company turned a deaf ear to the suggestion, although meanwhile provision had been made by the Congress, by means of the tax laws which the Congress had passed, for the companies to have the right, if they had sustained a loss, to draw back into their treasuries money which they previously had paid as excess-profits taxes. In that respect, the companies had no equality of status with the employees. But the General Motors Co. stood pat, and refused to grant the requested wage increase.

Then the President of the United States appointed a fact-finding board composed of most reputable people. They made an inquiry. The General Motors Corp. refused to participate or to cooperate with the fact-finding board. The representatives of the company walked out of the meeting, saying, "No; we are not going to disclose the profits of the company; we are not going to disclose the company's financial condition." They refused to cooperate with a board appointed by the President of the United States of America, who was trying to settle that industrial dispute. The representatives of the company sat back and said, "No; we will not cooperate with you." But the fact-finding board went on, anyway.

By the way, Mr. President, when the representatives of the General Motors Corp. said that, the able Senator from Virginia did not rise in the Senate and propose that it be made unlawful for anyone to say that. He did not rise in the Senate and say that if the management did not make a fair wage adjustment offer, it would be guilty of a bad labor practice.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. PEPPER. I should like to have the Senator permit me to proceed for a minute.

Mr. President, the Senator from Virginia and other Senators who now are so excited about strikes did not then try to stop that strike when the General Motors Corp.'s management turned a deaf ear to the appeal of their workers for a wage increase. Oh, no; they were acting in behalf of private enterprise, pursuant to their lawful authority, and they had a right to say, "No, we will not give you a wage increase." But when, later on, the General Motors workers finally quit work because they were not satisfied with the terms, then a great many people wanted to blame them as being the ones who stopped the production of automobiles by the General Motors Corp.

Mr. President, I started to say that when the President's fact-finding board or commission went on and finished its inquiry, in spite of the fact that General Motors would not cooperate, and finally made its recommendation, then what happened? Oh, no; General Motors would not accept the recommendation of the fact-finding board. They positively rejected the recommendation of the President, even when he personally recommended to them and pleaded with them that they adopt and put into effect the wage scale which finally was recommended by the fact-finding board. But we did not hear Senators rise on the floor of the Senate and propose that General Motors' president and board of directors and other executives be put in the penitentiary because they would not comply with the recommendations of a fact-finding board appointed by the President of the United States or with the recommendations of the President himself.

No; that was all right. It was entirely proper for management to do that. But if a group of miners will not do what the operators say, then some Senators think that something should be done about it, that it is a great disservice to the public interest, and that if Congress does not enact a law punitive in character the great American people are not being properly defended.

Now I yield to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, is it not true that the reason why General Motors did not accede to the request of the President or to whatever the fact-finding board suggested was that the President said that wages could be increased without at the same time increasing the cost of the articles produced by the company? Is it not true that after the wage scale was raised according to the contention of the fact-finding board it was necessary for the prices of automobiles and all other commodities in connection with which wages were raised to be raised in proportion?

Mr. PEPPER. Mr. President, General Motors did take the position that if they were going to raise wages the Government had to permit them to have a price increase. But they refused to divulge their profit situation or their financial situation so that it might be disclosed whether they were able to pay the wage increase without suffering undue financial hardship. Oh, no; they were not willing to do that.

Mr. ELLENDER. Mr. President, did not the fact-finding board go into that matter, and did not it obtain all the information, from Government figures and Government statistics, in regard to General Motors?

Mr. PEPPER. The only information which they obtained was received from the Government. They did not obtain any information from General Motors. General Motors would not give them any information. There was a great hue and cry all over the country to the effect that if, in a wage dispute, management were to be required to advise the Government representative with regard to its financial ability, the rights of management would be violated. Mr. President, the time is coming in this country when the worker will demand a fair share of industry's profit; the time is coming when the worker will want to know not only about his own wage, but about the salaries of management; the time is coming when the worker will want to know how much management spends for advertising, how much it spends on politics, and how much it lays aside for developments and future use, as well as other things. In other words, although the present assault on labor may set labor back for a while, the time is certainly coming, just as truly as the sun will rise in the east tomorrow, when workers of this country will, in truth and in fact, be considered partners in the industrial enterprise.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CAPEHART. Will the Senator recommend that the workers in each industry be required to share in the losses of the industry? In the event that a company loses money, will its workers be required to work without pay?

Mr. PEPPER. Mr. President, I think the Senator is perfectly justified in asking the question which he has asked. The situation to which the Senator has referred will have to be considered when working out how much profit should be taken out of an industry. Undoubtedly, a reserve fund will have to be created which will take care of times of unemployment and business losses. I believe that labor would agree to the establishment of a reserve fund of that character if it were also permitted to share during any period of lush profits which an enterprise might enjoy.

What occurred a few months ago when the full employment bill, of which the Senator from Montana was one of the principal supporters, was before the Senate? When we were considering that bill many of the same able Senators who are now in favor of restrictive amendments to the pending bill opposed the full employment bill because, at least they so stated, it was something which had come out of the constitution of Russia.

Mr. President, I do not like the idea of a person who wants the men and women of the United States to have the right to work being called a Communist, and, by implication, being subjected to the charge that his desires are born of the communistic faith and philosophy.

Mr. President, in this country we have gone a long way in our appreciation of humanitarian rights. Franklin D. Roosevelt gave us a greater impetus in that direction than we had ever received before, and his worthy successor, President Truman, has been carrying on the same humane program through recommendations which he has made to the Congress. Yet, let us examine the President's 21 proposals which he made to the Congress, and see how many of them have been favorably acted upon by the Congress. With regard to those which were favorably acted upon, let us ascertain how the Senator from Virginia, the Senator from Florida, and other Members of the Senate voted.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CAPEHART. I wish to propound to the able Senator the following question: Does he believe that a man should be denied the right to work if he refuses to join a union?

Mr. PEPPER. Mr. President, I am perfectly willing to go into that subject with the Senator. I realize that in my State, public opinion has been expressed through a constitutional amendment which I opposed. That amendment would outlaw what is called the closed shop. If the Senator believes that it will be embarrassing to the Senator from

Florida to ask his views with regard to that subject——

Mr. CAPEHART. Mr. President, I did not ask the question in order to embarrass the Senator. A moment ago the Senator said, in effect, "Think of the very idea of having to legislate that any man in America should have a job."

Mr. PEPPER. No, no. I deprecated the idea of calling anyone a Communist merely because he favors national employment, or believes that every man and woman in America should have employment.

Mr. CAPEHART. Or that persons should have the right to work.

Mr. PEPPER. By all means.

Mr. CAPEHART. And upon the basis of the Senator's statement I rose to ask the question which I asked. Today there are thousands and thousands—possibly hundreds of thousands—of instances of men and women wanting to work but being denied the right to work because they do not belong to a union. My question is, Should they be denied the right to work merely because they do not belong to a union?

Mr. PEPPER. Mr. President, the proposition stated in the way in which the Senator has stated it is just about as unfair on its face as it would be to attempt to justify the enactment of the pending measure merely because of something which John L. Lewis is doing. When we look at the situation in substance there is not in it the condition which the Senator has described.

Mr. CAPEHART. Yes, there is.

Mr. PEPPER. I believe that the workingman has a right to determine not only for whom he will work, but with whom he will work. I believe that a working man or woman has the right to say, "I will not work for an employer who denies me the right of collective bargaining or who denies me the right of associating with my fellow workers in order to obtain higher wages, better working conditions, or other things which may contribute to my welfare."

I believe that a working man or woman has the right to say to an employer, "If you do not allow effective collective bargaining I will not enter into your employ." I believe that the same person has the right to say to the employer, "If you hire persons who are not members of the union it amounts substantially to a limitation of the principle of collective bargaining and I will not work for you if that is the way you feel about collective bargaining."

Mr. CAPEHART. Mr. President, allow me to give an example. If the Senator should walk up to one of my factories in Indianapolis today and ask for employment before we could hire him he would have to join a union. Does he believe that that situation represents a good American principle? Does he believe that he should be forced to join a union before he may obtain work in one of my factories?

Mr. PEPPER. Mr. President, every question affecting the public interest must be decided on the basis of the balance of interest. Every time we pass a bill we must balance the detriment of the bill against the benefit which will result from it. Every time we impose a tax we must balance the interest of the taxpayers from whom we take the money against the welfare of the people to whom we will give the money. To state it as a bald proposition that a man shall have the right to work anywhere and at any time is just as unfair as it would be to tell an employer that he must hire a man at any time he asks for employment. The employer is allowed to exercise the freedom of hiring or not hiring. I believe that the employee has a right to say to the able Senator from Indiana, "I will not work for you, Senator, if you hire any nonunion man." Would he not have the right to choose whether he continued to work for the Senator if the Senator should violate what the worker believed to be the collective bargaining principle, or a principle which he believed to be in his best interest?

Mr. CAPEHART. I would be unable to hire the Senator from Florida, if he should come to one of my factories and seek employment, if he refused to join the union. The manufacturer does not have the right to hire whomsoever he wishes if the applicant does not belong to a union.

Mr. PEPPER. If the Senator employs a group of workers who belong to a union, and John Smith comes to him and says, "I want a job in your plant," does the Senator violate any statute by hiring that man?

Mr. CAPEHART. I would be unable to hire him unless he first joined a union.

Mr. PEPPER. Who says so?

Mr. CAPEHART. The contract. I could not hire him, by virtue of the contract.

Mr. PEPPER. Yes; by virtue of the contract. But the contract is not a law. The Senator contracted with his workers to the effect that he would not employ nonunion labor.

Mr. CAPEHART. Yes; but I was forced to enter into such a contract because if I had refused to do so the union would have struck and refused to work.

Mr. PEPPER. The Senator contracted with the workers because if he had not done so they would not have worked for him, and he wanted their services. However, that is not John Smith's fault. The law did not compel the Senator to sign a contract with his workers, did it?

Mr. CAPEHART. In my personal case, no; because I never had any strikes. I am talking about a principle.

Mr. PEPPER. Oh, yes.

Mr. CAPEHART. The principle is that I would be unable to hire the Senator from Florida if he should come to my plant and seek employment unless he joined the union. The Senator has said that I was not compelled to enter into a contract with the union. Of course, in my particular instance, I voluntarily entered into such a contract. But in many cases, as the Senator knows just as well as I do, unless the employer does enter into a contract and adopt the closed-shop principle, he will be unable to operate. Now, let us be realists.

Mr. PEPPER. He will be unable to operate because the workers will not sign a contract with him to work unless he incorporates in the contract the principle to which the Senator has referred. All over the country persons are sometimes required to put into contracts provisions which they would prefer not to put in. But they agree to do so because the other party to it will not sign the contract until it has been completed in the form which he requires. So all the statements about the closed shop denying a man the right to work are completely false. If a representative of workers walks up to an employer and says, "We will not work for you unless you operate a closed shop," I do not know of any law which prevents those workers from insisting upon such a condition. The Supreme Court of the United States has upheld the right of union organizations of this country to insist upon that principle.

Mr. CAPEHART. Of course, the Senator must understand that when he operates under the collective-bargaining principle 51 percent of the employees will, by their vote, rule. The other 49 percent might disagree with the principle.

Mr. PEPPER. And 51 percent of the Senate acts for the Senate, although we are elected by the people of the States. Fifty-one percent of the United States Supreme Court decides Supreme Court cases. Fifty-one percent of the House of Representatives decides the action of the House of Representatives. I thought in a democracy the principle of majority rule was as fundamental as the right of democracies could possibly be.

Mr. President, as I said a moment ago, there must be in these cases a balance of interest. When we look back on what labor has gained through the decades and through the centuries by working together, we see how significant the right of collective bargaining is to labor, and how reluctant we should be to strip them of that essential right. When we balance what they have gained against perhaps some little limitation in someone else's rights, I believe that we will find that the balance of interest is on the side of continuing to support the principles which have made possible the gains which the workers have secured.

Mr. LUCAS. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. LUCAS. No one believes any more than does the Senator from Illinois in true collective bargaining. In his remarks, the Senator from Florida has been stressing collective bargaining all afternoon, but I maintain and submit, with all the sincerity I possess, that the time has almost come when we must realize that there are two sides to collective bargaining. The lack of that conception is the very thing I have been complaining about from the beginning with respect to the coal strike which now confronts this Nation. In other words, as I understand it, there is nothing in the Wagner Act which compels the laboring man to participate in collective bargaining. On the other hand, the operators are absolutely required to engage in collective bargaining. If I am in error, the Senator will correct me.

Mr. PEPPER. The distinguished Senator from Illinois, who is so earnest about

this matter, referring to the question whether there is a mutuality of obligation and desire to bargain collectively or not, raises the question whether the employees really want to bargain collectively.

A few days ago I was talking to some labor representatives, and they stated a case to me. I do not remember the name of the man involved, but I shall give the name of the company, so that it may be checked to determine whether the facts are as stated.

I raised the question, "When you have these strikes and work stoppages, and the workers are out for a month or two, do they get their pay, when they finally settle the strike, for the time they were out?" They said, "No." I said, "I always thought they made the agreements retroactive, and somehow or other I assumed they were paid for the time they were out." They said, "Of course not," and they told me how long it took the General Motors employees and the General Electric employees—those were the two cases they emphasized—to make up, by the increase of 18½ or 19 cents an hour, whatever increase they received, what they lost by not getting any pay for more than 100 days, the period during which the General Motors employees were out.

We Senators know how much money we have saved up, and how near most of us live to the line, and what would happen if we did not get a monthly pay check. What about these workingmen, who receive so much less in salary or compensation than we receive, when they remain out of work for 3 months? Senators know what happens to their family savings; they know what happens to their health care.

Let me give an illustration. I was in Detroit a little while ago, and while there I was called on the telephone by Walter Reuther, who asked me if we could not do something here in Washington that would bring the General Motors strike to a conclusion. He told me what the plight of the workers was, and how expensive it was to them in their personal capacities. That evening I talked with a doctor, who told me that the doctors of Detroit, during the time the General Motors workers were out, could get plenty of hospital rooms for their patients in the hospitals of Detroit because the right of the workers to get access to the hospitals depended upon their making regular voluntary payments, by deductions, I believe, from their pay, and when they quit getting wages they ceased to have the right to go to the hospital. The private doctor said, "I could get my patients a bed or room any time I wanted to after this strike had been going on a little while, because the workers did not have the money to go to the hospitals of Detroit."

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. PEPPER. I intended to yield to the Senator from Illinois. Will the Senator from Arkansas excuse me a moment more?

One other case. This informant to whom I was talking about General Motors and General Electric told me that during the time the General Electric workers were out on strike the General Electric Co. under the tax law—called the carry-forward and carry-back law—drew a large sum of money from the Government of the United States, during the very time the workers were out and not getting a dime in wages or other compensation. In other words, a strike was in progress, and the company was getting a large sum of money—I think he said $10,000,000, though I am reluctant to give the exact figure—from the Government of the United States in the form of a refund of excess profits taxes it paid in the lush wartime, and at the same time the workers were not getting a dime, either in compensation from the company or from the Government of the United States.

I use those cases as illustrations. In a case like that, while the management could well get along out of its profits and savings, does it not seem that the workers would not lose their wages or their salaries, would not run all the risk of violence and the other incidents of a hard-fought strike, and would not contend and go to the extreme of a strike, unless there were something fundamental they, as Americans, believed in?

I thank God, Mr. President, that an American—and it is true of many other people in the world—has some principles for which he will fight even if it costs him something. When our forefathers objected to British domination over the American Colonies it was not so much because the British yoke was such an onerous burden, but we wanted to be free. It was not that the taxes they imposed on us were so exacting; but we did not want taxation without representation. I presume the small amount of tea which the Boston Tea Party threw overboard into the harbor of Boston would not have bothered many people if it had come into the country, but it was the principle of what it represented that made Americans go on shipboard and throw it into Boston Harbor.

So, Mr. President, it is my belief that the working men and women of this country do not want to strike. They have little to gain through a strike. It is desperation or a sense of outrageous wrong that, as a general rule, drives them to the extremity of a strike.

I now yield to the Senator from Illinois.

Mr. LUCAS. With respect to the strike in Detroit about which the Senator has been speaking, I, too, followed that very closely and I reached the very definite conclusion that it was merely a question of power between the labor groups and the management, and that was one of the primary reasons why they could not settle it. With so many men out of employment and so many men who were engaged in that suffering, as the Senator says, I could never understand why they could not get together when, as I recall, there was only a difference of a cent and a half an hour in wages between them. It seemed to me ridiculous that they could not adjust such a slight variation.

The Senator from Florida has been talking about a strike which was obviously serious. Every strike in this country is serious, of course, to the economy of the community, or perhaps to the economy of the State or the Nation, even though it may be necessary from the workers' viewpoint; but I know the Senator will agree with me that the present coal strike presents the most extraordinary crisis that has occurred in his or my time, so far as the interruption of essential services is concerned and so far as the ultimate effect it could have upon the health, the safety, and security of the Nation.

If a strike occurs in my community, where there are 250 employees, so far as I am concerned they can strike indefinitely so long as the strike does not interfere with the essential services of a large segment of society to the point where the welfare, the health, and security of the people are endangered. That is where I draw the line between the argument the Senator is making with respect to the usual strike and the present coal crisis, because even the steel strike with all its tremendous implications was not anything like the coal strike which confronts us. In other words, the railroads would not have curtailed their service, the public utilities and other industries would have continued uninterrupted if the steel strike had continued for months. Eventually, of course, the economy of the Nation would have sagged to the danger point where perhaps under the bill I have introduced the President of the United States might have been compelled to take them over. I am appreciative of the fact that the able Senator from Florida is manifesting an interest in the legislation I have proposed. I venture the opinion there would be few emergencies in the future which would cause the President to utilize this legislation. But it would be there for all to see and understand. It is a stopgap, as I see it, for an emergency of just this character and if legislation of this kind had been on the statute books previously it certainly would have been helpful. It seems to me if this controversy had been handled properly in the early stages and the operators or the miners had through some agency advised the American people of the potentialities of danger to the health and safety of the country, the strike might have been settled before now. Public opinion, when aroused, is a mighty weapon.

Mr. President, I arise primarily for the purpose of pointing out the distinction between the type of strike the Senator is talking about and the type of strike now facing the country, because in my humble opinion there has been no strike in the history of this Nation so serious as the present coal strike.

Mr. PEPPER. If the Senator will allow me to say so, I do not see any distinction between this and the General Motors strike in principle, except that in the General Motors case the workers did not have an annual contract such as the miners have. It is a matter of degree.

Mr. LUCAS. I do not disagree with the Senator about the principle, but as to the question of degree, certainly there is a great difference.

Mr. PEPPER. I will say Mr. President I have only a few minutes more to speak. Let us address ourselves directly to what

the Senator from Illinois has posed. Suppose we have a case like this, where the work stoppage seriously jeopardizes the national economy. What are we to do? As I said a while ago, we would not waste our time talking about a great number of amendments such as the amendments pending here. We would meet and grapple with the problem which the Senator from Illinois posed.

Again, in the matter of the balance of interest. First what can we do? Under our constitutional provisions can we send the miners back to the mines by force of law? I think the Senator from Illinois said on the floor that every Senator agrees that we have no power to make the miners go back to work or to make any other man go back to work who does not want to go back to work, because our Constitution provides that no man can be forced into involuntary servitude unless he has been convicted of crime in the duly authorized course. We start off with that constitutional principle. We cannot make the miners go back to work any more than, as I said, the Senator from Virginia can be made to work in his apple orchard in Virginia, or I can be compelled to be a United States Senator or any other man can be made to do any kind of work he does not want to do unless he is convicted of a crime and sentenced to servitude. That is the first thing.

The second thing is: If we had the power to do it, would we want to do it? Would we get better results that way than by trying to find some other way to settle the dispute?

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. PEPPER. I am in rather a hurry, but I will yield to my friend the Senator from Arkansas.

Mr. McCLELLAN. I do not want to interrupt the Senator from Florida. I simply wanted to make an observation along the line of the argument the Senator was presenting a while ago with respect to court decisions which had sustained the right of strike. That might further be elaborated and augmented by the statement, that if they strike, not only do the miners lose the wages they would have earned had they been employed, but they also use up the savings they may have been able to lay by.

Taking all those things into account from the standpoint of the employees, and also taking into account from the standpoint of the employer the loss of profits he would have made had there not been a strike, and then taking into account the suffering and inconvenience caused to the general public, does not the Senator agree that we ought to be able to find some way to settle these disputes in some other way than by strikes? I am not suggesting the way, but certainly if we cannot find some way, then in my judgment democracy will fail. We must find some way, either by agreement, by cooperation, or by means of some formula set up between labor and industry itself. If Congress cannot find a way under the Constitution to pass a law which will bring about agreements and prevent strikes and slow-downs, to the detriment of every one concerned, then democracy cannot be made to work.

Mr. President, I am not asking for something compulsory. But here are labor and management, and strife continues all the time. The coal strike can perhaps be settled tomorrow in some way, and the men will go back to work, but the fundamental issue involved will not have been settled. There is need for finding some way to keep industrial peace, finding some way to provide for peaceful settlements of disputes which arise, and their settlement in such a manner as to avoid strikes and slow-downs and lockouts. That is what the country needs today; that is what labor needs; that is what management needs; that is what we all need.

Mr. PEPPER. Mr. President, I agree with the objective the able Senator from Arkansas has in mind, and I thank him for his presentation of the additional points of emphasis as to what it costs everyone when work stoppages occur. But I will say to the Senator that, instead of agreeing that democracy will fail if we do not stop all these things, I am rather of the opinion that the fact that they occur is evidence, in a way, that democracy prevails in the United States. What I mean is that the first three things Hitler did when he came to power in Germany were: First, to do away with the labor unions; second, to do away with the church; and, third, to start a campaign of slaughter against the Jewish people. Hitler received great sums of money from Hugo Stinnes and Fritz Thyssen and some of the misguided industrialists, because he told them he was going to stop strikes, and he did stop strikes. How did he do that? With the secret police. If men went on strike, the secret police would shoot them. Hitler abolished labor unions. Germany had had one of the most progressive systems in the world; in fact, away back under Bismarck, I believe I am correct in saying, the German Government had started making progress on a program of social legislation. I believe I am quite right in saying that under Bismarck the old-age pension was established in Germany; and the labor movement had no greater virility in any country of the world than it had in Germany. Hitler told Thyssen and Stinnes and all the reactionary tycoons, "You help my cause and put me in power and I will solve your labor problems for you." That is one way to solve them, Mr. President, but the Senator knows that that is not the democratic way.

Mr. President, I do not believe I am violating any confidence when I say that the other day I happened to be in company with one of those in the leadership of the British House of Commons, Mr. Herbert Morrison, who is over here now, and I raised with him a question, in view of the fact that we had this legislation pending on the floor, and in view of my knowledge that the House of Commons had repealed the antigeneral strike law of 1927. I believe it was that year when the antigeneral strike law was adopted in England. Recently we all read in the newspapers, and I heard about it when I was in England, that the Government had repealed the antigeneral strike law of 1927, which grew out of the general strike in Great Britain of 1926. I said, "Mr. Morrison, tell me, have you had any more strikes or do you think you will have any more strikes with that law off the statute books than you had when it was on the statute books?" Others were present at the time, including the Senator from Oregon [Mr. MORSE] Mr. Morrison said, "No. If they want to strike they will strike. We can help them in a good many ways to get together and stay together," and he mentioned that they would get the conflicting parties in a room and stay with them until usually they agreed to something. He said what the Committee on Education and Labor discovered after weeks and months of deliberation on this subject, that we will do more toward stopping strikes by passing the bill reported by the Committee on Education and Labor, in which we strengthen the arbitration service, the mediation service, the conciliation service, and provide that the Government will contribute to the cost of the transcript, and do certain other things. The bill provides that the Board shall not be under the Secretary of Labor; so it will be an absolutely free and independent Board. I know the President will appoint first-class men to the Board. We came here to our colleagues to recommend to them, and we did recommend and contend that in the long run better results would be obtained if, instead of trying to impose strictures on the labor organizations, and make them feel that we are emasculating the right of collective bargaining, more effective arbitration, mediation, and conciliation services were provided. I believe experience under the Smith-Connally Act has proved that to be so. If Congress adopts our bill, I believe it will be proved that we are right in what we recommended to the Senate.

Mr. President, the question may be asked, "Suppose it does not solve the problem; what then?" There are many problems we have not yet solved; there are many problems to which we do not know the answer which we have not yet worked out by social experience. That is what democracy is. Democracy experiments. That is one thing I rather like about the British. They can hardly be induced to lay down a blueprint. They want to muddle through and try this and try that, and experiment, and profit by experience, and that sort of thing. After all, is not that the way that democracy evolves? We did not start off away back yonder when our forefathers came over here, with a blueprint for the United States of America. We have learned, and profited by what we learned and by our experience. So I am saying that at the present time I believe we will get better results if we abandon the strictures proposed to be placed upon labor, which will antagonize them more, and adopt the bill which the committee reported, under which the conciliation, arbitration, and mediation services would be strengthened.

I now come to the last thing I want to deal with, and that is what the Senator from Illinois is striking at. The statement may be made, "Yes, but in an extreme case suppose they will not mine coal. Suppose they will not work. Suppose that stagnates our whole economy.

What then are we going to do?" The only suggestion I have, Mr. President, is the suggestion which I made a while ago. I believe I would allow the President of the United States the right, in the case of a national emergency, to take over the enterprise involved in the work stoppage. I would give him the authority to continue the operation of that enterprise for a reasonable time—I should say not to exceed a year. During the time he is operating the enterprise I would give him the authority to operate it, which would include the power to negotiate with the workers if a dispute were in progress. I think that would help.

Many managers are as stubborn as the workers sometimes are. I am not going to presume that all the fault in the coal mine dispute is on the part of the employees. I do not know. But it is seldom that we find in an argument or dispute that all the wrong is on one side and all the right on the other side. So that it may be that the fault lies on both sides. If management were at fault, I believe that the prospect of having the President of the United States take over the mines and negotiate a settlement would be sufficient to bring management into line. Suppose the President of the United States were to say, "Gentleman, you do not seem to have made much progress in your negotiations. The Nation needs coal. I am going to take over the mines in the interest of the people of the United States. I am going to negotiate a while and see how I come out with the employees. All I want to do is to be fair to them and keep production going." I really believe that the President of the United States now has that right under the Smith-Connally Act and the Second War Powers Act. If we would support him in the exercise of it, I think it would be found that in a very short time employers would change their minds about the health fund being communistic, novel, and all that sort of thing.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. AIKEN. Has the Senator discovered anything in the proposed legislation which goes further than the Smith-Connally Act and the War Powers Act in permitting the President to take over the mines and settle strikes?

Mr. PEPPER. No. I do not believe that any of the legislation proposed by the minority of the committee, or the amendments offered by the able Senator from Virginia [Mr. BYRD] would make any contribution whatever to the settlement of the coal strike.

Mr. AIKEN. Apparently the people of this country have had it impressed upon them by the press and the radio that the President does not have the power to act in this strike, and that action by the Congress is absolutely necessary. I do not think anything could be further from the truth. It seems to me that the time to have taken the strike in hand was the day before it started. I have been unable to think of any powers which we could give the Government which would permit it to go any further in taking over the mines, operating them, and eventually settling this dispute, than what we already have on the statute books.

Mr. PEPPER. I thank the able Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. I am very much interested in the remarks of the Senator from Florida. I think he is making a distinct contribution to the discussion of the labor issue.

The Senator from Florida has heard me criticize the President of the United States on the floor of the Senate in times past because, in my judgment, he had not given to some of our major labor disputes the leadership which I thought he ought to give. But I am not one who merely criticizes. If the President of the United States lives up to what I consider to be his responsibility of leadership, I wish to commend him.

This afternoon the news ticker informs us that the President of the United States has today called upon Mr. Lewis, acting in behalf of the miners, and Mr. O'Neill, acting on behalf of the operators, to agree to a voluntary arbitration of their dispute. I wish to commend highly the President for that act of great statesmanship, because I think he is quite right and sound in taking the position he has taken. As I have previously stated, I know of no issue involved in the coal dispute which could not be settled fairly in the objective atmosphere of a judicial arbitration hearing.

I wish to say to the Senator from Illinois that we must recognize that this is a very serious strike. However, I believe it is no more serious than the strike of 1943, in the midst of a war. In the dark days of 1943—and I assure Senators that they were dark days, because we did not know whether or not we were going to have the necessary coal for the successful prosecution of the war—the coal mines were closed down. The President of that day took action. He proceeded to seize the mines, and coal production was restored.

As I have stated many times in speeches, in writings, and in decisions, I think the strike should be a matter of last resort, and not a matter of first resort. It is being too commonly used by labor these days as a weapon of first resort. But, be that as it may, the point needs to be made that some times it requires a strike to educate the American people in regard to very undesirable working conditions which fellow Americans must endure.

I do not mean to be unfair on any of these issues. I wonder if it is unfair to suggest that probably it required this coal strike to point out to 135,000,000 people how much they really owe to the coal miners who are mining the coal for this country, and how far short we, the public, have fallen in living up to what I think are our citizenship responsibilities to the mine workers. I certainly feel that we, the public, have a responsibility in this strike. As I shall say later in the day over the radio, I believe that, after all, the public, too, can be a very harsh employer. Knowing a little about the coal industry, I am willing to sustain the proposition that the coal operators cannot meet the reasonable demands which I think ought to be made of the coal industry unless the public is willing to pay a fairer price for coal. We, the public, too frequently want some of our fellow citizens, who are working for us in such industries as the coal industry, to subsidize the rest of us. We ought to be willing to assume our fair share of economic responsibility in seeing to it that the workers get a decent break in life.

I am willing to say to the United States Senate this afternoon that, if any group of men in the Senate were selected and given judicial responsibility to arbitrate the issues involved in the coal dispute, they would render a decision which would give to the coal miners many advantages which they do not now enjoy. I believe that would be true even though the arbitrators were Members of the Senate who have indicated, judging by a fair interpretation from their remarks, that they believe that the coal workers are all wrong in this matter. Even they, once they had the data before them, would render a proper decision.

One further comment and I am through. I am sorry to read also from the news ticker that Mr. Small, of the Civilian Production Agency, has made the proposal that strikes be outlawed for 6 months. I believe that such a suggestion strikes a body blow at democratic processes in this country. I hope I shall never see the day in America when we say to free workers, "You cannot organize and exercise economic force by way of a strike, if you believe it to be necessary, to call the attention of the public and your employers to your plight."

No one will fight harder than I am going to fight to do what can be done to improve production; but I am not going to adopt proposals such as that made by Mr. Small. I believe it is no stretch of the imagination to say, as the Senator from Florida pointed out earlier in the day, that such proposals correspond to the principles which Hitler and Mussolini put into effect in Germany and Italy when they rose to power. We in America can certainly solve these labor and production problems without taking away from free labor the precious fundamental right of free workers to organize and strike, if necessary, in their self-interest.

Mr. PEPPER. I thank the able Senator. I know that everyone who has heard him has been impressed by the wisdom and earnestness of what he has said.

Mr. President, I have before me some statistics comparing the number of work-days lost in the United States from accidents with the number of work-days lost as the result of strikes.

In 1940 we lost 6,700,000 man-work-days from strikes. In the same time we lost 41,900,000 from accidents; and we lost 234,000,000 man-days from permanent impairment of health, death, and accidents.

In 1944 we lost only 8,700,000 man-days from strikes. We lost 43,600,000—5 times as many—from accidents; and from accidents plus impaired health and death, 223,000,000 man-days.

We are losing in the United States, all told, 600,000,000 man-days from illness of the American people, as compared with less than 9,000,000 man-days lost from strikes. Yet does anyone suppose that we could persuade Senators to vote for a national health program which would contribute to a reduction in illness among the workers of this country? We could save three times as many man-days by an adequate national health program as we could save by stopping strikes; yet when a national health program is proposed we can make very little progress with it.

Let me say to my colleagues that if we adopt President Truman's 21-point program, in the long run we shall get 10 times as much production as we could get by what might be done here this afternoon if we were to adopt all the amendments which have been proposed to the pending bill. If we give America a healthy, educated, and skilled citizenry, if we give the worker a fair wage for his labor, if we give him an opportunity for the leisure and recreation to which an American citizen is entitled, if we set up machinery by which he and his employer can more frequently be brought together by effective conciliation and mediation; and if in an extreme case we give the President of the United States the power to take over an essential industry and to negotiate on behalf of industry while he has it in his custody, relatively speaking we shall be done with the dislocation which ensues from labor strife, disputes, and strikes. But I beg of my colleagues to pause before they rush headlong into a course they will regret. I beg of them not to make the situation worse, instead of better. I beg of them not to try to take away from the working men and women of this country what they so long fought for and what now they have relatively gained; and I beg of my colleagues, Mr. President, not to impinge upon the civil rights of our citizenry in such a way as to deprive them of what an American most prizes, namely, the privilege he has as a citizen not to work for any man, not to wear any man's collar, unless he accepts employment upon terms satisfactory to him.

Mr. President, I have indulged myself in a longer utterance than I had contemplated making in connection with this matter. I thank the Senate for listening to me with such kindness and patience, and I express my profound appreciation.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield, although I shall have to absent myself from the floor in just a moment.

Mr. LUCAS. Will the Senator be kind enough to repeat the figures he referred to a moment ago in respect to man-hours of work lost?

Mr. PEPPER. Yes. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, the figures relative to man-days lost because of strikes. The figures cover the years 1940, 1941, 1942, 1943, and 1944.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of man-days lost from strikes with man-days lost from accidents and illness

[Sources: Strikes and accidents, BLS, Department of Labor; Illness, U. S. Public Health Service]

Year	Man-days lost from strikes		Man-days lost from accidents		Man-days lost from illness
	Number	Actual days from strikes over actual days lost from accidents	Actual time lost	Actual time lost plus permanent impairment and death	
		Percent			
1940	6,700,000	15.9	41,900,000	234,000,000	
1941	23,000,000	54.6	42,100,000	251,000,000	
1942	4,100,000	7.7	53,000,000	263,000,000	
1943	13,500,000	23.8	56,800,000	274,000,000	
1944	8,700,000	20	43,600,000	223,000,000	400,000,000–800,000,000

Mr. LUCAS. Mr. President, I should like to make one further observation. I am glad to know what the figures show with respect to the man-hours which have been lost because of strikes. I read in the newspaper last evening a comment by a columnist, who may be presumed to know, that in connection with the General Motors strike and the steel strike the workers' loss in earnings because of the man-hours of work lost in those strikes will not be recovered by them, even with the wages now paid, until 1948.

Mr. PEPPER. That is entirely possible.

Mr. LUCAS. I mention that only as another argument to show the futility, sometimes, of strikes from the standpoint of earning power. It takes a long time to catch up with what has been lost during a strike in wages and earnings.

Mr. PEPPER. And labor loses more than anyone else does.

Mr. LUCAS. That is correct. It seems to me that something could be eventually worked out which would give the workers the right to continue to bargain collectively while they continue to work, so as to prevent such losses of man-hours and wages making, of course, any agreement finally consummated retroactive.

Mr. PEPPER. I thank the Senator.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. TAYLOR. Mr. President——

The PRESIDING OFFICER. The Senator from Idaho.

Mr. WHITE. Mr. President, will the Senator yield to me? I wish to propound a parliamentary inquiry.

Mr. TAYLOR. I yield to the Senator from Maine.

Mr. WHITE. I wish to ask whether the Senator from Florida has yielded the floor.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from Florida has yielded the floor.

Mr. BALL. Mr. President, will the Senator yield?

Mr. TAYLOR. I yield.

Mr. BALL. I wonder whether the Senator from Idaho can give us some information as to how long the opponents of any kind of labor legislation intend to discuss the Byrd amendment before they permit the Senate to vote on it.

Mr. TAYLOR. I may say to the Senator from Minnesota that I have not been a party to any agreement to hold the floor for any specified length of time, and therefore I do not know.

Mr. President, I feel very inadequate to speak following the Senator from Florida and the splendid remarks of the Senator from Oregon, both learned Senators who have a fine command of the English language. If I am at all familiar with the English language, it is simply because I have had an opportunity during my lifetime to listen to men of their type and to try to absorb some of the language in that way, to the best of my ability.

Before I proceed with my remarks, I should like to say that in Idaho there are comparatively few union members. I wish to make that statement so as to make it perfectly clear that I am not subservient to any labor groups for reasons of votes or any other reasons. If I am on the side of the people who work, it is simply because my conscience and my heart dictate that that is the place where I should be. I can say further that I have never met John L. Lewis. He has been before the Banking and Currency Committee, but I have not had the pleasure of meeting him personally.

In the beginning, Mr. President, before I proceed with my remarks, I should like to say that one thing I cherish is the privilege of saying what I please. I mean by that, that I hate to be on my guard all the time, either when I am talking on the floor of the Senate or when I am talking to any person outside the Senate. I can well understand, after a recent experience and after other experiences I have had in my lifetime, why it is said of Senators that they can talk for 10 minutes in answer to one question. They are aware of the possibility of being ensnared by some trick question, and for that reason they have grown into the habit of beating about the bush. I hope I never come to that pass. But an incident which recently occurred, not on the floor of the Senate, but here in the Capitol Building, shoved me a little way along that road. I hope I can recover from it, and can continue to speak to people on a friendly basis, believing that they are my friends.

In this connection I will say, Mr. President, that in Idaho, whenever we go where there are rattlesnakes and we know it, we put on heavy boots and 2 or 3 pairs of socks. We prepare for the rattlesnakes. It is a great shock, when traveling about where rattlesnakes are not supposed to be or where you are not looking for them, all of a sudden to realize that there is one close by—for you hear the rattle.

I am sorry to say that there are rattlesnakes here in Washington, perhaps in the Chamber, although not on the floor, at this very moment. I wish to relate an incident along the line of my remarks about rattlesnakes. I doubt whether there is a Senator who is more available to the press than I am. If any member of the press sends a note to me while I am in the Senate Chamber, if I do not have something urgent to do on the floor of the Senate, I am glad to leave the Chamber and talk to him. As I have said, I like to speak freely, and not be on my guard, and not think, "Now, what is behind this question?" If I am asked something, I like to answer it forthrightly and to the point. I am not ashamed of anything in which I believe or anything for which I stand.

Recently—last week, in fact—a card was brought to me while I was here in the Senate Chamber, and it informed me that Mr. Arthur Sears Henning, of the Chicago Tribune, wanted to speak to me. So I went out of the Chamber and saw him. I remembered the name, but I did not recall the newspaper with which he was connected; that information had just slipped from my memory. Anyway, it did not make any difference to me. I did not have anything to do at the moment, and I was glad to talk to him.

So, I went out and there was Mr. Henning, a rather elderly gentleman. I was introduced to him and we retired to the President's room. He was a very kindly appearing man, and my heart went out to him immediately. I thought, "Well here is a nice old gentleman and we will have a pleasant conversation." My father is dead, and I am sure the present occupant of the Chair [Mr. HILL] can sympathize with me because he recently lost his father. No matter what may be a man's age, I assume that when he loses his father he has suffered a severe blow. Very often I derive a great deal of satisfaction from talking to men who are older than I, and listening to their voices. I know that they must know more than I know, because they are older than I am. So I was happy to speak to Mr. Henning.

We sat down and he wanted to discuss a speech which I had made several days before on the floor of the Senate about one General Bor-Komorowski, of Poland, who was about to come to America. Mr. Henning talked about several things. I received the impression that he was very interested in my work, and that he thought I was doing a fine job. As I say, I warmed up to him. I was totally off my guard. I did not have on my high boots and thick socks. [Laughter.]

We were talking along and finally he asked me about Bor-Komorowski; and I told him that I had looked into the matter. Then, very nonchalantly, he asked me, "Who wrote that speech for you?" I thought his question to be a strange one. I told him that I had helped in the preparation of the speech. To be perfectly frank, I had the assistance of about six gentlemen in preparing the speech, because I wanted to be sure of my facts. We checked, rechecked, and double checked.

Mr. Henning and I got to talking about how this incident involved mercenary troops being incorporated into the American Army. The group of gentlemen who had helped me in preparing my speech had discussed the matter with me. They were young men from various departments in Washington, and from other quarters. I knew them to be very intelligent gentlemen.

Mr. Henning and I got to talking about how great empires in the past had fallen because of mercenary troops. So I told him that I had incorporated a few sentences into the speech. I knew that he knew his history. He asked, "Who put the incident of mercenary troops into the speech?" This elderly gentleman asked me who had written the speech. I told him very frankly that I had helped in writing it. He asked me, "What empires did you mention as having fallen because they had used mercenary troops?" Mr. President, I thought it to be strange that this newspaperman should ask such a question. I thought that if he wanted to know all about the matter he could refer to an encyclopedia and look it up. [Laughter.] But I still did not realize that he was trying to ensnare me. To the best of my ability I named Rome and Carthage. It did not take me long to come to the conclusion that this fellow had something up his sleeve. He then asked, "Are you sure the Russian Embassy did not give you this speech?" I replied to him, "Decidedly not." He asked, "What did you mean in your speech when you referred to the cadres of discontent?" I did not have the speech memorized, or I would not have read it. I saw that he was trying to lead me into a corner, and I said to him, "We will get the speech and discuss it."

He said, "Well, you know what kind of a man a cadre is, don't you?"

I knew that a cadre was not a man but a group of men. I know also that he knew it. So I said to him, "If you want to discuss the speech, I will get a copy of it."

I ended the interview and came to the Chamber. I wondered what in the world would come of it. I wondered why in the world he was asking me such damn fool questions. So now it comes out. I have before me an article from the Chicago Tribune, written by my good old friend Arthur Sears Henning, a very paternalistic and fine appearing old fellow. [Laughter.] Now I know where the rattlesnake came in. When it had dawned upon me what those questions of his were leading up to, I felt exactly as I feel when I am out in the desert without my high boots on and I hear a rattlesnake. Only, in this case the rattlesnake did not rattle. He bit me two or three times before I knew he was around. When I finally woke up he was literally chewing on me. [Laughter.]

Here is the headline of the article to which I have referred:

ANTI-BOR SPEECH PUZZLE—EVEN TO MAN MAKING IT—SENATOR TAYLOR CAN'T RECALL AUTHOR—OR DETAILS

(By Arthur Sears Henning)

Good old Arthur.

As I have said, Mr. President, I do not give a hoot about Arthur; it is just the principle of the thing. This is the first time I have had an experience of this kind since I became a United States Senator. The newspapermen have all been very fine to me. Sometimes they have come to my office or called me off the floor. We would sit down and talk. I am not afraid to talk or say anything to them. They have treated me like gentlemen—all with the exception of dear Arthur.

Here is the article:

WASHINGTON, D. C., May 9.—Who wrote the speech by Senator TAYLOR (D., Idaho) smearing General Bor, distinguished Polish military leader, on the day he arrived in Chicago for the great reception accorded him last Sunday?

This is the question on which there is much guessing, and answers by the Senator himself have only deepened the mystery.

Last Saturday the Idaho Senator, better known as the Singing Cowboy—

I would rather be known by that name than by the name "rattlesnake"—

arose in the Senate and read a speech, retailing as his own the criticism of General Bor-Komorowski disseminated by the Soviet Government and the Russian puppet Government of Poland. He also assailed the project, attributed to the Truman administration, to incorporate General Anders' army of Polish patriots, now in Italy, into an American foreign legion.

TIMED FOR CHICAGO WELCOME

The Taylor speech was timed to discredit the Chicago celebration of Polish Constitution Day at which General Bor was the leading figure.

Questioned on the subject by the Tribune correspondent—

That is Mr. Arthur Sears Henning—

TAYLOR was quite sure that his speech had not been inspired by the embassy of the Polish puppet government or by the Russian propaganda organization which, with singular success, plants speeches in Congress in furtherance of Soviet policies. He proved, however, to be extraordinarily unfamiliar with the speech he had delivered.

FORGETS WHAT HE DEMANDED

TAYLOR could recall only one of the three demands he made in his speech—the one asking for a State Department report on the foreign legion project.

That is correct. That is another question which he asked me. "What were those three demands which you made of the State Department?" I did not bring the matter down into three separate categories, but all I remembered was that I wanted him to tell me what the devil it was all about.

I continue reading.

He could not recall that he also demanded an explanation of General Bor's visit to this country and a report by the Senate Foreign Relations Committee of the secret testimony of State Secretary Byrnes on the proposal to incorporate Polish troops into the American Army.

Asked to name again the countries he mentioned in his speech as nations that fell because of employment of mercenary armies, TAYLOR said he named Carthage. He could recall no others.

There, he is a liar. [Laughter.] I regret to follow the example of the Senator from Mississippi [Mr. BILBO] in calling persons liars, but this man is, in this instance, a liar.

This was the wrong answer, as he did not mention Carthage in his speech—

I did not, but I did mention Rome. If Mr. Henning has not had time to examine the history books he should do so and find out that Carthage used mercenary troops almost exclusively. Where is Carthage now?

but he did name Rome, Byzantium, and Turkey.

That is correct.

Mr. Henning also wanted to know when it was that Byzantium had mercenary troops. Of course, if he had asked me when Columbus crossed the ocean I might have told him offhand. [Laughter.]

Asked to give the details regarding Byzantium, he said his memory was a bit hazy on that point.

That is correct.

He was unable to explain his use of the phrase "cadres of discontent" in his speech.

Although I did not agree with Mr. Henning that "cadres" was a person, he tried to get me to say that. [Laughter.]

Well, that is about all of his article that amounts to anything. Then he proceeded to discuss Gen. Bor-Komorowski. He does not question that I knew all about Bor, but he is all excited because I did not remember that Byzantium employed mercenary troops.

Mr. President, I merely wanted to bring that out, because I think that cynicism is one of the greatest plagues in the world today. There is altogether too much cynicism in the United States Senate. People are afraid to be idealists and be for something, even though they know it is right, simply because they think it is possibly not the popular thing, and somebody will think they are a little impracticable if they come out flatly for something, as I have come out for world government. So we will leave Mr. Henning to his own resources and the history books.

Mr. President, the press has taken a good deal of space to condemn Mr. John L. Lewis, and all through the years has generally been antilabor, although in the present situation I want to give at least the Washington newspapers credit for printing the articles telling about conditions in the mines. They have done a very fine job in that regard and I want to give them all due credit for it. But all the editorials have been very anti-Lewis and antilabor. So I should like to call the attention of the Senate to a few sins of industry.

I do not like to take this tack in an affair of this kind, but it seems that the only way one can take a little of the heat off labor is by calling attention to the sins of a few other people in this world.

I think everyone will recall that when the recent war started we called upon the industrialists to go into production of munitions and they flatly refused to do so until they got contracts on their own basis, namely, cost-plus. They absolutely would not turn a wheel until they got what they wanted. It got very little publicity in the papers. One could find it on the inside pages, but never any headlines about it. So industry got what it wanted, the contracts in the way it wanted them, namely, cost-plus. I worked under one of those contracts. They are great things. It is not always labor that is the offender. Labor had a very fine record during the war while the boys were working on cost-plus contracts.

I should like to call attention to an article which appeared in the Washington News. It is about Mr. Stassen and the forum he has set up to test out public opinion, especially among Republicans of the country. It seems that Mr. Stassen and his group are sending out questionnaires to different ones at different times. The particular one I am talking about is asking the rank and file of the Republican Party to state their policy on labor. This is a part of what is says:

To help the members of a forum make up their minds on each month's question a fact sheet of background information is provided, and for the current question of what shall our national labor policy be, sheets give both sides of the testimony on such questions as how wages were advanced 15 percent under the Little Steel formula, the cost of living went up 33 percent, and where the 18 percent difference is to come from.

There we have the Republicans admitting that wages have gone up 15 percent and cost of living 33 percent. Mr. Stassen at least would like to have the ideas of the people on how we are to make up the other 18 percent to the workers.

Mr. President, that indicates exactly what is going on in America today. A majority of the press on most occasions, and most of those who have means of propaganda at their disposal, are against labor, they condemn labor, and talk about strikes holding up production, but they do not recall that labor is behind in this race. If anybody is going to be hog-tied and held while labor catches up it seems to me it should be capital, because if capital is not getting the long end of the deal, why are living costs up 33 percent and wages only 15 percent? What has to be decided is how they are to make up the difference.

Mr. KILGORE. Mr. President, will the Senator from Idaho yield?

Mr. TAYLOR. I am glad to yield to the Senator from West Virginia.

Mr. KILGORE. I am wondering if the Senator can define the difference between refusal on the part of an employer to produce in case of a national emergency, and a so-called strike on the part of labor, and a filibuster on the Senate floor to block necessary legislation? Is there any difference, or should they all be called strikes?

Mr. TAYLOR. I might say they are all strikes. But certainly John L. Lewis is doing no worse than the industrialists did. They refused to sign contracts to produce the goods. John L. Lewis refused to sign a contract to produce the goods. But at the time the industrialists refused the country was facing a war, and they did not care. At the present time there is no war. Some of us may have to go without light and not be able to ride on the trains, and one thing or another, but I do not think any of us are likely to be conquered by a foreign invader because of the present coal strike. I deplore it, I am sorry it cannot be settled peaceably, but I certainly am not going to be a party to the amendments which are proposed, some of them making it mandatory upon labor and employers to go into court to settle their differences.

Mr. President, the reason why I refuse to help make it possible for capital to drag labor into the courts is that I have gone into the problem of how our big cartels and monopolies use the courts to further their own interests, and I know that a little man can invent some process which should make him a fortune, but if he tries to manufacture it someone is sure to have something that remotely resembles his invention. It may not be near enough to it so that it could stand up in court, but that does not stop the big fellows with plenty of money from dragging the little fellow into court, and dragging the case on and on and on, knowing full well that they would not get a favorable verdict if it were ever brought to that stage, but they do not let it come to the stage of having a verdict rendered. They drag it on and on until the little fellow's resources are exhausted, and he is willing to sell his patent, or take a miserable royalty.

The same thing applies to small manufacturers in other lines. They have not a Chinaman's chance when the big fellows get them into court. That is just the way it would be with labor if we made it possible for the big monopolies to drag them into court. They would be there constantly, their treasuries would be depleted, and eventually the monopolies would break the unions. I am sorry to say that I think that breaking the unions is exactly what some Senators would like to see brought about. I do not want to see that. I have been an employer most of my life, on a small scale. I have had some very unpleasant experiences with the unions. Years ago I was so angry at unions I could have bitten nails. As I grew older, and took the whole problem into consideration, and not only my puny little troubles, I realized from the broad view that unionization was the only hope of the common people of America to get a decent standard of living. In fact, it is the only hope for keeping our economic system going, because if it were not for the unions the big fellows would pay such low wages that the people would not have purchasing power enough to buy goods, and very shortly all industry would close down.

Mr. President, that is what happened in 1929. The big fellows had control, and labor was not strongly organized, so the big fellows raised prices and did not pay enough in wages, so finally the people did not have the money with which to buy the goods that were being produced,

and the whole economy collapsed, inventories got too big, and we had the depression.

Mr. President, I have often wondered what might have happened, if labor unions had been strong enough shortly before 1929 to have demanded and received a 10 percent increase in wages straight across the board. Then they could have bought the goods, and possibly we would have averted the terrible catastrophe that followed.

Mr. President, I think there is a concerted effort on at the present time all over the world to undo all the advances the common people have made through bloodshed and sacrifice for centuries.

I have here a little note in a newspaper I wish to read. I hope the members of the press will not hold it against me for taking Arthur Henning to task. I take a great deal of stock in what I read in the newspapers. I read them faithfully, and generally believe what I read in them, although not always, I am frank to admit.

This is an article by some kind of a food expert who is down in Brazil. I will not bother the Senate with the details.

He said:

> While the world looks with horror on India and Europe, 80 percent of the industrial workers in Brazil are trying to survive without milk, meat, or vegetables.

He does not say what they eat. It is hard for me to conceive that they do not have meat, milk, or vegetables. The nutritionist further reported:

> The only worse diet is nothing at all.

In the same newspaper was another article:

> Brazilian police seize 61 stevedores, tighten control over Santos.

It seems that the stevedores in Santos, Brazil, have refused to handle cargoes carried on Spanish ships because they do not like fascism; they do not like the thing that we fought the recent war to root out of this world. So for that reason the Government has called them Communists. If they do not like fascism, the Government reasons that they must be Communists. Recently then, by such reasoning, we were all Communists in this country. So they are arresting these stevedores.

I have read from the two articles, Mr. President, to show that perhaps the stevedores have a case, since one article says that 80 percent of the workers down there have no milk, no meat, and no vegetables.

I have another newspaper clipping on the Brazilian situation. It is an article by Joseph Newman. I will give him credit for signing his name to the article. It appeared in the New York Tribune. I read from it the following:

> RIO DE JANEIRO, May 13.—Foreign Minister Joao Neves da Fontoura proposed today that the United States, Brazil, and all other American Republics conclude an immediate settlement with Argentina, regardless of the danger which President-elect Juan D. Peron may represent, in order that the Western Hemisphere could present a united front against the Soviet Union.
>
> Fontoura, who believes Russia is the greatest danger to the world, made this proposal only a few hours after the arrival of the new Russian Ambassador to Brazil, Jacob Souritz. Fontoura said he would discuss it with President Truman and Secretary of State James F. Byrnes in Washington, probably in July.
>
> Fontoura hopes to sell his proposition to Washington and thereby lay the basis for a complete settlement with Argentina at the Inter-American conference in September.

There is more to the article, but I shall not bother reading it. I may say that I do not believe Mr. Fontoura has to sell his proposition to Washington. I make the statement that our Army and Navy officers, seeing their great prestige evaporating and coming face to face with the possibility of being demoted, of losing their rank, are very anxious to start a war with somebody, and Russia seems to be the handy country with which to start the war. I would not doubt at all that Mr. Fontoura has had the bee planted in his bonnet to come up here and talk the thing over and try to give us the idea, so that we will not have to appear to be the originators of this wonderful scheme to save the world by joining up with Argentina, rearming Germany and the Japanese, and then starting another war, which will enable us to continue to pay high wages and enjoy prosperity.

I do not say that the President is in on this deal, but I do say there are many advisers close to him who feel this way about the proposition, and they may have convinced the President that indeed we must fight Russia.

Mr. President, I want to say to the American people that if they want to die, the best thing for them to do is to sit placidly by and let things like this continue and come to a head, and it will indeed be the end of all of us, what with atomic bombs and other terrible things. I read in the newspaper a statement made by a scientist the other day who said that he knew men in this country—or in the world, I think he said, and that makes it more distressing; perhaps they are not in this country—that he knew men who could make bombs a million times more powerful than our present atomic bombs. I read an article in a newspaper the other day which said that men were at least talking about cosmic ray bombs a billion times as powerful as atomic bombs. Of course, they hasten to point out that that is simply in the realm of speculation, but I will hasten to point out that atomic bombs were merely in the realm of speculation 5 or 6 years ago.

Mr. BREWSTER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Senator will state it.

Mr. BREWSTER. What is the business before the Senate?

The PRESIDING OFFICER. The pending question is the amendment of the Senator from Virginia [Mr. BYRD].

Mr. BREWSTER. And with what does that amendment deal?

The PRESIDING OFFICER. It is an amendment proposed to the pending bill.

Mr. TAYLOR. If the Senator from Maine was trying to imply that my talk is not altogether relevant, I will say to him that I am trying, perhaps in a very feeble way, to bring out the contention I made a while ago, that this antilabor drive, this drive to get the common people down and a foot on their necks, is a world-wide proposition, and it is not confined simply to this attempt to hamstring labor here in America.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. TAYLOR. I am glad to yield to the Senator from Maine.

Mr. BREWSTER. I appreciate the suggestion as to its relevancy, but in the discussion, both by the Senator from Idaho and the Senator from Florida, we have heard about conditions of labor, and about fascism in this country. I think it would be very illuminating if the Senator would discuss the condition of labor in Russia; how they handle their labor relations there; how they handle the labor unions there, since there seems to be some question as to the freedom of labor in Russia.

Mr. TAYLOR. I am sorry, but I am not an expert on Russia. I only know that I do not want to fight Russia. I want to leave the Russians alone and let them run their labor unions, if they have any, and run their country to suit themselves, and that we take care of our own affairs, and not be sucked into this great conspiracy of the Fascists all over the world to fight Russia now while we have a bomb which they do not have.

Mr. BREWSTER. Mr. President, will the Senator yield further?

Mr. TAYLOR. I am happy to yield.

Mr. BREWSTER. The most potent argument I have heard in this Chamber as to the way we should aline ourselves in this great combination against Russia was by subsidizing Britain with a loan of $4,000,000,000, and that the real underlying purpose of that was to get the great Anglo-Saxon democracies lined up to fight Russia. I should like to know whether or not the Senator feels that his contribution to that end was a contribution to this alleged conspiracy against Russia?

Mr. TAYLOR. I have grave doubts. To be frank with the Senator, my vote on the British loan was the most distressing vote I have been called upon to cast since I have been in the United States Senate. The Senator will recollect that I made no speech on it. I was very much undecided. I could not decide definitely one way or the other. Many men who should know told us that the British loan would promote world peace, that it would enable us to trade freely, and others told us that it was a part of Mr. Churchill's scheme to strengthen the so-called democracies in their struggle against Russia.

Mr. BREWSTER. Did the Senator read the testimony of the Secretary of the Treasury yesterday before the House committee in which he said that the British loan was calculated to divide the world into two economic blocs?

Mr. TAYLOR. I read that statement yesterday, and I told my wife that, if I had read it before I voted, I would not have voted for the British loan. If that is a fact, if Members of the House can satisfy themselves that that is a fact, that the British loan is going to contribute to a division of the world I hope to God they will defeat it.

Here is a quotation from Drew Pearson. Of course, it is not a matter of fact; it is a matter of opinion on Mr. Pearson's part, but it is along the same line of alining ourselves with known Fascists in a bloc to get rid of Russia. It is about Mr. Cabot. He was in South America and was talking with Mr. Peron. The article proceeds:

The meeting was a most secret one, and not a word leaked out to the papers. The Argentine President took the initiative in asking for the conference. In order that no one would know about it, the two men met not at the Presidential Palace, but in the apartment of a mutual friend.

Among other things, Peron told Cabot that he had no antidemocratic philosophy, was a firm advocate of democracy, and would not use his electoral victory for any aggression at the expense of Latin-American neighbors.

Cabot immediately asked why then Peron was putting the diplomatic heat on neighboring Uruguay, whose democratic leaders are now quaking in their boots at the thought of Argentine aggression. Peron replied that his government had the friendliest intentions toward Uruguay and that this was merely a side issue.

The main issue, Peron said, was that the United States and Argentina must stand firmly together in face of the impending war when both would be allied with the British. This seemed to amaze the United States envoy, who asked what war Peron referred to.

"Why, the war by the United States and Great Britain against Russia," Peron replied.

As I said, Mr. President, there can be no verification of that, of course; but in view of the dispatch from Brazil it is very reasonable to believe that Mr. Peron may feel highly elated suddenly to find himself alined with a great bloc of peoples who are determined to destroy Russia at any cost. I know that there have been military men in this country who have flatly stated that we should fight Russia before she gets the atomic bomb. I disagree with that viewpoint. I wish there were something I could do to put a stop to it. I know of nothing that I can do except to rise on the floor of the Senate and tell the American people what is going on, and let them use the power of public opinion to end this thing. The people can rule if they will simply make their wishes known emphatically enough. A while ago I was speaking of Mr. Henning, of the Chicago Tribune. I neglected to read an article about Mr. Henning's boss, Col. McCormick, to which I should like to refer. This is an account in the New York Times of the press convention which was held in Washington some time ago. The article reads in part as follows:

Echoes will be heard at the meeting of the Supreme Court decision which caused the amendment of AP bylaws at a special meeting last November to provide that applications for membership should be considered without regard to possible competitive effects on existing members. At the same meeting Marshall Field, publisher of the Chicago Sun, was elected to associate membership, and Mrs. Eleanor Medill Patterson, for the Washington Times-Herald; the Hearst Publications, Inc., for the Oakland (Calif.) Post-Enquirer; and the Times Publishing Co., for the Detroit Times, obtained regular memberships for those newspapers.

One echo is scheduled with action on the membership applications of several other publishers, including the newspaper PM, Inc., of which Mr. Field is president. Another may come from a resolution expected to be pressed by Col. Robert R. McCormick, publisher of the Chicago Tribune—

That is Mr. Henning's boss—

who vigorously opposed membership for the Chicago Sun until the Supreme Court handed down its decision.

CALL TO CONGRESS PROPOSED

The McCormick resolution would call on the AP members to petition Congress for an amendment to the antitrust laws whereby all press associations would have the right to select their own members or customers instead of leaving membership open to all newspapers that can pay for it.

That is a fine thing. When we go to the reading room and pick up a copy of the Chicago Tribune we see headlines in the largest type that can be obtained, giving John L. Lewis fits because he wants a contract including health benefits. The miners have not gone on strike. They will not go back to work until they get another contract. But Mr. McCormick wants the Associated Press to be able to refuse anyone permission to use its wire services merely because the Associated Press does not like the things for which he stands, or because he does not believe as Mr. McCormick and other reactionary bosses of the Associated Press believe.

That is a sorry example. I am glad to say that it is not the universal example in America by any means, but it is a sorry example of the American press. Without doubt the Chicago Tribune is the most reactionary large newspaper in America. There are two divisions. In the field of smaller publications, I should say that the Boise, Idaho, Daily Statesman, heads the class.

I have before me a statement from the Washington Evening Star of May 13. It has to do with the steel union and its annual convention. The article reads in part as follows:

"We maintain our contractual commitments," Mr. Murray told reporters. "We are working under a contract now with the steel industry which expires February 15."

That is a bright spot in the labor picture, and I wished to bring it out. Mr. Murray says that the contract of the steel workers runs until February, and that they intend to abide by it. That does not alter the fact that John L. Lewis and his miners are not out on strike.

I should like to call the attention of the Senate to some other abuses of big business, about which nothing seems to have been done. We enacted an antitrust law, but it seems that the big fellows are too big for us. We cannot rope and hog-tie them. They get away with almost anything. During the recent war the insurance companies of America had an agreement with insurance companies in Europe, including Germany, whereby they had a clearing house in Switzerland. The policies were sent to a common clearing house so that the companies could all participate in the business. I am not familiar with the insurance business, but that is the general outline. The insurance companies were insuring our ships, and they had to send along information such as where a ship was going, the cargo it would carry, the name of the captain, and all about it. For a long time the Germans were able to pick up this vital information from their insurance people, who obtained it through the clearing house in Switzerland, because our insurance people had sent the information over. At least one case arose in which a submarine surfaced in the Caribbean Sea alongside a ship and the submarine commander told the captain of the ship the name of his ship, when he sailed, where he was going, the captain's name, and all the particulars. It later developed that this information had been obtained through the pool of our big insurance interests.

I hold in my hand an article by Thomas L. Stokes, a very liberal newspaper commentator. Poor fellow; I do not expect him to last too long, because in the past few years many liberals have been weeded out in the newspaper field. I understand that the situation on the radio is even worse. They are being mowed down. I have recently talked with a number of liberal commentators. They tell me that they are frightened to death; that they have been cracked down upon, and told not to speak their minds. They were told that they had a line to follow, and that they had better stick to it. So I do not know whether Tom Stokes will be able to hang on very long or not. He is all right. Mr. Stokes says:

There has been much thinking aloud here lately around that age-old question:

"Whither are we drifting?"

It revolves, as of today, about the battle between right and left, and how we are to preserve our democracy in modern, highly mechanized civilization against the threat of totalitarianism from either the right or the left.

There comes a contribution from Senator O'MAHONEY, Democrat of Wyoming, a recognized authority because of his exhaustive study of the modern corporation and its relation to our society and Government. The Senator brings calm reasoning to an interesting discussion of "democracy or dictatorship in business and government" in the April issue of Dun's Review.

Over-all he makes the point that big business has set up private governments of its own in this country. Their creation, in turn, has caused the Government to set up protective devices for the people in the various regulatory bureaus and commissions of which big business and industry complain, he says.

The Senator knows somewhat of these private governments. He bucked up against one of them in the giant insurance industry when he challenged its right to exempt itself from the antitrust laws by act of Congress. Another big industry, the railroads, now is trying to get itself out from under the antitrust laws.

"Does American business," he asks, "have a blind spot that prevents it from seeing that what it most detests about Government is the adoption by Government of the managerial techniques which are the outstanding characteristics of modern industrial organization, and that the most effective way to fight regimentation by public managers is first to prevent regimentation by private managers?"

"Business managers," he said, "believe themselves to be the defenders of free enterprise, although their managerial policies set the pattern for statism. It is management, itself, unregulated and absolute, and not merely public management, which is the foe of free enterprise.

"This is the primary fact which must be understood if we are to make a successful effort to preserve economic freedom. If we desire to prevent the development of dictatorial political power, we must begin by eliminating dictatorial economic power."

I should like to digress for a moment. The free-enterprise boys are down here crying to high heaven against the OPA; and yet within their own ranks they are willing to cut each other's throats on a moment's notice. There is no ceiling on rentals of business properties, and those who have business property to rent have increased rentals to such a point that their fellow businessmen are forced out of business. Many small businessmen in Washington have had to quit business because other businessmen, property owners, have increased rents to such an extent that small businessmen have been put out of business. But the peculiar thing about it is that if one of those businessmen who had been put out of business because there was no ceiling on his rent could find some place to get back into business, he would be down here trying to have the ceiling removed from the price of whatever he was selling.

Mr. Stokes continued:

The drift toward big government, he explained, "did not begin until business had outgrown the jurisdiction of little and local government." Congress, he said, was compelled to regulate big industry in the public interest, and this went on through the years whether the administration in power was Republican or Democratic, liberal or conservative.

I say that is still true, Mr. President. It does not make any difference whether the Democrats are in power or the Republicans are in power; the big fellows still get the best of it. It seems that we simply cannot keep them under control. Being a Democrat I can say—and I say it truthfully—that I think the Democrats do a little better job of keeping the big boys under control than the Republicans do. We do not give them a free rein. We make an effort to control them.

I read further from the article:

"It is absurd," he said, "to think of General Motors or U. S. Steel as an example of free enterprise. They are collectivist enterprises consisting of hundreds of thousands of stockholders and hundreds of thousands of workers. They are collective economic states which exercise an influence upon the welfare of all the people, and which are as far beyond the powers of cities, and counties, and States to regulate in the public interest as is the airplane that hops from New York to San Francisco through the stratosphere."

Organization of national labor unions was inevitable as a "manifestation of self-defense upon the part of the workers who, as individuals, were utterly unable to defend themselves against their nationally organized employers," he said.

Capitalism "must be prepared to make private management as well as public management subject to the public interest," he declared. His solution is the bill he long has advocated for Federal charters for interstate business, defining just what those businesses can do.

This, he said, would free business because "it would render unnecessary the creation of discretionary Federal bureaus to manage management."

Mr. President, let me point out that the ideas expressed in the article are those of the Senator from Wyoming [Mr. O'MAHONEY] and in the article, which was published in the Washington News, he is being quoted by Mr. Thomas L. Stokes.

I hold in my hand another article by Mr. Stokes. It deals with rail integration. I wish to read these articles into the RECORD, Mr. President, because, as I have said, an all-out attack is being made on labor in this country. I believe that the best offense is to attack, so in defending labor I should like to attack some of the practices of big business and corporate power. Mr. Stokes gives me some very valuable information and ammunition. In the article entitled "Rail Integration," which was published in the Washington Daily News for May 13, he says:

There is a plan afoot sponsored by railroads and discussed widely in the last few years to bring together all forms of transportation—rail, air, water, motor—through integrated regional systems.

It is promoted with the usual glib arguments about improvements effected by coordination. But the ultimate result would be a tight monopoly, particularly dangerous because it would leave no recourse for competition. And the public would pay.

Mr. President, what Mr. Stokes tells us is that the railroads—and they are owned by the big banks, and the big banks have their fingers in practically every other enterprise—are trying to get all transportation integrated, so that there will be a monopoly in transportation and so that there will be no further competition.

Mr. Stokes next says in his article:

It is suspected that railroads are pushing it to enable them to bolster up their shaky structure, debt-laden and inefficient, and thus protect the bankers and insurance companies which have the big stake in railroads—in short, a bailing-out process. Through the years the railroad bankers and lawyers have fattened on the succession of receiverships and reorganizations, a veritable racket familiar to anyone who has covered the numerous congressional investigations of railroad finance.

In other words, the big bankers, owning the railroads and feeling, I imagine, as I do, that the railroads are a dying industry, would like to throw the railroads, air transportation, and all other forms of transportation—trucks, and everything else—into one bag and shake all of them together, in respect to their financial structures. Then, if the railroads simply cease to be, they could charge that loss up to airplane transportation, as a part of its capital losses.

Mr. Stokes further says in his article:

The proposed "integration" program would require legislation. Included would be immunity from antitrust laws for agreements among and between various agencies of transportation.

The Bulwinkle bill, now pending in the Senate Interstate Commerce Committee, could well be the first step. According to Assistant Attorney General Wendell Berge its provisions for immunity are so broad that they would permit "rail carriers, highway carriers, water carriers, pipe-line companies, and freight forwarders, if approved by the Commission (the Interstate Commerce Commission) to enter into agreements, to organize into combinations, and by joint action make determination as to rates to be charged, services to be performed, the kind of equipment to be used, the facilities to be installed, and other matters vital in carrying on and developing the transportation industry.

"Approval of the wide score of agreements permitted in the proposed legislation," he added, "would result in the elimination of competition not only among carriers of the same type or class but among the several competitive modes of transportation."

As a matter of fact—and this is an alarming development little known to the public—railroads have reached out already quietly in recent years to other forms of transportation and, as Mr. Berge pointed out, "with some measure of success, to raise the truck, barge line, coastal, intercoastal, and Great Lakes steamship line rates to the rail level and in some instances to raise the level of all those rates."

In other words, Mr. President, a conspiracy goes on in America, one by which the railroads—being the richest and the most powerful—are bringing pressure to bear on competitive forms of transportation, in order to get them to raise their rates up to the railroad rates.

I read further from the article:

This has been under direction of the top command embodied in the Association of American Railroads and its banking, insurance, and industrial affiliates. Plentiful evidence has come out. In its 1938 annual report, the A. A. R. Traffic Department said that the American Trucking Associations, Inc., had "shown a disposition to work constructively with the railroads" and had endeavored to keep the rates of its members "adjusted to the extent it can on the rail basis." It then added:

"In many instances the Trucking Association has assisted in getting low rates that were bothersome to the rail carriers brought to the rail level."

Then there is a directive of the ever-vigilant A. R. Cleveland, A. A. R. vice president in charge of traffic, to the chief traffic officers of member roads, dated March 12, 1938. He spurred them on to cooperate, and have their staffs cooperate, to meet "the desperate situation that confronts railroad management.

"In this connection I call your attention to the fact that I believe with proper cooperation with truckers, with the barge lines, with the coastal and intercoastal and Great Lakes steamship lines, that their officials will assure you, if they are properly approached and encouraged, that they will be very glad to proceed along similar lines and make the same increases in cents per 100 pounds that you may determine upon. I, therefore, urge that every effort be made to work with your competitors to the end that there may be less hesitancy in proposing advances than there might be if competing agencies were not going to make similar increases."

Mr. Stokes ends his article with this question:

Where does the consumer come out in all of this?

And I agree with him.

Mr. President, I have on my desk another article by Mr. Stokes. This one is taken from the Washington Daily News of Wednesday, May 8. Incidentally, Mr. President, I am not reading these articles to consume time. I think they are very important and are well worth placing in the RECORD, inasmuch as we are discussing the question of labor and management. Nearly all the propaganda has been against labor, so let us see what

management is doing in this great country of ours.

Mr. Stokes said in this article, which is entitled "Threat From Right":

It is the fashion nowadays to say that the threat to our freedom and democracy is from the left.

The proof lies in the facts. An examination of the record would seem to disprove this theory and show, instead, that, amid all the howling about the danger from the left, forces on the other side have been moving in quietly to consolidate themselves.

Mr. President, during the war we seemed to have unity. Even big business, the persons who in this country were tied in with the German industrialists through cartel arrangements, seemed to be all out in our war effort after we finally chopped off their cartel connections. I have often made the observation in private—perhaps never on this floor—that I believed that the Fascists in this country, those who would like to be able to put their feet on the necks of labor and abolish unions in the way in which Hitler abolished them, were all in favor of defeating Hitler's fascism. They did not like Hitler's brand because Germany was running the cartel arrangements. But now that they are rid of Hitler I think they would like to have some fascism of their own and take over all of Germany's industries. The war was brought on primarily by a struggle for markets and profits.

I continue reading:

Since before the war Congress has enacted no new law of the New Deal stripes, or leftish, if that designation is preferred, with a single exception.

That was the watered-down version of the so-called full employment bill. In its final form, it won approval of even staunch conservatives. It has started no revolutions.

But there has been movement in Congress from the right, easily overlooked because it involved seemingly complicated matters, or at least made to look complicated. Their purpose, however, is simple, that is, to protect and strengthen entrenched economic interests to the detriment of the rank and file. Monopoly, or private government by private interests, is what it all spells out.

The irony is that this threat to our competitive, free enterprise society comes from those who are so blatant about free enterprise. But they know what they are up to.

Reference has been made here before to the attempt of the great insurance industry, in the middle of the war, to exempt itself from our antitrust laws and thus deprive the public of its champion against extortionate rates and charges. They won out in the House but were checked in the Senate—and through a compromise—by the alertness of Senator O'MAHONEY, Democrat, of Wyoming.

Another campaign to break down the antitrust laws is now on, even more far-reaching in its effects on all of us.

This is the attempt of the railroads to get out from under the antitrust laws through the so-called Bulwinkle bill. It, too, passed the House, often the most undiscerning body. But the Justice Department's Antitrust Division, and such others as Gov. Ellis Arnall, of Georgia, laid before the Senate Interstate Commerce Committee a factual record of monopolistic rate fixing by railroads and allied transportation agencies drawn within their orbit, which this bill would perpetuate and strengthen. So the committee has had its eyes opened.

The bill would exempt from antitrust action agreements on rates among railroads through rate bureaus or conferences that were approved by the Interstate Commerce Commission. The point about such rate agreements, which the Justice Department has demonstrated in actual cases, is that they are controlled from the top by one organization, the American Association of Railroads, which itself, in turn, has tie-ups with great New York banking houses. It is a private empire above the Government and people.

This top stratum has tremendous power because the banks, in turn, are affiliated with the Nation's great industries. By the way it fixes railroad and allied transportation rates, for example, it not only raises the cost of living for you and me, for freight rates are an important item; but it also can hold back development of certain sections, such as, for example, the South and West.

I may add, Mr. President——

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. TAYLOR. I yield.

Mr. BREWSTER. I am certainly deeply interested in the article which the Senator is reading because I have a very high regard for the ability of its author. My recollection is that Mr. Stokes has written some extremely impressive articles on the subject of filibustering and consuming time of the Senate by Senators who do not address themselves to the issues before the Senate. I wonder if the Senator from Idaho has some of those articles available so that they may be read into the RECORD.

Mr. TAYLOR. I shall be glad to read such articles if the Senator will tell me where I can obtain them.

Mr. BREWSTER. I will have them available for the Senator tomorrow. I do not know whether I can obtain them before he finishes tonight. Does the Senator have any idea of when he will conclude his speech?

Mr. TAYLOR. Tomorrow morning.

Mr. BREWSTER. Does the Senator expect to address the Senate all night?

Mr. TAYLOR. I shall be glad to do so, if the Senate will sit here and listen to me.

Mr. BREWSTER. Mr. Stokes is a very voluminous writer. I believe that he writes an article a day. If we were to endeavor to read all of his articles into the RECORD they would equal, in volume, the Holy Bible.

Mr. TAYLOR. Mr. President, I wish to read the articles to which I have referred because they have a direct bearing on proposed labor legislation. There are many persons in America who do not receive Mr. Stokes' articles, and do not realize the practices in which big business engages. I should like to have those articles appear in the RECORD for the benefit of persons who have not had the opportunity of reading them. I can talk about them and consume a great deal of time in so doing, but I believe that Mr. Stokes presents the subject in a better form than I could present it.

Mr. BALL. Mr. President, will the Senator yield in order that I may make a unanimous-consent request?

Mr. TAYLOR. I yield.

Mr. BALL. Mr. President, the Senate has a very impressive list of major legislative proposals awaiting action, such as the extension of the Draft Act, the extension of OPA, the atomic energy bill, and many others. It seems to me that if we are going to recess or adjourn some time in July, it is imperative that we move along a little faster than we have been moving. I, therefore, ask unanimous consent that, beginning tomorrow and during the further consideration of House bill 4908, no Senator shall be permitted to speak more than once and not for longer than 1 hour on the bill, and not more than once and for not longer than 1 hour on each amendment offered to the bill.

Mr. MURRAY. Mr. President, I object.

The PRESIDING OFFICER (Mr. OVERTON in the chair). Objection is heard.

Mr. MURRAY. I was about to say, Mr. President, that there are a number of able Senators who desire to speak on the pending measure during the next few days. The Senator from Wyoming [Mr. O'MAHONEY] is prepared to speak tomorrow, and several other Senators, including the distinguished Senator from Utah, are prepared to follow him. We have not yet really begun to debate the issue. It seems strange to me that a request should be made at this early stage of the discussions for any kind of control over the debate.

Mr. BALL. Mr. President, will the Senator yield?

Mr. TAYLOR. I yield.

Mr. BALL. I agree with the Senator from Montana that not very much of the discussion so far has been devoted to the issue pending before the Senate.

Mr. MURRAY. Mr. President, I disagree with the Senator in his statement.

Mr. BALL. I repeat that there is a tremendous amount of legislative business awaiting the action of the Senate. At the rate at which we have been proceeding so far this week we will never succeed in finally disposing of it. It seems to me that 1 hour on the bill and 1 hour on the amendments, so far as each Senator is concerned, will afford ample time for any Senator to express himself. I have never heard a speech in the Senate on any subject which would not have had a much greater listening audience if it had been confined to 1 hour.

Mr. MURRAY. Mr. President, I disagree entirely with the Senator. I believe that the debate has been confined to the issues and has been an excellent one, and that it has already resulted in several changes in the Byrd amendment. I believe that if the Senator had been present and listened to the very able discussion by the Senator from Florida on the Byrd amendment, he would concede that the debate was to the point. The Senator from Florida made a very able presentation of the questions involved in the pending measure, and pointed out very fully the consequences of accepting such a proposal as the one which was contained in the Byrd amendment. I agree with the Senator from Minnesota, however, that there is much very important legislative business on the calendar which should be disposed of as quickly as possible. It seems to me, though, that the Senator himself is, in part at least, responsible for bringing this measure on for consideration in the

Senate. It is not emergency legislation at all.

Mr. BALL. Does the Senator from Montana contend that the Nation is not facing an emergency in the field of labor relations today?

Mr. MURRAY. I think it is facing an emergency, and it is largely due to an effort on the part of some people to take advantage of the coal strike for the purpose of precipitating legislation which will be most dangerous to our country.

Mr. BALL. I cannot follow the Senator's reasoning, and I doubt if the country can.

Mr. MURRAY. I am sorry, but I cannot follow the reasoning of the Senator from Minnesota, either. I think it is not very sound. He said yesterday in a public statement that the chairman of the Senate Committee on Education and Labor and the majority members of that committee were so biased that any investigation they would undertake would not be worth anything. I think the contrary is a fact, that the minority of the committee, at least the Senator from Minnesota, is so biased that his observations in this matter are certainly not worthy of consideration.

Mr. BALL. I submit that my statement was correct, and I am perfectly willing to stand on the record of the committee.

Mr. MURRAY. I am willing to stand on my record in the committee, and I think the members of the committee forming the majority are also satisfied with their record.

Mr. BALL. Mr. President, will the Senator from Idaho yield to me for one brief comment?

Mr. TAYLOR. I yield.

Mr. BALL. I think it has become perfectly clear that the group of Senators who are opposed to having the Senate vote on any kind of labor legislation which is opposed by the leaders, although not necessarily by the rank and file of organized labor, are determined to do their best to talk the pending legislation to death, in other words, to filibuster. I think it is rather significant that most of these Senators are the ones who have always protested most loudly when any other minority in the Senate attempted the same tactics.

Mr. TAYLOR. Mr. President, may I say that I join with the Senator from Florida, who made the proposal definitely that if the Senate wanted to agree to limit debate on all the pressing measures on our calendar, we would be glad to join in such an agreement, but we saw no reason why we should limit debate on one measure and not limit it on another.

Mr. KNOWLAND. Mr. President, will the Senator from Idaho yield?

Mr. TAYLOR. I am happy to yield to the Senator from California.

Mr. KNOWLAND. I wonder if the Senator would yield long enough for me to ask the distinguished majority leader whether it is the plan of the able Senator from Kentucky to soon start holding evening sessions, so that the Senate of the United States will not again be caught up against the deadline in the ultimate consideration of not only the pending very vital legislation, but also the Selective Service, and OPA, and other measures of tremendous interest to the United States?

Mr. BARKLEY. Mr. President, if the Senator from Idaho will yield to me to answer categorically and specifically the question asked by the Senator from California—

Mr. TAYLOR. I yield.

Mr. BARKLEY. I will say that I have not planned to ask the Senate to sit immediately in the evening. Whether I shall do so later will depend upon the course of events in the Senate. But I have certainly not thought of trying this week to have night sessions of the Senate. Whether I shall attempt to next week will depend on how matters stand later.

Mr. BALL. Has the Senator from Kentucky planned for a session on Saturday of this week?

Mr. BARKLEY. I am not able to answer that question now. It will depend on whether it will seem that we can make any headway on Saturday.

Mr. BALL. Does the Senator believe we should at least try to reach a vote this week on the pending amendment?

Mr. BARKLEY. I am perfectly willing, and would like to see a vote reached on the pending amendment as soon as possible. I am willing to vote on it tomorrow, or on Saturday, if we are in session, or on any other day we can get to it.

I might say, in connection with the suggestion made by the Senator from Idaho, which is a reiteration of the suggestion made yesterday by the Senator from Florida that we limit debate on all bills on the calendar, that every Senator knows we cannot limit debate on any bill which is not under consideration by the Senate. We cannot enter into blanket limitation on all bills that are on the calendar. Half of them will never be taken up.

Mr. BREWSTER. Mr. President, will the Senator from Idaho yield?

Mr. TAYLOR. I am happy to yield to the Senator from Maine.

Mr. BREWSTER. Can we enlist the assistance of the distinguished majority leader, whom we have been delighted to follow in connection with measures designed to expedite the business of the Senate, in seeking some solution of the situation with which we are now confronted?

Mr. BARKLEY. Did I understand the Senator from Maine to ask me if he could solicit my aid in that regard?

Mr. BREWSTER. We have pointed out that many of us have been delighted to follow the Senator in previous efforts to expedite the business of the Senate. I am not presuming to suggest that such a point has been reached now. I know the patience and persistence with which the Senator from Kentucky has worked on measures under consideration by the Senate, and I think we do have to look to him as the one responsible for determining the program and determining how we are to get through with our business in the next few weeks.

Mr. BARKLEY. I have not looked at the roll calls on all the efforts made during the past year to expedite consideration of legislation by moving or voting for cloture, which is the only method by which we can limit debate, except by unanimous consent. I may say, however, that I have voted for every cloture motion that has been made, no matter what the nature of the legislation was. Never in my senatorial history have I either engaged in or encouraged what we term a filibuster, and I would not be any more disposed to do so in the pending case than I was in regard to any other legislation that has been before the Senate. Of course, we debated the British loan measure for a month, and during the last few days we made an effort to limit debate. We could not limit it by unanimous consent, and could not limit it by cloture because we got only half the Senate to vote for the cloture motion.

Whether the present debate has proceeded far enough so that anyone can say it is a filibuster, or a deliberate effort to prevent a vote on legislation, is anybody's opinion. I shall vote for a cloture motion if in my judgment we come to the point where it is necessary to do that in order to limit debate and conclude the consideration of legislation that is necessary to be enacted between now and the 1st day of July.

Aside from that, I wish to say to the Senator from Maine and to all other Senators, I regard it as part of my duty to help facilitate the consideration of legislation. I have been in the unfortunate position heretofore many times of having to battle against filibusters, as we call them, and to be unsuccessful now and then, and even frequently, in trying to get limitation of debate and get early votes. I am no more in sympathy with deliberate delay on the pending amendment than I was in the matter of the British loan, or the FEPC, or the poll tax, or any other bill in which the question of cloture has been tested.

Mr. BREWSTER. I very much appreciate the statement of the Senator from Kentucky. This afternoon, and in recent days, I suppose the Senator from Kentucky has been regaled with articles, the masterful articles, of Thomas L. Stokes, which deal with matters which seem somewhat remote from the measure now pending before the Senate. The Senator from Kentucky is much more competent to determine the significance of those things than am I, and so I shall not undertake to say just what they mean. But the Senator from Florida yesterday, and the Senator from Montana today, have apparently made it abundantly clear that there will be unlimited discussion of the pending matter by the particular group who are firmly opposing any legislation of any character, as a privilege of the Senate of which they intend to avail themselves very fully, although that particular group have been most vehement in opposing such tactics when availed of regarding FEPC and the anti-poll-tax legislation. I shall not undertake to counsel these gentlemen, but it would seem as though they might well count the cost of establishing precedents which may ultimately operate to their own disadvantage.

Mr. TAYLOR. Mr. President, I fail to follow the line of reasoning of the Senator from Maine. I do not see how any-

one who heard the argument of the able Senator from Florida could say that anything he said was irrelevant. I think it was a masterful address, and every word of it was to the point and on the subject. So far as I am concerned, I have been in the Senate a year and a half, and I think I can go back and count up the times I have taken the floor. In the year and a half I have taken up probably an hour and a half of the time of the Senate. If an hour and a half a year is too much for a Senator to take, then the Senator may accuse me of filibustering.

Mr. BREWSTER. I certainly did not intend to cast any invidious reflection on the Senator from Idaho, who has certainly been very considerate of the time of the Senate. He should have every opportunity for discussion. My reference was more to the language of the Senator from Montana recently on the floor, although this amendment had been for days before the Senate—this is the fourth day, I think—his very words were, "We have not yet begun to discuss the question."

Mr. MURRAY. I think the Senator is right in saying that we have not yet begun to discuss this subject. There are half a dozen or more amendments of the most vital character which if enacted would destroy rights labor has gained in this country during a struggle of over 50 years. It seems to me that the Senator is utterly unfair in intimating that the discussion which is proceeding is prolonged, or even borders on filibustering. I think every statement that has been made in connection with this subject since the debate opened has been relevant, and has been important.

Mr. BREWSTER. Mr. President, if the Senator from Idaho will yield further, I fear that the Senator from Montana has not been present, because during the discussion yesterday and the day before no one, even the most ardent champion, contended that very much irrelevant discussion had not taken place as a result of the yielding of the Senator from Florida. If the Senator from Florida were here I am sure he would confirm that statement. So I am sure that the Senator from Montana is mistaken and if he will read the RECORD, I think he can read hours of discussion on utterly irrelevant subjects.

Mr. MURRAY. My understanding was that when the Senator from Florida yielded, he said he would yield for some pertinent action on the part of Senators who desired to address the Senate on urgent matters. I do not believe that he understood they were intending to make prolonged statements. Of course, I do not agree with that system, and I do not think it should be followed. So far as I am concerned, I want to see the debate expedited, but I believe that the able and distinguished Members of this body who are prepared to address the Senate on this matter should be given full opportunity to do so. I understand the Senator from Wyoming [Mr. O'MAHONEY] is prepared to address this body tomorrow on very important problems involved in this matter. The able Senator from Utah [Mr. THOMAS] who is highly informed on labor-management issues intends to discuss the matter at length. A number of other Senators expect to follow them. They are all distinguished Members of this body, and I think they are entitled, by reason of their understanding of the problem, to present their views to the Senate. That is all we are desiring to do.

I can say, so far as I am concerned, that there is no intention whatever unduly to prolong the debate, but I do feel, in view of the importance and the vital character of the proposals which are being made here, that we should have every opportunity to analyze them and to present our views on them to the very fullest extent.

Mr. BREWSTER. The Senator has clearly in mind, has he not, that under the request for unanimous consent made by the Senator from Minnesota, each Senator would have been allowed at least 5 to 6 hours for the discussion of the bill and the amendments? So that the allotment of time under his request would have been extremely generous. If that time is to be exceeded, I am sure the situation will become very difficult.

Mr. MURRAY. In the first place, I protested because I think there is an insinuation that a filibuster is in progress here, when nothing of that kind has occurred. It seems to me, in view of the importance of the proposed legislation, that we should have the fullest opportunity to discuss it, without any intimation that we are engaging in a filibuster.

Mr. BARKLEY. Mr. President, will the Senator from Idaho yield?

Mr. TAYLOR. I yield.

Mr. BARKLEY. Mr. President, inasmuch as I have been asked questions about this matter, I wish to urge all Senators while this measure is under consideration to limit their discussions to the pertinent subject. It is pertinent to debate the provisions of a bill while a specific amendment is pending. We have all indulged in that practice over the years, and I see no objection to a discussion of the principles involved in a bill merely because there is an amendment pending and because the Senator does not confine himself altogether to the amendment that may be the pending business. But I hope that Senators will do their best to get ready to discuss the matter as promptly as possible. It is a very important subject. Nobody can deny that. While the bill has been before the Senate for 4 days, as a matter of fact, we spent one whole day on the draft extension, and that was lost time so far as this bill is concerned. So there really have been only 3 days up to now taken on the bill under discussion. Notwithstanding that, I feel that Senators ought to busy themselves. I am not trying to chart the course of any Senator, but in view of the importance of the legislation, and also of legislation that may be awaiting its termination, I hope they will busy themselves to get their remarks and addresses ready so that we will not have to delay the consideration of the bill in order to accommodate some Senator who is not quite ready to speak on a particular day. I make that suggestion in the utmost kindness and in the confidence that Senators will cooperate in that objective.

I probably shall have some remarks to make about the legislation before it is concluded. It is a terrifically important subject, involving the fundamental policies of this country, and I think every Senator who has strong convictions upon it ought to avail himself of the opportunity to discuss it. We cannot wisely legislate here without give and take. The intellectual friction created by the cross currents of thought contribute to clarity of thought here finally—we hope—maybe. Nevertheless it is an objective that we ought to seek to attain. I am very earnest in expressing the hope that all Senators will cooperate in bringing this whole subject to the consideration of the Senate as rapidly as possible, and that we may determine it in time to get other legislation out of the way that must be passed before any more deadlines are approached.

The draft legislation and the OPA legislation both involve controversy. Both of them in all likelihood will have to go to conference and there probably will be extended conferences on both measures. So we cannot wait until the time limit approaches before we dispose of those matters in the Senate.

I see no reason now to anticipate that we will get into a jam of that sort as the time limit again approaches. But I hope Senators will cooperate to avoid that. I have no reason to doubt that the Senators in charge of this legislation are fully in sympathy with that objective.

Mr. MURRAY. Mr. President, I wish to say that I am fully in accord with the expressions of our distinguished leader, and I can assure him that there is no thought on the part of anyone with whom I have been associated on this side of the question of unnecessarily prolonging the debate. But we feel that, in view of its importance, in view of the serious consequences of some of the proposed amendments, we should have the right to present this matter fully and completely, and I think that is what is going to be done. I do not think we are going to delay the Senate, but we do intend to present our views fully.

Mr. BARKLEY. I thank the Senator from Idaho for yielding to me. Is it the Senator's view that he will not be able to conclude his remarks today?

Mr. TAYLOR. I should like to have the floor when the Senate reconvenes tomorrow, if that is agreeable, or I will continue to speak tonight. I do not intend to make any protracted remarks. As I previously said, I have not imposed upon the time of the Senate unduly since I have been here. I have been very careful in that matter. But the matter under discussion is, I feel, the most important to come before the Senate since I have been a Member of this body. It is a question of taking away the fundamental rights of millions of Americans, and I should like to use an hour or two more for my discussion.

Mr. BARKLEY. Does the Senator desire to use it now, or does he prefer to use the time tomorrow.

Mr. TAYLOR. I will wait until tomorrow if the Senator would rather have the Senate recess now.

Mr. BARKLEY. It is 5:20, and if the Senator uses an hour or more it will take until probably 7 o'clock. I am perfectly willing to stay until 7 o'clock. I am willing to accommodate myself, so far as any motion I may make, to anything the Senator desires.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. TAYLOR. I yield.

Mr. KNOWLAND. I should like to say that should the Senator desire to continue this evening, in order to expedite the public business I should be glad, on this side of the aisle, to remain.

Mr. BARKLEY. Will the Senator yield further?

Mr. TAYLOR. I yield.

Mr. BARKLEY. I wish to say to all Senators that they have no right to complain if they are interrupted by other Senators, because every Senator who is on his feet and has the floor can decline to yield to any Senator. There is no offense intended when Senators wish to conclude their remarks without yielding. Senators can control the length of their speeches because they do not have to yield to any Senator.

Mr. TAYLOR. I thank the Senator from Kentucky.

STIMULATION OF GRAIN PRODUCTION

Mr. YOUNG. Mr. President, will the Senator yield to me for the introduction of a bill and to make a short statement in connection with it?

Mr. TAYLOR. I am glad to yield to the Senator from North Dakota if by doing so I do not lose the floor.

The PRESIDING OFFICER (Mr. OVERTON in the chair). The Senator from Idaho can yield to the Senator from North Dakota for the purpose requested, unless objection is made. Is there objection? The Chair hears none.

Mr. YOUNG. Mr. President, I ask unanimous consent to introduce a bill to encourage production of grains needed to relieve starvation by guaranteeing farmers a minimum price for such grains produced during the 1946 crop year, and ask for its appropriate reference.

There being no objection, the bill (S. 2208) to encourage production of grains needed to relieve starvation by guaranteeing farmers a minimum price for such grains produced during the 1946 crop year, introduced by Mr. YOUNG, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. YOUNG. Mr. President, briefly, this bill would make the recent ceiling prices raising wheat 15 cents per bushel, corn 25 cents per bushel, oats 5 cents per bushel, barley 9 cents per bushel, and rye 10 cents per bushel, the floor prices in place of the ceiling prices as announced by the Department of Agriculture. It would further make it mandatory for the Department of Agriculture to support such prices by both loan and purchase.

It is my opinion that only an act of Congress outlining a definite price policy to be followed by this Government in 1946 can give the assurance so badly needed by the farmers of what they may expect in prices for 1946 production. All during this war and up to the time that the 30-cent wheat bonus was announced, farmers generally believed that prices would be based on parity and that only occasional raises in price could be expected under the parity formula as production costs rose. The great majority of farmers in America have already disposed of their wheat and other grains to help feed the starving people of the world and the great majority of those in my area who have sold represent farmers in less favorable financial circumstances. In other words, the more wealthy farmers were able to hold their wheat and take advantage of the 30-cent bonus together with the increased ceiling of 15 cents per bushel. This, I believe, has been most unfair to those farmers who have sold and it has created a most chaotic situation.

Unless legislation as contained in this bill is adopted, no farmer can have any assurance as to what might be expected by way of prices for the 1946 crop. Further, it is my opinion that there will be a far greater tendency for farmers to hold their grain, speculating on possible future bonuses or increased ceilings. There is a great need for a definite farm price policy as is outlined in this bill.

Legislation should also be enacted by this Congress making retroactive the 30-cent bonus for all 1945 wheat production. Certainly those farmers who have disposed of their grain before this unusual order by the Department of Agriculture are just as much entitled to this additional price as those who have held grain.

There is also a crying need for more stability of farm grain prices throughout all the year. For example, in August 1945 oats were selling as low as 35 cents per bushel on the farms. Now, those farmers who have held can receive 70 cents or more at their local elevators. Potato prices through lack of support price purchasing last fall in the Red River Valley dropped to approximately half of the support prices pledged by the Department of Agriculture. Through lack of sympathetic understanding on the part of Col. J. M. Johnson, of ODT, more than 4,000 carloads of potatoes rotted on the farms this winter. These potatoes could have been saved if Colonel Johnson had listened to potato growers' pleas for more cars. I can see no reason why a government which sets ceilings on prices of grain at a time when wheat would probably now be selling for three or four dollars per bushel if there were no ceiling price—I can see no reason why it cannot make floor prices and support them throughout the year.

Mr. President, I ask unanimous consent to have inserted in the RECORD as a part of my remarks a news story from the Fargo Forum, Fargo, N. Dak., dated May 12, 1946. This story by Staff Correspondent John Burnham gives a better picture than I can of the chaotic situation existing in my State as a result of unwise and unfair Government policies.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"FAIR DEAL" WHEAT GROUP PROTESTS UNITED STATES POLICY OF ALTERNATING THREATS AND BRIBES TO FARMERS

(By John Burnham)

After spending half an afternoon hearing Glenn Talbott, State Farmers Union president, tell why the 30-cent wheat bonus "retroactive plan" was false hope, false economy and improbable of success, 120 county delegates to an organization meeting of the North Dakota Fair Deal Wheat Association at Lakota Friday proceeded with organization plans, naming a Farmers Union member their president.

George Hoople, of Hoople, veteran Walsh County potato raiser and active in various farm organizations, was chosen president; Elmer Sateren, McVille, is vice president. Sateren was one of those who planned that first "fair deal" meeting at Stump Lake, in Nelson County, a fortnight ago. Olaf M. Thorsen, the Grand Forks attorney, who has acted as counsel for several county "fair deal" groups, was elected secretary and treasurer. All officers were elected unanimously, although three or four whose names were proposed as nominees declined to serve.

As the meeting proceeded, perhaps as a result of Talbott's forceful lecture in economics, it became more and more clear that the purpose of organization was not solely to seek to make the 30-cent bonus payment retroactive for the 1945 crop. It was to protest a Government policy of vacillation, a policy of alternate threats and bribes, of adding marketing uncertainty on top of the farmers' constant burden of other uncertainties—weather, labor, machinery, drought, frost, cost, and availability of supplies, plant parasites, noxious weeds. While those 120 farmers seemed convinced of the Talbott reasoning—that efforts to make the 30-cent bonus retroactive would be "throwing money down a rathole"—yet they didn't want to go home without making themselves heard, without leaving the imprint of their honest anger.

Elderly farmers who plowed and seeded and combined during the war years, although they had reached an age when life should have eased up a bit, old men who went out in the sun and the wind to put in crops and harvest them, who had seen the younger men go to the recruiting offices and Army camps, leaving "dad" in charge—these grizzled veterans of North Dakota's harsh climate got angry when they were termed unpatriotic.

They had produced one hundred and sixty-one and one-half million bushels of wheat last year, an all-time record piled on top of two or three preceding wartime record crops. They marketed until elevators were jammed, pouring more than 100,000,000 bushels into the market last fall. Today there is perhaps forty to forty-five million bushels left on North Dakota farms, twice the normal carry-over.

An earnest chap at the top of the stairway explained it to a chum: "It was the 100,000,000 bushels we marketed last fall that kept them starving folks in Europe alive, not the 30,000,000 they'll get with this 30-cent bribe."

As the Lakota meeting opened, Robert Lee, of Grand Forks County, was picked as temporary chairman. Farmers from a round dozen of northeast counties were present—Walsh, Grand Forks, Pembina, Griggs, Steele, Nelson, Cavalier, Ramsay, Traill, Benson, and from Minnesota's Marshall County. Arvin Rasmussen, of Cavalier County, was named acting secretary.

Thorsen told of that first Nelson County meeting at Stump Lake, of the petitions of protest because the 30-cent bonus was paid only on wheat marketed under the certificate plan between April 20 and May 25, of bills in Congress asking that the bonus be made

retroactive for the entire 1945 crop. The Lakota meeting, said Thorsen, had been called to form a steering body to direct future action, to decide upon a program of directed action.

Lee told of his own experiences in wheat marketing, summarizing his attitude by asking, "If they were going to hold the line, why didn't they hold the line? They'd get the wheat anyway." But since they didn't hold the line, Lee reasoned, "a kick-back to us farmers is just as fair as the kick-backs that industry and labor are getting."

Thorsen interposed that "Personally, I think we have a good chance to get the 30-cent bonus made retroactive. Already a bloc of 17 Senators are for it. But we can't get it unless we make a fight for it."

Questions from the audience debated the source of the 30-cent bonus. One farmer was sure the bonus was paid by UNRRA. Another recalled that "Down at Fargo, Tom Campbell said 'your Government did this for you.' Does that mean UNRRA, CCC, AAA, or what?"

Lee called on Charles H. Conaway, Fargoan and secretary of the Farmers Grain Dealers Association, a trade association with an extensive membership of cooperative and independent elevators.

Conaway recalled "the broken faith" at the close of World War I, when patriotically-inspired bumper crops were tossed onto the market at rapidly shrinking prices, despite previous Government guarantees Conaway felt that "the 30-cent bonus should never have been offered" since wheat farmers earlier had learned to have faith in parity and ceiling prices. He staunchly defended North Dakota farmers against any implications of lack of patriotism, and promised that in whatever the Dakota meeting decided, "I have assurance from Governor Aandahl that the State government will be behind the effort to get a square deal for the farmers."

C. Norman Brunsdale, State senator from Mayville, gave the Farm Bureau position, cautioning that the vacillating Government policy may have a dire effect on marketing of the 1946 wheat crop. "The Texas crop will be coming onto the market in a couple of weeks," said Brunsdale, "and it would be a natural thing for farmers who market after May 25, when the 30-cents bonus expires, to hold back their wheat, waiting for a new bonus. What is needed," said the senator, "is an increase in the ceiling on wheat."

G. J. Stafne of Fargo, secretary of the State Farm Bureau Federation, told of the recent Fargo meeting when Farm Bureau leaders backed the plea for a retroactive 30-cent wheat bonus. He presented petitions asking for the bonus on a retroactive basis, and told of telegrams of support from other Farm Bureau units.

Talbott, called on to give the Farmers Union views, admitted that "it would be a popular thing for the Farmers Union to plump for this plan, this effort to have the 30-cent bonus made retroactive for the entire 1945 crop."

"But that 30-cent-bonus plan was a tragic and unnecessary mistake. The needy would have gotten their wheat without it; there was no need for this bonus plan, mounting confusion on top of confusion."

Talbott told how wheat farmers, for more than a decade, have practiced the plans of orderly marketing, and used the devices of orderly marketing, which the Government has provided. The CCC loan and other devices have encouraged gradual marketing over a 12-month period, rather than wholesale wheat dumping during a 60-day combining period, Talbott pointed out.

There was no question of patriotism, he said. Farmers had marketed when they could, until the elevators were full and the roads blocked. There was a succession of hazards—plugged elevators, no boxcars, snow-blocked roads, soft spring roads, road-weight limits, spring seeding—which kept a portion of the 1945 wheat crop on the farms.

The bonus idea, said Talbott, was sold to Clinton Anderson, Agriculture Secretary, also to President Truman and to UNRRA's LaGuardia, by Tom Campbell, member of the President's Famine Relief Committee, and world's largest wheat rancher. Campbell's idea, said Talbott, was that the 30-cent bonus would entice farmers to quit spring work long enough to haul their wheat to the elevators.

Telephone calls from his office to Paul Appleby, Assistant Budget Director in Washington, revealed, said Talbott, no information on sources of the funds for the 30-cent bonus. The CCC didn't have the money or the authority. The AAA was in the dark. The Agriculture Department didn't know. It was finally learned that the 30-cent bonus came through UNRRA, paid to CCC, which was domestic agent for purchasing the wheat and paying for it. Exceptions to this form of reimbursable financing by CCC, said Talbott, are those purchases by Russia for her own use, and by Britain to replace British cereal stocks which are being sent to Greece and the Balkans, to make immediate food available to answer the tragic need there.

Questions from throughout the room kept Talbott on his feet, reiterating that Washington, because someone had opened a Pandora's box with a 30-cent key, was facing a mounting bewilderment of questions.

"There is more and more confusion brewing," said Talbott. "Washington doesn't know the answers. All the elevators on the Soo Line in North Dakota are plugged. At Fessenden yesterday, Wells County farmers left their spring work and hauled wheat to town—then had to turn around and haul it home again, 15 or 20 truckloads of it, because the elevator was plugged. Suppose those fellows haul it in again, and can't get rid of it until after May 25—well, then, it'll be unanimous, we'll all be mad. The fellow who sold will be mad, the fellow who didn't sell will be mad. The fellow who got the 30 cents last week and misses out on the 15 cents next week will be mad.

"I called J. Monroe Johnson, head of the ODT in Washington, and told about these blocked elevators. Johnson said that was all applesauce, that we didn't need any more boxcars out here. I called LaGuardia, and he insisted we had plenty of cars.

"Then LaGuardia called the White House; the White House called the Department of Agriculture, and they said there were plenty of cars out here. So LaGuardia called back—he wanted some proof—so now our office is getting calls from all over the State, summarizing this elevator information."

There were questions from all over the floor: When would parity be recomputed? Why not support the Pace bill, in which labor would be computed in fixing parity? How about the Canadian wheat crop—are farmers north of us getting the 30-cent bonus? Let's ask both farm organizations—Farm Bureau and Farmers Union—to go on record backing this retroactive bonus.

Leo Nelson, of Sheyenne, expressed the changed tenor of the meeting when he said that "we are meeting primarily to formulate a group protest so this kind of thing (bonus for some, no bonus for others) won't happen again. I resent the insult which my Government handed to me as a farmer.

"But let's not butt our heads against a stone wall. Let's not make our only objective to get this bonus; let's prepare for the future."

"You mean," said Lee, "to be just another pressure group, like labor and industry and management? They all got their kickbacks."

"No," said Nelson, "but let's organize to protest against inequalities."

Orris Nordhougen, State senator from Minnewaukan, nominated Thorsen to the secretaryship, after Nordhougen's previous nominee, George Berntson, Edinburgh, declined the office of president of the State group. Berntson was unanimously elected when he wasn't present, and came in after recess for coffee, in time to protest the election and insist he would not serve.

The Hoople-Sateren-Thorsen group subsequently was elected to head the State organization, with chairmen of all county units becoming members of a board of directors.

Mr. YOUNG. I thank the able Senator from Idaho.

Mr. TAYLOR. I am happy to yield to the Senator from North Dakota.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. TAYLOR. Mr. President, when I took the floor I expected to be called a filibusterer, because of the bill of which I am speaking. It seems that nowadays anyone who is not willing to curb labor is a Communist; and naturally he would be anything else unsavory, including a filibusterer. I am sure that the Chicago Tribune and the Idaho Daily Statesman would take that view.

I am a little surprised to have some of my colleagues imply that I am filibustering, which I certainly am not. I am not an attorney. I cannot discuss the legal technicalities of the proposed amendments. All I can do is to address myself to the broad problem confronting us, and the question, Should we hog-tie labor? That is what it amounts to.

I am simply trying to show that if we are to start in the business of hog-tieing people, there are other interests in this country which could well stand being curbed.

I am trying to bring out the fact that labor is not a culprit. That is the attitude in which the whole question has been approached. That is the reason why we are considering this bill at the present moment. The miners have refused to go back to work. They did not go out on strike, but they have refused to go back to work, and so we must immediately enact a law which would compel them to go back to work.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAYLOR. I yield.

Mr. BARKLEY. It is entirely agreeable to me to suspend at this point; and it is entirely agreeable to me that the Senator have the floor tomorrow when the Senate convenes. However, the Senator from Wyoming [Mr. O'MAHONEY] has advised me that he wishes to speak tomorrow upon the convening of the Senate. No doubt he anticipated that the Senator from Idaho would conclude his remarks this afternoon. However, the Senator has been interrupted and has not been able to do so.

Mr. TAYLOR. I do not expect to take much more time. I have an article by Mr. James F. Lincoln, president of the Lincoln Electric Co., which I should like to read. It is not really an article. It is a labor plan which he has put into effect. I think it might be well for us to see that we do not have to legislate

in order to get along with labor. All we need is a little common sense.

I should also like to read a few excerpts from Mr. Wendell Berge's book.

Mr. BARKLEY. Does the Senator feel that an hour would be sufficient for him to conclude his remarks?

Mr. TAYLOR. I believe so.

Mr. BARKLEY. Mr. President, with the understanding that the Senator from Idaho will be recognized to conclude his remarks tomorrow, I am willing to have the Senate take a recess at this point.

Mr. TAYLOR. That is agreeable to the Senator from Idaho.

REORGANIZATION OF GOVERNMENTAL AGENCIES — REORGANIZATION PLAN NO. 1—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 594)

The PRESIDING OFFICER (Mr. OVERTON in the chair) laid before the Senate a message from the President of the United States, which, with the accompanying Reorganization Plan No. 1, was read, referred to the Committee on the Judiciary, and ordered to be printed, as follows:

(For President's message and Reorganization Plan No. 1, see today's proceedings of the House of Representatives on p. 5145.)

REORGANIZATION PLAN NO. 2—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 595)

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which, with the accompanying Reorganization Plan No. 2, was read, referred to the Committee on the Judiciary, and ordered to be printed, as follows:

(For President's message and Reorganization Plan No. 2, see today's proceedings of the House of Representatives on p. 5149.)

REORGANIZATION PLAN NO. 3—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 596)

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which, with the accompanying Reorganization Plan No. 3, was read, referred to the Committee on the Judiciary, and ordered to be printed, as follows:

(For President's message and Reorganization Plan No. 3, see today's proceedings of the House of Representatives on p. 5152.)

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. OVERTON in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. OVERTON, from the Committee on Commerce:

Sundry cadets to be ensigns in the Coast Guard; and

Several appointments in the Coast and Geodetic Survey.

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry officers for appointment in the Navy.

By Mr. GEORGE, from the Committee on Finance:

John Price Gregg, of Oregon, to be a member of the United States Tariff Commission for the term expiring June 16, 1947;

Edward Dana Durand, of Minnesota, to be a member of the United States Tariff Commission for the term expiring June 16, 1952 (reappointment);

Charles I. Lafferty, of Atlantic City, New Jersey, to be comptroller of customs with headquarters at Philadelphia, Pa. (reappointment); and

Nan Wood Honeyman, of Portland, Oreg., to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg. (reappointment).

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 28 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 17, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 16 (legislative day of March 5), 1946:

DIPLOMATIC AND FOREIGN SERVICE

Charles Ulrick Bay, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

Arthur B. Emmons 3d, of Massachusetts, now a foreign-service officer of class 7 and a secretary in the diplomatic service, to be also a consul of the United States of America.

PHILIPPINE WAR DAMAGE COMMISSION

Francisco A. Delgado, of the Philippine Islands, to be a member of the Philippine War Damage Commission.

Frank A. Waring, of California, to be a member of the Philippine War Damage Commission.

John S. Young, of New York, to be a member of the Philippine War Damage Commission.

UNITED STATES ATTORNEYS

James T. Gooch, of Arkansas, to be United States attorney for the eastern district of Arkansas, vice Sam Rorex, term expired.

Philip F. Herrick, of Puerto Rico, to be United States attorney for the district of Puerto Rico. (He is now serving in this office under an appointment which expired March 23, 1946.)

POSTMASTERS

The following-named persons to be postmasters:

CALIFORNIA

Loraine J. Grisingher, Arroyo Grande, Calif., in place of R. T. Kemper, resigned.

Stella C. Slack, Boron, Calif., in place of B J. Pratt, resigned

Eunice E. Fowler, Ridgecrest, Calif., in place of Mila Galbraith, resigned.

COLORADO

Gladys Robinson, Fort Garland, Colo. Office became Presidential July 1, 1945.

CONNECTICUT

Ralph H. Russell, Hadlyme, Conn. Office became Presidential July 1, 1945.

GEORGIA

Margaret W. Overby, Richland, Ga., in place of G. C. Alston, deceased.

ILLINOIS

Robert J. Beck, Cornell, Ill., in place of E. D. Husted, resigned.

Oscar Hayward Holman, Geff, Ill., in place of P. P. Simmons, transferred.

INDIANA

June Roberts, Owensburg, Ind., in place of Orvillia Lackey, resigned.

Clyde Brooks, Pleasant Lake, Ind., in place of A. E. Sewell, deceased.

IOWA

Florence H. Whittenburg, Dickens, Iowa, in place of G. F. Newton, retired.

Cyrus C. Peterson, Randall, Iowa. Office became Presidential July 1, 1944.

LOUISIANA

Alma L. Guillot, Goodhope, La., in place of V. J. Lambert, resigned.

MICHIGAN

Mildred E Bobb, Genesee, Mich. Office became Presidential July 1, 1945.

MISSISSIPPI

Beulah M. Wellenman, Stoneville, Miss., in place of V. L. Wellenman, resigned.

MISSOURI

Rosetta M. Lauck, Napoleon, Mo., in place of H. E. Jungeblut, retired.

Clyde D. Myers, Newark, Mo. Office became Presidential July 1, 1944.

Vernon V. Reynolds, Pomona, Mo., in place of M. D. Farmer, retired.

MONTANA

Jack Cruickshank, Bozeman, Mont., in place of H. H. Howard, deceased.

Henry J. Latsch, Fort Harrison, Mont., in place of A. D. Liberman, resigned.

NEW JERSEY

George B. Seals, Whitehouse, N. J., in place of W. B. LaTourette, deceased.

NEW MEXICO

Faustina Santillanes, Alameda, N. Mex. Office became Presidential July 1, 1945.

NORTH CAROLINA

Ralph Wade. Dunn, N. C., in place of W. E. Baldwin, deceased.

Robert L. Pitts, Sr., Spring Hope, N. C., in place to L. T. Bartholomew, removed.

NORTH DAKOTA

Fritz W. Liebig, Denhoff, N. Dak. Office became Presidential July 1, 1945.

OKLAHOMA

Johnnie Y. Elmore, Alma, Okla. Office became Presidential July 1, 1945.

Oliver C. Broking, Bokoshe, Okla., in place of E. D. Schimmel, transferred.

OREGON

Parthena S. Terrill, Talent, Oreg., in place of Jay Terrill, deceased.

PENNSYLVANIA

Norma D. Mashey, Bradfordwoods, Pa., in place of S. L. Crumay, deceased.

Stephen P. Veoni, Dagus Mines, Pa. Office became Presidential July 1, 1945.

John O. Anderson, Delta, Pa., in place of M. S. Macomber, resigned.

John William Conway, Grassflat, Pa. Office became Presidential July 1, 1943.

Robert S. Fenyus, Phoenixville, Pa., in place of C. A. Wamsley, deceased.

James Treemarcki, Pittock, Pa. Office became Presidential July 1, 1943.

RHODE ISLAND

Raymond A. Creegan, Providence, R. I., in place of M. F. Coyne, deceased.

SOUTH CAROLINA

R. Lucius Jumper, Gaston, S. C. Office became Presidential July 1, 1945.

McBride S. McFadden, Kingstree, S. C., in place of F. J. Watson, transferred.

Charlie V. Daniel, Nichols, S. C., in place of A. T. Elvington, removed.

TENNESSEE

Bennett L. Guthrie, Forbus, Tenn. Office became Presidential July 1, 1945.

Thomas Earl Hudson, Flintville, Tenn., in place of L. C. Goodwin, resigned.

Lex Taylor, Whitleyville, Tenn. Office became Presidential July 1, 1945.

TEXAS

James T. Butler, Crane, Tex., in place of C. H. Martin, transferred.

Mary E. Gimon, Lovelady, Tex., in place of W. F. Rayburn, deceased.

VIRGINIA

Ellen L. Peyton, Rapidan, Va., in place of E. W. Sims, resigned.

WEST VIRGINIA

Kermit Gress, New Haven, W. Va. Office became Presidential July 1, 1943.

WISCONSIN

William L. Edwards, Avalon, Wis. Office became Presidential July 1, 1945.

Harvey D. Kemper, Caledonia, Wis. Office became Presidential July 1, 1945.

Herman E. Beckman, Merton, Wis. Office became Presidential July 1, 1945.

Mabel Janssen, Underhill, Wis. Office became Presidential July 1, 1945.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 16, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Holy Spirit, faithful guide, we praise Thee that Thou dost carry light to those in darkness, and the poor and rich alike find the ways of sympathy and the paths of peace. Dear Lord, Thou who didst suffer for our infirmities, forgive us when we grope and fall on the altar stairs that slope through darkness up to God. Thou who dost give balm for the bruised reed and flame for the smoking flax, bestow Thy mercy like the wideness of the sea.

Our Father, breathe upon the soul of every nation and tongue, that humanity may be touched of God, that man may rise to the highest level of religious and political freedom. Hasten the hour when there will be no need to pray for the homeless, the ignorant, or the oppressed, when the kingdom of brotherhood shall prevail everywhere. Let Thy blessed benediction be upon our President, our Speaker, the Congress, and may all branches of Government work in harmony that its genius may find full fruition in the spirit of our Elder Brother Amen.

The Journal of the proceedings of yesterday was read and approved.

SPECIAL ORDER GRANTED

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent that after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered, I may address the House for 50 minutes today.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter from Mr. Irving E. Rogers, general manager of radio station WLAW at Lawrence, Mass., and in the other to include a letter from a constituent who is a captain in the Dental Corps.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include certain correspondence.

DOMESTIC AIR-MAIL RATES

Mr. BURCH. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 5560) to fix the rate of postage on domestic air mail, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RANKIN. Mr. Speaker, reserving the right to object, may I ask the gentleman from Virginia if this bill makes any change in the postage rates?

Mr. BURCH. Yes; it reduces first-class air mail from 8 cents to 5 cents per ounce. The bill has the approval of the Post Office Department, and the report of the Committee on the Post Office and Post Roads on the bill is unanimous.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the rate of postage on domestic air mail shall be 5 cents for each ounce or fraction thereof.

SEC. 2. As used in this act, "domestic air mail" shall embrace all mailable matter being transported as mail by air within the continental United States, within any Territory or possession of the United States, within any geographical area which is a protectorate of the United States, or between any of the aforesaid: *Provided*, That with respect to mail transported under authority of section 1 of the act of October 14, 1940 (54 Stat. 1175; 39 U. S. C., 1940 ed., 483a), the postage rate of 5 cents for each ounce or fraction of an ounce shall be applicable only to mail of the first class, and for all other classes the rates shall be as prescribed by that act.

SEC. 3. This act shall take effect on the first day of the second month following the month of enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, over 2 weeks have passed since the Anglo-American Committee on Palestine made its recommendation that 100,000 stateless Jews be admitted into Palestine. Nothing has been done. Britain now says it will consult the Arabs and the Jews. What kind of a cat-and-mouse game is the British playing?

Consultation with Arabs was not a condition precedent to President Truman's acceptance of the set-up of the committee. Arabs were given ample opportunities to express these views at the hearings of the committee. The Jews ask for no consultation. They, too, told their side of the controversy at the hearings.

Meanwhile, thousands of Jews are dying by the wayside.

There is talk of Arab peril. Arab peril—fiddlesticks! There are over a hundred thousand British Tommies in Palestine. The Jews do not fear the Arabs. They can take care of themselves, unaided. Thus, the committee becomes another British dodge and stall. Britain wants money from us. Let her fulfill her pledges first. Let the British say, out of the Psalms:

> According to the cleanness of my hands hath He recompensed me.

Or let the British follow the admonition:

> He that would eat the nut must crack the shell.

The SPEAKER. The time of the gentleman from New York [Mr. CELLER] has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a telegram and a letter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. JENNINGS]?

There was no objection.

[Mr. JENNINGS addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

[Mr. HILL addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SPRINGER asked and was given permission to extend his remarks in the RECORD in two instances and in each to include a newspaper article.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD on two subjects.

Mr. HAND asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an editorial and in the other a release from the War Assets Administration.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD on socialized medicine and include a radio address by Upton Close.

Mr. BENNET of New York asked and was given permission to extend his remarks in the RECORD.

SPECIAL ORDER GRANTED

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the disposition

of the business on the Speaker's desk any any other special orders heretofore entered, I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SALE OF TRUCKS TO GIMBEL'S

Mr. JONES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES. Mr. Speaker, I notice that a Cleveland auto dealer testified in a Senate committee that the War Assets Administration officials knew he and some others acted as a pool in buying the 600 surplus trucks which were later resold to Gimbel's department store of New York City. This store was enabled to make a gross profit of $263.04 per truck, or the tidy sum of $157,824. I wonder if that explains the large advertisements inserted by Gimbel to urge the continuance of the OPA, and I further wonder if the GI boys would not have liked to get those trucks at the price received by the Government.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include an editorial from the New York Journal-American.

Mr. BENDER (at the request of Mr. HUBER) was given permission to revise and extend his remarks.

DRAFT VERSUS ENLISTMENTS

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, there is a great deal of criticism in the press of the Congress of the United States for not voting the continuation of the teen-age draft. I think this is unjustified. I think the American people approve the action of the House of Representatives. I think there should be criticism of the War Department for not developing a long-range policy. They tell us we are to occupy Germany for 10 or 15 years. This, I believe, should call for special occupational troops. I think that if the War Department presented a plan for special occupational troops, paying them $125 or more a month, allowing them to take their families to the occupied areas, giving them ample leave each year to return home for visits, the Congress of the United States would approve such a plan and would appropriate the money necessary to take care of such a policy. Under these conditions it would be possible to secure men of mature age, who are better qualified for the kind of duty occupation troops are required to perform.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1947

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6335, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Topographic surveys: For topographic surveys in the United States, Alaska, the Virgin Islands, and Puerto Rico, $2,626,120, of which not to exceed $400,000 may be expended for personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be expended in cooperation with States or municipalities except upon the basis of the State or municipality bearing all of the expense incident thereto in excess of such an amount as is necessary for the Geological Survey to perform its share of standard topographic surveys, such share of the Geological Survey in no case exceeding 50 percent of the cost of the survey: *Provided further*, That $300,000 of this amount shall be available only for such cooperation with States or municipalities;

Mr. RAMEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the handicap under which the United States labors by reason of the lack of accurate maps over much of its area is recognized by all units of Government—Federal, State, and municipal. There is growing interest on the part of many States in accelerating mapping programs in order that reliable topographic information can be made available to aid them in preparing the most economical and best plans for the development of lands within their borders. The same need exists for the United States as a whole, for without the detailed data supplied by maps of this type it is impossible to plan wisely for many of the conservation activities of the departments of the Federal Government as well as other undertakings having to do with the best utilization of our many natural resources.

World War I found this country with a large part of its coast line unmapped and, consequently, difficult to defend had that been necessary. World War II found that little improvement in this respect has been accomplished during the intervening years. Well-made maps of these coast-line areas would serve not only civilian needs but military needs as well, thereby providing the information vital to the defense of the country were it ever to be invaded.

There is great need for the Geological Survey to accelerate its topographic mapping efforts throughout the country, but this cannot be accomplished even in small part by the appropriation of an amount of $2,626,120 which was reported out in this bill. Proceeding at a rate made possible by an appropriation of this amount would necessitate the country being without adequate map coverage for the next 100 years. While the $5,000,000 recommended by the Bureau of the Budget will not adequately meet the need for maps at the present time, it certainly reflects the urgent demand that exists at the moment.

The Clerk read as follows:

Mineral resources of Alaska: For investigation of the mineral resources of Alaska, $200,000, to be available immediately, of which not to exceed $65,000 may be expended for personal services in the District of Columbia.

Mr. BARTLETT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the cuts imposed by the Appropriations Committee on the Interior bill would so seriously cripple the basic program of the Geological Survey in Alaska that I am moved to call the committee's attention to the situation.

The amount appropriated for the fiscal year 1946 for investigation of mineral resources in Alaska was $150,000. This amount was supplemented by an allocation for Alaska work of $25,000 from the item appropriated for the investigation of deposits of strategic and critical minerals and by funds made available to the Survey for special investigations by both the War and Navy Departments.

In recognition of the expanding development of Alaska for which the investigation of its mineral resources is urgently needed, the Survey defended before the Appropriations Subcommittee an item of $312,500 for mineral resources work in Alaska for fiscal 1947. This was a moderate figure and was scaled to the Survey's careful appraisal of its minimum needs to do an effective job. The figure also included a small amount for the continuation for general use of some of the more important activities now being carried on at the expense of the War Department.

Furthermore, as defended before the Appropriations Subcommittee, the Interior bill included small amounts for Geological Survey functions other than those provided for by the item for the investigation of mineral resources. These amounts were $125,000 for topographical surveys, a most urgent need; $39,000 for classification of lands; and $25,000 for the start of systematic investigations of Alaska water resources. The item for topographical surveys was reduced to only $50,000, an entirely inadequate amount, and the other two items were eliminated.

I feel strongly that the amounts defended by the Geological Survey for all its Alaska responsibilities were considerably too small rather than too large and that any reductions will have a decidedly dilatorious effect on the activities of the Survey, activities that are of fundamental importance to the future progress of Alaska.

The Clerk read as follows:

Mineral leasing: For the enforcement of the provisions of the acts of October 20, 1914 (48 U. S. C. 435), October 2, 1917 (30 U. S. C. 141), February 25, 1920 (30 U. S. C. 181), as amended, and March 4, 1921 (48 U. S. C. 444), and other acts relating to the mining and recovery of minerals on Indian and public lands and naval petroleum reserves, and for necessary related operations; and for every expense incident thereto, including supplies, equipment, travel, the construction, mainte-

nance, and repair of necessary camp buildings and appurtenances thereto, $575,500, of which not to exceed $75,000 may be expended for personal services in the District of Columbia:

Mr. BARRETT of Wyoming. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to speak for a few moments on this section of the bill. It seems to me that it would have been the better part of wisdom for the committee to have granted this request of $114,500 for the Geological Survey. I rise, Mr. Chairman, to give the Committee the reasons which impel that conclusion. During the war, we supplied the oil, not only for our own forces but in a large measure for our allies. As everyone knows, we fought a highly mechanized war. Without a question of a doubt the one essential commodity that Hitler was cut off from was crude oil. The shortage of crude oil or of synthetic oil, and in particular of lubricating oils, had a great deal to do with the capitulation of Germany. Now then, Mr. Chairman, our supplies of crude oil are not inexhaustible. Because our allies were cut off, in a great measure, from their production, we were forced to supply about 75 percent of all of the oil used by the United Nations in carrying on the war. The contribution which we made to the war effort in this great irreplaceable natural resource will sooner or later bring this country to a day of reckoning.

It has been estimated that our resources of crude oil will last but 15 years. Others have made estimates as high as 2 or 3 times that period. But, at any rate, everyone recognizes that we must take such steps as will conserve our oil resources, and at the same time develop new pools and reserves for future use. In wildcat exploration operations, 19 out of 20 holes drilled prove to be dry and unproductive. The oil industry spends millions and millions of dollars each year in its effort to find new fields of production.

Now, you inquire, what does all that have to do with this item in the bill. Let me explain it in this way. Up until 10 years ago, less than 25 percent of the oil was recovered out of many of the pools in the country. Today recognized authorities advise that about 25 percent of the original content of the average oil field is removed by primary methods of recovery. For a great many years, both the industry and the Government have made extensive study to institute methods for proper secondary recovery which has resulted in capturing from the pools an additional 15 to 20 percent of the oil in the various pools. It is done in several ways. In one method they conserve the gas in the field and pump it back down into the sands, and this aids in the recovery of oil that would otherwise be lost. Another methods is to drive the oil out in a systematic manner by controlling and utilizing the water creeping into the sand. By another method compressed air is used. But the important fact to bear in mind is that here we have a case where we know that the oil is deposited in a given field, the problem then is to recover it.

It is not like drilling a wildcat well that probably will turn out to be a dry hole, but here you have a bird in the hand. It seems to me that common sense dictates that we bend every effort to increase the production from known oil fields so that the ultimate recovery will approach at least three-quarters of the oil deposits, rather than only 50 percent. Now, last year, the United States received nearly $9,000,000 in royalties from the public domain in the United States and, as I have said before in this debate, about half of that royalty came from oil produced on the public domain of my State.

The Geological Survey has a technical unit of many years' standing that has made extensive studies in the matter of secondary recovery of oil in known fields. This section has rendered great service to the oil industry and particularly to the small, independent oil operators. This unit employs highly technical men, including 10 petroleum engineers who are assisted by expert draftsmen, as well as a few clerks and stenographers. In order to carry on this activity, the Department requested this small appropriation of $114,500 which is a particular activity which has been cut in this item. If this cut is made, it will be necessary to discontinue and abandon seven incompleted studies on the feasibility of secondary recovery methods in various fields. These studies aid the oil industry and particularly the small operator by pointing the way to maximum production recovery and the prevention of underground waste of oil.

I am informed that studies presently being made in the following fields will be abandoned unless this item is reinstated in the bill:

First. Delaware-Childers field Oklahoma.

Second. Curl Creek field, Oklahoma.

Third. Lafitte field, Louisiana.

Fourth. Grayburg-Jackson field, New Mexico.

Fifth. Premier field, New Mexico.

Sixth. Rhodes unit area, New Mexico.

Seventh. Engineering study of the Eocene Reservoir of the Kettleman North Dome field, California.

Now I might state, Mr. Chairman, that the results of the studies in these fields are of inestimable value to operators in every part of the country. I have in my hand letters from every section of the country approving the splendid work done by this division of the Geological Survey, including a letter to the chairman of this subcommittee from the Mid-Continent Petroleum Corp., under date of February 11, 1946, which highly commends this splendid work done by the Geological Survey and I will ask leave to insert a copy of same in my remarks. I might add that all of these other letters which I hold in my hand are similar to the letter I am inserting and that, in my opinion, the entire oil industry of the United States believes that it would be wholly unwise to abandon this worthwhile unit in the Geological Survey.

MID-CONTINENT PETROLEUM CORP.,
Tulsa, Okla., February 11, 1946.

Hon. JED JOHNSON,
Washington, D. C.

DEAR SIR: The United States Geological Survey, Conservation Branch, Land and Leasing Division, under the able direction of W. E. Wrather, has for the past 2 years been carrying on some secondary recovery surveys in some of northeastern Oklahoma's older, shallower, and partially abandoned oil fields. This work, as I understand it, has been motivated largely as a war measure with the idea of making available to the country certain recoverable oil reserves.

The writer has been connected with and has worked toward the secondary recovery of oil in the shallow fields of Oklahoma, Kansas, and Texas for the past 19 years; has read with interest and understanding the two volumes thus far produced by this group, namely, Secondary Recovery Possibilities of the Hogshooter Field, Washington County, Okla., and Secondary Recovery Possibilities of the Nowata-Claggett Field, Nowata County, Okla.

Insofar as the company I represent is concerned, the studies up to date have not been of immediate interest because of the fact that we have no production in the two areas mentioned. These studies, however, indicate the method by which Messrs. Fox, Thigpen, Ginter, and Alden go about the work. It is our belief that these methods are practical and that the result obtained may serve as a practical basis for those producers in the area to proceed with the further exploitations of these old pools.

It is my hope that the means may be found whereby this work may be continued and expanded to other areas in Oklahoma, and we would recommend for study the fields of Tulsa, Creek, Osage, Okmulgee, Muskogee, and Wagoner Counties.

Secondary recovery work in Oklahoma has largely been confined to the shallower pools of from 500 to 1,200 feet in depth. The speculative element in pools of these depths is relatively small when compared to the risk in going into pools of from 2,000 to 3,000 feet in depth. There are in the counties mentioned above numerous small fields in the deeper-depth ranges, where the element of risk is so much greater that it becomes all the more important that the prospective producers have a sound engineering basis for their work.

I feel sure that it is the consensus of the major companies, who have engineering departments of their own, and probably to a greater degree among independent producers, that this work is well worth while and should be continued for a long time in the future if the secondary oil remaining in the old, partially plugged fields of Oklahoma is to be reclaimed for the benefit and use of the people of Oklahoma.

Yours very truly,
MID-CONTINENT PETROLEUM CORP.,
THOS. P. HARRIS,
Superintendent of Secondary Recovery.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield myself 2 minutes for the purpose of saying that in the past this committee has repeatedly complimented the Geological Survey on having done a very fine job during the war. As evidence of the fact that the committee means what it has said, the committee has allowed 2½ times the amount which was appropriated prior to the war. I think that is the best answer to the gentleman's speech. We also have allowed a slight increase over the current year appropriation for this agency. Now, with reference to any appeal to

Members to stay with the Committee on Appropriations right or wrong, let me say the committee has never asked Members of the House to stay with this committee right or wrong. We try to be right and think that we usually are right. We freely admit that the committee has made mistakes. The committee heard the evidence. I say that we have been rather liberal in recommending 2½ times the prewar appropriation for the Geological Survey.

Mr. KLEIN. Mr. Chairman, I move to strike out the last two words, and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. JOHNSON of Oklahoma. Mr. Chairman, I shall not object in this instance, but because of the fact that we promised to finish this bill today, I will be forced to object if there are others such as this.

Mr. KLEIN. I will say to the gentleman that I will not take 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. * * *.

Mr. RANKIN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Mr. Chairman, I demand that those words be taken down.

The CHAIRMAN. The Clerk will report the words objected to.

The Clerk read the words objected to.

The CHAIRMAN. The Committee will rise.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, certain words used in debate were objected to and on request were taken down and read at the Clerk's desk, and he herewith reported the same to the House.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read the words objected to.

The SPEAKER. The Chair holds that the words are unparliamentary.

Mr. RANKIN. Mr. Speaker, I move that his entire statement be stricken from the RECORD.

The motion was agreed to.

The SPEAKER. The Committee will resume its sitting.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6335, with Mr. COOPER in the chair.

The Clerk read, as follows:

BUREAU OF MINES

Salaries and expenses: For salaries and expenses necessary for the general administration of the Bureau of Mines, including $81,443 for personal services in the District of Columbia, and $85,000 for printing and binding, including the purchase of reprints of scientific and technical articles published in periodicals and journals, $176,243.

Mr. BUNKER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when it became evident that this country must in all likelihood enter the World War, there was a sudden but very much belated revival of interest in the utilization of the mineral resources of this country to produce materials needed for both war and peace. Such a revival of interest comes with every war, and we never seem to learn the lesson that haste makes waste just as much in the attempt to quickly bring dormant mineral resources into production as in any other field. In fact, what happened during the World War just ended was a demonstration on a grand and extremely expensive scale of the fact that the time to get our mineral resources ready for production is 20 years before an emergency arises.

The mining and metallurgical plants which were built to use our domestic materials during the war period but which were never actually brought into effective production represent truly hundreds of millions of dollars. We have alumina plants, manganese plants, chromium plants, iron furnaces, and countless other mines and plants, all built at Government expense, which never reached a state of real production and which are now surplus property worth only the smallest fraction of their cost. I am not charging inefficiency on the part of the Government agencies that built these plants. They were faced with an impossible task and they did all that could be asked of them.

The Appropriations Committee charges the Department of the Interior with inefficiency and extravagance and proposes that the work of the Bureau of Mines be cut back to something like prewar level. Has it not occurred to the committee that the necessary inefficiency and extravagance involved in expending hundreds of millions of the public's money for no result might well have been saved if the Bureau of Mines for 20 years preceding the war had not been held by the appropriations of Congress to impotency and ineffectiveness in developing the use of our mineral resources? The people and the Congress only awoke to what could be done in this direction in 1939. Only then was the Bureau given the necessary funds to make a start on its program of effective utilization of our mineral resources. Then they were faced with shortage of equipment, manpower, and every other difficulty which goes with starting an enterprise at the wrong time.

Nevertheless, the record of the Bureau of Mines during the war is a splendid one. Their developments of our mineral resources and of methods for utilizing them made major contributions to our war effort; but, like so much of the war effort, their new processes and new developments did not reach a point where major use could be made of them until the war was over. Many of them are still incomplete. Make no mistake; these developments will be needed for peace and for the next war. Now is the time when the Bureau of Mines can effectively utilize the equipment which it has put together. Technical men are available. The materials necessary for their work are available. Now is the time when the Bureau should be permitted to establish the continuing program of development, the lack of which was so very costly during the war period.

The amount of money which the committee proposed to save by the reduction of the mining and metallurgical work of the Bureau of Mines amounts to a mere three or four million dollars per year, but this three or four million is the difference between an effective, efficient, aggressive Bureau and a totally inadequate one. If this $3,000,000 a year were spent for the next 100 years it would still be more than repaid in a year or two of emergency attempt at production from dormant mineral resources. The cuts proposed by the committee would turn out to be the most inefficient and the most extravagant handling of public moneys that could be imagined.

We are not proposing to drop all development of atomic energy with the prospect of having to spend $2,000,000,000 in another emergency to make a development which should have been made over many years; we are properly proposing to continue with the development of atomic energy and to keep up to date on it. It is just as important not to drop the work which has been started on the development of our other natural resources.

I urge that we do not mistake the war work of the Bureau of Mines for something like the production of gunpowder which must be done during war because it cannot be effectively stored. The great expansion of the activities of the Bureau of Mines during the war took place not because of the war but because of the short-sightedness of Congress in not providing the funds so that the Bureau of Mines could have done its work much more efficiently and effectively in the peace years preceding the war. Just because it took a war to wake us up is no reason that we should promptly go to sleep the minute it is over and hope that in any future emergencies some divine providence will provide time for us to bring our natural resources into production, even with the inefficiency and extravagance which seems so distasteful to the committee. No one wants inefficiency and extravagance, but frugality and economy can be carried to the extreme of the farmer who finally taught his cow to live on sawdust; but, unfortunately, the cow died soon thereafter. Maybe we can force the Bureau of Mines to attempt to carry on its investigations and its researches without the necessary personnel, equipment and supplies, but soon we will find that it is no longer aggressive and no longer productive. The Bureau of Mines will have gone back to sleep.

Nevada, perhaps more than any other State, depends upon its mineral resources for its economic security. We are, therefore, vitally interested in the work of the Bureau of Mines in the fields of mining and metallurgy. We view with consternation the cuts made by the

Appropriations Committee. The vast war industries built up in Nevada must be replaced, at least in part, with peacetime activities if our increased population is to be provided with profitable work and if our new industrial cities are not to become ghost towns. The work of the Bureau of Mines in discovering new mineral deposits and in finding ways of utilizing our known mineral deposits is our greatest hope of bringing about the establishment of new industries in Nevada. Our gold and silver industry, put out of business by the Government during the war, must be reestablished. For this we need the help of the Bureau of Mines. Our wartime metallurgical plants for the production of manganese and magnesium must be converted to peacetime uses. The Bureau's program for this is well under way. While the great expansion of the Bureau of Mines' work in Nevada took place during the war its original purpose was to bring together the low-cost power of Boulder Dam and the abundant mineral resources of Nevada to provide metals for peace as well as war. It would be poor economy indeed to cut back the Bureau of Mines at this time to an extent approaching their prewar level of activity. We have been slow in waking up to the value of mineral exploration and pilot plant research. We should not lose the ground which we have gained since war clouds brought us to a realization of the importance of our mineral industry to our national economy.

Mr. ELLSWORTH. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, during the war the normal rate of depletion of our irreplaceable mineral resources was greatly accelerated. The grades of ores being mined and smelted are constantly becoming lower and lower. The problems of mining and treating them are, therefore, becoming more and more difficult. Intensive study and ingenuity are required for the solution of these ever more difficult problems.

We shall have to develop for the use of industry new technologies in mining and metallurgy so that these vast deposits of low-grade ores may be used in the most effective way for the welfare of the Nation. An active solvent domestic mineral industry is absolutely essential both to the national security and to the national economy.

In 1939, when war clouds were looming on the horizon, Congress realized that in case of a serious national emergency we would be short of certain strategic metals and minerals. At that time they called upon the Bureau of Mines to explore domestic deposits of these minerals and to devise ways and means of using them. All during the war, as new mineral shortages developed, we called upon the Bureau of Mines again and again to redouble its efforts, and it always responded magnificently to these calls. During the last 6 years it has examined thousands of mineral properties and has developed hundreds of them into producing properties. Having depleted our resources to an unusual degree during the war, the Appropriations Committee, by so sharply reducing the funds for this type of work, has said, in effect, "This work is no longer important. There will no longer be shortages of minerals." The actual fact is, however, that many of the minerals are now in much scarcer supply than they were during the war.

The cuts made by the Appropriations Committee in the Bureau of Mines appropriations relation to metallurgical research and pilot plants are so great that they will force the Bureau to abandon most of the pilot-plant work under way, and to substantially reduce the experimental and test work carried on at the several stations of the Bureau.

Since 1938, the Bureau of Mines has demonstrated conclusively the great value of pilot-plant work. It is only in this way that new metallurgical processes developed in the Bureau laboratories can be put into shape for adoption by industry in any reasonable period of time. The reduced appropriation in this bill would require the Bureau to return in a very large degree to the practice of carrying its work only to the point where it could be utilized by large corporations equipped and staffed to do pilot-plant work. If the Bureau does this work, then the processes can be taken up by small decentralized groups and provide employment under a system of free enterprise.

Several processes demonstrated in Bureau pilot plants have already been put into such commercial use. Examples are the electrolytic manganese process, processes for the beneficiation of industrial minerals and electrolytic antimony. Many processes developed during the war are now about ready to be put to industrial use. These include electrolytic chromium and cobalt, titanium, zirconium, natural gas reduction of zinc ores, and many beneficiation processes. If the Bureau's pilot-plant work on these activities is discontinued, the possibility of commercial uses of these processes will be set back many years.

The cuts made by the Appropriations Committee will not only require the elimination of most of the pilot-plant work of the Bureau of Mines, but will require a greatly decreased amount of basic research and testing work which is carried on for the direct assistance of the mining industry.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. GRANGER. Is it not a fact that the old method of exploration, exploration and search for metals, is just about a thing of the past, and if the Bureau of Mines or some other agency is not on the job to make these explorations, we will not have any new discoveries?

Mr. ELLSWORTH. That is absolutely correct. Personally, I am very much opposed to what we call Government spending. I feel, however, that money appropriated for the Bureau of Mines returns to the Treasury of the United States many times the amount spent by the Department, in the discovery of new minerals and metals, as the gentleman has suggested. So I view this appropriation for the Bureau of Mines as being a money-earning appropriation and not mere spending.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. ELLSWORTH] has expired.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last five words, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SPRINGER. Mr. Chairman, the pending measure, H. R. 6335, which is now in debate, relates to the appropriation for the Department of the Interior for the fiscal year ending June 30, 1947. At the outset I wish to compliment the Committee for the presentation of this measure with the reductions made, and I wish to congratulate the committee, and the participating members, for the careful and painstaking consideration given to this question. This measure comes to us in an unusual character, because the committee has made some worth-while reductions in the amounts requested by the Department of the Interior. In most all cases there is a request for a greater amount than the department has had in the past, and that policy should be entirely abolished by the departments, or the reductions should be made by the committee in such amounts as are proper under our present circumstances. We must begin to reduce and cut down our expenses of government, or we will never be able to approach the time when we can balance our budget. Our taxpayers are unable to withstand the very heavy demands made upon them, in the event the administration now in power continues to spend and spend the taxpayers' money for needless things, and in many instances for things which can well await the time when we can afford them. The bureaucrats, who appear to be trying to run this Government, do not have any concern over the struggle the people are having to earn the money with which to pay the taxes, and the tax money is the very money which they hope to spend—and that is the sole and only source from which this money can come. The fact is, our people are tired and worn by reason of the huge and unusual demands made upon them for more money. We have the terrific war debt before us, and this debt must be paid, yet those many and various departments of Government do not appear to give any concern over that huge obligation—because they continue to make their demands for more money, and in increased amounts over the appropriations made for them either before or during the war. We are just emerging from the late war, and the greatest concern to me—as we face each appropriation bill—is that each one is greater than the former measures in amount.

Mr. Chairman, we are advised that the Department of the Interior requested a much larger amount than that carried in this bill. The Bureau of the Budget approved, to my great surprise, the sum

of $346,765,830 for this Department for the fiscal year ending June 30, 1947. This committee has approached this problem with great concern, and they have reduced this bill from the amount approved by the Bureau of the Budget, in the sum of $346,765,830, down to the sum of $174,652,579. That, Mr. Chairman, is a saving to the taxpayers of the Nation of the sum of $172,113,251. It is my hope that the Members of the House will stand fast and decline to approve any amendment or amendments which will increase the amount now contained in this bill. We are at the crossroads, Mr. Chairman, and it is now time for those in the majority in this body to begin to recognize the fact that our people—our taxpayers—have to be reckoned with in the future, because they cannot endure the very heavy burden which is so frequently heaped upon them. They will rise up, I am certain, in their justified anger and put a stop to the policy of spending terrific amounts for useless and worthless enterprises, if this spending is continued. We must get back to normal as rapidly as possible, and we must begin to think of balancing our budget, and we must balance our budget at the very earliest moment. Any other policy or plan is destructive in our Nation, especially when we have a debt before us of more than the staggering sum of $280,000,000,000, and this debt, with interest, must be paid, otherwise the confidence of the people will be destroyed with respect to their Nation and their Government.

Mr. Chairman, there is but one time to begin to reduce our Government spending—and that time is now. It is well known that this spending spree, which has been continued throughout the period of time the New Deal has been in power, must come to an end. If that spending spree is not stopped, by those in power, ultimate disaster will unquestionably be the result. During the period of time I have had the privilege to serve as a Member of the House, I have approached each and every appropriation bill with care and caution, because I know of the problems of the people who provide that money by way of taxes. They have their struggle, and they have serious problems. Each and every dollar that is added to the debt of this Nation, tends to make the problem of the people a more serious one. There are many suggestions at the moment for spending more money—of making the problem of the people—the common people—a more serious one. The British loan is one of the problems which we will soon have before us. I am reminded of the words of wisdom that have come from the lips of Mr. Jesse Jones, who formerly occupied an enviable position in our Government, in which he condemns the program to make that loan, or any loan, to Great Britain. That same position has been taken by many of those both in and out of the Government, and that same position is now taken by multitudes of our good people throughout the Nation. They realize, of course, that if a loan is made to Great Britain, then we will be confronted with an application for loans by Russia, France, Turkey, and other European countries. If we make one loan and refuse other loans, we will gain the enmity of every nation which we refuse. We cannot finance the world, and we cannot feed the world. We have done, and we are now doing, all we can to aid the people in Europe and Japan—our former enemies—but I fear those in high places have promised, and are now promising, more than we are able to do. There is a limitation upon the ability of the people to continue to give and give for others. I shudder when I contemplate what we may face in the future, in our own country, because we will face a food shortage, and, perhaps, a financial disaster, if we go forward blindly. I call upon those in power to stop, look, and listen—I call upon the President to give great concern to these problems which are now so ponderous in our own Nation. I ask that extreme caution be observed, and that we proceed in the future, as any nation should that is involved in the greatest debt ever faced by any nation in the history of the world.

Therefore, Mr. Chairman, I wish to compliment this committee presenting this measure, because they have reduced and cut down the appropriation—and they have approached this problem in the light that any nation engulfed in a huge and tremendous debt should approach a problem of this character. Let us balance the Budget, and let those in the majority, who control the purse strings, aid the people, and the minority, in getting our Nation back to normal as quickly as possible.

The Clerk read as follows:

Operating mine-rescue cars and stations and investigation of mine accidents: For salaries and expenses necessary for the investigation and improvement of mine-rescue and first-aid methods and appliances and the teaching of mine safety, rescue, and first-aid methods; investigations as to the causes of mine explosions, causes of falls of roof and coal, methods of mining, especially in relation to the safety of miners, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, statistical studies and reports relating to mine accidents, and other investigations pertinent to the mining industry; including the construction of temporary buildings; equipment and supplies; travel expenses of employees in attendance at meetings and conferences held for the purpose of promoting safety and health in the mining and allied industries; purchase not exceeding two, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles; purchase of special wearing apparel and equipment for the protection of employees while engaged in their work; and not to exceed $76,000 for personal services in the District of Columbia, $838,776, of which not to exceed $500 may be expended for the purchase and bestowal of trophies in connection with mine-rescue and first-aid contests: *Provided*, That the transfer without compensation of four passenger automobiles to this activity from "Enforcement of Federal Explosives Act" is hereby authorized.

Mr. NEELY. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. NEELY: On page 54, line 24, after the words "District of Columbia", strike out "$838,776" and insert "$1,019,000."

Mr. NEELY. Mr. Chairman, the Committee on Appropriations obtained the sum of $838,776 shown on page 54 of the bill by slashing $180,224 from the Budget estimate. Unhappily, this reduction means parsimony. It does not mean economy. The action which produced the result impressively verifies King Solomon's observation that there is that withholdeth more than is meet, but it tendeth to poverty.

Not a dollar of the more than a hundred eighty thousand sheared from the Budget estimate will ever beneficially augment the contents of the Treasury, increase the wealth of the country, or promote the welfare of its people, because the entire sum that has been withheld will be stained with the blood of killed or crippled men. Moth and rust will corrupt it; thieves will break through and steal it; it will take the wings of the morning and fly away, never to return.

Please do not be unmindful of the nature of the services that will be unperformed if you ratify this parsimony. Please do not be unconcerned about the deplorable consequences that will flow from your ratification as certainly as the night will follow the day. Among the most important of the many services that will not be performed unless the Budget estimate is restored are the adequate operation of mine-rescue cars, the investigation of mine accidents, and research for ways and means of preventing mine disasters.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. NEELY. I yield.

Mr. MAY. Permit me to say that one of these rescue cars came into my district just before a slight mine explosion occurred. It was known and understood that by reason of some instructions and teachings provided by its personnel a disaster was avoided and only one man lost his life when otherwise a hundred might have been killed.

Mr. NEELY. I thank the able gentleman from Kentucky for having supplied a specific instance of a priceless service such as the operators of mine rescue cars are rendering daily in practically every coal-producing State in the Union.

And what is a mine rescue car? It is the equivalent of a life preserver, a life boat, or a life line to one who has been swept overboard on a storm-tossed sea. And what is the mission of the crew of a mine rescue car? It is to save human life by speeding the deliverance of agonized miners from cold, dark subterranean dungeons in which they have been imprisoned by falling slate, or coal, or rock, or earth; or by explosions of dust or gas, from the chilling dread of which no miner is ever entirely free.

Let all who vote on the pending amendment remember that, from the standpoint of danger, going to work in a coal mine is comparable to going to war against a merciless army equipped with every modern means of destruction, and that a miner while on duty is in constant peril similar to that of a soldier in the forefront of a raging battle. If you doubt the accuracy of this assertion, lend your ears to the recital of the following appalling facts, and you will be convinced that the miner's peril has not been exaggerated.

Mr. BUNKER. Mr. Chairman, I ask unanimous consent that the gentleman from West Virginia may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. NEELY. Mr. Chairman, during the 35-year period from 1911 to 1945, inclusive, 66,021 coal miners were killed in this country—an average of more than 1,886 a year; an average of more than 5 every day in every year. An accurate record of the nonfatal injuries suffered by coal miners from 1911 to 1930 is not available. But the record for the period from 1930 to 1945, inclusive, is before me. This is what it reveals:

A million thirty-three thousand and forty-five nonfatal injuries were sustained by the Nation's coal miners during these 11 years—on the average, 93,913 were injured every year; 257 every day; more than 10 were crippled or injured every hour of every day and every night of this entire period. Every coal-producing State has borne a part of the burden of this horrifying loss of life and shocking injury to those who have braved the danger, darkness, dust, grime, and fatigue of digging and loading billions of tons of coal.

A number of the members of the Appropriations Committee which reported the pending measure have first-hand information of the desolation of coal-mine explosions, which frequently snuff out the lives of multitudes and imprison hundreds of others in the twinkling of an eye. For example, one at Coal Creek, Tenn., in 1902, killed 184; one at Cherry, Ill., in 1909, killed 259; one at Littleton, Ala., in 1911, killed 128; one at Hastings, Colo., in 1917, killed 121; one at McAlester, Okla., in 1929, killed 61; less than a year later another disaster at McAlester killed 30; one at Millfield, Ohio, in 1930, killed 79; one at Duggar, Ind., in 1931, killed 28; one at Providence, Ky., in 1939, killed the same number, 28.

But the most disastrous of all this country's mine explosions occurred on the 6th of December 1907, at Monongah, W. Va., within 6 miles of my home. Have you ever been at the scene of a mine explosion soon after it occurred? Those who have will doubtless eagerly improve today's oportunity to restore the Budget estimate and thereby help to protect the miners of the present and the future against such hideous destruction as that of which they have learned. The morning after the Monongah explosion I, as an officer in the West Virginia National Guard, in obedience to an order from the Adjutant General of the State, took to the devastated mine a carload o. Army tents and set them up for use as temporary morgues for many of the 361 miners who had been slaughtered.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. NEELY. I yield to the gentleman from Iowa.

Mr. JENSEN. The gentleman will notice the next item, coal-mine inspection and investigation. The committee allowed the full Budget request for that item.

Mr. NEELY. That is quite true. But my amendment is wholly unrelated to the item to which the gentleman refers. I am discussing mine explosions—the disastrous effects of which my amendment is designed to mitigate.

Mr. JENSEN. The thing the gentleman is talking about is investigation of mine accidents. He is talking about the thing that happens after the accident. We did not take off a single dime from coal-mine inspection and investigation.

Mr. NEELY. Mr. Chairman, the brevity of my time renders it impossible for me to continue to yield for the discussion of irrelevant matters.

Mr. JENSEN. The gentleman wants to keep the record straight?

Mr. NEELY. That I purpose to do.

Mr. KELLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. NEELY. I yield to the gentleman from Pennsylvania.

Mr. KELLEY of Pennsylvania. The gentleman might state also that in every case where these explosions have occurred the Bureau of Mines rescue cars were immediately available and served a very distinctive purpose.

Mr. NEELY. Of course. And they and their crews have, within the memory of some of those present, saved the lives of miners without number. The adoption of the pending amendment will make it possible to save many additional lives in days to come.

The CHAIRMAN. The time of the gentleman from West Virginia has again expired.

Mr. KELLEY of Pennsylvania. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. NEELY. Mr. Chairman, let me for a moment return to the Monongah disaster. The tents which we had pitched were soon filled with the lifeless bodies of ghastly men; there were bodies without arms; bodies without legs; bodies without heads; heads without bodies. On every hand there were weeping fathers and mothers, wailing wives, sobbing little children, scenes of horror and outbursts of agony so heartrending that no language is adequate to describe them.

Distressing beyond expression is the realization that there will be other explosions in the future. Except the atomic bomb, nothing in the universe now known surpasses in power of destruction a coal-mine explosion. The sole sustaining earthly hope of survivors who have been entrapped in the remote sections of a mine by an explosion is the rescue car with its crew of experts. If such cars in adequate numbers are near, these terrified imprisoned miners may live. But without the service of rescue cars and crews these victims of disaster will probably die in agony—agony greater than any that Doré ever depicted or Dante ever described.

I entreat you to adopt the pending amendment and thus assure the necessary operation of rescue cars; thorough research in the matter of preventing disasters; the highest possible degree of safety for miners, and their prompt deliverance from every misfortune that endangers their lives or limbs.

In behalf of all the miners in this country whose days of duty are constantly overshadowed by the fear of tragedy and whose lives are in peril during their every hour of toil, I implore you ail to—

Throw out the life-line to danger-fraught men,
Sinking in anguish where you've never been:
Winds of desolation and billows of woe
May soon hurl them out where the dark waters flow.

Soon may the season of rescue be o'er,
Soon may they drift to eternity's shore,
Haste then, my brothers, no time for delay,
But throw out the life-line and save them today.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think all of us appreciate the very interesting and informative address that the distinguished gentleman from West Virginia has just made. The gentleman is a very convincing speaker. May I say that this committee was in session for more than 6 weeks. Had the gentleman come before the committee and made the speech that he has made at this time, they might have increased the bill. But the gentleman at no time honored the committee by appearing in support of an increase. The gentleman talks about restoring the reduction in the bill. The gentleman proposes actually to restore nothing. There is included in the bill now every dollar that we gave during the peak of the war.

Now this item has not been cut one dollar below what they had last year. We have recommended the same amount as the current year. I repeat that the gentleman did not appear before the committee to make any presentation with reference to this question. So how could the committee have the facts he has just given? The gentleman from West Virginia spent practically all of his time talking about the safety of the men. I am sure every member of this committee wants to provide every possible accident prevention, and as evidence would remind Members that we have allowed every dollar requested for inspectors aside from the same amount for general safety work as given last year. One would think, judging from his speech, that his entire amendment has to do with the safety of these men. But he does not stop there in his amendment. There are some other items involved that have little if any connection with safety. He talks mostly about safety and mine rescue and accident prevention as if this committee has been niggardly and stingy. May I call your attention to the fact that we allowed $373,217 for safety work which, I believe, is the peak that we have ever allowed at any time for the Bureau of Mines for this particular item. He does not stop there, though, in his amendment. His amendment is all-inclusive. The speech of the gentleman from West Virginia about the safety of

human beings is very appealing. He touched our heartstrings. Had he confined his amendment to the item he discussed, this committee undoubtedly would have been inclined to accept his amendment. But he does not do so. If you will examine his amendment it will be seen that it goes much further than that.

This committee is just as deeply interested in the safety of men as is the gentleman from West Virginia. Had he presented his case during the 6 or 7 weeks' hearings I am sure we would have resolved in any doubt in favor of anything that in the remotest way might have contributed to the safety of these men.

As evidence of the committee's attitude I call your attention to the next item following for inspectors where we have given every dollar asked for safety inspection work.

I call attention to the fact that this is one of the few items in the entire bill where we allowed the full amount the Department had a year ago. If we vote for this amendment, let us do so with our eyes open. Let us understand that there are other increases proposed in the gentleman's amendment. There is $18,660 for the Explosives Division, $75,000 for explosives research, and $22,442 for gas-explosion research. That is not included in this item as presented by the committee, but is included in the amendment. Remember that we have not cut out any existing funds. We gave them every dime they asked for last year and every dime they had last year, including $24,590 for explosives research. You can do a lot of research for that. We gave them $44,710 for gas-explosion research, the same amount they had for that purpose during the current year. That has little or nothing to do with the item the gentleman talks about. These are undisputed facts, and Members are entitled to the full facts.

Mr. DIRKSEN. Mr. Chairman, I rise in support of the amendment and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection?

Mr. DIRKSEN. Mr. Chairman, perhaps it is not generally known, but one of the demands that was made before bargaining could begin in the present coal strike was to include in the contract between the miners and the operators the provisions for safety included in the Federal regulations. There was objection. The objection by the operators was, first, it was impractical, and second, it would make coal cost too much. As the result of that, plus the demand for a tonnage tax and the demand for unionizing supervisory personnel, there has been no bargaining, and the country is distraught with apprehension as to what will happen when the truce terminates.

It is only fair to say that the miners in the coal areas of the United States have an argument on their side in the matter of health and safety. The number of miners who have been injured in the last 14 years in the United States is almost equal to twice the total number of miners in the bituminous fields, and you cannot laugh it off. You cannot laugh off the Bureau of Mines' figures that 17,600 miners were killed and 855,000 injured in the coal industry in the last 14 years. That is a verified figure. There is an inherent hazard about it. The thing the eminent Governor of West Virginia seeks to cure here is one of the principal causes. He seeks investigations that relate to the fall of the roof in a coal mine and other causes which accounts for over 50 percent of all the fatalities in the bituminous coal industry.

The committee is not to blame for this, and the gentleman from Oklahoma is so essentially right. The committee is not to blame. May I say parenthetically that when we get to the next item I propose to offer an amendment to increase it by $305,000, because mine rescue and safety and the whole fabric of safety is an indivisible thing that requires reports, it requires research, it requires work in Washington, it requires work in the field, and it requires investigations. Therefore, I feel that mine-rescue work, research, and coal mine investigations are all part of an indivisible function. It all relates to the safety of life and limb. You cannot divide that fabric. So we are dealing with the whole element of safety. I am interested in the amendment offered by the gentleman from West Virginia [Mr. NEELY] and also in the one I shall offer to the next paragraph. First, I quote some figures to show that the subcommittee is not to blame with respect to lack of inspectors for coal-mine investigations. In 1945, the subcommittee gave the Bureau of Mines 25 additional inspectors. In 1946, it gave the Bureau of Mines 26 additional inspectors. The fault does not lie with the committee. The fault lies in the Budget Bureau. Once the Budget Bureau tied the hands of Dr. Sayers in the Bureau of Mines, he could not ask for the things they had to have. The Bureau wanted 47 inspectors this year. They asked the Budget Bureau for 47 inspectors. That request was denied. The committee gave them virtually the Budget amount.

I do not quarrel with the committee at all, but I do quarrel with an executive agency of the Government that seeks to set up standards of safety for the men in the mining industry of the United States by being too parsimonious where life and safety are involved. In 1941 we passed the Federal Safety Act. It was predicated upon a need for 250 inspectors. The year it became effective the Bureau of Mines went before the budget officer of the Department of the Interior, in 1941, and said, "We would like to have 250 inspectors." How many did they get? They got 144. Then they had to go to the Bureau of the Budget. What was the final result? They got not 250, as they expected, not 144, as they expected from their own budget officer, but it was cut down to 107. This subcommittee has added 50 in the last 2 years. But that is not enough. There is a need for 250 inspectors. You need the money that our colleague, the distinguished Governor of West Virginia, is appealing for today if you are going to do the job for all the coal mines in 35 States of the Union. I absolve the subcommittee. But I am not going to remain silent when some person in the Bureau of the Budget tries to tell the subcommittee, the full Committee on Appropriations, and House and Senate, how many inspectors and how much money we need where human life is involved in an industry that is so inherently hazardous and one which has taken its toll in thousands of dead and injured. I live in an area where perhaps the second greatest coal mine disaster in the history of the country occurred. The Governor will remember the Cherry Coal Mine disaster. For a number of years every year, I would walk along slowly in the dead of winter with some of the widows and sons and daughters who still remained and go down to a little cemetery that is maintained perhaps a mile from the village and there engage with them in the fellowship of memory. They know something about these things and I know something about them, too. Members of the House, let me say this to you, in the name of conscience, where life and safety of limb is involved, we cannot haggle about a few dollars.

We seem to have money for so many other purposes. In the agricultural appropriation bill we provided $5,000,000 to eliminate TB from cattle as a safety measure for children and those who drink milk. We included $9,000,000 to inspect the meat industry of the country. For what reason—for the safety of the people of this country. There is a request pending in the Senate at this very moment for an authorization of $100,000,000 for cancer. In fact, it has also been pending in the House, and was introduced by Governor NEELY. For what purpose—for research to get at this dread disease in order that human life may be saved. In the Department of Justice appropriation bill, which was before us a short time ago, we provided enough money to hire 180 additional chaplains. For what purpose—for the spiritual welfare of people who have been committed to the prisons of the country because they have violated the laws of society.

We have included $3,400,000 for food and drug enforcement. Why? For the safety of the people of our country.

In the Commerce bill which was before us last week there was $6,400,000 for air safety, and another $9,800,000 for the Weather Bureau for aviation weather observations. For what purpose? When we appropriated for weather for the aviation industry, it was for safety purposes. I served for 2 years on that special Air Safety Committee and covered North America and South America a few years ago in the interest of safety. Now we are spending $15,000,000 annually to secure the lives of people who go aloft to speedily take a journey from one place to another.

Then, finally, in the Department of Justice appropriation bill that was considered a short time ago, about $431,000 was included for a very interesting and I suppose a very necessary purpose or purposes. What was it? For better refrig-

eration; for an athletic field; for hot water; for air compressors; for recreation facilities; for landscaping; for better plumbing. Where? In Alcatraz; in Leavenworth; in McNeil Island; Chillicothe, Ohio, and in the other Federal prisons of the United States.

Mr. Chairman, if we can provide about $450,000 to look after the physical welfare of the lawbreakers who have been put away, then, for this item and an item which I propose to offer, which will aggregate something over $450,000, surely we have that much money for the safety of life and limb of the men who go into the bowels of the earth and dig this indispensable commodity, coal.

Finally, let me say to the House, in the very midst of a coal strike can you think of a worse psychological time to cut back safety appropriations for those who are contending now for safety and welfare and health. Shall we let those engaged in a hazardous occupation feel that we in the Congress are insensible to health and safety. While the committee is not at fault, let us not allow the Budget Bureau to determine what the safety needs of the bituminous coal industry of this country are. Let us vote for this and the next amendment.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DIRKSEN] has expired.

Mr. ROBSION of Kentucky. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as I represent one of the largest bituminous coal mining districts in the United States and this is a matter of so much importance to the lives, limbs, and health of the miners, I ask unanimous consent that I may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, the Bureau of the Budget urged that there be appropriated $1,018,776 to pay salaries, appliances, and expenses necessary for the investigation and improvement of mine-rescue and first-aid methods and appliances and the teaching of mine safety, rescue, and first-aid methods; investigations as to the causes of mine explosions, causes of falls of roof and coal, methods of mining, especially in relation to the safety of miners, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, statistical studies and reports relating to mine accidents, and other investigations pertinent to the mining industry, and for other purposes.

The Committee on Appropriations approved only $838,776, a reduction of $180,000. That committee also approved an appropriation of $1,178,000 to carry on coal-mine inspections and investigations and for other purposes.

An amendment has been offered by the gentleman from West Virginia [Mr. NEELY] to restore this sum of $180,000 and bring it up to the Budget estimate and request of $1,018,776. The gentleman from Illinois [Mr. DIRKSEN], member of the Appropriations Committee, has offered an amendment to increase the amount carried in the bill, $1,178,000, by the sum of $305,000, making $1,483,000. These two items together, if these amendments are adopted, will increase the appropriation approximately $500,000 and will increase it $305,000 above the estimate and request of the Bureau of the Budget. The total for these purposes is $2,501,776.

I shall not indulge in any criticism of the Appropriations Committee or any other official or what has gone before us. These appropriations are necessary in our opinion to improve conditions in the coal mines and will greatly lessen the loss of life and further protection to the limbs and health of the miners. This is the matter that is now before you and me. The only question is what is the right thing and the best thing to do under the present circumstances. The Nation is confronted with the stoppage of coal production. One of the major demands of the miners is that there must be greater protection afforded to their lives, their limbs and their health in the coal mines of this country. They think it is of such transcendent importance that they refuse to bargain about other matters until they receive assurances of greater protection. Their spokesman, Mr. Lewis, insisted that there be set aside 10 cents on each ton of coal to provide a fund to take care of life and health conditions in the mines. It is claimed that this would create a fund of approximately $60,000,000 annually. According to press reports, this demand has been changed to a certain percent of the pay rolls, amounting to a like sum annually.

We may not agree with Mr. Lewis and the operators on this point but that is no reason why the Congress should not appropriate such sums of money as may be reasonably necessary to make our coal mines more safe. Statistics show that during the last 14 years, 17,000 miners have lost their lives and more than 1,000,000 other miners has been maimed and wounded in the mines. This does not, of course, include a great many who have either lost or had their health greatly impaired.

I have said many times that I know of no industry that is more uncertain and hazardous to the producers of coal or more dangerous and hazardous to the workers than the coal-mining industry. The industry has always been more or less a sick industry in peacetime. While some coal producers make money, others lose money. Some years ago when the Geneva Convention was considering the international question of the proper treatment of war prisoners, it was agreed that war prisoners could be forced to perform services for their captors, which was not normally overhazardous or dangerous to the lives and health of the prisoners. It was further agreed that war prisoners could not, under the Geneva Convention, be forced to work inside coal mines because such labor was unusually hazardous and dangerous to life, limb, and health. This dangerous condition was recognized by the leading men of the world and this is fortified by the fact, as we have stated before, that 17,000 miners lost their lives and nearly 1,100,000 were disabled in our mines in the last 14 years.

I know that many coal operators are just as deeply concerned for the lives and health of their miners as you and I are, while some other coal operators are not as concerned as they should be. Considering this industry, the Federal Government, the States, and the industry itself should adopt all necessary measures of safety and the States and the Federal Government should not be niggardly in providing funds to insure the safety of our miners.

Our Nation has been involved in a global war for more than 4 years. The mines were hit hardest in the loss of suitable manpower to operate the mines and to produce the necessary, essential coal for war purposes. They did not have the men, equipment, or facilities to fully and properly take care of the mines and that means that this great industry and the workers need more consideration from the Federal Government now than they did before the war. The distinguished chairman of the subcommittee and others have pointed out that this bill carries as much for this service to the mines and miners as did the appropriation for some previous year or years, but the fact is that we need more of this service in the coming fiscal year perhaps than we did in any previous year.

What excuse will you or I have to offer if we agree to cut down the appropriation for this service at this particular time? This bill provides for 157 mine inspectors. To do what? To inspect some 6,000 to 8,000 miles in 35 States. It requires 6 or 7 weeks to inspect a single mine of some of the large mines. Of course, this number of inspectors cannot do the job. It was originally thought it would require 250 inspectors to do a reasonably good job.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the distinguished gentleman from Pennsylvania.

Mr. EBERHARTER. Let me point out that this mine-inspection service includes not only coal mines but every type of mine where metal of any kind is taken from the earth, iron and gold——

Mr. ROBSION of Kentucky. Lead, gold, silver, copper, and other types of mines.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to my distinguished friend and colleague who represents a great coal-mining district.

Mr. MAY. Yes; there are more than 20,000 miners working in the mines in my district. I want to observe only this, that I am for economy, but not for economy at the expense of the life and limb of the men who work.

Mr. ROBSION of Kentucky. I thank the gentleman for his observation and active interest and effective aid on these amendments. There are about 30,000 miners in my district. We have taken billions of dollars out of the Treasury and hundreds of charitable organizations of our country have contributed

more billions in the last 5 years to send to people in foreign countries. Much of these great sums were used in providing medicine, medication, and hospitals, and to protect the lives of the people in foreign lands. Why should we deny the additional sum provided in these two proposed amendments amounting to approximately $500,000 to aid in protecting the lives, limbs, and health of approximately 500,000 miners and at the same time help to protect and preserve the mines. Explosions and other mine disasters represent tremendous losses to the miners and to the mine owners and a great loss of necessary fuel to the American people.

We have pointed out in the last 2 years that 17,000 miners have lost their lives and approximately 1,000,000 have been crippled and disabled in mines in the last 14 years; therefore twice as many miners have been killed or injured as there are miners working in the coal mines today. While there is sharp disagreement in the press and among the American people as to the justice or the wisdom of the demand of John L. Lewis on the tonnage or pay-roll assessment, many of these editors, commentators, and citizens agree that more effective measures should be taken for the protection of the miners and in working out a plan. I feel sure that many coal operators will join wholeheartedly in a program that will make the coal mines less hazardous.

While we are pouring our great sums to relieve conditions of the people in other lands let us not withhold the necessary appropriations to aid our own people. With this stoppage of production of coal the American people are beginning to realize the important position that the coal-mining industry occupies in our whole economic system. It is the great key industry. This we shall realize more fully if the stoppage of coal production continues for two or three more weeks. Our great industries will be paralyzed; transportation services will be reduced to a minimum; shops, mills, factories, and plants will close down by the thousands; million will be thrown out of employment and the lives and the health of the Nation will be greatly endangered. The American people are deeply concerned about this. It seems to me almost unthinkable that the leaders of the coal-mining industry and the leaders of the miners are unable to work out by collective-bargaining agreements in the American way, a settlement that will be just and fair to both groups and to the American people. If this strike continues who can say how many thousands of lives will be sacrificed and the health of hundreds of thousands of others impaired. I am deeply concerned about that matter.

I am interested in the health and lives of the American people generally as well as those engaged in the mining of coal, silver, lead, gold, or iron. The condition of the miners appeals to me as a matter of humanity and I am speaking in the name of humanity and the American people when I urge that the coal operators and the miners get together and settle their differences.

We had a serious coal-mine explosion some months ago a few miles from my home town which snuffed out the lives of 24 miners in the twinkle of an eye. Through the Mine Rescue Service of the Federal Government and the State of Kentucky, a number of lives were saved, and but for this training and service, in all probability not a life would have been saved. With proper investigations and inspections and cooperation on the part of the mine owners with the Federal and State officials this disaster could have been avoided.

No more heart-rending sight could be seen than the wives, children, and the parents of these entombed miners gathered about the mines. The mines were destroyed. These precious lives were lost and thousands were caused to mourn.

This is a serious and important matter, and we must take hold of it and help to solve it in the interest of the coal operators, the miners, and the American people.

The CHAIRMAN (Mr. PRIEST). The time of the gentleman from Kentucky has expired.

Mr. ROBSION of Kentucky. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, there is much yet to be learned for the protection of the mines and the miners. Thirty-five years ago many coal operators and experienced coal-mining men had not learned that coal dust was a very dangerous explosive. About that time a test was made by the Bureau of Mines near Pittsburgh, in Pennsylvania, to prove to the country that it was a powerful explosive. They placed a great quantity of coal dust in a steel tube. The coal dust did explode and jarred out windows of the houses for many blocks in the city of Pittsburgh and destroyed some buildings. It has been well said here that there is no explosive that resembles coal dust explosive except the atomic bomb itself. We now know such accidents are preventable. I trust the committee will accept these amendments. If not, I urge each one of you to give both of these amendments your support.

Mr. BAILEY. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague the Honorable MATTHEW M. NEELY, of West Virginia.

My interest in this matter stems primarily from the fact that of the 400,000 miners in the soft-coal industry more than 100,000, or 25 percent of the total, live and work in my State—the Nation's largest coal-producing State.

Since the matter of improved safeguards and better working conditions is the major item of controvery in the soft coal dispute, I submit, Mr. Chairman, that this is no time for the Congress to take a "pinch penny" attitude in making an appropriation to carry on improved inspection and safety methods in the coal fields.

It is a very sorry situation indeed in which we find ourselves. I wonder if through our own indifference and prejudice we as a Congress have not permitted a situation to exist that demands immediate action.

At least three major disasters have occurred in my State in the past 2 years—all of these were preventable. Yet the slaughter and maiming goes on unchecked. I am sure the committee will be interested in some authentic data taken from the files of the workmen's compensation commission in West Virginia and from the files of our State's selective service board.

Here are some startling facts:

First. From the year 1935 to 1945, inclusive, while our State was producing a total of 1,433,000,000 tons of coal, there was a total of 3,515 fatalities and 183,797 were injured.

Second. For the months of February and March 1946, the last 2 months before the stalemate began, there was a total of 50 fatalities and 4,237 injured.

Third. Between the attack on Pearl Harbor and VJ-day, a period of slightly less than 4 years, there were 170,237 West Virginians serving in all branches of the armed services. There was in this same period of time a peak load of employment in the mines in our State of 104,000. The fatalities in the armed services were 3,718 and the wounded and missing were 14,423. Among the miners the fatalities were 1,307 and the injured 73,778.

Fourth. The resultant condition is appalling. There was as a result of these mine fatalities during the war period a total of 3,176 children under the age of 16 years left fatherless. Yet the members of the Appropriation Committee, who the general public like to refer to occasionally as statesmen, would have the Congress assume responsibility for the continuation of this slaughter and maiming and neglect in order that they may boast of how they have saved the taxpayers so many million dollars. A saving measured in the tears, sweat, and blood of these unfortunate workmen and helpless mothers and children.

I know the gentlemen in charge of this bill on the floor will tell you that they did not reduce the item for coal-mine inspection. I ask what good is inspection without needed equipment and trained safety crews. This is the item they slashed.

I cannot escape the growing conviction that the many millions of dollars "sheared" from this Interior Department appropriation by the "meat cleaver" tactics of the several subcommittees will be swallowed up soon in a $3,750,000,000 loan to Great Britain. I fail to find anything in the Senate version of the loan agreement that would prevent Britain from using part of this money to rehabilitate and modernize its coal mines while we deny these same safeguards to a half million of our own citizens.

If this flat and frank statement, coming as it does from a consistent supporter of the administration's foreign policy, serves only as a danger signal, then my brief talk will not have been altogether in vain.

This slash of $180,000 from this essential activity cannot be justified. I implore the members of the Committee to rise above petty prejudices and punitive

action and restore the original sum approved by the Budget Bureau.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope the argument upon this amendment will not get utterly emotional and thus get away from a discussion of fundamental responsibilities in this matter. I am going to vote for the amendment offered by my distinguished friend from West Virginia. I am not going to vote for it on the basis of the argument which was made by the other distinguished gentleman from West Virginia [Mr. BAILEY].

I think there is a false conception as to the responsibility of the Federal Government in this whole field, and the responsibility of the State governments, and the clarification of this responsibility has not been pressed. We passed in 1941 the Federal mine-inspection law that gives rise to this appropriation. Is there anything in that Federal mine-inspection law or in any law that empowers the Bureau of Mines to go into West Virginia and force the State of West Virginia to adopt a single recommendation they may make in the line of safety? There is not. The only thing the Federal Government can do is to appropriate money to conduct investigations and research and make recommendations to the States. If the States neglect, as they have done, I am told, in many of these coal-producing States, to carry out the recommendations of the Federal Bureau of Mines, nothing can be done about it except to appeal to the collective conscience of the people of the States. The responsibility in that case is not to be placed upon the Congress of the United States or its Committee on Appropriations, as would seem to be indicated by some of the remarks of the gentleman from West Virginia [Mr. BAILEY]. The responsibility is right squarely upon the State administrations and the operators that have failed to carry out the suggestions of the Federal agency.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Ohio.

Mr. JONES. In line with that, and in support of what the gentleman has just said, I call the gentleman's attention to page 422 of the hearings, where the following occurred:

> Mr. NORRELL. What was the date of your inspection of this mine that exploded in Kentucky, the last date of your inspection?
>
> Dr. SAYERS. That was in August.
>
> Mr. HARRINGTON. August 1945.
>
> Mr. NORRELL. And you say they did not comply with your recommendations?
>
> Dr. SAYERS. They did not with the most essential ones.

That explains that mine operators do not follow the recommendations after the Bureau of Mines make them.

Mr. KEEFE. That is exactly the situation. I regret that some Members of Congress are trying to make it appear, in view of the emotional situation that affects the country today, that the responsibility for lack of safety in the mines is a Federal responsibility. The fact of the matter, from every bit of reading and knowledge I have on the subject, is that the responsibility traces right straight back to the State administrations and the private operators in those States that have failed in many cases to accept the recommendations of the Federal Bureau of Mines. I do feel that there is a very definite field in which the Government can and should operate, and it is because I have that feeling that I am going to support the amendment offered by the gentleman from West Virginia and the amendment to be offered by the gentleman from Wisconsin.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Let us do this on a fair and sensible basis. Let us not do it on an emotional basis, that the Congress has failed to carry out its responsibility and that, therefore, we have this terrible picture of death and destruction. Let us send the word out to those charged with safety in these mines in the various States and insist that these States meet their responsibility by carrying out the recommendations that have been made by the Bureau of Mines. Let us implement, if you please, the activities of the Bureau of Mines so that they may not only make recommendations but may carry the message to the miners and the people of these States that we will demand that their State administrations aand mine operators take action to make these mines safe. That is the function of the Congress. That is why I am going to support these amendments, because I believe it is a step in the right direction.

I yield to the gentleman from Kentucky [Mr. MAY].

Mr. MAY. I was about to suggest to the gentleman that when the Federal mine inspection bill was up in the House, I made the argument or suggestion that when you divide responsibility between the Federal Government and the State government you bring about a situation which promotes neglect on the part of one or the other.

Mr. KEEFE. May I say to my friend, as he well knows under the Federal-State relationship under the Constitution of the United States, the only way that a Federal inspector can get into one of these mines is on the basis that the coal is being shipped in interstate commerce. If the coal is being shipped in intrastate commerce, the mine owner can thumb his nose at the Federal inspectors and deny them access to the mines. But where the coal moves in interstate commerce, they have the right to go in and inspect. They have the right to make recommendations. They have the right to make suggestions. But unless the State will compel those operators to put those suggestions into effect, they will not do a single thing.

I yield to the gentleman from Pennsylvania [Mr. KELLEY].

Mr. KELLEY of Pennsylvania. The gentleman from Wisconsin is correct in the point he brings out regarding the Federal Inspection Bureau. However, this is an appropriation to the Bureau of Mines for investigatory work and scientific work.

Mr. KEEFE. That is for the purpose of making recommendations. I agree with that. For instance, the operation of these mine-rescue crews and stations is a very proper function for the Federal Government. I think it should be carried out in accordance with the Budget estimates.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. JONES. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from West Virginia [Mr. NEELY].

The Clerk read as follows:

> Amendment offered by Mr. JONES to the amendment offered by Mr. NEELY: Strike out "$1,019,000" and insert "$925,320."

Mr. JONES. Mr. Chairman, I plead with the gentleman from West Virginia and the other Members who have spoken in support of his amendment to accept the amendment to the amendment because everything that has been said so far in support of the gentleman's amendment will be done if we adopt the amendment to the amendment. At the same time we will save some $95,000. I can prove this statement by the hearings, at pages 413 and 414, part 1, under the subtitle "Explosive research." If the amendment offered by the gentleman from West Virginia is adopted, there will be $93,000 spent by the Bureau of Mines that has nothing whatsoever to do with the saving of lives of miners, mine rescue work, or mine inspection. Seventy-five thousand dollars of these ninety-three thousand dollars which will be saved by the amendment to the amendment is for investigations of the Munroe effect of explosions and its application commercially. Munroe is a man, I understand, in the War Department. Here is what the Bureau of Mines hopes to do with the $75,000:

> This has possibility of use in industry and needs further study. For example, if you wanted to put a hole through the roadway out here, the concrete highway, you can blow a hole through that and then put an explosive down through that hole and blow up the whole thing for demolition. It is quite useful.
>
> Then there are plastic explosives that have been developed. Here one takes a plastic material, sticks it on, and blows the object to pieces.
>
> How much use that will be in peacetime we do not know.
>
> We do know it will be useful.

Now, that does not have anything to do with saving lives in the mines. If you are interested in saving the lives of the miners, if you want to give to the miners the safety funds that the Budget allowed, then vote for the amendment to the amendment and vote down the original amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. JOHNSON of Oklahoma. The gentleman from Ohio has given the facts as they are. I wonder if we could not agree on this amendment to the amendment and go on to something else.

Would that be satisfactory to the gentleman from West Virginia [Mr. NEELY]?

Mr. NEELY. No. I desire a vote on my amendment in its present form.

Mr. JONES. The gentleman has made his full argument on the safety of the miners. This $93,000, $18,660 for the administrative office in Washington, and $75,000 for this explosive research, has nothing whatsoever to do with the safety of the miners, and if we adopt the amendment offered by the gentleman from West Virginia the Bureau of Mines will spend their money for this explosive research that has nothing to do with it. Is that not the true situation?

Mr. JOHNSON of Oklahoma. That is the situation exactly, and the committee is prepared to accept the amendment to the amendment.

Mr. NEELY. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. NEELY. The fact of the matter is that the investigation of explosives is of vital importance to the safety of every miner and every mine in the country. The accurate determination of the limits within which an explosive can be used without danger and the diffusion of all essential information on this point will be of inestimable value both to the capitalists who own and the laborers who operate the far-flung mining industry of the United States.

Mr. JONES. Let me straighten the gentleman out on that. This amendment to the amendment will provide safety, first-aid, mine rescue, accident prevention, inspection, and emergency work, $64,122 above what the committee reported in the bill. It will also provide just exactly what the gentleman has last said, $22,422 for gas explosives research. That is what the gentleman is talking about—the effect of explosives from gas in the mines. That is all that will be done for the purpose for which the gentleman has made his presentation. I wish you would accept the amendment to the amendment.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I wonder if we cannot agree to close debate on this amendment, and all amendments thereto, in about 10 minutes.

Mr. EBERHARTER. Reserving the right to object, Mr. Chairman, there are six Members standing. That would give only a minute and a half to each Member.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this amendment, and all amendments thereto, close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. HOOK] is recognized for 3¼ minutes.

Mr. HOOK. Mr. Chairman, I am certainly in favor of the amendment offered by the gentleman from West Virginia. I shall also vote in favor of the amendment which will be offered by the gentleman from Illinois [Mr. DIRKSEN].

I think there is no more important thing before us than the life and limb of those employed in the mines.

We have not only the coal mines to consider, as has been considered here, but we have other mines throughout the country. We have the great iron ore mines and the copper mines. There is very little inspection there. Yes; we have our county mine inspectors, in many instances by the mining companies controlled county mine inspectors. I am happy to report, however, in my district the miners by virtue of PAC–CIO we have been able to name good men in most instances who are not controlled. Even at that the big boys through State organizations and powerful lobbies hamper them in their work. I can remember just a short time ago when a little inspection of a shaft in an iron mine in my district would have saved 96 men from being entombed. A little inspection of an iron mine in my district also would have saved the lives of hundreds of men who were drowned in the bowels of the earth by water coming in and flooding the mine. All that happened after that disaster was that they sealed the mine shaft, left the bodies in there, and saved the funeral expenses. The only tombstone to these drowned miners is the rusted top of the shaft. A little inspection would have saved the lives of those men. It would have saved years of heartache to their families.

Yes; we also have explosives in those mines. Miners operate with explosives. Many men are killed and maimed in those mines. This $93,000 the gentleman from Ohio [Mr. JONES] is attempting to cut off of this appropriation might save many lives because it would do a lot to forward experimentation with explosives.

I trust that this body in its discretion today will vote in favor of the amendment to be offered by the gentleman from Illinois [Mr. DIRKSEN] and in favor of the pending amendment offered by the gentleman from West Virginia [Mr. NEELY] and will vote down the amendment to the amendment offered by the gentleman from Ohio [Mr. JONES]. This is one of the most humanitarian pieces of legislation I know of and can go a long way not only toward saving life and limb but toward bringing more of that commodity to the people.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The gentleman from Illinois [Mr. VURSELL] is recognized for 4 minutes.

Mr. VURSELL. Mr. Chairman, I rise in support of the amendment introduced by the gentleman from West Virginia, and also in support of an amendment introduced by the gentleman from Illinois, Congressman DIRKSEN.

These two amendments, if approved by the House, will add to the appropriation in the present bill approximately $485,000 in order to give the miners better safety conditions under which they will have to work.

Many Members of this House are advocating the gift or a loan to Great Britain of some $3,750,000,000. For my part, I am not supporting that loan, which would place an additional tax burden on the coal miners of America and also on all the other people. When we consider the expenditure of these billions to help Great Britain, I am rather amazed that we shall quibble about expending an additional $485,000 which would add 47 mine inspectors and, at the same time, continue the work looking to greater safety in an effort to bring about better working conditions for the miners who go down into the bowels of the earth and mine the coal which is essential to the industry and economic welfare of all of our people. I will take my position in the corner with the miners in an effort to help them, and I am perfectly willing to add this $485,000, because it will be an investment in the safety and the preservation of the lives and manpower of the miners of America.

Mr. Chairman, when I was home during the holidays a committee of miners headed by Mr. Pete Lenzini, of Centralia, Ill., called upon me urging that something be done along this very line in legislation to help bring better safety and working conditions to the miners. Upon my return to Washington I went into this matter and made a study of it to see if a law could be enacted by the Federal Government which would compel the States and those operating mines in the States to effect better safety conditions in such mines. I have been informed that the Federal Government has gone about as far as it can when it set up the Safety Act with reference to miners in 1941; that the Federal Government can recommend but that it cannot compel the States to follow out its recommendation.

If I had my way and it could be done, I would support a Federal act that would compel the mine operators in every State to live up to the highest safety standards possible in the interest of the miners.

I am told that we are short some 45,000 miners in the United States today and that the majority of those working in the mines are between 40 and 65 years of age. I know many miners in my district between those ages who have worked 54 hours a week for the past 3 years in an effort to help the Government win the war and may I point out to you that the American miner, in part, due to better machinery, produces 4 tons of coal a day to 1 ton produced by the British miner. I do not believe any group of civilian men in America has worked as long hours under as dangerous conditions and has contributed more to the winning of the war than the miners of America.

Mr. Chairman, I want to do something if this Congress can do it to better their working conditions and to guard their physical welfare. I need only to cite the figures that over 1,000 miners lose their lives every year due to their dangerous employment and due to the lack of proper mine inspection and proper safeguards being thrown around them.

In addition to this, many thousands each year are injured.

If we pass this appropriation, which will add 47 mine inspectors and which will better the conditions generally under which they work, it will help to preserve the lives of the men now working and will encourage more men to enter this

employment, which will be less hazardous under better safety conditions.

One of the great contentions which led to the present coal strike, which we hope will be settled soon, was this very question we are dealing with here today.

Let this Congress approve these appropriations and by so doing send out a message to the miners of America that the Members of Congress of the United States realize their just claim for better safety conditions under which they work, and that the Congress of the United States is moving in that direction with greater appropriations than ever voted to carry out research and better safety conditions under which the miners shall work in the future. Let us approve these amendments as an investment to preserve the life and to prevent accidents befalling the miners and let us continue along this line until the working conditions under which the miners of America work will be brought to the highest point of safety.

Mr. Chairman, I hope the Members will increase this appropriation by an overwhelming vote. It would be a fine humanitarian move.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The gentleman from Pennsylvania [Mr. EBERHARTER] is recognized.

Mr. EBERHARTER. Mr. Chairman, along with many other members of the committee I am unable to understand why the Subcommittee on Appropriations made such an extreme slash in the recommendations of the Bureau of the Budget. Let me call your attention to the fact that the committee recommended to the Congress a reduction for this one item, Bureau of Mines, the sum $8,832,961, mind you, a reduction under what the Bureau of the Budget thought was necessary of $8,932,000.

Mr. Chairman, the amendment offered by the gentleman from West Virginia only calls for $180,000 additional for safety purposes. Surely we can vote that amount into this measure. The amendment to be offered by the gentleman from Illinois [Mr. DIRKSEN], will only propose the restoration of $250,000. Surely we can put that little bit in the bill when the committee recommended a cut of over $8,000,000.

Mr. Chairman, most of the public in the United States are horrified by the spectacular mine disasters, but that is not the greatest danger to the welfare and to the safety of the men engaged in the coal-mining industry. The public does not know, and very few Members of Congress know, that there are six times as many fatal accidents from the falling of slate and the falling of rock than there are from these great mine disasters that we read about in the headlines. There are six times as many every day, every minute of the day. Last year and for several years the average number of fatalities in the United States from the falling of coal, not from explosions and from other disasters, was about 700 to 1,000 annually. Keep that figure in mind. That is why this money should be given to the Bureau of Mines, so that they can carry on their research, so that they can make recommendations which will bring about greater mine safety.

One of the great and main causes at this time of the prostration of the economy of the country is the coal miners and the coal operators fighting over safety and welfare provisions. As one Member well said, Would this not be a very illogical time to cut the recommendation of the Bureau of the Budget, cut down safety research and measures which this Congress owes to the miners? Practically all coal mined is shipped in interstate commerce, and it is the duty of the Government of the United States, and not that of any one State or any one company, to carry on this research and to develop every safety measure possible.

Mr. Chairman, I have always had confidence in the committee of which the distinguished gentleman from Oklahoma is chairman, and I have generally followed him, but in this instance I confess that I feel his committee has not given proper consideration to this particular matter.

Mr. Chairman, I want to state for the record some of the details of the work the Bureau of Mines is entrusted with and what it can accomplish.

OPERATING RESCUE CARS AND STATIONS AND INVESTIGATIONS OF MINE ACCIDENTS, BUREAU OF MINES

While mine disasters are spectacular, they cause normally only 8 to 10 percent of coal-mine fatalities in the United States, but accidents from falls of roof and coal cause 50 to 55 percent or nearly six times as many. Coal-mine fatalities from falls of roof and coal aggregate 700 to 1,000 annually.

Readily available methods are known for the prevention of mine disasters; and their rate of occurrence as well as rate of fatalities from them have been reduced more than 80 percent in recent years as compared with 25 to 30 years ago. The fatality rate from falls of roof and coal has been reduced little in the past quarter of a century. But the amount is so little as to be negligible and this is the main reason why the coal-mine fatality rate in the United States has remained much higher, on an exposure basis, than in European coal mines.

Before real progress can be made in holding our coal-mining fatalities to a reasonably low number, much must be done in trying to reduce falls of roof and coal accidents. Relatively little progress has been made and it is desirable that the Bureau of Mines carry on an intensive study of the problem of reducing accidents from falls of rool and coal, and to do this, additional personnel should be provided in the Safety Division.

Ventilation always has been the keystone of safety, and probably health, in mining, especially coal mining, yet almost invariably mine inspectors encounter defects in ventilation practice, procedure, and often in installation in their examinations of coal mines. The problem of ventilating coal mines is an intricate one for many reasons, by no means the least being the fact that daily extraction of coal changes conditions. This flux in connection with underground conditions has been greatly intensified by the spread of mechanization of coal mines of the present and of the past few years, and the vastly increased progress in any one place in a mine due to mechanized processes in mining has so altered past concepts of safe ventilation practice that mining people, including inspectors, are now much "at sea" as to what can be done to change ventilation procedures to keep them up to date with changes in mining processes.

Ventilation deficiencies in mechanized mines have been responsible directly or indirectly—and usually directly—for at least 90 percent of the coal-mine disasters of the past several years.

The Bureau of Mines proposes to place 3 coal-mining engineers on studies of mine ventilation, to be scattered fairly well through the 25 or more States now producing coal, to try to ascertain suitable methods of ventilating coal mines—especially those on a mechanized basis—to try to keep ventilation practice up to date with changing mining procedures, and to try to prevent mine disasters, as well as to decrease ill health and accidents.

The substitution of electrically operated machinery for most of the underground mining processes, including loading of the material, has been going forward with increasing rapidity in both coal and metal mining in recent years, and with the necessity for maximum mineral production because of the war and its aftermath, coupled with greatly decreased manpower available, this mine mechanization is being very greatly expanded insofar as equipment is available.

The effect of this complete mechanization of many, if not most of our mines, on accident occurrence, is certain to be unfortunate in the increase of serious nonfatal accidents, single fatalities, and major disasters unless suitable precautionary measures are taken; this hazard will increase as the mechanized equipment becomes worn and out of repair, with difficulty in obtaining replacements of machines as well as parts of machines. At present there is no well-defined procedure known to avoid an increase of accidents, especially major explosions and fire disasters due to substitution of mechanization; a complete Nation-wide study should be made in both coal and noncoal mines, and its results given to the mining public.

The reduction in the estimates for research in explosives, which is one of the larger phases in safety in mining, will be seriously handicapped by the reduction recommended to the House.

The Bureau of Mines has employed an outstanding scientist with 16 years' continuous experience in explosives. It is necessary that his immediate office staff be supplemented, for proper administration and planning and directing the work of the Explosives Division.

Explosives and blasting devices are necessary industrial tools, particularly in the mining and quarrying industries, and it is recognized that certain hazards are associated with their manufacture and use. Such hazards must be evaluated and controlled to safeguard life and property. Continuous and adequate research is required to keep pace with the development of new explosives

and changes in mining methods. The Bureau of Mines has made notable contributions to, and shared in the advance of, explosives technology in general, and has served in a consulting capacity to other Federal agencies and industrial concerns with related problems. Many of the research projects of the Explosives Division were of inestimable value to the Safety and Security Division of Army Ordnance in carrying out its safety program, and formed the basis for a considerable part of their safety requirements. Other agencies benefiting were Naval Ordnance Laboratory, Ammunition Development Division of Army Ordnance, Chemical Warfare Service, Office of Economic Warfare, and joint Army-Navy Ammunition Storage Board. Because of this assistance on problems specifically requested by various branches of the armed forces, normal research on explosives was drastically curtailed during the war. This project represents a continuation of the explosives-research program with expansion to meet the urgent requirements of peacetime application of the many wartime developments which will lead to cheaper and better explosives.

To protect the very life of the Nation there must be no lagging in explosives research. The Bureau of Mines has, and must continue to play, a vital part in this protection, as it is the only peacetime organization qualified to carry out the objectives of an adequate research program in this field. The Bureau will be called on by other Government agencies and by industries to make recommendations as to safe methods of manufacture, storage, and use of new explosives, blasting devices, detonators, and so forth, and it is essential that the Bureau provide a reservoir of fundamental knowledge, skill, and trained personnel ready to serve as needed. This can only be done through continuation and expansion of the explosives-research program as outlined.

Because the Gas Explosions Research Laboratory is the only one in the Federal Government entirely devoted to problems relating to explosion hazards of combustible gases and vapors, other Government agencies and industry look to the Bureau for advice relative to the latest information on these explosion hazards. Members of the laboratory personnel serve on several committees dealing with hazardous combustibles and chemicals, through the activity of which safety in the manufacture, transportation, and use of various hazardous materials is brought to the attention of the public and put to practical use. To aid in safe mining practices, particularly in gassy mines, and to aid in protecting life and property in the manufacture, storage, and shipment of volatile combustible solids and liquids, additional fundamental data on the mechanisms of the initiation of fires and explosions are needed in order that mining and industrial operations may be carried on more safely.

There is lack of technical information on ignition of and propagation of flame in combustible mixtures flowing at high velocities and varying pressures in pipes or burner tubes. Effect of varying velocity and pressure on case of ignition and on speed of propagation of flame has not been determined. Such data are necessary to safeguard development work on combustion equipment employing burner tubes or pipes containing flowing combustible mixtures, and on development of gas-turbine and jet-propulsion equipment. Large-scale studies should be made to obtain fundamental information on the mechanism of ignition of combustible mixtures at different pressures and flowing at high velocities in pipes or burner tubes. These studies should include determination of the energy required for ignition by such igniting sources as capacity discharges, fused wires, and incentive mixtures. Studies should also be made of the propagation of flame in different mixtures at different pressures and throughout a range of velocities. The effect of the geometry and size of the confining duct or tube should be investigated. As information is gained in the study, the effectiveness of methods of arresting flame and relieving pressures in systems containing flowing combustible mixtures should be studied. The Bureau of Mines has already received requests for such information from groups or individuals working on the development of jet-propulsion equipment. Safeguards will be required in such developments and the Bureau of Mines will be called upon to make recommendations because of its background of experience in the explosion hazards of combustible mixtures.

Mr. Chairman, I hope the amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHIPERFIELD. Mr. Chairman, I rise in support of the amendment by the gentleman from West Virginia [Mr. NEELY] and the amendment about to be offered by the gentleman from Illinois [Mr. DIRKSEN].

I represent one of the major coal-producing areas in my State, and I, therefore, am extremely interested in the safety and welfare of those who work in the mines.

No one with the slightest knowledge of the coal-mining industry can help but realize its inherent dangers, especially the hazards of deep-mine operations, and the numerous lives which have been lost and the thousands upon thousands of injuries which have occurred.

While there undoubtedly is a joint responsibility between the Federal Government and the various States where the coal-mining industry exists to promote the safety of working conditions in the mines, I believe the Federal Government should go further than is purposed by the committee at this time.

I, therefore, favor the amendments of the gentleman from West Virginia [Mr. NEELY] and the gentleman from Illinois [Mr. DIRKSEN], which would provide additional appropriations for first aid, mine rescue, and accident prevention, and would permit an increase in the number of inspectors.

These additional funds would also allow for further research in gas explosion all of which would tend to bring about greater safety and better working conditions in the mines of this country.

It seems to me in the name of humanity we cannot do less. When we are spending money for many purposes all over the world, let us at least spend this small additional amount to help save the lives and prevent the injury of our own miners.

The CHAIRMAN. The Chair recognizes the gentleman from Wyoming [Mr. BARRETT].

Mr. BARRETT of Wyoming. Mr. Chairman, I have been astounded at the figures recently coming to my attention that nearly 1,000 men are injured each week and about three men killed each day in the coal mines of the country.

It seems to me, Mr. Chairman, that it is high time the Congress of the United States takes steps to remedy this situation. I am not at all impressed with the argument made by the gentleman from Ohio to the effect that the item of $75,000 for explosives research has no bearing on safety measures in the mines. Now, the fact of the matter is that out of every war we learn a good many things that prove very useful in the postwar period. The Bureau of Mines made extensive studies for the Army and the Navy in explosives research during the war. From those studies, as the gentleman from Ohio points out, came the Munroe effect. It is accomplished by the use of shaped charges. Out of those studies they have learned how to handle explosives in such a manner as will make for more efficiency as well as for greater safety in mining coal.

I heard the gentleman from Ohio quote the hearings at length to the effect that safety was not involved in this matter, but he neglected to read the last paragraph of Dr. Sayers' testimony wherein Dr. Sayers made the significant statement:

> Dr. SAYERS. That is correct, sir. I think it is fully justified to spend $100,000 on explosives research. I mentioned a while ago the changes in mining mechanization, the need for an increase in size of a charge in blasting, the type of charge that can be used, the way of using that charge. Those studies need to be carried out in order to be able to mine efficiently and safely.

I submit to you gentlemen that this is essentially a study for safety purposes. Consequently I hope that the amendment offered by the gentleman from Ohio to the amendment offered by the gentleman from West Virginia will be defeated.

Everyone knows that coal miners work under extremely unhealthy and exceedingly dangerous conditions. They make their living deep down in the bowels of the earth. It is damp and cold and mean work. During the war the average miner worked 54 hours a week for the sum of $63 a week. Although the miners were working in an essential defense industry they knew that others were receiving much higher wages in the so-called defense plants and working under much better conditions. I do not

think there is one man in a thousand that would go down into one of these mines and do the work that the miners are required to do.

Many of the miners in my State come from foreign lands. They have become good citizens of their adopted country. They have educated their children in the schools and university of our State. Their sons will not work in these mines if they can help it. Their parents do not want them to under the conditions that were forced upon them. I don't blame either the parents or their sons. I hope this amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr KELLEY].

Mr. KELLEY of Pennsylvania. Mr. Chairman, I am not going to take the full time. The subject has been well covered.

I may be pardoned for making a personal reference. I have been in the coal-mining business for 40 years. I think I know something about the problems of coal mining and I think I know something about the contribution the Bureau of Mines has made. The amount of good it has done, and the benefit it has contributed to the safety of the industry, cannot be calculated.

The condition of the coal mines is not static, it changes every hour, it changes every day, it changes every year. Therefore, the scientific work conducted by the Bureau of Mines will never be complete. Instead of curtailing the funds for scientific research and safety for the mines, they should be increased.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. In keeping with what the gentleman from Pennsylvania states and with further reference to the statement of our colleague from Pennsylvania [Mr. EBERHARTER] that in the anthracite areas there is special significance to the dangers and the death rates from the fall of rock because of the depth of the slopes and the deep mining in the entire anthracite area, for those reasons, if no other, I concur with and support the amendment.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Pennsylvania. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. About 3 years ago we had a terrible disaster in the Bear Creek field in southeastern Montana. The Bureau of Mines with their safety rescue crews and their service came in and performed valuable service. They do that not only in the coal mines but in the hard-rock mines as well. We have a high regard for the great work done by the Bureau of Mines over the years. I am wholeheartedly in favor of this amendment because I realize the need for it and the great good that can be done in behalf of the miners.

Mr. KELLEY of Pennsylvania. I thank the gentleman. I like to think of the Bureau of Mines as being a scientific research institute for the improvement of safety in the mining industry. That is exactly what it is. Therefore, it should be federally supported.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Pennsylvania. I yield to the gentleman from Iowa.

Mr. JENSEN. I think in all fairness to the committee it should be said that the committee did allow for the fiscal year 1947 $410,740 more than was appropriated in 1946 for investigating mine accidents and operating mine rescue crews, and for coal-mine inspections and investigations.

Mr. KELLEY of Pennsylvania. That is true, but I am talking about the scientific work conducted by the Bureau of Mines.

Mr. JENSEN. I agree with the gentlemen. The committee has been very liberal.

Mr. KELLEY of Pennsylvania. It has not been liberal enough.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I call the attention of the gentleman to the fact that coal mining is tending more and more toward mechanization.

Mr. KELLEY of Pennsylvania. That is true.

Mr. EBERHARTER. That requires more research than we ever had before, because of the new methods.

Mr. KELLEY of Pennsylvania. It creates new problems in the mines.

Mr. EBERHARTER. That is it exactly.

Mr. KELLEY of Pennsylvania. All those problems and difficulties that have been created have not been solved from the viewpoint of safety.

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. KELLEY of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. FENTON. I was very much interested in the observation of the gentleman from Wyoming that the longevity of the miners in Wyoming was 50 years of age. I believe in Pennsylvania it is rated as about 45 years.

Mr. KELLEY of Pennsylvania. That is correct.

The Bureau of Mines has been the great instrumentality of the Federal Government in its efforts to reduce mine accidents by its scientific research.

The miners and the coal operators are now engaged in a struggle to make a new contract. Among the problems is that of greater safety in the mines. The miners have asked for this; consequently, a greater burden will be thrown upon the Bureau of Mines. Therefore, it is astonishing to find a congressional committee slashing the appropriation, at the same time Members of Congress are deeply concerned over the failure of the operators and miners to write a contract. Here Congress is throwing a monkey wrench into the machinery which should make a substantial contribution in improving safety conditions in the mines. These items that were slashed that have a bearing on the safety of the mines were for operating mine-rescue cars and stations, improvement of conditions in mine operations and a host of activities dealing with safety in mine operations. This amount was reduced by $180,224. The mine experiment stations were cut $869,180, or approximately one-half.

Now if the Congress does not care about making its full contribution to this matter of reducing mine accidents and carrying on experimental work to reduce accidents in the future, then it is reasonable to cut the appropriation or wipe it out altogether. But it is the height of folly to expect the safety record in that industry to improve from year to year and then make such a poor contribution.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. JONES] to the amendment offered by the gentleman from West Virginia [Mr. NEELY].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The amendment was agreed to.

The Clerk read as follows:

Coal-mine inspections and investigations: For all salaries and expenses necessary to enable the Bureau of Mines to perform the duties imposed upon it by the act of May 7, 1941 (55 Stat. 177); including travel expenses; not to exceed $91,000 for personal services in the District of Columbia; purchase in the District of Columbia and elsewhere of furniture and equipment, stationery and supplies; operation, maintenance, and repair of motor-propelled trucks and passenger-carrying vehicles for official use and in transporting employees between their homes and temporary locations where they may be employed and purchase of special wearing apparel or equipment for the protection of employees while engaged in their work; travel, and other incidental expenses of employees in attendance at meetings and conferences held for promoting safety and health in the coal-mining industry; $1,178,000: *Provided*, That the transfer without compensation of 50 passenger automobiles to this activity from "Enforcement of Federal Explosives Act" is hereby authorized.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 55, line 20, strike out the sign and figure "$1,178,000" and insert "$1,483,000."

The CHAIRMAN. The gentleman from Illinois [Mr. DIRKSEN] is recognized in support of his amendment.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the chairman of the subcommittee.

Mr. JOHNSON of Oklahoma. The gentleman from Illinois has made a very convincing argument and evidently has convinced the Members of the House of the merit of the amendment. Without conferring with the other members of the committee, I am willing to accept the gentleman's amendment.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. JONES. On behalf of the minority, we accept the amendment.

Mr. DIRKSEN. Mr. Chairman, I am deeply grateful to the chairman and the ranking minority member. I just want to make this observation. A good many things have been said here about the subcommittee being niggardly. The subcommittee, let me emphasize, was not to blame. The subcommittee had an estimate before it from the Budget Bureau and they did a reasonably generous job on that estimate. In connection with coal-mine investigations, they actually gave an increase of $50,760. Last year they added 25 inspectors. The year before the subcommittee added 25 inspectors. They are entitled to full credit for that. The difficulty, as I pointed out, was that when the Bureau of Mines went before the Budget Bureau and asked for 47 inspectors, the answer was "No." When the estimates came before the subcommittee, that is all the subcommittee had to deal with. I am deeply grateful, may I say again, to the gentleman from Oklahoma and the gentleman from Ohio and all the members of the subcommittee for accepting this amendment. It is in the good cause of life and safety.

Mr. KELLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. KELLEY of Pennsylvania. That is true about that particular item in the Budget Bureau. But did not the subcommittee cut down the Budget Bureau's estimate on other items?

Mr. DIRKSEN. No; there was a reduction of only $7,000 on the previous item.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The amendment was agreed to.

The Clerk read as follows:

Testing fuel: To conduct inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and use of mineral fuels, and for investigation of mineral fuels belonging to or for the use of the United States, with a view to their most efficient utilization; to recommend to various departments such changes in selection and use of fuel as may result in greater economy, and, upon request of the Director of the Bureau of the Budget, to investigate the fuel-burning equipment in use by or proposed for any of the departments, establishments, or institutions of the United States in the District of Columbia; and special wearing apparel and equipment for protection of employees while employed; and purchase (not exceeding two), maintenance and operation of passenger automobiles; $397,100, of which not to exceed $83,750 may be expended for personal services in the District of Columbia.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, Minnesota has been the greatest source of iron ore in our Nation—the iron ore vitally necessary in the defense of our Nation and in the peacetime prosperity. Minnesota had vast resources of high-grade iron ore and complete transportation facilities were provided from these ores to eastern markets, where coke and other materials essential for the reduction of iron ore to metal were available. The high-grade iron ore demanded by these markets is being depleted. However, Minnesota has unlimited reserves of lower-grade iron ores that can be used successfully as improvements in iron-ore concentration and reduction are made. The same transportation system can be used to ship metal or concentrates to the eastern markets.

An item under Testing Fuels, Bureau of Mines, is of great importance if we are to achieve improvements in iron ore concentration and reduction. Under a war-time appropriation a pilot plant to produce high-hydrogen gas from lignite, which is abundant in North Dakota, was constructed at Grand Forks, N. Dak. The retort in this pilot plant has been operated successfully for a short period and does not require extensive additions of those critical materials necessary for housing in the United States. It is now largely a matter of testing this retort to determine the length of time which it will operate without requiring extensive repairs.

The State of Minnesota is vitally interested in the reduction of low-grade iron ore with hydrogen and arrangements are being made for joint participation of the State of Minnesota and private industry for the establishment of a commercial plant for ore reduction using hydrogen. The iron range does not have low-cost natural gas or coke from which the reducing gas could be made. The nearest source of low-cost fuels from which to make hydrogen is the vast lignite deposits in North Dakota.

In the bill which we are now considering, the estimate for lignite and subbituminous coal under the item, Testing Fuels, Bureau of Mines, has been reduced from $150,000 to $75,000. A joint commission consisting of industrial and scientific leaders from Minnesota and North Dakota met with Bureau of Mines representatives at the Grand Forks pilot plant on April 26 and 27 of this year. The program outlined for pilot plant research and development on subbituminous coal and lignite to provide high-hydrogen gas for iron-ore reduction and gases for other purposes would cost $150,000. If the Appropriation Committee's recommendations are followed by Congress, the pilot plant operations at Grand Forks, North Dakota, can be carried out only for about 6 months of the next fiscal year. At least a full year's operation of the retort is necessary before private capital would be induced to spend money in the installation of commercial plants utilizing this new process.

Mr. Chairman, it is apparent it is not going to be possible to get any amendments adopted here today. I had hoped we might increase the appropriation from $75,000 to $150,000 for lignite and subbituminous coal testing so that commercial operations already started in Minnesota can be assured of the support of governmental research in producing the gas necessary for the commercial installation. This private industry is not in position to build a separate new lignite pilot plant and the construction of a new plant by industrial interests in my State would result in a loss of time and the consumption of building materials critical almost everywhere in the United States. I want to set forth the facts regarding the project and express my hope the necessary additional appropriation will be granted in the Senate and the House then concur. It is a good investment. The Nation must take no chance on not having adequate supply of usable iron ore immediately available for any emergency.

Mr. LEMKE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, in the appropriation for testing fuels, I urge the restoration of the $75,000 reduction in the Bureau of Mines Budget estimate for lignite and subbituminous coal investigations.

I recognize the need for economy in Government expenditures, especially those which are not likely to add to the welfare of wealth of the Nation. However, many of the items for which appropriations are requested by Government scientific and technical bureaus consist of research which makes available dormant mineral resources and thus develops new industries which add to the national wealth. The committee, in its report recommending appropriations for the Department of the Interior, recognized this fact when it allowed $75,000 of a proposed increase of $150,000 for lignite and subbituminous coal investigations. I agree with the committee that this work should go on, and greatly regret that it did not approve the full amount of $150,000 that is necessary to continue the pilot-plant work at Grand Forks, N. Dak., throughout the next fiscal year.

This project grew out of the threatened wartime shortage of steel and coking coal. Funds were provided from the Bureau of Mines appropriation for investigation of raw-material resources for steel production, as well as from the fuel-testing appropriation, which were used in developing this new process for making a valuable fuel gas from lignite or subbituminous coal at Golden, Colo., and at Grand Forks, N. Dak.

The project has the active support of the State governments of North Dakota and Minnesota, acting through the Minnesota-North Dakota Resources Development Commission. The important common objective is the utilization of North Dakota's lignite in the reduction of Minnesota's iron ores to metallic iron.

Lignite and subbituminous coal comprise two-thirds of the coal reserves of the United States. The major deposits of these coals are in North Dakota, Montana, Wyoming, Colorado, and Texas. The high-grade iron ores of Minnesota are approaching exhaustion in the next decade or two. However, the State has large reserves of low-grade ores which should be brought into use as soon as possible so as to delay the complete exhaustion of the prime ores which are very important in the national defense. I wish to emphasize the great importance of this lignite gasification project in helping to make available two important mineral resources which will add to the wealth and security of the Nation.

The Grand Forks pilot plant is a full-sized commercial unit that was completed during the present fiscal year. It has been in experimental operation

since the middle of April producing about 250,000 cubic feet of fuel gas from 8 tons of lignite per day. The preliminary tests thus far conducted have shown that the process and plant operate in a satisfactory manner. I am informed by representatives of the Universities of Minnesota and North Dakota that the gas obtained is unique in having an unusually high content of hydrogen. This is a great advantage, because hydrogen is an active reducing agent for obtaining metallic iron from iron ore. Such high-hydrogen gas from lignite also can be a commercial raw material for the manufacture of ammonia and ammonium nitrate for fertilizers or explosives; for the production of methanol and other valuable chemicals. Lignite gas can also be used for making synthetic gasoline, Diesel oil, and lubricants when our supplies of petroleum decline to the point where they must be supplemented by liquid fuels from other sources. It is evident that the complete commercial proving of this plant during the coming year will accelerate the utilization of lignite in many ways.

Of immediate interest is the use of the process for making the reducing gas for an industrial plant that is to be erected in Minnesota by the cooperation of the State with the iron-ore industry, for the reduction of low-grade ores to iron. This will be done in the near future. The joint development commission of the two States is very anxious to know the practical results that will be obtained with the Grand Forks plant. If the appropriation is limited to $55,000 as given in the committee report it will not be possible to obtain this practical information during the coming fiscal year. I am informed that this amount will be sufficient for only a half year of operation. This is not sufficient to demonstrate the life of the alloy retort which is the heart of the plant. Nor will it be possible on this shortened schedule to obtain all the operating information required for the design of the commercial plant for the iron region. The cost of the plant and the cost of the gas made is a first consideration in the commercial adoption of the process. A year of continuous operation with further improvement of the operating procedure is necessary to obtain reliable data for cost estimates.

For these reasons I hope that it may be possible to restore the $75,000 cut on this item. It will not incur any obligations for construction or utilization of scarce materials required for the housing program. The plant is complete and ready for operation.

The Clerk read as follows:

Synthetic liquid fuels: For all expenses, without regard to section 3709, Revised Statutes, necessary to carry into effect the act authorizing the construction and operation of demonstration plants to produce synthetic liquid fuels from coal, oil shales, agricultural and foreatry products, and so forth, approved April 5, 1944 (30 U. S. C. 321–325), including construction and acquirement of camp and laboratory buildings and equipment, personal services in the District of Columbia (not exceeding $90,000); not to exceed $50,000 for temporary employment of engineers, architects, or firms or corporations thereof, by contract or otherwise, without regard to civil-service and classification laws; purchase of special wearing apparel or equipment for the protection of employees while engaged in their work; purchase (not exceeding one), maintenance, and operation of passenger automobiles; printing and binding; and purchase in the District of Columbia and elsewhere of items otherwise properly chargeable to the appropriation "Contingent expenses, Department of the Interior," $3,500,000, to remain available until expended: *Provided*, That these funds may be utilized to provide transportation between the proposed plants and related facilities and communities that provide adequate living accommodations of persons engaged in the operation and maintenance of these plants; and for transportation to and from schools of pupils who are dependents of such persons: *Provided further*, That pursuant to agreements approved by the Secretary, the transportation equipment available to the Bureau of Mines may be pooled with that of school districts and other local or Federal agencies for use in transporting persons engaged in operation and maintenance of these plants, pupils who are dependents of such persons, and other pupils, and in the interest of economy the expenses of operating such equipment may be shared.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a slight case of laryngitis will prevent me from paying full tribute to the subcommittee for their foresightedness in appropriating funds for the establishment of the anthracite-testing laboratory. However, if I had the voice of Stentor I would certainly dedicate it today to the subcommittee. They have been criticized at some length for various cuts made in the appropriation for the Bureau of Mines, but at this point I wish to say for the great anthracite-producing area of our country that this testing laboratory has been long delayed and we are happy, indeed, to know we are going to have it.

Over 15 percent of the total possibility of recovered anthracite has been lost because of the methods used, because of improper mining, because of coal left in the ground because of flooded mines, because of bad planning, because of coal left in the ground because of the necessity for surface support to industrial and residential areas, and coal that could not be used because it is classified as silt. In anthracite mining it is the large sizes that are commercially usable and profitable to the mining industry. A great amount of the silt and smaller sizes is sold at less than cost. This anthracite-testing laboratory will bring to the industry and to the country technological advancements which will bring recovery of at least 20 percent of the coal that is not accessible, and will guarantee over a period of years an additional 20 percent that for the reasons I have just stated will become inaccessible. It therefore follows that for the purpose of conserving anthracite coal, for the purpose of guaranteeing more efficient methods of mining and marketing of anthracite coal and developing more valuable uses of silt, that the anthracite-testing laboratory is a compliment to the subcommittee's farsightedness and to the benefits and advantages of the anthracite-mining industry.

Mr. Chairman, I yield back the balance of my time.

Mr. FENTON. Mr. Chairman, I move to strike out the last several words.

Mr. Chairman, I wish to express my appreciation to the subcommittee for their very fine generosity in including in this bill the item for the anthracite research laboratory. I certainly endorse the conclusions of my colleague from Pennsylvania [Mr. FLOOD] concerning the anthracite region.

Being the author of the legislation providing for the establishment of the anthracite laboratory, I am indeed very, very appreciative of the committee's action and I am sure the people of the anthracite region are also very appreciative.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mr. MURDOCK. As a member of the House Committee on Mines and Mining, I recall distinctly that the gentleman not only introduced the bill authorizing this appropriation, but he conducted it through the committee and fought manfully for it until it became a statute. I congratulate the gentleman and the subcommittee, as well as the industry, on the success of his efforts leading to this worthy appropriation.

Mr. FENTON. I thank the gentleman from Arizona. During general debate on the bill last week I made a speech in which I set forth data regarding the history of the anthracite area and the possibilities that will be developed by this laboratory.

Mr. MURPHY. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I wish to join with those who have preceded me in thanking the subcommittee for having inserted an appropriation item to cover the anthracite laboratory.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. MURPHY. I am glad to yield to my distinguished colleague who is working ably and diligently for his State and the people of his district.

Mr. FLOOD. I wish to say that since the President has honored the gentleman from Pennsylvania [Mr. MURPHY] and his State, by nominating him to be a Federal judge, his expressions in the matter will take on additional weight.

Mr. MURPHY. I thank my distinguished colleague from Pennsylvania.

Some years ago the House and Senate saw fit to have a committee go through the anthracite region and make a study of our problems. The distinguished gentleman from Pennsylvania [Mr. FENTON] was a member of that commission, and my late distinguished predecessor, Pat Boland, was also a member. They made a study of my area as well as that of the gentleman from Pennsylvania [Mr. FLOOD], from Luzerne County in our State. They recommended this coal laboratory. We have waited throughout the war for an appropriation for its construction but that was not the opportune time. Now that the war is over I am sure that such an institution will be of great help to the mining industry and the people of my region. On their behalf I wish to thank the distinguished gentleman from Oklahoma, chairman of

the subcommittee, and the members of the Appropriations Committee; and I hope the House will cooperate in seeing that the measure is approved and adopted.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in response to what the gentleman from Pennsylvania has just said, and the several other previous speakers' complimenting the committee, let me say that during the past several days there has been some little criticism of the committee. I want all Members who have felt justified in criticizing the committee to know that the committee has never taken any exception to such criticism. In fact, the committee welcomes constructive criticism. We think it is helpful. On the other hand, at this point the committee interposes no objection to the generous compliments that several gentlemen have paid the committee.

Mr. Chairman, I ask unanimous consent that the gentleman from West Virginia [Mr. RANDOLPH], who is unable to be on the floor at this time and who is absent on account of official business in his own district in the State of West Virginia, may be granted permission to extend his remarks at this point in the RECORD in connection with the item for synthetic liquid fuel.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RANDOLPH. Mr. Chairman, I urge, before this legislation is finally passed, that necessary funds be provided for the synthetic-fuels program.

The Clerk read as follows:

Investigation and development of domestic mineral deposits, except fuels: For all expenses necessary to enable the Bureau of Mines to investigate, develop, and experimentally mine, on public lands and with the consent of the owner on private lands, deposits of minerals in the United States and its possessions, including surface and subsurface explorations, laboratory tests, the construction, maintenance, and repair of necessary camp buildings, mining structures and appurtenances, the lease of lands or buildings; purchase (not to exceed three), operation, maintenance, and repair of passenger automobiles; and not to exceed $25,000 for personal services in the District of Columbia; $1,000,000: *Provided*, That the Director of the Bureau of Mines is hereby authorized and directed to make suitable arrangements with owners of private property upon which exploration or development work is performed for payment by such owners of a reasonable percentage, as determined by the Secretary of the Interior, of the total value of the minerals thereafter produced from such property: *Provided further*, That said Director, for the purposes of this appropriation, is authorized to accept lands, buildings, equipment, and other contributions from public or private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private.

Mr. CARNAHAN. Mr. Chairman, I make a point of order against certain language in the bill, namely, page 59, starting with line 18 through the word "property" in line 24, on the ground this is legislation on an appropriation bill.

Mr. JOHNSON of Oklahoma. Mr. Chairman, in order to save time the committee concedes the point of order.

The CHAIRMAN (Mr. COOPER). The gentleman from Missouri makes a point of order which is conceded by the gentleman from Oklahoma. The point of order is sustained.

The Clerk read as follows:

Mining experiment stations: For personal services, purchase of laboratory gloves, goggles, rubber boots, and aprons, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles, and all other expenses in connection with the establishment, maintenance, and operation of mining experiment stations, as provided in the act of March 3, 1915 (30 U. S. C. 8), $985,820, of which not to exceed $25,000 may be expended for personal services in the District of Columbia.

Mr. CARNAHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not going to offer an amendment to restore any of the items in this bill but want to call the attention of the Members of the House especially to two items in the proposed appropriation for the Bureau of Mines. The first is the item for investigation and development of domestic mineral deposits which has been reduced by the committee from the Budget estimate of $2,400,000 to $1,000,000. The second item is for metallurgical research in pilot plants which has been reduced by the committee from the Budget estimate of $2,000,000 to $500,000.

We all realize that the Appropriations Committee has a very essential job. We also realize that the task is a difficult and thankless one. While the job of the committee is to very carefully examine all appropriations items, it is also the job of the committee to recommend appropriations to the Congress for action by the entire membership. As individual Members, we must realize that there are other groups who should and do make recommendations.

In the case of the items to which I have directed your attention, there is the Bureau of Mines, which has submitted an estimate of their own needs. Surely the Bureau is due commendation for interest in their own work and their eagerness to do effective work. Second, there is the Bureau of the Budget, which was created to coordinate and adjust appropriation items, and, third, there is the Appropriations Committee.

Regarding the two items, investigation and development of domestic mineral deposits and metallurgical research in pilot plants, the Bureau of the Budget has recommended what seems to be fair and reasonable amounts. For investigation and development of domestic mineral deposits, the Bureau of the Budget recommended $2,400,000 but the Appropriations Committee says that the Department must get along with $1,000,000. For metallurgical research in pilot plants, the Bureau of the Budget recommends $2,000,000 but the committee says that the Department must get along on $500,000.

One reason, and apparently the main reason, which the committee gives for reducing these items so drastically is the argument that expenditures for these purposes during the last few years were mainly for prosecution of the war. In this connection, I would like to read briefly from the committee's report on page 21 under the heading, "Bureau of Mines":

> The committee once more calls attention to the greatly expanded request for funds for this Bureau during the past several years. During the war period this agency, like the Geological Survey, performed outstanding services in the location and development of new ore reserves and carried on research and experimental work which resulted in the development of important new discoveries.

Take careful note of what the committee here says, that the Bureau of Mines has performed outstanding services in locating and developing new ore reserves and has carried on research work which developed new discoveries. Yet they say through this appropriation bill, now that the shooting war is over, we no longer need either new ore reserves or new processes of extracting and refining metals. In other words, metals are essential to war but should be considered optional in a peacetime economy.

It is difficult for me to understand the thinking which so unanimously encourages adequate expenditures to win a shooting war and then just about as vigorously advocates empty economy, which will retard development of an adequate economy necessary for peace. An ever-increasing amount of metal is basically essential to an economy for peace.

Now that the shooting war is won, the battle for peace is and should be our chief concern. In this struggle to develop peace, is not it a questionable decision to hamper or retard scientific research and development in such a basic commodity as metals. In my opinion, to appropriate only $1 out of each $4 thought by the Bureau of the Budget to be necessary for scientific research in metals is just about as sound economy as it would be for a farmer to decide to buy only one-fourth the amount of seed corn which he usually uses and call the small cash saving economy.

I trust that items so obviously essential to the development of an adequate peacetime economy will be replaced in this bill before the bill reaches final enactment.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Arizona.

Mr. MURDOCK. I wish to say that it is equally difficult for me to understand that thought which perplexes the gentleman. We need these minerals as much now or more for peace than we did need them for war. I recognize that without the critical and strategic minerals and metals we could not have won this war, and I think without scientific progress with new minerals we will not be able to win the peace.

Mr. CARNAHAN. I think the gentleman is exactly correct.

The Clerk read as follows:

Economics of mineral industries: For investigations and the dissemination of infor-

mation concerning the economic problems of the mining, quarrying, metallurgical, and other mineral industries, with a view to assuring ample supplies and efficient distribution of the mineral products of the mines and quarries, including studies and reports relating to uses, reserves, production, distribution, stocks, consumption, prices, and marketing of mineral commodities and primary products thereof; preparation of the reports of the mineral resources of the United States, including special statistical inquiries; purchase of furniture and equipment; stationery and supplies; newspapers; travel expenses; operation, maintenance, and repair of motor-propelled passenger-carrying vehicles; and for all other necessary expenses not included in the foregoing, $500,000, of which not to exceed $450,000 may be expended for personal services in the District of Columbia.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, upon the invitation of the distinguished gentleman from Oklahoma, I rise at this time to bury Caesar and not to praise him. With reference to this very important section of the act and the manner in which the subcommittee has in its judgment seen fit to curtail the appropriation, may I say that in the coal-mining industry there is perhaps no one single thing, even including management and labor itself, more important than statistics. During this recent coal misunderstanding now going on it developed that the Government could never tell how much coal there was on hand, how it should be allocated, where the coal was, who should be assigned what remains, how many tons are where, and who needs it, were it not for these statistics. I will not develop that point to any greater length. It is clear and certain.

With reference to foreign governments and their statistical research, with reference to our minerals—and I hold no brief for coal alone; I am speaking of mineral mining generally throughout the country, including all categories of mining—statistics are an integral, vital, and important segment of mining preparation, production, and analysis. England is 50 years ahead of us in this phase of mining and Germany was 50 years ahead of England.

As this bill now comes before the Committee, the great bituminous coal industry finds removed all funds for the purpose of economic research and analysis, which amounts almost to cutting the legs out from under bituminous coal. We now know how vital that is to the entire national economy. Let me assure you that in direct ratio to the importance of mining to the national economy, statistics and analysis of those statistics bear the same relation to mining itself.

Mr. Chairman, the reduction is $690,000, leaving but $500,000 to carry on this vital condition precedent to a successful national economy and welfare. This is in contrast to the millions granted to commerce and to agriculture for the same purpose in those fields of our economic life. Certainly I detract in no way, rather, I hasten to compliment the Departments of Commerce and Agriculture on the funds they possess for this purpose. Perhaps they should have more. Certainly, the great basic mining and metal industries of this country are entitled to much more than they have been awarded for the same inherently important part of their industry, statistics, and the analysis of them.

It is so easy to cut money when you talk about statistics. Somebody says there are statistics, statistics, and various categories of liars. It seems everyone is willing to throw out money dedicated to statistics. However, the mining industry predicates its future contribution to our national welfare and economy upon adequate funds to continue economic research and development with reference to our domestic market, and for industrial and national defense a clear understanding and awareness and analysis of mining in foreign nations is necessary.

Mr. Chairman, I rise to protest the action of the Appropriations Committee in reducing the funds available to the Bureau of Mines under the heading of Economics of Mineral Industries. The reduction is $690,000, leaving but $500,000 to carry on one of the vital conditions precedent to our successful national economic welfare. This is in contrast to millions of dollars granted to Commerce and Agriculture for the same purposes in those fields of our economic life. This assault strikes at the Bureau's fact-finding agency upon which industry and Government depend for reliable statistical and other economic data on the mineral industries, including information on foreign mineral developments that have such a pronounced effect on domestic and international affairs and data on the cause and frequency of accidents in mining. It strikes at the oldest of the functions now being performed by the Bureau of Mines, one that originated in 1880, 30 years before the Bureau was created. It penalizes a branch of the Bureau that long has rendered meritorious service to industry, that supplied basic data indispensable in planning and administering the war program, and that industry and Government will depend upon in the future for information vital to the conduct of reconversion and peacetime operations. The action recommended has been so drastic that the basic mining industries of the Nation are seriously affected.

Members of the House are well aware of the fact that the prosperity and power of our great country is due in large part to our magnificent industrial organization. They may not be as fully aware of the importance of the mineral industries of this Nation in providing the foundation on which this industrial strength rests. But I need only remind you of the crippling effect of the present coal shortage, the anxiety we all shared during the war when shortages of fuels, steel, copper, lead, zinc and a variety of other minerals threatened the successful prosecution of the war, and the tremendous significance of the mineral uranium in present affairs, to convince you that minerals are indispensable to the welfare of the Nation.

The maintenance of mineral supplies, the planning for national defense, the conduct of foreign affairs, and the intelligent use and development of mineral resources present many problems to industry and government, the proper solution of which requires that full and reliable basic information, properly interpreted, be available at all times. It is the job of the Bureau of Mines' Economics and Statistics Branch, which is supported by the Economics of Mineral Industries appropriation, to supply this information. Surely, we can agree that this is no time to curtail such an important service of the Government.

The threat of war and the inauguration of the national defense program in 1939 demonstrated our woeful lack of preparedness along many lines. One important deficiency was the inadequacy of the statistical and economic information available on strategic and critical minerals as a result of which there were many delays in getting the mobilization program underway. This deficiency in mineral information was met by expanding the fact-finding services of the Bureau of Mines and the various war agencies concerned with mineral procurement and distribution. Expansion of the program of the Bureau of Mines was accomplished largely by transfer of funds from the war agencies. Meanwhile, the permanent fact-finding services of the Government on bituminous coal, which were transferred to the Bituminous Coal Commission in 1937 and later expanded to meet industry and Government needs, were returned to the Bureau of Mines in 1944. This activity was supported by funds supplied by the Solid Fuels Administration. The need for these improvements were recognized by many industrial leaders and officials of the Bureau of Mines for many years prior to the war, but Congress did not provide the funds necessary to put them into effect. There is substantial agreement among those in industry and Government who were responsible for the mineral program during the war that many of the improvements in Government fact-finding in recent years should be placed on a permanent basis. The recommendation of the House committee if adopted by the Congress, will wipe out 10 years of progress in this field.

During the past few years approximately $1,500,000 has been available annually for the economic and statistical program now consolidated in the Bureau of Mines. In planning for 1947, the Bureau of Mines voluntarily recommended substantial curtailment by cutting out parts of its war activity. Other activities, however, that had been performed by the temporary war agencies, were taken over by the Bureau after careful screening to eliminate the less essential portions. The 1947 program was worked out in consultation with industry and other Government agencies including representatives of the Bureau of the Budget. The cost of the program as recommended by the Bureau of the Budget was $1,190,000, a substantial reduction in funds previously available for this work and most of which appears for the first time in the Bureau of Mines budget.

In reducing this recommendation to $500,000 the committee has wiped out

completely the all too inadequate sum allowed by the Bureau of the Budget for compiling economic data on bituminous coal, a service that the coal industry regards as indispensable and that provides the factual information that at this moment is basic in the collective bargaining taking place in the industry. Management and labor look to the Bureau of Mines for impartial facts concerning their industry, and this service dates back to 1880. All of this the committee has wiped out by its recommendation. It has also eliminated all of the progress made in compiling statistics on petroleum, anthracite, coke, iron and steel, copper, lead, zinc, and the other highly strategic minerals, progress that industry has asked for and obtained during the past 10 years, data that are essential to the planning of production and manufacturing programs and in planning and administering stock-piling and industrial-mobilization programs for national defense.

The committee has also wiped out the Bureau of Mines portion of a carefully prepared administration program for improving the specialized and technical work of our foreign service. There has been a long-standing need for reliable information on developments in foreign minerals, and this need was greatly emphasized during the war, when we were forced to comb the world for minerals to support the war program. In the years ahead we shall need complete and current information on foreign mineral resources and industries. This information will be obtained by the technical foreign service of the Department of State, working under the technical supervision of the Bureau of Mines. But these data will require analysis and interpretation in terms of national problems by experts in the Bureau of Mines. Such a service is essential to the welfare of our own domestic economy, but it will be no less essential to our Government in carrying out its responsibilities to the United Nations. Those of you who question the advisability of expanding our fact-finding activities in foreign economic matters, let me remind you of the special interest we have in minerals. I have stated already that mineral supplies are basic to national prosperity. The United States enjoys a large measure of self-sufficiency in these essential commodities, but we are dependent on foreign sources of many highly strategic minerals of which domestic sources are either nonexistent or inadequate. As time passes and we exhaust our own deposits of the now-plentiful minerals our dependence on foreign sources will increase. The United States also has a keen interest in world prosperity in the restoration of which ample mineral supplies and free access thereto by all nations will play an important role. An effective information service on world minerals is a prerequisite to an understanding of our problems and is thus decidedly in the national interest. This House already has approved a substantial portion of the State Department's part of the program in this field, and failure to support the Bureau of Mines' part will leave the job incomplete.

The committee's recommendation has wiped out badly needed improvements in the collection of statistics on mine accidents, improvements that have been recognized as imperative for some years, but which were postponed during the war. Such statistics are the only measure of the hazards to miners on their jobs and are the only gage for observing the effects of accident-prevention programs. Statistics on accident causes and frequency provide the tools for the safety engineer in planning his safety programs and in making working conditions more safe for the miners. The safety of workers is an important issue in the present controversy between miners and management in bituminous coal, and the data now available cover only part of the facts that are required for an understanding of the problem. The restoration of the Budget recommendation for this item will permit the Bureau of Mines to fill in many of the gaps in the present record. In this enlightened era, the protection of workers from industrial hazards and the promotion of safety are of outstanding public interest.

The objectives sought by the Bureau of Mines in the activities supported by the Economics of Mineral Industries appropriation are sound and designed primarily to meet vital needs of industry. The funds recommended by the Bureau of the Budget for this purpose are trivial in terms of national expenditures and represent a very substantial curtailment of expenditures that have been made by the temporary agencies for similar activities in recent years. The consolidation of activities in the Bureau of Mines thus has resulted in considerable savings. For these reasons, it is urgently recommended that the appropriation for this item be restored to at least the sum approved by the Bureau of the Budget.

URGENT NEED FOR ANTHRACITE STATISTICS

The primary functions of the Coal Economics Division relating to Pennsylvania anthracite are to canvass the industry annually for detailed statistical data on production, equipment used in mining, employment, value of product at mine, and many other phases of the industry and to prepare from these data a detailed report for publication as a chapter in the Minerals Yearbook; to compile and publish semiannually distribution data obtained from producers and wholesalers of anthracite showing shipments to final destinations in the United States and Canada; to publish weekly and monthly reports containing statistics on production, stocks, prices, employment, and earnings; and from time to time to make special economic studies of the industry.

The annual production reports have provided the most nearly complete statistical record available over the years and are widely used by the anthracite industry, business concerns, and others interested in matters relating to the economics of the industry. The reports are used regularly by the anthracite operators and the United Mine Workers of America in their contract negotiations as they contain the only historical and current annual data on production, employment, source of coal, output per man, value of product, and so forth. Annual production and consumption data included therein are of paramount importance to governmental agencies in measuring the adequacy of our national supplies of fuels. The semiannual distribution data are in wide demand by anthracite producers, the carrying railroads, and wholesalers of anthracite in planning specific and long-term marketing, and economic programs. These data are used extensively by other mineral fuel interests and governmental agencies interested in competitive fuels. The distribution statistics are being used currently by anthracite industry in vitally important Government hearings. The weekly and monthly production reports are used by the anthracite industry and other business as a barometer of activity within the industry and are of particular importance in relating the production trend to the demand.

The afore-mentioned statistics on anthracite, collected and published by the Coal Economics Division, are of fundamental importance in matters relating to the economics of the industry and the Anthracite Institute and the Anthracite Operators Association, representing virtually 100 percent of the industry tonnage, have praised highly the work of the Bureau of Mines in collecting and publishing these valuable data and have formally requested the Bureau to continue this work without interruption. In addition, a number of the larger producers, representing 75 percent of the industry's tonnage, have expressed, independently, the importance of these data to the industry, requesting at the same time that the work be continued.

UNITED MINE WORKERS OF AMERICA,
Washington, D. C., May 9, 1946.

HON. DANIEL L. FLOOD,
House of Representatives,
Washington, D. C.

MY DEAR DAN: My attention has been called to the drastic cut in the proposed appropriation for economics and statistics handled by the Bureau of Mines. Moreover, I note that statistical activities on bituminous coal have been eliminated and sharp reductions made on those for anthracite and coke.

Coal statistics are essential to the operations of the industry. Without these statistics the coal industry will be at a serious disadvantage as will the public in general.

I wish to urge that adequate funds be provided for a well-rounded statistical program in the Bureau of Mines.

The importance of Federal Mine Inspection Service cannot be overestimated and funds should be provided, not only for the present personnel but for an increase in the Federal mine inspectors. I emphasize the importance of inspection services in the Bureau of Mines.

Sincerely yours,

THOS. KENNEDY,
Secretary-Treasurer.

NATIONAL COAL ASSOCIATION,
Washington, D. C., October 26, 1945.

MR. GEORGE A. LAMB,
Assistant Director, Bureau of Mines, United States Department of the Interior, Washington, D. C.

DEAR MR. LAMB: You called me recently with respect to the Bureau of Mines taking over some of the statistical work now being

carried on by the Solid Fuels Administration and perhaps other departments when the Solid Fuels Administration ceases to exist, which in your opinion, as I understand it, will be about the end of the present coal year.

I took it upon myself to bring this subject to the attention of our executive committee, which held a meeting here on October 18, and I am directed to advise that it was the opinion of the committee, after considerable discussion, that there should be no break in substantial and essential statistics in the coal industry, provided the work is done strictly on a voluntary basis by the United States Bureau of Mines, and that in the opinion of the committee it would be beneficial to the coal industry if the Bureau undertook this work when abandoned by the Solid Fuels Administration and gather, compile, and publish regularly coal statistics which would be of use and value to the coal industry.

Yours very truly,

J. D. BATTLE,
Executive Secretary.

ANTHRACITE INSTITUTE,
New York, N. Y., September 29, 1945.

Dr. R. R. SAYERS,
Director, United States Bureau of Mines, Washington, D. C.

DEAR DR. SAYERS: Anthracite Institute has on many occasions used the statistics on shipments of anthracite from the mines to final destinations which were prepared by the Bureau for the coal year ending March 31, 1943.

These statistics have been of extreme value to all branches of the industry and we are anxiously awaiting publication of statistics for the coal years ending March 31, 1944 and 1945.

It is also our earnest hope that when this data is no longer being collected for the Solid Fuels Administration, that the Bureau will continue to secure similar statistics, even though it may be on a modified basis, for its own use and as a valued aid to the industry in serving the public in the post-war markets.

We feel certain that the industry will cooperate with the Bureau in supplying the information necessary to compile such reports on an annual or semiannual basis.

Sincerely yours,

M. R. GROVER,
Assistant Executive Director.

ANTHRACITE OPERATORS ASSOCIATION,
Wilkes-Barre, Pa., October 1, 1945.

Mr. R. R. SAYERS,
Director, United States Bureau of Mines, Washington, D. C.

DEAR MR SAYERS: Continuation of the compilation of statistics is of the most vital importance to the anthracite industry. Any interruption or discontinuance of the present data would be a severe handicap to the industry, the distributing media, and services to consumers and we most emphatically recommend that this work be continued uninterrupted.

Very truly yours,
ANTHRACITE OPERATORS ASSOCIATION,
R. L. BIRTLEY, *President.*

AMERICAN BY-PRODUCT
COKE INSTITUTE,
Washington, D. C., September 26, 1945.

Mr. J. A. CORGAN,
Chief, Anthracite and Coke Section, Coal Economics Division, Bureau of Mines, New Interior Building, Washington, D. C.

DEAR MR. CORGAN: Confirming conversation with you recently, we wish to record with you a request that your organization continue to publish certain statistics of importance to our industry.

Specifically we ask continuation of your monthly reports 6–1365 (Form BY) and 6–1366 (Form BE). We also ask continuation of the annual report on coke and byproduct production, values, etc., on Forms 6–1370 for byproduct plants and 6–1371 for beehive plants.

We request also that the annual distribution schedules on coke, Forms 6–1372 for byproduct coke and 6–1373 for beehive coke be placed on a semiannual instead of annual basis. These reports are published so late in each following year as to deprive the industry of essential information in time to take whatever action each producer might be inclined to devote to the problem. It is believed that if this report were issued twice a year the data would be much more current and the information reported back to industry with less time lag.

May we again express our appreciation of the valuable work your section has been doing for us and the hope that necessary arrangements will be concluded by your agency so that our industry may continue to be completely informed of its current activities.

Very truly yours,

SAMUEL WEISS,
Executive Secretary.

UNITED STATES DEPARTMENT
OF THE INTERIOR,
SOLID FUELS ADMINISTRATION FOR WAR,
Washington, D. C., September 27, 1945.

Dr. R. R. SAYERS,
Director, United States Bureau of Mines, Department of the Interior.

MY DEAR MR. SAYERS: At the last regular meeting of the SFAW National Advisory Coke Committee held September 19, 1945, in room 5160, Interior Building, Washington, D. C., that committee unanimously adopted the following resolution and directed me as secretary to transmit a copy to you:

"*Resolved*, That inasmuch as the data currently collected and published by the Bureau of Mines has proved to be of such vital importance to the coke industry and will continue to be very essential, it is requested that the Bureau of Mines be authorized to continue its collection from the beehive coke industry and the by-product coke industry of the same information it now collects from those industries on the Bureau of Mines Forms B–E, B–Y, and 6–1372. And that the Bureau of Mines release its tabulations of such information monthly with respect to the B–E and B–Y forms and semiannually with respect to Form 6–1372, in addition to the regular annual report on such industries which is issued by the Bureau of Mines."

Sincerely yours,

DAVID P. FITZGIBBONS,
Secretary, SFAW National Advisory Coke Committee.

SEPTEMBER 28, 1945.

The National Anthracite Distribution Committee of the Solid Fuels Administration for War believes that steps should be taken to assure continued collection by the United States Bureau of Mines of monthly reports on the production and distribution of Pennsylvania anthracite coal, as well as detailed information for the 12 months ending March 31, 1946, as to the ultimate destination of all Pennsylvania anthracite coal shipped from the mines: Now, therefore, be it

Resolved, That the National Anthracite Distribution Committee recommend to the United States Bureau that it continue to collect on a voluntary basis and compile reports from all producers and wholesalers of Pennsylvania anthracite coal on a basis of:

1. Simplified monthly reports showing production and distribution of Pennsylvania anthracite; and

2. A detailed report for the 12 months ending March 31, 1946, showing the ultimate destination on all Pennsylvania anthracite shipped to retail dealers, railroads, utilities, military services, and other individual categories similar to those required in Form SFA No. 6 of the Solid Fuels Administration for War; be it further

Resolved, That the United States Bureau of Mines be requested to publish the detailed distribution data on anthracite coal for the 12 months' period ending March 31, 1946, in the same general form in which it published similar data for the 12 months ending March 31, 1943, and is now in the process of publishing for similar periods ending March 31, 1944, and March 31, 1945, respectively.

The Clerk read as follows:

The following appropriations herein made to the Bureau of Mines shall be available for the hire, maintenance, and operation of aircraft: "Operating rescue cars and stations and investigation of accidents"; "Investigation and development of domestic mineral deposits, except fuels"; and "Metallurgical research in pilot plants."

Mr. ROBINSON of Utah. Mr. Chairman, I arise in opposition to the pro forma amendment and take this time for the purpose of asking the chairman of the committee some questions with reference to the decrease of appropriations for the Bureau of Mines.

In his discussion of the appropriation for metallurgical research in pilot plants, in answer to questions asked by the gentleman from North Carolina [Mr. COOLEY] the gentleman from Oklahoma [Mr. JOHNSON], the chairman of the committee, stated:

There are five plants. The gentleman will find on page 101 of the justifications the five plants and the committee allowed $500,000 for these plants.

On reference to page 101 of the justifications submitted by the Bureau of Mines I find that the proposed work, under this appropriation, was to be carried forward under four general headings: "New technology of iron and steel production," "Production and uses of light metals," "Development of production methods for rarer metals," and "Nonferrous metal technology." The total appropriation recommended by the Bureau of the Budget for these four items was $2,000,000. The five plants referred to by the gentleman from Oklahoma [Mr. JOHNSON] are only those under the item for "New technology for iron and steel production." These five plants are Redding, Calif.; Boulder City, Nev.; Laramie, Wyo.; Rolla, Mo.; and Raleigh, N. C.

Was it the intention of the committee to restrict the metallurgical work of the Bureau of Mines to iron and steel? Are we to understand that the $500,000 allowed by the committee was for this one item alone and that the items relating to light metals, rarer metals, and nonferrous metals were eliminated entirely from the appropriation allowed by the committee? I do not want to speak disparagingly of the work of the Bureau of Mines as done in the field of iron and steel or of the importance of this work, but I would like to know if it is the intention of the committee that the Bureau of Mines should discontinue its work on nonferrous metals, which it has long and ably carried forward at stations of the Bureau located in the West, particularly the Bureau of Mines station at Salt Lake

City, Utah. Is it the intention of the committee that the important work which the Bureau is doing in developing such new rare metals as titanium should be dropped? Is it the intention of the committee that the work of the Bureau of Mines on aluminum and magnesium, including the production of alumina from domestic sources, be dropped? If it was not the intention of the committee to drop all of these items, then the $500,000 which the committee has allowed will not be distributed over five plants, as stated by the gentleman from Oklahoma [Mr. JOHNSON] but will necessarily be distributed over all of the Bureau plants and laboratories carrying forward the work proposed in the justification.

I am told by the Bureau of Mines that such a list of laboratories would include Seattle, Wash.; Albany, Oreg.; Pullman, Wash.; Redding, Calif.; Berkeley, Calif.; Boulder City, Nev.; Salt Lake City, Utah; Laramie, Wyo.; Minneapolis, Minn.; Rapid City, S. Dak.; Rolla, Mo.; Tuscaloosa, Ala.; Raleigh, N. C.; Salisbury, N. C.; Norris, Tenn.; Pittsburgh, Pa.; and College Park, Md. This is not five laboratories or pilot plants, but 17. It should be obvious that the amount allowed by the committee cannot be spread over this many laboratories and pilot plants and do effective work in any of them. Some of them will have to be eliminated if the reductions made are allowed to stand.

The Clerk read as follows:

NATIONAL PARK SERVICE

Salaries and expenses: For expenses, including personal services in the District of Columbia, necessary for the general administration of the National Park Service, including $50,000 for printing and binding, $643,177.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I notice on page 68 that the Bureau of the Budget recommended for the construction of roads and trails an amount of $7,400,000. If I read the figures correctly, this sum has been decreased $3,150,000.

I am not going to criticize the committee for that cut, but I do call attention to this fact. The roads constructed in mountain areas, built over high mountain peaks, and through the terrible terrain of mountains, have a terrific struggle with the elements. If you permit the shoulders and base of these roads to deteriorate, if you permit holes to be created by the traffic on those roads, you will find that the entire road bed has to be rebuilt. In high altitudes this is a real task as seasons are very short and the number of working days limited.

I hope this committee has carefully considered the cut in these road funds and, should the amount be increased in the other body, will not insist that the funds be kept at this lower level.

There is another matter I want to talk about for a moment. Today there came to my desk a letter. This letter was from the National Retail Farm Equipment Association. This Retail Farm Equipment Association represents the great Mississippi Valley farmers of this Nation. The letter is as follows:

NATIONAL RETAIL FARM EQUIPMENT ASSOCIATION,
St. Louis, Mo., May 15, 1946.

Hon. WILLIAM S. HILL,
House of Representatives.

DEAR MR. HILL: In view of your interest in the welfare of the farmers and the urgency of increased food production, we know that you will be interested in the action taken by the OPA on May 10, 1946, which has seriously crippled farm-implement dealers throughout the United States.

On May 10, the OPA increased farm-machinery manufacturers' prices approximately 10 percent. This was accomplished by reducing farm-implement dealers' margins on both new machines and repair parts by 20 percent. There is an increase of 5 percent in the retail price of new machines but no increase in the retail price of repair parts.

This drastic reduction in the margins of farm-implement dealers comes at a time when all of their operating expenses have risen markedly and are continuing to spiral. A survey recently completed reveals that dealers have been required to increase wages on the average of 18.4 percent since July 1, 1945, and additional increases are being made from day to day to retain mechanics and other trained employees. Many operating expenses have increased in even greater proportion. These facts were presented to the OPA prior to the time the action was taken by that agency, but obviously were given no consideration. Implement dealers seriously question the legal basis for this action by the OPA, but there appears to be no recourse in court against arbitrary actions taken by this agency.

Farmers have little prospects of obtaining new farm machinery during the remainder of this crop year. The drastic action taken by the OPA will force some of the smaller dealers to close their establishments and will require all implement dealers to curtail their service to farmers at a time when increased services will be necessary to keep old machines in operation. This would seem to be entirely inconsistent with the plea being made by the Department of Agriculture and other Government agencies for increased food production.

We appeal to you to use your influence to correct this situation as soon as possible in the interest of the food-production program.

Sincerely yours,

FERD DETJEN,
President.

Just this morning the Committee on Agriculture had as a witness the Secretary of Agriculture. He told us we must increase food production from every angle. If we are to believe the figures given to us, it is about time that we paid some attention to what is going on down at the OPA office.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. SPRINGER. Is it not a fact this reduction will either cause many of them to go out of business or it will force the OPA to make some more-liberal allowance in their favor?

Mr. HILL. There is not any question about that. It seems to me a good many small retail implement dealers, and most of them are small, are going to find it impossible to continue their business and absolutely will close up their shops.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on May 14 when this bill was being debated I undertook to clarify the intention of the Committee on Appropriations in regard to the effect of the drastic reductions on the operation of the Research Laboratory of the Bureau of Mines at State College in the city of Raleigh, N. C. I invite the chairman's attention to this matter for the purpose of further clarifying the situation. In reply to my question concerning the appropriation allowed by the committee for this station, the gentleman from Oklahoma [Mr. JOHNSON] stated that the committee allowed $100,000 each for five pilot plants and referred me to page 101 of the justifications for the five pilot plants and stated definitely that the committee allowed $500,000 for these five plants.

Mr. JOHNSON of Oklahoma. That is true. As I recall, I stated that was my understanding.

Mr. COOLEY. Of course, I would like the gentleman to be accurate about it.

Mr. JOHNSON of Oklahoma. Of course, it would be within the discretion of the Bureau of Mines. We do not know that they will actually put $100,000 into each pilot plant. I believe the item the gentleman is particularly interested in is in another item.

Mr. COOLEY. The gentleman will admit it is possible that nothing will be set apart for the Raleigh operations.

Mr. JOHNSON of Oklahoma. That is possible, yes.

Mr. COOLEY. I call the gentleman's attention further to the fact that there was an item of $60,000 approved by the Budget for the laboratory at the State College and that that $60,000 has been completely eliminated from the appropriation bill now under consideration.

Mr. JOHNSON of Oklahoma. That is in a different paragraph in the bill.

Mr. COOLEY. Yes, that is in another paragraph, but the fact remains that after eliminating the $60,000 which the Budget authorized and which the Bureau of Mines recommended, you are going to put the laboratory entirely out of business, are you not?

Mr. JOHNSON of Oklahoma. There is no money in the bill for that specific expenditure. The gentleman, I am sure, does not wish to leave the impression, however, that the committee has suddenly decided to put a valuable activity down there out of business.

Mr. COOLEY. I mean to leave that impression. We have $150,000 to $200,000 of Federal funds invested there in a laboratory, which will not be able to operate unless the committee provides funds upon which it may operate.

Mr. JOHNSON of Oklahoma. I know nothing about the gentleman's experiment station except to say that the committee made not a dollar available for that station during the current year. If they got Federal funds from some other source, then I assume the gentleman would go to some other source to get more funds.

Mr. COOLEY. The point I have in mind is that notwithstanding the recommendation of the Bureau of Mines, notwithstanding the recommendation of the Bureau of the Budget, and notwithstanding the urgency of the situation, the committee has arbitrarily taken $60,000 out of the bill.

Mr. JOHNSON of Oklahoma. I do not think anything is in the bill at all until the committee gives its approval. This committee recommends the appropriation. The Bureau of the Budget presents its proposals for action by the committee and the Congress. There was not a dollar recommended by the committee or appropriated by the Congress during the current year for this purpose.

Mr. COOLEY. That is right. Is it unreasonable for me to ask the gentleman if he will not give further consideration to the advisability of inserting $60,000 so that this laboratory may operate rather than stand still?

Mr. JOHNSON of Oklahoma. This committee is a very fair committee, and if the gentleman will show the committee that it is doing an injustice to any project or experiment station or anything else, certainly the committee will give due consideration to such item.

Mr. COOLEY. If the gentleman from Oklahoma will refer to page 87 of the justification submitted by the Bureau of Mines, he will find an item of $60,000 for the Raleigh station, under appropriation for expenses of mining, experimentation, Bureau of Mines. The justification for that appropriation is on page 93.

Mr. JOHNSON of Oklahoma. That is correct.

Mr. COOLEY. If the justification is there, I would certainly like to urge the gentleman and his committee to give further consideration to the advisability of inserting $60,000 which apparently was a reasonable sum.

Mr. JOHNSON of Oklahoma. There are many items that were eliminated which the Bureau of the Budget requested. I certainly do not mean to criticize the gentleman, but he did not appear before the committee and tell the committee the necessity for such an item. Inasmuch as there were no funds for this station during the current year, and inasmuch as the Bureau made a very poor case as far as the committee was concerned, the committee did not feel justified in granting it.

Mr. COOLEY. The reason I did not appear before the committee was obvious. I assumed the committee would follow the recommendation of the Bureau of Mines and the Bureau of the Budget when dealing with a project of this importance. I certainly hope the gentleman will give further consideration to the item.

Mr. JOHNSON of Oklahoma. I may say that this item, like many other items, was started during the war. The Bureau of Mines, as I stated in my opening remarks, had $2,500,000 in prewar days. Many pilot plants were built during the war. If the committee had allowed every item requested by the Bureau of Mines, we would have spent $20,000,000 for the Bureau of Mines next year. The committee could not justify eight times as much for the Bureau of Mines as they spent prior to the war.

Mr. COOLEY. I am not criticizing the committee, but I do know this is an important station in North Carolina, and I know it is an important item they are dealing with. I urge the gentleman and his committee to give further consideration to it when the matter is considered in conference.

Mr. JOHNSON of Oklahoma. The gentleman may be assured that this committee will give due consideration to that and any other item which may appear in the bill.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

The Clerk read as follows:

National parks: For administration, protection, maintenance, and improvement of national parks, including necessary protection of the area of federally owned land in the custody of the National Park Service known as the Ocean Strip and Queets Corridor, adjacent to Olympic National Park, Wash., $2,384,584.

Mr. JOHNSON of California. Mr. Chairman, there is one particular item in the National Park Service appropriation which was cut in a way that it is difficult to understand. For national parks—those 27 areas like Yosemite, Yellowstone, Carlsbad Caverns, Grand Canyon, Great Smoky Mountains, which are the greatest scenic attractions in the United States—the President's Budget provided $3,314,000.

The Appropriations Committee cut this 28 percent, to $2,384,584.

How unrealistic this reduction was is shown by the fact that the amount allowed is about $45,000 less than the 1946 appropriation of $2,429,686, which was made while the Nation was still at war.

I am convinced that the national parks cannot be run this coming year on any such basis. They cannot be protected properly. Buildings and roads and equipment long neglected must be put into proper shape. Trails cannot be kept up or minor roads maintained. The public who are flocking to the parks cannot be provided with the services and facilities that as owners of these great properties they are entitled to expect. During the war the Park Service operated on short rations. It was reduced to a custodial basis entirely. This situation it accepted as necessary to the emergency. But it was under a great handicap because, despite the difficulties of travel, and the fact that there was no promotion of travel to the parks, an astounding number of people managed to get to them. During the 4 years following Pearl Harbor, there were 36,000,000 visitors to all the national park areas. Of these, 8,000,000 were members of our armed forces. The Park Service welcomed them, and took care of them all as best it could. But the wartime appropriations were not adequate.

During the war, the visitors averaged 9,000,000 per year. But now, with the resumption of peacetime travel, a careful check by the Service for the past 7 months shows that they are coming at the rate of 25,000,000 or more per year. This will be the greatest travel year in the history of the parks.

How are these people going to be taken care of? Surely it cannot be done with an appropriation less than the bare minimum that the Congress saw fit to provide during the stress of war.

Let me emphasize, too, that this money to run the 27 national parks is for the purpose of performing a function that by law the National Park Service is bound to perform. These parks, which are among the priceless treasures of the Nation, containing its supreme areas of beauty and wonder, its most matchless virgin forests, were set up by the Congress for the benefit of the people. The Congress established the National Park Service in 1916, and gave this bureau a mandate to protect and promote the enjoyment of this part of the Federal estate. Surely it is reasonable that with more citizens than ever seeking to enjoy the parks we cannot expect the Service to catch up with the deferred maintenance of the war period, organize its field staffs, and resume the activities that by law it is expected to perform, with less than the appropriation allowed it before Pearl Harbor.

This was amply recognized by the chairman of the Interior Department Subcommittee of the House of Representatives Appropriations Committee on the floor of this House last year. In discussing reductions in the 1946 estimates of funds for the national park system, he said:

America's entry into the war affected the National Park Service far more than any other agency within the entire Department * * *. The Service is to be commended for the spirit with which it has carried on under extremely adverse circumstances.

This opinion, I am sure, is shared by the millions of Americans who expect this year to visit the national parks. I feel that the Congress can do no less than to allow the full $3,314,000 for national parks recommended in the President's Budget.

The Clerk read as follows:

Roads and trails, National Park Service: For the construction, reconstruction, improvement, and maintenance of roads and trails, inclusive of approach roads and necessary bridges, as authorized by section 10a of the act of December 20, 1944 (Public Law 521), including the roads from Glacier Park Station through the Blackfeet Indian Reservation to various points in the boundary line of the Glacier National Park and the international boundary; and the continued maintenance of other road sections outside of the national parks and monuments whose maintenance was specifically authorized in the Interior Department Appropriation Act, 1946, to be immediately available and to remain available until expended, and including personal services in the District of Columbia, $4,250,000, of which $750,000 shall be for the payment of obligations incurred under the contract authorization under this head in the Interior Department Appropriation Act, 1941 (54 Stat. 450), and $2,400,000 shall be for the payment of obligations incurred under the contract authorization under this head in the Interior Department Appropriation Act, 1942 (55 Stat. 351): *Provided*, That

hereafter no part of appropriations made for the National Park Service shall be available for road construction in Kings Canyon National Park, Calif., except on the floor of the canyon of the South Fork of the Kings River and the Grant Grove section of that park.

Mr. JONES. Mr. Chairman, I ask unanimous consent that my colleague the gentleman from Montana [Mr. D'EWART] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. D'EWART. Mr. Chairman, I have carefully reviewed the hearings on the appropriations for the National Park Service, and I regret that the Appropriations Committee has thought it necessary to cut two items that I think are very necessary for the operation of the National Park Service. I refer to the decrease of $929,416 below the Budget estimate necessary for the operation and maintenance of the national parks and the cut in appropriations for maintenance of roads.

According to the report of the committee, 21,000,000 people visited the national parks in 1941. It is expected that this number will be increased by at least 25 percent for the coming season, or at least 25,000,000 people will visit these national parks. This means a heavy burden in the administration of the parks and in the maintenance of their facilities and equipment. During the war the personnel of the parks was cut to a minimum. Very little maintenance of equipment was done and no new equipment was purchased. Deterioration has been heavy, so that in order to handle the huge number of visitors all over the United States who visit these parks, new personnel will have to be trained; new equipment purchased; and a considerable amount of maintenance will have to be carried on with old equipment. For these reasons, it is felt that the full amount of the Budget estimate is urgently needed. I further believe that the appropriation for maintenance and new construction of roads and trails should be increased by at least $400,000 to $1,500,000.

The Budget recommended a total of $7,400,000 for maintenance and new construction of roads and trails. This appropriation measure recommends $4,250,000. This includes a total of $3,150,000 for previous contract obligations for construction, leaving only $1,100,000 for maintenance and new construction.

There are approximately 4,600 miles of roads in the national parks. Because of reduction in wartime appropriations, the majority of these roads have deteriorated seriously, only the barest minimum of maintenance necessary to keep them usable by the public having been accomplished. Immediate steps are absolutely necessary to recondition the roads, first, to obviate costly reconstruction; and second, to make them even safe for the expected tourist travel this summer.

In addition to the serious condition of the roads which are going to have to carry such heavy traffic this summer, the parks are faced with a serious road-equipment shortage. In the Yellowstone National Park, for instance, they are using 17 trucks that are 18 years old and that have traveled from 250,000 to 365,000 miles. The cost of upkeep in these trucks has long exceeded the limits of economical operation. Furthermore, at the beginning of the war, the National Park Service was required to turn over to the United States Army engineers, the best trucks and best road and dirt-moving equipment. None of it has been returned, except for a few snow plows. This resulted in very hard use of the old equipment that was left. Probably this equipment cannot be replaced this year, but it does mean an excessive cost for maintenance of these old machines.

There are, in the 169 areas that compose the national parks, 4,600 miles of roads. It is proposed by the Appropriations Committee to allocate for maintenance $1,100,000, or an average of $239 per mile. Considering that these roads have had little or no maintenance for 5 years, that many of them are at high altitudes where snow and frost cause serious damage by spring thaws and freezing and thawing, and that these same climatic conditions cause rock slides and other deteriorations on the road, the figure of $239 per mile is so low as to make even minimum maintenance almost impossible. I have asked for an increase of $400,000 which would result in an amount for maintenance of $326 per mile. Even this figure is below a sum necessary to make these roads safe for the huge traffic they are going to have to bear.

In my State before the war, $500 a mile was ordinarily spent on maintenance of Federal aid roads. Because of the increased cost, that figure will have to be materially increased.

I am not making this plea for this additional fund for maintenance of roads as a sectional apppeal. The 25,000,000 who will visit these parks will come from every State in the Union. The large proportion of them will be driving their own cars that have seen considerable wear. As a matter of public safety and accident prevention on highways, a considerable amount of maintenance will have to be done on these roads. Dirt slides and rock slides must be removed and there are going to have to be repairs. Snow will have to be removed in some places; washouts and other erosions over the last 5 years must be taken care of.

I appeal to the Members of Congress to give us this absolute minimum that is necessary to maintain these roads for these 25,000,000 users this summer.

The Clerk read as follows:

Appropriations herein made under the National Park Service for "National parks" and "National monument, historical, and military areas" shall be available for the hire, maintenance, and operation of aircraft.

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the last word.

On Wednesday, May 8, during the discussion on the 1947 Interior Department appropriation bill, reference was made by my colleague the gentleman from New York [Mr. ROONEY] to the Yosemite Park & Curry Co., the concessioner at Yosemite National Park, Calif.

The gentlemen referred, among other things, to the length of the Yosemite Park & Curry Co.'s contract to provide public accommodation facilities in Yosemite National Park and to the amount which that company pays to the Government under its contract. His statement that the company retains its equity in the buildings it has constructed in the park is correct. Any investor of capital would expect that.

The reason for some of the national park concessioners, including the Yosemite Park & Curry Co., having long-term contracts—the maximum term is 20 years—is that only through the granting of such contracts at some of the National parks has it been possible in the past to furnish the visitors to those great areas the necessary housing, eating, and other facilities required by them, if they are to stay at the parks.

Soon after the National Park Service was established in 1916, the first Director, Stephen T. Mather, exerted every effort to obtain appropriations from the Congress to provide hotels, lodges, eating places, and other facilities for the public visiting the parks. When Congress, refused, his only recourse was to encourage private enterprise to provide these needed concessioner structures and other facilities in many of the National parks. He was forced to do this because the Government would make no investment in them. It was far from an easy task to get private enterprise to back these ventures. He had to induce them to come in. All of these concessioners in the early days took great chances. Some of them have never made any profit up to the present time.

Accordingly, as the present Director of the National Park Service, Newton B. Drury, stated at the committee hearings on the bill:

Historically, the condition of the concessioners in the parks, the fact, for instance that preference is given to a single operation in order to protect their investment; the fact that they are given a 20-year term, which I know some of the members of this committee think is too long and which I think is too long; the fact that the method of payment to the Government is one that perhaps we would not consider ideal—all of these things came about because of the fact that it was necessary to induce private enterprise to invest capital in plants for public accommodation on Federal lands, if the public was to have any service at all.

It must be remembered, too, that most of the concessions in the national parks are not year-round operations as most of them are located in the high mountain country. The short season and weather conditions are real hazards and the concessioners in these areas must face them year after year.

I should like to point out that the hotels in Glacier, Grand Canyon, Zion and Bryce Canyon National Parks were built years ago by railroad companies. These enterprises have not operated at a profit after charges of depreciation, and so forth. Their losses over the years have been charged to advertising.

Stephen T. Mather also had to get together public-spirited businessmen of National Park Co. to provide public accommodations in Mount Rainier Na-

tional Park in Washington. These businessmen took stock in the company and built up the capital necessary to construct Paradise Inn in that Park, to buy busses, and so forth. I understand that not a single investor has taken a cent in dividends out of this enterprise.

As the gentleman from New York [Mr. ROONEY] has pointed out, the records of the National Park Service show that the Yosemite Park and Curry Co. has made money during the past few years. However, in addition to the $5,000 annual franchise fee which that company pays to the Federal Government under its present contract, it should be stated, in fairness, that the company has also paid substantial income taxes to the Federal Government and to local taxing agencies. For instance, in 1944, the company paid $97,522.25 in Federal income taxes and $31,832.17 in other taxes. Actually, therefore, the Government received over $100,000 from the company in 1944 instead of merely the $5,000 annual franchise fee.

I did not want to let this opportunity pass without making this further explanation of the Yosemite Park and Curry Co. concession activities at Yosemite National Park. Furthermore, Director Drury, of the National Park Service tells me that the company's present 20-year contract will terminate in 1952 and that well before its expiration date a careful study will be made to determine what changes should be made in it to insure a greater return to the Government in the light of the experience gained during the term of the present contract and whether a shorter term contract can be entered into.

As to the implication that the present Yosemite contract exists because Dr. Donald B. Tresidder is now president of Stanford University, and because Dr. Ray Lyman Wilbur was former president of that institution, as a Californian, not an alumnus of Stanford, I can assure you that neither had the slightest thought when the contract was made that Dr. Tresidder was later to attain the presidency. Any suggestion of collusion is most unfair to these two honorable gentlemen.

The Clerk read as follows:

Alaska fisheries: For protecting the seal, sea otter, and other fisheries of Alaska, including the furnishing of food, fuel, clothing, and other necessities of life to the natives of the Pribilof Islands of Alaska; construction, improvement, repair, and alteration of buildings and roads, and subsistence of employees while on said islands; and contract stenographic reporting service, $780,615, of which $100,000 shall be available immediately.

Mr. BARTLETT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am seriously disturbed to note that the bill, as reported to the House, fails to allow the amounts approved by the Bureau of the Budget for several important Alaska activities. In the case of the item for the enforcement of the Alaska game laws the committee allowed $162,630, in comparison with the approved budget estimate of $186,900, and the amount of $142,585 appropriated for the fiscal year 1946.

The above, while indicating an increase of $20,045, is actually a net increase of $5,445, excluding difference in salary rates.

The postwar era in Alaska presents a vastly changed and alarming array of conditions directly affecting the wildlife resources in that Territory.

Due to the recent military urgency, the highway system in Alaska was greatly expanded. This has opened up many areas of virgin game and fur country. Military posts are scattered throughout the Territory where previously none existed. Many of these posts will now continue to be maintained during peacetime, with attendant personnel attached who will continue taking toll of the wildlife resources.

Even greater than the extension of the highway system, has been the expansion of airplane landing fields. This has opened up countless thousands of acres of game and fur country that, in many cases, were previously inaccessible.

During World War II thousands of defense workers came to the Territory. Of these, many elected to remain in Alaska. Many thousands of servicemen were stationed in Alaska throughout the war, the great majority of whom had never seen the Territory before. Since the war many of these servicemen who have been mustered out have returned to the Territory with the avowed purpose of settling there. In addition, many, who have yet to be mustered out, have firmly declared their intention of returning to the Territory permanently.

The majority of these new and prospective residents hope to earn their livelihood by fishing, trapping, and hunting. The reasons for this are twofold: First, the commercial fisheries constitute Alaska's major industry, and, second, these are resources that can be tapped, with a minimum cash outlay by the individual.

It can readily be seen, then, that this increase in resident population, coupled with the vast improvements already made to transportatior. facilities, combine to create a condition that, at present, is and will continue to make inroads into the wildlife resources of the Territory.

Under these conditions, wise management is, of course, the answer toward the perpetuation of this resource. However, this alone will not accomplish the desired result without the support of intensive patrol activities to carry out the policies of management. In order to adequately perform these functions of management and patrol, under these drastically changed conditions, additional funds are urgently required. This is particularly evident when one realizes that the territory concerned covers an area of approximately one-fifth the size of the entire continental United States. The need for a substantial increase in the appropriation for enforcement of the Alaska game law becomes further apparent when faced with the fact that during the war, due to conditions prevalent at that time, only six wildlife-agent districts could be maintained, and these with only one wildlife agent at each headquarters.

The estimated fiscal year 1947 appropriation for enforcement of the Alaska game law, in the amount of $186,900, was approved by the Bureau of the Budget on a wartime basis. It is far from adequate, however, to launch the reconversion program so utterly essential at this very moment. An appropriation of a larger sum is required for this purpose. Thus, and thus only, can full and adequate coverage be assured of the thousands of miles of coast line and the hundreds of thousands of square miles of area which comprise this vast Territory.

Now is an opportune time for the expansion of enforcement personnel. Veterans are and will be returning to their former positions as Wildlife agents. They will be replacing war-service appointees, many of whom performed their duties creditably during the veterans' absence. These men would fit admirably into the expansion program by providing trained, tried, and proven enforcement-officer material on which to draw from.

I am also especially concerned because of the fact that the committee report shows sizable reductions below Budget estimates for the appropriation for the enforcement of the Alaska fisheries regulations, the administration of the Pribilof Islands fur-seal herd, and investigation of the Alaska fur seals. The Alaska fisheries are the most important single resource of the Territory. With proper regulation, based upon scientific research and adequate enforcement, this resource can be built up and maintained for the benefit of the entire Nation as well as the Territory. The tremendous area to be covered poses a terrific problem in enforcement and requires adequate manpower and facilities, particularly seagoing vessels and airplanes.

The reduction of $72,375 from Budget estimates for more adequate protection of the fisheries of Alaska cannot help but be reflected in a further depletion of this resource. I also feel that the Government is fully justified in providing adequate funds for the management and exploitation, on a business basis, of the Pribilof Islands fur-seal herd. This activity is a producer of direct revenue to the Government. On April 29 an auction sale of Government-owned skins at St. Louis brought in a gross return of very close to $2,500,000. Skins are on hand which, when sold during the coming fall, will probably return an equal sum. While certain costs must be deducted from these gross returns, there will be a very substantial revenue covered into the Treasury. This activity, based upon sound conservation measures, has developed into a large-scale business enterprise, and I believe that the Government should look upon it as such, and follow established business practices by plowing reasonable portions of the proceeds into the business.

In addition, several other items involving scientific investigations of fishery resources have been reduced from the Budget estimates. It is widely recognized that the management of these fisheries is contingent upon continued scientific observation and intensive study of special problems. The magnitude of

the industry justifies a more liberal attitude in support of the fundamental research which must guide management and regulation.

The Fish and Wildlife Service estimates also included an item for improvement of spawning streams in Alaska by the removal of natural obstructions. This is a positive means of increasing the salmon production and it is regrettable that the funds approved by the committee will allow only a bare start in this direction.

I want to emphasize again that the fisheries of Alaska are its most valuable single asset and that they can be depleted or built up, according to the degree of financial support which is given to their management. There is nothing speculative in the dollars and cents returns which can be derived from these fisheries and from the fur-seal herd. They must, however, be given adequate protection in the form of scientifically sound regulations, and these regulations must be properly enforced.

The Clerk read as follows:

Protection of migratory birds: For the enforcement of the Migratory Bird Treaty Act of July 3, 1918, as amended, to carry into effect the treaty with Great Britain and the convention between the United States and the United Mexican States (16 U. S. C. 703–711); for cooperation with local authorities in the protection of migratory birds, including necessary investigations; for the enforcement of the act for the protection of the bald eagle (16 U. S. C. 668–668d); for the enforcement of sections 241–244 of the act approved March 4, 1909, as amended (18 U. S. C. 391–394), and for the enforcement of section 1 of the act approved May 25, 1900 (16 U. S. C. 701), including necessary investigations, $335,900, of which not to exceed $10,000 may be expended in the discretion of the Secretary for the purpose of securing information concerning violations of the laws for the enforcement of which this appropriation is made available.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we in California were very hopeful that the Appropriations Committee would go along with the recommendations of the Bureau of the Budget and include an item of $750,000 for the Government's share in a combination refuge and public shooting-ground program in my State. We have a very peculiar situation in California. Practically all of the ducks and geese that breed in the States and Canadian Provinces north of us and in Alaska concentrate in California in the winter and there just is not enough feeding and resting ground to accommodate them. The result has been heavy damage to rice and other agricultural crops, and up until 2 years ago we had a great deal of trouble and complaints from our farmers.

At that time the Fish and Wildlife Service started a program that has been very successful. They rented and in some cases purchased tracts of land in the heart of the agricultural belt, although they concentrated on land of low quality. Then they raised rice, millet, and other crops that the birds like to eat and used these grain patches to feed the ducks and geese instead of expecting them to live off the farmers' crops. To make sure that the birds would use the areas provided for them, they started a program of herding them with airplanes, and it is surprising how waterfowl can be driven by this means. As a result of the combination herding and grain-growing program, the loss of rice and other crops in California dropped to practically nothing. Down in the Imperial Valley, where we always had heavy losses in lettuce and grains, the same plan pretty well eliminated crop depredations.

The work of the Service so far has been largely experimental, but as a result we know now that crops can be protected by this means. The California Fish and Game Commission has appropriated around $750,000 to match the Federal funds that we asked for in the budget, and the State and Federal Governments have a plan worked out whereby they will jointly purchase and manage areas scattered throughout the State.

The regular duck-stamp money available to the Fish and Wildlife Service is not sufficient to do the job, and, furthermore, duck-stamp refuges cannot be opened to shooting under present law. What we want is special funds and special language so that these areas can be kept closed to hunting during the rice-growing season and then opened to shooting when the crop season has passed. With State fish and game commission and the Fish and Wildlife Service having areas side by side, this plan will provide for some public shooting grounds which we need badly in California.

I am making this statement because I want it understood that this is a real problem and that the Government and State have a specific plan to remedy the situation, but they must have money to make it effective.

The Clerk read as follows:

FEDERAL AID IN WILDLIFE RESTORATION

For carying out the provisions of the act of September 2, 1937, as amended (16 U. S. C. 669–669j), $2,000,000: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury under the provisions of said act.

Mr. MILLER of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the funds for wildlife restoration should be increased by $1,000,000 to bring it to the level recommended by the Bureau of the Budget.

The source of these funds are a tax, earmarked for this purpose, and levied upon guns, ammunition, and so forth. It is paid by the sportsmen of the country and is not a liability against the general funds in the Treasury.

This fund has been accumulating for some time and can only be spent for wildlife restoration. The funds are subvened to the States on a matching basis. The States need these funds in their long-range planning.

We deal here with a biological problem—one that cannot be accelerated but one that can be complicated through delay.

The pressure on our wildlife due to the return of our servicemen who are hunters is great. We cannot delay the program of restoration and maintenance too long.

The Clerk read as follows:

For the construction, repair, and maintenance of roads, tramways, ferries, bridges, and trails, Territory of Alaska, to be expended under the provisions of the act approved June 30, 1932 (48 U. S. C. 321a–321c), including printing and binding, $2,252,900, to be immediately available, of which $72,000 shall be available for surveys and plans for new construction and $1,020,000 for new construction, and no expenditures shall be made hereunder for such surveys and plans and for new construction in excess of three times the amount contributed by the Territory of Alaska for like expenditure; and the Secretary of War is authorized to transfer to the Secretary for the purposes hereof and without charge therefor the buildings and equipment now in use by the Alaska Road Commission for the maintenance of the Alaska Highway.

Mr. BARTLETT. Mr. Chairman, I offer an amendemnt.

The Clerk read as follows:

Amendment offered by Mr. BARTLETT: On page 84, line 15, after "$1,020,000 for new construction" strike out the words "and no expenditures shall be made hereunder for such surveys and plans and for new construction in excess of three times the amount contributed by the Territory of Alaska for like expenditure."

Mr. BARTLETT. Mr. Chairman, this amendment seeks to eliminate a restrictive requirement relating to road construction in Alaska which has not heretofore appeared in an Interior Department appropriation bill.

On page 84 of the bill now under consideration these words appear:

No expenditures shall be made hereunder for such surveys and plans and for new construction in excess of three times the amount contributed by the Territory of Alaska for like expenditure.

I feel I know the members of the subcommittee sufficiently well to express the view that in writing in the requirement just quoted they believed it would result in increasing the amount of new construction in Alaska. And I likewise am of the opinion that the subcommittee feels the Territorial government of Alaska is not now contributing what it should for the building of roads.

If my assumptions are correct, I want to state with all the force at my command that if this language is retained in the bill, road construction will be impeded, not aided, and with respect to the second assumption, the record is clear that the taxpayers of the Territory have been called upon to provide everything they should provide in the way of road money.

In this bill there is an item for $1,020,000 to construct new roads on the Kenai Peninsula and to the Forty Mile District. These are urgently needed roads and I am grateful to the committee for providing funds for their construction. But if actual building must now await the allocation of one territorial dollar for every three Federal dollars expended on new construction, a great disservice will be done. During the 1930's it is a matter of record that the Federal Government actually furnished barely enough money for maintenance of the existing highway system. New roads were built almost exclusively from Territorial funds. The

short feeder roads which opened up a new mine or group of mines or a new farm or group of farms were built almost entirely because of Territorial appropriations.

The Territorial legislature last met in regular session in 1945. Road appropriations were then made for the ensuing biennium. The first year of that biennium has passed, and the funds allocated, therefore, have been expended. Allocations have been made for the second year. To conform to the requirements of the language which my amendment would eliminate would necessarily involve the calling of a special session of the legislature. One such session has just been concluded, at a cost of around $60,000, where veterans' matters and the control of tuberculosis were acted upon, and it is almost impossible to expect that another session could be held before the start of the fiscal year to conform to the requirement set forth here. And even if that could be done, it would mean that many shorter roads urgently needed could not be built, so the very reverse of what the committee is obviously seeking would occur.

And the committee itself has said:

> The primary need in connection with the development of the Territory is additional roads to open up areas where agriculture, mining, and other enterprises may be undertaken.

I suggest that adoption of my amendment is best calculated to accomplish that objective.

The committee also had this to say in its report:

> During hearings on the bill it was said by Governor Gruening that the Territory has paid approximately 25 percent of the cost of highway construction, including small or secondary roads, the remaining 75 percent having been provided by the Federal Government. * * * In recommending a total of $1,092,000 for plans and surveys and for new road and highway construction the committee has inserted a provision requiring cooperation on the above-mentioned basis in connection with the funds recommended in the bill.

I submit Alaska need offer no apologies in respect to its contributions to highway development. Governor Gruening, in testifying before the committee, was in error in stating the Territorial government had contributed 25 percent of the funds expended to date. The truth is he was far too modest in his statement in behalf of the Territory.

Let us look at the record. It reveals that from 1905 until 1944, inclusive, Congress appropriated $26,537,370.87 for Alaska highways on the public domain. The Territorial legislature was not organized until 1913. Since then, it has appropriated for roads $5,623,500, or 21 percent of the congressional appropriations. But that is not the whole story. In Alaska we have a dual system of tax collection. Before the Territorial government was organized, the clerks of the district court were authorized and directed to make certain tax collections which were deposited in the National Treasury and then appropriated by the Congress for roads, education, and relief of the indigent in Alaska. For no good reason, this system still continues, notwithstanding the fact we have a Territorial treasurer. But the taxes collected under it and appropriated as a consequence are purely Alaska tax moneys no less than if collected by local officials. From 1905 to 1944, inclusive, there was appropriated for Alaska roads out of this so-called Alaska fund $5,649,175.01. This must be counted as a direct Territorial contribution which brings the total Territorial contribution to 42 percent. I submit that such a degree of cooperation is unusual in any other Territory and, indeed, in any State.

The Territory is now sorely discriminated against in the matter of Federal assistance in road construction by being omitted from the benefits of the Federal Highway-Aid Act. If the Territory were included in the Federal highway program, the total moneys available for new construction would be far greater, and because of the fact that over 98 percent of the land areas are federally owned, the Territory's contribution under the terms of existing legislation would be approximately 2 cents on the dollar. The language heretofore referred to appearing in the appropriation bill endeavors to set up a second-class type—no, a fourth-class type—of Federal-aid program, solely for Alaska. At the same time, it allows far less money for new construction and makes that money available on far more difficult terms than is proper under the formula recognized in that act.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from New York.

Mr. ROONEY. Will the gentleman tell us how much the Legislature of Alaska has appropriated for roads within the past 2 years?

Mr. BARTLETT. I will not attempt to give the gentleman the exact figure. I believe it is in the neighborhood of $550,000.

Mr. ROONEY. That is over a 2-year period?

Mr. BARTLETT. That is correct.

The CHAIRMAN. The time of the Delegate from Alaska has expired.

Mr. BARTLETT. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. BARTLETT. Mr. Chairman, the Territory has made very notable contributions to the construction of roads in an area nearly one-fifth the size of this Nation.

But so long as the overwhelming portion of the land and resource areas of the Territory remain in outright Federal ownership, it is no more than fair that the Federal Government should assume the predominate responsibility and burden of building roads to open and serve these areas and make available these resources which would redound to the benefit of citizens and businesses throughout the Nation and not exclusively and primarily to the benefit of the present population of Alaska.

What Alaska needs and must have in this expanding area is more Federal help, not less. The chain which encircles us so tightly must be loosened. There must be fewer Federal restrictions, not more.

We are willing to do our part. In the matter of road construction, we have done that part magnificently and are not properly subject to any criticism at all.

If the language now appearing in the bill is retained, I submit again that it will only result in hindering, not helping, road construction.

I ardently hope my amendment will be accepted.

I see that the committee has reduced the amount provided for construction and maintenance of highways in Alaska from $3,790,400 which was recommended by the Bureau of the Budget, to $2,252,900, making a reduction of $1,537,500 in this important item which takes care of road requirements of all the vast area of Alaska, with the exception of the relatively small area which lies within the national forests and for which provision is made in the Forest Highway Section of the Federal Aid Highway Act. This is undoubtedly the most important appropriation item affecting the economic development of Alaska, and the one upon which the opening up of new agricultural, mining, and recreational areas is entirely dependent.

The report acknowledges this fact in the following expressive words, "The committee is of the opinion that the primary need in connection with the development of the Territory is additional roads to open up areas where agriculture, mining, and other enterprises may be undertaken."

The amount which has been allowed for the construction and maintenance of roads in the great central mainland of Alaska can be seen in true perspective when it is understood that the forest highway allocation for Alaska under the current act amounts to $1,500,000 per annum, to take care of the road needs of that portion of the Territory along the coast of southeastern and south central Alaska which is, in area, a small part of Alaska. This is a region broken up by waterways and consisting, to a great extent, of islands which make it impossible to develop a connected road system. Roads are important in the forest area, too, but it should be recognized that the waterways will always provide the basic medium of transportation, in this coastal region.

The amount available for forest highways is certainly thoroughly justified, but by any standards of comparison, the amount provided for maintenance and expansion of an integrated road system in the great central mainland area of the Territory should be far more generous. This appropriation, providing only $753,000 more than is allowed for the forest highway area, must take care of the maintenance of over 2,750 miles of road, as compared to approximately 260 miles of roads in the forest highway group; in a region of Alaska in which weather conditions are far more severe and in which all costs of operation are much higher than in the coastal region.

What will this reduction mean to the maintenance of the present system?

Simply that the existing roads in Alaska built, for the most part, with inadequate funds to low construction standards, will receive insufficient maintenance to take care of normal wear and tear, and to repair the damage wrought by weather conditions, floods, and other contingencies which arise in maintaining low-standard roads in a country like Alaska. Important segments of the road system which serve the mining industry were permitted to disintegrate severely during the war when mining operations were suspended in order to take care of the abnormal, costly maintenance which resulted from heavy military traffic on the other portions of the road system, and it is now imperative that these roads be reconditioned and made serviceable. The amount allowed to the Alaska Road Commission for maintenance of the road system has always been inadequate. The estimates submitted were based on an anticipated expenditure of $750 per mile on less than 80 miles of the system carrying the heaviest traffic, and less than $400 per mile on the balance of the system. These estimates were in themselves too low when considered in relation to other road expenditures. The Public Roads Administration has expended approximately $1,200 per mile for the maintenance of portions of the forest highway system built to comparable standards and carrying approximately the same traffic.

By way of further comparison, it should be noted that the committee, in turning over to the Alaska Road Commission the responsibility for maintenance of the sector of the Alaska Highway which lies within the Territory, has made an allowance for an expenditure of only $500 per mile for maintenance. This amount, on a road that cost the Army $4,000 to maintain directly and which costs $2,000 at the present time when the work is being done for the Army by the road commission. In providing for the maintenance of this section of the Alaska Highway as an integral part of the Alaska road system, the Budget Bureau allowed $750 per mile, the same figure provided for other principal roads in the system. Provision was also made for the transfer of the Army equipment and buildings used for the maintenance of this road to the road commission. I am glad that the committee has gone along with that recommendation. However, I am much perturbed by the fact that this great highway which provides for the first time a land route between the States and Alaska is to receive such limited maintenance on the section which is the responsibility of our Government. Thus, at a time when we are encouraging the Canadian Government to provide satisfactory maintenance of over 1,300 miles of the great military highway, we seem to be unwilling to provide for satisfactory maintenance of the less than 200 miles of this great route which is in our own Territory.

The committee proposes to give it poorer maintenance than other connecting roads in central Alaska and less than half the amount provided for maintenance of comparable but detached local segments of the forest road system in Alaska. We should be setting a proper and reasonable standard for the maintenance of the whole Alaska highway, particularly now that the Canadian Government has assumed six-sevenths of the job. Five hundred dollars per mile will not protect the investment which has been made in this enormously important route—a route that is essential to hemispheric defense and to the development of a vast and rich portion of this continent.

However, by far the most serious reduction made by the committee is in the amount made available for the construction of new roads extending the existing system to key areas, the development of which is essential to the growth of the Territory. There is no region in all of our Nation with greater untapped resources—greater prospects for long-range development—or which is more desperately in need of new transportation facilities in order to reach these resources and to make them available to the Nation's economy. Agricultural lands, mineral deposits, and other natural resources which are not made accessible by roads or other basic transportation cannot be reduced to possession and cannot provide the basis for settlement and expansion of the economy of the Territory and the Nation, of which it forms such an important part. Interest in the potentialities of Alaska as a place for settlement has reached an all-time peak. It is being considered especially by our returning servicemen, many of whom spent portions of their service in the Territory and now desire to go to Alaska to develop business enterprises, farms, and homes.

As I have stated above, the committee has verbally recognized the paramount importance of new road construction in the economic development of the Territory. Despite this fact, they have reduced the very small amount of $2,300,000 recommended by the Budget Bureau for new road construction by more than one-half, recommending only $1,020,000 for this purpose.

The amount of $2,300,000 approved by the Bureau of the Budget and justified to the Committee is the minimum required to initiate construction on three of the most important road projects in Alaska.

The first is a road to open up and serve the important agricultural lands on the Kenai Peninsula and to make possible the connecting of this agricultural area with the rail and road system of Alaska, to provide access to the settlement lands and in turn to provide a reliable transportation artery for the marketing system required for successful settlement. The committee has recommended $440,000 less money for this large and important project than the Budget Bureau, and eliminated specifically a portion of the through road leading out of Anchorage, which is urgently required in order to provide access to homestead lands immediately south of and adjacent to that most important commercial center in Alaska.

The second and hardly less important project is the construction of a feeder road from the Alaska Highway through the famous Fortymile district, one of the oldest and best-known mining regions in Alaska, but one which until the construction of the Alaska Highway was, in effect, an off-shoot of the Klondike district in Yukon Territory, Canada. Transportation to the district has always been excessively costly and roundabout. Now, with less than 100 miles of new road construction, the center of that district can be served directly by truck from the sea coast, bringing freight into the area at less than one-half the previous cost. There is every reason to believe that the Fortymile area will experience great expansion in mining activities, in opportunities for employment, and for settlement of the desirable farm lands, which are known to exist in that part of Alaska, once so remote from the remainder of the Territory but now so easily accessible with the construction of this short feeder road.

The third new road project was designed to extend the present road system into the great vacation region contained in the Mount McKinley National Park. That area is the paramount objective of travelers to Alaska who wish to see the grandeur and beauty of the greatest mountain on this continent. The extension of the road system to the park is essential if the greatest scenic and recreational asset of the Territory is going to be readily available to the thousands of motorists and travelers who are inquiring about Alaska travel and making plans to see this great part of America in the immediate future. This project, which would also open up an important mining district, has been completely eliminated by the action of the committee.

I am compelled to urge in the strongest terms I know that the full amount recommended by the Bureau of the Budget for construction and maintenance of roads, bridges, and trails in Alaska be provided by this Congress.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the amendment offered by my distinguished friend.

Mr. Chairman, I am going to address myself very briefly with regard to the proposed amendment offered by the Delegate from Alaska. Under the terms of the bill, page 84, line 13, the committee has allowed the sum of $2,252,900. According to the statement just made by the Delegate from Alaska the Alaskan legislature for the past 2 years has appropriated the sum of $500,000 for roads. Under the allowance made by the committee. Therefore, and bearing in mind the provision in the bill that 25 percent of the amount allowed shall be borne by the Territory of Alaska, there is now being given to such Territory a sum approximately eight times the amount the people of Alaska have spent for roads last year, and for that reason I urge that the judgment of the committee be sustained and the amendment defeated.

The CHAIRMAN. The question is on the amendment offered by the Delegate from Alaska.

The amendment was rejected.

The Clerk read as follows:

Construction: For construction of transmission lines, substations, and appurtenant

facilities, and administrative expenses connected therewith; purchase (not to exceed 10 in the fiscal year 1947), hire, maintenance, repair, and operation of passenger automobiles; and printing and binding; $3,198,000.

Mr. RAYBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAYBURN: On page 89, line 4, strike out "$3,198,000" and insert "$7,500,000."

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Chairman, I deeply regret that in the interest of my people, also in the interest of the people of the great Southwest, and in the interest of the Federal Government, I feel called upon to offer an amendment. If I were here offering an amendment to increase the Budget estimate I would really be embarrassed. The Budget estimate for the Southwestern Power Administration was twenty-three-odd-million dollars. The committee in its wisdom proposes $3,198,000. The amendment I offer, of $7,500,000, is not quite one-third of the Budget estimate.

Some people have been fearing, about some people not members of this committee or otherwise, that I might speak with a forked tongue. I do not intend to do that. I do not intend to criticize anybody in Congress or out. I make what I think is a business proposition to this committee.

The Government owns or controls three dams that generate power. I am simply asking this committee to give enough money in addition to the $3,198,000 to tie these three dams together, which you would do, I am sure, if they belonged to you, which I would do, or want to do, if they belonged to me, and which I think the Government ought to be allowed to do.

There is a question about the Grand River Dam. It appears that that is going back to the State of Oklahoma, but the Government has, as an estimate, something like thirteen or fourteen million dollars in that dam.

Even though the State of Oklahoma is to take over that dam, talking to the Governor of that State this week, he wants it tied in with the Denison Dam and with the Norfork Dam. Whether or not this power is distributed by the Government through an administration is one thing; whether or not they continue to sell it to the power companies is another thing. The great Southwest does not have too much power, even with the power that the power companies themselves can generate and the power that may be generated at these three dams. Therefore, my proposal is not to go out and compete with anybody in building any more transmission lines at this time because some transmission lines are provided in this committee report. I simply want to do the thing I think anyone would do if they controlled these dams, and that is to tie them together so that a greater proportion of the power may be distributed throughout that great area. I remember standing on this floor some 11 or 12 years ago asking the Congress to pass what is known as the Norris-Rayburn rural electrification bill.

Some of the power companies now say they are greatly in favor of the expansion of rural electrification. If any of them were in favor of that bill at that time, they failed in the hearings or otherwise to contact me. It might be interesting to you for me to read just a few figures. Here are some figures on what just a little public power has done for the people of the great Southwest in the reduction of rates. These reductions in rates have come about within the last 5 years. In the State of Arkansas in 1940, the people were paying the Arkansas Power & Light Co. 89 cents. They are now paying 57 cents. The rates of the Oklahoma Gas & Electric Co. in Arkansas have been reduced from $1.23 to 60 cents. Between 1940 and 1945, the rates of the Kansas Power & Light Co. in Kansas have been reduced from $1.40 to $1.13. The rates of the Louisiana Power & Light Co. in the State of Louisiana have been reduced since 1940 from $1.31 to 85 cents. The rates of the Missouri Power & Light Co. in Missouri have not been reduced quite so much. They have gone from $1.23 to $1.10. In the State of Oklahoma, the State of the chairman of this subcommittee, since the Denison Dam has been nearing completion, the rates of the Oklahoma Gas & Electric Co. have been reduced from $1.18 to 60 cents. In my own State of Texas, the biggest company there I would think being the Texas Power & Light Co., which is in the region of the Denison Dam and controls 300 cities, towns, and villages, the rates in that area have been reduced from $1.19 to 56 cents.

I might add that we are more unfortunate in that section of the country than other sections as we were paying almost prohibitive rates for what little rural electrification we had. I think it was about 15 cents. Now it is in the neighborhood of 5.90 cents. I will read the list of the States in the Southwest and the percentage of rural electrification that there was in those States when rural electrification went into effect in 1935.

In the State of Arkansas only 1.2 percent of the farms were electrified. Today, after 5 years of war, and the limitation of materials, 19.1 percent of the farms in Arkansas are electrified.

The State of Kansas had fared a little better than we. Seven and six-tenths percent of the farms in Kansas were electrified. Now 27.9 percent are electrified.

In the State of Louisiana, where there is considerable excitement about the Southwest Power Authority, 1.7 percent of the farms were electrified. Now 20.8 percent are electrified.

In the State of Missouri 6.4 percent were electrified; now 28.4 percent are electrified.

In the State of Oklahoma 2.6 percent of the farms of that great State were electrified in 1935, and the power companies had been there a long, long time. Now 20.3 percent are electrified.

In my own State of Texas in 1935 only 2.3 percent of the farms were electrified. Now 34.7 percent are electrified.

I fear that had it not been for the rural electrification loans we would have had a very small amount of our farms electrified in that neighborhood.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RAYBURN. I remember that in my county, to make it personal, in the early thirties there was not a mile of rural electrification, in that great, rich county of 45,000 people. Finally, there was 1 mile built. The farm upon which I live is 2 miles from the courthouse and a mile from the city limits. We finally got rural electrification out to that farm, and it was the only mile in that county until after rural electrification came about. The rates were such that we could not operate an electric stove on that farm. We could not, as farmers, pay the bill. But from 1940, the approach of the completion of the dam at Denison, the rates started down. During the war we could not buy the things out of which to make transmission lines, and this power was sold to the Texas Power & Light Co. and the Oklahoma Gas & Electric Co. The Texas Power & Light Co. announced a reduction to users outside of rural electrification in that district of $300 000, and stated candidly, honestly, and frankly that they did it on account of the power that was generated at Denison Dam.

What we are seeking to do by this amendment is not to parallel anybody's lines, not to put anybody out of business, but simply to tie this Government property together. That is all we are asking in the amendment now offered here. Why that should scare the power companies, why that should put them to burning up the telephones and so on, I do not know.

I do know this, that the gentleman from Mississippi [Mr. WHITTINGTON] was called before this committee, being one of the great experts on flood control and flood-control dams. When they got down to this matter he was asked the specific question if he thought it was economically and otherwise sound to tie these dams together; and his statement was, "Yes."

I also have here the statement in the record of the genial gentleman from Iowa [Mr. JENSEN] and I quote his words following some questioning of Mr. WRIGHT and Mr. WHITTINGTON. It is found on page 132 of the hearings:

I do think—

Said Mr. JENSEN—

that you should tie these dams together.

Let me repeat in closing that I am not trying to go over the estimate; I am asking you to give one-third of the Budget estimate that we may tie these properties together so that if sometime there should

be a dry season in one area and not in the other, these generating stations tied together by these transmission lines may operate to serve the people.

It would have been my hope that this committee would accept this amendment, but I fear they will not. I am therefore asking my colleagues to give us a little in excess of $4,000,000 in order to tie these dams together so they may serve the people and put enough electricity in that country to electrify our homes and serve our industries.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield for a question?

Mr. RAYBURN. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. I am sorry I was not here when the amendment was offered. Does the gentleman's amendment propose to tie the Grand River Dam in Oklahoma to these other two dams?

Mr. RAYBURN. To the Denison Dam and the Norfolk Dam; yes.

Mr. RIZLEY. The reason I propounded that question was that our Governor sends out a weekly letter. I have just received the last one today. He states in this letter:

> We visited the Director of the Budget along with Senator THOMAS, France Paris, manager of the Grand River Dam Authority, and members of his staff.
>
> The bill pending in Congress to return the Grand River Dam to the State had been held up for weeks awaiting recommendations from the Budget Department. After full discussion the Director agreed to recommend the bill, and did so while we were in Washington.

Assuming the Governor knows what he is talking about, and assuming that the Grand River Dam, which is the property of the State of Oklahoma, is completely turned back to the State of Oklahoma, what would be the effect of the gentleman's amendment tying this dam into the other two?

Mr. RAYBURN. I am for turning the Grand River Dam back to the State of Oklahoma, because I think it belongs to them. The United States Government, however, has about $14,000,000 interest in the dam. But, as I say, I spoke to the Governor, I think it was this week or the latter part of last week, about this very amendment and he said he was in favor of tying Denison, Grand River, and Norfork Dams together, because he thought that they could get power from Denison or Norfork when they did not have enough at Grand River, and vice versa.

This amendment has nothing whatsoever to do with the returning of the Grand River Dam to the State of Oklahoma, and I am just as much in favor of the Government's carrying out its contract and returning this to the State of Oklahoma as is the gentleman from Oklahoma or the Governor of the State.

Mr. NORRELL. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The gentleman from Arkansas is recognized for 15 minutes.

Mr. NORRELL. Mr. Chairman, in the beginning I would like to say that I am very devoted to our great Speaker. There is no man on my side of the aisle who has greater respect and admiration for the distinguished Speaker of this House than the gentleman from Arkansas who is now attempting to address you. I have great admiration for all Members of the House on both sides of the aisle. I try to find out as best I can in my very feeble and humble way what the right thing is—what I should do, and then attempt to do it. It would be much easier for me today to vote for the pending amendment; but, as I construe my duty, it is impossible for me to do that. I want to consume a few minutes of your valuable time in explaining why.

Mr. Chairman, after Congress has either failed or refused to pass a valley authority for our section of the Nation, the President, by Executive order, under the War Powers Acts, established the Southwest Power Administration, giving it authority to market in wholesale quantity power produced from flood-control dams at Norfork, Ark., and at Denison, Tex.

Preceding this Executive order, the Government seized the Pensacola—called Grand River—Dam, at Pensacola, Okla. The President gave the Southwest Power Administration authority to complete the Pensacola Dam and then operate all said dams in the interest of the war effort.

The Pensacola Dam is owned by the State of Oklahoma, and although the war is over, there has been no effort made by the Government to return this property to Oklahoma. It appears that the Government is desirous of extending its wartime powers over this dam indefinitely. Bills have been introduced, however, by Members of Congress from Oklahoma, in the House and Senate, for the return of this dam to Oklahoma. Legally, this must happen when the war is officially terminated.

The only dams in operation in that area owned by the Government at this time are the Norfork and Denison, and the present capacity of each is 35,000 kilowatt-hours. Norfork has an ultimate capacity of an additional unit of 35,000 kilowatt-hours, and Denison has an ultimate capacity of two additional units of 35,000 kilowatt-hours each.

No other dams are scheduled to commence the production of power until late in 1949, which is approximately 3½ years from now. During the next 3½ years, therefore, the only dams to be operated will be Norfork and Denison, owned by the Government, and Grand River, owned by the State of Oklahoma. All power from these dams is presently being purchased by several power companies operating in that area under contracts executed during the war by the Southwest Power Administration. These contracts will not expire until July 1, 1949. The utility companies and the Southwest Power Administration operated under this contract all during the war, and every kilowatt of power produced at the dams was purchased by the power companies under a contract written and approved by Mr. Douglas Wright, Director of the Southwest Power Administration. Mr. Wright recently testified before our committee that, with but one exception, this contract had been complied with to the fullest extent, and that the cooperation received from these utilities had been perfect except in that one instance. This establishes the fact that the Government and private industry can cooperate and get along together, and jointly do a magnificent job. This relationship certainly establishes a good batting average.

Notwithstanding the fact that all of the power to be generated from these and subsequent dams is being purchased at this time under legal contract by the private power companies, the Southwest Power Administration last fall issued what it called a comprehensive plan of power distribution and sales from hydroelectric projects as authorized by the Flood Control Act of 1944 in the southwest region. This region, if the comprehensive report is approved by Congress, will be composed of the States of Arkansas, Oklahoma, Texas, Louisiana, southwest Kansas, and southeast Missouri. The Southwest Power Administration proposes a system of high-voltage transmission lines and steam plants throughout this general area, almost 100-percent duplicating, so we are advised, and, you can see, facilities presently owned and operated by private utility companies.

This entire region is now actually physically integrated with connecting links between all of the 12 companies operating in the area. If a shortage due to drought or accident to generating plants should develop in one or more spots, the transmission generating facilities in the entire area will supply the deficiency. This integration took place in 1941, at the request of the Federal Government, in anticipation of heavy war loads. The Southwest Power pool was thus able to meet every demand in that region with a surplus at all times. By the replacement method of transmission a TVA shortage during drought period was relieved by loads traveling from as far west as Texas. Through a system of power replacement, the industry in this region is as well equipped to meet present and future loads as any area in the United States.

If these high-voltage transmission lines are constructed as proposed, the area of the Southwest Power Administration will cover seven times the original, and three and one-half times the present, area of the Tennessee Valley Authority. It will cover approximately 300,000 square miles.

The Southwest Power Administration desires to construct in this area 14,768 miles of high-voltage transmission lines, and estimates the cost per mile to be $8,464. These estimates were made last fall. The TVA paid on an average of about $15,322 per mile. The Bonneville Power Administration paid approximately $28,292 per mile. In my opinion it will cost more to construct these lines than has been estimated; probably not so much as in the Bonneville area and

about the same as in the TVA area. Also, since this report was made, labor and materials have substantially increased. So, if on an average the Southwest Power Administration should pay the same as TVA for transmission lines, the total cost would be approximately—$15,322 times 14,768 square miles—$226,275,296. Add to this item a wage increase of around 18½ percent recently proposed by the Senate, or $400 per employee as proposed by the House, and also add the increased cost of materials, and you have a colossal sum of money—no one knowing exactly the total, but it would amount to approximately $300,000,000 that the taxpayers would pay for the construction of these high-voltage lines.

But this is not all. The Southwest Power Administration is not satisfied just to market power. It wants to start the generation of power by steam plants, and has requested a total sum of $80,000,000 for this purpose. This would construct several steam plants throughout that area. If we include in this item the increased cost of labor and materials, the total cost of steam plants would possibly amount to $100,000,000. These two items total approximately $400,000,000. And yet we have not come to the end of the road.

It is estimated by the Southwest Power Administration that the annual cost of maintenance, when this system shall have been completed, will amount to the total sum of $12,415,000. In other words, the taxpayers will be called upon to pay this amount of money each year for the operation and maintenance of the completed system. Add to this item the increases of labor and materials, and you have an annual maintenance item of approximately $15,000,000.

The question is, Should we put the taxpayers to this expense unless it is absolutely necessary?

The Southwest Power Administration is operating under section 5 of the Flood Control Act of 1944 for authority to construct transmission lines and steam plants. The language of section 5 gives no specific authorization for the construction or purchase of steam plants. Authorization may have been given for the construction of transmission lines and related facilities as may be necessary. A showing of necessity would of course have to be made before even transmission lines could be constructed. I do not see how related facilities could cover the construction or purchase of steam plants, as related facilities are fixed by statute to be located at the dams.

There is at least some question regarding the authorization for the construction of either the transmission lines or the steam plants, in view of the evidence before the committee, under the provisions of section 5 of the Flood Control Act of 1944. Nothing in the debates, either in the House or Senate, would justify construing the statutes to cover the proposal of the Southwest Power Administration, according to some very able attorneys.

If the statute gives authority for the construction of these facilities in the southwest area, the statute would authorize the construction of similar transmission lines and steam plants throughout the entire section of the United States. If the authority is sufficient for one section of the country, it is certainly sufficient for the other sections. This would constitute a complete socialism of the power industry. Did Congress mean to socialize the power industry of this Nation? I do not think so. If this is the intention of the Government, then I think the issue should be made in the general election; and if the people by majority vote elect candidates to Congress advocating the socialization of this or any other industry then I would be perfectly willing to abide by that decree.

The utility companies have made an offer to buy all the power generated from these dams, now or hereafter to be operated. Their written proposal is as follows:

First. Pay a sum equal to the power benefits based on the total kilowatt-hour output as set forth in the reports of the Army engineers on which the construction of the dams are justified.

Second. Pass on to customers any savings which accrue to the companies through the purchase of power from existing and future dams.

Third. Give preference to public bodies for governmental use, and to the Rural Electrification Administration as directed by Congress.

Also, in testifying before our committee, they stated that they would buy, transmit, and sell all power available from these and subsequent dams placed in operation under Government control, and would comply with all legal orders, decrees, and regulations of the Federal Power Commission.

If they had come in here and asked for a tie-in system that would have been one thing, but they came to our committee and said, "Gentlemen, this is our project. We want it all, and if you do not expect to appropriate it all, you ought not to start it."

Then on page 53 you will find that Mr. Wright testified as follows:

> The issue is very clearly drawn; it could not be any more clearly drawn, as I see it. I think it is a momentous decision for Congress to make on our request for funds.
>
> I believed the companies would offer to buy the power in this way even before the offer was brought to us, but I am glad the offer makes the issue so definite.
>
> As the speaker told you this morning, it is his judgment that this was a case where half a loaf was not better than no loaf at all. I agree with him.
>
> NECESSITY FOR APPROVAL OF ENTIRE PROGRAM
>
> I think we have not asked for anything as shown on that map in red and previously described that can be omitted and still secure a complete operating unit. If you omit any part of it the proper function will be seriously hindered. The question is, it seems to me, personally, that if you are going to appropriate any money for construction of transmission lines and related facilities you should either appropriate the amount requested to build the portions of the system that we have laid out, or you should give us no money for construction.

It may be argued that the power companies cannot be trusted; that they will not do what they promise. I do not know. The only business I ever had with the utility companies was in the practice of law, in suing a number of them for damages in personal injury suits. I have filed many suits against and made sizable collections from the utilities doing business in Arkansas. I never represented any utility, directly or indirectly, while I was in the practice of law; I do not now and never have owned any stock; and I have no special interest, directly or indirectly in any utility company, other than to try to protect to a fair and reasonable extent the 4,000 citizens of my State who own stock in the power company doing business in that State, as well as the stockholders of other companies doing business in that general area; and, above all, to try to see that the right thing is done and that the American system of private enterprise is continued.

From a selfish standpoint, I have attempted to find some good reason for allowing these requests, because a portion of the Federal money would be spent in Arkansas, and all of it would be spent in my section of the Nation. I have insisted, however, as a member of the Appropriations Committee, upon the most rigid economy in other sections of the country. I have voted for drastic cuts in proposed appropriations in the pending bill totaling the sum of $172,113,251. These cuts were made from projects of my colleagues in the House, not because the committee wanted to deprive their projects of money, but because of an honest and sincere desire to practice sane and sound economy, and to try to do our part toward protecting the status of our Federal budget. If economy is proper for the West, is it not also proper for the Southwest?

It may be that these transmission lines and steam plants should be constructed. We have plenty of time to construct transmission lines, as no other dam in this area is scheduled for production before about 1950, and power from Norfork and Denison is already being purchased under a legal contract.

We are suggesting that in view of all existing circumstances action be deferred on these requests until it can be determined what arrangements, if any, can be made with the private power companies. If it is possible for the Government and private enterprise to cooperate and market this power without charging the taxpayers with the initial capital investment and the annual operational charges, and if the Government and its citizens can be protected, then, of course, we think that should be done. We have plenty of time to ascertain if it is possible. We ought to defer action in order to see what can be worked out. We should encourage rather than discourage such a transaction, as it will not only save the taxpayers millions of dollars, but it will prevent the socialization of power and establish the fact that the Government and private industry can cooperate and work together.

The private power companies have come and said, "We want to buy power from these and future dams, pay firm prices for it, buy it at the Government fixed cost, sell it under Government orders and regulations, and sell it to the

consumers, giving the benefit of the public dams to the consumers." We do not know whether they will do that or not. I say, since the contract continues in force as it presently exists until 1949, we have time to see whether they mean that. If they do not mean it, next spring we can make these appropriations and construct this system.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Texas.

Mr. RAYBURN. The contract provides until July 1949, or until the close of hostilities.

Mr. NORRELL. And 6 months thereafter.

Mr. RAYBURN. It may be any time.

Mr. NORRELL. Someone may question my statement as to the socialization of the power industry in that area, but I am convinced that, if it becomes necessary to allow requests to the Southwest Power Administration, such action will adversely affect private enterprise in this field, because you cannot subsidize one and tax the other competitors in any field of fair competition. Mr. Wright admits that this is true. To meet any normal business-like test of the definition of self-liquidation, the project would have to measure up to the following yardstick:

First. It should be able to return to the Federal Government at least as much income as the interest on capital invested at a rate equivalent to the cost of money to the Federal Government.

Second. On the basis of reasonable life of the property—20 or 25 years for transmission lines and generating plants is customary—it should set up reserves for amortization and depreciation to pay out within the life of the existing property.

Third. It should be able to set out of earnings a fund to take care of maintenance and operation, without coming to the Federal Government each year for appropriation for operation and maintenance.

Fourth. Rates should be fixed sufficiently high as to return to the Federal Government in "profits" or tax refund an equivalent of the amount that would have been paid had the business been conducted by private companies.

Fifth. Rates should be so fixed as to guarantee payment in lieu of taxes to States and political subdivisions thereof equivalent to that which would have been paid by private organizations similarly engaged.

It has been stated that these funds should be allowed for the construction of the proposed system because it would make more and cheaper power available to industry, to the urban public, and to the farmers. The allowance of these funds would not add a kilowatt of generating capacity to the region.

The Southwest Power Administration is only a sales agency for power generated, if and when and where the Corps of Engineers have power available for sale from flood control dams in the area. It has no control over the amount of power to be made available, or the generating capacity which the engineers choose to install. The power would be there, regardless of whether or not the Southwest Power Administration was in existence. In the event that power were sold to private companies or to local public agencies, such as municipalities and rural electrification cooperatives, the most economical means of utilizing it would be to coordinate the power with the peak loads as they occur in the region for the most economical and beneficial use. In other words the public can retain all of the benefits of Federal sale of this power without making any capital expenditures and without having any annual operational charges.

This statement is based upon a firm offer to purchase all of the power to be generated at existing dams and dams proposed to be built in the region, at a price to be approved by the appropriate public regulatory bodies, and under which all savings would be passed to the public.

Someone has said that the construction of this system by the Southwest Power Administration would give cheaper power to the rural electrification projects. I do not know. I do know that the Southwest Power Administration is now selling power to the rural electrification co-ops at 5.6 mills per kilowatt-hour. I know that in my own State of Arkansas this is exactly the price being charged by the private utility company; in other words, the Government and the private utility company are both charging now 5.6 mills per kilowatt-hour to the co-ops in my State. The co-ops will build small feeder lines when materials and labor are available, when they have two sure and one prospective customer per mile. So will the private utility. There is no difference here. It appears that the Southwest Power Administration has been overcharging the co-ops, if they can in the future sell power cheaper than they have in the past.

I am very much interested in the rural electrification of America, and we have made rapid progress in Arkansas; in fact Arkansas started its program of rural electrification over a year before Congress enacted in 1936 the law providing for the Rural Electrification Administration. Today we stand third from the top in rural electrification: Mississippi is first, South Carolina is second, and Arkansas is third.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. NORRELL. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

There was no objection.

Mr. NORRELL. Mr. Chairman, I am interested in the progress of rural electrification and in all cooperative associations. I have always supported their programs. I should like to see every farm and home in Arkansas and throughout the Nation supplied with all the power that can be used. We must remember that in the field of electricity rapid progress has been made throughout the Nation. In 1900 there was hardly a town in Arkansas, according to my information, of less than 15,000 population which had electricity. Even as late as 1916 there were only about 22 miles of transmission lines in Arkansas. At the time World War I was concluded, there were not more than 1,000 miles of transmission lines throughout the entire United States.

Another has said that the allowance of these funds would attract new industry to the Southwest. We are advised that large quantities of cheap power are required in a few industries. But the Federal Power Commission has stated:

> Except for electrochemical and similar industry, where power is of paramount importance, location of industries is controlled more by the source of raw materials, proximity of railroads, adequacy of labor supply, transportation costs, available fuel supply, climate, etc., than by the cost of electric power.

Again, the cost as broken down by the Department of Commerce showed that for every $100 of value of manufactured product, materials cost $53.40; wages and services, $22.60; overhead and profit, $22.64; commission and contract work, $1.04; power, $0.82.

Still another has said that the allowance of this money and the construction of this project would break the monopoly of the power trust over electric rates and services in this area. It will break any monopoly. There is no question about that. It will do more, pious denials to the contrary notwithstanding. No realistic approach to this problem can escape that inevitable result.

In the early days of the TVA, Mr. David Lilienthal, its present Chairman, emphatically and categorically stated that the TVA expected to live with the local utility companies in that area and chiefly become their source of generated power. The answer today is that 31 companies within the area have been wiped out of existence by purchase. Unless the trend is reversed, destruction of private enterprise throughout the Nation is inevitable in the field of power. Federally subsidized competition in such States as Nebraska, with its Consumers Power District, and in Texas, with the Lower Colorado River Authority, has resulted in the complete elimination of private operation of electric utilities in those areas.

There are 62 taxpaying utilities, large and small, affected by this particular proposal. These utilities represent a taxpaying investment today in excess of $1,000,000,000. During the last 4 years these particular companies paid $203,000,000 in taxes, or about 50 million dollars per year. These taxes are divided between the Federal, State, and county governments, schools, local districts and so forth.

It may be said that my estimates are too high. For the sake of argument, let me concede that and also let us reduce the estimates of the Southwest Power Administration so that the total cost will be only $200,000,000 to construct the project. What does this mean? It means that this project, if constructed, would cost the taxpayers approximately three times more money than the entire cost of the operation of the Federal Government in any 1 year from the time of its organization in 1789 down to the year 1862, exclusive of debt service. Can we appreciate the cost? The entire cost of the operations of the Federal Government in 1916 was only $723,056,202, which is only

a little more than three times what the Southwest Power Administration desires to spend for transmission lines and steam plants in the Southwest. We spent only about 3½ billion dollars in the operation of the Federal Government in 1931, at a time when our deficit amounted to only about $400,000,000. This was before the depression, before the recent terrible and costly war and at a time when our debt was very small. Now we have a debt of about 275 billion dollars, and a prospective deficit during the next fiscal year of about 3½ billion dollars. At this rate we shall exceed our debt limit of $300,000,000 within the next few years. What then? Shall we increase the debt ceiling? Certainly Congress can do that. I know of no way to force the taxpayers to continue to buy bonds for deficit spending. We must begin to live within our income, or we face a dark day indeed.

I could extend my remarks at length in discussing the numerous issues involved in this matter. They are all important. Many angles are to be considered. This matter was presented to Congress about the middle of February 1946. It needs more study than we have given it. The Members of this Congress need to consider the matter, each individually for himself, and determine what to do. The Southwest Power Administration should exert every possible effort to see that the benefits from these dams are enjoyed by the taxpayers of this Nation, the consuming public, the farmers, and the people we all want to help. We want these people to receive the benefits from these power dams. At the same time they need tax money for their schools, towns, counties, and States. The widows and all others who own stock in these companies should at least be given their rights as citizens under the Constitution of the United States.

We should not spend the great amount of money involved unless it is necessary. We should not assume the maintenance cost, amounting to about $15,000,000 per year, unless it is absolutely necessary. This matter should be deferred. No action should be taken pending a sufficient time in the future to determine, after honest and conscientious efforts on the part of the Government as well as private industry, before we launch upon the proposed expenditures to constitute this great project.

The immediate request before the committee for the next fiscal year is $23,000,000. Mr. Wright, however, said if we did not expect to eventually allow all, then none should be allowed. Speaker RAYBURN said he believed they were entitled to all they asked for. After careful consideration, your committee is recommending appropriation of $3,298,000.

Criticism has been directed toward citizens of the United States who came to Washington to testify before congressional committee hearings. From what has been said, some may believe that these citizens—especially those who came to attempt to save private enterprise—are unpatriotic and possibly criminals. I think this is unfair. People testified before our committee for and against the appropriations requested. If you will refer to the hearings, on pages 3 and 4 you will find a partial list of the governmental employees who, while drawing their salaries and at Government expense, came to Washington from Oklahoma to appear before our committee on behalf of this project. They had a right to do this, possibly even while drawing salaries from the Government; and it may be that they should not be criticized even for coming to Washington at Government expense to testify or lobby for the allowance of these funds. All other witnesses came at their own expense.

I think that all of the witnesses, both for and against the project, are probably good people. Take for illustration, Mr. George A. Davis, of Oklahoma. He is president of the Oklahoma Gas & Electric Co. He served with the cavalry in the Mexican border insurrection, and with a machine-gun outfit in France during World War I. He is at present the adjutant general of the State of Oklahoma.

Take another gentleman from Oklahoma, Mr. R. K. Lane. He is president of the Public Service Co., of Oklahoma. He began active life as a machinist by trade. He waited on tables and did other work to earn his expenses while going to college, and graduated at the University of Wisconsin in 1917 in electrical and mechanical engineering. He entered World War I as a private, and after 20 months of honorable service was discharged as a captain of artillery. At the beginning of the present war, he had a son of military age. He advised his son to enter the Army, and recommended that he secure assignment, if possible, in artillery. His son entered as a buck private. He went to Fort Sill and was promoted successively to private first class, corporal, and sergeant, and was finally sent to officer-candidate school and received a commission as second lieutenant. At the time he was about to be shipped overseas, his mother came east to pay him a visit before he sailed. While en route her son telegraphed her that he had been promoted to a first lieutenant and would meet her at the station. Mrs. Lane telegraphed her husband that she would, upon arrival at her destination, be met by a first lieutenant. Mr. Lane telegraphed his wife as follows:

Congratulations to the lieutenant. Tell him that his dad was a captain at his age and is expecting more of him.

Mr. Lane testified that his son went overseas, and landed at Sicily with the Forty-fifth Division. He was at Salerno and was wounded there. He was in southern France, and on up through France and on over to Germany. He has two citations—a Silver Star and a Bronze Star—and he was discharged as a captain in the artillery.

I believe that Mr. Lane in 1917, and his son in 1944, had the spirit of America in their hearts. They both have gone through the hell of war. They have seen poverty in its very lowest form. They exemplify the possibilities in America. I hope these opportunities never pass away. I hope it will be possible in the future for a boy to work his way through college, graduate with honors, and become successful in the American system of private enterprise. I hope it will still be possible through the years to come for a person to be born in a one-room log cabin and, by honest and thrifty effort, be able to reach the highest office within the gift of the people of America. I think we should all go back to work, because this is the salvation of America. This is the salvation of our people. If we will work, we will get along. We have reached the time when we ought to put our faith in God and try to maintain the American way in a troubled world.

Mr. RANKIN. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent that I may speak for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, I am supporting the distinguished Speaker of this House, because, in my humble opinion, it is absolutely necessary that this amendment be adopted.

The gentleman from Arkansas [Mr. NORRELL], talked about the socialization of the power business. The power business is a public business. Electricity is now a necessity of our modern life. If you do not believe it, just try to rent a house to a man where electricity is not supplied. Electricity must be handled by a monopoly. You cannot afford to have a half dozen concerns supplying electricity to one community or one town or city. The overhead would eat you up. In addition, the water power already belongs to the Federal Government—to the American people. Therefore, the power business is a public business, while that store or that factory across the street is a private business, that filling station is a private business, that farm is a private business.

But as I said, the power business is a public business.

There is only one way to ever get decent power rates to the American people and that is by some public system or public competition—a yardstick, in other words.

This project will provide a yardstick, and of all the places on earth which need a yardstick more than any other, it is in Texas, Oklahoma, and Arkansas.

In 1944 the overcharges for electricity in the State of Arkansas were $11,086,113, according to the TVA rates. According to the Bonneville rates, the overcharges were $10,920,000, and $12,997,798 according to the Ontario rates.

In the State of Oklahoma in 1944 the overcharges which the people of Oklahoma had to bear were $16,059,942, according to the TVA rates; $15,761,190, according to the Bonneville rates; and $18,228,570, according to the Ontario rates.

In the State of Texas the overcharges amounted to $49,235,026, according to the TVA rates; $48,554,798, according to the Bonneville rates; and $57,010,559, according to the Ontario rates.

These three States have all the resources for generating cheap electricity. Oklahoma has oil, gas, coal, and water

power; so has Arkansas, yet the people of those States are paying through the nose for their own electricity.

In the State of Texas they have a superabundance of oil and natural gas. The Texas power and light companies' representatives testified before our Committee on Rivers and Harbors that they had been generating their power with coal from southwest Texas having 8,000 B. t. u. to the pound as against 14,000 for the best coal in West Virginia, Kentucky, Pennsylvania, which they could get at the mouth of the furnace at 30 cents a ton, which equaled the best grade of coal at about 53 cents a ton. Electricity can be produced with coal at 1 mill a kilowatt-hour for every dollar a ton paid for first-class coal. Yet they were switching from that coal to natural gas because they said it was cheaper.

Electricity can be generated with natural gas in Oklahoma, in Arkansas, in Texas, or Louisiana, almost or quite as cheaply as it can be generated with water power on the Columbia, the Tennessee, or Colorado Rivers. I am giving you these facts because I have gone into them time and time and time again, and I know what I am talking about.

A few years ago the power being generated at Muscle Shoals on the Tennessee River was being gobbled up by private power interests. They were paying about 2 mills a kilowatt-hour at the dam and were selling it within sight of the dam to residential consumers in Florence, Ala., at 10 cents a kilowatt-hour. What do you suppose the people of Florence are paying for it now? The city of Florence is buying it wholesale at 4.14 mills a kilowatt-hour and the residential consumers of Florence, Ala., today are paying for their electricity an average of 1.08 cents a kilowatt-hour. The city is paying twice what the power company was paying at Muscle Shoals in 1932, and where it was being sold to the consumer at 10 cents they are buying it now for 1.08 per kilowatt-hour.

In my home town a hundred miles away they were charging us 9.5 cents a kilowatt-hour, and our domestic consumers were using 42 kilowatt-hours a month. In the month of February 1946, for which I have the figures, the domestic consumers in Tupelo used an average of 244 kilowatt-hours each and paid for it 1.11 cents a kilowatt-hour.

Even at this rate the TVA will pay back every dollar this Government has invested in it and it will then be owned by the Federal Government free of debt.

The gentleman from Arkansas [Mr. NORRELL] talks about the expense. That expense will be borne by the power consumers.

I will tell you why the power interests do not want this amount raised. They do not want a yardstick in Texas and Oklahoma that will force them to bring their rates down commensurate with the rates charged where they have water competition.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. ZIMMERMAN. I will ask the gentleman, who is an authority on this matter, if a single Rural Electric Administration cooperative has failed to pay for the improvements.

Mr. RANKIN. I do not think so. Several in my district have paid out entirely.

Mr. ZIMMERMAN. In fact, are not most of them in advance on their payments?

Mr. RANKIN. Certainly; and electricity has doubled the value of every farm home it has touched.

Mr. ZIMMERMAN. And but for these cooperatives the farmers in my section of the country and throughout the country would not today be enjoying the benefits of electricity in their homes.

Mr. RANKIN. No; but if we put the private power companies between the cooperatives and these dams they will double and treble the rates to every farmer. Cheap electric power is one of the greatest agencies mankind has ever been given to relieve the drudgery and add to the comforts and conveniences of the farm home.

Mr. ZIMMERMAN. Mr. Chairman, the gentleman from Arkansas spoke of economy and being so strong for it. If these cooperatives will pay back as they have paid back, and we have every assurance they will, then this will not ultimately cost the Federal Government one copper cent?

Mr. RANKIN. Why, certainly. The gentleman from Arkansas is in error about another thing. He said Arkansas was third in its electrified farms. That is not true. Arkansas is third in the percentage of increase. Mississippi is first. But that does not mean that Arkansas is at the top when it comes to the number or percentage of electrified farms. Arkansas has 216,000 farms, but it only had 37,900 of them electrified in 1944. You need an incentive for those cooperatives to extend these power lines to every farm home. I am for getting electricity to every farm house a tax collector can find or that can be reached with the draft.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Arizona.

Mr. MURDOCK. The gentleman is absolutely correct when he says that the production of hydroelectric power is a natural monopoly and it is a public business.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Chairman, one more question. The gentleman in connection with this has heard talk about socialization. The gentleman from Mississippi now speaking to us does not wish to see electric power distributed to ultimate consumers by the Government, does he?

Mr. RANKIN. I want to say to the gentleman from Arizona that the Tennessee Valley Authority does not distribute power. If it ever has, it has only been to a little area in which were located some camps or homes of workers that had no other facilities. What they do is to sell power wholesale to municipalities or to cooperative power associations and those organizations distribute it. But that is not socialism. That is simply building individualism.

Mr. MURDOCK. That is absolutely true, as I see it. They are to sell that power from Government dams and facilities to cooperatives or to private utilities which will distribute it under public authority?

Mr. RANKIN. Mr. Chairman, someone boasted here a while ago that they were getting power out in that country at 5 cents a kilowatt-hour; that is, that the farmers were getting power at 5 cents a kilowatt-hour. As I glance over here I see the Four County Electric Power Association in my district has 5,515 customers. Ten years ago none of the farmers in those four counties had electricity. Today they are using 140 kilowatt-hours a month on an average and paying an average of 1.75 cents a kilowatt-hour for it.

That is going on all over the Tennessee Valley area. The average use of domestic power throughout the TVA area is 177 kilowatt-hours per month and the average cost to the consumer is 1.69 cents a kilowatt-hour.

Mr. Chairman, the American people are demanding that they be given electricity at rates they can afford to pay. If you want to help the people of Oklahoma, Texas, and western Arkansas, the best thing you can do is to give them this yardstick.

Down in Alabama there are two towns on each side of Birmingham. They are Bessemer and Tarrant City. I helped them get a power line down there to connect Tarrant City and Bessemer with the TVA at the Guntersville Dam on the Tennessee River. When they turned that TVA power into Bessemer and Tarrant City, at TVA rates, it broke the rates in Birmingham a million dollars a year.

The private power companies do not want that. That one line brought down the rates in that entire area and added more to the comforts, conveniences, and prosperity of the people of that section than anything else that has ever been done.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from California.

Mr. VOORHIS of California. Did the power companies go broke after they reduced the rates?

Mr. RANKIN. Certainly not.

Mr. VOORHIS of California. And was that not proof of the fact that they could always have reduced the rates and did not do it simply because there was no yardstick to compel them?

Mr. RANKIN. Why certainly, and wherever they had cheap power they increased consumption, and increased the income of the agency supplying it.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield.

Mr. RANKIN. I yield to the gentleman from California.

Mr. MILLER of California. Very recently the power companies throughout

the country have flooded the Nation with propaganda that they have voluntarily reduced their rates. Is there any relation between these so-called rate reductions and the repeal of the excess-profits tax?

Mr. RANKIN. I do not know, but I will say one thing, wherever they reduced rates you may look around and you will likely see a yardstick pointing in that direction.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from California.

Mr. HOLIFIELD. I want to compliment the gentleman on his power stand, such as he has always taken. I want to point out that many of us are going to support this amendment, and the amendment offered by the gentleman from California [Mr. JOHNSON] yesterday, was a parallel type of amendment to construct a yardstick transmission line in California for the same identical purpose.

Mr. RANKIN. Yes, sir. I am sorry that I was not on the floor at that time, or I certainly would have supported that amendment.

Mr. Chairman, I am supporting the amendment offered by the distinguished Speaker of the House. He is not asking for anything unreasonable. He is not asking to borrow money and then have that money wasted, as some people would have you believe.

He is merely asking you to provide the money that the Department and the Bureau of the Budget, asked to be supplied for this project in order that they may continue to give those people in that area the benefit of cheap electricity generated at these dams and to construct these lines so that they can transmit this power from one to another, and add to the prosperity of the entire section.

Mr. TRIMBLE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hate to find myself in disagreement with my dear friend and colleague, the gentleman from Arkansas, but I am compelled at this time on good conscience to rise in support of the amendment offered by our courageous Speaker. Most of us can remember when rural electrification was only a dream, and a dream remote of realization. But there came to the House and to the Senate men of courage and foresight. Among them was the gentleman from Texas who has offered this amendment. They fought for rural electrification and a dream of rural America was realized. It is no time now to stop. Much has been done. Out of the fights that they have made, rural electrification became a reality and it has proved itself to be a boon to rural America. Today, in large segments of this country there is no electricity, and throughout the whole length and breadth of this country only about 43 percent of the people have the benefits of electricity. So we men and women of this generation owe it to those who are growing up now and those who will follow us to see to it that the groundwork which these men have laid shall expand and encompass the whole country and accrue to the benefit of everybody. By the adoption of this amendment we are only following the will of the Congress heretofore declared when it decreed that flood control, reclamation and navigation projects in this country, and multiple-purpose dams, when feasible, should be built, and that the power produced by them should accrue to the benefit of all the people of the country, and that these dams be self-liquidating through the disposition of the power generated by them through the Department of the Interior.

At Norfork Dam, in the district which I have the honor to represent, the Southwestern Power Administration last year sold 135,615,000 kilowatt-hours of power to the Arkansas Power & Light Co. of our State for $381,771.37, or at an average cost of 2.81 mills per kilowatt-hour. It is my understanding that all these dual-purpose dams were set up by the Corps of Engineers on the assumption of 4 mills per kilowatt-hour to the consumer to liquidate the cost of the dams. The people would lose the money they had invested in them altogether. My colleague from Arkansas said, I do not remember the exact amount of it, but he said the resale was 5.6 mills to the co-ops, so in that case there was an ample leeway for profit, but on the 4 mills basis, the difference between $542,460, the amount it should have received, and the $381,771.37 which it did receive, was $160,388.63, which the amendment offered by the Speaker, if adopted, will absolutely cure, because this amendment ties these dams together and makes them a unit, an integral part, and we can bargain with these light and power companies who volunteered to buy the power from these dams. They will be a unit and they can bargain with them. If they are not tied together, why, look at it just from the human standpoint. They might pick up their marbles and say, "Go away, we don't have to buy that stuff." If we have the dams integrated, then we are in a great bargaining position, and more than that, we will be able to firm power, instead of dump power, as the Speaker has said.

One of the greatest handicaps to the REA cooperatives in our country is the fact that in many sections they cannot buy their electricity from the local companies without the restrictive clauses in the contract which will not permit them to resell to small factories, to small mills, or to small mines in the territory which they serve except by permission of the local State commission, thereby often cutting off the growth and development of free enterprise in those particular sections.

The contract which the power company in Arkansas enters with REA cooperatives in Arkansas, section 11, reads as follows with respect to resale of power:

> It is expressly understood and agreed that the electric power and energy delivered hereunder is sold to the consumer solely for use by consumer and its members, and that the distribution and resale of such electric power and energy hereunder shall be restricted to the area or areas set forth and described in the certificate of convenience and necessity granted from time to time to consumer by the Department of Public Utilities of the State of Arkansas. Such electric power and energy shall not be sold to any person, firm, corporation, or association or to anyone for resale, nor to private consumers in areas already served by the company, or in areas allotted to the company by certificates of convenience and necessity issued from time to time by the Department of Public Utilities of the State of Arkansas without first obtaining the written consent of the company for such resale. The company also agrees that it will not sell at retail or wholesale for resale any electric energy to customers within areas allotted to the consumer by the Department of Public Utilities of the State of Arkansas without first obtaining the written consent of the consumer.

This is a limitation clause which in many instances could and does handicap free enterprise. If a State should be so unfortunate as to have a commission unfavorable to rural electrification and in complete sympathy with the privately owned companies, then the rural people would suffer in their efforts to develop their mines, their processing plants, their rice mills, their lumber mills, and a hundred other small enterprises in the out-of-way places not served by the private companies. If the State commission is unfriendly to the people, then REA is given the leavings in the disposition of territory and is decidedly on unequal ground—the resale of its power.

By the adoption of this amendment, we will not forestall nor handicap the private power companies in the development of their territory. The real truth is, it will be competition which will make them better servants of the public.

They have barely touched the potential in their own areas.

It is my considered judgment that in the great Southwest the private companies and the co-ops both have more to do than they can do in the next hundred years and still not, by any means, reach the saturation point. For example, in 1933, the average user of power in the United States used 600 kilowatt-hours per year at an average annual cost of $33.12. In 1945, the average user of power used 1,186 kilowatt-hours per year at an average annual cost of $41.15. So you can see what slow progress is being made even with the rapid growth of REA. In 12 years, the use has not quite doubled. There is an interesting feature which comes to mind here. If my figures are correct, in the TVA area, for the same periods as above, the average amount of power used in 1933 was 600 kilowatt-hours at an average annual cost of $35, while in 1945, in the same area, the average amount used annually was 1,754 kilowatt-hours at an annual average cost of $32.45—three times more power at less cost. A very potent argument for the integration of the dams in the Southwest section as contemplated by this amendment.

My hope is that electricity in the district in northwest Arkansas, which I represent, can be brought into every home in it. Not only a small amount of electricity but all the electricity they need and can use and at a price they can afford to pay. We are not selfish; we want this same benefit to accrue to every rural home in America. Therefore, ladies and gentlemen of the House, I lend my support to this amendment.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the item for Southwestern Power Administration now before us vitally concerns the future development of a great section of our beloved country, the entire Southwest. It might appear from the remarks of my distinguished colleague, the gentleman from Arkansas [Mr. NORRELL] that an outright appropriation of $7,500,000 is being sought by this amendment. That is not the fact. The entire sum proposed by the amendment for these transmission lines and electric facilities is not in any sense a grant. Every dollar of the amount requested in this amendment is and will be returned to the Treasury of the United States. We are, therefore, if this amendment prevails as I know it will, merely advancing money so that the Government may find itself in a position where it can get back into the Treasury the money it has invested in building these dams. The taxpayers of the United States, up to the present time, have invested in these dams the sum of $109,480,199.71. We find that at one of the dams, at Norfork Dam in Arkansas, the present situation is that the entire amount of power generated can only be sold to the Arkansas Power & Light Co. At Denison Dam the power is sold only to the Texas Power & Light Co. and the Oklahoma Gas & Electric Co.

What is the position of the average people of the great Southwest with regard to the matter of the development of these dams for power purposes and the Government's building of high-voltage transmission lines? Not one rural electric cooperative association appeared before this subcommittee in opposition to the program allowed by the Bureau of the Budget. Every single rural cooperative that did appear before the committee was vigorously in favor of the advancement, not of the sum now being requested by this amendment, but of the sum of $23,360,000, the original amount contained in the Budget estimate. I appeal to the distinguished gentlemen on the other side of the aisle from the great Pacific Northwest.

When mention is here made of this being a socialistic measure, I respectfully ask the gentleman from the great States of Washington and Oregon, whose constituents are vitally concerned with the Bonneville Power Administration and the Columbia River Basin project, if they think their projects constitute socialism or if they think it is a fair and sensible plan under which the average citizen and taxpayer gets a moderate electric rate so that he can run his farm or business or industry on a paying basis. Why should we permit these private utilities who have never played fair with the public to intervene and act as a stop-gap between the dam that belongs to the people and the power that belongs to the people? We found that in Oklahoma, during the war, at Camp Gruber the Oklahoma Gas & Electric Co. entered into a contract with the Army for the purchase of power sold to the company by our Government. At the same time a contract for the Government to supply Camp Gruber with power had been discussed with the Southwestern Power Administration. The Southwestern Power Administration agreed to furnish its power at a rate of 5 mills per kilowatt-hour. But for some reason or another, and I have often wondered about this, a contract was signed under which the Oklahoma Gas & Electric Co. charged Uncle Sam for Uncle Sam's power not at the rate of 5 mills quoted to the Army by the Southwestern Power Administration but at the rate of 10.2 mills or over twice as much. When the people down in the Southwest and, in particular, Douglas Wright, the very capable Administrator of SPA, raised Cain about it and wanted to know why it was that the Southwestern Fower Administration was not permitted by the War Department to furnish the power directly to this large Army camp in Oklahoma, the contract was suddenly canceled, and the Southwestern Power Administration then furnished the power at the rate of 4 mills per kilowatt-hour. It is the same old story. These patriotic loving friends of the common people, the private utilities. Those of you who have taken the time to read the record of the hearings with regard to the item for the Southwestern Power Administration know that there is a separate volume of the committee record devoted to that one item and these companies. You will find their history has been one of chicanery and of throwing sand in the eyes of the public for a long, long time. They have not been fair, not alone with their customers, but with their stockholders or our Government. The domestic electric rates in the area comprising the States of Oklahoma, Texas, Mississippi, Louisiana, and Arkansas, according to a national survey mentioned during the hearing and the figures were readily agreed to by the presidents of the utility companies involved and who appeared before the committee, are higher than in any other of the nine areas into which the country was divided for the purpose of the survey, with the single exception of New England.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROONEY. Mr. Chairman, this survey that I mentioned disclosed that the rates were higher in the Southwest than those in any one of the nine districts into which the United States was divided, with one exception.

Now, one word with regard to those who will financially benefit if this proposed amendment of the Speaker is not agreed to, the private utility companies. The record of the hearings before the committee will disclose that actual frauds were committed upon the stockholders of a private utility company as well as upon its customers. There is an instance in connection with the Oklahoma Gas & Electric Co. where they formed a dummy corporation known as Central Oklahoma Power & Light Co. for the purpose of buying property. The president of the Oklahoma Gas & Electric Co., General Davis, at page 225 of the hearings, admitted that in one instance this conveniently formed corporation, the Central Oklahoma Power & Light Co., for the purpose of acquiring title to an item of property which the Oklahoma G. & E. were buying, bought it at the sum of $1,150,000 and made a profit out of it of $810,000.

There have been instances, as disclosed during the hearings before the subcommittee, where the Oklahoma Gas & Electric Co.—and this is readily admitted by the president of the corporation—bought properties at one price and deliberately put them on their books at another price, far in advance of that at which they were purchased.

Who are the people actually interested in this pending proposition? The people in those Southwestern States? The people who own some of the stock which the company was permitted to sell in those States? Oh, no. Who were represented at the hearing in opposition to the appropriation? The people from those Southwestern States? No. The National Association of Electric Light Companies, the Middle-West outfit, Electric Bond & Share Co. and subsidiaries, all of which outfits are run and rigged from offices in New York and Chicago. The people in the Southwest are led to believe, through extensive advertising and through membership of officers of the utilities in clubs and chambers of commerce in that locality, that these utility men are vitally interested in the peoples' problems, when the fact of the matter is that these gentlemen are paid amounts in salary per annum of thirty-five to forty thousand dollars only because they carry out the whims and wishes and furnish funds for the pocketbooks of the controlling interests of the corporations in New York and Chicago.

If we support the amendment offered by our distinguished Speaker, we will not only do the people of the great Southwest a praiseworthy service but the people of the entire United States.

Before I close I wish to say a word about the chairman of our subcommittee, the distinguished gentleman from Oklahoma [Mr. JOHNSON]. JED JOHNSON is one of the fairest and ablest men I have ever met. He has done the people of Oklahoma a great service. He knows how to work and work efficiently for the best interests, not only of his constituents but of the vast citizenry of our Nation. It was a pleasure to serve with him and with all the members of the committee.

As a member of this subcommittee, I urge you to support the amendment offered by the Speaker.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has expired.

Mr. JONES. Mr. Chairman, I move to strike out the last three words.

Mr. JONES. Mr. Chairman, the committee has allowed for the Southwest Power Administration $3,198,000. That gives to the Speaker, our colleague from Texas who offered the present amend-

ment, everything that is requested in the record to supply power for the State of Texas. That gives to the State of Oklahoma power lines to every consumer where there is testimony that there is a power shortage. It gives $25,000 for the fiscal year 1947 for plans and specifications for future programs.

It gives general plant and equipment to the extent of $25,000. It gives administrative and general expenses of construction $100,000; $2,548,000 are provided in small lines tc get power to the rural electric co-ops anc to other areas where it is shown there might be a question of power shortage. And then we have a line—a 132-kilovolt line—to go from Denison Dam north to Ada, Okla., a distance of some 73 miles. That provides for every requested, tangible item for the public in that area where the Southwestern Power Administration is located. What is behind this entire Southwestern Power Administration program? They want eventually an area of 300,000 square miles in size, which is three and one-half times the size of the present Tennessee Valley Authority area. The amendment under consideration will be the backbone of that 300,000-square-mile-area development.

What is the ultimate expense to the Federal Government if we start down the road on which the $4,000,000 in the amendment under consideration is the first step? We have already authorized dams—and you will find the list and amounts—for power facilities as near as we are able to determine or as the witness, Mr. Wright, was able to determine, $206,606,000 in power investment in some thirty-odd dams. Denison and Norfork Dams are $56,984,000 and $26,323,000, respectively. They are presently in operation. The power features of those two dams that are in operation are presently $22,576,000 and $11,423,000, respectively.

When we get all through building the dams that are already authorized, as near as I can figure from a ratio based upon what is in existence, and the figures given in the tables on page 115, the Federal Government will have spent $445,000,000 for the total cost of the dams in the first table; and in addition to that $219,000,000 for dams the construction cost of which is already known.

We will have spent, if we give Mr. Wright and the Southwestern Power Administration all they want, $125,000,000 in dams and $77,000,000 in steam plants, bringing the total up to the sum of $866,000,000.

We do not collect interest on the flood-control features of these thirty-odd dams; and as near as I can figure out it amounts to some $238,000,000 of Federal investment in these proposed dams that are already authorized. The interest on that at 2½ percent, which is the long-term average interest rate, means an annual fixed charge of $5,973,220. That is the annual charge that the Federal Government will have to pay for interest on plant investment to carry on the power features and the flood-control features of the dams for the people in this area, which will never be paid back. This is a fixed annual charge forever unless the law is amended. I point this out because I want to change the picture that has been painted with reference to the building of these flood-control dams and to show the Congress and this committee that we have not been parsimonious with the people of the Southwest.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES. We have not been parsimonious in our appropriations for the Southwest; and in 1965 these appropriations for the building of these flood control dams will go on, and on, and on until we have the entire amount—eight-tenths of a billion dollars—invested.

Now we come to the question of what is the right thing to do with reference to the dams that are in existence at the present time. There are only two War Department dams, Denison and Norfork. The other is an Oklahoma dam built with loaned Federal money and PWA federally granted by the State of Oklahoma and brought into this great system by virtue of the war. The three dams, the two War Department dams, the Oklahoma dam operated by the Southwest Power Administration and the entire system of the utilities were tied together to help win the war and furnish the necessary electric power to build munitions and war materials. Nothing has been changed since the war. The contract is still in full force and effect.

In the early part of the hearings, at pages 6 and 8, you will find that the Arkansas Power & Light Co. has conformed with every requirement of the contract. The Texas Power & Light Co. lived up to the terms of its agreement and made reductions. The Oklahoma Gas & Electric Co. has agreed to reduce its power rates.

I sought to find out the difference between the Southwest Power Administration and private utility power rates to the ultimate consumer and the REA's. I call your attention to pages 261 and 262 of the hearings. You will find there a schedule of all of the REA customers of the Southwest Gas & Electric Co. The average rate is 6.11 mills a kilowatt hour. The rate proposed after we spend this three-quarters of a billion dollars is only 5 mills a kilowatt hour. For 1 mill a kilowatt hour in that area we will spend $200,000,000 for steam plants and transmission lines. That is a foolish investment on the part of the Federal Government.

As far as the committee has gone, we have met the important need. We have carried the big transmission line to Ada, Okla., which is virtually a gun at the head of the private utilities so that if they do not play fair and square with these rural cooperatives, and with the people in Texas, Oklahoma, Arkansas, Missouri and Louisiana, then we can come in here next year and do a job that will meet the situation at the time.

We are meeting the present needs, we are meeting every need that is shown on the record for electric power. The difference in the two items is only 1 mill a kilowatt-hour and I submit it is foolish for the Government to set up an integrated system in competition with private power companies when it is not necessary and when there are contracts in force and effect which have not been canceled nor notice of cancellation has been given. I repeat that the committee had a right to assume, since there was no notice of cancellation, that the terms and conditions of the agreements are satisfactory to Administrator Wright.

Mr. Chairman, something has been said about a yardstick provided by the TVA. I call your attention to page 1068 of the hearings where I questioned Secretary Krug. I wanted to get the Bureau of Reclamation to furnish me and to furnish them, if you please, statistics of their operations in the various dams so that we could get comparable statistics for transmission unit-cost expense and generation unit-cost expense, and compare them with the cost in different parts of the country. Secretary of the Interior Krug said this:

> In the regulation of the rate for power as between TVA and other areas, I would not argue for a moment that the cost of supplying power in Tennessee would be the same as the cost of supplying power in some other State. You can make a good argument about it, but one that you could not be very happy about in your own mind. The thing is just different, that is all.

I hope you will understand that the TVA yardstick for private utilities of other States is so much "malarkey" and I hope that argument will not be relied on again in behalf of public power.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES. Mr. Chairman, you will remember that when the Speaker testified before our committee he said he did not want a half loaf. Now we come in with the backbone of the original idea—connect the three dams together while the contract with the present distributors is still in force and effect. If we start with this amendment, build the Southwest Power Administration program, costing eventually $200,000,000, we will confiscate the private utilities in that area. If that is our move, if that is what the House wants to do, we ought to be more forthright, more straightforward and honest with ourselves and with the private companies and bring in a bill to buy outright the public-utility systems in that area.

The amendment therefore ought to be defeated.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes, the last 5 minutes to be reserved to the committee.

Mr. BATES of Massachusetts. I object, Mr. Chairman.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that all debate on this

amendment and all amendments thereto close in 25 minutes, the last 5 minutes to be controlled by the committee and allotted to the gentleman from Iowa [Mr. JENSEN].

The CHAIRMAN. The question is on the motion offered the gentleman from Oklahoma.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, I rise in opposition to the amendment offered by our good Speaker, the gentleman from Texas [Mr. RAYBURN] for several reasons. First of all, from the evidence that we have here this afternoon we are informed by the gentleman from Arkansas [Mr. NORRELL] who is a member of this subcommittee, that there are already 62 separate utility organizations serving this entire area in which these transmission lines are expected to be constructed. Secondly, the estimated cost, according his figures, is well over $300,000,000. Third, we are given to understand that the area embraced in this construction program is seven times larger than the original TVA.

We are also told by the members of the subcommittee that apparently there is ample power now in that area given by the utilities which are presently available. We are also told that the present power which is available is already contracted for by the 11 power companies who have taken over that power during the period of the war and have a contract to continue on until 1949 and then are willing to renew that contract. What then is the reason for the Government injecting itself into the power business in this area. This amendment simply is the beginning of a vast power project, the transmission lines of which will spread over many thousands of square miles of territory.

The principal argument used in favor of this project is cheap power, but cheap power paid for by whom. The gentleman from Arkansas [Mr. NORRELL], a member of the committe reporting this bill states that the original capital investment and maintenance cost will be charged to the taxpayers of the country. That means to all the taxpayers and particularly the taxpayers in the industrial areas of the country from which the great bulk of Federal revenue comes. Therefore, the taxpayers of the industrial areas are being called upon to subsidize these power projects in other parts of the country in order that low-cost power can be obtained. We then observe by reading the committee hearings that the bait of low-cost power is being used to seduce our industries away from us. It is an old game that we in the northwest are familiar with. A few years ago when the migration of industry from our area was on in full swing, the inducement then was cheap labor, no taxes, free water, and so on; now it is cheap power. According to the report of the committee hearing 167 industries from many parts of the country, including New England, have already made application to go there and we further observe that they are going there because of cheap power. If the users of this power are willing to pay the full cost of development of this power—and not be subsidized by the Federal Government—then I have no objection to these lines being built. But they should be built by the power companies now serving that area. The hearing discloses that they have plans to spend over $100,000,000 during the next 3 years, all of which will go on the tax bill.

When the Federal Government is facing a very serious financial future this is no time to embark on such a prodigious program as this one which we are told will ultimately cost over $200,000,000 and neither is it fair to the industries and people of the industrial areas of the country who will have to assist in paying the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, I should like to have the attention of the distinguished chairman of the subcommittee, my colleague the gentleman from Oklahoma [Mr. JOHNSON], for the purpose of asking a question of two. As I understand, the amendment offered by the distinguished gentleman from Texas proposes to increase the appropriations some $4,000,000 for the purpose of tying in certain of the dams that have already been constructed, the Denison Dam, the Norfork Dam, and the Grand River Dam in Oklahoma. Is that correct?

Mr. JOHNSON of Oklahoma. That is my understanding, yes.

Mr. RIZLEY. Am I further correct in that the Norfork Dam and the Denison Dam are owned exclusively by the Federal Government, whereas the Grand River Dam in Oklahoma is owned by the State of Oklahoma?

Mr. JOHNSON of Oklahoma. It is my understanding that the Grand River Dam will be returned to Oklahoma very shortly.

Mr. RIZLEY. This dam is owned by Oklahoma; it was taken away from Oklahoma under the War Powers Act, and it is supposed to be returned to Oklahoma?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. RIZLEY. I do not know, but may I ask the distinguished gentleman, who is chairman of this subcommittee, what effect this amendment will have on control by Oklahoma of the Grand River Dam, since it is owned by the State of Oklahoma, when these two federally owned and controlled dams are tied to it, in the event the Southwest Power Project is ultimately developed to where it takes most of the power to furnish the Southwestern Power Administration what it wants or needs to supply its customers. I want to know what effect that will have as far as the State of Oklahoma's controlling the power generated at Grand River Dam.

Mr. JOHNSON of Oklahoma. The gentleman can answer that question probably better than I.

Mr. RIZLEY. I am not a member of this committee. I assume the gentleman has made some study of it.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. HARLESS].

Mr. HARLESS of Arizona. Mr. Chairman, it is with deep pleasure that I come here today to support this amendment. I call attention to the fact that our distinguished Speaker is the one who led the fight for the people of this country in the interest of cheap power some 10 or 12 years ago. I say it behooves every Member of this House, if he is interested in the welfare of the people of this Nation, to vote for this amendment today, not only because this money is needed for the development of the project in question, but to give due recognition to the services of the Speaker of this House for the people of this Nation.

It has been my privilege and my duty during the last 5 or 6 months to sit in on extensive hearings before a committee of this House which went into the electrical business of this Nation. I was surprised to find that certain public power interests are now bent on breaking rural electrification and public power in this Nation. It is absolutely necessary for the development of rural electrification to build these power lines, because REA cannot, under the present law, construct these distribution lines. If you are interested, therefore, in seeing the rural electrification program go forward, you will vote for this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. WINTER].

Mr. WINTER. Mr. Chairman, I happen to be a member of the same committee, together with the gentleman from Arizona who preceded me. I have been unable at any time, any place, anywhere, in any of the hearings he speaks about to find any particular group anywhere in the United States, trying to destroy rural electrification or anything of that nature. None of the utility heads or anybody else who testified before our committee testified to any such state of facts. The facts are, in regard to the Rayburn amendment, as the gentleman from Mississippi [Mr. RANKIN] brought out very clearly, this is not a matter of rural electrification; this is not a matter of what the Speaker of the House of Representatives, whom we all love and respect, is asking for. The gentleman from Mississippi [Mr. RANKIN] came on the floor and brought out the political philosophy behind it. It is public power versus private enterprise. If you want to vote to kill private enterprise, then vote for this amendment. If you want to keep private enterprise alive in this country, then vote against the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. SAVAGE].

Mr. SAVAGE. Mr. Chairman, the gentleman from Arkansas stated we should have cooperation between private power and public power. May I say that we had an example of that and saw enough of it at Muscle Shoals, where the Government sold the power to a private power company for 2 mills and the private power company in turn sold it for 10 cents, or 50 times what they paid the Government for it. That was charged to the people who lived in the South. He also said we should not charge this big bill to the taxpayers. That is misleading, because the cost is not borne by the taxpayers. These projects are all

self-liquidating and will not cost the taxpayers one cent in the long run. I am proud to support the amendment offered by the gentleman from Texas as a representative from the great Northwest, where we have almost all public power and very little private power. If you gentlemen knew how much better it is than private power, you would get it for your people all over the Nation, because private power companies in our States were nothing but pay stations for Wall Street. They took the money away from the people out there through four or five different holding companies and finally dumped it into Wall Street. That is all they amounted to. They did not serve the people's needs. Public power creates many new opportunities for people. New avenues of investment are opened for people to invest in—not opportunities for the big holding companies or for Wall Street, but opportunities for little people who want to get a start. Consequently, it creates new taxes and sources of income for the Government as a result of all these new developments. It will create markets for the entire Nation if we will make it possible for them to have the power to develop the markets. The people in the area served will repay the entire cost of construction and maintenance to the Government. Not only that, but the people of the entire Nation will still own the projects even though they will have been reimbursed every penny invested. All the projects are self-liquidating.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I am sure that the amendment offered by the gentleman from Texas has a great deal of merit. I would also remind the committee, however, that in the last few days you have rejected two similar amendments. The gentleman from California [Mr. JOHNSON], offered an amendment relating to the Central Valley power development and I offered an amendment yesterday which did not call for additional appropriations but which would merely have permitted the Department of the Interior to spend $481,000 to link together three great power projects, the Thompson River project in Colorado to one in Nebraska and one in Wyoming. That amendment was turned down. It would seem to me that if this committee were to turn around now and accept an amendment offered for another project, then the committee chairman ought to permit the Members to revert back in our consideration of the bill and offer amendments for projects which are just as worthy and just as meritorious and which have been turned down.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. MURDOCK. May I call the attention of the gentleman to the fact that there is a larger attendance in the Committee of the Whole today. I would like to see a favorable vote cast on the amendment now pending. It would have some effect on the conferees' action on your proposal which I regret was rejected. Two amendments offered at the last session on this bill were like this pending amendment and should have carried. To pass this one will better final action on those two.

Mr. MILLER of Nebraska. My proposal is to provide rural electrification to the farmers of Colorado, Wyoming, and Nebraska, and it was rejected by the Committee.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, there are two things that I hope I can clear up in the very limited time at my disposal. In the first place, it has been suggested that the private power companies would carry this power to the ultimate consumers without the construction of any new transmission lines and give the consumer all of the benefits that would accrue if we constructed these lines linking the various dams together. In theory that is fine. It is as it should be. The private companies undoubtedly could do this, but the fact remains that in spite of all the contracts and promises to the contrary they have not done so—at least insofar as the power sold to local REA cooperatives is concerned.

It is true the power companies who are now getting this power have contracts outstanding to lower their rates to the consumers, and that in most cases certain reductions have been passed on, but much of this power is sold through the REA cooperatives in the Southwest. In most cases where the private companies have sold this power to the REA cooperatives, they impose what is known as the dual-rate system. In other words, those local cooperatives can get reduced rates so long as they sell to nobody except a householder who uses not more than say a hundred kilowatt-hours. But if that householder or if that farmer installs a hay-drying plant that will use more electricity, then the private power company charges an exorbitantly high rate. That means that the power company has two rates—one for the least-profitable business. This they pass on to the local cooperatives and quote in their publicity.

The other rate for the more profitable business is not available to the cooperatives. That kind of dual rate system is in effect in Arkansas today. It is in effect in much of Texas today. Those companies which claim they have reduced the rates have reduced the rates for some purposes, but not for others. They have such a dual rate that it makes it impossible for any of the local REA cooperatives to prosper and to develop the territory as it should be developed. That is not passing on to the people of the country the benefits that this Congress intended when it spent public money to build these dams.

The other item was mentioned by the gentleman from Arizona when he pointed out that although it has been suggested that REA should build these transmission lines, the very people who suggest that this be done will immediately rise up and point out that under the law as they interpret it, the REA can only transmit power for rural areas. The very people who are today opposing this amendment would be the first to protest if we should try to use REA funds to build transmission lines which are not primarily for service to rural areas. No, my friends, if we are to actually tie these dams together as they should be for the benefit of all the people, urban as well as rural, we must do it by this bill and not as an REA project.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The gentleman from California [Mr. VOORHIS] is recognized.

Mr. VOORHIS of California. Mr. Chairman, the issue here is a very simple one and it is a very fundamental one. All over the length and breadth of this Nation in various places dams have been constructed at Federal expense, either for the purposes of flood control, navigation, development of power, or all three. When those dams are constructed the power generated at the dam does not do any good unless it gets to the ultimate consumer. The big power companies are content nowadays to let those dams be constructed at public expense if they can get the power at the bus bar and control its distribution. It obviously is bad economy to spend public money on a dam and the installations connected therewith unless you have the transmission lines necessary to carry that power directly to market and have an effective yardstick to bring about reductions in rates such as the Speaker read to the House just a moment ago, which are proof positive of these facts: One, that the power companies could all the time have reduced rates had they been willing to do so; two, that they did reduce rates without going broke; and, third, the only reason they did it was because there was an effective yardstick to bring it about. If you want that effective yardstick you will support the amendment offered by the Speaker. If you do not want that yardstick you will vote against it.

It is true, as the gentleman from Nebraska [Mr. MILLER] pointed out, that the amendment offered by my colleague from California [Mr. JOHNSON] was on all fours with the amendment offered by the Speaker, and that the amendment offered by the gentleman from Nebraska [Mr. MILLER] was on all fours with this amendment. I wish very earnestly we could have gotten the kind of support which we will get upon the Speaker's amendment, but the fact that we did not get it does not make me any less desirous to support this meritorious amendment. The House was wrong in voting down the other amendments. I hope it will do the right thing on this one.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from California [Mr. MILLER] is recognized.

Mr. MILLER of California. Mr. Chairman, I rise in support of the amendment offered by the Speaker of the House, because I feel the issue is one that is common to all areas in which hydroelectric power is generated by the Federal Government, we of the South and West must join in mutually supporting this issue.

I would like to say to the gentleman from Ohio [Mr. JONES], who raised the

question as to the philosophy of government that lies behind the distribution of publicly generated power, that I am in receipt of a telegram from the Republican Governor of the State of California asking that the appropriation for the Central Valley be raised, not to the level submitted by the Bureau of the Budget, some $25,000,000, as against the $10,000,000 allowed by the subcommittee, but to $50,000,000, in order to carry out that project with all of its necessary facilities including the building of a publicly owned transmission line. Until we get publicly owned transmission lines, the thing that we have been talking about, the club that can be held over the heads of those power monopolies that have despoiled the people through excessive electric rates, is not going to be placed in our hands.

I believe that we need power, cheap power in our section of the country if we are to maintain the economy necessary to maintain the new populations that have come to us.

The CHAIRMAN. The time of the gentleman from California has expired.

The CHAIRMAN. The gentleman from Iowa [Mr. JENSEN] is recognized for 5 minutes to close debate on this amendment.

Mr. JENSEN. Mr. Chairman, I wish to clear up a statement which I made in the committee early in the hearings, to the effect that I thought the three power-producing dams should be connected. I found afterward, during the progress of the hearings, that these power-generating projects were already connected. It is true they are connected by private lines, but the fact is they are connected and they are getting peak power from those dams now.

I would be in favor of the Speaker's amendment if it were not for the fact that with the lines we allowed in this bill everybody who wants power can get power in that large area in question. The REA is receiving very reasonable power rates in the Southwestern Power area. They testified to that effect and said that they were paying from 6 mills per kilowatt-hour up to 8, which is, as you all know, a very reasonable rate. I only wish the farmers in my district were getting power at that rate. The truth of the matter is my farmers are paying taxes to make the cheaper rate possible to the farmers and everyone else in the Southwestern Power area.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to my able and genial colleague from Massachusetts.

Mr. BATES of Massachusetts. During the period from 1920 to 1938 a great migration of industry took place from the industrial East to other parts of the country because of low taxes, low wages, and free water. Is there anything involved in this question that it is being used as a means of seduction of industries from other sections of the country because of cheap power? Because the public is paying the bill. What evidence is there in the hearings touching on that subject?

Mr. JENSEN. In answer to the gentleman's question, the Administrator, Mr. Wright, testified to the effect that 25 industries had already located in the Southwestern Power area primarily because of cheap power, and that altogether there were 167 industries that were looking for locations in that power area.

Mr. BATES of Massachusetts. And those industries were coming from all parts of the country.

Mr. JENSEN. That is right; you will find the list in the hearings. I believe that list appears on page 84 of the SW Power volume.

Mr. BATES of Massachusetts. And particularly the great industrial part of the country is going to pay the bill to build these transmission lines.

Mr. JENSEN. That is right, unless the rates are raised sufficiently to pay off what the taxpayers of America have invested in it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mrs. ROGERS of Massachusetts. Does it not seem in accordance with Mr. Wallace's plan of a good many years ago when he announced that he was going to reindustrialize the North, that industry should go West and Southwest? A policy that would ruin our section of the country.

Mr. JENSEN. It would rather seem that it was a step in that direction. I might remind the membership if they do not already know, that a movement is now on foot to take REA out of the Department of Agriculture and put it under the Department of the Interior. Consequently, if that comes about it will be controlled eventually by the Federal Power Division of the Department of the Interior. The farmers want to run their own REA; they do not want to be controlled by the power boys from Washington.

Everybody knows the farmers have and are doing a wonderful job of running their own REA, and I hope they will speak up against the transfer and speak in terms that all can understand.

There are entirely too many powerful left-wingers in control of the Federal power program today who are determined to take over all the power and water resources of America, not only the power from the Federal dams and the private utility companies, but also your REA's, and in time your municipal power plants and the whole power business. Do not mistake that, my colleagues. I warn you to act with me before it is too late. See what has happened in England, for instance.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from New York.

Mr. TABER. Is it not a fact that these low power rates that they get in certain parts of the country through Government dams are the result of the taxes that they collect out of your taxpayers and mine?

Mr. JENSEN. Naturally, there is no other way for the Government to get the money to pay for these things except to tax all the people.

Our committee has been trying to persuade the Department of the Interior to raise its power rates, because of the fact that these rates were set a number of years ago when the cost of operation, maintenance, and construction was between 35 and 50 percent lower than it is today. But the Department has refused to adjust the rates, and until it does I am certain our committee is not going to be too overly anxious or very liberal in making great appropriation for the building of power dams and transmission lines, for certainly they cannot pay out at the present rate, with the possible exception of Boulder Canyon project, regardless of all the weak arguments which I have heard advanced to date.

In conclusion, let me remind you, my colleagues, that the private companies which now operate in the southwestern area are paying approximately 5 mills in taxes, franchise taxes, county taxes, State taxes, and Federal taxes, on every kilowatt of power they sell. It has been estimated that these private companies will pay taxes during the next 20 years to the tune of one and a quarter billion dollars if they are permitted to remain in business. Now I ask you, Does our United States Treasury need that money? You all know that free and private enterprise is fighting for its very life in America today. Let us see to it that the peanut vender, the corner grocer, the farmer, as well as the big and little businessman, is not run out of business by Government competition and control.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Chairman, not having time to make myself clear on the Rayburn amendment during the limited debate on it, I want to take a few minutes here to state my position. Apparently I am in substantial agreement with the gentleman from Mississippi [Mr. RANKIN] in regard to the production and disposition of hydroelectric power. I am convinced that the potential of electric power produced by falling water is as much the property of all the people as is sunshine or air. Of course, I recognize the property rights of those pioneer utilities which made their investments in power production in the early years of the electric age. Equal justice both to the private owners and to the general public requires that their operations be brought under public control in the public interest and that their true property rights be safeguarded as other property rights are protected.

It seems to me that at this stage in the development of our electric age the wise plan is to have the great dams built at Government expense for multiple purposes and power produced to the extent feasible and furnished to municipalities, cooperatives, and private utilities for distribution to the ultimate consumers in the largest usable quantities at the cheapest rates consistent with sound business principles. Private enterprise

on the distribution end is desirable if there is no monopoly situation which puts the consumers at the mercy of the utility. At the very least, public regulatory bodies must protect the consumers from the exploitation through too high rates. Even with governmental regulation of the distribution of this necessity of modern life, I favor the yardstick idea. There is no more danger of the Government oppressing the utilities with the yardstick than there is of the monopolistic private utilities oppressing the public in the absence of the yardstick or of proper regulation.

The gentleman from California [Mr. VOORHIS] and others frequently point out that the Government should not build great dams unless it also builds transmission lines to carry the power to the market. Indeed, it is folly to make great Government investments in such dams and then leave the Government at the whim of one powerful purchaser. That is why transmission lines from dam to centers of use are as necessary in the full utilization of hydroelectric power as are the dams themselves.

For that reason I favor the amendment by our distinguished Speaker. This increased appropriation will help to tie those dams and power facilities together and increase their usefulness to a large area. That is true in this area, which is in a humid region where irrigation is not yet developed. How much more forcefully does this reasoning apply to the areas in the far West throughout the 17 Western States which make up the irrigation domain. It is far more important to have suitable transmission lines from great dams in the far West, especially the Pacific Southwest, than it is in this Middle Southwest. In the domain of irrigation and reclamation hydroelectric power must be both a working partner and a paying partner of irrigation.

There need not be a clash of interest between "public power" and "private power" in the West. Private enterprise cannot and must not build the needed great dams on western rivers. Government ought not distribute power to the ultimate consumers unless it be in a situation and such an area that it is not feasible for private business to do so. Each has a sphere where it can serve best and neither ought to encroach upon the other's sphere. It is with this thought I support the Rayburn amendment.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Texas [Mr. RAYBURN].

The question was taken; and on a division (demanded by Mr. NORRELL) there were—ayes 96, noes 86.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. NORRELL and Mr. ROONEY.

The Committee again divided, and the tellers reported that there were—ayes 114, noes 88.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 10. No part of any appropriation contained in this act shall be used directly or indirectly by way of wages, salaries, per diem or otherwise, for the performance of any new administrative function or the enforcement or issuance of any rule or regulation occasioned by the establishment of the Jackson Hole National Monument as described in Executive Proclamation No. 2578, dated March 15, 1943.

Mr. ROBERTSON of Virginia. Mr. Chairman, I ask unanimous consent to return to page 80 of the bill for the purpose of offering an amendment to permit the States to use $3,000,000 of their $13,700,000 trust fund, contributed by the sportsmen through the tax on guns and ammunition, to provide better hunting for our returned soldiers. If this amendment can be offered, I will agree that it may be voted on without any debate, because I know that the Members love the soldiers, and they know that all 48 States want this money and need it.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. JONES. I object, Mr. Chairman.

Mr. ROBERTSON of Virginia. Will the gentleman reserve the right to object instead of objecting? Will the gentleman withdraw his objection and ask some questions about the amendment and let the Committee vote on it? I do not ask any debate on it. All the States want this money.

Mr. JONES. I insist on my objection, Mr. Chairman.

The Clerk read as follows:

SEC. 12. This act may be cited as the "Interior Department Appropriation Act, 1947."

Mr. DWORSHAK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall take only a few minutes to explain the motion to recommit that I shall offer in a few minutes.

During the debate on this appropriation bill, it was pointed out by many Members from the 10 grazing States of the West that a terrific reduction was made in the funds appropriated to operate the Grazing Service during the coming year. The committee recommended only $425,000, which is half of the $850,000 estimated as receipts for the coming year. My motion to recommit will endeavor to restore only $425,000, which, added to the $425,000 in the bill, will make a total of $850,000, or the estimated receipts to be derived from the operation of the Grazing Service in 1947.

May I point out that in the current year the Grazing Service received $1,293,970, which would be about $444,000 more than the total amount to be available next year if my motion to recommit and the proposed amendment are adopted.

Mr. MARTIN of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the majority leader as to the program for tomorrow.

Mr. McCORMACK. When we return to the House, I shall ask unanimous consent to meet at 11 o'clock tomorrow. The resolution providing $75,000 in connection with the Committee on Un-American Activities will come up tomorrow.

Mr. MARTIN of Massachusetts. That will be the first order of business?

Mr. McCORMACK. That will be the first order of business.

The second order of business will be the conference report on the pay-raise bill for Federal employees other than postal employees. Then there is the legislative appropriation bill. If that is disposed of in time, we can take up the Coast Guard appropriation bill. It is hoped that that can be done. But if the Coast Guard appropriation bill cannot be taken up, then it will be taken up Monday.

Mr. MARTIN of Massachusetts. May I inquire further as to the program for Monday and Tuesday? The Pennsylvania primaries are going to be held, and some Members will probably be leaving tomorrow to go home.

Mr. McCORMACK. The gentleman from Massachusetts and I have entered into a gentleman's agreement, which we hope the House will support, that in the event final action on any legislation on Monday or Tuesday is to take place in the form of a roll call, that the roll call will not take place before Wednesday.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. May I inquire as to the position of the so-called Gwynne bill which was scheduled for the coming week and was originally scheduled for Tuesday of this week.

Mr. McCORMACK. The Gwynne bill was scheduled for Tuesday. We could not bring it up. Of course, the appropriations bill was scheduled for Wednesday and Thursday. That is always a definite program. Therefore, the Gwynne bill follows them. It is my intention to program the Gwynne bill for Monday and in the event of any roll call it will go over to be held not before the following Wednesday.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CASE of South Dakota. What about the Indian claims bill which was programed for tomorrow? When will that come up under the rescheduling arrangement?

Mr. McCORMACK. The Indian claims bill occupies the same status and will be called subsequent to the Gwynne bill.

Mr. CASE of South Dakota. When will we get to it?

Mr. McCORMACK. I shall program it for either Monday or Tuesday with the understanding that if there is any roll call the roll call will go over to a day not earlier than Wednesday.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Illinois.

Mr. SABATH. I appreciate the agreement that has been entered into and I hope it will be agreed to by the House. Unfortunately, however, there will be a large number of Members who cannot return by Wednesday.

Mr. McCORMACK. What other primaries are there on Tuesday, other than in Pennsylvania, that the gentleman knows of?

Mr. SABATH. I am informed that some of these Members cannot get back here on Wednesday because the primaries are going to be held on Tuesday and it will take some of them more than a day to come back. Furthermore, there are about half a dozen Members from Illinois who have important matters to be attended to in their home districts that are as important as the primaries. They will not be able to be here. I suggest we should not take any roll-call vote until Thursday on any of these important matters.

Mr. McCORMACK. I said the roll-call vote would not be taken before Wednesday. I think we should protect the men who are away in connection with the primaries, but beyond that I cannot undertake to program the House to protect Members who might be away on other matters, no matter how important they are.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from New York.

Mr. MARCANTONIO. Mr. Chairman, I wish to serve notice on the majority leader that it is the intention of some of us to continue to object to dispensing with Calendar Wednesday.

Mr. McCORMACK. In view of the statement made by the gentleman from New York, of course that would obviate any reason for my making the request next week to dispense with Calendar Wednesday. I appreciate the advance information which the gentleman has given me.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARTIN] has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, adopted in Committee of the Whole, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, directed him to report the same back to the House with sundry amendments adopted in the Committee of the Whole with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. JONES. Mr. Speaker, I demand a separate vote on the Rayburn amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en bloc.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. RAYBURN: On page 89, line 4, strike out "$3,198,000" and insert "$7,500,000."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 125, noes 76.

So the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DWORSHAK. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DWORSHAK. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. DWORSHAK moves to recommit the bill H. R. 6335 to the Committee on Appropriations with instructions to add $425,000 to the Grazing Service, salaries and expense item, and report the same forthwith to the House.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. DWORSHAK) there were—ayes 73, noes 101.

Mr. DWORSHAK. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-eight Members are present, a quorum.

Mr. DWORSHAK. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 147, nays 173, not voting 110, as follows:

[Roll No. 121]

YEAS—147

Allen, Ill.	Chenoweth	Gwinn, N. Y.
Andersen, H. Carl	Church	Gwynne, Iowa
Anderson, Calif.	Clevenger	Hagen
Andresen, August H.	Coffee	Hall, Edwin Arthur
Angell	Cole, Kans.	Halleck
Arends	Cole, Mo.	Hancock
Arnold	Corbett	Harless, Ariz.
Baldwin, N. Y.	Cunningham	Harness, Ind.
Barrett, Wyo.	Curtis	Havenner
Bates, Mass.	Dolliver	Henry
Beall	Dworshak	Hess
Bennett, Mo.	Ellis	Hill
Biemiller	Ellsworth	Hoeven
Bishop	Elston	Hoffman
Bolton	Engel, Mich.	Holifield
Bradley, Mich.	Fenton	Holmes, Wash.
Brehm	Fernandez	Hook
Brown, Ohio	Fuller	Hope
Bunker	Gillespie	Horan
Butler	Gillie	Howell
Campbell	Goodwin	Hull
Canfield	Granger	Izac
Case, S. Dak.	Grant, Ind.	Jackson
	Gross	Jennings
Jensen	Martin, Mass.	Sharp
Johnson, Calif.	Mason	Smith, Wis.
Johnson, Ill.	Miller, Calif.	Springer
Jones	Miller, Nebr.	Stefan
Jonkman	Mundt	Stevenson
Kearney	Murdock	Stockman
Keefe	Murray, Wis.	Sumner, Ill.
Kefauver	Neely	Taber
Kilburn	Norblad	Talbot
King	O'Hara	Talle
Kinzer	Outland	Taylor
Knutson	Phillips	Tibbott
Landis	Pittenger	Voorhis, Calif.
Latham	Ploeser	Vorys, Ohio
LeFevre	Reed, Ill.	Vursell
Lemke	Reed, N. Y.	Welchel
Lewis	Rees, Kans.	Welch
McConnell	Rizley	Wigglesworth
McCowen	Robsion, Ky.	Wilson
McDonough	Rockwell	Winter
McGregor	Rogers, Mass.	Wolcott
McMillen, Ill.	Savage	Wolverton, N. J.
Mansfield, Mont.	Schwabe, Mo.	Woodhouse
Marcantonio	Schwabe, Okla.	Woodruff
Martin, Iowa	Scrivner	
	Shafer	

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Abernethy	Fogarty	Murray, Tenn.
Allen, La.	Gallagher	Norrell
Almond	Gardner	O'Brien, Ill.
Andrews, Ala.	Gary	O'Brien, Mich.
Auchincloss	Gathings	O'Konski
Bailey	Geelan	O'Neal
Barry	Gibson	O'Toole
Bates, Ky.	Gordon	Pace
Beckworth	Gorski	Peterson, Fla.
Bennet, N. Y.	Gossett	Peterson, Ga.
Bloom	Grant, Ala.	Philbin
Boykin	Green	Pickett
Bradley, Pa.	Gregory	Poage
Brooks	Griffiths	Price, Fla.
Brown, Ga.	Hale	Price, Ill.
Bryson	Hand	Priest
Buck	Hare	Quinn, N. Y.
Bulwinkle	Hays	Rabaut
Burch	Hedrick	Rabin
Byrnes, Wis.	Hendricks	Rains
Camp	Herter	Ramey
Cannon, Mo.	Heselton	Rankin
Carnahan	Hobbs	Resa
Celler	Huber	Richards
Chapman	Johnson, Lyndon B.	Riley
Chelf	Johnson, Okla.	Rivers
Clason	Judd	Robertson, Va.
Clements	Kean	Rogers, Fla.
Colmer	Kee	Rogers, N. Y.
Combs	Kelley, Pa.	Rooney
Cooley	Kelly, Ill.	Rowan
Cooper	Keogh	Ryter
Cox	Kerr	Sabath
Cravens	Kilday	Sasscer
Crawford	Klein	Sikes
Crosser	Kopplemann	Simpson, Ill.
D'Alesandro	Lane	Slaughter
Daughton, Va.	Larcade	Smith, Maine
Davis	LeCompte	Smith, Ohio
Dawson	Lesinski	Smith, Va.
Delaney, James J.	Link	Sparkman
Delaney, John J.	Ludlow	Spence
Dirksen	Lyle	Starkey
Domengeaux	Lynch	Sullivan
Doughton, N. C.	McCormack	Sumners, Tex.
Douglas, Ill.	McGehee	Tarver
Doyle	McGlinchey	Thomason
Drewry	McMillan, S. C.	Trimble
Durham	Madden	Vinson
Earthman	Mahon	Walter
Eberharter	Maloney	Weaver
Ervin	Manasco	West
Fallon	Mankin	Whitten
Feighan	Mathews	Whittington
Fisher	Michener	Wickersham
Flannagan	Mills	Winstead
Flood	Morrison	Worley
	Murphy	Zimmerman

NOT VOTING—110

Adams	Cannon, Fla.	Eaton
Andrews, N. Y.	Carlson	Elliott
Baldwin, Md.	Case, N. J.	Engle, Calif.
Barden	Chiperfield	Fellows
Barrett, Pa.	Clark	Folger
Bell	Clippinger	Forand
Bender	Cochran	Fulton
Blackney	Cole, N. Y.	Gamble
Bland	Courtney	Gavin
Bonner	Curley	Gearhart
Boren	De Lacy	Gerlach
Brumbaugh	D'Ewart	Gifford
Buckley	Dingell	Gillette
Buffett	Dondero	Gore
Byrne, N. Y.	Douglas, Calif.	Graham

Granahan	McKenzie	Russell
Hall, Leonard W.	Mansfield, Tex.	Sadowski
Harris	May	Sheppard
Hart	Merrow	Sheridan
Hartley	Monroney	Short
Healy	Morgan	Simpson, Pa.
Hébert	Norton	Somers, N. Y.
Heffernan	Patman	Stewart
Hinshaw	Patrick	Stigler
Hoch	Patterson	Sundstrom
Holmes, Mass.	Pfeifer	Thom
Jarman	Plumley	Thomas, N. J.
Jenkins	Powell	Thomas, Tex.
Johnson, Ind.	Randolph	Tolan
Johnson, Luther A.	Rayfiel	Torrens
Kirwan	Reece, Tenn.	Towe
Kunkel	Rich	Traynor
LaFollette	Robertson, N. Dak.	Wadsworth
Lanham	Robinson, Utah	Wasielewski
Lea	Rodgers, Pa.	White
Luce	Roe, Md.	Wolfenden, Pa.
	Roe, N. Y.	Wood

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Jenkins for, with Mr. Sheppard against.

Mr. Brumbaugh for, with Mr. Sheridan against.

Mr. Robertson of North Dakota for, with Mr. Pfeifer against.

General pairs until further notice:

Mr. Randolph with Mr. Short.

Mr. Lea with Mr. Wadsworth.

Mr. May with Mr. Adams.

Mr. Courtney with Mr. Bender.

Mr. Cochran with Mr. Holmes of Massachusetts.

Mr. Somers of New York with Mr. Johnson of Indiana.

Mrs Douglas of California with Mr. Blackney.

Mr. Barrett of Pennsylvania with Mr. Hartley.

Mr. Roe of Maryland with Mr. Graham.

Mr. Gore with Mr. Fellows.

Mr. Dingell with Mr. Gamble.

Mr. Roe of New York with Mr. Eaton.

Mr. Hart with Mr. Dondero.

Mr. Boren with Mr. Cole of New York.

Mr. Thomas of Texas with Mr. Carlson.

Mr. Rayfiel with Mr. Kunkel.

Mr. Torrens with Mr. Merrow.

Mr. De Lacy with Mr. Plumley.

Mr. Byrne of New York with Mr. Reece of Tennessee.

Mr. Wasielewski with Mr. Simpson of Pennsylvania.

Mr. Folger with Mr. Rich.

Mr. Patman with Mr. Thomas of New Jersey.

Mr. Heffernan with Mr. Rodgers of Pennsylvania.

Mr. Monroney with Mr. Wolfenden of Pennsylvania.

Mr. Forand with Mr. Sundstrom.

Mr. Hoch with Mr. Gavin.

Mr. IZAC changed his vote from "nay" to "yea."

Mr. FENTON changed his vote from "nay" to "yea."

Mr. MILLER of California changed his vote from "nay" to "yea."

Mr. GREEN changed his vote from "yea" to "nay."

Mr. KEARNEY changed his vote from "nay" to "yea."

Mr. TAYLOR changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

FEDERAL PAY INCREASE BILL

Mr. MILLER of California submitted a conference report and statement on the bill (S. 1415) to increase the rates of compensation of officers and employees of the Federal Government.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles.

On May 15, 1946:

H. R. 6305. An act to make permanent the provisions of the act of July 11, 1941, prohibiting prostitution in the vicinity of military and naval establishments.

On May 16, 1946:

H. R. 3936. An act to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States.

ADDITIONAL DISTRICT JUDGE, NORTHERN DISTRICT OF CALIFORNIA

Mr. SUMNERS of Texas submitted a conference report and statement on the bill (S. 1163) to provide for the appointment of one additional district judge for the northern district of California.

EXTENSION OF REMARKS

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter he recently received.

Mr. KEFAUVER asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include an address by Mr. Sheeley.

Mr. FLOOD asked and was given permission to extend the remarks he made in the Committee of the Whole today and to include therein certain letters.

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD and include an article written by Ralph L. Van Name, executive secretary of the New York City Employees Retirement System.

Mr. ROWAN asked and was given permission to extend his remarks in the Appendix of the RECORD on two subjects and to include therein editorials from the Chicago Tribune and the Chicago Sun.

Mr. DOYLE asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include a statement from the veterans' service center, and in the other a statement from the chamber of commerce.

Mr. WOODRUFF (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include a letter.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. WELCH asked and was given permission to extend his remarks in the RECORD and include an editorial published in the San Francisco News.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks in the RECORD and include a release dated today by the American Chemical Society.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that in the remarks I expect to make tomorrow on the Coast Guard appropriation bill that I may be permitted to include therein a statement showing the strength of the Coast Guard at various times.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WICKERSHAM asked and was given permission to extend his remarks in the RECORD in two separate instances and in each to include extraneous matter.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Bemidji Pioneer, of Bemidji, Minn.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an address I recently made in Chicago. This exceeds the limit established by the Joint Committee on Printing and I am advised by the Government Printing Office that it will cost $162. Notwithstanding the excess, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the excess, without objection the extension may be made.

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT FROM FRIDAY TO MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REORGANIZATION PLAN NO. 1 OF 1946—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1946, prepared in accordance with the provisions of the Reorganization Act of 1945.

In my message to the Congress of May 24, 1945, requesting passage of a reorganization act, I stated that an important purpose of the act would be to permit making permanent certain of the reorganization actions taken by Executive order under the authority of title I of the First War Powers Act, 1941 (55 Stat.

838). The effect of this reorganization plan would be, in the main, to continue in force some of the reorganization actions now in effect by virtue of Executive orders. The reorganization actions continued in force by this plan all constitute improvements in the organization of permanent functions of the Government or functions which may be expected to be active after the expiration of title I of the First War Powers Act, 1941. Those improvements should, therefore, be made permanent under the procedure established in the Reorganization Act of 1945.

I have found, after investigation, that each reorganization contained in the plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1945. Each part of the reorganization plan is explained in further detail below.

DEPARTMENT OF STATE

The first part of the plan provides for the transfer of certain functions to the Department of State, and imposes certain liquidation duties on that Department.

Office of Inter-American Affairs

Executive Order No. 8840 of July 30, 1941, established the Office of the Coordinator of Inter-American Affairs. Throughout the war period this Office (later redesignated the Office of Inter-American Affairs) played a major role in the development of better relations among the American Republics. In accordance with the general realinement of the functions and organization of wartime agencies in the international field, this Office was abolished and certain remaining functions were transferred to the Secretary of State by Executive Order No. 9610 of April 10, 1946. The plan confirms this transfer, providing specifically for the direction by the Secretary of State of the activities of certain corporations formerly headed by the Director of the Office of Inter-American Affairs.

The necessity for confirming Executive Order No. 9610 arises from the fact that certain of the corporations have program commitments, for which funds have been made available, extending into fiscal year 1949. The reorganization plan will assure that the activities of the several corporations listed in the plan will be under the direction of the Secretary and Department of State so long as they are in existence.

United States High Commissioner to the Philippine Islands

Under the terms of the Tydings-McDuffie Act, the Philippine Islands will become independent on July 4, 1946. This event makes necessary a change in the conduct of the political relationships between this Government and that of the Republic of the Philippines.

The reorganization plan accordingly abolishes the office of United States High Commissioner to the Philippine Islands (established by Tydings-McDuffie Acts, ch. 11, 47 Stat. 761, and ch. 11, 48 Stat. 456) and provides for the orderly liquidation of its affairs by the Department of State. It is contemplated that after July 4, 1946, the conduct of relations with the Republic of the Philippines will be carried on in the same manner as relations with other countries.

DEPARTMENT OF THE TREASURY

(National Prohibition Act functions)

The act of May 27, 1930, 46 Stat. 427, imposed upon the Attorney General general duties respecting administration and enforcement of the National Prohibition Act. By Executive Order No. 6639 of March 10, 1934, all of the powers and duties of the Attorney General respecting that act, except the power and authority to determine and to compromise liability for taxes and penalties, were transferred to the Commissioner of Internal Revenue. The excepted functions, however, were transferred subsequently to the Commissioner of Internal Revenue by Executive Order No. 9302 of February 9, 1943, issued under the authority of title I of the First War Powers Act, 1941.

Since the functions of determining taxes and penalties under various statutes and of compromise of liability therefor prior to reference to the Attorney General for suit are well-established functions of the Commissioner of Internal Revenue, this minor function under the National Prohibition Act is more appropriately placed in the Bureau of Internal Revenue than in the Department of Justice.

DEPARTMENT OF AGRICULTURE

(Agricultural Research Administration)

By Executive Order No. 9069 of February 23, 1942, six research bureaus, the Office of Experiment Stations, and the Agricultural (formerly Beltsville) Research Center were consolidated into an Agricultural Research Administration to be administered by an officer designated by the Secretary of Agriculture. The constituent bureaus and agencies of the administration have, in practice, retained their separate identity. This consolidation and certain transfers of functions between the constituent bureaus and agencies have all been recognized and provided for in the subsequent appropriation acts passed by the Congress.

By the plan, the functions of the eight research bureaus and agencies which are presently consolidated into the Agricultural Research Administration are transferred to the Secretary of Agriculture to be exercised under his direction and control by the Agricultural Research Administration or by such other officers or agencies of the Department of Agriculture as he may provide.

The benefits which have been derived from centralized review, coordination, and control or research projects and functions by the Agricultural Research Administrator have amply demonstrated the lasting value of this consolidation. By transferring the functions of the constituent bureaus and agencies to the Secretary of Agriculture, it will be possible to continue this consolidation and to make such further adjustments in the organization of agricultural research activities as future conditions may require. This assignment of functions to the Secretary is in accord with the sound and long-established practice of the Congress of vesting substantive functions in the Secretary of Agriculture rather than in subordinate officers or agencies of the Department.

OFFICE OF WAR MOBILIZATION AND RECONVERSION

(Contract settlement functions)

The Office of Contract Settlement was established by the Contract Settlement Act of 1944. By the War Mobilization and Reconversion Act of 1944, the Office of Contract Settlement was placed within the Office of War Mobilization and Reconversion and the Director of the latter office was given general supervision over its activities.

The reorganization plan transfers all of the functions of the Director of Contract Settlement and all other functions of the Office of Contract Settlement under the Contract Settlement Act of 1944 to the Director of War Mobilization and Reconversion and to the Office of War Mobilization and Reconversion. The plan further abolishes the office of Director of Contract Settlement and the Office of Contract Settlement. The effect of this proposal will be to eliminate entirely one agency, whose mission has been substantially accomplished, without appreciably increasing the burden of the Director of War Mobilization and Reconversion.

The functions of the Office of Contract Settlement are, in general, to (1) establish and supervise uniform and fair contract settlement policies and procedures for the Army, the Navy, and other contracting agencies, and (2) establish and operate an Appeal Board to hear and determine appeals by war contractors relating to contract termination matters. Major policies and procedures have been established by the issuance of twenty regulations of general application. No new regulations have been issued during the last 8 months and none are contemplated. The Appeal Board will of necessity continue in operation for some time; but it exercises its authority separately and autonomously, and it can therefore function as well under the Office of War Mobilization and Reconversion as under the Office of Contract Settlement.

As of March 31, 1946, about 24,000 war contracts were still unsettled, involving claims filed and expected to be filed of approximately two and seven-tenths billion dollars. The settlement of these cases, however, is an operating function which rests with the contracting agencies. Moreover, at the current rate of settlements this represents a backlog of only 4 or 5 months' work by such agencies. Policies and procedures for settlements have been sufficiently tested to make it unlikely that new problems of substance will arise in connection with these remaining settlements which will require any action by the Office of Contract Settlement. In the event that any should arise, however, the Director of War Mobilization and Reconversion will be in a position to deal with them.

NATIONAL HOUSING AGENCY

The plan consolidates permanently in one National Housing Agency under the direction of a National Housing Administrator the main activities of the Government relating to housing.

I do not need to stress again at this time the urgent necessity of taking all possible measures to alleviate the present critical housing shortage. The job of providing adequate housing for our returning veterans will tax to the utmost the resourcefulness and vigor of all parts of the Government that are concerned in any way with housing. And in the months and years ahead, the goal of a decent home for every American will demand the fullest use of all of the Government's resources in the housing field.

If the Government is to mobilize to fullest effectiveness its resources for dealing with the housing emergency, an indispensable step—and one which we cannot afford further to delay—is the establishment of a housing agency on a permanent basis. The fact that we have had a unified housing agency, even though temporary, has enabled us to move more efficiently toward a solution of postwar problems, in cooperation with private enterprise and local communities, than would have been possible without unification of the Government's housing activities. But the present National Housing Agency has been handicapped in its operations by its lack of a permanent status. Having been created during the war emergency, it is not infrequently looked upon as an organization which, now that peace has come, may be abolished in the relatively near future. This has made for uncertainties which have inevitably placed the National Housing Agency at a disadvantage. In order that it may proceed on its program with the fullest confidence that it has a position equivalent to that of any other permanent Government agency, its organization should be confirmed at the earliest possible date.

I fully recognize that S. 1592, the Wagner-Ellender-Taft bill, approved by the Senate on April 12 of this year, provides for the permanent organization of the Housing activities of the Government along the lines set forth in this plan. However, since the House must act before S. 1592 can become law, and because of the heavy legislative schedule now facing the House, it is difficult to foretell when such action can be expected. On the other hand, action by the President, taken under the authority of the Reorganization Act, assures decision on the matter in 60 days. Moreover, the fact that S. 1592 is pending in the Congress does not relieve the President of his responsibilities under the Reorganization Act, passed by the same Congress. On the contrary, the action already taken by the Senate constitutes in effect an expression of approval of the objectives of the plan and therefore strengthens my confidence in the wisdom of the step I am taking.

It also seems desirable to confirm under this reorganization plan as many as possible of the organization changes that were effected under the First War Powers Act, 1941, and that it seems desirable to make permanent. Otherwise, confusion might arise, since specific congressional action on these subjects at a definite date cannot be accurately forecast.

Moreover, I place great weight upon the long congressional investigations which preceded the adoption of S. 1592 by the Senate. After comprehensive studies, hearings, and inquiries beginning in the middle of 1944, the Subcommittee on Housing and Urban Redevelopment of the Special Committee on Postwar Economic Policy and Planning of the Senate issued a unanimous report on August 1, 1945. Founded upon this report, S. 1592 was introduced, and after 2 months of comprehensive hearings was reported favorably to the Senate. It was then approved by the Senate without substantial opposition. The pioneer work done by the sponsors of the Wagner-Ellender-Taft bill, and also by other members of the Senate Committee on Banking and Currency, the Senate Committee on Education and Labor, and the Subcommittee on Housing and Urban Redevelopment, plus approval by the Senate, has been highly constructive and has helped importantly to point the way for this plan.

Since S. 1592 continues many substantial programs which are essential for the success of the veterans' emergency housing program, as well as for accomplishing the long-time objective of a decent home for every family, I feel bound to stress that the treatment by this plan of the organizational features of that measure does not diminish the necessity for passing those parts of the bill not covered by the plan. The organizational features are for the purpose of making the National Housing Agency as efficient and effective an organization as possible; but without the other provisions of S. 1592 this agency, regardless of how efficient and effective it may be, will not be able to meet the requirements of the present housing emergency. While it is not customary to advocate legislation in a message of this character, I do so in this instance to make it clear that those provisions of the pending legislation not incorporated in substance in this plan are made no less necessary as a result of submission of this plan.

Wartime experience has fully demonstrated the necessity for unifying the Government's housing functions. When the defense-housing program began in 1940, housing functions were scattered among a number of different agencies. In February 1942 the President consolidated these dispersed housing functions into a single National Housing Agency—an action which met with almost universal approval. While this agency was created under the First War Powers Act, 1941, and was therefore necessarily temporary in character, it brought together not only special war-housing activities but also the main permanent housing organizations of the Government.

That the housing consolidation of 1942 served a useful and necessary purpose is uncontested. Without such a consolidation we could not have coped effectively with the difficult and often extraordinary wartime housing problems. It was demonstrated time and again that one housing agency could operate more efficiently and economically than many. In actual program execution there have been enormous savings of material, manpower, and money—savings to localities as well as the Federal Government—that resulted from unity and could not have been achieved with disunity. The lessons of the war must not be ignored in dealing with the very much different but no less difficult peacetime problems of housing.

The plan provides that the functions consolidated in the National Housing Agency are to be administered under a National Housing Administrator to be appointed by the President, by and with the advice and consent of the Senate. The National Housing Administrator is authorized to appoint a Deputy Housing Administrator who shall be in the classified service.

The plan establishes three constituent units corresponding to those now existing in the National Housing Agency, to be known as the Federal Housing Administration, the Federal Public Housing Authority, and the Federal Home Loan Bank Administration. Each unit will be under a Commissioner to be appointed by the President, by and with the advice and consent of the Senate. The functions grouped under each new constituent unit parallel the functions of the predecessor unit in the existing National Housing Agency.

Dissolution of the United States Housing Corporation—existing pursuant to the acts of May 16, 1918, Fortieth Statute 550, chapter 74, as amended, and June 4, 1918, Fortieth Statute 595—is directed by the provisions of the plan, and the Federal Home Loan Bank Commissioner is required to wind up the affairs of the Corporation. The office of Federal Housing Administrator, the Federal Home Loan Bank Board and the offices of the members thereof, the board of trustees of the Federal Savings and Loan Insurance Corporation and the offices of the members thereof, the Board of Directors of the Home Owners' Loan Corporation and the offices of the members thereof, and the office of Administrator of the United States Housing Authority are also abolished by this plan.

The reorganization of housing functions will, of course, in no wise impair any outstanding obligations or contracts made in connection with any of such functions, nor the pledge of the faith of the United States to the payment of the principal of and interest on debentures now or hereafter issued under the National Housing Act, as amended, nor any annual contributions now or hereafter contracted for pursuant to the United States Housing Act of 1937, as amended, nor any of the insurance funds created under the said National Housing Act, as amended.

I have found and declare that by reason of the reorganizations made by the plan, the responsibilities and duties of the National Housing Administrator, the Deputy National Housing Administrator, the Federal Housing Commissioner, the Federal Home Loan Bank Commissioner, and the Federal Public Housing Commissioner are of such nature as to require the inclusion in the plan of provisions for their appointment and compensation.

Under the limitations contained in section 4 (2) of the Reorganization Act of 1945, the compensation of the National Housing Administrator cannot be set in the plan at a rate of more than $10,000 a

year. The National Housing Administrator now receives a salary of $12,000 a year. I do not consider the $10,000 provided in the plan as adequate compensation, and recommend that the Congress act to increase it, if possible not later than the end of the 60-day period during which the Congress has this plan under consideration. This might well be done in the appropriation bill for the National Housing Agency for the coming fiscal year.

Achievement of the objectives we are seeking—homes immediately for our veterans and a suitable dwelling ultimately for every American family—will require, as I have noted, additional legislation by the Congress. But a sound and stable housing organization, as provided for in this plan, is imperative for present operations as well as for the efficient execution of new policies and programs laid down by the Congress. I have said before that the people of the United States can be the best housed people in the world. I repeat that assertion, and I welcome the cooperation of the Congress in attaining that goal.

FEDERAL DEPOSIT INSURANCE CORPORATION

(Credit union functions)

The plan makes permanent the transfer of the administration of Federal functions with respect to credit unions to the Federal Deposit Insurance Corporation. These functions, originally placed in the Farm Credit Administration, were transferred to the Federal Deposit Insurance Corporation by Executive Order No. 9148 of April 27, 1942. Most credit unions are established in urban areas, and consequently are not related to agricultural activities. The supervision of credit unions fits in more logically with the general bank supervisory functions of the Federal Deposit Insurance Corporation. The Federal Deposit Insurance Corporation has performed this function successfully since 1942, and the benefits of its experience may be realized by effecting a permanent transfer.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 16, 1946.*

REORGANIZATION PLAN NO. 1 OF 1946

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 16, 1946, pursuant to the provisions of the Reorganization Act of 1945, approved December 20, 1945)

PART I. DEPARTMENT OF STATE

SEC. 101. Functions of the Office of Inter-American Affairs: There are transferred to the Secretary of State all functions of the Director of the Office of Inter-American Affairs (which Office was established as the Office of Coordinator of Inter-American Affairs by Executive Order No. 8840 of July 30, 1941, and renamed the Office of Inter-American Affairs by Executive Order No. 9532 of March 23, 1945) with respect to the following corporations, namely, the Institute of Inter-American Affairs, the Inter-American Educational Foundation, Inc., the Institute of Inter-American Transportation, the Inter-American Navigation Corporation, and Prencinradio, Inc., together with all rights and interests, authority, and obligations of the said Director and of his predecessors with respect to such corporations, including his authority with respect to holding the capital stock of the said corporations on behalf of the United States of America. All functions of the Office of Inter-American Affairs with respect to the aforesaid corporations are transferred to the Department of State. The functions transferred by this part shall be administered by the Secretary of State or, subject to his direction and control, by such officers and agencies of the Department of State as he may designate. The said Office of Inter-American Affairs and all functions thereof and of the Director of the Office of Inter-American Affairs not otherwise disposed of herein are abolished.

SEC. 102. United States High Commissioner to the Philippine Islands: The office of the United States High Commissioner to the Philippine Islands is abolished.

SEC. 103. Winding up of affairs: The Secretary of State shall provide for winding up those outstanding affairs of the agencies abolished by this part which are not otherwise disposed of herein.

PART II. DEPARTMENT OF THE TREASURY

SEC. 201. National Prohibition Act functions: The functions of the Attorney General and of the Department of Justice with respect to (a) the determination of internal-revenue taxes and penalties (exclusive of the determination of liability guaranteed by permit bonds) arising out of violations of the National Prohibition Act occurring prior to the repeal of the eighteenth amendment to the Constitution, and (b) the compromise, prior to reference to the Attorney General for suit, of liability for such taxes and penalties, are transferred to the Commissioner of Internal Revenue, Department of the Treasury: *Provided*, That any compromise of such liability shall be effected in accordance with the provisions of section 3761 of the Internal Revenue Code. All files and records of the Department of Justice used primarily in the administration of the functions transferred by this plan are hereby made available to the Commissioner of Internal Revenue for use in the administration of such functions.

PART III. DEPARTMENT OF AGRICULTURE

SEC. 301. Agricultural research activities: The functions of the Bureau of Animal Industry, the Bureau of Dairy Industry, the Bureau of Plant Industry, Soils, and Agricultural Engineering, the Bureau of Entomology and Plant Quarantine, the Bureau of Agricultural and Industrial Chemistry, the Bureau of Human Nutrition and Home Economics, the Office of Experiment Stations, the Agricultural Research Center, and the Office of Agricultural Research Administrator created by Executive Order No. 9069 of February 23, 1942 (7 F. R. 1409), are transferred to the Secretary of Agriculture, and shall be administered by the Secretary of Agriculture or, subject to his direction and control, by such officers and agencies of the Department of Agriculture as he shall designate.

PART IV. OFFICE OF WAR MOBILIZATION AND RECONVERSION

SEC. 401. Contract settlement functions: All functions of the Director of Contract Settlement and of the Office of Contract Settlement under the Contract Settlement Act of 1944 are transferred to the Director of War Mobilization and Reconversion and the Office of War Mobilization and Reconversion, respectively, and shall be administered by the Director of War Mobilization and Reconversion or, subject to his direction and control, by such officers and agencies of the Office of War Mobilization and Reconversion as he shall designate. There are also transferred to the Office of War Mobilization and Reconversion the appeal board established under section 13 (d) of the Contract Settlement Act of 1944 and the Contract Settlement Advisory Board created by section 5 of the said act: *Provided, however*, That the respective functions of each Board shall remain vested therein as at present. The quarterly progress reports required of the Director of Contract Settlement by section 2 (b) of the Contract Settlement Act of 1944 shall be consolidated with the quarterly reports of the Director of War Mobilization and Reconversion required by section 101 (c) (8) of the War Mobilization and Reconversion Act of 1944 effective with the report required thereunder on the 1st day of October 1946. The quarterly progress report of the Director of Contract Settlement required in July 1946 shall be submitted at that time by the Director of War Mobilization and Reconversion as a separate report. The Office of Contract Settlement, including the Office of Director of Contract Settlement but excluding the boards transferred under this section, is abolished.

PART V. NATIONAL HOUSING AGENCY

SEC. 501. National Housing Agency: The agencies and functions of the National Housing Agency established under the First War Powers Act, 1941 (55 Stat. 838), by Executive Order No. 9070 of February 24, 1942 (7 F. R. 1529), are consolidated to form a permanent agency of the same name. Such agency shall have the officers and constituent units hereinafter provided for, and shall be administered according to the provisions of this plan.

SEC. 502. National Housing Administrator: The head of the National Housing Agency shall be known as the National Housing Administrator (referred to herein as the Administrator). He shall be appointed by the President by and with the advice and consent of the Senate and receive a salary at the rate of $10,000 per annum unless the Congress shall otherwise provide.

SEC. 503. Deputy National Housing Administrator: The Administrator may appoint a Deputy National Housing Administrator under the classified civil service. Such deputy shall receive a salary at the rate of $10,000 per annum, shall act for the Administrator in his absence or disability, or in the event of a vacancy in the office of Administrator unless the President shall otherwise direct and shall perform such other duties as the Administrator may designate.

SEC. 504. Constituent units: (a) The constituent units of the National Housing Agency shall be as follows:

(1) The Federal Home Loan Bank Administration with a Federal Home Loan Bank Commissioner who shall be the head thereof.

(2) The Federal Housing Administration with a Federal Housing Commissioner who shall be the head thereof.

(3) The Federal Public Housing Authority which shall succeed to the corporate status of the United States Housing Authority, with a Federal Public Housing Commissioner who shall be the head thereof.

(b) Each such Commissioner shall be appointed by the President by and with the advice and consent of the Senate and receive a salary at the rate of $10,000 per annum.

SEC. 505. Functions of constituent units: (a) The following functions shall be administered by the Federal Home Loan Bank Administration:

(1) The functions of the Federal Home Loan Bank Board and its members under the Federal Home Loan Bank Act, as amended.

(2) The functions of the Board of Trustees of the Federal Savings and Loan Insurance Corporation under title IV of the National Housing Act, as amended.

(3) The functions of the Board of Directors of the Home Owners' Loan Corporation under the Home Owners' Loan Act of 1933, as amended.

(b) The functions of the Federal Housing Administrator under the National Housing Act, as amended, shall be administered by the Federal Housing Administration.

(c) The following functions shall be administered by the Federal Public Housing Authority:

(1) The functions of the Administrator of the United States Housing Authority under

the United States Housing Act of 1937, as amended, and under title II of the Act of June 28, 1940 (54 Stat. 676), as amended.

(2) The functions created or authorized by titles I and III, section 401, and title V of the act of October 14, 1940 (54 Stat. 1125), as amended.

(3) The functions of the War and Navy Departments with respect to defense or war housing (except that located on military or naval reservations, posts, or bases) under the act of September 9, 1940 (54 Stat. 872), as amended.

(4) The functions of all agencies designated to provide temporary shelter in defense areas under the acts of March 1, 1941, May 24, 1941, and December 17, 1941 (55 Stat. 14, 55 Stat. 197, and 55 Stat. 810, respectively) insofar as such functions relate to such temporary shelter.

(5) The functions of the Federal Loan Administrator with respect to the Defense Homes Corporation (which Corporation shall continue to be an agency of the United States until its liquidation is completed and shall be administered by the Federal Public Housing Commissioner, who shall receive and hold the capital stock of said Corporation on behalf of the United States of America).

(6) The functions of the Farm Security Administration with respect to housing projects which said Administration has determined are for families not deriving their principal income from operating or working on a farm.

(d) The functions to be administered by the constituent units under this section shall be deemed to be vested in the respective Commissioners, and in the administration thereof the Commissioners shall be subject to the authority of the Administrator.

(e) The provisions of this section shall be subject in all respects to the provisions of section 506 of this plan.

SEC. 506. Functions of the National Housing Administrator: The Administrator shall have the following functions, which shall be performed by him or, subject to his authority under the provisions of this plan, through such officers and employees of the National Housing Agency as he shall designate:

(a) The functions of the Secretary of Agriculture, Secretary of War, Secretary of the Navy, Federal Loan Administrator, and the Federal Works Administrator relating to the functions vested in the National Housing Agency or any constituent unit thereof under this plan.

(b) The conduct of any research or statistical activities relating to any function of the National Housing Agency or any of its constituent units.

(c) The determination of general policy and the making of findings with respect to the need for housing and termination of such need under titles I and III, section 401, and title V of the act of October 14, 1940 (54 Stat. 1125), as amended, the act of September 9, 1940 (54 Stat. 872), as amended (except as to housing located on military or naval reservations, posts, or bases), and the acts of March 1, 1941, May 24, 1941, and December 17, 1941 (55 Stat. 14, 55 Stat. 197, and 55 Stat. 810, respectively).

(d) The responsibility of assuring consistent execution of policy as outlined by law with respect to the program of the National Housing Agency and the constituent units thereof and of devising and applying methods and practices conducive to a unified housing program.

(e) General superintendents, direction, coordination, and control of the affairs of the National Housing Agency and its constituent units; the promulgation of such rules and regulations as the Administrator deems necessary to carry out his responsibilities under the provisions of this plan; and the review and approval, to such extent as he deems necessary, of the rules and regulations made by the Commissioners.

(f) The duty of transmitting to the Congress the annual reports of operations and activities prepared by the Commissioners as required by the second sentence of section 20 of the Federal Home Loan Bank Act, as amended, sections 5, 402 (f), and 406 (e) of the National Housing Act, as amended, and section 7 (b) of the United States Housing Act of 1937, as amended, together with such report of the programs and activities of the National Housing Agency as may be appropriate.

SEC. 507. Agencies abolished: (a) The following agencies are abolished:

(1) The office of Federal Housing Administrator.

(2) The Federal Home Loan Bank Board, and the offices of the members thereof.

(3) The Board of Trustees of the Federal Savings and Loan Insurance Corporation, and the offices of the members thereof.

(4) The Board of Directors of the Home Owners' Loan Corporation, and the offices of the members thereof.

(5) The office of Administrator of the United States Housing Authority.

(b) The United States Housing Corporation created pursuant to acts of May 16, 1918 (40 Stat. 550), and June 4, 1918 (40 Stat. 595), shall be dissolved and abolished.

(c) The Federal Home Loan Bank Commissioner shall, subject to the authority of the Administrator as defined in this plan, wind up the outstanding affairs of the United States Housing Corporation.

SEC. 508. Interim appointments: Pending the initial appointment hereunder of any officer provided for in this part, the functions of such officer shall be temporarily performed by such officer of the existing National Housing Agency as may be designated by the President.

PART VI. FEDERAL DEPOSIT INSURANCE CORPORATION

SEC. 601. Credit union functions: The functions of the Farm Credit Administration and the Governor thereof under the Federal Credit Union Act, as amended, together with the functions of the Secretary of Agriculture with respect thereto, are transferred to the Federal Deposit Insurance Corporation.

PART VII. RECORDS, PROPERTY, PERSONNEL, AND FUNDS

SEC. 701. Transfer of records, property, personnel, and funds: Except as otherwise provided in sections 702 and 703 of this plan, there are transferred to the respective agencies in which functions are vested pursuant to the provisions of this plan, to be used, employed, and expended in connection with such functions, respectively, or in connection with winding up the outstanding affairs of agencies abolished by this plan, (1) the records and property now being used or held in connection with such functions, (2) the personnel employed in connection with such functions, and (3) the unexpended balances of appropriations, allocations, or other funds available or to be made available for use in connection with such functions. In the case of the National Housing Agency established by part V of this plan, the transfers made under this section shall be made to the office of the Administrator or to the appropriate constituent unit of the Agency, as the case may be.

SEC. 702. Personnel transferred from Office of Inter-American Affairs: The personnel transferred under section 701 from the Office of Inter-American Affairs to the Department of State shall be limited to such of the personnel employed under the said Office as the Secretary of State shall determine to be required by the Department of State by reason of the reorganization provided for in part I of this plan.

SEC. 703. Disposition of certain affairs of the High Commissioner: Disposition shall be made as determined by the Director of the Bureau of the Budget of the records, property, personnel, and unexpended balances of appropriations, allocation, or other funds (available or to be made available) of the United States High Commissioner to the Philippine Islands with a view toward (1) the use thereof by the Department of State for the purpose of winding up the affairs of the office of the United States High Commissioner to the Philippine Islands, (2) the use thereof by the official appointed by the President under section 402 of the Philippine Rehabilitation Act of 1946 in performing the functions vested in the High Commissioner by section 401 of that Act, and (3) such other use and disposition thereof as may be in consonance with the provisions of the Reorganization Act of 1945 and other applicable law.

SEC. 704. Disposition of excess personnel: Any of the personnel transferred under this plan which the transferee agency shall find to be in excess of the personnel necessary for the administration of the functions transferred to such agency by such plan shall be retransferred under existing law to other positions in the Government or separated from the service.

SEC. 705. Disposition by Director of the Bureau of the Budget: Such further measures and dispositions as the Director of the Bureau of the Budget shall determine to be necessary in order to effectuate the provisions of this Part or in order to wind up the outstanding affairs relating to agencies or functions abolished by this plan shall be carried out in such manner as the Director may direct and by such agencies as he may designate.

REORGANIZATION PLAN NO. 2 OF 1946—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States which was read, and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed:

To the Congress of the United States:

The fundamental strength of a nation lies within its people. Military and industrial power are evidences, not the real source of strength. Over the years, the prosperity of America and its place in the world will depend on the health, the education, the ingenuity, and the integrity of its people and on their ability to work together and with other nations.

The most basic and at the same time the most difficult task of any country is the conservation and development of its human resources. Under our system of government this is a joint responsibility of the Federal, State, and local governments, but in it the Federal Government has a large and vital role to play. Through its research, advice, stimulation, and financial aid, it contributes greatly to progress and to the equalization of standards in the fields of education, health, and welfare; and in the field of social insurance it also directly administers a major segment of the program.

To meet its full responsibilities in these fields, the Federal Government requires efficient machinery for the administration of its social programs. Until 1939, the agencies in charge of these activities were scattered in many parts of the Government. In that year President Roosevelt took the first great step toward effective organization in this area when

he submitted Reorganization Plan I establishing the Federal Security Agency "to promote social and economic security, educational opportunity, and the health of the citizens of the Nation."

The time has now come for further steps to strengthen the machinery of the Federal Government for leadership and service in dealing with the social problems of the country. Several programs closely bound up with the objectives of the Federal Security Agency are still scattered in other parts of the Government. As the next step, I consider it essential to transfer these programs to the Federal Security Agency and to strengthen its internal organization and management.

Broadly stated, the basic purpose of the Federal Security Agency is the conservation and development of the human resources of the Nation. Within that broad objective come the following principal functions: Child care and development, education, health, social insurance, welfare—in the sense of care of the needy and the defective—and recreation, apart from the operation of parks in the public domain.

These functions constitute a natural family of closely related services, interwoven at many points and in many ways. For example, the development of day-care centers for children has involved joint planning and service by specialists of the Children's Bureau, the Office of Education, the Public Health Service, and several other agencies. The schools are both a major consumer of public-health services and a leading vehicle for health education and for disseminating the results of research carried on by the Public Health Service. The promotion of social security involves a whole battery of activities, especially social insurance, public assistance, health and child welfare.

In order to proceed as promptly as possible with the development of the Federal Security Agency to meet the post-war responsibilities of the Government within its field of activity, I am transmitting herewith Reorganization Plan No. 2, which I have prepared in accordance with the provisions of section 3 of the Reorganization Act of 1945 (Public, No. 263, Seventy-ninth Congress, first session), approved December 20, 1945, and I declare that with respect to each reorganization made in this plan, I have found that such reorganization is necessary to accomplish one or more of the purposes of section 2 (a) of the act:

(1) To facilitate orderly transition from war to peace;

(2) To reduce expenditures and promote economy;

(3) To increase efficiency;

(4) to group, coordinate, and consolidate agencies and functions according to major purposes;

(5) to reduce the number of agencies by consolidating those having similar functions, and to abolish such agencies or functions thereof as may not be necessary for the efficient conduct of the Government; and

(6) to eliminate overlapping and duplication of effort.

The plan includes certain interagency transfers and several abolitions and changes in the internal organization of the Federal Security Agency.

The plan transfers to the Federal Security Administrator the functions of the Children's Bureau, except those relating to child labor under the Fair Labor Standards Act. These child-labor functions are transferred to the Secretary of Labor in order that they may be performed by, or in close relationship with, the Wage and Hour Division, which administers the rest of the act. The Plan continues the Children's Bureau within the Federal Security Agency to deal with problems of child life, but is flexible enough to enable the Administrator to gear in the Bureau's programs effectively with other activities of the Agency.

The child-labor program is the only permanent program of the Children's Bureau that is properly a labor function. The other four—child welfare, crippled children, child and maternal health, and research in problems of child life—all fall within the scope of the Federal Security Agency. The transfer of the Children's Bureau will not only close a serious gap in the work of the Agency but it will strengthen the child-care programs by bringing them into closer association with the health, welfare, and educational activities with which they are inextricably bound up.

The promotion of the education, health, welfare, and social security of the Nation is a vast cooperative undertaking of the Federal, State, and local governments. It involves numerous grants-in-aid programs and complex intergovernmental relations. The transfer of the Children's Bureau will simplify these relations and make for better cooperation.

To illustrate, State welfare departments now depend on both the Bureau of Public Assistance in the Federal Security Agency and the Children's Bureau in the Labor Department for funds for child-care activities. Similarly, State health departments obtain grants from the Public Health Service for general public health work and from the Children's Bureau for child and maternal health activities. All of these grants involve the establishment of minimum standards and a measure of Federal supervision. The transfer of the Children's Bureau programs will make it possible to develop more consistent policies and procedures and to simplify dealings with the States. This will eliminate needless inconvenience for both parties and enable the State and Federal Governments to join more efficiently in their common objective of furthering the health and welfare of the American child.

Next, the plan transfers the vital statistics functions of the Census Bureau to the Federal Security Administrator, to be performed through the Public Health Service or other facilities of the Federal Security Agency. In every State but one the State health department is in charge of vital statistics. The work in the States is partially financed from public health grants administered by the Public Health Service. This transfer will make the agency providing the grants also responsible for carrying on the Federal part of the vital statistics program. Furthermore, it will make for a better correlation of vital statistics with morbidity statistics, which are closely connected in nature and are already handled by the Public Health Service. In addition, the Federal Security Agency, more than any other Federal agency in peacetime, depends on vital statistics and vital records in the operation of its programs.

The plan transfers the functions of the United States Employees Compensation Commission to the Federal Security Administrator, and provides for a three-member board of appeals to hear and finally decide appeals on claims of Government employees. By abolishing the Commission, the plan eliminates a small agency and lightens the burden on the President. The Federal Security Administrator, as the head of the Federal agency with the greatest experience in insurance administration, is in the best position to guide and further the program of the Commission.

The abolition of the Commission as an administrative body and the creation of an appeals board will provide the advantages of a single official in charge of operations while affording claimants the protection of a three-member board for the final decision of appeals on claims. This arrangement has proved both administratively efficient and satisfactory to claimants in many similar programs. It is essentially the plan used in the administration of veterans' pensions and old-age and survivors insurance and employed by many States in their workmen's compensation programs. The board of appeals created by this plan will deal only with claims of Government employees since appeals on other types of claims under the jurisdiction of the Commission—(a) longshoremen and harbor workers, and (b) private employees in the District of Columbia—are heard by the Federal District Courts rather than the Commission.

The reorganization plan which created the Federal Security Agency in 1939 provided that the Federal Security Administrator should direct and supervise the Social Security Board, and that he might assign administrative duties to the Chairman of the Board, rather than to the Board as a whole. Thus, it took the first step toward establishing a definite line of responsibility for the administration of social-security functions in the Agency. The plan I am now submitting further clarifies these lines of responsibility by providing for the normal type of internal organization used in Federal departments and agencies.

A full-time board in charge of a group of bureaus within an agency is at best an anomaly. The Social Security Board rendered an outstanding service in launching the social-security program, and its members deserve the thanks of the Nation for this achievement. That program, however, is now firmly established and its administration needs to be tied in more fully with other programs of the Federal Security Agency. The existence of a department within a de-

partment is a serious barrier to effective integration.

In order to obtain more expeditious and effective direction for the social-security program and to further the development of the Federal Security Agency, this plan transfers the functions of the Social Security Board to the Federal Security Administrator and provides for not more than two new assistant heads of the Agency for the administration of the program. Because of the additional functions transferred to the Administrator by this plan, I have found that these officers will be needed to assist him in the general management of the Agency and to head the constituent unit or units which the Administrator will have to establish for the conduct of social-security activities.

To permit a consolidation of work for the blind the functions of the Office of Education as to the vending stand program for the blind are transferred to the Federal Security Administrator, in whom are vested other vocational rehabilitation functions. This transfer will permit the program to be assigned to the Office of Vocational Rehabilitation, where other vocational rehabilitation activities for the blind are now concentrated.

The office of Assistant Commissioner of Education, established by the act of May 26, 1930, is abolished. A basic reorganization of the Office of Education within the past year has made this officer the head of one of the divisions of the Office. It is, therefore, administratively desirable to abolish the post of Assistant Commissioner in conformity with the present organization of the Office.

The plan also abolishes the Federal Board of Vocational Education and its functions. The Board, established by the act of February 23, 1917, as amended, formerly had charge of the administration of the vocational education program. Section 15 of Executive Order 6166, of June 10, 1933, issued under authority of the act of June 30, 1932 (47 Stat. 413, ch. 314), as amended, transferred the administration of the program to the Office of Education and limited the Board to acting in an advisory capacity. The Advisory Committee on Education, on the basis of its study of the vocational education system, found that the Board was no longer needed and recommended its abolition.

To avoid possible confusion and conflict of authority, the Board of Visitors of St. Elizabeths Hospital and its functions are abolished. The functions of the Board, as provided by section 4842 of the Revised Statutes, include supervision of the institution and the adoption of its bylaws, in addition to visiting the institution and advising the Superintendent. These functions overlap the responsibilities of the Federal Security Administrator for the general supervision and direction of the hospital.

In order to enable the Administrator more adequately to coordinate the administration of the grant-in-aid programs vested by statute in the constituent units of the Federal Security Agency, the plan provides that, insofar as practicable and consistent with the applicable legislation, he shall establish uniform standards and procedures for these programs and permit States to submit a single plan of operation for related grant-in-aid programs. Most of these programs involve the establishment of certain minimum standards on fiscal, personnel, and other aspects of administration in the States. In many cases, the same State agency is operating under two or more grant-in-aid programs. Much needless inconvenience and confusion can be avoided for all concerned by unifying Federal standards and combining State plans for the operation of the programs in such cases.

After careful consideration of a number of other agencies and functions, I have refrained from proposing in this plan their transfer to the Federal Security Agency. Most of these involve activities which, though related to the functions of the Federal Security Agency, are incidental to the purpose of other agencies or are connected so closely with such agencies as to make transfer undesirable. A few are activities which should probably be shifted in whole or in part to the Federal Security Agency, but I believe such shifts can best be accomplished by interagency agreement or action in connection with appropriations.

The reorganization plan here presented is a second important step in building a central agency for the administration of Federal activities primarily relating to the conservation and development of human resources. But, while this step is important in itself, I believe that a third step should soon be taken. The time is at hand when that agency should be converted into an executive department.

The size and scope of the Federal Security Agency and the importance of its functions clearly call for departmental status and a permanent place in the President's Cabinet. In number of personnel and volume of expenditures the Agency exceeds several of the existing departments. Much more important, the fundamental character of its functions—education, health, welfare, social insurance—and their significance for the future of the country demand for it the highest level of administrative leadership and a voice in the central councils of the Executive Branch.

Accordingly, I shall soon recommend to the Congress that legislation be promptly enacted making the Federal Security Agency an Executive department, defining its basic purpose, and authorizing the President to transfer to it such units and activities as come within that definition.

The people expect the Federal Government to meet its full responsibilities for the conservation and development of the human resources of the Nation in the years that lie ahead. This Reorganization Plan and the legislation that I shall propose will provide the broad and firm foundation required for the accomplishment of that objective.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 16, 1946.*

REORGANIZATION PLAN NO. 2 OF 1946

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 16, 1946, pursuant to the provisions of the Reorganization Act of 1945, approved December 20, 1945)

FEDERAL SECURITY AGENCY AND DEPARTMENT OF LABOR

SECTION 1. Children's Bureau: (a) The Children's Bureau in the Department of Labor, exclusive of its Industrial Division, is transferred to the Federal Security Agency. All functions of the Children's Bureau and of the Chief of the Children's Bureau except those transferred by subsection (b) of this section, all functions of the Secretary of Labor under title V of the Social Security Act (49 Stat. 620, ch. 531), as amended, and all other functions of the Secretary of Labor relating to the foregoing functions are transferred to the Federal Security Administrator and shall be performed by him or under his direction and control by such officers and employees of the Federal Security Agency as he shall designate, except that the functions authorized by section 2 of the act of April 9, 1912 (37 Stat. 79, ch. 73), as amended, and such other functions of the Federal Security Agency as the Administrator may designate, shall be administered, under his direction and control, through the Children's Bureau.

(b) The functions of the Children's Bureau and of the Chief of the Children's Bureau under the Fair Labor Standards Act of 1938 (52 Stat. 1060, ch. 676), as amended, are transferred to the Secretary of Labor and shall be performed under his direction and control by such officers and employees of the Department of Labor as he shall designate.

SEC. 2. Vital statistics: The functions of the Secretary of Commerce, the Bureau of the Census, and the Director of the Bureau of the Census with respect to vital statistics (including statistics on births, deaths, marriages, divorces, and annulments) are transferred to the Federal Security Administrator and shall be performed under his direction and control by the United States Public Health Service or by such officers and employees of the Federal Security Agency as the Administrator shall designate.

SEC. 3. United States Employees' Compensation Commission: The functions of the United States Employees' Compensation Commission are transferred to the Federal Security Agency and shall be performed in such manner and under such rules and regulations as the Federal Security Administrator shall prescribe. Such regulations shall provide for a board of three persons to be designated or appointed by the Federal Security Administrator with authority to hear and, subject to applicable law, make final decision on appeals taken from determinations and awards with respect to claims of employees of the Federal Government or of the District of Columbia. The United States Employees' Compensation Commission is abolished.

SEC. 4. Social Security Board: The functions of the Social Security Board in the Federal Security Agency, together with the functions of its chairman, are transferred to the Federal Security Administrator and shall be performed by him or under his direction and control by such officers and employees of the Federal Security Agency as he shall designate. The Social Security Board is abolished.

SEC. 5. Assistant heads of Federal Security Agency: In addition to the existing Assistant Federal Security Administrator, there shall be not to exceed two assistant heads of the Federal Security Agency, each of whom shall be appointed by the Federal Security Administrator under the classified civil service, receive a salary at the rate of $10,000 per annum, and perform such duties and head

such constituent unit of the Federal Security Agency as the Administrator may provide.

SEC. 6. Functions under act of June 20, 1936, with respect to the blind: The functions of the Office of Education and of the Commissioner of Education under the act of June 20, 1936 (49 Stat. 1559, ch. 638) are transferred to the Federal Security Administrator and shall be performed under his direction and control by such officers and employees of the Federal Security Agency as he shall designate.

SEC. 7. Assistant Commissioner of Education: The functions of the Assistant Commissioner of Education created by the act of May 26, 1930 (46 Stat. 384, ch. 330) are transferred to the Office of Education to be performed under the direction and control of the Commissioner of Education by such officers or employees of the office as he may designate with the approval of the Federal Security Administrator. The Office of Assistant Commissioner of Education is abolished.

SEC. 8. Federal Board for Vocational Education: The Federal Board for Vocational Education and its functions are abolished.

SEC. 9. Board of Visitors of St. Elizabeths Hospital: The Board of Visitors of St. Elizabeths Hospital and its functions are abolished.

SEC. 10. Coordination of grant-in-aid programs: In order to coordinate more fully the administration of grant-in-aid programs by officers and constituent units of the Federal Security Agency, the Federal Security Administrator shall establish, insofar as practicable, (a) uniform standards and procedures relating to fiscal, personnel, and the other requirements common to two or more such programs, and (b) standards and procedures under which a State agency participating in more than one such program may submit a single plan of operation and be subject to a single Federal fiscal and administrative review of its operation.

SEC. 11. Winding up of affairs: Suitable measures shall be taken by the Federal Security Administrator to wind up those outstanding affairs of the agencies herein abolished which are not otherwise disposed of by this plan.

SEC. 12. Transfer of personnel, property, records, and funds: The personnel, property, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available), which the Director of the Bureau of the Budget shall determine to relate primarily to the functions transferred hereunder are transferred to the respective agencies concerned for use in the administration of the functions so transferred, except that all of the personnel, property, records, and funds of the Industrial Division of the Children's Bureau shall be transferred to such agency or agencies of the Department of Labor as the Secretary of Labor shall designate. Any of the personnel transferred under this plan which the transferee agency shall find to be in excess of the personnel necessary for the administration of the functions transferred to such agency shall be retransferred under existing law to other positions in the Government or separated from the service.

REORGANIZATION PLAN NO. 3 OF 1946—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 3 of 1946, prepared in accordance with the provisions of the Reorganization Act of 1945.

The plan contains reorganizations affecting a number of departments and establishments. Some continue on a permanent basis changes made by Executive order under authority of the First War Powers Act. A few make adjustments in the distribution of functions among agencies. The remainder deal with problems of organization within individual agencies. All are concerned with improving and simplifying particular phases of Government administration.

Each proposal is explained in more detail under the appropriate heading below.

I have found, after investigation, that each reorganization contained in the plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1945.

DEPARTMENT OF THE TREASURY

The functions of the Bureau of Marine Inspection and Navigation were transferred from the Department of Commerce to the Coast Guard and the Bureau of Customs in 1942 by Executive order under the First War Powers Act. This arrangement has been proved successful by the experience of the past 4 years. Part I of the Reorganization Plan continues the arrangement on a permanent basis.

United States Coast Guard

The principal functions of the Bureau of Marine Inspection and Navigation were those of the inspection of vessels and their equipment, the licensing and certificating of officers and seamen, and related functions designed to safeguard the safety of life and property at sea. Thus these functions are related to the regular activities and general purposes of the Coast Guard. The Coast Guard administered them successfully during the tremendous expansion of wartime shipping, by virtue of improvements in organization and program, many of which ought to be continued.

The plan also transfers to the Coast Guard the functions of the Collectors of Customs relating to the award of numbers to undocumented vessels. These functions, too, were temporarily transferred to the Coast Guard in 1942.

Bureau of Customs

The plan transfers to the Commissioner of Customs the functions of the Bureau of Marine Inspection and Navigation and the Secretary of Commerce relating to the documentation of vessels, measurement of vessels, administration of tonnage tax and tolls, entry and clearance of vessels and aircraft, regulation of coastwise trade and fisheries, recording of conveyances and mortgages of vessels, and protection of steerage passengers. These functions have always been performed at the ports by the Customs Service, although legal responsibility for their supervision was vested in the Bureau of Marine Inspection and Navigation and the Secretary of Commerce until transferred temporarily to the Commissioner of Customs under the wartime reorganization power.

The proposed transfer will permit more efficient administration by ending divided responsibility.

DEPARTMENT OF WAR AND DEPARTMENT OF THE NAVY

Functions With Respect to Certain Insane Persons

Prior to World War I practically all mental patients for whom the Federal Government was legally obligated to provide hospital care and treatment, including personnel of the armed forces, were hospitalized in St. Elizabeths Hospital, Washington, D. C. In addition, this hospital served as the mental hospital for the District of Columbia government. Following World War I, the responsibility for hospital care of mental ill war veterans was assigned to the Veterans' Administration. Somewhat later, specialized hospital facilities were provided by the Bureau of Prisons of the Department of Justice to enable that agency to care for prisoners suffering from mental disorders.

With the growth in the population of the District of Columbia and the wartime expansion of the armed forces, the facilities of St. Elizabeths Hospital became inadequate. The War Department therefore established its own mental hospitals at the outset of World War II. Furthermore it became necessary a year ago for the Navy Department to discontinue the use of St. Elizabeths and to assume the responsibility for the care of its mental patients.

Since the return of the Coast Guard to the Treasury Department, the Public Health Service now provides care in its mental hospitals for personnel of the Coast Guard in accordance with the basic responsibility delegated to it in the Public Health Service Code enacted in 1944. The plan abolishes the functions of St. Elizabeths Hospital with respect to insane persons belonging to the Coast Guard which are provided for by section 4843 of the Revised Statutes (24 U. S. C. 191).

Responsibility for the care of mental patients has been allocated on the basis of the four broad categories of beneficiaries, namely, (1) veterans, to be cared for by the Veterans' Administration; (2) military and naval personnel, to be cared for by the War and Navy Departments; (3) prisoners, for whom the Department of Justice will be responsible; and (4) other civilians, to be cared for by the Federal Security Agency. The reorganization plan, in order to carry out this policy, provides for the transfer or abolition of certain functions and legal responsibilities now resting with the Federal Security Administrator and Superintendent of St. Elizabeths Hospital.

NAVY DEPARTMENT

Hydrographic Office and Naval Observatory

The plan transfers the Hydrographic Office and the Naval Observatory from the Bureau of Naval Personnel to the office of the Chief of Naval Operations. The plan would confirm and make permanment the action taken in 1942 by Executive Order No. 9126 under the First War Powers Act.

The functions performed by both the Hydrographic Office and the Naval Observatory relate primarily to operational matters and thus are more appropriately placed in the office of the Chief of Naval

Operations than in the Bureau of Naval Personnel. This fact was recognized in the realignment of naval functions at the outbreak of the war. The plan merely confirms an organizational relationship which has existed successfully for the past 4 years.

Supply Department of the United States Marine Corps

The plan consolidates the Paymaster's Department and the Quartermaster's Department of the United States Marine Corps into a single Supply Department. This consolidation will establish in the Marine Corps an integrated supply organization which parallels that of the Navy Department's Bureau of Supplies and Accounts.

The consolidation will make possible a more efficient and more economical organization of the companion functions of supply and disbursement, eliminating the present handling of related items by two separate departments of the corps.

DEPARTMENT OF THE INTERIOR

The Franklin D. Roosevelt Library at Hyde Park

At the present time, the National Park Service, the Public Buildings Administration, and the Archivist of the United States all perform housekeeping functions at the Franklin D. Roosevelt Library and home at Hyde Park. The plan unifies in the National Park Service responsibility for activities of this character at Hyde Park—that is, the maintenance and protection of buildings and grounds, the collection of fees, and the handling of traffic and visitors. Because of its wide experience in the administration of historic sites, the National Park Service is the logical agency to assume the combined functions.

Transfer of these functions does not affect the responsibility of the Archivist for the contents and professional services of the Library proper. It also does not affect the present disposition of the receipts, which is provided by law.

Functions Relating to Mineral Deposits in Certain Lands

The plan transfers to the Department of the Interior jurisdiction over mineral deposits on lands held by the Department of Agriculture.

The Department of the Interior now administers the mining and mineral leasing laws on various areas of the public lands, including those national forests established on parts of the original public domain. The Department of Agriculture, on the other hand, has jurisdiction with respect to mineral deposits on (1) forest lands acquired under the Weeks Act, (2) lands acquired in connection with the rural rehabilitation program, and (3) lands acquired by the Department as a part of the Government's effort to retire submarginal lands.

Accordingly this reorganization plan provides that these mineral deposits on lands of the Department of Agriculture will be administered by the Department of the Interior, which already has the bulk of the Federal Government's mineral leasing program.

The plan further provides that the administration of mineral leasing on these lands under the jurisdiction of the Department of Agriculture will be carried on subject to limitations necessary to protect the surface uses for which these lands were primarily acquired.

Bureau of Land Management

The plan consolidates the General Land Office and the Grazing Service of the Department of the Interior into a Bureau of Land Management.

The General Land Office and the Grazing Service now divide responsibility for the major portion of the multiple-use federally-owned lands now held by the Department of the Interior. The lands under jurisdiction of the two agencies are comparable in character and in use. In some functions, the two agencies employ the same type of personnel and use the same techniques. Other functions are divided between the agencies so that both are engaged in management of various aspects of the same land. Consolidating these two agencies will permit the development of uniform policies and the integration of two organizations whose responsibilities now overlap.

Integration of the activities of the two agencies will make possible greater utilization and thus more economic use of expert skills. The same practical experience embraced in range administration on public lands in grazing districts will be available for public lands outside the districts.

Utilization of lands within grazing districts for nongrazing purposes will be subject to only one classification examination, rather than dual examination as is now necessary. Economy will be possible in the construction of range improvements, wherever feasible, to serve lands both in and out of districts. Legal procedures such as adjudication of issues relating to licenses and leases, hearings on appeal from administrative decisions, and the processing of trespass cases will benefit from unified administration and handling.

In such activities as fire protection, soil and moisture conservation, management of public lands under agreement with other agencies (e. g., Bureau of Reclamation), range surveys, maintenance and improvement of stock driveways, and stabilization of range use on all public domain, the benefits of consolidation will become increasingly apparent. Further, records relating to grazing lands can be concentrated in fewer field offices and hence administered more effectively.

While the establishment of a new Bureau of Land Management under a Director involves the abolition of the Commissioner and Assistant Commissioners of the General Land Office, the Director and Assistant Directors of Grazing, the registers of district land offices, and the United States Supervisor of Surveys, the statutory functions now discharged by these officers are in no way modified. This plan will place final responsibility for these functions in the Secretary of the Interior and make him responsible for their performance in coordination with the other land activities of his Department. Officers whose offices are specifically abolished, but whose experience will make them valuable to the Department, should be available for appointment in the new Bureau.

I have found and declare that by reason of the reorganization made by the plan the responsibilities and duties of the Bureau of Land Management are of such nature as to require the inclusion in the plan of provisions for the appointment and compensation of a Director, an Associate Director, and Assistant Directors.

DEPARTMENT OF AGRICULTURE

Functions of certain agencies of the Department of Agriculture

To enable the Department of Agriculture to meet its responsibilities for food production and distribution during the war, there was early and continuing coordination of its programs directly concerned with these phases of the food problem. Beginning with Executive Order No. 9069 of February 23, 1942, these programs and agencies dealing with food production and distribution were gradually consolidated by a series of Executive orders issued under the authority of the First War Powers Act. By Executive Order No. 9334 of April 19, 1943, they were all grouped into a War Food Administration, under a War Food Administrator.

When the fighting was drawing to a close and the emergency purposes of the War Food Administration had been largely accomplished, this Administration was terminated by Executive Order No. 9577 of June 29, 1945; and its functions and agencies were transferred back to the jurisdiction of the Secretary of Agriculture. Executive Order No. 9577 also authorized the Secretary of Agriculture to organize and administer the transferred functions and agencies in the manner which he deemed best.

Under this authority, the Secretary established the Production and Marketing Administration in August 1945. Into this Administration, he consolidated the functions of many of the production and marketing agencies which were transferred back from the War Food Administration. Included were the functions of the Agricultural Adjustment Administration and the Surplus Marketing Administration and the administration of the programs of the Federal Crop Insurance Corporation and the Commodity Credit Corporation.

The plan transfers these functions to the Secretary of Agriculture in order to permit him to continue the consolidation already effected in the Production and Marketing Administration. This provision makes it possible to maintain the close coordination and integration of food production and distribution programs, with the resulting benefits that were achieved during the war. It also provides the Secretary with the necessary flexibility to make adjustments in the coordination and administration of these programs to meet changing conditions and new problems, a flexibility which he particularly needs at this period of acute food shortages throughout the world.

DEPARTMENT OF COMMERCE

Certain functions of National Bureau of Standards

The plan transfers the functions of two divisions of the National Bureau of

Standards in the Department of Commerce, namely, the Division of Simplified Trade Practices and the Division of Commercial Standards, to the Secretary of Commerce. The transfer will permit the Secretary to reassign these functions to the Office of Domestic Commerce, which is the focal point of the Department's general service functions for American business.

These two divisions were established as a result of the standardization work initiated in World War I. Both divisions have followed the same basic procedure of assisting the producers and the consumers of particular products to agree among themselves on certain standards or on a certain limited number of varieties. Each such voluntary agreement is then published by the National Bureau of Standards and, although not compulsory, has tended to become the generally accepted practice in the trade.

Standardization again proved to be an important device for accelerating production in World War II; and industry has shown renewed interest in continuing these wartime conservation and rationalization programs on a voluntary basis in the production of peacetime products.

The desirability of the proposed transfer was emphasized only a few months ago by the report of a committee of prominent businessmen appointed by the Secretary of Commerce to review the entire question of the Government's activities in this field. These studies indicate that two major benefits will result from the transfer.

First. The association of the two divisions with the National Bureau of Standards has perhaps tended to give the impression in some quarters that voluntary standards and trade practices worked out by industry with the help of these two divisions are in some sense Government standards which are enforced on the basis of scientific and objective tests. The transfer of these two divisions to the Department proper would reduce any such misconceptions, and make it clear that these standards and simplified practices are voluntary industry agreements in the making of which the Government acts merely in an advisory capacity.

Second, the other general services of the Department to American business, such as marketing, management, and economic and statistical services, are now concentrated in the Office of Domestic Commerce. The association of these two divisions with these other services to business will facilitate their work and enable them to make use of the wide industrial and business contacts of the Office of Domestic Commerce.

NATIONAL LABOR RELATIONS BOARD

Strike ballots under the War Labor Disputes Act

The plan abolishes the function of conducting strike ballots which was vested in the National Labor Relations Board by section 8 of the War Labor Disputes Act (57 Stat. 167, ch. 144). Experience indicates that such elections under the act do not serve to reduce the number of strikes and may even aggravate labor difficulties. The Congress has already forbidden the Board to expend any of its appropriations for the current fiscal year for this activity (First Deficiency Appropriation Act of 1946). I believe that the function should now be permanently abolished.

SMITHSONIAN INSTITUTION

Canal Zone Biological Area

The plan transfers responsibility for the Canal Zone Biological Area to the Smithsonian Institution. At present, the Canal Zone Biological Area is an independent agency of the Government, having as its function the administration of Barro Colorado Island in Gatun Lake as a tropical wildlife preserve and research laboratory. The board of directors of this agency consists of the president of the National Academy of Sciences as chairman, the secretary of the Smithsonian Institution, three members of the Cabinet—the Secretaries of War, Interior, and Agriculture—and three biologists.

The transfer will locate this function with comparable and related functions already assigned to the Smithsonian Institution whose staff members have participated since the beginning in developing the island as a research center. It will reduce by one the number of Government agencies. It will relieve three Cabinet members of routine duties not important enough to warrant their personal attention.

Under its existing authority the Smithsonian Institution may constitute an advisory board of biologists and departmental representatives if it finds such action necessary.

UNITED STATES EMPLOYMENT SERVICE

Placement Functions Under Selective Training and Service Act of 1940

The plan transfers to the United States Employment Service the functions of the Selective Service System and its Director with respect to assisting ex-servicemen in obtaining new positions. These functions directly overlap the regular placement activities of the United States Employment Service, which is required to provide a special placement service for veterans both by its basic act and by the Servicemen's Readjustment Act of 1944. The transfer is in line with the policy of the Congress on the placement of veterans as most recently expressed in the 1944 act. The shift will prevent needless duplication of personnel and facilities and will assure the best service to veterans.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 1946.*

REORGANIZATION PLAN NO. 3 OF 1946

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 16, 1946, pursuant to the provisions of the Reorganization Act of 1945, approved December 20, 1945)

PART I. DEPARTMENT OF THE TREASURY

SECTION 101. Functions transferred to the United States Coast Guard: (a) There are hereby transferred to the Commandant of the Coast Guard those functions of the bureau, offices, and boards specified in the first sentence of section 104 of this plan, and of the Secretary of Commerce, which pertain to approval of plans for the construction, repair, and alteration of vessels; approval of materials, equipment, and appliances; classification of vessels; inspection of vessels and their equipment and appliances; issuance of certificates of inspection, and of permits indicating the approval of vessels for operations which may be hazardous to life or property; administration of load line requirements; enforcement of other provisions for the safety of life and property on vessels; licensing and certificating of officers, pilots, and seamen; suspension and revocation of licenses and certificates; investigation of marine casualties; enforcement of manning requirements, citizenship requirements, and requirements for the mustering and drilling of crews; control of log books; shipment, discharge, protection, and welfare of merchant seamen; enforcement of duties of shipowners and officers after accidents; promulgation and enforcement of rules for lights, signals, speed, steering, sailing, passing, anchorage, movement, and towlines of vessels and lights and signals on bridges; numbering of undocumented vessels; prescription and enforcement of regulations for outfitting and operation of motorboats; licensing of motorboat operators; regulation of regattas and marine parades; all other functions of such bureau, offices, and boards which are not specified in section 102 of this plan; and all other functions of the Secretary of Commerce pertaining to those functions of the agencies abolished under section 104 of this plan which are not specified in section 102 of this plan, including the remission and mitigation of fines, penalties, and forfeitures incurred under the laws governing these functions and those incurred under the act of December 17, 1941, 55 Stat. 808, as amended.

(b) The functions relating to the award of numbers to undocumented vessels vested by law in the collectors of customs are hereby transferred to the Commandant of the Coast Guard.

SEC. 102. Functions transferred to Bureau of Customs: There are hereby transferred to the Commissioner of Customs those functions of the bureau, offices, and boards specified in the first sentence of section 104 of this plan, and of the Secretary of Commerce, which pertain to registry, enrollment, and licensing of vessels, including the issuance of commissions to yachts, the assignment of signal letters, and the preparation of all reports and publications in connection therewith; measurement of vessels, administration of tonnage duties, and collection of tolls; entry and clearance of vessels and aircraft, regulation of vessels in the coasting and fishing trades, and limitation of the use of foreign vessels in waters under the jurisdiction of the United States; recording of sales, conveyances, and mortgages of vessels; protection of steerage passengers; all other functions of such bureau, offices, and boards which were performed by the Bureau of Customs on behalf thereof immediately prior to the effective date of Executive Order No. 9083 of February 28, 1942 (7 F. R. 1609); and the power to remit and mitigate fines, penalties and forfeitures incurred under the laws governing these functions.

SEC. 103. Powers of the Secretary of the Treasury: The functions transferred by sections 101 and 102 of this plan may be performed through such officers and employees of the United States Coast Guard and the Bureau of Customs, respectively, as may be designated by the Commandant of the Coast Guard and the Commissioner of Customs, respectively, and shall be performed subject to the direction and control of the Secretary of the Treasury except as otherwise required by law with respect to the United States Coast Guard whenever it operates as a part of the Navy.

SEC. 104. Abolition of agencies: The Bureau of Marine Inspection and Navigation, the office of the Director thereof, the offices of supervising inspectors, principal traveling inspectors, local inspectors, assistant inspec-

tors, shipping commissioners, deputy shipping commissioners, and the Board of Supervising Inspectors, the boards of local inspectors, the Marine Casualty Investigation Board, and the marine boards are hereby abolished. The Secretary of the Treasury shall provide for winding up those affairs of the said abolished agencies which are not otherwise disposed of herein.

PART II. DEPARTMENT OF WAR AND DEPARTMENT OF THE NAVY

SEC. 201. Functions with respect to certain insane persons: (a) The functions of St. Elizabeths Hospital and the superintendent thereof, and of the Federal Security Agency and the Federal Security Administrator, with respect to the care, treatment, and custody of insane persons as provided in section 4843 of the Revised Statutes (24 U. S. C. 191) are hereby transferred or abolished as follows:

(1) Functions with respect to insane persons belonging to the Army or falling, by reason of employment or service in the Army, within any of the categories enumerated in said section, are transferred to the Secretary of War and shall be performed by the Secretary or, subject to his direction and control, by such officers and agencies of the Department of War as he may designate.

(2) Functions with respect to insane persons belonging to the Navy or falling, by reason of prior service in the Navy, within any of the categories enumerated in said section, are transferred to the Secretary of the Navy and shall be performed by the Secretary or, subject to his direction and control, by such officers and agencies of the Department of the Navy as he may designate. (For the purposes of this subparagraph (2), the Marine Corps but not the Coast Guard is included in the Navy.)

(3) Functions with respect to insane persons belonging to the Coast Guard are abolished.

(b) Nothing in subsection (a) of this section shall affect the functions and authority of St. Elizabeths Hospital, the superintendent thereof, the Federal Security Agency, or the Federal Security Administrator with respect to any person heretofore admitted to St. Elizabeths Hospital and a patient therein on the effective date of this plan under the provisions of section 4843 of the Revised Statutes, or the functions and authority of said officers and agencies or of the Public Health Service with respect to Coast Guard members as beneficiaries of the Public Health Service, as provided by section 504 of the Public Health Service Act (58 Stat. 710, 42 U. S. C. 222).

PART III. DEPARTMENT OF THE NAVY

SEC. 301. Hydrographic Office and Naval Observatory: The Hydrographic Office and the Naval Observatory, together with their respective functions, are hereby transferred from the Bureau of Naval Personnel, Department of the Navy, to the Chief of Naval Operations and shall be administered, subject to the direction and control of the Secretary of the Navy, under the Chief of Naval Operations.

SEC. 302. Supply Department of the United States Marine Corps: The Paymaster's Department of the United States Marine Corps and the Quartermaster's Department of the United States Marine Corps, and the functions of such departments, are hereby consolidated to form a single new agency, which shall be known as the Supply Department of the United States Marine Corps, and at the head of which there shall be the Quartermaster General of the Marine Corps. The office and title of "The Paymaster General of the Marine Corps" provided for in the Act of March 24, 1944 (58 Stat. 121) are hereby abolished.

PART IV. DEPARTMENT OF THE INTERIOR

SEC. 401. Certain functions with respect to the Franklin D. Roosevelt Library: The following functions are hereby transferred to the Secretary of the Interior and shall be performed, subject to his direction and control, by such officers and agencies of the Department of the Interior as he may designate:

(a) The functions of the Commissioner of Public Buildings, under section 206 of the act of July 18, 1939 (53 Stat. 1062), with respect to the care, maintenance, and protection of the buildings and grounds of the Franklin D. Roosevelt Library.

(b) The functions of the Archivist of the United States, under section 207 of the said act, with respect to the collection of fees from persons visiting and viewing the exhibit rooms or museum portion of said Library, excluding the fixing of charges to be collected but including the making of all other regulations with respect to such collection. (Any funds derived from such fees shall be paid, held, administered, and expended in consonance with the proviso in said sec. 207.)

SEC. 402. Functions relating to mineral deposits in certain lands: The functions of the Secretary of Agriculture and the Department of Agriculture with respect to the uses of mineral deposits in certain lands pursuant to the provisions of the act of March 4, 1917 (39 Stat. 1134, 1150, 16 U. S. C. 520), title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 195, 200, 202, 205, 40 U. S. C., 401, 403 (a), and 408), the 1935 Emergency Relief Appropriation Act of April 8, 1935 (48 Stat. 115, 118), section 55 of title I of the act of August 24, 1935 (49 Stat. 750, 781), and the act of July 22, 1937 (50 Stat. 522, 525, 530), as amended July 28, 1942 (56 Stat. 725, 7 U. S. C. 1011 (c) and 1018), are hereby transferred to the Secretary of the Interior and shall be performed by him or, subject to his direction and control, by such officers and agencies of the Department of the Interior as he may designate: *Provided*, That mineral development on such lands shall be authorized by the Secretary of the Interior only when he is advised by the Secretary of Agriculture that such development will not interfere with the primary purposes for which the land was acquired and only in accordance with such conditions as may be specified by the Secretary of Agriculture in order to protect such purposes. The provisions of law governing the crediting and distribution of revenues derived from the said lands shall be applicable to revenues derived in connection with the functions transferred by this section. To the extent necessary in connection with the performance of the functions transferred by this section, the Secretary of the Interior and his representatives shall have access to the title records of the Department of Agriculture relating to the lands affected by this section.

SEC. 403. Bureau of Land Management: (a) The functions of the General Land Office and of the Grazing Service in the Department of the Interior are hereby consolidated to form a new agency in the Department of the Interior to be known as the Bureau of Land Management. The functions of the other agencies named in subsection (d) of this section are hereby transferred to the Secretary of the Interior.

(b) There shall be at the head of such Bureau a Director of the Bureau of Land Management who shall be appointed by the Secretary of the Interior under the classified civil service, who shall receive a salary at the rate of $10,000 per annum, and who shall perform such duties as the Secretary of the Interior shall designate.

(c) There shall be in the Bureau of Land Management an Associate Director of the Bureau of Land Management and so many Assistant Directors of the Bureau of Land Management as may be necessary, who shall be appointed by the Secretary of the Interior under the classified civil service and subject to the Classification Act of 1923, as amended, and who shall perform such duties as the Secretary of the Interior may prescribe.

(d) The General Land Office, the Grazing Service, the offices of Commissioner of the General Land Office, Assistant Commissioner of the General Land Office, Director of the Grazing Service, all Assistant Directors of the Grazing Service, all Registers of the District Land Offices, and United States Supervisors of Surveys, together with the Field Surveying Service now known as the Cadastral Engineering Service, are hereby abolished.

(e) The Bureau of Land Management and its functions shall be administered subject to the direction and control of the Secretary of the Interior, and the functions transferred to the Secretary by subsection (a) of this section shall be performed by the Secretary or, subject to his direction and control, by such officers and agencies of the Department of the Interior as he may designate.

PART V. DEPARTMENT OF AGRICULTURE

SEC. 501. Functions of certain agencies of the Department of Agriculture: The following functions are hereby transferred to the Secretary of Agriculture and shall be performed by him or, subject to his direction and control, by such officers and agencies of the Department of Agriculture as he shall designate:

(a) All functions of the Agricultural Adjustment Administration and the Surplus Marketing Administration and of the respective heads of such Administrations.

(b) The administration of the programs of the Federal Crop Insurance Corporation and the Commodity Credit Corporation.

PART VI. DEPARTMENT OF COMMERCE

SEC. 601. Certain functions of National Bureau of Standards: The following functions are hereby transferred to the Secretary of Commerce and shall be performed, subject to his direction and control, by such officers and agencies of the Department of Commerce as he may designate:

(a) Those functions of the National Bureau of Standards under section 2 of the act of March 3, 1901 (31 Stat. 1449) which are now performed by the Division of Commercial Standards of said Bureau, namely, (1) to assist, coordinate, and cooperate with groups of consumers, distributors or producers, technical organizations, and other persons, in the voluntary establishment, maintenance, recording, publishing, and promoting of commercial standards as a nationally and internationally recognized basis for testing, grading, labeling, marketing, guaranteeing, or accepting staple, manufactured commodities moving in daily domestic and foreign trade, and (2) to assist in the development of Federal purchase standards specifications and in providing information to the public and the Government of such standards and specifications.

(b) Those functions of said Bureau under said section 2 which are now performed by the Division of Simplified Trade and Practices of said Bureau, namely, to assist, coordinate, and cooperate with individual and groups of producers, distributors, and users in establishing, recording, publishing, and promoting a Nation-wide program for the elimination of avoidable waste through the formulation of simplified trade practice recommendations which identify and list the sizes, types, dimensions, and varieties of products that are in national demand in the country, including but not limited to simplified trade practice recommendations concerning the following commodities: wood, textiles, paper and rubber products, metal and mechanical products, containers and miscellaneous products, materials handling equipment, ceramic products, electrical products, construction materials, and metal and woodworking tools.

(c) So much of the functions of the Director of said Bureau as relates to the foregoing activities.

PART VII. NATIONAL LABOR RELATIONS BOARD

SEC. 701. Strike ballots under War Labor Disputes Act: The functions of the National Labor Relations Board under section 8 of the War Labor Disputes Act (57 Stat. 162, 167, ch. 144) with respect to taking secret ballots of employees on the question of an interruption of war production are hereby abolished.

PART VIII. SMITHSONIAN INSTITUTION

SEC. 801. Canal Zone Biological Area: The functions of the Board of Directors of the Canal Zone Biological Area (which Board is provided for in the Act of July 2, 1940, 54 Stat. 724, ch. 516), together with the functions of the executive officer of such Board, are hereby transferred to the Smithsonian Institution. The said Board of Directors and the office of the said executive officer are hereby abolished.

PART IX. UNITED STATES EMPLOYMENT SERVICE

SEC. 901. Placement functions under Selective Training and Service Act of 1940: There is hereby transferred to the United States Employment Service so much of the functions of the Selective Service System and of the Director of Selective Service under section 8 (g) of the Selective Training and Service Act of 1940 (54 Stat. 890, ch. 720) as relates to aiding persons who have satisfactorily completed any period of active duty or of training and service under the said act in securing positions other than the positions held by them prior to said period.

PART X. RECORDS, PROPERTY, PERSONNEL, AND FUNDS

SEC. 1001. Transfer of records, property, personnel, and funds: There are hereby transferred to the respective agencies in which functions are vested pursuant to the provisions of this plan, to be used, employed, and expended in connection with such functions, respectively, or in connection with winding up the outstanding affairs of agencies abolished by this plan, (1) the records and property now being used or held in connection with such functions, (2) the personnel employed in connection with such functions, and (3) the unexpended balances of appropriations, allocations, or other funds available or to be made available for use in connection with such functions.

SEC. 1002. Disposition of excess personnel: Any of the personnel transferred under this plan which the transferee agency shall find to be in excess of the personnel necessary for the administration of the functions transferred to such agency by such plan shall be retransferred under existing law to other positions in the Government or separated from the service.

SEC. 1003. Dispositions by Director of the Bureau of the Budget: Such further measures and dispositions as the Director of the Bureau of the Budget shall determine to be necessary in order to effectuate the provisions of this Part or in order to wind up the outstanding affairs relating to agencies or functions abolished by this plan shall be carried out in such manner as the Director may direct and by such agencies as he may designate.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. OUTLAND] is recognized for 50 minutes.

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain statistical and tabular material pertaining to the subject of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THE MINIMUM-WAGE BILL

Mr. OUTLAND. Mr. Speaker, American democracy is something which is very precious to all of us. It is perhaps of particular concern to Members of Congress because we have been sent here by the people of this very great country to build and protect and help that American democracy grow into its fullest and ever-progressing realization.

We have learned that democracy in America is not merely a matter of going to the polls and voting on election day. Since we all conceive of democracy as the most nearly perfect system, we must of necessity mean economic democracy as well as political democracy.

Just as our fascinating history, our growth as a Nation, has been marked by trials and struggles and attempts to give the vote to all citizens, to insure honest ballots and elections, so has it been a constant drive forward toward greater economic democracy and more equal opportunity. This has been the land to which people fled when famines and poverty and physical oppressions weighed too heavily upon their shoulders. This was and is the golden land America where each of our ancestors believed they too could find health and happiness rather than disease and poverty. This is the land in which, in less than two centuries, our people spread from one great coast to another, always pushing forward, to the North, to the South, to the West; to rich plains lands, to abundant farms, to gold, copper, and iron mines, lumber forests, and new businesses to create—that is, they pushed forward toward economic democracy.

What is economic democracy? Is it not a chance for all our citizens to stand shoulder to shoulder in economic opportunity, commensurate with their greatest abilities, to have an equal chance to maintain decent standards of living, jobs that make it possible to be healthy, to establish homes and raise vigorous children, to obtain an education, and to be always free from want and fear? In short, the opportunity to have the things which will make our citizenry fully capable of assuming the responsibilities that an ever growing democracy places upon them.

We have just finished a devastating war that has brought grief to more American homes than have ever before been touched. This war began because the Fascist nations threatened the opportunities of other neighbors in the world to have and hold any sort of democracy or freedom—economic, political, or spiritual. Because such evil forces exist everywhere, because they spring from twisted peoples who have not had some essential freedoms and opportunities, because we and our allies sacrificed so much on the catastrophic battlefields—the job of winning the peace, of preventing forever such pillage and death and grim disaster, is an urgent and solemn duty.

We must therefore evaluate more carefully than ever all legislation before us. We must create new kinds of frontiers for Americans to press towards, to give them the chance they expect, and should expect, as citizens of this splendid country. We must do enormous things, and we must do very simple things. We must search out and provide for any American citizen who has been left out, who has not derived his full right, his share of the fruits of this rich and teeming land. We must make economic democracy work in order to make political democracy last.

This House has recently passed a full-employment bill. It was not as strong as some of us might have wished it to be. However, properly administered, this bill will do a great deal toward building a foundation for greater economic opportunity in America. But this is not enough. It must be bolstered and supported. We must prove that we really meant our vote for no more depression, no more jobless people, no more breadlines and actual hunger and fear in America.

This afternoon then, Mr. Speaker, I want to take the floor in behalf of legislation which will amend the Fair Labor Standards Act to raise the basic, legal minimum wage and to extend coverage to many unfortunate citizens who are not now so protected.

Before discussing such legislation in detail, however, I would like to say that there is now backing such legislation in the House a bipartisan committee of which I have the honor to be chairman, with our esteemed colleague the gentleman from Ohio [Mr. RAMEY] as cochairman. This group now numbers 90, and I extend a most cordial invitation to any Member of the House, regardless of party, to join us in backing such important legislation. I should like at this time to submit the names of the House co-sponsors of the minimum wage:

CO-SPONSORS OF THE MINIMUM WAGE BILL

Alabama: PATRICK, LUTHER.

Arizona: MURDOCK, JOHN R.

California: DOUGLAS, HELEN GAHAGAN; DOYLE, CLYDE; HAVENNER, FRANCK R.; HEALY, NED R.; HOLIFIELD, CHET; IZAC, ED. V.; KING, CECIL R.; MCDONOUGH, GORDON L.; MILLER, GEORGE P.; OUTLAND, GEORGE E.; PATTERSON, ELLIS E.; VOORHIS, JERRY; WELCH, RICHARD J.

Connecticut: GEELAN, JAMES P.; KOPPLEMANN, HERMAN P.; LUCE, CLARE BOOTHE; RYTER, JOSEPH F.; WOODHOUSE, CHASE GOING.

Delaware: TRAYNOR, PHILIP A.

Illinois: DOUGLAS, EMILY TAFT; GORDON, THOMAS S.; LINK, WILLIAM W.; O'BRIEN, THOMAS J.; PRICE, MELVIN; ROWAN, WILLIAM A.; SABATH, A. J.

Indiana: MADDEN, RAY J.; LAFOLLETTE, CHARLES M.

Massachusetts: LANE, THOMAS J.

Michigan: DINGELL, JOHN D.; HOOK, FRANK E.; LESINSKI, JOHN; O'BRIEN, GEORGE D.; RABAUT, LOUIS C.; SADOWSKI, GEORGE G.

Minnesota: GALLAGHER, WILLIAM J.; STARKEY, FRANK T.

Missouri: COCHRAN, JOHN J.; SULLIVAN, JOHN B.

Montana: MANSFIELD, MIKE.

Nevada: BUNKER, BERKELEY L.

New Jersey: HART, EDWARD J.; WOLVERTON, CHARLES A.

New York: BALDWIN, JOSEPH CLARKE; BUCKLEY, CHARLES A.; BYRNE, WILLIAM T.; CELLER, EMANUEL; KEOUGH, EUGENE J.; KLEIN, ARTHUR; LYNCH, WALTER A.; MARCANTONIO, VITO; O'TOOLE, DONALD L.; PFEIFER, JOSEPH L.; POWELL, ADAM C.; QUINN, PETER A.; RAYFIEL, LEO F.; ROGERS, GEORGE P.; TORRENS, JAMES H.; ROONEY, JOHN J.

Ohio: FEIGHAN, MICHAEL A.; HUBER, WALTER B.; RAMEY, HOMER A.
Oregon: ANGELL, HOMER D.
Pennsylvania: BARRETT, WILLIAM A.; BRADLEY, MICHAEL; EBERHARTER, HERMAN; FLOOD, DANIEL J.; GRANAHAN, WILLIAM T.; GREEN, WILLIAM J., Jr.; HOCH, DANIEL K.; KELLEY, AUGUSTINE B.; MCGLINCHEY, HERBERT J.; MORGAN, THOMAS E.; WALTER, FRANCIS E.
Rhode Island: FOGARTY, JOHN E.; FORAND, A. J.
Utah: GRANGER, W. K.; ROBINSON, J. W.
Washington: COFFEE, JOHN M.; DE LACY, HUGH; JACKSON, HENRY M.; SAVAGE, CHARLES R.
West Virginia: BAILEY, CLEVELAND M.; HEDRICK, E. H.; KEE, JOHN; NEELY, M. M.
Wisconsin: BIEMILLER, ANDREW J.; O'KONSKI, ALVIN E.

I want to emphasize at the outset that this is not new legislation which we are seeking to enact. On the contrary, our purpose is merely to reaffirm a well-established legislative principle. Eight years ago, after thoroughly debating the pros and cons, we adopted the concept of a minimum wage in this country. That concept has now become a fundamental part of our American way.

Recently, however, we have had to recognize that this principle was being undermined by the rapid pace of economic events. A few months ago, in September 1945, President Truman pointed this out in the following words:

In the Fair Labor Standards Act of 1938 Congress adopted a program intended to provide a minimum wage standard for a large number of American workers.

In that statute the Congress declared it to be our national policy to eliminate from interstate industry wage levels detrimental to the maintenance of minimum standards of living. The establishment then of a minimum wage of 25 cents per hour, represented a first step toward the realization of that policy. The goal of 40 cents per hour, which under the act was to be made effective by 1945, was actually made fully effective more than a yea. ago by the voluntary action of the industry committees.

I believed that the goal of a 40-cent minimum was inadequate when it was established. It has now become obsolete.

Increases in the cost of living since 1938 and changes in our national wage structure require an immediate and substantial upward revision of this minimum. Only in that way can the objectives of the Fair Labor Standards Act be realized, the national purchasing power protected, and an economy of full production and abundance preserved and maintained for the American people.

I therefore recommend that the Congress amend the Fair Labor Standards Act by substantially increasing the minimum wage specified therein to a level which will eliminate substandards of living, and assure the maintenance of the health, efficiency, and general well-being of the workers.

The scope of the Fair Labor Standards Act should also be clarified and amended. In view of changes which have occurred since 1938, I believe it is no longer necessary to exclude from the minimum wage program the large number of workers engaged in agricultural processing who are now excluded. There now exists a twilight zone in which some workers are covered, and others doing similar work are not. Extension of coverage would benefit both workers and employers by removing competitive inequalities.

In his message on the State of the Union of January 21, this year, the President again requested Congress to amend the Fair Labor Standards Act. This time he made specific suggestions.

Some work has been accomplished toward these ends. A hard-working Senate committee under the chairmanship of Senator MURRAY, reported S. 1349, the handiwork of Senators PEPPER and TUNNELL and others, to the full body. The Senate recently passed an altered version which many of us feel left out important provisions vital to the improvement of the lot of workers receiving substandard wages or unprotected from other forms of exploitation.

In the House, several Members, led by our distinguished colleague the gentleman from Michigan [Mr. HOOK] introduced legislation designed to raise the minimum wage and extend certain other humanitarian and basic benefits to working people previously denied them.

The House Labor Committee is now working to report to this body a bill to amend the Fair Labor Standards Act. Because the committee has not finished its deliberations, I cannot call the legislation by any name or number.

However, I can stand before you and speak in behalf of the basic body of ideas with which both the Senate and House committees have worked, and are working. I shall, in certain instances, indicate certain statements or additions which would strengthen these basic ideas, build them into a bill that will truly serve standards we regard as American, as inalienable—for all. These strengthening amendments, if we may call them that, have already been suggested by experts who administer the present Fair Labor Standards Act or by members of the Senate committee which worked so exhaustively to develop a bill which would assuredly reach the noble ends for which it was designed.

Consideration of such a measure gives rise to a number of questions. What might such a bill provide? Who would be affected by it? Why should we have a minimum wage? Why should the minimum wage be uniform? How high should it be? How fast should it be increased? What should the coverage be? Is the procedure for recovery of damages adequate? I propose to cover each of these questions.

WHAT MIGHT THE BILL PROVIDE?

First. It would raise the basic minimum wage to at least 65 cents an hour to be effective as soon as possible. Within a reasonable length of time this should be raised to 70 cents per hour, and thereafter 75 cents. It would continue the procedure of the present act whereby industry committees, composed of employer, employee, and public members, might put the 75-cent objective into effect more rapidly than provided for in the new bill.

Second. It would broaden and clarify the coverage of the minimum-wage and overtime provisions of the present act. Minimum-wage and overtime pay would be extended to employees of employers engaged in any activity affecting interstate or foreign commerce. Employees of large chain and independent retail selling and servicing establishments should be covered. Those in small independent enterprises might remain exempt.

Our seamen, who contributed so much to the war effort, should be covered by the wage and overtime provisions. Industries processing agricultural or horticultural commodities or fish should be covered by both wage and overtime provisions, particularly in order to abolish some of the chaos which results from the coverage of some, but not others, engaged in the above occupations in the present act.

Employees of motor carriers who must drive long hours should be covered. Coverage should also be extended, by an ideal bill, to any other groups which the Congress feels would benefit by such aid and welfare. Coverage in any category should certainly not be taken away from any groups now protected by the Fair Labor Standards Act, unless there is abundant proof that such provisions have been manifestly unworkable.

Third. The bill should make a long needed change in the present act with regard to child labor which is now only prohibited insofar as the act states that no goods may be sold in interstate commerce for 30 days after manufacture if oppressive child labor has been used in the production of those goods. The new act should directly prohibit child labor by employers engaged in commerce, the production of goods for commerce, or any other activity affecting commerce.

Fourth. Adequate provisions for employee suits to collect wages and damages from employers who have failed to abide by the new act should be made. It has been the experience of the Department of Labor in making inspections and engaging in various other phases of administration of the present act, that there should be a period of limitation on such employee suits, in order to promote uniformity in enforcement of the law. However, this period should be of sufficient length to allow inspections to be made, claims processed, and all other details, which are often legal, long and complicated to be attended to.

In my judgment, based on facts, figures and cases I have known and read about, this period should be from at least 3 to 5 years.

The other provisions in the existing act for the protection of the employee who must bring suit are adequate and should not be changed.

This in brief is what the ideal minimum-wage bill should provide.

WHOM WOULD THE BILL AFFECT?

The first and most important answer to this question is that it would directly affect the millions of men and women to whom we owe so much, our returning veterans. Above all else, the veteran is interested in finding a job. Remember that only 20 percent of our veterans were previously in jobs which give them a legal right to reemployment. And what of the other 80 percent? They must hunt for jobs.

What kind of jobs are available? The United States Employment Service made a count of unfilled job opening in its local offices in 41 States as of April 11 or 12. Professional and managerial openings, which have largely been filled, or are filled rapidly, were not included

in the count. I have some of the preliminary figures from this tabulation. The complete study will be released at a later date. Some of the results of this study show:

Forty-three percent of the unfilled-job openings reported paid less than 65 cents an hour.

In 20 States the proportion of openings offering less than 65 cents an hour exceeded the average for the Nation given above.

In 22 States the percentage of openings paying less than 50 cents an hour was greater than that for the country as a whole. In the Nation 8 percent of the jobs open on the days in which these were checked paid under 50 cents.

In some States the number of openings tabulated as paying less than 65 cents an hour, were as high as 77 percent, 73 percent, 72.6 percent, even 84.6 percent. In a State we think of as small but highly industrialized, 84.6 percent of the job opening paid less than 65 cents an hour.

Because of my deep interest, I receive all United States Employment Service reports of labor-market developments in my own State, California. A recent study reports the "steady rise of unemployment in the Los Angeles area." Some studies report a decline in over-all wages offered.

And what about the human beings—the individual veterans involved? Unfortunately the New York Herald Tribune was able to report a few months ago the stories of two typical veterans who went to the New York City employment service seeking positions.

A 23-year-old married, former paratrooper, was offered a $26-a-week job as a learner in the chromium-plating trade. "What are you trying to do," he queried, "give away gold bricks? I'm paying $70 a month rent and glad to have an apartment."

A dejected former Air Forces lieutenant told another story. During his 4 years in the service he had acquired a wife and two children. His officer salary, plus his flight pay, had provided for them adequately, but he could not say the same for his income since his return from the service. He had gone back to his old employer who was legally obligated to take him back; he had also gone back to his old salary, as a $22-a-week messenger in the downtown bank.

The Tribune story went on to say:

> The most recent analysis of job offers at the United States Employment Service showed that more than one-half—16,172 jobs—range in pay from $20 a week to $30 for a 40-hour week. Three hundred openings on the USES roster actually offered the veterans less than the $20 a week they can draw as unemployment relief.

Is this the gratitude our country has to show the men who have not hesitated to place their lives in jeopardy hour after hour in mud and jungle, in the terror-ridden skies, and on the dangerous seas? Is this the brave new world we promised them when they were sent off to face the terror? Can they build a home, have a family on wages such as these?

Millions of American veterans, underpaid in the service, are now facing offers of less pay than they received from the services. In hard, cold dollars and cents, GI Joe was actually better off in the armed services. Take the soldier who left behind his wife and two children while he carried a gun under General Eisenhower. While he was away, his family received $1,200 annually in monthly allotments; the serviceman earned, in addition, $769, the average enlisted man's yearly earnings in the ETO; also his food, clothing, and medical supplies were provided at a War Department value of $512. So his final average pay check was equal to $47.71 a week.

Veterans are not accepting these substandard wages witnout a murmur. The voices are starting to sound loudly. The national conference of Union Labor Legionnaires, representing 108 American Legion chapters, adopted a resolution urging Congress to pass the 65-cent hourly minimum wage bill. The American Veterans' Committee, a World War II organization, is solidly behind the bill.

A group of 33 hospitalized servicemen at the Fort Knox Regional Hospital asked the American Legion to work for wage increases emphasizing that, and I quote:

> Returning servicemen simply cannot support their families at today's prices on wages of $25 or $30 weekly. We veterans have won with our blood the right to earnings which will permit us a respectable American standard of living.

Mr. Speaker, do you feel that veterans are entitled to at least $26 a week? Passage of a minimum wage bill will guarantee them at least that if the minimum is now fixed at 65 cents an hour. The bill is not a total solution of the problem, but definitely a step in the right direction. Remember this: Veterans with decent jobs are less concerned with getting bonuses appropriated. After all that which a veteran wants most is his American right to stand on his own two feet and make a living wage. This bill would help to give him that chance.

Another way of answering that question of who will be affected by this bill is to think in terms of the workers involved, those who, some of them, cannot even buy oranges for their children, except perhaps at Christmas. Such a story was actually told to the Senate committee by Mrs. Lucille Durham, of Fayetteville, Tenn., who is the sole support—her husband was dead—of three sons, on $16 a week.

According to figures compiled in the summer of 1945, slightly more than 4,000,000 workers will benefit from the passage of minimum-wage legislation. If coverage is extended by such a bill, many additional American citizens will benefit.

Industry and our total economy will also profit enormously from the passage of such legislation. I will go into this subject more at length shortly.

Another group which will indirectly reap great benefit from an increase in the minimum wage is the hard-working American farmer. It is a well known fact that a large percent of the American family's income goes for food, or clothing, made from cotton and wool produced on American farms. A greater proportion of the substandard wage goes for food; that is, a greater proportion of the total income than that spent by families in high-income brackets. After all food, clothing, other commodities which originated, once, in the cotton fields of the South, in the wheat farms of the Middle West, on the sheep ranches of the great Northwest are basic items which everyone must buy.

Thus a farmer from Bucks County, Pa., testifying in behalf of a minimum wage bill was giving an illustration of his personal benefit from the axiomatic experience I discussed above when he said:

> I have been farming since 1914 and through all these years I have found that when laboring people are getting a good wage, we farmers are able to dispose of our products at better prices.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I am glad to yield to the distinguished author of the bill.

Mr. HOOK. As author of the bill, I want to congratulate the gentleman from California in going into this subject so very thoroughly. I think he has made a wonderful presentation. The Committee on Labor is working on the bill. We expect to report that out very shortly. I certainly want to congratulate the gentleman and let the country know that we here appreciate the work and the fine job that he is doing with regard to the minimum-wage bill.

Mr. OUTLAND. I thank my friend, author of the bill.

Mr. GRANGER. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Utah.

Mr. GRANGER. I want to add my praise for the great effort that has been put forth by the gentleman from California on this and other administration measures. I understand this is a measure which was recommended by the President, and he has repeatedly asked the Congress to pass this legislation. I am a cosponsor of the minimum-wage bill introduced by the gentleman from Michigan. It is to be hoped that the committee will act immediately so that we may have an opportunity to pass this much-needed legislation.

Mr. OUTLAND. I should like to call the attention of the House also to the fact that the gentleman from Utah is not only a cosponsor, but he is on the executive committee of this particular bill, just as he was on the executive committee of the cosponsors of the full employment bill. A great deal of success which attended that earlier effort is due to the work of the gentleman from Utah.

Secretary of Agriculture Clinton Anderson, our former colleague, has pointed out to the Labor Committee that out of every $1,500,000,000 increase in income that would be brought about by such a minimum-wage bill, two hundred million will go for the purchase of food.

In addition, he said in testimony:

> We know from our wartime experience that the demand for farm products rises rapidly with an increase in the incomes of city people. The families of the wage earners in this country are the biggest single group of customers the farmer has. Better incomes for them will mean better markets for farm products.

I was born and raised on a ranch in California. My father still grows many

products, which I hope reach the tables of the East. Many of the people in my district make their living providing the fine fruits and vegetables that come from the rich California soil. I am deeply interested in the welfare of the farmer, and I can sincerely say that I believe the bill for which I speak today will greatly benefit the farmers of the United States of America.

WHY SHOULD WE HAVE A MINIMUM WAGE?

The premise underlying the minimum wage is that a day's work entitles a man to a day's pay which provides a decent minimum standard of living for himself and his dependents. This is basic to the kind of society in which we live, to our ideas of freedom and justice, individual initiative, and self-respect.

We enacted the minimum wage because we found it intolerable that men should be slaves. After all, Mr. Speaker, it is slavery if a man cannot achieve independence as the fruit of his labors—if he spends his life in toil and must still depend on charity.

Thus the minimum wage embodies into law a principle that has long been established in economic doctrine—namely, that a man's labor is worth more than what it costs to keep him alive.

This was aptly stated by a prominent businessman, Robert Johnson, chairman of the board of Johnson & Johnson, who told the House Labor Committee—October 23:

> What we really are doing is to create a new code of business ethics with the aid of the Federal Government. * * * We have come to a time when we can honestly say, at least in our country, that man does not have the right to employ his fellow man unless he can pay a subsistence wage.

Let me also read you the words of William H. Davis, former Director of Economic Stabilization:

> I say our splendor is tarnished as long as you have willing workmen, capable people who cannot make out of an honest day's work enough wages to live on. There is no necessity for it. This is a splendid country, but until you wipe that stain off the shield I say the splendor is tarnished, and unnecessarily tarnished.

There is still another sense in which justice requires the principle of a minimum wage. There is no other way in which to guarantee large segments of the population anything approaching a fair share of the growing national wealth. You know the story of the phenomenal growth of productivity in this country over the decades. And you know how this increase has been divided and passed onto the people—to businessmen through higher profits, to consumers through lower prices, to organized workers through higher wages achieved by collective bargaining.

But what about the unorganized worker, the worker who has no economic weapon to back up his demands for a larger share of the growing national product? Obviously if it were not for the minimum-wage legislation, he would be left far behind in the course of economic events.

Let me give you a concrete example. Suppose Congress passes this legislation increasing the minimum wage to 65 cents an hour. Do you realize that this 65 cents would represent a significantly smaller slice of our $160,000,000,000 national income than the 40-cent minimum wage was of the $64,000,000,000 income of 1938?

Or consider the fact that while thousands of jobs have been offered at from $20 to $30 a week in the months since VJ-day, in that same period more than 10,000,000 workers have gotten wage increases most of which were from 15 to 20 cents an hour or $7 to $10 a week.

Nevertheless, we should not overlook the practical side of the issue. I have been speaking about the minimum wage as a simple matter of justice to the individual, because it is primarily in these ethical terms that I consider this legislation to be imperative. But what is this practical side? There are at least four very important ways in which minimum-wage legislation benefits the economy.

First, our economic prosperity depends on a living wage. It is a splendid thing that productivity has increased so rapidly in this country. But if that increased productivity is not passed onto the people in higher wages and lower prices, it will mean economic disaster. If ability to buy is allowed to lag behind ability to produce, depression is inevitable. The failure of wages to keep pace with rising productivity was a major cause of the great depression of the thirties. And the danger is even more acute now because of the tremendous technological upsurge during the war, the new developments that are in prospect for this postwar period. We must remember that greater output per worker is desirable only if translated into greater national income; and this will happen only if workers earn enough to buy the greater output. By that I mean all of the workers—unorganized as well as organized, unskilled as well as skilled, and the lower paid as well as the higher paid. In the long run, adequate minimum wages constitute one of the major bulwarks of consumer demand, and hence of prosperity.

Secondly, adequate minimum wages are essential for maintaining the productivity of the Nation. It takes more than new and better machines to keep output increasing. It takes workers who are literate and trained to handle machines and blueprints, who are strong and alert enough to work efficiently, who are not continually absent because of illness caused by malnutrition or inadequate clothing and shelter. In short, it takes at least that minimum of economic security that is afforded by a living wage.

Third. It will protect the general health and welfare level of the entire Nation. For example, there is a significant relationship between income and physician fitness as indicated by selective-service records. Rejection rates were by far the highest in the States with the lowest per capita income. A Senate subcommittee concluded that below subsistence level incomes only served to reduce the manpower potential of our armed forces during World War II, and greatly contributed to absenteeism, quitting and consequent lags in war industry.

National Health Surveys show that families with an increase of $1,000 a year or less suffer from 40 percent more total illnesses than families with incomes over $2,000 or more; and that the low income groups suffer from 75 percent more chronic illness. Families with incomes under $1,000 lost nearly twice as much time from work because of illness as did the average individual in higher income groups.

Underpaid workers can endanger the health of the whole community. Epidemics can start among the ill housed, the ill fed, those who cannot afford even the rudiments of medical care—either preventative or emergency.

The low-income worker cannot afford decent living quarters. Substandard houses, slums, overcrowding, mothers who must work, are, we know, contributing causes to crime, delinquency, and disease. These things cost the Nation dearly, just as slum areas absorb a disproportionate part of city budgets and show a higher rate of tax delinquency.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield.

Mr. OUTLAND. I am glad to yield to the gentleman from California, another co-sponsor of the bill.

Mr. MILLER of California. I am very happy to be a co-sponsor of the bill and work with the gentleman from California and the gentleman from Michigan in an effort to get it through, because mine is a peculiar district. It is one of those districts into which a great many people have come as a result of the war effort. Its population has increased almost threefold and the necessity for rational labor legislation is more apparent there than it has ever been. I congratulate the gentleman.

Mr. OUTLAND. Will not the gentleman join with me in emphasizing that during this transition period the district from which the gentleman comes, near San Francisco Bay, is going to be one of the most crucial labor areas in the United States and that legislation of this nature is going to bolster the full employment bill in helping to meet the problem?

Mr. MILLER of California. That is why I am very much interested in it and I want to make every effort I can to see it pass.

Mr. OUTLAND. I thank the gentleman.

It has also always been too evident that children from low wage families are withdrawn from school earlier in life. Their families take them away from the education we consider so basic to good citizenship because they need their work contribution in some form, or because they cannot afford even the few things they must purchase to send their sons and daughters to tax-supported schools. Of the 1,000,000 young people who drop out of school each year, about one-third do so because of economic necessity.

Are we interested, then, in saving our communities the millions of dollars they must spend each year to combat crime, care for indigents, provide free medical care, fight fire-trap slums, and pay the debt of minimum literacy? We should be willing, yes anxious, to cut these costs for they are also the incalculable costs of human degradation. Passage of legislation such as that for which I speak

today will go a long way toward saving our tax money as well as our people.

Fourth. Living wages are essential to protect our economic system from those many "isms" which we in this country abhor. As long as there are people in this land that cannot even eke out a bare existence from their toil, how can we hope to convince them that free enterprise has more to offer than socialism or communism or fascism? As Mr. Johnson told the Labor Committee:

All observers have long ago concluded that it was the underpaid, the unemployed, and the destitute of Europe that caused the political upheaval which led to this great war.

WHY SHOULD THE MINIMUM WAGE BE UNIFORM?

There are some who are asking again today a question that was settled—by majority will—8 years ago, namely, Why should the minimum wage be uniform throughout the country? It is still argued that since people live on less in some parts of the country than in others, the level of minimum wages should be differentiated accordingly.

You will note that I did not say "since its costs people much more to live in some parts of the country than in others." There is a widespread tendency in this connection to confuse standards of living with costs of living. Careful investigation has revealed that regional differences in actual costs of living are much smaller than generally supposed. A recent Bureau of Labor statistics comparison of living costs in 20 northern cities of varying sizes and 16 comparable southern cities was introduced into the record of the House committee hearings on minimum wage legislation. The study showed some of the following results:

The cost of living in southern cities was found to be, on the average, 3.9 percent lower than the northern cities. It should be noted, however, that the city with the lowest cost appeared in the North, and that the difference between northern cities as a group and southern cities as a group is smaller than the differences between some of the cities in the same region.

The difference between the amount spent in the southern cities and the northern cities for the most basic items of living such as food, clothing, and housing, was very slight. In the northern cities the cost of food average $460.33, while in the southern cities it came at a higher figure, $464.76. Clothing ran $160.51 in northern cities, $158 in the South. Housing cost $261.70 in the North, $240.13 in the South, but the quarters provided were not necessarily comparable.

The truth is not that it costs so much less to live in certain regions but rather that people get along on much less, because they have to. Standards of living are lower because wages are lower.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I yield to another member of the executive committee on the full employment bill, the gentleman from Washington [Mr. SAVAGE].

Mr. SAVAGE. I think the gentleman from California has given splendid leadership in helping to bring these liberal measures, such as the full employment bill and the minimum wage bill, before the House. There are two particular points I want to mention. If the minimum wage bill is passed, first it would eliminate several strikes which have just been brought to my attention in the South where workers are striking to get a minimum wage of only 50 cents an hour in the lumber mills. They are now getting 40 cents. If this bill is passed, it would immediately eliminate the necessity for those workers going on strike.

Mr. OUTLAND. May I say to the gentleman at this point that later on in my remarks I intend to discuss what this will do for workers in particular industries.

Mr. SAVAGE. Another important economic point, as I see it, is while I do not know the exact amount and no one can tell, it will probably mean a raise in wages of something like $12,000,000,000 in the United States annually because not only will it raise the minimum wages but it will help to raise the wage brackets in order to keep the proper relationship between nonskilled and skilled labor. I think it is a vital thing, and we can create new markets for America instead of worrying about foreign markets. We can create markets at home.

Mr. OUTLAND. I agree with the gentleman, of course.

Mr. DOYLE. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I yield to my distinguished colleague from California.

Mr. DOYLE. I wish to compliment my distinguished colleague for his resourceful research and preparation on this important subject, and to call to his attention and the attention of the House the fact that from the congressional district from which I come and have the honor to represent I have just received information that the registration of voters this year for the primary is 211,634, while in the last primary election, in 1944, the total registration within the city of Long Beach was only a little over 121,000. Such an increase means many more workers in our State. I am pleased also to be a co-author of this very worthy measure.

Mr. OUTLAND. We are very glad that the gentleman is one of our co-sponsors. His help is proving of great value.

I cannot think of any more effective way of stating this point than in the words of the Right Reverend Monsignor L. G. Liguitti, of the National Conference of Catholic Churches, when he told the Senate committee that was questioning him on the economic effects of minimum wages—and I quote:

It does not make any difference what our economy can stand. It is a question of what those human beings have had to stand in the huts and in shacks and in the swamps of Louisiana and Mississippi.

And then Monsignor Liguitti was asked:

We have been given to believe that they can live cheaper in those swamps. Is there anything to that?

He replied:

You can try it sometime, Senator, and see how it feels.

In other words, Mr. Speaker, I think it is just as clear today as it was 8 years ago that it would be utterly immoral for Congress, in determining the level of minimum wages, to perpetuate misery and poverty by taking account of regional differences in standards of living.

I am going to assume that these two questions which I have just reviewed—"Should we have a minimum wage?" and "Should it be uniform?"—are no longer current issues. We answered them in 1938 when we enacted the Fair Labor Standards Act, and we now have the assurance of 8 years of successful experience that this answer was the correct one.

I would rather spend my time today discussing those issues which are certain to arise in connection with the current minimum-wage proposals—such issues as "How far should we raise the minimum?" and "How fast should we raise the minimum?"

HOW FAR SHOULD THE MINIMUM BE RAISED?

In asking the question, How far should the minimum be raised? you will note that I take it for granted that there should be an increase. I do not think there can be any debate on that score.

We have the word of President Truman—September 6, 1945—that—and I quote:

I believe that the goal of a 40-cent minimum was inadequate when established. It has now become obsolete.

Also we know that higher minimum rates are actually being paid in practically all industries. For example, during the war the National War Labor Board, in setting certain procedural rates which an employer could voluntarily pay up to without Board authorization, the Board determined at the outset 40 cents an hour for all industry.

Because of the heavy load of applications for wage adjustments from people who had discovered that they needed to pay higher wages in order to produce in quantity and profitably, it was decided by the War Labor Board within a very short time to authorize permissive rates of 55 cents an hour.

In an important group of cases in the spring of 1945, and during the few months after that, the rate of 65 cents an hour was arrived at for several industries including New England textile mills and many textile mills in the South.

On March 20 of this year the War Labor Board's successor, the Wage Stabilization Board, issued an order permitting American employers and workers to agree on 65 cents an hour in any American industry or business without coming before the Board.

Lest you say, "Well, with all these higher rates, why must we do more?" I should remind you that the War Labor Board and its stabilizing descendent were formed to freeze wages, in many cases. It set permissive rates, thus making it possible for operators to attract manpower, to produce profitably, for the good of the country. And, as far as it could, within its very limited powers in this direction, the Board based these rates on a standard as near a decent minimum as they could go without stepping out of their jurisdiction. The Board did not condone these rates as proper or con-

ducive to a man's full and vigorous living. In many instances, their job as a freeze agency, froze wages at their startlingly low substandard levels.

I have told you the story of WLB's permissive rates largely because it illustrates the fact that an agency fixing ceilings, rather than floors on wages, found it necessary, even though the war is over, to permit 65 cents an hour to be paid at any time by any industry, without going through the formality of Board approval. They found it necessary, not because they wanted to be humanitarian, but because so many industries pressured them to allow this so they could get on with booming and profitable production. I am pointing out this agency's experience, because it is one more proof that a 65-cent minimum wage is a low minimum wage, and that it is decidedly nothing new to the industry of this country. It is only new to the sweatshop.

There are three major reasons why the present legal minimum of 40 cents an hour is obsolete, and why we must substantially increase that minimum if we are to give effect to the principle we tried to establish in the Fair Labor Standards Act. These are: (a) It was inadequate in the first place, and this was recognized by Congress; (b) the rise in the cost of living makes it obsolete; (c) the increase in labor productivity has reduced industrial costs, but the resulting gains have not always been passed on to workers who have aided in increasing productivity.

The 40-cent minimum established by the act in 1938 was far below the minimum standard of health and decency, and was also under the average emergency budget figure available for that year for urban areas. This fact was well recognized by the Senate Committee on Education and Labor, which said in its report in 1938:

> The committee feels that a minimum wage of 40 cents an hour, which will yield no more than an annual income of $800 a year to the small percentage of workers fortunate enough to find 50 weeks of employment in a year, does not give a wage sufficient to maintain what we would like to regard as the minimum American standard of living.

A leading proponent of the act also acknowledged this fact. This was our eminent and beloved colleague, Mrs. MARY NORTON, who introduced the following statement into the CONGRESSIONAL RECORD at the time of debate on the original act:

> In my judgment, statistical studies which have been made within the last 2 years demonstrate that the minimum wages provided in the present bill are not in excess of the requirements of cost of living. This is shown in an elaborate official study. * * * Now the greatest annual wage which an employee could receive under the present bill after the 40 cents became operative is $832. This would require him to work 52 weeks a year, 40 hours a week. However, the act prescribes a minimum wage of only 25 cents an hour for the first year, which would produce an annual income of only $520 for an employee working full time. * * * On the basis of this survey, how can it be said that $520 or even $832 is more than enough to provide the costs of living necessary to health and decency?

No, the 40-cent minimum wage was never adequate, and there were many who never tried to pretend that they meant it to be so.

The increase in the cost of living at the minimum income level since 1940 has cancelled out all the minute benefits supposed to have accrued to workers from the increase from 30 cents to 40 cents an hour which went into effect for different industries between 1941 and 1944. The Department of Labor has estimated that a minimum of more than 55 cents an hour would be required to restore in real wages what 40 cents was intended to provide.

The effect of the increased cost of living is also much more severe on the low-income family. In proportion, their incomes buy much less in terms of bringing home the few bare essentials of life which they have always had to scrape together. The cost of living is regarded as rising not merely because certain prices have gone up, but because low-priced goods have disappeared from the markets, lower quality goods have risen proportionately more in price. Food prices, which account for 50 percent of the low-income family's expenditure; have risen more than any other commodity prices. Based on Bureau of Labor Statistics' figures the rise in the cost of living for low-income families has increased 37½ percent to almost 50 percent, as opposed to 33 percent for the general population.

According to information furnished the House committee by BLS, a minimum wage of even 75 cents an hour provides only three-fourths of the minimum or decent standard required for a family of four to break even.

But we are talking of 75 cents an hour. What, then, is the lot of this family of four on 65 cents an hour or $26 a week? On such a wage, a worker's family can buy only a very small serving of meat, fish, or poultry for one meal on 6 of the 7 days in the week! The family cannot buy enough green vegetables and citrus fruit or other protective foods to maintain bodily health. Their house should cost them only $20 a month in rent. A house rented at so low a figure, in these days, will probably be either in sad need of repair, or will provide only the most crowded, unsanitary quarters. That is, if there is even such a house available.

Clothing will also be seriously limited. The worker's growing boy can afford one cotton suit a year, one pair of slacks, and two shirts. I will wager he goes without shoes all summer to save his only pair. His wool suit must last 4 years.

You may recall, my friends, that $26 a week is lower than the minimum budget which prevailed under WPA. And most of us considered that charity or work relief.

A businessman, the same Mr. Johnson, reported to the House committee that if you went to the Red Cross, the churches, the YMCA, the YWCA, the Department of Labor, the Chamber of Commerce, the National Association of Manufacturers, and asked what a decent minimum level would be there would not be anyone who would come out with under $30.

Of course, I can predict that it will be argued on this very floor that the minimum living budget for a family of four is quite irrelevant to the issue of a minimum wage, since not all workers are married, and not all married workers have children.

My answer to that is clear-cut. In the first place, the Bureau of Labor Statistics estimates that single individuals constitute about one-fourth of the underpaid. Secondly, even a single person requires more than $26 a week for a decent standard of living. Thirdly, every individual is entitled to look ahead to marrying and raisin ga family. I do not believe that we are prepared to sterilize the poor. Nor are we prepared to orient Federal policy toward a nation of bachelors and spinsters. Or to force mothers and children to enter the labor market in an attempt to stretch the family earnings enough to make both ends meet.

One answer, then, to the question of how far the minimum should be raised is that, because of the increase in cost of living, at least 55 cents an hour would be required to provide the equivalent of what 40 cents an hour provided in 1941 and that even 75 cents an hour would fall far short of providing a minimum standard of living for the average family.

Another answer is that anything less than an eventual 75 cents an hour would leave unskilled and unorganized workers far behind the rest of the population in the economic struggle, and would deprive them of their fair share in the growing wealth of the Nation.

As of last summer, 20 percent of our manufacturing wage earners earned less than 65 cents an hour. Because productivity and wages have risen so rapidly, this is about the same as the proportion—17 percent—who were earning less than 40 cents an hour in 1941.

I have already pointed out that it is important to keep minimum wages proportionate to productivity—both as a matter of distributive justice, and in order to insure a level of purchasing power adequate to sustain economic activity and stave off depression.

Productivity in manufacturing industries rose on the average 3 percent a year in the prewar years. It doubled between 1919 and 1939. During the war, the rise for all finished manufactured products was estimated by WPB at 5 percent per year from 1941 to 1944. This remarkable increase was despite the drain of the most efficient workers to the armed services, the need for training new workers, scarcity of materials, and other wartime difficulties. It is accounted for by the enormous acceleration of technological improvements, the rapid increase in the volume and quality of productive equipment, and a shift of productive resources from less to more productive industries.

The effect of the Government's economic stabilization policies during the war was to freeze wage rates at the same time that productivity was rising. Thus, current wage demands are in part an attempt to wipe out the lag between productivity and wage rates. This is necessary in order to restore labor to its prewar status, and in order to prevent the

deflationary effects of wage rates which are low relative to output per worker.

Mr. HEALY. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I am glad to yield to my colleague from California, who is likewise a co-sponsor of this measure and of the full-employment bill also.

Mr. HEALY. I want the gentleman from California to know that after listening to the very thorough and able presentation of the needs for the adoption of such a bill as the minimum-wage bill, I am more than happy to be one of the co-sponsors of the bill just as we worked together in our efforts to secure the adoption of the full employment bill. I am sure the gentleman can count on that same group and many other Members in this body to aid in securing the passage of this very worth-while bill.

Mr. OUTLAND. I thank the gentleman. His own efforts on behalf of this legislation are certain to be appreciated not only by his own constituents, but by people all over the country.

There is some dispute concerning the probable level of productivity for 1946. Some anticipate a slight decline because of change-over difficulties. Others predict a rise because of the return of younger men to the labor force, shorter hours of work, and greater pressure by industry for efficiency.

Everyone is agreed, however, that productivity will rise very sharply once we have made the readjustment to peacetime economy which we are rapidly approaching. In the similar period after World War I productivity in manufacturing went up 10 percent per year for 3 years. The probabilities are that the increase after World War II will be even greater. In fact, it is conservatively estimated—Bureau of Labor Statistics—that output per man-hour will rise one-third by 1950.

In the light of these facts, I am willing to predict that 75 cents an hour will be inadequate when and if established by this legislation which we are considering, and that before many years it will be obsolete. The objective of such legislation, of such ultimate goals is based on the principle that it is against the public interest for employers engaged in commerce, production for commerce, or any activity affecting commerce to operate sweatshops.

HOW FAST SHOULD THE MINIMUM BE RAISED?

I come now to the $64 question, or should I say the 75-cents-an-hour question. I am confident that the opposition to a minmum-wage bill will not center on the 65- or 75-cent levels proposed, but rather on the rate at which we propose to achieve those levels. Most of the shouting will be to the effect that we should approach those levels only gradually—that sudden and drastic increases would disrupt the economy.

I say we should approach our goals as rapidly as is possible yet reasonable.

I also anticipate two different facets to the arguments of the opposition. Some will say that such a rapid jump would force producers out of business—that it would impose an impossible burden on certain regions or on small businesses, or exporters.

Others will argue that such a sharp increase at this particular time will most certainly precipitate inflation.

WILL IT FORCE FIRMS OUT OF BUSINESS?

Well, one thing at a time. There is a familiar ring to the gloomy prediction that innumerable firms and even whole areas will be forced to close shop.

Let me read to you from the testimony of L. Metcalfe Walling, Administrator of the Fair Labor Standards Act:

> It may be well for the committee to keep in mind some of the criticisms which were made prior to the original passage of the Fair Labor Standards Act. I am impressed with the fact that if the dire predictions of the opponents of the bill had come true our economy would indeed be threadbare. We would not now be holding hearings. One but has to look at the healthy progress of industry and labor since that time to find the answer to these dire predictions. I believe that now is the time to advance the frontiers further.

After all, Mr. Speaker, the record speaks for itself. An employer representing the railroad industry claims that passage of additional minimum wage legislation might cause the release of many persons from that industry. But what of the fact that although minimum wages in the railroad industry rose nearly 100 percent between October 1938, and December 1941, the level of employment also rose?

Employment in the South in the men's apparel industry rose between 1933 and 1935 even with a sharp increase in minimum wages under the NRA, and after the enactment of the minimum wage in 1938 increased at a much greater rate than for the industry in the rest of the country.

The increase in employment in Louisiana industries other than shipbuilding and aircraft was 30,000 between 1939 and 1945, an increase of more than 30 percent. Between 1937 and 1939, the dress shirt industry in Tennessee doubled employment. There were no wide scale closings and practically no individual closings which could be attributed to the Fair Labor Standards Act.

Rather, high wages are more likely to increase productivity and profits than to force businesses out of operation. Underpaid, underfed, discontented workers are inefficient workers. They are not capable of handling modern machinery. They are inclined to be unskilled, illiterate, unstable, sluggish. They are frequently absent because of illness born of malnutrition and physical neglect, and also because of lack of loyalty to an exploitative employer. Labor turn-over is high and expensive.

This is indeed a vicious circle. More often than not such workers, conditioned by long years of poverty and bare subsistence, are not worth any more than they are paid. At the same time any firm whose existence depends on sweatshop wages has no economic justification; it is a parasite on the community. Nor is the consumer entitled to goods at a price which exacts such a toll of human degredation. Moreover, my belief in the good faith of the American people is so firm that I do not believe any consumer, if he were reminded, would buy goods that resulted from shops and factories where men and women toiled for less than a break-even paycheck.

The only way out is to legislate the payment of a minimum wage that will enable the worker to build up his body and mind and become a more effective worker, that will enable his employer to introduce modern production machinery and find his workers alert enough to operate them.

Mr. Speaker, if we fail to adopt an adequate minimum wage, we shall be fostering unfair competition in business. Let me read you the words of Secretary Schwellenbach—September 25, 1945:

> We will not secure the most efficient production of goods and services by permitting competitors to outrival each other in wage cutting. Just as our law makes monopoly illegal as a means of stifling competition, so should the law rule out the payment of substandard wages which cause unfair competition. Our high wage economy has shown that it can outproduce low wage economies by maintaining a higher degree of productive efficiency. Placing a floor under wages means that wage cutting must be replaced by a search for greater efficiency.

And then listen to the words of a man who regularly meets a pay roll, Patrick W. McDonough, owner of the McDonough Steel Co., Oakland, Calif.:

> High wages and high production are synonymous, just as a well-kept machine is more productive than a run-down machine. * * * People who have not enough to eat or have not proper clothing are not in a position to produce, and the only way they can attain a higher standard of living is to give them enough money so that they can buy the requirements of life. * * * In my business during the 1930's wages paid by some employers were as low as 20 cents per hour. There was no check on the avariciousness of the employer. Everyone was damaged by these conditions, most of all the employer. He, too, needs some protection from unscrupulousness. * * * I have seen wages increase from 20 cents an hour to $1 per hour, due mostly to organization. During that 40 years that this increase took place, despite the wage increase of five times the original amount, the end cost of the product in our particular line is less than it was 40 years ago.

Mr. McDonough also told the committee that he had paid the highest wages in the country for the manufacture of invasion boats, but had been able to charge the lowest prices. Why? He explained from his own experience, and I quote:

> A high wage is a contributing factor to high production. * * * In my plant I hire men and pay them high wages, and they work harder to keep their jobs; they are more interested in their work. So, consequently, they produce more.

Much the same considerations apply to the argument that is frequently heard that the impact of increased minimum wages would fall most heavily on small-business units which are least able to absorb the increases.

Mr. Speaker, I welcome the opportunity to repudiate the implication that the

survival of the small businessman depends upon the payment of substandard wages. I do not believe that small businesses are necessarily inefficient, and, therefore, unable to pay a reasonable wage. Indeed, I am not interested in the preservation of any business unit, small or large, that cannot stand on its own, and justify its existence without the kind of indirect subsidy involved in the payment of less-than-living wages. However, I am convinced that if small business is given equal access to capital and credit, and to technology, in short if the evils of big business monopoly are boldly attacked, I am convinced that under such conditions, small businesses will have little to fear, especially in the areas in which they can render a distinctive service.

Another variant of the same argument relates to foreign trade, and the alleged danger that minimum wages would force exporters to price themselves out of the foreign markets.

There are at least two forceful answers to this specious kind of reasoning. First, there is no economic or moral justification for the kind of foreign trade that would depend on substandard wages. The theory of international exchange is that it arises out of regional specialization; that is, each area of the world concentrates on those goods and services in which it has a natural advantage. Please note that sweatshop exploitation of labor is not a natural advantage. Consequently, if an export industry is solidly based, it will not be affected by the imposition of higher wages.

Secondly, empirical investigation substantiates the theory just outlined. The data shows that the bulk of our export trade is in the industries which pay the highest wages. Indeed, it has been estimated that less than 6 percent of our export come from industries whose costs might be expected to rise more than 2 percent if this bill were passed.

The most compelling argument against the claim that a higher minimum wage would force firms out of business is the simple truth that the only hope for the marginal firm—that is, those firms which would be the first to close—is an adequate level of over-all demand, and demand derives from the money, the wages, in American pockets.

INFLATION

This brings me to the second argument that is advanced in favor of a slower and more gradual approach to the minimum wage levels proposed in the bill: the argument that a drastic increase at this particular time would most certainly be inflationary.

First, let me make this observation. Those who do the most shouting about the inflationary dangers of a higher minimum wage are the same people who are right now doing everything in their power to kill the OPA.

I can't think of any topic that gives rise to more confused thinking and talking than this current fad of inflation!

What, actually, are the merits of the case as far as minimum wages are concerned? To what extent would a higher minimum necessitate price rises that might touch off an inflationary spiral?

Well, for one thing, I have just been explaining that in most cases the higher minimum wage would not have to involve any price rise—at least after a relatively short period of readjustment. Our experience has always been that higher wages, particularly in the lowest brackets, mean higher productivity. Let me underscore the point with this table prepared by the Bureau of Labor Statistics, which shows for each year from 1919 to 1941 hourly earnings, output per man-hour and unit labor costs in manufacturing industries. At this point I should like to request unanimous consent to enter this table in the RECORD, so that all who wish may look at it.

[Index: 1919=100]

Year	Average hourly earnings	Output per man-hour	Unit labor cost
1919	100	100	100
1920	116	110	106
1921	108	120	90
1922	101	132	76
1923	109	131	84
1924	115	139	82
1925	115	148	77
1926	115	153	75
1927	115	158	73
1928	118	165	71
1929	119	172	69
1930	116	177	66
1931	108	185	58
1932	94	179	52
1933	93	189	49
1934	112	197	57
1935	115	208	60
1936	117	299	56
1937	131	206	63
1938	131	210	63
1939	133	228	58
1940	139	239	58
1941	153	246	62

The fundamental point shown by this chart is that while average hourly earnings have increased steadily from an index of 100 in 1919 to 153 in 1941, output per man-hour has increased during the same period from 100 to 246, almost two and a half times. This means that the index of unit-labor costs has fallen from 100 to 62 despite—or perhaps because of—a 53 percent increase in hourly earnings.

Of course, it may be argued that it takes time for this increased productivity to go into effect. Workers cannot be transformed overnight into healthy, alert mechanics, and it takes quite a while to reconvert and modernize a factory.

All right, suppose that the labor-unit cost does go up temporarily. The first thing to note is that production cost will not rise proportionately, because only a small number of workers are underpaid, and because labor is only a fraction, and frequently a small fraction, of the total cost of production. The over-all estimate for the industries which would be primarily affected by new minimum wage legislation is that such a bill would add 2 percent to their present wage bill if the minimum were raised to 65 cents an hour; 75 cents an hour would result in only a 5-percent addition to the wage bill. But, it must be stressed again, that, in the industries affected, wage costs on the manufacturing level are a negligible portion of total production costs. By the time we have reached the retail level, the wage costs about which I speak, have become an infinitesimal part.

Just to give one example. The labor cost of a suit of clothes selling at $25 retail is only $3.75. If every men's clothing worker earning less than 65 cents an hour were brought up to that minimum, it would increase the total wage bill of the industry only 3 percent. Wages amount to only one-fourth of the manufacturers' total cost. Thus a 3-percent increase would increase the total cost of manufacturing less than 1 percent.

Or there is another example which has been used time and again but which is so pertinent that it bears another repeating: The tobacco industry has the greatest number of workers now being paid less than 65 cents an hour. However, if all these working people were brought up to the 65-cent wage, labor costs being only 5 percent of total costs in the production of cigars, cigarettes, and tobacco products, the ultimate increase in the total cost of a carton of cigarettes would only be nine-tenths of 1 percent.

There are some industries in which it has been officially recognized that wages must be raised to attract the needed manpower. In lumber and textiles the current demand is huge, but production cannot proceed fast enough because these have been traditionally low-paying industries. It has been proven that these particular industries lost great numbers of their manpower to war industries. It is imperative now, with our great need for shirts, towels, sheets, lumber to build homes that these industries gain back their lost manpower. But who can blame the men for not wanting to return to wages so much worse than those they would be leaving behind. Certain textile mills particularly have become so aware of the problems involved in their great need for manpower that many of them have voluntarily raised wages to a 65-cent minimum.

And what about industry's ability to meet the small increases required to raise the minimum wage to 65 cents an hour and cover certain additional workers? The total cost to all industries covered by the present act of an increase of the minimum wage level to 65 cents an hour would be $740,000,000. For 75 cents it would be $1,300,000,000. Compare this with the bonus industry is getting through repeal of the excess-profits tax—an amount that totals $2,900,000,000. This, coupled with reduced labor costs as a result of decreased overtime payments and other curtailments, does give industry a fund from which to meet the small dollar cost, but the big human savings, of a 65-cent or a 75-cent minimum wage bill.

I also have the figures on the actual impact of an increase to 65 cents an hour upon the profits of each of the 17 manufacturing industries. I would like to insert this table into the RECORD at this point in my remarks:

TABLE 1.—*Effect of the 65-cent minimum wage on pay rolls, profits, and return on net worth in manufacturing industries*

Industry	Percent of workers below minimum June 1945 [1]	Wage increases as percentage of—		Profits before taxes, percentage of 1936–39 average [3]		Return on net worth		
		June 1945 straight-time pay rolls [2]	1944 corporation profits before taxes [3]	1944	1944 adjusted for effect of wage increase	1936–39 average	1944	1944 adjusted for wage increase
	Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Tobacco	58	11	9.1	135	122	16.2	19.2	17.5
Lumber and timber	54	9	42.9	1,210	691	1.5	17.2	9.8
Textile	47	6	12.1	596	524	5.4	25.3	22.2
Apparel	38	4	32.5	382	258	8.6	28.0	18.9
Furniture	37	4	17.3	339	280	10.7	29.4	24.3
Leather	30	3	15.0	304	258	8.6	22.0	18.7
Paper	30	4	5.7	408	385	5.6	18.4	17.4
Food	28	3	4.6	351	335	9.0	27.8	26.5
Stone, clay, and glass	27	3	8.3	185	169	10.2	15.9	14.6
Electrical equipment	22	2	3.1	480	465	13.6	48.1	46.6
Printing and publishing	21	2	2.6	425	414	8.2	35.1	34.2
Chemicals, petroleum, and coal	16	2	1.3	222	219	9.7	17.8	17.6
Rubber	13	1	1.6	623	613	8.9	44.0	43.3
Nonferrous metals	8	1	1.3	280	276	9.8	22.2	21.9
Iron and steel	7	(4)	1.0	385	381	5.5	18.3	18.1
Machinery	4	(4)	.4	377	376	12.2	34.6	34.5
Transportation equipment				417	417	16.8	45.5	45.5
Total industries	19	2	3.5	323	312	9.7	25.4	24.5

[1] See table 2.
[2] Identical with percent increase in straight-time hourly wage rate (see table 2).
[3] Assuming the sample of 1,743 large corporations (see tables 3 and 4) to be representative of the industries covered.
[4] Less than one-half of 1 percent.
Source: Wage cost data—Bureau of Labor Statistics; profits data—OPA estimates.

TABLE 2.—*Basic data on workers in manufacturing below 65-cent minimum and effect of 65-cent minimum*

Industry	Number of workers, June 1945			Straight-time hourly wage rate			Additional cost of 65-cent minimum to June 1945 wage bill	Reduction in wage bill from loss of premium overtime	Loss of overtime less additional cost to wage bill	1944 profits before taxes	Additional cost to wage bill as percent of 1944 profits
	Total	Below minimum		June 1945	With 65-cent minimum	Percent increase					
		Number	Percent								
	Thousands	*Thousands*					*Mil. of dol.*	*Mil. of dol.*	*Mil. of dol.*	*Mil. of dol.*	*Percent*
Tobacco	80	46	58	$0.719	$0.795	11	14	7	−7	154	9.1
Lumber and timber	443	239	54	.774	.840	9	67	49	−18	156	42.9
Textiles	1,040	489	47	.727	.774	6	105	72	−33	871	12.1
Apparel	795	302	38	.828	.864	4	55	18	−37	169	32.5
Furniture	329	122	37	.805	.840	4	26	38	12	150	17.3
Leather	307	92	30	.810	.845	3	18	26	8	120	15.0
Paper	303	91	30	.812	.842	4	22	49	27	388	5.7
Food	986	276	28	.817	.845	3	65	142	77	1,415	4.6
Stone, clay, and glass	326	88	27	.874	.903	3	21	39	18	254	8.3
Electrical equipment	657	145	22	.963	.985	2	35	117	82	1,134	3.1
Printing and publishing	327	69	21	1.082	1.103	2	15	32	17	581	2.6
Chemicals, petroleum, and coal	746	119	16	.960	.974	2	26	135	109	1,952	1.3
Rubber	186	24	13	1.062	1.073	1	5	34	29	320	1.6
Nonferrous metals	390	31	8	.995	1.001	1	6	74	68	471	1.3
Iron and steel	1,553	109	7	1.026	1.030	(4)	15	300	285	1,485	1.0
Machinery	1,088	44	4	1.045	1.048	(4)	9	262	253	2,431	.4
Transportation equipment	2,212			1.200	1.200		(4)	483		2,501	
Total industries [3]	11,768	2,280	19	.961	.987	2	504	1,877	890	14,551	3.5

[1] Less than ½ of 1 percent.
[2] Negligible.
[3] Do not include the miscellaneous manufacturing industries (389,000 workers) as some detailed information for them is not available.
Source: Wage cost data, Bureau of Labor Statistics; profits data, OPA estimates.

I note that for all industries the wage increase would amount to 3.5 percent of 1944 corporate profits before taxes. Profits would still be more than three times what they were in the period 1936–39, and return would still be 24.5 percent of net worth.

Or consider those particular industries most affected by the increase. For tobacco the increase would be 9.1 percent and the remaining profits would be 122 percent of what they were in 1936–39. For lumber and timber, although the wage increase would be 42.9 percent of profits before taxes, profits would still be about seven times what they were in the base period. For textiles the increase is 12.1 percent of profits, and remaining profits are five and one-fourth times those of the earlier period. For furniture an increase of 17.3 percent is required, but remaining profits would be eight times those of the earlier level.

The conclusion is obvious. The profit rate of industry is unexcelled. Not only can they easily afford to pay now the relatively small amounts required by a minimum wage bill, but, since higher wages, especially for those on low incomes, increase productivity and purchasing power as well—a bill such as this can help to keep industry's profit level stable and America prosperous.

That is the point which I feel most important to reiterate and reiterate. We have seen charts and tables and figures and heard individual stories, proving that when the citizens of the Nation are well paid and able to buy, the total prosperity of the Nation is greatly increased. When the worker receives a good wage, the farmer profits, the grocer profits, the owner of the plant in which the worker is employed profits.

Thus, passing a minimum-wage bill does not mean taking money away from someone who has it and giving it to the have-nots. It means exactly the opposite. It means increasing the total national income in which everyone shares, but momentarily give a slightly greater proportion of that increased national wealth to the lowest brackets in our economy.

So much for the discussion of whether or not a higher minimum wage would be inflationary. I have offered quite a few figures and statements to substantiate several different points, namely: First, because of the increase in productivity, both of workers and of productive methods, higher minimum wages do not have to raise prices. Second, the impact upon total costs is much less than that upon pay-roll costs. Third, the current profits of industry are large enough to handle the minor costs attributable to higher minimum wages without substantially reducing high-profit levels. Fourth,

raising the minimum wage is a step that inevitably means an eventual increase in total national wealth which will be shared by all groups.

However, there is much more than that to this issue of inflation. I am going to ask you to think for a moment, to look for the forest through the trees, and to answer a question that is frequently lost sight of in all the furor over the danger of inflation. First, we must ask ourselves, why is inflation undesirable?

I believe you will agree that the answer is at least twofold. First of all, inflation is bad because it wipes out the purchasing power of the fellow on a relatively fixed income. Wages lag far behind the rise in prices and workers, that is, the vast majority of the people find their standard of living and the value of their savings plummeting downward. My point is this. If inflation is bad because it makes it so hard for the worker and the little fellow to purchase a decent standard of living, you cannot avoid the evil of inflation by refusing to enact an adequate minimum wage.

It is hardly logical, and certainly not just, to insist that because some people have too much, millions of others must continue to have not nearly enough.

The second evil of inflation is the danger—or rather the likelihood—that it will collapse and give way to a depression. The greater the excesses in one direction, the greater they are likely to be in the other.

That is another point I think we should keep clearly in mind for the proper perspective on this minimum-wage issue.

The prospect of inflation, if it comes in substantial fashion, is immediate. Indeed, some are holding much needed goods off the market in the hope that inflation will be very immediate, that the pent-up demand for consumer goods will burst, that controls will be wantonly shattered, and the goods now hoarded will be snatched up, for a little while—that is what they forget—at any price. But these are war-related factors—shortages versus increased incomes with which to buy those short goods, backlogs even in foreign demand, all these things with which we are now so familiar but too impatient.

But these factors caused by the wartime dislocation of a normal economy have nothing to do with a minimum wage bill. Of course, it is an issue, a paramount issue, one of urgent importance to America's welfare, to control these seething inflationary pressures. Yet to add enough to the wages of our lowest income workers who cannot now buy the minimum necessities of life will not send them out at once with great fistsful of dollars ready to add their demand for short items and luxury goods to the great cry. Nor, as we have shown, will it have to cause price increases from the other end. No; our workers who are now not quite existing will spend their extra pennies on one more green vegetable a week, a bottle of milk for the kids, and oranges perhaps two other times a year besides Christmas. That is certainly not inflationary.

What we should be worrying about, or at least what I am worrying about is that in a few years, perhaps as little as two, the boom factors will have spent themselves, and we will again be faced with the market deficiencies which have periodically caused misery-bringing depressions in the past.

It has been argued that we should go slow in increasing minimum wages in order to preserve some flexibility for uncertain future trends. But, Mr. Speaker, those future trends are not uncertain. We know for a fact that our potential national output has increased tremendously and we also know that in normal times after the posttransition period we as a nation will not be able to purchase this enormous output unless the total wage bill provides enough for our people to go to the store and buy, and buy all they need.

If purchasing power lags behind productivity, we will have depression. And remember, when it happens, it is too late. Any preventive action must be taken in advance. That is why I feel so strongly that the establishment right now of an adequate living wage is essential, not only on its own merits, but as a bulwark against depression. And I believe as thoroughly that these same economic facts will hold true, perhaps more urgently true in a year or two. I believe this enough so that I can state that a year's time would probably not be too soon to raise the minimum wage to 70 cents an hour, and a year after that to 75 cents where it would rest, as provided by law.

There will never be a more favorable time than now for such an increase. There never has been a more urgent time than now for such an increase.

EXTENDED COVERAGE

When we passed a Fair Labor Standards Act in 1938, it was because we had adopted the principle that it is the responsibility of this Congress to eliminate substandard living, to increase employment, to increase national wealth, prosperity, and the general welfare. We cannot, therefore, consider amendments to this original legislation without being fully aware of the principles upon which we stand. Such principles obligate us to extend the benefits of minimum wage legislation, overtime pay, and protection of our children from oppressive labor, wherever we can, to whatever groups we, the Congress, have the power to incorporate into legislation. We must also clarify the position of workers now left in a dubious twilight zone by the present act.

It is scarcely to the credit of the richest nation in the world, and one which is becoming richer each day, that it limits the protection of fair labor standards legislation to less than one-half of its worker population. And yet it is exactly that which we have done, and we will be guilty of perpetuating this gross oversight and negligence if the coverage of the present act is not extended. I believe that the very basis of democracy is destroyed if, for whatever reasons, more than half our working people are denied the right to a job at pay sufficient to cover their basic human needs.

In 1938 we were pioneering. Because of this and also because of the selfish protestations of a few special-interest groups the act was written so as to leave out numerous of our citizens. Neither economic necessity nor 8 years of administration of the Fair Labor Standards Act have justified these special exemptions. Rather, the intent of the act has been perverted, its effectiveness curtailed, and the interests intended often defeated.

Since the exemptions were also written haphazardly, often confusingly, not only have our workers been placed in the realms of forgotten men, but economic wastefulness has resulted. It has resulted because distinctions were often set up between workers in the same places of business, where no distinctions existed in the facts of their economic lives. Employers in the same industry were sometimes discriminated against. Such arbitrary exemptions enabled the low-paying sector of the community to live at the expense of the high-wage sector, allowed the employer who pays sweatshop wages to tap markets established by his competitors who pay decent wages. Yes, this is wasteful; it is unsound business. It can mean nothing but retrogression to a nation which we desire to see go ever forward in its prosperity.

Nor is there any question of the legality of extended coverage. It is definitely within the powers of Congress to reach out and remedy the evils of low wages and long hours wherever the need may be. The United States Supreme Court has recognized that the act's present coverage does not reflect the full scope of Congress' power to regulate wages and hours under the commerce clause of the Constitution. Testimony given before the committees of both Houses emphasized the fact that it is in precisely those areas in which the law has hitherto failed to serve the public interest, that is, in those areas previously denied coverage, that the greatest need for the benefits of protective legislation now exist.

To what workers might coverage now be extended?

One of the important groups now denied the benefits of minimum-wage protection are those workers engaged in handling and processing agricultural commodities after they have left the farms. I am not now speaking of farm workers, although we ought to be thinking in terms of some day extending some type of protection to these laboring folks as well, but rather of the industrial workers engaged in our canning plants, packing plants, in processing the products of agriculture.

Under the present act, workers engaged in these operations are exempt if they are within the area of production. This means that most processing workers would be protected by existing legislation, you are thinking, since few of them are to be found in the area of production. But a grievous problem has resulted because of the impossibility of defining the term "area of production" or administering it. The man responsible for administering the act during the past 8 years has stated that any definition which would be held valid by the Supreme Court would inevitably end in discrimination between workers and between employers in the same industry. I, therefore, advocate the elimination of

the minimum wage exemption based on this unworkable concept not only because it is unworkable but because there is no longer any justification, if there ever was one, for denying the benefits of this humanitarian legislation to those men and women whose labor is required to prepare the products of the farms for our consumption.

Contrary to the usual belief, the elimination of the area of production exemption would not add 1,250,000 workers to the coverage of the act. As I said before, most of these workers would be under the act with a valid definition of the term in question. Certainly the employees of the Borden Co. pasteurizing milk in New York or Chicago, the cannery workers of H. J. Heinz or Campbell's canning soup in another city, or the workers engaged in compressing cotton in New Orleans could not, by any stretch of the imagination, be held to be in the area of production, whatever definition of that term were made valid.

The elimination of the area of production concept would merely clarify the status of the 1,250,000 workers in question. Their status is now unclear, confusing, has often resulted in troublesome and expensive court battles for the employer. Their status has been likened to economic pneumonia—one day you are in, another day you are out.

Employers in processing and handling industries have, because of the ambiguity of the area of production concept, also been particularly vulnerable to unfair competition. If we are interested in one of the basic objectives of this act, the elimination of such unfair competition, we should move to eliminate this exemption and clarify the whole position of these workers once and for all.

Any new legislation should also eliminate a group of confusing and contradictory exemptions from the provisions for the payment of overtime rates that now muddy the status of workers in a wide variety of industries—and I use the term industries advisedly—that is workers engaged in the processing of agricultural commodities. Most of these exemptions permit any number of hours of work without penalty; in some cases such exemptions have resulted in men and women working 70, 80, and even 100 hours a week. The excuse used to justify these exemptions has been that the products handled are perishable. This may be true, and of course the products must be handled promptly because they are perishable. But the fact that such arduous labor is temporarily required does not necessarily excuse the payment of special overtime rates any more than the sacrifice of leisure time and sleep by victory-seeking war workers made overtime payment unnecessary.

Many industries now engaged in processing agricultural commodities have already accepted the justice and wisdom of overtime payment in spite of seasonal fluctuations. For example, in the Salinas Valley, in my congressional district, which is predominantly agricultural, packing houses not only pay time and one-half for overtime beyond the 40-hour week, but for time spent over the 8-hour day. If there are concerns engaged in the packing of perishable fruits and vegetables already living up to the principles of protection from long hours or at least extra recompense when long hours are necessary, I see no reason why other processing establishments cannot do likewise.

Any reasonable bill should also extend minimum wage and overtime protection to the workers employed in processing fish products. These workers should be treated no differently than those processing agricultural commodities. Therefore I urge action in behalf of those shore activities—handling and packing—which are substantially similar to the handling of agricultural products. The fact that these products must be processed rapidly to avoid spoilage does not justify payment of substandard wages, nor does it justify unduly long hours of work without adequate payment for overtime.

Our seamen, who made a vital contribution to victory, and who have for long years worked willingly for some of the lowest wages and longest hours on record, should go no longer without protection. We put on them the great responsibility of carrying supplies to our soldiers in wartime, and keeping high the level of our international trade in peacetime. The social hazards of their employment and the contribution which they make to our national welfare and prosperity justify protection against the exploitation of low pay and long hours of work. I therefore urge extension of coverage of both minimum wage and overtime provisions of the Fair Labor Standards Act to our gallant men of the sea.

Workers employed in large chain organizations and by retail sales and servicing establishments, many of which are as far reaching as other vast modern industries, are among the lowest paid in our entire economy. I cannot emphasize too strongly the justice of extending coverage to these groups. Most of them are white-collar workers, for whom so much sympathy has been expressed in the Halls of Congress. Many of them are women, whom we, as lawmakers, have always felt it our especial duty to protect from undue exploitation of any sort. The extension of minimum wage and overtime protection to these white-collar neighbors of ours is one more action taken in the interests of humanity and fair standards and American fair play.

It has also been suggested that overtime protection be extended to motor carrier employees who are now protected by minimum wage benefits. The control of hours of work, based purely on safety considerations, does not extend either to all the employees who might be under ICC jurisdiction, or to overtime pay considerations. Therefore, incorporation of this group into the Fair Labor Standards Act would in no way conflict with present legislation, as some believe it might.

I also reaffirm the statement I made earlier. In addition to those wise and long-needed expansions of coverage of Fair Labor Standards legislation, I uphold the inclusion of any other groups which the Congress feels deserve the right and are owed the right to certain protections from forms of exploitation which we long ago dubbed medieval.

CHILD LABOR

One of the evils which we have long so regarded is the employment of children. Since America is the land in which one's inalienable birthright is freedom, how can this be attained unless a child may learn the meaning of it, through normal, enjoyable growth, through adequate schooling. But, then, child labor is an evil so universally accepted as such that it hardly seems necessary to discuss it.

Any amendment of the Fair Labor Standards Act should make a direct prohibition of child labor. It seems unbelievable that our statutes still read in such a way that an employer, if unscrupulous enough, can actually get away with the oppressive employment of children if the goods thus manufactured are held 30 days before they are shipped from one State to another.

And, although admittedly it is a highly debatable issue, adequate protection should be extended in such a way as to close the gap in the law revealed by a decision of the Supreme Court in the Western Union case, in which it was held that the company was not subject to the child-labor provisions because it did not produce or ship goods in interstate commerce. If it were because of the accident figures alone, some steps should be taken to change the situation revealed by the Court's decision. These figures show that in 1941, 72 percent of all Western Union cases involving injuries to employees while at work were messengers, whereas only 36 percent of the employees were messengers.

EMPLOYEE SUITS

I have already taken my stand as to what a Fair Labor Standards Act might provide in the way of establishing a uniform statute of limitations applying to employee suits to recover unpaid wages or damages. Uniformity is desirable, but the period must be long enough to allow the employee the fullest opportunity to pursue his rights. Experience has taught us that this would be from 3 to 5 years. In other respects regarding employee suits the existing act is just.

CONCLUSION

I conclude, Mr. Speaker, on the same note with which I began. In this America of ours we are constantly talking about democracy. We have just concluded a war into which we poured our manpower and our money to fight for democracy. This democratic concept is as much economic as it is political and the sooner all of us recognize this fact the better the position we will be in to cope with the problems of the present.

In my judgment, the minimum wage bill is one of the most important steps forward in bringing to many segments of the American people a greater degree of economic democracy. Our President has asked for it as a vital part of his domestic program, and rightly so. I would like to think that we in this House can put aside for the moment partisanship, and place statesmanship and the welfare of the citizens who trust us above politics, place vision above expediency. The passing of this measure will be of inestimable value to many Americans who are now living on a plane that

should shame us in this House and in this country. The passing of this measure will benefit industry and profit levels, productivity and prosperity for all time to come.

While the measure in itself is no cure-all, it certainly is one of the "musts" in any program of domestic progress. May we have the courage to go forward.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. FORAND (at the request of Mr. FOGARTY), for the remainder of the week, on account of illness.

To Mr. HORAN for 1 day, Friday, May 17, 1946, on account of official business.

To Mrs. MANKIN, for Friday, May 17, on account of official business.

To Mr. HARRIS, for 2 weeks, on account of official business.

ADJOURNMENT

Mr. SPARKMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 8 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, May 17, 1946, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON BANKING AND CURRENCY

The Committee on Banking and Currency will begin hearings on House Joint Resolution 311 (the British loan) on Friday, May 17, 1946, at 10:30 a. m., in the Banking and Currency Committee room, 1301 New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Commerce and Trade of the Committee on Interstate and Foreign Commerce, at 10 a. m., Friday, May 17, 1946.

Business to be considered: Continuation of public hearings on H. R. 4871 and S. 1367—to provide for the appointment of three additional Assistant Secretaries of Commerce, and for other purposes.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1304. A letter from the Secretary of the Interior, transmitting pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, one copy each of various legislation passed by the Municipal Council of St. Croix, the Municipal Council of St. Thomas and St. John, and the Legislative Assembly of the Virgin Islands; to the Committee on Insular Affairs.

1305. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill to amend title II of the Social Security Act, as amended, by giving insurance benefits under the Federal old-age and survivors insurance provisions of that act to survivors of veterans of World War II, and for other purposes; to the Committee on Ways and Means.

1306. A letter from the Secretary of the Treasury, transmitting the annual report for the fiscal year ending June 30, 1945, of the Exchange Stabilization Fund created by section 10 (b) of the Gold Reserve Act of 1934, including a summary of operations of the fund from its establishment to June 30, 1945; to the Committee on Coinage, Weights, and Measures.

1307. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal years 1946 and 1947 in the amount of $392,656,000 for the Veterans' Administration (H. Doc. No. 593); to the Committee on Appropriations and ordered to be printed.

1308. A letter from the president, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended; to the Committee on the District of Columbia.

1309. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended; to the Committee on the District of Columbia.

REPORT OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. S. 1605. An act to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or damaged as the result of fires which occurred at various Navy and Marine Corps shore activities; without amendment (Rept. No. 2069). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 340. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission; without amendment (Rept. No. 2070). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHENOWETH: Committee on Claims. H. R. 783. A bill for the relief of Karl E. Bond; with amendment (Rept. No. 2056). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1797. A bill for the relief of Arcadio Saldaña Agosto; with amendment (Rept. No. 2057). Referred to the Committee of the Whole House.

Mr. BARRETT of Pennsylvania: Committee on Claims. H. R. 2130. A bill for the relief of Daniel S. Bagley, Jr.; with amendment (Rept. No. 2058). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2269. A bill for the relief of Dr. William A. Schumacher and Magdalen M. Schumacher; with amendment (Rept. No. 2059). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3031. A bill for the relief of Walter A. Moffatt; with amendment (Rept. No. 2060). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3622. A bill for the relief of Mrs. Hazel M. Skaggs; with amendment (Rept. No. 2061). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4245. A bill for the relief of José Villafañe Muñoz; with amendment (Rept. No. 2062). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4251. A bill for the relief of the estate of the late Francisca Sánchez Figueroa; without amendment (Rept. No. 2063). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4339. A bill for the relief of Fannie C. Fugate; with amendment (Rept. No. 2064). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 5091. A bill for the relief of Mrs. Mary A. Honnell and Horton H. Honnell; with amendment (Rept. No. 2065). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 5811. A bill for the relief of the legal guardian of David Owens, Jr.; with amendment (Rept. No. 2066). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 6334. A bill for the relief of the estate of Carmen Aurora de la Flor, deceased; without amendment (Rept. No. 2067). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 6442. A bill for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson; with amendment (Rept. No. 2068). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 6451. A bill to provide a commission to supervise the construction of a chapel at the Coast Guard Academy at New London, Conn., authorized to be constructed for religious worship; to the Committee on the Merchant Marine and Fisheries.

By Mr. CANNON of Florida:

H. R. 6452. A bill to provide for veterans a credit against the tax on earned income, based on length of service in the war; to the Committee on Ways and Means.

By Mr. FERNANDEZ:

H. R. 6453. A bill to amend the provisions of law relating to the use of private vehicles for official travel; to the Committee on Expenditures in the Executive Departments.

By Mr. McGEHEE:

H. R. 6454. A bill to amend the act approved July 3, 1943, entitled "An act to provide for the settlement of claims for damage to or loss or destruction of property or personal injury or death caused by military personnel or civilian employees, or otherwise incident to activities, of the War Department or of the Army"; to the Committee on Claims.

By Mr. O'TOOLE:

H. R. 6455. A bill to amend the act entitled "An act to provide books for the adult blind"; to the Committee on the Library.

By Mr. ROE of Maryland:

H. R. 6456. A bill to provide for an examination and survey to determine the advisability and feasibility of dredging Levering Creek at Ewell, Md., on Smith Island; to the Committee on Rivers and Harbors.

By Mr. CAMPBELL:

H. R. 6457. A bill to reduce taxation by conserving the assets of the United States; to the Committee on Ways and Means.

H. R. 6458. A bill to authorize the sale of British bonds in the United States; to the Committee on Foreign Affairs.

By Mr. FLANNAGAN:

H. R. 6459. A bill to extend the period within which the Secretary of Agriculture may carry out the purposes of the Soil Conservation and Domestic Allotment Act by making payments to agricultural producers; to the Committee on Agriculture.

By Mr. KELLEY of Pennsylvania:

H. R. 6460. A bill to authorize the furnishing of motor equipment to seriously disabled veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. LYNCH:

H. R. 6461. A bill to include the Virgin Islands in certain titles of the Social Security Act; to the Committee on Ways and Means.

By Mr. McCORMACK:

H. R. 6462. A bill to provide for making certain Navy Department articles and equipment available for use at the convention of the Veterans of Foreign Wars to be held in Boston, Mass., in September 1946; to the Committee on Naval Affairs.

H. R. 6463. A bill to provide for making certain War Department articles and equipment available for use at the convention of the Veterans of Foreign Wars to be held in Boston, Mass., in September 1946; to the Committee on Military Affairs.

By Mr. COLE of New York:

H. R. 6464. A bill to amend section 108 of the act approved April 30, 1946 (Public, No. 370, 79th Cong.); to the Committee on Insular Affairs.

By Mr. JENNINGS:

H. R. 6465. A bill to authorize a preliminary examination and survey of the Big South Fork River and its tributaries, in the State of Tennessee, for flood control, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. LEMKE:

H. J. Res. 354. A joint resolution to provide for the designation of the Park River Dam and Reservoir project in Walsh County, N. Dak., as the Homme Reservoir and Dam; to the Committee on Irrigation and Reclamation.

By Mr. CELLER:

H. Res. 622. Resolution to investigate into the propaganda activities of the Arab League in this country; to the Committee on Rules.

By Mr. ELLSWORTH:

H. Res. 623. Resolution requesting the Reconstruction Finance Corporation to make periodical reports to the House regarding premium payments made under section 11 of the Veterans' Emergency Housing Act of 1946; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 6466. A bill for the relief of Veto (Nee) Roberts and her son, Philip Gordon Marais; to the Committee on Immigration and Naturalization.

By Mr. CANNON of Florida:

H. R. 6467. A bill for the relief of Harry V. Ball; to the Committee on Claims.

By Mr. GAMBLE:

H. R. 6468. A bill for the relief of Joseph Fountain; to the Committee on Claims.

By Mr. HAVENNER:

H. R. 6469. A bill for the relief of the estates of Harold P. Stites and William A. Miller; to the Committee on Claims.

By Mr. KLEIN:

H. R. 6470. A bill for the relief of Antonio Sorotas; to the Committee on Immigration and Naturalization.

By Mr. LEMKE:

H. R. 6471. A bill to authorize the Soil Conservation Service Administrator to sell certain submarginal lands in Billings County, N. Dak.; to the Committee on the Public Lands.

By Mr. McGEHEE:

H. R. 6472. A bill for the relief of John E. Peterson, James M. Hiler, Vivian Langemo, Floy Sibrie, and Ross Lee Brown; to the Committee on Claims.

By Mr. MILLER of California:

H. R. 6473. A bill for the relief of William H. Powell and Loretta B. Powell; to the Committee on Claims.

By Mr. SIKES:

H. R. 6474. A bill for the relief of Mrs. Hazel W. Macdonald; to the Committee on Claims.

By Mr. TOLAN:

H. R. 6475. A bill for the relief of the estates of William A. Miller and Harold P. Stites; to the Committee on Claims.

H. R. 6476. A bill for the relief of the legal guardian of Robert Whitehead, a minor; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1886. By Mr. HANCOCK: Petition of J. Carlton Hurley and other residents of Onondaga County, N. Y., requesting that Congress pass a resolution authorizing the President and the Secretary of Agriculture to issue directives preventing the use of grain for the manufacture of alcoholic beverages; to the Committee on Agriculture.

1887. Also, petition of Mr. and Mrs. Frank E. Stebbins and other residents of Onondaga County, N. Y., requesting that Congress pass a resolution authorizing the President and the Secretary of Agriculture to issue directives preventing the use of grain for the manufacture of alcoholic beverages; to the Committee on Agriculture.

1888. By Mr. LUTHER A. JOHNSON: Petition of J. R. Jones, Mexia, Tex., opposing tax exemption for co-ops; to the Committee on Agriculture.

1889. By Mr. KEOGH: Petition of workers of Columbia Machine Works, Inc., United Electrical, Radio and Machine Workers of America, Local No. 475, CIO, in support of the extension of OPA and against any crippling amendments; to the Committee on Banking and Currency.

1890. By Mrs. NORTON: Petition of the executive committee of United States Employment Service Employees, Local No. 968, American Federation of State, County, and Municipal Employees, Trenton, N. J., urging that appropriate action be taken to insure adequate financing for the full continuance and operation of the United States Employment Service; to the Committee on Ways and Means.

1891. By Mr. VOORHIS of California: Petition of Theo P. Schubert and 508 other operating and nonoperating railroad employees, requesting the enactment of legislation by the Congress providing for the payment of pensions of $150 a month to men retiring from railroad employment after 30 years' service or at 60 years with two-thirds of such pensions paid to the widow of such a man; to the Committee on Ways and Means.

SENATE

FRIDAY, MAY 17, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, without whose guidance our wisdom is but folly, keep us this day in serene sincerity of purpose with the seal of understanding charity upon our lips. Save us from being embittered by ingratitude, pettiness, or meanness, and from turning coward in the day of battle. May we be satisfied with nothing less than our best, however difficult and testing the duty before us. May the voice of the past warn us of paths which lead to national disaster, may the voice of the present call us to be prophets of good will in today's crisis, and may the voice of the future challenge us to a golden day when earth's dismal deserts shall blossom into gladsome gardens. In the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 17, 1946.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WALTER F. GEORGE, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

KENNETH MCKELLAR,
President pro tempore.

Mr. GEORGE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 16, 1946, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On May 15, 1946:

S. 1442. An act for the relief of George O. Weems; and

S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia.

On May 16, 1946:

S. 842. An act for the relief of the Elmira Area Soaring Corp.; and

S. 2101. An act to amend the Trading With the Enemy Act, as amended, to permit the shipment of relief supplies.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its

reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5560. An act to fix the rate of postage on domestic air mail, and for other purposes; and

H. R. 6335. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes.

LEAVE OF ABSENCE

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to be absent from the Senate until Tuesday evening.

The ACTING PRESIDENT pro tempore. Without objection, consent of the Senate is granted.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

PRINCETON UNIVERSITY BICENTENNIAL COMMISSION

The ACTING PRESIDENT pro tempore. The Chair appoints the Senator from Kentucky [Mr. BARKLEY], the Senator from Pennsylvania [Mr. GUFFEY], the senior Senator from New Jersey [Mr. HAWKES], and the junior Senator from New Jersey [Mr. SMITH] as the members on the part of the Senate of the United States Princeton University Bicentennial Commission, established by Public Law 367, approved April 26, 1946.

The President pro tempore serves as ex officio under the terms of the resolution.

PETITION

Mr. CAPPER presented a petition of sundry citizens of Orosi, Calif., praying for the enactment of Senate bill 599, to prohibit the advertising of alcoholic beverages in newspapers, periodicals, and motion pictures, and over the radio, which was referred to the Committee on Interstate Commerce.

PROTEST AGAINST RESTORATION OF FOOD RATIONING

Mr. CAPPER. Mr. President, I have received a letter from Lem Coffey, manager of the Service Supreme Groceries, Wichita, Kans., protesting against Mr. Bowles' suggestion that food rationing be restored. I ask unanimous consent to have this letter printed in the RECORD and appropriately referred.

There being no objection, the letter was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

SERVICE SUPREME GROCERS CORP.,
Wichita, Kans., May 14, 1946.

The Honorable ARTHUR CAPPER,
United States Senate,
Washington, D. C.

Subject: Food rationing and black market.

DEAR MR. CAPPER: We, as a group of grocermen representing 72 retail stores of Wichita and surrounding territory, employing a combined force of approximately 300 employees, wish to voice our protest against Mr. Bowles' suggestion that food rationing be restored.

We believe that this is unnecessary and simply a means for OPA perpetuating themselves in office and working an undue hardship on the retail merchant and all other distributors of food.

Also, we believe that if all restrictions and price controls were lifted from the meatpacking industry that the problem of meat shortage would automatically correct itself. The retail merchant in this territory is confronted with a serious problem in combating the black market, which seems to be flourishing just outside of the city limits of Wichita. This is a serious situation confronting the legitimate retailer who is unwilling to buy meat on the black market.

We sincerely hope that you will use your influence to correct this situation.

Yours very truly,

LEM L. COFFEY,
Manager.

RESOLUTIONS OF YOUNG REPUBLICANS OF FOURTH CONGRESSIONAL DISTRICT, EMPORIA, KANS.

Mr. CAPPER. Mr. President, I have received a resolution adopted by the Young Republicans of the Fourth Congressional District at their annual meeting held at Emporia, Kans., on May 5, opposing legislation which extends price control in this country for an unlimited length of time; also a resolution urging the Congress of the United States to enact legislation which would give enlisted men the same rights of terminal leave pay as that enjoyed by officers of the armed forces. I ask unanimous consent to have these resolutions printed in the RECORD and appropriately referred.

The ACTING PRESIDENT pro tempore. Without objection, the resolutions will be received, appropriately referred, and printed in the RECORD.

To the Committee on Banking and Currency:

"Whereas it is brought to the attention of the Fourth District Young Republican meeting at Emporia, Kans., on the fifth day of May, 1946, that legislation extending the OPA is before the Congress of the United States: Therefore be it

"*Resolved*, That the Young Republicans of the Fourth District go on record as opposing legislation tending to extend price controls in this country for an unlimited length of time.

"That when items reach a point in production where their removal from price control would not incur danger of inflation, they be removed from price control.

"That amendments which tend to relieve gross inequities in price structure and that would further encourage increased production of commodities needed by consumers of this country be incorporated in any legislation affecting extension of OPA.

"DEL ROSKAM,
"Chairman.

"Attest:

"W. G. LEONARD,
"Secretary."

To the Committee on Military Affairs:

"Be it resolved by the Young Republicans of the Fourth Congressional District in convention assembled, That the Congress of the United States be urged to enact legislation which would give to enlisted men the same rights and privileges of terminal leave pay as that enjoyed by officers of the armed forces.

"DEL ROSKAM,
"Chairman.

"Attest:

"W. G. LEONARD,
"Secretary,"

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BROOKS, from the Committee on Commerce:

S. 1809. A bill to revive and reenact and amend the act entitled "An act authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky," approved July 18, 1939; without amendment (Rept. No. No. 1354).

By Mr. OVERTON, from the Committee on Commerce:

S. 1922. A bill to revive and reenact the act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Santee River, at or near Leneudes Ferry, S. C., approved August 18, 1941; without amendment (Rept. No. 1355);

S. 1963. A bill authorizing the Indiana State Toll Bridge Commission to construct, maintain, and operate a toll bridge or a free bridge across the Ohio River at or near Mauckport, Ind.; without amendment (Rept. No. 1356);

S. 1984. A bill authorizing the Indiana State Toll Bridge Commission to construct, maintain, and operate a toll bridge or a free bridge across the Wabash River near Mount Vernon, Ind.; without amendment (Rept. No. 1357);

H. R. 5187. A bill granting the consent of Congress to the Norfolk & Western Railway Co. to construct, maintain, and operate a bridge across New River near Radford, Montgomery County, Va.; without amendment (Rept. No. 1358);

H. R. 5357. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Monongahela River, at a point between the Boroughs of Elizabeth, in Elizabeth Township, and West Elizabeth, in Jefferson Township, in the county of Allegheny, and in the Commonwealth of Pennsylvania; without amendment (Rept. No. 1359); and

H. R. 5387. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Monongahela River between the Borough of Belle Vernon, Fayette County, Pa., and the Borough of Speers, Washington County, Pa.; without amendment (Rept. No. 1360).

By Mr. KNOWLAND, from the Committee on Commerce:

H. R. 3565. A bill to authorize the charging of tolls for the passage or transit of Government traffic over the San Francisco-Oakland Bay Bridge; with amendments (Rept. No. 1362).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOWNEY:

S. 2209. A bill for the relief of the estates of William A. Miller and Harold P. Stites; to the Committee on Claims.

By Mr. TYDINGS:

S. 2210. A bill to provide for the return of certain securities to the Philippine Commonwealth Government; to the Committee on Territories and Insular Affairs.

By Mr. McMAHON:

S. 2211. A bill for the relief of Marie Volpe, administratrix of the estate of Leonard R. Volpe, deceased; to the Committee on Claims.

By Mr. MAGNUSON:

S. 2212. A bill for the relief of William D. Brooks; to the Committee on Claims.

By Mr. SHIPSTEAD:

S. 2213. A bill to extend to January 1, 1948, the time within which the States may construct or acquire toll bridges and make them free bridges, securing reimbursement from Federal-aid road funds for a part of the cost

of constructing or acquiring such bridges; to the Committee on Commerce.

S. 2214. A bill for the relief of Marvin Sachwitz; to the Committee on Claims.

By Mr. STEWART:

S. 2215. A bill to abolish the Office of Price Administration and to transfer certain of its functions to the Secretary of Agriculture and the National Housing Administrator; to the Committee on Banking and Currency.

By Mr. FERGUSON:

S. 2216. A bill for the relief of Steve Zevas; to the Committee on Immigration.

S. 2217. A bill to authorize the Commandant of the United States Coast Guard to accept reenlistments and extension of enlistments of certain individuals for duty at lifeboat stations during the year 1946; to the Committee on Commerce.

By Mr. YOUNG:

S. J. Res. 161. Joint resolution naming the dam and reservoir to be constructed on the South Branch of the Park River in North Dakota the "Homme Dam and Reservoir"; to the Committee on Commerce.

By Mr. GEORGE (for himself and Mr. BUTLER):

S. J. Res. 162. Joint resolution extending for 7 months the period of time during which alcohol plants are permitted to produce sugars or sirups simultaneously with the production of alcohol; to the Committee on Finance.

AMENDMENT OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—AMENDMENT

Mr. MURRAY submitted an amendment intended to be proposed by him to the bill (S. 2028) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

HOUSE BILL REFERRED

The bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

THE BUSINESSMAN AND CONGRESS—ARTICLE BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD the text of an article entitled "The Businessman and Congress," written by him for the May, 1946, issue of Commerce magazine which appears in the Appendix.]

THE SURPLUS-PROPERTY SCANDAL—ARTICLE FROM THE NEW YORK SUN

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article from the New York Sun of May 16, 1946, entitled "Congress Investigates Scandal in Sale of $100,000,000,000 War Goods," written by Phelps Adams, which appears in the Appendix.]

SHOULD PRICE CONTROL BE CONTINUED?—DEBATE BETWEEN MERRYLE STANLEY RUKEYSER AND SAMUEL W. LEVITTIES

[Mr. BROOKS asked and obtained leave to have printed in the RECORD a radio discussion on the "Wake Up America" quiz-debate on the subject Should Price Control Be Continued? participated in by Merryle Stanley Rukeyser and Samuel W. Levitties on April 30, 1946, which appears in the Appendix.]

THE TAKE IT EASY PROGRAM FOR ACCIDENT PREVENTION

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a letter addressed by the American Automobile Association to the President of the United States, the President's answer, and a statement by the American Automobile Association, respecting the Take It Easy program for accident prevention, which appear in the Appendix.]

SOCIAL SECURITY—ADDRESS BY SENATOR MURRAY

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an address entitled "The Role of Social Security in the Future of America," delivered by Senator MURRAY at the West Virginia University convocation on May 8, 1946, which appears in the Appendix.]

HUMAN RIGHTS IN A WORLD ORDER—ADDRESS BY SENATOR MURRAY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address entitled "Human Rights in a World Order," delivered by Senator MURRAY before the Committee of Catholics for Human Rights, in New York City on May 10, 1946, which appears in the Appendix.]

THE ST. LAWRENCE SEAWAY—EDITORIAL FROM THE DETROIT NEWS

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "Seaway Opponent Is Far From the Truth," from the Detroit (Mich.) News of May 10, 1946, which appears in the Appendix.]

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Virginia [Mr. BYRD], as modified, as a substitute for section 8 of the committee amendment on page 28.

The Senator from Idaho [Mr. TAYLOR] has the floor.

Mr. WILEY. Mr. President, will the Senator from Idaho yield?

Mr. TAYLOR. I am happy to yield to the Senator from Wisconsin; but for what purpose, may I ask?

Mr. WILEY. I desire to ask unanimous consent to have printed in the Appendix of the RECORD an article from the New York Sun in relation to the surplus property scandal. I also desire to ask unanimous consent to have printed in the Appendix of the RECORD the text of an article I wrote for the May 1946 issue of the Commerce magazine, and I wish further to ask unanimous consent to offer to the pending bill an amendment to establish compulsory arbitration in utilities and vital Nation-wide industries in order to protect the public interest and to ask that the amendment be printed in the RECORD, that it be printed in the usual form, and lie upon the table, and in connection therewith I ask that I may be permitted to speak 3 minutes in explanation of the amendment.

Mr. BARKLEY. Mr. President, reserving the right to object, which I am not going to do in this instance, I want to say that I deplore the practice that has grown up here of Senators who have the floor yielding to other Senators to make speeches, whether on the subject under debate or on other subjects. It is a vicious practice; it is a violation of the rules, and any Senator who does it automatically loses the floor, if any other Senator makes the point of order. It ought not to be indulged in. I make this statement because I am going to cooperate with other Senators in an effort to break up the practice of the Senator who has the floor farming it out, as we call it, to other Senators. It has been done during the last month to an extent that I have never before observed in the Senate. It ought not to be indulged in. I am not going to object to the request of the Senator from Wisconsin, but I feel that I ought to make the statement I have made for the future.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Wisconsin may proceed.

Mr. WILEY. Mr. President, I offer an amendment to the pending bill to establish compulsory arbitration in utilities and vital Nation-wide industries in order to protect the public interest.

This amendment is integrated with other amendments prepared by a group of minority Senators to the Case bill, H. R. 4908.

I have on countless occasions in past years suggested on the floor of the Senate that nothing short of compulsory arbitration machinery would save this country from the paralysis of ruinous strikes such as we are now experiencing. I feel now that with the strike crisis acute, with a Nation-wide railroad strike threatening tomorrow, a resumed coal strike looming ahead, a maritime strike and so on, and with this legislation long overdue, it is imperative that this body enact now some such legislation as I am introducing.

This amendment follows the general pattern of the accepted procedures of the Railway Labor Act, except that it makes arbitration compulsory rather than merely voluntary. I may say, too, that the amendment profits from several of the valuable elements incorporated in the industrial relations bill, S. 1171, introduced by the Senators from Minnesota [Mr. BALL], New Mexico [Mr. HATCH], and our former colleague from Ohio, Mr. Burton.

REASONS FOR AMENDMENT

I should like now to make certain points regarding this amendment:

First. Mere mediation and voluntary arbitration machinery are not enough to save America from strike chaos. Of course, such machinery must and should be used to the fullest extent. The compulsory arbitration which I now propose would go into effect only after the previous machinery had been fully exhausted.

I believe that it is inconceivable, however, that we should rest our hopes in mere "chance machinery" such as mediation and voluntary arbitration. I believe that a Nation which can and did take 16,000,000 men from its farms, its schools and its industries and place them

in the uniform of our country, can and should enforce compulsory arbitration in order to save the very values for which those men sacrificed so much.

I want to point out that:

(A) We are living in an atomic age when attack can come in a matter of minutes from rockets and guided missiles, and that, therefore, it is essential that our industrial machinery be preserved from an internal Pearl Harbor such as a disastrous strike.

(B) We are living in an economically complex age when every part of our economy is interdependent with every other part and is particularly dependent on such vital services as electricity, transportation, communications, and so forth.

(C) We are living in a revolutionary age in which we are contesting the world-wide forces of communism, dedicated to the proposition that the State must be all-powerful and that the individual is of no account.

In our own country the Reds and Pinks and other radicals are up to their ears, fomenting disunity and discontent in the ranks of labor and in the public and in promoting strikes.

In view of all this, it is inconceivable that we should allow ourselves to engage in mere wishful thinking and mere hopes that strikes will be settled voluntarily.

Second. No one regrets more than I the necessity for compulsion. I would infinitely prefer that right reason would prevail and that both labor and management would be free to engage in voluntary mediation and arbitration. But right reason does not always prevail as has been proven so many times in the past when labor leaders and men of management have forgotten their obligation to the public interest.

Third. I believe that if Congress does not enact compulsory arbitration machinery now, then Congress and the American people will have great cause to regret that decision in the months and the years to come.

America has been burnt, not once, but many times, by relying on wishful thinking and chance machinery to settle labor disputes. Perhaps she must be burnt still more before Congress has enough guts to enact such machinery as I propose. I deeply regret that my beloved country should have to undergo another burning in the fire of ruinous strikes, and that is why I am proposing this legislation now in the face of the very obvious opposition to it on the part of irresponsible labor bosses and, yes, of some irresponsible management bosses.

I ask that the amendment submitted by me be printed in the RECORD, printed in the usual form and lie on the table, and that a statement explanatory of the amendment may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, the amendment will be received, printed in the RECORD, printed in the usual form, and lie on the table, and the explanatory statement submitted by the Senator from Wisconsin will also be printed in the RECORD.

The amendment intended to be proposed by Mr. WILEY to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, is as follows:

On page 19, line 14, strike the period at the end thereof, insert a comma, and add the following: "except as specifically provided."

On page 24, line 22, strike the period after the word "act" and insert in lieu thereof the following: "except as otherwise provided by the provisions of this act relative to compulsory arbitration."

At the proper place in the bill, insert the following:

"SEC. —. (a) When the Federal Mediation Board finds and determines that a labor dispute affecting commerce, which is not settled or adjusted under other provisions of this act, or under the Railway Labor Act, as amended, if subject thereto, (1) involves an industry engaged in the production of goods or services which are essential to the public health, safety, or security, or to the normal functioning of the national economy, or which are furnished by a public utility whose rates are fixed by governmental agency, State or Federal, and (2) threatens or has resulted in such interruption of the furnishing of such goods and services as will endanger the public health, safety, or security in the Nation as a whole or any part thereof, or as will so substantially interrupt commerce as seriously to disrupt the functioning of the national economy, or in the case of public utilities as will substantially interrupt the furnishing of an essential monopolized service, then the Board shall so notify the President. Upon receipt of such notification, the President is authorized to require submittal of the dispute to arbitration by a board of seven persons (or, if the parties so stipulate, three persons).

"(b) Within 20 days after notice from the President to the parties to the dispute or their representatives that the dispute shall be submitted to arbitration, it shall be the duty of the parties and their representatives to enter into an arbitration agreement covering all the questions involved in the unsettled controversy. The parties shall have no power to withdraw questions submitted or to terminate the arbitration except upon written settlement of such questions or of the controversy, respectively, filed with the board of arbitration. Such settlements shall be effective for at least 6 months from the date thereof. In case of failure or refusal of the parties to execute such an arbitration agreement, the Board shall name the arbitrators and shall present to the board of arbitration a submission in behalf of the parties which shall conform as nearly as may be to the requirements for an arbitration agreement. Neither a board of arbitration named pursuant to the arbitration agreement nor a board of arbitration appointed by the Federal Mediation Board shall be limited or restrained in the exercise of its power to make a binding award by the failure or refusal of any party, or of all parties, to participate in the proceedings.

"(c) The provisions of section 7 second through section 9 of the Railway Labor Act, as amended (U. S. Code, title 45, secs. 157 second through sec. 159) shall govern arbitration conducted under this section to the extent that such provisions are not inconsistent with this section. Where used in the aforesaid sections of the Railway Labor Act, for the purposes of this section the term 'carrier or carriers' shall mean the employer or employers parties to the dispute and/or their representatives; the term 'employees' shall mean the employees parties to the dispute and/or their representatives; the term 'board of arbitration' shall mean such boards established under this section; the term 'Mediation Board' shall mean the Federal Mediation Board; and the term 'chapter' or 'act' shall mean this section.

"(d) Notwithstanding the provisions of the Railway Labor Act, for the purposes of this section:

"(1) A board of arbitration shall have the power to grant or deny in whole or in part the relief sought by any parties on any question submitted.

"(2) The provisions of section 7 (f) of the Railway Labor Act, as amended (U. S. Code, title 45, sec. 157 (f)) relating to filing the award with the Interstate Commerce Commission and to the effect of such award on the powers and duties of the Commission, for the purposes of this section shall be applicable only to awards in proceedings under this section to which carriers subject to the jurisdiction of the Commission are parties: *Provided, however,* That in all proceedings under this section involving carriers or public utilities whose rates are fixed by governmental agency, a certified copy of the award shall also be furnished to such agency and no such award shall be construed to diminish the powers and duties of such agency: *Provided, further,* That in the case of any award which grants an increase in wages or salaries, a copy of the proposed award, together with copies of the papers and proceedings and a transcript of the evidence taken at the hearings, all certified under the hands of at least a majority of the arbitrators, shall, before the award is filed for judgment thereon, be furnished to the Stabilization Administrator while such office exists, and a certified copy of such proposed award shall also be furnished the parties. The Stabilization Administrator, if in his judgment such action is necessary to prevent wage or salary increases inconsistent with the purposes of the Stabilization Act of 1942, as amended, shall have the authority to require by directive that the board of arbitration reduce its award to such maximum increases as in his judgment are consistent with the purposes of said act. Failure on the part of the Stabilization Administrator to exercise such authority within 15 days after the receipt of the award, papers, proceedings, and transcript and to issue such directive to the board of arbitration shall be deemed approval of such increase for all purposes under the stabilization laws and Executive orders and regulations issued thereunder. As soon as practicable after receipt of the directive from the Stabilization Administrator the board of arbitration shall amend its proposed award accordingly and issue the award so amended as a final award and the same procedural and substantive provisions shall apply thereto as to any award under this section, except that no award shall be held not to comply with the stipulations of the agreement to arbitrate or of the submission in behalf of the parties by the Federal Mediation Board because of the time consumed in conforming to this proviso or because the award grants or denies wage or salary increases in conformity with the directive of the Stabilization Administrator.

"(3) In the case of an arbitration agreement providing for a board of seven arbitrators the parties shall choose four and the arbitrators or the Federal Mediation Board, as the case may be, shall name three, all in the manner provided in section 7 second (b) of the Railway Labor Act aforesaid.

"(e) If an award is set aside in whole or in part and the parties do not agree upon a judgment to dispose of the subject matter of the controversy, the Federal Mediation Board shall reinvestigate the matter. If it makes the findings described in subsection (a) of this section, it shall so notify the President. The President is then authorized to require

resubmittal of the matters in dispute to arbitration pursuant to the provisions of this section and further to require that no person who was a member of the previous board of arbitration shall serve on the new board.

"(f) The duties of employers and employees and their representatives involved in the dispute, and the penalties for breach thereof, as set forth in section 3 of this act, shall continue from the date of the requirement of submittal to arbitration until the entry of final judgment upon an award, or until termination of the proceeding by written settlement, as the case may be. Any such settlement, as well as settlement of particular questions by agreement of the parties at any stage of the proceedings, shall be enforceable under the provisions of this act relating to enforcement of collective-bargaining contracts.

"(g) Unless in the arbitration agreement the parties stipulate for a longer period, an award shall continue in force for 6 months from the entry of final judgment thereon. During such period it shall be the duty of the employers and employees and their representatives involved in the dispute to adhere to the terms of the award and to refrain from strikes, lock-outs, and concerted slowdowns of production. Section 3, subsections (c), (d), and (e) of this act shall exclusively govern any breach of such duties.

"(h) Impeachment of awards under this section, provided for by reference, shall be the exclusive method of judicial review thereof."

The explanatory statement presented by Mr. WILEY is as follows:

EXPLANATION OF PROVISIONS OF SENATOR WILEY'S AMENDMENT TO CASE BILL

INTRODUCTION

The premises of the proposed compulsory arbitration amendment are three.

First, labor disputes of the character described in subsection (a) should not be permitted to interrupt production because the damage to the public weal outweighs the possible gains to either of the parties obtainable by strike or lock-out.

Second, the compulsory features should not hamper the freedom of the parties to settle their dispute by negotiation.

Third, there should be a time limit on any award or settlement achieved by or during compulsory arbitration. In light of these premises such an act must provide for the maintenance of the status quo ante pending arbitration, for full freedom during arbitration to settle controversies by agreements, which will be effective for some minimum period of time, and for a time limit upon the award.

PROVISIONS

This amendment provides that upon the conditions described in subsection (a) the President may require the parties to submit to arbitration. The parties have 20 days to draw up an agreement to arbitrate covering all the issues, but if they fail or refuse to do so, the mediation board may appoint arbitrators and execute a submission on behalf of the parties, subsection (b).

From the date of requirement of submittal to arbitration to the entry of final judgment upon an award, the same duties to restore the status quo and to refrain from strikes, lock-outs, and slow-downs, as are applicable in the Ball-Taft-Smith cooling-off period amendment to section 3 of the committee bill apply to the parties, subsection (f). These provisions are designed to maintain production.

Subsection (b) leaves the parties free to settle all or any part of their dispute during proceedings. Such settlements must be effective for 6 months. This is to prevent collusive settlements to defeat the arbitration and resume industrial warfare.

Subsection (f) makes such settlements enforceable as collective bargaining contracts under the provisions of the Ball-Taft-Smith amendment relating thereto. It is to be noted that all provisions of other proposed amendments made applicable to this section are merely incorporated by reference.

The amendment places a 6 months limit on the duration of the award after judgment thereon unless the parties agree to a larger period, subsection (g). This is the same period that any settlement is to remain in effect, subsection (b). Since neither settlement under the pressure of arbitration proceedings nor the award itself can be considered wholly voluntary, and since conditions in the industry may change, a time limit of 6 months seemed fair.

The arbitration provisions of the Railway Labor Act, incorporated by reference, guide the arbitration and judicial proceedings on the award, so far as such provisions are not inconsistent with the amendment. The voluntary submittal, mutual right to revoke, and mutual freedom to withdraw questions, as given by the Railway Labor Act, are excised or modified for the purposes of this amendment. Under the Railway Labor Act judgment on award is enforceable as any judgment. Under this amendment (subsection (g)), violation of the award, strikes, lock-outs, and slow-downs, deprive employees of certain rights under the National Labor Relations Act or as to employers, if they are the violators, constitute an unfair labor practice under such act. These provisions are incorporated by reference to the cooling-off amendment to section 3, abovementioned. This is consistent with the general enforcement provisions of other amendments. Since Congress created the rights under the National Labor Relations Act, it is believed that it can take them away altogether, and that power includes the power to modify them.

No involuntary servitude section appears because the proposed amendment to section 3 of the committee bill contains such a provision applicable to the whole act and the provisions of the Railway Labor Act applicable to this section do also (45 U. S. C. sec. 159, eighth).

Section (d) (2) provides for a review of an award increasing wages or salaries by the Stabilization Administrator while such office exists. The purpose is obvious.

If the award is set aside in whole or part, the dispute is still unsettled. Therefore, subsection (e) provides for reinvestigation by the Mediation Board and resubmittal to arbitration if the President so desires upon proper findings by the Board. The parties can obviate this by agreeing to a judgment disposing of the subject matter of the controversy if they so desire.

The exclusive review provided in subsection (h) is limited to impeachment on grounds of fraud, nonconformity with the act, and nonconformity with the submission to arbitration in order to assure parties a fair determination and at the same time prevent the burdening of courts with all the complex issues already decided by the award.

Mr. WILEY. I thank the distinguished Senator from Idaho for his courtesy in yelding to me.

The ACTING PRESIDENT pro tempore. The Senator from Idaho has the floor.

Mr. BROOKS. Mr. President, will the Senator from Idaho yield to me for the purpose of putting something in the RECORD?

Mr. TAYLOR. I am sorry, but, after the statement of the majority leader, I do not feel that I should yield the floor further. I certainly have no desire to delay the business of the Senate, but it is felt by some that the practice of yielding the floor to other Senators is not proper. I certainly want to yield, but under the circumstances I do not think I should.

Mr. BARKLEY. Mr. President, I wish to say to the Senator from Idaho that I was not objecting to insertions in the RECORD or the introduction of bills, but I do object to having speeches made in the time of another Senator who has the floor. No time is saved, for the same speeches would probably be made anyway. I think the rule as to yielding for a speech should be observed, but I do not object to the insertions in the RECORD or the introduction of bills or other routine matters.

Mr. TAYLOR. I may say to the majority leader that the Senator from Wisconsin told me he would be very brief; otherwise, I would not have yielded to him in the first instance.

Under the circumstances I am happy to yield to the Senator from Illinois.

(Mr. BROOKS asked and obtained leave to have printed in the RECORD a radio discussion on the subject Should Price Control Be Continued, which appears in the Appendix.)

Mr. TAYLOR. Mr. President, I wish to call to the attention of the Senate an extraordinary circumstance, which has come to pass within the last 10 days. It is the fact that the tragic and deplorable plight of the American coal miner and his dependents has finally succeeded in commanding the attention of the American public. The iron curtain, which has been down so long over one of the most miserable phases of existence in the United States, now has been lifted. The lame, the halt, and the blind parade before our eyes.

Were there an orchestral accompaniment, it would be a funeral dirge. The macaber dancers are illness, privation, and death.

We recoil in horror from the scene. Can such things be in the United States? May God forgive us, but they are.

Yet, now that we are witnessing them, what are we going to do about them? The United States does many things for many peoples. Starvation in Europe? Send food. Starvation in Asia? Send food. Financing for the British Empire? Loan her the money. Epidemic in India? Rush doctors and medicines. Earthquakes or other cataclysms—any place? Send help, clothing, food, the means of shelter. There never has been an instance wherein the great heart of America has failed to respond when it learned of suffering and disaster. And it should respond, because we are the fortunate possessors of the most bountiful land in the world.

All right, the conspiracy of silence against the coal miner—the evil fruit of long years of man's inhumanity to man—has come to an end. The American coal miner stands before us, grimy faced and toil worn, underpaid, poorly nourished, horribly housed.

He descends into the blackness of the earth, and all the hazards this connotes, so our homes may be warm, our hearths reflect cheer, and our industries func-

tion. And what does he get out of it—for himself, his wife, and his children?

We know the answer now. We have had it in words and in pictures in three of the newspapers in the Nation's capital. They are the Washington Times-Herald, the Washington Star, and the Washington Post.

I wish to express my appreciation to Mrs. Eleanor Patterson, the editor of the Times-Herald, for dispatching a reporter and photographer to Kenvir, Ky., and for the stark and grim revelations of life in a mining town which resulted from her action.

I wish also to thank Mrs. Agnes E. Meyer, the wife of the publisher of the Washington Post, for her first-hand reporting of conditions in the coal fields.

I desire likewise to pay tribute to Mr. James Y. Newton, of the Washington Star, for his admirable work in bringing to the public the real issues of the coal strike.

There is no need for me to expatiate upon the social degradation that is the unmerited lot of 600,000 American coal miners and their 3,500,000 dependents. The facts are before us.

If the Congress of the United States could meet but for a single day in Kenvir, Ky., the shocking indecency toward and mistreatment of the American coal miner would end forever.

Mr. President, yesterday I was criticized for reading various articles and statements rather than talking extemporaneously. I do not profess to be an expert on very many subjects, and therefore if I can quote from experts I feel that the testimony should have more validity than if I stood here and expressed offhand opinions of my own. For that reason I expect to continue for a short time only, and I shall read at this point a pamphlet published by James F. Lincoln, president of the Lincoln Electric Co., of Cleveland, Ohio, entitled "Intelligent Selfishness and Manufacturing." This is very pertinent to the subject in hand, the question of labor legislation, because it outlines the policies followed by the Lincoln Electric Co., and the very successful labor relations which have resulted from those policies. I read:

INTELLIGENT SELFISHNESS AND MANUFACTURING

Great as American industry is, it leaves largely untapped its great resources, the productive power, initiative, and intelligence latent in every person. The Prophet states it: "Thou madest him to have dominion over the works of Thy hand." That conception is a far cry from the normal evaluation of man by his contemporaries. Truly man is so made but our industrial does not now fully develop these abilities.

There have been many who have guessed what the result would be if a large, intelligently led, enthusiastic organization should use the powers latent in all the individuals to a common end. What would happen when all are equally anxious to produce a product at the lowest possible cost? What would happen when all want to make the wages of all workers, from sweeper to manager, a maximum? What would happen when all want to make the company profitable since it is largely owned by the workers in it?

This cannot be done by human beings except by the exploitation of the driving-force fundamental in all of us, namely, selfishness. Selfishness has a bad reputation but that is because of a narrow conception as to what it really is. No program involving the human race developed as it has been through the ages on the concept of "survival of the fittest" can be founded on any other principle than selfishness. The only necessary corollary to this principle to make it attractive, helpful, and satisfying to all concerned is to make this selfishness intelligent. The greatest heights we attain as humans—patriotism, parenthood, and friendship—are all based on this same human trait—selfishness. The result which can occur when this incentive is tapped can be illustrated by the following example:

The Lincoln Electric Co., of Cleveland, was started by one man with a capital of $150 of borrowed money in 1896 and has had no outside capital since. The company has tried to follow the principle of appealing to the intelligent selfishness of the worker, the manager, and the investor. It has gone along its unique path for a long enough time so that its results are proven. There is sufficient history back of the facts so that no error can be made in appraising the outcome.

The results are:

(a) Lincoln workers, at least in the factory, are the highest paid employees in industry anywhere in the world.

(b) Lincoln workers produce more per hour than any organization making a comparable product in the world.

(c) Lincoln selling prices are less than those of any company making a comparable product. Obviously, companies making specifically competing products must sell at the same price if they are to remain competitors.

(d) Lincoln stockholders have never missed a dividend since the first payment was made in 1918.

(e) The Lincoln Electric Co. does approximately half of the total arc welding business of the United States and more than a quarter of all the arc welding business of the world.

(f) Practically speaking there is no labor turnover.

(g) There is no labor union.

Following is the story of this company's methods used to produce these results:

1914: An advisory board was formed. The basic job of this board is the developing of the normally unused abilities inherent in the organization. In order to bring the intelligence of all people in the organization to bear on the subject this board was chosen from the entire personnel of the plant. This was done by electing one man from each department by the vote of all the people in such department. The foremen in the plant also elected a representative foreman from their group. These men with the plant superintendent and president (who acts as chairman) constitute the advisory board. This board has authority over all matters affecting the man and shop operations. They are the board of directors for the plant.

This is what that board did from 1914, when formed, to date:

1914: Decreased the hours of work from 55 (then standard) to 50, with a 10-percent increase in wage rates. The result of this action was to increase efficiency so that the cost per piece was definitely reduced.

1914: Installed a piecework plan which has been satisfactory to all concerned (both workers and management), without change of this plan to date. The rates are guaranteed by the company after being set by an expert time-study man who has been trained in that department. The worker, however, has a right to eliminate the price by challenge. When this is done the time-study man runs the job himself for a day. Whatever his earnings are, whether higher or lower, is the new price. This price is subject to the same rules as the first one, however. The company can change the price only by changing the method, design, or tooling, thus making it a new job.

1915: Insured the lives of all workers for the equivalent of a year's wages at no cost to the worker.

1918: Tried bonus payment, which was not successful at that time. This was the "silk-shirt era." The amount of this bonus was not a large percentage of the year's wages although it was half of the dividend declared that year. Also, the mutual understanding between management and men which longer experience developed was not then present.

1923: Adopted the policy of vacation of all workers with pay, shutting down the entire factory for this purpose the second and third weeks of August each year. This was a radical departure at that time although it has become more common in recent years.

1925: Sold stock of the company to the employees who desired it, providing the workers had been continuously employed for 1 year. More than half of the normal workers are stockholders. They largely own their own plant.

1929: Established a suggestion system. Suggestions which were accepted, made by any man outside of engineers, time-study men, and others who from the nature of their jobs were responsible for improvement in methods or design, were rewarded in cash. The amount of this award was half of the net estimated saving for the first year of use after acceptance. This plan not only resulted in many good ideas, but it also kept those executives primarily responsible for such progress on their toes.

I may say at this point, Mr. President, that my own experience in a war plant shortly before coming to the United States Senate certainly leads me to believe that the idea of urging the workers to try to find new and better and more efficient ways of carrying on production in a factory should be a good one. In the factory where I worked there was no such program in effect. Frequently I saw operations that could have been shortened immeasurably. For instance, the Army, the Navy, or the Maritime Commission would give the plant a job consisting of the making of a great number of the same article. For the manufacture of the articles, we could have taken a day or two or three and made jigs; that is, frames in which to fit the articles, and then have welded them together just as fast as we could have thrown them into the frames, and could have turned out the whole job in a week or 2 weeks. As it was, no one was encouraged to devise a method to shorten the process. As I have stated before on the floor of the Senate, it was a cost-plus factory. So each article was measured and welded together, and thus the job, which could have been completed in a week or 10 days, would require 2 or 3 months. It was very disheartening. After a while no one tried to introduce improvements. One got to feeling after a while, "What is the use? They do not care whether the work is done efficiently or not. Why should I break my neck to try to speed up the work when we receive no encouragement to do so? If they would simply let us use a little horse sense we could complete the job very quickly."

Mr. President, when businessmen come before the Committee on Banking and Currency and criticize OPA for not using horse sense, my mind goes back to my experience in the war factory.

I continue reading from the pamphlet published by the Lincoln Electric Co.:

1934: Paid the second bonus which started the present bonus plan. This new plan was more workable than that of 1918 and has thoroughly succeeded. This second bonus was paid after the slump of 1929 to 1934 and was perhaps much more attractive because of that. In any case, it had a profound effect and resulted in greatly increased production, interest, and cooperation. These bonuses are based on the success of the company and are distributed on the basis of value of the man to the company for that year. The decision as to division of bonus is made by the president who alone, of all the personnel, gets no part of the money.

1936: Installed an annuity plan so that all faithful workers may be retired with pay when their working life is over. This results in not only rewarding the faithful employee but eliminates him from the possibility of accident which his failing powers may introduce.

1941: Installed a trust-fund plan for the workers.

1914–42: Handled the countless problems which arise in any operation as involved as a large manufacturing plant.

The results of these acts in total are manifold. If they did not increase production at least as much as their cost they would have been impossible. It must be seen in action to believe how great the result can be. No one otherwise can understand the advance that can be made when a man works in his own company, for his own benefit, and with his full enthusiasm.

The following graphs will show what the results of these policies have been.

The booklet contains graphs. Of course, they cannot be printed, so I will turn to the end of the booklet and read from the part headed "Suggestions":

Perhaps the following comments may be valuable in helping others to put in the same or a better method of arousing the intelligent selfishness of their own workers:

1. Management must be able to lead the organization in the direction of more efficient methods as fast as the method can be absorbed by the organization. This will be found to be the chief difficulty in most plants.

2. Management and men are "fellow workers." Neither is superior but each is responsible for their part in the result. Of course, management's direction is unquestioned and enthusiastically followed.

Of course we understand that in this case management includes representatives of labor.

Consequently, management must be made up of the best managerial ability in the organization. When a man with new managerial ability arises he is recognized. When one who is a manager slips he is eliminated. Accomplishing the elimination may give some trouble both in understanding and in doing in some organizations. Management must be able to stand on its record and be accepted by all the workers as being fair, able, and intelligent.

Can it be said that the operators of the coal mines are fair and intelligent, when we see pictures in the newspapers of the miserable housing conditions suffered by workers in the coal mines? Certainly such conditions are not calculated to get the best efforts and cooperation out of a worker.

3. A factory worker cannot express his ideas as well as a trained man of the world but he has them just the same. Management must be able to see, select, grade, and apply these ideas accurately and fairly.

4. The goal of the organization must be this—to make a better and better product to be sold at a lower and lower price.

As I pointed out yesterday, Mr. President, this does not happen in a great many cases. It may have happened in the case of the Lincoln Electric Co. In 1929 production efficiency had increased, but, instead of passing the savings on to the consumers in lower prices, management raised the prices, and the consumers did not have the money to buy the goods. Inventories accumulated, and a breakdown resulted. I predict, Mr. President, that the very same thing is going to happen again. Possibly within two years, and at the outside within five years, the American economy will collapse because of this same procedure—an increase in efficiency of the workers and disinclination or refusal on the part of the managerial end of our production machine to lower prices or increase wages. They could increase wages so that the workers could buy the goods, or they could lower prices so that the workers could buy more goods with their existing pay checks. But they will not do it. They have insisted on price increases in every case in which the workers received a wage increase.

In the questionnaire sent out by former Governor Stassen, of Minnesota, to the Republican rank and file throughout the country he asks, "How are we going to bring wages and the cost of living into balance again?" The cost of living has risen 33 percent, and workers' wages have increased only 15 percent. In other words, prices are going up faster than wages. Who else, may I ask, would get the 18-percent margin except the owners of the factory? So the same thing is happening again.

We can keep our economic machine going for a while because of the pent-up purchasing power that the common people have accumulated during the war, but that will not last forever. As soon as automobiles, refrigerators, washing machines, and many other durable articles start coming off the production lines in great numbers the reserve purchasing power will disappear and current purchasing power will not be equal to production, and our economy will collapse.

Profit cannot be the goal. Profit must be a byproduct. That is a state of mind and a philosophy. Actually, an organization doing this job as it can be done will make large profits which must be properly divided between user, worker, and stockholder. That takes ability and character

5. It must be kept in mind at all times that this is a natural working out of our inherent selfishness. The only difference between the Lincoln Electric Co. and the usual industry is that in this case the selfishness is more nearly intelligent. A sneak thief is selfish but not intelligent. The civil war called collective bargaining is selfish but not intelligent. The exploiting of workmen is selfish but not intelligent. The practice of raising prices in a seller's market is selfish but not intelligent. The charging of "all the traffic will bear" is selfish but not intelligent. War is selfish but not intelligent. The only difference between these acts and the program explained herein is that these acts are stupidly selfish and the activities outlined herein are intelligently selfish. When we as a Nation adopt this principle of intelligent selfishness into our philosophy of life and industry we will have stopped unemployment of the employable, stopped poverty for the able-bodied, and, what is more, we will have gone far toward the elimination of misery no matter how caused.

Mr. President, this pamphlet is very pertinent to the discussion in hand. I am convinced that we cannot enact legislation which will outlaw strikes. We cannot make the miners or any other workers go back to work unless they have conditions which are satisfactory to them. It seems to me that until our industrialists have this intelligent selfishness and take the workers into the business and give them an interest in the business, we are bound to have disputes. I am opposed to any legislation calculated to make it possible to bring laborers or their unions into the courts.

I should like to read an excerpt from a book entitled "Cartels," written by Wendell Berge, and then I shall conclude.

Mr. HICKENLOOPER. Mr. President, will the Senator yield? I should like to read a letter to the Senator and ask for his comments on it.

Mr. TAYLOR. I am happy to yield.

Mr. HICKENLOOPER. This morning I received a copy of a letter from a vegetable packing company in California. The letter is a page and a half long. If the Senator will indulge me while I read it to him, I should be glad to have his comments on it. The letter is self-explanatory. The letter begins "Dear Ed." It is written to a citizen of Iowa, who forwarded it to me, and reads as follows:

DEAR ED: The jurisdictional strife between the AFL and the CIO finally came to a climax last Friday morning when the CIO placed a picket line around our cannery and property with some 400 pickets and goons who blockaded the plant. The only three people who were legally let into the plant were Frank, Dave, and myself. Fired by loyalty and indignation, some of our key employees, along with the majority of our office help, finally managed to get in over the back fence, but not until we had had some violence at the front gate. One of the thugs took a poke at Dave and gave him a beautiful black eye, and two of our office employees were ruffled up very badly before the sheriff and his deputies got here. We are really shut down now.

In order to review the situation for you a little, last fall when most of the canneries were at the minimum of production and employment, the CIO took a vote, and won the cannery election. However, the AFL had it reviewed, and the National Labor Relations Board canceled the election the first part of August when the peak number of cannery employees were on the job. There has been strife between the two unions ever since.

As you remember, during the spinach pack we wrote you a letter saying that we had a ghost picket at the gate placed there by the AFL teamsters to keep their trucks from coming through. We got over that by having the farmers drive their own trucks in the plant, and the employees stayed on the job.

The California Processors and Growers, of which we are members along with 62 other canners, held a meeting at which it was decided the right thing to do was to make an agreement with the AFL, with whom we were signed up before the election until the election ordered by the NLRB could be held in August. At the meeting it was stated there would be no pressure brought to bear

upon the CIO members to sign with the AFL on clearance cards, and they could go on working just the same as the AFL workers. However, the agreement stated that the new employees coming into the plant should sign up with the AFL. This stipulation, I suppose, irritated the leaders of the CIO, who started closing down plants 3 weeks ago. They closed Richmond Chase here in Stockton; Libby, McNeill & Libby, in Sacramento; and us last Friday. It is their policy to close down all the canneries before they will start negotiations.

Now, mind you, there is nothing on our part we can do to stop this picket line. We were beginning our pea pack, the finest quality of California peas ever grown, and would have reached the peak either Friday or Saturday of last week. That pack is now gone. We had hopes of getting into the asparagus pack, and, by the way, had 1,100 boxes of asparagus on the floor ready to be canned Friday morning, which was a total of 2½ days of cutting in the field. This, along with all the peas that were vined at night, were a total loss.

There will be no shipment, nor any business whatsoever transacted while this strike is on. However, the CIO picket line yielded a point this morning when they allowed the keymen in the plant and our office force to come through the gate after we had a meeting here at the plant at 9 o'clock. In this land of plenty, and with crops ahead of us which look like the largest in the history of California, and starving people in the world, we people who want to do the right thing are run by organizations such as the one out in front of our plant; and no law in America will help us do something about it. Will advise you when something more materializes.

The question I should like to ask the Senator—and I ask it without any hostility toward the right of men to organize or the right to strike when a principle is involved—is this: What justification can labor find for striking on a jurisdictional question, in a food industry, when you and I and most of the other people of the United States—and I refer especially to the people of the Middle West—are striving in every way to develop and produce food which not only will feed the people of the United States but will aid in preventing the starvation and devastation of Europe? What justification can a jurisdictional strike have in such a case as that mentioned in the letter I have just read, where no question of working conditions is involved, no question of pay is involved, no question of the economics is involved, but the matter involved is only a division or a discussion or a virtual battle in regard to jurisdiction? I shall be pleased to have the Senator's comments on that point.

Mr. TAYLOR. Mr. President, I am very happy to make a few comments for the benefit of the Senator from Iowa. In my remarks I have at no time undertaken to defend jurisdictional strikes. I am not familiar with what the present machinery is, if any, for handling such matters; but the jurisdictional strike is one form of strike to handle which I feel the Government should have compulsory arbitration machinery.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for another question?

Mr. TAYLOR. Yes.

Mr. HICKENLOOPER. If the Government should have arbitrary power to settle that kind of a strike, is not the principle just the same in regard to any kind of strike?

Mr. TAYLOR. No.

Mr. HICKENLOOPER. In other words, can the Senator from Idaho differentiate between different kinds of strikes?

Mr. TAYLOR. No; the principle is not the same. It is altogether different. I would see to it that we work to secure adequate machinery so as absolutely to prevent jurisdictional strikes. Surely, we can contrive democratic machinery for elections in such cases, and can see to it that they are honestly held. When they are, that should settle the matter; and there should be penalties, in my estimation, to prevent anyone from striking because a jurisdictional strike is settled in favor of one or the other party to the strike.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TAYLOR. I am happy to yield.

Mr. MORSE. I ask the Senator to yield to permit me to make a very brief comment in regard to certain remarks made by my friend the distinguished junior Senator from Minnesota [Mr. BALL], as shown in yesterday's RECORD on page 5098, in the first column.

In fairness to the Senator from Minnesota, as well as in fairness to myself, I think that any basis for any misinterpretation of his remarks insofar as applying them to the junior Senator from Oregon should be cleared up. I say "misinterpretation" because although I am satisfied that the junior Senator from Minnesota was not in fact referring to the junior Senator from Oregon, nevertheless, newspapermen who have talked to me earlier today seem to be laboring under the impression that his remarks were intended to relate to me.

I now read from page 5098 of yesterday's RECORD. The junior Senator from Minnesota said, yesterday afternoon:

> I think it has become perfectly clear that the group of Senators who are opposed to having the Senate vote on any kind of labor legislation which is opposed by the leaders, although not necessarily by the rank and file of organized labor, are determined to do their best to talk the pending legislation to death, in other words, to filibuster. I think it is rather significant that most of these Senators are the ones who have always protested most loudly when any other minority in the Senate attempted the same tactics.

I simply wish to say in regard to securing Senate action on the measure now pending before the Senate that the junior Senator from Oregon was one of the members of the Senate Committee on Education and Labor who took the position in the committee that the measure should be reported by the committee, either favorably or unfavorably, to the floor of the Senate, so that the Members of the Senate could at the earliest possible date vote on it. I announced that I would move to discharge the committee unless it reported the legislation to the Senate. I expressed the hope that it would report unfavorably on the Case bill, which it did.

I wish to say for the RECORD—I think I have made my position clear in the meetings of the Committee on Education and Labor—that I do not favor filibustering against any measure, be it one which I favor or one which I oppose. So far as I am concerned, the junior Senator from Minnesota will find me, in this debate, just as soon as I am satisfied that the debate on the merits of the pending measure has been completed, joining in an attempt to see to it that the discussion ends and that the Senate proceeds to vote.

In the past I have signed cloture petitions. I shall always be willing to sign a cloture petition whenever I become convinced that an attempt is being made on the floor of the Senate to filibuster the measure then pending, I care not whether I am for it or against it.

As I have said to the Members of the Senate earlier in the debate, it is true that I am thoroughly opposed to most of the amendments to the bill now pending before the Senate. Yet I try to be a realist in connection with these matters. I believe a great job has been done in this country in propagandizing and stirring up public hostility against labor, with the result that the American people are now clamoring for antilabor legislation. I believe that they will get it. I do not believe there is anything which will stop it. I believe the Senate is in a mood to pass some antilabor legislation which I think will prove to be in the best interest of neither labor nor industry, and, most important of all, it will prove not to be in the public interest. But I believe also that, under our democratic form of government, whenever the Representatives of the people, in the Congress assembled, are ready to pass such legislation, they should have the right to pass the kind of legislation which they may think the American people want them to pass. Hence, I shall do all that I can from this desk, as soon as I am satisfied that the debate is completed on the merits, to see to it that Members of the Senate have an opportunity to vote on the amendments. If I become convinced that a filibuster is taking place I shall never hesitate to sign a cloture petition for the purpose of bringing about an opportunity to vote.

Mr. President, I close my remarks with this comment: The people of the country who are clamoring for antilabor legislation are apparently going to have to learn at a costly expense to themselves that democracy cannot be maintained when at the same time they seek, as a substitute for the principles of voluntarism on the basis of which democracy rests, government compulsions over the economic and social life of this Nation. One of the characteristics of freemen is that once they come to understand that an injustice has been done them, once they realize that there have been transgressions upon their inalienable rights of freedom, they will rise up against the laws which infringe upon their freedom.

Mr. President, I know that it is not politic, I know that the statement which I am about to make will be subject to misunderstanding, and I know that there may be those who will say that I do not believe in government by law, but I point out to the Senate that we will lose government by law whenever in a democratic society we adopt legal measures which

put too great a strain upon democracy. We cannot have democracy and at the same time, by strait-jacket legislation, impose upon freemen restrictions which they believe to be unjust and in violation of their right to seek a better standard of living through the voluntary procedures of group economic action.

I venture the prediction that when the Senate completes its consideration of the pending measure, and passes the type of legislation which I believe it will pass in response to a momentary Nation-wide hostility to labor, it will have bought for the American people instance after instance of violence and instance after instance of law violation, because as the Government seeks to enforce that type of legislation we will find freemen resisting it, and instead of strengthening government by law it will greatly weaken it.

Mr. TAYLOR. Mr. President, I thank the Senator from Oregon for his splendid remarks. I am honored to have an expression of his sentiments appear in the RECORD along with the remarks which I have been allowed to make.

Mr. President, in concluding my remarks I wish to read a paragraph or two from a book entitled "Cartels—Challenge to a Free World." The author of the book is Wendell Berge, Assistant Attorney General of the United States. I wish that through the medium of the RECORD, or in some other way, I could broadcast to the people of the United States the entire contents of the book and let them see clearly from what direction the real danger lies to our democracy and our free enterprise system. In this particular case the author of the book is talking about patents, and the abuse of patent rights. He says:

> It is ironical but true that while a patent is supposed to give protection and encouragement to the inventor, possession of a patent today is little more than an invitation to predatory litigation. The threat of expensive and protracted patent litigation is perhaps the most effective means by which monopoly enforces its private rule on industry to eliminate competition.
>
> The small businessman facing such obstacles has limited choices of action. He can sue the large group, or risk suit, but in either event will find himself involved in a costly, lengthy process. He generally emerges with a broken spirit and a petition in bankruptcy.
>
> The files of the Department of Justice are crowded with complaints and pleadings of these little men. They have found these handicaps insuperable in their attempts to compete. In giving testimony before the Temporary National Economic Committee, one small manufacturer in the glass-container industry recited a tale which is frequently and tragically repeated throughout many branches of production. This particular witness, sued for infringement on nine or ten counts, stated:
>
> "We naturally were finally forced to hire a patent attorney. We had to acquire the services of a Texas attorney, and I think there are some two or three patent attorneys in the State. They brought us into court in April of 1935, as I recall. Well, when I arrived in San Angelo and met them there in the hotel I can conservatively say there was a half train load of attorneys and equipment. There were motion-picture projectors and attorneys all over the place. I don't know anyone of the Hartford legal staff that was not there. They were prepared to give us a nice battle. Well, I had only one attorney and he was considerably lost in that crowd. I wish you might have seen his face that morning. So I promptly asked for a recess until the afternoon in order to see if we couldn't settle the case out of court."
>
> As the witness testified at the time, the "settlement" was "a sort of slow death arrangement."

That is why I say, Mr. President, that I shall not vote to make it possible to drag labor unions and individual workers into the courts, because great monopolies have the power to keep them continually in the courts. No issue would be settled, because labor would not take it lying down, as many small businessmen have been forced to do. Friction between management and labor would be increased, and more strikes, rather than fewer strikes, would be caused.

Mr. President, I thank the Senate for its kind indulgence. I repeat that in the year and a half during which I have been a Member of the Senate, up until the talk which I am now completing, I addressed the Senate probably not longer, altogether, than an hour and a half. I therefore resent the implications made yesterday on the floor of the Senate that I was in any way indulging in a filibuster. I believe those implications were entirely out of order.

Mr. O'MAHONEY obtained the floor.

Mr. HILL. Mr. President, will the Senator yield to me in order that I may suggest the absence of a quorum?

Mr. O'MAHONEY. I yield.

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Mahoney
Austin	Hayden	Overton
Ball	Hickenlooper	Pepper
Bankhead	Hill	Reed
Barkley	Hoey	Revercomb
Brewster	Huffman	Robertson
Bridges	Johnson, Colo.	Russell
Brooks	Johnston, S. C.	Saltonstall
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capehart	Lucas	Taft
Capper	McCarran	Taylor
Cordon	McClellan	Thomas, Okla.
Donnell	McFarland	Thomas, Utah
Downey	McMahon	Tunnell
Eastland	Magnuson	Tydings
Ellender	Maybank	Wagner
Ferguson	Mead	Walsh
George	Millikin	Wheeler
Gerry	Moore	Wherry
Guffey	Morse	White
Gurney	Murdock	Wiley
Hart	Murray	Wilson
Hatch	O'Daniel	Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Missouri [Mr. BRIGGS], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] and the Senator from Tennessee [Mr. MCKELLAR] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MITCHELL], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The ACTING PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

AMERICAN FAILURE NOW WOULD BE TRAGEDY

Mr. O'MAHONEY. Mr. President, I rise today out of a profound feeling that the United States and the world are facing one of the greatest crises of modern times. By what we do now, by our ability to meet the fundamental issues which are presented, and to rise above the irresponsibility and demoralization which are obvious on every hand, we shall determine, it seems to me, whether or not the world will profit by the American experiment in free government.

No greater tragedy could occur to mankind at this hour than the failure of the American people to compose the differences which are now tearing them apart and to devise a comprehensive policy under which all branches of our economy may cooperate to win industrial peace.

We cannot hope to win international peace while engaged in economic warfare at home.

The time has come for plain speech. Senators gather in committee rooms, they gather in the cloakrooms, they gather at luncheon and at dinner, and in their private conversations they all acknowledge that they never saw a time when conditions were more confused and uncertain, in Congress and in the country, than they are at this moment. Not in 160 years has there been such a situation as that in which we now find ourselves. I say 160 years advisedly, because I am thinking of the conditions which existed after the victory had been obtained by the colonists in the American Revolution.

After the Constitutional Convention had completed its labors, and it was known that an agreement had been reached upon a draft of a new Constitution, Benjamin Franklin, we are told, was leaving the Convention Hall in Philadelphia when he was approached by a woman who sought to inquire what the result had been. "What sort of a government do we have, Mr. Franklin?" she asked. He said, "A republic"; and then added, "if we can keep it."

Mr. President, I think those words of Franklin in 1787 are almost true now. We shall be blind to what is going on in

the world if we do not realize that the very foundations of free government are tottering and that men are turning backward toward central arbitrary power.

Because the people of America had been made free and, under the Constitution, were able to make their own living in their own way, develop the resources of the land, and work for progress, this country became the greatest Nation in the history of the world, the wealthiest industrial Nation, the most productive Nation. We were sheltered by a vast expanse of ocean from aggressor nations which might have desired to seize our resources. We were protected by nature itself, and we were free to develop. Oppressed peoples of all the world came to the United States, and here in freedom they worked out a new era of civilization for mankind. They raised the standard of living higher than it had ever been before anywhere. More of the people in the United States shared in the benefits of prosperity than ever shared in the good things of life on any continent or in any nation.

A FREE WORLD IS ENDANGERED

Now, however, Mr. President, because of the tremendous advance brought about by technological gains and inventive genius, all boundaries have been practically wiped away. The oceans mean nothing now. They are no longer a protection against aggressive warfare. They are not, Mr. President, a protection against the invasion of alien ideas. Everybody knows that the world is now facing the choice between free government and arbitrary government. There can be no doubt about it. We must make up our minds whether we want a free world or whether we are going to permit ourselves to drift into a controlled world. If the world is to be free, then it is to be free for all men, for all races and all classes of men. If it is to be a controlled world, it will be controlled by arbitrary power exercised by private groups, a situation which we describe as monopolisitic imperialism, or it will be controlled by arbitrary government, which we describe as totalitarianism.

We are confronted with that choice, Mr. President. The world is confronted with it. Mankind now trembles upon the very brink of doom, and by what we do in the United States, by our ability to appraise the problems which confront us and our willingness in the democratic manner to reach a solution of them, will depend, in my judgment, whether or not the world will go forward under the principles of democratic freedom, or whether it will go backward to a long period of arbitrary control. How can we hesitate here to make the choice?

Mr. President, the time has come, it seems to me, to make an appeal to the conscience and the good sense of the American people. Perhaps I should not say it that way. Perhaps I should say first that the appeal should be made to the conscience and the good sense of Congress, because, Mr. President, irresponsibility has been exhibited in these halls. I do not charge Members of the House or Members of the Senate with any conscious failure to meet the tragic issue of our time, for I know that there has been such a concentration of difficult and confusing problems that it is impossible to give to each problem the time it deserves. Senators know it is almost impossible to obtain a quorum in any committee of the Senate or the House, but we act as though things were normal and somehow will work themselves out.

Senators talk about streamlining Congress, as though that would clear the air; as though by making fewer committees we would make it more possible for Congress to function. That is not the problem. It is not the committee organization of the Senate or the House that causes the near break-down of legislative government. It is the concentration here in Washington of all the problems of all the people and of all the areas of the United States.

We are beset by problems of debt and taxes. We are beset by problems of wages and prices and profits. We are beset by problems of housing and food and clothing. We are beset by problems of military power—the draft, the merger of the Army and the Navy, the atomic bomb. We are beset by problems of peace. They all crowd in upon the Executive and upon the legislative in such a manner that it is impossible for us to meet our responsibilities.

My heart goes out, Mr. President, to the man in the White House for the burdens that are being carried by him. The same pressures that are exerted upon us are exerted upon him, but a hundredfold greater. It is our duty to frame the laws, but do we not know, Mr. President, that for the past 13 years we have been adopting temporary measures to meet emergency conditions? Law after law is proposed merely to meet a situation as it exists at the moment. Temporary solutions rather than permanent have been the order of the decade.

We talk of free enterprise, and we adopt control measures. We declaim against Federal interference in local affairs, and we pass bills that deliver local areas into the hands of the Federal power. We say that the Government should not spend, but when the crisis comes, even those of us who have said that clamor for the appropriations because they meet the particular exigency which seems in our State or in our district to be the one most necessary to be met.

OUR WHOLE ECONOMY THREATENED

And here we are, after having demonstrated by what was done during this war that the United States has the genius and the capacity to produce beyond that possessed by any other people or nation in history, and knowing this, we are drifting into a state of chaos.

Every little segment of the economy is clamoring to protect its own small interest, and the whole economy is threatened with destruction. This group or that group asks for special legislation to give it a particular advantage. Because we are dominated by fear, it seems that we do not have the courage or the conscience to trust ourselves or our American system.

THE ERA AFTER THE AMERICAN REVOLUTION

I have stated that the condition in which we find ourselves is very much like that which existed after the American Revolution. Last Sunday night I took down Woodrow Wilson's History of the American People. I wish to read a paragraph from page 28 of volume 3. He was describing the situation which existed among the 13 sovereign independent States after they had won their freedom.

> There was everywhere a sort of moral exhaustion, a relaxation of the very principles of just and temperate government which the war had been fought to vindicate; a loss of tone, an excess of perilous agitation.

The words apply at this hour. The time has come for men of tolerance and moderation to look at facts as they exist. We are being belabored by extremists upon both sides, who because they fear the loss of what they have and seek to protect it for themselves, are undermining the whole structure of prosperity and harmony and progress among all of the people of the United States.

O Mr. President, if the United States and the people of the United States who produced in such tremendous quantities to win the war cease now to produce to win the peace because of fancied advantage that this group or that group thinks it may obtain, then we perish and the world perishes with us. Millions of people are starving in Europe and Asia, needing the food which we can produce. We suffered more than one million casualties in this war, a war which was fought, like the American Revolution, to vindicate the great principle of the right of the people to govern themselves. When we look abroad we see that although statism in one form was defeated in Germany and Italy, statism itself still exists; and wherever statism exists, wherever totalitarian power exists, the people are compelled to bow the knee to arbitrary authority.

Woodrow Wilson said that the people of the Thirteen Original States had experienced a moral exhaustion. What about us? What about the demobilization of our military forces before the peace has been wrought and before the principles for which this Nation stands have been made secure? We proved them in war, but we must prove them in peace, and if we delay, they may easily be swept away.

It was just 160 years ago, Mr. President, when Captain Shay, a veteran of Bunker Hill, a veteran of Washington's patriotic Continental Army, led a rebellion in Massachusetts. He and his followers had come to entertain the feeling that because Federal authority was lacking, because there was no stability, because there were injustices, the time had come for insurrection. His movement was typical of the ferment and turmoil visible everywhere through the new country.

Wilson's testimony is not the only testimony we have. I recommend to Members of Congress the reading of Madison's preface to his notes on the Constitutional Convention. He, too, described

the situation that existed among the people of the Original States. He said:

The principal difficulties which embarrassed the progress, and retarded the completion, of the plan of Confederation may be traced to:

First, the natural repugnance of the parties to a relinquishment of power.

Is not that a condition which we see on every hand today—the natural reluctance of the parties to a relinquishment of power?

Secondly, a natural jealousy of its abuse in other hands than their own.

A natural jealousy! We see it everywhere displayed, because fear stalks the land—fear that we may lose what we have, and that by some small and narrow and selfish action we may protect ourselves though the rest of the Nation suffers. It is a pitiful delusion, Mr. President.

Thirdly, the rule of suffrage among parties whose inequality in size did not correspond with that of their wealth or of their military or free populations.

Fourthly, the selection and definition of the powers, at once necessary to the Federal head, and safe to the several members.

Are we not now suffering because of this precise condition with respect to the selection and definition of power? Though it does not affect the basic charter of our national being, it does deal with the whole economic order.

But that is not all, Mr. President. On page 120 of volume 5 of Elliott's Debates I find this most significant paragraph from the pen of James Madison, descriptive of the situation which existed before the Constitutional Convention was called:

As a natural consequence of this distracted and disheartening condition of the Union—

Having described it in more detail than I have read—

the Federal authority had ceased to be respected abroad, and dispositions were shown there, particularly in Great Britain, to take advantage of its imbecility, and to speculate on its approaching downfall.

Mr. President, do we not read in the dispatches which come to us from Paris that at this very hour our allies in winning the war are speculating upon our unwillingness to hold to the line which we adopted in defense of human liberty when we entered the war? Do we not know that, instead of a world negotiation for a world at peace, the Allies have fallen into disunity; power politics has raised its head; and eminent writers of every shade of opinion go so far as to say that Great Britain and Russia are at this hour shaping their policies in the conviction that the United States is weakening and as if there were going to be a third war.

At home—

Says Madison, in writing of the Thirteen Original Colonies—

it—

Meaning the Government—

had lost all confidence and credit; the unstable and unjust career of the States had also forfeited the respect and confidence essential to order and good government, involving a general decay of confidence and credit between man and man.

Mr. President, we are on the very brink of that same disorder now. People are fearful of what will happen next, because we have been dealing, not with the fundamentals of reorganization and reconversion, but only with little segments of it, here and there. We have been drifting along, taking only stopgap measures, hoping that something finally will emerge which will settle our difficulties and restore a feeling of confidence and peace and prosperity among the people.

Mr. President, I have a profound faith and confidence in the people of America. I always have had, and it has always been justified. I think all through the history of this Government, demonstration after demonstration has proved that confidence to be well-founded. The people of the United States will respond to what is fair and just if we who occupy positions of public responsibility will confront the facts as they are. What we need to do is to issue the call to the people of America that this is the hour for all of them to stand together to maintain the very basis of free government and a free economy.

THERE IS PLENTY FOR ALL

There can be no doubt, Mr. President, that if complete cooperation were secured, there would be plenty for all. There would be fair profits; there would be reasonable prices; there would be adequate wages. If, instead of trying to cut this pie before it is baked, we call upon the people of America to bake the pie first, then I say to you, Mr. President, there will be pieces aplenty for all who wish to share. Labor will not suffer, management will not suffer, the farmers will not suffer, no branch of our economy will suffer, provided only we give to the common sense of America an opportunity to express itself, and turn aside from the activity of those who stand upon the extremes.

Mr. President, listen again to Madison as he continues to describe the conditions which existed 160 years ago:

It was found, moreover, that those least partial to popular government—

I ask Senators to heed these words of James Madison—

It was found, moreover, that those least partial to popular government, or most distrustful of its efficacy, were yielding to anticipations, that, from an increase of the confusion, a government might result more congenial with their taste or their opinions.

THE PRODUCT OF CONFUSION

Mr. President, do we not know that those who preach the ideology of the communistic state depend upon confusion to produce it? Wherever totalitarianism has appeared, it has come into existence because the people permitted confusion to blind their eyes and close their minds to the essential needs of freedom. We know that the totalitarian believes that a small group can seize power, if only there is confusion enough. That is the way dictatorship arises.

In the days following the Revolution, when the condition which I am describing in the words of Madison existed, the Army offered George Washington arbitrary power. They said, "Give us the word and we will make you king." It is one of the shining facets of his character that he was able to resist that plea to power. He put the temptation aside, and in due course he presided over the Constitutional Convention, and became the first President of a free Republic, the authority of which flows, in all matters, economic and political, from the people themselves. That is our ideal, Mr. President.

Mr. HAWKES. Mr. President, will the distinguished Senator yield a moment to me? I wish to emphasize a point, if I may.

Let me say that I think the Senator is making a very wonderful speech. I think he is delivering a message to the Senate and to the people of the United States that should be carefully thought over and carefully diagnosed, analyzed, and digested. I wish to emphasize the point the Senator has made about confusion.

The very condition he has described is exactly what I find, not only in the Senate, but throughout the entire United States. I have been talking to people everywhere in our country. Confusion is leading to bewilderment, and the people are distressed and annoyed. Confusion, continued, leads to lack of cooperation, and lack of cooperation, continued, leads to nonproduction of the things the people need, the very necessities of life. And that situation leads to distress and misery, and distress and misery among the people make fertile soil for the planting of false ideologies and false isms.

That is all I wish to say at this point in the Senator's wonderful speech.

Mr. O'MAHONEY. I thank the Senator. I think his remarks are altogether appropriate and consistent with what I have been trying to say.

Mr. President, I interrupted the reading of Madison's description only to make a comment upon the existence of confusion which characterized the period between the victory at Yorktown and the Constitutional Convention. Allow me to read again:

It was found, moreover, that those least partial to popular government, or most distrustful of its efficacy, were yielding to anticipations, that, from an increase of the confusion, a government might result more congenial with their taste or their opinions; whilst those most devoted to the principles and forms of republics were alarmed for the cause of liberty itself, at stake in the American experiment, and anxious for a system that would avoid the inefficiency of a mere confederacy, without passing into the opposite extreme of a consolidated government.

Mr. President, could words more accurately describe the situation as it exists today? The fundamental difficulty existing among us now is the fear of a great segment of the people that there are loose in the Nation those who would take advantage of confusion in order to establish their own type of arbitrary control. On the other hand, there are those who push away every suggestion of constructive reform, because of the fear that it may destroy the very basis of liberty.

AN APPEAL TO THE CONSCIENCE OF THE PEOPLE

That was the situation which existed from 1783 to 1787. Mr. President, if Senators will read the accounts of the

debates held in the Continental Congress of that time, they will see precisely the same conditions as those under which we now labor. The Members of the Continental Congress were spending their time in trying to patch here and patch there, to do this and to do that, to collect a few taxes so as to pay the national expenses, or to pay the veterans, or to take some action to promote trade and commerce. Because there was great pressure of all kinds of conflicting ideas, and because there was violent controversy, the Members of the Continental Congress were unable to undertake constructive action. So finally the initiative was taken by one of the States to call a national conference, to which all the States would send commissioners to consider all factors of the problem, and make a suggestion for a remedy that would have the support of all. It was an appeal to the good sense and the conscience of the people. The Constitutional Convention was a great triumph of the American spirit of freedom. First of all, the Continental Congress reposed its trust and confidence in those men and in their ability and patriotic devotion to the common good, in their willingness to set aside selfish advantages, in their willingness to balance the interests of the States and preserve the national interest, in their willingness to sacrifice power for local, selfish ends, in order that the power of all might be made secure. That was the Constitutional Convention. It appealed to the patriotic instincts of all the people, and it turned aside from the sniping, from the sabotage, and from the irresponsibility that marked that era. It afforded an opportunity for the people of America to express their willingness—nay, their will—to have a government which would preserve the rights of all.

Such, Mr. President, is the situation which confronts us now. That is why, when bills come upon this floor dealing with the controversial issues which are tearing us apart, we divide into contrary camps and debate about details when we ought to be giving our time and attention to the fundamental which is involved. That fundamental is, Mr. President, the development of an economic rule of order that will release the tremendous capacity of America to produce, and by producing teach the totalitarians and the monopolists that there is enough to go around in a really free economy.

O Mr. President, we stand at the very entrance of the land of promise. We need only the courage to enter it. If we do not enter it we will wander in the desert for generations. We know what we have been able to do. It is absurd to contend that the Nation which produced the armament that crushed the Axis—Germany, Italy, and Japan—cannot repeat the performance in a campaign for prosperity and peace.

We will not be able to solve the question now confronting us by a resort to force. If any substantial group of the people of America believe that force is being exercised against them, regardless of whether in fact it is being exercised or not, the result will be the same. I know that whether Americans reside on the farm or on the ranch, whether they are employed in the shop or in the professional office, whether they are in the ranks of management or in the ranks of labor, their hearts are all essentially sound, and they believe in America. I know that they believe in freedom and justice for all. They do not want to have anyone receive an advantage over another. They would welcome an opportunity to find a solution which would do justice to all. It is for us to give it to them. I believe that we can do so, Mr. President.

What America needs at this moment is an economic constitution just as, 160 years ago, it needed a political Constitution. The present situation has come about through perfectly natural forces which could not be resisted. Because of the progress which has been made by science and invention, our economy has ceased to be an individual structure and has become a structure of great organizations. Persons talk about the expansion of the power of the Federal Government, but it has been taking place for more than 50 years under all sorts of administrations, both conservative and progressive.

The Federal power has increased because conditions made it necessary that it should increase. When the railroads spread across the continent, and were no longer capable of being regulated in the public interest by the States, Congress by law created the Interstate Commerce Commission. Democrats and Republicans alike participated in enacting that law, and from that day down to this, when problems which were no longer capable of being solved locally have arisen, then national solutions were provided. So, a short time ago Congress passed the airport bill. There was no great division over that. It was passed by the Senate and House without any extended debate or division as to its essential provisions, because it was recognized that the Federal Government had to act to preserve the public interest, even though its takes the National Government into thousands of local communities.

We passed a housing bill a few days ago because we needed emergency housing, and though many of us object to Federal spending, though we object to subsidies, we disregarded our feelings and subsidies were written into the law because it happened to be necessary because the Federal Government had to act; and if it had not acted, there would have been chaos.

I could relate the history of the expansion of trade and commerce, and cite instance after instance, in Democratic administration and in Republican administration, when the Federal power to regulate was expanded. Mr. President, I very well remember, for example, the time when President Harding signed the Packers and Stockyards Act and gave the Secretary of Agriculture the power to provide regulations to govern packing houses and stockyards. So it is we are driven by hard facts to an expanded Federal Government, but we have done nothing to preserve local and individual authority. We have not developed the rule of order our organized economy demands.

We talk about government of men and government of law. Emergency after emergency has arisen in this country, and the President, during such emergencies, disregarding Congress, has called individuals together to try to suggest some remedy. When the depression struck during the administration of President Hoover, he called the businessmen to the White House to work out a remedy by personal action. He had to step outside the customary machinery of government. All through the Roosevelt administration the same thing happened, and it is happening now. President Truman called a labor and management conference in the hope that somehow or other it might, by personal action provide a remedy.

THE PUBLIC INTEREST COMES FIRST

Mr. President, I venture to say that no rule of order can be provided in any partial conference, and by that I mean any conference which represents only a part of the people. It is the public interest which must be safeguarded in the present crisis and we must find a way to protect it; we must find a way to appeal to the conscience of the people of America.

THE ECONOMIC COUNCIL AVAILABLE

I think it can be done, Mr. President; I think the means are at hand. On February 20, 1946, the President gave his approval to an act to declare a national policy on employment, production, and purchasing power, and for other purposes. Congress saw the necessity for action, and it created the machinery by which action could be obtained. There was a great debate about that measure. It was called the full employment bill. It is now called the maximum employment law.

There was a perfect example of how the fear, of which I have spoken, confuses issues. Many who criticized the bill were fearful that it meant a move to the left, to open the door to communism. Many who were for the bill felt that those who were resisting it were resisting it because they did not want to see full employment brought about.

Neither of those suspicions was correct. The Congress and the people of the United States wanted only to provide an opportunity for reconversion which would make it possible for us to do in peace what we had demonstrated we could do in war. The bill was finally enacted. It has given us the machinery we need, but we are not taking advantage of it.

Let me deal first with the laxity of Congress, because unless we expose our own failure, we cannot venture to point a finger at the failure of anybody else. Section 5 provides:

> There is hereby established a Joint Committee on the Economic Report, to be composed of seven Members of the Senate, to be appointed by the President of the Senate, and seven Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The party representation on the joint committee shall, as nearly as may be feasible, reflect the relative membership of the majority and minority parties in the Senate and House of Representatives.

Then in the next paragraph of this section, describing the function of the joint committee, I find this:

It shall be the function of the joint committee * * * from time to time to make such * * * reports and recommendations to the Senate and House of Representatives as it deems advisable.

Mr. President, that is the committee which should be appointed and put to work. The Joint Committee on the Economic State of the Nation should be appointed, and should be appointed without delay to tackle the problems which are arousing both fear and anger. Charged with a grave national duty I am certain it could inspire confidence.

But equally important, Mr. President, indeed more important, is section 4 which creates the Council of Economic Advisers. I read section 4 (a):

There is hereby created in the Executive Office of the President a Council of Economic Advisers (hereinafter called the "Council"). The Council shall be composed of three members who shall be appointed by the President, by and with the advice and consent of the Senate, and each of whom shall be a person who, as a result of his training, experience, and attainments, is exceptionally qualified to analyze and interpret economic developments, to appraise programs and activities of the Government in the light of the policy declared in section 2, and to formulate and recommend national economic policy to promote employment, production, and purchasing power under free competitive enterprise.

There is the mandate, Mr. President. There is the instrumentality by which we can get to the fundamentals of the issues which are tearing us apart and rendering impossible the production which alone will save us.

What were the purposes declared in section 2? I read that section:

SEC. 2. The Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power.

Does anyone doubt, Mr. President, that if the policy of that act were carried out our troubles would begin to fade? All that is needful, as I said at the beginning, to make an appeal to the conscience of the people of America now to go to work while the agency created by the Congress also goes to work to prepare recommendations to provide employment, to increase production, to raise purchasing power. Is not that the objective of us all? Is not that the objective of labor? Is it not the objective of management? Have we faith in ourselves? Have we faith in our own Government? Have we faith in our own instruments, our own system? If we do, then certainly we believe that we ought to give that system a chance to work.

Let the council be appointed, Mr. President. Let the joint committee be appointed. And while they are at work, just as when the members of the Constitutional Convention were at work, let the rest of the economy go to work also. Let us put aside our fears and resort to constructive cooperation. Let us concentrate upon production. And if we do that, trusting to this organization, authorized to be set up by Congress, to work out a rule of order for the distribution of the fruits of production, we shall have prosperity, we shall have good wages, we shall have good working conditions, we shall be able to build anew.

If we do not do that, Mr. President, if we now surrender to our fears, we risk the loss of all the fruits of our victory in this war; we risk the loss of the objectives for which 300,000 Americans laid down their lives, and for which a million others will bear to their graves the wounds of conflict. Nay, more, Mr. President, we shall lose not only the fruits of this victory, but we shall lose the fruits of the victory of the American Revolution, because free government is at stake. We know perfectly well that among the people of the world only the United States and the people of the United States seem to remain firm in their belief in a free government and a free economy. The task is for us to follow the example of the great men who created the Constitutional Convention and made possible the drafting of that charter of free government. If we only have faith in our system and in ourselves we can achieve prosperity for all, and we can set an example to the world demonstrating that freedom is the better policy.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1415) to increase the rates of compensation of officers and employees of the Federal Government.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. OVERTON. Mr. President, in speaking upon the subject matter of the pending bill I wish to address myself first to the amendment proposed by the honorable Senator from Virginia [Mr. BYRD]. Permit me to say at the outset that it is incomprehensible to me that this amendment should have received the very vigorous and vociferous opposition it has met upon the floor of the Senate. There is nothing within the amendment, when properly analyzed, that can be criticized as being harmful either to management or to organized labor or to labor generally. It is an amendment which, in my opinion, meets not only an existing emergency and an existing crisis, but it is an amendment which ought to be embodied permanently in any law dealing with labor problems.

On page 2, line 12, of the amendment, there is contained a provision which I shall read:

(c) The provisions of this section shall not be applicable with respect to * * * any money or other thing of value paid to an organization or fund for furnishing health, welfare, or other benefits to employees and their families and dependents, if both employees and employers are represented in the administration of such organization or fund, with employees having the majority representation if they contribute more than half to the support of such organization or fund and with employers having the majority representation if they contribute more than half to the support of such organization or fund.

There is nothing, therefore, in the amendment that inhibits the establishment of health and hygienic programs, welfare programs, recreational programs, or other programs beneficial to labor. Organized labor can at any time, insofar as this amendment is concerned, adopt such a program, financing it themselves without let or hindrance by the employer or by the Federal Government. The only restriction, the only limitation placed upon such a program is that when a donor makes a contribution to the program the donor shall have a voice in the administration of the program. Is that unjust? Is that unreasonable? Is not that in line with common practice in respect to most charitable donations and bequests? Wherever a donor, a contributor, has an interest in the program, as the operators of mines and the operators of industry and the management of business generally would have, why should he not be given by legislative act a right of representation in the development of that program? It cannot be said that the management, after making the donation, would undertake to abuse such power as the amendment would provide for, because the management has as much interest as labor itself in the health and the happiness, in the pleasure and the recreation of its employees, and in a wise and practical administration of the investment. Management and employees are engaged in a common venture, and what helps labor in the performance of its duty toward production is beneficial to management. What reason would there be for the employer to undertake to run roughshod over any beneficial plan which labor itself might suggest in the development of such a program when it itself is contributing the funds for the financing of it?

Mr. President, to my mind the Byrd amendment, considered in its entirety, finds support on a bigger and broader basis than the one to which I have referred. We are dealing here in the main with collective bargaining. Collective bargaining is certainly not objectionable to the large majority of Members of the Senate. Collective bargaining is not objectionable to the majority of the Congress or the majority of the American people. Collective bargaining is considered by labor as one of the greatest rights vouchsafed to it by the Congress of the United States. We are dealing here with the representatives of organized labor, mainly in connection with collective bargaining. The representatives of organized labor occupy such a

fiduciary relation that they should be above any temptation. It is conceivable that management, desiring to obtain an undue advantage over organized labor, might use a contribution to the representative of organized labor for the purpose of corruption, for the purpose of having the representatives of organized labor ignore the best program for labor and subscribe to what management itself dictates.

The representatives of organized labor should be, like Caesar's wife, above suspicion. When I make that statement I am not making any criticism of John L. Lewis in his effort at collective bargaining at the present time, and in his demand that before the compensation of labor, the housing facilities offered labor, or any increase in safety appliances for the benefit of labor should be considered, at the very outset there should be a contribution, amounting to millions of dollars, to be paid to John L. Lewis himself.

I cannot for the moment say, because I have no proof of it, that Mr. Lewis is being actuated by any ulterior motive or by any hope of personal aggrandizement; but I can say that he is not placed above suspicion, because a number of letters which have come to my office indicate in the minds of some a belief that it is Mr. Lewis' purpose to use this fund not entirely for the benefit of the employees he represents, for their welfare, their recreation, their hospitalization, or their general care, but to use it for his own aggrandizement. Some believe that his motive is pecuniary; others think it is political.

Of course we know, Mr. President, of the huge fund which has been raised by the PAC and the CIO, a fund which is used, and will probably continue to be used, for political purposes. We know that the CIO has gone so far as to undertake to declare that it is its purpose to unseat certain Senators and certain Representatives; and, either openly or by implication, they propose to devote huge sums of money in order to achieve that purpose.

I should like to see a representative of organized labor in collective bargaining freed from such an imputation. It may be that John L. Lewis will use every dollar he can extort from the management of the mines exclusively for the benefit of labor. It may be that he will not use any of it for political purposes; and I am willing to hazard the guess that he will not, in any event, use it for his personal aggrandizement. But John L. Lewis is only one of hundreds of representatives of organized labor engaged in collective bargaining to arrive at agreements between labor and management in the operations of business and industry. While Mr. Lewis may, in the strength of his character and in the sternness of his purpose, hold himself free from temptation if such an opportunity should present itself, I seriously doubt that all representatives of organized labor would be quite that loyal to those whom they represent.

There is no necessity on my part—because the facts are too well known—to call attention to the existence of racketeers in the ranks of organized labor. There are men who have taken advantage of the positions which they occupy in relation to labor to fill their own pockets. What objection, then, can there be to the Congress of the United States, which has granted to organized labor the right of collective bargaining, saying, "We propose to safeguard that right against its abuse by the representatives of labor"? Is there anything unduly restrictive about this amendment? Is it unjust to say that he who makes the contribution shall have a voice in the exercise of a benefit which exists by reason of that contribution?

Mr. President, I cannot see why there is any objection to this particular amendment. While we may have to move with due conservatism and foresight, careful deliberation and consideration of the great issue underlying management-labor legislation, yet I think it is time for the Congress of the United States to act. I believe in organized labor. I believe in the right of labor to organize, and I believe in its right collectively to bargain. But I do not believe in dictators of labor over either management or other industries, or over the American people.

It is not necessary for me to undertake to show the great damage which has already been done by reason of the dictatorship of one man over the labor of one industry in this country. This example may be multiplied by scores yet to come, until in truth and in fact there may be a paralysis of all industry in this country.

Mr. President, as I have said, I am not opposed to organized labor in its exercise of certain legitimate rights. But insofar as labor is concerned, I do not stand here to advocate solely the rights of organized labor. I believe in protecting, insofar as we can legislatively do so, the rights of all labor, whether organized or not organized. While I believe in organized labor, there are practices of organized labor to which I cannot subscribe. Far more transcendental, far more important than the rights of organized labor, is the right of the American citizen who is able and willing to work to have an opportunity to work, and not be denied that opportunity by his fellow laborers because they are organized and he is not organized, or because they pay tribute to a union—pay initiation fees and dues—and he is unwilling to buy his right to work for his bread and his meat in this, the greatest Republic in the history of the world.

When we come to think about it, the most fundamental right which we ought to be able to protect is the right of any American citizen—I care not whether he belongs to a union or does not belong to a union, whether he belongs to this church or does not belong to that church, whether he belongs to this fraternal organization or does not belong to that fraternal organization, whether he belongs to this political party or belongs to some other political party—to have the right, when an employer wants to employ him, to take that employment without having to purchase the right to work from any private organization or from any public organization or from any source whatever. When we depart from that right, I think we are getting into trouble, and I think the history of the last few months shows it and the history of the last few years shows it.

A strike could be broken up, in many instances, if those who were willing to work in place of those who were unwilling to work, could be offered and could accept employment. Why should they not, and why is it not in the interest of the Government to enable them to do it, and why is it not in the interest of the great consuming public of the United States that productive labor should go on?

We started on this reconstruction period, this reconversion period, full of high hopes and full of glamor. The troops had come back, after winning the hardest-fought war and the greatest war in all the history of the world. We expected to go ahead and win the peace. We expected to produce and produce, until production, which enforced idleness had greatly lessened by reason of the demands of war, with a resultant increase in consumer demand, had reached its prewar extent. But we had not advanced far, we had hardly taken a step beyond the threshold of war, when we were met with hostility at home. Here is a Nation hungering for more food. Here is a Nation wanting more clothes. Here are people wanting hundreds of household things for their homes. Across the seas, people are starving for lack of food and are dying of chill for want of raiment; and production is halted in a land where there are hundreds and thousands and millions of able-bodied men who are willing and able to take the places of those who do not want to work and who are unwilling to work. But they cannot do so. They cannot do so, under and by virtue of the protection which the bounty of the United States Government has thrown around those who wish to stand in the picket line and say, "Don't cross it. If you dare cross it, if you dare cross it to engage in production for the people of America and to help the starving people of the world, we propose to manhandle you and keep you out."

Mr. President, is that Americanism? It is true Americanism? It is not the Americanism for which I shall stand. It is a wonder to me and it is a wonder to millions of the American people that the Congress of the United States has permitted this thing to go on, without taking prompt action. It has been said by many—and every Senator within the sound of my voice knows that it has been said—that Congress, if left alone with its own conception of what is right and proper, would not hesitate to enact legislation which would cure the evils under which we are now suffering. But it is said—not merely by letters, but publicly said, said over the radio and in editorials and in magazine articles—that there are a large number of Members of the House of Representatives and a large number of Senators—enough, at least, to have the balance of power—who stand in the way of such legislation because they stand in fear of the retribution and the vengeance which would be visited upon them by organized labor. I am passing no judgment on that situation, Mr. President. For the moment I am not undertaking to criticize Congress, either as a body, or

any Member of it individually. I merely am pointing out that which we all know. The criticism is there.

It is true, Mr. President, that organized labor is a potent force politically in this country. It is a potent force because it is organized and for the most part it votes as a unit. For the most part its members march to the music and follow the flag of the union and go to the ballot box and cast their ballots, as a rule, as the dictators of the organization prescribe that they shall. It is true that in many a congressional district and in many a State the votes of organized labor hold the balance of power. What happens? Oh, the public may be wrong and the public may be right; I am not here to pass judgment upon that. But they say that their representatives in the House of Representatives and their representatives in the Senate dare not align themselves against the wishes—yea, against the dictates—of organized labor, for fear that they will lose their offices at the next election.

There are those who write and tell me that there are Senators and Representatives who have said: "I do not propose to commit political suicide. I can go along with labor 99 times out of 100, but if I do not go along with labor the one-hundredth time it will wreak its vengeance upon me, and my political career will come to an untimely end."

Mr. President, I think that is probably true. I believe that a Senator or a Representative can go along with organized labor day after day, week after week, and year after year, and then, if he dares to stand up once and vote his convictions contrary to the demands of organized labor, and thereby incurs its wrath, he will be blacklisted as a future candidate for election to the United States Congress.

So, Mr. President, it is true that organized labor exercises an unduly potent influence in our legislative councils. I am sure that those of us who have served for years in the Senate recall that when we first came here, we received courteous letters from the representatives of unions, requesting that we earnestly consider such and such a measure, either with the view of opposing it or with the view of supporting it, and stating further that they would very much appreciate our compliance with their suggestions. But today we receive telegrams demanding that we fight for such and such a bill, and demanding that we support it. Those demands are frequently accompanied by the threat, in effect, "If you do not do this we shall defeat you at the polls."

Mr. President, I am not throwing any bouquets at myself for my method of handling such demands. I have received many of them. As a rule, I throw them into the wastebasket. I have been told that if I did not fight such and such a measure, organized labor would fight me. Nevertheless, I fought for the measure. I have also received messages to the effect that if I did not fight for such and such a bill I would be fought by organized labor. I fought against the bill.

I do not think it makes very much difference when we once get the issue clearly before the people. I believe that the majority of the people of this country are patriotic. I believe they are willing to support conscientious representatives of the people who undertake to do their duty as God gives them the light and wisdom to see that duty.

Mr. President, I recall that several years ago I let a contract for the construction of a business building. The contractor was a nonunion contractor, and he employed nonunion labor. My building was picketed by organized labor. They marched up and down, up and down. I paid no attention to them. The work progressed. However, some of my friends put out counter pickets, and they had a number of persons marching up and down. The pickets of organized labor carried banners stating "The Senator is unfair to organized labor." The counter pickets carried banners reading "The Senator is fair to all labor." Of course, I had tried to be fair to all labor. I believe that unorganized labor is receiving a rather poor and shabby deal.

Mr. President, if I may be pardoned for making another personal reference I should like to say that only the other day I wanted to have another building painted. I personally and deliberately employed a nonunion contractor, who in turn employed nonunion labor, to do the work. I did so because those men were nonunion members and could not obtain employment. However, they were American citizens and were friends of mine. Perhaps more of them voted for me than did those who belonged to unions. But whether they did or did not made no difference to me. They were American citizens who were entitled to recognition, as such, and were entitled to an opportunity to work. I felt no hesitancy in giving them that opportunity.

Mr. President, we are going rapidly from bad to worse. We talk about fighting dictatorship, but we now have a dictatorship over the economic growth and development of our country, exercised through the heads of great institutions of organized labor. Today the miners—how many are there?

Mr. BARKLEY. There are approximately 500,000 bituminous-coal miners.

Mr. OVERTON. Very well. Approximately 500,000 American citizens are at the beck and call of one man. Today they drop their picks and shovels at his beck and call, and pick them up at his beck and call. Tomorrow they will do the same. The coal-mining industry is standing paralyzed, and countless other industries are being subjected to the virus of a creeping paralysis. Dictatorship is on the march, and we stand here doing nothing. I am no prophet, but I make the prediction that, as much as I regret it, if this Congress adjourns by the middle of July, no legislation worth while will have been enacted to prevent a continuance of the present strangulation of American industry and American business at a time when we are trying to reconvert a great people, a great republic, a great commonwealth, to a new life, new aspirations, and new hopes.

Mr. President, I wish to speak plainly. I am sick and tired of this situation. I should like to see the leadership of the Senate and the leadership of the other House take a forward and progressive stand in this matter. I know that my feeble voice will reach scarcely anywhere, but there is one vote, namely, my own, which will be cast to eradicate any malpractices on the part of organized labor.

Mr. President, behold organized labor publicly and brazenly declaring that it will purge the House of Representatives and the Senate of Members obnoxious to them and will substitute them with men who will do their abject bidding and be their abject slaves in the halls of the greatest legislative body in the world and in all human history.

There is one answer, and only one answer, and I hope it will be a practical one. The great majority of the people are interested on the other side. The great majority of the American people are the consuming public. It is the consuming public who are the greatest sufferers. The losses they suffer are not compensated for. Labor may be compensated by higher wages, and by this and by that, management by higher prices, but what the consuming public loses is gone forever; and they are in the overwhelming majority. Why, then, do they submit? They have the answer in their own hands.

I had the pleasure only day before yesterday to write to a prominent citizen of Louisiana who was severely criticizing Congress, including me, for our inaction in this great crisis. I said to him, in effect, "The fault lies not so much with us as with you, my dear sir and friend; with you and the countless other millions of American citizens. You have the remedy. Why do not you and other prominent citizens get together and organize a consumers' union, a consumers' league, a consumers' organization? You suffer at the hands of organized labor, because organized labor votes, and you often do not. Organized labor votes as a unit, and you do not. Organized labor holds the balance of power in many a congressional district, and in many a State, and sends its own Representatives to the Halls of Congress; you do not. The way to fight organized labor is to employ against it the very tactics organized labor uses, that is, to organize and to organize politically."

If that were done and such a program were carried out in a Nation-wide movement, it would gather momentum, and not only would the complexion of the present Congress be changed to advantage, but the very hue and color of the views of some of the present Members would undergo a change, I am quite sure, because, after all, votes are influential, votes are controlling, votes are dominating, and we have to pay heed to the sources from which the votes come.

I do hope, Mr. President, that somewhere in this broad land there will be someone of sufficient know-how, of sufficient courage, of sufficient ability, of sufficient dynamic force, to start a movement which will organize the consumers of this great country into a union in order that they may stand up for consumers' rights in this Nation. Let labor have its just rights, let organized labor have

its just rights, and let the consumers have theirs.

Mr. President, I go now to another theme, which I have already touched on before in the Senate. It would be my own solution for the present debacle in which we are. It was spoken of here this morning, or yesterday, by some speaker.

I suggested months ago on the floor of the Senate that in all major disputes between management and labor the disputes should be carried ultimately before a tribunal whose decision would be final and binding. If two American citizens have an unsettled dispute, they go into court, and the decisions of the courts are binding. They are enforced under the law of our land. As a nation we are submitting our international controversies before an international tribunal. Are organized labor and management so damnably powerful in this country that they rise superior to all the American people, superior to the Nation itself; It would seem so. I think it was the American Bar Association which a few days ago went on record, at least one of its great speakers did, advocating that the tribunal to settle these disputes be our constituted courts of justice. There is no objection to that. Let these controversies be settled in a lawful and in an orderly way, not by ruthless violence, not by political domination or attempted political domination of the Congress of the United States.

If we would pass an act making provision for that, placing the ultimate decision of these controversies in some great tribunal which would have the confidence of the American people, we would not only have gone a long way, but I think we would have succeeded in solving the problem now facing us.

EDUCATIONAL FACILITIES FOR VETERANS

Mr. MEAD obtained the floor.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MEAD. I shall take only about 10 minutes, in placing some excerpts in the RECORD, if it will not discommode my colleague from West Virginia to wait. I shall be glad to yield to him at any time if he sees the hour is drawing near for his departmental appointment.

Mr. KILGORE. Very well.

Mr. MEAD. Mr. President, yesterday before a subcommittee of the Committee on Education and Labor a hearing was held on two bills which I introduced some time ago. They were Senate bill 2085 and Senate bill 1770, and amendments to S. 1770, having as their objective providing our colleges and universities with educational facilities to carry out the GI educational program.

At the hearing yesterday representatives of American colleges and universities appeared and made some very effective and far-reaching statements, some of which I believe are worthy of insertion in the RECORD, for I am sure they will be of great benefit to my colleagues.

I have here a statement of Mr. Ralph McDonald, Executive Secretary, Department of Higher Education, the National Education Association of the United States. Mr. McDonald said:

On behalf of the organized educators of America I want to give the strongest possible endorsement to the bills now under consideration by your committee, S. 1770 and S. 2085. We sincerely hope that these measures, with minor amendments, may be passed by Congress before the summer recess.

A very interesting statement was also made by Mr. McDonald when he said:

In order to present the picture of the need as precisely and as clearly as possible I desire to lay before your committee a factual summary of the urgent needs of 117 representative institutions throughout the country. The type and the control of the 117 colleges and universities included in this summary are as follows:

The type and control of the 117 colleges and universities included in this summary are shown below.

Publicly controlled institutions:	
State colleges and universities	21
State teachers colleges	11
City university	1
State colleges for Negroes	2
State technical and professional schools	4
State junior colleges	3
Local (city, county, or district) public junior colleges	9
Total	51
Privately controlled institutions:	
Coeducational colleges and universities	30
Colleges and universities for men	10
Colleges for women	7
Teachers colleges	3
Junior colleges	11
Colleges for Negroes	3
Technical and professional schools	2
Total	66

Since the colleges and universities covered in this summary are of all types and kinds, the conditions represented by them may be considered typical of the colleges and universities of the Nation.

On the average each of these institutions will have to refuse admission to 316 veterans and 193 nonveteran students next fall unless they can have help in expanding their facilities. The 117 institutions now anticipate that they will have to turn down a total number of 59,533, of whom 36,972 will be veterans. A Nation-wide estimate derived from the reports of these 117 institutions would be that after all available facilities are filled, there will still be possibly half a million or more applicants who can find admission nowhere.

The factors which make it necessary for these colleges to turn down veterans and other applicants are reported by college officials in the 117 institutions.

1. Lack of housing for married veterans with families is a major factor at 55 institutions, or 47 percent of the total number; an important factor at 7 others; a minor factor at 15 others; no factor at 40 institutions, chiefly women's colleges and colleges accepting only day students.

2. Lack of housing for unmarried students is a major factor at 64 colleges and universities, or 55 percent of the total number; an important factor at 9 others; no factor at 27 institutions, chiefly colleges admitting only day students.

3. Lack of housing for faculty members is a major factor at 44 institutions, or 38 percent of the total number; an important factor at 11 others; a minor factor at 25 others; no factor at 37 institutions, chiefly very small colleges.

4. Lack of educational buildings other than housing is a major factor at 69 institutions, or 59 percent of the total number; an important factor at 15 others; a minor factor at 10 others; no factor at 23 institutions.

I come now to item No. 5, shortage of faculty personnel. This is, I think, very important, because we have all felt that one of the great shortages would be in faculty personnel.

5. Shortage of faculty personnel is a major factor at 16 institutions, or 14 percent of the total number; an important factor at 13 others; a minor factor at 39 others; no factor at 49 institutions, chiefly small colleges.

Which leads us to believe that housing and school facilities are the most important of all the items necessary for the proper carrying out of the GI educational program.

The needs of the 117 institutions are summarized as follows: 86 have urgent need for dormitories; 85 are in immediate need for classroom space; 81 need housing for faculty members; 79 must have increased laboratory space and equipment; 75 are in need of additional housing units for married students and their families; 72 have immediate need for student union buildings, YMCA halls, or similar centers; 65 are in urgent need of library buildings, and so forth; 36 need additional administrative buildings; 9 must have dining rooms; 7 are in crucial need of infirmary or hospital buildings; 7 need physical education buildings; 6 need assembly halls or chapel buildings; 2 need fine arts buildings, and so forth.

Four colleges of the 117 find that they can classify their building needs as temporary. Forty-two institutions analyze their needs as partly temporary, partly permanent. Sixty-four colleges and universities indicate that their needs are for permanent buildings only, and that temporary buildings would do them no good.

Mr. President, this is such an important document, coming as it does from a reliable source and explaining in detail the needs of the colleges and the institutions reporting, that I ask that it may be made a part of the record at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF RALPH MCDONALD, EXECUTIVE SECRETARY, DEPARTMENT OF HIGHER EDUCATION, THE NATIONAL EDUCATION ASSOCIATION OF THE UNITED STATES, BEFORE THE SENATE COMMITTEE ON EDUCATION AND LABOR HEARINGS ON S. 1770 AND S. 2085, MAY 16, 1946

(The National Education Association is the professional organization of individuals engaged in education in the United States. It is the official national body of the State and local education associations in all of the States and Territories, having a dues-paying membership of 733,409, or more than 70 percent of all the educators of America. In addition to these members represented through State and local affiliated associations, the NEA has 331,605 members paying dues direct. NEA membership extends into every State and city and into practically every school, college, and university in the United States. The department of higher education is composed of NEA members engaged in college and university education.)

Mr. Chairman and members of the committee, as you know, we are in continuous touch with college presidents, deans, and professors in every higher education institution in the United States.

On behalf of the organized educators of America I want to give the strongest possible endorsement to the bills now under consideration by your committee, S. 1770 and S. 2085, introduced on April 19, 1946, by Senator

MEAD. We sincerely hope that these measures, with minor amendments, may be passed by Congress before the summer recess.

The committee on veterans' affairs of the department of higher education consists of the following: S. E. Crowe, dean of students, Michigan State College, chairman; C. E. Avery, director, bureau of veterans' affairs, University of Minnesota, vice chairman; E. V. Hollis, principal specialist in higher education, United States Office of Education, consultant; V. W. Adams, assistant director extension division, University of Pittsburgh; K. O. Broady, director, university extension division, University of Nebraska; E. R. Eibel, director, veterans' service, University of Kansas; W. R. Goetsch, liberal arts advisory office, University of Iowa; R. R. Hamilton, dean, College of Law, University of Wyoming; J. O. Keller, assistant to the president, Pennsylvania State College; John Lane, director of veterans' affairs, University of Notre Dame; Kenneth Little, director, student personnel services, University of Wisconsin; J. St. Clair Price, dean, College of Liberal Arts, Howard University; F. C. Smith, dean, University of Tennessee; Arthur F. Southwick, registrar and director of guidance, College of Wooster; W. C. Toepelman, director of veterans' affairs, University of Colorado; G. E. Vander Beke, coordinator, veterans' affairs, Marquette University.

Problems related to the education of veterans in colleges and universities were the subject of a National Conference held in Chicago on April 11, 12, and 13, 1946, by the Department of Higher Education. The very problems which are now being considered by your Committee were studied intensively during a three-day period by the most representative group of college and university faculty leaders which has been brought together in recent years. Representing every branch of higher education faculties and every type of institution from 44 States and the District of Columbia, the participants in the Conference were higly selected in their various regions and institutions on the basis of their expert knowledge and of their responsibilities in relation to providing for veterans. A list of Conference participants is attached to my statement for the information of the Committee.

These qualified men and women found one problem arising above all others—the need for buildings and facilities to take care of veterans.

From every institution came reports that veterans are proving to be excellent students, and that practically all of the 417,324 now in college are making splendid records. The question before the colleges is: how can we provide for the tremendous number of veterans and other students who are seeking admission?

By March 31, 1946, the Veterans' Administration had received 1,988,169 applications from veterans for educational benefits, and it appears that possibly half of these veterans want to go to college. It is now a conservative estimate that one milion veterans will by fall be either in college or actively seeking admission to colleges. A survey made in March 1946 by the Veterans' Administration reveals that there will be available this fall in the 1,686 colleges and universities of the Nation only 243,472 vacancies for all types of students—veterans, high school graduates, and all others. Thus it is certain that with only present facilities available literally hundreds of thousands of veterans will be turned away, not to mention the countless other students who will fail to secure admission.

Practically all the colleges and universities are straining every resource to provide for veterans, but most of the hard-pressed institutions are nearing their wits' end.

It is the unanimous opinion among higher education authorities who have studied the problem that enrollment demand will be still greater in 1947 and will continue to rise until at least 1950 before leveling off, with a huge enrollment of veterans continuing through 1955. Normal nonveteran enrollment increases will require further expansion of facilities even after the period of GI education is past.

Measures now developing are intended to provide some additional housing, but plant and equipment facilities are far short of the minimum needed. Without adequate classroom, laboratory, library, and other facilities for the total educational program, it will be impossible to provide courses of accredited standards for these veterans.

Faced with these facts, the National Conference after most careful consideration adopted a resolution and began an earnest movement to bring before Congress the need for immediate aid in providing facilities for veterans. Our committees have been in touch with every college and university in the Nation with respect to these matters, and the support of the Mead bills is the most unified and positive stand I have ever known the higher education people of the Nation to take.

Swarthmore College, for example, will have no need for the aid specified in these bills, but President John W. Nason and faculty members at Swarthmore join all the rest of us in the earnest hope that these bills may be passed. "Many (institutions) simply cannot expand their facilities * * * without Government help," writes President Nason. Mrs. Mildred McAfee Horton, president of Wellesley, likewise desires no aid whatever for her institution, but urges passage of these bills as a real need both for veterans to be served in other institutions and as a means of relieving the terrific enrollment pressure on the women's colleges.

On the other hand, many institutions—and this number is literally hundreds—simply cannot meet their needs without Government aid. Most of them have exhausted every resource, and I know of several which are faced with the necessity of dipping into endowment funds—one institution of which I know is by dire necessity on the verge of taking $500,000 of endowment funds for building purposes.

In order to present the picture of the need as precisely and clearly as possible, I desire to lay before your committee a factual summary of the urgent needs of 117 representative institutions throughout the country as they try to plan for veterans. These data are based upon official reports received this week from the respective institutions.

The type and control of the 117 colleges and universities included in this summary are shown below:

Publicly controlled institutions:	
State colleges and universities	21
State teachers colleges	11
City university	1
State colleges for Negroes	2
State technical and professional schools	4
State junior colleges	3
Local (city, county, or district) public junior colleges	9
Total	51
Privately controlled institutions:	
Coeducational colleges and universities	30
Colleges and universities for men	10
Colleges for women	7
Teachers colleges	3
Junior colleges	11
Colleges for Negroes	3
Technical and professional schools	2
Total	66

Since the colleges and universities covered in this summary are of all types and kinds, the conditions represented by them may be considered typical of the colleges and universities of the Nation.

On the average each of these institutions will have to refuse admission to 316 veterans and 193 nonveteran students next fall unless they can have help in expanding their facilities. The 117 institutions now anticipate that they will have to turn down a total number of 59,533, of whom 36,972 will be veterans. A Nation-wide estimate derived from the reports of these 117 institutions would be that after all available facilities are filled, there will still be possibly half a million or more applicants who can find admission nowhere.

The factors which make it necessary for these colleges to turn down veterans and other applicants are reported by college officials in the 117 institutions.

1. Lack of housing for married veterans with families is a major factor at 55 institutions, or 47 percent of the total number; an important factor at 7 others; a minor factor at 15 others; no factor at 40 institutions, chiefly women's colleges and colleges accepting only day students.

2. Lack of housing for unmarried students is a major factor at 64 colleges and universities, or 55 percent of the total number; an important factor at 9 others; a minor factor at 17 others; no factor at 27 institutions, chiefly colleges admitting only day students.

3. Lack of housing for faculty members is a major factor at 44 institutions, or 38 percent of the total number; an important factor at 11 others; a minor factor at 25 others; no factor at 37 institutions, chiefly very small colleges.

4. Lack of educational buildings other than housing is a major factor at 69 institutions, or 59 percent of the total number; an important factor at 15 others; a minor factor at 10 others; no factor at 23 institutions.

5. Shortage of faculty personnel is a major factor at 16 institutions, or 14 percent of the total number; an important factor at 13 others; a minor factor at 39 others; no factor at 49 institutions, chiefly small colleges.

In connection with the reporting of a shortage of personnel, several institutions indicated that the shortage of faculty members could be solved by the providing of faculty housing.

We have an analysis of the actual items of building and equipment which would enable these 117 institutions to provide for a large number of those who will otherwise fail to secure admission.

The needs of the 117 institutions are summarized as follows, in the order of their frequency:

1. Eighty-six have urgent need for dormitories for a total of 16,033 unmarried students.

2. Eighty-five are in immediate need for classroom space, the minimum requirement being a total of 1,054 additional classrooms.

3. Eighty-one need housing for faculty members, the critical shortage amounting to 1,204 family units.

4. Seventy-nine must have increased laboratory space and equipment, the exact need varying in institutions according to their programs of scientific instruction and their present facilities.

5. Seventy-five are in need of additional housing units for married students and their families, the total acute need at these institutions being 4,738 family units.

6. Seventy-two have immediate need for student union buildings, YMCA halls, or similar centers of student social, religious, and recreational life.

7. Sixty-five are in urgent need of library buildings, or additions and alerations to present libraries to accommodate more students.

8. Thirty-six need additional administrative buildings to enable them to take care of the increased enrollment.

9. Nine must have dining rooms.

10. Seven are in crucial need of infirmary or hospital buildings.

11. Seven need physical education buildings.

12. Six need assembly hall or chapel buildings.

13. Two need fine arts buildings.

14. Two need greenhouses in connection with their research and experimentation.

15. Each of the following is reported as an urgent need by at least one institution: Music building; bookstore; laundry; heating plant; disposal plant, chemistry building; architecture building; textile building; medical school building.

We asked the authorities in each of these institutions to make a careful analysis of each item in their building needs to determine as accurately as possible whether the need is temporary or permanent.

Four colleges of the 117 find that they can classify their building needs as temporary.

Forty-two institutions analyze their needs as partly temporary, partly permanent. In these institutions as a whole the building needs listed are apparently about 90 percent of the permanent sort. Only housing for married veterans is listed as a temporary need in most instances.

Sixty-four colleges and universities indicate that their needs are for permanent buildings only and that temporary buildings would do them no good.

A fundamental question facing your committee in connection with the pending bills is that of the ability of the institution to finance their own building programs to meet the critical need. We have information from the institutions themselves on this point.

One institution is able to finance its entire program of necessary building alone, and is doing so.

Three institutions can finance nearly all of their urgent needs, but not quite all of them.

Nineteen are able to provide up to 50 percent of the cost of their building programs.

Sixty-six others are in position to provide a substantial portion of the cost, but not as much as 50 percent of the amount necessary right now to cover their critical needs.

Eighteen have no funds whatever available with which to provide for buildings which they need badly.

Ten have no acute building needs at present.

We asked the authorities of the colleges included in the survey to consider the extent to which their needs might be met by the provisions of S. 2085. To make such an estimate was very difficult, because several colleges could easily have their eyes on the same surplus Government building, whereas only one could possibly have it. Also, in many instances the college authorities are so far away from the buildings which might be made available that they can only assume that a building of the type they need might be available.

Nevertheless, the studied opinions of the college authorities themselves on this point may be of some value to the committee.

Four institutions, in the opinion of their authorities, could have their building needs fully met by the transfer of such Government-owned buildings.

Sixty-four institutions might be able to obtain some measure of assistance from this source. In these 64 institutions the officials consider the extent of such assistance to be quite limited in its possibilities, but are anxious that the full measure of relief from that direction be authorized. They feel that the proposal is sound and constructive.

Sixteen institutions would be able to derive little assistance, if any at all, through the provisions of S. 2085, in the opinion of their officials.

Eleven colleges have needs which their authorities consider it wholly impossible to meet, even in part, by the transporting and remodeling of surplus Government buildings.

On the efficacy of the provision of S. 1770, however, there is no question whatever.

Eighty-three institutions would receive just the kind of assistance under S. 1770 which they need to move forward with all their urgent building needs.

Twenty-five additional institutions would be able to proceed with an important part of their critical building programs if they had the benefits of S. 1770 available to them.

The real question before your committee is this: If S. 1770 and S. 2085 are enacted into law, will college opportunities be available to a greater number of veterans than would otherwise be able to enter college?

We asked the officials of the institutions to give the most reliable estimate possible of the number of additional veteran students—over and beyond the number they will admit without these aids—they would be able to provide for if the two bills now pending before your committee are adopted.

Official estimates from the 117 institutions indicate that they can and will accommodate next year, 1946–47, a total of 23,156 additional veterans if they can have immediately the assistance provided by these bills. They indicate that they would expect to provide for 6,861 of these additional veterans under the provisions of S. 2085, and the others under the provisions of S. 1770.

Since time would be required for building, even if these bills are passed and implemented immediately, the number of additional veterans to be accommodated would be considerably greater the following year, the number for 1947–48 being estimated as 30,093, of whom 7,766 would be accommodated under the provisions of S. 2085.

Thus, if we may reliably generalize on the basis of these data from 117 representative institutions, it seems reasonable to conclude that the immediate passage and quick implementation of the pending measures, S.2085 and S. 1770, with building materials and equipment for these purposes given priority, would enable the colleges and universities to provide for 282,390 additional veteran students in 1946–47, for 366,951 additional veteran students in 1947–48, for 416,902 additional veteran students in 1948–49, and for 437,695 additional veteran students in 1949–50.

It is certainly valid and reasonable to say that practically all of these students will otherwise be seeking in vain to secure admission to college.

Mr. MEAD. Mr. President, Mr. Wyatt, Administrator of the National Housing Agency, wrote a letter to the Senator from Montana [Mr. MURRAY] commenting on the bill, suggesting amendments, and otherwise offering some very excellent suggestions. In the letter, Mr. Wyatt made this comment:

S. 2085, introduced on April 19, would enable the Federal Works Administrator to provide needed educational facilities, other than housing, through the use or reuse of surplus structures or facilities under the jurisdiction or control of any Federal agency. I am entirely in accord with the purposes of this bill. The right of veterans to educational opportunities requires the expansion of other facilities besides housing, and these should certainly be made available. Since the bill sets forth a program outside the scope of the National Housing Agency, I shall not comment upon the detailed methods which the bill sets forth to obtain its objective. With the objective I am in hearty agreement.

Mr. President, I ask unanimous consent that the letter may be printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL HOUSING AGENCY,
Washington, D. C., May 16, 1946.

Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MURRAY: In view of the hearings commencing today on S. 2085, S. 1770, and the amendments to S. 1770 introduced on April 19, all sponsored by Senator MEAD, I should like to present the following suggestions:

S. 2085, introduced on April 19, would enable the Federal Works Administrator to provide needed educational facilities, other than housing, through the use or reuse of surplus structures or facilities under the jurisdiction or control of any Federal agency. I am entirely in accord with the purposes of this bill. The right of veterans to educational opportunities requires the expansion of other facilities besides housing, and these should certainly be made available. Since the bill sets forth a program outside the scope of the National Housing Agency, I shall not comment upon the detailed methods which the bill sets forth to obtain its objective. With the objective I am in hearty agreement.

If S. 2085 should be approved, I recommend that the following provision be inserted at the end of section 504:

"(d) Nothing in this section 504 shall affect the transfer to the National Housing Administrator of any structures or facilities requisitioned by him pursuant to section 502 (b) of this act, for housing for veterans and distressed families of servicemen prior to any request therefor made by the Federal Works Administrator pursuant to the authority contained in said section 504."

S. 1770, introduced on January 28, would authorize the National Housing Administrator to provide housing for persons attending educational institutions under the GI bill of rights. In effect, this bill would authorize the Administrator to provide new temporary or permanent public housing of any type for such persons. We in the National Housing Agency do not feel that new temporary public housing should be authorized at this time. Rather we feel that provision of temporary housing should be limited to the re-use program already in effect under title V of the Lanham Act. With regard to permanent public housing, we are not in favor of a program of new Federal construction, but feel instead that the Wagner-Ellender-Taft bill (S. 1592) provides a decentralized public-housing program broad enough to cover the needs in educational institutions, both for family units and for dormitories. This bill has already passed the Senate. Further, other provisions of S. 1592 contain very liberal methods for the private financing of housing at educational institutions. Therefore, we suggest that S. 1770 as introduced on January 28 is in principle less desirable than satisfactory legislation which has already been approved by the Senate, and which is in accord with our general approach to the problem of public housing.

The amendments to S. 1770, introduced on April 19, contain in section 605 an authorization to the Federal Works Administrator to make loans and grants to educational institutions serving veterans under the GI Act, which would enable these institutions to construct and equip educational facilities (including dormitories). This would supplement the re-use program contemplated under S. 2085 with a new construction program. I regard such a program as necessary and desirable, and since it would come under the jurisdiction of the Federal Works Agency, I shall not comment upon the details of achieving this laudable objective. However, I believe that this program as authorized under these S. 1770 amendments of April 19

should be concentrated upon facilities other than housing, and should not include dormitories withcut limitation. I believe it entirely sound, and in accord with views already adopted by the Senate, that any programing or provision of housing facilities, whether dormitories or family units, should be concentrated mainly within the National Housing Agency and not divided between two Federal agencies. If it proves desirable in any particular instance to utilize the facilities of the Federal Works Agency for housing purposes, the National Housing Administrator may do so by delegation. (However, there may be cases where dormitories for educational institutions are so integrated with their other facilities that Federal aid for the expansion thereof should be concentrated within the Federal Works Agency.) With this one change, I favor these S. 1770 amendments of April 19.

If the committee finds merit in my suggestions, they could be accomplished as follows:

S. 1770, as introduced on January 28, should be amended by striking out all after the enacting clause and inserting in lieu thereof the provisions contained in section 605 of the amendments to S. 1770 introduced on April 19. In these amendments of April 19, however, the words "including dormitories" appearing on line 4 of page 2 should be changed to read "including dormitories after consultation with the National Housing Agency." Also, the title of S. 1770 as introduced on January 28 should be changed by striking out the word "housing" in the fourth line of such title and inserting in lieu thereof the words "educational facilities and dormitories."

Because of their interest I am sending copies of this letter to Senator MEAD, Senator ELLENDER, and Senator TAFT.

In view of my desire to get these recommendations before the committee on time for the hearings today, the foregoing recommendations have not yet been cleared with the Bureau of the Budget.

Sincerely yours,

WILSON W. WYATT,
Administrator.

Mr. MEAD. Mr. President, there was also presented to the subcommittee of the Committee on Education and Labor a statement by Dr. John W. Studebaker, of the United States Office of Education, commenting upon the bill. The statement was read by Mr. Kelly of the United States Office of Education. From the statement I read the following:

Within the last few weeks the Office of Education has had occasion to query a representative sampling of American colleges and universities concerning types of services which the Office might provide in helping the institutions to meet their current educational problems. A large proportion of the replies listed housing, either for instructional or for dormitory purposes, as the major problem. As a follow-up, the Office of Education on April 24 sent the following message to the heads of 50 institutions of higher education of all types.

* * * * *

Forty-eight replies were received, and 46 of the institutions stated that they had urgent need of additional dormitories to house large numbers of veterans applying for admission. Forty had building plans ready. Each of 23 of the institutions required accommodations for fewer than 500 additional students. Each of 8 others needed space for between 500 and 1,000. Eight needed to take care of between 1,000 and 1,500 each, and 8 more were each in need of living quarters for more than 1,500 students. One of these last 8, unless Federal assistance is available, states that it will have no accommodations for 3,000 applicants this fall.

Thirty-four of the institutions replied that they could not build a single dormitory without Federal aid. Four said they could, and six said they could build partially, but not completely. Practically all could let contracts for construction almost at once, if provided with priorities assistance, and grants and loans.

Mr. President, I ask unanimous consent to have Dr. Studebaker's statement with reference to the two bills printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF DR. JOHN W. STUDEBAKER, UNITED STATES OFFICE OF EDUCATION, BEFORE THE SUBCOMMITTEE ON EDUCATION OF THE SENATE COMMITTEE ON EDUCATION AND LABOR, MAY 16, 1946

I appreciate very much the opportunity to appear before this committee to present certain facts known to the United States Office of Education on the problems of increased enrollment, overcrowding, and need for additional buildings for both instructional and dwelling purposes in our American institutions of higher education.

Peak enrollment in colleges and universities in the fall of 1939 was approximately 1,360,000 students. Studies of current trends show that we may expect about 1,600,000 or 1,700,000 students to be enrolled in the fall of 1946, and that enrollments will not go below this figure in succeeding years. This is a very conservative estimate, and the likelihood is that it will be exceeded. What it means is that our colleges will have to absorb at least three or four hundred thousand more students than were in attendance a few years ago. And since the student body next fall will include several hundred thousand veterans, considerably older than the average student has been in the past, our institutions of higher education, and the communities in which they are located, will be confronted with the problem of finding a place to live for a large number of wives and children. Rooms and apartments that used to be available in college towns and cities are no longer available. The tight housing squeeze throughout America is too well known to need further elaboration here. It is clear that without some sort of assistance to colleges and universities, serious overcrowding and a dangerous drop in standards of living and of education may become the regular fare we shall be offering veterans and our young people.

Reports coming to the Office of Education from all over the country indicate a pretty standard pattern with regard to this problem. In institution after institution, present facilities are being taxed to the utmost, and colleges are being forced to turn away thousands of veterans and other students who are seeking admission. This applies not only to liberal arts or other undergraduate work but also to professional or graduate schools of all types. And anyone who has visited a few colleges recently knows at once that colleges and universities are overcrowded, not only in their dormitories but also in their classrooms and laboratories, beyond anything they have ever before experienced. The fact that practically all educational construction was halted during the war means also that educational institutions have fallen behind in their building programs.

Within the last few weeks the Office of Education has had occasion to query a representative sampling of American colleges and universities concerning types of services which the Office might provide in helping the institutions to meet their current educational problems. A large proportion of the replies listed housing, either for instructional or for dormitory purposes, as the major problem. As a follow-up, the Office of Education on April 24 sent the following message to the heads of 50 institutions of higher education of all types:

"Consideration being given to including dormitories in Federal public-works program. Please wire collect answers to following questions: 1. Do you have urgent need for additional dormitories? 2. Do you have plans for such buildings? 3. For how many students? 4. Can you build them soon without Federal aid? 5. How soon could contract be let if Government provided priorities for scarce materials and half the cost and, if necessary, loan for balance?"

Forty-eight replies were received, and 46 of the institutions stated that they had urgent need of additional dormitories to house large numbers of veterans applying for admission. Forty had building plans ready. Each of 23 of the institutions required accommodations for fewer than 500 additional students. Each of 8 others needed space for between 500 and 1,000. Eight needed to take care of between 1,000 and 1,500 each, and 8 more were each in need of living quarters for more than 1,500 students. One of these last 8, unless Federal assistance is available, states that it will have no accommodations for 3,000 applicants this fall.

Thirty-four of the institutions replied that they could not build a single dormitory without Federal aid. Four said they could, and six said they could build partially, but not completely. Practically all could let contracts for construction almost at once, if provided with priorities assistance and grants and loans.

It is obvious to anyone that a serious problem exists which requires prompt attention. Devices to work out the problem will have to be considered and studied very carefully. If the solution decided upon calls for Federal assistance, the technical problems involved in establishing relationships and defining specific responsibilities of Federal government, State educational agencies, and the institutions themselves will require painstaking care. In a situation of this sort, where a certain degree of need probably exists on almost every campus in the country, and where assistance will be available for only a selected number of institutions, determining the exact extent of need at a given institution and then establishing a priority of needs among various institutions will call for a highly skilled group of technicians, familiar with the technicalities of college teaching schedules, with enrollment problems, and with methods of building utilization, and with the problems of general educational administration. Whatever arrangements are decided upon for placing this responsibility, adequate provision must be made for an appropriate staff to perform this most essential task of determining fairly and accurately the extent of essential need for each institution.

Mr. MEAD. Mr. President, another witness appeared before the committee, whose statement was very effective, and I shall read a portion of it. Testimony was presented to the committee by A. J. Brumbaugh, vice president of the American Council on Education. Among other things Mr. Brumbaugh said:

The provision for housing an increased number of students has, however, created another problem. It has created a shortage of physical facilities in addition to housing—a shortage of classrooms, laboratories, study rooms, gymnasiums, and dining rooms. There is now no adequate provision to transport temporary structure to meet these needs.

He proceeds to recommend and strongly endorses Senate bill 2085.

Mr. President, I ask unanimous consent to have Mr. Brumbaugh's statement printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF A. J. BRUMBAUGH, VICE PRESIDENT AMERICAN COUNCIL ON EDUCATION, BEFORE THE SENATE COMMITTEE ON EDUCATION AND LABOR, MAY 16, 1946

HOUSING

The American Council on Education is an organization of educational associations and institutions. It is composed of 64 national and regional educational organizations and 782 institutional members comprising universities, colleges, teachers colleges, junior colleges, State departments of education, and city school systems.

Institutions of higher education are deeply appreciative of the concern of this committee and the Congress in assisting them to meet the needs of veterans. The appropriations totaling almost $500,000,000 under the Lanham Act have made it possible for many institutions to accept students considerably in excess of their 1939–40 enrollment. One State university, for example, already has enrollment one-third above its prewar peak, and anticipates an enrollment twice as large as that of 1939–40 at the opening of college this fall. This situation can be duplicated in all of the larger and better known institutions in the United States. But the pressure of maximum enrollments is now also reaching into the smaller institutions.

The provision for housing an increased number of students has, however, created another problem. It has created a shortage of physical facilities in addition to housing—a shortage of classrooms, laboratories, study rooms, gymnasiums, and dining rooms. There is now no adequate provision to transport temporary structures to meet these needs.

Not all institutions will need these additional facilities, for in many of them the greater demand is being met by more continuous use of existing facilities. But there are some which are already using classrooms and laboratories from 8 a. m. to 10 p. m., 6 days a week, yet are still unable to accept additional students because of the lack of instructional space.

It is because of this fact that the American Council's Committee on the Relationships of Higher Education to the Federal Government, at its meeting on May 5, 1946, strongly endorsed S. 2085. The membership of this committee includes the following distinguished educators: Chancelor Harry W. Chase, New York University, chairman; President James B. Conant, Harvard University; President Carter Davidson, Union College, Schenectady, N. Y.; Rev. Edward V. Stanford, Augustinian College, Washington, D. C.; President Raymond Walters, University of Cincinnati; President Herman B. Wells, Indiana University; President Roscoe L. West, State Teachers College, Trenton, N. J.; Dr. George F. Zook, president, American Council on Education, ex officio.

They recommend the quick passage of this legislation and propose only one amendment to the bill as it is now worded. This amendment would make provision for reimbursing institutions for expenditures of their own funds incurred in transporting and reerecting temporary structures. This provision for refund was incorporated in the appropriation for title 5 of the Lanham Act, and it is our judgment that it should be carried over into the proposed new title embodied in S. 2085.

The Committee on Relationships took no action on S. 1770, but rather has submitted a poll to college and university presidents, to procure their judgment on this legislation which would provide grants-in-aid to both publicly and privately controlled institutions for permanent housing. This latter bill, S. 1770, involves the fundamental principle of Federal grants to privately controlled educational institutions for permanent facilities, and as such it was the opinion of the committee that our action should await the expressed judgment of leaders in higher education throughout the United States. In closing these brief remarks, may I again commend the committee and the Congress for the effective way in which you have responded, and for the invaluable assistance you have given to the colleges and universities. It is this kind of cooperation between Government and higher education that is making it possible for our colleges and universities to meet the demand resulting from the generous provisions of the Congress for veterans' education.

Mr. MEAD. Mr. President, just one more statement, and then I shall conclude. I have a report from Col. F. Russell Lyons, colonel, GSC, Chief, Installation Branch, Services Group, ASF, a memorandum with respect to surplus buildings available for disposal. It states the surplus buildings, by States, which are available for disposal and to become available for disposal during the remainder of the calendar year. It is very interesting to note that wherever there is need for a number of buildings in a given State the military has more than that number of buildings in the same State. They are buildings which can very well be used for engineering laboratories, for administration buildings, for classrooms, for laboratories, and for the other purposes for which our universities and colleges stand in need of buildings. Altogether, Mr. President, a total of 32,308 such buildings are surplus now, and there will be 3,048 additional buildings surplus in the third quarter of 1946, and 672 additional buildings surplus in the last quarter of 1946.

So, Mr. President, we have the buildings, and they are located in our military training centers for the most part. Colleges and universities, many of them located at a short distance from the military training centers, have a very pressing need for those buildings. If we are to educate the veterans and carry out the responsibility which is ours, if we are going to meet the obligations under the GI bill of rights, then, Mr. President, all we have to do is to approve the proposed legislation upon which I have just commented, which will authorize the Federal Works Agency to take down and transport and reerect these buildings on the campuses of the universities, and in addition to that, by a system of loans and grants, aid the colleges and the universities in the extension and enlargement of existing buildings and in the construction of new buildings.

Mr. President, I ask unanimous consent that the memorandum from Colonel Lyons be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

Memorandum for Brig. Gen. T. M. Osborne, Deputy Director, Supply Group

Subject: Surplus buildings available for disposal.

1. Reference is made to your informal request for a list, by States, of surplus War Department buildings available for disposal. It is understood that this list is to be used by the Mead committee in their study of the disposal of surplus War Department installations.

2. Accompanying this memorandum is a list showing the number of surplus buildings, by States, available for disposal and to become available for disposal during the balance of the calendar year. No attempt has been made in this estimate to separate the buildings into types and categories. The numbers of buildings are based on an estimate of 400 buildings for 10,000-man capacity in posts, camps, and prisoner-of-war camps, and 60 buildings for a 1,000-bed hospital. Installations transferred or scheduled to be transferred to the Veterans' Administration and buildings transferred to the Federal Public Housing Administration are not included in this list.

3. This estimate, compiled rapidly on the basis of capacity, is necessarily an approximation. The several service commands will be directed to compile and forward accurate counts of surplus buildings within their command by types and categories. These data will not be available prior to May 23, 1946. Advice is desired concerning the amount of time available before these accurate figures will be required for your conferences.

F. RUSSELL LYONS,
Colonel, GSC, Chief, Installation Branch, Services Group, ASF.

Surplus buildings available for disposal

State	Surplus now or prior to June 30, 1946	To be surplus in third quarter, 1946	To be surplus in fourth quarter, 1946
Alabama	1,141		
Arizona	373		
Arkansas	680		
California	1,963	105	
Colorado	388		
Connecticut			38
Delaware	79		
Florida	1,137		
Georgia	1,208		
Idaho	140		
Illinois	467	165	
Indiana	38		
Iowa	402		
Kansas	1,439		
Kentucky			
Louisiana	3,937		
Maine			
Maryland	188	45	
Massachusetts	57		147
Michigan			
Minnesota			
Mississippi	4,419		
Missouri	496	829	
Montana			
Nebraska	142	200	
Nevada			
New Hampshire			
New Jersey	161		
New Mexico	437		136
New York	685	1,699	80
North Carolina	976		175
North Dakota			
Ohio	50		
Oklahoma	567		
Oregon	1,414		
Pennsylvania	23		196
Rhode Island	26		
South Carolina	1,360		
South Dakota			
Tennessee	1,711		
Texas	5,432		
Utah	45		
Vermont			
Virginia	91		
Washington	321		
West Virginia	356		
Wisconsin			
Wyoming			
Total	32,308	3,043	672

JOINT COMMITTEE ON THE LIBRARY

The PRESIDING OFFICER (Mr. HOEY in the chair). The Chair appoints the Senator from Maine [Mr. BREWSTER] and the Senator from New Jersey [Mr. HAWKES] as members of the Joint Committee on the Library to fill existing vacancies.

SPECIAL COMMITTEE TO INVESTIGATE SENATORIAL CAMPAIGN EXPENDITURES, 1946

The PRESIDING OFFICER. The Chair appoints the Senator from Louisiana [Mr. ELLENDER], the Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Iowa [Mr. HICKENLOOPER] as the members of the Special Committee To Investigate Senatorial Campaign Contributions and Expenditures in the 1946 Elections, created by Senate Resolution 224, agreed to on the calendar day of April 1, 1946.

ORDERS FOR RECESS TO MONDAY

Mr. BARKLEY. I ask unanimous consent that when the Senate concludes its deliberations today it stand in recess until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRODUCTION OF SUGARS AND SIRUPS IN ALCOHOL PLANTS—REPORT OF COMMITTEE ON FINANCE

Mr. GEORGE. Mr. President, from the Committee on Finance, I ask unanimous consent to report favorably without amendment the joint resolution (S. J. Res. 162) extending for 7 months the period of time during which alcohol plants are permitted to produce sugars or sirups simultaneously with the production of alcohol, and I submit a report (No. 1361) thereon. This joint resolution was introduced earlier today by the Senator from Nebraska [Mr. BUTLER] and myself.

The PRESIDING OFFICER. Without objection, the report will be received, and the joint resolution will be placed on the calendar.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. KILGORE. Mr. President, unlike some of my colleagues, I wish to speak today for just a few minutes about the man who has not so far been discussed on the floor of the Senate—the common garden variety of coal miner who digs the coal under the ground and puts it on the car.

The soft coal shut-down has presented to the people of America one of the most tragic and bitter paradoxes of our times.

The atomic age may be just around the corner; but the fact remains that we are now living in the coal age.

Our economy, indeed our entire civilization, crucially depends upon continued production of coal.

Without coal, and, without the labor of the men who produce it, our mills, our factories, our ships, our trains, and our public utilities become still and silent. In fact, even our women folk go without stockings; those of us who suffer from diabetes go without saccharin; and those who suffer with headaches go without aspirin.

Coal makes the rest of our national enterprise productive. Without it our entire economy bogs down into helplessness.

Yet, strangely enough we take coal—this vital key to enterprise and production—as a matter of course, as something that just happens, until the source is cut off.

It is not like oil from an oil well, I will say to the Senator from Oklahoma [Mr. MOORE]. When an oil well is drilled and cleaned out, the oil flows, or a pump is used to pump it out. In the case of coal, it is just as though we had to go to the bottom of an oil well with a bucket and bail out every gallon which flowed into the well.

Mr. President, I represent the Nation's largest bituminous coal producing State, and, I know from the tragic experiences of the men living in my own home county that coal is not afforded to man on a silver platter as is all too often thought, and as has been all too often represented on the floor of the Senate. It comes only with the sweat and blood of man—only through the grim, health-destroying, bone-breaking toil of the miner.

It is indeed tragic that while there is no type of labor more indispensable to our economy, there are few occupations more fraught with danger, more decimated by willful negligence and gross neglect of safety.

The coal miner is indispensable to our economy; yet we permit cutthroat employers to exploit him to the utmost. We permit the development of a condition not unlike that which caused the revolution in Ireland. We permit the existence of a condition much similar to that which caused us to shed so many tears over the share croppers and Southern cotton workers, and to enact legislation to cure those evils. We permit many absentee landlords—landlords more interested in profits than the welfare of their employees—to exploit the coal miners; yet many people heap words of scorn upon miners when they strike for better living and working conditions.

Mr. President, there are many coal operators who want to help the miners. We found a paradoxical situation in the county adjoining my home county, in which one operator who had built a railroad bridge to give an outlet to the coal from his mines, which bridge also was used by other operators in the same field, endeavored to enjoin other operators from the use of the bridge because of their bad practices. He was not a "peanut" operator. He was one of the largest operators in the State, a splendid man, who did not want to cut the wages below a decent living standard. He did not want to abuse his men. He went to the courts to try to prevent companies which did exploit their men from using the bridge, which his money had built, to get their coal to market.

There are many coal operators who want to improve living conditions in the mining towns. There are many coal operators who want to improve working conditions in the mines. But their hands are tied by the unscrupulous, powerful, well-financed cutthroat operators more interested in profit than the welfare of their workers.

These operators have plagued the coal industry—and I am speaking from a production viewpoint—by waging price wars reducing prices but maintaining profits at the expense of the coal miner, and sometimes at the expense of the purveyor who furnishes mine supplies and groceries; and also by spot coal shipments, in which the coal sometimes lays on a siding until it sells for 50 cents a ton.

The operator who wants to help his men is forced to string along with the cutthroat operators or face bankruptcy.

Congress, while debating labor laws, has been negligent for 2 years in permitting the continuation of these conditions.

Several years ago a bill, commonly known as the Guffey coal bill, was passed for a 2-year period. It was extended once, but when it came up for its second extension it was pigeonholed in a committee in the House of Representatives. This bill—eliminating price wars—has been collecting dust for almost 18 months.

I ask, how many members of the committee which pigeonholed that bill, which would enable the operator to bargain and fix wages, come from coal-producing States?

Congress can and must help the miner and the mining industry by passing the Guffey coal bill.

In meeting the cutthroat competition many coal operators have operated under a system which denies the miners the ordinary safety which other industries furnish their workers.

The miner is forced, by necessity, to live near the source of coal.

The coal miners in my own home county of Raleigh County, W. Va., have a living standard much higher than that in other soft-coal-producing areas, yet those conditions are pitiful in comparison with the condition of workers in the average company-owned town in other industries.

In many coal-mining towns everything is owned by absentee landlords who have done virtually nothing, in many cases, to help their unfortunate employees.

This is true not only in West Virginia, but in other coal-producing States.

Mr. President, I have before me copies of newspaper articles on this subject. These are not propaganda articles. They were prepared and written by reporters of conservative newspapers such as the Washington Evening Star and the Washington Post. I ask unanimous consent to have these articles printed in the RECORD at the conclusion of my remarks. I shall quote from some of them in my address, but I believe that the entire articles should appear in the RECORD, and I ask unanimous consent at this time to have them printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. KILGORE. Mr. James Y. Newton, of the Evening Star, wrote:

> In the field of things that affect the everyday lives of its workers, the coal industry has done its worst job on housing. Much of it is atrocious.

He used the word "atrocious." I believe no one will deny that the Washing-

ton Evening Star is a conservative newspaper.

The coal-mining towns are bleak, desolate towns. In too many cases miners and their families must live in company-owned, grim, downtrodden shacks.

Mrs. Agnes Meyer, of the Washington Post, went into the coal fields and found living conditions "deplorable," to use her own word.

She wrote:

The miners need a chance to live like human beings.

Yes; they need a chance to live like ordinary, decent Americans in other industries.

Mrs. Meyer also wrote:

They need a chance to escape from the pigsties they are forced to inhabit. They need health instead of filthy water supplies, unsanitary toilets, bad odors, flies, mosquitoes, and the diseases that result from them. They must be assured a living wage. They are entitled to safe working conditions instead of being forced to walk daily into death traps.

In her article written in Harlan, Ky., May 7, she stated:

I have been through the bituminous coal areas of the Appalachian Mountains, where the fatalities read like battle reports from Iwo Jima.

Mr. President, I regret to say that she did not exaggerate.

I wonder how many Members of this body have ever been around a mine when a great explosion occurred? I have had that sad experience on three occasions. I have seen women come to the mouth of the mine with their children, knowing that their husbands were underground, and not knowing whether they were coming back alive, crippled, or dead—not knowing what was going to happen to them. There have been mine disasters in which more than 300 people have lost their lives. I regret to say that Mrs. Meyer did not exaggerate.

When we think of coal for our furnaces, coal for electric lights, coal for transportation, coal to keep our industries in operation, we do not think of the men working 3 or 4, or even 6 miles underground.

The public does not see the conditions which make mine fatalities, as Mrs. Meyer wrote, read like battle reports from Iwo Jima. How many people realize that during the past 40 years the number of outright deaths from all causes averaged almost 2,000 annually? How many people realize that the number injured from 1930 to 1944 totaled almost 67,000 a year, out of 400,000 employed in the mines? How many people realize that the total number of disabled, partially disabled, and temporarily disabled from 1930 to 1944 was 1,004,624, in addition to the number killed, which was 28,000? How many people realize that during normal times most of the coal companies will not employ a man over 45 years of age? That practice is usually followed only in the case of deep-sea divers, caisson workers, and a few other workers who are paid extremely high wages.

How many of the people who are criticizing the miners are willing, knowing those facts, to go into the mines and work under present conditions?

Mr. President, how long are we going to permit the continuation of such conditions?

I am not speaking to the operators and I am not speaking to the miners. I am speaking to the Members of the United States Congress, and particularly to the Members of the United States Senate.

I realize that for what I am about to suggest I shall be accused of trying to violate States' rights; but I wonder how long we can stand by and permit so many people in a single industry to be killed and injured.

I have walked through the entries of mines in which coal dust was above my shoe tops; and coal dust is the most destructive explosive that existed up until the invention of atomic fission.

I ask those who are so eager to excoriate the miner because he strikes in demand of better living and working conditions whether they are willing to go down into the mines day after day and year after year and subject themselves to an occupation which has taken such a heavy toll in human life.

Several years ago a bill was introduced in Congress to create a Federal Mine Inspection Department. That bill, like the other bill I have mentioned, was held in a committee in the House of Representatives for over 3 years. Finally, the United States Senate forced it to conference, where it passed. I give the Senate full credit for its action in that connection. But the bill was not enacted until it had been written so as to give only the right of inspection, but not the right to enforce a standardization of safety laws and practices.

In such a highly competitive industry, is it wise to leave the safety of human beings in the hands of varying standards? Or is it better to have the standards prepared and supervised by a Federal agency composed of experts who know mining—experts who will not permit human life to be sacrificed for the benefit of profit alone.

In virtually every major industry affecting the economy and welfare of our great Nation we have recognized the need for adequate safety standards; yet, in the coal industry—the key to our national enterprise and production—we permit mine fatalities to read—as Mrs. Meyer has said—like battle reports from Iwo Jima.

There are safety standards for the railroads, to protect the crews and the cargo. They are Federal standards; and, incidentally, they are strictly enforced by the Interstate Commerce Commission, and we must admit that the Commission does a very good job.

Once more the anti-labor lobby has rushed into the Halls of Congress with cries for action now.

This is the time for action. But to blindly rush into anti-labor legislation at this time fits only the schemes of the powerful, well-financed anti-labor lobby.

Congress must act in a constructive manner. Would a surgeon paint the surface of the skin to remove a tumor, or would he get to the source of the tumor and cut it out? Congress can no longer shirk its duty to the coal miner. It is the duty of Congress to guarantee the safety and health of workers in an industry as basic as coal mining. By doing so Congress will be taking a long-needed, constructive step toward improving conditions in the mining industry, and it will be taking a constructive step toward minimizing disputes in that vital industry.

If this be a violation of State rights, what do Senators say about a law prohibiting or limiting the manner in which citizens of various States may deal with their employers? If one trespasses on the rights of the States, certainly the same is true of the other.

In the final analysis, Mr. President, we have but two alternatives:

First, we can leave the enforcement of mining standards and practices in the hands of the individual States. But if we are to accept this premise, is it unreasonable to say that we also should ask the individual States to handle mine disputes? If one is a matter of States' rights, so is the other.

The second alternative is this: We can put teeth into the Federal mine-safety bill by affording the Bureau of Mines the authority it needs to enforce its recommendations.

In view of past history, I firmly believe that the latter course is the only course that will provide the necessary improvements in mine-safety procedure.

Let me say that I do not believe we should abolish the State inspection systems. I think that they, in connection with a good Federal system, would produce desirable conditions in the mines, because certainly a double check is not too much to make in the face of such conditions and in the interest of those who work in such an explosive atmosphere.

I propose an amendment to the Federal mine-safety bill giving the Bureau of Mines the authority to enforce its recommendations regarding mining standards and practices.

By way of explanation, let me say that this amendment in no way tends to supersede agreements reached by labor and management regarding compliance with the Federal mine-safety laws.

The purpose of this amendment is clear; it puts teeth into the Federal mine-safety bill.

One of my colleagues from West Virginia, Representative JENNINGS RANDOLPH, the chairman of the Subcommittee on Coal, of the Mines and Mining Committee of the House, is working on another approach to this problem; and I have every reason to believe that a conference will enable Congress to draft an adequate measure to enforce the mine-safety laws.

But, Mr. President, before we try to use pressure and coercion and methods of that type, I think we had better remove the source of the sore spot, by enacting legislation which is demanded by the situation.

The need is great. This is the time for action.

Therefore, Mr. President, I shall offer as a substitute for the pending measure

an amendment to the Mine Safety Act. I shall offer it as an amendment in the nature of a substitute. The amendment is intended as a substitute for the Case bill, and not as an amendment to it.

It is clear that the Senate has set aside other more urgent business in order to consider labor legislation because of the occurrence of the coal dispute. We can make no contribution toward industrial stability by passing hastily drawn, if not ill-conceived, over-all labor legislation directed against workers who have exercised their fundamental right of refusing to remain on jobs under conditions which they find intolerable. Since the plight of the coal miners has brought to the attention of the whole country the hazardous and unsafe conditions which too often prevail in coal mining, the Senate has an opportunity to eliminate one of the causes of the present dispute by putting teeth into the Federal Government's mine-safety inspection law. Immediate action on the proposed mine-safety substitute bill will remedy one of the causes of the coal dispute, and thus will be a lasting contribution to peaceful relations in this basic industry.

Mr. President, let me also say that if the House of Representatives will wake up and if the Ways and Means Committee of the House of Representatives will get on its toes and report the Coal Stabilization Act, so that the decent operators—and there are many of them—can safely deal with their employees and can be sure that they will not suffer as a result of the actions of the cutthroat operators who are willing to operate below cost, at the expense of the miners, we shall eliminate another one of the causes of the coal strike, and we shall do so by means of appropriate and proper legislation which the Constitution contemplates that the Congress of the United States shall consider and, if it deems wise to do so, shall enact.

We should make progress in that way, and not by the passage of, let me say, some kind of a bill of attainder aimed at an individual—as some of the speeches which have been made would indicate that some Member of the Congress might attempt to have passed.

The amendment in the nature of a substitute intended to be proposed by Mr. KILGORE to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, is as follows:

Strike out all after the enacting clause and in lieu thereof insert the following:

"That the first section of the act entitled 'An act relating to certain inspections and investigations in coal mines for the purpose of obtaining information relating to health and safety conditions, accidents, and occupational diseases therein, and for other purposes,' approved May 7, 1941, is amended by adding at the end thereof the following:

"'(f) For the purpose of obtaining such information as may be necessary or appropriate for prescribing regulations pursuant to section 13 and for the administration and enforcement of such regulations.'

"SEC. 2. Such act of May 7, 1941, is further amended by adding at the end thereof the following:

"'SEC. 13. (a) The Secretary of the Interior, acting through the United States Bureau of Mines, is hereby authorized to prescribe reasonable regulations establishing standards and requirements necessary and appropriate for the prevention or amelioration of unhealthy or unsafe conditions, accidents, or occupational diseases in coal mines the products of which regularly enter commerce or the operations of which substantially affect commerce. Such regulations may provide, among other things, that the operations of any such mine shall be suspended in whole or in part upon the order of a coal-mine inspector if he finds in such mine an unsafe or unhealthy condition which is specified in such regulations as a ground for such suspension.

"'(b) At least 30 days prior to the issuance of any regulation under this section or any amendment to such a regulation, notice of the proposed regulation or amendment shall be published in the Federal Register and shall include either the terms or a statement of the substance of the proposed regulation or amendment. Not less than 15 days after the publication of such notice, interested persons shall be afforded an opportunity to submit, orally or in writing, data, views, and arguments with respect to such proposed regulation or amendment. All relevant matter so presented shall be given consideration, and such regulation or amendment shall, before issuance, be revised to the extent which the Secretary, acting through the Bureau of Mines, deems necessary and appropriate in the light of such matter.

"'(c) Whoever violates the provisions of any regulation prescribed pursuant to this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $5,000 or imprisoned not more than one year, or both.

"'(d) Whenever in the judgment of the Secretary, acting through the Bureau of Mines, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any regulation prescribed pursuant to this section, the Secretary may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such regulation, and upon showing that such person has engaged or is about to engage in any such acts or practices a permanent or temporary injunction, restraining order, or other order may be granted without bond.'"

Amend the title so as to read: "A bill to provide for requiring compliance with safety regulations in coal mines."

EXHIBIT A

[From the Washington Star of April 28, 1946]

ATROCIOUS HOUSING IS WORST FEATURE OF MINING INDUSTRY—BOTH OWNERS AND MEN BLAMED FOR CONDITIONS UNDERLYING ECONOMIC CAUSES ANALYZED

(By James Y. Newton)

In the field of things that affect the everyday lives of its workers, the coal industry has done its worst job on housing. Much of it is atrocious. That is true, at least, in the wide area covered by our survey.

And by using the term "coal industry" we do not mean to imply that those who operate the mines should bear sole responsibility for the situation. They must share a large part of it. But in many instances the miners themselves are to blame, at least for the dirty interiors of their houses. John L. Lewis' union should be criticized, too, for there seemed much that organization could do in educating its members in the better ways of living.

Then there is the way this business of producing coal is run. In much of the territory we covered the mining companies do not own the land where they operate. They lease it long-term from the owning land companies, build the house and develop the mine, giving the land companies from 10 to 15 cents in royalties on every ton of coal mined.

When the coal runs out or the operator goes broke, as is frequently the case except in boom times such as these, the houses revert to the land company. They are not torn down. The houses continue to be inhabited until they fall down around the ears of the occupants—or so it seemed to us after observing a number of camps at abandoned mines.

This system does not encourage the building of sound houses or repairs after they are erected. There seemed to be a lively business in the sale of shacks at worked-out mines. There is a housing shortage in the coal fields too. It makes quite a problem for the community and those coal operators who are trying to improve living conditions.

The Norfolk & Western and Virginian Railroads have tremendous holdings of coal land in southern West Virginia. They get a two-way pull on the coal operator—the royalty and the charge for hauling the coal to market. The two are high on the list of the Nation's most profitable railroads.

Generally speaking, the quality of mine housing varied with the prosperity of the coal company. Those companies operating in thick seams of coal do well financially, and the houses of their camps more often than not reflected that fact. Thin-seamed, marginal mines have a hard job of making ends meet even in good times, and their houses showed it. Before the war, coal mining generally was a losing proposition. Mine workers admit conditions have improved the past 10 years, but they said things can be made so much better than they are.

FIND 25 PERCENT HOVELS

It seemed to us, after viewing more than a hundred mining camps in West Virginia, Kentucky, and Virginia, that about 25 percent of the houses are good, 50 percent in a state of needing various degrees of improvement, and 25 percent definitely bad hovels.

Many houses do not have running water, and a bathroom is a luxury in most places. Nearly all appeared to have electricity. Company-owned houses predominate in the areas visited, although some mine workers were said to be building homes of their own. The topography of the coal country limits this trend. Good building sites are few, what with the masses of mountains and V-shaped valleys and a railroad track down the middle.

It was a source of some amazement to us that some of the houses, perched precariously on steep mountainsides, did not tumble off. We mentioned our concern to Charles Kiser, United Mine Workers representative at Williamson, W. Va.

"Well, it just happened," he said. "A house toppled off on a hill at War Eagle. Five people in it. They were all banged up some, but not hurt seriously."

G. W. Griffith, union field man in the Bluefield-Welch, W. Va., area, told us:

"Our people are 50 years behind modern-day living. Only about 5 percent of the houses are good. Very few have bathrooms."

FIGURES SEEM EXAGGERATED

His percentage of good houses seemed exaggerated from our observations, but the housing situation in general has furnished UMW Chief Lewis with a powerful argument in the contract controversy with the operators.

Mr. Kiser said the two best mine camps in the Williamson field, about half of which is across the Tug River in Kentucky, were those of the Red Jacket Coal Corp. and the Eastern Coal Corp. We inspected the latter, located in Kentucky about 8 miles from Williamson.

The company operates four mines and officials told us there were 600 company houses, most of them of four rooms. About 90 percent had running water and 25 percent bathrooms. The exteriors were freshly refinished with composition board. The interiors did

not live up to our expectations. Rent was $2.50 a room per month and $1.50 extra for a bath.

Rentals at Eastern were about the standard for all of the coal areas surveyed. The houses were above average.

COMPLAIN OF LOW RENTS

Some of the mine operators claimed that one reason they could not furnish better housing was because they were paying 1946 wages to the miners and giving them the houses at 1910 rental rates. Frank P. Kerr, Eastern general manager, was one of that group.

"What the hell kind of a house does Mr. Lewis think we can furnish for $10 a month?" he asked.

We talked with some of Mr. Kerr's miners, among them Leon Hackney, 25, who was waiting for a bus. Mr. Hackney strayed from our subject of housing, talked about a lot of things and, when his bus arrived, waved us over to his house and wife. What he said may be of interest, anyway, as an insight into mine life.

He is a native of the area; eighth-grade education; went to work in the mines at 19 and gets $63.50 a week as a brakeman on minecars when he works 54 hours. He arises at 6 a. m., is at work by 7; out of the mine by 4, 6 days a week, says "I'm tired of this 6-day business." Eating in the mine upsets his stomach, as it affects many, so he goes without lunch. He bathes after work and has dinner at 4:45. Afterward he walks "up and down the road," reads a paper or book and retires about 9. Twice a week he breaks his routine and accompanies his wife to the company movie.

PLEASED WITH CONDITIONS

Mr. Hackney doesn't drink. On Sunday he rests or goes to a movie, perhaps in Williamson. He leaves off the movies now because he is broke. All he knows about the miners' contract fight he reads in the paper; he has never seen Mr. Lewis. He would like most the 5-day week and pay boost; doesn't understand the welfare demand. Thinks the house is fine; likes to deal at company store and thinks medical and hospital arrangement good. He attends union meetings twice monthly. Sold his small car recently.

Mrs. Sylvania Hackney didn't see things as rosy as her husband. She has a daughter, 10, by a previous marriage, plus a 4-year-old boy and girl twins and another boy 3 years old. Also living with them are two of her brothers. One is a miner for another company. The other was just discharged from the Army. The first brother, Clayton Stiltner, 37, pays $31 a month room and board; the other nothing so far.

Mrs. Hackney thinks the house a mess inside and she is right. The walls are smoke-blackened, and the whole layout not too clean. She says it has not been painted inside in 35 years. Nevertheless, there was a lot she could do to make it a better place. It is heated by coal grates in each room. There's water but no bath. She says she needs a new coal stove and washing machine. They pay $12.50 a month rent.

The sleeping arrangement was very crowded. Three children occupy the living room; the parents and youngest child a first-floor bedroom. Her brothers sleep in one upstairs room. The other is useless when the weather is bad, because there are no window sashes. They have complained about that to the company.

They have no war bonds or other savings.

"We could have saved something if we tried to, but we're just like everybody else," she said, adding that she had stored away more than $100 in groceries in anticipation of the strike, most of which are gone.

"I think Lewis is doing all he can for the miners, but it seems like there are an awful lot of strikes. They put you behind. By the time you get caught up from one, another comes along. Boy, I'm all for the union, though. What I would really like is a union with no strikes. But I guess it takes strikes to hold it together. I say for them to stay out 6 months if that's needed to get what they want. We will make out somehow. I don't know what we would do though if the company cut off our credit at the store" (the union guaranteed the store against loss up to $1,000)."

The Hackneys have no radio. They subscribe to a Williamson paper, and Mr. Stiltner, the miner, takes a Philadelphia paper which arrives a few days late. Asked about the paper, he said: "Met a lady down the creek—she sold me a subscription."

TELLS OF WILD DRIVING

Eastern company mines are located on a small stream, Pond Creek, which courses through the Kentucky mountains some 15 miles, emptying into the Tug River at Williamson. There is a concentration of mines along the stream and miners' houses dot its sides the whole way.

A narrow road winds along the creek. Last summer a flash flood washed out the road along with some of the miners' families, and it is in need of repair. A Williamson cab driver, who said he did a lively business with Pond Creek miners at $3 a head when they were working, told us something about the road.

"That's the most dangerous stretch of road in the United States on Saturday nights," he said. "Them miners get paid, take on a load of likker, and head for town down the hollow in their cars. Boy, I wouldn't haul nobody up there Saturday night for a thousand dollars. Tried it once and got sideswiped three times."

In wandering about hundreds of miles of coal country roads through scores of mine properties, perhaps the most rundown camp we saw was that of the Kentucky Straight Creek Coal Co., near Pineville, Ky., where a mine explosion last December cost the lives of 25 men. The houses were blackened, tumbled-down shacks that appeared never to have been painted or whitewashed. A miner said he paid $2.25 a room for one of the hovels, and that in some cases as many as 10 persons were crammed into a four-room shack.

CLAIM RENTS PAY FOR HOUSES

Union officials declared that even the comparatively low rents charged for the houses had paid for the structures several times. They said the original costs varied from around $1,000 up to $4,000, depending on size and type of construction. Only a handful of houses built of material other than wood were seen.

Neat frame structures marked the Pocahontas Fuel Co. camp, Pocahontas, Va. The company was said to mine the richest coal seam in the whole region. A subsidiary of United States Steel, the U. S. Coal & Coke Co. supplied its miners about Gary, W. Va., with adequate homes. A score of new homes dotted a hillside of the Seco Coal Co. camp, near Jenkins, Ky.

The quality of houses frequently varied greatly within a single camp. So it was with the American Coal Co., near McComas, W. Va., in the Bluefield-Welch section. Some were fresh and new in appearance, others run down.

Often the interiors of those with a dingy exterior were better, cleaner, and neater than ones in the same camp which appeared good from the outside. At the American Co. camp Steve Barlow, a mustachioed veteran of about 60, occupied a run-down place with his wife. Mr. Barlow said he had lived there 37 years and it had been painted twice, once by the company and the other time by himself. The home was clean inside, although the chimney seemed about to fall through the roof.

FINDS MINERS COULD HELP

There was no doubt that in innumerable instances the miners could do much to make their houses better places. Too many appeared content to live in dirt and filth, supplying a home for rats as well as themselves.

The typical miner's house almost always seemed to have a creek nearby which was a catch-all for garbage and whatever waste the family had to discard.

We asked several United Mine Workers' officers why the union did not conduct a campaign to educate its members in better ways of living. Some admitted that much could be done in that field.

Mr. Kiser, the Williamson union representative, said that for many years a miner could not get a job unless he lived in a company house. He added that it was the company's responsibility to keep the houses in repair with the rents collected, but that in most cases if the miner wanted anything done he had to do it himself.

"There is little incentive for a man to do the work himself," he continued, "since he never knows how long he will live there and is ever hopeful of getting a better place to live."

[From the Washington Star of April 29, 1946]

DISABLED MINERS FIND INDUSTRY'S PROVISIONS FOR CARE INADEQUATE—ALLOWANCES FOR CRIPPLED AND DISEASED MEN OFTEN SHORT OF DECENT LIVING STANDARD

(By James Y. Newton)

The lines of the crippled and diseased, of men burned-out physically before their time, that file into the coal-field offices of the United Mine Workers, and the stories the men tell, seem to testify to the inadequacy of the coal industry's schemes for caring for its unfortunate employes.

By this we do not mean to imply endorsement either of John L. Lewis' demand for a union health-and-welfare fund, supported by a royalty or tax on coal, or of the operators' counterproposal for a joint fund to be used to "mitigate unusual hardships" arising from occupational accidents, and administered by some independent agency. That controversy does not concern us here.

Visits were made to union offices in Williamson and Welch, W. Va., centers of large coal production, and in both the story was pretty much the same. There appeared to be at least three general types of cases where the present assistance given the men is inadequate. These are:

1. Compensation awarded those both partially and totally disabled in mine accidents frequently is insufficient to match a man's loss of earning power and too small to enable him to live decently.

2. Coal mining is rough, hard work. The miner is knocked about, breathes impure air, and works under artificial light. Consequently, he is burned out at 50 and 60 years of age, and, more often than not, has no means of support until his Federal old-age pension comes in at 65.

3. There are numerous disease cases where help is needed. Some are border-line cases where the State compensation board ruled that the man's troubles did not result from an occupational injury. Many of these, it appeared, could be decided either way. In any event, the miner is incapacitated and finds the going tough.

Cecil Davis, 45, of Naugatuck, W. Va., has been a miner for 25 years. His wife is the only dependent. Last June 19, the wheels of a coal-cutting machine almost severed his hand. It has healed, but is twisted and distorted and he is unable to close it. Bones protrude under the skin nearly an inch above the normal level of the back of his hand. There's a large knot on his wrist. He said the arm is of little use to him.

DREW $16 WEEKLY

Mr. Davis said he drew $16 a week compensation until November 18, nothing since then. He was first awarded $343 compensation. The union fought the case. They got it up to $1,132 for 85 percent disability to five fingers, nothing for the hand. He drew about a third of the total in the early installments, has $795 to come.

The coal company, he said, was reluctant to reemploy him because his handicap might lead to another accident. He said he was uncertain just how much work about the mines he could do. They cut off his credit at the company store, he related, and offered him $1,000 for his home that cost $1,600 to build a year ago.

"I'm having a tough time," said Mr. Davis. "I've drawn nothing since November. I don't think I got enough for my hand."

Evans Juke, of War, W. Va., who said he was 50 and looked much older, illustrates another type of case. About 4 years ago he had a forefinger chopped off and the others badly smashed in a mine accident. He received $16 a week compensation for a year.

About the time of the accident, Mr. Juke said he began having trouble with the arm and shoulder. It grew steadily worse until at the present time, he says "my arm and shoulder are paralyzed and it pains me all the time."

The compensation board ruled the additional ailments were not results of the mine injury and refused to make awards for them. The union took the case all the way to the State Supreme Court and lost.

Mr. Juke carried a letter dated last February from Dr. D. H. Hatfield, of Huntington, former Governor and Senator from West Virginia, diagnosing his ailments as neuritis extending from the "tips of the fingers to the shoulder inclusive," plus arthritis.

NOW TOTALLY DISABLED

"This man is 100 percent permanently and totally disabled for doing any kind of work," wrote Dr. Hatfield. "Not only is this true but he suffers excruciating pain all the time and is entitled to the care and consideration of the compensation department."

William M. Lester, assistant UMW field director at Welch, said there was virtually no chance of getting further compensation. The miner said he lived on "crumbs and whatever I can find" and slept wherever he could get a spot.

A slate fall in August 1943 left William Sexton, 34, paralyzed from his waist down, so we went by his home to interview him. He was operating a coal-cutting machine in a mine 20 miles from Welch when the accident occurred. His back was broken in several places and four ribs were smashed from the backbone.

Mr. Sexton said he spent more than a year in and about hospitals at Huntington. They saved his life, but told him he would never walk again. His father lives in Huntington. He also injured his back in the mines and is unable to work.

The younger Sexton is married and has four children, three boys and a girl. He is bedridden and covered with sores. His wife nurses him and cares for the house and children. He lives in a tumble-down house 7 miles from Welch, one of a group of 31 at an abandoned mine. A real-estate firm bought the houses from the mining company, he said, and sold them to miners. He purchased his not long ago for $1,375 because he had to have a place to live.

DEBTS GROW LARGER

Mr. Sexton receives the maximum in compensation, $69.52 a month for life. He pays $25 a month interest and principal on the house, and his bill for sterilized bandages and medicines averages $16 a month. The electricity bill runs $4 to $5 a month. The heating and cooking stoves burn 20 tons of coal a year at $6.58 a ton. Employed miners in company houses get their coal for about $2.80.

"I owe everybody," said Mr. Sexton worriedly. "I can't pay my bills. They just get bigger and bigger."

He apparently was pretty well fixed at the time his back was smashed. The Sextons had an electric refrigerator, washing machine, an expensive cabinet radio, and similar gadgets. He said a store took the refrigerator for a bill he owed. The radio went to pay moving charges.

There was no bathroom or water in the house. Mr. Sexton said he could get water if he had the money to run a pipe up the hill.

"I don't feel much good today," he said. "Haven't slept last two nights. Got pain most all the time. I can do anything mighty near with my hands when I'm able to."

He then had his wife exhibit a guitar he fashioned from an old piece of furniture, a chair covering embroidered with "Home Sweet Home" and numerous dogs and cats made of fur. A wall plaque in the living room read, "Must Jesus bear the cross alone and all the world go free," and another in his room, "Give me my flowers while I live."

W. H. Nelson, Beckley, W. Va., union compensation attorney, said he handled hundreds of cases where he termed the payments for mining injuries inadequate.

He showed the record of George Wade, 60, of Worth. In a written diagnosis a doctor said he had second-stage silicosis. In filling out the compensation from April 15, the doctor had scratched out "second stage" and written "first stage" above it. Compensation amounts to $800 for first stage, $1,600 for second, lifetime payments for third stage. The union contends the man is totally disabled. Mr. Nelson said he had a chance of getting the $1,600.

"After he spends that, he's through," Mr. Nelson said.

He cited the case of a 30-year-old colored man blinded from miners' nystagmus, who got nothing in the way of compensation because the State law does not cover that particular disease. It is a result of constant irritation of the eyes and working in poor light.

The mine workers admit that too few of them save any of their earnings to tide them over the rainy days that always come, often pretty early, in the coal industry. Miners are notoriously free spenders. Most of the rank and file admit making good money the past several years, although not many have tucked it away. They usually have big families, and reputedly are suckers for every salesman who comes along. A young man like Mr. Sexton, however, hardly could have saved enough to have helped him very much.

On the other side of the picture, Lawrence Runyon, superintendent of the Premier Pocahontas Collieries Co., Welch, took us by to see one of his company's pensioners. He was Monk Swan, 80-year-old colored man, who came to work for the firm in 1901. He had been a coal loader. He lived in a neat house which the company furnished free along with coal, lights, and $40 a month spending money. He was making out all right.

"Here's this man I was telling you about who came by to take you to Washington tomorrow," Mr. Runyon told the old man.

"No, sir, boss," he replied. "Postpone it or veto it. Veto it until the next day."

PENSION CASES CITED

Mr. Runyon said his company had others on pension, but that most of the companies did not have them. For one thing, a majority of the miners do not seem to work for one firm long enough to be eligible for a pension. Then, hundreds of companies are operating now because of the abnormally great demand for coal. They operate costly thin seams of coal on a shoestring and most likely will not be in the business after the industry's backlog of orders is met.

Many miners claimed "we do not get our money's worth" in medical care and hospitalization, but they were not very clear when asked for amplification. Most of the big companies employ doctors, just as they own the stores, movie houses, recreation halls, and other facilities about the mining camps. The miner pays so much a month and in every case we encountered it was voluntary.

There were shortages of doctors and hospital space, but that is true of Washington and other parts of the country. A coal operator in Kentucky with four mines employed two doctors to care for 1,200 miners and their large families. He admitted the need for two more and said he was trying to get them. Welch, a town of 7,000, has four hospitals, three reportedly good ones. But space is at a premium because Welch is the center of more than 10 mines.

INSURANCE AVAILABLE

The charge generally made for care from the company doctor appeared to be $1.50 a month for a single man and $2 for married, with treatment for venereal diseases and maternity cases extra. Hospitalization costs the miner $2.25 a month, burial fund, usually handled by the union, $1. Larger companies made group health and accident insurance available to their workers. The Premier Co., cited above, charged $3.40 a month for insurance that paid $10.50 a week to the average inside mine worker, plus a $500 death benefit. They said 88 percent of the men carried it, a percentage that seemed high for the coal fields generally.

West Virginia, the mine workers say, has a more liberal compensation law and more stringent safety regulations than Kentucky or the coal-mining States of the South.

Workmen's compensation only recently was made compulsory by the Kentucky Legislature following the explosion at Pineville, in which 25 miners lost their lives. The men left more than 100 widows and children. The mine operator, the Kentucky Straight Creek Coal Co., carried no compensation. The dependents were left without support.

In the course of the survey we visited the Pocahontas Fuel Co. funeral home at Pocahontas, Va., which was accused by the United Mine Workers of "body-snatching," taking over the bodies of miners without authorization of the families.

W. W. Edwards, home manager, said his men acted only on direction of the coroner or the family of the deceased. He showed his books and offered to show his equipment, which he claimed was the most modern in the entire area. In the past year, the company establishment handled 150 funerals, including those of 5 miners killed at work.

DIDN'T GIVE CONSENT

We did interview a miner, however, who said the body of one of his children who died in 1941 was taken to the funeral parlor without his consent. He said the company doctor ordered the body removed from his home.

Another of the miners' charges in opening negotiations was that some West Virginia company doctors charged $5 more for delivering girl babies than for boys. We found no evidence of it. The best explanation seemed to be that company doctors charge nonemployees $5 additional for all deliveries.

Miners interviewed during the survey were forever grousing about the number of deductions from their bimonthly pay envelope. At McComas, W. Va., Frank Lunsford, 42, scurried up to his house and brought back two of his envelopes. He worked for the Pocahontas Fuel Co., and said he had been a miner 26 years. He is married and has three children. Two others had died.

An envelope dated March 24 showed he had worked 108 hours and was credited with $127

pay for the 2 weeks included. It recorded the following formal deductions:

Credit checks, said to be scrip expendable only at company stores and other establishments, $14; store account, $25.15; rent, $6.50; lights, $2.22; coal, $1.40; hauling the coal, $1; hospitalization, $1.10; doctor, $1; Red Cross, $1; bonds, $3.25; burial fund, 80 cents; union dues, 80 cents; social security, $1.27; and withholding tax, $3.30.

This left him $33.21. But over at one side that figure was noted and $21.89 subtracted from it. That left him a cash balance of $11.32. The final big deduction was not explained, so we asked Mr. Lunsford what it was. He said the company told him it was "overdraft" and he professed to know nothing more about it. The best explanation we got was that it represented bills the man ran up with the company after the envelope was made up.

"This envelope here," said Mr. Lunsford, "doesn't include my insurance (health and accident). They took out $3 for that the first pay period of the month."

Most of Mr. Lunsford's deductions, it will be noted, represented halves of monthly charges for the various items and services. Most of the miners have the same deductions, except that his company deductions were much larger than the average.

[From the Washington Post of May 8, 1946]

"LIKE IWO JIMA"—REPORTER FINDS APPALACHIAN MINING CONDITIONS APPALLING

(By Agnes E. Meyer)

HARLAN, KY., May 7.—I have just been through the bituminous coal areas of the Appalachian Mountains, where the fatalities read like battle reports from Iwo Jima.

Since the Christmas disaster at Fourmile, where 20 miners were buried alive, 27 miners have been killed by other accidents in this area. From 146 to 180 miners are killed in Kentucky every year. In 1944, 10,000 out of 67,000 coal miners were injured in major industrial accidents in Kentucky; only 6,338 received compensation, usually inadequate. According to the Federal Bureau of Mines, in the last 35 years, 66,140 men were killed in the anthracite and bituminous fields, an average of 1,889 men per year. Why does the Nation countenance such wholesale slaughter in one of its most essential industries?

These miners need a welfare fund, though it is a question who should control it. They need much more than that. They need a chance to live like human beings. They need a chance to escape from the pigsties they are forced to inhabit. They need health instead of filthy water supplies, insanitary toilets, bad odors, flies, mosquitoes, and the diseases that result from them. They must be assured a living wage. They are entitled to safe working conditions instead of being forced to walk daily into a death trap. Above all things, they need to be freed from some of the most vicious operators and politicians that have ever turned American citizens into slaves.

Before I describe the horrors, the injustices, and the terrorism I have witnessed in the Tennessee-East Kentucky area, it is only fair to say that I know the conditions in the Pennsylvania bituminous regions. Conditions there are a veritable heaven in comparison with the hell in which I spent last week.

This Appalachian area is notoriously the worst mining district in the country. In the whole region there is but one first-rate operation. It is Lynch, Ky., run by the United States Steel Co. There are five, possibly six, others that are fairly good. The rest in varying degrees are a disgrace to the industry and to the Nation. Daily they threaten the well-being of some 70,000 men and their families in Kentucky and Tennessee, or, given the high birth rate, nearly 400,000 people.

I began my tour of the bituminous coal region at Fourmile, near Middlesboro, Ky., where the explosion occurred last Christmas that shook the whole country. Twenty heads of families are still entombed. The mine has been sealed to extinguish the flames and cannot be reopened as yet. Five men escaped, one of whom died subsequently.

I interviewed three of them, one in the hospital. None of these men will ever work again as miners. Their hearts are bad; their bodies poisoned by coal gases. Neither they nor the families of the dead have ever received a cent of compensation from the mine owner. They had all signed the usual compensation contract, which had been presented by the mine company as though it was providing compensation. It was a fake. Actually no compensation was in force at the time of the accident.

SUPPORTED BY CHARITY

The mine workers are now pressing State officials to start criminal action against the mine owner. The 25 families are being supported by charity. A fund of $120,000 raised by popular subscription and distributed at the average rate of $120 a month per family will last them a little more than 3 years. After that the widows, wives, and numerous children will have to depend on the charity of the United Mine Workers.

The UMW tried to pass the same safety laws in Kentucky that exist in Pennsylvania, Ohio, and Illinois, but the operators defeated the bill. The coal-company lawyers have drafted all the Kentucky mining laws until the last legislature passed a slight modification of the compensation act. Heretofore all compensation for death or injury has been left to the good or bad will of the operators.

Why did the accident at Fourmile occur? Because the operator, to save a few dollars, shut off the fan that forces oxygen into the mine on the Saturday before Christmas. On Christmas night, 4 days later, the fan was turned on again. When the men went in the following morning, the accumulated coal gas ignited. Had it not been the Christmas season, about 100 more men would have been trapped. Mine operators such as this one—and they are plentiful in this area—daily risk the lives of their workers to get all the money they can in a short period. They are taking it out of the lives of the men instead of thinking about good ventilation and general efficiency.

UNFIT FOR HUMANS

At Fourmile I began my study of the miners' living conditions. The company houses are hovels so abominable that no human being should live in them. The roofs leak, the wind blows through crevices in walls and floors, the destruction and filth of generations are everywhere evident. Two families had lived for 30 years right at the mouth of the mine. These shacks with a local lumber supply had cost less than $50 to $75 to build originally. Yet these families for 30 years had paid first $6, then $9, a month, or some $3,000 in all, for this abomination of a house and for the privilege of working from father to son in daily risk of their lives when they entered this mine.

There is no running water in such camps. One family uses a dirty trickle of a stream that comes from the hill where pigs run and cattle graze. Others use moldy, polluted old wells. Many walk blocks to the nearest source of water, which may be a clean spring in the higher locations or a dirty one if it is in the valley. The open outdoor toilets are often near the water supply. Refuse lies in the streams and in the all-pervasive mud.

The small children in these families are undernourished and scabby faced, either with skin diseases or filth. The miserable commissary in this mine has an inadequate variety of foods. Other stores are miles away. From 5 to a top of 32 children are crowded into these houses.

NO SIGN OF DISCIPLINE

The four-room school is battered and pitiful, but far better than it used to be. Two young teachers do their best to instruct about 150 children, of whom some 30 were in school. The others were playing hookey, as they usually do. Most of them drop out at the fifth or sixth grade. No vestige of discipline is discernible in the children nor the adults. Women in filthy clothes were rocking on the porch while the ragged, half-naked littles ones played in the mud puddles that filled every depression after a rain.

These families were poor, illiterate mountain folk when they left the isolated hills for the insulated mining camps. There they have lived as virtual slaves before the union fought its bloody battles with the operators' sheriffs, gunmen, and gangsters, to ultimate victory and an organization which has been strong only the last 2 or 3 years. These mining families have never known what it means to have possessions, freedom, decency, and dignity even in better camps than Fourmile. The young men who grew up in the years of depression, want, and idleness, and then went to war, have never had a life.

Unlike the miners and mining families whom I interviewed in Pennsylvania, these folk have lived so long in isolation, fear, and suspicion that they are defensive, if not hostile, with a stranger. If my sympathy pierced their unresponsiveness, the more intelligent ones would show me their houses with a fierce indignation. But the groups of men idling about here and there, playing cards on the commissary steps, would never so much as look up at me when I began talking to them. They would answer my questions warily and distrustfully, out of one corner of the mouth, while they continued their games of penny ante.

THEY HAVE NEVER LEARNED

What a newcomer feels at once is that these people have never learned to be responsible for their own lives. Most of them never handled money before the union invasion, because they were permanently in debt to the company store. Now that they get more money, they spend it often before pay day. The management of money, of a budget, a desire for cleanliness, health, order, and self-development cannot be learned overnight.

[From the Washington Post of May 9, 1946]

STRIKERS UNAWARE OF PUBLIC OPINION—REPORTER PRESENTS MINERS' VIEWPOINT ON WAGES, WELFARE

(By Agnes E. Meyer)

HARLAN, KY., May 8.—The country at large must try to understand the slowly mounting tension of the striking miners in the Appalachian area and the reasons behind this smoldering impatience. At first they enjoyed a chance to rest. These men had been working 9 hours a day, 6 days a week to meet the increased demands of war production. Through sheer patriotism the Big Sandy area, with less men, doubled the output of the mines.

The miners were tired and took to fishing and hunting at the beginning of the strike. But their mood is changing. They cannot understand why their demands for a living wage and a minimum of safety provisions should not receive immediate recognition. Public opinion and popular indignation over the gradual stoppage of the wheels of production throughout the Nation scarcely reaches them in their incredible isolation. They want to go back to work. But said they: "We have already used up the funds of the local union and we will use up every cent of our accumulated war bonds, before we will accept defeat of what seems to us the most elementary justice."

At a camp near Harlan I asked the miners and a group of local labor leaders what they

expected to get out of the strike. "We want a living wage," they said, "enforcement of adequate safety provisions, and a welfare fund to take care of the families of the boys who get killed or disabled. During the war," they explained to me, "we got $10 per day for 9 hours' work, 6 days a week, portal to portal—or $63.50 for 54 hours. Now that the war is over we are afraid the 7-hour day and the 5-day week will be restored, which means a basic salary of $35 a week under the 1941 contract, or a substandard wage for the hardest, dirtiest work in all industry. In most of the mines about 40 percent of the men are on this daily rate of $1 per hour, and 60 percent are on the tonnage rate of 65 cents per ton. These skilled men used to get higher wages than the men on the day rate and some still do if they work in a high-grade mine. If the tonnage men have a poor streak of coal, they often get less than the men on daily rates."

They then showed me the company's pay sheet at the Black Mountain Coal Co. for the last 2 weeks before the strike. For 10 working days the tonnage men of equal skills ranged from $41.91 to $123 because of the different physical conditions they happened to encounter. "On the average throughout the year," they continued, "the tonnage men make about what the men on daily rates are getting but the tonnage men hate the big variations in their pay. If they go back to the 7-hour day and 5-day week, they will also make only about $35 a week, plus travel time.

"We were having a hard time feeding our children on $35 a week before the war. With the high cost of living, the men and their big families can't possibly exist on that kind of a wage scale. As our industry is the lowest paid and one that is indispensable to the country's welfare, we think we are entitled at the very least to a 20-percent increase for the day rate and the tonnage men. That will give us take-home pay equivalent to the increased cost of living as recognized by governmental agencies. It would only give us the same purchasing power we had in 1941.

"Every bit as important to us," continued the men, "is the enforcement of safety laws with teeth in them. The Department of Mines and Minerals in Kentucky is run by the operators to suit themselves. There is no union deputy among the nine mine inspectors. Our union inspectors pass the examination but they never get appointed to the board. Our mining laws are bad with plenty of loopholes. The law says that the mines should be inspected four times a year. This is not being lived up to. Our union investigator reported to the Committee on Mines and Mining, which was considering recodifying the safety laws, that the mines have been inspected once every 8 years instead of four times a year.

"The Federal reports of the Bureau of Mines showed that 99 percent of the mines of the east Kentucky area are not rock-dusted, which is an elementary protection against coal dust. Eighty-two percent of them are dangerous because they have bad air. Permissible or sealed machinery which is the only safe kind, does not exist in our mines. The operators defeated a bill which made this safe kind of machinery compulsory. In addition the electric wires are not protected. It wears a man out just to dodge the live wires all day.

"We asked for 30 inches of clearance between the mine walls and the cars. It was refused by the operators, although extra room in the mine actually adds to its efficiency. The men are always in danger and always have to be on the alert. Yet the mines down here could provide the best working conditions because the coal in our area is the finest in the whole country. It is premium coal which commands the highest price. We are sure that the public, if it knew what was going on, would rather have a slight increase in the price of coal than the wholesale murder of miners that now goes on in this State."

CALLS OPERATORS GREEDY

"What the country doesn't realize," said one miner with livid indignation, "is that the greed of the coal operators exploits not only the workers but the natural coal resources of Kentucky. Anybody can start a mine here on a shoestring. The operations are inefficient and wasteful, skimming the cream from the coal mines for a quick monetary return, then abandoning them for other veins. These operators are using up the Nation's substance. As the Kentucky Legislature has always been dominated by the operators, there has never been a tax on coal and all our State gets for its natural wealth is a lot of holes in the ground.

"Yet people are blaming John Lewis for asking for a 10-cent tax on every ton of coal for the welfare fund. If it had not been for the war, we workers would have insisted upon this welfare fund long ago. Without it we live at the mercy of a bunch of operators who are the worst in the whole country. A fairly decent compulsory compensation law was actually passed by the legislature several years ago but the State Supreme Court at the behest of the operators declared it unconstitutional. The last legislature has passed another compensation law. It isn't enough but it is better than nothing. This will become the law on June 1 next unless the Supreme Court of Kentucky throws it out again.

"We think that the miner and his family should be covered by a national insurance policy. We should have a medical and hospital system that will be recognized as sufficient by outstanding medical authorities. At present we pay $2 for hospitalization and $2 for medical care for a man and his family. But what do we get for it?"

I had discovered at Middlesboro what a racket the operators have made of the medical fund. There are two hospitals in this city of 40,000 people, one of them so atrocious that the miners avoid it. It has over a hundred beds and not a single registered nurse. The other one of 50 beds has just been taken over and renovated by six doctors. It has good facilities and an adequate nursing staff, five of whom are graduate nurses. But these two hospitals also take care of the general public. At the good hospital I was told the care of the miners was so expensive that the doctors would demand a raise in the insurance rate. Yet the 20,000 mining families in this one area pay $80,000 a month in health insurance.

The company doctors are also unpopular with the workers. At one mine the doctor was a dope addict. Yet the company would not dismiss him until the miners broke their contract, went on strike, and defied the international rather than go back to work before this doctor was removed.

BAD SITUATION

"The worst part about the check-off system for medical care is that the doctors in all of these hospitals are practically in the pay of the operators," said the miners. "These medical men determine how much compensation a man should get when he is injured and whether he is fit to go back to work or not. That is a bad situation. There are many cases when these doctors minimize the compensation; or they say a man is fit to go back to work although he cannot stand the strain of his old job. When he fails to make good, he is simply thrown out as useless.

"With a welfare fund and the $4 that we pay monthly for medical care, our unions could operate first-class hospitals and engage their own doctors.

"We also want to use this welfare fund for a rehabilitation program for the thousands of injured miners. With retraining most of these men could be restored to useful occupations. The permanently disabled who now receive a compensation of $15 a week, would get supplementary aid through a welfare fund."

Another way by which the miners could be assured of a welfare program would be through a State tax of 10 cents on every ton of coal mined in Kentucky. Yet the politicians of these mining areas have been so completely under the domination of the operators that the miners, with good reason, do not trust them. They are convinced that a State welfare tax on coal would never reach their families.

The miners are thinking only in terms of their acute needs. Yet nobody who realizes the power this welfare fund would give the United Mine Workers Union over its membership can be reconciled to its complete control of these funds. Perhaps the solution is a Federal bureau similar to the Railroad Retirement Fund with advisory representation from the unions and management.

The welfare program which the miners outlined is the barest minimum of what they need. Where does one start welfare work for people who have nothing—no decent homes, no sanitary facilities, no chance for cleanliness and no possibility of escape from the most appalling of the many appalling social situations I have seen in this democracy of ours?

Just the amount of maternal and child care needed in these mining towns staggers the imagination. I could get no figures on maternal deaths but the infant mortality rate is 100 or more out of every 1,000 live births. And what have the children that live and grow up in these surroundings to look forward to? A life so barren, so devoid of opportunity for health, for education, for recreation, for ordinary human happiness—yes, so devoid of hope that it is heart-breaking.

Mr. O'DANIEL. Mr. President, I wish to discuss for a few minutes House bill 4908, which is the pending measure before this body. I am very glad that we have finally gotten around to giving consideration to legislation of this nature. I think it is high time that something be done along this line.

Mr. President, no one is today or ever has been a more sincere friend of labor than I am. I believe in the right of labor to organize, the right to bargain collectively; likewise I believe in the right of labor to strike. But I do not believe that any group of our citizens, whether they be laboring men or businessmen, should be immune from observing the law as it applies to all other people.

When I was Governor of the State of Texas, the great wave of strikes was sweeping over the country. The sit-down strikes, first promoted by the Communists in Paris and later adopted by the CIO in America, were in full bloom. I felt that, as Governor of Texas, I had an obligation to the great rank and file of the people and that I had an obligation to the laboring men within that State to do what I could to protect the individual workman and to protect society generally against labor racketeers and against the goon squads that were becoming so active.

Therefore, in a message to the Legislature of the State of Texas, I recommended that a law be enacted which would outlaw force and violence as a means of winning labor disputes. The legislature followed my advice; it enacted a law which makes it a felony in

Texas for any man or for any group of men to seek by the use of force and violence to prevent any other person from following a lawful vocation. This law has proved its value within the State of Texas; violence in labor disputes has practically been eliminated within that State. I am thankful that since Texas pioneered the way in the passage of this legislation, some other States have passed similar legislation.

Since I was elected to the United States Senate I have tried to point out the need for the enactment by the Congress of sound and constructive labor legislation.

I introduced a joint resolution proposing a constitutional amendment which would outlaw the closed shop. I do not believe that any sound argument can be made for allowing a labor union and an employer, acting jointly, to negotiate a contract which would force workmen to affiliate with the union even though they may not desire to do so.

As I observed the working of the National Labor Relations Board and as I studied the report on the activities of that board as issued by the Smith committee, I was impressed with the fact that it was absolutely essential to the welfare of the American people that the Wagner labor law be amended. Legislation which I have proposed in the Senate, if enacted into law, would not only make it illegal for employers to use force and coercion to prevent employees from affiliating with labor organizations, but it would likewise make it illegal for labor unions to use force and coercion to require membership in their organization.

I proposed another amendment to the Wagner labor law which would permit the employer, so long as he did not use threats, to discuss frankly with his employees any labor situation which might arise, and express to his employees his opinion on such matters.

I introduced a bill which would outlaw the use of force and violence in all labor disputes.

Consistently, ever since I have been a Member of the United States Senate I have urged the importance of legislation along these general lines. Some time ago when a labor bill was introduced in the Senate by the Senator from New Mexico [Mr. HATCH] and the Senator from Minnesota [Mr. BALL], which sought to improve the general labor situation in America, I announced on the floor of the Senate that while there were some provisions of the bill I did not absolutely like, I would be delighted to support the bill if it came up for consideration. But at the same time I expressed the opinion that it was not likely that the bill would ever come out of the Committee on Education and Labor of the United States Senate.

Some days ago we received from the House of Representatives what is generally referred to as the Case bill, and, under the pressure of existing labor conditions throughout the United States, the Senate Committee on Education and Labor finally reported the bill which we now have under consideration. And I state frankly that I think the country would be far better off not to have any labor legislation than it would if the Congress were to pass this bill which was reported to the Senate by the Committee on Education and Labor.

This bill, in the form reported by a majority of the committee, sets up a system designed to strengthen the mediation machinery of the Federal Government, and probably this feature of the bill has some merit, but in the form it was presented I doubt that it has very much merit. But the crowning irony of all legislation I have ever seen proposed to the United States Senate appears in the provision in this bill that if labor union goon squads, racketeers, and hijackers go out on the highway and interfere with the movement of perishable farm products they may be prosecuted.

Under the Senate committee's version of the bill, if a farmer was hauling a load of watermelons to town and labor racketeers interfered with his delivery of the watermelons they could be prosecuted; but, on the other hand, if he had a load of cotton on the truck and was trying to get it to town they could not be prosecuted because cotton is not a perishable product. In other words, the Senate Committee on Education and Labor not only went on record as wanting to confine the illegal acts of the goon squads and the racketeers strictly to the movement of farm products, but they went further and provided that those men could be called to the bar of justice only in cases where the products being moved were perishable farm products.

If the Senate of the United States were to pass the proposed legislation in its present form it would thereby be going on record as believing these labor racketeers and these goon squads had the right to congregate on the highway and stop the movement of any and all goods except in one limited case, and that would be in the movement of perishable farm products. I say in all sincerity that I think it would be a disgrace for the Senate to pass such legislation, and I ask this question: Since when did it become good legislation to restrain the use of force and violence on the part of one group of citizens under one set of conditions and permit it under all other conditions?

I have read very carefully the minority views on H. R. 4908, the Federal Mediation Act of 1946, as filed by the Senator from Minnesota [Mr. BALL], the Senator from Ohio [Mr. TAFT], and the Senator from New Jersey [Mr. SMITH]. In my judgment, the minority views embody some sound, constructive thinking. Senators who have taken time to read them will understand that they do not in any sense, nor can they by any stretch of the imagination be construed as limiting any legitimate right of any individual workman, or of any labor union.

The six amendments proposed by the minority of the committee, if enacted into law, would most definitely improve the law as it applies to labor problems in the United States. They set up what I regard as a reasonable provision covering mediation and arbitration, with reasonable limitations on the right of workmen to strike in certain industries of Nationwide importance.

The amendments seek to say to organized labor that the United States Government has, by law, required employers to bargain with their employees, and, if possible, to agree on written contracts and, therefore, the Government now says that in those cases where, through collective bargaining, agreements are made, it shall become the responsibility of labor to see that the contracts are carried out, and labor is made responsible for obeying the contracts which it has voluntarily entered into.

These amendments recognize that the secondary boycott is being used throughout this Nation today as a means of coercion and force. It is a well known fact that the secondary boycott is being used between rival labor organizations where the product of an employer is boycotted because it is made by some other organized group. Likewise it is being used to boycott the product of an employer if his employees have not seen fit to affiliate with any organized group. Certainly, it is the business and the responsibility of the United States Senate to enact legislation which will protect employers in their right to make labor contracts with any labor union they may see fit, with the assurance that they and their product will not be barred from the market because some other union is not satisfied.

Certainly, employers are entitled under the law to such protection. Certainly, if the employees of a given manufacturer have elected to work without being members of any labor organization, they have a right to do so and no other group has a right to apply the force of boycott to take away from such employees the right to decide what they will and what they will not do.

The proposed amendments to this bill seek to protect employees in their right to decide what they want to do within the field of labor relations. They seek to protect the employer in his rights and, in fact, they seek to protect all citizens against the boycott being used as a means of building up the power of labor bosses and labor racketeers. If the amendments to this bill are enacted into law, unions hereafter will not only be permitted to make labor contracts, but they will be required under the law to carry them out in good faith.

I would not say that the six amendments which are proposed to this bill will cover all the evils in existing law, but I think that they are constructive, and represent the irreducible minimum of legislation which the Senate can afford to pass at this time. So far as I am concerned, if we must choose between the bill as it was reported by the majority of the Committee on Education and Labor and no legislation, then I shall vote for no legislation.

It seems to me that the United States Senate, if it refuses to accept these amendments, will place itself in a very awkward position. How could we, as Senators, justify voting for a law which would make it illegal for hijackers to go on the highway and stop a truck hauling perishable farm commodities, but would not make it illegal for them to do the same thing if the truck happened to be loaded with manufactured goods?

When laws passed by the Congress of the United States require that employers,

whether they want to or not, must bargain collectively with unions, and enter into contracts if they can reach agreement, how can we justify refusing to vote for a law which will make such contracts enforceable?

When the antitrust laws of this Nation and the antiracketeering laws make it illegal for our citizens to enter into combinations in restraint of trade, and into conspiracies against the public interest, how can we justify refusing to make such laws applicable to labor unions when they are guilty of similar acts?

Under the law, the use of the secondary boycott is absolutely prohibited to all our citizens engaged in any line of business. Why should we refuse to make the law applicable also to members of labor unions?

Under the provisions of the Wagner labor law, if the supervisor or the foreman in an establishment makes any comment critical of a labor union, the employer is held responsible for such act on the theory that the foreman or supervisor is a part of management, and, therefore, the employer is responsible. Under the existing ruling of the National Labor Relations Board, it is held that the employer must, if called upon to do so, enter into collective bargaining with those foremen and supervisors. In other words, we ask the employer to recognize a part of management as being a part of labor unions, and then we hold that the employer is responsible for the acts of these persons who are a part of management.

Certainly such conclusions are unsound and represent a situation which places the employer in such a position that it is impossible for him to know what he may do and what he may not do. I fail to see any good reason why we should refuse here in the Senate to make clear by law that supervisory employees and foremen, upon whom management must rely in carrying out the work of management, shall not be subject to the provisions of the Wagner labor law.

I certainly hope that every one of the amendments suggested in the minority views on H. R. 4908 will be enacted into law. That will be at least a step in the direction of correcting existing difficulties.

Mr. PEPPER. Mr. President, will the Senator from Texas yield before he takes his seat?

Mr. O'DANIEL. I yield.

Mr. PEPPER. I have great respect for the knowledge of the able Senator from Texas of, let us say, agricultural conditions in his great agricultural State of Texas. Suppose the agricultural workers of his State were to decline to work because they did not feel they had a satisfactory wage contract with their employer. What law does the able Senator suggest would be brought to apply to them in order to cause the work stoppage to be discontinued?

Mr. O'DANIEL. I think the answer to the question propounded by the able Senator from Florida is very elemental. It is well known that there should be no law to compel persons to work against their will in the United States, as our Government is organized.

Mr. PEPPER. All the amendments may, in the opinion of some Senators, tend to have some advantage of an indirect sort, but does the able Senator think that any of the amendments now pending would put the miners back into the pits and start the production of coal again?

Mr. O'DANIEL. I do not know whether the Senator from Florida followed my speech or not, but I made no reference to the amendments which are proposed to be offered to the bill. I spoke only on the bill as it came from the committee, and with reference to the majority report on the bill, and the views of the minority.

Mr. PEPPER. The able Senator does feel, does he not, that it would be in the public interest if we did have a conciliation and mediation and arbitration service, as the committee itself recommended? He might wish to go further, but he does think it would be in the public interest if we had it, does he not?

Mr. O'DANIEL. I think that if the employees and the employers desire arbitration, that is a matter for them to decide. I think the Government is wholly without bounds in putting its finger in the pie.

Mr. PEPPER. The Senator means in insisting upon compulsory arbitration?

Mr. O'DANIEL. On enforcing compulsory arbitration.

Mr. PEPPER. I thoroughly agree with the able Senator, and of course the Senator is aware that is not recommended by the committee in the committee bill.

Mr. O'DANIEL. Yes, I am fully aware of that.

Mr. PEPPER. I thank the Senator.

THE RETAIL LUMBER BUSINESS AND THE OPA

Mr. HICKENLOOPER. Mr. President, I should like to call the attention of the Senate to two recent activities of the OPA which have caused much concern and considerable difficulty. I received a letter this morning from a lumber company in Des Moines, in my State, which reads as follows:

I know that you receive loads of letters from Iowa lumbermen protesting the various orders issued by OPA, which are damaging to the retail lumbermen, and while I do not wish to further burden you with correspondence concerning matters with which you are thoroughly acquainted, I do want to call your attention to a recent order put out by OPA which I believe to be the most damaging one which has ever come out of that organization.

That is the order whereby the manufacturers of lumber on the West Coast and elsewhere can open up retail yards and sell their entire output at retail prices instead of wholesale prices. In case you haven't seen this order it is Amendment No. 20 to Second Revised MPR 215.

Under this order the manufacturer can sell his lumber at an average of $15 per thousand more than he can get by selling it to retail lumber yards. Under this set-up he can get from 30 to 40 percent more for his output than he would realize by following the long-established methods of selling it through retail lumber yards.

With the tremendous demand which exists on the west coast it is obvious that the yards in this section are going to get very little, if any, lumber.

To show you the attitude of the manufacturers I quote you as follows from two prominent west coast manufacturers, in letters which I received from them during the past week.

Mr. President, I shall set forth his quotation from one of them:

"Frankly, my partners are now in Los Angeles trying to get a location for a retail yard, and if successful, we would not be interested in any proposition in the Middle West."

I shall now quote from the second letter:

"The mills are all opening retail yards at their own plants or close thereto and their lumber will largely, if not entirely, be sold locally or to trucks which come there from long distances and get it, and the Middle West and East—

Bear in mind, Mr. President, this is the statement of a mill operator and owner talking about the lumber situation in the Middle West and East. This producer says:

"And the Middle West and East will get less lumber than they have been getting, and therefore I would say that the retail dealers east of here have something to worry about."

I continue with the letter:

This order was issued, according to my thinking, because it was impossible for the OPA to enforce the previous order whereby mills and wholesalers couldn't enter the retail business.

The damage which this order will do to the millions of dollars invested in the retail lumber business in Iowa and other Midwestern States cannot be estimated, but I believe that you can understand that it will be tremendous.

If along the line you can do anything to correct this very bad situation, I am sure that you will have the everlasting gratitude of the hundreds of Middle West lumbermen.

With very kind regards, I am,

Yours very truly.

Mr. President, I have a news release of April 22 containing amendment No. 20 to the second revised MPR 215. I ask unanimous consent that the letter I have just read, in its entirety, together with the news release of the OPA, and with amendment No. 20 of MPR 215, and the statement accompanying amendment No. 20 of MPR 215, be inserted in the RECORD at this point in my remarks.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

ROBT. CONNOR LUMBER CO.,
Des Moines, Iowa, May 14, 1946.

United States Senator
BOURKE B. HICKENLOOPER,
Senate Office Building,
Washington, D. C.

DEAR BOURKE: I know that you receive loads of letters from Iowa lumbermen protesting the various orders issued by OPA, which are damaging to the retail lumbermen, and while I do not wish to further burden you with correspondence concerning matters with which you are thoroughly acquainted, I do want to call your attention to a recent order put out by OPA which I believe to be the most damaging one which has ever come out of that organization.

That is the order whereby the manufacturers of lumber on the west coast and elsewhere can open up retail yards and sell their

entire output at retail prices instead of wholesale prices. In case you have not seen this order, it is amendment No. 20 to Second Revised MPR 215.

Under this order the manufacturer can sell his lumber at an average of $15 per thousand more than he can get by selling it to retail lumberyards. Under this set-up he can get from 30 to 40 percent more for his output than he would realize by following the long-established methods of selling it through retail lumberyards.

With the tremendous demand which exists on the west coast it is obvious that the yards in this section are going to get very little, if any, lumber.

To show you the attitude of the manufacturers, I quote you as follows from two prominent west coast manufacturers, in letters which I received from them during the past week:

"Frankly, my partners are now in Los Angeles trying to get a location for a retail yard, and, if successful, we would not be interested in any proposition in the Middle West.

"The mills are all opening retail yards at their own plants or close thereto and their lumber will largely, if not entirely, be sold locally or to trucks which come there from long distances and get it, and the Middle West and East will get less lumber than they have been getting, and therefore I would say that the retail dealers east of here have something to worry about."

This order was issued, according to my thinking, because it was impossible for the OPA to enforce the previous order whereby mills and wholesalers couldn't enter the retail business.

The damage which this order will do to the millions of dollars invested in the retail lumber business in Iowa and other Midwestern States cannot be estimated, but I believe that you can understand that it will be tremendous.

If along the line you can do anything to correct this very bad situation, I am sure that you will have the everlasting gratitude of the hundreds of Middle West lumbermen.

With very kind regards, I am,

Yours very truly,

BOB CONNOR.

AMENDMENT NO. 20 TO SECOND REVISED MAXIMUM PRICE REGULATION 215—DISTRIBUTION YARD SALES OF SOFTWOOD, EFFECTIVE APRIL 23, 1946

The Office of Price Administration today eliminated the requirement that new distribution yards apply to OPA for permission to sell at distribution yard maximum prices. Now all that is required for a new yard is to file a statement with the nearest OPA district office indicating its qualification as a distribution yard.

Today's action, effective April 23, 1946, also has the effect of removing all limitations as to interests which can operate distribution yards.

At the same time the definition of a distribution yard is tightened so that mark-ups will be used only by authentic wholesale and retail yard operations. Prior to the action, applications from mills, lumber wholesalers, and affiliated interests to establish lumber distribution yards have been denied in order to prevent lumber which should be sold at mill prices from being routed through distribution yards and sold at the higher distribution yard prices.

Yards which have no mill connections and are entirely independent of a producing mill will have no difficulty in qualifying under the definition. Distribution yards which are part of mill operations may have to adjust their operations somewhat; they may have to establish separate bank accounts for the distribution yard, assign personnel to run the yards without participating in mill operations, and keep separate records and inventories as well as profit-and-loss statements. However, if a combined yard-mill operation has not had sales of $120,000 in any 12 months since January 1, 1943, this provision will not be applicable.

A location safeguard was incorporated into today's action in order to check the use of yards merely as a means of getting retail prices from lumber normally sold direct from mill to consumer.

The location provision prohibits the sale of carload quantities for rail shipment or any quantity by water at higher than mill prices if a distribution yard is connected with a producing operation by financial interest or family relationship and is located within 500 miles of the producing operation.

The action may result in some disadvantages to independent yards since it will permit an increasing amount of the available lumber supply to be routed through distribution yards having mill connections. These yards may find it difficult to purchase their lumber from mills which can be expected to open their own outlets of distribution. However, this action has the approval of the majority of members of the Softwood Distribution Yard Industry Advisory Committee. A suggestion that mill sales of lumber be earmarked, in relation to sales made in a base period, so that independent yards could be assured some direct-mill purchases, was not adopted after practically all elements of the retail lumber trade recommended that the restriction not be made.

OFFICE OF PRICE ADMINISTRATION—SECOND REVISED MPR 215—AMENDMENT 20—APRIL 23, 1946

(Document No. 54036)

PART 1425—LUMBER DISTRIBUTION—SECOND REVISED MPR 215, AMENDMENT 20—DISTRIBUTION YARD SALES OF SOFTWOOD

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and filed with the Division of the Federal Register.

Second Revised Maximum Price Regulation 215 is amended in the following respects:

1. Section 3 (a) is amended to read as follows:

(a) Transactions covered: This regulation covers all sales out of distribution yard stock of products covered by this regulation within the continental limits of the United States made by lumber distribution yards whether wholesale or retail, except that where a distribution yard has any connection, either financially or through family relationships, with any lumber producing operation, and such distribution yard is located within 500 miles of such lumber producing operation, sales of lumber for rail shipment in carload quantities or water shipment in any quantity out of stock of such distribution yard whether freight cost is borne by the buyer or seller shall not be covered by this regulation. Sales of lumber from distribution yard stock not covered by this regulation shall be subject to the applicable mill regulation governing the species sold.

2. Section 16 (a) is amended to read as follows:

(a) A distribution yard for the purpose of this regulation means an establishment which meets all of the following requirements:

(1) It obtains lumber from mills, concentration yards, wholesalers or other distribution yards and unloads, sorts, stores, and resells such lumber.

(2) It regularly maintains for sale an inventory of varied items, species, and classes of lumber, lumber products, and other building materials.

(3) It obtains its lumber, except for local species, mostly by rail or water and sells mostly for truck shipment, being stocked and equipped to make prompt delivery of different items of lumber items of lumber products out of its yard.

(4) It furnishes on all sales the usual distribution yard services, such as accepting returns, making exchanges, filling shortages from stock.

(5) It has an office and records at the yard site, is manned by a crew employed by the yard, and exclusively owns or controls all facilities of such establishment and uses the same for the handling and sale of the material bought and sold by it.

(6) It is a separate and distinct operation from any concentration yard or mill operation as defined in the applicable mill regulation governing the species sold. For purposes of this requirement, such an establishment is not a separate and distinct operation unless it maintains for its use, exclusive of use by any mill or concentration yard, the following separate facilities, site, equipment, personnel and records, for the handling and sale of material of the distribution yard: yard and shed, offices, yard help, sales force, managerial staff, stock of lumber, inventory records, books of account, bank account, detailed charges to inventory by price, grade, and sizes of items, and operating and profit and loss statements, none of which are used in connection with the operation of a mill or concentration yard as defined in the applicable mill regulation governing the species sold; *Provided, however,* That where a distribution yard has been continucusly operating on the same site as a mill or concentration yard since prior to January 1, 1943, the requirement that it shall be situated at a separate site shall not apply, and provided further that where a distribution yard has been continuously operating on the same site as a mill or concentration yard since prior to January 1, 1943, and the total sales volume including all building materials of such combined operation has not exceeded $120,000 during any 12-month period since prior to January 1, 1943, the requirement that the above-mentioned facilities need to be separately maintained shall not apply.

3. Section 16 is amended to add the following paragraphs:

(j) Financial connections: Financial connection means all circumstances of partial or total common ownership or beneficial interest, or profit or loss sharing arrangements.

(k) Family relationship: Family relationship means any person related to the seller or to the seller's spouse within the fifth degree either by blood or marriage.

4. Section 23 is amended to read as follows:

SEC. 23. New yards: Before making any sales of lumber at the maximum prices established by this regulation, any person who has set up or sets up a wholesale or retail distribution yard after December 31, 1942, but who has not received specific approval in writing from the Office of Price Administration of his use of the maximum prices established by this regulation on his sales of lumber must file with the Office of Price Administration District Office nearest the location of his establishment a letter reading as follows:

"I (We) propose to establish a lumber distribution yard as defined in section 16 of 2d Revised Maximum Price Regulation 215, Distribution Yard Sales of Softwood. This yard will be known as _____ (give name of company), will be operated as a _____ (wholesale or retail, specify which) lumber distribution yard, and will be located at _____ (give address of yard).

"(Signed) _____"

This Amendment No. 20 shall become effective April 23, 1946.

NOTE.—All reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 23 day of April 1946.

PAUL A. PORTER,
Administrator.

STATEMENT OF CONSIDERATIONS ACCOMPANYING AMENDMENT NO. 20 TO SECOND REVISED MAXIMUM PRICE REGULATION NO. 215

This amendment revises the definition of a distribution yard, and at the same time eliminates the requirement that new yards apply to the Office of Price Administration for permission to use the distribution yard mark-ups provided by the regulation. Instead, a new yard will now merely be required to file a statement with the nearest Office of Price Administration District Office indicating that it is a bona fide distribution yard under the revised definition and that it intends to use the distribution yard mark-ups. Sellers who previously have restricted or limited approval from the Office of Price Administration and who qualify as distribution yards under the revised definition, after filing such a statement, will be able to sell at the distribution yard mark-ups authorized by this regulation without regard to the limitations previously imposed.

Prior to the issuance of this amendment, every yard newly established or acquired by new interests was required to apply to the Office of Price Administration for authorization to use the distribution yard mark-ups before selling at distribution yard prices. This provision was considered necessary in order to insure insofar as practicable that lumber which would normally be sold on direct mill shipments at the mill level of price would not be diverted unnecessarily through new distribution yards for the purpose of obtaining higher prices for such lumber and that lumber would not be diverted to new distributive channels connected with mills to the detriment of the buyer who normally obtained lumber in carload quantities directly from the mill. These applications were processed on the basis of objective standards applied uniformly and generally to all applicants. Under these standards, authorization to use the distribution yard mark-ups was granted only to yards which were free of financial or family connections with lumber producing or wholesaling operations. Such standards were intended to result in generally fair treatment for all applicants and at the same time achieve the primary purpose of the section which was to prevent unnecessary routing of lumber through distribution yards by the technique of setting up new yards.

The procedure has imposed a severe and growing burden on this Office, resulting in increasing difficulty in making the necessary investigations and acting promptly on the applications received. At the same time it has not been certain that the screening process sufficiently controls unnecessary diversion of lumber through distribution yards to justify the effort involved. A very high proportion of the large number of new yards approved have been located in the areas of important lumber production, raising a question as to whether unnecessary routing is not occurring despite the screening of new applications. Moreover, the scrutiny of new yards has not prevented established yards from acquiring interests in producing mills, or from routing through their yards an increasing volume of lumber produced by the mills under their control. To the extent that this seems to have occurred, limitations on the opening of new yards are discriminatory, and the purpose of such limitation is circumvented.

To relieve the administrative burden and remove the discriminatory features and yet accomplish the purpose of preventing unnecessary routing of lumber through distribution yards as effectively as possible, this action, while removing all limitations as to the interests which can operate new distribution yards, considerably tightens the definition of a lumber distribution yard that is entitled to use the mark-ups provided by Second Revised Maximum Price Regulation 215. Any yard which is entirely independent of a producing mill will have no difficulty in meeting the definition. Certain bona fide distribution yards which have mill connections may be required to adjust their operations somewhat, as by establishing a separate bank account for the yard, by assigning personnel and managerial staff which will devote their efforts to the distribution yard exclusive of any participation in management or operation of the lumber mill or other producing operation, and by keeping separate inventory records on yard stock, by preparing a separate profit and loss statement. Where total sales of the combined operation have not exceeded $120,000 in any 12 months' period since January 1, 1943, however, these requirements for segregation of operations from mill or concentration yard operations do not apply, as it is considered an undue burden on such small operators who have historically functioned without separate establishments to be compelled to do so now.

All members of the Softwood Distribution Yard Industry Advisory Committee were requested to review these requirements. Except on one or two points there was unanimous agreement of those expressing an opinion that the requirements were not unduly onerous to a bona fide distribution yard, and with respect to these points a majority of the members responding agreed that it was proper to require compliance with them.

These requirements are expected to assure, so far as practicable, that the customary distribution-yard services normally offered in connection with the yard sales of softwood lumber are available to the purchaser and performed when required, and that lumber yards will not be used as an expedient for obtaining distribution-yard prices for lumber which is essentially sold direct from the mill to the consumer. Further to assure this, it is provided that a distribution yard connected with a producing operation by financial interest or family relationship and located within 500 miles of such producing operation may not sell carload quantities for rail shipment or any quantity for water shipment at other than mill prices. A yard located at a greater distance will necessarily be outside the principal producing area and located in an area of lumber consumption. It will have a local market for its lumber generally sufficient for its available supply, and there will be no need to make carload rail shipments or water shipments which are the type that should be supplied direct from the mill at mill prices and which, when made by a yard, as a frequent practice in common items, carry a presumption of unnecessary routing of lumber through distribution-yard channels.

It is recognized that this amendment, while assuring that lumber sold at distribution-yard prices is made through a bona fide distribution-yard sale, may, nevertheless, permit an increasing amount of the available lumber supply to be routed through distribution yards having some connection with a mill. This may operate to the disadvantage of other distribution yards and other purchasers without mill associations which normally obtained their lumber in carload quantities at mill prices. Such purchasers may find it increasingly difficult to obtain lumber except at distribution-yard prices from yards associated with mills resulting in higher costs and greatly reduced margins for the independent yard. To the extent that distribution-yard prices permit an unusually favorable profit to the distributor of lumber assured of a direct mill supply, this possibility is enhanced. Despite this possibility, however, the provisions of this amendment have the approval of the majority of the members of the Softwood Distribution Yard Industry Advisory Committee.

As one alternative to this action, careful consideration was given to a provision intended to minimize the diversion of lumber to yards with mill connections by prohibiting yards associated with mills from selling at distribution-yard prices any larger amount of lumber produced by associated mills than was sold by such yards in a base period, with the effect of earmarking a definite proportion of the lumber produced for direct mill purchases in carload quantities for independent retail yards as well as large consumers. All elements of the retail lumber industry which have expressed themselves with respect to it have recommended that such a restriction not be made. In view of these recommendations and since such a restriction might require drastic readjustment of the sales allocation of some existing sellers, the Administrator has not adopted it.

Prior to the issuance of this amendment the Price Administrator has consulted so far as practicable with representatives of the industry and has given consideration to their recommendations.

All provisions of this amendment and their effect upon business practices, cost practices or methods, or means or aids to distribution in the industry or industries affected have been carefully considered. No provisions which might have the effect of requiring a change in such practices, methods, means, or aids have been included in the amendment unless such provisions have been found necessary to achieve effective price control and to prevent circumvention or evasion of the amendment or of the act. To the extent that the provisions of this amendment compel or may operate to compel changes in business practices, cost practices or methods, or means or aids to distribution established in the industry or industries affected, such provisions are necessary to prevent circumvention of this amendment or of the Emergency Price Control Act of 1942, as amended.

In view of the above considerations, the Administrator finds that this amendment is necessary and proper and consistent with the purposes and standards of the Emergency Price Control Act of 1942, as amended, and with the Executive orders of the President.

Issued this 23d day of April 1946.

PAUL A. PORTER,
Administrator.

Mr. HICKENLOOPER. Mr. President, I shall not burden the Senate with reading regulation No. 20, which went into effect on the 23d of April, but I shall state its effect. I do so because the OPA makes the same statement in its explanation, which will appear in their statement in connection with the order, namely, that they were unable to enforce their own regulation preventing producers, that is, the loggers and the log operators, from operating retail lumber yards. There was a regulation against that, but they admit here that they could not enforce it. Therefore what does OPA do? It abolishes the regulation, and now allows the wholesale producer of lumber to open up retail yards at will. He can sell all he desires, providing he does not sell in carload lots, under 500 miles from the location of

his factory, or his producing area, and he cannot ship it in shipload lots within 500 miles.

The practice has grown up, ever since that order went into effect, on April 23, for the great majority of lumber producers, instead of selling on the wholesale market to retail lumber yards throughout the Middle West and the East, to open up their own retail yards and sell their own products at retail prices, in locations near the lumber centers, thereby getting, not only the wholesale profit, if any, which they had been getting, but the entire retail profit as well, and the retail lumber dealer must either buy the lumber at retail, and then merely trade dollars, and pay the expenses of transportation, or not get it, and have to shut up shop.

The Middle West lumber dealer, the man who cannot truck the lumber, who lives so far away from the logging centers and the mill centers that he cannot truck, either is out of business today, or will be shortly, when his present supplies are exhausted.

OPA has now put the cap sheaf, in my opinion, if it continues this order, upon the shock of destruction of the retail lumbermen of the Middle West and East.

I suggest that in the consideration of OPA policy, and of what they are doing through the outlets and distribution centers of this country, Members of the Senate read carefully not only the order, but OPA's own explanation of its inability to enforce its own regulations which it once thought were good, but now is discarding, having gone over to the side of the "enemy," so to speak, and under which practice they are permitting the doing legally of the very things which a few weeks ago they said were atrocious, and were destructive of public morals under a price policy.

Mr. President, I wish to call to the attention of the Senate another activity of OPA. I have in my hand a form letter, one of a good many such letters which were sent out of the district office of OPA in the city of Des Moines. The letter is dated May 6, 1946. I have another such form letter dated May 7. I have several such letters. The ones I have seem to be dated May 6 or May 7. The letter is addressed:

A. I. MADDEN,
Insurance Exchange Building,
Des Moines, Iowa.

DEAR SIR—

Bear in mind, Mr. President, that this is a mimeographed form letter with blanks left at certain places in the letter to fill in the appropriate data applicable to the addressee. The letter proceeds—

On February 20, 1946, a certificate of transfer was filed with your local board for a (new) automobile purchased by you. An investigation is now being conducted with reference to the sales made by—

And then there is filled in typewriting the name "Jensen-Dunn Co."

I call attention, Mr. President, to the last sentence:

An investigation is now being conducted with reference to the sales made by Jensen-Dunn Co.

The letter continues:

Will you please call at your local price-control board, 525 Sixth Avenue, Des Moines, Iowa, room No. 208, on May 10, 1946, at 2 p. m., bringing with you all papers in your possession pertaining to the above-mentioned automobile, so that a representative of this office can discuss the purchase with you?

If the time designated for your appearance is not convenient, will you please call your price-control board to arrange for a more convenient time?

Your cooperation in this matter will be greatly appreciated.

Very truly yours,
MAURICE L. MERRITT,
Chief, Rent and Durable Goods Enforcement Section.

(For the district enforcement attorney.)

I have a number of such letters which were sent to purchasers of new automobiles. The startling thing about this is that every one of them refers to a new automobile sold by as reputable automobile dealers as there are in the United States, by men that I know of, by business concerns that I know of, businesses upon which no stain of law violation or culpability has ever been placed. They are men who have built businesses over the years in that city. I have received only eight or ten such letters in response to the hurried request I made for them; but I am informed that the district office of OPA, by direction of Washington, is ordering these circular letters to be sent out, and I believe is also doing the same thing in Milwaukee, and I believe in certain areas in the South, literally charging responsible and decent businessmen, at least they are such in the eyes of their customers, with probably being law violators and criminals, when the customer himself has made no complaint, and has no complaint, and when in fact in most instances the OPA has never questioned the dealer, and when there is not in fact, so far as the dealer knows, any investigation of his activities or his sales prices. As I happen to know, because I have received communications from them, it has raised in the minds of a number of persons, the fear that perhaps this old-established company has suddenly become a criminal, a black-market operator, and that the new cars they bought, based upon ceiling prices, based upon regulations, may in some way involve the customers in some illegal act.

Mr. President, it is the most insidious assault and presumption of criminality directed against honest and decent businessmen by a Government agency, if you please by their Government, that I have ever seen. It smacks of the Ogpu and the Gestapo.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. FERGUSON. Has the Senator been able to discover why these letters are being sent out? Does the Senator know what the real purpose of the OPA is in sending them out?

Mr. HICKENLOOPER. I will say to the Senator from Michigan that I have not received any explanation from the OPA. I received the letters only today. I have letters applicable to about five different automobile companies in Des Moines. All of them are reliable business concerns. My information is that none of these automobile companies has been visited by an OPA representative or a checker; that the companies themselves have not been under investigation, so far as they know, and yet their customers of long standing come in in fear and trembling lest those with whom they have done business for many years in the past have suddenly become black marketeers.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. FERGUSON. The reason for my inquiry was that I recall representatives of the OPA coming before the Committee on Appropriations on various occasions and requesting more money, with the statement that they needed the additional money for investigating purposes. I wonder whether this is not a case of their using money so appropriated to make investigations when there is no need and no cause whatsoever for making them, when there is not even, as we usually say, a suspicion that there has been a violation, let alone real evidence of one. We in the Senate should know if OPA is using the money appropriated to it to send out such letters as the Senator has referred to, asking the buyer of an automobile to come forward and make a report with respect to his purchase of an automobile.

Mr. HICKENLOOPER. And, I might add, raising the unjust suspicion in the minds of law abiding citizens that the business establishments which have been in existence in these towns for many years have become criminals.

Mr. FERGUSON. Yes. The tendency today on the part of OPA seems to be to want to discredit business. To go to a man's customer and inquire whether he has committed a crime could be one method and a very effective method of discrediting business. I do not believe that money was appropriated for the purpose of sending out such letters or for the purpose of discrediting honest, reliable businessmen in the sale of automobiles or of any other products.

Mr. HICKENLOOPER. I thank the Senator from Michigan.

Mr. President, as I have said, I have information that the same thing is being done in Milwaukee, Wis., and in certain places in the South, I believe in Georgia, and in many other places the exact location of which I do not now know. This act on the part of OPA may be likened, if such were the case, to the prosecutor of the District of Columbia in some way obtaining a customer list of the fine retail stores of the District of Columbia, and, without ever sending investigators into the stores, circularizing the customer lists, let us say of Woodward & Lothrop, or any of the other stores of the District, and saying to the customers, "The store from which you made these purchases is under investigation by OPA to see whether they have gouged you on prices or are guilty of criminal activities. Will you please bring in your records." It amounts to the same thing as

circulating the whole customer list of the store, when as a matter of fact no investigation had ever been instituted at the source of the alleged inquiry.

Mr. President, I say that it smacks of methods which are not American investigative methods; they are not methods within the accepted province and the accepted activities of American prosecutors. They are not methods which are calculated to inspire confidence on the part of the public, but are methods of Government confusion, Government fear, Government doubt, and Government oppression.

I do not have any doubt in my own mind that there are countless instances in this country of violations of automobile ceilings, but I will say that I think the overwhelming violations of regulations respecting sale and transfer of automobiles are occurring in what might be called the black market, fly-by-night field of operators in the automobile business, and not by the legitimate, well-established and long-established men of the community who have built their businesses and their reputations in the past upon public confidence. Letters of this kind will destroy the public confidence in legitimate businessmen and established firms quicker than any other method, for suspicion, over the signature of Government officials, is implanted in the minds of customers that their friend, from whom they have bought automobiles, and who is well established, may be a criminal. "We are investigating."

Mr. President, I shall have more to say later on this subject. I now ask unanimous consent to have printed in the RECORD the letter to which I referred, as an illustration of a number of such letters which I have received.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF PRICE ADMINISTRATION,
Des Moines, Iowa, May 6, 1946.

A. I. MADDEN,
Insurance Exchange Building,
Des Moines, Iowa.

DEAR SIR: On February 20, 1946, a certificate of transfer was filed with your local board for a (new) automobile purchased by you. An investigation is now being conducted with reference to the sales made by Jensen-Dunn Co.

Will you please call at your local price-control board, 525 Sixth Avenue, Des Moines, Iowa, room No. 208, on May 10, 1946, at 2 p. m. bringing with you all papers in your possession pertaining to the above-mentioned automobile, so that a representative of this office can discuss the purchase with you.

If the time designated for your appearance is not convenient, will you please call your local price-control board to arrange for a more convenient time.

Your cooperation in this matter will be greatly appreciated.

Very truly yours,
MAURICE L. MERRITT,
Chief, Rent and Durable Goods Enforcement Section.

(For the district enforcement attorney.)

Mr. HICKENLOOPER. At this time I merely wanted to call the attention of the Senate to the activity and the methods that OPA is even now pursuing in these days of reconversion, and I call it to the attention of the Senate because I think it merits serious consideration and attention by Members of this body.

INCREASE IN COMPENSATION OF FEDERAL EMPLOYEES—CONFERENCE REPORT

Mr. DOWNEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1415) to increase the rates of compensation of officers and employees of the Federal Government, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"SHORT TITLE

"SECTION 1. This act may be cited as the 'Federal Employees Pay Act of 1946'.

"INCREASE IN CLASSIFICATION ACT PAY RATES

"SEC. 2. (a) Each of the existing rates of basic compensation provided by section 13 of the Classification Act of 1923, as amended and supplemented, except those affected by subsection (b) of this section, is hereby increased by 14 per centum or $250 per annum, whichever is the greater, except that no such rate shall be increased by more than 25 per centum. Such augmented rates shall be considered to be the regular rates of basic compensation provided by such section.

"(b) (1) The proviso to the fifth paragraph under the heading 'Crafts, Protective, and Custodial Service' in section 13 of the Classification Act of 1923, as amended, is hereby amended to read as follows: '*Provided*, That charwomen working part time be paid at the rate of 90 cents an hour, and head charwomen at the rate of 95 cents an hour'.

"(2) Such section is amended so as to provide the following rates of compensation for positions in the clerical-mechanical service:

"Grade 1, 90 to 97 cents an hour.
"Grade 2, $1.04 to $1.12 an hour.
"Grade 3, $1.20 to $1.27 an hour.
"Grade 4, $1.35 to $1.49 an hour.

"(c) The increase in existing rates of basic compensation provided by this section shall not be construed to be an 'equivalent increase' in compensation within the meaning of section 7 (b) (1) of the Classification Act of 1923, as amended.

"INCREASE IN PAY RATES FOR CUSTOMS CLERKS AND IMMIGRANT INSPECTORS

"SEC. 3. Each of the existing rates of basic compensation provided by the Act entitled 'An Act to adjust the compensation of certain employees in the Customs Service', approved May 29, 1928, as amended and supplemented, and those provided by the second paragraph of section 24 of the Immigration Act of 1917, as amended and supplemented, are hereby increased by 14 per centum or $250 per annum, whichever is the greater, except that no such rate shall be increased by more than 25 per centum. Such augmented rates shall be considered to be the regular rates of basic compensation.

"INCREASE IN STATUTORY PAY RATES IN THE EXECUTIVE BRANCH NOT UNDER CLASSIFICATION ACT

"SEC. 4. Rates of basic compensation specifically provided by statute (including any increase therein computed in accordance with section 602 (b) of the Federal Employees Pay Act of 1945) for positions in the executive branch or the District of Columbia municipal government which are not included in section 102, as amended, of the Federal Employees Pay Act of 1945 or in the District of Columbia Teachers' Salary Act of 1945, and are not increased by any other provision of this Act, are hereby increased by 14 per centum or $250 per annum, whichever is the greater, except that no such rate shall be increased by more than 25 per centum. Such augmented rates shall be considered to be the regular rates of basic compensation.

"INCREASE IN PAY RATES IN THE LEGISLATIVE BRANCH

"SEC. 5. (a) The first sentence of section 501 of the Federal Employees Pay Act of 1945 is amended by inserting before the period at the end thereof a comma and the following: 'plus (A) 14 per centum of his rate of compensation (including the additions thereto resulting from the application of the foregoing percentages), or (B) $250 per annum, whichever is the greater, except that such rate of compensation shall not be increased by more than 25 per centum'.

"(b) The second sentence of such section 501 is amended to read as follows: 'The additional compensation provided by this section and section 502 shall be considered a part of the basic compensation of any such officer or employee for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.'

"(c) Section 502 of such Act is amended to read as follows:

"'ADDITIONAL COMPENSATION IN LIEU OF OVERTIME

"'SEC. 502. Each officer and employee in or under the legislative branch entitled to the benefits of section 501 of this Act shall be paid additional compensation at the rate of 10 per centum of the aggregate of the rate of his basic compensation and the rate of additional compensation received by him under section 501 of this Act.'

"INCREASE IN PAY RATES IN THE JUDICIAL BRANCH

"SEC. 6. (a) The first sentence of section 521 of the Federal Employees Pay Act of 1945 is amended by inserting before the period at the end thereof a comma and the following: 'plus (A) 14 per centum of his rate of compensation (including the additions thereto resulting from the application of the foregoing percentages), or (B) $250 per annum, whichever is the greater, except that such rate of compensation shall not be increased by more than 25 per centum'.

"(b) The second sentence of such section 521 is amended to read as follows: 'The limitations of $6,500 and $7,500 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the eighth paragraph under the head 'Miscellaneous Items of Expense' in The Judiciary Appropriation Act, 1946 (Public Law Numbered 61, Seventy-ninth Congress), or in any subsequent appropriation Act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this section; and the changes in the rates of basic compensation in the Classification Act of 1923, as amended, made by section 405 of this Act and section 2 of the Federal Employees Pay Act of 1946 shall not be taken into account in fixing salaries under any such appropriation Act.

"(c) Section 522 of such Act is amended to read as follows:

"'ADDITIONAL COMPENSATION IN LIEU OF OVERTIME

"'SEC. 522. (a) Each officer and employee of the Supreme Court of the United States entitled to the benefits of section 521 of this

Act shall be paid additional compensation at the rate of 10 per centum of the rate of his basic compensation. As used in this subsection the term "basic compensation" includes the additional basic compensation provided by section 521 of this Act.

"'(b) The additional compensation provided by subsection (a) of this section shall be considered a part of the basic compensation of any such officer or employee for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.'

"LIMITATION ON AGGREGATE RATE PAYABLE

"SEC. 7. (a) Section 603 (b) of the Federal Employees Pay Act of 1945 is amended by inserting after the words 'by reason of the enactment of this Act' the words 'or any amendment thereto'.

"(b) Notwithstanding any other provision of this Act, no officer or employee shall, by reason of the enactment of this Act, be paid with respect to any pay period, basic compensation, or basic compensation plus any additional compensation provided by the Federal Employees Pay Act of 1945, as amended, at a rate in excess of $10,000 per annum.

"VESSEL EMPLOYEES

"SEC. 8. (a) Section 102 (d) of the Federal Employees Pay Act of 1945 is amended to read as follows:

"'(d) This Act, except sections 606 and 607, shall not apply to employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, to vessel employees of the Coast and Geodetic Survey, to vessel employees of the Department of the Interior, or to vessel employees of the Panama Railroad Company.'"

"(b) Section 606 of such Act is amended to read as follows:

"'VESSEL EMPLOYEES

"'SEC. 606. Employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, vessel employees of the Coast and Geodetic Survey, vessel employees of the Department of the Interior, and vessel employees of the Panama Railroad Company, may be compensated in accordance with the wage practices of the maritime industry.'

"COMPENSATORY TIME OFF FOR IRREGULAR OR OCCASIONAL OVERTIME WORK

"SEC. 9. Section 202 (a) of the Federal Employees Pay Act of 1945 is amended by striking out 'forty-eight hours' and inserting in lieu thereof 'forty hours'.

"NIGHT PAY DIFFERENTIAL

"SEC. 10. That part of section 301 of the Federal Employees Pay Act of 1945 which precedes the first proviso is amended to read as follows: 'Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which including overtime, falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 per centum in excess of his rate of basic compensation for duty between other hours:'.

"PAY FOR HOLIDAY WORK

"SEC. 11. That part of the first sentence of section 302 of the Federal Employees Pay Act of 1945 which precedes the proviso is amended to read as follows: 'Any officer or employee to whom this title applies who is assigned to duty on a holiday designated by Federal statute or Executive order during hours which fall within his basic administrative workweek of forty hours shall be compensated for not to exceed eight hours of such duty, excluding periods when he is in a leave status, in lieu of his regular rate of basic compensation for such duty, at the rate of twice such regular rate of basic compensation, in addition to any extra compensation for night duty provided by section 301 of this Act:'.

"PAY RATES FOR GRADES 9 AND 10 OF THE CRAFTS, PROTECTIVE, AND CUSTODIAL SERVICE OF THE CLASSIFICATION ACT

"SEC. 12. (a) Section 13 of the Classification Act of 1923, as amended, is hereby further amended by striking out the second paragraph relating to grade 9 of the Crafts, Protective, and Custodial Service and substituting therefor the following:

"'The annual rates of compensation for positions in this grade shall be $2,870, $2,980, $3,090, $3,200, $3,310, $3,420, and $3,530.'

"(b) Section 13 of the Classification Act of 1923, as amended, is hereby further amended by striking out the second paragraph relating to grade 10 of the Crafts, Protective, and Custodial Service and substituting therefor the following:

"'The annual rates of compensation for positions in this grade shall be $3,200, $3,310, $3,420, $3,530, $3,640, $3,750, and $3,860.'

"(c) With respect to grades 9 and 10 of the Crafts, Protective, and Custodial Service, the increase in rates of basic compensation provided by section 2 of this Act shall be computed on the rates of basic compensation established for such grades, as amended by subsections (a) and (b) of this section.

"GENERAL ACCOUNTING OFFICE

SEC. 13. This Act and any other general legislation heretofore or hereafter enacted governing the employment, compensation, emoluments, and status of officers and employees of the United States shall apply to officers and employees of the General Accounting Office in the same manner and to the same extent as if such officers and employees were in or under the executive branch of the Government.

"PERSONNEL CEILINGS

"SEC. 14. (a) Section 607 of the Federal Employees Pay Act of 1945 is amended by adding at the end thereof a new subsection as follows:

"'(g) (1) In carrying out the provisions of subsection (b) of this section—

"'(A) with respect to the departments (other than the Department of War and the Department of the Navy), establishments, and agencies (including Government-owned or controlled corporations) in the executive branch, the Director shall so determine the numbers of full-time civilian employees and the man-months of part-time employment on the basis of the relative needs of such departments, establishments, and agencies for personnel, that the aggregate number of such civilian employees (including the full-time equivalent of man-months of part-time employment) shall not exceed (i) five hundred and twenty-eight thousand nine hundred and seventy-five for the quarter beginning October 1, 1946; (ii) five hundred and one thousand seven hundred and seventy-one for the quarter beginning January 1, 1947; (iii) four hundred and seventy-four thousand five hundred and sixty-seven for the quarter beginning April 1, 1947; and (iv) four hundred and forty-seven thousand three hundred and sixty-three after June 30, 1947;

"'(B) with respect to the Department of War and the Department of the Navy, the Director shall so determine the numbers of civilian employees (including the full-time equivalent of man-months of part-time employment) that at the earliest date practicable, but in no event later than July 1, 1947, the number shall not exceed one hundred and seventy-six thousand with respect to the Department of War, or one hundred thousand with respect to the Department of the Navy.

The numbers of employees specified in this paragraph shall be regarded as maximum numbers, and nothing herein shall be construed to limit the authority of the Director to establish lower aggregate numbers whenever, in his opinion, the numbers so specified are in excess of those necessary for the proper and efficient exercise of the authorized functions of the departments, establishments, and agencies to which this subsection applies. The procedural provisions of subsection (b) of this section shall be applicable with respect to determinations under this paragraph.

"'(2) No provision of law heretofore or hereafter enacted authorizing the employment of personnel by, or appropriating funds for the compensation of personnel of, or conferring additional functions upon, any department, establishment, or agency, shall be construed to authorize the employment of, or payment of compensation to, a greater number of employees subject to this subsection than the number so determined by the Director with respect to such department, establishment, or agency unless such provision of law specifically authorizes the employment or payment of salaries of personnel in excess of such number, or exempts such department, establishment, or agency from the provisions of this subsection, and any such employment or payment not so authorized shall be deemed to be a violation of the provisions of section 3679 of the Revised Statutes of the United States (U. S. C., 1940 edition, title 31, sec. 665).

"'(3) The provisions of this subsection shall not apply with respect to employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose. The provisions of subparagraph (A) of paragraph (1) shall not apply with respect to officers and employees in the field service of the Post Office Department or to officers and employees of the Veterans' Administration, but shall apply with respect to officers and employees outside the United States whose compensation is fixed in accordance with the Classification Act of 1923, as amended, and who are not excluded from the provisions of this section by the provisions of subsection (f). The provisions of subparagraph (B) of paragraph (1) shall not apply with respect to officers and employees outside the several States and the District of Columbia.'

"(b) Effective October 1, 1946, subsection (f) of such section is amended by striking out '(1) employees of the War and Navy Departments except those who are subject to the provisions of titles II and III of this Act; or (2)'.

"APPROPRIATIONS AUTHORIZED

"SEC. 15. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"EFFECTIVE DATE

"SEC. 16. This Act, except section 14 (b), shall take effect on July 1, 1946."

And the House agree to the same.

That the title of the bill be amended to read as follows: "An act to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes."

SHERIDAN DOWNEY,
HARRY BYRD,
B. B. HICKENLOOPER,
Managers on the Part of the Senate.

JENNINGS RANDOLPH,
HENRY M. JACKSON,
GEORGE P. MILLER,
EDWARD H. REES,
JOHN W. BYRNES,
Managers on the Part of the House.

Mr. DOWNEY. Mr. President, the conference report has been accepted by the House, and I move its adoption by the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. LANGER. Mr. President, I wish the RECORD to show that as a conferee I did not sign the report.

The PRESIDING OFFICER. The RECORD will so show.

Mr. DOWNEY. Mr. President, the chief point in this conference report to which the attention of the Senate should first be directed is that the bill provides for a 14-percent increase in present salaries. In addition there is a somewhat greater increase in some of the lower brackets, by providing for a minimum increase of $250 unless the increase exceeds 25 percent of the existing salary, when the limitation is a 25-percent increase. Those figures may seem rather peculiar, but we have part-time workers and messenger boys, and a large number of other employees who are in the very lowest paid category.

The Senate may perhaps best understand how the bill works out in that respect from the reading of a brief summary on the effect of those figures.

Any employee now receiving less than $1,000 a year receives an increase of 25 percent. Any employee receiving $1,000 or more, but less than $1,785.71 receives an increase of $250. Any employee receiving $1,785.71 or more receives a 14 percent increase, except that he cannot receive more than $10,000. The last statement illustrates one of the provisions of the bill. We have established a ceiling of $10,000 beyond which no worker can go because of the present increase of 14 percent. As a matter of fact, that provision continues in effect the provision of the July 1, 1945, bill.

No Senator can properly judge this bill unless he takes into consideration the fact that less than a year ago we granted a substantial increase to all Federal employees in the classified branch, with which the bill deals. At that time we granted an increase of 20 percent on the first $1,200 of salary, 10 percent increase on all salary from $1,200 to $4,600, and a 5 percent increase on all amounts above that figure.

The bill does not give quite the increase which I desired and for which I argued on the floor of the Senate. Figured over-all, it gives 15 percent. The bill which I originally introduced, and which I should like to have had passed then, and would like to have passed now, provided for a 20 percent increase. However, in frankness, I must admit that the ultimate working out of both bills is a most satisfactory result, although not quite what I would want. A very much larger increase has been given in the lower brackets, and quite a substantial increase in the upper brackets. If we take the effect of both bills together—the one of last July and the one of this July—we start with the lowest salary of $720 for messenger boys and others in the lower paid category. The two bills give them a 50 percent increase. That increase is gradually decreased as the salary scale goes up. At $8,000 the bill now provides a total increase of 24.7 percent. The present cost of living is up approximately 35 percent, so that those in the higher brackets still lack approximately 10 points, in their increase, below the increase in the cost of living.

The conference report was signed by all the conferees on the part of the House. It was signed by the Senator from Virginia [Mr. BYRD], the Senator from Iowa [Mr. HICKENLOOPER] and myself on behalf of the Senate. The distinguished Senator from North Dakota [Mr. LANGER] did not sign the conference report. After I conclude he will state his objections to it.

The House had passed a bill providing for a $400 flat increase, which would have resulted in approximately a 17 percent increase over-all. The Senate had passed a graduated salary bill providing for an 11 percent increase over-all. This is an intermediate bill. It gives a certain flat increase, of $250, in the lower brackets, and it provides for considerable help in the upper brackets.

I believe that if the Federal Government is going to retain from private industry its very best men there must be some increase beyond $10,000; and in my opinion new salary brackets should be created up to $15,000. But Congress did not see fit to do so in this legislation. Very possibly that issue will be raised next year, as to whether we should have additional higher categories, and whether we should raise the ceiling.

I believe that the Congress of the United States may, in one sense, be congratulated on this bill. Under the democratic processes of our Government, in the free conference of the House and Senate in the deliberations on this bill, many vigorous things were said, and both Senate and House conferees emphatically expressed their views. As a final result, after deliberations which were aggressive and impatient at times, but I think always tolerant and fair, we finally arrived at this bill.

As a result of these two bills, I am proud to assert something which I do not think can be denied—that Federal employees, comprising a total of approximately 2,000,000 in number, although less than 1,000,000 are directly affected by the bill, are, in the lower category, substantially better paid than in private industry. Furthermore, Federal workers have a month's vacation as compared with approximately 2 weeks in private industry. Moreover they have a very helpful and fine civil-service retirement annuity, to which the Government contributes about 50 percent. I think it is fortunate to have this example at this time, without any strikes or great stress or loss of labor. Under the democratic process of give and take, without coercion or undue strife, we have worked out a bill which may not satisfy all Senators. Some Senators may think that the increase is too high in some respects. It will not satisfy other Senators because they think it is too low. But at least it is a fairly good bill, and well comparable with the results accomplished by strike methods. In this instance the result was obtained without any of those unhappy incidents.

There is another major feature of the bill, which I will ask the Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Virgina [Mr. BYRD] to discuss, because they took a more active part in obtaining those provisions than I did.

It seems to be the general opinion of the Civil Service Committees of both the House and Senate, and of the Congress, that in certain of the agencies there is overstaffing and considerable waste of manpower. We believe that in other agencies the employees are working faithfully and energetically, and that full use is being made of manpower. The whole problem is so vast that reform is rather difficult.

The bill contains a provision agreed upon in the conference which at least is an attempt to secure greater economy in the use of Federal manpower. Expressing it in very general terms, although it is a technical subject and there are many details, it is an attempt to place ceilings by this bill upon Federal employment, by virtue of which, over the next fiscal year, commencing October 1, it will be the duty of the officials in charge of Federal employment to absorb three-quarters of the cost of the bill by decreasing Federal employment. That ceiling does not apply to the Veterans' Administration. It does not apply to wage-board employees, and it does not apply to the Post Office Department.

We have established a different kind of ceiling for the Army and Navy Departments, requiring them to reach a certain number of personnel by July 1, 1947. How effective the ceiling will be, and to what extent it may be set aside by later acts of Congress—as it may be, within the power of Congress—no one can say.

There are certain other details in the bill dealing with increased pay on holidays and at nighttime, which are beneficial to the workers, but I shall not recite them, because they are rather inconsequential.

I believe that is all I have to say. As I have already stated, the House has agreed to the conference report. All the House conferees have signed the report and are for it. I believe that the bill as it comes from the conference is considered a fairly satisfactory bill and a satisfactory solution. As I have stated, the distinguished Senator from North Dakota [Mr. LANGER] did not sign the report.

Mr. President, I ask unanimous consent that a table showing the effect of the two last pay bills upon the compensation of the Federal employees be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Schedule of basic annual rates of compensation for positions subject to Classification Act of 1923, as amended

Old rate in effect prior to July 1945	Present rate under Public Law 106, effective July 1, 1945	Proposed rate, 14 percent above present rate [1]	Proposed increase over—			
			Old rate		Present rate	
			Amount	Percent	Amount	Percent
$720	$864.00	$1,080.00	$360.00	50.0	$216.00	25.0
$780	936.00	1,170.00	390.00	50.0	234.00	25.0
$840	1,008.00	1,258.00	418.00	49.8	250.00	24.8
$900	1,080.00	1,330.00	430.00	47.8	250.00	23.1
$960	1,152.00	1,402.00	442.00	46.0	250.00	21.7
$1,200	1,440.00	1,690.00	490.00	40.8	250.00	17.4
$1,260	1,506.00	1,756.00	496.00	39.4	250.00	16.6
$1,320	1,572.00	1,822.00	502.00	38.0	250.00	15.9
$1,380	1,638.00	1,888.00	508.00	36.8	250.00	15.3
$1,440	1,704.00	1,954.00	514.00	35.7	250.00	14.7
$1,500	1,770.00	2,020.00	520.00	34.7	250.00	14.1
$1,560	1,836.00	2,093.04	533.04	34.2	257.04	14.0
$1,620	1,902.00	2,168.28	548.28	33.8	266.28	14.0
$1,680	1,968.00	2,243.52	563.52	33.5	275.52	14.0
$1,740	2,034.00	2,318.76	578.76	33.3	284.76	14.0
$1,800	2,100.00	2,394.00	594.00	33.0	294.00	14.0
$1,860	2,166.00	2,469.24	609.24	32.8	303.24	14.0
$1,920	2,232.00	2,544.48	624.48	32.5	312.48	14.0
$1,980	2,298.00	2,619.72	639.72	32.3	321.72	14.0
$2,000	2,320.00	2,644.80	644.80	32.2	324.80	14.0
$2,040	2,364.00	2,694.96	654.96	32.1	330.96	14.0
$2,100	2,430.00	2,770.20	670.20	31.9	340.20	14.0
$2,160	2,496.00	2,845.44	685.44	31.7	349.44	14.0
$2,200	2,540.00	2,895.60	695.60	31.6	355.60	14.0
$2,220	2,562.00	2,920.68	700.68	31.6	358.68	14.0
$2,300	2,650.00	3,021.00	721.00	31.3	371.00	14.0
$2,400	2,760.00	3,146.40	746.40	31.1	386.40	14.0
$2,700	2,870.00	3,271.80	771.80	30.9	401.80	14.0
$2,600	2,980.00	3,397.20	797.20	30.7	417.20	14.0
$2,700	3,090.00	3,522.60	822.60	30.5	432.60	14.0
$2,800	3,200.00	3,648.00	848.00	30.3	448.00	14.0
$2,900	3,310.00	3,773.40	873.40	30.1	463.40	14.0
$3,000	3,420.00	3,898.80	898.80	30.0	478.80	14.0
$3,100	3,530.00	4,024.20	924.20	29.8	494.20	14.0
$3,200	3,640.00	4,149.60	949.60	29.7	509.60	14.0
$3,300	3,750.00	4,275.00	975.00	29.5	525.00	14.0
$3,400	3,860.00	4,400.40	1,000.40	29.4	540.40	14.0
$3,500	3,970.00	4,525.80	1,025.80	29.3	555.80	14.0
$3,600	4,080.00	4,651.20	1,051.20	29.2	571.20	14.0
$3,700	4,190.00	4,776.60	1,076.60	29.1	586.60	14.0
$3,800	4,300.00	4,902.00	1,102.00	29.0	602.00	14.0
$3,900	4,410.00	5,027.40	1,127.40	28.9	617.40	14.0
$4,000	4,520.00	5,152.80	1,152.80	28.8	632.80	14.0
$4,100	4,630.00	5,278.20	1,178.20	28.7	648.20	14.0
$4,200	4,740.00	5,403.60	1,203.60	28.7	663.60	14.0
$4,300	4,960.00	5,654.40	1,254.40	28.5	694.40	14.0
$4,600	5,180.00	5,905.20	1,305.20	28.4	725.20	14.0
$4,800	5,390.00	6,144.60	1,344.60	28.0	754.60	14.0
$5,000	5,600.00	6,384.00	1,384.00	27.7	784.00	14.0
$5,200	5,810.00	6,623.40	1,423.40	27.4	813.40	14.0
$5,400	6,020.00	6,862.80	1,462.80	27.1	842.80	14.0
$5,600	6,230.00	7,102.20	1,502.20	26.8	872.20	14.0
$5,800	6,440.00	7,341.60	1,541.60	26.6	901.60	14.0
$6,000	6,650.00	7,581.00	1,581.00	26.4	931.00	14.0
$6,200	6,860.00	7,820.40	1,620.40	26.1	960.40	14.0
$6,400	7,070.00	8,059.80	1,659.80	25.9	989.80	14.0
$6,700	7,175.00	8,179.50	1,679.50	25.8	1,004.50	14.0
$6,750	7,437.50	8,478.75	1,728.75	25.6	1,041.25	14.0
$7,000	7,700.00	8,778.00	1,778.00	25.4	1,078.00	14.0
$7,250	7,962.50	9,077.25	1,827.25	25.2	1,114.75	14.0
$7,500	8,225.00	9,376.50	1,876.50	25.0	1,151.50	14.0
$8,000	8,750.00	9,975.00	1,975.00	24.7	1,225.00	14.0
$8,250	9,012.50	10,000.00	1,750.00	21.2	987.50	11.0
$8,500	9,275.00	10,000.00	1,500.00	17.6	725.00	7.8
$8,750	9,537.50	10,000.00	1,250.00	14.3	462.50	4.8
$9,000	9,800.00	10,000.00	1,000.00	11.1	200.00	2.0

[1] $250 minimum increase, but not to exceed 25 percent of present rate; $10,000 maximum salary.

Mr. DOWNEY. Mr. President, I hope that the Senate will accept the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. LANGER. Mr. President, it was with the deepest regret that I found that I could not sign the conference report prepared by my associates. It is always a matter of regret when I cannot agree with other conferees, especially in view of the fact that the other three conferees, the distinguished Senator from Iowa [Mr. HICKENLOOPER], the distinguished Senator from Virginia [Mr. BYRD], and the distinguished chairman of the committee [Mr. DOWNEY], were unanimously in agreement with the five Members of the House.

Some time ago the Women's Bureau of the Department of Labor, which, of course, is a Government agency, made an investigation. The Bureau stated that the least that an unmarried girl needed in order to live decently was $1,920 a year. I believe that every Senator on this floor must know that, in view of the high rents and the high cost of living, if a young lady receives a salary of $1,900 a year, she is not getting very much, especially when she has to buy War bonds and to spend money in other ways if she is going to have an annuity in her old age.

Mr. President, the five conferees on the part of the House who have signed this report, originally, in the bill passed by the House, asked for an increase of $400 a year for Federal employees. The bill, according to the terms of the conference report, shows that the poorer an employee is the less he gets. The distinguished Senator from California said that the entire bill applies to approximately a million Federal employees, but, Mr. President, if the conference report is agreed to, about one-third of the 947,000 Federal employees will be called upon to live on the sum of $1,785.71 a year, or less. I should like to see any Senator try to raise a family, even with one child, and live on $1,785.71 a year. And we must realize that deductions for various purposes are made from the pay envelopes by the heads of the various departments.

Mr. President, to my mind the proposed increase is entirely insufficient. I think the amount for lower-bracket employees provided by the conference report is a disgrace to the Government. When we passed the postal-pay bill—and let me point out that some of the members of the committee dealing with this bill were on the committee dealing with the postal-pay bill—we made it retroactive to January 1. But this bill is not to be retroactive. The result is that we are discriminating against a group of employees totaling 947,000 persons.

Mr. President, the Federal employees cannot strike. I noticed in the newspaper the night before last that a Member of the Senate was reported as saying that he was introducing a bill to make it a criminal offense for any Federal employee to strike, or else to provide that at the time men and women are employed by the Federal Government they must sign a waiver of some kind, providing that they never can strike against the Government.

Mr. President, I have the highest regard for my distinguished colleagues; but under my oath and under my conscience, when I realize that one of the Government bureaus has said that a young girl, in order to live decently, must have a salary of $1,920 a year, I simply will not and cannot vote in favor of paying the heads of families only $1,785.71 a year. There are thousands upon thousands of heads of families among the 947,000 Federal workers who are affected, and they are to receive only $1,785.71 a year. I simply do not wish to sign the name of WILLIAM LANGER to any kind of conference report which would put over that kind of a deal on those poor people who, in my opinion, have been underpaid for a long time.

It is true that the proposal looks wonderful; it is true that it looks fine. We are told that some Federal workers will receive a 50-percent increase in pay. But what does it amount to? It is a 50-percent increase over 1927 wages. Every Member of the Senate knows that the cost of living has increased more than 50 percent since 1927. Consider the item of underwear. Garments that used to cost 50 cents now cost $1.50. Consider the item of food; consider butter—when we can get it. There have been great increases in cost all along the line. Senators should consider those matters when they are called upon to vote for the conference report, which provides for increases in the lowest brackets of 50 percent over 1927 wages. They should consider the report made by the Women's Bureau of the Department of Labor, and they should also consider the report by J. Edgar Hoover regarding the terrible conditions which exist in the city of Washington and in other places.

Mr. President, as I have said, I have very high regard for the judgment of my colleagues. But I simply cannot understand how they can vote for the payment of a salary of $1,080, for instance, to a Federal worker. Thousands of Government workers are receiving salaries of only $1,070 a year. Thousands are being paid only $2,258 a year. Thousands of them are being paid $1,330 a year. Thousand are being paid $1,240 a year.

In view of the fact that the conferees on the part of the House originally recommended the provisions of the House bill calling for an increase of $400 a year, I call attention to the fact that under the conference report in some of the higher brackets the increases are to be, not $400 a year, but as much as $989.80. I have no fault to find with that, insofar as the workers in the upper brackets are concerned. I understand that some of the Federal workers who receive the higher salaries serve in very important positions.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. DOWNEY. I know that the Senator from North Dakota would not wish to make a misstatement of fact. I understood the Senator to say that after the conference report is adopted and the bill goes into effect, 90 percent of the Federal workers will receive less than $1,700 a year.

Mr. LANGER. I said that one-third of them would.

Mr. DOWNEY. That is not correct. The bill applies to only 962,000 Federal workers, I believe. Of these 962,000, it is

true that approximately two-thirds will receive less than $2,600, and one-third of them will receive more than $2,600.

Mr. LANGER. Will the distinguished Senator from California tell me how many of them are to receive less than $1,785.71?

Mr. DOWNEY. I should have to have some latitude in making a guess about that.

Mr. LANGER. Is it not true that about 29 percent of them will?

Mr. DOWNEY. Approximately 29 percent will. But let me say that the Senator should call to the attention of the Senate the fact that that number includes part-time workers and elevator boys, messengers, and workers in other categories, perhaps including waiters in the Senate restaurant who may work for only 4 or 5 hours.

Mr. LANGER. Mr. President, I am sure the Senator from California does not claim that all the Federal workers included in the 29 percent—nearly one-third of the total—are elevator boys and messengers.

Mr. DOWNEY. I think quite a number of them are engaged in part-time work or work of that character in the Federal service.

Of course, Mr. President, I think all of us wish to increase the salaries of the Federal workers. But let me say that I believe this measure places the average employee of the Federal Government at least in a much better position than that of the average worker in private employment. I agree with the distinguished Senator from North Dakota that it is with the utmost difficulty that any family can live on $175 or $200 a month. But, unfortunately, that is about the average income, and that is about all that our production at the present time justifies.

I think all of us want to have the country get back to work, produce more goods, be able to raise wages, especially those in the lower-paid groups. But I think the Senator from North Dakota inadvertently made a misstatement of fact.

Mr. LANGER. Mr. President, let me say that some of the women operating elevators are married and support children. Under this measure some of them will be paid $1,080 a year. In some instances messengers are the heads of families. Not all of them are young children. They will receive $1,080 or $1,170 or $1,258, or some such amount.

I wish to make it very plain that I have no particular objection to the proposed increases in salaries for some of the workers in the higher brackets, in view of the increased cost of living, but I desire to call the attention of the Senate to the fact that since 1927 the increases in pay for poor people who work for the Federal Government will have amounted to 50 percent. I know that every Senator realizes that in some instances the cost of clothing has increased 200 or 300 percent. I protest against having the Federal workers in the lower brackets receive such small salaries.

I also call the attention of the Senate to a speech made by the distinguished Senator from California who is chairman of the committee. When the pay bill was under consideration, he pleaded, day after day, with tears in his eyes, for the very people in whose behalf I am now speaking.

I realize the difficulty. I realize that some members of the conference committee were not in favor of very much of an increase. I know what a great heart the distinguished chairman of the committee has. I have seen him plead upon this floor, with tears in his eyes, asking that the Senate provide more pay for the people in the lower categories. I agree with everything he said when, speaking upon this floor some months ago, he stated that the Federal workers in the lower brackets are not being paid enough.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. DOWNEY. The Senator from North Dakota might make a strong argument to the effect that a messenger boy should not have been paid $750 a year prior to last July. But that boy would have his income raised 50 percent, according to the terms of the pending measure. In other words, in the course of a year we shall have raised by 50 percent the compensation of the workers in the lower brackets. Certainly the Senator cannot complain about that.

Mr. LANGER. What is the amount of the increase over 1927 salaries?

Mr. DOWNEY. In the Federal employment there was no increase in salary from 1927 to 1945.

Mr. LANGER. In other words, the messenger boy, or messenger man, or woman who may receive an injury on the elevator, for example, is to receive a 50-percent raise.

Mr. DOWNEY. Mr. President, the Senator can express the situation however he wishes. This bill increases the compensation of employees in the lower brackets by 50 percent, which I think is away above the national average rate of compensation for the kind of work which they perform.

Mr. President, we are dealing with a practical situation. Since the beginning of inflation, we have raised the compensation of persons in the lower brackets by 50 percent. Such increase represents more than persons in comparable private industries have been allowed. I shall be happy at some other time to go along with the Senator in an effort to secure higher wages for all Federal workers. But certainly, in my judgment, there can be no serious complaint against awarding a 50-percent increase in the lower brackets.

Mr. LANGER. Mr. President, I shall vote for the conference report; I do not want any misunderstanding to occur about that; but under it employees in the lower brackets will receive an increase of $250 a year. I want every Senator to know, that, in my opinion, that increase is not sufficient. The other House, itself, said that the increase should be $400. I should be willing to make it apply on up to the $10,000 limit.

Mr. DOWNEY. The House adopted a provision for a $400 flat increase for all Government employees which, of course, provided only a 5-percent increase for the man in the $8,000 brackets. That provision seemed to do an injustice to many employees. The House bill would have caused almost insuperable difficulty. If there had been a $400 flat increase it would have placed many employees in the lower brackets almost in line with each other, when taken in conjunction with the prior bill which had been passed. Therefore, although an employee may have been employed in Government service as a stenographer for 2 or 3 years, he would receive almost no more money than would the person who entered Government service only recently. The $400 flat increase would tend to crowd up the persons in the lower brackets into almost the same category. Unfortunately, we have accomplished the same result in the upper brackets. By imposing a ceiling of $10,000 on salaries, we have crowded many of the employees in the administrative groups up to the top level, so that, in some cases, heads of bureaus will receive no more than some of the subordinates under them. I admit that such unfortunate conditions exist, but we all thought that it was better to take care of the situation in this manner than to crowd the increases into the lower brackets.

Mr. AIKEN. Mr. President, will the Senator yield in order that I may ask a question of the Senator from California?

Mr. LANGER. I yield.

Mr. AIKEN. Under the conference report, what would be the salary of a CAF–1 person?

Mr. DOWNEY. It would be $1,690.

Mr. AIKEN. That would include the $260 raise?

Mr. DOWNEY. Yes; the salary was $1,200 on June 30, 1945. It would now be increased by $490.

Mr. AIKEN. CAF–1 represents the rating of the average girl who comes to Washington from out of town to take a position with the Government as a typist or a junior stenographer, does it not?

Mr. DOWNEY. Yes. It represents the lowest grade of work which is performed in Government service.

Mr. AIKEN. Has there been any change in the rate of promotion?

Mr. DOWNEY. No. We reduce the time when within-grade promotions may be made from 13 and 18 months to 12 months and 18 months.

Mr. AIKEN. Then there may be an upgrading at the end of 12 months.

Mr. DOWNEY. Yes.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. HICKENLOOPER. I wish to discuss for a moment my own personal philosophy with reference to the $10,000 group which was mentioned a moment ago by the Senator from California.

It is true that under the philosophy of the pending proposal there is a crowding at the top bracket of $10,000. Personally I have the feeling that at some time in the future the $10,000 ceiling will have to be broken at appropriate places. I am not willing to advocate the breaking of the ceiling until we can examine it carefully and ascertain where, under what conditions, and in what departments and categories the ceiling should be broken. Even at the expense of crowding at the present time, without more adequate and

proper information I would rather not see the ceiling broken. I believe that the time has come when we should make a reexamination of the equitable pay scales in the various categories of Government employees. We have approached the matter on prior occasions by piecemeal. Certainly inequities have occurred. But I believe that the present approach to an increase in compensation, when coupled with the increase which was granted a year ago, not only does substantial equity and justice to the persons in the lower brackets who received a large percentage increase a year ago, but it also recognizes that those in the higher brackets of Government are entitled to some degree of consideration. As the Senator from California pointed out a moment ago, even when taking into consideration the combined increases, the employees are still not receiving increases which are commensurate with the admitted minimum increase which has taken place in the cost of living.

I think the Senator from North Dakota was absolutely correct in saying that the actual cost of living in this country is far below what the Bureau of Labor Statistics and the OPA state it to be. But so far as the record is concerned, the proposal would mean approximately a 33-percent increase over all.

I personally believe, Mr. President, that this proposal, when coupled with the increases which were provided in the bill last year, will really do substantial equity and justice to the low-bracket employees, and at the same time will give a modest measure of recognition to the higher-bracket employees.

Mr. LANGER. Mr. President, in conclusion I can only say that the 1945 increase in compensation was 20 percent. That was the first increase these employees had received since 1927. It was totally inadequate to meet their requirements. They were not able to get along on it. I know of families which are undernourished. I believe that nearly every other Member of the Senate knows of similar families. We are now asking 29 percent of, roughly, 200,000 families to live on less money than our Department of Labor has said is necessary in order that a person may live decently.

Mr. BYRD. Mr. President, I think the Senator should make clear his statement with reference to some of these lower brackets. Before the new rate went into effect an employee who worked part time received a yearly compensation of $720. A full-time employee began at the rate of $1,704.

Mr. LANGER. My figures show $1,690.

Mr. BYRD. For full time?

Mr. LANGER. Yes.

Mr. BYRD. Before the pay raise went into effect on July 19, 1945, the salary was $1,440. It is now $1,704, and is to be increased to $1,954, or by about 34 percent.

Mr. LANGER. I am referring to the $1,200 salary. The figures are not for part time, but for full time.

Mr. BYRD. The Senator is referring to employees who received $1,200 before July 19, 1945. They are now receiving $1,440.

Mr. LANGER. Yes; and they have been raised to $1,690.

Mr. BYRD. Yes.

Mr. LANGER. The Department of Labor says that, in order to live decently, those persons should receive $1,920.

Mr. BYRD. Many of those employees are not living in localities throughout the country where the higher cost of living exists. They are scattered throughout the country in localities where the cost of living is comparatively low.

Mr. LANGER. I am speaking according to the figures given to me by our own Department of Labor.

Mr. BYRD. I understand; but, as the Senator knows, living costs vary in different sections of the country. I admit that the cost is high in Washington and New York, but these employees are scattered around everywhere. Only 10 percent of them are in the city of Washington.

Mr. LANGER. Let me say to the Senator that the report of the Women's Bureau of the Department of Labor shows that, no matter where they are living, in America a single girl should have an income of $1,920 a year in order to live decently. It does not refer only to the city of Washington.

Mr. BYRD. The Senator will admit, however, that there have been considerable increases made within the last year, starting with 50 percent in the case of $720 part-time employees.

Mr. HICKENLOOPER. Mr. President, I merely wish to say to the Senator from North Dakota who asserts it takes $1,920 a year for a single person to live decently, that I think the average pay of the school teachers throughout the United States, with the possible exception of some of the large metropolitan centers, is in the neighborhood of a thousand dollars a year. I do not defend that low pay. I have for many years, in my home State, and elsewhere, tried to get the pay of school teachers raised, but I submit that school teachers live probably in modest comfort, though not as affluently as I would have them, if I were permitted to fix the pay scales. I still do not agree that it is absolutely essential throughout the United States, in every hamlet and community, that a single person receive $1,920 a year. I think that is more than the cost of living; in fact, in the average smaller, modest community in the United States it is not enough to permit a person to live in affluence, perhaps, but in my State I do not believe the average person in the smaller community, clerks and others, even demand $1,920 a year for a single person. Certainly, I should like to have all the income I could earn if I were in business, or again practicing law. Probably there is no limit to what I would like to have, and I probably could spend all the money I could get.

Mr. LANGER. I should like to have the Senator give us the name of a city where a teacher gets a thousand dollars a year at the present time.

Mr. HICKENLOOPER. I am sorry I cannot give the Senator the exact statistics at the moment, but I shall try to look them up. In what we might call metropolitan schools, that is, the Washington schools, the New York schools, the Chicago schools, and the like, those in the large cities, there is a higher level of pay, which runs around seventeen or eighteen hundred dollars, but when we get away from the metropolitan area I doubt that the average school teacher, in the common grade schools in the small town, and the small town high schools throughout the United States receives more than a thousand dollars.

Mr. LANGER. Let me say to the distinguished Senator that no one fought harder for increased compensation for teachers than I did when we were considering a Senate bill on that subject about a year and a half ago. The salaries of teachers have increased all over the country, including the State of Iowa, which the distinguished Senator represents in the Senate, and if he will take the trouble to look up the statistics, he will find that the pay of a teacher in Iowa today is around $150 a month.

Mr. HICKENLOOPER. The Senator may be correct, because I have not seen the figures recently and I shall not dispute him, because he feels he has sufficient information to enable him to speak on the subject, but I shall take the trouble to look the matter up in the next few days. I have been in the teachers' pay fight; I have been in the teachers' annuity fight; I was somewhat instrumental in advancing the cause when I was a members of the Iowa Legislature, and I have been somewhat in touch with it. I believe the Senator is wrong about the matter.

Mr. LANGER. Let me suggest that when the Senator was in the legislature it was before we had the war. The Senator has been Governor two or three times, and has been in the Senate for some time. I agree that before the war teachers were woefully underpaid and they still are.

Mr. HICKENLOOPER. I could tell the Senator what the average pay of the teachers in Iowa was before the war.

Mr. LANGER. I can tell the Senator that during the drought it was a disgrace—$65 or $70 a month.

Mr. HICKENLOOPER. Not during the drought, but in 1938 and 1939, when prosperity had returned. The average pay of teachers in the State of Iowa—which, let me remind the Senator, has been for many years and still is the most literate State in the Union——

Mr. LANGER. Except North Dakota.

Mr. HICKENLOOPER. The average pay of the teachers in that State, after a certain raise went into effect, was still only about $785 a year.

Mr. LANGER. For 9 months.

Mr. HICKENLOOPER. That is, their yearly income. That included the pay in the large towns, where the salary would run up to $2,400 and $3,000 a year in many instances. I was stating the average.

I am talking of the average for the teachers in the common schools, leaving out the metropolitan areas. It will be interesting to me to obtain the information, to see whether the Senator from North Dakota is correct when he says $1,800 was the scale, or whether I am right in stating it was around $1,000.

Mr. LANGER. I am sure the Senator will find, when he investigates, that since the war came on the pay has increased to around $150 a month. The country

schools in North Dakota are now paying considerably more than they formerly paid. They had to do so in order to get the teachers. What the Senator said was true as to the time during the drought.

Mr. HICKENLOOPER. I beg the Senator's pardon. What I said was not applied to the time of the drought. What I said was true of the time after the drought was over, and after the country began to be productive again, in 1937 and 1938.

Mr. LANGER. Mr. President, I believe teachers' salaries at the present time are entirely inadequate, and I am in favor of the enactment of Senate bill 181, which was introduced, I believe, by the distinguished Senator from Vermont [Mr. AIKEN] and the distinguished Senator from New York [Mr. MEAD].

Mr. AIKEN. No, the bill was introduced by the Senator from Alabama [Mr. HILL] and the former Senator from Ohio, Mr. Burton, who is now on the Supreme Court. The Senator from New York and the Senator from Vermont did introduce a bill which embraced some features which we thought could well be incorporated in whatever Federal-aid education bill Congress should eventually pass, as we hope some bill will be passed. I hope that action on the Federal aid to education legislation may be taken up at an early date.

Mr. LANGER. I want the RECORD to show that I am supporting the Aiken-Mead bill as introduced and that I will support any bill which will very substantially raise teachers' salaries.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. AIKEN. Mr. President, in the warfare which is on between industry and union labor at the present time we find most of the newspapers of the country taking the part of industry and most of the editorials presenting the industrial side of the picture.

Once in a while, however, there is an editor who has courage enough to intimate, in speaking of the coal strike, that the coal miners have some rights, and that the conditions under which they work are such as to build up powerful union leaders such as John L. Lewis.

One of these editors is Mr. Robert Mitchell, editor of the Rutland Herald, published in Rutland, Vt., and I ask unanimous consent that an editorial from that newspaper entitled "Coal Mine Working Conditions," which appeared on May 15, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COAL MINE WORKING CONDITIONS

A great deal of public indignation has been stimulated by John L. Lewis as a result of the coal strike, which has tended to obscure rather than shed light on conditions among the miners in Kentucky and Tennessee. While Lewis knows how to get what he wants, his methods have done little to enlist public sympathy for the plight of the coal miner, as Marquis Childs indicates in his column today.

Despite the tremendous power of the United Mine Workers leader, that power has been surprisingly ineffective in improving working conditions and the economic status of the miners in certain areas, particularly in Kentucky and Tennessee. While Lewis looms as a tower of strength on the national scene and the mine operators seem puny by comparison, it is the operators who have things their own way in the Kentucky-Tennessee mining area.

Writing in the Washington Post, Agnes E. Meyer, wife of the Post publisher, recently compared the coal mines of Kentucky to the battle beaches of Iwo Jima. From 146 to 180 miners are killed in Kentucky every year, and in 1944 there were 10,000 of the 67,000 miners injured in industrial accidents. The inadequacy of the compensation laws of Kentucky has provided Lewis with his best argument for a $70,000,000 health and welfare fund.

Twenty miners were buried alive in the Christmas disaster at the Fourmile mine in Kentucky last year. Five other men involved in the accident survived, and although none of them will be able to work as miners again, neither they nor the families of the dead victims of the accident have received any compensation from the mine owner. It was found that there was no compensation in force at the time of the accident. Provisions of the Vermont Workmen's Compensation Act are not considered liberal, but it is difficult for Vermonters to conceive of a law that would permit lack of any kind of coverage at all.

The first problem in the Kentucky coal mines remains what it has always been—forcing the operators to undertake adequate safety measures. There is also the responsibility for insuring proper compensation for those who are injured and their families.

Despite the higher wages paid during the last 6 or 7 years, Mrs. Meyer asserts that there has been no improvement in the standard of living of the Kentucky miners, who continue to live in filth and squalor, ignorant of wise money handling and indifferent to better living and health conditions. Victimized by the mine operators for years, these workers are easy prey for any manipulations which John Lewis wishes to make in his game of power politics.

The Wagner Act, in its one-sided protection of labor unions, gives great power to a union boss and leaves management at a disadvantage in bargaining with him, but John Lewis would never have obtained dictatorial power over the United Mine Workers without aid from the mine operators. The operators, exercising their power over State governments, have kept the mine workers in primitive servitude so long that the miners have no compunctions about being the slaves of Lewis.

Mr. PEPPER. Mr. President, in the gallery at present is a group of men who are not only servicemen, but are servicemen who have given their limbs for our country in the war. They have brought here a petition signed by a group of veterans. The petition covers almost the two pages, and reads:

We, the undersigned patients at the Thomas England General Hospital, Atlantic City, N. J., and Walter Reed Hospital, in Washington, D. C., have served in various theaters of the recent war; we have sustained injuries which most of us will carry for life. We voice no resentment. We are proud to have served our country. In our efforts to win the treatment we are entitled to we have had the support of organized labor. We now voice our support of organized labor and other groups which are opposing repressive labor legislation now pending in Congress.

Mr. President, on those two petitions are signatures of men from almost all the States of the Union—New York, Pennsylvania, Massachusetts, Alabama, New Jersey, Iowa, Connecticut, North Carolina, Texas, Rhode Island, West Virginia, Montana, and other States in the Union. The veterans who signed these two petitions have presented them to us so that they might be used for this purpose, understanding, as they do, the issues involved in the controversy now pending on the Senate floor, and I say that it is worthy of note by Members of the Senate that the men who made almost the supreme sacrifice for their country feel that there is involved the civil rights of citizens of this country; they feel that there is under attack the right of labor to organize and to bargain collectively by the series of amendments that are pending to the committee bill. They feel that organized labor is deserving of the support and the confidence of the veterans who fought for this country and that now we should not turn against them to deprive them of the gain they won in the many long years they fought for bettering the conditions of themselves and their families.

Mr. President, I want to add only this: I am informed that the President of the United States this afternoon has taken over the railroads. It is my earnest hope, and I repeat essentially what I said here yesterday, that the President will exercise the authority which I believe him to possess under the Smith-Connally Act, and that now, as the operator of the American railroads which he has taken over, he will, through his chosen representatives, negotiate with the employees, and by true collective bargaining, guided only by the principles of right and the public interest, with due regard for the private interest of the management and the ownership, enter into agreements which will make it possible for the working men and women who are today involved in this controversy to get their due, and for the United States public to enjoy the continued service of the great railroad system of this country. I hope that the President of the United States will set that precedent now, and then, as soon as he has acted in the railroad case, follow the same precedent in the coal mine case. I believe that if the President will do that in less than 10 days not only will the railroad strike be settled, not only will the so-called coal strike be settled, but we will have made a momentous step forward in having worked out a procedure whereby in cases of crisis a way will be opened by which these controversies can be thoroughly settled.

If the President has any doubt at all about his authority to do that, I am sure he will find a responsive Senate and House that will add any clarity he may feel is necessary to his authority. But I feel that he has it. I feel that the Congress will back him up if he exercises it; I am confident that the country will give him its support if he exercises it; and I believe that the employees of the rail-

roads and the employees of the coal mines will support him if given an opportunity to sit down in a true spirit of collective bargaining to work out their differences with such a fair representative of management as the President of the United States.

Mr. President, I ask unanimous consent that the petition from this distinguished and beloved group of veterans whom I referred to, in the gallery, may be printed in the body of the RECORD at this point.

There being no objection, the petition was ordered to lie on the table and to be printed in the RECORD, as follows:

We, the undersigned patients at the Thomas England General Hospital, Atlantic City, N. J., and Walter Reed Hospital in Washington, D. C., have served in various theaters of the recent war; we have sustained injuries which most of us will carry for life. We voice no resentment. We are proud to have served our country. In our efforts to win the treatment we are entitled to we have had the support of organized labor. We now voice our support of organized labor and other groups which are opposing repressive labor legislation now pending in Congress.

Mr. BALL. Mr. President, I was very much interested in the comment just made by the Senator from Florida on what he believed would be a happy solution of the difficulties of the railroads. I certainly am glad, and I think all Members of the Senate are glad, that the President has acted expeditiously to take over the railroads to avert a stoppage of operation. But, as I understood the Senator from Florida, he indicated that it was his belief that the President should now proceed to negotiate a final and binding agreement with the employees of the railroads on behalf of the employers, and that that would represent true collective bargaining as he interpreted it.

Mr. President, I merely wish to say that the situation in which the head of an administration which is openly allied politically with the CIO-PAC would negotiate a collective-bargaining contract on behalf of the employer with his employees to me presents a rather fantastic interpretation of what I believe free collective bargaining between management and its employees means under the law.

Mr. PEPPER. Mr. President, I am not the defender of the President; but I wish to say that the President is the President of the United States. He is not representing the CIO and the PAC any more than he is representing the Baptist Church or the fraternal organizations with which he may happen to be associated. He is not representing one segment of the American people any more than another. I am sure that upon reflection the able and distinguished Senator from Minnesota would not wish to inspire a public lack of confidence in the people's Chief Magistrate by suggesting that his official Executive acts are colored either by partisanship or by prejudice in behalf of one particular segment of the political or economic life of this country.

I have faith that if the President of the United States acts he will act in a way which is right and fair, and that he will not be blinded by prejudice or selfish pecuniary interests. I know that the President believes that the working people of this country—indeed, all the people—should have health protection, because he recommended to this Congress that we enact health legislation. If the miners had had the kind of health legislation which the President recommended, Mr. John L. Lewis would not have been able to use the club of delinquency which he has been able to raise against the operators of the coal mines in providing for the employees he represents.

Mr. BALL. Mr. President, I do not wish to engage in a debate with the Senator from Florida as to the character of President Truman. In my service with him here I learned to respect and admire him, and I have great affection for him. I think that on the record a very good case could be made for the proposition which I stated that this administration has shown considerable bias on the side of great organizations of labor. But I think it is clear from the remarks of the Senator from Florida that he seems to feel that the leaders of unions in their collective-bargaining negotiations are always virtuous, and never have selfish motives, but that the employers, on the other hand, are always blackguards, always motivated solely by greedy self-interest. That does not quite jibe with my observation of human nature.

Mr. PEPPER. Mr. President, I believe that if the able Senator from Minnesota were acting in the way he is so capable of acting after reflection and deliberation he would not have made that charge against the Senator from Florida any more than he would have indulged in the previous innuendo against the President of the United States.

I have never stated that management was all bad and labor was all good. Most of us have about as much humanity in us as the rest of us; and that applies to labor unions. However, I did say—and I repeat—that if the Government of the United States, under the direction of its President, were negotiating these agreements, the President would be able to look at the problem from the viewpoint of fairness, and dispassionately, in the public interest, regardless of the private and pecuniary motive which sometimes clouds the vision, or the prejudice which sometimes limits the ability to see of the man who has that kind of an interest. The suggestion which I made seemed to me to offer a practical way by which progress could be made in the solution of this controversy, in the service of the public interest.

EXTENSION OF FARM BANKRUPTCY ACT—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, I submit a conference report on House bill 5504, known as the act to extend the Frazier-Lemke Farm Bankruptcy Act. Let me say, by way of explanation, that when the bill passed the House it provided for extending the Farm Bankruptcy Act, known as the Frazier-Lemke Act, for a period of 15 months. The Senate Committee on the Judiciary saw fit to reduce it to 1 month. The conferees adopted a compromise which extended it to March 31, 1947.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. HILL. Is the conference report signed by all the Senate conferees?

Mr. McCARRAN. Yes.

Mr. HILL. There is no disagreement among the Senate conferees?

Mr. McCARRAN. There is no disagreement among the Senate conferees.

The PRESIDING OFFICER. The conference report submitted by the Senator from Nevada will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5504) to amend an Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and Acts amendatory thereof and supplementary thereto, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

Instead of "June 4, 1946" as proposed by the Senate insert "March 31, 1947"; and the Senate agree to the same.

PAT MCCARRAN,
ABE MURDOCK,
CHAPMAN REVERCOMB,
Managers on the Part of the Senate.

HATTON W. SUMNERS,
SAM HOBBS,
EARL C. MICHENER,
Managers on the Part of the House.

Mr. McCARRAN. Mr. President, I ask unanimous consent for the present consideration of the conference report.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the conference report was considered and agreed to.

GENERAL PULASKI MEMORIAL DAY

Mr. SALTONSTALL. Mr. President, may I take this opportunity to say a few words on a measure pending on the Senate Calendar, namely, House Joint Resolution 304? This joint resolution is very close to the hearts of many of my Massachusetts constituents. It has been passed by the House, and I am confident it will be passed by the Senate as soon as the calendar is called. As I shall not then have an opportunity to say anything about the subject I should like to speak on it very briefly now.

This joint resolution authorizes the President to proclaim October 11, 1946, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

In Massachusetts, since 1932, our General Court has required the Governor annually to issue a proclamation upon this day. For 6 years I eagerly issued such proclamations. I am heartily in favor of this resolution and hope it may be adopted.

Count Casimir Pulaski was born in one of the blackest periods of Poland's tragic subjugation, when his compatriots—as during World War II—were crushed by a cruel conspiracy against the rights of man. He lived in a period when the Colonies in America were throwing off the yoke of tyranny of King George III. After fighting for freedom in his land of Poland, only to see it go down to defeat, Count Pulaski escaped the clutch of the conqueror and continued from afar to do what he could for the land he loved. Later, finding no country in Europe ready to use his services, he went to Paris where he met Benjamin Franklin, the agent of the American Colonies, and arranged to come to America. George Washington accepted Pulaski's services on behalf of the American colonists, and without waiting for an officer's commission, Pulaski enlisted in the Army. Congress rewarded his bravery by commissioning him, at the instance of Washington, as the first commander of the American cavalry with the rank of brigadier general on September 15, 1777. Some 6 months later he was designated commander of the independent corps known as Pulaski's Legion. As the heroic leader of this band, he valiantly shared the fortunes of the struggling Continental Army. He repeatedly distinguished himself for his valor, military genius, and active zeal, until in the ill-fated assault upon the city of Savannah, October 9, 1779, Pulaski was wounded in the thigh by a grape shot when trying to arrest the retreat of the French columns. Two days later he died on board the United States brig *Wasp*. This loyal son of Poland, unable to save the freedom of his own land, died for that of America.

In commemorating the services of Count Pulaski in the American Revolution, we do equal homage to the services of his compatriots, who, during this last great war, suffered sorrow and abasement at the hands of a conqueror while never relenting in their supreme effort to uphold the principles of civilization. Such spirit lights the way to liberty in the world.

Mr. President, I am very glad the joint resolution has been passed by the House, and has been favorably reported by the Senate Judiciary Committee, and undoubtedly it will be passed by this honorable body.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Maurice T. Smith, of Colorado, to be United States marshal for the district of Colorado, vice Arthur D. Fairbanks, deceased, which was referred to the Committee on the Judiciary.

The PRESIDING OFFICER. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES TARIFF COMMISSION

The legislative clerk read the nomination of Edward Dana Durand to be a member of the United States Tariff Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John Price Gregg to be a member of the United States Tariff Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Nan Wood Honeyman to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COMPTROLLER OF CUSTOMS

The legislative clerk read the nomination of Charles I. Lafferty to be comptroller of customs, with headquarters at Philadelphia, Pa.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The legislative clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. HILL. I ask unanimous consent that the nominations in the Coast and Geodetic Survey be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Coast and Geodetic Survey are confirmed en bloc.

COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. HILL. I ask unanimous consent that the nominations in the Coast Guard be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Coast Guard are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. HILL. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Navy are confirmed en bloc.

That completes the calendar.

Mr. HILL. I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objections, the President will be notified forthwith.

RECESS TO MONDAY

Mr. HILL. Under the previous order of the Senate, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 28 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Monday, May 20, 1946, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 17 (legislative day of March 5), 1946:

UNITED STATES MARSHAL

Maurice T. Smith, of Colorado, to be United States marshal for the district of Colorado, vice Arthur D. Fairbanks, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 17 (legislative day of March 5), 1946:

UNITED STATES TARIFF COMMISSION

Edward Dana Durand to be a member of the United States Tariff Commission for the term expiring June 16, 1952.

John Price Gregg to be a member of the United States Tariff Commission for the term expiring June 16, 1947.

COLLECTOR OF CUSTOMS

Nan Wood Honeyman to be collector of customs for customs collection district No. 29, headquarters at Portland, Oreg.

COMPTROLLER OF CUSTOMS

Charles I. Lafferty to be comptroller of customs, with headquarters at Philadelphia, Pa.

COAST AND GEODETIC SURVEY

Henry W. Hemple to be hydrographic and geodetic engineer with rank of commander from April 1, 1946.

Edwin A. Dorner to be aide with rank of ensign from April 1, 1946.

Robert C. Darling to be aide with rank of ensign from April 16, 1946.

COAST GUARD

TO BE ENSIGNS IN THE COAST GUARD, TO RANK FROM JUNE 5, 1946

William Lamb Aitkenhead
Roy Kenneth Angell
Charles Frederick Baker
Leland Cook Batdorf
David Proyer Bates, Jr.
Charles DeLaCour Bishop
Vincent Anthony Bogucki
James William Bolding, Jr.
Richard Baker Bowden, Jr.
Charles Donald Bradburn
Jay Herbert Bramson
John Henry Bruce
George Herbert Patrick Bursley
Edward David Cassidy
Edward Egbert Chambers
William Russell Chandler
Lloyd Hubbard Clark
Malcolm Emery Clark
Albert Harley Clough
Donald Carlton Davis
Lawrence Davis, Jr.
Robert Lloyd Davis, Jr.
Roger Gilbert Devan
Robertson Pickett Dinsmore
Robert Joseph Dodge
Bruce Hamer Edwards
William Laurie Faulkenberry
Verne Doucet Finks
Charles Irving Foss 3d
Frank Hudson Fuller
Arthur Newell Garden, Jr.
James Austin Garrison
James Albert Gary 3d
Robert Stanley Gershkoff
Lloyd Whitman Goddu, Jr.
Dudley Chapin Goodwin, Jr
Walter Franklin Guy
Henry Vanderhulst Harman
John Briggs Hayes
Walter Owen Henry
James Edward Heywood

Leslie Dean High
Ian Edward Holland
Archibald Barwell How 2d
Richard Bernard Humbert
James Patrick Hynes
David Jenkins
Bruce Clifford Johnson
Robert Wayne Johnson
Frederick Steffen Kelsey
William Joseph Kirkley
Robert Charles Krulish
Robert Allison Lee
Michael Beauregard Lemly
Rudolph Edwin Lenczyk
Glenn Milton Loboudger
James Hector MacDonald
Charles Scott Marple
Charles Madison Mayes
Donald Joseph McCann
Alfred Edwin McKenney, Jr.
John Hanson Kennard Miner
Walter Bishop Murfin
John Egbert Van Alen Murray
Milton Ray Neuman
Elliott Northcott 2d
William Merryman Page, Jr.
Frank Eldon Parker
Robert Donald Parkhurst
Robert Arthur Patrick
David Eaton Perkins
Warren Sawyer Petterson
William Comfort Pinder, Jr.
Thomas William Powers
Wilfred Francis Raes
Dan Rayacich
George Francis Rodgers
Randolph Ross, Jr.
Arthur William Rouzie
Edward Peter Rutken
Douglas Cargill Ryan
George Thomas Sain, Jr.
John Bean Saunders, Jr.
Wilmer Schweinsberg, Jr.
John Henry Sharp
Herbert Henry Sharpe, Jr.
Robert William Smith
Charles Hudson Steele
John Wesley Steffey
Shirl Joseph Stephany
James Paul Stewart
James Howard Swint
Alfred John Tatman
Glenn Raymond Taylor
David Harry Thomas
Thomas Cartwright Thompson
William Francis Tighe, Jr.
Richard Morse Underwood, Jr.
Otto Francis Unsinn
Emil Miroslav Valehrach
Donald Ray Vaughn
Richard Theodore Wagner
John Leland Wright

IN THE NAVY

The nominations of James T. Brewer et al., for appointment in the Navy, which were received by the Senate on May 13, 1946, and which appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning on page 4916 with the name of James T. Brewer, and ending on page 4919, with the name of Edwin T. Ziolkowski.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 17, 1946

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

I beseech you therefore, brethren, by the mercies of God, that ye present your bodies a living sacrifice, holy, acceptable unto God, which is your reasonable service.

And be not conformed to this world; but be ye transformed by the renewing of your mind, that ye may prove what is that good, and acceptable, and perfect, will of God.

Let us pray: Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy holy will that we may perfectly love Thee and worthily magnify Thy holy name. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE

Mr. MARCANTONIO. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 122]

Adams	Gore	Plumley
Andrews, N. Y.	Graham	Powell
Baldwin, Md.	Granger	Rains
Barden	Gwinn, N. Y.	Reece, Tenn.
Barrett, Pa.	Hall, Leonard W.	Rich
Bell	Harris	Robertson, N. Dak.
Bender	Hart	Robertson, Va.
Blackney	Hartley	Robinson, Utah
Bland	Hébert	Rodgers, Pa.
Bonner	Heffernan	Roe, Md.
Boren	Hendricks	Roe, N. Y.
Brumbaugh	Hinshaw	Rooney
Buckley	Hoch	Russell
Byrne, N. Y.	Holmes, Mass.	Sabath
Cannon, Fla.	Holmes, Wash.	Sadowski
Carlson	Horan	Sheppard
Case, N. J.	Huber	Short
Celler	Jarman	Simpson, Pa.
Clark	Jenkins	Somers, N. Y.
Clason	Johnson, Ind.	Starkey
Cochran	Judd	Stewart
Cole, N. Y.	Kee	Stigler
Combs	Kelly, Ill.	Sumner, Ill.
Courtney	Kinzer	Sundstrom
Curley	Kirwan	Taylor
De Lacy	Knutson	Thom
Delaney, James J.	Kunkel	Thomas, N. J.
D'Ewart	LaFollette	Tolan
Domengeaux	Larcade	Torrens
Eberharter	Lea	Towe
Elliott	LeCompte	Traynor
Engle, Calif.	Luce	Walter
Ervin	Lynch	Wasielewski
Forand	Mankin	Weaver
Fulton	Monroney	Welch
Gamble	Morgan	West
Gardner	Norton	White
Gavin	O'Brien, Mich.	Winter
Gearhart	Patman	Wolfenden, Pa.
Gerlach	Patrick	Wood
Gifford	Patterson	
Gillette	Pfeifer	

The SPEAKER. On this roll call, 302 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. BOYKIN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 624) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the studies and investigation authorized by House Resolution 5 of the present Congress, incurred by the standing Committee on Un-American Activities, acting as a whole or by subcommittee, not to exceed $75,000, in addition to funds heretofore made available including expenditures for the employment of experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

The SPEAKER. The gentleman from Alabama is recognized for 1 hour.

Mr. BOYKIN. Mr. Speaker, as you know, our colleague the gentleman from Missouri [Mr. COCHRAN] has been very ill for some time and I have been acting chairman of the Committee on Accounts. The gentleman from Georgia [Mr. WOOD] and his group on un-American activities have asked the Committee on Accounts for the money provided in this resolution to continue their investigations.

They gave us some information that I just hate even to mention here about the things that are going on right here under the Capitol dome.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. BOYKIN. With pleasure.

Mr. TABER. I have in my hand, just to show the seriousness of this situation, a pamphlet entitled "The International Film Foundation, Inc.," announcing an initial showing of eight communistic pictures. Down at the bottom of the back page there is the statement:

All inquiries regarding any of these Government films should be addressed to Mr. Luther Evans, Librarian of Congress, Washington, D. C.

That astounds me.

Mr. BOYKIN. I thank the gentleman. Had the gentleman heard some of the information that was given when we had this hearing he would be even more astounded. For instance, one Member of Congress came in with a list stating that there were 70,000 Communist members in this country, had their names in active clubs, and that there were 500,000 fellow travelers, and 150,000 underground workers all working to change this form of government and to overthrow this Government.

I yield to the gentleman from Mississippi.

Mr. RANKIN. I just want to say in reply to the gentleman from New York that what we should do is to clean house and fumigate, get all these un-Americans off the Federal pay roll and off the State pay rolls and off the county pay rolls, and let these boys who fought this war understand that we are going to save the Government they fought for.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I should like to call the attention of the House to the fact that one of the appropriation bills coming up today carries an item for the Library of Congress to put the films out to the public the gentleman from New York [Mr. TABER] spoke of. In other words, this appropriation will go for the purpose of propaganda — Communist propaganda. We want to defeat that appropriation today. It is as necessary to do that as it is to vote this sum for the continuation of the Committee on Un-American Activities.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield.

Mr. CELLER. Will the gentleman tell the Members how much money has been spent heretofore by the present Wood-Rankin committee as well as the Dies committee?

Mr. BOYKIN. I do not have that information here. I will be glad to get it for the gentleman. We did not go into that.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield.

Mr. AUGUST H. ANDRESEN. I believe we ought to apply the old saying: "Eternal vigilance is the price of liberty," and keep on spending money for the purpose of keeping our country free of Communists.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from Michigan.

Mr. DONDERO. It is the only committee of the House of Representatives to which a Member can refer petitions and resolutions by groups which have high-sounding names. A week ago Saturday my home at Royal Oak, Mich., was picketed by a group that called themselves the American Veterans' Committee. I referred the matter to this committee. They report back to me that you do not even have to be a veteran to belong to that organization.

Mr. BOYKIN. I thank the gentleman.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from New York.

Mr. REED of New York. Mr. Speaker, I want to call the attention of the Members of the House to a fact, because all the Members are concerned with it, or practically all of them. That is that these radical communistic organizations seeking to overthrow the Government are working, of course surreptitiously, getting veteran candidates into the field and running them for Congress, while the un-American agencies furnish the money and keep in the background, under cover. That is going on all over the country, as many of you men now know. The legions are for this resolution, and so am I.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from Mississippi.

Mr. RANKIN. In line with what the gentleman from New York has just stated, I hold in my hand a letter written to a man and his wife in New York by a communistic group asking them to raise $5,000 to send down into my district to defeat me for reelection to the Congress.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Mr. Speaker, the question has been raised how much money has been spent by the Dies committee and the present committee. We are either wrong or we are right in this program. If we are right, what difference does it make how much we spend provided it is spent in a judicious and nonextravagant manner? This, I assume, is for the preservation of the Government of the United States. The money is being spent under the direction of the Members of this body. We are proposing to give practically three and three-quarter billion dollars to a certain other country in the name of national defense. I refer to the British loan. If it is right to preserve this country through the avenue of the British loan, why is it not right to preserve this country through this avenue, even if it costs a billion dollars?

Mr. BOYKIN. I thank the gentleman.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from Minnesota.

Mr. O'HARA. Mr. Speaker, in connection with the remarks just made by the gentleman from Michigan as to whether we are right or wrong in this matter, may I call the gentleman's attention to the fact that part of our oath as Members of Congress is to uphold and defend the Constitution of the United States. Does not the gentleman think that this committee is therefore an essential arm of this Congress in connection with our oath of office?

Mr. BOYKIN. I thank the gentleman. I think we have some of the most outstanding men not only in Congress but the entire world on this committee.

Mr. BARRY. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from New York.

Mr. BARRY. Will the gentleman inform the House how many members there are on the so-called Wood-Rankin committee?

Mr. RANKIN. Nine.

Mr. BARRY. I want to bring out, and I think it should be brought out that there are nine members on the committee and that the gentleman from Mississippi [Mr. RANKIN] has only one vote on that committee, because the mail and press reports would indicate that the gentleman from Mississippi [Mr. RANKIN] and the gentleman from Georgia [Mr. WOOD] are the controlling Members of the entire committee.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from Michigan.

Mr. WOODRUFF. In connection with the oath of office that we as Members of the House take, I may say that the reference made to that by the gentleman from Minnesota did not put the cracker on the end of the whip. As a matter of fact, our oath of office compels us to swear to uphold and defend the Constitution of the United States against all enemies, both foreign and domestic.

Mr. BOYKIN. Mr. Speaker, I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], the ranking minority member of the committee, and reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker, we in America do not have a foolproof, self-perpetuating system of government. We do not have here a system of government which is suitable to all peoples. We do have that system which until comparatively recently has been the ideal, the dream of the liberty-loving and liberty-longing peoples of the world. We have declared ourselves to be the asylum of the oppressed peoples of all the earth. We have in good faith and charity opened our doors to many people, but some people who have come to this country have abused the courtesies extended by attempting to destroy our Government, the sort of Government we have established, the blessing of which they have been invited to share. They are trying to establish in this country the sort of government from which they fled. They have found allies in this country. We want to know who they are and where they are, and what they are doing. The sort of government that we are trying to run—and I am not speaking racially—is the Anglo-Saxon sort of government. Our people have been trying to run this sort of government for nearly 2,000 years in these historic times. We are getting fed up with these people who are not willing to help with what we are trying to do. Many of them came from countries where for centuries and centuries the government has operated from the top downward. The people have been governed. The idea of a people governing or that a people can govern has no practical recognition in their ideology, or in their experience, or in their observation.

Mr. COFFEE. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Washington.

Mr. COFFEE. The gentleman said that there were certain people from foreign countries who came over here for refuge from their country and then proceed to attempt to establish the same form of government as that which prevailed in the country from which they fled. Why should they flee from the foreign government?

Mr. SUMNERS of Texas. This is my idea exactly: If they do not like the sort of government, why did they come here? We like it. It is not perfect. It needs a lot of things done to it. It needs most a lot of things undone to it. It is what we have had for many centuries. We have the right and the duty to defend it, and if they will not help us here I am in favor of helping them to flee back where they came from. We have committed ourselves to one sort of government. That does not mean that our sort of government is the best government for every people. To say that a people who have been governed by a king or

held for centuries in a totalitarian government can operate as a democracy by ratifying the contents of a document purporting to be the constitution of a democracy is absurd. The road by which nations of people can reach fitness for free government is a long one. Many people have borrowed our Constitution, but none of the borrowers have been able to operate a government under it because it was to them only a document. It was not rooted in their governmental concepts. It was not fixed in their governmental instincts. I admit that there is much for us to do to bring our policy into harmony with our Constitution, but our route is not back toward a system of man government. The centuries of successful resistance to the natural downhill tendency in that direction has strengthened our people and fitted them for the duties of self-government.

This criticizing the Russian system of government for the Russian people and insisting on the superiority of our system for them is not merely silly, but hurtful and dangerous to the peace of the world. It is very foolish for us to imagine that the Russian people, recently released from serfdom and doubtless making progress toward self-government, can now operate the sort of government that we have been centuries learning how to operate, building up capacity to operate. Their sort of government is probably the best sort of government for them, but that does not mean it is the best sort for the majority of the people of this country. How long do you think people who believe in the Anglo-Saxon sort of government would last in Russia now if they were doing in Russia what the people who believe in the Russian philosophy of government are doing in this country today? They are doing a lot of it under cover. The thing which we of the world have got to do, if we want to get along, is to let the other people operate the sort of government that they believe in and are capable of operating. That goes for us as well as for the other fellow. Let experience and demonstration of merit settle arguments among friendly rivals.

We believe in a government by the people. We believe in the sort of government that we have been operating for centuries and centuries. I do not believe in propagandizing other peoples or trying to force other peoples. The way to spread democracy is to demonstrate its vitality, its superiority, as the sort of government under which people can have liberty, opportunity, and happiness, where the individual citizenship speaks the voice of government. While we have been running all over the world strutting our stuff as the champions of democracy in the world, we have been making leagues of political expediency with organized groups who are the declared enemies of our democracy. But those words in the Songs of Solomon, "They made me the keeper of the vineyards but mine own vineyard have I not kept," challenge us to an examination of the degree of our vigilance. It is time we were doing some work in our own vineyard, ease up a bit in telling everybody else what to do as to their government, and see to it that we do our own job better, and one of our jobs is to discover what is going on in this country. If democracy survives in the world, it must demonstrate again its superiority as well as its ability to defend itself against its enemies, foreign and domestic. It is my judgment we should be careful in our expressions. It is not a question as to what sort of government is best for all peoples. It is a matter of allowing each people to work out their own problems, advising them if they want our advice, and in any way we can, giving them the benefit of our long experience in self-government if they want it. But we do not want to be interfered with either by any subversive gangs or movements. We know they are operating in our country. We want to know who they are, what they are doing. That is what this appropriation is for.

I yield at this point for any question that any of you Members want to ask me.

Mr. GEELAN. I would like to have the gentleman define what is an Anglo-Saxon form of government.

Mr. SUMNERS of Texas. The basic philosophy of the Anglo-Saxon form of government is this: It is an association of private people engaged in a common enterprise of governing themselves. It is diametrically opposed to a totalitarian government, a government which operates from the top downward. Great groups of controlled voters do not fit into its philosophy either.

Mr. GEELAN. I would like to know if the Anglo-Saxon form of government was in existence in England prior to the establishment of Parliament.

Mr. SUMNERS of Texas. Yes; it was brought there in the fifth and sixth centuries from Germany by the Angles, Saxons, and Jutes. In the local government of the cities and boroughs and shires it functioned with the rudiments of a national constitution which limited the power of the King and his lords who constituted the central government.

Mr. GEELAN. Does the gentleman call that a democratic government?

Mr. SUMNERS of Texas. Never mind about what I call it. I have answered the gentleman's question. The first picture we get of our system of government is given to us by Tacitus who wrote in the first century. He gives us a picture of our Germanic political ancestors. When a matter of government was to be attended to the tribe was assembled. They were called to order. They sat down armed. A leader submitted the matter for their consideration. If the people of the tribe approved, they brandished their weapons; if they disapproved they murmured. There we see the place of the leader and the place of the people with the people speaking the voice of government. Tacitus also says that the leaders were influential as they had the power to persuade as distinguished from the power to command. Of course, the road of democratic progress has not been smooth. There have been many struggles, many retrogressions, and many victories. The whole history of democratic progress has been away from centralized power and totalitarianism, the direction in which these subversive elements would move us. This is not the first time that democracy has been called upon to defend itself against its enemies and it will not be the last time. A great student once said that eternal vigilance is the price of liberty. There was never a truer saying. If danger cannot attack from without it attacks from within. This proposed appropriation is an indication that those who believe in our sort of government are not entirely unvigilant.

In our form of government it is the people who govern, at least we have a governmental set-up which makes that sort of government possible. By its nature, it operates from the people upward. They have the power to shape its policy. They have the power and speak the voice of government. That is not true in a totalitarian system of government. A totalitarian government operates from the top down, and that is the sort of thing that many people seem to be busy trying to establish in this country, a government dominant, a people regimented, controlled, dependent.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from New York.

Mr. CELLER. Committees of Congress are supposed to make recommendations which will be implemented by legislation. Can the gentleman point out a single bill that has been passed by this House as the result of the recommendation of either the Dies committee or the Wood-Rankin committee?

Mr. SUMNERS of Texas. I do not want to go into that detail now. What we propose to do is to have some committee of this House, vigilant and on the firing line, and watching what these people are doing in this country, and disclosing their discoveries to the people of this democracy, who are its government. There is no excuse for anybody pretending not to know what is being attempted in America. It may be you agree that what they are doing is right, but you cannot, I believe, in good conscience say you do not know in a general way what is going on, much of it under cover.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman is fair. Does he not believe this committee should investigate all un-American and subversive activities, whether they are on the part of so-called Communists or Fascists or any others, that tend to destroy the unity of this country?

Mr. SUMNERS of Texas. I agree with that.

I go further. I believe we make a mistake in criticizing the government they are operating in Russia as though it were a mean and bad system, basically. It may be the best system for those people. But is is not the sort of government we are trying to operate in this country. That constitutes no basis for quarrel or enmity. For centuries we have been

committed to a different sort of government. The obligation to be tolerant and to concede freedom of choice and action, does not extend to an organized effort to destroy our Constitution by those who shelter themselves under its protection while engaged in the work of its attempted destruction.

Mr. SABATH. Is it not a fact that the people to whom the gentleman refers have proven themselves in the last war, and in the war before, to be patriotic and devoted to our flag?

Mr. SUMNERS of Texas. A lot of them began to demonstrate their patriotism after Russia got on our side. When Russia was on the other side, it was quite different. But I do not want to get into a row with Russia. I think the Russian people have the sort of government, probably, that is best for them. Let us not try to impose our ideology on them. I believe ours is best, of course, but leave to them freedom of choice as to the direction in which they move. Let us run our Government and let other people run theirs. If that is done, we can be good neighbors in a world of peace.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from New York.

Mr. MARCANTONIO. I hold in my hand a photograph from the United Press, The Fires of Hatred Blaze Again; Revival of the Ku Klux Klan. Can the gentleman tell us how much of this money this committee will use for the investigation of this organization?

Mr. SUMNERS of Texas. No; I cannot tell you how much they will use for the Ku Klux Klan. I cannot tell you what they will use anywhere. I am not in favor of the Ku Klux Klan, and I am not in favor of a lot of other clans we have in this country.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, I think most of the Members of this House know that I served on the Dies committee the first 6 years it was organized. I need not recall to the Members of this House the ridicule, the abuse, the obstacles, and the handicaps that were heaped upon that committee during those years. I am proud of the service I rendered on that committee. I considered it a very high privilege and a responsibility to serve on that committee. I resigned from the committee about 2 years ago, largely because of ill health, and not because I was not in full sympathy with the work of that committee.

After a careful analysis, a considered analysis of the work that was accomplished by that first Un-American Activities Committee, usually called the Dies committee, I call the attention of the House to the fact that that committee did two things, one of which was to awaken this Nation to the menace that was within its own borders. I think that committee made the American people conscious at least of that menace. That came as a result of the publicity that was given to the activities and the hearings of that committee. The second thing the committee did, in my opinion, was much more valuable than to awaken this Nation to the menace that existed. During these years these subversive-activity groups were not underground—they were above ground. Their records were available, and the Dies committee did subpena and seize records of many of these organizations. As a result of that, they compiled a card system of un-American activities and of people engaged in un-American activities of more than 1,000,000 separate indexed cards. Since Pearl Harbor, the FBI, the Secret Intelligence, the Naval Intelligence, and the Army Intelligence, have had representatives combing those files daily for evidence concerning these things and have taken out from those files the information they needed and have gone out and arrested hundreds of people and put them behind bars, which the FBI could not have have done if the Dies committee had not compiled those statistics when they were available. That, to me, is the most important thing that the Dies committee did. That was worth more than all the money paid for the operations of the Dies committee.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. It should be obvious to all that the great majority are opposed to any foreign country coming over here and teaching their doctrines, either by radio, by libraries, or periodicals, but still there is a bill now before the Congress, reported by the Committee on Foreign Affairs, which would have us go throughout the world into these foreign countries teaching our doctrines by radio, press, and through the libraries. I would like to have the gentleman tell me what he thinks about the United States refusing to let them comè over here and teaching their doctrines and still we want to go over there to teach our doctrine.

The SPEAKER. The time of the gentleman from Illinois [Mr. MASON] has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes more to the gentleman from Illinois [Mr. MASON].

Mr. MASON. I will answer that in this way: I am absolutely opposed to forcing our form of government or our ideals and principles upon any nation in any way through this propaganda machine that the State Department wants to set up. I was so opposed to it that I opposed the appropriation on the floor and went on the radio and opposed it also.

Mr. ALLEN of Illinois. Could anyone be consistent and say that we should go throughout the world teaching our doctrines, but that we want them to stop coming here and teaching their isms in this country?

Mr. MASON. I cannot see how you can be consistent when you object to their propagandizing us if we are going to propagandize them.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield.

Mr. BLOOM. In fairness to the State Department, what the Government is trying to do with reference to what you call propaganda of the United States is to send the information regarding our form of government abroad. The only thing we are trying to do is to give the information abroad of our form of government and try in some way to dispel the lies they have been sending over here.

Mr. MASON. I refuse to yield any further because I claim that that is not the purpose the State Department has, and I claim that that can be done through regular, legitimate news agencies as it has been done in the past. It is not necessary for the State Department to enter into that propagandizing business.

The SPEAKER. The time of the gentleman from Illinois has again expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. BLOOM].

Mr. BLOOM. Mr. Speaker, I would like to inform the gentleman from Illinois [Mr. MASON] and the Members that this is not propaganda, and the news cannot be gotten out through the press agencies.

Only last Tuesday we had before the Committee on Foreign Affairs several of the most important editors of this country. They explained that that is not the way to inform the people of the world regarding our form of government. It cannot be done through the news, because they will not take it that way. The news only sends out certain things that the editors want to print. The editors are the ones who are to decide what they print in their papers.

Now, you are talking about protecting your Government. Let us try to protect it and be honest and fair about it.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BOYKIN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. O'TOOLE].

Mr. O'TOOLE. Mr. Speaker, like the gentleman from Texas, I too have a great affection and respect for the Government of the United States and its institutions. Because of that respect, I do not wish to see it made possible for a government by inquisition to be either created, or continued. I cannot see any group, including a committee of this House setting itself up as a grand jury, district attorney, and judge. I do not wish to see any committee of this House acting without guaranteeing adequate freedom of expression to those who are accused. I do not desire that there be any committee in this House that will besmirch the names of citizens of this country who are then denied the right of ample opportunity to prove their innocence.

I believe that this House, which is the highest law-making body in the country should be first to respect the fundamental rights guaranteed individuals by the Constitution. Our committees have a duty and an obligation not only to the House itself, but to the people of the country to respect American institutions. The right of a fair hearing, the right to face one's accuser, the right to offer proof and to issue denials are fundamentally American, and are rights which must be retained.

The primary question this afternoon is whether or not this committee has re-

ceived ample funds and whether it now has a balance of sufficient size to continue operation. I believe the committee has more than ample funds. Let the committee come before the House and show positive results from the money expended and not make mere accusations without proof. Let them prove the guilt of those whom they accuse. It is not American to besmirch or call names without proof. It is not fair and just to any human being that they be branded Communists and Fascists by a committee of this House and then nothing more be done about it.

Today will be a field day for fanaticism. Let us try to keep out of our debate fanatical statements. The purpose of this resolution is to provide more funds for the Un-American Activities Committee. Let us stick to that discussion without fanatical outbursts. If we stick to the issues and hear the results that this committee has achieved, I am sure that the House will agree with me that no further funds should be provided.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BOYKIN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Speaker, my opposition to this resolution is well known. I voted against similar resolutions to give funds to the Dies committee, the predecessor of this committee, as well as to the continuation of that committee.

I would like to make this plain. I have only 1 minute. We recently in this House demonstrated our confidence and admiration for Mr. J. Edgar Hoover, the head of the FBI, by unanimously agreeing to raise his salary. That organization is the finest organization in the world for any type of investigation, including subversive activities, or any other thing. It seems to me, instead of setting a precedent by giving additional money to a standing committee of this House we should let the FBI do this job. Everybody has confidence in that organization, everybody knows they will do a good job, and that is a good deal more than can be said about this committee. Let the FBI do it, and then the people of the country will be satisfied that the job is well done.

The committee has permitted itself to become a forum for the dissemination of racial and religious theories which are no part of our democratic form of government. It has demonstrated its bias by concentrating on, and smearing, liberals by calling them communistic and un-American, while it has not touched fascistic groups, nor investigated the recent activity on the part of the Ku Klux Klan.

Let us vote down this resolution and thus effectively terminate the committee itself.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BOYKIN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, the distinguished chairman of the Committee on the Judiciary says he wants Anglo-Saxon government. I do, too, but I do not want his interpretation of Anglo-Saxonism. Actually, he advocates a type of totalitarianism although, very properly, he inveighs against all kinds of totalitarianism. He demands that the opinions of the people conform to his opinion. He thus discourages free speech and free press, the very essence of Anglo-Saxonism, and encourages the very opposite of Americanism. This committee, the Wood-Rankin committee, and its predecessor committee have caused no end of trouble, no end of embarrassment to this very Congress, because those committees have caused trepidation in the hearts and minds of the people of the Nation, and fear to express their own opinions; and you know, as well as I, that only on the anvil of free discussion and free opinion can we forge the truth. Maybe some of the members of this committee do not want the truth to be told.

I believe this $75,000 that will undoubtedly be appropriated today will be just a waste of money as valueless as putting that money down a drain, as valueless as dropping a bucket into an empty well. We have spent—I asked this question but got no adequate answer—we have spent well-nigh a million dollars through the Dies committee and this current committee. What have we got from that? Nothing constructive. As I asked in my question to the gentleman from Texas, the chairman of the Judiciary Committee: Can you give me one single bill that was an implementation of the recommendations of either the Dies committee or the Wood-Rankin committee? The gentleman from Texas was silent. Of course he was silent. Not a single recommendation has been carried out by this House; and thus well-nigh to a million dollars has been utterly wasted and been of no force and effect whatsoever.

This committee has resulted in dangerously splitting and splintering our people into hostile groups. In addition to the fact that no one bill has been passed, the activities of this committee have created festering sores of prejudice and intolerance in many parts of this country, and for that reason I hope this resolution will be voted down.

Instead of judicial fairness and decorum prevailing in the committee hearings, we have noted browbeating of witnesses, badgering of witnesses, and unjustifiable tirades against witnesses.

We constantly hear the committee making charges of un-Americanism before adequate proof thereof. We hear of intemperate remarks and diatribes about organizations and its members without them being given a chance of refutation or defense.

If some of the committee members had their way they would put plugs into the ears of the Nation, gags in mouths, and blinders on eyes, because they want the Nation to see, hear, and speak only what they desire.

With them open criticism and discussion is taboo, if it be on a subject or cause with which they disagree.

Anyone who disagrees with the gentleman from Mississippi [Mr. RANKIN] is a Communist or un-American. The red herring is constantly drawn across the trail.

I loathe communism. I want no truck with it. But freedom of speech and press is too precious. It cannot be denied even to a Communist. If the gentleman from Mississippi could deny freedom of press and speech to a Communist, the door is open to deny such freedom to an anti-poll-tax advocate and then to opponents of TVA, and finally to all who voice opposition to the gentleman from Mississippi [Mr. RANKIN] and his views.

A rascal like Gerald L. K. Smith is treated by the committee with tender solicitude. He was able to use the committee as a forum to mouth at length his fascist views.

There is no satisfactory definition of "un-American." The gentleman from Mississippi calls anything and anyone in disagreement with him and his views un-American. He uses his definition of "un-American" as a cloak to hide his own personal peeves and prejudice.

Thomas L. Stokes, able and skillful columnist of the Scripps-Howard papers, questions:

> Can it be healthy for our democracy to have the gentleman from Mississippi using a committee, with the whole Nation for its sphere of operations, to exploit his own fears and prejudices?

Shall we thus spend another $75,000 for such a dangerous purpose?

That gentleman has too many mental blind spots. He is unable to appreciate that others have opinions and will get them marketed.

Mr. BOYKIN. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, the basic issues should be dealt with here with respect to this committee.

Just what is the committee? And what has it done?

We must judge it by its trend, and we must judge it by its actions. The record will show that the trend of this committee has at all times been to attack pro-Democratic organizations in this country and anti-Fascist organizations in this country. The record will also show that the test of what is subversive and what is not subversive has been the political standards of the gentleman from Mississippi [Mr. RANKIN]. No one can deny that. His viewpoint has been a most aggressive one and it has been impressed thoroughly on the committee. The committee has acted accordingly. The gentleman is entitled to his views, but when we consider what the gentleman's views are on what is American and what is un-American and when we consider that this committee has made the gentleman's views the standard and the test by which investigations of various organizations are to be conducted, then I submit that this committee is no longer an impartial committee but is a committee acting as a vehicle to strike down those anti-Fascist and democratic organizations that entertain pro-Democratic and anti-Fascist views which are incompatible with the views held by the gentleman from Mississippi.

Let me give you specific illustrations. Organizations that have been advocating

FEPC, like the Federation of Constitutional Liberties, are subjected to investigation and contempt proceedings; organizations opposed to the continuance of the poll tax are subjected to investigation and contempt proceedings; organizations that have been advocating friendly relations with the Soviet Union are subjected to investigation and contempt proceedings. Right here this morning we have had the illustration of how certain gentlemen want this committee to function. The gentleman from Michigan [Mr. DONDERO] wants the American Veterans' Committee investigated because a group of them picketed his home. The gentleman from Mississippi himself has pulled out a letter wherein someone is asking for funds for a campaign to unseat the gentleman from Mississippi. What is subversive about that? Since when has an attempt to overthrow the gentleman from Mississippi become synonymous with an attempt to overthrow the Government of the United States? Yet these organizations will be subjected to investigation. And all under what guise? The old red bogy.

Assuming that we do find a Communist here and there in some of these organizations, the test is what are these organizations doing? Are their activities prodemocratic or are they not? If they are, irrespective of who may be in that organization, it is the activity that counts, despite the fact you may find some people in them who happen to belong to the Communist Party. They have a perfect right to engage in democratic activities just as much as a Republican, Democrat, or Laborite has. The test is the activity itself.

Do you know what is going to happen if you give this committee this $75,000? I can understand why the Republicans want to vote for this appropriation. It is going to be used for Republican campaign material. You are going to go after the Independent Citizens Committee, the PAC, and the CIO Political Action Committee, and all this will be done by the old technique of raising the red bogy. There it is, the applause. It bears me out. The gentleman from Mississippi leads the applause and the Republicans follow him with their applause. This applause most dramatically proves my point, that this committee will be used to advantage by the Rankin-Republican alliance against the progress and liberties of the American people.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BOYKIN. Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 3 minutes.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, in view of the fact that the gentleman has 7 minutes, I ask unanimous consent that I be allowed to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RANKIN. Mr. Speaker, I object to the gentleman printing his remarks at this point.

Mr. COLMER. Mr. Speaker, I do not know that I can add anything to this argument. The House very well understands the situation. I do want to call the attention of the Members of the House to the fact that America is the only republican form of government in this world engaged in the last two wars that has maintained its form of government. Foreign isms and ideologies are running rampant in the world, yet America today is the only haven of refuge for the people who admire that form of free government that we maintain in this country.

The question has been raised here about the expenditure of $75,000 to be spent by the Committee on Un-American Activities in the guardianship of our American free form of government, when we are expending millions—yea billions— of dollars for national defense, and the ability of this country to maintain that precious form of free government.

Where does the opposition to this committee come from? Just analyze that for a moment. Where does the opposition in this House with few exceptions come from? It is coming mostly from that group for which the gentleman from New York [Mr. MARCANTONIO], who is neither a Democrat nor a Republican, speaks for in this House. He always leads the opposition.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. COLMER I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman on more than one occasion has stated that the gentleman from New York is neither a Republican nor a Democrat. May I point out that on two occasions both the Republicans and the Democrats, the enrolled voters in my district, nominated me.

Mr. COLMER. I have no fault to find with what the gentleman's district does. If the gentleman's district wants to send him down here, it is perfectly all right with me, I have no complaint about that. But I still maintain that the gentleman is neither a Democrat nor a Republican, and I also maintain that he does not speak for either of those groups in this House. Who is it that the gentleman speaks for when he gets up here? Every time this question has arisen, the gentleman from New York has taken the floor and charged the committee with directing its activities largely toward the Soviet Union. I want to call the gentleman's attention and I want to call the attention of the country to the fact that in the Soviet Republic the laboring man, whom so many of you would speak for, has scarcely any freedom of choice of employment. I want to call your attention further to the fact that a certain large and aggressive labor union in this country, the CIO, is always defending the Soviet Republic.

Mr. GRANGER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I am sorry, Mr. Speaker, I do not have time to yield any more. However, I would like to debate this question with anybody in the House if the time permitted.

As chairman of the Postwar Economic Policy Committee, I, with six other members of that committee, visited the Soviet Republic last year. We saw, first hand, how labor was treated in that country. We saw those people working in those factories and we saw them working on those farms, and I say to you that they are virtually frozen to their jobs, and do not enjoy the right to strike. They do not enjoy the right, in most instances, of even the freedom of electing their own form of employment. I asked the superintendent of one of the large factories there, a pride of the Soviet Republic, if they had any strikes in that country. The gentlemen here who were with me will bear me out on what his reply was. No; they do not have any strikes in that country. He indicated that that was an American institution. I said, "What happens when the workers are dissatisfied?" He said that they were not dissatisfied. But I pressed the question about what would happen if they become dissatisfied.

"Well, in that case a representative of the trade-union and a representative of the factory just got together and everybody was satisfied," the superintendent replied. But he neglected to say that the representative of the trade-union and the representative of the factory were both key figures in the communistic government, that the trade-union was also a part of the government.

I asked the same question at the collective farm and I got the same answer. Nobody is dissatisfied, nobody strikes, and nobody changes his employment. Is that the form of government we want in this country? If that form of government threatens this country, then are we justified in investigating the activities of that form of government in this country? They have a right to their form of government there, but they have no right to force their form of government on us.

I say to you that we got the distinct impression from those with whom we discussed this matter there, both the Russians and our American representatives, that if a worker complained about either the working conditions or the pay for the fruits of his labor he was waited upon, usually at night, by a representative of the secret Russian police. He was then either glad to remain satisfied thereafter or was sent to the frozen regions of Siberia.

And yet, Mr. Speaker, I read recently where a group of vice presidents and representatives of the CIO visited Russia and came back and recommended closer cooperation between the Soviet trade-unions and the American labor unions. God forbid that the independent American workingmen and farmers will ever be forced to work under such a system.

Mr. Speaker, there is no question about the subversive influences being at work in this country. It is a known fact that many Communists have worked themselves into key positions in our Government. I have been informed, off the record, by members of our armed forces that they have even infiltrated into the various armed services which are maintained for the defense of our country.

Certainly, Mr. Speaker, since ours is the last of the major powers enjoying a republican form of government it behooves us to be on the alert. And while some of us have not always approved of all of the activities of this committee, I am confident that the vote here today will show that this House believes that the committee is doing a necessary and useful work and is performing a necessary function in calling to the attention of the country the dangers that threaten our Government. So far as I am concerned I shall vote for this appropriation with the conviction that it will be money well expended.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. COFFEE].

Mr. COFFEE. Mr. Speaker, the gentleman who has just preceded me would by inference stigmatize all of us who are opposed to the continuation of the Wood-Rankin committee as stooges or sycophants of the Soviet Union. He fails to accord to us the courtesy of respecting those in America who believe in upholding the Constitution and who believe rigidly and militantly in supporting a free press and freedom of speech in the United States.

For my authority, I quote Editor and Publisher in its issue of April 13. This publication can by no stretch of the imagination be denominated as radical or pro-Communist. In its issue of April 13, Editor and Publisher charges that the Wood-Rankin committee investigation of "opinion expressed in paid advertising copy"—for this committee investigated an advertisement in New York because it criticized the committee—"amounts to intimidation" and is "an attempt to control thought." It comments further, "If through such activities a branch of Congress can label such opinion 'good' or 'bad', 'right' or 'wrong', it need not go much further to do the same with the now free editorial expressions in our newspapers."

The pattern is wrong, the pattern of the Wood-Rankin committee. The pattern is that any organization which is trying to fight for democracy in America becomes suspect in the eyes of this strangely-adjusted committee. Yes, the committee appears very sympathetic with any organization which seems to uphold fascism but very critical of any organization which seems to oppose fascism.

Whom have they investigated? The Joint Anti-Fascist Refugee Committee, an organization attempting to do something for the refugees from fascism in Europe. The American Committee for Spanish Freedom, also. Why? Because it is opposed to Franco fascism in Spain.

What have we created? We have before us a committee in Congress which has achieved such a reaction that the Washington Post, one of the great daily newspapers of our country has characterized the committee as an "ugly stain on Congress." We have such a performance in the committee that the gentleman from New Jersey [Mr. THOMAS], one of the members, had Gerald L. K. Smith before the committee, and asked him this question:

Mr. THOMAS. Would you say that the German-American bund was a Fascist organization?

Mr. SMITH. I would say that it was ideologically Fascist. I would not say that it was effectively Fascist. The only effective fascism that has really imperiled our people in their daily life in this country has been the administration of the New Deal bureaucracy.

Mr. THOMAS. Now, you have referred to the New Deal before. Would you say that it was more Fascist or more Communist?

Mr. SMITH. I would say that they employ the ideology of the Communists and the technique of the Fascists. I think Mr. Roosevelt was very much an imitator of Mr. Hitler.

Mr. THOMAS. Well, Mr. Roosevelt has passed away now.

Mr. SMITH. Yes; but he personified the New Deal.

Mr. THOMAS. Let him rest in peace. Would you say Huey Long was a Fascist?

Mr. SMITH. The answer is positively "No."

This kind of smear testimony of our late President and of the legislation which through the years has strengthened American democracy and helped us win the war against the military might of fascism was met with the following comment from the chairman of the committee at the close of Gerald L. K. Smith's testimony.

The CHAIRMAN. The Chair expresses the appreciation of the committee for your testimony, Mr. Smith.

Apparently he spoke for the whole committee. There was no dissent.

I suggest the committee refrain from so conducting itself as to alienate the Soviet Union, and thus endanger world peace; that it do not give color to the charge that it is antilabor and antiliberal; that it investigate the Ku Klux Klan; that it look into Falange activities here; that its investigations be conducted ethically.

Because I believe the committee threatens the constitutional exercise of free speech on the platform and radio, I am opposed to the resolution to provide the committee an additional appropriation of $75,000.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Speaker, this Congress has appropriated hundreds of millions of dollars for the building of dams to hold back the devastating flood waters that would destroy our fertile valleys. Certain it is that this House could well afford to spend $75,000 to build a small dam to hold back the overwhelming flood waters of alienisms that threaten to engulf this entire Nation. It is cheap insurance for the preservation of this Nation against that devastation. I am proud of the fact that I am a member of the American Legion which now supports and has always supported this committee. I believe that as long as the committee conducts itself properly, that organization will continue to so support it.

Mr. Speaker, March 26, 1946, I inserted in the RECORD on page A1741, a letter from the Kansas State Council, Knights of Columbus, urging my support for renewal of appropriations for the House Committee on Un-American Activities. The views of that organization are worthy of your serious consideration. Finally, Mr. Speaker, any organization that has nothing to hide has nothing to fear as the result of the investigations made or to be made by this committee.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] such time as he may require.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I am convinced that the continuation of the Committee To Investigate Un-American Activities is vital to the future security of our country, and, therefore, I strongly urge favorable action on the resolution to appropriate $75,000 for the future work of this committee.

For more than 12 years the infiltration of Communists into Government policy-making positions has been of great concern to me. It should be of equal concern to every American who believes in our form of government and way of life. Those kindly and well-meaning citizens who permit themselves to be used as a front for communistic organizations are playing with fire. Little do they realize that they will be amongst the first to be liquidated after they have served the purposes of their sponsors. The Communists in this country could not get very far with their program to destroy our Government if it were not for the generous effort and contributions made by individuals and organizations that seek recognition and publicity. They submit themselves to the aggressive direction of well-known Communists, who receive all of their instructions from foreign sources. Thousands of individuals who have inherited great wealth but have never done any work whatsoever for living are the susceptible material to front for communistic activity in this country.

Another matter, but in the same general direction, is the infiltration of communistic activity in our schools and colleges under the slogan of academic freedom. It is well known that the long-range program of the Communist organization is to take over our educational system and capture recruits from the ranks of our young boys and girls. Wherever we turn, we note the well-planted seeds of this kind of un-American infiltration. You will find it everywhere, in schools, churches, labor organizations, political parties, in well-meaning social organizations and, above all, in the very core of our Government.

The time has come for the American people to stop, look, and listen. The time has come to devote a little of our time to the saving of our freedom from the clutches of those who seek to destroy the very foundations of our Republic. The time has come to stand up and be counted as being for or against our American way of life.

The Committee to Investigate Un-American Activities can and will perform an outstanding service to expose the activities of subversive individuals and organizations that seek to undermine and

destroy our Government and way of life. We owe it to the country to bring subversive activity to the light of day, and therefore, Mr. Speaker, I urge the continuation of the committee, and trust that there will be an overwhelming vote for the resolution.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the balance of my time to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Speaker, I am glad for this opportunity to have a thoroughgoing discussion of the "Wood-Rankin committee," as it is referred to in the Communist press, or of the House Committee on Un-American Activities or the "Wood committee" as it is properly referred to in American circles.

I think it is important occasionally that our committee be required to come back to you and discuss the program upon which we are working, to solicit your counsel, and to request additional funds to continue our work. We are asking you now to vote the required money which this committee needs to continue its activities to the end of the current Congress.

In reality, this is the opportunity that several Members of the House, I do not know how many, have been seeking a long time since they have placed petition No. 12 on the Clerk's desk for the abolition of the committee. This is the opportunity for those of you who desire to abolish this committee to vote your convictions and to vote to abolish it by voting to cut out its funds because we do not have funds enough with which to operate more than another 30 days if you deny us today's request. If you vote "no" today, you vote to abolish the Un-American Activities Committee of Congress. If you vote "no" you might as well sign petition No. 12 and go the full route.

I think the issue is clear-cut. I discussed this resolution with the gentleman from New York [Mr. MARCANTONIO] the other day, and he said he thought we ought to have a roll-call vote on this issue. I said, "I agree with you. I will try to help you get one." I said, "Do you think you will get many votes against it?" He said, "I think we have 100 votes lined up against the measure." If that is correct, then that presents an interesting situation. I think the American people are entitled to know who those 100 Members of whom the gentleman from New York [Mr. MARCANTONIO] speaks are as well as they are entitled to know who those Members are who are going to vote to continue the work of the Committee on Un-American Activities. I am going to join him in seeking a roll-call vote. This is an election year and that roll call should become an index which will be widely quoted in many congressional districts both in the primaries and in November.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield. I have referred to the gentleman.

Mr. MARCANTONIO. I want to say to the gentleman I certainly will welcome very much a record vote on this issue. I am confident that time and events will vindicate us who are opposed to this appropriation just as time and events vindicated those of us who opposed the Dies committee in the past.

Mr. MUNDT. I am afraid that such vindication as time and events will bring will afford but small consolation to the gentleman from New York and those who follow the gentleman in their voting today.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield? In all fairness, in view of the fact this $75,000 appropriation is a campaign appropriation to the gentleman from Mississippi [Mr. RANKIN] and certain views of his, do you not think that this appropriation ought to be raised to $150,000 and give some of us who are opposed to Ku Klux Klanism and opposed to Gerald K. Smith and who are opposed to those people who are opposed to the American workingman——

Mr. RANKIN. We are trying to protect the American way of life——

Mr. SADOWSKI. That we have another $75,000 for political expression on our part also and not only a donation to the gentleman from Mississippi [Mr. RANKIN] and the political views that he represents.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield briefly.

Mr. RANKIN. The statement to which we have just listened is about as nonsensical as anything we would expect to get from the enemies of this legislation. This $75,000 will not help my campaign for reelection, but it will help us protect this country from the enemies within our gates.

This is not my committee. I am not trying to dominate it, but I can tell you now this committee is going after those un-American elements, in the House or elsewhere, who are attempting to undermine and destroy this Government.

Mr. MARCANTONIO. State who they are in the House.

Mr. MUNDT. Mr. Speaker, at the moment, I am not going to yield any further. There are some other factors which I want to discuss.

Mr. GREEN. Mr. Speaker, a point of order. I demand the words of the gentleman from Mississippi be taken down. I want to know who the Members of the House are.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read as follows:

Mr. RANKIN. This is not my committee. I am not trying to dominate it, but I can tell you now this committee is going after those un-American elements, in the House or elsewhere, who are attempting to undermine and destroy this Government.

The SPEAKER. The Chair is compelled to hold that as the gentleman from Mississippi named no one, his words are not a violation of the rules of the House. [Applause.]

Now, the Chair does not desire to be applauded about decisions he makes in this chair, because he is trying to follow the rules.

Mr. BLOOM. Mr. Speaker, a question of personal privilege.

The SPEAKER. The gentleman from South Dakota has the floor. Unless he yields the Chair cannot recognize the gentleman.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. If this is to be taken out of my time, I cannot yield. Otherwise I shall be happy to.

The SPEAKER. The gentleman has the floor. He can yield if he desires, but if he yields, it is taken out of his time.

Mr. MUNDT. Then I shall not yield further to anybody any further during the remainder of my remarks. The debate is getting too peppery and too personal, and I want to get back to some of the basic facts which this House should know. Let me say, first of all, Mr. Speaker, that the gentleman from New York [Mr. MARCANTONIO] stated that the viewpoint of this committee and the standards of our committee were the viewpoint and standards of the gentleman from Mississippi [Mr. RANKIN]. That simply is not in accordance with the facts.

We have a nine-man committee, the chairman of which is the gentleman from Georgia, Mr. JOHN WOOD, a very able and a very patriotic American, in my opinion. There are nine members on this committee, six of whom are Democrats, three of whom are Republicans; and over half the actions of our committee have been taken by unanimous vote, and none of them have been dominated by the gentleman from Mississippi. Whether that speaks well or ill of the committee I do not know, but I do know that is a simple statement of fact.

If any one man in America has set the standards for this committee it is Mr. John W. Davis, of New York, a former Democratic candidate for President. As part of my remarks I shall insert the significant portions of an advisory letter which Mr. Davis sent me at my request and in which he counseled our committee suggesting the procedures which we follow; and we have tried to carry them out faithfully, fully, and well. I think that even those who will vote against continuing the Un-American Activities Committee today and who will try to kill the committee by choking off its funds will hardly go so far as to deny that Mr. Davis is a great and a patriotic American.

Here are the words of Mr. Davis precisely as he wrote them to me in recommending how our committee should approach the prodigious problems which we face:

You are dealing primarily with matters of government, where it seems to me that the standards are perfectly clear and the function of the committee is obvious. There are three documentary sources by which un-American activities can be tested: the Preamble to the Declaration of Independence, the Constitution itself, and, if it can be treated as a separate document, the Bill of Rights. Those things which conform to these yardsticks, speaking in the political field, may properly be called American. Those which do not are un-American—or worse. I should think the activities of your Committee might properly be directed to ventilating any activities of whatever sort which challenge these standards, and to exposing the motives and the support of those who pursue them.

Mr. Speaker, let me quote further from the letter by Attorney John W. Davis. He said:

The fact that men have the right to speak or write as they please does not exempt their speech or writing from the field of your inquiry. It is not criminal, for instance, for any man or group of men to advocate the granting of patents of nobility, or the creation of a state-established church, or the disfranchisement of citizens because of creed, or the abolition of the right of private property; but it would be deeply un-American for them to do so.

Please note, my colleagues, that Mr. Davis clearly and carefully distinguishes between acts which are illegal or criminal and acts which are un-American. Your committee, it should be remembered, is charged by a mandate of this House to investigate "un-American activities"—we are not mandated as a police organization, we are not empowered to make arrests, and we are not directed to hunt down law violators or to trap criminals. Our task—to which you Members of this House assigned us—is to seek out and to expose those activities which although legal are none the less un-American, subversive, and contrary to the American concept. Mr. Davis points the issue clearly. We have operated in complete consistency with his suggestions.

Now, Mr. Speaker, I continue to quote from the Davis letter. He wrote:

If someone were to proclaim that the Constitution of the United States was antiquated and should henceforth be ignored by governmental officers such advocacy might not become criminal, but it would unquestionably be un-American.

With remarkable foresight, Mr. Speaker, Mr. Davis envisaged precisely the type of activity in which various groups and their fellow travelers are now engaged in the United States.

Mr. Davis said further in his letter:

If any organized movement addressed to these ends should appear, I think your committee would render a public service by inquiring into its source, its resources, its activities, and the character of its membership. * * * I know of no better way to preserve, protect, and defend the Constitution of the United States than to drag its enemies of whatever degree out into the open.

May I interpolate here, Mr. Speaker, to remind the House that in voting favorably as it did on the contempt citations which our committee has brought before you that you stand foursquare with that great constitutional lawyer, Mr. Davis, who recommends that the spotlight of publicity be turned on organizations suspected of subversive activities. Since our experience indicates that such organizations invariably utilize every conceivable legal technicality and dilatory tactic to avoid having its records inspected and to evade inquiring into its source, its resources, its activities, and the character of its membership that our committee and this House has no alternative in dealing with such an organization other than to cite it for contempt and to request the Attorney General to fulfill his duty and to proceed in court against it.

Mr. Speaker, Mr. Davis advised our committee as follows:

I repeat, there is no challenge in this to the right of free speech. Sacred as that right is, it must, like all other rights, be exercised with a due sense of responsibility. Those who use it to incite crime or violence may be punished under the criminal law. But short of this, it does not invade this right to inquire concerning any statement un-American in character (such as I have undertaken to define it) as to who it was that said it, when and where and by whose instigation, and with what support. I should like to add that I conceive to be fully within the scope of the committee's jurisdiction those movements essentially disloyal in character which are designed to weaken the allegiance of their members to the United States or to favor some foreign sovereignty.

There you have it, Mr. Speaker. If the Congress and the country have wondered who has set the standard and proposed the concept which the House Committee To Investigate Un-American Activities is seriously and studiously endeavoring to follow, you now have the answer. It is spread in the CONGRESSIONAL RECORD, where all who would can read. The criterion followed by our committee in its approach to the many problems before it is not the viewpoint of its chairman, the gentleman from Georgia, JOHN WOOD. It is not the viewpoint of the gentleman from Mississippi, JOHN RANKIN. Nor is it that of the gentleman from Arizona, JOHN MURDOCK, or any of the six other members of the committee. Neither the Democratic sextet nor the Republican trio writes the tune and directs the steps taken by this committee. It is a nine-man committee, in which each member has equal rights, equal influence, and equal opportunity to exercise his judgment. It neither follows the traditional procedures of the Dies committee, which preceded it, nor the ethereal elucidations of such a wobbly liberal as Henry Agard Wallace. It has endeavored, and it will continue to endeavor, to proceed in conformity with the sound counsel given it by John W. Davis and by other great Americans who believe our way of life is worth protecting and that eternal vigilance is still the price of liberty.

I might add that our committee also sought the counsel and guidance of the great Brookings Institution of this city. We had this scientific and impartial institution digest and summarize the counsel we received in over 50 thoughtful replies from leading Americans in every walk of life as to how this committee should function in meeting its mandate of investigating un-American activities. The Brookings Institution published a monograph on the subject and it gave our committee important and helpful advice which we are trying to follow. Any citizen interested can, I am sure, receive from the Brookings Institution a copy of its monograph on this subject. Its recommendations, however, are closely in harmony with those which I have quoted at length from the letter written by John W. Davis, of New York City.

Does any Member deny that there are individuals and organizations in the United States who are preaching and practicing doctrines which are definitely un-American, even though they may be legal, in accordance with the definitive distinctions drawn by Mr. Davis? Does any Member deny that there are individuals and organizations in the United States today—plenty of them with vast finances behind them—which are "designed to weaken the allegiance of their members to the United States or to favor some foreign sovereignty"? Does any Member deny that within the broad leeways which we Americans rightfully insist freedom should have in this country there are individuals and organizations who plan and preach and plot and prepare and promote to the end that our constitutional system—the system our revered colleague from Texas, HATTON W. SUMNERS, today called the Anglo-Saxon system of Government—be weakened or impeded or impaired or destroyed?

Mr. Speaker, if there are Members of this body who really believe there are no un-American activities or individuals in this country, I invite them to take the floor on some early date and expose their naïveté to the public view. If there are none so naive, what is it that influences Members to vote against funds to continue a committee to investigate and expose these subversive influences?

It should be noted here, Mr. Speaker, that the American Legion, the Veterans of Foreign Wars, the Knights of Columbus, the Masonic fraternities, the Elks lodge, the Daughters of the American Revolution, and many other great patriotic organizations and groups have time and time again endorsed the House Committee to Investigate Un-American Activities and have encouraged Congress to support and continue on a permanent basis a standing committee to investigate and expose all elements whether they be Communist, Fascist, or some native form of totalitarianism which would uproot and destroy our free way of life in this Republic. I shall save the Members who will vote against this resolution today the embarrassment of calling the roll of the organizations which have gone on record in opposition to this committee.

In all events, today you all have a chance to stand up and be counted. The leaders of both sides in this debate desire a roll-call vote. It is a poor vote to dodge. It will be a good vote to determine who supports and who opposes the efforts of Congress to protect America against those who would sabotage its constitutional liberties, its independence, and its concept of freedom.

It was suggested here by the gentleman from New York [Mr. KLEIN] that we do not need a committee of this kind because the FBI could do this job. The FBI, however, is limited to the handling of illegal activities, to activities which are in direct violation of the law and to assignments by the Attorney General. As Mr. Davis points out in his letter, there is a field in which our committee must operate, dealing with factors,

people, and policies of organizations engaging in actions which are un-American even though their activities are legal. Because of the extreme privilege of free press and free speech they can do much harm if the nefarious purposes and people lurking behind their high-sounding organizational names remain unexposed.

The committee has investigated four organizations since Mr. Wood became chairman about a year ago. Three of them, I presume one might say, are operating from the "left"; one, I presume one might say, was operating from the "right." All were alleged to be engaging in un-Americanism. I am not going to name the organizations today, but our committee is disturbed and distressed by the fact that the three organizations which we endeavored to investigate, operating from the "left," refused to cooperate with the committee, refused to give us access to their books and records, refused even to comply with subpenas. The one organization we investigated that was operating from the "right" invited us to send our inspectors and our investigators in to examine its books and records, and willingly submitted itself to complete examination.

I am going to insert at this place in the RECORD quotations from J. Edgar Hoover, who was highly recommended by the gentleman from New York [Mr. KLEIN] a few minutes ago, and who is conceded by all good Americans to have a most excellent record. In these statements, Mr. J. Edgar Hoover points out the dangers of subversive activities in this country. I hope you will read these excerpts from his speeches. I shall quote them running all the way from 1940 up to about a year ago, but I shall not take time to read them here and now. You will find them at this point in the RECORD, however.

Mr. KLEIN. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. Not now.

Mr. KLEIN. The gentleman mentioned my name.

Mr. MUNDT. In a complimentary way, nothing derogatory. I desire to conclude my remarks.

EXCERPTS OF SPEECHES BY J. EDGAR HOOVER

[Address delivered by J. Edgar Hoover, Director, Federal Bureau of Investigation, United States Department of Justice, before the forty-seventh annual convention, International Association of Chiefs of Police, Milwaukee, Wis., over Red network of the National Broadcasting Co., at 11: 15 a. m., September 9, 1940]

THE PRESENT TASK OF LAW ENFORCEMENT

Today, America has become the battleground of foreign agents. They spin their webs of alien philosophies to ensnare America, and in darkness weave insidious plans to scuttle our national defense. To counter and attack these vicious forces is the present task of law enforcement. Never have we had such responsibilities or opportunities. By protecting the rights of the citizens of this Nation, we are preserving the security of America.

We of law enforcement already are aware of the potential dangers that meance every community in the land. These increased burdens on law enforcement produce an open invitation to the underworld to plunder and destroy. However, the threats of the underworld are of little consequence today compared to the threats of subverters who are bent on undermining and weakening our Nation, leaving it vulnerable to open attack.

There is no difference between the ruthless dictator of the criminal underworld and the high-handed political dictator of the upper world. Both deal in avarice, in greed, in lust for power, in mass murder and in blood purges. We in America believe that prison or the electric chair is the place for such menaces to civilization. If we would protect America, we must determine that no group of espionage agents or subverters, and no coalition of paid anti-American propagandists shall sway us from our American way of life.

[Address delivered by J. Edgar Hoover, Director, Federal Bureau of Investigation, to opening session, twenty-second annual national convention, American Legion, Boston, Mass., at 10:45 a. m., September 23, 1940]

THE TEST OF AMERICANISM

The American Legion is an important bulwark of our national security. Today your organization takes on an added significance in a period of emergency, when all real Americans are united in a determination to protect our Nation. Fortunately, the Nation can depend upon you. You have been proven in the crucible of experience.

In other lands once free peoples are now subjected to the oppression of dictators. Fear and intolerance have taken the place of freedom, while force has become a dominant factor in world affairs. But of greater importance, American democracy once more is on trial. America must face facts. America must realize that the legions of force are making tremendous sacrifices for an ideal—an ideal which aims to destroy everything we hold dear. The people of the United States, in defense of their homes and their beliefs, must unite with that same singleness of purpose for which our forefathers fought in 1776 and for which many of your brothers in arms died in 1917.

From across the seas have come emissaries from totalitarian governments, seeking to undermine our nationalism and to implant their doctrines of hate. In spreading propaganda, these subversive forces have become more brazen. They have penetrated into every realm of decency, seeking allies in our schools, our churches and our civic organizations. Ever on the alert to capitalize on popular trends, they have joined reform organizations and civil liberties groups, and have played dominant roles in some of the pacifist blocs. Wherever they go, they contaminate, because of the indifference and apathy of too many of our citizens. As a result, our America is at the crossroads.

The time has come when we must make a choice. We can either resolve to protect our temples of liberty, or we can go blindly along believing that all is well. If we follow the latter course, we will some day find our liberties suddenly blacked out by the tyranny of a foreign dictator.

Our people are accustomed to taking liberty for granted. As a result, they have ceased to think seriously about it. But the foes of America have much to say about it. They construe liberty as license, and clamor for even greater license. Liberty and license are as far apart as liberty and tyranny. License breeds tyranny.

In recent days, insidious forces have sought to obstruct our national preparedness program by proclaiming that the strengthening of our Army and Navy abrogates liberty. The Communists, the Bundsmen and their allies of totalitarianism are seeking to weaken America's defense. These traitors, who shout of liberty as they seek to destroy it, tell young people that they should refuse to take up their country's arms.

Americanism is on trial. Its real test lies in the ability of red-blooded Americans to meet and defeat the "fifth column" of destruction, which is already at work. A knowledge of the lurking menace is necessary. Also, there is need to avoid confusion if America is to remain strong. This can be achieved only through clear thinking and positive action. We must understand the problems of the day and how they can best be solved. We must understand that the priceless heritage of a free people is liberty. It is also their greatest achievement. But it must be rewon in each generation, through eternal vigilance and positive action.

Mere lip service to the letter of our democracy will not suffice. We need understanding and we need a renewed dedication to the spirit of liberty. This will not be easy to do. For a people to remain free, they must be courageous, self-reliant, willing to face the storms of life. Liberty is for the strong in spirit—not for the weak.

Action is necessary to prevent the bloodstream of America from contamination. There can be no procrastination. That this situation exists is no reflection upon the sincerity of the American people, but it does demand that we think straight and seek the truth. In this, the American Legion has set the pace. The necessity for its program, scorned and ridiculed by the Communists and their fellow travelers, has been thoroughly established.

This Nation will be everlastingly indebted to you Legionnaires for your devotion to the principles of our democratic Government. Born of devotion and sacrifice, the American Legion is a reassuring force in the preservation of our internal security. There is a need for your program in every community in the land.

Designated by the President to head the Nation's attack against foreign spies, saboteurs, and subverters, the Federal Bureau of Investigation is proud of its close cooperation with your organization. As the present emergency intensifies, it is only natural that we should depend increasingly upon you for assistance. You have never relaxed your vigilance against the foes of democracy. But now the time has come for you to broaden your program. Ever on the alert to practice Americanism, you must now redouble your efforts to teach Americanism. In short, this means that we must again emphasize the fundamentals that have made America great.

It is a sad commentary indeed that the teaching of religion has been so sorely neglected, because Americanism finds its most lofty expression in terms of spiritual development. The Ten Commandments cannot be improved upon, nor can the Sermon on the Mount be surpassed as a guide for ethical conduct. Yet the godless forces of totalitarianism scoff at everything spiritual and religious. They have used every device at their command to place their mouthpieces upon lecture platforms and in educational institutions to expound in a subtle manner, at times with a veneer of patriotism, their un-American theories.

Intellectual freedom is American. Intellectual license and debauchery is un-American. In righteous indignation it is time to drive the debauchers of America out in the open, where their true purposes may be revealed.

If their motivations are sincere, but due to ignorance, they have no right to instruct in the mental and spiritual development of America's youth. And if they espouse foreign causes, then they should be stopped from further debauching. There is no place in America for traitors steeped in the tyrannical and alien ways of life. American educational forces must come to grips in a uni-

fied manner with the needs of the hour, for the general purpose of stimulating the American people to renewed faith in democracy and a willingness to sacrifice in its defense if necessary.

[Address delivered by J. Edgar Hoover, Director, Federal Bureau of Investigation, United States Department of Justice, by transcription, in connection with the Youth and Democracy rallies sponsored by Aleph Zadik Aleph of B'nai B'rith in February 1941]

We have seen the "fifth column" developed as an effective part of this warfare. America has not been free from its threats. Vicious, subversive forces menace our national life to such an extent that the far-flung forces of the FBI, bulwarked by law enforcement everywhere, have been hard put to render full protection to our internal security.

The danger of these un-American activities is a real and present menace. Sneaking subverters work in the dark and with lying propaganda seek to undermine our freedom. While pretending to aid the less fortunate and the oppressed, they offer only sugar-coated tyranny and suppression of all liberty.

Just as the underworld seeks recruits among our youth, so do these godless forces of totalitarianism attempt to lure our boys and girls into the fear, the injustice, and the misery of slavery under dictatorship. Hypocritical organizations with high-sounding names have sprung up everywhere. Through these front organizations the Communists and goose-stepping bundsmen would educate America's youth along dictatorial lines. The very tolerance they would turn into intolerance has served them well and they are quick to charge "interference with the rights of the individual" when proper efforts are made to hamper their revolutionary activities. To the dictators they serve and to whom they would have us pay allegiance, individual rights are nonexistent.

In the countries whose ideologies they prattle, all life revolves around the state and the person; the family, the home are nothing. Unsympathetically dictators direct every act and thought of the boy or girl along rigid party lines.

Contrast this to America as we know and love it. Here all life revolves around the individual—the Government is his faithful servant, not always perfect but ever desirous to make his life more secure, more comfortable and more pleasant. In America we are free to search our own minds and the minds of others for the truth. Youth is a happy period of preparation for the fullness of life to follow.

The ambitions, strength of character, and the loyalties which give our individual lives their purposes and their goals are freely developed during our youth. In America, our boys and girls are free to choose the kind of a life they want and the only limitation to success is the individual capacity to succeed and not the quick purge of a jealous zealot.

The ideal in government which we have achieved in our Union is worth the hunger of the men at Valley Forge. It is worth the aching muscles and blistered hands suffered by the sturdy frontiersmen who shoved westward along unknown trails. What our forebears built for us is worth our working for and struggling to make more perfect. We want peace in which individual enterprise and application of energy will bring a fuller life to our people. To our citizens there can be no peace or fullness of life without the freedom we know so well.

It is only when our rights are involved or seriously menaced that we resent injuries or make preparation for our defense. All Americans are devoted to the defense of our country, which has been built through sacrifice and matured by the wisdom of its most enlightened citizens.

If we defend America and its ideals our youth will never be found wanting. They, themselves, will guard against corruption by subversive activities. They will make sure that the subtle efforts of the undermining propagandist are ineffective. They will be alert to meet any threat to our democratic institutions, either from within or without. They will maintain the greatness of the United States of America. They will insure that a part of that greatness will spring from the freedom and tolerance of a fair and sympathetic but boldly just citizenry. If we dedicate our energies to all these things, democracy will be alive and strong and America will still be its greatest champion long after dictators have been relegated to oblivion.

[Address of J. Edgar Hoover, Director, Federal Bureau of Investigation, at the annual commencement exercises, Holy Cross College, Worcester, Mass., 2:30 p. m., June 29, 1944]

A GRADUATE'S RESPONSIBILITY

A graduation exercise is like the passing of another milepost. It brings you a little closer to your destination. When you will reach that destination depends on how you have charted your course.

The struggle in which we are engaged calls upon every man, woman, and child to be Americans first, last, and always, for America is merely the aggregate of all her peoples.

The Fascists and Nazis were not the only menace to our internal security. To their forces must be added the American Communists with their Godless, truthless philosophy of life. They are against the America our forefathers fought and died for; they are against the established freedoms of America. They pose behind a dozen fronts; they have endeavored to infiltrate practically every strata of life.

When they preach unity, let us not forget that when we were struggling to prepare for defense, they preached pacifism and fought our efforts to aid our allies and to build our common defenses. For true Americans there can be no unity with the enemy within and no compromise with those who would destroy all that we fight for. There is a distinction between respecting our ally Russia and respecting those within our country who would destroy all that we believe in. No one wishes to detract any from the glorious war history being written by the Russian people in protecting their soil. They are a great fighting nation and have done a masterful job at war.

But when it comes to governmental systems, we prefer our own American way, and we do not want the Communists in this country attempting to undermine our democracy or any of our institutions. I have said it before, and I repeat it now—America cannot exist half democratic and half Communist or Fascist. The Fascist-minded tyrant is no different from the native-born communistic corruptionist. We are proud of our American form of government. If we want to improve on it, we will do it in our own way, in our time, and with our own blueprint.

Over the years the American Communists have developed a propaganda machine and a nefarious and elaborate school system of their own. Their officials in secret and public meetings urge that the propaganda phase of their work must be accelerated. Brazenly, they have urged the development of courses, lectures, and assemblies as media to espouse the ideologies of Marxism and to establish Marxism as a school of thought in the United States. And even in the chameleon cloak with which they have now enshrouded themselves, the American Communists still proclaim their loyalty to Marxism, the antithesis of American democracy. The Communist trojan horse has now become the trojan snake in American life.

They continue to pervert and complicate the solution of our perplexing domestic problems. That we have a growing problem of juvenile delinquency is known to all informed persons. The Communists also recognize this and see in it an opportunity for further infiltration. The mere association of the names American and democracy with the Communist youth movement does not make the organization either American or democratic. One Communist-front organization is now actively engaged in fostering youth recreation centers, a laudable project, were it not for the sinister purposes that motivate it. The enemies of our institutions realize the value of youth and recruit them for their purposes. They make many recommendations, but they overlook the one fundamental cause of delinquency: the American home. In fact, they openly state that the responsibility for the rise in juvenile delinquency must be placed elsewhere than upon the family in general.

The American home is still the basis of our social order, and the Nation will never be any stronger than the home. I urge that you who graduate today resolve, despite the interruption that faces you, to do your bit to preserve an American heritage for your children still unborn, and I hope the day will come when you will take your place in American life with a determination to restore it to its honored and rightful place in the social order.

Too many do not believe in a religious creed, and therefore do not live it. They bring forth from their personalities no fruits of vital religion.

Bestir yourselves to live by God's word and apply practically in your dealings with your fellow men the teachings of justice and equality toward all in all things. The mere recognition of this principle of tolerance is not enough. It must be translated into fact. The invoking of the procedures of law cannot accomplish it. There must be a willingness and determination by all to recognize it and live it.

What the postwar crime era brings will depend upon how well we can protect the home front. If there is a careful planning, if industry is quickly converted, if women who have left the home to help alleviate the manpower shortage return to their normal pursuits, if we can preserve our democratic ways, America should be bountiful enough to provide those who will work with a living that should satisfy the normal desires of life.

If circumstances force us to revert to fundamentals, if they require that superficialities be eliminated, then that will be a blessing to future generations. The path to truth is found in adversity which leads men to religion. America was ordained from on high, her destinies have been guided from on high, and if we Americans would only return in unison to the faith of our forefathers, to the simple faith that embraces hope and charity, our problems would appear as a mirage of the desert. It will not suffice to have a lofty ideal. There must be a fearless, strong-hearted devotion to that ideal if it is to become a part of our American life.

The Nation's call to duty, like God's call to man, is a personal one. It can be answered only by individuals. Care not what others may think. Be right. As you answer the call to duty, you merit the rights which are yours as an American.

As we respond to the duty of discharging our personal responsibilities, we should translate into action the words of George Washington—"Let us raise a standard to which the wise and honest can repair; the rest is in the hands of God."

Let me call attention to the fact finally, Mr. Speaker, that Dr. Louis

Francis Budenz, of Notre Dame University, the former editor of the Daily Worker, a crusading Communist for 10 years, one of the directors of the American Communist Party and its spokesman in the columns of the Daily Worker recently appeared before our committee. We asked him why he had quit the Communist Party. I asked him what motivated him to make the change after his many years as one of America's leading Communists. He said the first thing was the fact that in Communist circles in this country there is no freedom of choice for the members of the party themselves; they are dominated and dictated to by the hierarchy of the American Communists. They lead controlled lives, taking orders from the top. He said: "I was losing my rights of American freedom in working with the Communist Party."

The second reason he gave was that the American Communist Party is dominated by foreign agents rather than by its so-called American leaders. Dr. Budenz attended the convention where Browder was forced out as national chairman and Foster was installed in his place. This change was directed by a French Communist who belongs to the International Communist Comintern. Thus American Communists, in the words of Dr. Budenz, serve simply as foreign agents and owe their allegiance elsewhere than to the United States. By infiltrating into respectable organizations and by forming unrespectable organizations with deceptively attractive and adroit titles, these Communist foreign agents utilize our American freedoms to undermine and destroy our American liberties. Some day I shall discuss some of the other revelations which Dr. Budenz made before our committee. My time today is about exhausted. Before concluding I do, however, desire to call to the attention of the House the last report filed by our committee. It is Report No. 1996, filed on the tenth day of this month, and it is now available in the document room.

REPORT NO. 1996

In this report, Mr. Speaker, our committee directs the attention of the House Ways and Means Committee to a situation which we discovered in the Treasury Department of the United States. It indicates one of the specific methods by which subversive groups in this country manage to fleece both the general public and the Public Treasury at one and the same time. I shall not discuss the report further at this time but I do commend it to the attention of the Congress and the country and especially to the members of the Ways and Means Committee.

Mr. Speaker, we are about to vote on what is tantamount to a resolution to continue or to abolish the House Committee to Investigate Un-American Activities. I hope it will be a roll-call vote. Each member can thus publicly record his convictions and he can square his action with his own conscience and his own constituency. I hope the verdict is decisive one way or the other. If America is to remain American, let us be alert to our responsibilities and let us face the issues squarely without alibi, evasion, equivocation, or the use of red herrings to confuse the issues. If the American people and the legislators they send here to represent their convictions and reflect their attitudes desire to give the green light to subversive elements and to destroy the only committee in either House of Congress charged with the mandate of exposing and investigating their nefarious practices, then so let it be.

As for me, while I would welcome relief from the arduous and time-consuming duties which membership on this committee imposes, I shall vote to continue its existence and to finance its activity. To abolish this committee now simply because we are threatened by no open revolution would be as foolhardy as to destroy our fire department because we face no immediate conflagration, or to liquidate our Army and Navy because we are not engaged in hostilities. An old South Dakota rancher one time told me, Mr. Speaker, "The best time to cure snake bite is before it happens." I believe this is good advice for Congress to follow today.

Mr. BOYKIN. Mr. Speaker, I yield such time to the gentleman from Illinois [Mr. SABATH] as he may desire.

COMMITTEE ON UN-AMERICAN PROPAGANDA ACTIVITIES

Mr. SABATH. Mr. Speaker, in answering the unwarranted and derogatory statement made by the gentleman from Mississippi [Mr. RANKIN], which he injected into the remarks of the gentleman from South Dakota [Mr. MUNDT], I desire to say that I yield to no man in the love of my country and its democratic institutions, and I am sure that every Member whom the gentleman tried to libel is as patriotic as I am and as is the gentleman from Mississippi.

Mr. Speaker, if I felt and could feel that the committee would investigate the real subversive activities and un-American propaganda, I would vote not only for this additional $75,000 but for 5 times or 10 times as much. Unfortunately, neither the present committee nor the old Dies committee has functioned in a way to give me confidence in its impartiality of purpose or procedure. It is being used for assailing and attacking all persons of liberal views who believe in labor, in progressive and civic organizations, in democratic forms and processes of government, and in our constitutional guaranties of free speech, free religion, free press, and free expression of opinion. Notwithstanding the statement of the gentleman from Alabama [Mr. BOYKIN] that hundreds of subversives have been found as a result of the old Dies committee investigations, they cannot give the names of any persons, after 6 years of expensive investigations, formally cited for un-American activities, except the three outstanding Americans, Robert Morss Lovett, William E. Dodd, and Goodman Watson; and the Supreme Court, in its recent opinion, has vindicated them.

FOR ALL THE WORK: 12 PAGES

The Dies committee and this committee have smeared, not one, but thousands of patriotic men and women, without giving them a chance to defend their fair names and reputations. I greatly fear that under the leadership and direction of the gentleman from Mississippi, who appears to be the real head of this committee, with no reflection intended to the chairman, the same course is being pursued.

This committee has been in existence for 17 months. Up to now I find they have issued three little reports—if they can be called reports—comprising a total of 12 printed pages. Two of the reports deal with the same subject, the contempt citations against officers of the Joint Anti-Fascist Refugee Committee of New York. There is no showing of evidence that this group published or distributed any subversive or un-American propaganda. On the other hand, considerable evidence has been offered to show that the Joint Anti-Fascist Refugee Committee raised and disbursed for the relief of republican refugees who fled from the persecutions of the bloody Franco regime in Spain some $354,000 in 1945. This, according to the report made to the President's War Relief Control Board, did not go into any political propaganda, but to feed starving men, women, and children, and to furnish them drugs and medical care and clothing. Only about 10 percent of the total funds raised was used in promotion and administration; it seems unlikely they could have done much propagandizing. But, of course, to feed these republican children is, in the estimation of the gentleman from Mississippi, subversive.

SEVEN HUNDRED THOUSAND DOLLARS OF TAXPAYERS' MONEY SPENT

The Dies committee and the present committee have expended a total of close on to $700,000 of the taxpayers' money. These 12 skimpy pages of reports based on nearly 17 months of investigations cost the taxpayers about $43,000 and no recommendations for legislation have as yet been made. You owe it to yourselves to go over these so-called reports.

I am informed that this resolution to appropriate an additional $75,000, with still $7,000 unexpended, was requested from the Committee on Accounts without a formal vote of the Committee on Un-American Activities; that only four members of the Committee on Un-American Activities appeared in behalf of the resolution, while no opponents of the appropriation were notified the resolution was coming up; that the gentleman from Mississippi was the only one who spoke at any length; and it has been charged that less than a quorum of the Committee on Accounts was present to act on the request. We all know that the chairman of the Committee on Accounts, the gentleman from Missouri, whom we admire and have confidence in, is ill in the Naval Hospital. We hope he will be able to return soon; but the fact remains that at the meeting in which this resolution was considered neither chairman was present, as I have been informed.

THESE SHOULD BE INVESTIGATED

On February 18 I sent to the chairman of the Committee on Un-American Propaganda Activities a letter protesting against the injudicious and one-sided procedure of the committee counsel and staff. I have yet to receive a reply to that letter; but again I wish to bring to

the attention of the committee and the House that the organizations that present a "clear and present danger" to the country have not been investigated. I am giving a list here of just a few organizations that are working against America; I will not go into long detail, but I insist that these groups are a greater danger to Americanism than those that have been subjected to the committee's investigations heretofore:

First. Ku Klux Klan: Newspapers have been filled with stories for at least 10 months about the resurgence of the Ku Klux Klan in the South and in California; the fiery cross burns on a hundred hills. Klansmen are reported to have stolen arms in California; the head of the Klan says he has hundreds of letters applying for membership. It is a matter of record that before the war the Klan cooperated closely with the German-American Bund to keep America from preparing for the war that was coming. Why is this un-American organization not being investigated?

Second. Nazi Party members lists: Committee counsel said not long ago he had been unable to discover any organized Nazi Party in America. The Kilgore subcommittee of the Senate Military Affairs Committee printed a list of dues-paying members of the German Nazi Party. Why are they not being investigated?

Third. National Economic Council: Almost every week I get literature from this organization headed and run by Merwyn K. Hart. What he preaches is a corporate fascism similar to Mussolini's Fascist Italy. Why is this not being investigated?

Fourth. Phony relief rackets: In Cleveland it was found that the Greater Cleveland Committee for Relief of Middle Europe was being organized by Otto L. Fricke, a former attorney for the German consulate, associated with the Nazi-financed American Fellowship, and an associate of George Sylvester Viereck and Friedrich H. Auhagen, and Karl Ernst, once associated with the official German Library of Information publication, Facts in Review. Before the close of the war Kurt Mertig was organizing a soft-peace movement, using the techniques Viereck used after World War I. The generosity of the American people is being used by these wily Nazi propagandists for their own end. Why are they not being investigated?

Fifth. Arab Office: The Anti-Nazi League has produced documentary evidence that the Arab office maintained in the Wardman Park Hotel has been cooperating closely with dangerous domestic organizations and has been engaged in propaganda activities to attempt "to control the thoughts" of Americans. Why has this not been investigated?

Sixth. American Action Committee: The dangers of ultranationalism have been proved in two world wars. Here is an ultranationalist coalition trying to change the American way of life. Is this being investigated?

Seventh. The Spanish Falange and Synarchism: Many writers have warned repeatedly about the growth of these twin Fascist movements in California, New Mexico, Arizona, Texas, Louisiana, Florida, and New York. This is definitely revolutionary; the purpose is to overthrow this and every democratic government in the Western Hemisphere by force and violence, and it stems directly from the Nazi government. Why is this not being investigated?

HIDE UNDER PATRIOTIC NAMES

I shall not, Mr. Speaker, continue with this catalog of dangerous movements. There are many more. There are organizations which before and during the war were recognized tools of the Nazi Party. Some are appearing again under new names. Some are still functioning under their old names.

We must not be fooled by high-sounding patriotic and religious names. They are disguises seized by enemies of this country to weaken and divide us. Some are being operated by, or in cooperation with, the defendants still under indictment for seditious conspiracy.

Let me cite a brief list of organizations known to have cooperated directly with Nazi sources to illustrate how they steal the trappings of patriotism or religion to do their dirty work: Silver Shirts, Anti-Communist Federation of America, Knights of the White Camelia, Militant Christian Patriots, American Nationalist Confederation, Christian Mobilizers, American Nationalist Press Association, American Guards, Defenders of the American Faith, Order of '76, National Liberty Party. Those are but a few.

Tear away the masks, and you find they are conducting a vicious campaign of un-Americanism, in violation of our Constitution trying to divide our country and create prejudice against racial and religious groups.

DANGER FROM FASCISM

Some of the most outstanding American citizens, whom the gentleman from Mississippi surely could not charge with being disloyal, have warned us that there is greater danger to our democratic form of government from fascism than from those few misguided and so-called Communists.

This committee under the leadership of the gentleman from Mississippi [Mr. RANKIN] has been investigating various departments and agencies of the Government, trying to create the impression that there are thousands upon thousands of men and women employed by our Government who are antagonistic to our American way of life. Naturally, the Republicans will support this resolution because such an investigation reflects upon the administration adversely and they feel they will gain political advantage from it. They believe prejudice will be created against the administration and this will inure to the benefit of their campaign.

To them, and to those Democrats who follow the gentleman from Mississippi, [Mr. RANKIN] I say candidly they are not aiding their party.

MILLIONS FOR STATUTORY AGENCIES

We have appropriated millions for the FBI under the leadership of J. Edgar Hoover. Only a few days ago the House recognized his patriotism and efficiency. So far as I am aware, and there has been no official statement otherwise to enlighten me, neither the old Dies committee nor the present committee contributed one whit to the indictments for seditious conspiracy now pending. That was done by the Department of Justice, by the Office of Naval Intelligence, by the Military Intelligence, and other statutory investigative agencies.

Yet, if we are to be guided by the gentleman from Mississippi and others who have spoken, we should discontinue these appropriations for Federal investigative agencies.

FOREIGN-BORN ARE LOYAL

As to the gratuitous slur against those Americans of foreign birth or foreign parentage made by the gentleman from Texas [Mr. SUMNER], as I said to him, and I repeat, it was manifestly uncalled for because those who came to our shores to seek liberty and freedom and opportunity have proved their loyalty, industry, good citizenship, and patriotism in no uncertain way. They served their country and spilled their blood no less in World War I than in World War II; they acted with valor and distinction and wholeheartedly. Far from weakening our form of government and our democracy, they have strengthened it in every way, have helped to build up, develop, and enrich our Nation; and it is in great measure due those brave and courageous adopted sons and daughters that we have today the greatest, most progressive, and most prosperous country in the world.

COMMITTEE CLAIMS ARE DOUBTED

Those statements of great service to the executive departments—State, Justice, FBI, War, Navy, and so on—are ridiculous. I have inquired as to how many inquiries have been made by the different departments. They state uniformly that they have made a few inquiries because they try to obtain pertinent information from every source, even of this committee; but they state that they do not rely unduly on this committee.

Mr. Speaker, I have contended in the past, and maintain now, that the FBI, with its trained investigative staff, is the proper agency of the Government to investigate subversive and un-American activities.

HOW ABOUT MILLIONS OF NAZI VICTIMS?

The gentleman from Mississippi, apparently for no other purpose than to create resentment and prejudice, would have us believe that thousands—yes; hundreds of thousands—are being killed in Poland under the new government. When has he shown sympathy for or called attention to the millions of these unfortunate Polish people slaughtered, massacred, burned, starved, beaten, clubbed, and tortured by the Nazis? It seems to me he has shown little interest in the victims of Nazi barbarism and cruelty, nor does he point out or criticize the actions of the Nazis, nor of the Falangists in Spain, who, according to reports, are daily shooting down those who seek freedom from Franco's bloody oppression and hordes of mercenary

Moors. At the same time he and his committee subjected to investigation and public derogation an organization which succored and aided the thousands of Spanish citizens who fled for their lives to France, Portugal, north Africa, Mexico, Cuba, and Ecuador.

MANY OPPOSE APPROPRIATION

I have had hundreds of letters and telegrams, Mr. Speaker, expressing opposition to the continuance of this witch-hunting Committee on un-American Activities and to the granting of any further funds. I concur wholeheartedly in the criticisms made of the committee's conduct and of the Member most responsible for bringing it to life and for its conduct, made by the gentleman from Washington [Mr. COFFEE], the gentlemen from New York [Mr. MARCANTONIO, Mr. CELLER, and Mr. O'TOOLE], and others, and regret that many others desirous of speaking against the appropriation could not gain time in which to be heard.

The gentleman from Mississippi at all times boasts that his activities are in defense of Christianity. I do not believe a real Christian would be so unfair, unjust, and intolerant of the rights and beliefs of others.

I have spoken already of subversive organizations which parade under patriotic or religious names and titles when in fact they are and always have been aided and financed and supported by Nazi and Fascist sympathizers at home and abroad, far more dangerous to our free institutions and national sovereignty than a committee feeding Spaniards who fled from death and a concentration camp. Many of these understudies and paid hirelings received pay or financial assistance from Vierick and his agents, some directly and some indirectly. Vierick has been imprisoned; but his stooges and hirelings, many of them, are still at large. Fascism is not dead. The Nazi idea is not buried with Hitler. If we are to give this money to the committee on un-American propaganda activities, Mr. Speaker, let us be sure it is going to be used to investigate all kinds of un-American propaganda.

Mr. BOYKIN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DOYLE].

THE AUTHORITY AND FUNCTIONING OF COMMITTEE INCOMPATIBLE WITH ESTABLISHED AMERICAN JURISPRUDENCE

Mr. DOYLE. Mr. Speaker, I voted for the issuance of the contempt subpenas asked for by our House Un-American Activities Committee. If there is any Member who would be immediately intolerant of my words to be this day spoken, that Member could not have done more than I have in upholding the arms of the committee, when apparently within its jurisdiction as a duly constituted committee of this House. May I make it further clear that if the sum of $75,000 is not sufficient to adequately protect the principle of the American form of government, as designated by our American Constitution as against threat of truly subversive activities or destruction by force, either from within or without, then I am in favor of appropriating a sum which is adequate. I will not knowingly tolerate the creation of any propaganda or activity designed to result in the use of force or violence against our form of government as guaranteed by our Constitution. So with me, it is not the amount of money involved which is the determining factor.

The time of 1 hour is entirely inadequate and insufficient within which to this day determine the issues involved, for the substantial rights and privileges of American citizens are this day being determined upon. Frankly, I feel that much of the discussion which has preceded has been immaterial and irrelevant, so far as the issues before us this day are concerned. For, Mr. Speaker, the questions before us to decide are two: First. Is it necessary to have the Un-American Activities Committee as a committee of this House? Second. Is the committee set up as now constituted under House Resolution 5, passed January 3, 1945, consistent and compatible with the established principles of law and jurisprudence as practiced and followed in our beloved Nation?

Answering my own first question, I will frankly say that I believe the FBI is the only presently duly constituted and qualified agency of the American Government to protect the American Government from subversive un-American propaganda activities, either from domestic origin or from without our boundaries. A few minutes ago a gentlemen stated that the FBI was not authorized under law to make such investigations, but I will say that he gave no authority for such a statement and that, assuming that his statement is well-founded, then I advocate the changing of our Federal statute so that the FBI is duly authorized within the law to handle this work. We take our hats off to this great investigating agency in all other matters, and why should it not apply the same integrity and ability to investigations of alleged un-American propaganda as well. It is the only agency of our Government financed, personneled, and giving full time to such assigned duties and responsibilities. What objection is there to assigning to it this duty now being more or less inadequately done by this House committee. I repeat that with me it is not a matter of expense. It is a matter of believing that the FBI is immensely more qualified and experienced to do this job. It is the agency created for such purposes, and it is the one agency that can do it most efficiently, effectively, and promptly, and without the taint of petty politics, personalities, persecutions, or prosecutions. Therefore, have it understood, gentlemen, that I favor our form of government being protected—but to the maximum. Therefore, I favor the study and investigation of un-American activities to be done by the FBI and not by a committee of this House which must necessarily be dependent upon change of personnal thereof and upon other emergencies and expediencies which do not arise through systematic, thorough-going work by the FBI. We can remove any probability of just criticism or condemnation on our own House Committee on Un-American Activities, or any member thereof acting in the spirit and for the purpose of prosecution or persecution or defiance of political enemies or opponents by placing this un-American activities investigation work in the FBI, where I believe it belongs. The fact that we are only taking an hour today to determine this highly important matter, and the fact than we only took an hour in the late contempt citations, should be proof that this House believes itself too busy with other matters, which it considers more important, to give enough time to this matter to do it full justice.

Explaining my second point, I will further say that it is incompatible and inconsistent with the established American law to permit any person to sit in dual capacity of judge and jury. It is likewise incompatible to allow any person to sit as judge or jury where that person has a personal interest in the outcome of the matter before the court or before the committee. Can there be any question but that at least one member of our present Un-American Activities Committee considers that he has a personal interest in the outcome of this appropriation of $75,000, and that he has a personal interest in perpetuating this Un-American Activities Committee at this time, instead of allowing the FBI to do it, when within the last few minutes you heard and saw the distinguished gentleman from Mississippi take from his pocket and refer to a letter indicating that certain groups of people were soliciting money to campaign against him for reelection in his district in Mississippi in this very political campaign? Furthermore, I have frequently heard several Members of this distinguished body who are now strongly in favor of appropriating this money, speak in an emphatically intolerant vein against certain organized groups in America. Yet, some of these very Members indicate they are being opposed for reelection by these very groups in their own districts. If that is not establishing that they have a personal interest in the outcome of this committee's functioning, then what further evidence do we need? And, if any member of the Un-American Activities Committee of the House is being opposed for reelection by the group which has already been investigated or which it is proposed to investigate, how then can that committee member be unbiased and impartial in such investigation in an American way? A person undertaking to sit as a judge in a case and having such personal interest, would not only be considered unethical and biased, but might well be considered in terms of impeachment if such interest was undisclosed.

Such inconsistencies are not only unfair to the accused or to those being investigated, but such inconsistencies and procedures incompatible with our American way of life makes the House subject to just condemnation by the American public, in my judgment. Why should we not apply the same high ethical rules of conduct and substantial procedure to our own committee functioning and actions, as are universally applied to our American courts? No ethical lawyer would tolerate a judge sitting on a bench or a juryman in the jury box, known by that lawyer to have a personal interest either directly or indirectly in the matter. Why then do we, as a House of this great

Congress, continue to so conduct these matters in a manner which is incompatible with the best traditions and principles of our established rules of court ethics and conduct?

If we would be perfectly frank with ourselves and our Nation at this moment, I doubt not that some Members of this House would be compelled to admit that they are desirous of appropriating this $75,000 and continuing this committee at this time for the reason that the activities of the committee, under its present policy, will directly or indirectly help to strengthen the political campaign of some Members in this House.

Is this not an unsound basis on which to establish and conduct a committee of this house? Is it not rather the rights and freedom of American citizens to have the protection of the principle of the form of our American Government as guaranteed by our Constitution, which should be the sole objective of the expenditure of this money? I believe that the continuation of our form of government within the limits of our Constitution is the ideal and objective we should fight and work for, and that it is shamefully inconsistent for us to allow the political destiny of any individual, or party, or group to be determinative of our action in the premises. I believe, furthermore, that any Member of this House who finds he has a personal interest in the outcome of any investigation at any time should not function on the committee, or should at least refuse to sit as a member of the committee in its quasi-jurisdictional capacity during the time that such investigation is moving forward. That is what an ethical, honest-to-God judge in a court would do. Why should we establish a committee which functions in a judicial capacity to a large extent and permit it to violate the established tenets of our American jurisprudence?

In making these remarks I do not intend to criticize any Member of this House nor any committee of this House. I do criticize the system by which we are presently functioning in this particular.

Lastly, House Resolution 5 does not define nor undertake to delineate what constitutes un-American activities. There is no boundary line, no definition, no chart or compass by which our committee is governed as to what does or does not constitute un-American activities. Yes, I know that in section 40 (c) it specifies that it relates to the diffusion within the United States of subversive and un-American propaganda. But, gentlemen, what is subversive activities? What is un-American propaganda? Who is to determine what constitutes subversive and un-American activities? Congress has never defined the same, nor has the Un-American Activities Committee of the House defined what it considers subversive or un-American activities. Therefore, we now find ourselves in a position where, in this particular, we are governed by the temperaments and decisions of men who are not yet bound by the determination of the Congress as to what Congress itself determines to be subversive or un-American.

I strongly advocate the earliest possible determination by Congress of what should guide the committee in this particular. I strongly advocate the earliest possible hearing before the Supreme Court to get a decision on "all fours." Ours must be a government of fundamental laws and not a government dependent on personalities, frailties, or complexes of men. For this reason, among others, I again advocate that this highly important and necessary work be done by the FBI. I have no sympathy or accord with any person or group of persons who are interested in the overthrow or dissolving of our American form of government as guaranteed by our Constitution. I shall fight to the last ditch against any propaganda so designed. I regret any expression in words by any Member of this House which may indicate that any Member of the House who opposes this appropriation is therefore classified as un-American. Such expression by any such Member is further added proof of such intolerance of other men's sincere opinions, as requires that this sort of investigation and protection of the American form of government should only be done by those who do not have personal political interest in the outcome thereof, and be done by those who are primarily charged with that duty. To this end I bespeak that our beloved form of American government, as guaranteed by our Constitution, would be best preserved by rules of law consistent with our American jurisprudence instead of by the differences of men who do not yet have any law or definition to govern their acts in such matters.

Mr. BOYKIN. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. BIEMILLER].

Mr. BIEMILLER. Mr. Speaker, last week end the Democratic Party of Wisconsin had its biennial State convention at which a thousand delegates were present, a good cross-section of the State of Wisconsin, including farmers, business men, housewives, teachers, and workers. That convention voted unanimously asking that the Committee on Un-American Activities be abolished. This action was taken because the convention recognized the smear technique that is being used, a smear technique as old as American history. In the days when reactionary and conservative politicians used the word "Jacobin" instead of "Communist" they termed Thomas Jefferson and his disciples Jacobins. That was the great cry of that day. In the days of Andrew Jackson, the phrases were "Barnburners" and "Loco Focos."

In other words, those who fought for democracy and who fought for the rights of the people have always been smeared by the reactionary and conservative politicians.

Wisconsin Democrats believe that is what the present set-up is—more smear technique in the worst tradition of American reactionaries.

Also we have not forgotten the so-called investigation of Gerald L. K. Smith, arch-Fascist, by the Dies committee. The committee, supposed to represent the dignity and honor of the United States Government and of this House, listened for hours to a ditribe against our late revered President, Franklin D. Roosevelt. They listened while an avowed Fascist branded Mr. Roosevelt a Communist, a Fascist, and a traitor. And not one single member of that committee who was present raised his voice in protest.

Are we to spend the taxpayers' money to have one of our greatest Presidents vilified? Are we to obtain free publicity for the worst enemies of our country to smear our national leaders? I am convinced that the Committee on Un-American Activities does not serve the best interests of this country and I am opposed to giving them one red cent to continue their red-baiting and rumormongering.

Mr. BOYKIN. Mr. Speaker, I yield the balance of my time to the gentleman from Mississippi [Mr. RANKIN].

AMERICANISM VERSUS COMMUNISM

Mr. RANKIN. Mr. Speaker, the line is fairly well drawn here today between Americanism and communism.

The ones who attack the Committee on Un-American Activities and misrepresent it throughout the country, of course, are opposed to one dollar being appropriated for that committee to help protect the American institutions against un-American activities of those elements that are conspiring to destroy this Government.

The leader on the other side, the gentleman from New York [Mr. MARCANTONIO], took considerable pains to attack me. You remember during the Hitler-Stalin pact, when the Communists were picketing the White House, the gentleman from New York [Mr. MARCANTONIO] voted against every single appropriation for national defense, and if his policy had been carried out untold thousands of American boys would have died in this war for want of the weapons with which to fight. If I remember correctly, on the vote on one naval appropriation bill the measure passed by 383 to 1—that one opposing vote being cast by the gentleman from New York [Mr. MARCANTONIO]. This is no personal matter of mine. I was not present when the committee voted to investigate some of these very organizations that have been mentioned here today, but when we brought them in and it was indicated that they were engaging in some surreptitious un-American activities, and the committee, in accordance with the mandate of this Congress, demanded that they show their books, and they refused, we cited them for contempt, and everyone who has attacked me or the Committee on Un-American Activities here today, or practically every one of them, voted against that citation.

Let me say a word in reply to the gentleman from Michigan [Mr. SADOWSKI] with reference to the Poles—those unfortunate persecuted people of western Europe from whom he is descended. I wonder if he knew that the atheistic Communists have raped more innocent women, murdered more innocent men,

plundered more helpless individuals, and robbed more homes than has ever been done before within the confines of the Polish Empire in all the history of European civilization?

In one of their booklets advocating a "Negro Soviet" for the Southern States——

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. No; I cannot yield.

In other words, when they take over, as the Communist leaders boast they are going to do, the white women of the South would suffer the same fate as is now being meted out to the helpless Christian women of Poland.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield to me, because he mentioned my name?

Mr. RANKIN. No, Mr. Speaker, I decline to yield. He got up here and made an unwarranted attack on me a while ago, and I shall decline to yield to him. By his attacks on this committee, he is encouraging those Communists who are destroying the Christian people of Poland and plotting the overthrow of the Government of the United States.

Some men came in to see me the other day, men with the strains of worry in their faces. They said, "We are not from Europe, but our people live there." Some of them were in Poland, some in Czechoslovakia, some in Latvia, Lithuania, and some of them were from other Communist-occupied countries. They said, "Letters are pouring into our people not by the tens, not by the thousands or the tens of thousands, but by the hundreds of thousands from the Christian men and women of occupied Europe appealing to America to do something, to get America to put a stop to the raping of innocent women," Christian women, if you please, the people from whom many of you sprang, "the murdering of innocent men, the plundering of their homes and the robbing of the peasants." Read our own press reports of what took place in Bulgaria and shudder.

This same element of atheistic Communists are undermining this Government, raising money, if you please, to go into the individual congressional districts to try to defeat real American Congressmen in order to get control of the Government of the United States.

They shall not pass!

Now let us call the roll.

Mr. LARCADE. Mr. Speaker, I rise in support of the pending legislation, and I desire to say that it is my opinion that, it is more important than ever in the history of our country that the work and activities of the Committee on Un-American Activities should continue. Mr. Speaker, I think that this appropriation will be money expended in a most important and necessary way. Mr. Speaker, I wish at this time to say also that I appreciate the work that the former Committee on Un-American Activities performed under the leadership of a former Member of this House, the Honorable Martin Dies, and I would respectfully recommend to the Members of this House, for preferred reading, the book entitled "Trojan Horse in America" the author of which is Mr. Martin Dies.

The SPEAKER. The time of the gentleman from Mississippi has expired. All time has expired.

Mr. BOYKIN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. MARCANTONIO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 240, nays 81, answered "present" 1, not voting 108, as follows:

[Roll No. 123]

YEAS—240

Abernethy	Fuller	Murphy
Allen, Ill.	Gary	Murray, Tenn.
Allen, La.	Gathings	Murray, Wis.
Almond	Gibson	Norblad
Andersen, H. Carl	Gillespie	Norrell
	Gillie	O'Brien, Mich.
Anderson, Calif.	Goodwin	O'Hara
Andresen, August H.	Gossett	O'Konski
	Grant, Ala.	O'Neal
Andrews, Ala.	Grant, Ind.	Pace
Angell	Gregory	Peterson, Fla.
Arends	Griffiths	Peterson, Ga.
Arnold	Gross	Philbin
Auchincloss	Gwinn, N. Y.	Phillips
Barrett, Wyo.	Gwynne, Iowa	Pickett
Barry	Hagen	Pittenger
Bates, Ky.	Hale	Ploeser
Bates, Mass.	Hall, Edwin Arthur	Poage
Beall		Price, Fla.
Beckworth	Halleck	Priest
Bennett, Mo.	Hancock	Rains
Bishop	Hare	Ramey
Bolton	Harness, Ind.	Randolph
Boykin	Hays	Rankin
Bradley, Mich.	Hendricks	Reed, Ill.
Brehm	Henry	Reed, N. Y.
Brooks	Herter	Rees, Kans.
Brown, Ga.	Heselton	Richards
Brown, Ohio	Hess	Riley
Bryson	Hill	Rivers
Buck	Hobbs	Rizley
Buffett	Hoeven	Robertson, Va.
Bulwinkle	Hoffman	Robsion, Ky.
Burch	Hope	Rockwell
Butler	Howell	Rogers, Fla.
Byrnes, Wis.	Jennings	Rogers, Mass.
Camp	Jensen	Sasscer
Campbell	Johnson, Calif.	Schwabe, Mo.
Canfield	Johnson, Ill.	Schwabe, Okla.
Cannon, Mo.	Johnson, Luther A.	Scrivner
Case, S. Dak.		Shafer
Chapman	Johnson, Okla.	Sharp
Chelf	Jones	Short
Chenoweth	Jonkman	Sikes
Chiperfield	Judd	Simpson, Ill.
Church	Kearney	Slaughter
Clements	Keefe	Smith, Ohio
Clevenger	Kelly, Ill.	Smith, Va.
Clippinger	Kilburn	Smith, Wis.
Cole, Kans.	Kilday	Sparkman
Cole, Mo.	Landis	Springer
Colmer	Lane	Stefan
Cooley	Lanham	Stevenson
Cooper	Larcade	Sumner, Ill.
Corbett	Latham	Sumners, Tex.
Cox	LeFevre	Taber
Cravens	Lemke	Talbot
Crawford	Lesinski	Talle
Cunningham	Lewis	Tarver
Curtis	Lyle	Thomason
D'Alesandro	McConnell	Tibbott
Daughton, Va.	McCowen	Trimble
Davis	McGehee	Vinson
Dirksen	McGregor	Vorys, Ohio
Dolliver	McKenzie	Vursell
Dondero	McMillan, S. C.	Wadsworth
Doughton, N. C.	McMillen, Ill.	Weichel
Drewry	Mahon	West
Durham	Maloney	Whitten
Dworshak	Manasco	Whittington
Earthman	Mansfield, Tex.	Wickersham
Eaton	Martin, Iowa	Wigglesworth
Ellis	Martin, Mass.	Wilson
Ellsworth	Mason	Winstead
Elsaesser	Mathews	Winter
Elston	May	Wolcott
Ervin	Merrow	Wolverton, N. J.
Fallon	Michener	Woodruff
Fellows	Miller, Nebr.	Worley
Fenton	Mills	Zimmerman
Fisher	Morrison	
Flannagan	Mundt	

NAYS—81

Bailey	Granahan	Marcantonio
Baldwin, N. Y.	Granger	Miller, Calif.
Barrett, Pa.	Green	Neely
Biemiller	Hand	O'Brien, Ill.
Bloom	Harless, Ariz.	O'Toole
Bradley, Pa.	Havenner	Outland
Carnahan	Healy	Price, Ill.
Celler	Hedrick	Rabaut
Coffee	Holifield	Rabin
Crosser	Hook	Rayfiel
Dawson	Huber	Resa
Delaney, John J.	Hull	Robinson, Utah
	Izac	Rogers, N. Y.
Dingell	Jackson	Rowan
Douglas, Calif.	Johnson, Lyndon B.	Ryter
Douglas, Ill.		Sabath
Doyle	Kean	Sadowski
Eberharter	Kee	Savage
Engel, Mich.	Kefauver	Sheridan
Feighan	Kelley, Pa.	Smith, Maine
Fernandez	Keogh	Somers, N. Y.
Flood	King	Spence
Fogarty	Klein	Stockman
Gallagher	Kopplemann	Sullivan
Gardner	McGlinchey	Thomas, Tex.
Geelan	Madden	Tolan
Gordon	Mansfield, Mont.	Voorhis, Calif.
Gorski		Woodhouse

ANSWERED "PRESENT"—1

Murdock

NOT VOTING 108

Adams	Gearhart	Morgan
Andrews, N. Y.	Gerlach	Norton
Baldwin, Md.	Gifford	Patman
Barden	Gillette	Patrick
Bell	Gore	Patterson
Bender	Graham	Pfeifer
Bennet, N. Y.	Hall, Leonard W.	Plumley
Blackney		Powell
Bland	Harris	Quinn, N. Y.
Bonner	Hart	Reece, Tenn.
Boren	Hartley	Rich
Brumbaugh	Hébert	Robertson, N. Dak.
Buckley	Heffernan	
Bunker	Hinshaw	Rodgers, Pa.
Byrne, N. Y.	Hoch	Roe, Md.
Cannon, Fla.	Holmes, Mass.	Roe, N. Y.
Carlson	Holmes, Wash.	Rooney
Case, N. J.	Horan	Russell
Clark	Jarman	Sheppard
Clason	Jenkins	Simpson, Pa.
Cochran	Johnson, Ind.	Starkey
Cole, N. Y.	Kerr	Stewart
Combs	Kinzer	Stigler
Courtney	Kirwan	Sundstrom
Curley	Knutson	Taylor
De Lacy	Kunkel	Thom
Delaney, James J.	LaFollette	Thomas, N. J.
	Lea	Torrens
D'Ewart	LeCompte	Towe
Domengeaux	Link	Traynor
Elliott	Luce	Walter
Engle, Calif.	Ludlow	Wasielewski
Folger	Lynch	Weaver
Forand	McCormack	Welch
Fulton	McDonough	White
Gamble	Mankin	Wolfenden, Pa.
Gavin	Monroney	Wood

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Taylor for, with Mr. Forand against.

Mr. Knutson for, with Mr. De Lacy against.

Mr. Roe of Maryland for, with Mr. Bennet of New York against.

Mr. Jenkins for, with Mr. Rooney against.

Mr. Thomas of New Jersey for, with Mr. Patterson against.

Mr. Domengeaux for, with Mr. Powell against.

Mr. Horan for, with Mr. Pfeifer against.

Mr. Roe of New York for, with Mr. Fulton against.

Mr. Kinzer for, with Mr. Bender against.

Mr. Wood for, with Mr. Torrens against.

General pairs until further notice:

Mr. Sheppard with Mr. Plumley.

Mr. Bell with Mr. Rich.

Mr. Engle of California with Mr. Simpson of Pennsylvania.

Mr. Bunker with Mr. Johnson of Indiana.

Mr. Heffernan with Mr. Wolfenden of Pennsylvania.

Mr. Patman with Mr. Blackney.
Mr. Hart with Mr. D'Ewart.
Mr. Hébert with Mr. Holmes of Massachusetts.
Mr. Quinn of New York with Mr. Graham.
Mr. Hoch with Mr. Holmes of Washington.
Mr. Monroney with Mr. Cole of New York.
Mr Courtney with Mr. Hartley.
Mr. Walter with Mr. Gamble.
Mr. Wasielewski with Mr. Carlson.
Mr. James J. Delaney with Mr. Brumbaugh.
Mr. Folger with Mr. Reece of Tennessee.
Mr. Lynch with Mr. Welch.
Mr. Gore with Mr. Rodgers of Pennsylvania.
Mr. Link with Mr. Gifford.
Mr. Boren with Mr. Clason
Mr. Harris with Mr. Gillette.
Mr. Byrne of New York with Mr. Sundstrom.
Mr. Lea with Mr. Kunkel.
Mr. Cochran with Mr. LeCompte.
Mr. Bonner with Mr. Robertson of North Dakota.
Mr. Combs with Mr. Andrews of New York

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. BOYKIN. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. DOUGLAS of California. Mr. Speaker, I ask unanimous consent that on Thursday next after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered I may have permission to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and to include two resolutions.

Mr. BUNKER asked and was given permission to extend his remarks in the RECORD.

Mr. McGEHEE asked and was given permission to extend his remarks in the RECORD and include an article by Oscar Vogl.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD on two subjects and to include extraneous matter in both instances.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD and include a speech delivered by Secretary Wallace at Detroit.

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD and include an article from the Chicago Tribune on heroism of our colleague, EDWARD A. KELLY.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an address by Herbert Hoover, and in the other to include an editorial.

Mr. JOHNSON of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ARENDS asked and was given permission to extend his remarks in the RECORD in two instances, in each instance to include an editorial from the New York Times.

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD and include a newspaper article written by Roy Richards which appeared in the newspapers of May 15.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include a press statement.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances, in two to include editorials, and in the third, a news item.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include an editorial entitled "Let's Talk Direct to Russia" taken from the Detroit Free Press.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include a statement by the legislative director of the American Veterans of the World War concerning veterans' pensions, together with a table.

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. FERNANDEZ asked and was given permission to extend his remarks in the RECORD and include a copy of the program for the memorial services to be held on May 28.

INTERNAL REVENUE CODE

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 353.

The Clerk read the resolution, as follows:

Resolved, etc., That section 403 (d) (3) of the Revenue Act of 1942 (relating to the release of certain powers of appointment) is amended by striking out "July 1, 1946" wherever it appears and inserting in lieu thereof "July 1, 1947"; and section 452 (c) of the Revenue Act of 1942 is amended to read as follows:

"(c) Release before July 1, 1947:

"(1) A release of a power to appoint before July 1, 1947, shall not be deemed a transfer of property by the individual possessing such power.

"(2) This subsection shall apply to all calendar years prior to 1947 and to that part of the calendar year 1947 prior to July 1, 1947."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, I would like to have an explanation of this resolution.

Mr. DOUGHTON of North Carolina. Mr. Speaker, House Joint Resolution 353 is an amendment to the Revenue Act of 1942 further extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code. It has been extended several times in order to allow those persons holding such powers to readjust their affairs and release such powers without incurring liability to estate or gift tax. The Bureau of Internal Revenue, the Treasury Department, and the staff of the Joint Committee on Internal Revenue Taxation are studying this matter, and they think they will soon be able to make a report as to certain changes necessary to be made in the law. It is important that we grant this further extension in order to give further time so that the matter can be studied and appropriately legislated upon. May I say that it has the unanimous approval of the Committee on Ways and Means.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from New York.

Mr. REED of New York. It amounts to this as the lowest common denominator: Under the revenue law of 1926 these estates, where there was an appointment either to a person to handle the estates or the person administering them in a will or trust or otherwise, escaped taxation. The law was changed in 1942 to make them taxable, and the result has been that hundreds of thousands of wills have had to be reexamined and are still being reexamined throughout the country. These extensions are simply to do justice to these people who drew their wills and made these appointments under the law of 1926.

This joint resolution extends to July 1, 1947, the period for releasing certain powers of appointment without incurring liability for estate or gift taxes.

The Revenue Act of 1942 made a number of significant changes in the law dealing with powers of appointment which affected holders of preexisting powers, among which there were many fiduciaries.

To determine whether these powers, even though not exercised, were subject to the estate or gift tax, required a thorough investigation of many trust instruments and wills and involved complicated questions of interpretation of State and local law.

In order to enable holders of these powers to adjust their affairs in the light of new legislation, Congress provided in the Revenue Act of 1942 that such powers could be released prior to January 1, 1945, if the power was created on or before October 21, 1942. Subsequent amendments have extended this date to July 1, 1946.

The entire legislation of the 1942 act relating to powers of appointment is being reexamined by our joint staff, the Treasury staff and outside groups, including the American Bar Association and the American Bankers Association, and undoubtedly, amendatory legislation will be proposed.

It is is believed that the studies of these groups will have been completed in sufficient time to permit us to legislate on this matter prior to July 1, 1947, particularly in connection with preexisting powers.

In view of these considerations, our committee has deemed it advisable to grant a further extension for the release of powers of appointment. This resolution, accordingly, extends the grace period up to July 1, 1947, so that the matter can be entirely canvassed and desirable changes made.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The joint resolution was agreed to.

A motion to reconsider was laid on the table.

FEDERAL EMPLOYEES PAY BILL OF 1946

Mr. RANDOLPH. Mr. Speaker, I call up the conference report on the bill (S. 1415) to increase the rates of compensation of officers and employees of the Federal Government, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. CASE of South Dakota. Reserving the right to object, Mr. Speaker, the Subcommittee on War Department Appropriations this morning held hearings at which the question of Army personnel came up. No one was able to tell us whether or not the estimates that were submitted to the committee were based upon the same figures that were available to the conferees during their consideration of the pay bill. Will the gentleman tell us the date of the figures which were used in determining the ceiling for Army personnel? I notice the report as printed in the RECORD indicates a ceiling of 176,000 for the War Department at the end of the fiscal year June 30, 1947.

Mr. RANDOLPH. The inquiry of the gentleman from South Dakota is very pertinent, because the figures for the War Department were given to the committee of conference last week and agreed to by the Budget, so they are the very latest figures. I am certain we can predicate our action upon that information.

Mr. CASE of South Dakota. In working on the appropriation bill and considering the personnel requests for the different branches, we should have the figures which were submitted to the committee of conference, otherwise there would be no legislative authorization for employment of a larger number of people.

Mr. RANDOLPH. The gentleman is correct in that observation.

Mr. CASE of South Dakota. I am going to withdraw my reservation of objection but, before doing so, may I say that I think the conferees have done well with a very difficult job. They had two bills before them, neither one of which was entirely satisfactory. The final result appears to me to be unusually good, considering the extreme positions from which the committee had to work. I congratulate the conferees on the work they did, and express my appreciation of the long series of conferences they had and the effort they put forth to accomplish the results achieved.

Mr. RANDOLPH. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1415) to increase the rates of compensation of officers and employees of the Federal Government, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'Federal Employees Pay Act of 1946'.

"INCREASE IN CLASSIFICATION ACT PAY RATES

"SEC. 2. (a) Each of the existing rates of basic compensation provided by section 13 of the Classification Act of 1923, as amended and supplemented, except those affected by subsection (b) of this section, is hereby increased by 14 per centum or $250 per annum whichever is the greater, except that no such rate shall be increased by more than 25 per centum. Such augmented rates shall be considered to be the regular rates of basic compensation provided by such section.

"(b) (1) The proviso to the fifth paragraph under the heading 'Crafts, Protective, and Custodial Service' in section 13 of the Classification Act of 1923, as amended, is hereby amended to read as follows: '*Provided*, That charwomen working part time be paid at the rate of 90 cents an hour, and head charwomen at the rate of 95 cents an hour'.

"(2) Such section is amended so as to provide the following rates of compensation for positions in the clerical-mechanical service:

"Grade 1, 90 to 97 cents an hour.

"Grade 2, $1.04 to $1.12 an hour.

"Grade 3, $1.20 to $1.27 an hour.

"Grade 4, $1.35 to $1.49 an hour.

"(c) The increase in existing rates of basic compensation provided by this section shall not be construed to be an 'equivalent increase' in compensation within the meaning of section 7 (b) (1) of the Classification Act of 1923, as amended.

"INCREASE IN PAY RATES FOR CUSTOMS CLERKS AND IMMIGRANT INSPECTORS

"SEC. 3. Each of the existing rates of basic compensation provided by the Act entitled 'An Act to adjust the compensation of certain employees in the Customs Service', approved May 29, 1928, as amended and supplemented, and those provided by the second paragraph of section 24 of the Immigration Act of 1917, as amended and supplemented, are hereby increased by 14 per centum or $250 per annum whichever is the greater, except that no such rate shall be increased by more than 25 per centum. Such augmented rates shall be considered to be the regular rates of basic compensation.

"INCREASE IN STATUTORY PAY RATES IN THE EXECUTIVE BRANCH NOT UNDER CLASSIFICATION ACT

"SEC. 4. Rates of basic compensation specifically provided by statute (including any increase therein computed in accordance with section 602 (b) of the Federal Employees Pay Act of 1945) for positions in the executive branch or the District of Columbia municipal government which are not included in section 102, as amended, of the Federal Employees Pay Act of 1945 or in the District of Columbia Teachers' Salary Act of 1945, and are not increased by any other provision of this Act, are hereby increased by 14 per centum or $250 per annum whichever is the greater, except that no such rate shall be increased by more than 25 per centum. Such augmented rates shall be considered to be the regular rates of basic compensation.

"INCREASE IN PAY RATES IN THE LEGISLATIVE BRANCH

"SEC. 5. (a) The first sentence of section 501 of the Federal Employees Pay Act of 1945 is amended by inserting before the period at the end thereof a comma and the following: 'plus (A) 14 per centum of his rate of compensation (including the additions thereto resulting from the application of the foregoing percentages), or (B) $250 per annum, whichever is the greater, except that such rate of compensation shall not be increased by more than 25 per centum'.

"(b) The second sentence of such section 501 is amended to read as follows: 'The additional compensation provided by this section and section 502 shall be considered a part of the basic compensation of any such officer or employee for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.'

"(c) Section 502 of such Act is amended to read as follows:

"' 'ADDITIONAL COMPENSATION IN LIEU OF OVERTIME

" 'SEC. 502. Each officer and employee in or under the legislative branch entitled to the benefits of section 501 of this Act shall be paid additional compensation at the rate of 10 per centum of the aggregate of the rate of his basic compensation and the rate of additional compensation received by him under section 501 of this Act.'

"INCREASE IN PAY RATES IN THE JUDICIAL BRANCH

"SEC. 6. (a) The first sentence of section 521 of the Federal Employees Pay Act of 1945 is amended by inserting before the period at the end thereof a comma and the following: 'plus (A) 14 per centum of his rate of compensation (including the additions thereto resulting from the application of the foregoing percentages), or (B) $250 per annum, whichever is the greater, except that such rate of compensation shall not be increased by more than 25 per centum'.

"(b) The second sentence of such section 521 is amended to read as follows: 'The limitations of $6,500 and $7,500 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the eighth paragraph under the head "Miscellaneous Items of Expense" in The Judiciary Appropriation Act, 1946 (Public Law Numbered 61, Seventy-ninth Congress), or in any subsequent appropriation Act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this section, and the changes in the rates of basic compensation in the Classification Act of 1923, as amended, made by section 405 of this Act and section 2 of the Federal Employees Pay Act of 1946 shall not be taken into account in fixing salaries under any such appropriation Act.'

"(c) Section 522 of such Act is amended to read as follows:

"'ADDITIONAL COMPENSATION IN LIEU OF OVERTIME

"'SEC. 522. (a) Each officer and employee of the Supreme Court of the United States entitled to the benefits of section 521 of this Act shall be paid additional compensation at the rate of 10 per centum of the rate of his basic compensation. As used in this subsection the term "'"basic compensation" includes the additional basic compensation provided by section 521 of this Act.

"'(b) The additional compensation provided by subsection (a) of this section shall be considered a part of the basic compensation of any such officer or employee for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.'

"LIMITATION ON AGGREGATE RATE PAYABLE

"SEC. 7. (a) Section 603 (b) of the Federal Employees Pay Act of 1945 is amended by inserting after the words 'by reason of the enactment of this Act' the words 'or any amendment thereto.'

"(b) Notwithstanding any other provision of this Act, no officer or employee shall, by reason of the enactment of this Act, be paid with respect to any pay period, basic compensation, or basic compensation plus any additional compensation provided by the Federal Employees Pay Act of 1945, as amended, at a rate in excess of $10,000 per annum.

"VESSEL EMPLOYEES

"SEC. 8. (a) Section 102 (d) of the Federal Employees Pay Act of 1945 is amended to read as follows:

"'(d) This Act, except sections 606 and 607, shall not apply to employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, to vessel employees of the Coast and Geodetic Survey, to vessel employees of the Department of the Interior, or to vessel employees of the Panama Railroad Company.'

"(b) Section 606 of such Act is amended to read as follows:

"'VESSEL EMPLOYEES

"'SEC. 606. Employees of the Transportation Corps of the Army of the United States on vessels operated by the United States, vessel employees of the Coast and Geodetic Survey, vessel employees of the Department of the Interior, and vessel employees of the Panama Railroad Company, may be compensated in accordance with the wage practices of the maritime industry.'

"COMPENSATORY TIME OFF FOR IRREGULAR OR OCCASIONAL OVERTIME WORK

"SEC. 9. Section 202 (a) of the Federal Employees Pay Act of 1945 is amended by striking out 'forty-eight hours' and inserting in lieu thereof 'forty hours'.

"NIGHT PAY DIFFERENTIAL

"SEC. 10. That part of section 301 of the Federal Employees Pay Act of 1945 which precedes the first proviso is amended to read as follows: 'Any officer or employee to whom this title applies who is assigned to a regularly scheduled tour of duty, any part of which, including overtime, falls between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian, shall, for duty between such hours, excluding periods when he is in a leave status, be paid compensation at a rate 10 per centum in excess of his rate of basic compensation for duty between other hours:'.

"PAY FOR HOLIDAY WORK

"SEC. 11. That part of the first sentence of section 302 of the Federal Employees Pay Act of 1945 which precedes the proviso is amended to read as follows: 'Any officer or employee to whom this title applies who is assigned to duty on a holiday designated by Federal statute or Executive order during hours which fall within his basic administrative workweek of forty hours shall be compensated for not to exceed eight hours of such duty, excluding periods when he is in a leave status, in lieu of his regular rate of basic compensation for such duty, at the rate of twice such regular rate of basic compensation, in addition to any extra compensation for night duty provided by section 301 of this Act:'.

"PAY RATES FOR GRADES 9 AND 10 OF THE CRAFTS, PROTECTIVE, AND CUSTODIAL SERVICE OF THE CLASSIFICATION ACT

"SEC. 12. (a) Section 13 of the Classification Act of 1923, as amended, is hereby further amended by striking out the second paragraph relating to grade 9 of the Crafts, Protective, and Custodial Service and substituting therefor the following:

"'The annual rates of compensation for positions in this grade shall be $2,870, $2,980, $3,090, $3,200, $3,310, $3,420, and $3,530.'

"(b) Section 13 of the Classification Act of 1923, as amended, is hereby further amended by striking out the second paragraph relating to grade 10 of the Crafts, Protective, and Custodial Service and substituting therefor the following:

"'The annual rates of compensation for positions in this grade shall be $3,200, $3,310, $3,420 $3,530, $3,640, $3,750, and $3,860.'

"(c) With respect to grades 9 and 10 of the Crafts, Protective, and Custodial Service, the increase in rates of basic compensation provided by section 2 of this Act shall be computed on the rates of basic compensation established for such grades, as amended by subsections (a) and (b) of this section.

"GENERAL ACCOUNTING OFFICE

"SEC. 13. This Act and any other general legislation heretofore or hereafter enacted governing the employment, compensation, emoluments, and status of officers and employees of the United States shall apply to officers and employees of the General Accounting Office in the same manner and to the same extent as if such officers and employees were in or under the executive branch of the Government.

"PERSONNEL CEILINGS

"SEC. 14. (a) Section 607 of the Federal Employees Pay Act of 1945 is amended by adding at the end thereof a new subsection as follows:

"'(g) (1) In carrying out the provisions of subsection (b) of this section—

"'(A) with respect to the departments (other than the Department of War and the Department of the Navy), establishments, and agencies (including Government-owned or controlled corporations) in the executive branch, the Director shall so determine the numbers of full-time civilian employees and the man-months of part-time employment on the basis of the relative needs of such departments, establishments, and agencies for personnel, that the aggregate number of such civilian employees (including the full-time equivalent of man-months of part-time employment) shall not exceed (i) five hundred and twenty-eight thousand nine hundred and seventy-five for the quarter beginning October 1, 1946; (ii) five hundred and one thousand seven hundred and seventy-one for the quarter beginning January 1, 1947; (iii) four hundred and seventy-four thousand five hundred and sixty-seven for the quarter beginning April 1, 1947; and (iv) four hundred and forty-seven thousand three hundred and sixty-three after June 30, 1947;

"'(B) with respect to the Department of War and the Department of the Navy, the Director shall so determine the numbers of civilian employees (including the full-time equivalent of man-months of part-time employment) that at the earliest date practicable, but in no event later than July 1, 1947, the number shall not exceed one hundred and seventy-six thousand with respect to the Department of War, or one hundred thousand with respect to the Department of the Navy.

The numbers of employees specified in this paragraph shall be regarded as maximum numbers, and nothing herein shall be construed to limit the authority of the Director to establish lower aggregate numbers whenever, in his opinion, the numbers so specified are in excess of those necessary for the proper and efficient exercise of the authorized functions of the departments, establishments, and agencies to which this subsection applies. The procedural provisions of subsection (b) of this section shall be applicable with respect to determinations under this paragraph.

"'(2) No provision of law heretofore or hereafter enacted authorizing the employment of personnel by, or appropriating funds for the compensation of personnel of, or conferring additional functions upon, any department, establishment, or agency, shall be construed to authorize the employment of, or payment of compensation to, a greater number of employees subject to this subsection than the number so determined by the Director with respect to such department, establishment, or agency unless such provision of law specifically authorizes the employment or payment of salaries of personnel in excess of such number, or exempts such department, establishment, or agency from the provisions of this subsection, and any such employment or payment not so authorized shall be deemed to be a violation of the provisions of section 3679 of the Revised Statutes of the United States (U. S. C., 1940 edition, title 31, sec. 665).

"'(3) The provisions of this subsection shall not apply with respect to employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose. The provisions of subparagraph (A) of paragraph (1) shall not apply with respect to officers and employees in the field service of the Post Office Department or to officers and employees of the Veterans' Administration, but shall apply with respect to officers and employees outside the United States whose compensation is fixed in accordance with the Classification Act of 1923, as amended, and who are not excluded from the provisions of this section by the provisions of subsection (f). The provisions of subparagraph (B) of paragraph (1) shall not apply with respect to officers and employees outside the several States and the District of Columbia.'

"(b) Effective October 1, 1946, subsection (f) of such section is amended by striking out '(1) employees of the War and Navy Departments except those who are subject to the provisions of titles II and III of this Act; or (2)'.

"APPROPRIATIONS AUTHORIZED

"SEC. 15. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"EFFECTIVE DATE

"SEC. 16. This Act, except section 14 (b), shall take effect on July 1, 1946."

And the House agree to the same.

That the title of the bill be amended to read as follows: "An Act to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes."

JENNINGS RANDOLPH,
HENRY M. JACKSON,
GEORGE P. MILLER,
EDWARD H. REES,
JOHN W. BYRNES,
Managers on the Part of the House.

SHERIDAN DOWNEY,
HARRY BYRD,
B. B. HICKENLOOPER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1415) to increase the rates of compensation of officers and employees of the Federal Government, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment to the text of the bill strikes out all of the Senate bill after the enacting clause. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a subsitute for both the Senate bill and the House amendment, and that the House agree to the same.

Except for the differences noted in the following statement, the conference substitute is the same as the House amendment.

INCREASE IN RATES OF BASIC COMPENSATION

The House amendment increases the rate of basic compensation of each officer and employee in the executive, legislative, and judicial branches of the Federal Government and the District of Columbia government to whom the amendment applies by $400 per annum over his present rate. The Federal Employees Pay Act of 1945 increased each of the rates of basic compensation contained in section 13 of the Classification Act of 1923 on June 30, 1945, by 20 percent of that part thereof which is not in excess of $1,200 per annum, plus 10 percent of that part thereof which is in excess of $1,200 but not in excess of $4,600, plus 5 percent of that part thereof which is in excess of $4,600. The Senate amendment strikes out such rates of increase and substitutes therefor 36, 18, and 9 percent, respectively. The conference substitute provides for an increase of 14 percent or $250 per annum, whichever is greater, over the present rate of basic compensation of each officer and employee in the executive, legislative, and judicial branches of the Federal Government and the District of Columbia government to whom the substitute applies, except that any such rate of compensation shall not be increased by more than 25 percent.

As compared with the conference substitute providing an over-all average increase of 14.2 percent, the House amendment increases the basic compensation of each officer and employee at an average rate of 17.1 percent. The Senate bill provides an average increase of 11 percent over the present rates.

Except for the operation of the provisions of section 14 (a), discussed hereafter, relative annual costs of such increases in basic compensation of officers and employees in the executive branch as of June 30, 1946, computed on the basis of 970,647 employees, are shown by the following figures: House amendment $388,300,000; Senate bill $248,500,000; and the conference substitute $321,700,000.

Under the operation of section 14 (a), the cost of the conference substitute would be reduced by approximately 75 percent for the fiscal year 1947, so far as the executive branch is concerned, outside of the War and Navy Departments.

The annual cost of increases in basic compensation in the legislative and judicial branches and the District of Columbia government under the conference substitute would be approximately $4,700,000.

Subsections (b) and (c) of section 4 of the House amendment are not contained in the conference substitute. Subsection (b) was in the bill as reported to the House and subsection (c) was added on the floor of the House. The purpose of these subsections was to extend the benefits of the bill to heads of departments and agencies, including the Directors of the Tennessee Valley Authority and the Chairman of the Advisory Board of the Inland Waterways Corporation. This was consistent with the policy of the bill as reported to the House, since such bill repealed the salary ceiling of $10,000 per annum established by the Federal Employees Pay Act of 1945. The House, after adopting subsection (c), restored the $10,000 ceiling on salaries, but these subsections remained in the bill as passed by the House. Since heads of departments and agencies receive salaries of $10,000 per annum or more these subsections are meaningless and are therefore omitted from the conference substitute.

JUDICIAL BRANCH

Section 521 of the Federal Employees Pay Act of 1945 increased the limitations of $6,500 and $7,500 upon the salaries of secretaries and law clerks of circuit and district judges contained in the Judiciary Appropriation Act, 1946, by the amounts necessary to pay the additional basic compensation provided by such section. Since these limitations are being repeated in the Judiciary Appropriation Act, 1947, the conference substitute adds language to the second sentence of section 521 which also increases the same limitations in the 1947 Appropriation Act and in any subsequent appropriation act.

Section 6 of the House amendment repealed section 522 of the Federal Employees Pay Act of 1945 which authorized, until June 30, 1947, additional compensation, in lieu of overtime pay, at the rate of 10 percent on not to exceed $2,900 of salary, for officers and employees in the judicial branch. The conference substitute is in agreement with the House amendment in this respect, except that it provides that additional compensation in lieu of overtime pay shall be paid, on a permanent basis, to officers and employees of the Supreme Court of the United States, at the rate of 10 percent of their aggregate salary, and that such additional compensation shall be regarded as a part of basic compensation for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.

PERSONNEL CEILINGS

The House amendment contains a proviso in section 14 which states that, except in the case of the Veterans' Administration, no greater amount shall be appropriated to any executive department or agency for salaries for the fiscal year 1947 than the amount made available for such purpose for the fiscal year 1946. The purpose of this proviso is, of course, to absorb the cost of the increases in compensation granted by the bill to employees in the executive branch by reducing the number of such employees.

It would be a practical impossibility to separate from the service as of the close of business on June 30, 1946, the entire number of employees necessary to absorb the cost of such increases. Moreover, if the separations were averaged throughout the fiscal year 1947, twice the number of employees would have to be discharged to accomplish this purpose. This would result in reducing total personnel to a point which would absorb twice the cost of the increases in compensation for the fiscal year beginning July 1, 1947, and would seriously endanger the ability of the executive departments and agencies to perform the functions imposed upon them by acts of Congress. Also, evidence presented to the conferees led to the conclusion that a limitation based solely upon the amount of funds appropriated or expended for personal services during the fiscal year 1947 would be impracticable to administer and would result in inequities in application. On the other hand, it is apparent that the number of personnel in the executive branch can be substantially reduced without affecting the proper and efficient exercise of the authorized functions of the executive branch.

The conference substitute provides a plan requiring the absorption of a major part of the pay increases through a gradual reduction of personnel during the fiscal year 1947. Such substitute amends section 607 of the Federal Employees Pay Act of 1945, which imposes upon the Director of the Bureau of the Budget the duty of establishing quarterly personnel ceilings, by adding a new subsection (g) requiring the Director in establishing such ceilings to determine the number of employees in the executive branch (except employees of the War and Navy Departments and employees referred to in the following paragraph) so that the aggregate number will not exceed 528,975 for the quarter beginning October 1, 1946, 501,771 for the quarter beginning January 1, 1947, 474,567 for the quarter beginning April 1, 1947, and 447,363 after June 30, 1947. If these limitations on employment are adhered to, there will result a saving during the fiscal year 1947 with respect to the employees affected of approximately 75 percent of the cost of the increases in compensation granted by this bill and an absorption of more than the entire cost of the increases for succeeding fiscal years. At the same time the number of employees will not be reduced to as low a figure as would be the case if the total cost of the increases were absorbed during the fiscal year 1947. The number of employees stipulated for each quarter is based on an initial estimate of 556,173 on June 30, 1946, and on the assumption that the reductions to meet the respective ceilings will take place gradually throughout the preceding quarter. In view of the existing uncertainty as to the personnel requirements of the War and Navy Departments during the course of the fiscal year 1947, such departments are not required to meet ceilings quarterly, but the Director of the Bureau of the Budget is required to effect a reduction so that at the earliest practicable date, but in no event later than July 1, 1947, the number of civilian personnel will not exceed 176,000 in the War Department and 100,000 in the Navy Department.

The employees of the Veterans' Administration, employees in the field service of the Post Office Department, employees of the government of the District of Columbia, and employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose, are exempted from the ceilings fixed by this subsection, but employees, other than those of the War and Navy Departments, outside the United States whose compensaiton is fixed in accordance with the Classification Act of 1923, and who are not excluded from the provisions of section 607 by subsection (f) of such section, are included. With respect to the War and Navy Departments, only employees in the several States and the District of Columbia are included in the ceilings.

Subsection (g) also provides that any employment of, or payment of compensation to, a greater number of employees than the number determined by the Director of the Bureau of the Budget with respect to any department, establishment, or agency, under authority of such subsection shall be deemed to be a violation of section 3679 of the Revised Statutes (the antideficiency law) unless a provision of law specifically authorizes the employment of, or payment of salaries to, personnel in excess of the number determined by the Director, or exempts such department, establishment, or agency from the provisions of such subsection.

Section 607 (f) of the Federal Employees Pay Act of 1945 excluded from the authority of the Director of the Bureau of the Budget to establish quarterly personnel ceilings, until the cessation of hostilities in World War II as proclaimed by the President, wage-schedule or prevailing-rate employees of the

War and Navy Departments, who were not subject to titles II and III of that act. Section 14 (b) of the conference substitute brings these employees under the Director's authority in this respect, effective October 1, 1946.

JENNINGS RANDOLPH,
HENRY M. JACKSON,
GEORGE P. MILLER,
EDWARD H. REES,
JOHN W. BYRNES,
Managers on the Part of the House.

Mr. RANDOLPH. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, the Senate first gave attention to legislation to bring about an increase in pay of Federal employees. Later the House acted in that direction, and the two measures were sent to conference. There were 9 conferees, 5 on the part of the House and 4 on the part of the other body. The conferees held 12 sessions.

I desire at this time to express my personal appreciation as chairman of the House committee of conference to the gentleman from Washington [Mr. JACKSON], the gentleman from California [Mr. MILLER], the gentleman from Kansas [Mr. REES], and the gentleman from Wisconsin [Mr. BYRNES].

There were many points of difference between the two approaches in the Senate and House versions. Our task was a difficult one. There was an example, by the House members of the conference committee, of patience and a desire to thoroughly go into all of the points at issue. I think it is important for me to say to my colleagues that under the House bill the cost of providing increases was approximately $388,300,000. The cost under the terms of the Senate bill was $248,500,000. The conference substitute has set the figure at $321,700,000. That, of course, is a figure considerably under the amount in the original bill and also very materially in excess of that contained in the Senate measure. I feel that it is important to say also to the membership that other than the rates of pay we had a very difficult task, and I use the word advisedly, of working on an amendment which would contain the essence and spirit of the amendment passed in the House bill as offered by the gentleman from Illinois, Representative DIRKSEN. The House conferees tried very painstakingly to carry out the will of the House on that matter.

I report to my colleagues that the cost under the conference substitute would be reduced by approximately 75 percent for the fiscal year 1947 as far as the executive branch of the government is concerned, outside of the exemptions which we have placed for the War and Navy Departments. So even though we are bringing in a pay increase bill for Federal workers, this conference committee, composed of Democrats and Republicans, understood full well the intent and the action of the House on the Dirksen amendment.

I believe this is the first pay raise measure brought to the House where its cost, or a large portion thereof, is absorbed by a reduction in Federal personnel. We have attempted to put that desirable end into workable language so that there may be a reduction in the number of employees within the structure of our Federal Government. So we have done, as we believe, a two-pronged job. We have brought about a compromise of the rate of pay, but we have done as best we could what we felt the House would want in connection with a justifiable increase. But coupled with that responsibility we have not forgotten and have not turned aside from the direction of the House in reference to the necessity for an orderly and needed reduction of the employees within the Federal Government.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to my friend, the gentleman from Ohio.

Mr. SMITH of Ohio. What will the total annual cost be of the increases involved in this measure plus the previous increases that were given to Federal employees?

Mr. RANDOLPH. In answer to the gentleman, the cost under the conference substitute would be $321,700,000 annually. The cost under the bill as it passed the House would have been $388,300,000. In other words, we have reduced the cost under the original bill by sixty-six or sixty-seven million dollars. We have increased the cost under the original Senate bill as reported in the conference from $248,500,000 to this figure that I have just presented.

Mr. SMITH of Ohio. When was the last raise given Federal employees?

Mr. RANDOLPH. In 1945 there was an upward pay adjustment.

Mr. SMITH of Ohio. What did that amount to? Does the gentleman remember?

Mr. RANDOLPH. I cannot give the exact figure.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. JACKSON. I am unable to give the exact figure, but I would say that the $321,000,000 cost of the proposed measure is absorbed by a reduction in the number of employees. That is, 75 percent of the $321,000,000 must be absorbed by a reduction in employees on or before July 1, 1947, and after July 1, 1947, the balance of 25 percent is entirely absorbed.

Mr. RANDOLPH. I appreciate the confirmation of my earlier statement about the absorption of the cost.

Mr. SMITH of Ohio. But the gentleman does not remember what the total amounted to in 1945?

The SPEAKER. The gentleman has consumed two additional minutes.

Mr. RANDOLPH. Mr. Speaker, I yield myself three additional minutes. I desire to accommodate other Members who want to speak.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. In numbers, what what does this decrease of 75 percent of the cost provided in this bill represent?

Mr. RANDOLPH. From 2,400,000 to 1,600,000 within this period, to July 1947.

Mr. ROBSION of Kentucky. That is 700,000 or 800,000?

Mr. RANDOLPH. That would be approximately 800,000.

Mr. ROBSION of Kentucky. Then, this bill carries less increase by fifty or more million dollars than the bill which was passed by the House?

Mr. RANDOLPH. The gentleman is correct.

Mr. ROBSION of Kentucky. And that is not taking into consideration the decrease in the number of employees?

Mr. RANDOLPH. No; we were simply working on the conference substitute. The figures I have given you deal with what we have done in compromise study between the Senate and the House.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. MILLER of Nebraska. How is the reduction in the number of employees to be handled? Will each department go through and say, "You reduce a certain number of employees"? Who eventually makes the decision on who will have to be dismissed? How will that be worked out by the departments?

Mr. RANDOLPH. I yield to the gentleman from Washington.

Mr. JACKSON. The reduction is worked by an over-all ceiling. That is, instead of being frozen in departments there is a top, over-all freeze for the entire Federal service. Then the Bureau of the Budget must make adjustments within the various agencies and departments of the Government.

Does that answer the gentleman's question?

Mr. MILLER of Nebraska. There may be some departments within the Government which cannot have a reduction without seriously affecting the efficiency of that department.

Mr. JACKSON. That is correct.

Mr. RANDOLPH. We have provided a so-called escape clause, where a justification for additional employees can be made. I am certain the conferees were cognizant of the point made by the gentleman, because that was brought forcefully to our attention.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. STEFAN. The gentleman mentioned $331,700,000 as compared with $500,000,000 under the Senate bill.

Mr. RANDOLPH. No; the Senate bill was $248,000,000.

Mr. STEFAN. Then this is an increase over the Senate?

Mr. RANDOLPH. Yes; from $248,500,000 to $321,700,000.

Mr. STEFAN. Does that $331,700,000 mean an additional annual expense to the Treasury?

Mr. RANDOLPH. That is correct.

Mr. STEFAN. Affecting how many employees?

Mr. RANDOLPH. We based it upon 970,647. That is the computation.

Mr. STEFAN. Nine hundred and seventy thousand six hundred and forty-seven?

Mr. RANDOLPH. Understand, those other figures I gave of 2,400,000 took in all categories of Government.

Mr. STEFAN. This, of course, does not affect the nonclassified employees.

Mr. RANDOLPH. No; and then we have made certain other exemptions.

Mr. STEFAN. Then the reduction regarding which my colleague the gentleman from Nebraska interrogated the gentleman from West Virginia refers only to the 970,647 employees; not to the other employees of the Government.

The SPEAKER. The time of the gentleman from West Virginia has expired.

Mr. RANDOLPH. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, I wish first to express my appreciation to the chairman of my committee [Mr. RANDOLPH] for the fairness with which he has handled this legislation both on the floor of the House as well as in the committee. I also want to thank the members of the subcommittee for the very cordial treatment I received at their hands during the hearings and during the presentation of this legislation on the floor of the House. We did spend considerable time deliberating with respect to this legislation, and on many occasions we did not fully agree. At all times I was accorded full and free discussion. When the bill originally reported was presented on the floor of the House, I was the only member of my committee who came to the floor and expressed opposition to the legislation by filing a minority report. I did not think the legislation was what the House wanted, what the country wanted, or that it was really fair to Government employees generally. That legislation, if you will recall, provided 18½ percent over all for everybody under the classified service, even lifting the ceilings above $10,000. The House, as you know, adopted an amendment striking out the 18½-percent provision and substituted $400 across the board for everybody. With that having been adopted by the House, the measure went to conference with a far different version adopted in the other body. The bill passed by the other body provided for increases on a percentage basis, 36 percent on the first $1,200, then an increase of 18 percent to $4,600, and 9 percent beyond that.

I submitted a proposal to the House when the bill was considered here that I thought was more nearly fair than any other proposal that had been offered. The House at that time did not really get to vote on my proposal. Generally speaking, my proposal provided considerably larger increases for those in the lower brackets and not so much for those in the higher brackets.

Mr. Speaker, the legislation embodied in this conference report is not entirely satisfactory to me. It is, of course, a compromise that was reached after several days of discussion among members of the conference committee.

I still contend, as I did when the legislation was presented to the House, that more consideration should have been given to the thousands of employees in lower-paid groups. It was contended by the majority of the membership of the conference committee, that the percentage of increase should be the same all the way across the board. In fact, the legislation proposed in the first instance by the House committee, provided increases entirely on a percentage basis. So, even under that bill, an employee who now receives $1,440 per year would have had an increase of less than $300, but if he were an $8,000 employee, he would get an increase of $2,400. Under the proposal I submitted, at that time, those in lower brackets would receive increases beginning at a rate of more than 20 percent on their present pay rates and percentage would go lower as salaries go higher. Lower percentage increases would apply in the higher brackets.

I am not opposed to fair increases to those in the higher grades, but I still contend that since this legislation is based upon the increased cost of living it should be more equitably distributed. There is not the wide difference in the cost of living as indicated in this report.

This legislation increases the salaries in the lower groups about $20 per month. In the top groups, it is more than five times that amount. It is inequitable, but appears to be the best agreement that could be reached under the circumstances.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. RANDOLPH. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. REES of Kansas. Mr. Speaker, as I said a moment ago, this bill provides for an increase of 14.3 percent in total cost. The additional three-tenths percent is due to the increases in the lower brackets. If I had my way about it I would have increased those people even more and would not have increased those in the higher brackets so much as provided in the legislation. That is my own personal view.

Mr. Speaker, we did have considerable discussion with respect to ceilings on personnel. An amendment was submitted by the gentleman from Illinois [Mr. DIRKSEN], the so-called Dirksen amendment, which provided in substance that increases in cost must be absorbed by a reduction in personnel. My own recommendation was, I thought, a realistic one and would have reduced the number of personnel right down the line. We have a sort of combination in here. We have put a sort of ceiling on personnel in various departments of government, then we have attempted to limit the cost to the amount now being spent for Federal employment. It is a sort of notice that Congress is in favor of personnel reductions. It must not, in any event, be construed as a "floor" of employment in any case.

Mr. Speaker, I want to call attention to another thing. We do not have much control over the number of personnel in the Government. This is a thing I would like to go on and discuss at some length, but I will not take the time now. We have a Civil Service Commission with quite a staff and organization. We also have a Bureau of the Budget to which these various agencies of government go and tell how much money they will need. The Bureau of the Budget approves the amount of money requested. The matter then goes to the Appropriations Committee.

The Appropriations Committee listens to the testimony of the heads of the agencies, who, in most instances, are interested in building cases of their own, and very, very rarely even suggest voluntarily they can get along with a lesser number of employees. It is almost pathetic to observe that little is done with respect to control of personnel in any of our departments of government. I have tried to call the attention of the membership of this House many times to the need for an agency to deal with personnel in government. I have legislation pending on the subject which, if enacted into law, would, in my judgment, reduce personnel very materially and make for better and more efficient government, and at the same time save hundreds of thousands of dollars to the taxpayers of this country.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Kentucky, who has watched and studied this problem very closely.

Mr. ROBSION of Kentucky. Do you retain the $10,000 maximum?

Mr. REES of Kansas. We do; yes. That was an amendment I submitted when the legislation was considered in the House.

Mr. ROBSION of Kentucky. Under this new bill, is the increase 14.3 percent across the board?

Mr. REES of Kansas. No. It is 14 percent across the board with the exceptions I mentioned. The extra three-tenths percent over-all cost comes about because of increases in the lower brackets. I mean those who would not get the minimum of $250 if they were not included in that particular minimum.

Mr. ROBSION of Kentucky. Those in the lower brackets get an increase of 14 percent or more?

Mr. REES of Kansas. That is correct; and at least $250 increase. I thought the minimum should be somewhat more and those at the top should be less.

Mr. ROBSION of Kentucky. Then some in the higher brackets are limited to 14 percent?

Mr. REES of Kansas. All others are limited to 14-percent increases.

Mr. ROBSION of Kentucky. On this matter of decreasing the personnel, I thought I got a very clear statement from our colleague, the gentleman from West Virginia [Mr. RANDOLPH], that the reduction between now and next July would be 75 percent, and then in July 1947, we would absorb the other 25 percent, taking up this additional increase provided for in this bill. Now, as a matter of figures, how many persons will be taken off the roll under this provision?

Mr. REES of Kansas. The aggregate number on July 1, outside of the Navy and the Army, is contemplated to be 528,975, then 501,771 for the quarter beginning January 1, 1947, and 447,363 on June 30, 1947, a year from now. That is outside the Army and Navy.

Mr. ROBSION of Kentucky. As a total proposition, how many people will

it be necessary to remove from the rolls to absorb this increase of $331,000,000 that we are granting in this bill?

Mr. REES of Kansas. We are dealing now, of course, with those in the classified service only, and after January 1 there should be a reduction of approximately something over 400,000. Outside the Army and Navy. Maybe I am wrong about that figure.

Mr. ROBSION of Kentucky. I got the impression from the gentleman from West Virginia [Mr. RANDOLPH] that this would accomplish a decrease in personnel of around approximately 800,000.

Mr. RANDOLPH. Mr. Speaker, that observation is correct, in the over-all employment of the Federal Government.

Mr. REES of Kansas. In the over-all employment of the Federal Government, including the Army and the Navy, that figure would be increased according to testimony submitted by about 400,000 more.

Mr. ROBSION of Kentucky. Does the gentleman mean that no one will get this increase except those in the classified service?

Mr. REES of Kansas. I beg the gentleman's pardon.

Mr. ROBSION of Kentucky. Do the 2,400,000 individuals get the increase or only those in the classified service?

Mr. REES of Kansas. This bill deals with those in the classified service.

Mr. ROBSION of Kentucky. How can you get this reduction of 800,000 if you are only dealing in the first instance with 900,000 plus?

Mr. REES of Kansas. The reason for that is that it is contemplated by the various departments of Government that they will have a reduction by that time.

Mr. ROBSION of Kentucky. My question was to the effect that through the provisions of this bill itself there would be a reduction effectuated that would absorb this $331,000,000 increase, or approximately that, and the gentleman from West Virginia said that that would represent about 800,000. I am somewhat confused on these figures.

Mr. REES of Kansas. You have to add to that the Army and the Navy, which is estimated at approximately 400,000.

Mr. RANDOLPH. The Army and the Navy are included, sir. That is the over-all reduction. I will say to the gentleman from Kentucky that there is a reduction anticipated of 800,000 over-all, and that includes the War and the Navy Departments.

Mr. REES of Kansas. We hope the gentleman may be correct.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Washington.

Mr. JACKSON. I suggest that the gentleman from Kentucky read the report. All of the information is contained on the bottom of page 10 of the report. It places a ceiling on the Army and the Navy. The War Department will have 176,000 employees maximum on July 1, 1947, and the Navy 100,000 on July 1, 1947.

Mr. ROBSION of Kentucky. I just wanted to get it clear that this legislation is designed or intended to effectuate a decrease in the civil personnel of the Government of around 800,000. Is my understanding correct?

Mr. REES of Kansas. It is about 471,000 outside the Army and Navy, about 100,000 in the Navy, and about 176,000 in the War Department.

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. I agree with the gentleman from Kansas. I think his original idea of giving a greater amount to the lower-paid employees is good. However, I intend to vote for the conference report.

In this conference report do you anticipate the need of some agencies, like the Veterans' Administration and others, to increase their personnel? Has that been taken care of?

Mr. REES of Kansas. That should have been explained. The Veterans' Administration is not under these ceilings, for it is an expanding agency. It is difficult now to estimate its needs. So it is left out as far as ceilings are concerned. It is a special exception.

Mr. WICKERSHAM. In view of the fact that labor groups and the public groups have been taken care of, does not the gentleman, coming from an agricultural State, think the farmers should have the benefit of the Case bill, which would give them parity for their products?

Mr. REES of Kansas. We are not discussing the Case bill now, but in answer to the gentleman may I say that the farmers are just as much entitled to an increase in their income as any other group in the country. I do appreciate the gentleman's interest in the farmers of this country. Incidentally, the farmers are going to have a time in attempting to meet the goals set for them.

One thing that has been emphasized by reason of these conference discussions, is the need for dealing with the question of Government employment in a realistic and businesslike manner. No agency is held responsible for the number of employees in Government. There is no over-all control responsible with regard to efficiency or overlapping, duplication of activities, or waste in Government agencies.

Consideration of this legislation has also emphasized the need of a very careful and constructive study of the entire pay structure of Federal Government, with a view of attempting, at least, to provide equitable payment for services rendered. More credit and encouragement should be given to employees because of their efficiency and industry. For example, an administrator ought to receive more pay because he is able to get along with less people, rather than under present conditions, where his pay is increased because he has a larger group employed under his supervision, whether he needs them or not.

Our Government employment has become very much of a "hodge" sort of affair, and certainly needs straightening out. We need an agency or organization responsible to Congress, that will at all times keep its hands on the situation in an effort not only to determine the number of employees needed, but to suggest ways and means by which improvement may be made in Government employment. That phase is very much neglected.

On numerous occasions, as I said at the beginning of this discussion, I have called attention to the membership of this House, to the overstaffing of many departments of our Government and that little consideration is being given by any of our agencies with respect to reductions in force. Here we are at the present time with twice as many employees on the pay roll as we had in 1940, even though the war has been over in Europe for more than a year. We are paying as much for Government employment at the present time as our entire appropriations amounted to only a comparatively few years ago. That sort of thing just cannot be continued very long. The cost of Federal employment alone is approximately $8,000,000,000 annually, or an average of $120 for every family in the United States.

Mr. RANDOLPH. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I shall support this conference report. It is a simple measure of justice to carry out the policy of the Government already established in industrial wages, for it is an increase in order to meet the higher cost of living. I have felt, however, that it would have been fairer, as long as this is, so to speak, a bread-and-butter bill, if we had had a larger increase for the lower-paid employees and a smaller increase for the higher-paid employees. However, I do think the House Committee on the Civil Service and the committee of conference have done an earnest and sincere job and have reached the best conclusion they could in bringing together the conflicting views of all of us. I congratulate them upon it, and shall certainly support the conference report as it is now written.

Mr. RANDOLPH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, at the very outset and within the compass of a limited time, let me pay testimony to the restraint and to the fairness and to the tolerance and to the grace of the House conferees on this committee of conference. I doubt whether men can sit around a table for 12 conferences with legislation that is so difficult and so knotty and so tricky and bring forth a sweet fruit unless they bring the utmost of patience and restraint to the task. The conferees have certainly done so. They have been generous with me with respect to what has been known as the Dirksen amendment, which found its way into this bill originally about 5:30 in the afternoon when the measure was on the floor before us for the first time. Obviously, the original language is scarcely identifiable, and I can readily understand why this is so. I was under no misapprehension at the outset that it would not require revision. But with

the restrictive limitations under which we operate we cannot always include in an amendment the refinements that are so essential to make it feasible and workable. But the principle was established in that amendment and roundly adopted, and from the very outset the conferees were mindful of the determination of the House to bring about a reduction in personnel in the Federal Government. You may recall that the amendment in its original form was in the nature of a limitation to provide that the salary increase should be offset by a sufficient reduction in force to offset the amount of money involved. They have achieved that objective for the fiscal year 1947, and probably ran just a little beyond that time. But they will finally achieve the objective of saving that money so that hundreds of millions of dollars are involved.

I want to make sure that one or two figures are included in my remarks. The first one is this: That at the very top or peak of Federal personnel, in August of 1945, we had the unbelievable and astonishing total of 3,649,769 people on the Federal rolls, inside and outside of the United States of America. Now contrast that with the rolls of December 1932, when the number was 563,805. In December 1939, before we moved very deeply into the war momentum, we had 928,836. Before we got through, we had at least four times that number of people in 1945. We get a better appreciation of it perhaps in terms of dollars. At the peak in 1944, the annual salary expenditure of the Federal Government was $7,500,000,000. So for salaries alone in 1944 we were expending an amount which was twice the total amount of appropriations for all Federal purposes when I came to Congress in 1933. I made the point in the course of my remarks earlier that some rather heroic measure was necessary to bring about a diminution in personnel and nowhere is that so amply demonstrated as it is in the case of the war agencies that we have been trying to liquidate. As a matter of fact, only one emergency agency has actually been liquidated, and that is the Office of Censorship. Five others have been transferred either in whole or in part and their functions have been preserved and transferred to other agencies of the Government. Three others are still doing business but their titles have been changed and their functions have been modified somewhat by Executive order. That involves some 67,000 people. So the committee of conference has done a good job and this will count for a diminution of some 100,000 people eventually from the rolls by July 1947, in comparison with the over-all ceiling personnel that was sent to us by the Budget Bureau, with the consent and, of course, with the affirmance of the President of the United States. They estimated at that time roughly about 1,710,000 as of July 1, 1947. Under this plan, there will be 1,611,120. So I think the House should salute the committee of conference for a difficult job very well done.

Permit me to add this final word. Section 14 of the conference bill establishes an over-all personnel ceiling of 1,611,120 as of July 1, 1947, compared to a total of 1,710,000 which the President approved in the Budget estimates which were submitted to the Congress early this year. The personnel amendment as finally revised will require a reduction in the classified service from 528,975 on October 1, 1946, to 437,363 persons on June 30, 1947.

In addition a ceiling is established on civilian personnel for the War Department of 176,000 and 100,000 for the Navy Department.

A suitable escape clause has been provided in the case of any agency which might be burdened with additional duties and finds itself in the position of being short on personnel. In such cases Congress can specifically authorize an increase over the ceiling or such an agency can be exempted. But in any case the authority lies with the Congress and I am confident now that we have made a concrete advance by bringing about the reduction of an additional 100,000 persons on the Federal rolls and that additional progress can be made in the months that lie ahead. It is, indeed, a happy start.

Mr. RANDOLPH. Mr. Speaker, I yield such time as he may require to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Speaker, in the passage of this Federal pay bill today, which has had long consideration before the Civil Service Committee and much consideration between the conferees of the House and Senate, I am glad to inform the House that for the first time the Congress has been able to make a successful move to deflate bureaucracy.

As a member of the Civil Service Committee for 3 years along with the gentleman from Kansas, Congressman REES, and others of that committee, we have realized the necessity of Congress being given the authority to continuously investigate Government agencies in an effort to get greater efficiency and in an effort to prevent padding of Government pay rolls.

Mr. Speaker, a year ago we of the minority tried to put through a resolution to set up an agency in the Congress to bring about greater efficiency and economy and thereby to make it possible to demobilize and deflate bureaucracy. Our efforts were not successful in the committee.

A year ago an investigation was made under the supervision of the Civil Service Committee, which by a vote by the members of the committee, was never allowed to come to the floor of the House, and may I say the gentleman from Kansas [Mr. REES], myself, and others, exerted our best efforts to bring this committee report to the House.

It showed conditions prevailing in the Federal agencies here that were costing the taxpayers probably billions of dollars due to inefficiency and unnecessary employees.

The amendment incorporated into this bill placing a ceiling on Federal employees will, within the next fiscal year, save the Government by a reduction in force about $300,000,000 which otherwise would not have been saved except for the placing of these ceilings.

I am quite sure that the taxpayers generally will applaud the efforts of the members of the Civil Service Committee and of the gentleman from Illinois, Congressman DIRKSEN, who aided the members of the committee in support of the amendment he introduced which will bring about the results I have pointed out.

This bill makes it possible for a reduction in force without impairing Government service. It confirms the view of us on the committee who have stated time and again that the executive department of the Government has not and will not reduce the Federal pay roll.

I hope this first step taken by the Congress will be followed by others in an effort to get the greatest efficiency in Government with the least number of people employed on the Federal pay roll.

This will make it possible for those who render faithful service to receive higher wages at the hands of the Congress.

Mr. RANDOLPH. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I want again to say what I said earlier. I pay a deserved tribute to the gentleman from Washington [Mr. JACKSON], the gentleman from California [Mr. MILLER], the gentleman from Kansas [Mr. REES], and the gentleman from Wisconsin [Mr. BYRNES].

I believe also very firmly in an orderly reduction of the employees of the Federal Government. I also feel my last remark must be this: That the Government of the United States, through its employees of the legislative, judicial, and executive brances, is carried on by a devoted and capable group of workers. We must not forget that today when we give them a partial recognition for their services.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I think it ought to be understood that these ceilings we have been discussing today can in no wise be interpreted as putting a floor on the number of Federal personnel.

Mr. RANDOLPH. That is correct.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1947

Mr. O'NEAL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6429) making appropriations for the legislative branch for the fiscal year ending June 30, 1947, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 1 hour, that it be confined to the bill, one-half of the time to be controlled by the gentleman from Pennsylvania [Mr. TIBBOTT] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6429, the legislative branch appropriation bill, 1947, with Mr. TRIMBLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Kentucky [Mr. O'NEAL] is recognized.

Mr. O'NEAL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, for several years I have served as chairman of the legislative branch appropriation bill. Each year I have explained the operations of the various functions under the bill. In this presentation I will not attempt to go into detail as I have done in the past, because I presume those facts are known to the membership of the House.

The legislative pay bill, which is before you, is the smallest appropriation bill that we have. It is a most pleasant committee on which to serve. There has been the greatest harmony between both sides of the aisle in the consideration of the bill.

I regret very much that the ranking minority Member, the gentleman from Indiana, Mr. NOBLE JOHNSON, was not able to be with us. All of you know he was in a very serious automobile accident. We have missed him very much on the committee, with his helpful advice and the study which he gives to the appropriations. I understand he is improving rapidly, and in that we all rejoice.

The other members of the committee have been quite faithful, and I believe we have brought to you a bill which should be very satisfactory to all Members of the House.

We have had the same careful assistance in the preparation of the bill from our clerk, Mr. Orescan, as we have had in the past. The report which he has written is very full as to the important matters in the bill.

This year we have appropriated $52,899,000 in this bill. This compares with $55,437,000 for last year. We have a decrease over the operation of last year of $2 537,000.

The Budget presentation to the committee was $58,339,000. We allowed $52,899,000, or a decrease of $5,439,000.

I should like to call this to the attention of the Members, that although this is called the legislative appropriation bill, in reality we appropriate considerable sums of money for activities that are in no way connected with the legislative branch of Government. Of the $52,899,000 appropriated in this bill the sum of $25,575,000 is for activities which cannot be considered a part of the legislative branch of the Government. The point I wish to make is that it costs to run this third branch of the Federal Government, the great legislative branch, only $26,323,000; that all in this bill that is properly chargeable to the legislative department, the House of Representatives, the Senate, and all the activities of the legislative department, is a total of $26,323,000. Why, Mr. Chairman, we have little items in the Agriculture bill, Interior bill, and a number of others that come before the House that will exceed the total amount of money required for the legislative branch. Certainly there is a very practical attitude of economy on the part of the legislative branch to be able to operate for the sum of $26,000,000 as a total cost to the taxpayers of this country.

We made very little change in the House of Representatives' expenditures, a few minor changes here and there in a position, a salary increase to someone on the pay roll whose pay has been too little in the past, but all of it has been of a very minor character.

I wish to call to the attention of the membership the fact that we have here the most peculiar situation as far as the salary set-up in Congress is concerned, both on the House side and the Senate side. No very thorough study has been made as to a comparison between similar jobs on the two sides and what they should bring in the way of salary. The result is that throughout the House of Representatives pay roll you will find men who are getting, some perhaps too much and some too little, but the minute you raise one you throw others out of adjustment. So the answer to the problem as this committee saw it was to suggest to the Accounts Committee to make a thorough study of the salary set-up of every employee in the House of Representatives, to try to find those who are underpaid and who, if any, are overpaid, and to ask the Senate to make the same kind of study, then to get together and adjust the salary item so that a man on either side of the Capitol will be getting approximately the same pay for the same type of work. We have not attempted, therefore, to take care of every deserving man on the pay roll but we hope that during the next year the matter will be worked out.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. MILLER of Nebraska. I notice on page 31 of the bill, lines 7 and 8, for telegraph and telephone service, exclusive of personal services, $300,000. I realize we have had telephone service before, but is this an additional item for telephones?

Mr. O'NEAL. It is exactly the same as it was last year. There has been no increase.

Mr. MILLER of Nebraska. Is there any provision for telephone service to Members of the House?

Mr. TABER. If the gentleman will yield, that would be the telephone service for the building rather than long distance.

Mr. O'NEAL. To make it very clear, there is no increase for telephone service as far as the membership is concerned. There is nothing in the bill which gives any individual Member the right to telephone at Government expense. There never has been. The public generally thinks there is, but there is not.

Mr. MILLER of Nebraska. I believe the other body does have some provision as to telephones.

Mr. O'NEAL. I am not informed as to the situation in the other body other than to know they have some provision for long-distance calls.

Mr. MILLER of Nebraska. I know we are appropriating for it in the bill. I also know that the other body has appropriations for sound-scriber service which the House does not have. It seems to me that we in the House ought to be just as liberal with the House Members as they are in the other body.

Mr. O'NEAL. I may say to the gentleman that I have no criticism of the other body in this respect. We do not attempt to interfere with the other body in how it arranges its affairs and that body does not attempt to interfere with the way we handle our affairs. I think it should be that way. They may have some things over there not accorded to the membership over here. We have some things over here not accorded to the membership over there. We have not attempted to touch any Senate items in this bill, and we do not believe the Senate will attempt to touch any item in the House bill.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Michigan.

Mr. RABAUT. In reference to the matter of telephone calls, which is no affair of the House, I think about $300 a year is allowed each Senator.

Mr. MILLER of Nebraska. Does that include snuff and water?

Mr. RABAUT. I do not know about the snuff part of it.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Missouri.

Mr. PLOESER. I think it is well to clarify that a little more. Unless there has been a change in this year's bill, the telephone call arrangement for the Senate last year averaged about $1,800 per Member. It should be emphasized again that when extra telephone service is put in a Member's office in the House he pays the monthly cost of that, and I refer to those Members who may have been compelled to put in an extra phone. If a Member makes a long distance call he pay for it himself.

Mr. RABAUT. The gentleman is absolutely correct.

Mr. PLOESER. I thank the gentleman.

Mr. O'NEAL. So far as our committee is concerned we are willing to let the Senate attend to its affairs. The Senate has always reciprocated in this attitude.

Mr. Chairman, the Architect of the Capitol is provided for in this legislative bill. We have continued that operation practically as it was during the past year. We have allowed a little money for a few improvements, possibly where a roof is going bad or for similarly urgent matters. Nothing has been provided for major improvements except in the power plant

which is in very bad repair. We did allow an appreciable amount of money for the improvement of that power plant and also for the increased cost of coal.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Indiana.

Mr. SPRINGER. I notice on page 30, lines 14 and 15, there is a provision for $400,000 as expenses of special and select committees.

Mr. O'NEAL. Those are the special and select committees of the House and this is the amount of money they require to operate the committees, such as postwar economic policy and planning, postwar military policy, food and meat investigation, and others.

Mr. SPRINGER. That is what I was trying to find out.

Mr. O'NEAL. We have authorized many special and select committees. Those committees have to be appropriated for and they come out of this particular appropriation bill.

Mr. SPRINGER. Is the amount practically the same as it has been?

Mr. O'NEAL. It changes from year to year. I may say that sometimes there is a lot of that money appropriated for special committees returned where the committee does not use the full amount.

Mr. Chairman, another item appropriated for in this bill is the Government Printing Office, one of the greatest institutions of its kind in the world. In 1945 they did a $75,000,000 business down there. This establishment is rather unique in Government operation in that, so far as I know, that large business has no supervision by the legislative or any other branch of Government with reference to its operation. This is not said as a criticism, because they have a remarkably well-run plant. The Government Printing Office does all the printing for the various bureaus, they bill the bureaus for the cost of the printing, and the bureaus reimburse the Government Printing Office. The General Accounting Office sees that the bills and the receipts balance. So far as I have been able to discover, there is no board over the management down there to advise or go into any question arising at the Government Printing Office. The head of the Printing Office, the Public Printer, runs the whole thing the way that he wants to run it. As I say, it is no criticism, because I think he has been a very able executive. It is run with practically no supervision from anyone else.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I notice on page 38 there is an item for legislative garage, $20,500. Is that legislative garage available to the Members of the House?

Mr. O'NEAL. The so-called Senate garage over here has a certain number of stalls where you can park your car. Space is given to Senate Members as well as House Members, although I do not believe there are enough stalls probably to take care of the entire membership of both bodies. The usual custom has been to put your name on the list, and as time goes on you get yours. The new Members probably cannot be taken care of, but as time goes on they will get theirs. That is the operating expense.

All we do in this bill for the Printing Office is to appropriate $20,000,000 as their working fund. Of course, that is returned to the Treasury at the end of 1 year, but we make that appropriation. Then we appropriate for just that part of the printing that is done for the House of Representatives and the Senate. It amounts to something over $4,000,000. So this appropriation carries a revolving fund of $20,000,000, plus $4,000,000 for the printing that is done for Congress. You will find in the report a complete statement as to what that printing is.

The other big item in the bill is the Library. I will not attempt to describe the entire work of the Library, but I want to take just two or three minutes. The Congressional Library was started as a Library for the Congress. The purpose of the Congressional Library was to be a workable library for the legislative branch of the Government. We have probably the most remarkable library in the world. All of us should be very proud of it. I think the management of it under Dr. Evans has been very good, indeed. That is my personal opinion. They have now a library which is second to none in the world and probably the greatest library in the world. But in this bill, if you will notice the report, we took a tremendous amount of money away from them, or at least, from the request that they made. The reason for it was this: This Library has grown so much and is in such great demand that it has become instead of a Congressional Library a national library or even an international library. If we want that kind of a library, of course, we will have to appropriate for it. If we are going to furnish library services for the United States and then attempt to gather the books and information needed in a library of this sort from all parts of the world, we are thinking in terms of a library such as we have never had before. Therefore this committee took the position that as a legislative appropriations committee it was hardly within our province to appropriate money for that type of library without some expression from Congress, or from the proper committee stating that Congress wants that type of library. We made these cuts without prejudice, but we do believe some committee of the House should determine whether or not we want to have a library of that kind. This is certainly not an attempt to speak against it, because the Library is furnishing marvelous service all over the United States, and we can be very well proud of it.

Mr. MILLER of Nebraska. On the last page there is a provision relating to persons who advocate the overthrow of the Government, and so forth. I notice in the press that the other body in one of two bills inserted a provision that no Federal employee who subscribed to striking against the Government should be employed. I wonder if the committee has given any thought to writing into this appropriation bill a similar provision.

Mr. O'NEAL. This provision carried in this appropriation is the standard clause which was put in all of the appropriation bills a few years ago and which has been carried as a standard provision. We did not give any consideration to rewriting some clause such as the gentleman has in mind relating to any un-American activity or un-American belief.

Mr. MILLER of Nebraska. Striking against the Government, and things of that kind.

Mr. O'NEAL. We believe that a proposition of that sort should not be decided by some appropriations subcommittee. It should be a policy of Congress. If Congress adopts it, then it can be carried in the individual bills just as this provision is carried in the bill.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. O'NEAL. Mr. Chairman, I yield myself three additional minutes.

As chairman of the committee, I would be very glad to answer any questions, but the report is very complete, you have had long experience with the bureaus covered under this bill, and I imagine you know the story without the chairman of the committee going into it any further.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from New York.

Mr. WADSWORTH. Starting back a good many years ago I have indulged myself in some thoughts about the Botanic Garden, and about once in 3 or 4 years I have addressed an inquiry to the Member in charge of this legislative bill to ascertain why the Congress should support a botanic garden. I have suggested many times in the past that such an institution might well be transferred to a more appropriate executive department of the Government. I remember quite well, if the gentleman will be patient with me, years and years ago when men were giants, if the wife of a Congressman wanted to give a reception in Washington, rubber plants could be borrowed from the Botanic Garden to decorate her house. That was considered a high privilege in a democracy. I understand that privilege has been abandoned. Consequently, I am wondering why the Botanic Garden should remain under the jurisdiction of the Congress of the United States.

Mr. O'NEAL. I may say to the gentleman that this question has been asked several times. The Botanic Garden has been a tradition, and I think it is perpetuated probably because it is a tradition. I doubt that it could be very well justified as a matter of logic. It has been there a long time, and many people feel that the work could not be done properly by the Department of Agriculture, that it is a specialty. It has just been continued. I cannot give the logic for it. I can say that some of the work done by the Botanic Garden has been most interesting and most helpful. It is a very delightful, may I call it, avocation of the Federal Government. Whether or not I can justify it from a logical standpoint I have grave doubts.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I see in the report that the appropriation provided in this bill for the Botanic Garden is $134,000.

Mr. O'NEAL. It is a very remarkable organization.

Mr. ROBSION of Kentucky. That is a rather costly tradition, as the gentleman called it.

Mr. O'NEAL. The gentleman will be amazed at the work they are doing and what they have done in this country in the development of their specialty and the type of thing they have been working on. Although you can speak of it rather lightly, I think if you will go into it you will find that much of what they have done has been of a very worth-while and remarkable character.

Mr. TIBBOTT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I want to commend the chairman of our committee, the gentleman from Kentucky [Mr. O'NEAL] for his fairness in conducting our hearings, and for the very fine statement which he has just made covering the entire bill.

It is regrettable that the ranking minority member of our committee, the gentleman from Indiana [Mr. JOHNSON], was not able to be with us during the hearings, due to his and Mrs. Johnson's meeting with an automobile accident in Pennsylvania several weeks ago. We understand that both he and his wife are well on the road to recovery, and we trust that our colleague will be with us real soon.

The legislative subcommittee, as a result of the hearings, carefully looked into the condition of our national economy when writing this bill. The actual potential power in matters of appropriations and public finance is with Congress, and when Congress expresses its will, that will should be, and is expected to be controlling.

I wondered as I listened to the witnesses who came before our committee seeking appropriations, if some of them ever gave a thought to our national economic unity, or whether they were just a little bit on the side of "what does it matter." It was surprising to me to have presented to us the most unusual requests of the Congressional Library, especially as to their plans for a 10-year program, which, it seems to me, is more than an experiment.

If that is the way the Library of Congress is to operate, we would do well to look into the subject very watchfully. No one has convinced me yet that such a program should creep into that great institution. I want more information about it. Of course, our committee did not approve all the justifications of the Library. It is utterly reckless to gamble the purse strings of the Nation upon the correctness of any set of theories springing purely from hypothetical motives. Without the use of vision by those in authority in the Congressional Library this great institution will be in for a complete change. It may come sooner than we think. We are entitled, from time to time, to have the true facts confronting the Library and its personnel. The people of this country are paying in the aggregate, a large sum of money to maintain the Library of Congress, and they are deserving of great service and a fair and impartial administration.

I desire, at this time, to quote from the committee report:

> The reasons for the reductions effected by the committee in the various items under this general head are: (a) the desire of the committee to reduce all Federal expenditures to an absolute minimum and, (b) to give attention to the need for a determination as to what the policy of the Library of Congress is going to be in the way of expansion and the service to the public and to the Congress. The original purpose in establishing the Library was to serve the Congress; however, it would seem that the Library has evolved into not only a Congressional Library but a national and even an international library. It is believed that the responsibility for determining Library policy rests with legislative committees of the Congress charged with the responsibility for operation of the Library and not with the Appropriations Committee whose responsibility it is to appropriate for projects and activities duly authorized by the Congress. If it is the desire to build and maintain the largest library in the world which, according to testimony, the Library of Congress is at present, that is one matter, and if it should be the policy to maintain a library primarily for the service of the Congress, it is quite another matter from the standpoint of fiscal needs. The reductions in the amounts are made without prejudice and the committee will in the future be obliged to take similar action until such time as a definite library policy is established.

There is a happy medium in everything, and real results are usually obtained through the recognition that there is an obligation resting upon all public servants to do their duty and to do it well.

During the war years, people all over the land were hoping that with the end of hostilities every effort would be made to balance the Budget. Now that we are seeking peace throughout the world, what assistance are we getting from the bureaucratic set-up in Washington to prevent inflation? If our financial structure is to be governed by a sound economy, we must discontinue to appropriate vast sums of money, unless such appropriations are for the general welfare of all our people.

It is my judgment that the electorate throughout our country will demand that Congress desist from granting funds to bureaus which are in excess of the amounts actually required to carry on the functions of the agencies. We can correct the conditions with which we are confronted now, even though the questions involved are difficult and disturbing.

The time has long passed for us to face the issue fairly and squarely. Otherwise, the wrath of those whom we have the honor to represent will be upon us very soon.

Mr. NORBLAD. Mr. Chairman, will the gentleman yield?

Mr. TIBBOTT. I yield.

Mr. NORBLAD. On page 14 there is an appropriation for $4,000 for the purchase, exchange, driving maintenance, and operation of an automobile for the Vice President of the United States. As we have no Vice President, I was curious to know what the purpose of that provision is.

Mr. TIBBOTT. I yield to the gentleman from Kentucky.

Mr. O'NEAL. That is in the Senate part of the bill. It has nothing to do with the House.

Mr. TIBBOTT. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BUFFETT. Mr. Chairman, I rise to propound a question to the majority leader. In the past few days he has professed to be disturbed about Russia's foreign policy. I, therefore, urge him to tell the House why American tax and bond dollars should continue to UNRRA, where they are in turn largely used to strengthen Russia and Russian-dominated areas. Is not his party again breeding war as it did in the case of Japan?

When this administration provides foreign nations with great quantities of durable-goods supplies, is it not furnishing them with the tools of aggression and war?

To the end of March two Russian states had received about 200,000 tons of supplies from UNRRA alone. Russian-dominated countries had received a million tons of supplies.

Mr. Chairman, I hope the majority leader will discuss this problem frankly with the House. America's future is in danger today at home. Why? In part because the people see this Government stripping us of resources to fuel both Russian and British imperialism in Europe and Asia.

In frantic efforts of the people to protect themselves against this war-breeding and inflationary policy, America is being turned into an economic battleground of dog eat dog and the devil take the hindmost. This internal threat can only be stopped by a reversal of this irresponsible foreign hand-out policy.

Twofold constructive action is needed. Other than possibly famine-relief foods, all American supplies to Russia and Russian-controlled areas should cease until peace is achieved, and the British-loan scheme should be abandoned because of the rising tide of trouble that scheme is breeding among the people of America.

Like all true Americans, I am desperately anxious to see America help bind up the war wounds of the world—to the limit of our capacity. But such supplies should not be promised beyond our capacity. And our efforts abroad should go directly to help human beings, not to enable rival imperialisms to expand and/or to preserve despotism over suffering peoples.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

> In all, clerical assistance to Senators, $1,646,640: *Provided*, That all clerks, assistant clerks, and additional clerks, under this

heading shall be ex officio clerks, assistant clerks, and additional clerks of any committee of which their Senator is chairman.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to suggest the attention of the House to a bill, a copy of which I hope each Member will get, namely, Senate 2177, introduced by Senator LA FOLLETTE, of Wisconsin, which embodies the recommendations of the Joint Committee on the Reorganization of the Congress. We are dealing today, of course, only with the appropriation needs of both the House and the Senate and those instrumentalities which come under legislative jurisdiction, but I very respectfully suggest that you will find a great deal of interest in Senate 2177, because it deals with a great variety of subject matter.

For instance, it deals with the reconstruction of the whole committee structure in the Senate. Obviously, the so-called streamlining job for House committees had to be left out of this bill. It is a matter which must engage the attention of the House when the bill comes over here.

There is quite a little material dealing with congressional procedure, legislative and standing committees, and so forth, also improvement of the CONGRESSIONAL RECORD, and then a very important section dealing with majority and minority policy committees and a joint legislative and executive council.

In part 2 the bill contains provisions which would be applicable to both Houses and this includes such matter as dealing with private bills, joint hearings, decisions on questions of committee jurisdiction, estimates of receipts and expenditures, hearings and reports by appropriations committees, and other items.

Part 1 of title II of the bill relates to congressional personnel and makes recommendations which are designed to develop a stenographic pool, increase the staffs of committees, improve and strengthen the Legislative Reference Service, expansion of the office of the Legislative Counsel, studies by the Comptroller General, and above all a very important section which deals with the subject of reductions in appropriations.

Part 2 of title II deals with improvement of the CONGRESSIONAL RECORD and the establishment of a joint committee on printing and on the library.

You will recall that we heard much about the need for the enactment of a Federal statute dealing with lobbyists. Title III of this bill is devoted to this whole subject and deals fully and completely with the regulation of lobbying.

Every Member knows how much time must be devoted to the introduction and processing of bills dealing with private claims. May I point out to you that title IV of the Legislative Reorganization Act is a complete treatment of the whole claims procedure and is designed not only to facilitate the processing of claims but to save time.

You may be intrigued by title V which is entitled "General Bridge Act." Every Member of Congress who lives close to a watercourse and who has a navigable stream running through his district has at one time and another concerned himself with the introduction of bills authorizing the construction of a bridge across such a stream. Title V of this bill is designed to place that responsibility in the War Department.

As I pointed out earlier, title VI relates to compensation and retirement pay for Members of Congress, and title VII is devoted to self-government for the District of Columbia by means of the establishment of a charter commission in the District of Columbia whose duties and responsibility it would be to prepare a charter which would provide a form of municipal government in the Nation's capital.

The bill is 88 pages in length. It is extremely well drawn and I do hope that Members will take the trouble to familiarize themselves with the content at an early date.

In addition, let me suggest to your attention a matter in which I am confident everybody is interested, that is compensation and retirement pay for Members of Congress. You will find the details in sections 601 and 602 of the bill. It recommends that both House and Senate Members' salaries should be increased from $10,000 to $15,000, and that an actuarial retirement system be set up for those who have served 6 years or more and reached age 62, and are then retired in one manner or another. They would be entitled to retirement pay at the rate of 2½ percent of the base salary times the number of years' service with a limitation of 75 percent of the base salary. Thus retirement pay for any Member serving the greatest length of time would be 75 percent of $15,000.

We had a retirement measure which engrossed the attention of the House not so long ago. Certain features were left out because we did not want to be at cross purposes with the recommendation of the Joint Committee on Congressional Organization. So all these matters are now embodied in a single bill, S. 2177, and I express the hope as a member of the joint committee that in the not too distant future the Senate will have acted on the bill and it will come to the House for consideration.

May I also say that recently the Senate set up a special committee under Senate Resolution 260, consisting of six Senators who were members of the Committee on Organization that had the unanimous support of the Rules Committee in the Senate, and they are now functioning as a committee that is authorized to report and to handle the legislation; and I am confident that under the devotion and diligence that have been given to it that the same course will be pursued in the House when it comes our turn to consider the legislation. This is a matter in which I have had a deep personal interest and have over a long period of time. I express the hope that before the Seventy-ninth Congress adjourns sine die there will be action on this important bill.

Mr. HENRY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HENRY. Will the distinguished gentleman from Illinois venture a suggestion as to what committee in the House will have jurisdiction of the bill?

Mr. DIRKSEN. The bill contains such varied subject matter that if the ordinary rule were to be followed it would be referred probably to several committees. The same situation obtained in the Senate and for that reason the Senate looked with favor upon the creation of a special committee for the handling of these recommendations in toto so that they would not be dismembered and parceled out and distributed to possibly half a dozen different committees. I hope a similar procedure may obtain in the House.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HOOK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much interested in the statement of the gentleman from Nebraska [Mr. BUFFETT]. I noticed that he propounded a question to the majority leader. I did not want the RECORD to go unchallenged. I want the RECORD to show that both the minority and majority leaders are absent from the floor, I presume on official business; and I did not want the RECORD to look as though the question had been propounded and not answered. That is the reason for my taking the floor at this time.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Nebraska.

Mr. BUFFETT. As a practical matter, of course, I did not expect the majority leader to answer the question this afternoon. I simply wanted to get it before him in such a way that if he cares to he will answer the question. It should be answered and I think the people should have an answer to the question.

Mr. HOOK. I did not want the RECORD to indicate that he was present and did not answer the question.

The Clerk read as follows:

STATEMENT OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives of the statements for the second session of the Seventy-ninth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills, as required by law, $4,000, to be paid to the persons designated by the chairmen of such committees to do the work.

Mr. BROWN of Georgia. Mr. Chairman, I move to strike out the last word to ask the gentleman from Kentucky a question. Referring to page 18, line 16, the item "For mileage and expense allowance," $1,260,000. Will the gentleman tell me what constitutes that item?

Mr. O'NEAL. The gentleman will recall that there was $2,500 appropriated and made permanent law in the Legislative Pay Act of last year for expenses and allowances. Presuming that all of the Members and Delegates take it, the gentleman can figure what the total would be. In addition to that, there is the mileage of the Members of Congress that would come out of that. The total of those two is $1,260,000.

CONGRESSIONAL PAY AND CAMPAIGN PROMISES

Mr. VORYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on this extremely interesting, perplexing, and somewhat embarrassing subject of how much we think we are worth and whether we think we are worth what has been voted, we each have our own views. I did not vote for the expense allowance. I accepted it after it became the law. I would be quite willing to vote for higher salaries for the next Congress and then let the voters decide who shall be in the next higher-paid Congress.

But it is not my purpose in speaking at this time to force my views on congressional compensation upon the House. I want to call the attention of my colleagues to another phase of this matter that may come up. Possibly in the heat of debate, or in the heat of a campaign, some Member of Congress, or some candidate for Congress, may make some campaign promise to his constituents that if he is elected he will not accept the full compensation provided by law for Members of Congress.

I want to call the attention of the Congress to the fact that it has been decided by the courts that such a promise is a corrupt practice which may invalidate the election of the candidate making the promise.

The general law on this is stated in volume 106, American Law Reports, page 474:

> Offers made and statements published by candidates for a public office that they will, if elected, serve at less salaries or for less fees than those fixed by law, are a violation of a Corrupt Practice Act making it a corrupt practice for any person to give or offer money or other valuable thing to an elector to induce him to vote for any candidate at an election.

The annotation of cases under this heading include decisions by the courts of Montana, Ohio, South Dakota, Kentucky, Iowa, New York, Indiana, Wisconsin, New Hampshire, Missouri, and Kansas.

The leading case in Ohio, *Prentiss* v. *Dittmer* (93 O. S. 314), was decided 30 years ago. We studied it in law school. This case held—

> An offer by a candidate for common pleas judge, made for the purpose of effecting his election to office, that in the event of his election he will accept for his judicial services only the stipulated salary payable by the State, and that he will accept nothing that may be due and payable to him from the local or county treasury, is against public policy and an offense within the purview of section 5175-26, General Code, which, if proven, invalidates his election.

In this case the candidate, in his campaign literature, promised not to accept part of his salary. He was elected, but the Supreme Court held his election invalidated by his promise. Judge Jones, in the course of the opinion, said:

> It is but little less reprehensible that, for the purpose of inducing election, he should promise to refund to the community as a whole that portion of the salary he should receive from the county than to offer to contribute to the taxpayers individually their pro tanto proportion of the amount of salary forgiven. In the latter event the taxpayer is required to pay less taxes, irrespective of the personal fitness of the candidate.
>
> There is a wide difference between a promise of this character and those multifarious pledges made by candidates in the interest of reform, economy, and a rigid and effective administration of office in compliance with their official oaths. The latter are made in the public interest and are consistent with personal fitness; the former savors of vicious tendencies, involving a personal pecuniary consideration offered by the candidate in order to accomplish his election, in which the test of fitness is not an element.

In the *State, ex rel. Bill* v. *Elting* (29 Kans. 397), a keen analysis of promises of this character, made for the purpose of inducing election, was made by Judge Brewer, afterwards a member of the Supreme Court of the United States. He said:

> The theory of popular government is that the most worthy should hold the offices. Personal fitness—and in that is included moral character, intellectual ability, social standing, habits of life, and political convictions—is the single test which the law will recognize. That which throws other considerations into the scale, and to that extent tends to weaken the power of personal fitness, should not be tolerated. It tends to turn away the thought of the voter from the one question which should be paramount in his mind when he deposits his ballot. It is in spirit at least, bribery, more insidious, and therefore more dangerous, than the grosser form of directly offering money to the voter.

I simply took this opportunity to call attention to these decisions, and to say to my colleagues that while each of us, and our opponents, should discuss this subject as our consciences dictates, I hope that no Member, through ignorance of the law, will make a promise to refuse to accept compensation which is due him by virtue of the office to which he is elected, because if he makes such a promise he will in all probability be violating the Corrupt Practices Act of his State and possibly of the Federal Government, and may be subject to the penalties connected with such violation.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. VORYS] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

I am going to tell another telephone story. In doing so, I would like to pay tribute to the Capitol telephone operator who got the call through so quickly for me.

I received news from Lowell that a little child 5 years old was lost in the White Mountains. I got the telephone operator to call the Coast Artillery at Portland, Maine. It seemed only a second before she got the call through for me and I heard General Terry's voice. I asked that he send a detachment of men to the White Mountains to make a search for the little girl who was only 5 years old.

He said, "Mrs. ROGERS, I am afraid the troops are rolling out for maneuvers, but I will see what I can do."

He came back and said he had detained them and instead of rolling off just for ordinary maneuvers they were on their way to the White Mountains. With their help, the child was found alive after 8 days in those mountains.

In that instance you see what the telephone did for constituents. I could cite literally hundreds, and I should say thousands, of cases where invaluable aid was given as a result of long-distance telephone to a constituent or a constituency. A Congressman must pay for those telephone calls out of his own pocket and for many of the telegrams.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

The Clerk read as follows:

LEGISLATIVE REFERENCE SERVICE

Salaries: To enable the Librarian of Congress to employ competent persons to gather, classify, and make available, in translations, indexes, digests, compilations, and bulletins, and otherwise, data for or bearing upon legislation, and to render such data serviceable to Congress, and committees and Members thereof, and for printing and binding the digests of public general bills, miscellaneous printing, supplies and materials, and including not to exceed $20,000 for employees engaged on piecework and work by the day or hour at rates to be fixed by the Librarian, $400,000, of which $5,700 shall be immediately available: *Provided*, That not more than $25,000 of this sum shall be used for preparation and reproduction of copies of the Digest of General Public Bills.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 43, line 4, strike out "$400,000" and insert "$234,034."

Mr. TABER. Mr. Chairman, I have offered this amendment so we may carry only the amount that was carried for this current year for the Legislative Reference Service. I have done this because, while I recognize that the digest they get out is useful, a lot of their other service is of a character that most of the Members cannot satisfactorily use. In other words, when they are asked to investigate a subject, they send in to Members—and I have had complaints of that repeatedly—only one side of the subject. On top of that, every time I have tried to use them they have been utterly worthless. Under these circumstances I have crossed them off my list and forgotten about them because I have felt that they were no good. I have found that in order to get anywhere I had to go out and dig the thing up myself. I am sorry they are running that kind of service over here and for that reason I cannot go along with it.

Frankly, I was disappointed to have shown to me today an announcement of a corporation indicating that it had a group of Bryan productions, motion pictures, including a number of items of propaganda for Soviet Russia. I see on the back page of the bulletin a memorandum stating that "All inquiries on the subject with reference to certain items should be addressed to Mr. Luther Evans, Librarian of Congress." The implication went out that this outfit was connected with the Library of Congress. I deprecate that fact. I deprecate the fact also that this same fellow who is putting out this particular type of propaganda has items over in the Library

that the Librarian is putting out. That does not bear directly upon this pending appropriation. I would be willing to go just as far as any man in the House on anything that is of real service to the membership, but when it comes in such a way that you cannot get the kind of service that one who desires to make a fair approach to a problem wants, then I do not believe it is meeting the requirements it should so far as the Library of Congress and the Legislative Reference Service are concerned. In my opinion, we ought to hold them to the $234,034 that they had for the current fiscal year.

I hope my amendment will be agreed to.

Mr. O'NEAL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

Mr. Chairman, the amendment offered by the gentleman from New York merely puts the Legislative Reference Service back to the amount it had last year. This is certainly not a partisan matter because last year we had 20 or 25 Members of Congress come before our committee with the request that the Legislative Service be expanded. It undoubtedly has possibilities of being what we most need; that is, some place, somewhere where an expert may be found who will represent the Congress and do the research work that is so necessary for us. That is the theory behind it.

We have had suggestions and bills, as you know, that each Member of Congress be given a research clerk. It involves a tremendous amount of money for each Member to have a five or ten thousand dollar clerk in his office. It was further suggested that we implement the committees of Congress by having two, three, or four research men connected with every committee of the Congress. That is hardly practical or reasonable, which I think can be demonstrated.

The question is, How can we best get for the Members of Congress the type of study and research work that is necessary properly to inform us?

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I have frequently used the service of the Legislative Reference Bureau. I am not always satisfied with the work it does but I do not believe that enters into the question here at all. We have to look at the question, What is the financial condition of the Government at the present time? That is what we ought to look at. If we can afford an increase, I am willing to go along, but the fact is we just simply cannot afford it. I am willing to forego, as far as I am concerned, the services over there if that is needed to bring our financial house in order.

Mr. O'NEAL. Let me answer the gentleman. I thoroughly sympathize with the gentleman's willingness to forego and to sacrifice in order to save money and to help balance the Budget. Frankly, most of the members of this committee have given a great many years of their life to try to cut down expenses. One of the things most needed by the Appropriations Committee is a method of finding out intelligently where we can apply cuts. The Appropriations Committee has some experts, they go down to the bureaus and do a pretty good job in finding where money can be saved; but there is no money that will save money so intelligently as that to provide people who are competent to go into the bureaus, to go into fundamental questions as to whether a certain work is needed or not. That is, real research men who can say that money is wasted or say that it only takes 10 men instead of 20.

I believe that it would be economy in the long run if you could have a Legislative Reference Service properly manned. It will show you ways to save hundreds of times what its personnel is paid. I sincerely agree and believe that economy is absolutely essential, and if I spend $100,000 to save $10, that is not economy.

On this present proposition the Joint Committee on the Organization of Congress has recommended the Legislative Reference Service as the place wherein congressional research should be done. They also recommended, after a thorough study, that we give them $750,000 a year. Now that is the proposal—and I think some of the members on this joint committee are certainly economy minded—that we give them $750,000. We did not do that. We did not give them what the Members of Congress said they should have, but we did put in the bill the sum of $400,000, and with that they can provide the experts that we have now and also add other high-type men at $7,000 or $8,000 a year, who could earn much more if they were in private industry. There are some subjects which we need to have investigated; social service, and many other things that I could mention. They are all outlined in our hearings. We will have men of outstanding ability and experience to assist us.

The gentleman from New York has suggested this cut. It is not what most of the Members, I think, on both sides, want, and I believe that we can ill afford not to build up the strongest research department that this country needs.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. O'NEAL. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The greatest contribution that the Congress of the United States can make toward economy in government is efficiency of operation in Congress, so that the Congress knows what it is legislating about and is able to meet the challenge of what some of us call a well-entrenched bureaucracy; is that not correct?

Mr. O'NEAL. Absolutely.

Mr. BROWN of Ohio. I have had the experience, as a member of one or two investigating committees, where the membership of the committee would work diligently on the investigation, and we would find that perhaps 30 or 40 lawyers had been assigned by a department to the task of refuting the different bits of information that we would bring out and attempt to substantiate the things that were being done by this agency of government, and the Congress has been very weak in that particular phase of its work, and therefore I believe it is needed.

I would like to ask the gentleman one question, however. I notice the item of miscellaneous expenditures. Does this bill provide any funds for the purchase of needed office equipment? I am thinking of typewriters and things like that that are worn out.

Mr. O'NEAL. We have been unable to get typewriters, but there is an additional sum of money in the bill for typewriters and an appreciable sum of money for a program of replacing rugs that are in such terrible condition in the Old House Office Building. Those amounts are greater then they were last year. I think with the amount provided they can do a satisfactory job in replacing the rugs in the Old House Office Building.

Mr. BROWN of Ohio. The average Member of Congress has had his office staff working with worn-out equipment all during the war because we were unable to obtain the equipment we needed, and we did not want to take it for our own use when this equipment was needed for the war effort. But the time has now come when we must replace that equipment if we are going to have efficient operation in our own offices, and that is the reason I made the inquiry.

Mr. O'NEAL. The gentleman is very correct about that. The typewriter situation is almost an emergency proposition in many of the offices, because the typewriters are not in good condition, and they must be replaced.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Right along the line of the observation of the gentleman from Ohio, the thought entered my mind that the War Assets Administration might have some typewriters.

Mr. O'NEAL. The matter is being gone into, I may say to the majority leader.

Mr. McCORMACK. If so, that should be followed up.

Mr. BROWN of Ohio. May I make one other observation, and I believe the gentleman from Massachusetts will agree with me. I have had some 30 years of experience in public work, especially around legislative bodies. It has been my experience that the legislative branches of the Government, whether national or in the States, have always been rather free in expenditures for the executive agencies and have always been extremely frugal in making expenditures for their own benefit. I think it is about time that we make Congress over into an

effective and efficient agency of the people.

Mr. O'NEAL. May I say to the gentleman from Ohio that he is very correct. The unfortunate part is that the legislative branch has to appropriate money for the executive and the judicial branches, but nobody can appropriate money for the legislative branch but the legislative branch itself. Therefore, it appears to be a personal proposition always. We are reluctant to do it for ourselves when we do not hesitate to do the same thing, and probably in many cases for much less worthy reasons, for the executive and the judicial branches. But when it comes to an appropriation for the legislative, nobody in the world can make it but the legislative branch itself. Therefore, in many cases it is not done, through an overweening modesty, in my opinion.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Missouri.

Mr. PLOESER. At the present time I think each Member is restricted to three typewriters in his office. Is there any change in that restriction?

Mr. O'NEAL. There is no change of any kind. I believe when typewriters are available if a man can demonstrate a need something can be worked out so that he can be provided with that which he needs.

Mr. PLOESER. I think that should be done. Many of our offices cannot get along with what we have.

Mr. O'NEAL. In the testimony, if you will read it, we did attempt to get an unbiased opinion. We are attempting to get the advice of experts who are the equal of the experts of business interests who come before our committee, and also the experts of the bureaus who come here and ask funds of us. This is in no sense a partisan matter. It is just a question of whether the House believes the service rendered by the legislative reference service is worth having. Men on both sides of the aisle have come and requested us to give more, in fact, considerably more than we have allowed in this bill.

Mr. Chairman, I trust that the amendment will be defeated.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the distinguished gentleman from Kentucky indicated that there were Members of Congress who appeared in behalf of an increase for the Legislative Reference Service. I think he could, with good grace, say that the gentleman from Illinois, namely, me, is one of those who appeared in that connection.

Instead of reducing this, my regret is that it was not increased to the full estimate of $500,000, instead of $400,000, but I did not offer an amendment to that effect.

The Joint Committee on the Organization of Congress went into this matter rather thoroughly and have recommended a staggered increase that starts with $500,000 for the Legislative Reference Service in the fiscal year 1947, $650,000 in 1948, and $750,000 a year thereafter. After all, it is the only service we have to depend on for reference service and for research work. Let us take a typical example.

They had over there in 1945 and 1946 an expert on taxation and fiscal policy, to which my good friend from Ohio referred; that is, the general field, in seeking to bring about a balanced Budget. In 1945 and 1946 our expert in the Legislative Reference Service, our expert—the congressional expert—consisted of one man who could devote one-half of his time to that job at $3,800 a year, and another man who could devote one-half of his time at $3,200 a year. That is the kind of niggardliness we have indulged in heretofore. But you do not see other agencies of the Government doing it.

Let us see what the Treasury of the United States has been doing about fiscal research. In the appropriation bill for 1945 we gave the Treasury $169,000 for tax research. We gave them $181,500 for the Division of Research and Statistics, and then we gave them another $150,000 for the general counsel's office. So we gave the Treasury $500,795 for fiscal research, whereas we depended on one man at $3,800 a year for half of his time and another man for half of his time at $3,200 a year. If we expect to get the facts on these rather abstruse, difficult, and important subjects, then we must have experts.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RABAUT. Is not the distinguished gentleman from New York a member of the subcommittee?

Mr. DIRKSEN. Does the gentleman mean on the Treasury and Post Office Subcommittee?

Mr. RABAUT. Yes.

Mr. DIRKSEN. Yes; he is.

We agreed to the conference report on the housing bill the other day which contained $400,000,000 for subsidies. Are there any experts in the Library of Congress in the legislative research department who can advise Congress on housing? There is not a one—not one. Where shall we go for expert guidance and direction? There are two places you can go. We can go to private industry, for instance; and when we do, they say we become victims of a lobby. The other place we can go is to the National Housing Agency. When we go there, we go to the very people who come before the Congress for the authority and the funds to carry these programs into effect and it would be too much to expect that they would present their own case in an adverse light. They seek money and authority and our job is to evaluate and appraise those requests. They have a vested interest in spending not less money but more money. Now, is there any other place where the Congress can go, burdened and belabored as it is with all manner of detail and routine matters of economic, social, and political policy, than to its own establishment—the Library of Congress? Why should we not put a few experts in over there who can advise us?

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. TABER. Has the gentleman found any other disposition than the bureaucratic disposition in dealing with this outfit?

Mr. DIRKSEN. Yes.

Mr. TABER. Frankly, I have not, and that is my complaint. It should be under the Speaker and the majority and minority leaders if we are ever going to get any honest service.

Mr. DIRKSEN. May I say to the members of the committee that I believe I use the Library of Congress, and particularly the legislative research establishment, as much as any member, sometimes to such a degree that they must tell me that there will be a very substantial delay in transmitting the information in which I am interested because they do not have the people who can be assigned to that job. There are no experts there on national defense, on full employment, on veterans' affairs, on mines and mining, on conservation, and a great number of other things. This amount should have been $500,000 instead of cutting it back to the level of 1946. I do hope the amendment will not prevail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

The Clerk read as follows:

DISTRIBUTION OF PRINTED CARDS

Salaries and expenses: For the distribution of printed cards and other publications of the Library, including personal services, freight charges (not exceeding $500), expressage, postage, traveling expenses connected with such distribution, expenses of attendance at meetings when incurred on the written authority and direction of the Librarian, and including not to exceed $20,000 for employees engaged in piece work and work by the day or hour and for extra special services of regular employees at rates to be fixed by the Librarian; in all, $314,200.

Mr. MARTIN of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire as to the program for next week.

Mr. McCORMACK. Unless the appropriation bill for the Coast Guard can be disposed of this afternoon, which I hope will be done, that bill will come up on Monday.

Mr. MARTIN of Massachusetts. May I say that the gentleman from New York said that he did not think it would be possible to take it up today?

Mr. McCORMACK. I hope the bill can be put through today. I understand it will not take long and it would be very helpful to me in making up the program for next week if that can be done. Of course, if it cannot, we will have to govern ourselves accordingly. Then, of course, that bill will be taken up Monday.

On account of the primaries, I am trying to get this programed with the maximum of consideration for those who have primaries coming up from week to week. For example, there is one on Tuesday, and then there is one on next Saturday. The following week we will have 2 days off. There is the House memorial service, and then Memorial Day itself. So there must be more or less of a light calendar that week. I

want to crowd in as much as I can. That is why I hope the Coast Guard appropriation bill can be passed today. In any event, if not, that will come up on Monday.

There is the Gwynne bill, and after that the Indian Claims Commission bill.

Of course, there will be the Consent Calendar on Monday and the Private Calendar on Tuesday.

Then, there is the Administrative Court bill.

Then, the United Nations Educational, Scientific, and Cultural Organization bill.

Wednesday, Calendar Wednesday.

Thursday and Friday, the Navy Department appropriation bill for 1947.

I am unable to state whether we will sit on next Saturday or not. It will be a light day in any event. The chances are it will be dispensed with, but I am leaving it undetermined for the present time.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. ROGERS of Florida. I would like to inquire with reference to the terminal-leave pay bill. That was supposed to be put down for next Thursday. I would like to ascertain as soon as possible when that will be taken up, as the Members want to be here when that is voted on. I have told them thus far that from statements made by the gentleman from Massachusetts it would be taken up possibly Thursday or Friday.

Mr. McCORMACK. I do not see how it can be brought up next week, because Saturday is the North Carolina primary. Six of the Members have contests. Some consideration must be had for that situation. Certainly, on the Florida primary, I took care of that, and I do not think we should make fish of one and fowl of another. I am just as much interested in the terminal-leave pay bill as anybody. I hope it can be passed by unanimous consent, but if there is a roll call on it, that bill is of such importance that every regard should be given to Members who have primaries.

Mr. ROGERS of Florida. I do not want to take any privilege away from anybody who has a primary, but I want them to be here. I wonder if I could get unanimous consent that immediately after the approval of the Journal on a week from next Monday this would be taken up.

Mr. McCORMACK. I do not want to pass on that now. The chances are there would be a roll call on that bill. Of course, there is a great deal of interest in the matter. I will call it up just as soon as I can, but there are other considerations which the gentleman recognizes, I am sure. There is the Pennsylvania primary on Tuesday and the North Carolina primary on Saturday. The following week we have the House memorial exercises on Tuesday, and then Memorial Day itself. There are primaries on June 4 in California. That is a long distance away. It is difficult to program, and yet do the things we ought to do out of consideration for our colleagues.

Mr. ROGERS of Florida. I do not want to do anything that is not perfectly agreeable to the majority leader, but I do hope we can get this bill up certainly week after next, if we cannot get it up next week.

Mr. McCORMACK. The gentleman and I will discuss that, because I am just as anxious to get it taken care of as is the gentleman. But on Monday we have those two bills which are out over 7 days and Members have asked that they be taken up. That is compelling. Then, the administrative court bill and the other bill are on the calendar for Tuesday. I could not put it down for Monday, because the Members will be away on Tuesday. Then, when we come to Thursday, on a roll call, the Members will be away for Saturday.

Mr. ROGERS of Florida. I am not asking for next Monday. I meant a week from Monday.

Mr. McCORMACK. I understand that. But then comes the question of the California delegation, because they have to go a long distance. They have to go a long distance and their primary is on June 4. While that is 2 weeks from next Tuesday, nevertheless they have a long distance to go.

Mr. MARTIN of Massachusetts. June 4 is also the New Jersey primaries.

Mr. McCORMACK. Yes; but in connection with the California primaries they must travel 3,000 miles.

I will be glad to talk to the gentleman from Florida as soon as I can. I think we ought to have regard for this situation and I know the gentleman from Florida has.

Mr. ROGERS of Florida. I certainly agree with the gentleman.

Mr. McCORMACK. And, by the way, I might also make the further observation that the gentleman from Massachusetts [Mr. MARTIN] and I have agreed and we hope the membership will support us that if there are any roll calls—I said yesterday that Wednesday would be the earliest; I did not definitely say Wednesday—but we have now agreed that if any roll calls should come on legislation considered before Wednesday, the roll call will be put over to Thursday. Is that correct?

Mr. MARTIN of Massachusetts. That is my understanding.

The Clerk read, as follows:

Not to exceed 10 positions in the Library of Congress may be exempt from the provisions of section 206 of the Independent Offices Appropriation Act, 1947, but the Librarian shall not make any appointment to any such position until he has ascertained that he cannot secure for such appointment a person in any of the three categories specified in such section 206 who possesses the special qualifications for the particular position and also otherwise meets the general requirements for employment in the Library of Congress.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of paying what I think is a well-deserved tribute to the services performed for Members of Congress by the Library of Congress as a whole and the Legislative Reference Service in particular.

I do not know how much other Members make use of the Library and its services but I know that I make a great deal of use of it. There are many, many times when I need information on some subject when I refer that need to the Legislative Reference Service and sometimes within a matter of hours and other times a matter of a very short time I have the material I need. I do not know quite how we can efficiently conduct our offices without some such service as is performed by the Library. A Member of Congress is called upon to know at least a little bit about practically everything, and if he does his job correctly, he ought to know considerable about at least one or two things. If therefore he is going to keep up with the bills as they go through the House, especially if he is going to do any original work in the preparation of bills, if he is going to really have any background of knowledge about some of the complex problems that come before us, he has got to have the advantage of gathering together of information such as the Library can give. I recommend to Members who have not made a practice of doing so that when they get in trouble and need help they take up their problem with the Legislative Reference Service. Having said this I suppose I put myself in the position of making a promise that if it happens I will be the one to press the matter of securing sufficient funds to enable them adequately to do the work they will be called upon to do if we all make full use of the excellent facilities they afford.

Mr. SAVAGE. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. SAVAGE. Let me say to the gentleman from California that I am one Member of Congress who makes a great deal of use of the Legislative Reference Service in the Library of Congress. I have always had courteous treatment, prompt service, and they have always given me ample material, more usually than I needed.

Mr. VOORHIS of California. I appreciate what the gentleman says.

Let me conclude by saying that I believe the man in charge of the Legislative Reference Service, Dr. Ernest S. Griffith, is one of the most useful public servants in the city of Washington.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Michigan.

Mr. HOOK. I was very much surprised at the remarks the gentleman from Illinois [Mr. DIRKSEN] made. He gave us a very fine statement with regard to the Legislative Reference Bureau of the Library of Congress, but he stated there were only two men over there, one of them getting $3,600 and the other $3,200. I cannot understand how in the world those two men can give such wonderful service to the Members of Congress.

Mr. VOORHIS of California. I am sure that is not a correct statement. In fact, I think I am acquainted with a good many more than that over there myself. It is true, however, and this should be said, that in many instances there are people in the Library who are the head of very important branches of research

work of the Library where the scale of pay is, in my judgment, quite inadequate to the degree of responsibility and the high level of requirements they need to do the job effectively.

I have not offered an amendment to the bill because I feel sure that the committee has considered all these things very maturely. I do believe it is most important, however, that consideration be given to this phase of the situation.

Mr. RABAUT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I have asked for recognition for the purpose of saying a word or two about the pending bill. Some years ago I was chairman of the subcommittee handling the legislative appropriation bill; in fact, I preceded the present distinguished chairman, the gentleman from Kentucky [Mr. O'NEAL], who has really done a great job.

This is called the housekeeping bill of Congress. It is one of the smallest appropriation bills that comes before this body for consideration. It is too bad that the people of the Nation do not make a study of the legislative appropriation bill, because if they did they would be surprised. As I said some years ago, there are three branches to our Government—the legislative, judicial, and executive. All of them have marched forward, particularly the executive department, in pace with the demands of the Nation.

The judiciary was in the horse-and-buggy age for a long time. We pulled it out somewhat lately. The legislative branch, as far as treating itself is concerned, is still in the horse-and-buggy age. Let us hope that some of the study that is being made for the purpose of bringing it up to date will really receive the attentive ear of the Congress. It really needs prodding from the Nation.

Mr. Chairman, particularly I want to pay tribute to my friend, the gentleman from Kentucky [Mr. O'NEAL], the distinguished chairman of this subcommittee. I know him well. We came here together. We started our careers here in 1935, he from Kentucky and myself from Michigan. We have been close since coming here and, odd as it may seem, we were cast together on appropriations. As I said a moment ago, he was on the subcommittee on deficiencies ahead of me. He outranks me there, but I happen to outrank him in the chairmanship of this committee which he now heads. He is a hard-working, conscientious, thoroughgoing gentleman of the finest caliber, and there is not much more that can be said for anyone. He is thorough, he is painstaking, and he is devoted, and the entire Congress owes him a debt of gratitude for his devotion to the Congress. His devotion to the older Members of Congress is something that borders on what I cannot even describe. We know the conditions of many people who have left the Congress, who have served this Nation from every State in the Union, and find themselves forgotten when they leave. I could tell you stories of men defeated who have come back here pleading for an appointment in some bureau. The Nation does not ask this body to be so niggardly toward the membership, but the Congress by its own indifference to its own welfare has brought such conditions upon its Members.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. May I call attention to the fact that the Committee on Appropriations, which really has supervision of the subject, does not even have sufficient money to hire a stenographer? It seems to me that is a pretty bad situation. With all the clerks and assistants necessary to develop appropriation bills and to assist the committee, they do not even have a stenographer or typist that you can put on the job. If that is not a sad state of affairs, I do not know what is.

Mr. RABAUT. The gentleman is absolutely correct; and you could go on making citations of the things that should be done by Congress in order that Congress could better serve the Nation, which looks to it for its welfare.

Mr. BATES of Massachusetts. What is the matter with the Committee on Appropriations here this afternoon making sufficient allowance to take care of a need that is so great? It seems to me it is ridiculous that we have to call on different departments of the Government to assist in the preparation of a bill, and we do not have a stenographer in the room. That is ridiculous, in my opinion.

Mr. RABAUT. There is a study being made; let us be patient and see what result the study will produce. Then Congress can act for the best interest of all.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, I take this time to ask a question of the chairman of the committee, the gentleman from Kentucky [Mr. O'NEAL]. The gentleman from Kentucky was about to yield to me when his time expired. The question I wanted to ask was whether in this bill allowance was made, as the gentleman from Missouri had just asked, for typewriters and tables and the office necessities that go with the increased work?

The gentleman will remember that in a previous appropriation bill, allowing additional clerical assistants, no allowance was made for typewriters and tables or the working tools to carry out the intent of that provision.

Mr. O'NEAL. I will say to the gentleman that the only reason typewriters were not previously included was due to the fact that on account of the war we could not get them. There is an increased allowance for typewriters in this bill.

Mr. PHILLIPS. As well as other office equipment?

Mr. O'NEAL. Particularly for rugs for the Old House Office Building. Some of them are disgraceful looking. Answering the gentleman further, there are other slight items of increase for office equipment and other things when we can get them.

Mr. PHILLIPS. It is rather pointless to give the Members of Congress additional clerical help and not give the secretary a chair to sit on or a table to work at or a typewriter to use.

Mr. O'NEAL. This committee will proceed as rapidly as possible to provide the proper equipment for that purpose. That is the attitude of the committee. The reason the committee has not done so so far is because of the limitation of acquisition; in other words, you could not get the materials.

I am sure the committee is very much in sympathy with the gentleman's position that the poorest economy in the world is not to provide the tools with which to do the work we are called on to do.

Mr. PHILLIPS. The gentleman has said something with which I agree thoroughly, because that I think is the attitude of most of the people regarding much of the discussion this afternoon. The items of expense are very willingly approved by our constituencies as soon as they know the need.

As I said a moment ago, those of us who live in the far West have increased expenses. Our telephone and telegraph bills run in the neighborhood of $50 to $100 a month. I do not know when airmail stamps are exhausted for eastern Members but ours are exhausted in August and sometimes in June or July.

Mr. O'NEAL. There is $186,000 for typewriters, of which $100,000 is to be made immediately available, in this bill.

Mr. PHILLIPS. I thank the gentleman. I can only ask the gentleman if the secretary is supposed to hold the typewriter in her lap while she is writing.

Mr. O'NEAL. As soon as those facilities can be provided, I assure the gentleman they will be.

The CHAIRMAN. The time of the gentleman from California has expired.

The Clerk read as follows:

OFFICE OF SUPERINTENDENT OF DOCUMENTS

Salaries: For the Superintendent of Documents, assistant superintendent and other personal services in accordance with the Classification Act of 1923, as amended, and compensation of employees who shall be subject to the provisions of the act entitled "An act to regulate and fix rates of pay for employees and officers of the Government Printing Office", approved June 7, 1924 (44 U. S. C. 40), $1,300,000.

Mr. O'NEAL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time because of the statement which has been made with reference to the Library. The pamphlet which was distributed disturbed me as it did the gentleman from New York, the gentleman from Ohio, and others. It is difficult to understand a situation of that sort, but I believe that no man should be condemned without all the facts being known. I am sure that opinion is shared by the gentleman from New York and the others I mentioned.

Immediately I requested Dr. Evans to come over here, and the gentleman from

Pennsylvania [Mr. TIBBOTT] and I talked to him. He denied even knowing the corporation which put out the pamphlet. He denied knowing the man whose name was mentioned as president. He said his office might have had some correspondence but he did not know about it. He went back, and we asked him to look into it a little bit further and give us some information. He submitted a letter, which letter I am inserting in the record at this point.

(The letter referred to follows:)

THE LIBRARIAN OF CONGRESS,
Washington, D. C., May 17, 1946.

The Honorable EMMET O'NEAL,
House of Representatives.

DEAR MR. O'NEAL: I have before me a leaflet distributed by the International Film Foundation, Inc., of 1600 Broadway, New York City, bearing the date of May 1946, in which are listed for immediate distribution, or for distribution beginning July 1, eight films described as dealing with Poland and Russia. The leaflet says on the back page that inquiries concerning certain Government films should be addressed to me. The leaflet says further that the eight films on Poland and Russia "represent the initial offering of the International Film Foundation which was established late in 1945 by a grant from the Davella Mills Foundation."

While the time at my disposal has not permitted a complete search of the Library of Congress collection of motion picture films, a quick check indicates that not a single one of the eight films is in the Library's possession. The films are not known to Mr. John G. Bradley, director of our motion picture project, or to me. They have never been mentioned, so far as I can determine, in any correspondence carried on by an officer of the Library. They never have been and they are not now available through the Library of Congress. As far as I know, they are not available through any agency of the United States Government.

The statement given in the box on the bottom of the last page of the leaflet refers, as I understand it, to United States Government film. I believe that none of the films referred to as "the 23 South American films" is now in the collections of the Library of Congress, but it is almost certain that all of them will eventually be represented in our collections. The Library of Congress has been asked by the Director of the Bureau of the Budget—and it has agreed, subject to the approval of Congress and the voting of appropriations for the purpose—to establish a distribution service on such Government nontheatrical motion picture film which may be transferred to it by the various agencies of the Government for this purpose. This distribution service might well include the afore-mentioned films produced for South American distribution. It is expected that any distribution of such films will be handled on an interlibrary loan basis as far as the number of copies made available to the Library of Congress by the agencies concerned makes that kind of service possible. Beyond this point, it is our plan to permit the making of reproductions of unrestricted films in our possession at the cost of the applicant. It would not be our policy to give an exclusive distribution privilege to anyone.

For your information, and in support of the statements given above, I am attaching the pages from the justification of the estimates which the Library of Congress prepared for presentation to your subcommittee at the hearings on April 22 and 23, a portion of which material is reproduced in the printed hearings (marked "Attachment A"). I am also attaching the file of correspondence between the Director of the Bureau of the Budget and myself concerning the program for the Government film distribution service (marked "Attachment B"). Following this exchange of correspondence, the Library issued a press release dated March 4, 1946, a copy of which is also attached (marked "Attachment C").

I should like to give you, in addition to the above, the most explicit personal and official assurance that the Library of Congress does not expect to pervert any motion-picture program which may be approved by the Congress to any propaganda purpose, but intends rather to make such films as it distributes available on a system similar to that which has been used so successfully for a century and a half in making the book collections of the Library of Congress available to those who have a right to make use of them. I regret that the leaflet issued by the International Film Foundation, Inc., gives a plausible basis for a suspicion that our program is really something else. My colleagues and I have very little knowledge of the International Film Foundation, and have had no relations with it except of a routine character. I personally have very little knowledge of Mr. Julien Bryan and his activities. We have no knowledge whatever of the Davella Mills Foundation.

If I can give you further information, please feel free to call upon me for it.

Respectfully yours,

LUTHER H. EVANS,
Librarian of Congress.

Like others, I have heard things about Dr. Evans and I have heard the charges against him refuted, I have heard them denied. I believe he is a very competent administrator. I have more confidence in him, possibly, than do some of those who attacked him here today, but at least we can reserve judgment until we have an opportunity to know all the facts. My purpose in rising at this time is to state that it is my wish and my intention to insert in the RECORD a statement from Dr. Evans giving part of his reply.

The Clerk concluded the reading of the bill.

Mr. O'NEAL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, without amendment with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. TRIMBLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6429) making appropriations for the legislative branch for the fiscal year ending June 30, 1947, and for other purposes, had directed him to report the bill back to the House without amendment with the recommendation that the bill do pass.

Mr. O'NEAL. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BLOOM asked and was given permission to extend his remarks in the RECORD and include a speech made by Hon. James A. Farley.

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks and include an editorial by David Lawrence, of the United States News.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include a resolution.

WAR ASSETS ADMINISTRATION

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, one of the most difficult organizations in the Federal Government to administer is the War Assets Administration. A few days ago before a committee of the other body of Congress a witness made uncomplimentary remarks on the efforts of the present Administrator.

I believe these remarks were unfair and unfounded. Personally I have the greatest admiration of Lt. Gen. Edmund B. Gregory, who at the request of the President of the United States, is working night and day to bring order out of the tangled mess he inherited when he reluctantly accepted appointment as War Assets Administrator.

General Gregory, who was the most able Quartermaster General in the history of our country, did not seek this job. He fills it now only because of his desire to be of service to his country. He was looking forward to his retirement when he was asked to lend his great administrative ability to this task.

Criticism of the way surplus property has been handled may be entirely justified on the basis of past performance, but certainly this criticism should not be directed against an Administrator who has been in charge only a very brief time. He officially took over just a little over 7 weeks ago and is making headway in his efforts to make a cumbersome machinery into a workable organization. We here in this House should recognize the fact that much of the blame for the snarl in surplus property disposal results from the many restraints placed upon the War Assets Administration by legislation we have enacted.

If there is anyone with the ability and the experience necessary to handle this situation, that man is General Gregory, and I do not believe he merits any of the unfair criticism directed his way.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin (at the request of Mr. SMITH of Wisconsin) was given permission to extend his remarks in the RECORD in three instances and include three editorials.

Mr. SCHWABE of Missouri asked and as given permission to extend his remarks in the RECORD.

Mr. BULWINKLE (at the request of Mr. SPARKMAN) was given permission to extend his remarks in the RECORD and include an address by General Devers.

Mr. SPARKMAN asked and was given permission to extend his remarks in the RECORD and include a statement before the House Committee on Ways and Means by Mrs. Loula Dunn, president of the American Public Welfare Association.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. LECOMPTE (at the request of Mr. GWYNNE of Iowa), for 1 week, on account of death in the family.

To Mr. FERNANDEZ, for a period beginning May 20 and ending June 5, on account of official business.

To Mr. CLASON (at the request of Mr. MARTIN of Massachusetts), for 1 week, on account of illness in his family.

ADJOURNMENT

Mr. SPARKMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p. m.), pursuant to its previous order, the House adjourned until Monday, May 20, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

COMMITTEE ON PATENTS

The Committee on Patents will begin hearings Tuesday, June 4, 1946, at 10 a. m., in the Patents Committee room, 416 House Office Building, on the following bills:

H. R. 3694 (Hartley): A bill to declare the national policy regarding the test for determining invention.

H. R. 5842 (Boykin): A bill fixing the date of the termination of World War II, for special purposes.

H. R. 5940 (Lanham): A bill to make Government-owned patents freely available for use by citizens of the United States, its Territories, and possessions.

These hearings will be continued on succeeding days until concluded or until this notice is superseded.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1310. A letter from the Attorney General, transmitting a draft of a proposed bill to amend the act providing for the appointment of court reporters; to the Committee on the Judiciary.

1311. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 8, 1946, submitting a report, together with accompanying papers and an illustration, on a review of reports on the Mississippi River with a view to determining if additional improvement, including a small-boat harbor, is advisable at Hastings, Minn., requested by a resolution of the Committee on Rivers and Harbors of the House of Representatives, adopted on January 3, 1945 (H. Doc. No. 599); to the Committee on Rivers and Harbors and ordered to be printed, with one illustration.

1312. A letter from the Attorney General, transmitting a draft of a proposed bill to amend the act to provide for the issuance of devices in recognition of the services of merchant sailors; to the Committee on the Merchant Marine and Fisheries.

1313. A communication from the President of the United States, transmitting an estimate of appropriation for the fiscal year 1946 in the amount of $92,500,000, for the War Department, for cemeterial expenses (H. Doc. No. 597); to the Committee on Appropriations and ordered to be printed.

1314. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1947 in the amount of $45,400 and a proposed provision pertaining to an existing appropriation for the Treasury Department (H. Doc. No. 598); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOYKIN: Committee on Accounts. House Resolution 624. Resolution providing additional funds for the Committee on Un-American Activities; without amendment (Rept. No. 2073). Referred to the House Calendar.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 6459. A bill to extend the period within which the Secretary of Agriculture may carry out the purposes of the Soil Conservation and Domestic Allotment Act by making payments to agricultural producers; without amendment (Rept. No. 2074). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FLANNAGAN:

H. R. 6477. A bill to amend section 32 of the Emergency Farm Mortgage Act of 1933, as amended, and section 3 of the Federal Farm Mortgage Corporation Act, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. CAMPBELL:

H. R. 6478. A bill to protect the people from interference with the movement of the mails and interstate commerce; to the Committee on the Judiciary.

By Mr. CANNON of Florida:

H. R. 6479. A bill to incorporate the Military Pilots Association; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN of New York:

H. R. 6480. A bill for the relief of Nicholas Malitch; to the Committee on Immigration and Naturalization.

H. R. 6481. A bill for the relief of Markoto Iwamatsu; to the Committee on Immigration and Naturalization.

By Mr. DWORSHAK:

H. R. 6482. A bill for the relief of Ralph A. Parker and Mrs. Hilda J. Parker; to the Committee on Claims.

By Mr. McDONOUGH:

H. R. 6483. A bill for the relief of Bernice Green; to the Committee on Claims.

By Mr. TALBOT:

H. R. 6484. A bill for the relief of Helen M. Crowley; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1892. By Mr. LUTHER A. JOHNSON: Petition of C. W. Brown, manager, Ennis Motor Co., Ennis, Tex., opposing exemption of co-ops from taxation; to the Committee on Ways and Means.

1893. By Mr. SMITH of Wisconsin: Petition of members of the Winnebago Association of Congregational Churches, which met at Clintonville, Wis., on April 30, 1946, regarding their position on the present food situation and wide starvation existing in Europe and Asia; to the Committee on Foreign Affairs.

1894. Also, petition of members of the Winnebago Association of Congregational Churches, which met at Clintonville, Wis., on April 30, 1946, regarding their position on release of men and women with 18 months or more of service in the armed services; to the Committee on Military Affairs.

1895. By the SPEAKER: Petition of the Pontiac City Commission, petitioning consideration of their resolution with reference to endorsement of Senate bill 1592; to the Committee on Banking and Currency.

1896. Also, petition of various Townsend Clubs in Ohio, petitioning consideration of their resolution with reference to endorsing House bills 2229 and 2230; to the Committee on Ways and Means.

SENATE

MONDAY, MAY 20, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Norman L. Trott, minister, First Methodist Church, Brunswick, Md., offered the following prayer:

Our Father who art in Heaven, we, Thy children of the earth, bow before Thee this morning.

As we bow our heads, may our hearts be bowed in gratitude for all Thy gifts and our wills be bent in submission to the wisdom of Thy way.

Be with our Nation, O God, in these days of testing.

Help us to know Thy will and to do it, that we may share in Thy plan for the

world's redemption in this day of its great need. Give us a sense of our mission to share in the world's hunger for bread and make us mindful of the hidden hungers of the heart, for "man shall not live by bread alone."

Grant unto management and labor alike the desire to act in justice and to live by the Golden Rule; and guide us in our world relationships to walk the way of the Prince of Peace.

To this end, be with those in positions of authority, and we pray that they may, in turn, be responsive to Thy will. Especially do we pray this for these Thy servants, to whom in large measure has been committed the destiny of this Nation. Uphold them by faith and spirit and direct them in all their ways. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, May 18, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 18, 1946, the President had approved and signed the act (S. 1955) to authorize the Commissioners of the District of Columbia to provide necessary utilities for veterans' housing furnished and erected by the National Housing Administrator.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 6429. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1947, and for other purposes; and

H. J. Res. 353. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the bill (S. 1415) to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes, and it was signed by the Acting President pro tempore.

LEAVE OF ABSENCE

Mr. MAYBANK. Mr. President, I ask unanimous consent to be absent from the Senate for the remainder of the week because of illness in the family.

I might say in this connection that I voted to bring the pending legislation before the Senate; I would vote for it if I were here, and I trust that the able secretary to the majority will be able to get a pair for me in favor of the pending bill.

The ACTING PRESIDENT pro tempore (Mr. GEORGE). Without objection, leave is granted the Senator from South Carolina.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Overton
Andrews	Hawkes	Pepper
Austin	Hayden	Radcliffe
Ball	Hickenlooper	Reed
Bankhead	Hill	Revercomb
Barkley	Hoey	Robertson
Briggs	Huffman	Saltonstall
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Stanfill
Bushfield	Kilgore	Stewart
Byrd	Knowland	Taft
Capehart	La Follette	Taylor
Capper	Langer	Thomas, Okla.
Connally	Lucas	Thomas, Utah
Cordon	McCarran	Tunnell
Donnell	McClellan	Tydings
Downey	McFarland	Vandenberg
Eastland	McMahon	Wagner
Ellender	Magnuson	Walsh
Ferguson	Maybank	Wheeler
Fulbright	Millikin	Wherry
George	Moore	White
Gerry	Murdock	Wiley
Green	Murray	Wilson
Gurney	Myers	Young
Hart	O'Mahoney	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from Tennessee [Mr. MCKELLAR] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from New York [Mr. MEAD] is absent because of a death in his family.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Washington [Mr. MITCHELL], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

Mr. WHERRY. The Senator from Nebraska [Mr. BUTLER] and the Senator from Minnesota [Mr. SHIPSTEAD] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Oregon [Mr. MORSE], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The ACTING PRESIDENT pro tempore. Seventy-seven Senators having answered to their names, a quorum is present.

REPORT OF GOVERNOR OF THE PANAMA CANAL

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals:

(For President's message, see today's proceedings of the House of Representatives on p. 5282.)

RELIEF FOR WORLD WAR II FILIPINO VETERANS AND THEIR DEPENDENTS

The ACTING PRESIDENT pro tempore laid before the Senate the following communication from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Finance:

THE WHITE HOUSE,
Washington, May 18, 1946.

The PRESIDENT OF THE SENATE PRO TEMPORE.

SIR: I am transmitting, with request for its early introduction and consideration, a bill to provide for the Philippine veterans:

First. Hospitalization, including medical care, for service-connected disability;

Second. Pensions for service-connected disability and death, on a peso-for-dollar basis; and

Third. Appropriate burial and funeral allowance.

The bill also contains general administrative and penal provisions, as well as a provision authorizing hospital care and medical treatment in the Philippine Islands for American veterans residing there.

Under the legislation proposed, the Philippine veteran would have restored to him some of the veterans' benefits which were taken from him by the First Supplemental Surplus Appropriation Rescission Act, 1946, due, doubtless, in part at least, to the impracticability from an administrative viewpoint of applying to Philippine veterans the Servicemen's Readjustment Act and the need for adapting to Philippine conditions the benefits provided by that act.

The standing Philippine Army was made a part of the armed forces of the United States by the President's order of July 26, 1941. Certain guerrillas, who so courageously carried on the war against the enemy after the fall of the Philippines, were recognized as members of the Philippine Army, hence a part of the Army of the United States.

The record of the Philippine soldiers for bravery and loyalty is second to none. Their assignment was as bloody and difficult as any in which our American soldiers engaged. Under desperate circumstances they acquitted themselves nobly.

There can be no question but that the Philippine veteran is entitled to benefits bearing a reasonable relation to those received by the American veteran, with whom he fought side by side. From a practical point of view, however, it must be acknowledged that certain benefits granted by the GI bill of rights cannot be applied in the case of the Philippine veteran. The agencies which prepared the proposed bill have recognized this fact and have dealt with the legislation on a practical basis, including only that which is susceptible of proper administration. While its enactment will not

cure in toto the present discrimination against the Philippine veteran, the proposed legislation constitutes all that is practicable at the present time, and it will clearly indicate to the Filipinos that it is the purpose of the United States Government to do justice to their veterans. More important, it will provide the help so direly needed by many Filipinos who served our cause with unwavering devotion in the face of bitter hardship and wanton cruelty.

I am directing the Veterans' Administration, the War Department, and the High Commissioner to the Philippines to give consideration to a practicable method of providing some educational opportunity for the Philippine veteran and of assuring, so far as possible, employment for him. If these additional benefits can be put into effect, it is my view, as well as the view of those interested, that substantial justice will have been done the Philippine veteran and the existing discrimination against him removed.

The proposed legislation has the full endorsement of the Veterans' Administration, the War Department, and the High Commissioner to the Philippines. I urge upon you its early enactment.

I am also writing to the Speaker of the House, forwarding another copy of the proposed bill.

Very sincerely yours,

HARRY S. TRUMAN.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

FEBRUARY 1946 REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the activities and expenditures of the Corporation for the month of February 1946 (with an accompanying report); to the Committee on Banking and Currency.

SMALL BUSINESS ACTIVITIES—REPORT OF RECONSTRUCTION FINANCE CORPORATION AND SMALLER WAR PLANTS CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to Executive Order 9665, dated December 27, 1945, and to section 5 of Public Law 603, Seventy-seventh Congress, the first bimonthly report of the Reconstruction Finance Corporation small business activities during the period February 1 to March 31, 1946, including report of certain lending functions exercised until January 28, 1946, by the Smaller War Plants Corporation, and covering small business activities of the two corporations for the interim period January 28 to January 31, 1946, inclusive (with accompanying papers); to the Committee on Banking and Currency.

LAWS PASSED BY THE LEGISLATIVE ASSEMBLY OF THE VIRGIN ISLANDS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Territories and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the board of directors of the National Reclamation Association, in meeting at Salt Lake City, Utah, protesting against appropriating $23,323,000 for the Department of the Interior for the purpose of continuing the Southwestern Power Administration; to the Committee on Appropriations.

Petitions of sundry citizens of Davenport and Bettendorf, Iowa, and Cranford, N. J., praying for the continuation of the Office of Price Administration; to the Committee on Banking and Currency.

A petition signed by sundry members of the Long Island Chapter, Union for Democratic Action, New York, praying for the continuation of the Office of Price Administration without crippling amendments; to the Committee on Banking and Currency.

A letter in the nature of a petition from the Moorish Science Temple, Brooklyn, N. Y., signed by Richard Scott-Bey, D. M. and Rep., relating to the renationalization of the people of African descent; to the Committee on Foreign Relations.

A resolution adopted by the American Academy of Arts and Sciences, Boston, Mass., favoring an increase in the amount of wheat, milk, and fats for shipment to the starving people in Europe and Asia; to the Committee on Foreign Relations.

A resolution adopted by the general assembly of the Universalist Church of America held in Akron, Ohio, relating to the atomic bomb; to the Special Committee on Atomic Energy.

A resolution adopted by the American Whig-Cliosophic Society, Princeton University, New Jersey, expressing appreciation to the Senate for the passage of the joint resolution (S. J. Res. 148) to authorize suitable participation by the United States in the observance of the two hundredth anniversary of the founding of Princeton University; ordered to lie on the table.

The memorial from Mrs. Lester Denton, of Pueblo, Colo., remonstrating against the enactment of legislation to continue the draft; ordered to lie on the table.

Petitions of several citizens of New York, N. Y., praying for the prompt enactment of legislation to provide settlement of labor disputes; ordered to lie on the table.

A telegram in the nature of a petition from the New York State Waterways Association, Inc., signed by J. Frank Belford, president, New York, N. Y., praying for the enactment of legislation to curb strikes; ordered to lie on the table.

By Mr. McCLELLAN:

A petition signed by L. M. Keeling, pastor, and sundry members of the First Baptist Church, of Judsonia, Ark., praying for the enactment of legislation to guarantee religious liberty on the radio; to the Committee on Interstate Commerce.

OFFICE OF PRICE ADMINISTRATION—PETITION AND MEMORIAL

Mr. WALSH. Mr. President, a delegation of citizens of Springfield, Mass., headed by Prof. Dallas Lore Sharp, Jr., and including Michael Fiorento, John Jekot, Joseph Spellman, and Edwin Moffat, presented to me a petition containing approximately 25,000 names praying for the continuation of the OPA without crippling amendments and a memorial with 35 names in opposition to the continuation of the OPA. This delegation informed me that for 3 days in the heart of the city of Springfield a booth was set up inviting people to express themselves, and petitions of pro and con were available for signatures. The committee who arranged for obtaining these signatures was composed of representatives of civic, labor, fraternal, religious, and veterans' organizations—in fact, it was a cross-current of the population of the city of Springfield.

I ask unanimous consent to present the petition and memorial and that they be referred to the Committee on Banking and Currency.

The ACTING PRESIDENT pro tempore. Without objection, the petition and memorial will be received and referred to the Committee on Banking and Currency, as requested by the Senator from Massachusetts.

REPORT OF COMMITTEE ON EDUCATION AND LABOR

Mr. MURRAY, from the Committee on Education and Labor, to which was referred the bill (H. R. 5796) to amend title II of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to permit the making of contributions, during the fiscal year ending June 30, 1947, for the maintenance and operation of certain school facilities, and for other purposes, reported it without amendment, and submitted a report (No. 1364) thereon.

NATIONAL INSTITUTE OF DENTAL RESEARCH—REPORT OF COMMITTEE ON EDUCATION AND LABOR

Mr. MURRAY. Mr. President, from the Committee on Education and Labor, I have the honor to ask unanimous consent to report favorably, with an amendment, Senate bill 190, to provide for, foster, and aid in coordinating research relating to dental diseases and conditions, to establish the National Institute on Dental Research; and for other purposes, and I submit a report (No. 1363) thereon.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received, and the bill will be placed on the calendar.

Mr. MURRAY. Mr. President, I read from the report:

Hearings were held on the bill on June 26, 27, and 28. All individuals and organizations who wished to be heard on the proposal were given an opportunity to testify. The subcommittee heard testimony by the Surgeon General of the United States Public Health Service, officers of the American Dental Association, many outstanding authorities in the dental-health field, the National Congress of Parents and Teachers and representatives of many consumer and labor organizations. Moreover, statements were solicited and received from a large number of individuals and groups with special knowledge or interest in the subject. Sentiment was virtually unanimous in favor of the bill.

There is no reliable estimate of the amount of funds devoted to dental research, but in comparison to the magnitude of the problem the amounts spent are negligible. The largest expenditure for this purpose is made by the National Institute of Health of the

United States Public Health Service, and this is only about $50,000 a year.

Outstanding dental scientists testified at the hearings that dental research, if adequately financed, might reasonably be expected to find means of combating dental decay, and thus reducing substantially the ravages of this almost universal disease. Indeed, the only hope of successful attack upon the problem, given the present lack of dental personnel, lies in finding the cause of dental caries. Once the cause is found, means of preventing the disease can be devised.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOEY:

S. 2218. A bill to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended; and

S. 2219. A bill to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended; to the Committee on the District of Columbia.

ORJA L. SUTLIFF

Mr. ANDREWS submitted the following resolution (S. Res. 270), which, with the accompanying papers, was referred to the Committee To Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Orja L. Sutliff for services rendered in the office of Senator CHARLES O. ANDREWS while on terminal military leave from September 10 to October 31, 1945, in accordance with the provisions of Public Law No. 226, Seventy-ninth Congress, approved November 21, 1945, $840.34.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H. R. 5560. An act to fix the rate of postage on domestic air mail, and for other purposes; to the Committee on Post Offices and Post Roads.

H. R. 6429. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1947, and for other purposes; to the Committee on Appropriations.

H. J. Res. 353. Joint resolution extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code; to the Committee on Finance.

CRISIS IN BEEF—EDITORIAL FROM THE NEW YORK TIMES

Mr. HICKENLOOPER. Mr. President, this morning there appeared in the New York Times a very interesting editorial clearly recognizing the fact that about 75 percent of the Nation's beef at retail levels has now gone into the black market and is contracted through the black market. I ask unanimous consent that this editorial be printed at this point as a part of my remarks. Otherwise, I shall be glad to read it to the Senate.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CRISIS IN BEEF

With about 75 percent of the Nation's beef at retail levels having passed to the control of black marketers, the time is at hand when definite steps should be taken to restore that essential product to legitimate channels of trade if one of the world's finest food distributing systems is not to be damaged irreparably. To supply the country with adequate supplies of fresh beef a vast and complicated system has evolved. It includes the range where the cattle are bred, the feed-lot operator who produces about two-thirds of the meat sold by the retail butcher, and the packer with his fleet of refrigerator cars and numerous branches through which the beef is distributed to retail outlets.

Now under the impact of rulings by the Office of Price Administration this system is being shattered. The range still is operating at capacity. But the feed-lot operator cannot operate profitably at the ceiling price. He is either out of business or selling the cattle he feeds above the ceiling in the black market. The old-line packer is able to buy only a fraction of the cattle needed at the ceiling and is processing only about 25 percent of the former quantity of beef. This 25 percent is the only beef over which OPA now has any control.

When controls were first being considered, the meat industry was fearful of just such developments. There was no shortage at that time. In fact, an artificial shortage through legitimate channels was created by the initial restrictive measures that OPA put into effect. Moreover, immediately OPA assumed control over meat, the black market started to function. Since then it has expanded steadily. Today OPA has control of no more than 25 percent of the beef reaching retail outlets.

It is improbable that OPA ever will be able to recover the control it has already lost. From past experience with prohibition, it is doubtful if control could be recovered even with the establishment of a huge policing force costing millions of dollars. It is problematical, in fact, with black marketers now so well entrenched, whether OPA will be able to retain even the slight hold it now has. Meanwhile the Nation's health is being imperiled by the increasing quantities of insanitary beef from black markets.

This is why many of those who have studied the meat problem now believe that the only solution lies in eliminating meat controls so that free competitive forces can again assert themselves. In that way, they argue, the makeshift operators soon would be eliminated and meat returned to normal distributing channels. Since operations through legitimate channels would be more efficient, they believe that prices would adjust themselves at lower levels than those now being paid for the greater part of the meat that is available.

POSTHUMOUS AWARD TO THE LATE PRESIDENT ROOSEVELT FOR CONTRIBUTION TO AMERICAN-SOVIET FRIENDSHIP—ADDRESS BY SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by him at a dinner of the American-Russian Institute at which was bestowed an award posthumously upon the late President Franklin D. Roosevelt for his contribution to American-Soviet friendship, which appears in the Appendix.]

THE WASHINGTON SCENE, 1946—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address delivered by him on the subject The Washington Scene, 1946, on May 19, 1946, before the Wisconsin Bakers' Association, Inc., at the Milwaukee Auditorium, Milwaukee, Wis., which appears in the Appendix.]

WORLD FOOD ORGANIZATION—ADDRESS BY HERBERT HOOVER

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address on the subject of a new world food organization needed, delivered by Hon. Herbert Hoover, before the Food and Agricultural Organization of the United Nations, May 20, 1946, which appears in the Appendix.]

ADDRESS TO ILLINOIS AMVET CONVENTION BY NATIONAL COMMANDER JACK W. HARDY

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD an address delivered by Jack W. Hardy, of Los Angeles, national commander of Amvets, of the American Veterans of World War II, at the second annual State convention of the Illinois State department, in Chicago, Ill., May 4, 1946, which appears in the Appendix.]

THE COAL STRIKE—EDITORIAL COMMENT

[Mr. BYRD asked and obtained leave to have printed in the RECORD three editorials relating to the coal strike, one from the News-Leader of Richmond, Va., of May 15, 1946; one from the News of Lynchburg, Va., of May 15, 1946; and one from the News of Washington, D. C., of May 16, 1946, which appear in the Appendix.]

SAFE WORKING CONDITIONS IN INDUSTRY

Mr. JOHNSTON of South Carolina. Mr. President, I ask the support of the Senate for the industrial safety bill, sponsored by the Senator from Minnesota [Mr. BALL] and myself, which is Senate bill 1271, to provide for cooperation with State agencies administering labor laws in establishing and maintaining safe and proper working conditions in industry. There is greater need for this measure today than when first we introduced it.

This Nation did not produce the mightiest flood of guns and tanks and ships the world has ever seen without cost. The price in blood and lives and suffering was in excess of 8,000,000 job casualties, each of which kept the injured worker off the job for longer than the day or shift when the injury occurred. Sixty-three thousand workers died and more than 360,000 were permanently disabled on the production front. That is a staggering toll, and the tragedy is that nearly every one of those accidents could have been prevented. We know how to prevent job accidents, Mr. President, and it is time for us to use that knowledge to put a stop to the prodigal waste which they cause in that most precious gift of all, our labor resources.

The waste has not ceased with the war. Only the battle casualties have ceased. Job casualties continue to increase. The Bureau of Labor Statistics finds that for the last 3 months, 1945—after VJ-day—there was a 6-percent increase compared to the same period in 1944.

The National Safety Council, operating in connection with 6,000 of the largest and most safety-conscious firms in the country, reported that they had 11 percent more accidents in 1945 than in 1944. If that be true of the most-safely operated plants in the country, what can we expect from the 170,000 other plants who employ far fewer workers, and whose managers, harassed with production problems, are lacking in training and financial resources for sound safety work?

Word of what is happening in these smaller plants comes from the industrial States. Illinois had in excess of 5,900

job accidents in January of this year—more than in any month since it started to keep records, save one. The Wisconsin Industrial Commission reports an average of 117 job injuries a day for 1945, but for the first 3 months of 1946, such injuries have average more than 125 a day.

The safety experts predicted this and it is happening. The job accident rate is rising. Why? Because with the end of the war and the shutting off of war production the strong incentive to conserve manpower is gone. While war production was at its height the War and Navy Departments, the Maritime Commission, the War Production Board, and the Office of Civilian Defense had safety organizations concerned with working conditions in war industry. We had Nation-wide safety programs, supported by congressional appropriations and directed by the Department of Labor, with hundreds of volunteer safety engineers, loaned by industry, to inspect war plants and help management cut down the accident rate.

The Labor Department and the Office of Education had safety-training programs in engineering colleges, to teach safety to foremen and supervisors, and programs for training workers right on the job. But all these emergency safety programs have now been liquidated. So the major burden of the job now rests on the State labor departments, and they are inadequately staffed to do the job.

I cannot believe that Senators want the Government of the United States, which boasts to all the world of its productive genius and efficiency and the value it sets on individual lives, to close its eyes to this needless waste. For what do these rising accident tolls mean? They mean that veterans spared from the jaws of death on the battle fronts come home to face death and mutilation on the production lines of peace.

Industry today is more hazardous than war. This condition is intolerable because it can be prevented.

The industrial safety bill which is before the Senate offers a modest recognition of the Government's responsibility to assist State labor departments in combating these rising injury tolls, in safeguarding the lives and health and happiness of workers and their families, and in saving industry and the Nation the costs and social waste which come from allowing industrial hazards to continue.

The bill provides $5,000,000 a year to supplement the funds of those States which ask assistance, to be expended by them to enforce their State safety laws and regulations, to eliminate dangerous, unhealthful working conditions and to promote observance of safety precautions by employers and employees in industry. It provides this money on the basis of a formula specified in the bill, based on the number of workers in each State and the per capita income of the State. Funds will be made available to the States through the Secretary of Labor.

The bill comes before the Senate with bipartisan support. It represents the considered judgment of the Committee on Education and Labor after public hearings and prolonged deliberation. It does not set up a new Federal agency or create a bureau. It operates through the experienced channels of State labor departments charged by the laws of their States with the protection of life and limb in places where work is performed.

In order to pool the best experience of all safety agencies, the bill provides for cooperation with nongovernmental organizations in this field. It provides for education in the maintenance of safe conditions and practices—something that all modern experience in safety shows to be necessary, and something that limited budgets in the States have virtually prevented them from undertaking.

The bill has the support of the various Federal agencies concerned, of the American Federation of Labor and the Congress of Industrial Organizations and of the majority of State labor departments. Most of the State labor commissioners want this help. The labor commissioner of my State is begging me all the time to help provide for him the assistance he would receive under this bill so he can go to work to prevent these needless accidents.

Speaking personally of my own section of the country, I know we need this help. Many new industries started to operate there during the war. We need inspectors, we need training, we need the technical knowledge necessary to detect and control plant and machine hazards, and the hazards from dusts, gasses, and fumes. We need experienced people to help management and labor train workers in safe work practices.

We are doing all we can to bring about an increase in our own State appropriations for this work. But we maintain that the Federal Government has just as much stake in safeguarding manpower as the States have. It is up to the Congress of the United States to see to it that the Federal Government does its share. It does not make sense for us to regard the lives and the health of working people as less precious in peacetime than they are in war.

We are not worried about the Federal Government giving us this money. We do not think that Federal aid violates States' rights. We are used to getting money from the Federal Government to help us do all kinds of jobs that we and the Federal Government both have an interest in getting done. We have Federal money for help to crippled children, for vocational rehabilitation to the physically disabled, for maternal and infant care, for road building, for education in agriculture and home economics, for public health.

This bill will help us to do another job of the same kind, and we think we can do a good one if we get this little extra help from Washington. So can the other States. Many State labor commissioners will make the same statement.

The State labor commissioners do not see why the Federal Government should be interested in safeguarding practically every other national resource except industrial manpower. It spends millions every year to protect the Nation's crops against Mexican fruitflies, gypsy moths, boll weevils, and all the other crop hazards. It spends a million dollars a year for the restoration of wildlife. It spends other millions for vocational education, public health, and social security.

It has recognized its responsibility for the rehabilitation of the physically handicapped, including victims of industrial injury. It is spending more than $8,000,000 this year for that purpose. Would it not be better business if, instead of only trying to repair the damage after the injury has happened, we also invested some money in a program of preventing the injury?

That is what this bill would do. It would belatedly recognize the Federal Government's responsibility to help the States prevent job injuries. It would help management and labor reduce the tremendous direct and indirect cost of job accidents, which now amounts to $2,000,000,000 a year. It would put to use all the knowledge and technical skill in safety devices and practices that we had to acquire when there was a premium on conservation of manpower for war production and that really did reduce accidents during the last 2 years of war. It would save us the awful indictment of bringing our boys safely back from the war only to kill and injure them needlessly on their jobs at home. It would save lives and health. It would keep family breadwinners at work, producing for the Nation and bringing up their families in comfort and in health. It would help these men and their children, our labor force of tomorrow, to build the better land of peace and prosperity and happiness for which we fought and sacrificed during 4 long years of war.

Although the bill would appropriate only $5,000,000, it is estimated that it would save hundreds of millions of dollars annually.

I now ask permission, Mr. President, that the conclusion of the committee report and the administrative table showing the approximate distribution of this $4,750,000 appropriation among the various States be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

V. CONCLUSION

Evidence before the committee testifies to the wide support which S. 1271 commands. The Secretary of Labor and the Federal Security Administrator favor the bill. The Bureau of the Budget has testified to its administrative soundness. Twenty-six labor commissioners representing the following jurisdictions strongly urge its enactment: Arkansas, Connecticut, Kentucky, Louisiana, Maryland, Massachusetts, Nevada, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Washington, West Virginia, Wyoming, District of Columbia, Puerto Rico.

The bill has the vigorous support of the American Federation of Labor and the Congress of Industrial Organizations, as well as of John Roach, representing the executive secretary of the National Safety Council, of Philip Drinker, professor of industrial hygiene, Harvard School of Public Health, and an industry consultant on industrial

hygiene, and of the American Standards Association.

S. 1271 will not eliminate all industrial hazards. The committee, however, believes it recognizes the responsibility of the Federal Government to safeguard the working conditions of its industrial population. It will materially augment present State efforts to reduce the social and economic waste of preventable occupational injuries. It will permit the wider application of a generation of safety experience by industry and State governments. It will tend to implant permanently prevention techniques developed by Federal agencies under stress of wartime productive needs. It will take modest steps toward conserving for future peacetime production that precious national resource, the labor force. It will ease to a considerable degree the social and economic burden imposed upon American wage earners by the heavy toll of industrial accidents and diseases.

Administrative table showing approximate distribution of $4,750,000 appropriation among various States as determined by sec. 4 (a) of S. 1271

State	Nonagricultural employment ratio[1]	Civilian per capita income ratio (1944)[2]	Unadjusted distribution ratio	State allotment	
				Unadjusted	Adjusted
Alabama	0.0141	1.8182	0.026	$123,500	$120,000
Arkansas	.0069	2.0408	.014	66,500	64,000
Arizona	.0029	1.3158	.004	19,000	18,000
California	.0350	.7246	.047	223,250	216,000
Colorado	.0078	1.1494	.009	42,750	41,000
Connecticut	.0180	.7299	.013	61,750	60,000
Delaware	.0025	.7813	.002	15,000	15,000
District of Columbia	.0133	.8696	.012	57,000	55,000
Florida	.0136	1.2195	.017	80,750	78,000
Georgia	.0177	1.0667	.030	142,500	138,000
Idaho	.0029	1.1494	.003	15,000	15,000
Illinois	.0749	.8475	.064	304,000	294,000
Indiana	.0262	.9804	.026	123,500	120,000
Iowa	.0128	1.1364	.015	71,250	69,000
Kansas	.0098	1.0526	.010	47,500	46,000
Kentucky	.0124	1.0949	.021	99,750	97,000
Louisiana	.0134	1.5152	.020	95,000	92,000
Maine	.0067	1.0527	.007	33,250	32,000
Maryland	.0174	.8929	.016	76,000	74,000
Massachusetts	.0443	.8621	.038	180,500	175,000
Michigan	.0407	.8475	.034	161,500	156,000
Minnesota	.0184	1.1905	.022	104,500	101,000
Mississippi	.0069	2.3809	.016	76,000	74,000
Missouri	.0257	1.1364	.029	137,750	133,000
Montana	.0033	1.0204	.003	15,000	15,000
Nebraska	.0072	1.1236	.008	38,000	37,000
New Hampshire	.0040	1.2987	.005	23,750	23,000
New Jersey	.0385	.7937	.031	147,250	143,000
New Mexico	.0025	1.6129	.004	19,000	18,000
Nevada	.0012	.8333	.001	15,000	15,000
New York	.1269	.7299	.093	441,750	427,000
North Carolina	.0205	1.6949	.035	166,250	161,000
North Dakota	.0023	1.1765	.003	15,000	15,000
Ohio	.0625	.8621	.054	256,500	248,000
Oklahoma	.0100	1.3699	.014	66,500	64,000
Oregon	.0086	.8547	.007	33,250	32,000
Pennsylvania	.0882	.9615	.085	403,750	391,000
Rhode Island	.0073	.8621	.006	28,500	28,000
South Carolina	.0108	1.9231	.021	99,750	97,000
South Dakota	.0024	1.3158	.003	15,000	15,000
Tennessee	.0151	1.5385	.023	109,250	106,000
Texas	.0395	1.2821	.051	242,250	234,000
Utah	.0040	1.1364	.005	23,750	23,000
Vermont	.0025	1.1494	.003	15,000	15,000
Virginia	.0186	1.2987	.024	114,000	110,000
Washington	.0154	.7299	.011	52,250	51,000
West Virginia	.0119	1.4706	.018	85,500	83,000
Wisconsin	.0219	1.0204	.022	104,500	101,000
Wyoming	.0021	1.0989	.002	15,000	15,000
Total				4,903,250	4,750,000

[1] Nonagricultural employment ratio=ratio of the number of nonagricultural employees in each State to the number in the United States, December 1945.

[2] Civilian per capita income ratio=ratio of civilian per capita income in the United States to civilian per capita income in each State (based on Bureau of Foreign and Domestic Commerce figures, 1944).

Source: U. S. Department of Labor, Bureau of Labor Statistics, Apr. 12, 1946.

Mr. JOHNSTON of South Carolina. This table clearly shows approximately what each State will receive.

For the further information of the Senate, I may state that the bill was reported unanimously by a subcommittee of the Committee on Education and Labor, and was later unanimously reported to the Senate from the Committee on Education and Labor. When it is reached on the calendar I hope that favorable consideration may be given to the bill.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD], as modified, as a substitute for section 8 of the committee amendment on page 28.

Mr. MURRAY. Mr. President, the amendments being proposed to this legislation indicate pretty strongly that there is a desire on the part of some to emasculate the entire American labor movement and either drive it out of existence or hamstring it so as to be ineffective. Those proposing the legislation are seeking to meet an existing problem which may well be of a transient character. In doing so, however, they are undermining the democratic movement whose roots are deeply imbedded in American tradition and in the establishment and development of our economic and political democracy. Few of us realize that the American labor movement did not spring up overnight. Its history is a history of slow development, tortuous struggle for the attainment of basic rights, frequently serious defeats, only to be reborn and strengthened by new generations who sought equality of opportunity and economic security and freedom. The development of the American labor movement has been largely conditioned by the development of the American economy. The industrialization of our country, the factory system, and the integration and mechanization of production have led to specific problems, and workers have attempted to meet them through organization.

I think it would be well for the Senate to review in brief the history of the American labor movement and its struggle to achieve status in our society.

HISTORY OF AMERICAN LABOR UNIONS

American labor unions are as old as the Nation itself. Although temporary organizations of workers existed prior to the founding of the Constitution, the first unions to maintain a continuous existence were the shoemakers of Philadelphia, organized in 1792 and the printers of New York City, organized in 1794.

During the period immediately before and after the turn of the nineteenth century shipbuilders, printers, cordwainers, and tailors formed unions and went on strike for wage increases. The early organizations of labor unions were paralleled by the formation of employers' associations which attempted to obtain nonunion labor, and frequently resorted to the courts under the aegis of the criminal conspiracy doctrine.

The attitude of the courts was hostile to the organization and activities of the newly formed labor unions. Between 1806 and 1815, of six recorded cases charging criminal conspiracy against the shoemakers, four were decided in favor of the employers. Under the criminal-conspiracy concept, both the act of forming a union and the end sought, that is, raising of wages, were considered unlawful. In its charge to the jury during the trial of shoemakers in Philadelphia in 1806, the court stated:

> A combination of workmen to raise their wages may be considered in a twofold point of view: One is to benefit themselves * * * the other is to injure those who do not join their society. The rule of law condemns both.

This doctrine remained unchallenged until, in 1842, the highest court of the State of Massachusetts, in the case of Commonwealth against Hunt, declared that a strike of workers for better conditions was lawful and not a criminal conspiracy.

Union activities suffered a decline with the panic of 1817, which ushered in periodic business depressions and times of prosperity similar to those of recent years. When business conditions improved trade-union activity increased. In 1825 Boston carpenters struck to secure the 10-hour day, and were met by the objections of the employers that a shorter workday would lead to idleness and vice, that the strike was run by outside agitators, and that the employers would suspend operations rather than give in to the union.

During the 1820's and early 1830's labor unions were active in pressing for legislation in the various States which would abolish imprisonment for debt, establish free universal public education, mechanics' lien laws, and fair division of the public lands. Thus, at an early stage in the country's history trade-unions were seeking to better the lot of the common man by securing for him the promised blessings of the New World.

The years 1833–37 witnessed the development of labor unions among hitherto unorganized workers, such as weavers, plasterers, cigarmakers, seamstresses, and milliners, and in newly settled cities like Pittsburgh, Cincinnati, and St. Louis. The first Nation-wide body of trade unions was formed in 1834. It consisted of the city central trades' councils, and it had as its principal objective securing the 10-hour day. However, this movement, known as the National Trades' Union, failed to survive the panic of 1837.

The growth of the railroads and the widening of the competitive market beyond the limits of a single city or State, together with the development of American industry in the 1850's and the Civil War, favored the organization of continued existence of the national union in the various crafts of the day. The

printers formed the National Typographical Union in 1850; the stonecutters' local formed a national union in 1853, the hat finishers in 1854, and the molders, machinists, and puddlers in 1859. Particular impetus to union organization was given by the rapid rise in retail prices during the Civil War in the face of lagging wages. In the years 1861 to 1872, 26 new national unions were formed.

Impressed by the increased output of commodities made possible by the use of machinery, trade unions began to give more attention to the problem of securing the 8-hour day in order that the workers might be able to enjoy the benefits of a higher standard of living. The National Labor Union, established in 1866, pressed for an 8-hour day for Federal employees in the hope that such a law would make it easier to obtain an 8-hour day elsewhere. The Congress enacted an 8-hour day law for Federal employees in 1868, and in 1872, President Grant prohibited by proclamation any wage decreases in putting the law into effect. However, the 8-hour day for workers in industry remained to be achieved at a later period.

The Knights of Labor represent the first large-scale labor organization in America whose membership at the peak exceeded 700,000 workers. The early history of the Knights of Labor reflects an interest in social reform, rather than in immediate gains in wages and hours. However, the organization was soon compelled to give attention to the striking railway men employed on the Gould-owned lines, and in 1885, the Knights were successful in their efforts to restore a wage cut and to secure the reinstatement of locked-out employees. In structure, the Knights of Labor had as its foundation the local assembly, in which skilled and unskilled, male and female, white and colored, and even farmers could and did find membership. By seeking to include all American workers in a single organization, the Knights of Labor antagonized many trade unions. This factor, together with the rivalry between the local assemblies and the general assemblies, the conflict between long-run objectives and immediate wage-and-hour demands, and the emergence of the American Federation of Labor, brought about the decline of the Knights of Labor to the point where, in 1893, the membership had dropped to 75,000.

In the depression years of the 1870's there was much unemployment and destitution among the anthracite coal miners of Pennsylvania. The strike of 1874 and 1875 against a wage cut ended in defeat and the dissolution of the mine workers' union, the Workingmen's Benevolent Association. A number of miners refused to go back to work and resorted to violence against mine owners in answer to wage reductions and discharges for union activity. The employers hired a Pinkerton spy to obtain information as to the activities of the Molly Maguires, as the workers' group was known. Eventually 24 Molly Maguires were convicted and 10 were executed for murder. The episode indicates the extremes to which workers have been driven in the past in order to resist injustice.

The great railroad strikes of 1877 were brought on by continued wage reductions in the midst of depression conditions. State and Federal troops were called out to suppress the strikes, which extended from Pennsylvania to San Francisco. A permanent consequence of those strikes was the enactment of conspiracy laws, the hostility of the courts to labor, the demand for additional armories, and the reorganization of the militia, the latter arising out of the fact that, in many instances, the militia could not be relied upon to fire upon the strikers.

With the revival of business in 1879 the national unions, such as the molders, the locomotive engineers, the bricklayers and masons, and the railway conductors, looked toward the formation of a federation of trade unions which would concern itself with "pure" trade unionism based on wage-and-hour consciousness. Its primary objective would be the furtherance of trade-union agreements designed to obtain immediate economic benefits for the membership. Its methods would be those of collective bargaining, and where they failed the methods would be the strike, boycott, and picket line. The far-flung activities of the Knights of Labor were regarded as detrimental to the interests of the craft-conscious worker. In order to achieve these objectives the American Federation of Labor was organized in 1886 and the national unions were made the basic units in the new organization.

In the 1880's the drive for the 8-hour day was resumed by the predecessor of the American Federation of Labor, that is, the Federation of Organized Trades and Labor Unions, by the Knights of Labor, and later by the American Federation of Labor itself. By the 1890's the 8-hour day became prevalent in the building trades, but it was not until the decade of the World War that the 8 hours became the standard for a large proportion of the American workers.

In 1892 a number of strikes took place in the steel industry, including the strike at Homestead, Pa., which developed into a pitched battle between strikers and Pinkerton detectives hired by the Carnegie Steel Co. Most of those strikes were unsuccessful, and they virtually eliminated unionization in the plants of the larger steel companies.

The railroads were once more the scene of a major strike when, in 1894, the American Railway Union led the workers of the Pullman Co. in protest against wage cuts and the discharge of union members. The company refused to submit the issues to arbitration as requested by the workers. The strike was soon supported by railroad employees throughout the country.

The Federal Government, in cooperation with the General Managers' Association of the railroads, instituted proceedings under the law prohibiting obstructions to the mail and invoking the new Sherman Antitrust Act which had been enacted for the purpose of outlawing combinations in restraint of trade. The Attorney General obtained a sweeping injunction prohibiting all persons from interfering with the business of the railroads entering Chicago. The Attorney General then proceeded to obtain indictments against the officers of the union, charging them with interfering with the mail and hindering interstate commerce. The leaders of the strike were eventually sent to jail for contempt of court, and the strike was brought to an unsuccessful conclusion. The Sherman Antitrust Act had been perverted to serve the cause of the big business which it had been intended to restrain.

The persistent refusal of most employers to recognize the legitimate existence of trade unions continued to bring about major strikes with resulting loss of lives and property. In 1902, the anthracite coal strike followed refusal of the operators to discuss the wage-and-hour issues with the United Mine Workers Union. The strike was terminated by the appointment of an arbitration commission satisfactory to both sides. It marked the first time in our history when a President of the United States played an active part in securing the settlement of a strike. Though the union was not recognized by the operators, the award of the Presidential commission provided for a wage increase and a grievance procedure.

In 1905 a rival union was organized in opposition to the American Federation of Labor. The Industrial Workers of the World advocated opposition to capitalism by means of aggressive strikes. Its leadership consisted, in part, of officials of the Western Federation of Miners who had been exposed to the violence employed by mine operators in opposing unionism. Consequently, the new union did not have to go far to copy the ready example of employer violence. The IWW also capitalized on the failure of the A. F. of L. effectively to interest itself in the plight of agricultural labor, textile workers, lumber workers, and other badly exploited sections of the working population. Although the IWW gained public attention by the use of spectacular methods, as in the Lawrence textile strike of 1912, and in the free speech fight of 1909 to 1912, at no time did its membership exceed 100,000 workers. Lacking the stable base afforded by a policy of collective bargaining, and insistent upon a revolutionary goal, the IWW became unimportant in the American labor scene after 1918.

The years 1909 and 1910 saw strikes in the garment industry arising out of unsanitary sweatshops, extremely low wages, and job insecurity. The settlement of those strikes laid the foundation for a system of grievance and arbitration machinery which has since become a model for orderly, peaceful adjustment of disputes arising out of collective-bargaining agreements.

The Sherman Antitrust Act received further application at the hands of the courts in the case of *Loewe* v. *Lawlor* (208 U. S. 274, 1908), the famous Danbury Hatters' case. The Supreme Court declared that the acts of labor unions, if

they involved restraint of commerce among the States, were covered by the Sherman Act. It held further that Congress clearly intended that the Sherman Act should be applicable to combinations of labor as well as those of capital. The final judgment against the officers and members of the union amounted to $252,000, and only the fact that the trade unions raised funds to pay the judgment saved the members of the union the loss of their homes and other property.

This decision stirred labor to secure exemption from the operation of the Sherman Act, and Samuel Gompers hailed the Clayton Antitrust Act as the answer to the problem. However, the courts were to continue to place interpretations upon the lawful and peaceful activities of unions which left them with the same legal disabilities and restraints that had existed prior to the passage of the act.

In the latter part of the nineteenth century employers began to use the yellow-dog contract as a condition of employment by which a worker promised not to join a trade union so long as he remained an employee of the concern. In *Coppage* v. *Kansas* (236 U. S. 1, 1915) and *Hitchman* v. *Mitchell* (245 U. S. 229, 1917), the Supreme Court ruled that yellow-dog contracts were consistent with the fourteenth amendment and that any law or attempt by unions to abolish them would be depriving persons of their property without due process of law. The use of yellow-dog contracts became common in an increasing number of American industries and in such districts as West Virginia and Kentucky the courts became the principal aids of antiunion coal operators in their fight against organization. The injunctive process was used to prevent attempts, however peaceful, to organize workers who had been compelled by economic circumstances to agree not to belong to a union.

The period of the First World War was of considerable significance for American labor unions. Membership almost doubled in the period 1915–20, to reach a high of more than 5,000,000 workers; important labor legislation was enacted; organized labor was represented on Government war agencies; and there was a vigorous effort made to organize mass-production industries.

In 1916 the railroad unions threatened to strike for the 8-hour day. Upon the intervention of President Wilson the strike was averted and the Congress passed the Adamson Act which provided for the establishment of the 8-hour day for workers engaged in operating trains in interstate commerce. However, it took the threat of a major war and the continued intervention of the President to bring the railroad managers to accept the provisions of the law in the form of a signed agreement with the railroad brotherhoods. When in 1917 the Federal Government took over the operation of the railroads, a railroad wage commission was appointed to investigate wage disputes. This body functioned effectively in preventing strikes during the war years.

In March 1918, the National War Labor Board was created with tripartite representation. No strikes or lock-outs were to take place during the war. The right of workers to organize into trade unions and to bargain collectively was affirmed and was not to be interfered with by employers in any manner. The right of employers to organize in order to bargain collectively was also affirmed. The union shop and union standards were to be continued where they existed. These principles were in one respect regarded as unsatisfactory to union workers, for unions were not to attempt to bring about a union shop where the open shop was in existence.

In applying its policies, the War Labor Board sought to prevent both employers and unions from engaging in activities which would disturb production in essential war industries. In the Western Union and Postal Telegraph case, the Government took over the telegraph and telephone systems in order to show its determination to carry out its policies, even in the face of the opposition of the great corporations. The Smith and Wesson case indicated that the Government would not permit aggressive antiunion activities to be carried on in war industries. In the case of the Bridgeport machinists it displayed no hesitation about bringing pressure to bear upon employees who struck against an award by which they had agreed to abide.

Unions held considerable representation on Government boards during the war. In addition to the National War Labor Board, union representatives were to be found on the Emergency Construction Board, the Fuel Administration Board, the Food Administration Board, and the War Industries Board. This favorable attitude of Government toward labor, together with the labor shortage induced by the war and the rapid rise in prices, stimulated the tremendous growth in organization during the war years.

In 1918 the AFL began an organization drive in the steel industry in an effort to aid the workers to raise their low wages and to wipe out the 12-hour day. The companies affected embarked upon aggressive antiunion activities, discharging union men, and prohibiting union meetings in the company-controlled towns. The United States Steel Corp., through Judge Gary, announced its intention to refuse to deal with unions. The strike which ensued involved 300,000 or more workers and affected steel production in every region of the country. Direct clashes between strikers and private guards were frequent, especially when attempts were made to suppress meetings. Throughout the strike the press gave much space to the employer's position and pursued a studied policy of alienating public sympathy away from the strikers. The strike ended in failure in the early part of 1920, and the steel industry remained an open shop until the advent of the Congress of Industrial Organizations in 1937.

The miners had suffered a continuous decrease in real wages during the war years. When they attempted, in 1919, to use their only effective weapon—the strike—to raise their wage standards, they were met by the combined forces of the employers, the Federal Government, and the courts. The Attorney General of the United States obtained an injunction in the Federal District Court of Indiana on the plea that the armistice did not end the wartime emergency and that until the treaty of peace was concluded, the Lever Act providing for Federal control of fuel was in force and that, in effect, the strike was one against the Government.

Henry David, in his chapters on the American Labor Movement—Labor Problems in America, Farrar & Rinehart, New York, 1940—well describes the American plan of the twenties:

> At the close of the war the antiunion campaign which began in 1920 was disguised as a drive for the American plan. Its objective was the open shop, but it made its plea in terms of American principles and the inalienable right of every worker to enter any trade and to accept employment under conditions satisfactory to himself without the intercession of a union. Conservative farmers' organizations and the American Bankers' Association came to the aid of the employers promoting the American plan for the abolition of the un-American closed shop. In New York State alone there were at least 50 active open-shop associations, and Massachusetts had 18 such organizations in 8 cities. The State manufacturers' associations were extremely active in the campaign, which include employers' associations in various industries and local chambers of commerce, to put the open shop into effect. In Illinois, where there were 46 open-shop associations, the Manufacturers' Association in October 1920 offered aid to any employer fighting for the open shop.
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> In January 1921, 22 State manufacturers' associations meeting in conference in Chicago officially adopted the name American Plan. For a number of years thereafter the employers carried on an aggressive struggle against unionism, which resulted in the defeat of many strikes and destroyed many trade-unions. The campaign was aided by the turn in business conditions which occurred in 1920, and which, by 1921, had resulted in widespread unemployment in industrial centers. The growth of militant employers' associations, the principal purpose of which was to fight the closed shop, helped to make the campaign for the American Plan a success. The most strenuous opposition to the employers' efforts were encountered in the building trades. Here the well-organized unions succeeded in numerous instances in resisting the employers' attack. In many cities of the country, however, strikes to maintain union conditions were defeated, and building operations were resumed under open-shop conditions.

Under constant pressure from the open-shop drive following the end of the First World War, organized labor in the United States did not make much headway during the so-called prosperous era of the twenties, and it suffered the ravages of the prolonged depression and the mass unemployment that followed the stock-market debacle in 1929. By 1932 the total membership of the American Federation of Labor stood at approximately 2,500,000, as contrasted with the high mark of slightly over 4,000,000 in 1920. It declined further to about 2,100,000 in 1933.

It was not until after the enactment of the National Industrial Recovery Act

in the spring of 1933, including section 7 (a) which guaranteed the right of employees to organize into unions of their own choosing and to bargain collectively with employers, that trade unionism in the United States began to revive. With it came a tremendous influx of new members into the ranks of unions.

The rapidity and the nature of the organizing activities during the NRA period led to the formation of a large number of Federal labor unions chartered directly by the American Federation of Labor. From June 1933 to October 1934, the American Federation of Labor organized and chartered 106 Federal labor unions in the automobile industry, 75 in rubber, 30 in the cement industry, and 20 in aluminum. The total number of affiliated trade and Federal labor unions increased from 673 in 1933 to 1,788 in 1934.

The gains made during the early days of the NRA were halted only temporarily by the invalidation of the National Industrial Recovery Act by the Supreme Court in May 1935, by the rapid spread of employee representation plans established primarily for the purpose of combating the spread of unionism, and by the hostility of employers to the newly enacted National Labor Relations Act. Labor took new heart in April 1937 when the United States Supreme Court validated the National Labor Relations Act.

The vitality and strength developed by the American labor movement in 1937 can be attributed to three principal factors. Favorable labor legislation, particularly the National Labor Relations Act, laid the foundation for the right of workers to organize into unions of their own choice. The Committee for Industrial Organization made tremendous strides in organizing the hitherto unorganized mass-production industries, and the American Federation of Labor expanded its organizing activities and extended its membership among both craft and industrial workers.

Despite the rivalry and bitterness created, the organization and activities of the Congress of Industrial Organizations exerted a profound influence on the extent and character of unionization in the last 5 years. By 1941 organized labor in the United States registered substantial gains in union membership, in the number of collective-bargaining agreements negotiated, and in the number of workers in industries covered by these agreements. By the end of the year total union membership had reached to approximately 11,000,000, the largest number on record in the history of the labor movement in the United States. The total number of union members represented approximately one-third of all the wage earners and salaried employees in the country.

By the end of the war, VJ-day, unions affiliated with the AFL represented a dues-paying membership of almost 7,000,000. As of August 31, 1945, Secretary-Treasurer Meany reported total dues-paying membership of 6,938,125, and in April 1946 the AFL secretary-treasurer report claimed membership of 6,931,221. The CIO claimed approximately 6,000,000 members at the end of 1944. Independent unions claimed over 1,000,000 members, bringing the estimated total trade-union membership to between 14,000,000 and 15,000,000.

PART II. CASE STUDIES

Mr. President, thus far I have addressed myself to a broad and very brief picture of the development of the American labor movement. I have sketched and outlined broadly the organizational efforts of labor in the United States. I should like now to confine my discussion to a more detailed examination of some of the specific instances and periods in American labor history which will give a more realistic approach and understanding of the problems which workers have faced and met during this period. These case studies have been chosen from many of similar instances, but they are sufficiently illustrative of the point I wish to make, namely, that labor's efforts have not been easy of achievement that they are not of recent origin, and that we should not take any action on this floor which would necessitate a recurrence of those periods in our labor history.

I wish first to address myself to the Homestead strike of 1892, then the Ludlow incident, then the textile organizing strike in Gastonia, and, if time permits, the open-shop drive of the 1920's, the formation of company unions and employer associations, the Chicago massacre of 1937, and the now famous Mohawk Valley formula, which is one of the outstanding techniques of strike-breaking conceived by American industry.

HOMESTEAD

We now turn our attention to a dramatic and grievous incident in the struggle of the American working people for improvement of their conditions and recognition of their just grievances, the Homestead lock-out, the struggle between the organized skilled steel workers and the rising colossus of the Carnegie Steel Co. Here for the first time the American labor movement met a new type of foe, a large corporation with widespread economic ramifications and seemingly limitless resources for a war against labor unions. Labor also met a new ruthlessness, a new reliance on brute force, on the power of organized physical violence which money can buy. It was organized labor's first serious experience with the large modern industrial corporation which was later to so dominate and typify American industry.

This was the period of the early nineties in which the new methods of fighting labor were forged—methods quite different from the employer tactics used in the struggles of the seventies and eighties. Here that infamous antilabor use of the court injunction was fashioned, a tool destined to become the effective cause of increased industrial unrest and the instigating force to violence.

In 1890 the resurgence of the labor movement had first become evident. The carpenters were able to establish that long-sought goal, the 8-hour-working day, in approximately 100 towns and cities. Workers in other industries were anxious to achieve the same, but were not yet sufficiently strong.

In steel, the strongest union in American history to that date—a craft union of skilled steel workers of the period, the Amalgamated Association of Iron and Steel Workers—had successfully organized 2,500 members. Up to 1889 their relations with the Carnegie Co. had been friendly. In that year the first dispute occurred between the company and the union, and this dispute coincided with the assumption of the direction of the company by a Mr. H. C. Frick, who, as owner of the largest coke manufacturing plant, had acquired the reputation of being a bitter enemy of labor organization. During the 1889 negotiations for renewal of the agreement Frick had demanded the dissolution of the unions. In fact, the agreement was finally renewed for a 3-year period, but the seeds of distrust and enmity had been sown.

The new agreement called for a sliding scale for wages, which were to rise or fall with the market price of a specified standard steel billet. The agreement, however, set a minimum of $25 per ton on these billets, which put the wage floor at the rate corresponding to the $25 market price.

Under Frick the Carnegie Co. resented the necessity of dealing with the Amalgamated Association. Among its rivals the Carnegie had developed to a position of dictatorial power, controlling at that time the major portion of the American steel market. In the earlier period the union demand for and maintenance of uniform wage rates for the same job operation had been a factor helpful to the company in standardizing its labor costs and giving it an advantage over competitors with unrationalized wage scales. But after this advantage had helped it win out over its competitors, the company turned against the union.

In the earlier period Carnegie himself was known for his professions of sympathy toward labor, as Yellen recounts in his book:

> Before the appointment of Frick the men had believed somewhat in the friendship of Andrew Carnegie, poor immigrant boy from Dunfermline, donator of libraries and hospitals and music halls, patron of the workingman and democracy and peace. He had written frequently concerning the relations of capital and labor; he had advocated trade-unionism and the peaceful arbitration of differences, and had deplored absentee capitalism and the violence of dispute. In an article of the Forum for April 1886 he had stated:
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> "The right of the workingmen to combine and to form trade-unions is no less sacred than the right of the manufacturer to enter into associations and conferences with his fellows, and it must be sooner or later conceded. Indeed, it gives one but a poor opinion of the American workman if he permits himself to be deprived of a right which his fellow in England has conquered for himself long since. My experience has been that trade-unions upon the whole are beneficial both to labor and to capital."
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> And 4 months later in the same magazine:
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> "While public sentiment has rightly and unmistakably condemned violence, even in the form for which there is the most excuse, I would have the public give due consideration to the terrible temptation to which the workingman on a strike is sometimes subjected. To expect that one dependent upon his daily wage for the necessaries of life will

stand by peaceably and see a new man employed in his stead is to expect much. This poor man may have a wife and children dependent upon his labor. Whether medicine for a sick child, or even nourishing food for a delicate wife, is procurable, depends upon his steady employment. In all but a very few departments of labor it is unnecessary, and, I think, improper, to subject men to such an ordeal. * * * There is an unwritten law among the best workmen: 'Thou shalt not take thy neighbor's job.'"

When, therefore, during the disturbances at Homestead, contradictions between Carnegie's public humanitarian utterances and his private business practices were unveiled, the men felt as if they had been betrayed.

From Frick the workmen expected open hostility. But how to account for Carnegie's actions? Why had he declared himself so often in print for a liberal labor policy motivated by generosity and enlightenment? And after he had so done, then why did he let Frick, the notorious and unyielding enemy of trade-unions, assume full authority for the firm, and then himself hurry away to his castles and shooting boxes in Scotland? (Source: American Labor Struggles, Samuel Yellen, Harcourt, Brace & Co., New York, 1936, pp. 74–75.)

These disturbances arose as the date for contract negotiations approached. That even Carnegie himself was preparing to challenge the union's right to an agreement was later revealed by publication of a draft of a notice, suppressed at the time, to the effect that henceforth the company would be nonunion and would not negotiate a new agreement.

Negotiations had begun several months before the contract expiration date of June 30. In reply to union demands for a new scale the company presented its proposals: First, for reduction in the minimum market price of the sliding scale from $25 to $22 per ton of standard billets; second, for a change in the expiration date of the contract to December 31; and third, a reduction in tonnage rates at mills where improvements had been made and new machinery installed.

No accord was reached between the parties. Suddenly on May 30 the company sent the union an ultimatum that it would have to accept the scale before June 24 or recognition would be withdrawn. Indications that he hoped to be able to eliminate the union are contained in the letter Frick wrote to his mill superintendent on the day of the ultimatum:

You can say to the committee that these scales are in all respects the most liberal that can be offered. We do not care whether a man belongs to a union or not, nor do we wish to interfere. He may belong to as many unions or organizations as he chooses, but we think our employees at Homestead Steel Works would fare much better working under the system [i. e., nonunion] in vogue at Edgar Thompson and Duquesne. (Source: U. S. House of Representatives, Employment of Pinkerton Detectives, 52d Cong., 2d sess., Rept. No. 2447 (Washington, Government Printing Office, 1893), p. 23.)

Meanwhile the company openly conducted itself as if for a siege. A solid board fence topped with barbed wire and perforated at intervals, as if for rifles, was built around the mill grounds. The atmosphere could hardly be other than tense, with such obvious preparations for open struggle. A final conference held on June 23, just before the ultimatum was to expire, ended in dismal failure. Of this conference Yellen writes:

Throughout the conferences the men had been offended by the cold, uncompromising attitude of the company, and particularly by the fortifications thrown around the works even before the negotiations were at an end. Now they were angered by the obvious aggressiveness of the company, and understood fully that behind all the differences had been the single question of the preservation of their union. The company attitude rankled all the more because the men prided themselves on their Americanism and on the conservative policy and reasonable spirit of the Amalgamated. In this feeling the congressional investigating committee later concurred with the men. It found that the workmen at Homestead were very intelligent and highly skilled, that their work was of such a nature as to impair their eyesight rapidly and shorten their lives, and that, therefore, a reduction of 18 percent to 26 percent in their pay warranted close scrutiny. Yet, at the investigation, Frick refused outright to state either the total cost or the labor cost of a ton of steel billets, on the grounds that he could not disclose such a trade secret to competitors. (Source: American Labor Struggles, Samuel Yellen; Harcourt Brace & Co., New York, 1936, pp. 80–81.)

Two days later the company issued a statement that the proposed company scale would stand regardless of the workers' attitude. A peaceful outcome was foredoomed, as the later congressional committee readily pointed out:

We conclude from all the surroundings that he, who is not the only manufacturer thus affected, is opposed to the Amalgamated Association and its methods, and hence had no anxiety to contract with his laborers through that organization, and that this is the true reason why he appeared to them as autocratic and uncompromising in his demands. If, as he claimed, the business of his company, on account of fall in the market price of the products of the works, required a reduction of the wages of the employees, he should have appealed to their reason and shown them the true state of the company's affairs. We are persuaded that if he had done so, an agreement would have been reached between him and the workmen, and all the trouble which followed would thus have been avoided. (Source: U. S. House of Representatives, Employment of Pinkerton Detectives, 52d Cong., 2d sess., Rept. No. 2447 (1893), p. xi.)

When strained relations ensued, the company took the action of locking out its entire working force 2 days before the agreement was to expire. This action united the nearly 3,000 mechanics and common laborers behind the fight of the 800 skilled union men, resulting quickly in the formation of an advisory committee for directing the common activities of all levels of locked-out employees.

The committee prepared a watch for strikebreakers and soon took over full charge of running the town of Homestead. Who were these men who were thus raised to a position of control? Yellen tells us:

The committee was anxious to preserve order and decency. It wanted no excuse to exist for newspaper slander. They were no ignorant immigrants, no lawless vandals, no violent anarchists; they were good Americans, fellow citizens, with Frick and Carnegie, of a democracy; respectable men who were defending their moderate standards of living for their families. (Source: American Labor Struggles, Samuel Yellen; Harcourt, Brace & Co., New York, 1936, p. 82.)

When the workmen showed their determination to protect their jobs from being taken by scabs, Frick called upon the Allegheny County sheriff for 100 deputies to protect the mill property. The union immediately told the sheriff that nobody was trespassing on the mill property but that it would be willing to have 500 men specially deputized to watch the property. Although the sheriff refused this, he could not round up any of the citizenry of the county to act as deputies and had to send 12 of his own office force. These men were met at the station by a crowd of 2,000 men who showed them that the mill property was untouched but would not let them stay. By this time the atmosphere had become more tense because of rumors that the company was recruiting scabs in certain large cities nearby.

Actually it was later disclosed that Frick had formulated plans for bringing in armed Pinkerton detectives as early as June 20—considerably before he had asked for protection from the authorities and even before the break-off of negotiations with the union. As the congressional committee reported:

There was nothing in the laws of Pennsylvania to prevent Mr. Frick from employing Pinkerton men as watchmen in the works at Homestead, yet we do not think, under the circumstances, he should have done so. He made no direct appeal to the county and State authorities for protection in the first instance, but began to negotiate for the employment of Pinkerton forces before the negotiations for the reemployment of the workmen of the Amalgamated Association were broken off. (Source: U. S. House of Representatives, Employment of Pinkerton Detectives (52d Cong., 2d sess., Rept. No. 2447 Washington, Government Printing Office, 1893), p. XI.)

By June 25 Frick had already given detailed instructions to the Pinkerton Agency for the transportation and arming of 300 private detectives. They were brought in stealthily by barges up the river toward Homestead. Workmen sentries, however, sighted the barges below the town so that when the boatloads of armed Pinkerton men arrived they were met by an outpouring of townspeople who warned the detectives to stay away. When the Pinkertons actually started down the barge gangplanks, however, a shot rang out. No one has discovered which side fired the shot—but it was the spark which set off the explosion.

The ensuing battle lasted from 4 a. m. to the following 5 p. m. It was stopped by the arrival of the union president and ultimately resulted in the surrender and disarming of the Pinkertons, who were then taken into custody and finally shipped back home. The union members had great difficulty, however, in protecting the Pinkertons from the wrath of the townswomen who had been worked up to fever pitch by the invasion attempt.

The steel company had failed in this attempt to bring in strikebreakers, but its attempt had resulted in a tragedy that left its imprint on the labor movement and on the memory of the Nation for many years.

The public reaction throughout the country was one of horror. Unions from all sides sent in resolutions of sympathy and support to the locked-out workers. In Pittsburgh one union petitioned the city council to return Carnegie's million-dollar gift for a free library because it represented workingmen's blood. Repercussions were felt throughout the States, even though many people failed to see how inevitably bloodshed could be the only result of the labor policy pursued by this powerful company. Yellen clearly points out the dilemma in which the locked-out worker was placed:

E. L. Godkin's Nation disapproved of the workmen for attempting to deprive rich men of their property and poor men of their right to labor. The Honorable William C. Oates, chairman of the congressional investigating committee, objected to the moral suasion employed by union men to prevent nonunion men from scabbing, and wrote: "The right of any man to labor, upon whatever terms he and his employer agree, whether he belong to a labor organization or not, and the right of a person or corporation (which in law is also a person) to employ anyone to labor in a lawful business is secured by the laws of the land." Neither the Nation nor Congressman Oates seemed aware of the dilemma of the workman; if he did not picket he was reduced to looking on while his job was given to a scab; if he did picket he transgressed the laws and ideals of the land. (Source: American Labor Struggles, Samuel Yellen; Harcourt, Brace & Co., New York, 1936, pp. 88–89.)

While the county was aroused, the people of Homestead settled down to care for their wounded, still maintaining vigilance for further invasions of Pinkertons. Even though all remained quiet, the sheriff began calling upon Governor Pattison to send the militia. Pattison replied at the time that the sheriff had "neglected his duty" and that in his opinion if the sheriff had accepted the idea of letting the locked-out men guard the mills "there would not have been a drop of blood shed." A local committee reported to the Governor that the militia were not needed and that the town was orderly and peaceful. Just when the town felt the militia would not be sent in, however, the Governor reversed his stand and ordered 8,000 of the Pennsylvania National Guard to move into Homestead.

At first astounded by this reversal, the Homestead workers welcomed the troops and prepared to cooperate with them on a friendly basis. The officers, however, refused to reciprocate this friendship and maintained a hostile attitude. Slowly the militia opened the way for the introduction of nonunion workers and the reopening of the mill. The company, still refusing to meet the union, started eviction proceedings against families living in company-owned houses.

The struggle continued, however, because of the inability of the company to obtain a sufficient number of skilled employees to run the mill. The workmen were still united. Consequently, to finally smash this unity the company began "filing informations" for the arrest of many of the union leaders, on charges of murder, conspiracy, and aggravated riot. Although the workers retaliated by lodging informations against company officials, they could not readily meet all the required bail for their own members, set at $10,000 each.

Amidst the legal tangles which ensued the workmen were soon confused and their unity weakened. Actually the company and the State failed to obtain the convictions of any of the union men. Yet the company had won its point. The court victories had been costly to the union and ultimately left the union without resources for relief of its locked-out members. On November 20, the resistance collapsed, many of the union members having migrated from the area. As a result unionism had been destroyed in the major steel mills of the Pittsburgh area.

Final defeat for the Homestead workers found many of them routed from their homes, many blacklisted from work in their lifetime trade, many unemployed, their jobs taken by outsiders brought in by the company, and many others reabsorbed by the mill but resentful, demoralized, with a feeling of helplessness and hopelessness in the absence of any protection by any organization of their own choosing.

Frick had won the day. He had broken the union by brute force and the overwhelming resources of the corporation relative to those of the union.

Lives, money, and time were the costs. The State itself spent $600,000 to maintain the militia, over and above all the expenses for the court trials and payments to the deputy sheriffs. Workmen lost over $800,000 in wages and as much again in their own savings and union relief funds.

And what about the working and living conditions of the Homestead families, for maintaining which they had been struggling in vain? Was it true, as Frick later declared, that his nonunion mill was operating "with the greatest satisfaction to ourselves and to the unquestioned advantage of our employeees"? Was it true, in his words, that, "the best evidence that their wages are satisfactory is shown in the fact that we have never had a strike there since they began working under our system of management"?

Had the workmen and citizenry of Homestead been deluded that there was something to struggle for, that they could slowly lift themselves from their misery by organizing in their own interests? Had Frick's nonunion shop, which he had won with armed gunmen, strikebreakers, and unlimited money resources, actually brought the better day for his employees?

The Homestead workmen could not speak out, but they knew this was false. Let a careful student of this situation, Samuel Yellen, tell the story of what actually happened:

From this time forward the men had no voice in determining their hours and wages, the conditions of work, and the share they were to have in improved processes of production. They had no effective protest against any debasement of their standards of living, and as a result the standards were constantly forced lower. When Margaret F. Byington, some 15 years ago, conducted for the Pittsburgh Survey an investigation into Homestead, she found conditions that made life and happiness nigh impossible. The men toiled long hours, nearly all working a 12-hour day, with a 24-hour stretch every 2 weeks when they exchanged day and night shifts. There was no leisure, little family life, and little civic spirit; there were only hard work, poor food, and wearied sleep. Wages had fallen very low, especially for the fresh immigrant labor, with the usual consequences. (Source: American Labor Struggles, Samuel Yellen; Harcourt, Brace & Co., New York, 1936, p. 99.)

What were these consequences 15 years after the lock-out? Miss Byington in her study, gives us a good description:

The analysis of expenditures indicates that the man who earns $9.90 a week, as do a majority of such laborers, and who has a family of normal size to support, can provide for them only a two-room tenement in a crowded court, with no sanitary conveniences; a supply of food below the minimum sufficient for mere physical well-being; insurance that makes provision which is utterly inadequate for the family left without a breadwinner; a meager expenditure for clothes and furniture, and an almost negligible margin for recreation, education, and savings. Many can, to be sure, add to their earnings by working 7 days a week instead of 6; by working 12 hours a day instead of 10; but after all we are talking of standards of life and labor for an American industry, and common sense will scarcely sanction such a week of work. Many, too, as we have seen, take in lodgers, but do it at the cost of decency and health. (Source: Byington, M. F. Homestead: The Households of a Mill Town (1910), p. 180.)

Concretely, Frick's victory meant that by 1907 unorganized common laborers in steel mills received only $1.65 for a 10-hour day and $1.98 for a 12-hour day, although not far away in the bituminous coal mines the common laborers, organized into their own union, were receiving $2.36 for an 8-hour day. And as the workmen sank into a state virtually of slavery, this Carnegie Steel Co. was rapidly transforming itself into that vast monopoly now known as the United States Steel Corp., strategically situated at the heart of modern American industry.

GASTONIA

A great deal of attention is being paid to the evils resulting from the National Labor Relations Act. What must be remembered is that the act has corrected evils of a far more urgent nature. A review of practices that were of common occurrence before the right of workers to organize and to bargain collectively was recognized can most lucidly be illustrated from concrete examples of industrial disputes before the act was passed. Any curtailment or abridgement of labor's right to organize and to bargain collectively may well mean the return to an America of industrial warfare, as is illustrated, for example, in the textile workers strike in Gastonia in 1929, and a return to far greater evils than the proposals now before the Senate attempt to remedy.

The history of events in the Gastonia strike can be understood only against the background of labor conditions existing at the time—labor conditions that were directly attributable to lack of organization. In spite of many protestations to the contrary, the desire for organization

among southern workers to better their working conditions was in ample evidence; but the employers were able to mobilize the police and citizen committees to suppress strikes and organizing activities, with resulting mass suffering and bloodshed. Thus, early attempts at unionizing the southern textile mills in 1900 and again in 1919 failed, not because southern labor was docile but because the employers were able to take advantage of the legally defenseless workers.

GRIEVANCES OF THE SOUTHERN TEXTILE WORKERS

In spite of the failure of previous efforts, in 1929, several textile unions—including the United Textile Workers, A. F. of L., and the National Union of Textile Workers—revived the attempt to organize the South, particularly because of the widespread dissatisfaction with the "stretch out" under which the number of looms under the care of 1 weaver was increased from 20 to as many as 100, in some cases, with no increase in pay—Perlman and Taft, History of Labor in the United States, 1896–1932, volume IV, the Macmillan Co., New York, 1935, page 604.

Another source of discontent, of course, was the low rates of pay. Wages were so low that children of 14 had to go to the mill as a matter of course. Mothers of young children had to work at night. Typical of the treatment received by the employees at the Loray mill is this statement by one of the women workers—

When I was goin' to have a baby and got so I couldn't work, they's fire my husband. Lots of mills won't have you unless there's two hands in the family working. (Mary Heaton Vorse, Gastonia, Harpers, November 1929, p. 705.)

In the colorful language of the mountain men who were the principal source of labor supply for the textile mills:

The boss-men say in the papers that the average wages is $18.60 a week. This is damn lie. Maybe if you take all the money all the bosses git and average it up, then it may be about right. But as fer as the mill hands is concerned, they git an average of about $12 or $13. That's fer 11 or 12 hours work daily fer a week. * * *

When you go to git yore pay envelope you never know what yore agoin' to git. They used to give you a statement showin' what was due, but that give us a chance to kick. They paymaster never get thru tryin'-to straighten our complaints. There ain't no way now of checkin' up to see if you git what's a-comin' to you. (William F. Dunne, Gastonia, Workers Library Publishers, New York, 1929, p. 56–57.)

FIRST STRIKE IS SPONTANEOUS

As a result of such conditions, the first large-scale dispute of this period was a spontaneous strike by the employees of the Glanzstoff Rayon Co. at Elizabethton, Tenn., which occurred in March 1929. Later, the strike spread to the Bemberg plant, under the same management, so that a total of 5,500 employees were involved in the walk-out—Ernest J. Eberling, the Strikes Among Textile Workers in the Southern States, Current History, June 1929, page 451. Alfred Hoffman, representing the United Textile Workers of America, soon arrived to take charge, while the National Guard of Tennessee were called out to protect the rayon plants—Nashville Tennesseean, March 19, 1929. Peace was restored when Federal mediators brought about a settlement providing for no discrimination in rehiring and a promise of wage increases.—Ernest J. Eberling, op. cit., page 452.

The agreement was short-lived, for in the night of April 4, Edward McGrady of the American Federation of Labor, and later First Assistant Secretary of Labor, and Albert Hoffman were carried out of town by a mob, and ordered not to return under penalty of death—Nashville Tennesseean, April 6, 1929. Ten days later, discharge of the union grievance committee resulted in a second walk-out—Nashville Tennesseean, April 16, 1929. Two companies of National Guardsmen returned; and the district court enjoined picketing, with the result that over 600 strikers were arrested—Raleigh News and Observer, May 15, 25, 1929. By such tactics was the union eventually broken.

STRIKE AT GASTONIA RESULTS IN BLOODSHED

I read a statement by Mr. Yellen:

In the meantime, on April 1 another strike broke out under widely different circumstances near Gastonia, N. C. Here at the Loray mill, owned by the Manville Jenckes Co., of Pawtucket, R. I., Fred E. Beal, of the National Textile Workers' Union, had secretly organized the workers. As soon as the management discovered this union, it discharged five of its members. More than half of the force of 2,200 walked out in protest. A strikers' committee called upon Superintendent J. A. Baugh with a list of demands, including recognition of the union, a 40-hour week, minimum weekly wage of $20, and the abolition of the stretch-out; but he replied by roping off the street leading to the mill and by keeping the looms going with a small force. A scuffle between pickets and deputies on April 2 brought out five companies of the National Guard. (Samuel Yellen, American Labor Struggles, Harcourt, Brace & Co., New York, 1936, p. 303.)

I now read two statements by Mrs. Vorse:

During the first days of the strike, there were large and orderly picket lines despite the presence of five companies of State troops, but later these picket lines were broken up with increasing severity. Workers were beaten after their arrest, and all of the leaders were arrested at one time or another. (Mary Heaton Vorse, op. cit., p. 701.)

One worker stated, "I was leading the picket line and I was trying to get through a mob of deputies. They said, 'What do you think you're doing?' I said, 'Leading a picket line if I can get through,' and I walked through. They jumped on me and hit me with clubs over the head and in the belly so I was spitting blood and hemorrhaging all night. It was 2 weeks ago, and I ain't well yet. I was all mashed up inside." (Mary Heaton Vorse, op. cit., pp. 705–706.)

Nor were women spared. One stated that she had been going to the store for supper on Monday, April 22. Policemen came down the street—

chasing the strikers before them like rats. He cut my dress and he cut me, too. They had been a drinkin' an' they must'a been a drinkin' to chase women and little kids with baynits. They chased 'em in and out the relief store like dogs huntin' rats. * * * An' then the policemen came up an' hit me between the eye with his fist. He hit me more'n 20 times, I reckon. I was all swelled up an' black an' blue. (Ibid., pp. 706–707.)

Regarding the mass violence of the 18th and 22d of April, as reported above, Mrs. Vorse states:

The National Textile Workers' Union had rented a small shack on the main street of West Gastonia, which it used as strike headquarters. An empty store near by had been hired as a relief depot, and to it the strikers went daily to get their food supplies. This relief store was supported by the Workers' International Relief, an organization which collects money from labor unions for workers on strike. * * * On the night of April 18 a mob of between 150 and 200 masked men descended upon the headquarters and with axes and other instruments almost literally chopped it down. They broke into the relief store, smashed the windows, and threw the supplies of food intended for women and children out into the road and destroyed them. The nine boys who, unarmed, were guarding the headquarters and store were arrested by National Guard men. None of the raiders were arrested.

The militia was dismissed at the end of that week. A large number of extra deputies were then sworn in and armed with bayonets. On Monday, April 22, they charged the picket line with bayonets and blackjacks. A reporter was beaten unconscious. Women were beaten. Men and women, their clothing torn, were scattered with bayonets. Large numbers were arrested. The events of that Monday afternoon were a premeditated attempt to terrorize the workers from holding the picket line.

This was the general state of affairs when I arrived. A grand jury had already been called to investigate the mob outrage, which was very badly looked upon throughout the State. It failed to bring indictments or to throw any light on who was responsible for the trouble. Two of the nine guards made affidavits that they recognized members of the mill police among their assailants. (Ibid., pp. 701–702.)

Commenting on this outrage, the Raleigh News and Observer of April 23, said editorially:

Last week, a mob of men in the nighttime, armed with their own guns, under masks of their own making, invaded and wrecked the headquarters and relief store of the striking cotton-mill workers of the Loray Mills in Gaston County.

Last night, a mob of other men in the nighttime, armed with guns and bayonets which were the property of the State, under cover of badges as deputy sheriffs of the county of Gaston, invaded a peaceable meeting of strikers, scattered the assembly with bayonets, rifle butts, and blackjacks, and seriously wounded a newspaper reporter going about his own business.

We might as well face the facts. The textile interests of North Carolina need not feel called upon to make common cause with the Loray mills in this situation. That situation was created by stupidity, hysteria, and prejudice heated white. That Gaston strike and all its complications of lawlessness on the part of law. Indifference to the rights of citizens on the part of the law, partisanship in an industrial dispute on the part of the law ought to be isolated and treated with desperate treatment as a cancerous growth on the industrial life of the State.

Mrs. Vorse also states:

A few days after this, the mill company began mass evictions. The 50 people evicted that first day lived in houses distributed through the different sections of the mill village. * * * The work of eviction continued relentlessly day after day. The mill

village became a gypsy encampment. People set up stoves and beds in the lots. The dwellers of 200 homes were evicted. Over a thousand people must have been homeless. (Op. cit., pp. 707-708.)

On May 7, the Washington (D. C.) Post carried the following dispatch under a Gastonia date line:

"Striking members of the National Textile Workers Union were facing a new and pressing problem tonight as police deputies began carrying out eviction orders issued today against 62 families formerly employed by the Manville Jenckes Co.

"The deputies began their dreary task at 2 o'clock this afternoon. As the chill of nightfall crept over the town they had entered 13 of the mill shacks, dragging the humble furnishings and cherished possessions out into the street. * * *

"For two families the eviction was a grave matter. Illness failed to stay the hands of the officers."

Undaunted, the workers set forth about erecting a tent colony and a new union headquarters with the aid of the Workers' International Relief. In response to the frequent threats that the new headquarters would be destroyed as the old one had been, the boundaries of the colony were patroled at night by an armed guard. On the evening of June 7 police officers, led by Chief of Police Aderholt, attempted to enter the colony. The striker guards demanded a search warrant. Another policeman tried to disarm a guard. In the scuffle a gun went off and the shooting began. Each side claims the other fired first. In the next few days 70 persons were arrested. Sixteen people, including three women, were held for first-degree murder, and seven others were held for conspiracy. (Mary Marvin Vorse, op. cit., pp. 708-709.)

At the subsequent trial, the State could not connect any of the defendants with the shooting of the chief of police. At this point one of the jurors conveniently went insane, and the case was declared a mistrial. The released jurors told the press that they were for acquittal on the basis of the evidence they had heard. (Ibid., p. 709.) A second trial was held at which nine of the defendants, for the most part local people and women, were dismissed. The other seven were found guilty of second-degree murder with sentences ranging from 5 to 15 years.

During the second trial increased disorders occurred. A mob went to a house in Gastonia where union organizers lived.

A hundred men crowded into the house and kidnaped Ben Wells, an Englishman, and C. D. Saylor and C. M. Lell, local men. They were driven to a wood in a neighboring county where Wells was stripped and flogged. Two opossum hunters heard his cries. The night riders heard the hunters approaching and thought it was the law and fled, leaving Wells unconscious, to be rescued by his companions. * * *

The culmination to mob violence came on September 14. A truckload of union members were going to an attempted union meeting. The meeting was never held, armed mobs turning away all union members. The truck turned back to Bessemer City, whence it had come, and was followed by a number of cars containing members of the mob. A car swerved in front of the truck apparently to stop it. The truck crashed it, and the car was upset. Immediately rifle fire was opened on the unarmed workers. A woman was shot through the chest and died instantly. She is a widow and leaves five young children. (Ibid., pp. 709-710.)

FURTHER VIOLENCE AT MARION

Violence and bloodshed were by no means limited to the strike in Gastonia. On July 11, 1929, employees of the Marion Manufacturing Co., at Marion, N. C., under the leadership of the United Textile Workers, A. F. of L., walked out. The company had refused to grant a workday of 10 hours with no reduction in pay. A month later the employees of the Clinchfield Manufacturing Co., at Marion, struck in protest against discrimination against union men, and for a reduction of hours. The workday had been 12 hours and 20 minutes. Disregarding a temporary injunction against picketing, the strikers finally agreed that old employees wishing to return to work could do so on condition that the companies imported no outside strikebreakers. Finally both plants agreed to rehire the strikers and to adopt the 55-hour working week at the old wages, the question of the hours to be voted on by the employees 6 months after the settlement. Less than a month later, the mill workers walked out to protest discrimination against members of the union.

A picket line was formed around the Marion mills, as the day shift left their jobs, to apprise the night shift of the new strike. The sheriff rushed to the scene, and ordered his deputies to fire at the unarmed pickets. Three were killed, and 21 wounded, 2 of whom died later. The majority of the dead and wounded were shot in the back while fleeing. Perlman and Taft, op. cit., p. 607.)

As a result of this massacre, the sheriff, 10 deputies, the superintendent of the Marion Manufacturing Co., and 3 of his employees were charged with murder. Thirty-two strikers were arrested—Raleigh News and Observer, October 4, 1929. Four of the strike leaders were eventually tried and convicted of rioting and resisting an officer. The leader of the Marion strike, Alfred Hoffman, who had figured also in Elizabethton, was sentenced to serve 30 days and was fined $1,000. The three other defendants were sentenced to 6 months in jail. The sheriff and deputies indicted for murder were acquitted by the jury on the ground of self-defense against the unarmed pickets.

1920'S—DRIVE FOR THE OPEN SHOP

The decade preceding the inauguration of President Roosevelt and the adoption of a national system of labor legislation was marked by an almost uninterrupted decline in union membership. There are several reasons accounting for this development, but one of the most important was the aggressive antilabor policy employed by a significant number of large firms in major industries.

This policy consisted of establishing clear-cut barriers to unionization of employees, as well as the adoption of a variety of programs designed to stress the community of interest of employers and employees. In addition, important industries, such as cotton textiles and clothing, made a conscious effort to avoid union organization by moving large mills to nonunionized areas, such as parts of the South.

The decade of the 1920's, which witnessed this fight against labor unionization by means of "welfare" activities by employers, has been called the period of the "personnel administration offensive."

By the end of 1920 a network of open-shop organizations covered the country. In New York State alone at least 50 open-shop associations were active. In 8 Massachusetts cities 18 open-shop associations were active. Cohesive antiunion fronts were organized in New Jersey, Connecticut, Rhode Island, Maryland, West Virginia, and Pennsylvania. Activities of employer associations in the Middle West areas matched the open-shop fervor evident in the East. Southern organizations joined as enthusiastic fighters The Far West—Idaho, Montana, Washington, and California—all had active open-shop associations. Early in 1921, 22 State manufacturers' associations met in Chicago, adopted the name "American Plan," and mobilized for the battle against the closed shop—John R. Commons and Philip Taft, History of Labor in the United States, 1896 to 1932, New York, 1932, page 491 and following.

Strategy was concentrated on the front of "ideals and sentiments." Propaganda emphasized "industrial democracy" of the employee-representation-plan variety.

A special report of the Senate Committee on Education and Labor, submitted in 1939, states:

In order to carry out its program the National Association of Manufacturers, together with other associations, organized in 1916 the Chamber of Commerce of the United States and the National Industrial Conference Board, the latter to provide factual data for the association's "educational" campaign. * * * Whereas, before 1920 this propaganda campaign was conducted on the slogans of patriotism and freedom, after 1920 it became what it always had been, a candid open-shop drive which was the spearhead for the antiunion movement then sweeping the country.

* * * * *

In this period * * * the association's representatives maintained their unyielding attitude on social legislation, just as they had done prior to 1913. They continued opposition to modification of the antitrust laws to exempt labor unions from the application of the law, legislation restricting the issuing of injunctions by Federal courts against labor unions in industrial disputes, regulation of child labor, regulation of the hours of work on Government contracts, the establishment of collective bargaining in employment relations among interstate carriers, and many other legislative proposals designed to correct some of the basic dislocations which gave rise to social unrest. (Digest of Report of the Committee on Education and Labor pursuant to S. Res. 266; Labor Policies of Employers' Associations, Part 3; the National Association of Manufacturers, U. S. Government Printing Office, Washington, 1939, pp. 8-9.)

Other methods of fighting unionization were not ignored. The yellow-dog contract was used as an effective weapon in checking the organizational efforts of trade unions and forestalling the introduction of the closed shop.

In accordance with the Hitchman doctrine, established by Supreme Court decision in the Hitchman case—for summary of case see Harry Millis and Royal Montgomery, Organized Labor, New York, 1945, pages 513 and following—yellow-dog contracts were held to be entitled to protection by injunction. The Court had held that a union's efforts to organize workers employed under oral contract not to join a labor union was

equivalent to inducing breach of contract and that an injunction to prevent such action was appropriate.

Use of the yellow-dog contract thus proved to be a highly effective device to break unions and to forestall closed-shop developments.

The drive against the open shop was extended, beyond the scope of recognition, into questions of trade-union wage-and-hour programs. In the fall of 1920, the open-shop book and job printers' associations began a campaign against the 44-hour week. In 1921, the National Forty-eight Hour League of Employers was formed by delegates from 39 States, representing 5,034 plants, and employing 150,760 printing workers. The typographical and printing pressmen's unions fought this campaign to revise the workweek schedules, particularly since only a few months previous the Joint Conference Council, which included the United Typothetae of America, the Printers League of America, and the International Association of Employing Stereotypers and Electrotypers, had agreed to adopt the 44-hour week. In fact the chairman of the closed-shop division of the United Typothetae admitted that the unions had a perfect moral case but nevertheless he was fighting the 44-hour week.

This is merely one example of the union-busting pattern set by employers during this period. In March 1921 the Big Five meat-packing companies declared their intention of abrogating their agreement with the union. The packers were determined that the union—the Amalgamated Meat Cutters and Butcher Workmen—had to go, and they resorted to a company union, coercing their employees to join the new organization. The Amalgamated, in protest against several wage cuts in violation of their agreement, finally was forced to call a strike. Although the number of workers on strike was estimated at 45,000 in 13 cities, and despite large picketing demonstrations, summoning of companies of National Guard men, and injunction suits by packers in a number of cities, the companies actually denied the existence of a strike, and they continued operations as far as possible.

The union's resources were too meager for a strike of such proportions, with such adamant, unyielding opposition. The strike was finally called off in February 1922; and the packing industry was back to the open shop.

In the men's clothing industry, in 1920, the clothing manufacturers of greater New York demanded that the Amalgamated Clothing Workers virtually relinquish any union control over jobs. Hostilities began with a lock-out of 16,000 in several of the larger shops, followed by a strike in the remainder of the industry, involving 65,000 workers. The union was willing to arbitrate, but the employers remained firm in their original demands. They also turned to attacks on the legal front, by filing damage suits against the union for the sum of $1,300,000 in addition to suits for injunctions and even for dissolution of the union.

The contest lasted 6 months before the employers finally accepted peace on union terms, which included a wage cut not to exceed 15 percent and standards of production under union control.

Even the railroad brotherhoods suffered from the strong antiunion wave. In 1920 the railroads were returned to their private owners, and soon thereafter there was a sharp reduction in railroad personnel, plus a concerted move to deflate railroad wages. In addition, the railroad authorities were extending the practice of contracting out work to outside shops in order to escape regulations established by the Railroad Labor Board. These regulations had granted shop employees a wage increase and, pending further consideration, had ordered no changes in wage or working conditions except by agreement between the carriers and their employees.

The contracting-of-work method quickly assumed menacing proportions. Not only was work given to outside shops, but through subterfuge on some lines the railways' own shops became formed into contract shops. This made possible the substitution of piecework rates for authorized methods of wage remuneration. In 1922 the Board ruled that this farming-out practice was in violation of the Transportation Act, but the carriers' association formally refused to accept the Board's decision.

In fact, the Pennsylvania Railroad went so far as to challenge the very right of the unions to speak for its employees, and agreed to negotiate only with persons selected as representatives under a company-sponsored employee representation plan. During the time which elapsed while the Board investigated the situation and the company thereupon secured an injunction prohibiting the Board from publishing its decision, the company gained the opportunity to consolidate and extend its company union. The final result of this, plus further attempts to decrease wages, was an industry-wide strike which began in July 1922 and was not finally settled until the following October, with agreement that complaints and disputes would be settled by a special joint commission.

An open-shop drive occurred in the maritime industry. In January 1921 the International Seamen's Union and the Marine Engineers' Beneficial Association were approached by the American Shipowners' Association and the United States Shipping Board with a proposal that a new agreement should allow a 25-percent reduction in wages and no overtime pay. Negotiations dragged on, and 11 days before the expiration of the old agreement new demands were made—including abolition of the privilege of union representatives to enter docks or board vessels, and withdrawal of preference to union men in hiring.

The result was that on May 1, 1921, when the old agreement expired, all American shipping from New York to Texas was tied up by a strike. At the end of the second week of the strike, 300 pickets were under arrest in Gulf and Atlantic ports on charges of vagrancy.

The strike was weakened by the acceptance by the Marine Engineers' Beneficial Association of reductions in overtime pay. Return of the engineers made victory by the unions impossible. Finally, after 52 days, the strike was ended with a return to work without an agreement.

The impact of this defeat dealt a devastating blow to the seamen's union. Its membership dropped 50 percent within a year, and by 1923 it was barely 20 percent of what it had been at the evening of the strike. The defeat meant blacklisting and discrimination against union men.

This was generally the case in every union which waged an unsuccessful battle against the open-shop drive, and this postwar drive to liquidate labor's wartime achievements appeared on the entire industrial front. In the highly organized trades, wage deflation and weakening union control were management's twin objectives. In poorly organized industries, the attack was mainly on wages and hours.

Mr. President, I have dwelt for some time on this discussion of the labor-management situation after the last war, because there are important lessons which we must learn from the bitter experiences of that period.

During the First World War, significant strides had been made in the field of important labor legislation and in the over-all recognition of trade unions in the political and economic scene. Unionism was represented by Mr. Samuel Gompers on the advisory council of the Council of National Defense. The President's Mediation Commission, established in 1917, also included a labor representative. That board was charged with the responsibility of settling labor-management controversies in industries essential to the war effort, and thus it had to establish certain standards and to develop basic labor-relations policies. Underlying those principles was recognition by the board of the right of workers to bargain collectively through representatives of their own choosing, and recognition that workers were not to be discharged for trade-union membership, nor were they in any way to be subject to discrimination because of such membership. Union rates were to be paid where they had been customary in the past, and the living-wage principle was to be made applicable to all workers.

In the period immediately following the war, however, withdrawal of Government protection of labor's right to organize, management's disposition to reassert its prewar prerogatives, the lag of money wage-rates behind the rising cost of living, and the tendency of employers to withdraw the recognition accorded unions during the war, served to accentuate industrial unrest.

A National Industrial Conference, attended by public, labor, and management representatives, convened at the invitation of President Wilson in 1919 to plan labor-relations programs in the postwar era. The conference failed, owing to inability of the delegates to agree that collective bargaining should mean bargaining between employer and union representatives indipendent of any employer influence and control. Labor's representatives had insisted upon recognition of the right of workers to be represented by delegates of their own choosing; employer representatives insisted that no employer should be obligated to meet for

purposes of collective bargaining with other than his own employees, and that collective bargaining be so defined as to include negotiations with shop committees and employee-representation organizations as an alternative to trade unions.

One of the crucial points which are clearly highlighted by this review is that the policy of the Government toward labor organization exerts a profound effect on the status of industrial relations. Following a period of relative quiescence in labor-management relationships, in a period calling for drastic changes in our living pattern—we call it reconversion—serious disagreement, even some strife, is inevitable. But there are clear indications that during the twenties labor-management disputes were seriously aggravated by the sharp change in the Government's labor policies. Its "hands off" attitude on such basic issues as labor's right to organize and bargain collectively—at a time when some clear-cut statement guaranteeing those economic rights to workers was needed—contributed to a relatively chaotic condition in the area of labor relations.

The long-run economic and social loss suffered in this country by allowing the antiunion open-shop drive to run rampant is immeasurable. Who knows what effect a labor policy such as is now embodied in the National Labor Relations Act might have had on the economic history of the United States?

An important point to be remembered is that we must not permit any repetition of the tragic developments of the twenties by allowing the emasculation of any part of the NLRA or by approving any antilabor legislation which would in effect turn back the clock of our labor-relations history.

COMPANY UNIONS

In this discussion I have referred to the establishment by employers of company unions which were organized as a tool with which to fight bona fide trade-unions. Let us examine the organization of these so-called unions, and their full implication in terms of the development of trade-union movement.

A company union is an organization confined to workers of a particular company or plant, which has for its apparent purpose the consideration of conditions of employment.

When this method of handling labor matters was carried on by informal committees, the whole arrangement was commonly referred to as an employee-representation plan * * * however, in cases where more formal procedure was developed, such as written constitutions, elections, membership meetings * * * and dues.

The term "union" might more appropriately be applied.

In 1935 the Bureau of Labor Statistics of the United States Department of Labor made a study of 126 company unions in order to determine how effective they were as agencies representing interests of the workers, how self-supporting and free from employer domination they were, and to evaluate their general effectiveness in collective-bargaining procedures.

I quote from a Bureau of Labor Statistics report based on this study:

Examination of a representative group of 126 company unions indicates that their establishment was frequently due to the pressure of trade-union activity, either in the form of organization drives or strikes in the trade or vicinity.

At the time of this study the great majority of company unions had been set up entirely by management. The management usually conceived the idea, developed the plan, and initiated the organization. In a number of cases one or more employees played a part in initiating the company union, but in some of these employee initiative was more apparent than real. In others, the company accepted an employee's suggestion for such an agency, and then created the organization, but company unions were almost never established without some assistance from management.

Frequently, management applied varying degrees of pressure, including in some cases discharge of trade-union members and threats to close down the plant unless the company union was established.

I continue reading:

The existence of a company union was almost never the result of a choice by the employees in a secret election in which both a trade union and a company union appeared on the ballot. In one-third of the plans studied by the Bureau of Labor Statistics the employees were offered a chance to vote in a secret election in which expression of opinion was limited to a vote for or against the company union. In some of these cases the company union was formed even when the vote was in the negative. In another third the company unions were installed without any expression of choice by the workers, while in about an equal number of cases their choice was registered by signature to a membership roll or petition or by open vote at a public meeting.

All but a few of the company-union constitutions either specifically or by implication made the management a party to the functioning of the employees' organization. The management could veto amendments to the company-union constitution in a substantial number of instances and could even abolish the company union in a few cases.

Most of the company unions studied relied entirely upon the management for their finances. Many others received more or less important financial assistance from the employer. Such financial dependence generally meant that proposed expenditures by the company union had to be approved by the management. Less than 10 percent of all the company unions appeared to be financially self-supporting. The rate of dues was in most cases considerably below trade-union levels, and few of the company unions had substantial treasuries.

Just as the company union was confined to employees of the company, so its officers and representatives almost invariably had to be employees. A few of the company unions had full-time salaried officials. Some of these were paid by the company, and all were former employees of the company.

A majority of the company unions required that the employee representative must personally attempt to adjust a grievance before it could be taken up by the more formal company-union machinery. The effect of such an arrangement was to relate the prosecution of grievance cases to the energy and courage of an employee who must face his superiors without the backing of an organization free from the employer's control.

In view of the emphasis placed upon the company union as an agency for adjusting individual grievances, it is significant that one-third of the company unions handled no such matters. According to persons interviewed regarding company unions which did take up individual grievances, approximately one-third of this group did so effectively, another third with limited effectiveness, and the remainder ineffectively.

Company unions were less effective in handling general questions of wages and hours than in handling other matters. In nearly half of the cases no general wage increases were requested or negotiated by the company union between January 1933 and July 1935. This does not mean that there were no wage increases in these plants. Since it was a period of rising prices and business improvement, some of these companies gave increases but the company unions played no part in securing these increases.

Such wage adjustments as did take place, following requests by company unions, were in most cases not a result of any process which might be termed negotiation or collective bargaining. In some instances, it appeared that the wage increase which management had decided to make was announced through the company union in order to increase the prestige of the company union. Many requests for increases were refused by the management without any negotiation, and with a simple statement that conditions did not warrant any increase or that wages were above those in other plants.

In negotiations concerning wages and hours of work, company unions were handicapped by a number of factors. Important among these was their lack of knowledge of the financial condition of the company and of comparative wage scales in the industry. They lacked, in practically all cases, any regular contacts with company unions outside their own plants. Most of them had to rely entirely upon the statement of the situation as presented by the management. Practically none of the company unions had hired outside experts for assistance in negotiations with the management. Most of the organizations were not considered as having the right to hire such assistance, while few of those which had the right possessed the necessary funds.

More fundamental was the company union's inability to bring any pressure upon the employer. In most cases aggressiveness could take the form only of reiterated requests for consideration of the petition of the company union. Practically all of the organizations specifically or by inference disavowed the use of the strike and only a negligible number had funds sufficient to carry on a strike for any length of time.

Most important of all, perhaps, the company unions were hampered by their inability to influence wage conditions in more than one plant. Although prevailing wages were specifically recognized as a determinant in wage negotiations in many cases, the company unions had no machinery for affecting conditions in competing plants.

Company unions generally lacked adequate means for ascertaining the wishes and problems of the employees. Two-thirds had no provision for regular meetings of employees; some of the others met only once a year. General membership meetings are vital to any organization which seeks to keep in intimate touch with the desires and aims of its members. Where regular and frequent employee meetings were not held, no chance was given to employees as a body to discuss general problems and policies which were of interest to them. Furthermore, except in those few cases in which employee representatives were allowed time off to see their constituents, employees had no regular machinery for conveying their individual views and interests to their representative.

The company unions studied evinced little interest in matters of social or labor legislation and were even less active in presenting the views of employees on such matters. There was little discussion in their meetings regarding matters of labor legislation or national policy affecting their interests. When such matters were discussed, the company-union spokesmen were likely to present information and statements which had been given them by the management.

In the summary this report evaluates the company unions studied as follows:

At one extreme were a large number of company unions—more than half—which performed none of the functions usually embraced under the term "collective bargaining." Some of these were merely agencies for discussion. Others had become essentially paper organizations after their primary function, the defeat of a trade-union, was performed. About one-tenth of the company unions studied, although claiming broader functions, were in reality concerned only with benefit and welfare matters. While their activities along these lines may be important, it is misleading to represent them as agencies for collective bargaining. It does not necessarily follow that this type of organization violated the wishes of the majority of the employees concerned; it is possible that the employees may have been averse or at least indifferent to any other kind of organization.

Another group of company unions, about one-third, were undertaking only a few of the activities in which trade-unions normally engage. These company unions concerned themselves with individual grievances and certain matters relating to working conditions; but broad questions of wages and hours, if they were discussed at all, had not been submitted to a process of negotiation and bargaining. Where these company unions had been successful in the limited area of grievance adjustment, a liberal, intelligent attitude on the part of the management had been an important factor. With careful cooperation by the management about half of the company unions in this group had become effective avenues for the adjustment of individual grievances.

The degree of isolation in practice was even greater than that inherent in the structure of a union limited to the employees of a single company. Thus, few interested themselves in any proposed legislation or governmental action affecting workers. They did not hire persons outside the plant to assist in negotiations with their employers. Neither did they seek arbitration by impartial outsiders of requests refused by the employer. So rarely was strike action even considered that the threat of withholding their labor played virtually no part in negotiations with their employers. Finally, the most vigorous of these organizations had no means for marshaling the support of large bodies of workers to influence the terms of the labor contract beyond the confines of a single company.

Viewed broadly, company unions, which are generally viewed as being "tainted" independent unions, have been a product of the open-shop struggle, reaction by business to Government laws, and the so-called welfare capitalism.

One of the earliest employee representation plans in the United States was introduced in the Filene Store in Boston in 1898 as the Filene Cooperation Association. By 1926 according to a study of the National Industrial Conference Board, there were 432 companies with 913 plans, the plans covering 1,369,078 workers. From 1919 to 1932 "membership" in company unions, according to this report, had increased 213 percent, while during the same period per capita taxpaying membership in AFL trade unions had decreased 22 percent. In other words, while in 1919 coverage of company unions was approximately one-tenth as large as the trade-union membership, in 1932 it was four-tenths as large.

In September 1920 the United States Chamber of Commerce published the results of a referendum vote of its members, showing that a large majority of them endorsed open-shop dealings with shop committees. We have seen evidence of the results of this pro-open-shop sentiment in the review of the anti-trade union drive during the decade of the 20's.

During the period of the early thirties, marked by the great depression and the comparatively ineffective and discouraged trade union movement, the company union movement, despite a relative decline, continued to hold its own in such important industries as oil refining, electrical manufacture, public utilities, telegraph and telephone, meat packing, farm machinery, and some branches of the metal trade. More than ever, they found their place in plants operated by very large companies. For example, plants employing 1,000 or more workers accounted for almost 98 percent of employees covered by company union plants, according to the National Industrial Conference Board report mentioned above.

In 1935 the National Labor Relations Act was passed, making it an unfair labor practice for an employer "to dominate or interfere with the formation or administration of any labor organization (including company unions)." The Board has established a set of standards in accordance with which it determines whether or not an employer is guilty of domination or interference with a labor organization, that is, whether or not such organization is a company union. From 1935 to 1943 charges alleging unfair practices by employers regarding company unionism constituted 15 percent of total charges of unfair labor practices received by the Board, although the Board found violations in only about one-third of the cases in which charges had been filed.

Since the favorable Supreme Court decisions of April 1937 regarding the NLRA as interpreted and applied by the Board, there has been a marked change in the extent of company unionism. Dissolution orders have been carried out in a significant number of cases, and, in many other cases, old company unions have been reorganized as bona fide independent labor organizations.

In 1936 Mr. David Saposs summarized the effect of the NLRA on company unionism as follows:

A combination of factors since the advent of the New Deal is responsible for a tendency to readapt company unions. The new legislation, guaranteeing the right of workers to self-organized, self-directed, and self-financed labor organizations for the purpose of collective bargaining, is materially affecting the nature and character of employee representation plans. The ruling by most of the labor boards intrusted with the enforcement of this legislation that labor organization is the sole concern of the workers has been an additional stimulus to the readaptation of company unions. The simultaneous assertiveness of the trade movement, with its spread of union activity to important industries in which it had been previously quiescent, and the general public sentiment that workers should have a right to organize for collective bargaining have accentuated this tendency. (Saposs, David J., "Organizational and Procedural Changes in Employee Representation Plans, Journal of Political Economy, vol. 44, 1936, pp. 803ff.)

STRIKEBREAKING

Further study of antiunion practices serves to emphasize the importance of sound labor legislation which prohibits flagrant attempts to destroy trade-unionism—and to emphasize the danger of antilabor legislation which would weaken the strength and bargaining position which has been attained by organized labor.

A review of violent strikebreaking practices by employers during periods of trade-union organization presents a bloody picture of the history of industrial relations developments in this country.

Probably the best summary account of antiunion practices, particularly since 1933, is found in the now famous hearings and reports of the Senate Committee on Education and Labor, which investigated "violations of the rights of free speech and assembly and undue interference with the right of labor to organize and bargain collectively." The Senate investigation revealed the shocking facts of how labor spies and pseudo police agencies had been loosed upon labor. The revitalization of the labor movement which began to occur in 1933 brought prosperity to the labor-detective agency, the strikebreaker, and the purveyor of gas and machine guns to industry.

The following excerpts from hearings and reports of the committee tell in simple, direct fashion the dramatic and terrible story of antilabor practices employed against union members in an attempt to break organization attempts, destroy unions, and terrorize employees who evidenced sympathy with labor-union activities.

Mr. President, the following excerpts are from hearings and reports of the Senate Committee on Education and Labor:

The committee has learned that there has existed an established business of supplying weapons especially adapted for use in industrial disputes. The weapons furnished for such use were principally the various forms of tear and sickening gases, with equipment such as grenades, shells, and guns for discharging them. Submachine guns are also supplied for such use, though to a lesser extent. Because such weapons are designed and adapted for use by public authority in the exercise of police power in conditions of civil disorder, their purchase and possession by private employers raises problems of far-reaching significance. The committee found that gas weapons are widely purchased by employers and frequently used by them in industrial disputes, and that submachine guns have, to a lesser extent, been so purchased and so used.

A study of the purchase of such weapons by employers revealed that both machine and submachine guns and gas weapons are bought most frequently either in anticipation of, or during, labor disputes. A study of

the records of selected employers, concerning the purchase of revolvers, rifles, and shotguns, indicates that purchases of such weapons in quantities above the necessary minimum required to equip plant watchmen and to guard valuables, was inspired by the fear of strikes, or labor disputes.

The committee's investigation disclosed not only that industrial munitions were purchased by employers at critical periods in the course of their relations with their employees, but also that such purchases bore marked correlation to the labor policies of such employers. Almost invariably those employers who have assumed an attitude of hostility to bargaining with so-called outside unions have been discovered to be largest purchasers of industrial munitions. Conversely, the establishment of cordial relations based on the principles of collective bargaining seems to appease the appetite for arms, and terminate the purchases of such weapons.

A large proportion of the strikes suffered by such employers involved the issue of recognition. In many cases such employers resorted to labor espionage, or employed strikebreaking agencies to use the weapons they had acquired.

Resort to arms by workmen is a rare occurrence, whereas the practice of industrial munitioning on the part of employers is widespread and commonplace.

The fact that munitions companies, in their sales efforts, lay consistent and primary emphasis on employers and corporations, both as purchasers of munitions themselves, and as influential in inducing law-enforcement agencies to make purchases, is indicative of the purpose and character of industrial munitions.

The munitions companies do not sell to labor organization. While sales to employers comprise roughly more than one-half of the total business of these munitions firms, there is no record, that the committee has been able to discover in its whole comprehensive investigation, that any of these companies sold any gas or gas equipment to any labor organization or the members thereof. John W. Young, president of Federal Laboratories, Inc., testified before the Special Senate Committee Investigating the Munitions Industry that he had not made any sales to labor organizations and, furthermore, that he had never been requested to do so. The Lake Erie Chemical Co. followed the same policy.

In describing the kinds of munitions used in industrial disputes, the committee reported:

The firearms include pistols and revolvers of all calibers from .22 target pistols to heavy police and Army-type service revolvers, rifles, shotguns, machine, and submachine guns. Among the rifles are stands of Springfield Army models as well as varieties of carbines and arms of lighter calibers. The shotguns are of automatic, pump, repeating, and single-action type, both long barreled and sawed off. Most deadly of the arms found in the possession of employers are machine guns, machine rifles, and submachine guns. A hint of the warlike, as distinguished from policing, character of some of industry's arms is given in the inventory of one company which included 5 tripods and 2 gun carriages for its 8 Army-type machine guns. Large quantities of ammunition were found on hand for all these weapons.

The committee found evidence of innumerable kinds of clubs which were purchased, manufactured, or stored as part of industry's arsenals. Baseball bats, ax handles, "coronation sticks," blackjacks, billies, metal pipes, steel bars—all appear in the record. In some cases these were manufactured in plants immediately prior to or during strikes. During one strike the company guards were armed with pieces of steel reinforcing material with taped handles. During another strike, great ingenuity was used by employees in the plant in constructing weapons with which pickets were bombarded from the plant. Compressed-air guns, used to operate chipping hammers for the chipping of steel billets, were rigged up to shoot slugs of steel with great force at the picket posts near the plant gates.

The improvisation of weapons was on one occasion carried to the extreme, according to the testimony of a professional strikebreaker, of stringing high-tension electric wires around a plant and arranging hoses for turning live steam upon strike pickets.

In its investigation of the correlation between the purchase of gas and the labor-relations situation in plants of the purchasers, the committee found:

Out of $490,598.93 worth of gas purchased by the 80 largest private purchasers of gas between January 1933 and June 1937, $401,127.75 worth was bought during strikes or when strikes were threatened in the plants of the respective purchasers. Thus, over 80 percent of these purchases were made during or in anticipation of labor trouble. Even more striking is the conclusion that can be drawn from the tabulation of the causes of the disputes before or during which the gas was purchased. The demand for union recognition recurs constantly, either alone or in conjunction with other issues, such as wages and hours. In all, $364,507.14 worth of gas was purchased before or during strikes or strike threats in which union recognition was the exclusive or contributing factor. In other words, the largest purchasers of tear gas have bought more gas when confronted by demands for recognition than under any other circumstances.

The report continues:

The Little Steel strike of 1937 provided the largest demand for gas munitions ever created in the United States. In preparation for and during the strike the Republic Steel Corp. purchased $53,804.97 worth of tear and sickening gas and gas equipment; the Bethlehem Steel Corp. purchased $32,735.64 worth; and the Youngstown Sheet & Tube Co., $16,513.50. The total for these three companies during the months of May and June 1937 is $103,054.11. Additional purchases of other types of arms were made by Republic Steel Corp. and Inland Steel Co. during this strike and Republic purchased 240 assorted baseball bats and hickory and oak clubs at its Monroe, Mich., works. Inland Steel Co., of Indiana Harbor, Ind., purchased $518 worth of rifles from the American Munitions Co., of Chicago, Ill., on May 26, 1937, the first day of the strike.

In the Republic Steel strike in Canton, Ohio, in 1935, the munitions used and the purpose were described by one of the guards using them—a Republic policeman. I quote verbatim from the testimony presented:

Senator LA FOLLETTE. What did you do in the Berger strike, if anything? What were your duties?

Mr. MOORE. Our bunch broke the picket line.

Senator LA FOLLETTE. How did they break the picket line?

Mr. MOORE. With gas bombs and gas guns and clubs.

Senator LA FOLLETTE. How did they go about doing that?

Mr. MOORE. They rode us up in an armored truck and drove us out in the street about two blocks, and we unloaded and came back after them.

* * * * *

Senator LA FOLLETTE. What did you do, if anything, so far as the pickets were concerned?

Mr. MOORE. Well, as soon as we got out of the automobile we started to open up with these guns—gas guns, long-range guns—and threw gas bombs and used revolvers, gas guns, short revolver gas guns, and steel pipe.

* * * * *

Senator LA FOLLETTE. Was there any comment made by anybody connected with the officials on the activity of these 40 guards who went out with you in this armored truck?

Mr. MOORE. Chief Williams.

Senator LA FOLLETTE. What did he say?

Mr. MOORE. Good job.

In further consideration of anti-labor tactics employed by employers, the Senate committee reported:

Private police systems are created to meet the economic needs and desires of private interests. They are paid from private funds and act as the agents and servitors of their employers, who occupy their positions by virtue of their ownership of property or as appointed agents of stockholders or owners. There is no final accountability and corrective for antisocial actions of private police except criminal proceedings in the courts or statutory limitations on their activities. Private police systems, therefore, cannot be viewed as agencies of law and order.

When the armed forces of the employer are injected into the delicate relations of labor and management, the consequences seriously threaten the civil rights of citizens and the peace and safety of whole communities. Private police systems, whenever used as an instrument of labor-relations policy, constitute a menace to public peace, whether they are invested with the police power of the State as deputies, whether they operate in a company town, or whether they act as agents of large corporations in duly incorporated, self-governing communities.

The use of private police systems to infringe upon the civil liberties of workers has a long and often bloodstained history. The methods used by private armed guards have been violent. The purposes have usually been to prevent the exercise of civil rights in the self-organization of employees into unions or to break strikes called either to enforce collective bargaining or to obtain better working conditions for union members.

In the past, company-owned and controlled towns, implemented by systems of company-paid armed guards, have created conditions approximating industrial peonage. Governmental bodies, from time to time, have investigated such situations and have condemned unsparingly, not only the economic coercion exercised by employers in such towns but also the more direct physical coercion effected under such conditions by the police forces of employers. Early investigations reveal that the private company police system is a traditional element in the pattern of employer domination in the company town.

The United States Coal Commission, created by an act of Congress approved September 22, 1922, investigated conditions in the coal industry. Its report submitted in 1925 shows abuses of police power and the suppression of civil liberties:

In Logan County the sheriff has nine regular deputies and many others who are stationed at the mines. Many of these are stable bosses, paymasters, and office guards, sanitary officers, etc. One of their special duties is to keep a sharp lookout for union organizers, and to devise ways and means to discourage them from remaining longer than the next train. The steep mountainsides converge at the banks of the Guyan River

and a railroad bed has been cut out of the side of the mountain. There is here and there an impassable road, but, generally speaking, all the ground except the bed of the creek is privately owned, and a union organizer can scarcely move off the station grounds without becoming, technically, at least, a trespasser. Once his business is discovered, it is the duty of the deputy sheriffs to prevent his activity by ejecting him from privately owned property. Actually, without the consent of the operators, a union organizer can do little more than ride on a train and look out of the windows. The operators' associations do not deny that it is their determination to keep out organizers, or "agitators," as they call them. They assert that their right to exclude objectionable persons from their mine property is as clear as the right of a manufacturer in Chicago or a home owner in Washington to exclude undesirable persons from their premises. Whatever may be the legal phase, it is undoubtedly a fact that under present conditions Logan County, as well as Mingo and McDowell Counties, W. Va., is now closed to representatives of the miners' union, especially if they engage in union activities."

The Senate committee reports indicate that strike services provided by private detective agencies apparently have been very profitable. The Burns agency, for example, sent a letter to its office managers in 1933 which read in part as follows:

A great many strikes are taking place and many more are contemplated, and in addition to undercover work there is a great field for furnishing guards to those organizations which are having labor disturbances. This work is very profitable inasmuch as it does not entail any substantial overhead expense.

The Bergoff Industrial Service, Inc., of New York advertised a "propaganda department" to prevent strikes, composed of men of "unusual persuasive powers." The list of references included a number of important corporations all over the United States.

I read:

The Saile Pierson Detective Service of Philadelphia, Pa., advertised both guards and strikebreakers. Its list of wares is imposing.

Strike prevention department: This department is composed of men possessing natural leadership qualifications. Men of intelligence, courage, and great persuasive powers, to counteract the evil influence of strike agitators and the radical element.

Undercover department: Our undercover department is composed of carefully selected male and female mechanics and workpeople. They furnish accurate information of the movements and contemplated actions of their fellow employees; "Forewarned is forearmed."

Open-shop labor department: This department is composed of an organization equipped to supply all classes of competent mechanics and workpeople to keep the wheels of industry moving during a strike.

Protection department: This department is composed of big, disciplined men with military or police experience, for the protection of life and property.

Investigation department: Our investigation department is international in scope and embraces all branches. The personnel is composed of male and female operatives of the highest caliber.

In 1937 the Senator from Wisconsin [Mr. LA FOLLETTE], in a preliminary report of the committee, stated:

When the employer's hostility (to trade-unions) is forced into the open the detective agency * * * furnishes guards, ostensibly for plant protection, but actually for breaking strikes or provoking disorder. * * * Drawn from the underworld, a large number of these men have criminal records. * * * Creating violence once they have arrived on the scene is a corollary of their employment. * * *

The employers and (detective) agencies have two separate interests vested in violence. The agency's interest in violence and, by the same token, that of the strikebreakers, is that it will prolong and embitter the fight so that a stronger guard will be called out and more money expended through the agency. The employer's interest in violence is that it shall, by being attributed to the workers, bring discredit to them, thus alienating public sympathy for their cause.

The use of strikebreakers has been a familiar practice among antilabor employers.

In 1892 both the House of Representatives and the Senate authorized an investigation of the use of imported armed guards by the Carnegie Steel Co. during the strike of the members of the Amalgamated Association of Iron, Steel, and Tin Workers at its plants in Homestead, Pa. The investigating committee discovered that:

H. C. Frick, manager of the Carnegie Steel Co., had engaged 300 Pinkerton guards, who entrained in Chicago, New York City, and Philadelphia, proceeded to Pittsburgh, where they were armed with Winchesters, loaded onto a barge, and sent to Homestead. Their attempts to land provoked a bloody struggle with the strikers, which shocked the entire country. The committee found that the Pinkertons—as private citizens acting under the direction of such of their own men as were in command * * * fired upon the people of Homestead, killing and wounding a number.

The Senate Committee on Education and Labor reported:

The use of the strike guard has been justified on the basis of the necessity of providing adequate police protection for the strikebreakers or the plant property. The investigations and reports, however, reveal that the presence of the guards, far from providing order or protection, usually resulted in disorder and violence. The record piles up incident after incident of unwonted aggression and brutality on the part of these men, so that their role appears to be the deliberate exercise of intimidation and terror.

For example, in the copper miners' strike in the Michigan Peninsula in 1913 the Waddell-Mahon Corp. supplied 112 guards who, in company with 150 guards sent by the Ascher Detective Agency, of New York City, took over the functions of law-enforcement officers. The guards of both these agencies were involved in violence and shootings, culminating in an unwarranted attack on a miners' boarding house. The Waddell men emptied their revolvers into the house, which contained men, women, and children, riddling it with bullets, wounding four men who were at dinner and killing two others.

Brazenly, the Waddell-Mahon Corp. advertised its services in this strike as proof of its effectiveness in the breaking of strikes. One of its brochures, distributed to employers in 1913, reads, in part, as follows:

"As an evidence of our ability as strikebreakers, we invite your attention to the labor difficulties now ensuing along the copper range of the Upper Peninsula of Michigan between the Calumet & Hecla Copper Co., the Commonwealth Copper Co., the Quincy Copper Co. et al., and the Western Federation of Miners. * * * We ask you to watch the progress of the present strike, because we know it will be a triumph for law and order, a triumph for the mine owners, and will furnish still another evidence of the success we have always met with in breaking strikes. We ask you to judge us by results."

The report continues with the following account of activities of an employers' association:

The National Metal Trades Association, with a membership of 952 manufacturers of metal trades products with plants located in Northern States east of the Mississippi was examined by the committee. Companies having union agreements were not admitted to membership in this association. The by-laws provided that in case of disagreement with his employees, the member must communicate with the association. Upon approval by the governing body of the association, it, the association, assumed complete control and direction of the strike situation.

The resources of the whole association could be thrown into the strike. It stood ready to assist in procuring workers to replace the strikers to the extent of seven-tenths of the number of striking employees. The association paid the cost of recruiting and transporting the strikebreakers as well as the cost of housing and feeding them in the plant, if that were necessary. Their wages were to be paid by the employer, but the association apparently paid bonuses or extra compensation. The association also recruited, transported, and supervised guards in such numbers as it deemed necessary, paying all their expenses and wages. It maintained a card file of available guards. Strikebreakers were recruited through the branch offices of the association.

The strikebreaking expenses of the association were paid out of its defense fund, established to defray its undercover and strikebreaking work and the salaries of its officials engaged on such work. This fund was sustained by dues from members, assessed on the basis of the number of metal-working employees hired by each member. At the end of 1936 this fund contained a surplus of $214,028.53.

Study of a strike in the rubber industry revealed the following situation:

The Ohio Rubber Co., of Willoughby, Ohio, joined the Associated Industries of Cleveland on August 11, 1933. A strike of its employees occurring in February of 1935, which was marked by violence and intense bitterness, was the culmination of a labor-relations policy based upon a refusal either to enter into a written agreement with the union of its employees or to recognize that union as exclusive bargaining agent for its employees.

As soon as the strike began the company secured 10 additional strike guards from the Associated Industries of Cleveland, making a total of 15, in addition to the regular plant police. In addition the company applied to the sheriff and county prosecutor for guards. Fifty men were hired by the county and city from the McGrath Detective Agency in Cleveland. All these hired guards, as well as 31 citizens of Willoughby, were deputized, thus providing a force of 133 men.

Tear gas and gas equipment purchased from the Lake Erie Chemical Co. constituted the principal armament of the guards. A complete arsenal of jumper-repeater tear-gas candles, three long-range field guns, and a large supply of shells was shipped to the Ohio Rubber Co. on February 19 and 21. The total cost of this armament (including sales tax) was $2,473.02. In addition, the company had the use of a demonstration long-range gun loaned by a Lake Erie salesman, and of a repeating gas gun purchased from the Manville Manufacturing Corp. On February 25 additional gas supplies were secured which cost the company $367.67. The gas equipment of the guards supplied by the county was also secured from the Lake Erie Chemical Co.

The strike was only partially effective. Picket lines were established shortly after

the strike was declared. Detailed instructions were given to the pickets to "conduct themselves in an orderly manner, but to be able to protect themselves in the event that guards came out of the plant and attacked them."

Violence characterized the strike, however, from its beginning. The company had created an explosive situation. The course of its activities preceding the strike can justly be construed as incendiary.

One of the worst strikebreaking cases on record was that of the Remington Rand Corp., where the famous Mohawk Valley formula was introduced. In essence the scheme of the formula involved:

Conducting of a strike ballot by an employer, with misrepresentation of the issues involved and the strength of the union; (2) labeling the union leaders 'agitators' and 'radicals'; (3) economic pressure on the community, through threats to move the plant, in order to stimulate the formation of a citizens' committee by means of which public opinion could be crystallized against the strikers; (4) the amassing of a large police force to preserve 'law and order' and intimidate the strikers; (5) emphasis on the violent aspects of the strike to hide the employment of strikebreakers; (6) the organization of a back-to-work movement accompanied by extensive advertising; (7) a theatrical opening of the struck plant; (8) the combined show of police force and pressure by the citizens' committee; (9) the complete cessation of publicity once the plant was operating at near capacity.

This case marked the first prosecution under the Byrnes Act and was the subject of hearings before the NLRB. The Board found the company guilty of violating section 8, subsections 1 and 5, and also of interfering with, coercing, and restraining its employees in the exercise of the rights guaranteed under section 7 of that act.

The decision and findings of the Board give a detailed and exhaustive picture not only of the Remington Rand strike but of the important role played in it by various strikebreaking and detective agencies and the procedure undoubtedly followed in other strike cases involving antilabor activities by the employer.

Mr. President, the Committee on Education and Labor has reported to the Senate a bill which represents the results of exhaustive hearings. It is a bill designed to meet the problems of industrial disturbances such as are today tormenting the country. It is not the result of hasty, prejudiced action. It is the result of a long and careful study of many points of view—employers, labor leaders, representatives of church groups, and experts in the field of labor relations.

We had before the committee such men as William H. Davis, former Chairman of the National War Labor Board; and William M. Leiserson, former National Labor Relations Board member and Chairman of the National Mediation Board which administers the Railway Labor Act. The committee considered all manner of proposals for legislative action ranging all the way from stringent prohibitions against union activities to proposals for the strengthening of the existing United States Conciliation Service.

It would have been easy for the members of the committee to take the lines of least resistance. We could have taken the easy course and joined in recommending restrictions on labor in the narrow spirit of the Case bill. This would have been the popular course with many people in the country who fail to understand the seriousness of the situation. This course would have required no independent thinking. It would have recognized the clamor and excitement of the moment, and would have won the approval of all who think there is an easy and short-cut road to industrial peace. Such a course would be a fatal obstacle to peace and cooperation in American industry—if our American way of life is to continue.

The spirit of democracy has come slowly into our industrial system in the wake of bitter suffering and protracted struggles. Let us not see it destroyed by oppressive and ill-considered legislation at this time, which will destroy all hopes of ushering in a period of cooperation and prosperity in our country.

Mr. PEPPER. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Overton
Andrews	Hawkes	Pepper
Austin	Hayden	Radcliffe
Ball	Hickenlooper	Reed
Bankhead	Hill	Revercomb
Barkley	Hoey	Robertson
Briggs	Huffman	Saltonstall
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Stanfill
Bushfield	Kilgore	Stewart
Byrd	Knowland	Taft
Capehart	La Follette	Taylor
Capper	Langer	Thomas, Okla.
Connally	Lucas	Thomas, Utah
Cordon	McCarran	Tunnell
Donnell	McClellan	Tydings
Downey	McFarland	Vandenberg
Eastland	McMahon	Wagner
Ellender	Magnuson	Walsh
Ferguson	Maybank	Wheeler
Fulbright	Millikin	Wherry
George	Moore	White
Gerry	Murdock	Wiley
Green	Murray	Wilson
Gurney	Myers	Young
Hart	O'Mahoney	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from Virginia [Mr. BYRD], as modified, as a substitute for section 8 of the committee amendment on page 28.

Mr. PEPPER. Mr. President, on behalf of myself, the Senator from Montana [Mr. MURRAY], and the Senator from Oregon [Mr. MORSE], I send to the desk the amendment which we offer as a substitute for the pending amendment, as modified, by the able junior Senator from Virginia [Mr. BYRD]. I ask to have the amendment stated.

The PRESIDING OFFICER. (Mr. HUFFMAN in the chair). The amendment will be stated.

The Chief Clerk. In lieu of the amendment offered by Mr. BYRD, it is proposed to insert the following:

SEC. —. (a) It is hereby declared to be the policy of Congress to encourage and facilitate the establishment and maintenance of approved plans within industry for providing hospital, medical, and home-nursing care and services, insurance, vocational rehabilitation, and other benefits for employees in activities affecting commerce and for their families and dependents, and to encourage the support of such plans by employers, whether such plans are administered by employers and employees jointly or solely by employers or solely by employees or otherwise. No provision of this or any other act shall be deemed to prohibit such plans or to prohibit employers from contributing to the support of such plans, except in any case where such support constitutes an unfair labor practice under the National Labor Relations Act. The failure or refusal of an employer in an activity affecting commerce to bargain collectively concerning the establishment or maintenance of such a plan shall be deemed to be an unfair labor practice for the purposes of the National Labor Relations Act.

(b) As used in this section, the term "approved plan" means a plan which has been approved, or which is to take effect only upon its approval, by the Surgeon General of the United States insofar as such plan provides for hospital, medical, and home-nursing care and services and by the Secretary of Labor insofar as such plan provides other benefits. The Surgeon General and the Secretary of Labor shall approve any plan submitted to them for the purposes of this section if they find that such plan is a bona fide plan for providing benefits for employees and that a fair and equitable method of administering such plan is provided.

Mr. PEPPER. Mr. President, all of us are aware that there is disturbance and strife in the industrial world today which is disconcerting to the public, and all of us lament the differences of opinion between the employers and the employees which have led to certain stoppages of work and threaten further interruption of work. All of us are deeply sorry that the contending parties have not been able to reconcile their differences and to permit the steady and uninterrupted production of coal and the continued and uninterrupted operation of the railroads. We are all aware of how vitally these matters affect the public interest. We are aware of the fact that the public does have concern over the outcome of these controversies, and all of us wish there were some immediate and effective disposition of these difficulties which would permit the mines uninterruptedly to produce coal and the railroads to continue their important service of furnishing transportation. We know the grievous dislocation in the economy of the country which ensues from the shortage of coal and the interruption of rail service.

But, Mr. President, in my behalf, and in behalf of the chairman of the Committee on Education and Labor, and of members of the committee who are opposing the stringent amendments to the committee bill, and on behalf of other Members of the Senate opposing these severe amendments going outside the scope of the committee bill, I want to disclaim any responsibility for the situation which now exists. On the contrary, we believe that we have pointed out in the Senate that today a method exists which would to a large degree solve both these controversies, if the President were to exercise the full authority which he has under existing law.

Mr. President, I am aware of the fact that the public has not heard about what we have said on the subject here, because it has not been reported in the major part of the press. In fact, if one

reads most of the newspapers he would not know at all that anyone has made such a suggestion as that. One can read most of the newspapers and be led to believe that those who are opposing these severe amendments have no purpose at all except to filibuster. Even when the other day half a dozen veterans, some of whom were amputees, had come voluntarily to the Capitol and brought from the veterans of Walter Reed Hospital and the England General Hospital at Atlantic City a petition signed by some 40 or 50 veterans, a major part of them amputees, stating that they did not approve the antilabor legislation which was being considered in Congress, in the opinion of a majority of the press that was not news, because I never saw anything in any of the newspapers about it. Yet, if one has something to say against the unions, if one has something to say against labor, he can get it on the front page of nearly every newspaper in the country. One able Senator did not make his speech, but it was read by someone else; yet, since it was construed as being constrictive upon the labor unions, it received three-quarters of a column. But anything we have said here on the Senate floor has received slight mention, if any mention at all.

Mr. President, I make mention of that not because of any personal slight, because if that were to happen, it would not be a new thing so far as I am concerned. I presume I can continue to live as well in the future as I have been able to live in the past with treatment of that sort from a great many people and newspapers.

But, Mr. President, if the public has not learned any more of the debate on this floor than can be gotten from the newspapers, I can well understand why the public has a distorted idea, perhaps, of the issues involved in this labor controversy in the coal fields and amongst the railroads of the Nation. I, myself, did not know, until within the last 3 or 4 days, when I heard some railroad men talking on the train, what the men's grievances were. I did not know it until I heard a waiter tell a person being served how many hours a month he had to work under his contract; I did not know it until I heard a steward in a dining car say how many hours a month he had to work under his contract; I did not know it until I heard a man who was a member of the trainmen's association tell how many hours he had to work, 12 hours a day, for which he received pay for only eight; until then I did not know what was involved in the rail controversy, because I had not read in the newspapers how many hours a day the men had to work. I did not know that the men had to work 12 hours and be paid for only 8. I had not read what their wage scale was, or how inadequate it was, or how their wage increases compared with cost of living increases. No; the newspapers ordinarily do not tell that part of the story. But if the labor unions do anything, if the workers do anything that can be played up to their prejudice, we will read that on the front page of the newspaper.

I am of the opinion that the press is largely responsible for making a devil out of John L. Lewis. I assume there are a good many fundamental characteristics in John L. Lewis that justify it, but I am beginning to wonder whether he is as much of a devil as he has been made out to be. I have not read, except in a few feature articles, very much written about the pitiable plight of the miners. The purpose of the amendment for which I have offered a substitute today is to keep the unions from having the right to administer a health fund which was conceived of as for their own benefit. Yet I do not hear Senators on the other side lamenting the working conditions of the miners of this country, or of the railroad workers, or of any other group of labor in the land.

Mr. President, I hope I shall be able to live to see the time when the American people can hear with their own ears every word that is said on the floor of the Senate or of the House Representatives. I intend shortly, in company with other Senators, to introduce a bill to that effect. Then if a newspaper has no space in which to print what is said on the floor of the Senate, or if its representatives hear with prejudiced ears, or read with colored lenses, the people can determine whether they see and hear it that way or not. I hope to see established a short-wave radio station owned by the United States Government, with microphones over our heads in the Senate, so that they will be out of the way. There will be someone to regulate the volume so that it will go out in an even flow to the listening public.

Our Committee on the Reorganization of Congress has made a study of this procedure. The experts tell us that it is technically feasible. They tell us that such a system can be installed without any disturbance of the routine of the Senate, and without any inconvenience to Senators. They tell us that by setting up one short-wave broadcasting station on the east coast and one on the west coast, so as not to interfere with standard broadcast programs, the people who have sets which will receive short-wave broadcasts will be able to hear the proceedings of Congress. I understand that approximately 15 percent of the radio sets in use today are equipped with short-wave receiving facilities. The new ones which are coming on the market usually have such equipment. I feel that in the near future the majority of the population will have radio sets capable of receiving short-wage impulses.

For many years the proceedings of the House of Commons in New Zealand have been broadcast. The Prime Minister of New Zealand, who was here a few months ago, told me of the satisfactory experience that his people have had with broadcasting the proceedings of the House of Commons in his country. I see no reason why the people of the United States who have radios and who wish to listen to what is said in their Congress, in the governing body of their Nation, should not have the same right to do so as those who frequent the galleries of the Senate and the House. They sit here and see and hear for themselves. They do not need to read the newspapers to know what is going on in Congress. They hear everything that is said. They construe and interpret it according to their own senses. They are not handicapped by the limitations of space in newspapers, or by the point of view which some newspaper may happen to have. I believe that if the American people could hear the debates in Congress there would be a much better public understanding of public issues. I am hopeful that Senators will look with favor upon such an installation when the bill to provide for it is finally presented to us for consideration.

Mr. President, we have been trying to say something with the best quality that our feeble intellects were able to give it. We are not filibustering against the pending bill. So far as we are concerned, in a reasonably short time the Senate can begin to vote on the several amendments which are pending and will be pending to this proposed legislation. However, I say this with a certain degree of reluctance, because the very Senators who are proposing these restrictive and curbing amendments upon labor are the Senators who would not even permit an anti-poll-tax bill to be brought before the Senate for consideration.

The able Senator from Virginia [Mr. BYRD] is chairman of the Committee on Rules of the Senate. If a rule were proposed to do away with the power of the filibuster, I doubt if many Senators believe that such a proposed change in the Senate rules would receive favorable consideration from the committee of the able Senator from Virginia.

I very reluctantly surrender the power of debate which could be employed in the Senate upon this effort to hamstring the working men and women of this country. We are accused of filibustering when, by and large, the various Senators who are proposing such amendments are the Senators who have been mostly guilty of filibustering in the Senate.

Mr. President, I have not participated in a filibuster in the Senate since 1937, I believe, the first year of my service in this honorable body. I do not propose individually to break the precedent now. However, I believe that the time has come when not only the pending legislation but all legislation on the calendar is at least entitled to receive a vote by the Senate; and yet I know perfectly well that if, when this bill were out of the way, a Senator were to move that the anti-poll-tax bill be made the unfinished business, the Senator from Virginia would be one of those to join in a filibuster against it ever being voted upon, or becoming the unfinished business, or being subject to the rule of cloture in the Senate. I very much dislike to have such a meritorious cause as human rights crucified when we cannot even invoke cloture under our rules against a violation of human rights; and yet at the same time see a sentiment of haste, anger, and prejudice take away from the workmen of this Nation the gains which they have made over a decade of the administration of Franklin Delano Roosevelt.

As I say, I do not yield the power of debate with any feeling of great satisfaction, because I know that certain Senators deserve to get some of their own medicine. I know how many bills there

are on the calendar which could not even be taken up for consideration before this Congress adjourns, because a minority of Senators would not permit us to consider such measures. Yet we who are opposing these amendments did not filibuster when the motion was made to take up this bill, as we could have done. If one were to read certain newspapers he would think that all we were doing was filibustering. Mr. President, if we ever make up our minds to filibuster against this bill, there will be no doubt about it. If there were a disposition to filibuster, there are a sufficient number of Senators who feel as I do to carry on an effective filibuster.

I believe that under the rules the amendment which I have offered will be the first amendment to be voted upon. So far as I am concerned, the Senate may vote this afternoon, after I shall have finished speaking in a little while, or tomorrow, although several Senators who had hoped to be present are absent because of primary elections and for other reasons.

If we can get the press to tell the American public, I want the public to know that we believe that the restrictive legislation now being proposed is intended for the purpose of cutting the heart out of collective bargaining. If it is enacted into law it will mean that labor will be pushed back nearly a decade, down the dismal ladder of incompetence and subserviency. I had thought that the time when management exercised its untrammeled tyranny over the working people of this country had passed. I had thought that the days of feudalism were gone forever. Yet time after time, like the frog trying to jump out of the well, human progress has been retarded. But be assured that it will go forward again.

In the first place, the proposed legislation would not have the effect of stopping strikes. The people will find that out, as they have learned that the Smith-Connally Act did not have any effect in stopping strikes. Today the Smith-Connally Act is on the statute books, in full force and effect. That was the legislation which was held out to us as being the hope of curbing labor stoppages or stopping strikes. We were told, "If you will pass the Smith-Connally bill, we shall have no further trouble with labor unions. In the first place, it will force upon them a cooling-off period of 30 days. In the second place, they will have to take a strike vote, and the election will have to be fair; and certain other requirements will have to be met. So if you will just pass the Smith-Connally bill, it will practically do away with the vicious strike."

We passed the Smith-Connally bill, and now we have two of the greatest and most detrimental strikes we have ever had in the history of the country, one in progress and the other in prospect.

Mr. TUNNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Delaware?

Mr. PEPPER. I yield.

Mr. TUNNELL. Does not the Senator believe that the Smith-Connally Act itself is responsible for a great deal of labor unrest, and particularly strikes?

Mr. PEPPER. I have no doubt of it.

Mr. TUNNELL. Does not the Senator believe that it streamlines strikes? It tells labor just how to strike, when to give notice, and how much notice to give. Labor is then placed in the position of having started something, and it goes through with a strike.

Mr. PEPPER. That is correct.

Mr. TUNNELL. So the result is that the bill which was advanced by employers throughout the country as the means of stopping strikes has become the means of foisting strikes on the American people.

Mr. PEPPER. The Senator is absolutely correct. It has been stated time after time by the heads of the large labor organizations, as they stated to us before we enacted the Smith-Connally Act, that if we passed it it would cause more strikes; it would weaken their power to keep their pledge of no strikes. Their predictions and prophecies have come sadly true. Yes, Mr. President; they told us it would cause more strikes. And it did.

The other side told us it would stop strikes. But it has not. Yet if we propose to take the advice of the labor leaders, those on the other side say we are prejudiced and that we cannot see anything but labor's side. Mr. President, it has not been a week since Senators on this floor were telling us that if we had applicable to all industries, legislation like the Railway Labor Disputes Act, we would not have any strikes. That statute has been on the statute books for many years. It provides an elaborate procedure by which management and labor are supposed to reconcile their differences and disputes. It provides for a mediation board, an emergency mediation board, and a national mediation board; it also provides a 30-day waiting period which must be observed; and it requires a strike vote. There are many other conditions and requirements under that act. It is a lengthy piece of legislation, as you will see as I hold it in my hand. We were told that if all the other industries, for example, the coal mines, were regulated by legislation similar to that which regulates the railroad industry, we would not have any strikes. But now what do we have, Mr. President? We have the railroad strike which temporarily went into practical effect, and is in prospect again after Thursday of this week, in spite of the fact that we have on the statute books of the land, first, the Smith-Connally Act, and, second, the Railway Labor Disputes Act. Yet why are not they stopping strikes, if legislation will stop strikes?

Mr. President, the obvious reason is that legislation will not stop strikes. That is the reason. Legislation cannot act as the scorpion whip upon the back of the laborer, to make him labor for another man against his will—not in America. Americans do not happen to be constituted that way. No law can be enacted in the United States, even a law providing severe penalties which will make the working men and women of this country give up what they believe to be their essential rights as citizens. If a workingman feels abused, if he feels that he is being imposed upon, if he feels that he is being denied justice, he will fight as a citizen against his employer, as his forebears fought against the tyranny of George III of England. He will fight against his employer, as his forebears have fought every form of tyranny from the beginning of the history of this country.

Yes, Mr. President; he will stop work, even though it means he will not have a livelihood, if he thinks he is not getting a square economic deal from his employer—at least, after he feels that the employer has had a fair opportunity to redress his remonstrance and to hear his petition.

So, Mr. President, again I lay it down as a premise that the amendments which are being proposed and pushed so fervidly by Members of the Senate whose record, generally speaking, has not been friendly to labor, are amendments—every one of them, and all of them put together—which will not stop a single strike. I predict that they will cause more strikes. If the Senate, as it now seems disposed to do, blindly adopts these prejudicial amendments against labor, put that prophecy down on the books and remember it as time goes on, to see whether it is the kind of prophecy which, like the prophecy of the labor leaders, will unhappily come true.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TUNNELL. I ask the Senator if he would like at this point in his address to have the attention of the listeners and readers called to a provision of the bill as it came from the House of Representatives. I read from page 10:

> No order of the Chairman or process of any court under this act shall require an individual employee to render labor or services without his consent nor shall any provision of such order or process be construed to make the refusal to work of an individual employee a violation of such order or process or otherwise an illegal act.

I call this to the attention of the Senator for the reason that I am receiving a great deal of mail from people who think that the purpose of the Case bill is to stop strikes, although the Case bill itself, speciifically states that it cannot be so used.

On page 13 of the same bill we find the following language:

> Provided, said courts shall not issue an injunction against the right to strike, peaceful assembly, or peaceful picketing.

Within the last few days I received a letter from a very responsible businessman in my State. He discussed picketing, and he feels that it is wrong; and he wishes the Case bill to be passed. Let me point out that the Case bill specifically states that the courts shall not issue an injunction against the right to strike or peaceful picketing. I read further:

> Any individual who violates any of the provisions of this section shall on and after such violation cease to have, and cease to be entitled to, the status of an employee for

the purposes of section 7, 8, and 9 of the National Labor Relations Act, or the status of a representative for the purposes of such act.

I simply wish to call attention to the fact that the Case bill does not even pretend to be a bill to prevent strikes.

Mr. PEPPER. I thank the able Senator very much.

Yet, Mr. President, today there are millions of people in the United States who think that we in the Senate are holding up the enactment of legislation which, if on the statute books, would immediately stop the strike. As the Senator from Delaware has pointed out, if we were to pass the Case bill as it came to us from the House of Representatives, without changing an "i" or a "t," it would not by compulsion stop a single strike or put a single man back to work.

I say to the gentlemen of the press: Tell the people that they have the wrong impression of this measure, or that at least some of the Senators on the floor of the Senate think they have, and state that they have, and that they are entitled at least to know from the press what Senators have said. If the representatives of the press are going to be honest reporters of what happens in the Senate, they can editorialize, of course, but it is their duty, when a Senator in seriousness presents a reason, to give it at least a carriage to the people of this country, if they purport to be fair in reporting this debate. If they do not, let some of them put up a placard reading, "Prejudiced, as usual," and then the people will know how to read what they write.

No, Mr. President; every time a labor controversy arises, it is always the laborer who is damned. Yet, the lily-white employers are never touched. They can be however stubborn, they can be however prejudiced, they can insist upon a gross and an avaricious profit, and can force men to the extremity of a strike, and yet public odium attaches to the worker who will not work unless he gets a fair wage, rather than to his tyrannical employer who has denied him what the Bible says he is due—the laborer's hire.

Mr. President, I think it is time that the people of this country know what is substantially involved in this controversy, and I wish to state the case for the opposition. I think it is entitled to be heard.

The first point is that these amendments will cause more strikes, and will stop none. I can establish that by the nature of the amendments. In the first place, not one word of them purports to send one miner back into the mines. Not one word of any of these restrictive amendments even on its face purports to send one railway worker back to his job on the railroads. Then, how are they going either to stop or cure the strike in either the coal mines or the railroad industry?

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. I do not know how true it is in other States, but in my own State there are also State laws. In my State, labor for many years worked for the liberal laws which now are on the statute books, including the anti-injunction law. The Congress could act from now until doomsday on some of these vicious amendments, and still in my State labor would have those rights. I think the same situation is true in many other States of the Union.

Mr. PEPPER. It is, Mr. President. The Senator is absolutely correct.

In the second place, Mr. President, these amendments are merely provocative of labor. Enacted in anger, they will provoke anger from labor, for action begets reaction and like begets like, in the physical world; and what is done against another man in anger and with prejudice will ordinarily provoke a response similar in character from him. If the men and women of this country who work feel that the Congress is so blind by reason of prejudice or is so ignorant of the issues that it will take occasion by means of such legislation to try to deprive them of their rights, the Congress will simply make them resentful, and sullen, and stubborn, and less agreeable and more recalcitrant than they were before the Congress ever enacted such legislation, if it does enact it at all.

Take, for example, the Byrd amendment which we have been debating. What would it do? The whole intent and purpose of it is to make it illegal for John L. Lewis or for any other labor leader—for John L. Lewis is not named, of course—or for any representative of labor to insist that the employer shall pay into a fund a sum of money for a health and welfare fund to be administered by the employees themselves.

Mr. President, is that such a bad proposal that the Congress of the United States should wish to enact a prohibition against it? The Senator from Virginia stated on this floor—I note that he is not now present—that he had been in touch with mine owners and mine operators. Evidently they had told him their side of the case. The Senator from Virginia, either before or after his conference with the operators, offered an amendment to the pending bill which would make it unlawful for a labor leader to make such a proposal as that to which reference has been made. The proposal which John L. Lewis made was that the miners were to be recipients of a fund consisting of 7 percent of the gross pay rolls of the employees, and that such fund was to be used for the purpose of providing health and welfare benefits for the employees. It was also contended by the employees that inasmuch as the fund was to be used for the benefit of employees, the employees should administer it. Yet the Senator from Virginia would make that a penitentiary offense. That is what is involved in the Byrd amendment. The Senator from Virginia is saying that what has already been done by hundreds of thousands of men and women in this country as a result of voluntary agreements, is to be made illegal in the future.

Mr. President, why do I say that? I have in my hand Bulletin 841 of the United States Bureau of Labor Statistics, issued by the Secretary of Labor.

The health-benefit plans described in the following pages cover more than 600,000 workers employed under agreements negotiated by unions in various industries.

Here are the plans by which the funds are administered for the benefit of approximately 600,000 workers of this country.

A little more than one-third of the employees covered by health-benefit plans included in this report are under plans which are jointly administered by the union and employer. Another third are covered by programs for which insurance companies assume the measure administrative responsibility, and somewhat less than a third are under those administered solely by the union.

So, Mr. President, approximately 200,000 working men and women of this country are today, by voluntary agreement, doing what the Senator from Virginia says should be made a penitentiary offense. I do not blame labor for believing that if the Senate should pass such legislation as is being proposed, it would be moved not by good motives, but by blind prejudice. What business is it of ours if the employees want to negotiate with the employers for a health and welfare fund, and have it administered by the workers? I have pointed out before that the money would not be taken out of dividends proclaimed by management, or out of the pockets of management. It would not be taken out of the company treasury. The money would generally come from an increased price which the public would have to pay for coal. So the management would not own the money. It would merely act as a collector of it. If the money is to be collected by management and paid by the public, what is wrong with it being administered by those for whose benefit it is collected?

Of course, Senators may disagree, and some of them may believe that the plan is not the best one which could be devised. But are we willing to pass a bill making it unlawful to do what the employees wish to have done, which would enable the requirement being put into force which has been advocated by the Senator from Virginia, and would make it unlawful for management and labor voluntarily to enter into an agreement as to how the fund shall be administered. The Senator from Virginia would require that management and labor have an equal share in the administration of the fund. After all, management is not being doctored in the hospitals; management is not being treated by the doctors.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. Management is not the recipient of the home nursing care which is contemplated by the plan. It is the bodies of the miners or of the railroad workers, if the plan were applicable to their industry; it is the workers themselves who receive the medical care and who at least might reasonably suggest that, it being for their benefit and for their primary aid, they should have the primary responsibility of its administration. Yet the Senator from Virginia would outlaw such administration of the plan which has been suggested.

I yield to the Senator from Illinois.

Mr. LUCAS. Does not the Senator agree with me that any welfare fund of

this character would be for the benefit of the miners and employees only?

Mr. PEPPER. Yes; the Senator's statement is essentially correct.

Mr. LUCAS. Does not the Senator further agree with me that if a fund of this kind and character were agreed upon between employer and employee, it should be administered in such a way that those who administered it would be required to account for its proper administration?

Mr. PEPPER. I would have no objection to that. If the Senator from Virginia or the Senator from Illinois were to require that any benefit fund of this character should receive a public audit, or some inspection of that kind, I do not believe anyone would object to it.

Mr. LUCAS. That is what the Senator from Illinois has been interested in. In other words, whatever amount in the way of a pay-roll tax for the purpose of establishing a health and welfare fund could be agreed upon between employer and employee it seems to me that the fund itself should be limited to those for whose benefit it is collected and that some method should be provided whereby those who administer the fund in behalf of the miners make a proper accounting of the money so that the public may know it is being administered solely for the benefit of the beneficiaries of the fund.

Mr. PEPPER. I thoroughly agree with the Senator from Illinois. I would not voice a word of objection if the Senator from Virginia were to modify his amendment so as to provide that the health and welfare fund is to be established for the benefit of employees, and that whoever administers it shall file with any person or group of persons whom the Senator wishes to name an accounting and a report of the administration of the fund. I would have no objection to that being done, but the Senator from Virginia does not even want to allow the employer and the employee to arrive at an agreement by which the employees may primarily administer the fund, even if they arrive at such an agreement voluntarily. He would forbid them from entering into such an agreement of their own free will and accord.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BANKHEAD. Would any fund raised under the proposed amendment, especially that part of it which would be paid by the coal operators, be passed on in the form of an increase in the cost of coal to the consumers?

Mr. PEPPER. My opinion is that it would be. I believe that most pay-roll taxes, by and large, are passed on to the consumer. In our Federal social-security system, where the management has to pay, for example, an amount equal to what is paid by the employee, and, in other cases, where the employer puts up all the money, in most instances I dare say that the employer passes the expense on to the public. I do not believe he takes the money out of the company's treasury or diminishes the company's profits. Here is a fund which would essentially come out of the pockets of the public. It would be provided for the benefit of the miners. In case of more than 200,000 working men and women of this country today, as a result of voluntary agreement and collective bargaining, similar funds are being administered by the employees. Yet the Senator from Virginia would outlaw such practice. Not only that, but the Senator from Virginia wants to make it unlawful in the future for an employer and an employee even voluntarily to arrive at that kind of agreement. Why? Because he wants to strike at John L. Lewis. We are saying to the able Senator, and to those who are supporting his amendment, that they do not name Mr. John L. Lewis, and they do not limit their amendment to him. The 200,000 persons to whom I have referred have not done anything to the Senator. They have not joined with Mr. John L. Lewis. Many other hundreds of thousands or perhaps millions of persons, who will, by collective bargaining, obtain such provisions in the future, have not done anything to the Senator from Virginia or to the public. Why fire a blunderbuss at John L. Lewis when, in so doing, we hit 200,000 workers who are innocent of any wrongdoing? That is the character of the legislation which is being proposed in the Senate. Yet, when any of us stand up against it and endeavor to point out its flaws, we are charged with doing nothing but trying to protect the ranks of labor or filibustering.

Senators may make up their own minds as to whether or not there is any merit in the argument which I am trying to make. They will adopt the amendment, I suppose, and they will be just as regretful when they have passed it as many of them are regretful of the Smith-Connally Act, which was passed in a similar attitude 2 or 3 years ago.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Florida yield to the Senator from Illinois?

Mr. PEPPER. I yield.

Mr. LUCAS. As I understand, Mr. Lewis is demanding a 7-percent pay roll tax for his miners. Assuming that they will later bargain for wages and get the standard increased wage set throughout the country, it would mean 7 cents more on the dollar they would have to collect from the operators than what they would be getting if they were bargaining for wages alone.

Mr. PEPPER. The fund is in addition to the wage increase they are insisting upon.

Mr. LUCAS. In other words, if finally through collective bargaining they reach the standard that has been set, of 18½ cents an hour, then the 7-percent pay roll tax they are now seeking would add another 7 cents to the 18½ cents an hour to the minimum wage of $1 an hour.

Mr. PEPPER. That is correct.

Mr. LUCAS. Which would in reality give to the miner drawing $1 an hour an additional 25½ cents an hour.

Mr. PEPPER. Exactly, except that the Senator must realize that one of the sums would be for consumption, for expenditures for ordinary purchases, whereas the 7 percent would be to set up hospitals, provide for private doctors, for nursing services, and medicine, to establish an insurance fund in cases of disability, and all that sort of thing.

Mr. LUCAS. I appreciate all that, but the miner would be getting 25½ cents an hour, we will say, and would be taking 7 cents of that and putting it into the health, hospital, and accident insurance funds.

Mr. PEPPER. That is substantially true, it would be going into the fund. The Senator is correct.

Mr. LUCAS. Assuming that what is asked should be agreed to, it would set the pattern for all America, for all other organizations to come forward and ask for the same thing, and I take it the others would be entitled to it if what is now asked is granted.

Mr. PEPPER. I would hope so, because the health of the people of this country is the most precious asset we have. It is more precious than any thing else. We cannot wrongfully spend any money that is devoted to saving the lives and preserving the health of the men and women of this country, and their dependents.

Mr. LUCAS. I agree with the Senator that the health of the people is probably as important as any other thing, from the standpoint of the future success and happiness of this Nation. The conditions under which the miners live have been described time and time again, although I know in my own State in the last 20 years great reforms have been made in the mines but reforms are still needed everywhere. But when we are talking about adverse housing and health conditions, I can take the Senator four blocks from the Capitol and show him, as he knows, people living under health conditions to which the worst treated miners of the country would seriously object, and it is only four blocks from the Capitol, in the very city of Washington.

Mr. PEPPER. Knowing the humane interest of the Senator, I know he would say that all of us should be ashamed of the fact that such conditions exist.

Mr. LUCAS. But they do.

Mr. PEPPER. And that if the Congress of the United States is so backward in its obligation to provide for the health and the welfare of the people by general law, then it is perfectly proper that the employees band themselves together and make the employers, either out of their own profits or through increased prices to the public, provide funds by which the lives and health of the miners can be cared for; and that is all that is now demanded.

Mr. LUCAS. That is correct. Then let me ask the Senator this question: Can the Senator tell me why this proposal has never been presented before in the controversies and collective bargaining on wages and hours previously conducted? Why at this particular crisis of the Nation is this sort of agreement presented?

Mr. PEPPER. The able Senator is remiss in his assumption that this matter has not been brought up before. As I pointed out in reading from Bulletin 841,

the title of which is "Health Benefit Programs Established Through Collective Bargaining, 1945," various unions already have plans in effect like the one now demanded. So it is not new.

Mr. LUCAS. I know it is not new so far as those organizations are concerned, and, frankly, I could not support the Byrd amendment unless some sort of exemption were made of such organizations.

I am talking about the miners. If the Senator has any other information as to when John L. Lewis has been so concerned heretofore about the welfare of the miners, I should like to know about it. Lewis has been one of their leaders for a great number of years.

Mr. PEPPER. I read from Mr. Lewis' statement last week in which he said that he did bring the proposal up in 1945, but he did not press it at the time. This time he has made it a condition to the consideration of the other points in dispute between the miners and the operators.

Mr. LUCAS. The only point I make is that John L. Lewis knew better than any other man in America the condition of the miners, yet on the eve of a great potential economic crisis he insists, before he will do anything about wages and hours, this welfare fund be settled. I seriously contend that there is no welfare fund so vital to the miners or any other group of laboring men in this country as to justify them in threatening to paralyze and eventually laying prostrate the economy of the whole Nation, because, in the final analysis, it is not only the miners who will suffer, but all America if the strike continues, and John Lewis knows that as well as anyone knows it. More than a million workers were thrown out of employment as the result of the coal strike, and millions upon millions more will be thrown out of employment in a short time, with factories closing down, with stores in small towns and large cities unable to get the necessities of life if reason and tolerance are not soon exhibited and if such should happen we will see real suffering in America as a result of the dilatory tactics of John L. Lewis and his failure to initiate days ago the real spirit of collective bargaining.

My contention is that, notwithstanding the merits of his proposal, there is something of greater value, and that is a stable America. And again it seems more than strange that he has made such a proposal only once in all his previous days as a labor leader. Why does he select an hour of economic peril to press his demand? There should be some compromise of some kind to the end that we may get back on our economic feet and move along on the road of progress. The reforms will come, and they have been coming, for years, and the Senator from Illinois has voted for those reforms from time to time, but when my Nation is imperiled, as I believe it is at this moment, I must stand firm.

Whether it is John L. Lewis, or any other leader of labor, business, management, agriculture, or what not, I shall stand up and fight for what I honestly believe is the constructive thing to do for my country.

I make that statement just as sincerely as I have ever said anything. I do not believe I am exaggerating when I express my alarm at what will come to this country unless the railroad strike and the coal strike shall be settled. If we do not settle these two strikes, if these men do not return to work, the health, the safety, the security of the Nation and her people are seriously threatened.

Mr. President, I read in a newspaper a statement to the effect that some local miners' organization said they did not care whether they went back to work or not, that they had plenty of money. Money is not going to be worth very much in a few months from now if we do not get the coal out of the ground. If the railroads and the mines are closed down, and we cannot get the wheat, the meat, the corn and the other necessities of life to the markets of the country, we will have nothing but economic chaos.

Mr. PEPPER. Of course, the Senator does not like the stoppage of work in the mines, of course he does not like the stoppage of the railroad systems, but what he overlooks is whether the workers have a right to say they will not work unless there is a health fund provided for their care, and in assuming that the employees are primarily responsible for the stoppage of work. On the other hand, the management of the mines stated in a public statement which I read on the floor of the Senate a few days ago that this proposal of Lewis was a precedent, that they would not countenance it, that they would not listen to it, and that they would not budge an inch from the position they have taken.

Very well. Mr. Lewis says that he insists that there must be a health fund for his workers. Call him extreme if you like, Mr. President. The management says they will not put up a dime for a health fund. Are they not equally extreme? Have they bargained collectively and conscientiously with Mr. Lewis? Yet the Senator from Illinois, I am afraid, is falling into the erroneous assumption that the whole blame for the stoppage of work and for the conditions which he so well describes must be ascribed to the stubbornness of the worker, without putting sufficient emphasis upon the stubbornness of the employers.

I would say to the able Senator that it has been my observation that every increase in wage, every health fund, every betterment and benefit labor has wrung from management in the United States, was wrung by force. It has been wrung by the exercise of economic power and strength. As a general rule, I have not found management voluntarily giving any increases in wages or providing social-welfare funds for employees. As a matter of fact, whenever the Congress undertakes to do something for the underprivileged, management-minded people fight the legislation for all they are worth.

Ask this group representing management, who in their public statement said that any health fund should be set up by general legislation, if they are in favor of the Wagner-Murray-Dingell bill. Ask them if they are in favor of a National Health Act which will provide funds for the care of the people of this country through national insurance to which employee and employer would make a joint contribution equal in amount, and see whether they will say that they favor such an act. No, Mr. President; they will have some other objection to it. All they want to think about is the continued piling up of their profit, the continued untrammeled exercise of their power, and in 99 cases out of 100 they are going to give the workers only what they are obliged to give them.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER (Mr. DOWNEY in the chair). Does the Senator from Florida yield to the Senator from Illinois?

Mr. PEPPER. I yield.

Mr. LUCAS. Will my able friend, the Senator from Florida, tell me who is going to win in this crisis if there is no settlement of the strike?

Mr. PEPPER. I will say to the Senator that, like most other conflicts which are uncompromising in their nature, everyone loses. But whether Congress shall step in and say to labor, "You cannot make such a request," is another thing. If someone can propose legislation which will say to management, "You cannot withhold that which you ought to allow to your worker," perhaps it would be a good proposal. But I do not know how to write such a proposal.

I fear that Senators have fallen into the error of believing that because a strike is a bad thing, the way to deal with it is to make it unlawful for the worker to strike, or to impose upon him a penalty if he does strike, regardless of the provocation for his striking. That is what I am trying to hammer home, and that is what is almost impossible to get over in dealing with these controversial management-labor disputes.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. Does the Senator see any danger of the stability of our economy being affected in the future as the result of the coal strike and the railroad strike? And a failure to settle them properly?

Mr. PEPPER. I will say that we will have a better citizenry, and in the long run we will mine more coal, and in the long run we will do a better job of running the railroads and other industries of the country, if we will provide health and welfare funds for the workers. If the Senator will indulge me I will tell him why I make that statement. I gave certain figures on the floor of the Senate the other day. They deal with a comparison of the man-days lost from strikes with man-days lost from accidents and illness in the United States of America.

In the year 1940, 6,700,000 man-days were lost from strikes. In the same year, 41,900,000 man-days were lost from accidents. The actual time lost, plus permanent impairment and death, accounted for 234,000,000 man-days. In other words strikes were responsible for what would equal only 15.9 per cent of all the man-days lost from accidents in the year 1940.

Let us now consider the year 1943. I believe that is the year when John L. Lewis called a strike the last time, and

when we passed the Smith-Connally bill. That was the year when we were all clamoring about the strike. Let me give the figures for that year, when the newspapers were filled with denunciation of Lewis and the strikers, and, from reading the newspapers, one would have thought that the country was going to the dogs because of the strikers; that we could not even win the war because of the strikers. In 1943 the number of man-days lost from strikes was 13,500,000. The number of actual man-days lost from accidents in 1943 was 56,800,000. The number of actual man-days lost from accidents and permanent impairment in the health of people and death was 274,000,000.

In other words, even in the year 1943 the equivalent of only 23.8 percent of the man-days lost from accidents was lost directly from strikes.

Last year only 20 percent of the man-days lost by workers were lost from strikes. The rest of the categories I am describing came from illness, permanently impaired health, and premature death.

So, Mr. President, I say to my able friend, the Senator from Illinois, that if John L. Lewis and every other leader of labor in this country, organized and unorganized, were to succeed in obtaining the establishment of a health and welfare fund which would provide medical, hospital, dental, home nursing service, and clinical examinations, and in addition to that would provide an insurance fund to take care of total and permanent disability such as that resulting from a man having his back broken, of becoming paralyzed, of being unable to work any more, of being ill for a long time—if the leaders of labor, organized and unorganized, could secure that kind of a fund from the employers of this country, there would be a tremendous increase in the number of man-working days in our economy for the public benefit and welfare.

Mr. President, let me point out a few figures which a committee, of which I had the honor to be chairman, discovered concerning the health conditions of the people of the United States. This is only the most meager kind of summary. More than 40 percent of the Nation's selectees were found unfit for military duty. At least one-sixth of them had defects which were remedial. Many more had preventable defects. But we lost nearly 40 percent of servicemen in selective service examinations because of the failure to provide an adequate medical system.

Many a father, Mr. President, died on a foreign battlefield or went to a cold grave in a strange sea because some single man back here at home had not had his health cared for in an earlier day or in his youth, and was not able to serve in combat for his country. In fact more than 23,000,000 persons in this country have some chronic disease or physical impairment. Think of that, Mr. President; 23,000,000 persons in this country out of a population of 132,000,000 have some chronic disease or physical impairment.

On any one day at least 7,000,000 people in the United States are incapacitated by sickness or other disability, half of them for 6 months or more. Think of that, Mr. President; 7,000,000 incapacitated every day.

I will interpolate at that point to say that one out of every seven of us now living will die from cancer. Yet we have never been able to secure adequate research funds to combat cancer. Some of the very persons who oppose these health and welfare funds shout to high heaven against the extravagance of the appropriations which would provide the health care which the people of this country should have.

Illness and accidents cause the average industrial worker to lose from productive activity about 12 days a year. It may be asked: What has that to do with the production of the mines? I wonder if Senators know that the mines do not now observe Federal mine-inspection standards? They operate only by the standards provided by the States. Yet the Federal Government has a great Bureau of Mines which employs many competent investigators. They investigate the mines and lay down safety standards, but the mines do not observe the Federal safety standards. No doubt such failure accounts for a part of the loss of about 12 days per average industrial worker a year. It is not only to the miners that the danger is great. The industrial worker loses about 12 days a year from production. Let me give the figures of how many man-days that is every year. Six hundred million man-days every year. Six hundred million man-days are lost through illness.

I pointed out a little while ago that in no year did the number of man-days lost from strikes exceed 23,000,000, and that was in the year 1941. The next highest number was 13,500,000 man-days lost in 1943. The next highest was 8,700,000 man-days lost in 1944. The next highest was 6,700,000 man-days lost in 1940. The next highest was 4,100,000 man-days lost in 1942. Yet have we ever heard the Senator from Virginia propose a health bill in the Senate? Do Senators believe the Senator from Virginia would fight as hard for a health bill which would protect the health of the American people as he is fighting to make it illegal for those who have already obtained health protection to keep it, or to make it illegal for the labor leaders of organized or unorganized workers to ask for a fund to take care of the health of their workers? That is the point of view of those who are opposing the committee bill, whereas the Senator from Montana [Mr. MURRAY], chairman of the Committee on Education and Labor, who is coauthor of the Wagner-Murray-Dingell health bill, and the Senator from New York [Mr. WAGNER], who is coauthor of the Wagner-Murray-Dingell bill, have been fighting for this legislation now for 10 years or thereabouts. Yet it is men such as those who are trying to put these restrictive amendments on the committee bill which is now before the Senate, who would not permit us to enact such legislation as the Wagner-Murray-Dingell bill.

Now they want to make it illegal for labor even to ask it in collective bargaining if the fund is to be administered by the employees themselves, in spite of the fact that it is for their benefit. That is the kind of social justice in which some Senators believe. I have the opinion that there is a liaison or understanding between the mine operators and certain Senators supporting these restrictive amendments. The Senator from Virginia states that he has been in consultation with mine operators. It is entirely possible that he has advised them not to yield to John L. Lewis until he and his colleagues can pass these restrictive amendments. It may not be so, Mr. President, but many of us believe it.

Yet the public does not know all that. The public believes that a group of Senators are filibustering against a bill which would stop labor strikes. The public does not want to be inconvenienced. It does not wish to be kept from riding on the trains, and it does not wish to be forced to do without coal. Naturally the public becomes angry with anyone who causes it to do without certain services or commodities. But when the public learns that these amendments are intended to deprive labor of one of its weapons of collective bargaining, when it learns that such amendments would cause more strikes instead of fewer strikes, when it learns that the purpose is to try to keep the workingmen of this country from compelling management to provide for their bodies so that they may continue to work, those who are fair will have a little different impression than exists at the present time as to the controversy which is going on.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MCMAHON in the chair). Does the Senator from Florida yield to the Senator from Illinois?

Mr. PEPPER. I yield.

Mr. LUCAS. Am I to understand the able Senator from Florida to say that he would not object to legislation which would permit any money to be paid into a trust fund or organization fund to furnish health, welfare, hospitalization, and other benefits to employees and their families and dependents, limited to those things found in the Byrd amendment? There are a number of Senators who do not feel that $70,000,000, we will say—assuming that that is the amount which would come from a payroll tax in a year—should be turned over to one man, or to a union, for any purpose for which it wishes to use the money. I am sure the Senator would agree to that proposition.

Mr. PEPPER. Mr. Lewis made it plain in the statement which I read to the Senate that not a dime of it was to go for any purpose except the health and welfare objectives which are set forth in his statement. I would welcome the adoption of an amendment which would require any group of employees, whoever they may be, who are to administer the health and welfare fund to make periodic accounting to the Federal Security Agency of the United States Government, and submit their books and all the details of their administration to the inspection of the Federal Security Administrator of the United States. If the Senator can think of a Government official better qualified than the Federal Security Administrator, I

will accept that modification. I have no objection to it, but the Senator from Virginia is not asking us to do that.

Mr. LUCAS. I understand that he is not; but there may be some amendments to the Byrd amendment before we finish.

Mr. PEPPER. I hope there will be.

Mr. LUCAS. The only thing the Senator from Illinois is trying to do is to find out whether or not there could be a meeting of the minds between the Senator from Florida and the Senator from Illinois upon two fundamental propositions with respect to the welfare fund. One is that certain limitations be placed on the purposes for which the money may be spent. The second is a proper accounting to someone with respect to the trust fund.

Mr. PEPPER. I have no objection whatever to such a provision. I think it would be perfectly reasonable to impose such a requirement. But I do not feel that we should go further and say that if we agree to the fund being administered by the workers, it shall be made unlawful to seek such a fund in collective bargaining. The question of accounting is something else. I favor that.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TYDINGS. I am seeking information. The Senator from Florida is a member of the Committee on Education and Labor. I am not. How would the $70,000,000 be raised, assuming that that is the figure agreed upon? I do not mean to imply that the Senator would be unalterably opposed to an amendment. I am assuming, for the sake of argument, that there is a definite procedure. Does the Senator have in mind how the $70,000,000 under discussion is to be raised?

Mr. PEPPER. In the first place, my position is that we ought not to interfere with the right of these parties to bargain with respect to this matter. I believe that this is a proper subject of negotiation. Congress ought not to step in and say, "You may not negotiate on this subject in the ordinary way."

Mr. Lewis' proposal is that there be a 7-percent levy on the gross pay rolls in the mining industry, and that that sum be set aside for the health and welfare fund which he has described, to be administered by the workers themselves.

Mr. TYDINGS. Seven percent?

Mr. PEPPER. Seven percent is the figure stated by Mr. Lewis. He stated that he was willing to negotiate the matter.

Mr. TYDINGS. Let us call the 7 percent a pay-roll tax—not in any spirit of derision, but in order to give it some nomenclature. If the 7-percent pay-roll tax were agreed upon, how much would it amount to by way of increase in the wages of the miners, assuming that they were to receive it in pay rather than in hospital fund?

Mr. PEPPER. I presume I am correct in the arithmetical assumption that it would be the equivalent of 7 percent on the gross pay roll of all the workers.

Mr. TYDINGS. How much would that be an hour?

Mr. PEPPER. I do not know. I have seen no figure relating to hourly wages.

Mr. TYDINGS. I wonder if the Senator would be good enough, at his leisure, to ascertain what that would mean in terms of an hourly increase in pay, assuming that it were all given to the miners rather than being placed in a welfare fund. Then I would appreciate it if the Senator would show us how that would be reflected in the increased cost of coal. I repeat that I am asking these questions in no sense of derision or criticism. I am asking them in order that I may understand the elements entering into the question now under discussion. Has the Senator the answers to my questions?

Mr. PEPPER. I do not have them here. I have some information with respect to the wage structure in the bituminous coal industry, and perhaps we could relate it to that information. Let me give one or two figures. The gross weekly earnings average as low as $40.63 for inside trimmers, and as high as $80.48 for inside maintenance mechanics. So I judge that the weekly wage scale varies between $40.63 and $80.48 a week.

Mr. TYDINGS. I agree with the Senator that this question, in its present state, at least, ought to be basically the subject of collective bargaining between the miners and the mine owners; but in the event we are to formulate a national policy, I am interested in knowing the ingredients as definitely as I can determine them.

The third question I should like to ask is this: Does the Senator know why there is objection to having the mine owners represented on the Board of Management in the expenditure of this fund?

Mr. PEPPER. I do not know. However, the gist of Mr. Lewis' statement is that the fund is primarily for the benefit of the workers, and he feels that the workers should use the fund in the way which will be most beneficial to the workers. He feels that the workers are better judges of their own needs than are the employers. However, the Senator knows, from the pamphlet from which I read the other day, that in the case of the programs which are already in effect, approximately a third of them are administered by the union; approximately a third by the employees and employers together; and about a third by private insurance companies which cover the insured persons. So there is no definite pattern. All three patterns are employed in connection with existing plans.

Mr. TYDINGS. As I stated the other day, I believe that miners are engaged in one of the most hazardous undertakings of any group of working men in the country. From what little I know, I do not believe that the working conditions of miners have improved to as great an extent as those of workers in other industries in many respects, considering the safeguards which have been thrown around other workers. But I am in no sense depreciating the general objective which is sought. I feel that we must reflect very seriously upon the fact that if a pattern is established, in time that pattern must translate itself to the whole country. Therefore it is important that the first pattern be the right pattern; otherwise, we shall have what we have already had. One strike has followed another over the country as the leveling off process has proceeded in the wake of the first settlement. We do not wish to prolong the series of strikes. We ought to establish some kind of pattern which, if followed, would be wholesome for the whole country.

Mr. PEPPER. I will say to the able Senator that in his statement Mr. Lewis points out that one of the unions which already has a plan of this character is Sidney Hillman's union, the Amalgamated Clothing Workers Union. He points out that in that instance the pay-roll tax, arrived at by voluntary agreement with the employer, is either 3 or 3½ percent of the gross pay roll. That is an existing plan. Mr. Lewis says that if that amount is fair in a sedentary industry like the garment workers' industry, 7 percent, or twice that much, certainly should not be considered extreme in so hazardous an occupation as coal mining. That may or may not be true.

Mr. TYDINGS. From the standpoint of accidents, I believe that the mining industry would be by far the more hazardous of the two. But from the standpoint of health, aside from accident, even though the miner is exposed to darkness and all sorts of hazards, he probably is not suffering in health to the same extent as are those who sometimes do not get enough air, and who are subjected to other unfavorable conditions, which at least used to exist. The point is that if the 7-percent pay-roll tax is to prevail I am interested in knowing what its equivalent would be in the form of an increase in wages, and whether or not, if it is adopted, it is to be followed by the 18½-cent pattern which has more or less swept the entire country.

Those of us in the Senate who are dealing with this question deal with it reluctantly. I am sorry there is a strike. We have provided machinery, by collective bargaining, to prevent strikes. I should be very happy, as I believe all my colleagues would be, if we knew that all these strikes would be settled, so that we could have a long pull down the roadway of peace and complete the reconversion job. But so long as we must discuss the question I should like more specific information and less general information as to what is involved. I should like to know, in dollars and cents, what it means, what its effect on the country is to be, and what its ramifications are to be, before committing myself too specifically either in approval or disapproval of the particular provisions of the bill and of the pending amendment. If the Senator will obtain the information which I have requested, and either give it to me privately or give it to the Senate, I think he will contribute toward informing us all and hasten the solution of this problem.

Mr. PEPPER. I thank the Senator very much for his very fair and fine inquiry. However, I think I should submit this observation: The Senator from Florida is not the one who is asking his colleagues to adopt the particular amendment which we were discussing before I offered the amendment which I

proposed. It was the Senator from Virginia [Mr. BYRD] who offered that particular amendment. It was he who thought that there was such a great public wrong in prospect that there should be a statutory prohibition against its occurrence. In my judgment it is the obligation of the able Senator from Virginia to satisfy us that the amendment which he proposes is justified. It would reach into the bargaining chamber and place the hand of restraint upon the employees, and say, "Thou shalt not ask for a health fund to be administered by the union." I think it is up to the Senator from Virginia to tell us why we should adopt an amendment which would invalidate a health-and-welfare fund already in existence for over 200,000 workers in this country, and which was arrived at by collective bargaining. I think the Senator realizes the spirit in which I make that statement, and I am glad to try to obtain information from him. But the Senator from Virginia offered his amendment and then said very little about it, evidently because he felt that the Senate was in such a mood that it would adopt practically any kind of restrictive amendment which was offered in regard to labor.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TYDINGS. Assuming for the sake of argument that the proposal to which the Senator from Florida is now addressing himself were adopted in reasonably satisfactory terms, either through the medium of collective bargaining or by means of legislative approval, is it the thought of the Senator from Florida that thereafter there would not be a need for the national health insurance law known as the Murray-Dingell proposal?

Mr. PEPPER. I am glad the Senator has asked that question.

Mr. TYDINGS. I mean that if that idea spread, would it cure the situation which the Senator from Montana [Mr. MURRAY], together with his colleague in the House, have attempted to cure by means of a measure of Nation-wide operation?

Mr. PEPPER. I say to the Senator that it would make great progress, in my opinion, toward the solution of that problem. But the Wagner-Murray-Dingell bill itself has in it a provision by means of which plans of this character can be fitted into that legislation, if it ever is enacted by the Congress. I say it would go a long way in the right direction. One reason why I look with considerable sympathy on the subject is that we do not now have a comprehensive bill for the national health, like the bill introduced in the Senate by the Senator from Montana [Mr. MURRAY] and the Senator from New York [Mr. WAGNER], and in the House of Representatives by Representative DINGELL. But until Congress is ready to enact such a measure, the health and welfare funds to which I have been referring are fundamentally all that exist to take care of the workers in the United States.

Mr. TYDINGS. Mr. President, I do not wish to dispute what the Senator has said, but let me point out that all of us are getting into a rather contradictory position. On the one hand, we are asking that collective bargaining, as the Senator has correctly argued, should be carried on with a minimum of interference by Government. On the other hand, we are trying to write collective bargaining into law.

The Wagner Act was placed on the statute books in order to provide labor and capital with an opportunity to sit down and bargain together without interference from anyone; and if men did not want work, they had a right to go on strike; and if those who owned factories did not want to operate them, they had a right to close them. That was the happy theoretical philosophy.

Now we find that just so soon as some strikes occur, there is a desire to throw the whole machinery overboard, and to destroy the gains which political orators talked about and said that labor had made—the sacred right of collective bargaining and other rights of the workingmen

As I see the situation, both sides are attempting to enlarge the field of collective bargaining. That attempt is made by both those who have upheld it as a wonderful benefit and those who have attacked it.

Mr. PEPPER. I understand that situation. But I am sure the Senator would wish to exculpate the Senator from Montana and myself who are opposing the proposed restrictions on collective bargaining. If we favor the Wagner-Murray-Dingell bill, it is because we feel that the self-employed, as well as those who are employed by employers and people generally throughout the country, should be covered by the plan.

Mr. TYDINGS. Of course. But all the people would have a right to quit work tomorrow morning if they did not have the kind of betterment they wanted.

Mr. PEPPER. That is true.

Mr. TYDINGS. If we are going to work out the matter under the act, I think we should set up the terms of collective bargaining. But if we set up the terms of collective bargaining, I think we should be specific both in regard to what is collective bargaining and what is not. It should not be both fish and fowl. I say that without any attempt to criticize, but in order to state the obvious.

Mr. PEPPER. Mr. President, I am not sure I understand the full import of what the able Senator from Maryland has said.

As the situation is today, collective bargaining is broad and open, as between employer and employee. They can agree on a 3½ percent pay-roll tax, the money to be administered by the employer and the employees jointly, or by a private insurance company, or by the employees themselves, or they can agree upon some other plan. At the present time, there is no law to tell them what they may do.

Mr. TYDINGS. That is correct.

Mr. PEPPER. The Senator from Virginia proposes to change that freedom. He proposes to limit their freedom of action, with the result that they will not be able, even by means of voluntary agreement, to raise a fund for that purpose. Apparently the Senator from Virginia is not objecting to the raising of the fund by the employer altogether, or even to having it passed on to the public. He is saying that such a fund cannot be raised in any way if majority representation in its administration is to go to the employees.

That is a hamstringing of the freedom of the employer and the employees to work out a mutually agreeable compromise.

The Wagner-Murray-Dingell bill is an entirely different thing. It is simply a measure which levies a tax—or it will, when all of its parts are put together—upon those who work for employers. The tax will be in a certain amount. The employer will be required to pay the same amount, and there will be certain Federal appropriations, and perhaps some State appropriations in the long run, one way or another, to make up the total sum of money which will make possible the providing of all the care that is contemplated.

Mr. TYDINGS. I do not believe that if that measure were on the statute books today, it would satisfy the miners who feel that they are engaged in an extra hazardous occupation and that they should have something in addition to the benefits provided by that measure.

Mr. PEPPER. It might be that they would ask for more.

Mr. TYDINGS. And they might do so understandably, we might say, if that is to be the principle.

Mr. PEPPER. That is correct.

Mr. TYDINGS. Therefore, even though the Murray-Dingell bill were enacted and were on the statute books, we probably would be faced with the situation that, no sooner were it written on the statute books, than the workers in many lines of activity—such as mining—would feel that they needed something more than that, something to supplement it, if it were to be worth the value which its authors evidently have in mind.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MURRAY. It seems to me that the provisions of the Wagner-Murray-Dingell bill are so broad that they would give complete coverage to everyone who came within its protection. They would give coverage for hospital medical care, for medical care at home, for medical care in the office. Everything would be covered by it, so as to give complete, modern medical care to everyone who came under the operation of the act.

If every union in the United States had a welfare fund such as the one which is contemplated in connection with the coal miners' union case, only a very small percentage of the American people would be covered, and the cost of operating such funds would be more expensive than the cost of operating a Nation-wide plan of health insurance.

Mr. TYDINGS. A Nation-wide plan would cover everyone.

Mr. MURRAY. Yes, it would, and it would reduce the costs. That is one of the strong arguments in favor of a Nation-wide compulsory plan, as against voluntary systems.

Mr. TYDINGS. Of course, Mr. President, both the Senator from Florida and the Senator from Montana know that if the program goes through, regardless of its merits—and I am not saying it has no merits—the ultimate cost will be passed on to the consumers. Mr. Lewis admits that.

Mr. MURRAY. Certainly. It seems to me that if employment in a given industry is very dangerous to the health of the workers who are engaged in it the industry should itself provide such a program rather than throw the burden on the entire population of the United States.

Mr. TYDINGS. Mr. President, I was just thinking that perhaps that would be a preferable way to approach the whole question of the welfare fund, namely, by the medium of a national law.

Mr. MURRAY. Mr. President, my understanding is that organized labor in the United States is in favor of a national health program, and would gladly contribute their proportion to its support.

Mr. TYDINGS. I thank the Senator. If he will allow me to ask the Senator from Florida one more question, I should like to draw the issue as between the proposal set forth in the Byrd amendment and the position taken by the Senator from Florida. Whether the Byrd amendment were adopted or rejected, the ultimate cost would be the same, and the control of the fund would be all that would be at stake. Does the Senator agree with me on that statement?

Mr. PEPPER. I believe the Senator might assume that to be true.

Mr. TYDINGS. So whether the Byrd amendment were adopted or rejected, the probabilities are that the fund itself would be the same, whether raised jointly by the miners and the operators, or raised in larger proportion by the operators than by the miners. So we are not concerned here with the cost to the ultimate consumer. Does the Senator agree with that statement?

Mr. PEPPER. That is correct.

Mr. TYDINGS. Under the Byrd amendment the miners would not have exclusive control of the fund. Am I correct in that statement?

Mr. PEPPER. The Senator is correct.

Mr. TYDINGS. Under the Byrd amendment the operators, the miners, and the public would have joint control of the fund. Is that statement correct?

Mr. PEPPER. As I understand, there is nothing said in the Byrd amendment about the public.

Mr. TYDINGS. I assume that the Senator from Virginia would be agreeable to incorporating in his amendment a provision including the public. What would be the objection to having the miners, the operators, and the public all represented in the expenditure or disbursement of the fund?

Mr. PEPPER. I do not have the slightest objection to that being done, provided that it is agreed to between the employer and the employee. However, I do not believe that Congress should write a law and tell the employer and the employee exactly how a fund collected by them should be administered.

Mr. TYDINGS. That is an understandable viewpoint, and I think there is a great deal in the philosophy of our Labor Relations Act to support it. But, what I am trying to get at is what the doctors call isolating the germ. I wish to reduce the controversy to what is involved in the dispute. All that is involved in the dispute is, who shall control the fund.

Mr. PEPPER. In respect to that part of the Byrd amendment, yes.

Mr. TYDINGS. That is what I mean.

Mr. PEPPER. Yes.

Mr. TYDINGS. The other question is whether the miners are to control it and report to the Securities and Exchange Commission, or whether the operators and miners are to control it and report to nobody or report to the SEC or whether the miners, operators, and public are to control it and report to nobody or to the SEC.

Mr. PEPPER. That is a substantially correct statement in respect to the Byrd amendment.

Mr. TYDINGS. So the ultimate cost to the consumer will be the same, and the size of the welfare fund will be the same, no matter how it is raised. So far as this particular part of the amendment is concerned, we have now gotten down to the question of, Who is to have control of the expenditure of the money? That seems to be the only issue remaining.

Mr. PEPPER. That is correct. The Senator will also recognize that the amendment will not only tell employers that they cannot in the future enter into such contracts, but it will invalidate contracts which approximately 200,000 employees have already made with their employers, and will prevent those employees from administering the fund which they already have.

Mr. TYDINGS. I do not believe the amendment would invalidate contracts which already had been entered into because, obviously, they were entered into before there was any law making them invalid. But, when those contracts are renewed they would have to be renewed under conditions which Congress had prescribed. I think the word "invalidate," while not altogether ill-advised, is not so accurate as are words which the Senator usually employs.

Mr. PEPPER. Mr. President, I am not at all sure that when parties enter into a contract the contract is not always amenable to a possible change in the law. I am not at all sure that the amendment would not make it impossible for any employee to receive in the future, any of the funds, even under the existing contracts.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DOWNEY. I should like to invite the Senator's attention to the present old-age pension system of the United States. That unfortunate system gives only an average of about $24 a month to the retired worker at age 65. An increasing number of large corporations are volunteering, or perhaps as a result of collective bargaining, to set up pension systems. In many such systems the amount of the retirement payment to be made available to the worker runs 50 percent and upward, or several times the amount of the old-age insurance pension. In practically all those systems provision is made that the employer shall be given credit in his payment to the worker for the amount which he has paid under the old-age insurance system. As a matter of fact, in certain States which have made provision for the safeguarding of the systems of private corporations, provision is made that the private corporation shall be entitled to deduct from its payments to the worker an amount equal to the amount which has been paid under old-age insurance. As the Senator has already stated, the proposed Murray-Dingell-Wagner bill does make provision for incorporating such an arrangement.

Mr. PEPPER. Mr. President, I am glad that the Senator has emphasized that. It will be seen that if this proposal were established as a precedent, it would be in the direction of what I believe all of us have been expecting to be done, namely, in some way provide adequate funds to aid in taking care of the health of the American people.

Mr. MURRAY. If the Byrd amendment were adopted it would either invalidate the existing contracts now in force, or it would prevent them from being renewed.

Mr. PEPPER. The Senator is correct.

Mr. MURRAY. In many of those instances the employers have voluntarily and freely entered into the contracts because they did not want to have the burden of administering the fund. They thought that it would be more efficiently administered if the workers were to take over the administrative work. So the pending amendment would prevent management from voluntarily placing in the hands of the workers the administration of the fund.

Mr. PEPPER. The able Senator is absolutely correct.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. The able Senator from Maryland discussed a point which I have previously discussed on the floor of the Senate. I should like to ask the Senator from Florida whether he has any facts disclosing the minimum wages of miners at the present time. My understanding is that approximately $1 an hour is the minimum wage.

Mr. PEPPER. I believe the Senator to be justified in that assumption. I read a little while ago that the wage varied from $40.63 a week, that is gross weekly earnings, for inside trimmers, to as high as $80.48 a week for inside maintenance mechanics. I am having a check made on those figures. For the 18,000 workers employed in strip mines the national straight-time averages ranged from 97 cents an hour for ground men and slate pickets, to $1.64 for power-shovel operators.

Mr. LUCAS. The minimum wage in the mines being $1 an hour, I believe I am correct in saying that if the 7-percent pay-roll tax were added, the labor cost would be raised to $1.07.

Mr. PEPPER. Yes.

Mr. LUCAS. So if 18½ cents were added with respect to the wages which will ultimately be bargained for, the increase would be to $1.25½. The increase would move up in line with the wage being paid to individuals in the mines. So it might go as high, in some instances, as 15 cents or 20 cents.

Mr. PEPPER. Mr. President, I do not want to be placed in the position of saying that there should be a gross pay-roll tax of 7 percent. I do not know what it should be. I believe, however, that if Mr. Lewis had insisted on 7 percent, and management had said that 7 percent was too much, but "we are willing to offer you 3½ percent" and the negotiators had considered the matter seriously, they could perhaps have found a figure upon which they could have agreed through collective bargaining.

Again I say, I do not want to exculpate Mr. Lewis from any degree of fault he may deserve to be assessed with and I think the manner in which he has handled the situation is certainly culpable, because he has not put as much emphasis on the needs of his workers as he appeared to put on the exercise of arbitrary power. But again it may be that the whole story has not been told by the press. I do not know, because I have not sat in on the negotiations, I have not talked with anyone, directly or indirectly, on either side of the controversy. I am merely saying that we here in the Senate should not step in and pass a law which would prescribe who had to administer the fund and how much the fund had to be. I think that there is a legitimate sphere for collective bargaining and that the Senator from Virginia has not made out a case which would justify us in interfering with the free right of collective bargaining by those engaged in the controversy.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Florida yield to the Senator from Maryland?

Mr. PEPPER. I yield.

Mr. TYDINGS. Assuming for the sake of the argument that the wage is a dollar an hour—and not whether it is a fair wage, but assuming that for the purposes of this discussion—and there were a 7-percent tax on that, that would be 7 cents, and it would still be 11½ cents under the 18½ cents an hour which has pretty well been the general pattern followed throughout the country. As I understand the problem, I think Mr. Lewis' one demand up to now has been for the welfare fund.

Mr. PEPPER. I understood him to make that a condition.

Mr. TYDINGS. I understand from the press—I do not know whether I am reliably informed or not—that before he will discuss wages, he wants to get the welfare fund question settled.

Mr. PEPPER. That is what I understand.

Mr. TYDINGS. Assuming that the welfare fund were settled at 7 percent or 7 cents an hour, to use just a haphazard yardstick, I wonder if then the amount Mr. Lewis would want added to that 7 cents an hour for a welfare fund would be the difference between 18½ cents and 7, or whether the 18½ cents would be superimposed on the 7 cents.

My reason for asking the question is that regardless of the merits—and it may be very just that the whole 18½ cents be superimposed on the 7—labor competition being what it is, I wonder whether or not we would not start off a new train of strikes by men who would feel that having now put one group of labor on this plane, and they not getting as much as they thought they would get, 7 cents an hour should be added to what they now receive.

I am not a negotiator, but so long as this discussion is on the Senate floor, it seems to me at this longer distance, and without knowing all the elements in dispute, if the whole equation were written out, the demands and rejections, we could tell a little more quickly where we are going than we can when we do not know what all the evidence in the case is, upon which we are supposed to pass our judgment.

Mr. PEPPER. The Senator is correct about that, and it is what we have been trying to emphasize from the beginning, namely, that because the country was disturbed, and properly so, about the strikes and work stoppages, the Senate suddenly determines to take the bit in its teeth and enact legislation which will affect the strikes. The Senator from Virginia has an idea that John L. Lewis has been exacting a royalty from the employers, 10 cents a ton, the figure which was mentioned, and he comes forward with an amendment which provides that no employer may pay any sum of money or other thing of value to the representatives of employees, or to any employees. Then some of us, including the Senator from Maryland and several other Senators on the floor, call attention to the sweeping prohibition of the amendment of the Senator from Virginia; and he comes back the next day and modifies the amendment, saying he does not object to the miners having a health fund provided management shall have an equal share in its administration. Of course, he still leaves in many other prohibitions, which the Senator from Montana [Mr. WHEELER] pointed out a few days ago, one of them being that it would prohibit a contribution to a baseball game, for example, or to recreational facilities, and that kind of thing. What the Senator from Virginia was striking at was John L. Lewis' negotiation, to make it illegal to ask a health fund as a condition of exacting an agreement.

We contend the Senator from Virginia has not made out a case to show that in an instance such as this collective bargaining by the free will of the employer and employee should not be followed.

Mr. MURRAY. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. MURRAY. Is it entirely correct to say that the 7 cents would go to the worker in the nature of compensation? Could it be regarded as a part of what he is earning?

Mr. PEPPER. I do not think so.

Mr. MURRAY. My understanding is that mining is a very dangerous industry in which to work, and that health conditions are very bad. The miners have silicosis and many other diseases which result from work in the mines. So the 7 cents is not something that goes to the worker. It is a fund to protect him from disease. He does not get it. If he were working in a factory he would not need the protection he should have when working in a mine. I do not think it is proper to start computing what the mine worker is going to earn and then add the 7 cents which is to go to the health program.

Mr. PEPPER. The Senator is absolutely correct in emphasizing, first, that not a dime of this money will go into the pocket of any worker. He will not be able to buy an extra penny's worth of food, clothing, shelter, or anything else unrelated to illness. The fund would have two salutary effects. First, it would give the mines more effective labor, by preventing illness among the workers due to preventive medicine and to curative medicine which might be administered to the workers in hospitals or otherwise. That is the first thing. It would tend to make the coal miner a more efficient worker, and keep him in the mines more days than he otherwise would be there.

The second result would be to make whole the bodies the mines had hurt, so far as medical science and care could provide for an injury or disability inflicted upon a miner. If a rock should fall, as in the case of the man Burns, from Alabama, whose case I described, who had a rock fall on him and paralyze him, does anyone deny that the mine or the mine system of this country should provide for his care? Either the mines have to do it or the public has to do it, or the poor man has to go uncared for.

Is there anything wrong with adding to the cost of coal the cost to repair breakage to machines and the breakage of human bodies, which occur in the production of coal from the coal mines? That is all this amounts to.

Mr. MURRAY. Mr. President, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. MURRAY. Such a program would also relieve the local communities and States from the burden which would be cast upon them as a result of the injuries and as the result of the conditions of disease surrounding the miners, rendering them unfit to work. The burden falls on the general taxpayer instead of where it should fall, upon the industry that is responsible.

Mr. PEPPER. The Senator is absolutely correct. I was told of a certain State a few days ago—I shall not name the State, because I am not sure my informant was correct—where much coal is produced, and that State does not have a severance tax, that is to say, the company goes down into the earth of the State and takes out this valuable natural resource, coal. It sells the coal in the markets of the country for a profit. Yet if that mine in that community broke a man's back, or deprived him of

a limb, or made him an invalid for the rest of his life, the very community, the very State, which loses that natural resource without compensation, would have to pay for the wreckage the mine operation leaves on the State itself. That is not fair. So I see nothing wrong with the principle of providing a health fund for every industry.

Mr. President, I was about to refer a while ago to the degree of ill health and lack of care prevailing in the United States, and I should like to finish that subject. I pointed out that illness and accidents caused the average industrial worker to lose about 12 days from production a year, representing a loss of about 60,000,000 man-days annually. Sickness and accidents cost the United States at least $8,000,000,000 a year.

When the able Senator from Illinois was talking about how much this fund would be, how much this 7 percent, if that were the figure, would cost, he failed to take into consideration how much illness cost, and that if adequate medical care could be provided we could diminish the cost of illness to the whole of society.

Mr. LUCAS. Will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. What does the Senator think about the bill for accidents and loss in health and wages, loss in time, loss in property, in the event the parties to the controversy do not reach some sort of an agreement through collective bargaining?

Mr. PEPPER. The loss will continue to fall upon the one who happens to sustain it. The worker sustains it himself if no other plan is provided for meeting it.

Mr. LUCAS. I am going to repeat what I visualize is coming in this country in the way of paralyzing our economy and throttling our industries to the point where nothing will be produced unless these strikes are settled. There will be many accidents and much sickness, and many people will suffer; there will be billions upon billions of dollars of losses upon the other 137,000,000 Americans who live in this country. It is not a one-way street, in view of the crisis which is approaching.

Mr. PEPPER. We all know that, but why not put in the Byrd amendment a prohibition against the mine owners refusing to negotiate on this subject? Why not send them to the penitentiary if they say they will not agree to such a principle as that which has been proposed?

Mr. LUCAS. Let me say to the Senator, on the question of collective bargaining, that one of the things that excited me from the beginning was the failure on the part of Lewis to do any collective bargaining in this coal strike. So far as I have heard, no one on the floor of the Senate or anywhere else has ever attempted to defend Lewis for the days he wasted while the coal supply of the country became smaller and smaller and smaller, never telling the American people or the operators or anyone else about the welfare plan which the Senator now is defending in the Senate. I do not remember the Senator from Florida saying anything about a welfare plan until John L. Lewis laid his proposition before the operators some 5 or 6 days ago.

Mr. PEPPER. Mr. President, again, as I said, I am not defending John L. Lewis, but I think it has been stated in the newspapers from the very beginning that John L. Lewis laid down an ultimatum and said, "Unless you are willing to agree in principle to the welfare and health fund we will not discuss anything else." I think the Senator remembers that in the newspapers.

Mr. LUCAS. I do not want to disagree with the able Senator, but from my information, and I believe it is reliable, for days and days—and I should like to have someone successfully dispute this statement, and I should like to know the truth about it—for days and days the operators of the coal mines and John L. Lewis met, and not a single thing was done. They met, talked about the Bible, talked about literature, talked about the weather, and adjourned without anyone saying what was wanted, and the only individual who could lay down the demands for what he wanted was Lewis who represented the miners who were out on strike. The conferees thought at the time, as I understand, that Lewis was going to talk sometime about wages and about hours, and one day he dropped a hint, after the nineteenth day, that he might talk about a 10 cents per ton royalty for a welfare fund, but at no time did he lay down a proposal until the United States Senate some 2 weeks ago started to discuss the seriousness of the situation throughout the country.

Mr. PEPPER. Mr. President, I do not think what the Senator from Illinois has said is justified by the facts with respect to what occurred in this controversy. It is my understanding that in the beginning of these negotiations Lewis laid down an ultimatum and said, "We will not discuss wages, we will not discuss working conditions until you agree in principle about a health and welfare fund." Management would not agree, and until management agreed to the principle, Lewis would not submit the details.

Mr. President, this is the statement which the mine owners made, I believe, on the 15th day of this month, the day following Lewis' statement which appeared in the New York Times. I read a part of it:

> Third, that it is a matter of public concern and is therefore a problem that should be considered not by this wage conference but by public legislative bodies and then only after a complete and thorough investigation by such legislative bodies of all the problems involved.
>
> This proposal presents to the conference a new social theory and philosophy the effect of which would extend to every industry in America, and as such must be considered and acted upon as a national problem and not as one relating to the coal industry alone, and in the judgment of the committee, we repeat, is one to be considered by public legislative bodies.

Then they go on to say that they will not entertain such a proposal and will not agree to it at all. They do say that they would agree to some kind of a little fund for emergency cases to be administered by the Red Cross. But even on the last day, when it was presented, they were just as adamant as I imagine they were the first day the matter was presented to the conference. If the Senate wants to pass some law on the subject it would be much more consistent with humanity to tell the employers they have got to provide a health fund than it would be for us to deny the employees the right to demand one from management, either employes in the coal mines or in any other industry.

What I am complaining about, however, is that the employer can be as stubborn as he will, and can say, "I will not give you a health fund; I will not give you a welfare fund," and yet if the worker stops working, the whole blame for the work stoppage is placed upon the worker and not on the selfish and stubborn employer who refuses to cut down the amount of his profit, who refuses to be the collecting agent from the public, even though in doing so he saves the lives and the health and the working strength of the working people of his own industry.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TYDINGS. I have no desire to take sides in the controversy as to who makes the most money, or whether the operator makes a profit or not, but the Senator from Florida, I am sure, will be fair enough to admit that whether the increase is 5 cents or 10 cents or 15 cents or 18 cents or 20 cents or 25 cents an hour, the operator is going to make just as much profit after the increased charge is put on the price of coal as he would make if there had been no increase at all put upon it, because he is going to superimpose his profit upon the increased price of his product, which will be reflected in the sales price. If he did not do so he would not open his coal mine. So the operator will be just as well off if he gives the miners a dollar an hour more as he will be if he gives the miners 25 cents an hour more or 15 cents an hour or 10 cents an hour or 5 cents an hour more. The operator is going to make his profit or he is not going to operate his coal mine, and Senators can all count on that. The public is going to pay the bill in any case, no matter what increase may be arrived at.

Mr. PEPPER. The able Senator from Maryland is essentially correct. If he is completely correct, however, I cannot understand why the management is so stubbornly refusing to negotiate this subject, and so adamant in saying it will not yield any kind of a fund that amounts in substance and character to a health fund.

The second thing the Senator from Maryland is probably overlooking is the fact that there might be some detriment to management in this, in that it might put the price of coal, as a competitor to some other kind of fuel, in such a high bracket that it would not be so well able to compete with other kinds of fuels.

Mr. TYDINGS. That situation would not last very long, Mr. President, because no sooner does the price of coal go up because of the establishment of some fund of this sort than the price of oil will go up by reason of the fact that the oil

workers will also want to have the same sort of plan established with respect to them. We saw what has happened in connection with other recent strikes. There was a strike of automobile workers, and they received an increase in wages. Then came the strike of the steel workers. Following that came the strike of the farm-machinery employees, as a result of which farmers cannot get the machinery necessary for the operations on their farms. Then came the coal strike, and now we have the threatened railroad strike, and we will not be through until all workers get up on the same plane where those who struck first now are, and then all prices will go up accordingly. At that time we will be relatively at the point from which we started. Everyone receives more pay and everything costs more. All this commotion in the long run will amount to nothing more than a tempest in a teapot so far as the ultimate effect on our economy is concerned; for prices will go up with wages and wages will go up with prices. When all is said and done every worker, from the farm laborer on up, will receive an increase in wage, and all of them will pay more for every pair of shoes they buy, for every automobile, for every ton of coal, for every piece of farm equipment or for every farm implement, and we will have a grand old economic spree, and we will all sober up just about at the point where we were when we started to get drunk.

Mr. PEPPER. Mr. President, I do not think there would be so great an inflationary tendency from a 7-percent payroll tax, even if that were to be the amount distributed in the building of hospitals, in paying doctors, in paying nurses, in providing other facilities, as would result if the same amount of money were given directly to the miner, and he could compete in the purchasing market for consumer goods with a direct increase in wages.

Mr. TYDINGS. There is something to what the Senator from Florida says. There are often indirect benefits from such increases. But when, either by Government approval or by Government disapproval, or by Government nod or by Government hint, or through a Government negotiator, or however it was, the pattern was set at 18½ cents an hour in the steel strike, only an ostrich would have failed to realize that in the course of time the workers in every other industry would get a similar increase or a series of strikes would sweep the whole country. If the miners receive a 35-cent-an-hour increase the whole thing will start over again, because all other industrial workers will have to be brought up to that level before the side show is closed down.

Mr. PEPPER. But, Mr. President, remember that a great many workers of this country have already gotten health plans and welfare plans, arrived at by voluntary agreement with the management, and they are now in effect. I shall refer to some of those plans a little later. I believe that there would be less inflation and much more good would result if every industry put into effect such a health plan than if such plans were not put into effect.

Mr. LUCAS. Mr. President, will the Senator from Florida yield for one more question, and then I shall not disturb him any more this afternoon?

Mr. PEPPER. I yield.

Mr. LUCAS. The Senator and I were discussing a while ago the question of collective bargaining or the failure of collective bargaining between Lewis and the operators in the early stages of the coal strike. The Senator and I do not quite agree upon the facts. The Senator made a statement that in the beginning Lewis said there was no purpose in presenting his proposition as to a welfare fund so long as the operators did not agree to the principle of it. That was my understanding of what the Senator from Florida said.

Mr. PEPPER. I stated that my understanding—and again I got it only from the newspapers—was that Lewis in the very begining of the conference said, "I will not negotiate upon wages or working conditions or other conditions of the contract until you first agree to the principle of a health and welfare fund."

Mr. LUCAS. That is the way I understood the Senator. I wonder why, if that was the position of Lewis, he finally did lay down the terms, even though the operators did not agree to the proposal in principle? If he could have done it some 30 days after the coal strike started, he could have done it long before that. That is my basic dispute with John Lewis; for he knew better than any single individual in America the effect a failure to lay down his terms would have on our national economy.

Mr. PEPPER. Mr. President, again I say that it does not make the slightest difference to me whether the Senator from Illinois or any other Senator likes or dislikes Mr. John L. Lewis. I have had no contact, direct or indirect, with Mr. John L. Lewis. His statement which I quoted in the Senate I obtained from the New York Times. I have had no more contact with him than I have had with management. The statement of management which I read I obtained from the New York Times.

I am not defending John L. Lewis, except to say that so far as I know, probably if management had been a little yielding, perhaps Mr. Lewis would have been a little more yielding. Perhaps he is not altogether at fault. I do not know. But I am saying that we should not adopt the Byrd amendment, which would take this protection from the 200,000 who already have it. It would deny to William Green, Phil Murray, or John Smith, as the representative of organized or unorganized workers in this country, the right to make a health fund a condition precedent to executing a contract. That is all I am saying. The Senator from Virginia has shown no reason why we should adopt his amendment. If John L. Lewis wishes to be stubborn, he does not have to confine himself to this one excuse to be stubborn. The railway workers have threatened to go on strike. There is no health fund involved in that case. They were disputing over wages. John L. Lewis could have struck over a wage dispute as well as over a health fund dispute.

Yet how unbecoming it is in the United States Senate to give serious consideration to a proposal by a Senator which would say to the workers, "You may not insist upon a health-and-welfare fund from your employer." I say that the passage of the Byrd amendment would not send the miners back into the mines; and no Senator would so assert. The Byrd amendment would hamstring labor and provoke angry remonstrance from them. It would tend to create more strikes rather than fewer strikes. It would make labor less yielding rather than more yielding, more stubborn rather than less stubborn. What good would it do, except to show labor that the United States is against them, and make them feel that they must fight it out with their own strength?

I do not want this statement to be misunderstood, but I can imagine this Congress bringing about such a state of mind among the working people of this country that we shall begin to have sympatheic strikes. The workers evidently feel very deeply. Last night I heard a railway employee speak with deep determination about the railway strike. We do not understand their point of view because we are not familiar with the conditions. We lead a different life from the life they lead. But they feel very deeply concerned. They feel that they have been abused, that they have not been considered. They feel that their rights have been ignored, and that they have been temporized with by those who took advantage of the cooling-off period in the railway labor dispute to keep them working under burdensome wage-and-hour conditions. Therefore they have determined to go to the extreme of striking.

When we are dealing with men who have such deep convictions about something as close to them as their jobs, we have a problem in psychology as well as a problem in economics. All the Byrd amendment would do would be to make the psychological impasse greater and worse than it otherwise would be, whereas if we were not to adopt these restrictive amendments, but were to pass the bill which the committee reported, providing strengthened machinery for arbitration, mediation, and conciliation, my opinion is that we would work ourselves out of these strikes, and in a little while we would be back nearer to normal. After a while the country would begin to attain a momentum in production which would be a magnificent spectacle for us all. But if we enact this restrictive, punitive, antilabor legislation, all we shall be doing will be to embitter those men. We shall give arbitrary leaders more power. We shall make the situation worse than it is. That is what I am pleading with my colleagues not to do.

Everyone knows that the Byrd amendment would not send the miners back to work. It would not prevent the railway workers from striking. It would not do anything but embitter the workers and make them feel that we had turned our faces against them by preventing them

from obtaining a welfare fund to be administered by their own confreres, who have sympathy for the needs of the workers.

Mr. MURRAY. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Montana?

Mr. PEPPER. I yield.

Mr. MURRAY. Reverting to the discussion which was taking place a few moments ago, when we were speaking about increases in wages in various industries such as the automobile industry, the steelworkers, and so forth, is it not a fact that all those conditions were the result of the war? The war had totally changed the economic and social conditions of the country. The cost of living had gone up to such a degree that it would be wrong to expect those workers to continue at the wages they were receiving, in view of the high cost of living which ensued.

Mr. PEPPER. The Senator is absolutely correct. I should like to ask this question: How many Senators who are sponsoring these restrictive amendments have done all they could to make OPA a success? How many Senators sponsoring these restrictive amendments have supported appropriations to make it possible for the OPA to enforce the law? Before the able Senator from Minnesota [Mr. BALL] leaves the Chamber, let me invite his attention respectfully to his statement of a few days ago, which I saw reported in the press, that the OPA was the biggest group of Fascists in the United States. The able Senator from Minnesota is one of the sponsors of these restrictive amendments. The able Senator did not seem sympathetic to the OPA. I do not know about the Senator from Virginia [Mr. BYRD]. I do not know whether he has supported the OPA all the way through or not.

Mr. BALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BALL. When the OPA extension bill comes before the Senate I expect to discuss it fully. I think I can put up a very good argument for the statement which I made, which was substantiated by the further statement that most of the OPA officials do not seem to believe in a free economy or the American system. I think I can prove that statement by a number of instances. However, I believe we should discuss that question when the OPA extension bill is before the Senate, rather than at this time. The administration itself wrecked any chance of effective price control when it deliberately pushed wages up 15 or 20 percent.

Mr. PEPPER. Yes; and the Senator from Minnesota is overlooking the fact that the cost of living went up before wages went up. The working men and women were not responsible. All OPA and the administration did was to allow wages to catch up, approximately, with the already increased cost of living.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. The Senator may have heard Mr. Bowles' testimony before the committee last month. He testified that the average increase in wages per hour since 1941 was 62 percent, as compared with a 34-percent increase in the cost of living, before the recent large increase in wages was sanctioned by the administration. So the claim that the cost of living had gone up before wages went up is not substantiated by Mr. Bowles' own testimony before the Committee on Banking and Currency.

Mr. PEPPER. I did not hear that testimony, but I have talked with workers. I have had them submit their budgets to a committee over which I was presiding, or when I was present, and I have heard them tell the story as to what actually happened to their cost of living. The housewife knows more about the increase in the cost of living than do the statisticians, because she is the one who must buy the needs of her family.

What I started to say was that because we have not given OPA sufficient personnel, because we have not supported OPA, because we have let prices rise, then when the worker complains that he must have a larger wage we blame the worker and say that he is trying to break the economy when he demands a wage which will compensate him for the increased cost of living. Ninety-nine times out of a hundred it is not the fault of the workers. It is the fault of the Government in permitting the black market to flourish. Much of the fault lies with Congress, and part of it with the Senate, which, as I remember, reduced the amount of money available to OPA so severely that it could not possibly enforce the OPA regulations against a black market which is spreading all over the country.

So when the worker has a disability he is entitled to have some over-all consideration given to the reason which forces him to the position which he takes.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. ELLENDER. Has the distinguished Senator stated what effect the recent increases in wages of 18½ cents an hour have had on the increased cost of living? The Senator will remember that President Truman stated that it was possible to raise wages considerably without at the same time raising commodity prices. But as the Senator knows, that has not come to pass. Take the steel situation. Because of the wage increase in steel, as I understand, there has been a 10-percent increase in the cost of steel to the manufacturers, and yesterday a 4- or 5-percent increase in automobile prices was announced. Does not the Senator know that an increase in the cost of basic commodities is bound to be reflected in the price of every commodity that is manufactured?

Mr. PEPPER. Not necessarily so, at all.

Mr. ELLENDER. The Senator agrees with Mr. Bowles, I guess—that wages can be increased more and more without at the same time making a compensating increase in the cost of the products.

Mr. PEPPER. No, Mr. President; Mr. Bowles has never contended, nor do I, that wages can be increased without any limit and a relative increase in the cost of living not be expected. On the contrary, there is some relationship, but there is nothing like the same ratio of increase. Of course, we spend our money for different things. For example, I think experience has proved that because a steel worker receives 18½ cents more wages an hour, that does not mean that immediately he will have to pay 18½ cents more for everything he buys in the stores. The relationship simply does not work out in that way.

For example, we continue to keep down house rents. We continue to keep down the prices of the various things he buys. We do not let them rise, except here and there and over there, when a case is made for an individual commodity. But it takes time for the increases in wages to reflect themselves in the prices of the things the workers have to buy.

Mr. ELLENDER. Mr. President, as the Senator knows, when we held hearings on the minimum-wage bill the plea was made that wages could be increased without necessarily increasing the cost of the commodities. But there is one thing that Mr. Philip Murray, as well as Mr. Reuther, overlooked. Those gentlemen stated, in effect, that because enormous profits were made from 1941 until 1945, industry had a kind of backlog whereby it could increase wages without at the same time increasing the prices of commodities. But they have overlooked, as I see it, that back in 1939 and 1940 productivity kept up with wages.

At that time it was possible for a manufacturer not only to increase wages but at the same time to decrease the cost of the things he sold. The reason for that condition was that productivity kept up with the wage scales. But after the war, when many of the industries had to return to civilian production, they began with productivity much lower than it was before the war, but with a 52-percent increase in wages.

I should like to ask the Senator from Florida how it is possible for goods which were manufactured in 1941, when productivity kept up with wages, to be sold today at almost the same price at which they were available in 1941, although a 52½-percent increase has occurred in the wage structure? I should like to have the Senator from Florida or any other Senator answer that question.

Mr. PEPPER. Mr. President, the Senator from Louisiana has made a study of this subject, and I know he is very conscientious in his views about it. All I wish to say is to repeat what I said a minute ago, namely, that the policy of the administration was not to allow a break in the line, but to allow what was called a bulge in the line. The policy was to allow a wage increase only when it could be justified—to allow a steel increase when it could be justified, to allow a lumber increase when it could be justified, to allow a food increase when it could be justified. In other words, the relief which the Government could give was confined to the individual cases in which justification could be shown for the relief sought, and the policy was to worry along with it, taking care of the emergencies when they became acute, until eventually the volumes of supply and demand should come into some kind

of relationship one with the other. I think that policy is as good a policy as any the Government could have adopted. I am not any special defender of it, but I have yet to hear anyone propose a better policy than the one the Government is following.

I did not intend to enter into a detailed discussion of the OPA, except to say that a while ago the able Senator from Minnesota said he could prove that the OPA people were Fascist in their sentiments because they did not believe in freedom of enterprise. Yet the Senator from Minnesota is one of the most vigorous and strenuous advocates of restricting enterprise in America, if the enterprise happens to be the working strength of American working men and women. Oh, Mr. President, he does not become a liberal then. No; then he is in favor of restrictive legislation—when the victim of his legislative wrath is the workingman's back. But if we start to curb an employer, he says that is a totalitarian policy. He says that the employer must have freedom of action, and must not be interfered with. That is what he calls the private economy.

Mr. President, I have never forgotten the moving words of one of the great men in the history of the United States, William Jennings Bryan, who said in substance that the definition of "businessman" has been made too narrow; that the man who goes down into the mines or the man who goes up on the mountain tops or the man who goes out in the morning and toils all day in the field, the man who goes out in the spring and labors during all the summer, is as much a businessman as the man who sits on the board of trade and bets on the price of grain, and that these laborers have their capital in the capital of human strength. Mr. President, that capital, too, is entitled to the benefit of the same principles of freedom which Senators would give to other kinds of capital which may happen to be represented by money.

No, Mr. President; the liberals who become liberal in respect to not interfering with the freedom of action of management, but become totalitarian when they are dealing with labor, are not consistent. If I err, Mr. President, I prefer to err on the side of protecting human rights, rather than on the side of protecting somebody's dollars or somebody's profits or even somebody's business. Mr. President, if we could ever get the Congress to be as sensitive to the appeals of humanity as it is to the call of money and property, we would have a better America and a safer world.

Mr. President, last year the President of the United States recommended to Congress a 21-point program. Check back over the records and see how much of that program which has to do with the betterment of human rights and human conditions and human welfare in this country has been enacted.

So, Mr. President, now we have a series of amendments which are being proposed by various Senators—the Senator from Virginia, the Senator from Ohio, the Senator from Minnesota, and many other Senators. They are proposing to circumscribe and to limit the rights of workers in their collective bargaining. But not a single restraint do they propose to put upon management in its freedom in collective bargaining. They talk about correlative responsibility of capital and labor.

Mr. President, we who try to be the friends of labor have no objection to correlative responsibility for management and labor. But let us make it correlative. Let us put the burdens upon one in the same ratio as we put them upon the other. If we are going to say to John L. Lewis or to anyone else, "You cannot make a health fund a condition of making a contract," then let us say to management, "You cannot deny a health fund to your workers out of stubbornness, blindness, or prejudice"—nor, need I add, "out of avarice."

Mr. President, a little while ago I was reading something about the plight which some of the people of the United States suffer because they have not had adequate health care. I continue to read:

> Preventive services are inadequate—40 percent of our counties do not have even a full-time local public health officer. Sanitation needs are great—846,000 rural homes do not have so much as even an outdoor privy.

Mr. President, I am reading from a proposed report of a subcommittee on health and education, of the Senate Committee on Education and Labor. I have the honor to be chairman of the subcommittee. I read further from the proposed report:

> Hospitals are needed—40 percent of our counties, with an aggregate population of 15,000,000, do not have a single recognized general hospital. Doctor shortages are severe—in 1944, 553 counties had less than 1 active physician per 3,000 population, the "danger line," and 81 had no active doctor at all. Even in 1940, before many doctors were drawn off to war, 309 counties had less than 1 active physician for every 3,000 people, and 37 had no active doctor at all. Maternal and child-health services are inadequate—it is estimated that half the maternal and a third of the infant deaths could be prevented if known measures were fully applied.

Mr. President, if you were to tell a Senator of the United States that he was guilty of causing the death of a mother or a child, he probably would strike you down in remonstrance. Yet by withholding the care that would have saved their lives, do not we have a measure of responsibility in regard to what has happened to them? If we do not provide it by way of public health, the way the mine owners say it should be provided, then how are we to obtain it, unless by the way the miners themselves propose—namely, by means of collective bargaining?

Yet the Senator from Virginia wishes to paralyze the arm of administering it the way the workers say it should be administered, namely, by the workers.

I read further from the proposed report:

> Seventy-five percent of our rural counties have no prenatal or well-baby clinics at all under the supervision of State health departments. State agencies had 15,000 children on their lists awaiting crippled children's care in early 1944.

Has the Senator from Virginia ever proposed an adequate health bill in the Senate? Has he ever advocated the passage of the Wagner-Murray-Dingell bill or any measure comparable to it? Has he any other method by which the health of the workers of the United States is to be cared for? Does he suggest that it be cared for by means of any proposal of his?

I read further from the proposed report:

> They do not even pretend to care for the half-million children with rheumatic fever (the most killing of all diseases for children between ages 5 and 15)—

Think of that, Mr. President! In this country of ours, today, half a million children with rheumatic fever could not even find hospitalization and medical care—

> or for the tens of thousands of cerebral palsy ("spastic paralysis") victims.

Mr. President, because the Government has not provided such care, the employees, and, in many instances, favorably disposed employers, have been making a beginning in this field. Our report, on page 8, shows that in this country during 1945, 212,590 persons were eligible for health and care under plans financed entirely by employers. Those plans provided many different kinds of benefits such as hospital, medical, and home nursing service. There were 546,772 persons eligible for health care under plans financed jointly by employer and employee, and 752,786 under plans financed altogether by employees. That makes a total of approximately 1,500,000 workers who are covered at the present time by industrial health plans which were worked out through collective bargaining between employers and employees. Approximately one-third of those persons have plans administered exclusively by the employees themselves. Yet, the Senator from Virginia would want to make them illegal.

Mr. President, I am not only proposing to amend the amendment of the Senator from Virginia, but I have a substitute for it which was read earlier in the day by the clerk. I wish to read it again. At the proper place in the bill it is proposed to insert the following:

> SEC. —. (a) It is hereby declared to be the policy of Congress to encourage and facilitate the establishment and maintenance of approved plans within industry for providing hospital, medical, and home nursing care and services, insurance, vocational rehabilitation, and other benefits for employees in activities affecting commerce and for their families and dependents, and to encourage the support of such plans by employers, whether such plans are administered by employers and employees jointly or solely by employers or solely by employees or otherwise. No provision of this or any other act shall be deemed to prohibit such plans or to prohibit employers from contributing to the support of such plans, except in any case where such support constitutes an unfair labor practice under the National Labor Relations Act. The failure or refusal of an employer in an activity affecting commerce to bargain collectively concerning the establishment or maintenance of such a plan shall be deemed to be an unfair labor practice for the purposes of the National Labor Relations Act.

(b) As used in this section, the term "approved plan" means a plan which has been approved, or which is to take effect only upon its approval, by the Surgeon General of the United States insofar as such plan provides for hospital, medical, and home nursing care and services, and by the Secretary of Labor insofar as such plan provides other benefits. The Surgeon General and the Secretary of Labor shall approve any plan submitted to them for the purposes of this section if they find that such plan is a bona fide plan for providing benefits for employees and that a fair and equitable method of administering such plan is provided.

Mr. President, it is now approaching the hour of 5 o'clock. Only a few Senators are present on the floor, and I assume that we are not ready to vote on the amendment this afternoon. However, I shall be glad to have a vote taken on it at any time tomorrow after I have taken a few minutes to explain it, and when a quorum has been developed. With the hope that I may have an opportunity to explain my amendment, which I expect to be able to do in a relatively short period of time tomorrow, when we convene, and when I shall insist upon a quorum being present even though I have to have the roll called repeatedly in order to develop a quorum, I ask unanimous consent that I may discontinue my remarks at the present time, and resume them tomorrow, with the understanding that in all events I shall not consume more than an hour, and possibly not more than half or three-quarters of that time in a presentation to the Senate of my own amendment.

Mr. KNOWLAND. Mr. President, I wonder if the Senator will yield in order that I may make a unanimous-consent request.

I ask unanimous consent, that starting tomorrow each Member be limited in his discussion to 1 hour on each amendment to the pending bill and to 1 hour on the bill itself. There are approximately six or seven amendments to the pending bill. If my unanimous-consent request were granted, it would mean that each Senator would be allowed at least 6 or 7 hours to discuss the amendments. If we do not agree upon placing a limitation on further consideration of this measure a great deal of public business will suffer, because we are certainly going to continue to remain here and deal with this proposed legislation until it has been finally acted upon. As the Senator from Florida knows, there is on the calendar the selective service measure, the OPA extension measure, and much other proposed legislation, all of which is vitally important to the American people. We have now consumed approximately a week, and have not yet reached a vote on a single amendment to the pending bill. At that rate I am very much afraid that we shall soon face some additional deadlines, and that other important legislation will suffer.

Mr. PEPPER. Mr. President, I quite understand the feeling which the able Senator from California has expressed. The majority leader is not present. There are many other Senators who are not present who have expressed a desire to address the Senate on the pending subject. This is only the first day of the second week which the Senate has consumed in considering the matter. Interruptions were allowed to our consideration of the measure last week, and I hope the Senator from California will not urge his request. Because of the absence of the majority leader and other Senators, I do not believe we have yet approached the time when we can agree to the unanimous-consent request which the Senator from California has made. As I have already indicated, I wish to make progress. When other Senators have returned to the Chamber, and have an opportunity to speak for themselves, it may be that some form of an agreement can be worked out so that some limitation of time may be placed upon the debate on the pending measure.

Mr. KNOWLAND. Mr. President, I felt that I should make my request because of the important public business which is now on the calendar. The pending bill is one of the most vital issues before the American people at the present time. Of course, the distinguished Senator from Florida has a perfect right to do whatever he wants to do, but I repeat my request that there be a limitation agreed to in accordance with what I have suggested.

Mr. PEPPER. Mr. President, I must object to the unanimous-consent request of the Senator from California.

The ACTING PRESIDENT pro tempore. Objection is heard to the unanimous-consent request of the Senator from California.

Is there objection to the unanimous-consent request of the Senator from Florida?

Mr. WHITE. Mr. President, will the Senator repeat his request so that we can understand it?

Mr. PEPPER. There is now before the Senate a substitute amendment to the amendment offered by the Senator from Virginia. The substitute amendment has been offered in behalf of myself, the Senator from Montana [Mr. MURRAY], and the Senator from Oregon [Mr. MORSE.] I ask unanimous consent that I may retain the floor tomorrow upon the convening of the Senate for a brief presentation of my substitute amendment, with the understanding that I shall not in any event consume more than an hour and probably not nearly so long. So far as I am concerned, personally, I shall be ready to vote on the amendment, although I cannot speak for other Senators. We have had a very sparse attendance in the Chamber this afternoon, but I do not wish to leave the floor without explaining the amendment offered by me which is in the nature of a substitute for the amendment of the Senator from Virginia.

Mr. WHITE. If the Senator from Florida would not talk more than an hour in any event, could we not now proceed and vote on the substitute later this afternoon?

Mr. PEPPER. It would necessitate the developing of a quorum, because I want Senators present in order to know what the substitute is about. I should be compelled to ask for a quorum, and insist upon it at a time which is generally regarded as the end of the day.

Mr. WHITE. If we were to yield to the Senator's request in respect to his own time, could we have some agreement as to the time at which a vote would be taken on the Byrd amendment?

Mr. PEPPER. I would rather not agree except to a vote on the substitute.

Mr. WHITE. The Senator is asking that the Senate first vote on his amendment as a substitute for the Byrd amendment.

Mr. PEPPER. Yes.

Mr. WHITE. If we agree at the end of an hour that a vote may be taken on the substitute would the Senator be willing to agree that by the end of the following hour a vote could be taken on the Byrd amendment?

Mr. PEPPER. No; I do not know, Mr. President, what other Senators may wish to say with regard to the substitute. I should like to have a chance, with a quorum of the Senate being present, to say something in behalf of the substitute.

Mr. BALL. Mr. President, the Senator from Florida held the floor last week for 3 days in discussing the pending bill. He has held the floor since shortly after 2 o'clock this afternoon, and I object to his unanimous-consent request.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. PEPPER. Very well, Mr. President. I have no regrets whatever that the request has been denied me. In that case, I shall seek the floor when I can obtain it, and every Member will have an equal right.

I now relinquish the floor, but I give notice that I shall seek the floor again before a vote is taken on the substitute amendment.

Mr. BALL. Mr. President, am I correct in my understanding of the parliamentary situation, that an amendment to the pending Byrd amendment is in order?

The ACTING PRESIDENT pro tempore. The Chair is of the opinion that an amendment to the Byrd amendment is in order.

Mr. BALL. As I understand, under the rules the Pepper amendment is offered as a substitute for the Byrd amendment.

The ACTING PRESIDENT pro tempore. The Chair is so treating it, and if so, the Byrd amendment may be perfected. That is the judgment of the present occupant of the chair.

Mr. PEPPER. What is the question?

The ACTING PRESIDENT pro tempore. The question is whether the Byrd amendment, the pending amendment, may be perfected before the vote upon the amendment offered by the Senator from Florida, which the Chair understands to be in the nature of a substitute.

Mr. PEPPER. It is in the nature of a substitute; that is correct.

The ACTING PRESIDENT pro tempore. Then, in the opinion of the Chair, the Byrd amendment may be perfected.

Mr. BALL. In behalf of myself and the Senator from Ohio [Mr. TAFT] I wish to offer an amendment to the pending Byrd amendment.

Mr. TYDINGS. May we have the proposed amendment read, so that we can make corrections on our copies of the

Byrd amendment and take it home tonight?

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. In the amendment offered by Mr. BYRD, it is proposed to strike out clause (3) after the semicolon in line 12 on page 2 and insert:

Or (3) with respect to money or other thing of value paid to a trust fund established by such representative, for the sole and exclusive benefit of the employees of such employer, and their families and dependents (or of such employees, families, and dependents jointly with the employees of other employers making similar payments, and their families and dependents), provided

(A) such payments are held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families and dependents, for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, or life insurance, disability and sickness insurance, or accident insurance; and

(B) the detailed basis on which such payments are to be made is specified in a written agreement with the employer, and employees and employers are equally represented in the administration of such fund, such agreement to contain a provision that in the event the employer and employee groups deadlock on the administration of such fund, the two groups shall agree on an impartial umpire to decide such dispute, or in event of their failure to agree within a reasonable length of time, an impartial umpire to decide such dispute shall, on petition of either group, be appointed by the district court of the United States for the district where the trust fund has its principal office; and

(C) such payments meet the requirements for deduction by the employer under section 23 (a) or section 23 (p) of the Internal Revenue Code.

And on page 4, at the end of the amendment, it is proposed to insert the following subsection:

(g) This section shall not apply to any contract in force on May 15, 1946, during the life of such contract.

The ACTING PRESIDENT pro tempore. The amendment will be printed and lie on the table.

Mr. BYRD. Mr. President, I wish to accept the amendment as a modification.

The ACTING PRESIDENT pro tempore. The Senator from Virginia accepts the amendment offered by the Senator from Minnesota as a modification of his amendment.

Mr. BARKLEY. Notwithstanding that, Mr. President, in order that Senators may understand it, I think it should be printed.

Mr. BYRD. I was about to make that request. There is another small modification, on line 11, page 2, after the word "other", to insert "membership." I then ask that the amendment as modified be printed in full.

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Virginia as modified will be printed for the information of the Senate.

Mr. PEPPER. Mr. President, the able Senator from Maryland requested certain information of the Senator from Florida a short time ago, as to what would be the effect of the collection of the 7 percent if the demand were allowed. I now have the figures from what I believe to be a reliable source.

The total 1944 wages to the coal-production workers in the United States amounted to $920,608,000, or $1.49 per ton of coal mined.

Total value of coal at the mine, 1944, $1,810,901,000, or $2.92 per ton of coal.

Ratio of wages to value of coal produced in 1944, 51 percent.

Effect of 7-percent pay-roll tax upon the value of coal would be approximately 10 cents a ton.

Mr. TYDINGS. At the mine?

Mr. PEPPER. At the mine.

Mr. BALL. Mr. President, I wonder if the majority leader could give us an indication of whether we may start this week having night sessions in an effort to dispose of the pending legislation, if possible, by the end of the week.

Mr. BARKLEY. Mr. President, I am not in a position to make a categorical answer, except to this extent, that I would not attempt to have a night session earlier than Wednesday night of this week. I am not saying I shall ask the Senate to meet in the evening on Wednesday, but I can say definitely that I would not ask it to meet at night earlier than Wednesday. I hope to be able tomorrow to secure some limitation of debate on the bill and amendments thereto, which might facilitate an early vote, or a vote this week. It is my hope that we may conclude the consideration of the bill this week in order that we may take up the draft legislation, and I think by next week the Senate Committee on Banking and Currency will have concluded its deliberations on the bill known in some quarters as the "O. P. and A.," so that we may be ready to consider it at a very early date.

I should not like to say we will attempt to hold a night session even on Wednesday night, but I do feel we cannot attempt it earlier than that. If I can get a limitation of debate on the bill and amendments, the necessity for night sessions may be obviated.

Mr. BALL. Would it be safe to assume that the majority leader would not oppose too vigorously a request from this side that we have night sessions beginning Wednesday?

Mr. BARKLEY. I am not opposed to night sessions when the Senate wants them, but, frankly, I wish to say to the Senator that I do not want to see an attempt at holding a night session and then not be able to have one.

Mr. BALL. I agree.

Mr. PEPPER. Mr. President, I wondered if the able Senator were proposing that from now on through the remainder of the session we have night sessions so that we could dispose of all the business on the calendar.

Mr. BARKLEY. No; I am not making such a proposal. The Senator from Minnesota asked me if I was contemplating night sessions this week.

Mr. PEPPER. I was wondering whether the Senator from Minnesota was contemplating that we have night sessions right on from now to the end of the session.

Mr. BARKLEY. I cannot tell what the Senator from Minnesota was contemplating. I can only answer the question he asked me. Of course, it would be impossible, as every Senator knows, to arrange now for night sessions during the rest of this session to consider bills on the calendar. We have to take each bill as it comes up. We cannot make a blanket rule with respect to all bills on the calendar. As I stated a few days ago, there may be some of them which will not be taken up at all, and it obviously would be impossible to make any rule with regard to all the bills on the calendar. Each bill will have to take its own course when it is taken up. But I hope we can dispose of the pending bill this week. As I have already advised the Senator from Florida earlier in the day, as well as other Senators, it is my purpose to try to secure unanimous consent for a limitation of debate on the whole bill and all amendments thereto tomorrow. Whether I can obtain consent is another question.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McCARRAN. I wonder if following this bill, if and when it is concluded, we can have any assurance that we will take up the bill which has been a long time pending on the calendar, reported from the Committee on the Judiciary, known as the anti-poll-tax bill?

Mr. BARKLEY. I want to be perfectly frank about that matter. We all know that the anti-poll-tax bill involves an indefinite filibuster. I do not think that the situation and the juncture of the events in the country would justify the Senate of the United States in entering upon any such procedure at this time. So far as my program is concerned, when the pending bill is disposed of, the draft bill will be taken up, and following the draft bill, the Stabilization Act, which also expires on June 30. So far as I have any control over the legislative program, that is what I plan.

I want to say to the Senator from Nevada in all frankness, and to the country and to anyone else who may be interested, that, with the legislative situation which confronts us, I do not think the Senate of the United States would be justified in entering upon the consideration of any legislation which would involve 3 or 4 weeks of futility in the way of a filibuster. I do not intend to lend myself at this juncture to such a procedure, and I say that in spite of the fact that I am in favor of the anti-poll-tax bill, have voted heretofore to bring it to a vote, and will vote for cloture on it when it is brought up. But I think it would be most unfortunate for the Senate and for the country to inject it when we are considering legislation upon which there is a time limit, which every Senator here understands thoroughly.

Mr. McCARRAN. Mr. President, will the Senator again yield?

Mr. BARKLEY. Yes; I will yield. I will say that I appreciate the Senator's interest in the anti-poll-tax legislation, and it cannot be any greater than mine.

Mr. McCARRAN. Mr. President, I feel duty-bound as chairman of the Committee on the Judiciary to attempt in every way possible, within a reasonable time, to bring that bill up on the floor of the Senate.

Mr. BARKLEY. I appreciate that.

Mr. McCARRAN. I have promised many who are interested in it to attempt to bring it up for consideration.

Mr. BARKLEY. I want to cooperate with the Senator on that score.

Mr. McCARRAN. The only reason I raise the question now is to serve notice to those interested in the bill that it is not dead, and that I shall attempt at such reasonable time as I can find opportunity, to bring it up in the Senate. It is my duty to do so whether I want to or not.

Mr. BARKLEY. I fully appreciate that. I may say that I have received urgent telegrams addressed to me asking me to try to bring up H. R. 7, the anti-poll tax bill, even to set aside the pending legislation in order to do so. I think we all understand the situation here, and I think we all understand what will happen if and when the anti-poll-tax measure is brought up. Much as I am interested in that proposed legislation, there is no time limit running against it, and I think the Senate would pursue a course which would not meet with the approval of the country at this time, in view of the time limitations on the draft and on the stabilization program, in addition to the legislation we now have before us, if we were to attempt to indulge in what we may reasonably expect to be a long-drawn-out, if not a futile, effort.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. I am very glad that the Senator from Kentucky has made the statement which has just come from him. I think there are three pieces of legislation which the country looks on as of supreme importance, and all the other pieces of legislation which are talked about are relatively of less importance. I think we should confine ourselves to the pending labor legislation until it is disposed of, either by passage or by defeat or by withdrawal. I think next we should take up either the draft bill or the OPA bill. Those two pieces of legislation should follow, and we should dispose of them before the attention of the Senate is diverted to other, and, as I believe, measures of less importance. I am glad the Senator from Kentucky has made his statement. I completely concur in what he has said.

Mr. BARKLEY. I thank the Senator from Maine. We all understand the situation here with respect to pending legislation. We know the difficulties involved, and they are without regard to our own viewpoint in reference to this legislation, our own anxiety to get finally behind us the conclusion of legislation in which many of our people are interested, but we have a peculiar situation confronting the Senate at this time which we cannot ignore. I have no purpose to deceive or mislead the Senate or the country with respect to the possibility or the probability of considering legislation in which many people are concerned. That is why I make the frank statement I have made. I thank the Senator from Maine for the statement he just made.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. I have a great deal of sympathy with and am in agreement with the statement made by the Senator from Kentucky and also by the one made by the Senator from Maine. In the absence of the chairman of the Special Committee on Atomic Energy of the Senate, I merely want to keep the record alive that the bill on atomic energy was considered at least a few months ago as one of most intense importance, and as the result of great pressure and long and arduous meetings, the bill has been perfected and has been on the calendar for some time. I know the Senator from Kentucky feels that it is a bill of very vital importance, and I merely call his attention to the fact that as a member of that committee I hope it is not lost sight of in making up the agenda of the Senate.

Mr. BARKLEY. No. I want to assure the Senator from Iowa, as well as all other Senators and other persons who are interested in the measure dealing with atomic energy, that not only is it not forgotten or overlooked, but it is one of the measures which we hope to be able to pass through the Senate early enough so that it may be considered by the House, if in the meantime the House has not acted, so that legislation may be concluded upon that subject before we shall ever attempt to take any adjournment of this session of the Congress.

Mr. HICKENLOOPER. I am sure those are the feelings of the committee which dealt with the subject.

Mr. BARKLEY. I feel very definitely that we ought to devote ourselves to legislation that can be enacted, or legislation which has a fair chance of being enacted.

Mr. HICKENLOOPER. I hope the Senator does not feel that I am critical of his statement.

Mr. BARKLEY. Not at all.

Mr. HICKENLOOPER. I am only keeping the record straight as to the importance of the atomic energy measure.

Mr. BARKLEY. I am glad the Senator called attention to it. The country is greatly interested in it. I frankly say that the atomic energy bill is one of those with respect to which I shall myself insist upon action upon the part of the Senate, and if possible by both branches of the Congress, before this session ends.

Mr. HICKENLOOPER. I do not want to be understood as urging action on the atomic energy bill prior to the two or three bills the Senator mentioned. I simply wanted to keep the measure alive before the Senate.

Mr. BARKLEY. Yes, I understand that. During the consideration of the pending labor legislation and the draft legislation and the OPA legislation we might find some point where a day or so could be devoted to the consideration of the atomic energy bill, by way of sandwiching it in between this legislation, and disposing of it. But the bill mentioned by the Senator from Nevada is not one that can be sandwiched in between anything, because it is in itself a whole sandwich—meat and bread, exclusively, and it cannot be sandwiched in between anything. We would be lucky if we could sandwich anything else in between it, if we were to take it up.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. PEPPER. In view of the fact that everyone has emphasized that we are in a dilemma in the Senate in trying to dispose of all the bills on the calendar, perhaps we might enter into a unanimous consent agreement that no legislation now upon the calendar shall consume more than 10 days. Would the Senator yield for me to submit a unanimous consent request of that character?

Mr. BARKLEY. Ordinarily I would be glad to yield to the Senator for that purpose, but it is a foregone conclusion that it would be objected to.

Mr. PEPPER. Perhaps the able leader would be willing to direct himself to the junior Senator from Virginia, chairman of the Rules Committee, with the view that the committee report a rule which would provide for a limitation of debate with respect to legislation now upon the Senate calendar. Would the leader undertake to do that?

Mr. BANKHEAD. Mr. President, I call for the regular order.

Mr. BARKLEY. Is there any measure pending before the Rules Committee which would provide for anything like that?

The PRESIDING OFFICER. The regular order has been demanded.

Mr. BYRD. The Senator from Florida submitted an amendment a long time ago, and I offered to have a hearing on it, but I never heard anything from him respecting it, and we have not had a hearing upon it.

Mr. KNOWLAND. Mr. President, will the Senator from Kentucky yield to me so I may ask the Senator from Virginia a question?

Mr. BARKLEY. I yield.

Mr. KNOWLAND. I should like to ask the distinguished and able Senator from Virginia whether a hearing has as yet been held or has been arranged for with respect to a suggested amendment to the rules, which has been proposed by the distinguished Senator from Massachusetts [Mr. SALTONSTALL], attempting at least to make some headway with the matter of bottlenecks in legislation?

Mr. BYRD. I will say to the Senator from California that that measure was introduced 2 or 3 days ago, as I recall. A meeting of the Rules Committee will be held very shortly, and I shall confer with the Senator from Massachusetts and a suitable day and hour will be set for hearing.

Mr. BARKLEY. I hope that in all these matters the Committee on Rules will not overlook the fact that it is supposed to be a functioning committee, and that it will give serious consideration to these various efforts to expedite the transaction of business in the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. SALTONSTALL. The Senator from Iowa brought up the question of the Atomic Energy Committee report. May I call the attention of the Senate to the fact that the experiments which are due to take place on July 1 at Bikini Island cannot be held unless another bill on the Senate calendar permitting the use of naval vessels is passed by both branches prior to that time. That bill is also pending on the Senate Calendar.

Mr. BARKLEY. Yes. The Senator from Massachusetts [Mr. WALSH], chairman of the Naval Affairs Committee, has called that bill to my attention, and I have assured him that I shall cooperate to the fullest extent of my ability to obtain action on it. All of which complicates our situation. If the demonstration at Bikini is to be carried out, it is also involved in a time limit, because the bill has to be enacted by both Houses before the atomic bombs can destroy this segment of our Navy.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HICKENLOOPER. In the absence of the Senator from New Hampshire [Mr. TOBEY], who usually quotes the classics, let me say that I am not a classicist, but in this particular situation of the majority leader I believe it would be appropriate to quote the remark of Dante when he was walking through the nether regions: "Woe is me! Everywhere I look is hell." [Laughter.]

Mr. BARKLEY. That reminds me of a quotation from Cicero, or from one of the Latin poets—Horace, Ovid, or Terence—in which the following expression was used: "O tempore! O mores! O hell." [Laughter.]

The ACTING PRESIDENT pro tempore. Is it the purpose of the Senator from Kentucky to have an executive session?

Mr. BARKLEY. No. There is no Executive Calendar, except for three treaties, and I do not ask that they be considered at this time.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MCCARRAN, from the Committee on the Judiciary:

John W. Murphy, of Pennsylvania, to be United States district judge for the middle district of Pennsylvania, vice Albert W. Johnson, resigned; and

James T. Gooch, of Arkansas, to be United States attorney for the eastern district of Arkansas, vice Sam Rorex, term expired.

RECESS

Mr. BARKLEY. In the interest of harmony, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 21, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 20 (legislative day of March 5), 1946.

DIPLOMATIC AND FOREIGN SERVICE

Norris S. Haselton, of New Jersey, now a foreign-service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

IN THE NAVY

Admiral John H. Towers, United States Navy, to be an admiral in the Navy, for temporary service, to rank from the 7th day of November 1945.

Admiral DeWitt C. Ramsey, United States Navy, to be an admiral in the Navy, for temporary service, to rank from the 28th day of December 1945.

Vice Adm. Arthur W. Radford, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 28th day of December 1945.

Vice Adm. Forrest P. Sherman, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 28th day of December 1945.

Rear Adm. Lawrence B. Richardson, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 6th day of April 1943.

Rear Adm. Rico Botta, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 30th day of June 1943.

Rear Adm. Leslie C. Stevens, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 3d day of July 1943.

Rear Adm. Clinton E. Braine, Jr., United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as deputy to the Chief of the Material Division, Office of the Assistant Secretary of the Navy, to rank from the 8th day of January 1946.

Rear Adm. Earl E. Stone, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as chief of naval communications, office of the Chief of Naval Operations, to rank from the 8th day of January 1946.

Rear Adm. William S. Parsons, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as Assistant Chief of Naval Operations (special weapons), to rank from the 8th day of January 1946.

Rear Adm. Leland P. Lovette, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as chief of the United States naval mission to Brazil and until reporting for other permanent duty, to rank from the 8th day of January 1946.

Medical Director Joel T. Boone, to be a medical director in the Navy, with the rank of rear admiral, for temporary service, to rank from the 17th day of September 1942.

Medical Director Fredric L. Conklin, to be a medical director in the Navy, with the rank of rear admiral, for temporary service, to rank from the 17th day of September 1942.

Medical Director John P. Owen, to be a medical director in the Navy, with the rank of rear admiral, for temporary service, to rank from the 18th day of September 1942.

Medical Director Thomas C. Anderson, to be a medical director in the Navy, with the rank of rear admiral, for temporary service, to rank from the 18th day of September 1942.

Pay Director Archie A. Antrim, to be a pay director in the Navy, with the rank of rear admiral, for temporary service, to rank from the 15th day of September 1943.

Pay Director Charles W. Fox, to be a pay director in the Navy, with the rank of rear admiral, for temporary service, to rank from the 15th day of September 1943.

The following-named officers to be commodores in the Navy, for temporary service, while serving as indicated, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty:

Commodore Charlton E. Battle, Jr., United State Navy, while serving as commander, United States naval operating base, Guantanamo Bay, Cuba, to rank from the 13th day of April 1944.

Commodore Paul S. Theiss, United States Navy, while serving as commanding officer, United States naval training station, Newport, R. I., to rank from the 13th day of April 1944.

Commodore Allen G. Quynn, United States Navy, while serving as chief of staff to commander, Eastern Sea Frontier, to rank from the 13th day of April 1944.

Commodore Homer W. Graf, United States Navy, while serving as supervisor, New York Harbor, N. Y., to rank from the 10th day of November 1944.

Commodore Paul F. Lee, United States Navy, while serving as Assistant Director of the Shore Division, Bureau of Ships, to rank from the 12th day of January 1946.

Commodore Thomas G. Peyton, United States Navy, while serving as commandant, United States naval operating base, Guam, to rank from the 12th day of January 1946.

Commodore Myron W. Hutchinson, Jr., United States Navy, while serving as chief of staff to commander, Hawaiian Sea Frontier, to rank from the 12th day of January 1946.

Commodore Charles J. Rend, United States Navy, while serving as Deputy Chief of Naval Intelligence, to rank from the 12th day of January 1946.

Commodore John F. Wegforth, United States Navy, while serving as commander, naval air bases, Thirteenth Naval District, to rank from the 12th day of January 1946.

Commodore Daniel F. Worth, Jr., United State Navy, while serving as deputy commander, Marianas, and chief of staff and aide to commander, Marianas, to rank from the 12th day of January 1946.

Commodore George A. Seitz, United States Navy, while serving as commander, naval air bases, First Naval District, to rank from the 12th day of January 1946.

Commodore Walton W. Smith, United States Navy, while serving as commander, Carrier Division 19, to rank from the 12th day of January 1946.

Commodore Charles R. Jeffs, United States Navy, while serving as commanding officer, United States naval advanced base, Weser River, Germany, to rank from the 12th day of January 1946.

Civil Engineer Henry P. Needham, United States Navy, while serving on the staff of commander, service force, United States Pacific Fleet, to rank from the 12th day of January 1946.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 20, 1946

The House met at 12 o'clock noon.

Rev. M. N. Starzynski, C. R., of Chicago, offered the following prayer:

We offer to Thee, most gracious Lord, the devout worship of our affection and the dutiful service of our reparation. We beg of Thee in the abundance of Thy loving kindness to behold the desires of Thy humble servants, so that, amid the changing things of this world, our hearts may be fixed where true joys are to be found.

Grant unto us, Thy lowly petitioners, whose life and work are consecrated to the common weal, an increase of religion, that by Thy holy inspiration we may ever think on such things as are right and by Thy guidance ever do what is correct.

O Almighty and Eternal Father, whose all-embracing providence never fails in its plans, mercifully grant that the affairs of this world may be directed in Thy tranquillity and order and that we may ever serve Thee in joy and peaceful devotion. Through Jesus Christ, our risen Lord and Saviour. Amen.

The Journal of the proceedings of Friday, May 17, 1946, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on May 18, 1946, the President approved and signed a bill of the House of the following title:

H. R. 5890. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5504) entitled "An act to amend an act entitled 'An act to establish a uniform system of bankruptcy throughout the United States,' approved July 1, 1898, and acts amendatory thereof and supplementary thereto."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1415) entitled "An act to increase the rates of compensation of officers and employees of the Federal Government."

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of the Interior.
2. Department of Justice.
3. Department of the Navy.
4. Department of War.
5. Selective Service System.
6. United States Maritime Commission.

The message also announced that Mr. BREWSTER and Mr. HAWKES had been appointed members on the part of the Senate to the Joint Committee on the Library to fill existing vacancies.

EXTENSION OF REMARKS

Mr. GIBSON asked and was given permission to extend his remarks in the RECORD and include a letter from E. F. Dean, of Odum, Ga.

Mr. BUNKER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Mining Press of Nevada.

Mr. ABERNETHY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. RESA asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an article by Howard Vincent O'Brien recently published in the Chicago Daily News.

Mr. TRAYNOR asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. COFFEE asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in connection therewith to include excerpts from magazines and a newspaper article.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include a statement from the American Civil Liberties Union.

THE SECURITIES EXCHANGE COMMISSION AND MINING

Mr. BUNKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. BUNKER. Mr. Speaker, I am today introducing a bill to amend the Securities Act of 1933 so as to exempt from unnecessary bureaucratic red tape certain securities issued by individuals, firms, or corporations engaged in prospecting for minerals, metals, petroleum, natural gas, or in the production thereof.

I am confident that our laws dealing with fraudulent practices and misuse of the mails are adequate to protect the investing public without further intermeddling by the Securities and Exchange Commission.

I am certain, too, that our search for strategic metals must move forward on a broader scale. The war made tremendous inroads into our visible supplies.

We have many people today who are willing to assist financially in the quest for needed minerals and metals, but they are restrained by absurd legal barriers.

There is no doubt in my mind but that the SEC has exceeded the authority Congress intended it should exercise. I have in mind, particularly, the attempts of that bureau to dictate evaluations of property in the process of exploration and to set up certain fantastic accounting routine. Also the SEC has invoked some impractical regulations concerning data that must be included in promotional publications.

These and similar barriers to mining progress could be removed by the passage of the resolution I am now presenting.

THE CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, during the recent debate on the Interior appropriation bill I pointed out that the Republican Governor of California had sent wires to certain Members from California urging that the appropriation be raised to $50,000,000 instead of the $25,000,000 recommended by the Bureau of the Budget for the Central Valley project. In this telegram he specifically makes reference to dams, canals, transmission lines, and power-generating facilities that should be constructed as part of this great undertaking. I quote his telegram:

SACRAMENTO, CALIF., *May 13, 1946.*

Congressman GEORGE R. MILLER,
Sixth District, California,
Washington, D. C.:

The drastic cut made by the House of Representatives' Appropriation Committee for Central Valley project, California, in Interior bill for the 1947 fiscal year, came as a distinct shock to California. The State of California, through its water-project authority, has urged the Congress to appropriate to the United States Bureau of Reclamation the sum of $50,000,000 for the project during the 1947 fiscal year, which I believe necessary for the construction of project works during that period. I respectfully urge you to do all in your power to bring about the restoration in the appropriation bill the amount cut from the request of the Bureau of Reclamation for the Central Valley project, and, if possible, the inclusion of additional amounts up to a total of $50,000,000 for the 1947 fiscal year, to be utilized on all phases of the project—dams, canals, transmission lines, and power-generating facilities.

EARL WARREN,
Governor.

(Mr. MILLER of California asked and was given permission to extend his remarks and include a telegram.)

PERMISSION TO ADDRESS THE HOUSE

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

[Mr. GATHINGS addressed the House. His remarks appear in the Appendix.]

UNNECESSARY WASTE OF WAR SURPLUS AUTOMOBILES AND EQUIPMENT IS INEXCUSABLE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, a few days ago, I called attention to the tremendous amount of surplus property being held by the Army, Navy, and War Assets Administration, that ought to be placed in the hands of people who need it and can use it. I called attention then to the fact that veterans are clamoring for the use of this property, but have difficulty in securing it.

Mr. Speaker, for example, I am calling attention now to dispatches recently appearing in our newspapers. Here is a dispatch in which it is said General Eisenhower on his inspection trip saw 22,000 Army vehicles, mostly jeeps and cars, piled up in a large stadium, gathering dust and rust, at Kobe, but even worse, right here in America, thousands of Army vehicles are tied up because of the reluctance of Government departments and agencies to release them.

Here is a photograph showing an estimated twenty-five to forty thousand Army vehicles, mostly cars, that are slowly deteriorating in the open air at the ordnance depot at Atlanta, Ga. These cars have been exposed to the sun, wind, and rain for months. Tires are rotting. There are thousands more in other parts of the country that are deteriorating and going to waste.

Mr. Speaker, it certainly does not make good sense or show good judgment that, in view of the tremendous need for use of automobiles, trucks, and equipment, that this property should not be put into use. Thousands of servicemen want and need these vehicles. They are anxious to get them and are willing to pay for them, and yet, because of red tape, slowdowns, and negligence, millions of dollars worth of property is being permitted to deteriorate and waste. The delay is inexcusable.

We have had plenty of investigation with regard to this problem. What we really need is action and we need it now.

SPECIAL ORDER GRANTED

Mr. PUFFETT. Mr. Speaker, I ask unanimous consent that tomorrow after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may address the House for 30 minutes to discuss the so-called British loan.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

[Mr. HOPE addressed the House. His remarks appear in the Appendix.]

Mr. ANDREWS of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. ANDREWS of New York addressed the House. His remarks appear in the Appendix.]

(Mr. ANDREWS of New York asked and was given permission to revise and extend his remarks and include a statement.)

THE A. F. OF L. AND CIO

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, in the organizational fight now opening up in the South between the CIO and the A. F. of L., there is but one issue involved, and that is communism. The A. F. of L. is an American institution whereas the CIO as it now operates is Communist controlled. The A. F. of L., however, should get back to the principle it laid down under the leadership of Samuel Gompers who said:

> There is no right to strike against the public safety by anybody, anywhere, or at any time.

EXTENSION OF REMARKS

Mr. HORAN asked and was given permission to extend his remarks in the RECORD in three instances and to include newspaper articles, two of the articles to run consecutively.

Mr. BRADLEY of Michigan asked and was given permission to extend his remarks in the RECORD and include an address delivered by himself.

Mr. CURTIS asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. McMILLEN of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial from the Clinton (Ill.) Journal and Public, and also an editorial from the Champaign (Ill.) News Gazette.

Mr. COLE of Missouri asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter concerning OPA sent to him by a constituent, and in the other to include a news article.

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD on the subject, How UNRRA Is Working in the Balkans, and to include an article by Constantine Brown on the same subject.

Mr. DWORSHAK (at the request of Mr. SPRINGER) was given permission to extend his remarks in the RECORD.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances and include a newspaper article and a brief submitted by him to the OPA and the answer of OPA.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article by Harold Stassen, and in the other an article on the situation in France today.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances; to include in one a newspaper editorial, and in the other an article.

THE LATE BOOTH TARKINGTON

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, another great American has passed away.

The grim messenger that knocked upon the door of Edgar Allan Poe and summoned him to the "Misty dim region of Weir," the same messenger that conducted Longfellow into the harbor and Tennyson across the bar, the same messenger that conducted Shakespeare to the "Undiscovered country from whose bourne no traveler returns," has knocked upon the door of one of America's greatest novelists, Booth Tarkington, of Indiana, and enrolled him among the literary immortals of all time.

It has been said that the rarest thing to be found today is a decent character in a current novel. Booth Tarkington believed in both truth and decency in fiction. I wish it were possible for every school child to read the works of Booth Tarkington, beginning with the Gentleman from Indiana and coming on down until his career was closed by blindness. They would not only find decent characters in all his works but they would get an inspiration rare to be found in the books even of his day.

He now sleeps beneath the soil of the great State of Indiana from which he drew his greatest inspiration.

The SPEAKER. The time of the gentleman from Mississippi has expired.

RAILROAD RETIREMENT ACTS

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 625, Rept. No. 2077),

which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 5 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

STRATEGIC AND CRITICAL MATERIALS—NATIONAL DEFENSE

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 626, Rept. No. 2078), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 752) to amend the act of June 7, 1939 (53 Stat. 811), as amended, relating to the acquisition of stocks of strategic and critical materials for national defense purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SELECTIVE SERVICE

Mr. COX, from the Committee on Rules, reported the following privileged resolution (H. Res. 627, Rept. No. 2079), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6035) to provide that there shall be no liability for acts done or omitted in accordance with regulations of the Director of Selective Service, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ANNUAL REPORT OF THE GOVERNOR OF THE PANAMA CANAL, FISCAL YEAR ENDED JUNE 30, 1943—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on the Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Governor of the Panama Canal for the fiscal year ended June 30, 1943.

HARRY S. TRUMAN.

THE WHITE HOUSE, *May 20, 1946.*

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

THEODORE ROOSEVELT NATIONAL PARK

The Clerk called the bill (H. R. 4435) to establish the Theodore Roosevelt National Park; to erect a monument in memory of Theodore Roosevelt in the village of Medora, N. Dak.; and for other purposes.

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

RAILROAD CORPORATIONS

The Clerk called the bill (H. R. 5924) to enable debtor railroad corporations, whose properties during a period of 7 years have provided sufficient earnings to pay fixed charges, to effect a readjustment of their financial structure without further proceedings under section 77 of the Bankruptcy Act, as amended.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

INDIAN TRIBES

The Clerk called the bill (H. R. 2231) to authorize the Secretary of the Interior to adjust debts of individual Indians, associations of Indians, or Indian tribes, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized in his discretion to adjust or cancel charges of the Government of the United States existing as debts against individual Indians, associations of Indians, or Indian tribes, which have accrued or shall accrue from the use of funds held in trust for Indian tribes, whenever he shall determine that any such debt is uncollectible in whole or in part, or that in equity and good conscience, repayment should not be enforced: *Provided*, That no debt incurred from tribal funds shall be adjusted or canceled without the consent of the tribe involved, expressed through a resolution of the governing body thereof or otherwise.

SEC. 2. The Secretary of the Interior may accept from individual Indians conveyances of land or interests therein to the United States in trust for the tribe of which they are members, in partial or full settlement of debts resulting from the use of tribal funds or funds appropriated by Congress for the benefit of Indians, whenever he may determine that such debts are otherwise uncollectible: *Provided*, That if in any case the value of the land or interest therein exceeds the debt, the Indian may be paid the difference from any unobligated tribal funds belonging to the tribe for whose benefit the conveyance is made, or from any public appropriations available to the Indian Service for the purchase of land for Indian tribes: *And provided further*, That unobligated tribal funds shall not be expended for this purpose without the consent of the tribe involved, expressed through a resolution of the governing body thereof or otherwise.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE SUSQUEHANNA RIVER, LUZERNE COUNTY, PA.

The Clerk called the bill (H. R. 5403) to revive and reenact the act entitled "An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River at Bridge Street in Plymouth Borough, between Plymouth and Hanover Townships, in the county of Luzerne, and in the Commonwealth of Pennsylvania."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, this bill has been approved by the Committee on Interstate and Foreign Commerce, authorizing the construction of a free highway bridge in the State of Pennsylvania. This is the third or fourth time the bill has been called, and as yet no explanation or reason has been given for postponement of action on it. In view of that fact, Mr. Speaker, I must object to the request that the bill be passed over at this time.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PATMAN, Mr. MADDEN, and Mr. TRIMBLE objected.

PROTECTING THE SHORES OF PUBLICLY OWNED PROPERTY

The Clerk called the bill (H. R. 2033) authorizing Federal participation in the cost of protecting the shores of publicly owned property.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That with the purpose of preventing damage to public property and promoting and encouraging the healthful recreation of the people, it is hereby declared to be the policy of the United States to assist in the construction, but not the maintenance, of works for the improvement and protection against erosion by waves and currents of the shores of the United States that are owned by States, municipalities, or other political subdivision: *Provided*, That the Federal contribution toward the construction of protective works shall not in any case exceed one-third of the total cost: *Provided*

further, That the plan of protection shall be approved by the Beach Erosion Board, organized under the provisions of section 2 of the Rivers and Harbors Act, approved July 3, 1930. As used in this act, the word "shores" includes all the shore lines of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, and estuaries and bays directly connected therewith.

With the following committee amendment:

On page 2, line 4, strike out all of lines 4 to 10, inclusive, and insert the following: "That the plan of protection shall have been specifically adopted and authorized by Congress after investigation and study by the Beach Erosion Board under the provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented.

"SEC. 2. When the Chief of Engineers shall find that any such project has been constructed in accordance with the authorized plans and specifications, he shall cause to be paid to the State, municipality, or political subdivision the amount authorized by Congress.

"SEC. 3. The Chief of Engineers may, in his discretion, from time to time, make payments on such construction as the work progresses, but these payments, including previous payments, if any, shall not be more than the United States pro rata part of the value of the labor and materials which have been actually put into such construction in conformity to said plans and specifications.

"SEC. 4. As used in this act, the word 'shores' includes all the shore lines of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, and estuaries and bays directly connected therewith."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARKETING OF ECONOMIC POISONS AND DEVICES

The Clerk called the bill (H. R. 5645) to regulate the marketing of economic poisons and devices, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ALLEN of Illinois, Mr. KEAN, and Mr. SCHWABE of Missouri objected.

UNITED STATES MERCHANT MARINE ACADEMY

The Clerk called the bill (H. R. 1751) to authorize the course of instruction at the United States Merchant Marine Academy to be given to not exceeding 20 persons at a time from the American Republics, other than the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Chairman of the United States Maritime Commission is hereby authorized to permit, upon designation of the President of the United States, not exceeding 20 persons at a time from the American Republics (other than the United States) to receive instruction in the United States Merchant Marine Cadet Corps and at the United States Merchant Marine Academy at Kings Point, N. Y. Not more than three persons from any of such republics shall receive instruction under authority of this act at the same time. The persons receiving instruction under authority of this act shall receive the same pay, allowances, and emoluments, to be paid from the same appropriations, and, subject to such exceptions as may be determined by the Chairman of the United States Maritime Commission, shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as cadet-midshipmen at the Merchant Marine Academy appointed from the United States; but such persons shall not be entitled to appointment to any office or position in the United States merchant marine by reason of their graduation from the Merchant Marine Academy.

With the following committee amendment:

At the end of the bill insert the following:

"SEC. 2. In conformity with the Executive order of February 7, 1942, No. 9054 (7 F. R. 837), the authority conferred upon the Chairman of the United States Maritime Commission by this act shall be vested in and exercised by the Administrator of the War Shipping Administration."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEVING LIABILITY FOR ACTS DONE OR OMITTED UNDER SELECTIVE SERVICE REGULATIONS

The Clerk called the bill (H. R. 6035) to provide that there shall be no liability for acts done or omitted in accordance with regulations of the Director of Selective Service, and for other purposes.

Mr. TRIMBLE. Mr. Speaker, I understand that a rule has been granted on this bill; therefore, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXTENDING BENEFITS OF EMERGENCY OFFICERS' RETIREMENT ACT OF MAY 24, 1928

The Clerk called the bill (H. R. 2325) to extend the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to officers honorably discharged from the Army under Public, No. 259, Sixty-seventh Congress, June 30, 1922.

Mr. COLE of New York. Mr. Speaker, in view of the fact that the War Department has expressed opposition to this bill, I ask that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

OFFICE OF NAVAL RESEARCH, NAVY DEPARTMENT

The Clerk called the bill (H. R. 5911) to establish an Office of Naval Research in the Department of the Navy; to plan, foster, and encourage scientific research in recognition of its paramount importance as related to the maintenance of future naval power, and the preservation of national security; to provide within the Department of the Navy a single office, which, by contract and otherwise, shall be able to obtain, coordinate, and make available to all bureaus and activities of the Department of the Navy, world-wide scientific information and the necessary services for conducting specialized and imaginative research; to establish a Naval Research Advisory Committee consisting of persons preeminent in the fields of science and research, to consult with and advise the Chief of such Office in matters pertaining to research.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby created and established in the Office of the Secretary of the Navy an Office of Naval Research, which shall be charged with such duties relating to (1) the encouragement, promotion, planning, initiation, coordination, and control of all naval research; (2) the conduct of naval research in augmentation of and in conjunction with the research and development conducted by the respective bureaus and other agencies and offices of the Navy Department; and (3) the supervision, administration, and control of activities within or on behalf of the Department of the Navy relating to patents, inventions, trade-marks, copyrights, royalty payments, and matters connected therewith; as may be prescribed by the Secretary of the Navy. All of the duties of this Office shall be performed under the authority of the Secretary of the Navy and its orders shall be considered as emanating from him and shall have full force and effect as such.

SEC. 2. At the head of the Office of Naval Research there shall be a Chief of Naval Research, appointed by the President, by and with the advice and consent of the Senate, for a term of not to exceed 3 years, from among officers not below the grade of commander on the active list of the Navy. The Chief of Naval Research shall, in addition, report to the Chief of Naval Operations, and shall have the same rank and shall be entitled to the same pay, allowances, and privileges of retirement as are now or may hereafter be prescribed by or in pursuance of law for chiefs of bureaus in the Navy Department.

SEC. 3. An officer on the active list of the Navy may be detailed as Assistant Chief of Naval Research, and such officer shall receive the highest pay of his grade and in case of the death, resignation, absence, or sickness of the Chief of Naval Research, shall, until otherwise directed by the President as provided in Revised Statutes, section 179 (U. S. C., title 5, sec. 6), perform the duties of such chief until his successor is appointed or such absence or sickness shall cease.

SEC. 4. The Secretary of the Navy is hereby authorized to establish a Naval Research Advisory Committee, which shall consist of not exceeding 15 persons to be appointed by the Secretary from those persons in civilian life who are preeminent in the fields of science, research, and development work. One member of such committee will be from the field of medicine. The members of such committee shall serve for such term or terms as the Secretary may specify, and shall meet at such times as may be specified by the Secretary to consult with and advise the Chief of Naval Operations and the Chief of the Office of Naval Research. Each member of such committee shall be entitled to compensation in the amount of $50 for each day or part of a day he shall be in attendance at any regularly called meeting of the committee, together with reimbursement for all travel expenses incident to such attendance: *Provided*, That nothing contained in sections 41, 109, and 113 of the Criminal Code (U. S. C., title 18, secs. 93, 198, and 203); in Revised Statutes, section 190 (U. S. C., title 5, sec. 99); in section 19 (e) of the Contract

Settlement Act of 1944 (Public Law 395, Seventy-eighth Congress); or in any other provision of Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim proceeding, or matter involving the United States, shall apply to such persons solely by reason of their appointment to and membership on such committee.

SEC. 5. There is hereby authorized to be appropriated such amounts as may be necessary for the Office of Naval Research to carry out its functions as provided for herein, including such sums as may be required for administrative expenses, and the conduct of research and development work in Government facilities and under contracts with private individuals, corporations, and educational or scientific institutions. Sufficient information relative to estimates of appropriations for research by the several bureaus and offices shall be furnished to the Chief of the Office of Naval Research to assist him in coordinating the Navy research program and the carrying out of such other duties as outlined in section 1.

SEC. 6. Within the limits of available appropriations, the Secretary of the Navy, and, by direction of the Secretary, the Chief of the Office of Naval Research and the chiefs of all bureaus of the Navy Department (acting through and under the Chief of Naval Research), may enter into contracts, or amendments or modifications of contracts, for services and materials necessary for the making and securing of reports, tests, models, apparatus, and for the conducting of research, without performance or other bonds, and without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), section 3718 of the Revised Statutes (U. S. C., title 34, sec. 561), section 3719 of the Revised Statutes (U. S. C., title 34, sec. 562), section 3720 of the Revised Statutes (U. S. C., title 34, sec. 563), section 3722 of the Revised Statutes (U. S. C., title 34, sec. 572), and may make advance, progress, and other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes (U. S. C., title 31, sec. 529): *Provided*, That nothing herein shall be construed to authorize the use of the cost-plus-a-percentage-of-cost system of contracting.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERCHANGE OF PROPERTY BETWEEN ARMY, NAVY, AND COAST GUARD

The Clerk called the bill (H. R. 6057) to amend the act of July 11, 1919 (41 Stat. 132), relating to the interchange of property between the Army and the Navy, so as to include the Coast Guard within its provisions.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provision contained in the act of July 11, 1919 (41 Stat. 132; U. S. C., title 10, sec. 1274), relating to the interchange of property between the Army and the Navy, is hereby amended to read as follows:

"The interchange, without compensation therefor, of military stores, supplies, and equipment of every character, including real estate owned by the Government, is hereby authorized between the Army, Navy, and Coast Guard upon the request of the head of one service and with the approval of the head of the other service."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENEFITS TO ENLISTED PERSONNEL IN LIEU OF ACCUMULATED LEAVE

The Clerk called the bill (H. R. 4051) to grant to enlisted personnel of the armed forces certain benefits in lieu of accumulated leave.

Mr. COLE of New York. Mr. Speaker, this bill carries an authorization for a substantial sum of money. Therefore, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

UNITED STATES COAST GUARD LIFEBOAT STATIONS

The Clerk called the bill (H. R. 5219) to authorize the Commandant of the United States Coast Guard to accept enlistments of certain individuals for duty at lifeboat stations during the year 1946.

Mr. COLE of New York. Mr. Speaker, the cost of this measure is upward of $2,000,000. Therefore, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AMERICAN LEGION CONVENTION

The Clerk called the bill (H. R. 6343) to authorize the Secretary of War to lend War Department equipment for use at the twenty-eighth annual national convention of the American Legion.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lend, at his discretion, to the twenty-eighth national convention of the American Legion, for use at the twenty-eighth national convention to be held at San Francisco, Calif., in the months of September and October 1946, unoccupied barracks, cots, blankets, pillows, mattresses, and bed sacks: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered at such time prior to the holding of the said convention as may be agreed upon by the Secretary of War and the American Legion through its national convention committee: *Provided further*, That the Secretary of War before delivering said property shall take from the American Legion a good and sufficient bond for the safe return of said property in good order and condition and the whole without expense to the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFEDERATED SALISH AND KOOTENAI TRIBES

The Clerk called the bill (H. R. 3843) to provide for the disposition of tribal funds of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any other provision of existing law, the tribal funds now on deposit or hereafter placed to the credit of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, in the United States Treasury, shall be available for such purposes as may be designated by the tribal council of said tribe and approved by the Secretary of the Interior.

With the following committee amendment:

Page 2, line 1, insert "*Provided*, That any expenditures so designated and approved shall be in accordance with the provisions of the tribal constitution and charter.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEVILS LAKE INDIAN RESERVATION

The Clerk called the bill (H. R. 4315) to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to substitute the Senate bill (S. 1305) to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation, an identical bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation in North Dakota to the same extent as its courts have jurisdiction generally over offenses committed within said State outside of Indian reservations: *Provided, however*, That nothing herein contained shall deprive the courts of the United States of jurisdiction over offenses defined by the laws of the United States committed by or against Indians on said reservation, nor shall anything herein contained deprive any Indian of any protection afforded by Federal law, contract, or treaty against the taxation or alienation of any restricted property.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 4315) was laid on the table.

FORT BERTHOLD RESERVATION

The Clerk called the bill (H. R. 1095) for the relief of the Indians of the Fort Berthold Reservation in North Dakota.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $400,000 in full and final settlement of all claims and demands of the Indians of the Fort Berthold Indian Reservation in North Dakota, composed of the Arickarees, Gros Ventres, and Mandans, which claims are based upon stipulations of an unratified treaty dated July 27, 1866 (Kappler's Laws and Treaties, vol. 2, p. 1052):

Provided, That the amount when appropriated shall be deposited in the Treasury of the United States to the credit of the Indians of the Fort Berthold Reservation and shall draw interest in accordance with existing laws: *Provided further*, That not to exceed 5 percent of the amount herein authorized may be used by the Secretary of the Interior for payment of fees and expenses of attorneys employed under contract approved in accordance with existing law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SERVICE LIFE INSURANCE ACT OF 1940

The Clerk called the bill (H. R. 6371) to amend certain provisions of the National Service Life Insurance Act of 1940, as amended, and for other purposes.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFEDERATED SALISH AND KOOTENAI TRIBES

The Clerk called the bill (H. R. 2678) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in any and all claims which the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, or any tribe or band thereof, may have against the United States, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims, with the right of appeal by either party to the Supreme Court of the United States, to hear, examine, adjudicate, and render judgment in any and all legal and equitable claims of whatsoever nature which the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation of Montana, or any tribe or band thereof, may have against the United States, including, but not limiting the generality of the foregoing, claims arising under or growing out of the treaty of July 16, 1855 (12 Stat. 975; 2 Kappler 722), or any subsequent treaty or agreement, act of Congress, or Executive order, or by reason of any lands taken from said Indians by acts of Congress or otherwise, including lands lost to them by erroneous surveys, or lands opened to settlement, or used for dam, power, and reservoir sites and irrigation projects, or loss of lands by submergence by erection of reservoirs, without compensation and without their consent given in the usual manner, or for the failure or refusal of the United States to protect the interests of any of said Indians in lands as to which they had or claimed possessory right of use and occupancy, or because of any mismanagement or wrongful handling of any of the funds, lands, properties, or business enterprises belonging to or held in trust for said Indians.

SEC. 2. That suit or suits under this act may be instituted by the Confederated Salish and Kootenai Tribes of Indians, or any tribe or band thereof, either separately or jointly, as party or parties plaintiff, against the United States as party defendant, by filing within 5 years after the approval of this act a petition or petitions in the Court of Claims and serving with respect to each suit a copy thereof on the Attorney General of the United States, who, either in person or by some attorney from the Department of Justice to be designated by him, shall appear and defend the interests of the United States. Such petition or petitions shall set forth the facts upon which the claim or claims for recovery is or are based and shall be verified by the attorney or attorneys employed by said Indians, under contract approved in accordance with existing law, to prosecute said claims, which may be made upon information and belief, and no other verification shall be necessary. The petition or petitions shall be subject to amendment at any time prior to final submission of the case to the Court of Claims. Such petition or petitions may, in addition to alleging specific claims, demand a general accounting of all funds and property expended or used by the United States for the account of said Indians, in which event the General Accounting Office shall within a reasonable time from date of filing said petition or petitions make a complete audit of said accounts, and, in addition to the usual copies furnished the Attorney General, shall furnish a copy thereof to the attorney or attorneys for said Indians; and the court, after full hearing, shall state the account and render judgment in accordance therewith.

SEC. 3. That at the trial of any suit instituted hereunder the court shall apply as respects the United States the same principles of law as would be applied to an ordinary fiduciary and shall settle and determine the rights therein, both legal and equitable, of said Indians against the United States, notwithstanding lapse of time or statutes of limitation. In the determination of the validity of any claim asserted or defense interposed hereunder, the court shall have the full power and authority of a court of equity.

SEC. 4. That the court shall have authority by proper orders and process, to make parties to any suit or suits instituted hereunder any other tribe, band, or group of Indians deemed by it necessary or proper to a final determination of the matters in controversy.

SEC. 5. That in any suit instituted hereunder any letter, paper, document, map, or record in the possession of any officer or department of the United States (or certified copies thereof) may be used in evidence, and the departments of the Government of the United States shall give full and free access to the attorney or attorneys for said Indians to such letters, papers, documents, maps, or records as may be useful to said attorney or attorneys in the preparation for trial or trials of such suit or suits.

SEC. 6. That no payment or payments which have been made by the United States upon or in satisfaction of any claim or claims asserted in any suit brought hereunder, or expended for any of the said Indians, shall operate as an estoppel against any suit brought hereunder, but there shall be set off against any recovery obtained by said Indians hereunder any payment made by the United States on any claim asserted by said Indians, together with such gratuity expenditures as are directed to be set off by the act of Congress, approved August 12, 1935 (49 Stat. 596): *Provided*, That no moneys expended for the benefit of said Indians under the Wheeler-Howard Act, approved June 18, 1934 (48 Stat. 984), shall be applicable as set-offs.

SEC. 7. That if the court shall find that any lands formerly belonging to or possessed by said Indians have been appropriated by the United States without compensation therefor or without their consent, or set apart and reserved as national reservations, dam, power, and reservoir sites, and for irrigation projects, or that loss of lands has been occasioned by submergence by the erection of reservoirs, or that lands have been taken for other public uses or otherwise reserved or disposed of in any manner whereby the said Indians have been deprived of the use or benefits of such lands and the natural resources thereof, it is hereby declared that such action shall be sufficient grounds for equitable relief, and the court shall render judgment in favor of said Indians, and shall award to them, as for a taking under the power of eminent domain, just compensation for all such lands, sites, projects, and natural resources.

SEC. 8. That the Attorney General of the United States and the Secretary of the Interior in behalf of the United States, and the attorney or attorneys representing said Indians, shall have authority, with the approval of the tribal council, at any time after the approval of this act to compromise and settle any claim asserted by said Indians.

SEC. 9. That upon the final determination of any suit or suits instituted hereunder, whether by judgment, compromise, or otherwise, the Court of Claims, in the event of judgment for said Indians or, in the event any claim asserted by any of said Indians shall be compromised or settled without the institution of any suit hereunder, the Secretary of the Interior shall determine such fees or compensation to be paid the attorney or attorneys as said court or said Secretary shall find reasonable or equitable, and in addition thereto such actual and necessary expenses as shall have been incurred by the attorney or attorneys in the prosecution of said claims. In no case shall the fees or compensation decreed by said Court of Claims or by the Secretary of the Interior be in excess of the amount stipulated in the contract or contracts approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and in no event to exceed 10 percent of the amount of the recovery, and shall be paid out of any money appropriated by Congress for the benefit of said Indians pursuant to any judgment or settlement hereunder.

SEC. 10. That the amount of any judgment recovered or settlement made for said Indians, less attorneys' fees and expenses, shall be placed to the credit of said Indians in the Treasury of the United States and shall draw interest at the rate of 4 percent per annum from date of judgment or settlement, and shall thereafter be subject to appropriation by Congress and used for the benefit of said Indians, including, but without limitations, the purchase of lands, livestock, farming implements, erection of buildings and improvements, and for productive enterprises, with the approval of the Secretary of the Interior and the consent of said Indians.

With the following committee amendments:

Page 5, lines 14 and 15, strike out the words "without compensation therefor or without their consent"; and on page 5, line 22, after the comma, insert the words "without compensation therefor and without their consent."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on table.

FEDERAL CREDIT UNION ACT

The Clerk called the bill (H. R. 6372) to amend the Federal Credit Union Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Credit Union Act, as amended, is hereby further amended as follows: Paragraph (5) of section 7 is amended by adding at the end

thereof the following: "The taking, receiving, reserving, or charging a rate of interest greater than is allowed by this subsection, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. In case the greater rate of interest has been paid the person by whom it has been paid, or his legal representatives, may recover back, in an action in the nature of an action of debt, the entire amount of interest thus paid from the credit union taking or receiving the same: *Provided*, That such action is commenced within 2 years from the time the usurious transaction occurred."

SEC. 2. Section 9 of such act is amended by adding at the end thereof the following:

"Shares may be issued in joint tenancy with right of survivorship with any person designated by the credit union member, but no joint tenant shall be permitted to vote, obtain loans, or hold office, unless he is within the field of membership and is a qualified member."

SEC. 3. Subsection (c) of section 11 of such act is amended by striking out the clause "fix the amount and character of the surety bond required of any officer having custody of funds" and inserting in lieu thereof the following: "require any officer or employee having custody of or handling funds to give bond with good and sufficient surety in an amount and character to be determined, from time to time, by the board and authorize the payment of the premium or premiums therefor from the funds of the Federal credit union."

SEC. 4. Subsection (d) of section 11 of such act is amended by striking out in the first sentence thereof the following: "(by the treasurer)".

SEC. 5. The fourth sentence of subsection (d) of section 11 of such act is amended to read as follows: "No loan shall be made to any member which shall cause such member to become indebted to the Federal credit union in the aggregate, upon loans made to such member, in excess of $200 or 10 percent of the Federal credit union's paid-in and unimpaired capital and surplus, whichever is greater, or in excess of $300 unless such excess over $300 is adequately secured."

SEC. 6. Subsection (e) of section 11 of such act is amended by adding at the end thereof the following:

"As used in this subsection the term 'passbook' shall include any book, statement of account, or other record approved by the Governor for use by Federal credit unions."

SEC. 7. At the end of such act a new section is added as follows:

"SEC. 22. The provisions of this act shall be extended to and include the Panama Canal Zone."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MADDEN. Mr. Speaker, that concludes the call of the bills on the Consent Calendar.

COAST GUARD APPROPRIATION ACT, 1947

Mr. LUDLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6428) making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue for three-quarters of an hour, half of the time to be controlled by the gentleman from New York [Mr. TABER] and the other half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana [Mr. LUDLOW].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of H. R. 6428, with Mr. SULLIVAN in the chair.

The Clerk read the title of the bill.

On motion by Mr. LUDLOW, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Indiana [Mr. LUDLOW] is recognized.

Mr. LUDLOW. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the Coast Guard is a very old institution. It had its origin in 1790, when the Revenue Cutter Service was established by authority of the First Congress. Since its purpose was to suppress smuggling and to enforce the provisions of the revenue laws, it was placed under the Treasury Department, and there the Coast Guard has always remained. The first commission ever issued to a seagoing officer of the United States was issued by President George Washington on March 21, 1791. The Coast Guard of today is a fusion of four services: the Revenue Cutter Service, the Life Saving Service, the Lighthouse Service, and the Marine Inspection and Navigation Service. The last of these to join the combination was the Marine Inspection and Navigation Service, which became part of the Coast Guard in February 1942.

In peacetime the Coast Guard operates as a branch of the Treasury Department. In wartime it becomes a part of the Navy and is directed by the same authority that conducts the naval operations. On November 1, 1941, slightly more than a month before Pearl Harbor the Coast Guard was transferred from the Treasury Department to the Navy Department. On January 1, 1946, by Executive Order 9966, President Truman transferred the Coast Guard back to the Treasury Department. The bill before you is a reconversion bill and makes provision for the first year of full peacetime operation of the Coast Guard following the war.

AN EXPANDING SERVICE

The estimates for the fiscal year 1947 as they came to us provided for a resumption of the traditional peacetime duties of the Coast Guard such as lifesaving, law enforcement, and so forth, but with a number of additional duties and functions which had developed from the experience of the war. The postwar Coast Guard is a much broadened and enlarged service compared with the prewar Coast Guard and this expansion must be implemented with appropriations very much in excess of prewar appropriations. For instance, the coordinated use of units for air-sea rescue was largely developed and perfected during the war. The specific assignment of small coast patrol boats, airplanes, and communication facilities into task units for instant observation, reporting, and rescue has demonstrated the need of this type of facility for postwar use. One of the greatest contributions to the safety of transoceanic travel by military planes during the war was the assignment of vessels for weather reporting, observation, and assistance. In perpetuation of this program of aid to air navigation the Coast Guard's postwar program provides for the manning by the Coast Guard with Coast Guard personnel of nine weather stations located in the Atlantic and Pacific Oceans.

LORAN, RADAR, RACON, ANRAC

During the war various electronic navigational aids were developed, including loran, radar, racon, anrac, and so forth.

Under directives from the Navy, the Coast Guard was assigned the duty of establishing, maintaining, and operating all loran stations, racon stations, and high-frequency direction-finder networks. These stations proved their value in providing for safe operation of both vessels and aircraft, and contributed a major part to the winning of the war. The value of these aids in assisting the safe movement of men and supplies during wartime indicates the valuable contribution they will make to peacetime navigation. The Coast Guard proposes to continue operation of these aids, relocating and reducing the number in order to decrease operating expenses and improve efficiency.

With the renewal of its peacetime functions, such Coast Guard activities as were either subordinated or discontinued during the war are being resumed on a full-time basis. For instance, the International Ice Patrol, which was discontinued during the war, was restored in March this year, with the assignment of two cruising cutters to the patrol work and two cutters as radar-research vessels.

HEAVY CUTS . . . BUDGET ESTIMATES

The added peacetime obligations and responsibilities of the Coast Guard growing out of the war make it inconceivable that future appropriations for the Coast Guard ever again will be as low in dollar volume as they were before the war. Nevertheless, this bill, as presented to you, makes heavy cuts in the amounts the Coast Guard asked for. It is understandable that the Coast Guard, realizing its importance in the public service and wishing to maintain its record of doing an excellent job, should place its sights high. It asked the Budget for a total of $185,198,100. The Budget cut the request $51,298,100 and allowed $133,900,000. Our subcommittee made an additional cut of $19,734,000, and the bill comes before you carrying a total of $114,166,000.

Lest some persons may mistakenly jump to the conclusion that we have cut a national defense agency too sharply, let me say, first of all, that the Coast Guard for which we are appropriating is not a national defense agency in the accepted sense. It is a peacetime agency with only peacetime functions. If unhappily there should be another war, it

would be in shape under the appropriation to be fused immediately into the Navy, just as it was in the last war, but it would be contrary to our appropriation history to treat the Coast Guard in peacetime as anything but a peacetime agency performing peacetime duties.

APPROPRIATION ALLOWED TWO AND A HALF TIMES PREWAR SIZE

In the second place the appropriations we have allowed could not be construed by the wildest stretch of the imagination as crippling the Coast Guard in any respect. In 1940, the last strictly peacetime year, the appropriations for all of the activities that are now combined in the Coast Guard totaled $45,279,858—see page 2 of the report. The appropriation for the Coast Guard which we allow in this bill, $114,166,000, is $68,896,142 more than the combined total for 1940. In other words it is more than two and a half times the appropriation for the last prewar year. That certainly shows we have been liberal with the Coast Guard. We believe the history of the Coast Guard shows that it is a well-organized and efficiently administered service and worthy of the encouragement which we have sincerely sought to extend to it. The wartime appropriations of the Coast Guard for 1946 totaled $359,064,318. This bill is $244,898,318 below that amount.

SEVEN TITLES UNTOUCHED

There are nine appropriation titles in the bill that is before you. Under seven of the title heads we approved the estimates just as they came from the Budget. Under two of the title heads we made reductions. We reduced the estimate for pay and allowances $9,222,000, from $81,222,000 to $72,000,000. The estimate for general expenses we cut $10,512,000, from $40,707,000 to $30,195,000, and provided that in addition to the amount which we allowed, $3,500,000 shall be transferred to the general expenses appropriation from the general supply fund, as we were convinced that the inventories on hand would well justify this transfer.

TOP-HEAVY WITH ADMIRALS

Under the appropriations we allowed for pay and allowances, the Coast Guard strength in 1947 will be far in excess of what it was in the prewar year 1940. In 1940 there were 12,070 enlisted men, 628 commissioned officers, and 693 warrant officers. The Budget allowed for 1947, 19,000 enlisted men, 2,500 commissioned officers, and 1,000 warrant officers. In making our cut below the Budget we did not attempt to indicate how it should be applied as to personnel, but we unhesitatingly called the attention of Coast Guard administrative heads to what appeared to us to be an unwholesome tendency to create a top-heavy surplusage of admirals, commodores, and other high-ranking officers. In 1940 there were 3 admirals and 31 captains for an organization composed of 12,070 men. In 1947 the Budget included provisions for 1 admiral, 17 rear admirals, 15 commodores, and 138 captains for an enlisted force of 19,000 men. We hope and believe that those in charge of administering the Coast Guard will see the wisdom of reducing the number of high-ranking officers.

It will interest the House and the public to know that more than half of the cut c. $9,222,000 we made in the Budget estimate for pay and allowances is made up of two items, both of which are plainly justifiable on their face. The estimate as it came to us included $4,308,308 for mustering-out payments to personnel which will be discharged during the last 60 days of the fiscal year 1946. The Comptroller General advised us that these payments should be made out of 1946 appropriations and as we are appropriating only for the fiscal year 1947 we made the appropriate deduction. Appropriations already made for 1946 are adequate for this purpose. Then we reduced the item for clothing $1,000,000 on learning of large existing stocks of clothing. At the end of December 1945, the inventory of regular uniform clothing was $5,878,763, most of which is still on hand.

CUT IN GENERAL EXPENSES ITEMIZED

The principal items comprising the cut of $10,512,000 in the estimate for general expenses, Coast Guard, are as follows:

The Budget included $1,512,000 for purchases of ordnance from the Navy. Inasmuch as both the Army and the Navy have large stocks of ordnance on hand which has no market value and which in the course of a few years will be worthless, the committee eliminated the amount and made provisions for the transfer of such ordnance as the Coast Guard may require from the Army and Navy, without cost to the Coast Guard.

In addition to the supply account fund inventory there is on hand, in the form of surpluses of wartime purchases, etc., supplies and equipment to the value of at least $21,000,000. This material is distributed through all the Coast Guard stations and its exact volume, nature, and usability are not known to headquarters personnel. Steps should be taken immediately to account for all such property and so to distribute it as to insure the utilization of all that has value. The items in the Budget for outfits, $4,100,000, repairs to vessels, $15,296,500, repairs to aircraft, $1,984,500, communications, $5,000,000; boat building, $500,000, and rebuilding and repairing stations, $2,325,000, all may be partially met by issues from this stock without cost to the appropriation, so the committee made a reduction of $4,500,000 on that account.

There is now in course of transfer from the Navy to the Coast Guard a stock of boat engines and engine parts which was maintained by the Navy at Norfolk, Va., during the war for Coast Guard and similar craft. The exact value of this stock is not known but is estimated to be not less than $1,000,000 and probably more than that. It is all usable equipment and probably will be used within a year. The committee therefore made a reduction of $1,000,000 on this account.

FOR RELIEF OF COMMANDANT

We not only allowed the full estimate of $1,697,500 for salaries of the office of the commandant but we wrote into the bill a provision which we believe will be of material assistance in a reduction of the heavy backlog of accounting work which is giving the commandant and his assistants much concern. This provision permits the commandant to detail to his headquarters such number of enlisted persons as may be approved by the Bureau of the Budget for temporary duty in addition to the 30 permanently authorized.

DIFFICULTIES IN PREPARING BILL

Your subcommittee prepared this bill under most difficult circumstances, after 3 days of hearings beginning on March 19. The metamorphosis of war, introducing radar, loran, the transoceanic weather stations, and so many other new factors, had almost wiped out the old appropriation guideposts. It will necessarily be some time until the Coast Guard becomes shaken down in its new peace environment and its sights become clearer. Definite conclusions as to the size of the Coast Guard in the postwar future must await crystallization of these basic factors to be taken into account in connection with future budgets. We believe we have prepared the best bill possible for this transitory period, and we hope it will meet the approval of the Congress.

By unanimous consent of the House, I present the following table, prepared by the Coast Guard Commandant, Admiral Joseph F. Farley, showing the strength of the Coast Guard at various times:

PERSONNEL STRENGTH OF COAST GUARD AT VARIOUS PERIODS

June 30, 1891: The personnel of the Revenue Cutter Service consisted of 220 commissioned officers and 843 appointed and enlisted men, a total force of 1,063.

June 30, 1914: The personnel of the Life-Saving Service, before its consolidation with the Revenue Cutter Service, as the Coast Guard, consisted of 13 superintendents, 291 keepers, and 1,976[1] surfmen, a total force of 2,280.

The personnel of the Revenue Cutter Service before its consolidation into the Coast Guard totaled 217 commissioned officers, 12 cadets, 351 warrant officers, and 4,132 enlisted men, a total force of 4,712.

June 30, 1916: The Coast Guard, comprising the Revenue Cutter Service and Life-Saving Service, consisted of 223 commissioned officers, 362 warrant officers, and 4,018 enlisted men, a total force of 4,603.

June 30, 1918: World War I strength. 228 commissioned officers, 412 warrant officers, and 5,250 enlisted men, a total force of 5,890.

June 30, 1930: 405 commissioned officers, 863 warrant officers, and 10,762 enlisted men, a total force of 12,030.

June 30, 1941: 714 commissioned officers, 776 warrant officers, and 17,546 enlisted men, a total force of 19,036.

On July 1, 1939, the former Lighthouse Service was consolidated with the Coast Guard, and these figures include the personnel of the Lighthouse Service brought into the military branch of the Coast Guard.

June 30, 1945: 11,256 commissioned officers, 1,637 chief warrant and warrant officers, and 158,224 enlisted personnel, a total force of 171,117.

In addition, the Temporary Reserve—men and women serving on full time, part time and intermittent duty, with or without pay—totaled 53,214, or a combined total of 224,331.

Mr. TABER. Mr. Chairman, I yield myself 5 minutes.

The CHAIRMAN. The gentleman from New York is recognized.

[1] NOTE.—Surfmen at this time were only employed during the periods when the life-saving stations were manned (termed the active season).

Mr. TABER. Mr. Chairman, this bill comes to the House with the unanimous support of the committee. It calls for a cut of $19,734,000 below the Budget estimate. That cut is made up of items which result from an investigation that we caused to be made of the fiscal situation of the country. We found there was property in store that could take care of a very considerable part of the general expenses of the Coast Guard. That investigation was performed by our clerk. It resulted in the saving of appropriations of $10,512,000.

The pay and allowance item we have been able to reduce without impairing in any way any essential function of the Coast Guard. They came before us with a program to provide for 15 admirals as against 3 before the war, with only about 25 or 30 percent increase in enlisted personnel. Their program also called for 8 commodores as against none before the war, and 136 or 137 captains as against about 17 in the period before the war, and a percentage of the higher-up commissioned officers that was comparable to the set-up with reference to admirals, commodores and captains. We found on investigation that they could do with many fewer high-ranking officers and that they, like the Army and the Navy, should get down to earth. That is what we have provided, so that they may get rid of those high-commissioned reserve officers and get down to a real businesslike basis. That we have provided and we have provided amply for every necessary activity. I hope that this bill will go through promptly and without amendment.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. COLE of New York. In the matter of the Coast Guard, a bill was on the Consent Calendar today, having been approved by the Committee on the Merchant Marine and Fisheries, authorizing the Coast Guard to accept the enlistment of certain individuals for the year 1946. I am wondering if the gentleman can advise us why it is necessary to have legislative authority for the Coast Guard to accept enlistments of the nature covered by that bill?

Mr. TABER. Frankly, I expect the gentleman wants me to tell him just exactly what the picture is. I do not believe there is any question but what the Coast Guard today has the authority to take care of every situation that is covered by that bill.

We held hearings on that bill and went into it very thoroughly. We asked Captain Richmond, who was the witness furnished us by the Coast Guard, if there had been any failure on the part of the Coast Guard to meet its obligations in any way with reference to its life-saving activities and we were advised that there had been no substantial loss of life or property that had resulted from anything of that character. We went into that situation quite carefully.

Of course, the gentleman realizes, as all of us must, that the Coast Guard situation with reference to the life-saving activities along the coast is a little different now than it was 20 years ago because as the boats are all motorized it does not take quite as many men to man them and to operate them effectively and efficiently as it did in the day when they had boats propelled by oars.

Mr. COLE of New York. Can the gentleman explain why the Coast Guard would not make representations to the Appropriations Committee for additional funds if the Coast Guard felt that additional personnel was needed, yet at the same time appear before another committee of the House and urge additional authority to recruit personnel?

Mr. TABER. I have before me a copy of the hearings that were held on that particular subject after the bill had been reported, because we did not want to come out here with a bill which did not provide sufficient men to meet the real requirements of the Coast Guard. I have here the hearings that were held which I think the gentleman will find interesting. I am going to supply him with a copy which I think covers that picture thoroughly.

Mr. COLE of New York. Do I understand that after the Merchant Marine Committee reported this bill out favorably the Coast Guard appeared before the Appropriations Committee and made no request for funds to cover the situation referred to in the bill?

Mr. TABER. That is the situation. I will supply the gentleman with a copy of these hearings. We did not want to take any changes on bringing a bill out here which did not provide for the life-saving activities and I do not think we have.

Mr. Chairman, I reserve the balance of my time.

Mr. LUDLOW. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Chairman, this is the first time in my experience that the appropriation for the Coast Guard has been handled by a committee dealing specifically with appropriations for the Coast Guard. Heretofore I think it has usually been handled by the Treasury Department. I have no criticism of the procedure.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from New York.

Mr. TABER. This is being handled by the Treasury subcommittee, and the Treasury subcommittee has always heretofore, except during war times, handled the Coast Guard appropriation. Our Treasury bill had been reported and passed the House before the estimates came up from the Budget, and therefore the estimates were referred to the Treasury subcommittee for hearings.

Mr. BLAND. I have no complaint of the procedure which was pursued. I am merely making the statement with reference to the condition in which we find ourselves.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Indiana.

Mr. LUDLOW. Supporting the statement made by the gentleman from New York, this bill has been handled in exactly the regular way under the Treasury Department.

Mr. BLAND. However, there has been some criticism of the Coast Guard estimates in the report and also in the statement here, and I wish that Members of the House may understand the situation that exists at this time. I wish the House to know that the members of the Committee on the Merchant Marine and Fisheries, charged with Coast Guard litigation, is going to look very carefully into the criticisms which have been made.

I know that the conditions in the Coast Guard are different now from those that have obtained in the past. For many years Admiral Waesche has been Commandant of the Coast Guard. Everyone had come to rely on him. He has now retired. His health is bad. He is now in the naval hospital. I doubt if he will ever be well again; in fact, I should not be surprised to hear of his passing at any time. Heretofore he has given such close attention to all matters pertaining to the Coast Guard and has been so well prepared to justify everything proposed that all of us have become a little careless, perhaps, in our supervision. In addition he has been very ably assisted by Admiral Gorman. The two made a splendid team. But Admiral Gorman's health was bad when the last hearings were held. It became necessary, in the presentation of their estimates to the committee, for new men to represent the Coast Guard. I know Admiral Farley, the present Commandant of the Coast Guard. He is an excellent man, on whom the committee may rely. He wants to do what is economically right and what is for the best interest of the Coast Guard and of the Nation. He does not seek to expand beyond the necessities of the present. He is vigilant, alert, conscientious, and intelligent. I feel that I can say that criticisms of this kind will not come in the future. Those in charge of the Coast Guard will see to that. Furthermore, the Committee on the Merchant Marine and Fisheries will endeavor to ascertain the grounds for the present criticisms and how far they may be justified. There has been a new man handling the matter before the committee. I say "new," because I do not think he has the experience of the men appearing in the past. I know him. He has been before our committee, and he is a well-qualified man. I doubt that he knows all of the breadth, scope, and intricacies of committee investigation in matters of this kind. I do not complain of those hearings. I think they show how well the Committee on Appropriations is discharging its duty. However, I felt that the record of the Coast Guard demanded that I should make this statement in their defense.

As to the bill which is on the Consent Calendar today, it is true that hearings were held before the Committee on the Merchant Marine and Fisheries. I am gratified to know that no additional authority is needed for temporary enlistments. There may be considerable temporary enlargement required in enlistments. It seemed to us that this was

here to provide for surfmen particularly charged with the saving of life along the coast, particularly the Great Lakes and the New England States. The bill was introduced by the distinguished gentleman from New Jersey [Mr. AUCHINCLOSS] and fully justified by needs clearly pointed out to us, existing along the Atlantic, Gulf, and Pacific coasts, and on the Great Lakes. It was obvious that enlistments for the next year would not take care of the danger. The purpose of the Auchincloss bill is to authorize the Commandant of the Coast Guard to enlist not more than 2,000 persons with previous Coast Guard service for duty at lifeboat stations within the continental limits of the United States. The Committee on the Merchant Marine and Fisheries said:

Because of the requirements of the demobilization program, plus the fact that the Coast Guard has been assigned a large number of additional duties, a serious shortage of personnel has developed. As a result, it is presently impossible to assign a sufficient number of men adequately to man lifeboat stations on the coasts or on the Great Lakes. This condition is probably temporary in nature and will be alleviated to a large extent as soon as men now assigned to Navy duty can be released.

To provide sufficient manpower during this period, this bill would permit service for the specified purpose for the short period involved, with the provision that all such enlistments shall expire on December 31, 1946.

Under the provisions of this bill, enlistments are authorized in the grade held at the time of discharge or extension of enlistment. Veterans' rights, preferences, and benefits are expressly safeguarded and an extension of time for invoking them equal to the period of enlistment under this bill is also provided.

Then say:

The committee is of the opinion that the Auchincloss bill will go far to mitigate the existing dangerous situation and will provide adequate lifesaving protection until the beginning of the next calendar year, at which time it is hoped that the Coast Guard will be in a position to operate on a normal basis.

Subsequent to appearing before the committee and prior to the publication of the committee's report the Coast Guard recomputed the number of officers necessary and, in order to carry the maximum number of enlisted men, arbitrarily reduced the number of officers required for the fiscal year 1947. On May 10 it was announced to the service and the public that as of July 1 the officer strength would be reduced to 2,500 officers for regular duty and 467 for Bureau of Marine Inspection and Navigation functions. The distribution of the high ranks is as follows:

Rank	Percentage	Number	Extra numbers for former BMIN
Flag	1	25	1
Captain	4	100	8
Commander	8	200	18

It will be noted from the above the Coast Guard has already indicated a material reduction in the number of senior officers to be carried in 1947.

With respect to the duties of officers of high rank, the Coast Guard has for years maintained that certain key positions in the service should be filled by senior officers of flag rank. Thus it was considered that each district, of which there are fourteen, should be commanded by an officer of such rank. Further, the chiefs of offices at headquarters similarly should be flag officers. Counting the commandant, assistant commandant, and engineer in chief, which hold flag rank by virtue of statutory authority, there are eight such positions in the Department.

In this connection it is interesting and very informative to read an editorial which appeared in the Evening Star of Washington, D. C., in its issue of May 16, 1946, entitled "Peacetime Coast Guard," and which reads as follows:

The difficulty which the House Appropriations Committee said it encountered in seeking to reduce Coast Guard appropriations to somewhere near their prewar level is understandable in view of the postwar responsibilities which the Treasury's "navy" must assume. In the future, largely as a result of wartime developments in electronics, meteorology, and air-sea rescue work, the Coast Guard will be called upon to operate in much wider fields than before the war.

The series of loran stations established along the coast to guide American combat and cargo ships during the war is to be retained and expanded by the Coast Guard as a peacetime service to ships of all nations. Loran, a word derived from "long-range navigation," is an electronic device enabling ships at sea to determine quickly their exact position, regardless of fog or darkness. These "invisible lighthouses" should be a tremendous boon to mariners, particularly in the North Atlantic, where visibility is often limited by fog and rain. The Coast Guard also will maintain floating weather stations in the Atlantic and Pacific for the benefit not only of surface vessels but of aircraft. The air-sea rescue organization which proved of so much value during U-boat attacks on Allied shipping off the east coast is to be continued under Coast Guard auspices as another Government contribution to the safety of those who cross the ocean by ship or plane.

Against this background of service the $19,734,000 cut made in the Budget estimate of $133,900,000 appears to be a substantial one. Nearly half of this reduction is to be applied to personnel, especially in the high-ranking brackets. Even so, the Coast Guard will have 7,000 more men than in 1940, when the total strength was 12,000 men. The investment made in these additional men should pay big dividends in increased safety at sea—tangible dividends in lives and property saved.

The Auchincloss bill is to be heard on its merits later, in all probability. Objection has been made now to its consideration on the Consent Calendar.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. LUDLOW. Mr. Chairman, I yield two additional minutes to the gentleman from Virginia.

Mr. AUCHINCLOSS. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from New Jersey.

Mr. AUCHINCLOSS. The gentleman has spoken about the bill that was on the Consent Calendar today which I introduced. I have just had an opportunity of reading the hearings held by the Appropriations Subcommittee on this matter. From this testimony it is quite evident that the Coast Guard believes that during the summer season it will not be able to man these lifesaving stations in the way it would like to; that the redeployment of their personnel makes it almost impossible for it to do so.

Mr. BLAND. They are used in troop movements, bringing the troops back, and in other movements incident to the war that take away from the stations along the coast men who have been relied upon for protection by our fishermen and those who are employed in the waters there, as well as by the passenger service on the Great Lakes.

Mr. AUCHINCLOSS. I fail to understand how the committee can be satisfied that there will be sufficient funds and personnel without this measure.

Mr. BLAND. I am going to have no quarrel with the Committee on Appropriations now. We will have our day in court later. If we can then convince the House that we are right, I hope the necessary funds will be accorded.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Acquisition of vessels and shore facilities: For the purchase or construction of additional and replacement vessels and their equipment, and the construction, rebuilding, or extension of shore facilities, including the acquisition of sites and improvements thereon when specifically approved by the Secretary, and rental of shore facilities for temporary use, $1,325,000, of which amount not to exceed 4 percent shall be available for administrative expenses in connection therewith, including personal services at the seat of government.

Mr. BLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLAND: On page 8, line 7, strike out "$1,325,000" and insert in lieu thereof "$1,375,000."

Mr. LUDLOW. Mr. Chairman, will the gentleman from Virginia yield?

Mr. BLAND. I yield to the gentleman from Indiana.

Mr. LUDLOW. The Coast Guard has no better friend than the gentleman from Virginia [Mr. BLAND]. Our committee has the utmost confidence in his comprehensive knowledge of the requirements of the Coast Guard. I am pleased to say that the committee will accept the amendment.

Mr. BLAND. I have no desire to take the time of the committee. I will simply say that the purpose is to provide funds for the construction of additions to the present engineering building at the Coast Guard Academy.

Mr. LUDLOW. As I understand, the boiler has been purchased, and there is no covering to house the boiler.

Mr. BLAND. That is true. The matter was investigated by the Board of Visitors at its recent meeting at the Coast Guard Academy. It was unanimously approved.

The purpose of this amendment is to appropriate funds for the construction of an addition to the present engineering building at the Coast Guard Academy. This additional space is required to house a complete fireroom and boiler installation for instruction of cadets in marine engineering. In addition to furnishing

facilities for classroom study and experimental work, the equipment will be used as a stand-by unit in case of failure of the New London electrical system which at the present supplies the Academy. All of the necessary equipment has been secured from the Navy and is on hand. The boiler is in place and is covered by a temporary structure of frame and canvas. The Coast Guard allocated funds for the construction of this addition from available balances during the fiscal year 1946, but due to the drastic reduction in the construction program subsequent to VJ-day, the funds for this purpose, along with other balances were rescinded.

First. The present boiler in the engineering laboratory at the Coast Guard Academy was installed in 1933; the boiler being a small water tube boiler removed from the old cutter *Itasca* when that vessel was decommissioned. This boiler is very old and of an obsolete design, being of little value for cadet training and experimental work in view of present modern design installations aboard ships. This boiler serves the laboratory with steam for performing experiments in steam, mechanical and electrical engineering. The capacity of the boiler is limited and furnishes very low-pressure saturated steam.

Second. The Coast Guard Academy has long recognized these limitations and has desired to bring the engineering laboratory up to date with modern marine practice in regards to the type boiler and associated equipment installed. With a more modern plant installation of greater capacity, it is planned to utilize a turbo-generator unit which would, in addition to furnishing facilities for classroom study and experimental work, be used as a stand-by unit in case of failure of the New London electrical system which at present supplies the Academy.

Third. With the Academy desires in mind, Coast Guard headquarters prepared a letter to the Chief, Bureau of Ships, code 809, dated June 29, 1944, file ENE–13, requesting modern destroyer escort equipment which had become available due to the cut-back in the DE program. This equipment was requested under the terms of amendment 1, property disposition directive No. 1, issued by the Secretary of the Navy, May 23, 1944, file PM 600 LLS: jf. The request was approved by Bureau of Ships letter, August 9, 1944, file DE (TE) 558.

Fourth. The major components of the equipment desired by the Academy and subsequently shipped included:

(a) DE boiler and associated auxiliaries including pumps, fuel-oil heaters, and so forth.

(b) DE auxiliary turbo-generator.

(c) DE auxiliary condenser.

(d) DE ship's service switchboard.

(e) DE evaporator of the two-effect solo-shell type.

With the acquisition of this additional equipment, it became obvious that greater space must be allotted for the improved installation. Therefore, funds in the amount of $50,000 were allocated to the Academy on January 3, 1945, for the construction of an addition to the engineering laboratory. This addition contemplated a building 30 by 46 feet of reinforced concrete and brick, attached to the present engineering building, of architecture to harmonize with the present building. There will be only one room to the building, so constructed and equipped to resemble the engineroom of a ship. This allocation of funds was canceled on September 15, 1945, due to the rescission of funds subsequent to VJ-day.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. LUDLOW. Mr. Chairman, I move that the Committee do now rise, and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SULLIVAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6428), making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. LUDLOW. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an article on Commodore John Barry.

Mr. BLAND asked and was given permission to revise and extend the remarks he made in committee today and include an editorial from the Washington Star.

Mr. BREHM asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington News.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an article from the National Hardwood News.

AMENDING TITLE 28 OF UNITED STATES CODE

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 394 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2788) to amend title 28 of the United States Code in regard to the limitations of certain actions, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I have no requests for time on this side. I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, this rule makes in order the bill H. R. 2788. The committee report on the bill is exceptionally clear and complete. The report from the committee is not unanimous. Joint minority views have been filed by the gentleman from Ohio [Mr. FEIGHAN] and the gentleman from Massachusetts [Mr. LANE]. Further views have been filed by the gentleman from Tennessee [Mr. KEFAUVER]. Still another view has been filed by the gentleman from Pennsylvania [Mr. WALTER]. Of course, the majority report of the committee advocates the passage of the bill in the form in which it has been reported. The minority report of the gentleman from Ohio [Mr. FEIGHAN] and the gentleman from Massachusetts [Mr. LANE] concludes with these words:

It would be more appropriate to consider the question of a limitation period for that act in the context of those amendments than to legislate in the blunderbuss manner proposed in this bill.

This reference is to amendments included in bills, the purpose of which are to perfect the wage and hour law. Those bills have been before the Labor Committee for a long, long time. There may be hopes that the Labor Committee will act, but there are no prospects. If this is desirable legislation, why, then, should we defeat it because some other committee might, at some future time, take like action?

The minority views filed by the gentleman from Tennessee [Mr. KEFAUVER] state:

I have no objection to a general statute of limitations applicable to some of the statutes covered in this bill. The statute should, however, be longer than 1 year and several of the actions included under the wide scope of this legislation should be excluded.

The minority views filed by the gentleman from Pennsylvania [Mr. WALTER], who always states his position in a clear, precise, and fearless manner, conclude:

It is my opinion that the bill as reported by the majority of the committee is too broad and far-reaching and will bring about results which were never in the contemplation of the committee.

I speak of these minority views for one purpose, that is, to indicate that this bill should be brought before the House for consideration. This is not a new bill. It is a bill that each and every Member of Congress, who pays any attention to bills, is familiar with. It was introduced in the House on March 27, 1945. Extensive hearings were held. It was reported on October 22, 1945. A rule was granted on November 8, 1945. Therefore, this is one bill where it cannot be truthfully said that haste is an element in its consideration. It has been thoroughly considered.

The rule is an open rule and makes it possible to offer any amendments desired by any Member of the House to perfect the bill. Under these circumstances, it would seem that orderly procedure in the House suggests and demands that this important matter be brought before the House. Those who have different views may express those views in the 2 hours' general debate, at the conclusion of which amendments will be in order.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. ROBSION of Kentucky. Of course, the report shows that a majority of the committee was in favor of certain limitations on those cases. Is that right?

Mr. MICHENER. That is correct. The real controversy, I think, is as to the length of the limitation—1, 2, or 3 years. Under existing law, here is a particular type of case where there is no Federal limitation. In other words, it is conceivable that under existing law a suit might be brought 50 years from now. Now, that is not fair and should not be allowed. The country does not want it, and I am sure the House does not want it.

Mr. ROBSION of Kentucky. What I was leading up to, a majority of the committee reported a bill with a certain limitation. As I understand your reference to these minority views, submitted by various members of the Committee on the Judiciary, they also indicate that there should be a limitation on those actions fixed by law?

Mr. MICHENER. I think the gentleman is correct.

Mr. ROBSION of Kentucky. But now there is no limitation at all?

Mr. MICHENER. There is no Federal limitation.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include some excerpts from the committee report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. And may I suggest to the Members of the House again, that they read the report filed by the committee, because it is a worth-while document; it is clear and will answer your questions. Including the minority views, it presents to the House a picture of the whole matter in a way that is seldom presented by committee reports. This bill is technical. No speech here can give the condensed information the reports contain. That report reads in part:

GENERAL STATEMENT

The bill would affect only causes of action for the recovery of wages, penalties, or other damages pursuant to any law of the United States, and for which a specific statute of limitation is not provided.

It would affect the following causes of action:

1. Suits for treble damages based on infringement of a registered trade-mark (15 U. S. C., sec. 96).

2. Suits based on infringement of copyright (17 U. S. C., sec. 25).

3. Actions for treble damages against persons importing goods into the United States and selling the same systematically at less than the market value with intent to injure an industry in the United States or to create a monopoly (15 U. S. C., sec. 72).

4. Suits for treble damages and costs including attorney fees for violation of the antitrust laws (15 U. S. C., sec. 15).

5. Actions for damages for violation of the so-called Civil Rights Statutes (8 U. S. C., sec. 43).

6. Suits for double the amount involved plus costs and attorney fees for violation of sections of the Fair Labor Standards Act relating to minimum pay and maximum hours (29 U. S. C., sec. 216).

7. Suits for wages due merchant seamen, plus penalties (46 U. S. C., sec. 596).

8. Actions by the United States to recover penalties for failure to comply with certain provisions of the Packers and Stockyards Act of 1921 (7 U. S. C., sec. 207).

9. Actions by the United States to recover penalties based on failure to file certain statements with the Federal Trade Commission (15 U. S. C., sec. 65).

10. Suits against directors of national banking associations for knowingly violating certain banking laws (12 U. S. C., sec. 93).

11. Suits by the United States to recover penalties for failure to file certain information, documents, or reports under the Securities Exchange Act of 1938 (15 U. S. C., sec. 78 ff.).

12. Suits to recover treble the amount of illegal fees knowingly collected by any consular officer (22 U. S. C., sec. 92).

13. Suits by the United States for liquidated damages based on failure of any contractor to comply with terms of contract as to wages, hours, etc. (41 U. S. C., sec. 36).

14. Suits by the United States for fixed amounts of damage under the Contract Settlement Act of 1944 (41 U. S. C., supp. IV, sec. 107 (d)).

15. Suits to recover penalties against registers of public lands for giving false information in regard to registering of land (43 U. S. C., sec. 107).

16. Suit by the United States to recover penalty of $1,000 per day from common carriers by water for failure to file with the United States Maritime Commission copies of certain agreements with other carriers (46 U. S. C., sec. 814).

17. Suit for treble damages against certain carriers by water who discriminate against other carriers (46 U. S. C., sec. 1227).

18. Suits against common carriers subject to the provisions of chapter 1 of title 49, United States Code, for violation of provisions of said chapter (title 49, sec. 8).

19. Suits brought by the United States against persons who defraud the Government in connection with the disposal of surplus property (Surplus Property Act of 1944, sec. 26).

An examination of these statutes will show that they create causes of action for the recovery of unusual damages or penalties. They were written principally as aids to law enforcement. They are in a sense quasi-criminal in their nature, rather than provisions for the recovery of ordinary damage.

In similar situations, the Congress has often enacted specific statutes of limitation providing a short period of time for the bringing of the action. For example, penalties are provided in the price-control law, but action must begun within 1 year. Many other cases could be cited.

The fact that the statutes before enumerated do not have a specific limitation does not mean that no limitation will be enforced by the courts. On the contrary, the applicable statute of limitation fixed by the State will govern. This is in accordance with title 28, United States Code, section 725, which provides as follows:

"LAWS OF STATES AS RULES OF DECISION

"The laws of the several States, except where the Constitution, treaties, or statutes of the United States otherwise require or provide, shall be regarded as rules of decision in trials at common law, in the courts of the United States, in cases where they apply."

The difficulty is that there is often uncertainty in determining what particular State statute is applicable.

EXPLANATION OF THE BILL

H. R. 2788 would remedy the present situation by:

(1) Requiring that all causes of action accruing after the enactment of the law be commenced within 1 year.

(2) Requiring that all causes of action which had accrued prior to the law's enactment and which had not already become barred by any applicable statute of limitation be commenced within 6 months after such enactment.

(3) Providing protection to all persons who had in good faith relied upon any regulation, order, or administrative practice, notwithstanding the fact that such regulation, order, or practice may have been later amended or rescinded, or declared to be of no legal effect.

In the case of causes of action accruing after the enactment of the law, the statute of limitations would begin to run immediately and such causes of action would be barred at the end of 1 year.

There will, of course, be some causes of action which have already accrued the day the law becomes effective. Such actions must be commenced within 6 months after the date of such enactment. There is, however, to this an important limitation covering those actions which may have already been barred by some applicable statute or court decision prior to the effective date of the act. In other words, actions already barred under any applicable law are not affected. They will remain barred and the 6-month provision does not apply to them.

The second provision in the bill protects those who, in good faith, have relied on any regulation, order, or administrative interpretation or practice in the event there is a change in that regulation, order, interpretation, or practice, brought about either by the administrative body or the courts. Of course, all administrative bodies are required to interpret and administer laws in accordance with the intent of Congress, and courts in reviewing these acts will be guided by that principle. But there are many instances

when two or more interpretations are permissible or one of several practices discretionary with the enforcing agency.

NEED FOR THIS LEGISLATION

It has long been the policy of the law to require the litigation of disputes within a reasonable time. Particularly is this true where the statute creating the cause of action subjects the defendant to unusual and arbitrarily determined damages or penalties. Then, too, liability often comes about by reason of the extension of laws through interpretation and application of administrative agencies. It is often where a new interpretation is applied that an employer for the first time finds himself liable for large sums for past services of individuals, many of whom may no longer be in his employ, but whose right to collect can be asserted as much as 12 years later.

A good illustration arises from the operation of the Fair Labor Standards Act. An employer who violates the provisions of this law relating to wages or hours may be subjected to suit for twice the amount involved together with costs and attorney fees. The application of this law has been greatly extended by administrative regulations. As a result an employer who may have, in good faith, relied upon a certain ruling, regulation, or practice, suddenly finds himself confronted with many suits, when a change is made either by the Administrator or by the courts. The enforcement of this new liability dating back to the enactment of the law would in many cases bankrupt the employer.

From the hundreds of examples that might be cited here, only a few will be mentioned.

For 4 years after the Fair Labor Standards Act was passed, building operators who rented space to persons or companies engaged in the production of goods for commerce assumed that their own employees who did not produce any goods were not subject to the act. In June 1942 the Supreme Court of the United States decided that the employees of these building operators were engaged in occupations necessary to production and consequently subject to the act.

Some years ago the Wage and Hour Administration advised that cookhouse personnel in logging camps were there for the convenience of the employees, were not engaged in an occupation necessary for the production of goods for commerce, and so were not under the act. Approximately 3 years later, the Administration announced that it had been in error in its first opinion and that employers would be required to make retroactive overtime pay adjustments to cookhouse employees.

For many years, both coal miners and operators generally agreed that traveltime was not worktime. Wages were adjusted on that basis. In fact, it was the subject of collective bargaining agreements between the operators and the union. In accordance with this understanding, the Wage and Hour Administrator ruled that such traveltime was not worktime under the act. Thereafter, in the case of *Jewel Ridge Coal Co.* v. *Local No. 6167, United Mine Workers* (322 U. S. 756), the Supreme Court of the United States held that, notwithstanding the collective bargaining agreement, traveltime was worktime. This decision had the practical effect of creating new and unforeseen contingent liabilities which both parties had deliberately attempted to avoid.

Mr. SMITH of Virginia. Mr. Speaker, I agree with what has been said by the gentleman from Michigan. I think this bill is a question of simple justice already too long delayed. This resolution has been pending on the calendar since last November. I am glad that finally it is to be called up and acted upon.

Many injustices are constantly occurring by reason of the failure to have a limitation on tort actions and semitort actions by the Federal Government. The fact is that we have legislation which enables an individual to sue through the Government, and there is no limitation at present on that, which leads to a situation similar to this: You may have a matter where all parties act in good faith under a decision by the bureau that has control of the administration of the act governing it. You may find years later after liabilities that nobody knew about have arisen the bureau will change its views and issue a new regulation which will bring this particular subject under the jurisdiction of that board. When that happens these claims arise. The result is that today citizens by reason of changes in bureau regulations over which they have no control and about which they have no opportunity to do anything, find themselves stuck with large penalties running back over a period of many years when their records are lost or destroyed, or have not been kept because they were advised that they did not come under this particular bill.

It is a matter that in simple justice we ought to correct and that ought to be done as soon as possible.

I understand there is some objection to the 1-year limitation, although that is the customary tort limitation, but I believe the committee in order to reach a compromise has agreed to offer an amendment which will make the limitation 2 years. It seems to me this ought to dispell every proper objection to the bill, and I very much hope that the bill will be passed.

Mr. Speaker, I have no further requests for time on this side and therefore move the previous question on the resolution.

The previous question was ordered.

Mr. HOBBS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2788, to amend title 28 of the United States Code in regard to the limitations of certain actions and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2788, with Mr. GRANGER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Alabama [Mr. HOBBS] is recognized for 1 hour and the gentleman from New York [Mr. HANCOCK] for 1 hour.

Mr. HOBBS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I do not know how many of you remember the old Octagon soap wrapper days, but down in my country we used to clip them and save them until we could get a fountain pen or something of that sort. This bill is aimed at such a practice in the administration of law. It is designed to require that you not wait to say what your case is until everybody has forgotten about it, then dump it into the hopper when there is no chance for the defendant to defend because of shifting employment, and those who had knowledge of it way back yonder have forgotten all about it.

Let me ask you this question: What were you doing on Sunday, the 3d day of April 1936? How many hours did the man next to you work on that day? Is he entitled to time and a half or double time? Is he entitled to double or triple pay for overtime work that he performed or is supposed to have performed on that day? The answer is that no employer can possibly check back accurately for 6 or 8 years.

Here is a case reported in the Washington Star of December 21, 1945. A suit for $34,290.22 damages and interest was filed on that day in the Alexandria, Va., Federal court against the firm of the Mutual Ice Co. The suit was filed by a gentleman by the name of A. A. Corbin claiming that 6 years before, in 1938, he worked overtime and was entitled to time and a half and so forth. Then all through the 6 years that had intervened he was claiming that he worked overtime or was entitled to double or triple damages, or what not, until the total amounted to the huge sum claimed.

That is the kind of thing this bill is aimed to remedy. It simply establishes in 19 cases where civil damages are permitted to be claimed, what should be a reasonable time within which to file suits under those 19 acts, none of which provide any statute of limitation. In other words, the man who claims such damages must present his claim within a reasonable time, before the demand has become stale through his own laches.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am always delighted to yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I assume that in this particular case the books of the company showed that the man had not worked overtime or double time or that he was entitled to these claims?

Mr. HOBBS. I am not informed as to that.

Mr. ROBSION of Kentucky. I assume the books show that.

Mr. HOBBS. Yes, sir.

Mr. ROBSION of Kentucky. So in most of these cases it would finally resolve itself into oral testimony of witnesses called in as to what that man did work in order to contradict the records of the employer. Then, as the gentleman said, in this shifting of labor and witnesses to various parts of the country it would be impossible to get the witnesses together and, if you do, have them remember each particular day what happened on that particular day and at that particular hour.

Mr. HOBBS. The distinguished gentleman, a member of our committee and one of the honored Members of this House, is exactly right. As I have studied the minority views as expressed, there are only two real objections.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. HOBBS. Mr. Chairman, I yield myself two additional minutes.

Mr. Chairman, there are only two real points of controversy, one of which is as to the length of the statute of limitations

hereby fixed at 1 year. We have agreed substantially, certainly the distinguished author of the bill, the gentleman from Iowa [Mr. GWYNNE] has agreed, and every one of the subcommittee has been consulted by him about it and agrees with him and with us, that we should make this 2 years, which was the time of limitation which a former head of the Wage-Hour Division of the Government proposed.

Second. There was some question whether or not suits brought by the Government were covered by the pending bill. Your Committee on the Judiciary does not think so. We know the Supreme Court held in a long line of decisions that only when the Government is specifically mentioned in the limitation law, does it apply to the Government. This is not true in this case, and, therefore, the large majority of your committee does not think that the Government is, or could be, held to be covered by the proposed law. But in view of the fact that there has been a difference of opinion about it, a second amendment will be offered with the approval of the distinguished author of the bill, and all those who have been consulted, which says that there is excepted those suits by the Government in which the Government is the real party in interest. So with those two amendments adopted, there should be no objection to the passage of the bill as it will then appear.

Mr. HANCOCK. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the bill before us merely fills an omission in the law which should have been taken care of years ago. It establishes a period of limitation within which civil suits for penalties and damages may be brought where no limitation now exists in the law. Contrary to the false statements of the unreliable Mr. Drew Pearson, the bill has no application to criminal actions.

Let me give you a single example from my own district showing the necessity for this legislation. There is a small sand and gravel company there whose business is entirely local. Its properties and its customers are all within the State of New York. Neither the owners nor the employees had the slightest idea that they were engaged in interstate and subject to Federal wage-and-hour laws. In fact, they were not so engaged until the Supreme Court, by torturing the English language and stretching the interstate commerce clause of the Constitution, proceeded to cover almost every conceivable business transaction. Some smart lawyer, taking advantage of those recent decisions of the Supreme Court, rounded up the employees of this little company, W. F. Saunders & Sons, Inc., of Nedrow, N. Y., and brought an action for time and a half pay for every hour worked in excess of 40 hours per week for the last 8 years, with a penalty of 100 percent, together with costs and attorney's fees. The suit is for $50,000. If it succeeds—and it may very well succeed—it means ruin to a small group of honest, hard-working, thrifty, law-abiding men. This bill, if passed, will put an end to outrageous suits of that sort, which shock our sense of justice.

I will not take any more of your time, because I want to give as much time as he needs to the able gentleman from Iowa, who introduced this bill and who is better qualified to explain the bill in detail and answer any questions you may have than I. If you will read the hearings, which are very full and complete, you will find there is little difference of opinion among those who appeared before our committee, except as to the period of limitation. Most of us on the Judiciary Committee think 1 year is adequate. Others want 3 years or more. I understand the gentleman from Iowa has agreed to accept an amendment compromising on 2 years, which is reasonable. This legislation is long overdue. I hope it will be passed today.

Mr. Chairman, I now yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, this is a subject in which I have been interested for quite a considerable period of time. I have discussed this matter with Mr. Walling, the head of the Wage and Hour Division, for the past 2 years when he has appeared before the Subcommittee on Appropriations relating to this subject matter. We spent most of the forenoon today going over this proposed legislation.

Certainly justice and common sense indicate that the Congress ought to deal promptly with the situation. I find absolutely no criticism whatsoever of this bill from those in authority except as to the period of the limitation. Mr. Walling testified before the Committee on the Judiciary that it was his opinion that a 3-year statute would meet the situation as far as wage-hour violations are concerned. In many States, as you well know, actions for the collection of a penalty or forfeiture are limited to only 1 year. Actions to collect the 100 percent money penalty for violation of the wage-hour law are in reality actions to collect a penalty or a forfeit. I believe the 2-year limitation suggested by the distinguished gentleman from Iowa perhaps should be written into the law. That will give adequate time for every employee to bring his action within that period of time against the employer when the facts disclose that he has in fact been underpaid under the provisions of the Walsh-Healey or the Wages and Hours Act. There is nothing that penalizes an employee. All this action does is simply say, "If you have a cause of action, you shall assert it within the period limited in the law," as provided now, 1 year, and as it may be by amendment, a 2-year period of time. It should be clearly understood that the Wages and Hours Act provides criminal penalties against willful violators. This in addition to the money penalties. This legislation does not affect or change any criminal provision.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from New York.

Mr. CELLER. Is it not a fact that sometimes the worker does not know what his rights are? There is no information posted in the plants as to what his rights are. He may have to wait more than 1 year or 2 years before the Supreme Court will interpret the statute known as the Wages and Hours Act to know whether or not he has any rights under that act.

Mr. KEEFE. That is exactly one of the questions we ought to deal with here. Certainly, the right of action of an employee would not accrue until after such a decision and the limitation would not start to run until the right accrued. I think the wage-hour law has been in existence long enough now, and the evidence disclosed by the Wage and Hour Division certainly demonstrates that fact, that all of the people in this country who are unionized know their rights under the wage-hour law. Make no mistake about that. In the plants where they have unionization, they protect the rights of the employees. If there is underpayment, they certainly know about it.

As to those employees who may not have the benefit of union advice and assistance in seeing to it that they get the proper wages, the Wage and Hour Division has spent hundreds of thousands of dollars, and is doing it day after day, through the radio, through newspapers, through advertising, through bulletins, and in every way humanly possible, to make employees realize and understand exactly what their rights are. If anybody is not willing to find out what his rights are as an employee and is not willing to do it within 2 years, then he certainly is not very much hurt because of any default on the part of his employer.

Let me call your attention to the fact that one of the very things Mr. Walling points out is that the Wage and Hour Division has made certain interpretations as to coverage and responsibility under the wage-hour law, only to find that the Court 2, 3, 4, or 5 years later has set aside the interpretation of the wage-hour law and thus has compelled employers who have in good faith complied with the interpretation of the goveernmental agency itself, to be subjected to tremendous damages and penalties and interest, as a result of a decision that may have occurred 4 or 5 years after the employer fully complied with the orders of the Wage and Hour Division. A simple innate sense of justice tells me that that sort of thing should not be permitted to continue. I think the gentleman from New York will concede that this unpredictable balance of potential liability which is being built up against employers in this country due to the fact that there is no statute of limitations requires this Congress to take action immediately by passing the Gwynne bill to deal with that situation.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman.

Mr. CELLER. I agree fully with the gentleman that there should be a statute of limitation.

Mr. KEEFE. Then the gentleman ought to vote for the bill with a 2-year statute of limitations.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HOBBS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I am one of those who feel there should be a statute of limitation. It is utterly barbarous to have individuals sit on their rights indefinitely and not bring action, because other rights intervene and it would be utterly injudicious to have a man know that he has a claim and not offer to go to court to adjudicate that claim. The only question to my mind is what would be a fair number of years to set for a statute of limitation. This bill as drafted calls for 1 year. I believe it would be reasonable and proper to have a statute of limitations for 3 years. The Secretary of the Navy advocated that the statute be for 3 years. The Attorney General asked that it be for 3 years, and the Secretary of Labor asked that it be for 3 years. The administration wants the statute to be 3 years. Thirty-five States, together with the District of Columbia, have a statute of limitations with reference to wages-and-hours suits for 3 years or more. Thirty-five State entities, therefore, have a statute of limitations of 3 years, and also the District of Columbia. Fourteen of those thirty-five States have a statute of limitations for 6 years with reference to wages-and-hours suits. There is going to be an amendment offered to increase the statute of limitations to 2 years. If you are going to amend the number of years, I think it should be 3 years, particularly since so many States have the 3 years or more statute. If you make it 2 years or 1 year, you run counter to the wishes of those 35 States.

When the original Wages and Hours Act was being considered by the House, I was the author of the amendment that eliminated from the provisions of the act "employees at retail stores and in retail services." When the bill came back to the House from conference, my words "retail stores and retail services" were changed to "retail establishments." It took the Supreme Court over 5 years to determine in many instances exactly what "retail establishment" meant. What is the conclusion to be drawn from that? Many of the employees did not know whether they were included in the Wages and Hours Act or not. It all depended upon how the Supreme Court interpreted the words "retail establishment" in each individual case. If you make the statute of limitation 1 year or 2 years, then those workers will not know what their rights are, or rather were, since they would find that 2 years or 3 years will have elapsed before the Supreme Court will render a final decision. Thus, before he can sue, the statute will have run against him. They would be too late in bringing their action against the employer. I am willing to compromise and make it 3 years.

In addition, I think we should observe the tradition that there should be no statute of limitations invoked against the Government. The Government should have the right to sue any time.

In that regard I would like to read a brief passage from a statement by the then Assistant Attorney General, now Judge Holtzoff—page 20 of the hearings:

> I am not quite clear as to what is meant by "public action," but if it is meant actions brought by the United States, then this proviso would create or result in a drastic and almost revolutionary change in laws that have existed since the early days of the Republic. The statute of limitations does not run against the United States, unless it is expressly specified. For instance, there are provisions of certain tax laws which expressly are applicable to the United States. It has frequently happened that the Government may discover that a payment has been fraudulently made, or that a payment has been erroneously made, and the Government had a cause of action to recover back the payments so made, and frequently the facts are not discovered until some years after the payment is made. That is a very practical situation. Now, to cut off the rights of the Government would be a very serious matter.

For that reason, Judge Holtzoff, speaking for the Department of Justice, urged that there be no proscription against the Government whereby the Government would be barred from bringing any action for fraud or otherwise against a guilty individual by the statute of limitations.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. SPRINGER. Does the distinguished gentleman from New York believe that the bill as written embraces the Government?

Mr. CELLER. I am very doubtful as to whether it does or does not. Frankly, I do not know. There have been some cases which have stated that unless there is specific language to bar the Government by way of a statute of limitations, the Government is not barred. But in order to clear it up, so that there will be no doubt about it, why should we not insert some exemption for the United States Government?

Mr. SPRINGER. My understanding is that, unless the Government is specifically mentioned, the Government would not be within the statute of limitations.

May I say that an amendment will be offered to this bill which will entirely clarify the matter, holding that the Government is not within the provisions of the statutes.

Mr. CELLER. I am happy to know that the amendment will be offered. I simply made the statement so that the Members of the House may have clearly in their minds the need for such an amendment.

Mr. ERVIN. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. ERVIN. Under the Fair Labor Standards Act of 1938, there are only three remedies. One is the remedy of an employee to bring his suit. The other is the right of the administrator to bring suit to enjoin violations. Of course, a suit to enjoin violations is only directed against future actions, and is calculated to prevent future actions. So that there is no necessity for a statute of limitations.

Mr. CELLER. I only yielded for a question. I understand there are three remedial provisions with reference to the Wages and Hours Act.

Mr. ERVIN. And the third is a criminal prosecution and, of course, is to be guided by the criminal law.

Mr. CELLER. I still think the statute should be only 3 years, as far as the limitation is concerned, and it would be woefully inadequate to make it 2 years.

Now, let us see what some of the statutes are which are involved.

Suits for wages and penalties by a merchant seaman would be barred after 2 years with the Gwynne amendment. Sometimes it takes a year for a seaman to make his voyage. One year to go and 1 year to come back. At the end of his voyage, if he had any kind of a right to sue for penalties against the steamship company, he would be barred. Take cases of suits against directors of national banking associations for knowingly violating banking laws. These cases involve malfeasance, negligence, and the like. It takes more than 1 or 2 years to discover and marshal evidence suitable for the instituting of a suit.

Take an action brought for triple damages, based on a trade-mark infringement. It takes a long time to know whether a trade-mark has been infringed. This is a vast country. It would require a regiment of investigators to determine whether or not that infringement occurred within 2 years. I say, therefore, in that particular case there should be a statute of limitation of 3 years, because it would take more than 2 years to ferret out the infringements.

The same thing applies to suits on copyright infringements.

Now take the case where under the Sherman Antitrust Act an individual, aggrieved, has a right to sue for triple damages those guilty of monopoly and those guilty of the antitrust laws. Such a plaintiff can use in the civil action for damages the minutes of the criminal proceedings resulting in conviction of the defendant or defendants. The record of conviction is prima facie evidence of the plaintiff's claim. Thus such cases are started and successfully prosecuted in the civil courts on the basis of the criminal proceedings. But it takes sometimes more than a year and more than 2 years to complete the criminal suit on which the civil action is based. With a statute of limitations of 2 years many such triple damage cases would be in the main barred. That would be indefensible, and, as Acting Attorney General Fahy stated in a letter to the Judiciary Committee:, this bill "would thus weaken the entire antitrust program."

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. KEEFE. There would be nothing under the sun to prevent the filing of a suit, and this would toll the action of the statute under those circumstances.

Mr. CELLER. But the individual himself would not know what the extent of his rights was, would not know what evidence he could use. He relies in the main on the criminal proceedings to establish his claim. He could only with great cost and difficulty procure adequate evidence. The plaintiff would have to hire very, very expensive law-

yers to ferret out the evidence to sustain the suit for treble damages. The civil action is to enable the individual who is hurt to use the evidence brought out in the criminal proceedings, and if there is a statute of limitations of 1 or 2 years, in many instances the plaintiff would be deprived of his prima facie evidence in order to file his suit. The criminal case might take more than 2 years.

Mr. KEEFE. But there is nothing to prevent him from starting his case.

Mr. CELLER. Of course, he could start his case any time but he may not even know he has a case until the facts are brought out at the criminal proceedings. He has not usually the wherewithal to get the evidence. He must rely upon the Government.

In this regard I quote in full Acting Attorney General Fahy's letter to the committee:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., June 20, 1945.

Hon. HATTON W. SUMNERS,
Chairman, Committee on the Judiciary,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: This is to supplement my letter to you dated May 16, 1945, in which I stated my views concerning a bill, H. R. 2788, to amend the United States Code in regard to the limitation of certain actions.

I wish at this time to emphasize the detrimental effect which the enactment of the bill would have upon the enforcement of the antitrust laws of the United States. As you know, those laws provide a variety of remedies to the Government, and in addition permit private persons who have been injured by practices in violation of such laws to maintain civil suits for treble damages against the offending persons (15 U. S. C. 15). The Congress has given these private persons the benefit of the final disposition of any criminal or equitable proceeding growing out of such violation instituted by the Government against the same defendants, by providing that a final judgment or decree to the effect that the defendants have violated the law shall be prima facie evidence against such defendants in the private suit (15 U. S. C. 16). Actions for treble damages therefore, are frequently brought after the final disposition of the proceedings, brought by the Government. In many instances, the facts giving rise to a cause of action upon behalf of a private party may not be recognized as a violation of the antitrust laws until they are subsequently revealed by a comprehensive investigation to be a part of broad scheme. Under existing law an indictment may be found or information instituted under the antitrust laws within 3 years next after the offense has been committed. Under the proposed legislation (H. R. 2788) it will be necessary for the Government to institute proceedings within 1 year after the cause of action has accrued to a private person in order that such person may take advantage of the Government's proceedings.

The reach of H. R. 2788 is thus much greater than a mere limitation upon the right of action of a particular party in a particular case. The deterrent effect of the possibility of treble-damage suits occupies an important place in the well-rounded antitrust program enacted by Congress. Obviously, H. H. 2788 would lessen the likelihood of treble-damage suits being filed, and would also lessen the likelihood of success in such suits. It would thus weaken the entire antitrust program.

I desire to point out, also, the particular interest of this Department in safeguarding the rights granted by the so-called civil rights statute (8 U. S. C. 43). Under this provision of law, persons whose civil rights have been violated may maintain an action for damages against the offending parties. It seems to me that much of the benefit derivable from the civil rights law may be nullified by limiting such actions to a period of 1 year after the offense .

The committee may also wish to consider the possible impact of the proposed legislation upon litigation brought under the following statutes:

15 U. S. C. 72 (importation or sale of articles at less than market or wholesale price);

15 U. S. C. 96 (infringement of trademarks);

17 U. S. C. 25 (infringement of copyrights);

46 U. S. C. 596 (recovery of wages by merchant seamen).

I also desire to repeat that the bill is highly detrimental to the interest of the Government, since it would fix a 2-year statute of limitations for many actions brought by the Government.

I therefore wish to reiterate my opposition to the enactment of the bill.

Sincerely yours,

CHARLES FAHY,
Acting Attorney General.

Mr. HANCOCK. Mr. Chairman, I yield 15 minutes to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE of Iowa. Mr. Chairman, I want only to make an explanation of this bill, and I shall be pleased to yield at any time for a question.

In a general way the bill does two things: First, it puts a limitation of one year on the bringing of certain suits.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield.

Mr. SPRINGER. Just to clarify a point, it applies to civil actions.

Mr. GWYNNE of Iowa. That is right.

Mr. SPRINGER. It does not apply to criminal actions.

Mr. GWYNNE of Iowa. That is correct. I intend to go into that in detail a little later.

Second, the last proviso of the bill provides that where an individual has relied in good faith upon the rules and regulations of any administrative body and later those rules and regulations are changed either by the administrator or by the courts, the change will not be retroactive.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield.

Mr. FEIGHAN. I think I am correct in adding to the statement about rules and regulations also the term "practices and interpretations" which to my mind are in a little different category.

Mr. GWYNNE of Iowa. They are a little different, of course, but the effect is substantially the same.

Let me cite an example. Some years ago the administrator at that time of the Fair Labor Standards Act visited certain lumber camps on the west coast; he held forums and spoke to organizations as to what the wage and hour law really meant. They asked him if the Wages and Hours Act covered cook-house employees. He said that in his opinion it did not, that it was his interpretation of the law and it did not apply, and it was their practice to not bring any suits based on such alleged violations. The employers relied upon it and fixed their pay scales and hours accordingly. Some years later the administrator changed his mind, whereupon those people who had relied in good faith upon that interpretation and upon that practice found themselves subjected to suits going back to the beginning of the law, the penalty being twice the amount involved, plus attorneys' fees and costs.

Now, to get on to what the bill does not cover. The bill does not cover criminal prosecutions, Mr. Justice Drew Pearson to the contrary notwithstanding. It does not cover injunctions or any kind of special proceedings whatever. It does not cover any Federal statute giving anyone the right to sue if a special period of limitation is provided in the particular statute. For example, you will recall that in the price-control law we provided that under certain circumstances a purchaser may sue a seller for $25 or $50 or something of that kind. We wrote into that statute a year's limitation. So that is not affected by this particular bill. Finally, it does not affect suits brought by the United States Government itself for the following reason: At common law a general statute beneficial to the crown affected the crown, but any restrictive statute did not bind the sovereign; it did not apply to the sovereign unless the sovereign was specifically named in the statute. That rule has been affirmed by our own Supreme Court on many occasions. Those of you who are interested might read the case of *U. S.* v. *Heron* (21 Wall. 251) and *U. S.* v. *Thompson* (98 U. S. 456), where the Court held a statute of limitation, for example, which is restrictive does not apply to the Government unless the Government is specifically named. The Court also held to the same effect in connection with insolvency statutes.

However, recent decisions, as is often the case, have in the minds of some people thrown a little doubt on what the Supreme Court might hold. I had no intention of writing a statute to cover the Government. So the committee did the conservative thing and in the report set out all the statutes that could possibly be affected, whatever position might be taken by the Court in the future on the theory I have just related. In order to avoid any possible trouble whatever, we thought it would be well—in fact, an amendment will be offered by the gentleman from Tennessee [Mr. KEFAUVER] to make it clear that this bill does not apply to any suits brought by the Government.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield to the gentleman from New York.

Mr. CELLER. I do not see the gentleman from Tennessee [Mr. KEFAUVER]. I hope the gentleman will offer the amendment in the event of his absence.

Mr. GWYNNE of Iowa. I think the amendment should be offered and I believe he intends to offer it.

Mr. Chairman, I would like to say a word about the need for this legislation and I want to cite a few cases. You will recall that for 75 years the Supreme Court of the United States held that insurance was not interstate commerce; consequently, the antitrust laws which had been adopted by the Congress in that

period did not apply to insurance companies. The States regulated insurance companies and many States allowed and some even required insurance companies to do the very thing which would violate the Sherman Act if the Sherman Act were held to apply. We all remember that in the Southeastern Underwriters case the Supreme Court suddenly reversed its previous decisions and held that insurance was interstate commerce. The immediate effect of that was to say that for all these years since the very day the Sherman Act was passed many insurance companies were by direction of different State violating the antitrust laws. They would be subject to suits for treble damages. It will be recalled that the Congress moved in immediately to take care of that situation and adopted a bill introduced by the gentleman from New York [Mr. HANCOCK], and by the gentleman from Pennsylvania [Mr. WALTER], which provided in effect for a moratorium on those suits, thus preventing what might have been absolute chaos in the insurance business.

Another illustration arises in connection with the wage-hour law. There are several sections of that law which provide for minimum pay and maximum hours. Time and one half must be paid for all over the minimum time. The purpose of this bill is not to be of any benefit whatever to the intentional chiseler, the person who is deliberately violating the Wages and Hours Act. He can be sued. He can be prosecuted criminally and injunctions can be obtained against him, and that is being done.

But here is the situation that we have in the wage-and-hour law. No attorney, I believe, in this country who has been experienced in the courts could, in his most imaginative moments, have dreamed of the extension the Administrator and the courts were going to give to that act. This is what they held, for example, in a New York case. Here was an office building. Up on the top floor was a company engaged in the business of manufacturing and selling goods across the State line. Everyone would know, of course, that those employees would be under the act. But do you think any Member of Congress ever thought that they would hold that the man running the elevator, who took customers up there, who took the workers up and down, among other passengers, was under the act? Do you think anyone would have imagined that they would have held this way, for instance, in North Carolina? Here was a small group engaged in crushing lime rock to make limestone to spread on the fields in that one county. It never crossed the county line, let alone the State line. But in view of the fact that it went on the fields and the fields produced the crops and the crops went across the State line, therefore those people are under the wage-and-hour law. Let me tell you how damaging this can be in some cases.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield to the gentleman from Michigan.

Mr. MICHENER. I have a very pertinent case. Here is a small town having three banks. Those three banks for years have hired a policeman who, during banking hours, went from bank to bank just to see that everything was in order. He has the authority of a local police officer. He functions as such, but his chief duty is to protect the three banks. Inasmuch as banks are engaged in interstate commerce, that policeman, they now find out, is engaged in interstate commerce, and is subject to the wage and hour law.

Mr. GWYNNE of Iowa. I am not surprised. I had not heard of that particular case.

Here is another illustration. A company was engaged in the repairing of electrical equipment in certain factories. They simply went in, like a carpenter or any repair man, to repair the equipment in the factories. They were held to be under the act.

To show you how damaging this thing can be, I want to cite a case that happened on the west coast in the lumber business. Here was a company that employed 100 men, and the men drove out in their cars where they worked, some distance away. They were receiving for straight time $1.36 per hour and for overtime $2.04 per hour. When the war came on the workers could not get the gasoline, so the company said, "We will take you out in our own trucks." The company arranged to get the gasoline and took the workers out in the company's trucks. It has always been thought in this country that travel time was not work time. The miners so construed it, and as a matter of fact, in order to avoid any trouble about it whatever, the mine workers in their collective bargaining agreements with the companies provided that travel time was not work time. That case went to the Supreme Court in the Jewel Ridge Coal Co. case and the Supreme Court held that in spite of the attempt of the employee and the employer to bargain against it, travel time was work time. So this lumber company that undertook to do something to further the war effort now finds that it must pay time and a half for the time they were taking these people out in their own trucks at a cost to the company of some $200,000 a year. In some cases this extra liability is enough to bankrupt the employer.

Mr. SAVAGE. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield to the gentleman from Washington.

Mr. SAVAGE. I am quite familiar with the cases involving travel time. May I point out that this travel time accrued only after the workers had traveled in their own cars from their homes and gathered on the company property, then were taken out to some other part of the company property? It did not include the time involved in picking up a man at his home.

Mr. GWYNNE of Iowa. It included the time when these people were taken out in the company truck.

Mr. SAVAGE. Where they gathered at a central place on the company property.

Mr. GWYNNE of Iowa. That is correct. In any event, it resulted in penalizing this company some $200,000.

The Supreme Court has recently made another decision which makes this situation even more difficult. Suppose an employer has inadvertently violated the law and a suit is about to be brought. He cannot make a settlement or, if he does make a settlement, it is not binding. The settlement can be made, and a suit can still be brought for twice the amount involved, together with attorneys' fees and costs. That has been decided by the Supreme Court.

Here is what is happening. Naturally, in the failure of Congress to act, State legislatures have been moving in. Under our conformity law, as you recall, if the Federal Congress has not passed a statute, or if the Federal courts do not have a decision which applies in the case, then the Federal court trying the case must apply the applicable State statute or decision. The net result has been that Federal courts have searched through the dockets to see what, if any, statute of limitations applies, and they have held all the way from 1 to 12 years. They decided 12 years in Maryland. If you will read the letter sent to the committee by the Secretary of the Navy, he points out that there is a possibility of applying a 20-year statute.

To get away from that, State legislatures have enacted laws, and this was the score when we were holding hearings on the bill last summer. Ten States have acted. Of the 10, 5 have adopted a 1-year statute or less.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HANCOCK. Mr. Chairman, I yield five additional minutes to the gentleman from Iowa.

Mr. GWYNNE of Iowa. If something is not done, more and more States will adopt statutes. In many cases they will be very limited, and in many cases they will not conform with the practices of the other States.

May I point out the interest the Federal Government has in this. I hope you will read the letter, which is set out in the committee report, filed by the Secretary of the Navy, Mr. Forrestal. He points out in that letter that the Government is being sued on these cost-plus-a-fee contracts. You know that the extra money the employer must pay must be paid by the Government under those contracts. The Comptroller General, Mr. Lindsay Warren, has so held.

At the time of the hearings it was said some 5,000 suits had been brought against contractors for the War Department alone, and the extra amount the Government might have to pay might run from $1,500,000,000 to $2,000,000,000.

In that connection, I hope you will read, and I hope other speakers will call attention to, the testimony at the hearings of Mr. Simmons, who is general counsel for the Federal Cartridge Corporation. He points out that they at that

time had 300 suits against them, the judgments in which must be paid by the Federal Government. Those suits were being brought in some cases by people who were actually drawing $600 to $800 a week, but who, through some hokus-pokus, were able to claim that 20 percent of their time was not spent in their administrative capacity and, therefore, they were under the Wage-Hour Act. As a matter of fact, in those suits they had been directed from Washington not to set up certain defenses, so it looks as if the Government is going to have to pay.

That is the bill, Mr. Chairman, putting it rather briefly.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield to the gentleman from Ohio.

Mr. ELSTON. I notice that the statute of limitations is 1 year from the time the cause of action accrues. What would be the situation if the cause of action were not discovered until after the statute of limitations had run?

Mr. GWYNNE of Iowa. The same rule would apply. In cases of fraud, the statute does not begin to run until the fraud is discovered or, in the exercise of reasonable diligence, should have been discovered. Incidentally, an amendment will be offered to raise that from 1 to 2 years. Personally, I think 1 year is sufficient. However, I am not disposed to quarrel about that. I am willing to accept 2 years.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. Yes.

Mr. ROBSION of Kentucky. Does the gentleman think the bill provides that the statute of limitations would not apply in the event of fraud or where by the exercise of reasonable diligence a person could not have discovered his rights?

Mr. GWYNNE of Iowa. There is no need to include it in the bill. It is already in the law. We have many statutes of limitations. What a statute of limitations says is that you must bring your suit within a certain period of time from the date the cause of action accrued. There is no statutory law that I know of, but the courts, including our own Supreme Court, have said that a cause of action does not accrue in the case of fraud until you discover the fraud or when in the exercise of reasonable diligence it should have been discovered.

Mr. ROBSION of Kentucky. Suppose there is no fraud and yet a person is unable to discover his rights by the exercise of reasonable diligence?

Mr. GWYNNE of Iowa. That is true of every statute of limitations in the world, is it not? It is true in every case.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield.

Mr. CURTIS. The theory of government and the theory of law is that we are to discourage legislation if that is possible; is that not true?

Mr. GWYNNE of Iowa. That is correct. As the gentleman knows, the basis of the statutes of limitation is public policy.

Mr. CURTIS. Yes; to let bygones be bygones. And if someone has a cause of action, they have a duty in the interest of the public good and orderly procedure to exercise that right or lose it.

Mr. GWYNNE of Iowa. That is correct.

Mr. CURTIS. That is the basis of this proposed legislation, is it not?

Mr. GWYNNE of Iowa. Yes.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield.

Mr. HAND. Does the gentleman regard this contract action as an action that will be limited by your bill?

Mr. GWYNNE of Iowa It limits every action to 1 year. It limits every cause of action arising under Federal law for damages for which a statute of limitations has not been written.

Mr. HAND. Does the gentleman consider this in the nature of a contract action or a tort action?

Mr. GWYNNE of Iowa. Some of these actions under the Wages and Hours Act have been held to be suits for liquidated damages; they are not penalties.

Mr. HAND. Most statutes of limitations applying to contract actions are for 6 years, are they not?

Mr. GWYNNE of Iowa. No; I would not say so.

Mr. HAND. They are in my State and in a great many States that I know of.

Mr. GWYNNE of Iowa. That may be.

Mr. HAND. Does the gentleman not think that 1 year is too short a time? I think certainly we ought to have a statute of limitations, of course.

Mr. GWYNNE of Iowa. I am willing to concede 2 years. If you will examine the statutes involved here, they are not ordinary contract suits for a grocery bill.

Mr. HAND. I understand that.

Mr. GWYNNE of Iowa. They are suits for treble damages and double damages. They are suits such as are brought under the OPA, on which we put a 1-year limitation.

Mr. HAND. Does the gentleman think a 3-year period of limitation is unreasonably long?

Mr. GWYNNE of Iowa. I think 1 year is sufficient. I think 1 year complies with the action taken by the majority of the State legislatures. It accords with our own action in this House. The reason I am willing to take 2 years is because a number of people think that 2 years is all right and I am willing to take it.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield.

Mr. BAILEY. Will the gentleman explain his statement that that would correspond with the action taken by the various State legislatures? Is not your proposal considerably at variance with the time fixed in the Workmen's Compensation Acts in the several States?

Mr. GWYNNE of Iowa. No. What I was getting at is that 10 States have adopted a special statute to limit the time within which these double-damage suits may be brought under the wages-and-hours law. Of the 10, 5 have adopted either a 1-year statute or a 6-month statute. That is what I was referring to.

Mr. HOBBS. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Chairman, I urge that the House do not pass H. R. 2788 in its present form.

This bill would impose a 1-year statute of limitations on any cause of action under a Federal statute for the recovery of wages, penalties, or actual or exemplary damages, for which no period of limitation was specially provided by act of Congress.

The bill applies, not only to the Fair Labor Standards Act, but also to a great variety of laws including the Anti-trust laws, the copyright laws and the Civil Rights Act. The fact is, that we hardly know all the laws to which the bill may apply.

The period of limitation adopted is so short as to materially prejudice the bringing of any action under such laws. The bill has been condemned by the Department of Justice on the ground that it would "weaken the entire anti-trust program," and by the Department of Labor on the ground that it would favor unscrupulous employers who were willing to take a chance on violating the minimum wage and overtime provisions of the Fair Labor Standards Act, on the fairly safe prediction that employees as to whom violations have been committed will not be able to bring suit within the year after year the cause of action accrued. I think we should not pass legislation which would operate against the effective enforcement of laws which Congress in its considered judgment has seen fit to enact.

Much of the testimony on this bill before the Committee on the Judiciary had to do with the effect this bill would have upon the Fair Labor Standards Act. I think we should all remember that when we put into a law provisions that allow the persons who are to get its benefit to bring their own suits in court to recover that benefit, we are saving the taxpayers and the Government of the United States money it would otherwise have to spend hiring inspectors, paying lawyers, and doing all the other things that are necessary to enforce a law. Suits for back wages under the Fair Labor Standards Act serve exactly this function, and if we pass this bill we will be defeating it.

Not only will we be making more complicated and more difficult the Government's task of enforcement of the Fair Labor Standards Act if we pass this bill in its present form, but we will also be permanently depriving of its protection the very people whom that law was designed to protect. Organized labor, in strong unions, does not especially need the Fair Labor Standards Act. It can get better terms, and enforce them too, under its collective-bargaining agreements. The people who need minimum wage and maximum hour protection are the poorly paid, unorganized workers, and there are still plenty of them who would not get their 40 cents an hour and overtime if it were not for this law. These people consider themselves lucky to be able to keep their jobs. If they are not paid in accordance with the law, they are not going to start a suit against

their employer to get their lawful wages while they are still working for him; they will wait until they have been laid off, or until they have found other work, before they will venture to go to court. If we pass this bill we will make a mockery of a law that was passed to give some assurance of subsistence to the very lowest paid working people of our country.

Furthermore, a 1-year statute of limitations would, as the Department of Labor has told the committee, discourage voluntary observance of the law by fair-minded employers who want to pay a legal wage and proper compensation for overtime. How will they be able to compete with the others, the unscrupulous employers, who do not mind cutting costs to the bone out of the pay envelopes of their employees? Unless they do the same, they will not be able to put their products and services on the market in competition with the cheaper ones produced under substandard conditions. And this is exactly what will happen if we discourage employee suits by passing a 1-year statute of limitations.

The provision for employee suits in the Fair Labor Standards Act is a necessary part of the enforcement system which has been established by Congress. Let us take the case of an employer who is considering his pay-roll practices from the standpoint of compliance or noncompliance with the provisions of the act. If the employee-suit provisions are, in effect, deleted from the act by this bill, the employer will have to consider only the possibilities of being made the subject of an injunction decree or the rather unlikely prospect of a criminal prosecution. In the former case, that is, the injunction decree, he can only be restrained from future violations. In the latter case, that is, the criminal prosecution, his violation must be exceedingly deliberate and willful to merit that penalty. In the great bulk of cases, therefore, he can calculate that he can violate until governmental authorities actually detect his violation.

The employee-suit provision has this effect—it makes it necessary for the employer who is considering his practices under the act to take into account the fact that if he violates it will be necessary for him to pay not only the money which he is liable to pay under the act, but also an equal sum as liquidated damages. The existence of this provision has undoubtedly had the effect of securing compliance without either Government action or court action. I think it would be well to note that the employee is not the only one who will suffer from the passage of this bill. The bill will strike equally hard at the great bulk of conscientious employers who try to live up to the letter of the law. These men will find themselves at a competitive disadvantage against unscrupulous employers who seek to evade the law and thus cut their labor costs.

The proposal to limit the bill to a statute of limitation applicable only to private causes of action would not solve the problems that are created by the bill. The antitrust laws and Fair Labor Standards Act provide for a private means of enforcements in the form of suits by private individuals for damages where violations have occurred. Congress, when it legislated these acts, thought it desirable to provide this supplementary means of enforcement. The bill, by providing an unduly short period of limitation, would destroy the beneficial effect of this private means of enforcement. Furthermore, it would be necessary for Congress to make available larger sums of money and greater numbers of Federal personnel to make up the gap that will be left if this bill is passed.

So far as the Fair Labor Standards Act is concerned, only a small number of States have statutes of limitation for the short period of a year which apply to employee suits. The period which is in effect in the largest number of States in 3 years, and 33 States have periods of 3 years or more. Three years is a customary period of limitation for suits on a contract. Liability for back wages, even when an equal amount is added as damages, is not so much more painful or difficult to meet than liability for damages for breach of contract with accrued interest, and it would not seem to require that we impose so extraordinarily short a period of limitations on these suits.

I should like also to point out that there are now pending in Congress amendments to the Fair Labor Standards Act, one of which provides for a 3-year period of limitation on employee suits. I think it would be very ill-advised to take action on this bill at this time, before Congress has had an opportunity to act on these proposed amendments, in the light of the particular facts applicable to suits of this sort.

The Fair Labor Standards Act is, of course, not the only statute that will be affected by this bill. I have already mentioned the opposition of the Department of Justice to a 1-year statute from the point of view of the antitrust laws. Suits under these laws raise complicated and difficult questions, and very often it may take more than a year merely to investigate the facts and determine whether a cause of action exists. In our zeal to assure the timely bringing of actions, we should not take such measures as will provide to lawbreakers the opportunity to escape the consequences of their acts.

Furthermore, before we enact a law that will limit all suits for wages, damages, or penalties under Federal law, we ought to make sure that we know what laws provide for such suits, and how they will be affected. The repeal of unspecified statutes by implication is a slipshod method of legislation, and will undoubtedly produce extremely unfortunate results.

Mr. HANCOCK. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, I feel, after reflection, that 3 years is a reasonable time to be placed in this bill.

I shall support such an amendment when it is offered. There is no doubt at all that some period of limitation is required. The only question and difference between us is what constitutes a reasonable period of time within which the action should be brought.

I call attention to the summary of State statutes of limitation, which appears on page 159 of the committee hearings. An examination of this table reveals that in my own State of New Jersey, approximately 1,000,000 employees covered, the period of limitation is 6 years. Detailed reference to this table will show that in most of the large industrial States, the period is 3 years and over.

I am not persuaded that there is any sound reason for changing this general pattern which has been established by the States; moreover I am convinced, in my own mind, that a period of limitation so short as 1 year is wholly unreasonable.

Mr. Chairman, I have carefully examined the committee report, the bill itself, and portions of the rather extensive committee hearings, because I consider this bill to be of importance, and I know it to be of interest to a large number of business concerns and also a large number of workers in my district. The business concerns are obviously anxious to have as short a period as possible incorporated as a limitation against any actions that may be brought against them. Conversely, the workers are interested in having as liberal an allowance of time as may be possible. In this case, as in many cases, it is the duty of a legislator to try to reconcile, reasonably, the conflicting claims of parties with dissimilar interests. In my own mind, I have concluded that 3 years is a proper period under all the surrounding circumstances, and I shall vote for an amendment providing for a 3-year period of limitation, if such an amendment is offered.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I think in view of reports throughout the country emanating from certain sources that this measure (H. R. 2788) deals also with limitations on criminal prosecution, we should not fail to emphasize that this legislation applies solely and only to civil suits. It has nothing whatsoever to do with criminal actions. It does not apply to criminal actions in any way. It does not apply to actions brought by the United States Government. Now it is agreed by our Judiciary Committee that we offer an amendment that will specifically exclude actions by the United States Government. It does not interfere with the limitations for certain actions already provided by law. There are certain laws referred to in the report of our committee, but these laws provide for actions brought by the United States Government. The general law provides, and the Supreme Court has uniformly held, that the limitation of actions mentioned in this report do not apply to the United States Government. No limitation is binding on the United States Government unless the act expressly provides.

The wages-and-hours law provides a severe penalty for the violations of the workers' rights under that law. It gives to the worker the right to bring his action and in some cases recover not merely the amount of wages actually due but he may recover double damages and

even treble damages. If, therefore, we are going to permit the employee to recover penalties of double and even treble the amount that may be due the worker as unliquidated damages, it seems to me in fairness to require diligence on the part of the plaintiff in bringing his suit. The bill before us provides for 1-year limitations, but by way of compromise it has been agreed that an amendment be offered, and I think will be adopted by an overwhelming vote, to fix the 2-year limitation; therefore, any worker aggrieved by reason of any violation of the workers' rights under the wages-and-hours law will have 2 years in which to bring his action from the date his right of action accrued.

When the wage-and-hour law was originally enacted there was no limitation as to time that an aggrieved employee could bring an action against his employer for violation of that act, such as paying him a less wage than the Minimum Wage Act provides, or as provided in the collective-bargaining contract, or for failure to pay him for overtime or double time as is provided by law, and, therefore, no limitation was fixed in the law as to the time the complaining party must file his action and from then until this date there is no limitation as to time he may bring his action. He could bring it in 1 day or 10 years or even wait a longer period of time. As the wage-and-hour law might not have been well understood by the worker generally, there might have been some excuse for not fixing any limitation as to time for filing any action, but during these years the provisions of the wage-and-hour law have been explained by the various agencies of the Government, they have been broadcast over the radio, and have appeared many times in workers' journals and magazines, and the representatives of the workers have been busy in pointing out the rights of the workers under the wage-and-hour law, and it must be conceded that the workers now almost to a man understand their rights under the wage-and-hour law.

They know very well whether they have worked overtime 1 hour, 2 hours, 1 day, or 2 days, or whatever the time may be. The wage rates are posted in mines, shops, factories, and mills and they know if the employer from time to time is not paying them the full amount of their wages; therefore, there is no good reason why a limitation as to fixing the maximum time in which an aggrieved worker can bring his action should not be adopted. The Congress and the States have had fixed limitations on the filing of every type of action in civil cases and we are now here dealing with civil cases and not criminal cases. It has been urged by statesmen and the courts that limitations are fixed to serve two purposes: First, to discourage unnecessary and unjust litigation and, second, that these lawsuits should be brought within a reasonable time when the testimony on the points of issue is available to both parties. The employer should know as soon as it is reasonably possible what his contingent liabilities are. Numerous cases have been cited in the debate today, and we know of and have heard of many other cases, where, after many years, workers have brought suits claiming that they worked so many hours overtime on various days and that they worked on holidays at various times. They certainly should know when they do this overtime at the time they do it. Under the present law there is no limitations as to when they could bring suit and present such claim or claims. Under the bill before us, they would have two long years to present their claim or claims.

By reason of death and the shifting of workers from one plant to another, or from one community to another, or from one State to another, unless there is some limitation as to time the witnesses who could sustain or disprove these claims become scattered and as the employer has no notice of any such claim to be filed he could not have provided against it if he had an honest defense.

No doubt some employers have gypped their workers. This measure gives the aggrieved worker 2 years to file his suit and on the other hand it gives the employer a chance to meet with evidence any false claims that might be asserted against him. Every member of our committee favored a statute of limitations on this subject. Some thought it ought to be 1 year, some 2 years, and some 3 years. Nearly all legislation is a matter of compromise. The overwhelming majority of our committee, in order to secure proper legislation, have agreed on 2 years and this 2-year provision will be overwhelmingly ratified by the House in my opinion. I might also point out that a majority of the States that have acted upon this matter have fixed the limitation for violation of the wage-and-hour law at 1 or 2 years.

Now if Congress does not fix a limitation, a Federal judge in the district courts of one of our States that has a 1-year limitation will be governed by that State law as to limitation. But if Congress acts and fixes a limitation of 2 years that will govern the law of limitations in cases tried in the Federal courts in the various States even in those States with the 1-year limitation.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from New York.

Mr. CELLER. The statute of limitations for wage-and-hour action is 5 years. Does not the gentleman think 3 years a fair compromise?

Mr. ROBSION of Kentucky. There may be a very limited number of States with a 5-year statute of limitation but the big majority of them was 1 year or 2 years. There are more of 1 year than there are of either 2 years or 5 years. The 2-year limitation, as agreed on in this bill for the Federal law, appears to meet with the overwhelming majority of the Judiciary Committee as well as the Members of the House. As I understand it, since this matter has become better understood throughout the nation, the legislatures that have acted in recent years, a majority of them, have fixed it at 1 year and nearly all the others at 2 years.

Mr. CELLER. To get the record straight, on page 159 will be found a summary or table of the State statutes of limitation.

Mr. ROBSION of Kentucky. Since the limitations on the wage-and-hour question has been studied in connection with the actual working out of the Wages and Hours Act, questions arising throughout the country, many State legislatures have taken action.

Mr. CELLER. Up to June 1945, over 35 States had 3 years or more as the statute of limitations.

Mr. ROBSION of Kentucky. Many of these statutes were enacted several years ago by the State legislatures. They did not have the experience and information that has been brought out in recent years. The States that have acted since this question arose have been overwhelmingly for 1 year and some of them 2 years.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from New York.

Mr. HANCOCK. According to the statement in the RECORD, six States have passed statutes establishing the limitation at 1 year, three for 2 years, and four for 3 years; so the great majority of the States have gone on record as favoring 2 years or less.

Mr. ROBSION of Kentucky. As I understand it, the States that have acted on this matter of limitations in recent years, or at least an overwhelming majority, have put the limitation at 1 year and some of them as low as 6 months. The number that have fixed 3-year limitations is very limited indeed.

As we have pointed out, a violation of the wage-and-hour law carries not only a criminal penalty but a civil penalty in the way of unliquidated damages. The worker can recover not only his actual wages for overtime, double time, and his regular wages that have not been paid to him, but he can recover three times the amount as unliquidated damages in the way of punishment of the employer.

Now, the 2-year limitation in this bill still gives him the right to recover these treble damages, but it has no effect on criminal actions that the Government may desire to institute against the employer. Limitations on the criminal part is governed by the Federal Criminal Code.

This bill contains other provisions to which I wish to invite the attention of my colleagues. It does not bar actions that may have accrued or may accrue before the Senate acts on this bill and it is approved by the President and becomes a law. Any worker who has been aggrieved by the employer for violating the wage and hour law and whose claim has not been barred by other statutes has 6 months after the passage of this act to file any claim that he has under the wage-and-hour law. I might say that it has uniformly been held by the courts that if the worker has been misled or deceived through the fraudulent acts of his employer and by reason of that fraud he did not and could by the exercise of reasonable diligence have discovered his right of action, he could still bring an action even after the 2-year limitation.

When Congress passed the OPA Act and its amendments, which provide that if the merchant overcharges the customer the customer may bring an action

for treble the amount of the overcharge, the Congress expressly provided that such actions must be brought within 1 year. In the light of that statute and some other Federal statutes providing for 1-year limitation in bringing civil actions, it cannot be said that the 2-year limitation, as provided in this bill, is unjust or unfair.

There is another provision in this bill that protects the worker. The 2-year or 6-month provision does not apply if the person liable for such damages shall not be found within the United States within that period so that process may be issued and served against such person, firm, or corporation. I call attention to another provision of the bill before us which is intended to protect employers who have followed the directives, orders, interpretations, and regulations of those enforcing the wage-and-hour law and in good faith have paid such wages and sums and observed such hours as they have been ordered and directed to pay and observe by the administrators of the wage-and-hour law, in good faith, even though such directives, orders, interpretations, and regulations may be amended, rescinded, or determined by judicial authority to be invalid and of no legal effect. I do not understand that this would excuse or acquit the employer from paying whatever wages for the actual time or hours that the employee may have served but it certainly would protect the employer from treble damages, if he in good faith carried out the orders, directives, rules, and regulations laid down by the Government in administering the wage-and-hour law.

Unfortunately, we have had cases in this country where the employer and employee both in good faith undertook, by collective bargaining, to carry out the wage-and-hour law as ordered, directed, and interpreted by the administrators of the law, and later on these orders, directives, interpretations were set aside or held invalid by the courts. We undertake in this act to protect the employers and the workers who act in good faith. We know under present conditions that unless the employer carries out the directives, orders, regulations, interpretations of those who administer the law that he would soon be in jail. Now, when he does in good faith carry out the directives, orders, and interpretations of the Government itself, he should not be penalized and required to pay treble damages. Under most of our State laws suits for the negligent killing or maiming of a person must be brought within a year and under the Federal Employers' Liability Act, actions for the negligent killing or injury must be brought in 2 years, the same limitation as fixed in this bill.

Believing that this measure is just and fair both to the employer and the employee, I am giving H. R. 2788 my support.

Mr. CELLER. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Chairman, in the report on this bill is set forth my position about it. I believe that a general statute covering as many Federal laws that do not have specific periods of limitation as we can properly include under one bill with a general limitation is in the public interest. The reason I feel that way about it is that all the rights, privileges, and immunities from these laws, of course, emanate from the Congress. They have interstate character. They apply to people doing business in interstate commerce. They apply to corporations that may have plants in several States. So I think for the benefit of the individual and for the orderly administration of these laws that it is better to have a general statute of limitations covering the acts that do not have specific ones written into them.

I do think that 1 year is entirely too short a time in which to try to blanket all of the actions covered in these various statutes. Looking at some of the actions that are covered, I notice here No. 10 in the report deals with suits against directors of national banking associations. It happened one time that I was attorney for a receiver of a national bank and the manner of ascertaining whether we had a suit against a director of a national bank, with all of the complicated transactions that must be considered to make that determination, is a very, very difficult one. The fact is that the average lawyer is not a specialist on national banking matters, and I doubt if any appreciable number of suits could be brought to enforce the depositors' rights or the rights of people who are interested against officers of a national bank or directors of a national bank under the National Banking Act if we had a 1-year limitation.

Then there is also the matter of suits for triple damages under the antitrust laws. This may already have been discussed, but by statute Congress has said that whenever anyone is convicted of violation of the antitrust laws, that a person adversely affected has a prima facie claim for triple damage against the violators. We all know how long it takes in criminal procedure to reach a final conclusion in an antitrust suit. Ordinarily an individual waits until the Federal Government has prosecuted its case to see whether he has a right of action. If he is forced to bring his suit within 1 year, a definite hardship and, I am afraid, a miscarriage of justice would be worked in many cases. The same goes with the Fair Labor Standards Act. It places too much of a burden on an individual, if he has a right, to ascertain all the facts in 1 year.

The gentleman from Kentucky referred to the statutes of limitation in the various States. Mr. Chairman, on page 159 you will find a table giving the time limit for bringing certain actions, and the various States are listed. These are actions that apply under the State statute to the Fair Labor Standards Act. As I count the number at the present time there are five States that have one year and there is one State that has half a year limitation. The average would seem to be somewhere between three and four years; three and a fraction years.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from New York.

Mr. CELLER. I made a tabulation of the States. Four States have a statute of limitations of 2 years; 7 States have a statute of limitations of 1 year; 35 States have a statute of limitations of 3 years or more. You can find that tabulation at page 159 of the hearings. It is included in the testimony given by Mr. Metcalfe Walling, administrator of the wage-and-hour law. If there are any changes in the States with reference to those statutes of limitation since June 1945, I do not know of them.

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Iowa.

Mr. GWYNNE of Iowa. I mentioned 10 States that have legislated. I referred to the States that have legislated specifically to cover this wage-and-hour situation. Of the 10, one-half have fixed 1 year or less. It is true there are many States where the courts have had to look over the books and the decisions and work out a statute. In my State they picked out a 5-year statute as being applicable. We then passed a 2-year statute. I do not want anybody to get the impression that 35 States have legislated in this particular case.

Mr. CELLER. The impression might be given that there are not 35 States that have a statute of limitations of 3 years or more. I ask the gentleman to point out whether or not the statutes in those 35 States have been changed to decrease the time limit in the statute of limitations. I do not believe the gentleman will find any.

Mr. GWYNNE of Iowa. My own State did that very thing. They found a 5-year statute, and we passed a 2-year statute. In Maryland they applied a 12-year statute, and I think they passed a 3-year statute.

Mr. CELLER. The courts in all those States mentioned here have adjudicated that the numbers of years indicated in this summary are the limitations in those various States. There are 35 that have a statute of limitations of 3 years or more.

Mr. KEFAUVER. I think there is no argument between the gentleman from Iowa and the gentleman from New York. I think that unless it is specifically provided for, the general statute of limitations for recovering an amount due on a debt will apply to these various actions.

I have always thought that the decisions reached by the Legislature of Tennessee on matters of this kind would be about fair and right. I notice in this table, at page 159, that apparently in the beginning the statute covering actions under the Fair Labor Standards Act in Tennessee was 6 years. I assume that came within the general provision for recovering an amount due on a contract or a debt. Apparently the Legislature of Tennessee has reduced that time to 3 years. That seems like a reasonable compromise. I think the average here would be something more than 3 years.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from New York.

Mr. HANCOCK. I call the gentleman's attention to the tables appearing on pages 8 and 9 of the hearings. There the statutes of limitation covering this particular question are set forth. On page 9 the gentleman will find the bills that are pending. The New York courts have interpreted this wage-and-hour law to come under a 6-year statute of limitations. A bill has been introduced and undoubtedly will be passed, known as assembly bill 2118, providing a 1-year statute of limitations.

Mr. CELLER. How does the gentleman know that bill will be passed in New York State?

Mr. KEFAUVER. I think we have enough to settle here on this floor without deciding what the Legislature of the State of New York is going to do.

I think the 3 years would be a reasonable compromise.

The gentleman from Pennsylvania [Mr. WALTER] necessarily has to be away today, because tomorrow is the primary election in Pennsylvania. He asked me to present an amendment on his behalf, to strike out 1 year and insert 5 years. I am going to do that at the proper time on behalf of the gentleman from Pennsylvania. My personal feeling, however, is that 3 years would be reasonable.

Also on behalf of the gentleman from Pennsylvania, I am going to offer another amendment, and I think some little explanation should be made of this amendment. It will be noted on page 2 of the report that very frequently this limitation would apply to the bringing of a suit by the Government. I do not think suits by the Government should come within the limitation of this law. Therefore, on behalf of the gentleman from Pennsylvania [Mr. WALTER] I am going to offer an amendment at the appropriate time as follows:

Provided further, That the provisions of this act shall not apply to actions in which the United States or an agency or officer thereof is plaintiff.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. CELLER. Mr. Chairman, I yield three additional minutes to the gentleman from Tennessee.

Mr. KEFAUVER. I wonder if the author of the bill feels that this bill is to apply to suits by the Government and whether he would be willing to accept a clarifying amendment? What is the gentleman's attitude toward the amendment?

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. GWYNNE of Iowa. It is my own opinion that the bill as reported out by the committee does not apply to suits by the Government. In order to avoid any possibility of conflict or disagreement on it, I would be glad to accept that amendment, so far as I am concerned.

Mr. KEFAUVER. I thank the gentleman. I know it was discussed in committee. The gentleman said he did not intend for it to apply to suits or actions by the Government. But in the event there might be any doubt about it, I appreciate the gentleman accepting this clarifying amendment.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I think perhaps the real point of disagreement with respect to this measure is with reference to the time to be fixed as a period of limitation within which these actions are to be brought. I know in many instances there has been much confusion as to which particular statute of limitations, provided by the several States, was applicable in suits of this character. I know in my own State we have one statute of limitations of 2 years. Then in other actions we have the 6-year statute. Also we have a statute of 10 years; and in other actions relating to real estate we have a 15-year statute of limitations. It has been a problem for our courts and lawyers to determine exactly which particular statute is applicable in this particular class of cases. Also we have the conformity laws. By reason of the fact that we have no Federal statute which applies to this particular class of cases, then the statute of limitations which is applicable in the several States which have the venue of these actions must apply, and that is where the confusion lies in determining which one of these particular statutes applies. There may be some question as to whether or not there should be a long period of time or a short period of time under the statute which is fixed to control the commencement of actions of this character. May I say, as we approach this subject, that statute only applies to the commencement of the action. It is not intended, and by this proposed law it is not meant, that the action must be completed or the case tried within the time fixed. The only requirement is that the action be commenced within the specified time provided in the statute. All of us who have had experience in courts know the longer a person delays in preparing the trial of the case after the happening of an accident or the occurrence which is involved in the case, the harder it is to secure evidence. The witnesses die and move away or the evidence becomes scattered. A long delay causes witnesses to forget the facts and this particular situation applies to all parties to the action. It is almost impossible on the part of both plaintiff and defendant in the action to collect evidence and prepare for trial if a long delay occurs. On that particular point, I desire to refer to a report and to the special letter which was written by Mr. Forrestal, the Secretary of the Navy, in which he expresses his opinion on that very subject. Reading from his letter, he says:

State statutes fixing short periods are now of doubtful validity as they may be held to be unconstitutional attempts to interfere with the operation of Federal laws, having been enacted in some cases in a more or less hostile spirit.

Then he goes on:

On the other hand, State statutes fixing a long period of time confronts the Navy with serious difficulties in terminating and settling cost-type contracts. Moreover, many Navy contractors will cease doing business and will disband their organizations when war contracts run out. Since in the important issue of exemptions the burden of proof is on the defendant, long delays in instituting suit may make it possible for unjustified claims to succeed, as the evidence to rebut them will have disappeared.

I am quite certain that every lawyer experiences that same situation when he attempts to collect his evidence, to prepare for the trial of cases, after a long period of time has expired.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. CELLER. The gentleman has quoted from some statement by Secretary of the Navy Forrestal. He also says, on page 7 of the report, that he recommends favorable enactment of the bill as modified above. That modification refers to the suggestion of the Department of Labor that the statute of limitations be for 3 years.

Mr. SPRINGER. Before I close, I desire to refer to a statement made by Mr. Walling, Administrator of the Fair Labor Standards Act and the Public Contracts Act. I refer to page 157 of the hearings, which were held before Subcommittee No. 4 of the Committee on the Judiciary, of which I have the honor to be a member. I asked Mr. Walling certain questions regarding the period of time which he suggested, as follows:

Mr. SPRINGER. The suit does not necessarily have to be completed within that time to come within the statute. It would only be necessary to file it.

Mr. WALLING. Yes. My point was merely that it takes a certain amount of time before the employee knows whether he needs to file suit or not to recover.

Mr. SPRINGER. That is right; but ordinarily that could be ascertained with a reasonable degree of certainty within 7 or 8, or even 9 months, could it not?

Mr. WALLING. I should think in many cases it could; yes.

Mr. SPRINGER. Then, that would leave approximately 3 to 4 months in which to institute action?

Mr. WALLING. That is right.

Mr. SPRINGER. If the limitation were fixed at 1 year?

Mr. WALLING. That would be true in many cases, of course.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HANCOCK. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. SPRINGER. Then, further on, the gentleman from Iowa [Mr. GWYNNE] suggested in a question:

Mr. GWYNNE. Have you ever suggested in a report made to Congress a period of limitation or has your department suggested a period of limitation?

Mr. WALLING. I think one of the previous administrators may have suggested a different period in one of his annual reports.

Mr. GWYNNE. What was that?

Mr. WALLING. Well, I am not sure, but I am inclined to think that a 2-year period may have been suggested by General Fleming in one of his reports.

Mr. Walling, following the report of General Fleming, said to the subcommittee which heard this testimony that General Fleming had stated that a 2-year statute of limitations would be

proper. Therefore, it occurs to me that any great, long period of time of waiting will be important insofar as both the plaintiff and the defendant are concerned in cases of this character. All are required to assemble the evidence; it is necessary to secure the location of witnesses; it is essential to prepare for trial, and if the evidence is scattered, the witnesses have left and are residing elsewhere, it would be almost impossible for them to have a fair and impartial trial of their case because of their inability to secure the testimony necessary to present their case.

Since an amendment will be offered providing for a 2-year period, I think that is fair, from the standpoint of all parties concerned. That is a fair period of time for all parties in which to prepare their case for trial and to commence the action by filing the complaint and causing summons to be issued thereon. And that is all that is necessary in order to comply with the statute now proposed herein. There is just one concluding thought I wish to make with respect to this pending measure; that is on page 2, line 17, in which this measure provides that no liability shall be predicated in any case on any act done or omitted in good faith in accord with any regulations, order, or administrative interpretation or practice. That provision will clarify the situation in many of these cases, and this provision will prevent injustice in many cases. It is my hope this measure is passed by a unanimous vote.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. HANCOCK. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, this bill is for the purpose of limiting the time within which suits may be brought for wages, for penalties, and for damages, actual or exemplary, fixed not only by law but by the multitudinous rules, regulations, and interpretations of such rules and regulations that have been prescribed from time to time by the unnumbered bureaus which operate here in the city of Washington. It first provides for uniformity with respect to the time in which these suits may be brought. Just to show you how necessary that is, by way of illustration, here is a man working in a certain State where the period of limitation within which he could bring suit for time and a half, double time, or for penalties is 5 years. He goes out of that State under the impression that he can bring his suit within 5 years and goes into a State where the time within which he must bring his suit is 1 year. Because he sleeps on his right and does not bring suit within the year allowed in the State to which he has moved he loses his right of action.

The purpose of this bill is to bring about uniformity with respect to the time within which these suits may be brought. That helps both the employer and the employee. They both know that unless suit is brought within 2 years there can be no recovery under the Federal law.

The second purpose is to set at rest these controversial matters. As a matter of public policy the laws of every State in the Union prescribe a time within which a man must prosecute his cause of action; and that is for the reason that witnesses die and go elsewhere, and because of the fallibility of human memory. Facts fade from the human mind and there comes a time when a designing person may perpetrate a fraud by bringing forth a stale demand, and out of that situation has grown the doctrine known in equitable practice as laches; that is where a man has slept upon his right of action and it becomes stale, witnesses have died, the evidence has been lost. The law in a case of that kind favors the diligent and not those who sleep upon their rights, and such a demand is rejected by the courts.

And then it has another good purpose, and that is to preserve the species that may soon become extinct, the small businessman and the taxpayer whom we shear once a year. We have now gotten to the point where we skin him. We who are farmers know that you can shear a sheep once a year and get a goodly return of wool, but you can skin him only once. The dodo bird is a thing of the past, and the passenger pigeon has long since passed into the limbo of things forgotten and gone, and now the American taxpayer, the small businessman, is on his way out.

Here is what happens every day under the law as it now is: A number of little fellows get together and pool their life savings to set up a business; they employ their neighbors and they operate under multitudinous rules and regulations issued from Washington. They do not know about them; they are not able to employ a learned legal staff and research department to keep up with the bureaucrats in Washington. At best they must work all day and sit up all night trying to keep out of jail and trying to observe the law. Those little fellows go along and do their best. They think they have paid all they owed, they have paid their taxes out of a narrow margin, and most businesses operate on a narrow margin. Three or four years from that time they wake up confronted with a suit for double wages, time and a half, treble damages, and they are wiped off the face of the earth.

The report of the Committee on the Judiciary fully sets out the reasons which demand the passage of this bill.

In the case of *Missel* v. *Overnight Transportation Company* (316 U. S. 572) it was decided that even though the defendant had no way of knowing he was violating the law, and was in absolute good faith in what he did, nevertheless, he must suffer the penalty, and the Court said:

> Is this provision of the law as to liquidated damages mandatory or discretionary? Since the act has been violated in good faith in this case, we would, indeed, like to hold that it is discretionary.

The Good Book says, "He that knows and does a wrong shall be punished with many stripes, but that he who does not know and stumbles," or words to that effect, "shall be punished with few stripes."

Under the law as we have heretofore understood it, courts looked to the intent of the defendant, but here the Court says that intent does not enter into it at all.

The Court then went on to say:

> It seems a keen injustice for employers bewildered by strange legislation and confused by divergent authority in courts to be subjected to such a measure. Yet, no matter how much we lament its harshness, the section appears to be mandatory, and virtually all the courts have so construed it.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. HANCOCK. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. JENNINGS. Mr. Chairman, no man today, I do not care how learned he may be in the law, can say to his client what the law is today or what it will be tomorrow. Mr. Justice Roberts, speaking recently about a divergence of the Supreme Court of the United States from the beaten path of precedent, said, and in this he is speaking about the highest court in the land:

> It has come to pass that the decisions of this Court are like a limited railroad ticket, good for this day and this train only.

In that aspect of things should there not be a limit within which these rights to sue are asserted? The working people know their rights. I live in an industrial city, and since these laws have been in effect, all the courts having jurisdiction, both Federal and State, have had on their dockets many cases asserting the rights of workers under these statutes. Do not think for one minute that they do not know what their rights are. Let these rights, whatever they may be, be asserted within a period of 2 years and let the people who are hanging on by their fingernails on the narrow ledge of an effort to carry on, make a living, pay their employees, and contribute to the maintenance of this Government have a chance. Let them know within what time they are to be liable in these suits that may put them out of business and render them bankrupt. It is a much needed law, it is long overdue, and can result in injustice to no one. Especially is it needed by the small businessman in every State in the Union. His capital is small, his profits are small, and suits of this nature ruin both him and his employees by closing out his business and by destroying the jobs of his employees.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. HANCOCK. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Maine [Mr. FELLOWS].

Mr. FELLOWS. Mr. Chairman, I doubt if I can add anything to this discussion as I find it is very difficult to follow such Members as the gentleman from Iowa [Mr. GWYNNE], the gentleman from Indiana [Mr. SPRINGER], the gentleman from New York [Mr. HANCOCK], the gentleman from Tennessee [Mr. JENNINGS], to mention only a few. It seems

to be generally conceded that there is need for a limitation. If we cannot agree on a limitation of 1 year I believe that we can agree that 2 years is fair and will operate fairly with everybody concerned.

I want to read one paragraph of a letter I received from a committee of small businessmen in the part of Maine where I live:

> The committee recommends passage of H. R. 2788, the companion bill to S. 1013, on the grounds that this bill if enacted, will protect business from hidden and surprise suits, (after 1 year has passed) growing out of violations that may have occurred even through the businessman has acted in good faith. In other words, businessmen have many times relied on "official" wage-hour interpretations and actions, only to learn that the things they have relied on have been amended, revoked or held to be illegal. All this in spite of the fact that the businessman was acting in good faith.

That is the appeal from the so-called small businessmen all over the country. They are asking for some reasonable rule that will protect them in order that they may continue to do business and provide employment.

I want to direct your attention, however, for a few moments, to this particular provision of the proposed statute, namely, the last part:

> Provided further, That no liability shall be predicated in any case on any act done or omitted in good faith in accord with any regulation, order, or administrative interpretation or practice, notwithstanding that such regulation, order, interpretation, or practice may, after such act or omission, be amended, rescinded, or be determined by judicial authority to be invalid or of no legal effect.

That is an important part of this proposed statute, and I am going to try in a somewhat unsatisfactory manner to illustrate how important it is that some general rule be adopted that will protect the men who have conducted themselves according to what they understood in good faith to be the law of the country.

A short time ago the president of a small business concern came to my office. The business is an old one. It has been in operation approximately 100 years, and all during that time it has given labor wages and support to at least 100 families. It has a splendid reputation. The men and women who work for that concern are happy. This is a small concern. They found, as meat processors, that they could afford to have only one grade, while the big fellows had three grades and could manipulate those grades to suit themselves. In an examination of hundreds of regulations this company decided that it must petition for a change of formula. So they came to Washington. We went down to OPA, and the head of the division was very gracious and very kind and he gave us plenty of time. We prepared the triplicate petition to change the formula, because they found they had to change the quantity of one or two ingredients in order to comply, as they interpreted it, with the law or regulation then existing. We sat down with this head of the department, and after he had pointed out the regulation applicable to our case, we submitted the petition. I asked him if the petition was in proper form. He said, "Yes," and that we had proceeded under the correct regulation. I said, "Well, in the meantime, are we going to be arrested while you are deciding what is right and wrong?" He said, "No; I think you are perfectly all right, and you will hear from us very soon—10 days or 2 weeks." So we went back and the president of the company went home. Two weeks went by. Four weeks went by. Six weeks went by and I received a letter from the head of the division stating that the rule under which we had proceeded, which he had pointed out as the correct rule, had been rescinded 2 weeks before we filed the petition. We got home to find that our trucks were held up and our pictures were in the paper as violators of the law. We were punished while the Department was finding out that the rule under which we were in good faith proceeding did not exist.

So I say there is a crying need that men who are carrying on a business honestly and conducting themselves according to the Government's own interpretation of a regulation under existing law should be protected and not punished. Those are the men who are not in the black market. That concern is operating today at a loss. Because it is an old concern and because for years it has operated and taken care of 100 families, it continues to operate. This is a splendid illustration of why it is necessary that men in business be protected when they have followed the interpretation of the regulation of the department itself. So I am urging as forcefully as I can that this bill be passed.

Mr. HOBBS. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Committee on the Judiciary, the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, the proposed legislation is important from several angles. It is recognized, of course, that the causes of action with reference to which the proposed statute of limitations would apply do not arise out of any breach of contract or tort in the ordinary sense but are actions to recover a penalty imposed by an act of Congress—a matter of statute. They are based upon the claim that the regulation in effect required the employer to do something he had not done, and that Congress has provided in circumstances of that sort that the individual may bring suit and get judgment for twice or, in some instances, three times the amount of money agreed to be paid for that particular service.

That is a hard sort of arbitrary thing which the Congress imposes with no limitation on the time in which this penalizing procedure may be instituted. The employer lives in constant peril of such suits. There is no duty to be vigilant imposed by the Congress which imposes this penalty, which partakes more of the nature of a punishment for crime than a recovery for value of services rendered for breach of contract. If it be conceded that the objective may be good, that the employer should be penalized, certainly it should be conceded that the beneficiary of this law, given power to recover this penalty, should proceed with reasonable expedition to determine his right to this penalty. What time and how long after the right of recovery has arisen should the person claiming the right to recover have in which to initiate proceedings to recover? The Committee on the Judiciary has suggested 1 year. An amendment will be offered to make it 2 years. That is long enough. This power to recover the kind of judgment referred to is a dangerous sort of power or legal right for anybody to possess. It is one that must be exercised within the support of public opinion in the communities of the country, or there will be a dangerous reaction—dangerous to the just claims of the possessor of this power. As nearly as public opinion can be reflected by the legislation of the States, it is indicated that 2 years is about the right time in which suit may be brought. When Iowa had a 5-year statute, they reduced it to 2. Maryland had a 12-year statute; they cut it to 3. All the States that have dealt with this question, with one or two exceptions, have reduced the statute to 2 years. I believe it is a fair conclusion that the 2-year provision indicates the judgment of the people in the State legislatures and probably the judgment of public opinion in those communities. It seems to be agreed by the members of the committee that it ought not to be more than 2 years. I submit to the judgment of those who are interested in protecting the legitimate rights of labor, that labor at this moment is in about the situation that management was some 20 or 25 years ago when it was riding high, wide, and handsome in this country and apparently had little regard for public opinion. From my examination of the way things happen, I am convinced that the favorite explanation for that conduct with which we do not agree is due to the fact that the other fellow and his group are meaner than I and my group will not stand up. It is more frequently true that the offending group is the victim of too much power.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HOBBS. Mr. Chairman, I yield three additional minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. It is doubly dangerous if such power has been gained quickly. Those who are going fast under the momentum of such power do not seem able to apply the brakes themselves. If ever statesmanship, both inside and outside of labor, had a duty to labor and to the whole country to perform, it is now. It will be one of the most remarkable exceptions to the rule if history is able to record that labor has been able to possess the power which it has up to now acquired as quickly as it has, without so tyrannically exercising that power that it will lose the support of public opinion, will lose much of what it has gained, and the pendulum will swing far in the other direction. This radical swing of the pendulum is dangerous for everybody and is one of the most conspicuous indications that democracy itself is in danger. I realize this item of legislation would not of itself justify these

observations, but it happens to come at a time when conditions are such that these observations are pertinent to that which is pending and to the general situation. If ever there was a time on earth that any group needed the restraining influence of its friends, labor needs it now. Suits stirred up months and years after that has been done on which the cause of action is based, with administrative rules being changed, established court decisions overruled, financial conditions altered, and so forth, with the possibility of ruinous judgments being rendered, is just as dangerous now to labor in the long run as it is to management.

Mr. SAVAGE. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. SAVAGE. I wonder if the gentleman would not bear in mind that the necessity of this legislation comes about because employers violate the laws and not because employees violate the laws.

Mr. SUMNERS of Texas. There is no claim that workers violate the laws. There is no such claim that they do.

Mr. SAVAGE. No.

Mr. SUMNERS of Texas. But my point is that we should be very reasonable in providing a statute of limitations within which these workers must bring their suits to recover that which the Congress says they are entitled to. That is the only point I am making at the moment. I believe we should agree that 2 years is a reasonable length of time, as will be proposed by a member of the committee as being fair to the employer and fair to the employee. I very much hope this amendment will be accepted which I understand is going to be offered.

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. GWYNNE of Iowa. I was going to ask the distinguished chairman if the necessity for this bill does not arise partly from the fact that the Administrator changes his opinion so that a person who is complying with his rules today finds tomorrow that he is not complying with them and is thus subject to suits going back to the beginning of the law. That is the real reason for the statute.

Mr. SUMNERS of Texas. Yes; that is a reason. Then another reason is that the construction or interpretation and application of the commerce clauses is so utterly beyond reason and common sense that nobody knows what can be done that will not be held to come within its powers.

Mr. HOBBS. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. GORSKI].

Mr. GORSKI. Mr. Chairman, I am opposed to the 1-year limitation in this bill. I think it ought to be 3 years. Of course, 2 years is better than 1 year. However, I am informed there are about 530,000 establishments affected by this law and about 19,000,000 employees. We know that people in business usually know their rights, or they have people who inform them of their rights, while a vast number of the 19,000,000 employees do not always know just what their rights are, and if the time is too short, an injustice would be done to them, and the law violator would benefit and profit by his violation to the detriment of both the employee and the honest competitor.

I favor a statute of limitations here so that it would be fair to both sides. However, I do not think it should be too long, nor should it be too short I think 1 year is too short a time for the employee to know his rights. In many cases, although he might know them, he might not want to exercise them because of jeopardizing his job. Since the controversy here is the time limits, I think that 3 years would be fair to all concerned. It would give the person who had a claim ample time, and would not be a disadvantage to those who have to defend. Three-fourths of our States have statutes of limitations of 3 years or more on actions of this nature. The legislatures of these States have carefully and fully considered this question, and in their wisdom they have allowed at least 3 years to a claimant to bring his action. I am therefore, opposed to the 1-year limitation, as is provided in this bill, and earnestly ask the time be extended to 3 years.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HOBBS. Mr. Chairman, I yield myself the balance of the time.

The CHAIRMAN. The gentleman from Alabama is recognized for 17 minutes.

Mr. HOBBS. Mr. Chairman, just a word or two in conclusion about this matter of the statute of limitations and the time that it should run. Let us not be too sure that any man will ever be hurt by passing this statute of limitations. I doubt if there is a man living who does not know what the provisions of the wage and hour bill are with regard to the minimum wage. I doubt if there is a man living who does not know what the penalties are, time and a half, double time, and treble damages, and so on. The same is true as to the other 18 laws.

The point we are making is that it is not fair for him to come in 8 years later and say, "On a certain Sunday I worked an hour and a half overtime. I am entitled to double wages because it was Sunday; I am entitled to treble damages because you violated the law 8 years ago."

No one can defend that kind of an action because all of the witnesses are gone; they are scattered to the winds. We have seen many cases of that kind that have been brought in testimony before our committee, and we believe something should be done. Two years is double the time of the average limitation fixed by law for tort actions. Most of these cases sound in tort. If they are under contract, then they are for penalties, liquidated damages and the like, which the law does not favor and which should be brought not later than 2 years.

Something has been said to the effect that a man might not know his rights. All he has to do is send a postcard directed to the Wage and Hour Administrator, or other administrator, and he will get the information very promptly.

All this bill seeks to do is to bar cases like the one I cited in my opening remarks, a suit that may absolutely wreck the Mutual Ice Co. of Alexandria, Va., where after 6 years suit is brought for $34,200 by one man who brought in a claim that in 1938 he worked overtime, that he had so many hours during that year and so many hours in each year since. If that employer cannot, because of the lapse of time, successfully defend that suit it means bankruptcy.

It seemed to the committee which studied this matter—and the hearings are extensive—it seemed to everyone that we have contacted, including the report of General Fleming, that 2 years as a statute of limitations is fair and reasonable. It is a compromise between the 1 year which the committee thought was right and the 3 years which others thought was right, including Mr. Walling, the present administrator of the Wage-Hour Bureau.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the distinguished gentleman from New York.

Mr. CELLER. Does the gentleman say that the Secretary of the Navy, Mr. Forrestal, the Secretary of Labor, and the head of the Department of Justice are less important than Mr. Fleming or Mr. Walling?

Mr. HOBBS. No, sir; I do not think so.

Mr. CELLER. They advocate 3 years.

Mr. HOBBS. I believe they indicated that they were following the lead of the Department of Labor and were testifying for 3 years merely because the Secretary of Labor had so testified.

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentleman yield for another observation?

Mr. HOBBS. I shall be pleased to yield to the distinguished gentleman from Iowa.

Mr. GWYNNE of Iowa. I think this fact should be mentioned also that when the bill was introduced recently in the Senate by Senator PEPPER to amend the wage-hour law in certain particulars, it contained a 2-year provision.

Mr. HOBBS. I thank the gentleman for that contribution. We are familiar with it, of course, in our committee. Now the House has that additional information.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield for a question?

Mr. HOBBS. I shall be so happy to yield to the distinguished gentleman from Minnesota.

Mr. GALLAGHER. I wish to ask but one question. There are some men who have claims at the present time. How far back could the claim go? Could it go back further than 2 years?

Mr. HOBBS. He could go back to the very beginning of the act under which the claim is made. We are specific. I am so glad the gentleman asked that question, for it is very pertinent. Even if that claim is now barred by this bill, it will be revived and suit can be brought at any time within 6 months after the passage of this bill. We are delighted to try to do what is fair to both sides. All we want is that both sides be treated fairly and that these double and treble penalties, these liquidated damages, and these claims sounding in tort, should not be saved up for years until the demands

have become stale and then thrown into the hopper and wreck a legitimate business.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the distinguished gentleman from West Virginia.

Mr. BAILEY. Does the gentleman mean by his statement that they have no records to show the length of time worked by employees? Is the gentleman aware of the fact that most plants require their employees to punch in and punch out on time records? Would not those records show what hours he worked?

Mr. HOBBS. That is certainly true of the large plants but not of the average plant. We are talking now of the average plant, and the small plant as well as the large. Also there are instances where reasonably large plants do not keep those records over 6, 8, or 10 years.

Something has been said here as to claims arising from fraud. There is no possible controversy about that. Fraud cases can only begin to run from the time of the discovery of the fraud. So let us not be misled by any specious argument of that kind.

If you pass a 10-minute statute of limitations it would not begin to run until the fraud had been discovered. If a fraud had been perpetrated against the Government or against anybody else a hundred years ago suit could be filed, no matter what length of limitation you might put upon the action, if they acted within a reasonable time fixed in the statute of limitations after discovery of the fraud.

There can be no objection to this bill as we see it, in view of the two committee amendments which I shall offer, one eliminating all suits where the Government itself is a party in interest, and we compromised on a 2-year statute of limitations, half-way between those who advocated a 3-year statute and the committee's version which after full hearing fixed it at 1 year.

We beg the Committee to pass this bill, which is long overdue.

Mr. SAVAGE. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I gladly yield to the gentleman from Washington.

Mr. SAVAGE. The gentleman stated that he did not believe there was a man in the United States who did not know the minimum wage provided under the Wage-Hour Act, which is probably true; but recently the Department reported an investigation showed that thousands of employers were violating the minimum-wage law. I think those are willful violations because they must know what the minimum wages are. I believe a limitation is all right, but it certainly ought to be 3 years, long enough so the employees can find out what their rights are and bring suit. As I stated, a limitation is all right if it is not made too short. It particularly helps those employers who are deliberately violating the law if it is made too short.

Mr. HOBBS. All employers have been treated that way under the enforcement of the wage-hour law from the beginning. They have always been chargeable with willful violations of the law. No one has ever claimed that the employers did not know. All I am saying is that I believe the employee also knows, and if he does not know a post card directed to Mr. Walling will get that information.

Mr. Chairman, we believe this is a fair bill and we urge its support by the Committee.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That title 28 of the United States Code, as amended, be further amended by adding a new section to be known as section 793, and to read as follows:

"SEC. 793. Except as otherwise provided in any action creating a right of action to recover damages, actual or exemplary, no action under the laws of the United States shall be maintained unless the same is commenced within 1 year after such cause of action accrued, unless a shorter time be fixed in any applicable State statute: *Provided, however,* That public actions to recover money damages may be enforced if brought within 2 years after the cause of action accrued except when the United States is not the real party at interest: *Provided, further,* That the person liable for such damages shall, within the same period, be found within the United States so that proper process thereof may be instituted and served against such person."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That hereafter, except as otherwise specially provided by act of Congress, no action for the recovery of wages, penalties, or other damages, actual or exemplary, pursuant to any law of the United States shal be maintained in any court unless the same was commenced within 1 year after such cause of action accrued: *Provided,* That causes of actions which had accrued prior to the passage of this act and which had not become barred by any applicable statute of limitations may be maintained if commenced within 6 months after the date of enactment: *Provided further,* That no liability shall be predicated in any case on any act done or omitted in good faith in accord with any regulation, order, or administrative interpretation or practice, notwithstanding that such regulation, order, interpretation, or practice may, after such act or omission, be amended, rescinded, or be determined by judicial authority to be invalid or of no legal effect. No limitation under this act shall apply if the person liable for such damages shall not be found within the United States, within the same period, so that proper process may be instituted and served against such person."

Mr. HOBBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOBBS: On page 2, line 11, after the words "United States" add a comma and then the words "except actions brought by the United States as the real party in interest."

Mr. HOBBS. Mr. Chairman, I move the adoption of the amendment.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. Mr. Chairman, I propose to offer an amendment which also excludes actions by the United States. I shall offer the amendment on behalf of the gentleman from Pennsylvania [Mr. WALTER]. Is it the gentleman's understanding that both amendments accomplish the same thing?

Mr. HOBBS. My idea is, sir, that the bill itself does not cover the Government, but in order to make assurance doubly sure the amendment says that there is excepted from the operation of this bill any action brought by the Government as the real party in interest.

Mr. KEFAUVER. Mr. Chairman, I ask unanimous consent that the amendment proposed by the gentleman from Pennsylvania [Mr. WALTER] be printed in the RECORD at this point. I shall not offer the amendment because this amendment covers the same subject matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The amendment is as follows:

Amendment offered by Mr. KEFAUVER: Page 3, line 2, strike out the period after "person" and insert a colon and the following: "*Provided further,* That the provisions of this act shall not apply to actions in which the United States or an agency or an officer thereof is plaintiff."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. HOBBS] to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. HOBBS. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HOBBS: Page 2, line 12, strike out the words "1 year" and insert in lieu thereof the words "2 years."

Mr. CELLER. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Alabama:

Page 2, line 12, strike out the numeral "2" and insert "3". On that I ask for recognition.

Mr. GWYNNE of Iowa. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GWYNNE of Iowa. I make the point of order against the amendment offered by the gentleman from New York [Mr. CELLER] that it is an amendment in the third degree.

Mr. CELLER. Mr. Chairman, I withdraw the amendment, and I offer a substitute amendment that on page 2, line 12, the word "one" be striken out and the word "three" be inserted.

Mr. GWYNNE of Iowa. Mr. Chairman, I make the same point of order against the amendment now offered by the gentleman from New York.

The CHAIRMAN. The same point of order would apply. The Chair sustains the point of order.

Mr. KEFAUVER. Mr. Chairman, I offer an amendment to the amendment.

Mr. GWYNNE of Iowa. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GWYNNE of Iowa. Does the gentleman offer an amendment to the amendment?

The CHAIRMAN. Yes.

The Clerk read as follows:

Amendment offered by Mr. KEFAUVER: Page 2, line 12, strike out "1 year" and insert "5 years."

Mr. GWYNNE of Iowa. Mr. Chairman, I make the same point of order.

The CHAIRMAN. The Chair sustains the point of order.

The question is on the amendment offered by the gentleman from Alabama [Mr. HOBBS] to the committee amendment.

The question was taken; and on a division (demanded by Mr. CELLER) there were—ayes 71, noes 20.

So the amendment to the committee amendment was agreed to.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. Is it in order now to strike out the word "two", in line 12, on page 2, and insert the word "three"? If it is parliamentarily proper, I shall offer that as an amendment.

The CHAIRMAN. Such an amendment is not now in order.

The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GRANGER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 2788) to amend title 28 of the United States Code in regard to the limitations of certain actions, and for other purposes, pursuant to House Resolution 394, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill to limit the time during which certain actions under the laws of the United States may be brought."

A motion to reconsider was laid on the table.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

SCHOOL-LUNCH PROGRAMS

Mr. FLANNAGAN submitted a conference report and statement on the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes.

EXTENSION OF REMARKS

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD and include an article from the Chrstian Science Monitor.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD and include correspondence regarding the misuse of the honorable-discharge button.

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD and include an address he recently delivered.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include an article, The 5-Year Plan of Aviation Backward, by Chick Logan.

AMENDING AN ACT ESTABLISHING A UNIFORM SYSTEM OF BANKRUPTCY THROUGHOUT THE UNITED STATES

Mr. SUMNERS of Texas submitted a conference report and statement on the bill (H. R. 5504) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

APPOINTMENT OF ONE ADDITIONAL DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA

Mr. SUMNERS of Texas. Mr. Speaker, I call up the conference report on the bill (S. 1163) to provide for the appointment of one additional district judge for the northern district of California.

The Clerk read the title of the bill.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1163) to provide for the appointment of one additional district judge for the northern district of California, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House, insert the following: *"Provided,* That unless the President shall, not later than July 1, 1946, submit a nomination to the Senate to fill the office hereby created, then in that event this Act shall be of no force and effect."

HATTON W. SUMNERS,
EMANUEL CELLER,
C. E. HANCOCK,
Managers on the Part of the House.

PAT MCCARRAN,
ERNEST W. MCFARLAND,
ALEXANDER WILEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1163) to provide for the appointment of one additional district judge for the northern district of California, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The House passed the Senate bill after amending it to provide that no appointment should be made to fill the first vacancy which should thereafter occur in that district, and by further providing that the act should be ineffective unless a nomination to fill the office thus created be submitted to the Senate within 90 days. The Senate disagreed to the House amendment and requested the conference, to which the House agreed.

The House receded with respect to the limitation on the filling of the first vacancy arising in said district and this part of the House amendment is stricken out.

With respect to that part of the House amendment limiting the time within which a nomination should be submitted, the conferees agreed that unless a nomination is submitted to the Senate by July 1, 1946, to fill the office hereby created then in that event the act shall be of no force and effect.

HATTON W. SUMNERS,
EMANUEL CELLER,
C. E. HANCOCK,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD in three instances on three separate subjects and include newspaper items and quotations in each instance.

JOINT COMMITTEE TO INVESTIGATE LABOR RELATIONS

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Con. Res. 148, Rept. No. 2082), which was referred to the House Calendar and ordered to be printed:

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a joint committee to be composed of seven Members of the Senate, to be appointed by the President of the Senate, and seven Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The committee shall select a chairman and a vice chairman from among its members.

SEC. 2. The committee shall make a thorough study and investigation of existing and pending labor legislation and of the whole field of labor relations and report to their respective Houses of Congress its recommendations for legislation to promote harmonious relations between labor and industry and to safeguard the public interest in the orderly and uninterrupted flow of interstate commerce and the mining, manufacturing, and production of essential commodities, and the uninterrupted cooperation of public utilities and enterprises essential to the operation of such utilities or essential to the public health or welfare.

The committee shall also investigate and report on the desirability of further legislation concerning the health and safety of employees engaged in industries that are essentially hazardous, with a view to the prevention of accidents and the improvement of health and sanitary conditions connected with such industries.

The committee shall further investigate the feasibility of the establishment of a uniform voluntary system of welfare funds with a view to the enactment of legislation to assist in the promotion and encouragement of

such a program for the benefit of ill, disabled, or aged employees and their families.

The committee shall confer and consult with responsible leaders of both organized labor and industry and shall seek, as far as compatible with their own judgment, to recommend legislation that will eliminate all reasonable objections of either labor or industry.

The committee shall have power to report to the Senate and the House of Representatives, through the Members of the respective Houses, such legislation as it may deem wise and adequate to carry out the purposes of this concurrent resolution.

SEC. 3. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

INDIAN CLAIMS COMMISSION

Mr. SABATH. Mr. Speaker, I call up House Resolution 511 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4497) to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Indian Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 124]

Adams	Bennet, N. Y.	Brooks
Arends	Bishop	Brumbaugh
Baldwin, Md.	Blackney	Buck
Baldwin, N. Y.	Bland	Buckley
Barden	Bloom	Buffett
Barrett, Pa.	Bonner	Bulwinkle
Bates, Mass.	Boren	Burch
Bell	Boykin	Butler
Bender	Bradley, Pa.	Campbell
Cannon, Fla.	Hall, Edwin Arthur	Philbin
Cannon, Mo.	Hall, Leonard W.	Powell
Carlson	Harris	Price, Ill.
Case, N. J.	Hart	Quinn, N. Y.
Celler	Hartley	Rabaut
Clark	Hays	Rabin
Clason	Healy	Rains
Clippinger	Hébert	Ramey
Cochran	Heffernan	Randolph
Colmer	Hinshaw	Rayfiel
Cooley	Hoch	Reece, Tenn.
Corbett	Holmes, Mass.	Rich
Curley	Huber	Rivers
Daughton, Va.	Jarman	Robinson, Utah
Dawson	Jenkins	Rodgers, Pa.
De Lacy	Johnson, Ind.	Roe, Md.
Delaney, James J.	Kelley, Pa.	Roe, N. Y.
Delaney, John J.	Keogh	Rogers, Fla.
D'Ewart	Kerr	Rogers, N. Y.
Dingell	King	Rooney
Dirksen	Kinzer	Rowan
Domengeaux	Kirwan	Sadowski
Dondero	Klein	Shafer
Douglas, Calif.	Knutson	Sharp
Durham	Kunkel	Sheppard
Dworshak	LaFollette	Sheridan
Earthman	Lane	Short
Eberharter	Lanham	Simpson, Pa.
Elliott	Lea	Slaughter
Elston	LeCompte	Somers, N. Y.
Engle, Calif.	LeFevre	Spence
Fallon	Luce	Starkey
Fenton	Ludlow	Stewart
Fernandez	Lynch	Sumner, Ill.
Fisher	McConnell	Talbot
Flood	McCowen	Tarver
Folger	McGehee	Thom
Forand	McGlinchey	Thomas, N. J.
Fulton	Maloney	Thomas, Tex.
Gamble	Marcantonio	Tibbott
Gardner	Mathews	Tolan
Gary	May	Torrens
Gavin	Morgan	Traynor
Gearhart	Murphy	Vinson
Gerlach	Neely	Voorhis, Calif.
Gifford	Norton	Vursell
Gillette	O'Brien, Ill.	Wadsworth
Goodwin	O'Brien, Mich.	Walter
Gore	O'Neal	Wasielewski
Graham	O'Toole	Weaver
Granahan	Pace	Welchel
Green	Patrick	White
Gross	Patterson	Winstead
Gwinn, N. Y.	Peterson, Ga.	Wolfenden, Pa.
Hagen	Pfeifer	Wood
		Woodhouse

The SPEAKER. On this roll call 229 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INDIAN CLAIMS COMMISSION

Mr. SABATH. Mr. Speaker, after I have consumed about 7 minutes, I shall yield to the gentleman from Indiana [Mr. HALLECK], a member of the Committee on Rules.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. SABATH. I yield to the gentleman from New York.

Mr. TABER. Does the gentleman realize this opens up anew $1,133,000,000 of claims that have already been authorized by previous law to be submitted to the Court of Claims and passed on, and that the bill wipes out the right of offset on the part of the Government that has heretofore been allowed? That is the decision of the Attorney General and the Comptroller General.

Mr. SABATH. That was the case under the two former bills, but the committee has held prolonged and careful hearings and, after due and careful consideration on the part of the Committee on Indian Affairs, after hearing many witnesses, and giving careful consideration to the two original bills, H. R. 1198 and H. R. 1341, the committee, so I am informed—of course, I did not attend any of those hearings—by a unanimous vote finally reported the bill H. R. 4497, which is before us now.

Mr. Speaker, the rule provides for 1 hour of general debate, after which the bill will be considered under the 5-minute rule. It is as usual an open rule, giving the Members the opportunity to offer amendments and to vote for or against them, and to vote for or against the bill or any provision thereof.

As I understand, Mr. Speaker, there are a few opposed to this bill, but I am informed by the proponents of the bill that the objection originally was to the first two bills, which have been rewritten and the rights and interests of the Government have been safeguarded and protected to the best ability of the committee. I am informed also that the gentleman from New York [Mr. TABER], as well as one or two others, were opposed to the bill, and especially to the provision that "no claim shall be excluded from consideration on the ground that it has become barred by law or any rule of law or equity, or that it is barred by any statute of limitations or by laches." I have been advised that the committee has agreed to the amendment that will be offered to clarify this provision so that no claims that already have been adjudicated, or have had their day in court, shall be permitted to be revived or tried de novo.

As one who has been here for a good many years and has seen many of these Indian claims bills before the House, I am of the opinion that a limit should be set and these continuous claims should be limited in time to 5 years.

This bill, Mr. Speaker, creates a Fact-Finding Commission of three. The Commission will not have final and complete jurisdiction to adjust or approve any claim. The Commission will be responsible to the Court of Claims. It is given jurisdiction to hear and recommend, but the final decision will be made by the Court of Claims. The Commission must make a report within 5 years, and all the claims must be settled within 10 years. Therefore, we can look forward, if this bill is passed, to getting rid of these many Indian claims bills within 10 years. These bills have been with us for many years. I am not disposed to deprive the Indians of any rights because I have some Indians in my district, but they are good Indians. I feel that justice should be done to them and that these professional claim hunters and claim filers should be stopped. Before the Committee on Rules we heard several gentlemen, outstanding Americans, who had the interest of our country at heart. They highly recommend, approve, and urge this legislation. In view of the unanimous report of the Committee on Indian Affairs, the Committee on Rules, after hearing these witnesses, unanimously agreed to grant a rule on this bill. Consequently, I feel that the rule should be adopted, and in the interest of the Indians, as well as our Nation, the bill should be passed, because it is bound to put an end, as I say, to many of these professional lawyers who have been pestering Congress for many years with new claims—new claims—and more new claims. Unless this bill is passed, we will have claims coming before us for perhaps another 25 years.

Let us put an end to them. Let us adopt the rule and pass the bill.

Mr. Speaker, I reserve the balance of my time, and now yield to my genial friend from Indiana [Mr. HALLECK] the usual 30 minutes.

Mr. HALLECK. Mr. Speaker, I yield myself 3 minutes.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A quorum is not present.

Mr. SPARKMAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 125]

Adams	Gardner	Norton
Andrews, Ala.	Gary	O'Brien, Ill.
Baldwin, Md.	Gavin	O'Brien, Mich.
Baldwin, N. Y.	Gearhart	O'Neal
Barden	Gerlach	O'Toole
Barrett, Pa.	Gibson	Outland
Bates, Ky.	Gifford	Pace
Bates, Mass.	Gillette	Patrick
Bell	Goodwin	Patterson
Bender	Gore	Peterson, Ga.
Bennet, N. Y.	Graham	Pfeifer
Bishop	Granahan	Philbin
Blackney	Grant, Ind.	Ploeser
Bland	Green	Powell
Bloom	Gross	Price, Ill.
Bonner	Gwinn, N. Y.	Quinn, N. Y.
Boren	Hagen	Rabaut
Boykin	Hall,	Rabin
Bradley, Pa.	Edwin Arthur	Rains
Brooks	Hall,	Ramey
Brumbaugh	Leonard W.	Randolph
Buck	Harless, Ariz.	Rayfiel
Buckley	Harris	Reece, Tenn.
Buffett	Hart	Rich
Bulwinkle	Hartley	Riley
Burch	Hays	Rivers
Butler	Healy	Robinson, Utah
Campbell	Hébert	Rodgers, Pa.
Cannon, Fla.	Heffernan	Roe, Md.
Cannon, Mo.	Hinshaw	Roe, N. Y.
Carlson	Hoch	Rogers, Fla.
Case, N. J.	Holifield	Rogers, N. Y.
Celler	Holmes, Mass.	Rooney
Clark	Huber	Rowan
Clason	Jarman	Sadowski
Clippinger	Jenkins	Shafer
Cochran	Johnson, Ind.	Sharp
Cooley	Johnson, Okla.	Sheppard
Corbett	Jones	Sheridan
Cox	Kefauver	Short
Curley	Kelley, Pa.	Simpson, Pa.
Daughton, Va.	Keogh	Slaughter
Dawson	Kerr	Somers, N. Y.
De Lacy	Kinzer	Spence
Delaney,	Kirwan	Starkey
James J.	Klein	Stewart
Delaney,	Knutson	Sumner, Ill.
John J.	Kopplemann	Sumners, Tex.
D'Ewart	Kunkel	Talbot
Dingell	LaFollette	Tarver
Dirksen	Lane	Taylor
Dondero	Lanham	Thom
Douglas, Calif.	Larcade	Thomas, N. J.
Durham	Latham	Thomas, Tex.
Dworshak	Lea	Tibbott
Earthman	LeCompte	Tolan
Eaton	LeFevre	Torrens
Eberharter	Luce	Traynor
Elliott	Ludlow	Vinson
Elsaesser	Lynch	Vursell
Elston	McConnell	Wadsworth
Engle, Calif.	McCowen	Walter
Fallon	McGehee	Wasielewski
Feighan	McGlinchey	Weaver
Fenton	McMillen, Ill.	Weichel
Fernandez	Maloney	White
Fisher	Marcantonio	Winstead
Flood	Mathews	Wolfenden, Pa.
Folger	May	Wolverton, N. J.
Forand	Morgan	Wood
Fulton	Murphy	Woodhouse
Gamble	Neely	Zimmerman

The SPEAKER. On this roll call 218 Members have answered to their names, a quorum

By unanimous consent, further proceedings under the call were dispensed with.

INDIAN CLAIMS COMMISSION

Mr. HALLECK. Mr. Speaker, as was pointed out by the chairman of the Rules Committee in his discussion of this resolution, the bill the resolution seeks to make in order was reported unanimously by the Committee on Indian Affairs. After a presentation to the Rules Committee, that committee likewise determined that the matter should come to the floor for consideration, debate, and final determination.

I do not propose to go into the merits of the legislation. I will leave that to the members of the Committee on Indian Affairs. However, may I say that this matter of Indian claims, claims of Indian citizens against their Government, should be settled once and for all. We have all been aware of the fact that the issue presented in those claims is of tremendous concern not only to the claimants but to our people generally and to the Government. As I say, in my opinion, it is highly desirable that they be settled and determined. As a matter of fact, both of the political parties in their platforms, without undertaking to specify in detail what the legislation should be, have declared for the accomplishment of that result. Therefore, I am for this rule. I trust it will be adopted so that we may proceed to the consideration of the bill in order that effective legislation may be finally enacted for the accomplishment of this very worthy objective.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I have before me letters from both the Attorney General and the Comptroller General to the gentleman from Missouri [Mr. COCHRAN] indicating their opposition to this bill. These letters in general are based upon a construction that they place on language at the bottom of page 2 and at the top of page 3, as follows:

> No claim shall be excluded from consideration on the ground that it has become barred by law or any rule of law or equity, or that it is barred by any statute of limitations or by laches.

There have been at one time or another an enormous quantity of Indian claims presented to the Court of Claims. I have a tabulation of claims totaling $1,133,713,497.13. All of these claims could under that language be considered by the commission which it is here proposed to establish. In addition to that, any other claim that they might think they had might be considered by the commission. Many of those claims, that is, perhaps a little more than 20, according to my recollection, have not yet been determined by the Court of Claims. I understand that the committee proposes an amendment to meet that situation. Frankly, a cursory examination of that amendment does not lead me to believe it is strong enough to prevent the reconsideration of these claims that have already been considered by the Court of Claims. Probably 60 percent or 70 percent of these claims have been totally denied. Many of them have been allowed for certain amounts, and many have offsets which the Court of Claims has allowed to the United States. Some of those offsets have run into amounts exceeding the amount of the claim.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. HALLECK. First of all I would say my understanding about this proposal is that it is designed to give the Indian citizens of the country their day in court in respect to their claims.

Now, if any one of those citizens has had his day in court and has had an adjudication of his claim, that should end it. While I support the rule and this bill, I certainly would support such language in the bill, by amendment or otherwise, that would definitely provide that there be no reopening of claims where it can be shown or where, in truth and in fact, the claimant has had his day in court and has had a decision by a competent tribunal authorized to hear and determine the case.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MUNDT. In response to the gentleman from Indiana [Mr. HALLECK] the committee has a committee amendment, which has been unanimously agreed to, to meet the specific objection which has rightfully been raised by the gentleman from New York [Mr. TABER].

The SPEAKER. The time of the gentleman from New York has expired.

Mr. HALLECK. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. TABER. That amendment has been submitted to me. Frankly, I do not think it does exactly meet the situation, but I would hope that something might be worked out overnight that might meet the situation.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MUNDT. I would like to read the amendment at this point and then perhaps some suggestion will be developed overnight.

Mr. TABER. I would like to see it put into the RECORD at this point.

Mr. MUNDT. The amendment is offered by the gentleman from Washington [Mr. JACKSON] in behalf of the committee:

> Page 3, line 3, substitute a colon for the period and insert the following: *"Provided, however,* That any final determination upon an issue of law or fact involved in any claim that has been made upon the merits of such issue by any court of the United States in a prior proceeding with respect to such claim shall be binding upon the Commission."

It seems to me that states very clearly the fact that where a competent court has made a ruling, that claim shall not be reopened. Certainly that is the intention of the committee. We have never departed from that idea. The record of the testimony in the hearings, the record of the debate on the floor of the House bears that out. The amendment bears it out. But if the gentleman wishes to tighten the language to achieve the same goal, certainly the committee will be glad to go along with him.

Mr. TABER. In the morning I will submit to the chairman of the committee language which I think would improve that picture, but for the moment I will not go into the detail of that any further.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE of South Dakota. With that understanding, with the suggestion of the committee in the RECORD, with the understanding that the gentleman from New York will give further consideration and make suggestions to the committee in charge of the bill, it would be agreeable with the gentleman from New York that we proceed to vote for the adoption of the rule?

Mr. TABER. I would like to be quite sure that those who are at all critical of the bill may have an opportunity. One hour of debate is not very liberal for a bill that has as many possible involvements as this bill.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. WHITTINGTON. The gentleman has referred to two letters, one from the Comptroller General and one from the Attorney General of the United States. As I understand, those letters are dated after the report on the pending bill and during the year 1946, and refer to the pending bill and not the previous bill in lieu of which the pending bill was reported?

Mr. TABER. This bill was reported on December 20, 1945. The letters are dated February 14, 1946, a couple of months after the bill was reported. So that the letters are a couple of months after the date the bill was reported.

Mr. WHITTINGTON. You are going to put the letters on the record, are you?

Mr. TABER. I think we should.

The SPEAKER. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Speaker, I ask unanimous consent to insert in the RECORD extracts from letters from the Comptroller General and the Attorney General to the gentleman from Missouri [Mr. COCHRAN]. I do not want to put them in in their entirety because of their bulk.

Mr. JACKSON. Mr. Speaker, reserving the right to object, would not the gentleman in all fairness be willing to put in the entire letter?

Mr. TABER. I would be glad to do that only they are too bulky.

Mr. JACKSON. It is pretty difficult to get the whole picture from a portion of a letter.

Mr. TABER. Then I will put them both in in their entirety.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

(The letters referred to follow:)

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, February 14, 1946.

Hon. JOHN J. COCHRAN,
House of Representatives.

MY DEAR MR. COCHRAN: Further reference is made to your letter of December 28, 1945, acknowledged December 29, requesting an expression of the views of this office with respect to H. R. 4497, Seventy-ninth Congress, entitled "A bill to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes." The said bill was reported to the House of Representatives favorably without amendment by the House Committee on Indian Affairs on December 20, 1945, accompanied by House Report No. 1466, which report contains information as to the purpose of the bill and the background of the matter.

Under date of April 16, 1941, I made a report to the chairman of the Senate Committee on Indian Affairs on S. 1111, Seventy-seventh Congress, which bill was generally similar to H. R. 4497. In that report I called attention to some of the problems for consideration in connection with the proposed legislation and recommended certain amendments but made no recommendation as to the merits of the bill generally. Also, see Senate Report No. 230, Seventy-fifth Congress, accompanying S. 1902, a somewhat similar bill which passed the Senate but failed of passage in the House of Representatives, after extended discussion and debate, by a vote of 176 to 73 (pp. 6237-6267, CONGRESSIONAL RECORD for June 23, 1937).

Briefly, H. R. 4497 would create an Indian Claims Commission composed of three members appointed by the President by and with the advice and consent of the Senate, to continue in existence for a maximum of 10 years after its first meeting. The Commission would be empowered to hear and determine "all claims of every nature whatsoever against the United States on behalf of any Indian tribe, band, or other identifiable group of American Indians residing within the territorial limits of the United States or Alaska," including claims arising under the Constitution, laws, treaties or Executive orders, claims "whether sounding in contract or tort or otherwise," claims which would result if treaties, contracts, and agreements were revised on the ground of fraud, duress, unconscionable consideration, mutual or unilateral mistake or any other ground cognizable by a court of equity, claims resulting from any breach of duty by any officer or agent acting within the apparent scope of his authority, claims arising from the taking of lands owned or occupied by the claimant without payment of the agreed compensation, and "claims of whatever nature which would arise on a basis of fair and honorable dealings, even though not recognized by any existing rule of law or equity," irrespective of the fact that any claim otherwise might be barred "by law or any rule of law or equity, or that it is barred by any statute of limitation or by laches." Upon motion of the claimant, prior to the final submission of the case to the court, any suit pending in the Court of Claims or any claim for which suit in the Court of Claims has been authorized must be transferred to the Commission for determination. The Commission may hold hearings in any part of the United States or in Alaska and shall make a written "final determination" of each claim, including a statement "whether there are any allowable offsets, counterclaims, or other deductions, and, if so, the amount thereof."

It may certify to the Court of Claims for instructions any pertinent question of law and, upon petition of either party, the Court of Claims may require that any conclusion of law stated by the Commission as a basis for its final determination be certified to the said court for review and if the court finds error the Commission shall take action in conformity with the instructions of the court. Determinations of questions of law by the Court of Claims shall be subject to review by the Supreme Court. Each group of Indians may retain legal counsel and the interest of the United States shall be represented by the Attorney General or his assistants, who "shall have authority, with the approval of the Commission, to compromise any claim presented to the Commission." The Commission would be required to report each final determination to the Congress after expiration of the time for filing petitions in the Court of Claims with respect thereto and such final determination would have the effect of a final judgment and shall be paid in like manner as a judgment of the Court of Claims. Section 24 of the bill would extend the jurisdiction of the Court of Claims to claims of Indian tribes, etc., accruing after date of approval of this act. Section 12 of the bill provides:

"The Commission shall receive claims for a period of 5 years after the date of the approval of this act and no claim existing before such date but not presented within such period may thereafter be submitted to any court or administrative agency for consideration, nor will such claim thereafter be entertained by the Congress."

The question of establishing a new basis and new methods of procedure for disposition of the claims of Indian tribes or groups appears to be one peculiarly within the province of the Congress, as a matter of policy. However, I am glad to furnish such suggestions and recomendations as present themselves with respect to that question in connection with H. R. 4497. In order to discuss the effect of the proposed legislation, it seems necessary to state briefly the present method of handling Indian claims.

By separate acts of Congress in each case, certain tribes or bands of Indians have been authorized to file suit in the Court of Claims for money alleged to be due in fulfullment of treaties, agreements, act of Congress, etc. The petitions filed by the Indians are forwarded to this office by the Department of Justice for reports, which reports usually require a complete accounting and detailed explanation of practically all fiscal transactions between the plantiffs and the United States. Some petitions do not claim a definite amount but pray for a general accounting. The preparation of these reports requires careful search and analysis of available record pertaining to the fiscal relations between the plaintiffs and the United States, sometimes requiring several years for completion. In this connection, it may be stated that it appears impracticable to accelerate to any appreciable extent the preparation of such reports, inasmuch as the desired information is contained in a limited number of books and documents which can be made accessible to only a few employees at any given time. Accordingly, with respect to any Indian claim which involves an extensive search of the pertinent records, this element of delay will be present irrespective of the forum or the method provided for determining and adjudicating the claims.

This office has no information as to the congestion, if any, of the docket of the Court of Claims or as to any resulting delay in disposing of Indian suits. However, the court is authorized to appoint commissioners "to afford the Court of Claims needed facilities for the disposition of suits brought therein," and the members of the court, as well as the commissioners, are authorized to take evidence outside the District of Columbia, doubtless for the convenience of claimants as well as to facilitate the ascertainment of pertient facts (28 U. S. Code 269, 275a, 276).

The bill, H. R. 4497, would greatly broaden the basis for possible claims by Indians and, without further action by the Congress, would open the way for the filing of any and all claims which any tribe or group of Indians may have against the United States and for reopening every Indian claim which heretofore has been acted on by the Congress or adjudicated by the courts or otherwise disposed of—and such results almost certainly would follow, in view of the fact that the

proposed legislation would establish a new and more liberal basis for determining Indian claims. It is thought, too, that the proposed limitation of 5 years for filing claims would encourage the filing of questionable claims within that period in order that no possible claim should be barred. In this connection, there is for consideration, also, the fact that no statute can bind a subsequent Congress and it is to be expected that Indian claims will continue to be presented to and acted on by the Congress from time to time, irrespective of a contrary declaration of policy by a prior Congress.

It may be that enactment of the proposed legislation would expedite the disposition of some Indian claims, but whether such desirable effects as might result from such enactment would balance the undesirable effects appears open to serious doubt; and there is suggested for consideration the question whether justice to the Indians now living requires disposition of their claims on the liberal basis proposed in H. R. 4497, involving the questioning of all treaties and agreements with the ancestors of such Indians and the reopening of many or all claims heretofore determined in accordance with congressional action and the rules of judicial procedure. Presumably, most of the important and reasonably well-founded claims of Indian tribes or groups have been asserted by them and determined prior to this time.

In addition to the general objections above suggested, the bill contains a number of provisions which are open to specific objection of a serious nature. For example, section 2 would provide that the Commission, in determining whether a claimant is entitled to relief on legal grounds, shall apply with respect to the United States the same principles of law as would be applied to an ordinary fiduciary, and "shall make appropriate deductions for all payments made by the United States on the claim, and for all other offsets, counterclaims, and demands that would be allowable in a suit brought in the Court of Claims under section 145 of the Judicial Code (36 Stat. 1136; 28 U. S. C., sec. 250), as amended." The effect of such provisions would be to eliminate as offsets all gratuitous expenditures made by the United States for the Indians, insofar as legal claims submitted by the Indians to the Commission are concerned. Such gratuitous expenditures might be used as offsets, in the discretion of the Commission, with respect to "claims of whatever nature which would arise on a basis of fair and honorable dealings, even though not recognized by any existing rule of law or equity." With respect to such latter cases, section 2 provides:

"* * * the Commission * * * shall make such deductions * * * as it finds the entire course of dealings and accounts between the United States and the claimant in good conscience warrants. In making such finding the Commission shall take into account the economic and social conditions of the Indians involved, the extent to which they are possessed of resources adequate to permit them to become self-supporting at a standard of living comparable to that enjoyed by the citizens of the United States generally, and their ability to support necessary public services."

Such provision apparently would not only permit the abandonment of uniformity in the determination of offsets but would require such abandonment and would substitute for uniformity the broad discretion of the Commission as influenced by "the economic and social conditions of the Indians involved."

In this connection, it is to be noted that the set-off provisions of the act of August 12, 1935, 49 Stat. 596, were intended to be applicable to all suits pending or thereafter instituted in the Court of Claims by any Indian tribe or band against the United States, in order that there should be uniform and consistent disposition of questions involving set-offs and gratuities. However, the said act applies specifically to suits or claims of Indians in the Court of Claims only and would not apply to the Commission proposed to be established under the subject bill, unless the set-off provisions of the bill are amended. If the bill is to be favorably considered for enactment, it is strongly recommended that it be so amended as to require the Commission to consider and set off against any amount otherwise found due the claimant Indians gratuities as provided in section 2 of the said act of August 12, 1935, which section directs that in all suits then pending or thereafter filed in the Court of Claims by "any such tribe or band of Indians," the court shall consider and set off against any amount found due such tribe or band "all sums expended gratuitously by the United States for the benefit of such tribe or band," with certain exceptions specified in the act.

As hereinbefore suggested, another feature of the bill which appears open to objection arises from the fact that the exceptionally broad powers to be conferred upon the Commission to hear and determine "all claims of every nature whatsoever" against the United States, together with the provision that "no claim shall be excluded from consideration on the ground that it has become barred by law or any rule of law or equity," might be regarded as authorizing the reopening of all Indian claims and suits heretofore adjudicated by the courts or otherwise disposed of. In this connection, attention is invited to a table printed at pages 167 to 170 of the hearings before the Committee on Indian Affairs, House of Representatives, on H. R. 1198 and H. R. 1341, Seventy-ninth Congress—bills to create an Indian Claims Commission. The said table, which summarizes the results of suits by Indians in the Court of Claims, shows that the total of amounts allowed by the Court of Claims in such cases was $49,401,518.71 and that against this amount the court allowed offsets amounting to $29,387,217.74, thus reducing the net total amount of the judgments to $20,014,300.97. If H. R. 4497 is enacted in its present form, it might be anticipated that many of those suits would be reopened before the Commission and that, in view of the very liberal provisions of the bill, many of the amounts heretofore set off against the claims of Indians would not be allowed as offsets by the Commission.

With reference to transfer of suits to the Court of Claims, it is suggested that section 11 of the bill should be amended so as to provide for such transfers upon motion by either party instead of only upon motion of the claimant.

Attention is invited, also, to the provision in section 15 of the bill authorizing the Attorney General or his assistants, "with the approval of the Commission, to compromise any claim presented to the Commission." Such a provision is unusual in legislation relative to the disposition of claims against the United States and, it is thought, should be subjected to careful scrutiny before being given favorable consideration. Since the bill would authorize the Indians to assert "all claims of every nature whatsoever against the United States," it cannot be foreseen what claims may be asserted. In fact, as above suggested, it seems probable that there would be asserted a large number of claims, in a tremendous aggregate amount, and the said provision authorizing specified officials to compromise any claim asserted would expose such officials to many importunities and demands for settlement, while surrendering congressional control over the disposition of the said claims and the expenditure of large amounts of public funds.

For the reasons above set out, I am unable to recommend favorable consideration of H. R. 4497 in its present form. If the Congress regards as desirable some definite change in the methods of procedure for disposition of claims by Indian tribes or groups, there is suggested for consideration the desirability of establishing a commission or other body exclusively to hear and investigate such claims and report the facts and findings to the Court of Claims for adjudication; leaving undisturbed all claims and suits heretofore finally disposed of by the Congress, the courts, or otherwise; giving all such claimants a right to submit their claims for final adjudication without the enactment of special jurisdictional acts by the Congress, and protecting the Court of Claims from the undue burden which might result if all such claimants were permitted to file suits in the Court of Claims without special jurisdictional acts. Such a program should assure the orderly disposition of claims in accordance with the uniform practices and statutory provisions as to set-offs, etc., now prevailing. If desired, this Office would be glad to cooperate in the drafting of legislation for that purpose.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

Hon. JOHN J. COCHRAN,
House of Representatives,
Washington, D. C.

MY DEAR MR. CONGRESSMAN: This is in response to your request for my views with respect to the bill (H. R. 4497) to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes.

The bill would establish an Indian Claims Commission to hear and determine "all claims of every nature whatsoever against the United States on behalf of any Indian tribe, band, or other identifiable group of American Indians residing within the territorial limits of the United States or Alaska." The jurisdiction to be conferred on the Commission would embrace not only claims of a legal or equitable nature but also those claims which are based solely on moral or ethical grounds and are not ordinarily justifiable in a court. The Commission would be required to file in writing with its clerk the final determination made with respect to each claim presented to it. This determination would include its findings of fact upon which its conclusions are based, and a statement whether there are any just grounds for relief of the claimant and, if so, the amount thereof; whether there are any allowable offsets, counterclaims, or other deductions, and, if so, the amount thereof; and a statement of its reasons for its findings and conclusions.

The Commission would be authorized to certify to the Court of Claims questions of law concerning which instructions are desired and the court may thereupon give appropriate instructions on the questions certified. The Court of Claims upon petition of either party could require that any conclusion of law stated by the Commission as a basis for its final determination be certified to it for review. The determination of questions of law by the Court of Claims would be made subject to review by the Supreme Court of the United States upon writ of certiorari pursuant to section 3 of the Act of February 13, 1925 (43 Stat. 939, 28 U. S. C. 288) as amended. Upon its final determination of a claim and after the time for review has expired, or after the claim's final disposition following a review, the Commission would be required to report promptly thereon to the Congress. There would be set forth in the report the final determination of the Commission, a transcript of proceedings upon review, if any, with instructions of the Court of Claims and a statement of how each commissioner voted upon the final determination. This report would have the effect of a final judgment

which would be required to be paid in like manner as provided with respect to judgments of the Court of Claims.

This bill, in addition to its detailed provisions with respect to an Indian Claims Commission, provides, in effect, by section 24 for a general jurisdictional act conferring jurisdiction upon the Court of Claims with respect to all legal claims of Indian tribes, bands, or groups arising in the future.

In recent years there have been presented to the Congress several proposals for the establishment of a Commission to hear and determine all types of claims, legal, equitable, and moral which the various Indian tribes may assert against the United States. Apparently, the fundamental concept underlying these proposals is that they would provide a method for the disposition of certain claims which cannot be ordinarily considered by judicial tribunals and the determination of which would depend upon vaguely defined principles of moral philosophy and fair dealings. The basic purpose of the bill is in keeping with this concept. The prompt and final disposition of all claims of Indian tribes against the United States is, of course, greatly to be desired, but whether a plan along the lines proposed in the bill should be adopted is a question of legislative policy as to which I express no opinion. It may be stated, however, that if the proposal is adopted, doubtless hundreds of claims will be filed with the Commission most of which will probably be based upon moral consideration. Very large sums of money will be required if these claims are to any appreciable extent to be recognized. I, therefore, take the liberty of saying that before giving serious consideration to the adoption of a plan, such as proposed in the bill, the Congress should realize that huge sums of money amounting in all probability to many millions of dollars must be appropriated in order to satisfy the Indian claimants. I am also calling attention to certain features of the bill which appear to be objectionable.

(1) The bill provides in section 2 that "No claim shall be excluded from consideration on the ground that it has become barred by law or any rule of law or equity * * *." This provision would seem to be subject to the interpretation that a claimant might sue again upon a claim which has already been adjudicated or upon a claim which has been satisfied by compromise or settlement. It is even possible that this language might be interpreted to mean that a claimant would be entitled to seek from the Commission an additional recovery upon a claim which had been successfully prosecuted in the Court of Claims. The hearings entitled "Creation of Indian Claims Commission" before the Committee on Indian Affairs, House of Representatives, on H. R. 1198 and H. R. 1341 (bills similar to H. R. 4497), held on March 2, 3, and 28, June 11 and 14, 1945, set forth on page 164 a total of nearly $1,500,000,000 in claims made by Indian tribes against the United States which have been dismissed by the Court of Claims. While the amount of these claims is no doubt greatly exaggerated the claimants would evidently be entitled under the language quoted to present them to the Indian Claims Commission and it would appear quite likely that most of them would be urged before the Commission on the ground that even though not sound as legal claims, they should be allowed as moral claims.

(2) The bill also provides in section 2 that the Commission in determining whether a claimant is entitled to relief on legal grounds, shall treat the United States as an ordinary fiduciary. The justification for such a provision is not apparent, for if the claim is one based upon legal grounds the Commission ought to determine, according to principles of law, just what fiduciary duty, if any, existed with respect to the claim against the United States and not be compelled to treat the United States as an ordinary fiduciary when it was in fact under no such duty.

(3) The bill would provide that when the report of the Commission determining any claimant to be entitled to recover has been filed with the Congress, such report would have the effect of a final judgment to be paid in like manner as are judgments of the Court of Claims. This provision would make the Commission virtually a court with the power to determine claims based both upon legal and moral grounds rather than a fact-finding body as an aid to Congress. In view of the vague basis upon which many of the claims presented to the Commission would be predicated, and the extremely novel character of the functions delegated to the Commission, the question is raised of whether or not the recognition of the claims should not rest finally with the Congress. The provision making the findings of the Commission binding upon Congress would constitute a surrender by Congress of its very necessary prerogative to sift and control this unusual type of claim against the Government.

(4) The bill makes no provision under which the Commission would be required to offset against the amount due any sum expended gratuitously by the United States for the benefit of the claimant. The only provision for offsetting such expenditures is that they may be offset in the discretion of the Commission and to the extent believed by the Commission to be warranted and then only with respect to moral claims.

By the act of August 12, 1935 (49 Stat. 571, 596, 25 U. S. C. 475a), the Congress has declared as a matter of policy that the Court of Claims shall offset against the amount of any judgment awarded to an Indian tribe all sums expended gratuitously by the United States for the benefit of that tribe. Under the provisions of the bill, the Indian Claims Commission would replace the Court of Claims as the body determining the liability of the United States. It would seem that the Congress would desire to adhere to the declared policy expressed in the act of August 12, 1935, which is evidently based upon the idea that the gratuitous expenditure represents a substitute for money which would have been expended from tribal funds had the amount claimed in the suit been standing to the credit of the tribe at the time of the expenditure.

In view of the provisions of the bill under which claims are not to be excluded from consideration because barred by law or any rule of law or equity, it seems quite likely that should the bill be enacted all claims allowed in the Court of Claims that were either reduced or wiped out because of gratuitous offsets would not be presented to the Indian Claims Commission for payment in full without any reduction for gratuitous offsets. Under the terms of the bill these claims would not be "barred by law or any rule of law or equity." Furthermore, since they have already been allowed by the Court of Claims as legal claims against the Government, the Indian Claims Commission would apparently not be authorized to offset gratuitous expenditures against them, as such expenditures are permitted by the bill to be offset only as against moral claims. If this interpretation of the provisions of the bill is correct (and it is a possible interpretation) the result would be that the Indian tribes against whose recoveries in the Court of Claims gratuity offsets have been made would be entitled to recover the amount of such offsets. The hearings to which attention has already been called include a table (pp. 167–170) setting forth offsets in the amount of $29,387,217.74, made over the years in Indian tribal cases in the Court of Claims. As recently as February 4 the Court of Claims denied recovery in cases filed by the Sioux Tribe of Indians because gratuitous expenditures in the sum of nearly $2,500,000 were offset, thus entirely wiping out the claims. It is quite possible that should the bill be enacted this entire sum of more than $31,000,000 would be payable to the Indian tribes involved upon a mere filing of the claims with the Commission. It is suggested that should the Congress desire thus, in effect, to repeal retroactively all provisions of statutes requiring the offset of gratuitous expenditures in Indian tribal cases, a more satisfactory method to accomplish the purpose would be through the appropriation of the sums for the respective tribes rather than through the indirection of having the claims pass through the Indian Claims Commission and come to the Congress in the form of judgments required to be rendered against the United States by the Commission.

(5) With respect to section 24, which in effect provides for a general jurisdictional act for all legal claims of Indian tribes arising in the future, I may say that the primary purpose of establishing an Indian Claims Commission, as I understand, is to furnish redress to the Indian tribes with respect to claims arising against the United States during the period of the settlement and expansion of this country. Most of these claims, I assume, are of a moral character and are not based upon legal principles. Thus, the problems presented by the proposal made in section 24 are quite different from those dealt with in the remainder of the bill. If the Tucker Act (286 U. S. C. 250) is to be amended in substance so as to provide for suits against the United States by Indian tribes, bands, or groups, that proposal probably should be considered in a separate piece of legislation.

In view of the foregoing considerations, I am unable to recommend enactment of the bill.

I am advised by the Director of the Bureau of the Budget that there would be no objection to the presentation of this report and that the enactment of the proposed legislation would not be in accord with the program of the President.

With kind personal regards,

Sincerely yours,

TOM CLARK,
Attorney General.

Mr. SABATH. Mr. Speaker, I am pleased and gratified that the little misunderstanding as to the provisions of the bill has been cleared up. Consequently I feel there can be no opposition to the rule so I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. JACKSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4497) to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of H. R. 4497, with Mr. MONRONEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Washington is recognized for 30 minutes.

Mr. JACKSON. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from Washington is recognized.

. Mr. JACKSON. Mr. Chairman, before proceeding to an explanation of the objectives and provisions of the Indian Claims Commission bill, H. R. 4497, I should like to express my appreciation and that of the entire Indian Affairs Committee for the very courteous and sympathetic consideration which the Rules Committee of this House has given us in granting a rule on this legislation. I believe that the Rules Committee was unanimous in allowing this rule just as our own committee was unanimous in recommending enactment of the bill. As I see it, the bill is not controversial in its objectives but it does deal with subject matter that is difficult and susceptible to many misunderstandings. It would thus be impossible to clear up all such misunderstandings within the limits of this debate.

When I say that this legislation is noncontroversial as to its major objectives, I have in mind that both the Republican and the Democratic platforms have pledged the enactment of legislation along the lines of H. R. 4497, which is itself a bipartisan product based upon the Stigler bill (H. R. 1198) and the Robertson bill (H. R. 1341). I have in mind that all the Indian tribes and departmental agencies that testified before our committee in hearings extending over several months have agreed on the main principles of this legislation. I have in mind that similar legislation was unanimously passed by the Senate in 1935 but failed at that session to come up for a vote in the House. I have in mind also the fact that such legislation has since 1935 been repeatedly recommended by the Senate Committee on Indian Affairs. In fact, since 1928 when at the suggestion, I believe, of President Hoover, a comprehensive study was made by the Brookings Institution of our Indian administration, every group, private or public, that has studied this Indian problem has come to the conclusion that there ought to be a prompt and final settlement of all claims between the Government and its Indian citizens, and that the best way to accomplish this purpose is to set up temporarily an Indian Claims Commission which will sift all these claims, subject to appropriate judicial review, and bring them to a conclusion once and for all. That, in brief, is what H. R. 4497 seeks to accomplish.

Today every citizen of the United States who is not an Indian has the right to go to the Court of Claims for an adjudication on his agreements with the Government whenever he feels that such agreements have been violated. Why should not Mr. Indian have the same right in this respect as any of his fellow citizens? The discrimination against the Indian is a relic of old times when Indians were not citizens and were classed with foreigners, as far as suits in the Court of Claims are concerned. Since 1924, when the last noncitizen Indian became an American citizen, pursuant to act of Congress, there has been no reason in the world why Indians should not have the same right to sue in the Court of Claims as anyone else. I do not know of anyone who would contend that the Indians should not have that right. I do not know of anyone on either side of the aisle here who would contend that Indians alone should be subject to illegal action by Government officials in the mishandling of Indian property and the denial of Indian rights without having full and free recourse to the Court of Claims. I hope we can all agree on these general objectives because if we can I think the reasons behind the specific provisions of H. R. 4497 will commend themselves to the sympathetic consideration of all the Members of this House.

Your Indian Affairs Committee has been attempting for many years to see that the Indian is permitted to enjoy full rights of citizenship. At the close of World War I the excellent combat record of the American Indian led the Congress to enact legislation extending citizenship to all native-born Indians who had not already attained citizenship under various special laws and agreements going back as far as 1817. But in some respects the Indian has attained the shadow of citizenship and not the substance. The most important of these respects in which the Indian is discriminated against by existing law is this matter of the right to sue on claims against the Government. Back in 1863 when the entire Nation was at war, with many Indian tribes actively participating on both sides of that war, the Congress passed a special law excluding Indian treaties and agreements from the jurisdiction of our Court of Claims, and from that day to this no Indian tribe has been able to secure a hearing on any claims based on wrongful acts of Federal officials, except by virtue of a special act of Congress. Such special acts are costly of time and effort. In effect, they require the Indians to prove their case in both Houses of Congress before they can get into the Court of Claims. And both Houses of Congress have more important and pressing business to attend to. The result is that our piecemeal approach to this problem is costing millions of dollars in waste motion—in reports on pending bills by various Government departments and so forth—that does nobody any good and the Indian claims become more complicated and more expensive to investigate the longer their settlement is delayed.

H. R. 4497 would put an end to the discriminatory statute of 1863, which prevents the Court of Claims from considering contracts and agreements with Indians on the same basis that it considers every other type of contract or agreement. But that, by itself, would not entirely solve the problem, because since 1863 these cases have been accumulating and it would swamp the courts to decree an immediate hearing on the accumulated grievances of 83 years. In order to secure the most expeditious and economical disposition of this great backlog of Indian cases, your committee thought it appropriate to provide for a special temporary commission that would hear all pending claims within the next 5 years and, subject to review on points of law by the Court of Claims and the Supreme Court, make its report back to the Congress concerning the merits or demerits of each case.

Until we enact Indian claims legislation we are going to continue to spend large sums of money on the salaries of personnel who are employed to give relief and special services to people who would not need relief and special services if we paid up our just debts to them.

The Interior Department itself has suggested that it ought not to be in a position where its employees can mishandle funds and lands of a national trusteeship without complete accountability. To continue the present situation is not in the national interest. To continue the present situation is to perpetuate misunderstandings and resentments and wild expectations of imaginary future wealth in Indian minds that, in many cases, keep Indians from concentrating their energies along productive and sound economic lines. To continue this situation is also to perpetuate clouds on white men's titles that interfere with the proper development of our public domain.

Let us pay up our debts. Let us pay our debts to the Indian tribes that sold us the land that we live on. They sold it for little enough, generally a few cents an acre. Let us at least pay what we promised to pay, if we have not already done so, and let us see that the Indians have their fair day in court so that they can call the various Government agencies to account on the obligations that the Federal Government assumed. And let us make sure that when the Indians have their day in court they have an opportunity to present all their claims of every kind, shape, and variety, so that this problem can truly be solved once and for all without coming back to haunt us or our successors in the form of further bills to extend the jurisdiction that this bill would confer on an Indian Claims Commission.

I realize that the subject is a complicated one—I might even say a forbidding one—to those who have not given it much time and thought, and I should therefore like to spend a few minutes in giving the high lights of the various sections of the Indian Claims Commission bill.

The most important section of the bill is section 2, which defines the jurisdiction of the claims and counterclaims that the Indian Claims Commission is to consider. It was the unanimous opinion of the committee that the jurisdiction of the Commission ought to be broad enough so that no tribe could come back to Congress 10 years from now and say that it had a meritorious claim which the Claims Commission was not authorized to consider.

In order to make sure that we have included all possible claims within the jurisdiction of the Commission, we have gone over the various special Indian jurisdictional acts that Congress has passed in recent years and put together the various phrases that are used in these different acts. We might have condensed this language but we thought it best even at the risk of some duplication or overlapping to make sure that we had covered every sort of case which Con-

gress has in recent years considered worthy of a hearing. It will be noted that some of the categories refer to purely legal claims, while others refer to claims based on equity and fair dealing, such as Congress permitted to be heard in the California Claims Act of 1928, and the Alaskan Tlingit and Haida Claims Act of 1935. There is nothing novel or unprecedented, therefore, in allowing suits based on principles of equity and fair dealing. It must be remembered that many Indian cases, even cases arising comparatively recently, involve the interpretation of provisions in treaties or agreements made many years ago when Indian tribes were treated as "domestic dependent nations" and treaties were made with them, subject to Senate ratification, in the same manner as foreign treaties. It is perfectly obvious that if a mistake was made in writing out the agreed terms of such a treaty or if a boundary was incorrectly drawn under the treaty, that is not the kind of question that is ordinarily subject to private litigation in our domestic courts, and our ordinary rules of tort and contract do not reach to those questions. Really, we are dealing here with a kind of limited international law and it is for that reason that we have to bring in such standards as "fair and honorable dealing" in order to give the Commission a proper guide to action. I do not see how anybody can object to that phrase in this context. We have been telling foreign nations for many years that we expect them to live up to standards of "fair and honorable dealing" in their relations with us and with their weaker neighbors. I do not think we should be afraid to apply the same standards to our own dealings with the Indian tribes that once held this land from the Atlantic to the Pacific.

On the matter of offsets, section 2 provides—beginning at page 3, line 4—that Indians shall be subject to the same rules as other American citizens with respect to offsets and counterclaims, and that there should be no discrimination against Indians as such. This means that if the Indian claimants are bringing the kind of suit based on private rules of law that any other citizen or corporation might bring in the Court of Claims, they should be subject to the same offsets or counterclaims as other citizens, namely, a deduction of past payments made by the Government in settlement of the claim or other debts owed by the claimants to the United States. They ought not to be subject to a deduction just because the Government once gave some members of the tribe relief rations or spent money for military control of the Indian country. After all, if a private claimant makes a contract to sell shoes to the Government, we do not expect the Court of Claims to deduct from the price of the shoes that the Government has promised to pay an amount that might correspond to the education the claimant has received in the schools of the District of Columbia, or the cost that the United States was put to in furnishing him a soldier's uniform, or anything of that sort. All we are insisting on in this bill is that the Indians be treated on an equal basis with other citizens where their suits are the kind of suits that other citizens might bring.

In those cases which are peculiar to Indians, which are, I might say, more or less international cases, and which the Commission would handle on a basis of "fair and honorable dealing," the bill does provide that "all expenditures or grants of money or property, including gratuities, made by the United States for the benefit of the claimant" should be considered by the Commission as possible offsets against any recovery. In deciding whether or not any such past gift to the Indians should be deducted from a recovery, the Commission is instructed to consider the present economic condition of the Indians involved. This is in accord with a suggestion made some months ago by two Justices of the United States Supreme Court that we ought to consider the present needs as well as the past circumstances of the claimant tribe.

Section 3 of the bill—beginning at page 4—provides for a temporary bipartisan three-man Commission, the members of which are to devote full time to the work of the Commission. It is the hope of the committee that at least one of the members appointed by the President to this Commission should be an Indian. As a condition of service, however, an Indian so appointed would be expected to relinquish any interest he might have in any Indian claims.

The next important section of the bill is section 12—beginning at page 7, line 23—which provides that all Indian claims shall be presented to the Commission within 5 years and that "no claim existing before such date but not presented within such period may thereafter be submitted to any court or administrative agency for consideration." In other words, we would be outlawing all claims not presented within 5 years. I think that is a reasonable and workable limit. When we set up a Court of Private Land Claims in California in 1851 we set a limit of 2 years on the presentation of Spanish and Mexican claims. We cleared up the situation in that period of time and so far as I know we have not reopened the question since. From time to time we have set up other special temporary commissions on Indian claims, such as the Dawes Commission and the Pueblo Lands Board, which were able to clear up within a few years problems that had been troublesome for many decades. The decisions of the Dawes Commission and the Pueblo Lands Board have not been overthrown either by the courts or by later Congresses. I think we can expect as much finality in the work of this Indian Claims Commission provided we give it a jurisdiction broad enough to deal with the entire problem as it now exists and provided we require all Indian tribes to present their claims within 5 years or forever hold their peace.

The next important section of the bill is section 20, which provides for review of Commission decisions by the Court of Claims and by the Supreme Court. Such review on points of law is to be had either by certiorari from the reviewing court—the Court of Claims or the Supreme Court as the case may be—or by way of certification of legal questions presented by the Commission itself. The findings of fact of the Commission are made final. Otherwise the very lengthy and complicated record in each of these cases would have to be reopened in each appeal. In the interests of economy we felt that it was proper to restrict appeal in these cases to questions of law, and only to such questions of law as the Commission or the Court of Claims or the Supreme Court might consider doubtful enough to warrant review.

Section 21, page 14, and section 22, page 15, provide for reports of Commission decisions to Congress, which decisions are to be treated in like manner as judgments of the Court of Claims. Congress, of course, always retains the final power to make appropriations and to pay or decline to pay any such judgment, but as a matter of fact, Congress always has voted appropriations to pay judgments against the Federal Treasury and we can reasonably expect that it will continue to do so.

Section 23, page 15, provides for the termination of the Commission after 10 years or at such earlier date as the Commission shall have made its final report on claims filed with it.

Finally, section 24 of the bill provides that with respect to all grievances that may arise hereafter Indians shall be treated on the same basis as other citizens of the United States in suits before the Court of Claims, so that it will never again be necessary to pass special Indian jurisdictional acts in order to permit the Indians to secure a court adjudication on any misappropriations of Indian funds or of any other Indian property by Federal officials that might occur in the future.

Section 25 contains the usual repeal of inconsistent prior legislation.

I sincerely believe that this bill represents the best thought that this House and all the other interested agencies of Government have been able to give to this problem over a period of more than a decade. This bill is fair to the Indian and fair to his neighbors and fair to the United States. It will save money in the long run. It will put an end to un-American discrimination against the original Americans.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from New Jersey.

Mr. HAND. The gentleman has twice referred to the fact that the Indians in connection with their claims against the Government are discriminated against. Does not this bill provide for discrimination in favor of Indians? For example, I call the gentleman's attention to page 2, line 24, reading as follows:

> No claim shall be excluded from consideration on the ground that it has become barred by law or any rule of law or equity or that it is barred by any statute of limitation or by laches.

The rule of contributory negligence lies against the gentleman's constituents and mine when we go into court. Why does this bill discriminate in favor of the Indians?

Mr. JACKSON. In the handling of these Indian claims there are some very unique situations, to say the least. Many of these claims are not necessarily legal obligations but they are moral obligations of the Government of the United States. As I understand it, technically the statute of limitations will run against most of these claims because they did not have the means of getting into court—they having been barred by action of Congress in 1863.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is it not true that in the contracts and agreements between the Government and the Indian you are dealing in effect with a contract between a guardian and his ward? You are dealing with contracts as between two contracting parties of equal standing. This throws the claim as between the ward and the guardian on a different basis than that existing as between two contracting parties of equal competency.

Mr. JACKSON. That is correct.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Maine.

Mr. HALE. I just want to call attention to the language on page 2, lines 18 to 21, which permits the recovery of claims of whatever nature which would arise on a basis of fair and honorable dealings, even though not recognized by any existing rule of law or equity. Does not the gentleman think that language is pretty broad on any view?

Mr. JACKSON. No; I might say, as a matter of fact though I may be in error on this, and I am calling on my colleague, the gentleman from Oklahoma [Mr. STIGLER], who is more familiar with some of the previous statutes that have been passed, my recollection is that this and similar language has been used in special statutes for getting into the Court of Claims, because of the very nature of the claim. If they barred it on rules of law and equity, there would not be anything to get into the courts on. My point is that this language has been used time and time again in special acts which have been passed by the Congress. We are now going at it in a piecemeal fashion, and it is costing us $100,000 a year to have reports prepared by the Department of Justice and the Department of the Interior.

Mr. STIGLER. That is correct.

Mr. JACKSON. The Indian law is a bit complicated. It has a long background. It is becoming more continuous and more complicated. I have about as few Indians in my district as any district in this country; probably not more than 2,000 or 3,000 in the entire district. I have given a lot of thought to this problem as have the other members of the committee, and we have come to the conclusion that unless these claims are settled once and for all, we will never settle this Indian problem in the United States. We are appropriating now $30,000,000 a year to the Indian Service, trying to take care of the Indians on a paternalistic basis, and the result is that as long as these claims are pending, the Indians will stay on the reservations; they will never want to leave, and it simply means more cost to the Government, and from an economic standpoint we have come to the conclusion that this is about the only solution.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. JACKSON. Mr. Chairman, I yield myself five additional minutes.

Mr. STIGLER. Mr. Chairman, if the gentleman will yield, I might add further that a lot of these claims represent not only moral obligations but are predicated on treaties entered into by the United States Government.

Mr. JACKSON. Since 1863, I will say to the gentleman from Oklahoma, it is my understanding that they have not been able to go into a court to enforce treaties that have been previously entered into because they have no way of getting in by virtue of the law that was passed.

Mr. STIGLER. Without a special jurisdictional act.

Mr. JACKSON. That is right. The result is that Congress will pass a jurisdictional act about once every 2 years, and that has been going on since 1863, and we are now trying to settle this business once and for all.

Let me say that there has been a lot of talk about reopening of cases. There will not be any reopening here of any cases that have been previously adjudicated. Is it not fair and honorable on the part of the Government of the United States to let these claims be settled once and for all? If Congress does not want to appropriate the money after the Commission has made its determination, that is up to Congress, but let us get this thing settled.

Mr. HAND. Mr. Chairman, if the gentleman will yield further, how much longer does the gentleman think that we are going to have to continue this paternalistic attitude toward our Indian residents and citizens and spend $30,000,000 on their tutelage?

Mr. JACKSON. I think that is a very fair question. I think that as long as these claims remain unsettled and until some final disposition is made we are going to continue on indefinitely. It is getting worse every year. All of the witnesses who appeared before our committee appreciate the problem that we are faced with.

A lot of the Indians have gone on to school and graduated, but they come back to the reservation to live there. Why? Because they feel that if they leave and lose their enrollment status they will not be able to participate in their ancestral claim if it is settled, so they go back to the reservation.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. As a matter of fact, at least on the reservation with which I am familiar, if an Indian wants to leave the reservation and take a job they ask him if he wants a patent to his land so that he can take the assets from that and convert it into a house where he has his job. They ask him to sign not merely a waiver of his rights on that particular land but a waiver of all of his tribal claims and interests. That operates to hold him on the reservation. If we get these claims settled, it will encourage the Indians to feel free to leave.

Mr. JACKSON. I appreciate the gentleman's comment because I know he has several thousand Indians in his State and is familiar with the problem. I believe the gentleman from Oklahoma [Mr. STIGLER] will concur in that statement.

I think, frankly, this bill goes to the real heart of this problem. If you are ever going to settle this Indian question in the United States, you have to settle these claims. Our only interest is to try to economize in this matter. I believe it is real economy to pass this legislation, because if history is true we are going to continue to pass these special jurisdictional acts from now until the end of time. The result is that even though you do not pass these bills you have all these reports and investigations that are going on regularly year after year and are costing the Government $100,000 a year.

This bill requires that all the claims be filed within 5 years and that final disposition be made of the claims within 10 years from the date of the enactment of the legislation. I think you will go a long way toward cutting down the cost of operation of the Bureau of Indian Affairs. That is the unanimous feeling of the committee. I think the House ought to give it most serious consideration.

Mr. STEFAN. Mr. Chairman, will the gentleman yield,

Mr. JACKSON. I yield to the gentleman from Nebraska.

Mr. STEFAN. I concur in everything the gentleman has to say regarding the necessity for this legislation. May I ask the gentleman how many members would be on the Commission.

Mr. JACKSON. Three members would be on the Commission.

Mr. STEFAN. Does the bill provide for one of the members to be an Indian?

Mr. JACKSON. No, it does not. We had that in there originally and took it out.

Mr. STEFAN. It would not prohibit the appointment of an Indian?

Mr. JACKSON. It would not prohibit it. It is the usual statutory language for establishing a commission of this kind, that not more than two members are to be of the same party, so the way the Commission would be set up it would provide, in effect, for two Democrats and one Republican.

Mr. STEFAN. But it would not prohibit an Indian being appointed to the Commission?

Mr. JACKSON. Absolutely not. We just felt it probably would not be proper to have an express provision of that kind in the bill. However, I think the members of the committee would be happy if someone of Indian blood would be on the Commission.

Mr. MUNDT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill has been well explained by the chairman of the House Committee on Indian Affairs and comes to you, as you know, with the unanimous report of the committee. It is a bill on which the committee has worked long and hard in an effort to fulfill the mandates placed upon Congress by the national conventions of the two major political parties of this country. Both the Democratic National Convention and the Republican National Convention faithfully and clearly promised the American Indians that they would pass the Claims Commission bill, and we have endeavored to bring before you a bill which would implement those platform promises.

It is inconceivable to me that there is going to be any serious objection to this legislation once it is clearly understood. The gentleman from New York [Mr. TABER] has called attention to some clarifying language which should be written into the bill, and we are ready to present a committee amendment which has the unanimous support of the committee to meet that objection. I think the gentleman is presently working on a change in that language which we will be happy to accept, because we have in mind only the settlement of the claims which have not yet had an opportunity to be heard in the courts of this country.

Another thing about this legislation is that it grows out of a resolution which the House adopted about 2 years ago, House Resolution 166 which I introduced, setting up an investigating committee to investigate Indian conditions in this country. That was under the able leadership of the then chairman, the late departed James O'Connor, of Montana.

It was my privilege to serve as vice chairman of that investigating committee. Our committee reported back at length in a committee report issued December 23, 1944, in which we listed four factors which today are causing the Indians to remain on the reservations and which are retarding the progress of the Indians who desire to be rehabilitated at the white man's level in the white man's economy. One of those flaws was the fact that there are inadequate provisions in present legislation and Bureau regulations to make final settlement of prevailing Indian claims. Anybody familiar with Indians at all realizes that the Indian is reluctant and unwilling to leave his reservation so long as he feels he has an unsettled claim against the Government. He is no different in that regard from what you or I would be, because under the Indian traditions, when a man leaves his reservation he is likely to lose his tribal status and lose his right to inherit or to receive or participate in that portion of the Indian claim which may eventually be settled.

Mr. SPARKMAN. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I am happy to yield to the gentleman.

Mr. SPARKMAN. I was interested in what the gentleman was saying about the investigating committee that served in the last Congress, I believe. May I ask the gentleman if this bill is the outcome of that investigation or does it result from the recommendation of that committee?

Mr. MUNDT. It does entirely.

Mr. SPARKMAN. Does the gentleman think this legislation will get at those conditions that he just recited in the report?

Mr. MUNDT. I feel certain it will. We have checked these provisions very carefully with not only the Indian Office down here but, what is more important, with the Indians themselves. It meets with their approval and it meets with the approval of everybody we can find who has had any experience or background or knowledge concerning this whole perplexing problem of Indian claims.

As has been pointed out previously, we are now spending about $100,000 a year from the standpoint of employing Government counsel to meet and offset the arguments of Indians who are presenting their claims. From the $100,000, the Indians get nothing. No one gets anything except a few Government attorneys who are employed. Their job, of course, is to defend the Government against these claims.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I am happy to yield.

Mr. GRANGER. As a matter of economy, does not the gentleman think that a procedure of this kind actually in the long run will mean an actual economy; and would not the gathering of these facts as to these claims submitted to the impartial board be of great assistance to the Congress so that it would leave us free and there would not be any coloring of the personality of the members on these claims; and would not the public be better served all around?

Mr. MUNDT. The gentleman has made a very good point. We have spent on Indian Affairs alone over $600,000,000 in the last 20 years in trying to take care of the Indians on the reservations. Our investigating committee reported to the last Congress in our report No. 2091, that we have been urging and driving the Indian Bureau to facilitate the movement of Indians from the reservations into the white man's economy. But we always run up against the same road block—the Indian claims. Until and unless the Congress takes action to dispose of these claims, it simply means that these annual appropriations for the Indian Service and the Indian Bureau and for the bureaucrats who run them are going to have to be made, and the Indians will stay on their reservations, and we will get no place steadily in promoting the real interest and advancement of the Indian.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to my chairman.

Mr. JACKSON. Is it not true, may I say to the gentleman from South Dakota, that it costs more to take care of the Indians in the United States than it costs to operate the legislative branch of the Government?

Mr. MUNDT. That is correct.

Mr. JACKSON. Twenty-six million dollars, I believe it is, the budget this year for the legislative branch of the Government, and the Bureau of Indian Affairs, I believe, is going to get $30,000,000 this year.

Mr. MUNDT. That is right. The Bureau tells us furthermore that $30,000,000 is entirely inadequate and in that statement the Bureau is right. They cannot even provide for a decent status or standard of living for the Indian on the reservation with $30,000,000.

Mr. STIGLER. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I am happy to yield to the gentleman.

Mr. STIGLER. Is it not a fact that that does not include the amount that the Indians spend out of their own tribal funds?

Mr. MUNDT. That is right.

Mr. STIGLER. That $30,000,000 is spent by the Government alone.

Mr. MUNDT. As the gentleman well knows, because he has original Indian blood coursing through his veins, some of our Indian tribes have a considerable amount of money in their own hands but they are not free so that they can spend it themselves and they refuse to "detribalize," if there is such a term, because they have in the back of their minds that the Indian claims are going to be settled and it is going to provide them a great bounty from now on forever. Therefore this claims problem must in one way or another be liquidated. We are never going to get anything done by bringing in little tribal or individual Indian claims bills, one at a time, as we have for more than a century and a half in Congress.

We have to do it by bringing the whole claims situation into one picture and attacking it in one particular bill. I think this Indian Claims Commission bill is directed properly and wisely into that channel.

When I speak of the financial side of this legislation I am not thinking simply of the salaries of the members of this Commission and their staff. I am thinking in larger terms than that. We have been appropriating funds for Indian administration at least since 1775, when Benjamin Franklin, Patrick Henry, and James Wilson were appointed Indian Commissioners by the Continental Congress. For 170 years the total of our annual appropriations for this purpose has been growing. Today our Indian population is increasing twice as rapidly as our white population. Unless we do something to reach a fair, just, and permanent solution to the Indian problem that will incorporate the Indian into our national economy, we are going to have to look forward to spending increasing millions every year on Indian administration. That would be the inevitable result of a "do nothing" policy. That would be the result of defeating this legislation. That result—endlessly increasing expenditures—may be attractive to some bureaucrats in the Indian Bureau or the Justice Department but it is not attractive to me. That prospect is no more attractive to the other members of our Indian Affairs Committee or to the Indians. I and the other members of the Indian Affairs Committee feel very strongly that the sooner we get to the bottom of this problem and work out a

fair, just, and permanent solution, the better it will be for all concerned.

With that in mind, our committee urged 2 years ago that the House set up a Select Committee to Investigate Indian Affairs and Conditions in the United States. Our recommendation met with the approval of this House. Incidentally, we spent less than half of the $15,000 that was voted for this investigation. We hoped thereby to set an example of economy to some of the Government agencies. We came back and made our report in December 1944. It is Report No. 2091, to which I have already referred.

The bill that is now before this House carries out 1 of the 16 major recommendations of that report. Several others of our recommendations have already been acted upon. We are making progress. But until an Indian Claims Commission is set up we cannot gain much additional ground.

Our investigations revealed that throughout the country there were thousands of Indians who would not continue as members of Indian tribes, would not live on reservations, would not get services from Indian agencies, would not be a drain upon the Federal revenues, but would go out and find their place in the economy of their white neighbors, were it not for the fact that they are encouraged to believe that somewhere at the end of the rainbow is a great pot of gold that will come to their tribe when the United States finally settles its accounts with the Indians. That anxiety to participate in a big settlement is only natural.

Let us get this picture cleared up. If we still owe these Indians anything for the lands that they have sold us or for any lands that we have taken by mistake without payment, let us settle up, and if it is found that many of these Indian claims are without merit, let us have that cleared up and made a matter of record, and let us bring an end once and for all to Indian claims bills and Indian claims cases. That will be good for the Indian and it will be good for the United States as a whole.

In December 1944 our special investigation committee reported that failure to secure final settlement of prevailing Indian claims cases was "prominent among the factors retarding the progress of the Indian," and that this in fact was among the "four major reasons for the disappointing progress which has been made after over 150 years of Government supervision of the American Indian." Our committee reported that only by establishing adequate machinery for the final settlement of these claims could we succeed in "removing from Government supervision Indians ready, able, and willing to step into the white man's society as full-fledged citizens."

There is a second side of this financial picture that impressed our investigating committee. This was the fact that under present legislative procedures Indian claims bills shuttle back and forth from the Court of Claims to Congress and often have a life tenure of 20, 30, or 40 years. That process is enormously costly and unsatisfactory to everyone. It means that Government clerks and attorneys in the Interior Department, the Department of Justice and the General Accounting Office spend years and years examining and reexamining Indian claims in an effort to determine whether the Indians should have a day in court. and of course, when a special jurisdictional bill is enacted, the process of investigation starts all over again. Then, only too often, the Court of Claims or the Supreme Court finds some fault with the language of the jurisdictional act, and the Indians come back for an amended jurisdictional act and the merry-go-round starts up again. In the last 20 years the General Accounting Office alone has spent over a million dollars in reporting on Indian claims bills. And not one cent of that went to any Indian to settle any claim. Justice and Interior and the committees of Congress have probably spent comparable sums. That, in the judgment of your committee, threatens to be an endless waste of the taxpayer's money. This dilly-dallying with the claims problem, according to our investigating committee's findings, promises to "continue to be a real road block on the path to Indian independence 100 years from now." For that reason your special investigating committee recommended that legislation be adopted to fix a final date after which no more Indian claims would be considered by any agency or instrumentality of the Government and to provide for a claims commission that would find the facts and make final determinations on all pending Indian claims cases within a period not exceeding 10 years. We ought to have a definite time table; we ought to know that, once having given the Indians a fair opportunity to present their cases, this chapter in our history and this expense to our taxpayers will be concluded once and for all. That is my chief concern in the bill that is before us.

For your further information, I shall include in the RECORD at this point the entire section of the report our investigating committee made on the subject of Indian Claims:

(3) Indian claims: Indian claims of varying degrees of legality, morality, and merit remain outstanding against the Government in the aggregate sum of many hundreds of millions of dollars. Some of these claims are of unquestioned merit; others are highly questionable. Their existence, however, serves to hold the Indian to his life on the reservation through fear that separation from the tribe might deprive him of his share of a settlement which he believes the Government may some day make. They also serve to induce Indians to employ attorneys to plead their claim cases before congressional committees at considerable expense to the individual Indian or his tribe as well as to the Government.

At the present rate of settlement and adjudication of these claims, they will still continue to be a real road block on the path to Indian independence 100 years from now. Some definite action is urgent to dispose of these claims, finally and completely, so that those which are just may be paid and those which are unjust may be so designated and rejected for once and all.

Your committee recommends that the Seventy-ninth Congress enact legislation setting up an Indian Claims Commission, suitably staffed and sufficiently empowered to proceed as follows: (1) File and consider all Indian claims whether legal (growing out of contract or treaty obligations) or moral (growing out of ethical obligations allegedly owed by the Government for injustices against the Indian) up until the 31st day of December 1950 after which no more Indian claims presently outstanding are to be considered by any agency or instrumentality of either branch of the Government; (2) determine which claims are legal and which are moral, and so classify them; (3) certify to the Court of Claims all legal claims so that the Court of Claims will have jurisdiction for making final settlement of these claims and determining what, if any, offsets should be made growing out of gratuities and advancements; (4) make recommendations to Congress for the appropriation of whatever amount of money is found to be right and equitable for the final settlement of all moral claims, if any, which are found to be meritorious and warranted.

It is further recommended that this legislation be so enacted as to set December 31, 1955, as the final date for the complete settlement and payment of all presently outstanding Indian claims.

Both major political parties have repeatedly pledged themselves to the final settlement of all outstanding Indian claims. Your committee believes the time has come to redeem these pledges. We also recommend that at least one Indian be made a member of the proposed Indian Claims Commission.

I am satisfied that the objectives of this report cannot be realized unless we give the Commission the broadest possible jurisdiction to consider every Indian grievance, real or fancied, and to provide Congress with a final and objective appraisal of all these alleged claims. What we pay on those claims that are found to be valid is not likely to be out of line with the $43,000,000 that we have already paid on the most pressing of the Indian claims which have gone to judgment during the past 80 years. I make no attempt to guess what the precise figure of our just debts to the Indian tribes may be, but I do predict that the total of our payments under this bill will be but as a drop in the bucket compared with the prospect of our continuing to spend more than $300,000,000 every 10 years on an Indian administration that could be radically curtailed if we paid the Indians what we owe them and let them go on their way as self-respecting American citizens rather than puppets of an endless bureaucracy.

Does it make sense to spend millions of dollars every year on salaries of Government employees who are doing for the Indians the things the Indians could do for themselves if we paid up our debts to them? Does it make sense to keep them in poverty by not paying our debts to them and then spend millions curing the disease and ignorance that is the fruit of poverty? Here we are, a great Nation, voting billions in gifts to poor people all over the earth, protecting minorities all over the earth. Here is our own oldest minority, people who are proud but poor, people who will not stir from the doors of their tepees and cabins until we have heard their grievances and settled them. Are we to strain our eyes looking across the oceans and forget our own at home? Remember this minority of ours will not be helped by loans or relief from Britain

or Russia if we let them down. They have only Congress to look to. Let us vote today to redeem our oft-repeated pledges to the American Indian.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Is there anything in this bill which permits claims which have heretofore been passed upon by the Court of Claims and upon which adverse decisions have been rendered, to be reopened and reexamined under the provisions of this bill? The contention has been made this afternoon that such is the purport of section 2 of the bill.

Mr. MUNDT. I might say that while the gentleman was inadvertently called from the floor a few minutes ago that matter came up, and we read a committee amendment, which has been prepared and agreed upon, which specifically states that issues which have been solved in the Court of Claims could not be used by the Commission in determining its findings.

Mr. KEEFE. In other words, those claims that have already been tried and heard before the Court of Claims, or upon which the Congress has heretofore acted, are res adjudicata as far as those claims are concerned, and the enactment of this legislation will not revive them so as to bring into reexamination this whole field that has already been passed upon?

Mr. MUNDT. The gentleman states it well in the fancy language for which attorneys are accustomed to charging their clients equally fancy fees.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. JACKSON. It was the intention all the way through to bar all claims that have been previously adjudicated. So there would not be any question about it, however, we have an amendment which the gentleman has already read into the RECORD, which makes that particular point specific in the language of the bill itself.

Mr. MUNDT. Correct.

Mr. KEEFE. I regret I was compelled to be at an Appropriation Committee hearing up until this time and was not familiar with what had transpired. But I am happy to note that you have provided such an amendment in the bill.

Mr. MUNDT. In the gentleman's absence that other great guardian of the Treasury, the gentleman from New York [Mr. TABER] raised the same point. I think we have worked out a harmonious solution of that question, and I believe the bill with its proposed amendments should now receive the overwhelming approval of this House.

I have nothing more to say for myself, but before I conclude I want to give you the words of a group of old Indian chiefs who, twenty-odd years ago, said what shines through the years with the clarity that simple truths contain:

> We have also been told that you have said that our claim is too large. We have never put any price on our lands, or on the rights you took away from us without our consent. All we have asked, all we now ask is that the matter be settled; that you permit your Court of Claims to decide whatever it is just for you to pay us. Are you not willing to pay that; are you not willing to pay whatever you justly owe; whether it is big or little? We are told that you are the head of the wealthiest Nation in the whole world; that the United States is a benevolent Nation, that has given hundreds of thousands of dollars—great sums that the poor Indian cannot comprehend—to the poor people across the ocean in the countries where the great World War was fought, and where our own sons fought, bled, and died, fighting shoulder to shoulder with your own sons. Whatever your courts may decide and fix upon as the amount justly due us for the lands and rights taken from us will be as but a leaf from the great tree of your wealth; it will be but as a small twig from the branch that you broke off and gave away. Is not the heart that gives away big enough to move you to pay the just debt, be it little or big, that you owe to us poor Indians?
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> An Indian pays his debts before he gives a potlatch.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. MUNDT. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. ROBERTSON].

Mr. ROBERTSON of North Dakota. Mr. Chairman, the bill now before the House, H. R. 4497, has been drafted after an exhaustive study by the committee of all the questions involved. It is an attempt to give to the American Indian a legal forum with jurisdiction to hear and determine all claims of every nature whatsoever he may have, or believes he has, against the United States.

It is a lamentable fact that the courts of this country are not open to the Indians and our civil liberties have never been given to them. In other words, the Indians have no rights which any department of this Government is bound to respect. This condition has existed from the beginning of our Government in spite of the fact that the fifth amendment to the Constitution says:

> No person shall be deprived of life, liberty, or property without due process of law.

Certainly an Indian is a "person."

Not only is the Indian a "person," but nearly the whole continent of the United States was once owned by the Indians, and the thousands of claims presented by them arise for the most part out of the encroachment upon their rights by white men for several hundred years.

At the present time there is no legal forum open to the Indians. The only process he can follow is to secure passage of a jurisdictional act through the Congress of the United States. I believe the record will show that no jurisdictional act has been passed by this Congress in the last 6 or 7 years. The Committee on Indian Affairs has reported several jurisdictional bills giving the Indians the right to go to the Court of Claims, but these bills have not been passed by the House due to the rule requiring unanimous consent to pass a bill of this sort.

Since the court of claims has been established, of the 98 suits brought by Indians before the court, they have won 28 and lost 70.

The passage of this bill will give to the Indian a fair tribunal to which he may bring all claims of every nature, whether in law or in equity, and give him that protection which he has long been denied.

Recognizing the unfair treatment accorded the Indians over the years, this House passed House Resolution 166 in the Seventy-eighth Congress, creating a select committee of the Committee on Indian Affairs to make an investigation to determine whether the changed status of the Indian requires a revision of the laws and regulations affecting the American Indian. After extended hearings and taking testimony of representatives of the Indian race all over the country, that committee reported as follows:

> Indian claims of varying degrees of legality, morality, and merit remain outstanding against the Government in the aggregate sum of many hundreds of millions of dollars. Some of these claims are of unquestioned merit; others are highly questionable. Their existence, however, serves to hold the Indian to his life on the reservation through fear that separation from the tribe might deprive him of his share of a settlement which he believes the Government may some day make. They also serve to induce Indians to employ attorneys to plead their claim cases before congressional committees at considerable expense to the individual Indian or his tribe as well as to the Government.
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> At the present rate of settlement and adjudication of these claims, they will still continue to be a real road block on the path to Indian independence 100 years from now. Some definite action is urgent to dispose of these claims, finally and completely, so that those which are just may be paid and those which are unjust may be so designated and rejected for once and all.

Both major political parties have pledged themselves in their respective platforms to legislation of this kind.

We should no longer neglect the fulfillment of this pledge to the original Americans of this country.

Mr. JACKSON. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. STIGLER].

Mr. STIGLER. Mr. Chairman, the bill we are now considering, known as H. R. 4497, grew out of H. R. 1341, introduced by my colleague the gentleman from South Dakota, Congressman ROBERTSON, and H. R. 1198, introduced by me. Extensive hearings were had on both bills on March 2, 3, and 28, and June 11 and 14, 1945, after which a "clean" bill was introduced by the gentleman from Washington, the Honorable HENRY JACKSON, the distinguished chairman of our House Indian Affairs Committee, and it is that bill that is now before the House.

Our House Rules Committee gave a unanimous report on a rule permitting this legislation to come to the floor. I am told that it is the first time in about 12 years that any legislation emanating from the House Indian Affairs Committee affecting Indians has been given a rule. For this I desire to thank the entire membership of the Rules Committee.

This bill creates a commission of three, appointed by the President subject to confirmation of the Senate, to hear and determine all claims of every nature whatsoever against the United States on behalf of any Indian tribe, band, or other identifiable group of American Indians

residing within the territorial limits of the United States or Alaska.

Primarily, the bill is designed to right a continued wrong to our Indian citizens for which no possible justification can be asserted. It is an attempt to meet a recognized problem and a situation admitted to be unsatisfactory which has been before the Congress and the Departments for many years. The United States Court of Claims has held in the Jaeger case that the courts of this country are not open to the Indians and our civil liberties have never been given to them. That, Mr. Chairman, is a very pathetic situation, when the original Americans here in the United States can have no forum under the Stars and Stripes where they have a right to go and assert their rights. Certainly, the Indians have rights the same as other people. The fifth amendment to our Constitution guarantees that, wherein it says, "No person shall be deprived of life, liberty, or property without due process of law." Mark the words, "no person."

Today any white man who has supplied goods or services to the United States under contract might, if the United States has failed to carry out its part of the bargain, go into the Court of Claims, or in certain cases into the Federal district courts, and secure a full, free, and fair hearing on his claim against the Government. Not so the Indian. He is the only American citizen today who is denied such recourse to the courts.

By virtue of a statute adopted on March 3, 1863—Twelfth Statutes 765–767—all claims against the United States growing out of Indian treaties were barred from the jurisdiction of the Court of Claims, and from that day to this no Indians have been able to bring their disputes with the Federal Government before the Court of Claims without a special act of Congress permitting them to receive the hearing that is the right of every American citizen to demand without special legislation.

The question of establishing an Indian Claims Commission is not new to the Congress of the United States. Repeated efforts have been made to create such a commission to hear and determine once and for all any and all claims which any Indian tribe, band, or group may have against the United States. The report of the House Select Committee to Investigate Indian Affairs recommended that this legislation be enacted. Both major political parties have repeatedly pledged themselves to the final settlement of all outstanding Indian claims. The time has come, Mr. Chairman, when the Congress should redeem these pledges.

One outstanding feature of the proposed Indian Claims Commission, as it would be established by the pending bill, is the provision for final disposition of claims. Under the pending bill the determination of the Commission would be subject to judicial review as to matters of law. Once the reviewing process had been completed, the determinations would be reported to the Congress and would have the effect of the final judgment of the Court of Claims and would be paid in a like manner.

The bill before us allows 5 years, during which time any tribe may file its claim against the Government and it allows the Commission an additional 5 years in which to hear and determine the same. In addition, the Commission would be given jurisdiction over so-called moral claims, as well as over claims strictly legal in nature. This authority would overcome the defect in the present system under which many of the claims of the Indians are precluded from a hearing on their merits on technical legal grounds, even though the claims may be such as would challenge the conscience of a court of equity.

Oklahoma, as has been pointed out before, has one-third of the total Indian population of the United States. On April 23, 1945, there was a concurrent resolution passed by the Oklahoma State Legislature memorializing Congress to enact legislation creating an Indian Claims Commission. Governor Kerr filed a statement with the Rules Committee urging that a rule be given. Oklahoma and particularly my district is very much interested in seeing this bill passed.

It may be interesting to note that the Court of Claims has dismissed various suits filed by various tribes amounting to the sum of $1,412,749,509.66, and since 1884 definite recoveries have been allowed in the sum of $9,390,937.53.

At the time the hearings were being conducted on this legislation, there were pending cases in the United States Court of Claims, definite in amount, in the sum of $55,942,955.50.

There are still many Indian claims unsettled, all of which constitute a barrier to the exercise by the Indians of their tribal rights and liberties, either those traditionally exercised or those specifically granted by statute. Not until these claims are settled can the United States ever approach the solution of the Indian problem desired by all.

The slight cost involved would be more than offset by settling issues which have been costly to the United States, and in the absence of the Claims Commission will continue to be costly. No argument of economy should prevail. The Commission is only temporary, created for a specific purpose, and its cost comparatively trivial. Furthermore, the satisfaction of claims increasing the capital funds of many tribes would reduce the need of annual appropriations for services which the tribes themselves could support. Experience with some tribes has already demonstrated that.

The United States has been dealing with the Indians by treaty, agreement, and contract in buying and selling land, timber, and minerals amounting in value to many hundreds of millions of dollars. We have been told that about 95 percent of our public domain was purchased from the Indians by the Federal Government, and it has been estimated that about $800,000,000 was paid to the Indians in this process.

There is no factual basis for the view that Indian claims are all of ancient origin. But even if there are some claims that have roots in 80- or 90-year-old treaties, it is difficult to understand why their age should deprive the aggrieved Indians of appropriate relief.

One of the most eloquent pleas I ever read was made by a group of Indians from the State of Washington with reference to claims they had against the United States Government. In discussing their claims, they said:

> We are told that you * * * have said that our claims are too old. Who made them old; who delayed the settlement? We are your children; we are your wards; we can do nothing without your consent. We have been—we are now—helpless unless you act. We cannot bring suit against you in your courts. If settlement with us has been delayed, it has been due to your own fault. It is not the fault of the poor, ignorant, helpless Indian. Will you take advantage of your own fault? Will you say, "I delayed a long time settling with my children; now because I delayed so long I will not settle with them at all"? An Indian does not so pay his debt. If he cannot pay it his children pay it. We cannot believe that you * * * meant to take advantage of the poor Indian, and refuse to pay him because of your own delay.

I am wondering today, Mr. Chairman, if Congress means to take advantage of the poor Indian and refuse to pay him because of its own delay. Here at long last Congress has an opportunity to pay a debt long overdue. By failing to do this, you will compromise the national honor of the United States.

Some of you may be considering voting against this measure because it establishes a new Commission. Personally, I too feel like it is time to cease establishing any new agencies, but I feel under the circumstances that the consideration calling for the establishment of this Commission is overwhelming.

No Indian claim is ever forgotten until it is heard and decided. Sooner or later all existing claims, even under the protracted delays of existing procedures, are likely to come to judgment. These claims do not dwindle in amount with the passing of years. In many cases they grow, and meanwhile the United States spends every year millions of dollars in furnishing the Indians with educational and other services which they could furnish themselves, as do white communities similarly situated, if they had in their control the funds that are rightfully theirs.

It has been repeatedly testified by many witnesses, and various investigating committees have found and reported, that the settlement of outstanding Indian claims would lay the basis for the drastic reduction of the annual Federal outlay for the Bureau of Indian Affairs, which, at the present rate, runs to something like $30,000,000 a year and shows little signs of diminishing during the next half century. If the result of the proposed adjudication of existing claims will be, as our committee confidently expects, to permit a reduction of at least 50 percent in Federal expenditures on Indians during the next 50 years, the total ultimate saving in such expenditures would be in the neighborhood of $750,000,000, a sum many times the most optimistic estimate made by the Indians of probable recoveries on all existing claims.

May I point out to you that approximately 40 out of 80 or 100 existing tribes have had some or all of their claims adjudicated. The total of actual cash recoveries allowed in approximately 135 cases decided by the Court of Claims since its establishment in 1855 is in the neighborhood of $43,000,000, and these funds have been used generally in such a way as to minimize or eliminate Federal gratuity appropriations for such tribes as the Klamath, the Wind River Shoshone, and the New York Indians.

Mr. Chairman, no one could make a more convincing argument in regard to the United States settling its debt with the Indians on claims against our Government than was made by the Colville and Okanogan Indians, of Washington, some years ago, when they said:

We have also been told that you have said that our claim is too large. We have never put any price on our lands, or on the rights you took away from us without our consent. All we have asked, all we now ask, is that the matter be settled; that you permit your Court of Claims to decide whatever it is just for you to pay us. Are you not willing to pay that; are you not willing to pay whatever you justly owe; whether it is big or little? We are told that you are the head of the wealthiest Nation in the whole world; that the United States is a benevolent Nation, that has given hundreds of thousands of dollars—great sums that the poor Indian cannot comprehend—to the poor people across the ocean in the countries where the great World War was fought, and where our own sons fought, bled, and died, fighting shoulder to shoulder with your own sons. Whatever your courts may decide and fix upon as the amount justly due us for the lands and rights taken from us will be as but a leaf from the great tree of your wealth; it will be but as a small twig from the branch that you broke off and gave away. Is not the heart that gives away big enough to move you to pay the just debt, be it little or big, that you owe to us poor Indians?

An Indian pays his debts before he gives a potlatch.

Not much can be added to this plea. The plea is just as strong today as it was at the time it was made. I am asking the Members of Congress this afternoon to heed that plea and right a wrong which was committed by our Government in some instances many decades ago.

Mr. MUNDT. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, this bill is much needed. It is in keeping with the commitments made by both political parties at their respective national conventions in 1944 when they met at Chicago. This bill is designed to treat the Indians the same as other citizens. It is legislation that is long overdue the Indians in this country. It affords them the same consideration and respect that others with valid claims against the Government have been given from time to time.

A vote against this bill is a vote discriminating against our Indian citizens. Justice, equity, and fair play is all our Indians ask and I hope this bill will have the unanimous support of this House when a vote is taken on final passage of the bill.

Mr. MUNDT. Mr. Chairman, I yield such time as he may desire to the gentleman from South Dakota [Mr. CASE.]

INDIAN CLAIMS COMMISSION

Mr. CASE of South Dakota. Mr. Chairman, the bill H. R. 4497 should pass as a matter of right and justice. It proposes to establish an Indian Claims Commission to "hear and determine all claims of every nature whatsoever against the United States on behalf of any Indian tribe, band, or other identifiable group of American Indians residing within the territorial limits of the United States or Alaska."

The bill in section 22, says:

When the report of the Commission determining any claimant entitled to recover has been filed with the Congress, such report shall have the effect of a final judgment and shall be paid in like manner as are judgments of the Court of Claims.

REPUBLICAN PARTY PLEDGE

This bill, then seeks, to carry out the pledges that have been made by the national conventions of the great political parties of our Nation in recent years. I quote the following pledge from the Republican national platform of 1944:

We pledge an immediate, just, and final settlement of all Indian claims between the Government and the Indian citizenship of the Nation.

A similar pledge has been made in Democratic platforms. And today, we see the Committee on Indian Affairs, composed of members of both parties, unanimously reporting this bill to the House of Representatives and asking for its passage.

I congratulate the members of that committee, of which I was once a member, on the work they have done in bringing the bill to this floor and I urge its passage today. I especially want to commend the chairman of the committee, the gentleman from Washington, the Honorable HENRY M. JACKSON, and the ranking Republican member, my colleague the gentleman from South Dakota, the Honorable KARL E. MUNDT, for their work in the committee and before the Rules Committee, in preparing the bill for our consideration here today.

WOUNDED KNEE CLAIMS

The bill will not remedy every wrong that has been done the Indian tribes of this country but its passage here and in the body at the other end of the Capitol and its signature by the President will open the door for the settlement of honest claims which have never had their day in court.

As an illustration, I might say that in my opinion this bill, if enacted into law, will make possible consideration of the claims of the Sioux Indians who were injured or suffered losses in the Wounded Knee massacre. That is an identifiable band or group of Indians whose claims have never been determined in court, although as the result of hearings which were obtained when I was a member of the Indian Affairs Committee, a few years ago, a bill for settlement was favorably reported.

OLD-AGE ASSISTANCE LIENS

Another claim of more recent origin should be admissible under the terms of this bill, and that is the one for recovery of Indian money wrongfully taken, in my judgment, to liquidate liens for old-age assistance.

In passing upon the famous Black Hills claims, the Court of Claims has pointed out the terms of the act of February 28, 1877, promised:

In consideration of the foregoing cession of territory and rights, and upon full compliance with each and every obligation assumed by the said Indians, the United States does agree to provide all necessary aid to assist the said Indians in the work of civilization; to furnish them schools and instruction in the mechanical and agricultural arts, as provided for by the treaty of 1868. Also to provide the said Indians with subsistence consisting of a ration for each individual of a pound and a half of beef (or in lieu thereof, one-half pound of bacon), one half-pound of flour, and one-half pound of corn; and for every 100 rations, 4 pounds of coffee, 8 pounds of sugar, and 3 pounds of beans, or in lieu of said articles the equivalent thereof, in the discretion of the Commissioner of Indian Affairs. Such rations, or so much thereof as may be necessary, shall be continued until the Indians are able to support themselves.

And while the cession of lands under the treaty of 1868 was never ratified under the terms of that treaty, which required approval by three-fourths of the adult males, the Government proceeded on that basis and not only ratified its pledges in this act of February 28, 1877, but confirmed them in subsequent legislation in 1889.

Furthermore, those pledges of this assistance to "needy Indians" were cited by the Court of Claims in its holding that compensation was given for the lands of the Black Hills country.

Yet today, when aged Indians needing this assistance are extended paltry sums as small as $5 or $9 or $11 per month, liens are filed against their trust land allotments and money derived from their sale or lease is taken to pay back the old-age assistance that has been extended to them. The lands, it should be remembered, either belonged to the Indians or were also granted to them as part payment of the compensation for the lands taken. That is, part of the compensation given is being taken back and made to pay the other part.

AERIAL GUNNERY RANGE

The most outstanding example of such injustice, I think, came in the treatment accorded Indians who had lands in an area wanted by the Government for an aerial gunnery range for an air base during the recent war. The lands were taken by the Government at the prices the Government appraisers fixed; the money was turned over to the Superintendent at Pine Ridge Agency, and the money, in turn, was then seized to satisfy liens that had been placed on the lands for old-age assistance. And if any balance remained, the aged Indian was taken off the old-age assistance rolls and required to live up that balance before he could be restored to eligibility for the aid which had been promised him as compensation for lands earlier taken.

I do not know what the lawyers will say, but in my judgment this constitutes a claim to which consideration can be given by the Commission to be created if the bill now pending becomes law.

MUST EXAMINE PENDING CLAIMS

There are some of the older claims of the Sioux which may receive consideration under this bill but it is impossible to tell which ones until we know what form this bill finally takes. In order to obtain agreement for passage of the bill today, I understand, it may be necessary to accept an amendment which will throw out claims which have been passed upon by courts in some degree heretofore. We shall have to examine those claims carefully to see whether undecided issues remain for further consideration.

Be that as it may, this bill offers a chance to get an evaluation of all claims the Sioux tribes and other tribes may have.

It is the biggest step in the direction of settling Indian claims that has been taken in many, many years, and will benefit the Government and Indians alike. With these old claims passed upon, the road will open for a new day in the life of the Indians of this Nation. They will know where they stand. Either the claims will be marked as good for settlement or good for nothing.

CHANCE FOR A NEW DAY

The individual Indian will know where he stands. If he has something coming as a member of a tribe, there will be a chance to know how much it amounts to and when he may expect payment. If it is determined that he has nothing coming, he can say good-by to the dream as he does to a day that is gone, and start on a new day.

Mr. Chairman, no racial group in America showed greater loyalty to the Nation in her hour of trial during the late war than did the American Indian, and the Indian citizens of this country are entitled to an accounting, a settlement of their claims. This bill does not propose to give them anything they do not have coming; it proposes to determine what they have coming and to make a settlement. That is but simple justice to any claimant against the Government. It is particularly due the Indians who have been wards of the Government, and who, when the testing time came, proved themselves stanch, true, and courageous warriors for the cause of the United States. This bill should pass today.

Mr. MUNDT. Mr. Chairman, I yield such time as he may desire to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I am not a member of the Indian Affairs Committee, but I am in favor of the passage of H. R. 4497, a bill that creates an Indian Claims Commission, which commission is to pass upon and settle all Indian claims of every nature whatsoever against the United States.

Ever since I have been a Member of Congress I have had occasion to appear before the House Indian Affairs Committee in connection with some of these claims. I know that most of the time of that committee is taken up with these old claims. These claims should have been adjusted and settled years ago.

Just why Congress has neglected these claims so long is beyond my understanding. This commission when created, I am sure, will settle these claims in fairness and justice to the Indians. Long enough have these settlements been neglected. The time has arrived to dispose of them in accordance with equity and justice to the Indians, and once and for all. I am sure every Member of Congress who is familiar with these claims will support this legislation.

Mr. MUNDT. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, I speak on behalf of the members of the Winnebago, Omaha, Santee Sioux, and Ponca Indians, who live in the Third District of Nebraska. I favor the immediate passage of H. R. 4497, which seeks to create an Indian claims commission. Members of the Indian tribes whom I have the honor to represent favor the passage of this legislation, because it is a long time overdue. This legislation will give our Indian citizens the same rights as citizens which is extended to the white citizen. These Indians have been discriminated against too long. Their claims have been discriminated against time and again when these claims reached this body. This legislation is needed now more than ever. I am pleased to have the assurance of the chairman of the committee that in the selection of commissioners, should this legislation be enacted into law, Indians will not be discriminated against and that an Indian will have the right to be appointed on the commission. I feel the commission would be strengthened if an Indian is appointed as one of the commissioners. I shall be happy to report to the Indians of the Third District of Nebraska that this legislation has finally been given the approval of this House of Representatives. I urge a favorable vote on the bill.

Mr. MUNDT. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I want to ask the chairman of the committee a question. The Comptroller in his letter advises that offsets cannot be made in the same manner that they are now being made against Indian claims by the Government. Would the gentleman be able to answer that question?

Mr. JACKSON. Mr. Chairman, it is my understanding that offsets and counter claims will be permissible in these proceedings the same as now provided in the Court of Claims. At least, that is the intention of the committee.

Mr. TABER. That is the intention of the language that appears on page 3, lines 7 to 13?

Mr. JACKSON. Yes; that is correct?

Mr. TABER. I thank the gentleman.

Mr. JACKSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, as a member of the Committee on Indian Affairs, I have studied this measure and believe it good legislation. I favor it and shall give it my wholehearted support. At this late hour I do not care to go over the matter any more fully than my colleagues on the committee have done, but I do believe it is a necessary and timely enactment.

As has already been pointed out, we have had before the House many Indian claim measures. During the short time that I have been a Member of Congress, I have tried often to get a meritorious claim passed by the House, dealing with some land connected with the Apache Reservation known as the San Carlos Reservation in Arizona. However, we have never had time to consider that bill adequately and therefore no such legislation has been passed. How much better it is that this and all other such claims, very greatly involved, should be submitted to an impartial board of experts who can weigh all the evidence and make their recommendations. This Congress has far too many and far more important matters to give adequate consideration to such claims, although the claims themselves are important and they do seriously affect the lives of so many of our Indian citizens.

Time will not permit the pointing out of the justice of giving better consideration now to Indian claims. After the First World War, we recognized the Nation's debt to Indian veterans. After the Second World War, we should do likewise in recognizing the great debt we owe to Indian veterans by some such legislation as this which will guarantee a greater measure of justice in the Government's dealings with them. It is with this thought that I call on my colleagues to give their support to this bill.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That there is hereby created and established an Indian Claims Commission, hereafter referred to as the Commission.

JURISDICTION

SEC. 2. The Commission shall hear and determine all claims of every nature whatsoever against the United States on behalf of any Indian tribe, band, or other identifiable group of American Indians residing within the territorial limits of the United States or Alaska. Such claims shall include, but shall not be confined to, (1) claims arising under the Constitution, laws, treaties of the United States, and executive orders of the President; (2) claims whether sounding in contract or tort or otherwise, with respect to which the claimant would have been entitled to redress in a court of the United States if the United States were subject to suit; (3) claims which would result if the treaties, contracts, and agreements between the claimant and the United States were revised on the ground of fraud, duress, unconscionable consideration, mutual or unilateral mistake, whether of law or fact, or any other ground cognizable by a court of equity; (4) claims on account of any breach of duty committed to the injury of the claimant by any officer or agent of the United States while acting within the apparent scope of his authority; (5) claims arising from the taking by the United States, whether as the result of a treaty of cession or otherwise, of lands owned or occupied by the claimant without the payment for such lands of compensation agreed to by the claimant; and (6) claims of whatever nature which would arise on a basis of fair and honorable dealings, even

though not recognized by any existing rule of law or equity. No claim accruing after the date of the approval of this act shall be considered by the Commission.

No claim shall be excluded from consideration on the ground that it has become barred by law or any rule of law or equity, or that it is barred by any statute of limitations or by laches.

The Commission, in determining whether a claimant is entitled to relief on legal grounds, shall apply with respect to the United States the same principles of law as would be applied to an ordinary fiduciary. In determining the quantum of relief the Commission shall make appropriate deductions for all payments made by the United State on the claim, and for all other offsets, counterclaims, and demands that would be allowable in a suit brought in the Court of Claims under section 145 of the Judicial Code (36 Stat. 1136; 28 U. S. C., sec. 250), as amended. Where the Commission determines that the claimant is entitled to relief, in whole or in part, solely on the grounds specified in clause (6) of the first paragraph of this section, it shall inquire into all expenditures or grants of money or property, including gratuities, made by the United States for the benefit of the claimant, and shall make such deductions on account thereof, in addition to the deductions required by the preceding sentence, as it finds the entire course of dealings and accounts between the United States and the claimant in good conscience warrants. In making such finding the Commission shall take into account the economic and social conditions of the Indians involved, the extent to which they are possessed of resources adequate to permit them to become self-supporting at a standard of living comparable to that enjoyed by the citizens of the United States generally, and their ability to support necessary public services.

MEMBERSHIP APPOINTMENT; OATH; SALARY

SEC. 3. (a) The Commission shall consist of a Chief Commissioner and two Associate Commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate, and each of whom shall receive a salary of $10,000 per year. At all times at least two members of the Commission shall be members of the bar of the Supreme Court of the United States in good standing: *Provided further*, That not more than two of the members shall be of the same political party. Each of them shall take an oath to support the Constitution of the United States and to discharge faithfully the duties of his office.

TERM OF OFFICE; VACANCIES; REMOVAL

(b) The Commissioners shall hold office during their good behavior until the dissolution of the Commission as hereinafter provided. Vacancies shall be filled in the same manner as the original appointments. Members of the Commission may be removed by the President for cause after notice and opportunity to be heard.

NOT TO ENGAGE IN OTHER VOCATIONS OR REPRESENT TRIBES

(c) No Commissioner shall engage in any other business, vocation, or employment during his term of office nor shall he, during his term of office or for a period of 2 years thereafter, represent any Indian tribe, band, or group in any matter whatsoever, or have any financial interest in the outcome of any tribal claim. Any person violating the provisions of this subdivision shall be fined not more than $10,000 or imprisoned not more than 2 years, or both.

QUORUM

(d) Two members shall constitute a quorum, and the agreement of two members shall be necessary to any and all determinations for the transaction of the business of the Commission, and, if there be a quorum, no vacancy shall impair or affect the business of the Commission, or its determinations.

STAFF OF COMMISSION

SEC. 4. The Commission shall appoint a clerk and such other employees as shall be requisite to conduct the business of the Commission. All such employees shall take oath for the faithful discharge of their duties and shall be under the direction of the Commission in the performance thereof.

OFFICES

SEC. 5. The principal office of the Commission shall be in the District of Columbia.

EXPENSES OF COMMISSION

SEC. 6. All necessary expenses of the Commission shall be paid on the presentation of itemized vouchers therefor approved by the Chief Commissioner or other member or officer designated by the Commission.

TIME OF MEETINGS

SEC. 7. The time of the meetings of the Commission shall be prescribed by the Commission.

RECORD

SEC. 8. A full written record shall be kept of all hearings and proceedings of the Commission and shall be open to public inspection.

CONTROL OF PROCEDURE

SEC. 9. The Commission shall have power to establish its own rules of procedure.

PRESENTATION OF CLAIM

SEC. 10. Any claim within the provisions of this act may be presented to the Commission by any member of an Indian tribe, band, or other identifiable group of Indians as the representative of all its members; but wherever any tribal organization exists, recognized by the Secretary of the Interior as having authority to represent such tribe, band, or group, such organization shall be accorded the exclusive privilege of representing such Indians, unless fraud, collusion, or laches on the part of such organization be shown to the satisfaction of the Commission.

TRANSFER OF SUITS FROM COURT OF CLAIMS

SEC. 11. Any suit pending in the Court of Claims or any claim for which suit in the Court of Claims has been authorized at the time of the approval of this act may be transferred to the Commission as of right upon motion of the claimant at any time prior to the final submission of the case to the court, and upon such transfer all further proceedings shall be in accordance with the provisions of this act, except that any provision of the jurisdictional act under which the suit was authorized, relating to the jurisdiction of the court, any cause of action, or any special measure of damages, shall, unless formally waived by the claimant, be equally applicable to the proceedings before the Commission. In the event of such a transfer, the claimant shall continue to be represented by its attorney or attorneys under their approved existing contract according to its terms.

LIMITATIONS

SEC. 12. The Commission shall receive claims for a period of 5 years after the date of the approval of this act and no claim existing before such date but not presented within such period may thereafter be submitted to any court or administrative agency for consideration, nor will such claim thereafter be entertained by the Congress.

NOTICE AND INVESTIGATION

SEC. 13. (a) As soon as practicable the Commission shall send a written explanation of the provisions of this act to the recognized head of each Indian tribe and band, and to any other identifiable groups of American Indians existing as distinct entities, residing within the territorial limits of the United States and Alaska, and to the superintendents of all Indian agencies, who shall promulgate the same, and shall request that a detailed statement of all claims be sent to the Commission, together with the names of aged or invalid Indians from whom depositions should be taken immediately and a summary of their proposed testimonies.

(b) The Commission shall establish an Investigation Division to investigate all claims referred to it by the Commission for the purpose of discovering the facts relating thereto. The Division shall make a complete and thorough search for all evidence affecting each claim, utilizing all documents and records in the possession of the Court of Claims and the several Government departments, and shall submit such evidence to the Commission. The Division shall make available to the Indians concerned and to any interested Federal agency any data in its possession relating to the rights and claims of any Indian.

CALLS UPON DEPARTMENTS FOR INFORMATION

SEC. 14. The Commission shall have the power to call upon any of the departments of the Government for any information it may deem necessary, and shall have the use of all records, hearings, and reports made by the committees of each House of Congress, when deemed necessary in the prosecution of its business.

At the trial of any suit or proceeding instituted hereunder, any official letter, paper, document, map, or record in the possession of any officer or department, or court of the United States or committee of Congress (or a certified copy thereof), may be used in evidence insofar as relevant and material, including any deposition or other testimony of record in any suit or proceeding in any court of the United States to which an Indian or Indian tribe or group was a party, and the appropriate department of the Government of the United States shall give to the attorneys for all tribes or groups full and free access to such letters, papers, documents, maps, or records as may be useful to said attorneys in the preparation for trial or determination of any suit or proceeding instituted hereunder, and shall afford facilities for the examination of the same and, upon written request by said attorneys, shall furnish certified copies thereof.

REPRESENTATION BY ATTORNEYS

SEC. 15. Each such tribe, band, or other identifiable group of Indians may retain to represent its interests in the presentation of claims before the Commission an attorney or attorneys at law, of its own selection, whose practice before the Commission shall be regulated by its adopted procedure. The fees of such attorney or attorneys for all services rendered in prosecuting the claim in question, whether before the Commission or otherwise, shall, unless the amount of such fees is stipulated in the approved contract between the attorney or attorneys and the claimant, be fixed by the Commission at 10 percent of the amount recovered, plus all reasonable expenses incurred in the prosecution of the claim, except that the Commission may award a lesser sum if, in accordance with standards obtaining for prosecuting similar contingent claims in a court of law, it finds such to be adequate compensation for services rendered and results achieved, considering the contingent nature of the case. The attorney or attorneys for any such tribe, band, or group as shall have been organized pursuant to section 16 of the act of June 18, 1934 (48 Stat. 987; 25 U. S. C., sec. 476), shall be selected pursuant to the constitution and bylaws of such tribe, band, or group. The employment of attorneys for all other claimants shall be subject to the provisions of sections 2103 to 2106, inclusive,

of the Revised Statutes (25 U. S. C., secs. 81, 82–84).

The Attorney General or his assistants shall represent the United States in all claims presented to the Commission, and shall have authority, with the approval of the Commission, to compromise any claim presented to the Commission. Any such compromise shall be submitted by the Commission to the Congress as a part of its report as provided in section 21 hereof in the same manner as final determinations of the Commission, and shall be subject to the provisions of section 22 hereof.

NO MEMEER OF CONGRESS TO PRACTICE BEFORE COMMISSION

SEC. 16. No Senator or Member of or Delegate to Congress shall, during his continuance in office, practice before the Commission.

HEARING

SEC. 17. The Commission shall give reasonable notice to the interested parties and an opportunity for them to be heard and to present evidence before making any final determination upon any claim. Hearings may be held in any part of the United States or in the Territory of Alaska.

TESTIMONY

SEC. 18. Any member of the Commission or any employee of the Commission, designated in writing for the purpose by the Chief Commissioner, may administer oaths and examine witnesses. Any member of the Commission may require by subpena (1) the attendance and testimony of witnesses, and the production of all necessary books, papers, documents, correspondence, and other evidence, from any place in the United States or Alaska at any designated place of hearing; or (2) the taking of depositions before any designated individual competent to administer oaths under the laws of the United States or of any State or Territory. In the case of a deposition, the testimony shall be reduced to writing by the individual taking the deposition or under his direction and shall be subscribed by the deponent. In taking testimony, opportunity shall be given for cross-examination, under such regulations as the Commission may prescribe. Witnesses subpenaed to testify or whose depositions are taken pursuant to this Act, and the officers or persons taking the same, shall severally be entitled to the same fees and mileage as are paid for like services in the courts of the United States.

FINAL DETERMINATION

SEC. 19. The final determination of the Commission shall be in writing, shall be filed with its clerk, and shall include (1) its findings of the facts upon which its conclusions are based; (2) a statement (a) whether there are any just grounds for relief of the claimant and, if so, the amount thereof; (b) whether there are any allowable offsets, counterclaims, or other deductions, and, if so, the amount thereof; and (3) a statement of its reasons for its findings and conclusions.

REVIEW BY COURT OF CLAIMS

SEC. 20. (a) In considering any claim the Commission at any time may certify to the Court of Claims any definite and distinct questions of law concerning which instructions are desired for the proper disposition of the claim; and thereupon the Court of Claims may give appropriate instructions on the questions certified and transmit the same to the Commission for its guidance in the further consideration of the claim.

(b) In any claim pending before the Commission it shall be competent for the Court of Claims, upon petition of either party, whether the claimant or the Government, to require that any conclusion of law stated by the Commission as a basis for its final determination be certified to the Court of Claims for review, with like effect as if certified by the Commission under subdivision (a) of this section. Such petition must be filed within 60 days after the filing of the final determination of the Commission. Upon the transmittal of any instructions given pursuant to such certification which involve a determination by the Court of Claims that the Commission has erred in resolving a question of law upon which its final determination is predicated, the Commission shall reopen the proceedings and take such further action therein as may be appropriate for the revision of its final determination in a manner consistent with the instructions of the Court of Claims.

(c) Determinations of questions of law by the Court of Claims under this section shall be subject to review by the Supreme Court of the United States in the manner prescribed by section 3 of the act of February 13, 1925 (43 Stat. 939; 28 U. S. C., sec. 288), as amended.

REPORT OF COMMISSION TO CONGRESS

SEC. 21. In each claim, after filing its final determination and after expiration of the time fixed for filing petitions in the Court of Claims with respect thereto, the Commission shall promptly submit its report to Congress. If within such time a petition for review has been filed as provided in section 20 of this act, the report shall not be made until after the disposition of all proceedings in respect thereof.

The report to Congress shall contain (1) the final determination of the Commission; (2) a transcript of the proceedings upon review, if any, with the instructions of the Court of Claims; and (3) a statement of how each Commissioner voted upon the final determination of the claim.

EFFECT OF FINAL DETERMINATION OF COMMISSION

SEC. 22. (a) When the report of the Commission determining any claimant to be entitled to recover has been filed with Congress, such report shall have the effect of a final judgment and shall be paid in like manner as are judgments of the Court of Claims.

The payment of any claim, after its determination in accordance with this Act, shall be a full discharge of the United States of all claims and demands touching any of the matters involved in the controversy.

(b) Any final determination of the Commission against a claimant made and reported in accordance with this Act shall forever bar any further claim or demand against the United States arising out of the matter involved in the controversy.

DISSOLUTION OF THE COMMISSION

SEC. 23. The existence of the Commission shall terminate at the end of 10 years after the first meeting of the Commission or at such earlier time after the expiration of the 5-year period of limitation set forth in section 12 hereof as the Commission shall have made its final report to Congress on all claims filed with it. Upon its dissolution the records of the Commission shall be delivered to the Archivist of the United States.

FUTURE INDIAN CLAIMS

SEC. 24. The jurisdiction of the Court of Claims is hereby extended to any claim against the United States accruing after the date of the approval of this act in favor of any Indian tribe, band, or other identifiable group of American Indians residing within the territorial limits of the United States or Alaska whenever such claim is one arising under the Constitution, laws, treaties of the United States, or Executive orders of the President, or is one which otherwise would be cognizable in the Court of Claims if the claimant were not an Indian tribe, band, or group. In any suit brought under the jurisdiction conferred by this section the claimant shall be entitled to recover in the same manner, to the same extent, and subject to the same conditions and limitations, and the United States shall be entitled to the same defenses, both at law and in equity, and to the same offsets, counterclaims, and demands, as in cases brought in the Court of Claims under section 145 of the Judicial Code (36 Stat. 1136; 28 U. S. C., sec. 250), as amended: *Provided, however*, That nothing contained in this section shall be construed as altering the fiduciary or other relations between the United States and the several Indian tribes, bands, or groups.

EFFECT ON EXISTING LAWS

SEC. 25. All provisions of law inconsistent with this Act are hereby repealed to the extent of such inconsistency, except that existing provisions of law authorizing suits in the Court of Claims by particular tribes, bands or groups of Indians and governing the conduct or determination of such suits shall continue to apply to any case heretofore or hereafter instituted thereunder which is not transferred to the Commission pursuant to section 11 of this Act.

Mr. JACKSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JACKSON: On page 3, line 3, strike out the period, insert a comma and the following: "But no claim shall be considered by the Commission where a final determination upon an issue of law or fact involved has been made on the merits of such issue by any court of the United States in a proceeding with respect to such claim."

Mr. JACKSON. Mr. Chairman, the amendment just offered was prepared by the gentleman from New York [Mr. TABER] and I am willing to accept it on behalf of the committee. It is in lieu of a previous committee amendment approved by the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. JACKSON].

The amendment was agreed to.

Mr. JACKSON. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. JACKSON: Page 10, beginning with line 14, after the word "at" and continuing through the period of line 21, strike out "10 percent of the amount recovered, plus all reasonable expenses incurred in the prosecution of the claim, except that the Commission may award a lesser sum if, in accordance with standards obtaining for prosecuting similar contingent claims in a court of law, it finds such to be adequate compensation for services rendered and results achieved, considering the contingent nature of the case." and insert "such amount as the Commission, in accordance with standards obtaining for prosecuting similar contingent claims in courts of law, finds to be adequate compensation for services rendered and results obtained, considering the contingent nature of the case, plus all reasonable expenses incurred in the prosecution of the claim; but the amount so fixed by the Commission, exclusive of reimbursements for actual expenses, shall not exceed 10 percent of the amount recovered in any case."

Mr. JACKSON. Mr. Chairman, the amendment was agreed to unanimously by the committee. It strengthens the provision relating to allowance of attorneys' fees and places the burden of proof on the attorney in making the necessary allowance.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. I desire to state that I am for this legislation and I wish to compliment the members of the committee, also our colleague, the gentleman from Oklahoma [Mr. STIGLER], for his splendid work on behalf of this bill. It is good legislation. The Indians of Oklahoma, and especially those from the Seventh Congressional District of Oklahoma, which I represent, are highly in favor of H. R. 4497, creating an Indian Claims Commission. Likewise, other fair-minded citizens favor this legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. MONRONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 4497) to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make a brief announcement.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to announce that the administrative court bill will not be brought up tomorrow, but the other bill as programed will be the order of business.

I make this announcement so that the Members will be advised and govern themselves accordingly.

EXTENSION OF REMARKS

Mr. KING (at the request of Mr. MILLER of California) was given permission to extend his remarks in the RECORD.

Mr. MUNDT asked and was given permission to revise and extend the remarks he made in Committee of the Whole and include extraneous material.

Mr. CASE of South Dakota asked and was given permission to revise and extend the remarks he made in the Committee of the Whole and include excerpts.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. EDWIN ARTHUR HALL (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of death in family.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1415. An act to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes.

ADJOURNMENT

Mr. SPARKMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 19 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 21, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Wednesday, May 22, 1946, at 10:30 a. m., in the committee room, 356 Old House Office Building, on H. R. 6340.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

On Monday, May 27, 1946, Subcommittee No. 4 of the Committee on the Judiciary will start public hearings on the following pending measures with respect to the cessation of hostilities and termination of the war and emergencies; House Concurrent Resolution 85, House Concurrent Resolution 86, House Concurrent Resolution 91, House Concurrent Resolution 98, House Concurrent Resolution 132, House Concurrent Resolution 133, House Joint Resolution 245, House Joint Resolution 272, House Joint Resolution 287.

The hearings will be held in the Judiciary Committee room, 346 House Office Building, beginning at 10 a. m.

COMMITTEE ON PATENTS

The Committee on Patents will begin hearings Tuesday, June 4, 1946, at 10 a. m., in the Patents Committee room, 416 House Office Building, on the following bills:

H. R. 3694 (Hartley): A bill to declare the national policy regarding the test for determining invention.

H. R. 5842 (Boykin): A bill fixing the date of the termination of World War II, for special purposes.

H. R. 5940 (Lanham): A bill to make Government-owned patents freely available for use by citizens of the United States, its Territories, and possessions.

These hearings will be continued on succeeding days until concluded or until this notice is superseded.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1315. A communication from the President of the United States, transmitting a draft of a proposed bill to provide a system of relief for veterans and dependents of veterans who served during World War II in the organized military forces of the government of the Commonwealth of the Philippines while such forces were in the service of the armed forces of the United States pursuant to the military order of July 26, 1941, of the President of the United States, and for other purposes; to the Committee on World War Veterans' Legislation.

1316. A letter from the Attorney General, transmitting a report reciting the facts and pertinent provisions of law in the cases of 99 individuals whose deportation has been suspended for more than 6 months by the Commissioner of Immigration and Naturalization Service under the authority vested in the Attorney General, together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

1317. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Navy Department to pay a claim for damages to or loss or destruction of property or personal injury or death, in the sum of $1,224.89 (H. Doc. No. 600); to the Committee on Appropriations and ordered to be printed.

1318. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1947 in the amount of $357,000, together with a draft of a proposed provision pertaining to an existing appropriation, for the Federal Trade Commission (H. Doc. No. 601); to the Committee on Appropriations and ordered to be printed.

1319. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 12, 1946, submitting an interim report, together with accompanying papers and an illustration, on a review of the Red River and tributaries, Texas, Oklahoma, Arkansas, and Louisiana, with a view to providing proper flood protection on the main stem of the river downstream from Denison Dam, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on April 19, 1945 (H. Doc. No. 602); to the Committee on Flood Control and ordered to be printed, with an illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 5907. A bill to authorize the Administrator of Veterans' Affairs to grant an easement for highway purposes to the Commonwealth of Pennsylvania, in certain lands in the reservation of the Veterans' Administration hospital, Lebanon County, Pa., and for other purposes; without amendment (Rept. No. 2075). Referred to

the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 6069. A bill to amend section 100 of the Servicemen's Readjustment Act of 1944; without amendment (Rept. No. 2076). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 625. Resolution providing for the consideration of H. R. 1362, a bill to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes; without amendment (Rept. No. 2077). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 626. Resolution providing for the consideration of S. 752, an act to amend the act of June 7, 1939 (53 Stat. 811), as amended, relating to the acquisition of stocks of strategic and critical materials for national defense purposes; without amendment (Rept. No. 2078). Referred to the House Calendar.

Mr. COX: Committee on Rules. House Resolution 627. Resolution providing for the consideration of H. R. 6035, a bill to provide that there shall be no liability for acts done or omitted in accordance with regulations of the Director of Selective Service, and for other purposes; without amendment (Rept. No. 2079). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Concurrent Resolution 148. Concurrent resolution creating a joint select committee to study and recommend legislation concerning labor relations; without amendment (Rept. No. 2082). Referred to the House Calendar.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 6153. A bill to remove the existing limitation on the number of associate members of the Board of Veterans' Appeals in the Veterans' Administration; with amendment (Rept. No. 2083). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUNKER:

H. R. 6485. A bill to amend section 3 (a) of the Securities Act of 1933, as amended, relating to exempted securities; to the Committee on Interstate and Foreign Commerce.

By Mr. BARTLETT:

H. R. 6486. A bill to authorize an appropriation for the establishment of a geophysical institute at the University of Alaska; to the Committee on the Territories.

By Mr. HAND:

H. R. 6487. A bill to amend the Internal Revenue Code, act of February 10, 1939; to the Committee on Ways and Means.

By Mr. BLAND:

H. R. 6483: A bill to amend the act to provide for the issuance of devices in recognition of the services of merchant sailors; to the Committee on the Merchant Marine and Fisheries.

By Mr. CURTIS:

H. J. Res. 355. Joint resolution extending for 7 months the period of time during which alcohol plants are permitted to produce sugars or sirups simultaneously with the production of alcohol; to the Committee on Ways and Means.

By Mr. SADOWSKI:

H. J. Res. 356. Joint resolution to provide for making available to the Veterans' Administration, for distribution to veterans' hospitals, undeliverable magazines and other periodicals held by the postal service; to the committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARRINGTON:

H. R. 6489. A bill for the relief of Mrs. Keum Nyu Park; to the Committee on Immigration and Naturalization.

H. R. 6490. A bill for the relief of Mrs. Seiko Adachi; to the Committee on Immigration and Naturalization.

H. R. 6491. A bill for the relief of Kiyoichi Koide; to the Committee on Immigration and Naturalization.

By Mr. HAND:

H. R. 6492. A bill for the relief of James I. Adams; to the Committee on Claims.

H. R. 6493. A bill for the relief of Herschel W. Carlise; to the Committee on Claims.

By Mr. HAVENNER:

H. R. 6494. A bill for the relief of Chin Ta Bin; to the Committee on Immigration and Naturalization.

By Mr. HENDRICKS:

H. R. 6495. A bill for the relief of William F. Thomas; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1897. By Mr. MUNDT: Petition of Mrs. Joe Fergen and other citizens of Parkston, S. Dak., protesting against enactment of legislation providing for peacetime military conscription; to the Committee on Military Affairs.

SENATE

TUESDAY, MAY 21, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, who hast bidden the light of the day to shine out of the darkness of the night, we would still our hearts for this hallowed moment as we bow for the benediction of Thy loving kindness in the morning; for

"New mercies each returning day
Hover around us while we pray."

Grant us this day the grace to live on the altitudes of our aspirations. As servants of Thine and of the peoples of this shattered earth, stricken, bleeding, starving, save us from false choices and guide our hands and minds to heal and bind and build and bless. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 20, 1946, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1305) to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1163) to provide for the appointment of one additional district judge for the northern district of California.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1095. An act for the relief of the Indians of the Fort Berthold Reservation in North Dakota;

H. R. 1751. An act to authorize the course of instruction at the United States Merchant Marine Academy to be given to not exceeding 20 persons at a time from the American Republics, other than the United States;

H. R. 2033. An act authorizing Federal participation in the cost of protecting the shores of publicly owned property;

H. R. 2231. An act to authorize the Secretary of the Interior to adjust debts of individual Indians, associations of Indians, or Indian tribes, and for other purposes;

H. R. 2678. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in any and all claims which the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, or any tribe or band thereof, may have against the United States, and for other purposes;

H. R. 2788. An act to limit the time during which certain actions under the laws of the United States may be brought;

H. R. 3843. An act to provide for the disposition of tribal funds of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana;

H. R. 4497. An act to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes;

H. R. 5911. An act to establish an Office of Naval Research in the Department of the Navy; to plan, foster, and encourage scientific research in recognition of its paramount importance as related to the maintenance of future naval power, and the preservation of national security; to provide within the Department of the Navy a single office, which, by contract and otherwise, shall be able to obtain, coordinate, and make available to all bureaus and activities of the Department of the Navy, world-wide scientific information and the necessary services for conducting specialized and imaginative research, to establish a Naval Research Advisory Committee consisting of persons preeminent in the fields of science and research, to consult with and advise the Chief of such Office in matters pertaining to research;

H. R. 6057. An act to amend the act of July 11, 1919 (41 Stat. 132), relating to the interchange of property between the Army and the Navy, so as to include the Coast Guard within its provision;

H. R. 6343. An act to authorize the Secretary of War to lend War Department equipment for use at the twenty-eighth annual national convention of the American Legion;

H. R. 6372. An act to amend the Federal Credit Union Act; and

H. R. 6428. An act making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes.

REPORT ON PARIS MEETING OF COUNCIL OF FOREIGN MINISTERS

Mr. VANDENBERG obtained the floor.

Mr. HILL. Mr. President, will the Senator from Michigan yield in order that I may suggest the absence of a quorum?

Mr. VANDENBERG. I yield.

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore (Mr. GEORGE). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Pepper
Austin	Hayden	Radcliffe
Ball	Hickenlooper	Reed
Bankhead	Hill	Revercomb
Barkley	Hoey	Robertson
Brewster	Huffman	Russell
Bridges	Johnson, Colo.	Saltonstall
Briggs	Johnston, S. C.	Smith
Brooks	Kilgore	Stanfill
Buck	Knowland	Stewart
Bushfield	La Follette	Taft
Byrd	Langer	Taylor
Capehart	Lucas	Thomas, Okla.
Capper	McCarran	Thomas, Utah
Connally	McClellan	Tobey
Cordon	McFarland	Tunnell
Donnell	McMahon	Tydings
Downey	Magnuson	Vandenberg
Eastland	Mead	Wagner
Ellender	Millikin	Walsh
Ferguson	Mitchell	Wheeler
Fulbright	Moore	Wherry
George	Morse	White
Gerry	Murdock	Wiley
Green	Murray	Wilson
Gurney	Myers	Young
Hart	O'Mahoney	
Hatch	Overton	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. MCKELLAR] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Pennsylvania [Mr. GUFFEY] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

Mr. WHERRY. The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The Senator from Nebraska [Mr. BUTLER] and the Senator from Minnesota [Mr. SHIPSTEAD] are absent by leave of the Senate.

The ACTING PRESIDENT pro tempore. Eighty-two Senators having answered to their names, a quorum is present.

Mr. VANDENBERG. Mr. President, when I returned to Washington last Saturday from Paris I had expected to address the Senate in some detail this afternoon regarding the vitally important work of the Council of Foreign Ministers which has just temporarily recessed until June 15. But when I discovered the status of the Senate Calendar and the urgent necessity for earliest possible action upon pending legislation, I concluded that it would be unwise for me to divert the Senate's attention to another subject, regardless of its paramount concern to every citizen; and when Secretary of State James F. Byrnes made his able radio report to the Nation last night, it was so comprehensive and so adequate that I was confirmed in my decision to let the record stand where he left it for the time being. Therefore I content myself for the moment with this brief observation.

Secretary Byrnes requested the able chairman of the Senate Foreign Relations Committee, the Senator from Texas [Mr. CONNALLY], and myself to accompany him to this meeting of the Council of Foreign Ministers which was summoned primarily to deal with the preparation of peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland. I am happy to say that this American delegation was a constant unit in thought and action. It had no differences. Thus, I gladly associate myself with the distinguished Secretary's report; and I compliment him upon his able leadership in this critically important enterprise.

Mr. President, the Council was not a success in gaining agreement upon several key questions upon which the solution of our major problems hangs. It did not achieve agreement on a number of controlling points. It is advisable to be entirely frank upon this score. Eastern communism and western democracy were unable, for the time being, to see eye to eye in most of these considerations.

It is unfortunate that greater progress cannot be immediately reported. But delay is preferable to error in such vital matters. We can compromise within the boundaries of a principle. We can no longer compromise principles themselves. That becomes appeasement; and appeasement only multiplies the hazard from which it seeks to escape. History leaves no room for doubt upon that score. The wrong answers will breed wars for tomorrow.

We must earnestly persist in striving for Allied unity; for unity within the principles which serve human rights and fundamental freedoms, which will win the moral judgments of the conscience of the world, and which may promise peace for "keeps." We must persist with patient firmness. We must try to understand each other. I do not despair of the results—particularly if the unselfish voice of America is a united one.

In other directions, Mr. President, the Council was at least a partial success. For example, it amended the armistice terms with Italy, once our enemy, subsequently our ally, to permit larger native autonomy and to allow Italy more readily to recuperate as a self-sustaining member of the family of nations. It succeeded, indeed, in finding common ground in a large area of detailed actions which are involved in the mechanics of reestablished peace. Further, it succeeded in narrowing the area of dispute even in respect to the larger issues. This is progress. All these things I shall be glad to discuss in detail with the Senate at a more appropriate time.

But, in my view, Mr. President, the more important news is that the Council was a complete success in developing, at last, and in disclosing, a positive, constructive, peace-seeking bipartisan foreign policy for the United States. It is based, at last, upon the moralities of the Atlantic and the San Francisco Charters. Yet it is based equally upon the practical necessities required for Europe's rehabilitation.

It is a policy which seeks promptly to end the present inconclusive, armistice regimes which are postponing peace beyond all limits of reason and of safety. It is a policy which demands action in concluding peace treaties not only with Italy, Rumania, Bulgaria, Hungary, and Finland, but also with Austria, which is close to the center of the total, continental problem. It is a policy which demands action in arriving at decisions for a unified Germany where the real core of Europe's recuperation resides, and where the problem must be considered as a whole rather than in four airtight compartments in four zones of military occupation. It is a policy which is definite and specific upon these counts and which demands specific dead-line dates in these regards, before it is too late.

It is a policy which guarantees maximum protections against resurgent Axis aggressors, and which dramatically offers specific guaranties as an earnest of American good faith. It is a demilitarization policy. It is a policy which now substitutes justice for vengeance in these formulas of peace; which now insists upon ethnic recognitions that no longer traffic in the lives and destinies of helpless peoples; and which spurns expansionism as a plague upon tomorrow's peace and security. It is a policy which invites all of our partners in the war—instead of a closed corporation of big powers—to have a proper voice in the making of the treaties and the writing of the peace which result from the common victories which we all helped win. It is a policy which wants a people's peace.

That, Mr. President, is what I think we Americans were trying to do at Paris.

That is what I pray we may yet succeed in doing.

Mr. President, I will support that sort of a foreign policy under any administration; and I hope that any administration, whatever its political complexion, will stick to that sort of a foreign policy for keeps.

This sort of a policy, plus the effective operation of the United Nations, is the way to stop World War III before it starts.

NOTICE OF ADDRESS BY SENATOR CONNALLY

Mr. CONNALLY. Mr. President, I desire to announce that tomorrow, as soon as I can obtain the floor, I shall make a very brief statement about the Paris Conference.

THE PARIS CONFERENCE AND CONDITIONS ON THE DOMESTIC FRONT

Mr. LUCAS. Mr. President, I should like to make public my compliments to the Honorable James F. Byrnes, Secretary of State, the distinguished Senator

from Texas, Mr. Connally, and the distinguished Senator from Michigan, Mr. Vandenberg, upon the unified progress which has been made by this American delegation in the meeting held in Paris.

Last evening, it was my good fortune to hear a Nation-wide radio address by our Secretary of State. I think that all those who heard or read that speech will agree with me that it truly breathes and typifies the real spirit of America. It informed the American people that our American representatives on the mission acted above partisanship; acted along the true lines of democracy in an effort to persuade the world toward the principles of negotiation and toward the ideals of peace.

The premise laid down by the eminent Secretary of State was fully agreed to on the floor of the Senate in the remarkable and thought-provoking speech made by the able Senator from Michigan. But as I listened to those two addresses, I kept wondering how much further this American delegation could have gone in their noble purposes if we at home had been thoroughly united in our reconversion problems and were moving speedily down the highway to an unheralded peace of progress and prosperity.

I kept thinking to myself, What a tolerant and generous man the Secretary of State really is. I confess that I do not know whether I could have been as patient as he with the Americans whom he was representing.

Not once did he reproach us with having cut the ground from under his feet. Not once did he reproach us for our utter failure to work out our economic problems in this reconversion period while he was attempting to work out the delicate questions of world treaties, world peace, arbitration, all the machinery which must be set going if we are to escape another war.

We as a people sent Secretary of State Byrnes, Senator Connally, and Senator Vandenberg to Europe to establish these things. Over and over again the American people have said to these ambassadors of good will and peace, "We want the American kind of democracy; we want to impress upon the nations of the world our ideals of compromise and arbitration; we want them to understand the principles of an American way of life. We would like to see that established in every section of the world."

Then, the minute they start to urge these ideals on the nations of the Old World, we proceed here in America to do all we can to show that these ideals are not working. We follow with one labor dispute after another, which threaten the whole Nation with paralysis. We ask these men in Paris to preach peace, to preach the immorality of strife, while we at home are showing that we do not practice what we preach. We have reached the point in this country described by the late Justice Brandeis, when, in an important opinion, he said:

> The conditions developed in industry may be such that those engaged in it cannot continue their struggle without danger to the community.

He further said that it was not the function of the courts to set the limits of permissible contest and to declare the duties which the new situation demands. He said:

> This is the function of the legislature, which, while limiting individual and group rights of aggression and defense, may substitute processes of justice for the more primitive method of trial by combat.

Mr. President, in this, the most serious economic crisis in all our history, we are practically allowing management and labor to settle their quarrels by combat—a combat that will, if allowed to go on, have a devastating effect upon our ideals, our property, our welfare, our health, and our safety.

The victims of this kind of economic dispute, if carried to its bitter end, will be the weak and the sick, instead of the strong; the women and the children, instead of the young men; the aged instead of the virile. A continued coal strike and a railroad strike, paralyzing the Nation, will wreck our economy and our homes.

If I had been Secretary Byrnes, I confess I would have been sorely tempted last night to ask the public, "How do you suppose the United States looked to the small nations of the world when I was urging the free and untrammeled way of life; when I was telling them about the democracy that exists in this America of ours; when I was attempting to substitute arbitration and collective bargaining for despotism or collectivism?"

Mr. President, in this last crisis we have really gone to great lengths to prove that democracy cannot work, that arbitration will not succeed, that the people as a whole are helpless when ruthless men set out on a career of rule or ruin.

It would indeed be interested to know what the real reaction of Molotov, of Russia, and his followers was to the pleas of our delegates, when they compared the American plea or proposal to what was actually stirring on the domestic economic front in America. I wonder what the other foreign delegates thought about our economy, which is being throttled at this moment by ruthless men who apparently do not believe in the processes of democratic negotiation and collective bargaining. The American people have repeatedly asked Secretary Byrnes to tell the small nations that by following the United States of America they would be freer and have more liberty. We asked him to sound the gospel of free enterprise throughout the world. Then we demonstrate practically how free enterprise is bent upon committing suicide.

Mr. President, say what you may, these strikes in America are doing more harm to our peaceful and good relationships with our world neighbors than any one thing which has happened in a long, long time. I submit that unless we soon place our own house in order we will have little or no right to advise the rest of the world what should or should not be done. Nations who have had complete confidence in us in the past will soon be leaving us. They will accept communism or some other form of government different from the one in which you and I are so vitally concerned. Small nations do not like communism. They want to avoid it if they can. If they see hope elsewhere, they will avoid it. They would like a democracy, but when a democracy means turmoil, the threat of paralysis, the collapse of freedom every time capital or labor—and now it is one and now it is another—makes up its mind to have its own way regardless of the public interest, they become disillusioned and disappointed in the so-called American way of life.

Mr. President, I hope that when the American delegation returns to Paris in the very near future to settle the peace problems of the world, our economic troubles and ills will be solved, and that we may become strongly entrenched and united on our domestic front. I pray that our representatives may be able to say at that peace conference: "America once again is internally united. America is vigorous, America is strong. We are now in a position to exert the leadership that the world expects."

LEAVE OF ABSENCE

Mr. BROOKS. Mr. President, I find it necessary to leave the city this afternoon, and I ask unanimous consent to be absent for the remainder of the week.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the leave is granted.

Mr. BROOKS. Now I should like to make an explanation. The purpose for which I am leaving is my desire to attend the Republican State Convention in the State of Illinois. I have been here constantly, I have answered every quorum call, and I wanted to vote on the bill, and desire to do so now, and apparently I shall still be back in time to vote on it.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on May 20, 1946, he presented to the President of the United States the enrolled bill (S. 1415) to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters which were referred as indicated:

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF COMMERCE—(S. Doc. No. 185)

A communication from the President of the United States, transmitting supplemental estimates of appropriation for the Department of Commerce, amounting to $53,749,000, fiscal year 1947 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report reciting the facts and pertinent provisions of law in the cases of 99 individuals whose deportation has been suspended for more than 6 months by the Commissioner of Immigration and Naturalization Service under the authority vested in the Attorney General, together with

a statement of the reason for such suspension (with an accompanying report); to the Committee on Immigration.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A petition of sundry citizens of the United States, members of National Maritime Union and of the steamship *Eufaula Victory*, praying for the continuation of the Office of Price Administration; to the Committee on Banking and Currency.

A resolution adopted at a mass meeting of citizens of South Jersey, at Camden, N. J., favoring continuation of the Office of Price Administration without crippling amendments; to the Committee on Banking and Currency.

AMENDMENT OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—PETITION

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a telegram I have received from Lester D. Watrous, of Wichita, Kans., urging favorable action by the Senate of House bill 6042, to amend the Emergency Price Control and Stabilization Acts of 1942.

There being no objection, the telegram was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

WICHITA, KANS., *May 20, 1946.*

Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

Please help every businessman, stockman, and grain grower in the State of Kansas by supporting H. R. 6042 to secure relief from oppressive OPA. In my business I contact 200 outstanding merchants in the Middle West and without exception they favor legislation that will bring relief from the maladministration of OPA which can be beneficial if stripped of its czaristic and bureaucratic provisions. I earnestly appeal to you to bring relief to all types of business so we may have sensible approach to much needed production.

LESTER D. WATROUS.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on Public Lands and Surveys:

H. R. 3966. A bill authorizing the Secretary of the Interior to convey certain lands situated in Clark County, Nev., to the Boulder City Cemetery Association for cemetery purposes; without amendment (Rept. No. 1365).

By Mr. BARKLEY, from the Committee on the Library:

S. J. Res. 154. Joint resolution to establish the Andrew Johnson Memorial Commission to formulate plans for the preservation of the birthplace, at Raleigh, N. C., of Andrew Johnson, seventeenth President of the United States; with an amendment.

By Mr. MURDOCK, from the Committee on Banking and Currency:

H. R. 4590. A bill to authorize the use by industry of silver held or owned by the United States; with amendments (Rept. No. 1366).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FULBRIGHT:

S. 2220. A bill to authorize the United States Park Police to make arrests within Federal reservations in the environs of the District of Columbia; to the Committee on Public Buildings and Grounds.

By Mr. MAGNUSON:

S. 2221. A bill authorizing a per capita payment of $100 each to the Colville Indians of the State of Washington; to the Committee on Indian Affairs.

By Mr. KILGORE:

S. 2222. A bill to amend sections 812 and 861 of the Internal Revenue Code so as to allow the deduction of the amounts of testamentary gifts to veterans' organizations in determining the net estates of decedents subject to Federal estate taxes; to the Committee on Finance.

By Mr. KILGORE (for himself, Mr. ANDREWS, Mr. REVERCOMB, Mr. STANFILL, and Mr. MURDOCK):

S. 2223. A bill to establish and effectuate a policy with respect to the creation or chartering of certain corporations by act of Congress, and for other purposes; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 2224. A bill for the relief of John E. Peterson, James M. Hiler, Vivian Langemo, Floy Sibrie, and Ross Lee Brown; to the Committee on Claims.

ATTENDANCE OF MARINE BAND AT NATIONAL CONVENTION OF UNITED SPANISH WAR VETERANS IN MILWAUKEE, WIS.—AMENDMENTS

Mr. LA FOLLETTE. Mr. President, there is pending on the calendar Order of Business No. 1263, House bill 5641, to authorize the attendance of the Marine Band at the national convention of the United Spanish War Veterans to be held in Milwaukee, Wis., August 4 to 10, inclusive, 1946, heretofore reported from the Naval Affairs Committee. I ask unanimous consent to submit amendments to that bill and that they lie on the table. I ask further unanimous consent that the amendments may be considered as pending to that bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—AMENDMENT

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to the bill (S. 2028) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

FARMERS' HOME CORPORATION BILL OF 1946—AMENDMENT

Mr. WHEELER submitted an amendment intended to be proposed by him to the bill (H. R. 5991) to simplify and improve credit services to farmers and promote farm ownership by abolishing certain agricultural lending agencies and functions, by transferring assets to the Farmers' Home Corporation, by enlarging the powers of the Farmers' Home Corporation, by authorizing Government insurance of loans to farmers, by creating preferences for loans and insured mortgages to enable veterans to acquire farms, by providing additional specific authority and directions with respect to the liquidation of resettlement projects and rural rehabilitation projects for resettlement purposes, and for other purposes, which was ordered to lie on the table and to be printed.

EVACUATION CLAIMS COMMISSION—CHANGE OF REFERENCE

Mr. ELLENDER. Mr. President, on April 29 I introduced Senate bill 2127, to create an Evacuation Claims Commission under the general supervision of the Secretary of the Interior, and to provide for the powers, duties, and functions thereof, and for other purposes, which was referred to the Committee on Claims. The Committee on Claims gave the bill attention, and the committee as a whole feels that the bill should have been referred to the Committee on the Judiciary of the Senate rather than to the Committee on Claims. I spoke to the Senator from Nevada [Mr. MCCARRAN], the chairman of the Committee on the Judiciary and he is inclined to agree with me.

Therefore, Mr. President, I ask unanimous consent that the Committee on Claims be discharged from the further consideration of the bill and that it be referred to the Committee on the Judiciary.

THE ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

GERMANENESS OF DEBATE—PROPOSED AMENDMENT TO RULES

Mr. HATCH. Mr. President, I ask unanimous consent to submit a resolution which has been in my desk for several months, and I ask that it be read.

The ACTING PRESIDENT pro tempore. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 271), as follows:

Resolved, That paragraph No. 1, rule XIX of the Standing Rules of the Senate (relating to debate) be, and the same is hereby, amended by adding a new subparagraph as follows:

"During the consideration of any measure as unfinished or pending business, while any motion or amendment (except a substitute for such measure) is pending, no debate shall be in order, unless by unanimous consent, that is not germane or relevant to the measure under consideration. All questions of germaneness, relevancy, or points of order raised hereunder shall be decided by the Presiding Officer without debate, and any appeal from a decision of the Chair in connection therewith shall be decided by the Senate without debate.

The ACTING PRESIDENT pro tempore. Without objection, the resolution will be received and referred to the Committee on Rules.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred or ordered to be placed on the calendar, as indicated:

H. R. 1095. An act for the relief of the Indians of the Fort Berthold Reservation in North Dakota;

H. R. 2231. An act to authorize the Secretary of the Interior to adjust debts of individual Indians, associations of Indians, or Indian tribes, and for other purposes; and

H. R. 4497. An act to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes; to the Committee on Indian Affairs.

H. R. 1751. An act to authorize the course of instruction at the United States Merchant Marine Academy to be given to not exceeding 20 persons at a time from the American Republics, other than the United States;

H. R. 2033. An act authorizing Federal participation in the cost of protecting the shores of publicly owned property; and

H. R. 6057. An act to amend the act of July 11, 1919 (41 Stat. 132), relating to the interchange of property between the Army and the Navy, so as to include the Coast Guard within its provision; to the Committee on Commerce.

H. R. 2678. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in any and all claims which the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, or any tribe or band thereof, may have against the United States, and for other purposes; and

H. R. 3843. An act to provide for the disposition of tribal funds of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana; ordered to be placed on the Calendar.

H. R. 2788. An act to limit the time during which certain actions under the laws of the United States may be brought; to the Committee on the Judiciary.

H. R. 5911. An act to establish an Office of Naval Research in the Department of the Navy; to plan, foster, and encourage scientific research in recognition of its paramount importance as related to the maintenance of future naval power, and the preservation of national security; to provide within the Department of the Navy a single office, which, by contract and otherwise, shall be able to obtain, coordinate, and make available to all bureaus and activities of the Department of the Navy, world-wide scientific information and the necessary services for conducting specialized and imaginative research; to establish a Naval Research Advisory Committee consisting of persons preeminent in the fields of science and research, to consult with and advise the Chief of such Office in matters pertaining to research; to the Committee on Naval Affairs.

H. R. 6343. An act to authorize the Secretary of War to lend War Department equipment for use at the twenty-eighth annual national convention of the American Legion; to the Committee on Military Affairs.

H. R. 6372. An act to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

H. R. 6428. An act making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes; to the Committee on Appropriations.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Military Affairs.

(For nominations this day received, see the end of Senate proceedings.)

ADDRESS BY THE SECRETARY OF STATE ON THE PARIS MEETING OF FOREIGN MINISTERS

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD a radio address reporting on the meeting of the council of foreign ministers held at Paris, delivered by Hon. James F. Byrnes, Secretary of State, which appears in the Appendix.]

AMERICAN FOREIGN POLICY—ADDRESS BY SENATOR FULBRIGHT

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an address entitled "Our Foreign Policy," delivered by him on May 17, 1946, before a joint meeting of the American Academy of Arts and Letters and the National Institute of Arts, in New York City, which appears in the Appendix.]

FIGHT FOR HEBREW FREEDOM—ADDRESS BY SENATOR MYERS

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an address delivered by Senator MYERS at a dinner in New York on May 14, 1946, in honor of the fight for Hebrew freedom, which appears in the Appendix.]

CONGRESS AND OFFICE MANAGEMENT—ARTICLE BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article entitled "Congress and the American Office," written by him and published in the January 1946, issue of the Office, magazine of office equipment, which appears in the Appendix.]

"WILEY 'CARRIES THE BALL' FOR FARMERS"—ARTICLE IN THE ALTOONA (WIS.) TRIBUNE

[Mr. HAWKES asked and obtained leave to have printed in the RECORD an article entitled "Wiley 'Carries the Ball' for Farmers," published in the Altoona (Wis.) Tribune of May 16, 1946, which appears in the Appendix.]

THE ST. LAWRENCE, THE GREAT AMERICAN PROJECT—ADDRESS BY DR. N. R. DANIELIAN

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an address entitled "St. Lawrence, the Great American Project," delivered by Dr. N. R. Danielian before the Engineering Society of Detroit on May 6, 1946, which appears in the Appendix.]

CONFUSION REIGNS!—EDITORIAL FROM THE DAKOTA FARMER

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD an article entitled "Confusion Reigns!" published in the May 18, 1946, issue of the Dakota Farmer, which appears in the Appendix.]

JUSTICE FOR GREECE—ARTICLE BY DR. W. ELMER EKBLAW

[Mr. WALSH asked and obtained leave to have printed in the RECORD an article entitled "Justice for Greece," by Dr. W. Elmer Ekblaw, of Clark University, published in the Worcester (Mass.) Daily Telegram of May 6, 1946, which appears in the Appendix.]

THE SHIPPING SCANDAL—EDITORIAL FROM THE ST. LOUIS POST-DISPATCH

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "The Shipping Scandal," from the St. Louis Post-Dispatch of May 18, 1946, which appears in the Appendix.]

IS COMPULSORY ARBITRATION NEEDED?—EDITORIAL FROM THE WALLA WALLA UNION-BULLETIN

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a letter from J. G. Kelly, publisher of the Walla Walla Union-Bulletin, and also an editorial from the Union-Bulletin entitled "Is Compulsory Arbitration Needed?" which appear in the Appendix.]

MAN TO MAN—ARTICLE BY HAROLD L. ICKES

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an article by Harold L. Ickes, from the Evening Star of May 20, 1946, which appears in the Appendix.]

SUBSISTENCE ALLOWANCES FOR ON-THE-JOB TRAINING—ARTICLE FROM AMERICAN FEDERATION OF LABOR BULLETIN

[Mr. MORSE asked and obtained leave to have printed in the RECORD an article entitled "They Would Cheat the Veteran and Rob the Government," published in the bulletin of the Metal Trades Department of the American Federation of Labor for May 1946, which appears in the Appendix.]

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER] as a substitute for the amendment offered by the Senator from Virginia [Mr. BYRD], as modified.

Mr. PEPPER obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator from Florida yield to me?

Mr. PEPPER. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, in an effort to expedite the consideration of the pending legislation, having in mind other important legislation which is to follow, I ask unanimous consent that during the further consideration of H. R. 4908, the pending labor bill, no Senator shall speak more than once nor longer than 1 hour on the bill or any amendment pending thereto.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request made by the Senator from Kentucky?

Mr. MORSE. Mr. President, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the remaining consideration of the pending amendment, known as the Byrd amendment, no Senator shall speak more than once nor longer than 30 minutes on that mendment.

Mr. MORSE. Mr. President, I object.

The ACTING PRESIDENT pro tempore. Objection is heard to the request.

Mr. BARKLEY. Mr. President, may I propound an inquiry to the Senator from Oregon, as to whether he would agree to or object to any request made for limitation of debate on the pending legislation?

Mr. MORSE. Mr. President, I am glad to inform the Senator from Kentucky on that point. I wish to say that I shall object to any limitation on debate until such time as I am convinced that there is a filibuster in progress, at which time I shall be glad to sign a cloture petition.

Mr. BARKLEY. In other words, the Senator will sign a cloture petition, and vote for it, and of course that would limit debate to 1 hour. But the Senator would not agree that the Senate limit itself to debate on the measure for 1 hour; is that it?

Mr. MORSE. I am sure the Senator from Kentucky is well aware of the difference between debate on the merits of an issue and a filibuster.

Mr. BARKLEY. I am not talking about a filibuster. I am talking about the technical difference between limitation of debate by the invoking of a rule which requires a two-thirds vote to have it carried into effect, and which, if carried, would only give a Senator an hour, and the limitation of debate which I am seeking by asking the Senate for unanimous consent to limit debate by unanimous consent, which gives each Senator an hour. I do not see any difference so far as the effective result is concerned.

Mr. MORSE. Of course, the Senator may not share my view with regard to it, but I think there is a fundamental difference, and I wish to say that, so long as any Senator wishes really to discuss the merits of the matter, I intend to object to any limitation of debate. I am inclined to think, as I have observed in the past so many times, that if we proceed with the debate on the merits it will be found that the total debate will be much less in time consumed than would be consumed under the limitation agreement which the Senator from Kentucky now seeks to obtain from the Senate.

Mr. BARKLEY. I do not know. I have never observed that placing a limitation on debate thereby extends the debate automatically.

Mr. MORSE. I have observed several times, when the Senator has sought to place a limit on debate, and there was objection, that the debate which actually occurred occupied a shorter period of time than would have been occupied if the limitation had been put into effect.

Mr. BARKLEY. Of course, Mr. President, we all know that the pending legislation has been under consideration now for more than a week. It was interrupted by 1 day's consideration of another matter, but outside of that it has been debated for a week. We have not voted on any amendment to it yet, and a good many amendments, I understand, have been offered or will be offered, and have been printed. I am merely seeking to expedite the business of the Senate, in view of the situation it confronts. I have to submit, of course, to the Senator's objection, or to that of any other Senator who may register objection, when I seek to bring about any limitation by unanimous consent, so long as the Senator feels obliged to object.

The ACTING PRESIDENT pro tempore. The Senator from Florida [Mr. PEPPER] is entitled to the floor.

Mr. HATCH. Mr. President, will the Senator from Florida yield to me to submit a resolution?

Mr. PEPPER. I will yield to the Senator from New Mexico provided I shall not be criticized for yielding to Senators for introduction of measures or submission of matters for the Appendix, and like matters. I will gladly yield with that understanding.

(Mr. HATCH submitted a resolution (S. Res. 271), which appears elsewhere in today's RECORD under the appropriate heading.)

Mr. PEPPER. Mr. President, we are now considering my substitute for the amended and amended and amended Byrd amendment. The substitute presents very clearly and very straightforwardly an opposing view as to the better policy for the Congress to pursue in diminishing strikes and industrial strife and encouraging the uninterrupted flow of production.

I cannot make it too clear, Mr. President, that those of us who have been opposing the restrictive amendments offered to the pending bill are just as anxious that reconversion should be unimpeded and that the flow of production should be uninterrupted as are any other Senators upon this floor. We only regret that the public understanding of the issues involved has been so clouded and confused that a great many people do not have that opinion. There have been some who thought that those who opposed these restrictive amendments on labor—not only organized labor but unorganized labor—were engaging in a filibuster; and that charge has been repeatedly made in certain segments of the press. Generally speaking, if one examines the character of the newspapers which have made such charges, he will find that it is justifiable to say that they have been and are antilabor in their sentiment and atitude. They do not have the sympathy for the plight of the workingman that proceeds out of a genuine feeling of humanitarianism or brotherhood. They are the kind of employers who would never give an employee anything except what he gets by force and by the coercion of collective bargaining. Those newspapers have endeavored to stir up public prejudice based upon public confusion and misunderstanding of what is essentially involved in the controversy before the Senate today.

The able chairman of the Committee on Education and Labor [Mr. MURRAY] and a majority of his committee, after months of hearings, weeks of deliberation, and many long days of earnest discussion, brought to this floor a bill which, in the opinion of that committee, would curb strikes more effectively than any other legislation we could propose. It would in the long run be more conducive to industrial peace than any other legislation we might bring to the floor of the Senate.

That committee positively rejected the other philosophy of curbing industrial strife and reducing industrial disputes. In the first place the Case bill, which came to the Senate from the House of Representatives in no paragraph, section, or sentence proposed to curb or to stop strikes. In fact, no Senator has yet proposed an amendment which he will dare to say to his colleagues can stop strikes. Neither did the House of Representatives send us, nor has any Senator proposed, legislation which offers any efficacy as a coercive power in preventing or curing the strikes which have interrupted the flow of production or transportation.

So those are not the kind of proposals with which we are dealing. What the House sent us was a bill the purpose and intention of which was to curb the power of labor in collective bargaining, to weaken labor in the contest with management for better living conditions for the working men and women. What those amendments were essentially aiming at was a restriction of the power of collective bargaining allowed by the National Labor Relations Act and a negation of the Norris-LaGuardia Act. It was an indirect attack upon legislation which the enemies of labor opposed when it was passed. They opposed it in the courts of the country, and have tried to erase it from our statute books by legislation of one sort or another ever since its enactment by the Congress.

But, Mr. President, instead of coming forth with a straightforward effort to repeal the National Labor Relations Act, which is what they really strike at, they try to achieve the same results by circumlocution and indirection—by something other than a direct attack. So the Case bill is aimed at taking away from labor the strength which it has acquired under the collective bargaining law, which is the bible of labor in this country—the National Labor Relations Act, sponsored by the able senior Senator from New York [Mr. WAGNER].

Mr. President, the House bill would have made the labor unions register and file detailed accountings with the Securities and Exchange Commission, but it did not propose any such obligations upon corporations, except those that were selling their securities upon public exchanges. It would make labor report about the election of its officers, but it would not make corporations file such reports about the elections of their officers. It provided that there must be filed a showing of the salaries received by labor leaders, but it did not require a showing of the salaries and expense accounts received by executives of corporations.

No, Mr. President, the very persons who talk about imposing correlative obligations upon labor and capital are not willing to impose upon capital and management the obligations they strive to impose upon labor. Obviously, therefore, labor gets the impression that we are prejudiced in our approach to the whole problem.

Therefore, Mr. President, instead of a series of hamstringing and emasculating proposals such as those contained in the original Case bill, your Committee on Education and Labor, by a majority vote, reported to the Senate a bill which, in the opinion of the committee, represents the best policy which we could pursue in diminishing industrial strife. What is that policy? In the first place, the bill reported by the committee outlawed the kind of interference which has occurred in the past with farmers bringing their produce to the city markets. A majority of the committee placed a prohibition in the committee bill against that kind of interference.

In the second place, the committee bill set up a Board of Mediation, to be appointed by the President and confirmed by the Senate, and paid decent salaries. The bill took that Board out from under the jurisdiction of the Secretary of Labor and made it an independent Board, because we were trying to inspire public confidence in the National Mediation Board—the only provision with which seven members of the majority of the committee did not agree. In that respect we were following to a considerable degree the analogy of the Railway Labor Disputes Act, under

which there is a National Mediation Board.

In the bill we authorized the National Mediation Board to appoint arbitrators when the parties would agree to arbitration; and we provided for assistance in the selection and finding of arbitrators. We authorized the United States Government to pay a part of the expenses of an arbitration proceeding, so that such a proceeding would be as little burdensome as possible to the parties to it. In addition we provided strengthened mediation and conciliation personnel and machinery, so that, if a strike were in prospect, the officials of the National Mediation Board would be alertly on hand to get in contact with the opposing parties and try to find a common meeting ground of the minds of the parties. We recognized that the conciliation and mediation service of the Department of Labor had not been adequate; that perhaps the character of its personnel had not been altogether the best; that there had not been sufficient funds available to make that agency able to do the job that it should do. We recognized it as one of the most important jobs the Government has to do. So we provided for the strengthening of the mediation and conciliation machinery. We believe that we provided governmental facilities at the disposal of management and labor which would help them in the solution of their controversies and reduce industrial strife.

Mr. President, your committee thought that it had made some contribution to the settlement of the difficult controversies agitating our social, economic, and political life today. There was no great disaffection with our committee bill. Minority views were submitted by some members of the committee, but there was no excitement in the Senate. The bill lay on the calendar for weeks. There was no particular agitation to have the Senate take it up. The Senate debated the British loan for more than a month, day in and week out. Then all of a sudden the coal miners went on strike, or, rather, they refused to reexecute their contract with management. But even when the cessation of work got under way there still was no particular excitement in the Senate. The Senate still did not curb debate upon the British loan. The Senate still did not meet a full week in session. The Senate did not stay in session long hours of the day; it had only one or two night sessions. So there was no particular agitation from any segment of the Senate for any particularly hasty action upon this labor bill.

Finally the coal-mine dispute began to get more acute. The public began to feel the inconvenience of the work stoppage. The coal supplies of the Nation began to be seriously depleted. Then, suddenly, like the explosion of a volcano, there occurred here one of those wrathful manifestations of the Senate. The Senate determined that immediately it had to do something against John L. Lewis.

But, Mr. President, meanwhile the President of the United States had never taken over the mines, as he has authority to do under the law. The President had never once called upon the Congress to help him in meeting the crisis. The President had never once told the Congress that he lacked authority to act, if he did lack authority. He never once chided us upon any delay on our part in meeting by way of legislation the labor controversy. No Senator had a panacea for meeting the problem.

But, all of a sudden, there was a desire in the Senate to go back and pick up the rejected Case bill; and then Senators on this floor said they were going to try to take it up, and they said they were going to repudiate the committee bill, on which there had been long hearings and ample consideration and ample discussion, and merely make it the inanimate vehicle for the enactment of the vindicative proposals which Senators who are generally antilabor in their attitude want to incorporate in the law of the land. The able Senator from Virginia [Mr. BYRD] was one of the prime movers of the motion to bring up suddenly the Case bill, even at a time when we had ignominiously to reject our obligation to our country in respect to selective service, at a time when selective-service legislation was clamoring for recognition here, when more than 200,000 men, including fathers, were entitled to get out of the Army, but were being kept in the Army because of the inability of their Congress to legislate upon the subject. With that legislation clamoring for recognition, and now upon the calendar of the Senate, with only a stop-gap and an unfair resolution extending any kind of selective service, and with Senators acknowledging that they have no panacea for the strikes, not even proposing a remedy to stop or cure the strikes, it was proposed that the Senate take up antilabor legislation, the Case bill—obviously, Mr. President, for the purpose of taking advantage of the public prejudice against John L. Lewis, to enact labor legislation which they could not otherwise have passed by the Senate. They knew that if any of us dared to stand up here against unwise labor or antilabor legislation, we would be condemned in our States and throughout the land—first, as being obstructionists; second, as being partisans of John L. Lewis; and, third, as believing in some kind of a dictatorship by some labor leader. They knew all that. The able Senator from Virginia told his colleagues here, the first day of debate, that he had been in contact with the mine operators. Other Senators have since said that the Senator from Virginia had had contact with the mine operators. I stated on this floor yesterday that I had no factual assurance of it, but that I believed—and it has not been denied by the Senator from Virginia—that I believed it possible that the Senator from Virginia told the mine operators, "Do not agree with John L. Lewis until we can get this antilabor legislation through the United States Senate, because Senators will bear the scorpion's lash of public condemnation if they do not enact legislation that will be considered by the public as in some way or other punitive against John L. Lewis."

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. Did I correctly understand the Senator from Florida to say that the Senator from Virginia did that, or is the Senator from Florida only suggesting that he might have done it? Did the Senator from Florida make a charge or did he merely make a suggestion?

Mr. PEPPER. It might be a little difficult to draw the psychological line between a charge and a suggestion. But the Senator from Florida——

Mr. TAFT. Mr. President, will the Senator yield to me again?

Mr. PEPPER. I yield.

Mr. TAFT. I mean, is the Senator from Florida suggesting it as a fact or as an opinion?

Mr. PEPPER. No; I wish to make that very clear. I said that the Senator from Florida believed it might be possible that the mine operators had been advised that it would not be good policy to agree with John L. Lewis until this legislation is disposed of.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PEPPER. I am glad to yield.

Mr. BYRD. Does the Senator from Florida refer to me?

Mr. PEPPER. I did in my statement yesterday, and just a moment ago I made a statement in which, although I regretted to do it in the absence of the Senator from Virginia—and I shall be glad to repeat it now——

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BYRD. Mr. President, I ask the Senator from Florida to repeat it.

Mr. PEPPER. The Senator from Florida said yesterday in his remarks that the able Senator from Virginia had stated on the first day of the debate on the Byrd amendment that he had been in contact with or had had some contact with the mine operators.

Mr. BYRD. Mr. President, that is not true, and the RECORD will show it is not true.

Mr. PEPPER. The Senator from Virginia made the statement on the floor of the Senate.

Mr. BYRD. I did not make that statement. I said I had been informed by a man who was present—not an operator—that certain things had occurred.

Mr. PEPPER. The Senator from Florida inferred or understood——

Mr. BYRD. Mr. President, the Senator from Florida has made a lot of inferences and insinuations here that are totally false from the very beginning of this discussion.

Mr. PEPPER. The Senator from Florida stated his opinion, and he is not reluctant to state it again: that Senators on this floor, and possibly the Senator from Virginia think it is to the strategic advantage of those who have his viewpoint that the public anger be kept up against John L. Lewis until this legislation is enacted, and they would perhaps prefer that the sentiment not be allayed until this legislation is enacted.

Mr. BYRD. Mr. President, I wish to ask the Senator from Florida if he stated that I had advised the coal operators not to settle this dispute at this time.

Mr. PEPPER. The Senator from Florida stated yesterday, and again to-

day, and he will now state to the Senator from Virginia, that he had no factual confirmation of it; but, understanding the Senator from Virginia to say the other day that he had; not knowledge gained from the newspapers—which is the knowledge the Senator from Florida said he had to rely upon—but knowledge gained, as he said, from the mine operators—maybe he said through an intermediate of the mine operators, and due to the fact that people who had the Senator's point of view had been in contact with the mine owners, the Senator from Florida stated that, under the circumstances, it was the belief of the Senator from Florida that he had been in contact with the mine operators?

Mr. BYRD. Mr. President, that is a charge by innuendo, and false innuendo at that; and I emphatically deny that there is any truth in what the Senator from Florida has said.

Mr. PEPPER. Let me ask whether the Senator from Virginia has been in contact with the mine operators?

Mr. BYRD. The only contact I have had is that certain Virginia operators had seen me, as they had a right to do. They certainly have that right.

Mr. PEPPER. Of course they have.

Mr. BYRD. The Senator from Florida evidently believes that a Senator has no right to speak even to his constituents if they be coal operators. Is that the position which the Senator takes?

Mr. PEPPER. Not under any circumstances. Of course, Senators have the right to speak to their constituents.

Mr. BYRD. I have not given advice to the coal operators, nor have I been present in their conferences, or participated with them in their negotiations.

Mr. PEPPER. But the Senator has conferred with some of the mine operators of his State.

Mr. BYRD. I conferred with Virginia mine operators who wanted to see me, and I will confer with any of my constituents at any time they may wish to see me.

Mr. PEPPER. Yes. The Senator has a right to do so.

Mr. BYRD. Mr. President, I wish to say a word concerning the frequent insinuations which the Senator from Florida has made against me. I have been told that the other day he made some reference to the house in which I live. I wish to say that, so long as that house was honestly acquired, it has nothing to do with this debate. I happen to have started to work at the age of 15 and have worked hard. I have accumulated some property. It is not as much as some persons state it is, but whatever it is, it is mine, and honestly acquired. The Senator wishes to bring it into the debate merely to prejudice against me the coal miners of my State, of whom there are many. I have not answered any of the remarks which were made by the Senator from Florida, because his opinion of me is a matter of complete indifference to me. It does not make a particle of difference to me what the Senator from Florida thinks of me. I am reminded, too, Mr. President, that when I first became a Member of the Senate my distinguished colleague the senior Senator from Virginia [Mr. GLASS] said to me that it never paid to get into a contest with a skunk.

Mr. PEPPER. Mr. President, I shall not raise any point, though I do not believe that while on the floor of the Senate I have used any language comparable to the language which the Senator from Virginia has just employed. I am, indeed, sorry that the Senator, being oftentimes off the floor, has completely misunderstood the argument which the Senator from Florida was trying to make. I will repeat a part of it in order that the Senator from Virginia may understand that in no circumstance has the Senator from Florida intended to make, or has made, any personal attack on the Senator from Virginia.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. PEPPER. Excuse me. If the Senator will say that what I may think of him is a matter of no concern to him, I will say that what the Senator from Virginia thinks of me in respect to my personal relationship to him is a matter of very grave concern to me. I should like to continue to enjoy his friendship in spite of the fact that we do not agree philosophically on many questions.

When I referred to the house of the Senator from Virginia, and to his apple orchard, I was trying to show that if we were to adopt compulsory legislation which would compel a miner to take a short pick and go down into the black bowels of the earth and mine coal, we would, by the same token, send the Senator from Virginia out into his spacious apple orchards with a bayonet behind his back, and a hoe in his hand, and make him also perform the kind of labor which Congress might impose upon him. When I spoke of the Senator's house I did not limit my statement to the Senator from Virginia, but it applied to all of us. We hardly know what it means to live in hovels like those which miners have to live in. I repeat that it is not always easy for a Senator who lives in a large, fine house, surrounded by spacious grounds, to realize how desperately, how pitifully, and how insanitarily a great many persons in this country are required to live. The Senator from Virginia has generally voted in the Senate, although conscientiously and honestly, the sentiments of a man who lives his kind of life, and he has not always expressed in the votes which he cast an understanding which perhaps some of us think he should have manifested of the poor devils who live in wretched houses with unsanitary privies, from which water pours into their kitchens, and who are not afforded any possibility of enjoying the decencies and amenities of life which, in my opinion, every American should have an opportunity to enjoy.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PEPPER. However, if the Senator from Virginia obtained any impression whatever that the Senator from Florida intimated or intended to intimate that there was anything other than credit to be attached to him for having been a business success in life, or that he has not, by his own labor, built up an enterprise, and a comfortable and attractive home for his family—I say, Mr. President, if he gathered any impression that the Senator from Florida intended in any personal way to reflect discredit upon him, I am deeply sorry. I had no such intention at all. I was speaking with reference to the public policy which is involved. When a Senator offers an amendment to the effect that a labor-union representative may not demand of his employers a welfare fund and have it administered by the union, I believe it to be proper to comment upon such amendment. I think that under those circumstances it is pertinent to show, as I attempted to do, the kind of hovels in which miners are required to live and the pitiful conditions under which they are required to exist.

I now yield to the Senator from Virginia.

Mr. BYRD. Mr. President, I am under no compulsion of the Senator from Florida to account to him for my votes. I may vote as I please. I vote only in accordance with an obligation to my own conscience and an allegiance to the people of Virginia. So long as I am satisfied in that respect, I am not obligated to satisfy the Senator from Florida as to any vote which I may cast.

Mr. PEPPER. If the Senator thinks that the Senator from Florida regards himself as exercising any authority over the kind of vote which the Senator from Virginia casts, the Senator is more presumptuous than is the Senator from Florida.

Mr. BYRD. The Senator from Florida certainly cannot believe that he has a right to exercise any control or does exercise any control over the Senator from Virginia in the votes which he may cast. However, the Senator from Florida has attempted to criticize the votes cast by the Senator from Virginia which were cast in accordance with his convictions.

Mr. PEPPER. I am sure of that.

Mr. BYRD. So long as I can satisfy my constituents in Virginia I have no intention whatever of attempting to satisfy the Senator from Florida.

Mr. PEPPER. The Senator from Florida has never expected the Senator from Virginia to attempt to satisfy him, and if he has not done so within the past 10 years I am sure he is not likely to begin now. I am very sorry that the Senator——

Mr. BYRD. The Senator from Florida is now farther away from satisfying the Senator from Virginia than he has been at any time within the 10 years we have spent together in the Senate.

Mr. PEPPER. Mr. President, I am deeply sorry that I said anything in my remarks which were addressed to the issues, that in any way offended the Senator from Virginia, and insofar as I am at fault I wish to extend to the Senator my apology. I assert that while I do not always agree with the Senator's philosophy, I respect him very highly as an individual, and I hope to enjoy his personal friendship whether I ever get out of his skunk class or not. I am sure that when the gracious and usually hospitable Senator has a little opportunity to reflect, he will accept my apology and will, perhaps, make some correction in

today's RECORD with regard to the discussion which has taken place.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HAWKES. I assume that the Senator from Florida, as well as every other Member of the United States Senate, is interested in bringing about understanding and harmony with reference to working conditions between the various groups which make up American life. In my opinion, we are serving our constituents better when we omit personalities and apply ourselves to the facts and conditions which are causing a disruption of affairs in the United States. I cannot help but remark that, while sitting here, if I understood the English language, I felt that the Senator from Florida unnecessarily devoted himself to an attack upon the Senator from Virginia for his personal acts in connection with the pending matter. I cannot help feeling that way. The Senator may say that, because I pay my bills in the United States and have not been a charge on the Government, nor have gone to it for a dole, or placed my family on relief, that in itself is an argument against me for objecting to the manner in which the business of the Senate has been progressing. I am proud that I have not been a charge on the Government. I am proud of the Senator from Virginia for what he has done since he was a small boy. I personally resent the attacks which have been made on the Senator from Virginia while we have been debating a subject in an attempt to bring the people of the United States closer together, rather than to divide them and create hatred.

Mr. PEPPER. Mr. President, the able Senator from New Jersey is one of the finest and most gracious Senators on this floor. Yet he is head of a great enterprise.

Mr. HAWKES. Pardon me. I am not the head of a great enterprise.

Mr. PEPPER. Well, the Senator is the owner, I may say.

Mr. HAWKES. No. Mr. President, I wish to say in defense of myself that the Senator from Florida never made two statements which were so nearly 100 percent inaccurate. That is the difficulty with the Senator's argument. That is the point I am raising. For 3 days we have listened to innuendo and statements concerning imaginary things that do not exist in life. However, I deny the Senator's statement 100 percent.

Mr. PEPPER. Very well. I have heard the Senator in the Patents Committee talk about congoleum and many other things.

Mr. HAWKES. I was connected with the Congoleum Co., but before I came to the Senate I resigned from the presidency of that company, and I never owned it.

Mr. PEPPER. Let me say that the Senator from Florida also has some privileges of statement and opinion. The Senator from Florida has done what he could to emphasize that there are many people living a long way from the way the working men and women of this country live, and it is awfully difficult for a man living in a great palatial home, who does not feel the pinch of poverty; it is awfully difficult for a man who does not have the pains and heart anguishes that many of the poorest people of the country have, to understand their point of view. I know that the mine operators, for example, have their point of view, and Mr. Lewis has his point of view, and I desire to read a few extracts which indicate the way some of the workers in the mining industry live and emphasize how far away their mode of life is from that of Senators. If I cannot say that without offending some Senator, the Senate will have to excuse me.

Mr. HAWKES. If the Senator from Florida will yield a moment further, I do not deny he has the right to say anything he desires. I am merely talking about personal attacks and statements that are dividing the people instead of bringing them together.

Mr. PEPPER. As much malice has been generated by the corporate powers of this country as ever came from any other source.

Mr. HAWKES. I am not going to deny that wherever that has been the case, sorrow has been generated and differences of opinion and bitterness have developed; but I want the Senator to understand that I know all about being poor. I have seen the time when I could not pay my bills. I went to work when I was 10 years old, and did not go to higher schools and have the kind of education the Senator is talking about, though I did find a way to get some of it by attending night schools. I want to say to the Senator, because I should like to have him understand, as I know he wants to, that I have shoveled salt into a muriatic furnace 10 hours a day when a young man, in order to make a living, and I do not know of any harder or dirtier work in the world. So I have a deep understanding of the people who are working and about whom the Senator is talking. The point I am raising is that, because some of us stand for certain principles on which American life has been founded and built up and do not agree that we should tear down our economic system and the whole structure of government, but, rather, that we should improve our relationships gradually and make them what we want them to be, the finger of scorn, hatred, and bitterness is pointed at us. Harmony—not discord—will accomplish these things in the American way.

Mr. PEPPER. Yes; and when some of us on this floor stand for what we believe to be essential Americanism, what are we called in the press, and, in some instances, by our colleagues in the Senate?

Mr. HAWKES. Mr. President, if the Senator will yield further——

Mr. PEPPER. I yielded to the Senator, and I should like to finish what I am saying.

Mr. HAWKES. Very well. I thank the Senator.

Mr. PEPPER. When some of us advocate the working men and women of this country getting a fair wage, we think we are advancing Americanism; when some of us insist upon the right of the American family to live in a decent home, we think we are advancing essential Americanism; when some of us insist upon the right of working men and women to be provided with medical and hospital and home-nursing care for themselves, their wives, and their children, we think we are advancing essentional Americanism; and when some of us defend the right of labor to act together collectively and to use their combined resources to better their condition, we think, we too, are advancing essential Americanism. Yet when we defend those rights, we are accused of being Communists, in believing in a labor dictatorship, and subscribing to all the things that are distasteful to American life. We, too, think when we are defending the civil rights of an American citizen to work or not to work that we are defending constitutional prerogatives which are the very essence of Americanism. Yet, in our opinion, those very things are to be stripped away from the workingmen of this country if the pending amendment proposed by the Senator from Virginia and other Senators is adopted by the Senate and becomes the law of this land.

I am not complaining about successful men in this country, but I am saying that it makes a great deal of difference whose ox is being gored. I stated here the other day to some of the defenders of private enterprise, the essential private enterprise system of America, that I believe in the system of private enterprise. I believe in the right, as I said the other day, of the Senator from Virginia to have his own private enterprise, but his private enterprise is no more important to him than is the right of the miner in the mines to work with his pick and his little lamp on his forehead down in the dark passages of the underground.

Mr. President, what a number of Senators want to do is to apply one standard of law to large private enterprise and another standard of law to small private enterprise; they want to apply one standard of law to the head of a large enterprise and another standard of law to the humble man who works for the large corporation. What I want to do is to respect private enterprise wherever it may be in America.

For example, the amendment of the Senator from Virginia which was offered at the beginning of last week has been changed at least four different times since the Senator from Florida has been addressing himself to the amendment. Senators know that to be so. As originally offered the other day, it contained a flat prohibition against any employer paying any sum of money or other thing of value to an employee, without any limitation, without any exception, without any reservation. The Senator from Montana [Mr. WHEELER] stood on the floor of the Senate and pointed out that the original amendment would prevent a corporation from giving a hundred dollars to a baseball team that a group of employees might organize. The Senator from Montana also pointed out that it would probably prevent a railroad from giving a pass to an employee who worked for the railroad. The Senator from Florida pointed out that it would prevent a corporation from contributing to a

health fund. He pointed out that it would prevent 200,000 workers who are today enjoying health funds, which have been arrived at by collective bargaining with the employers, from continuing to utilize such funds. Those criticisms of the Senator from Florida and other Senators have been responsible for four different alterations in the amendment of the able Senator from Virginia, and all the time the newspapers have been talking about a filibuster and Senators have been accused by one insinuation or another. Yet our criticism has changed and perhaps improved the Byrd amendment. I take it the Senator will have to agree to that statement, because of the fact that he has voluntarily modified his amendment from time to time as these points of criticism have been brought out. I pointed out that, in my opinion, that amendment was unduly restrictive of the rights of management and labor in collective bargaining. I am saying that the Senator from Virginia proposes to curb the power of management and labor in respect to their own affairs, that is to say, as to whether there can be a health fund or not, and who can administer it. I am saying that the coal miners of this country have been denounced for causing a strike, but nothing has been said about the coal operators who have flatly refused to negotiate and provide a health fund for the miners.

I do not ask the Senate to take my word for that. I read into the RECORD a few days ago what the mine operators' negotiating committee said about it. Here is one of the paragraphs of their statement:

> It is to be noted that at least three of these demands are immeasurable on any actuarial or other basis and would result in expenditure of many more millions than those that are measurable, and that the limits upon the expenditure of money are not explained nor specified nor restricted. The operators' negotiating committee unequivocally rejects this proposal for the following reasons.

Then it says that if there is to be any legislation on this subject it has to be general in character.

Then I asked the question, Will Senators proposing to outlaw the administration of these health funds by employees join us in proposing national-health legislation like the Wagner-Murray-Dingell bill, that will make it possible for the workers of this country and the people generally to contribute to a national insurance fund from which they can provide the medical and hospital care which the people of this country need? I am saying that, as a general rule, those who are the principal proponents of these restrictive amendments have not been the advocates of national-health legislation as an alternative to the kind of health fund the unions are trying to provide by their own collective-bargaining rights.

Here is the amendment of the Senator from Montana [Mr. MURRAY], the Senator from Oregon [Mr. MORSE], and the Senator from Florida:

> It is hereby declared to be the policy of Congress to encourage and facilitate the establishment and maintenance of approved plans within industry for providing hospital, medical, and home nursing care and services, insurance, vocational rehabilitation, and other benefits for employees in activities affecting commerce and for their families and dependents, and to encourage the support of such plans by employers, whether such plans are administered by employers and employees jointly or solely by employers or solely by employees or otherwise. No provision of this or any other act shall be deemed to prohibit such plans or to prohibit employers from contributing to the support of such plans, except in any case where such support constitutes an unfair labor practice under the National Labor Relations Act. The failure or refusal of an employer in an activity affecting commerce to bargain collectively concerning the establishment or maintenance of such a plan shall be deemed to be an unfair labor practice for the purposes of the National Relations Act.
>
> (b) As used in this section, the term "approved plan" means a plan which has been approved, or which is to take effect only upon its approval, by the Surgeon General of the United States insofar as such plan provides for hospital, medical, and home nursing care and services and by the Secretary of Labor insofar as such plan provides other benefits. The Surgeon General and the Secretary of Labor shall approve any plan submitted to them for the purposes of this section if they find that such plan is a bona fide plan for providing benefits for employees and that a fair and equitable method of administering such plan is provided.

Mr. President, what does that substitute for the Byrd amendment do? It says that, instead of prohibiting management and labor from getting together and agreeing upon a health plan and a welfare plan, Congress encourages their doing so. It says it is the national policy of the Congress to aid them and to give them support in the formulation of such plan, rather than, as the Senator from Virginia would have had Congress do, prohibit them from collectively and voluntarily working out such plan, including the right of the union itself, or the employees if unorganized, to have the majority of representation on the board, due to the fact that they are the ones for whose benefit the fund is provided.

Mr. President, which do Senators think is the fairer proposal? Should we step in by arbitrary legislation and attempt to curb the freedom of parties to collective bargaining, and to say that they cannot make the provision for a health fund as a condition precedent to work? Or, shall we say that, until we can devise a national health plan passed by law, the thing we should do is to encourage all employers and all employees to get together and devise the best kind of a health plan for their own workers they can work out, without any restrictions on how the fund shall be administered as between the employers and the employees, or either one of them, or both of them, and the public?

Mr. President, I pointed out that there were already in effect in this country these voluntary health and welfare plans worked out by CIO and A. F. of L. unions in which over 600,000 workers were covered today; and had the amendment of the Senator from Virginia not been altered by the Senator from Florida pointing out what I have stated, it would have outlawed every one of those plans already in existence.

I pointed out, Mr. President, that our committee had made a study of these industrial health plans, and that there were a million and a half working people in this country who were covered by voluntary plans. In some cases the money is put up by the employer altogether, in some cases the money is put up by the employees altogether, and in some cases the money is put up by the employee and employer jointly. It is a matter about which they should have freedom of action.

Mr. President, not only are a million and a half working people in this country covered by such plans but I am advised that there are five foreign countries, Great Britain, Spain, the Netherlands, New Zealand, Belgium, which already have the same kind of plan in existence and in operation. Yet the Congress of the United States, if the amendment of the Senator from Virginia is to be adopted, would make it unlawful for management and labor to work out such plans as this unless they kept labor, the employees, from the principal administration of the fund.

Mr. President, I do not know which is the best way to operate the fund. I dare say we are still going through experimentation, I dare say that we will find out eventually by experience which is the best way to raise the money and which is the best way to administer the fund.

I have stated here in response to questions by the Senator from Illinois that, insofar as requiring the employees to make an accounting is concerned, I would support an amendment of that sort, providing for an accounting to any public authority which might be deemed the best authority to examine into the reports. But I do say that it is wrong; I not only say it is wrong, but I say that it is discriminatory; I not only say it is discriminatory, I say it is unfair for us to interpose statutory prohibitions into this field of voluntary collective bargaining, and because for some reason or another we do not like labor, or do not think labor should administer the fund, deny management the right even to give employees by voluntary agreement the authority to administer a fund which is to provide health and care for their own bodies and their own families.

Mr. President, I can well understand why the employees might wish to administer the plan themselves. I can well understand how they might think that the management of which came altogether from the employees would be more sympathetic with the problems of the employees than a board composed of representatives of either the public or the management. But the interesting thing is that from Bulletin 841, which I read in the Senate a few days ago, it appears that the plans which are already in existence in the country embody the three methods, and here they are:

> A little more than a third of the employees covered by health-benefit programs included in this report are under plans which are jointly administered by the union and employer. Another third are covered by programs for which insurance companies assume the major administrative responsibility; and somewhat less than a third are under those administered solely by the union.

Mr. President, the pending amendment was proposed to strike at John L. Lewis. It was proposed because the sponsors understood that Lewis had said, "I will not negotiate about wages and hours until you agree to the principle of a health fund," and they offered this amendment to make it unlawful to get it by law even if it were secured by collective bargaining.

Is that wise legislation? Is that the kind of legislation Congress should adopt? Is that the approach to this controversy which the Congress should make? Is that the spirit in which we should legislate?

I have said every day that I have spoken on this subject that I do not any more approve John L. Lewis' attitude and John L. Lewis flaunting of his arbitrary power before the country, John L. Lewis' apparent inconsideration for the public interest, than does any other Senator. But I say that, if we adopt these restrictive amendments, if we impose upon labor curbs of the particular kind proposed, all we are going to do is to embitter them, all we are going to do is make them feel that we have exercised a prejudice against them, all that will be done is to make them feel that we are trying to penalize them, and that the proposals proceed out of a spirit of hate and animosity and vindictiveness, rather than that they come from deliberate, carefully devised, and solemnly thought out legislative proposals as they should come from the Congress of the United States.

Mr. MITCHELL. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Florida yield to the Senator from Washington?

Mr. PEPPER. I yield.

Mr. MITCHELL. Section 8 of the bill as reported by the Committee on Education and Labor provides:

> Nothing in this act shall be construed to diminish or interfere with the exercise of the rights of employees or labor organizations under the National Labor Relations Act.

I note that the Byrd amendment, which is now under consideration, proposes on page 28 to strike out section 8 and insert in lieu thereof other language. What effect will that have upon the National Labor Relations Act?

Mr. PEPPER. Mr. President, my opinion is that there would be no doubt that it would be a limitation upon the National Labor Relations Act. All through these amendments, as I said in the first instance, the same thread runs through a designed purpose to restrict the National Labor Relations Act. For example, some of the amendments would not only restrict the National Labor Relations Act, but would restrict the Norris-LaGuardia Anti-injunction Act as well.

Mr. President, we are now so far away from it in time, and some of us are so far away from it in living that we have forgotten the awful condition which used to prevail in this country when the employer would run into a Federal court where there was a judge who had a lifetime appointment, perhaps who was unsympathetic to labor, and he would issue an injunction against labor striking, or against labor even peacefully picketing, or in some other way who would impose restrictions and restraints upon labor's exercise of its economic force. It was such a scandal, Mr. President, that finally the Congress of the United States passed the Norris-LaGuardia Act, and that placed a prohibition upon any court to issue that type of injunction in the future. Now, some ask that Congress to a very large degree impair the efficacy of the Norris-LaGuardia Act and restore to a considerable degree that old power in courts to issue these injunctions and restraining orders, the effect of which practically makes it impossible for labor to exercise its economic power.

Mr. MITCHELL. Mr. President, will the Senator again yield?

Mr. PEPPER. I yield.

Mr. MITCHELL. In relation to the statement the Senator has just made, I notice also on page 28 of the bill that section 8 refers both to the National Labor Relations Act and to the Norris-LaGuardia Act. Apparently, from the Senator's explanation, the striking of that section from the bill might impair both the NLRB and the Norris-LaGuardia Act in serving the purposes for which they were created. Is that a correct inference to make?

Mr. PEPPER. That is my impression. I have exactly the same opinion of the legal effect of the amendment as has the Senator from Washington.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MURRAY. My understanding is that the Byrd amendment undertakes to strike section 8 from the bill because it would be inconsistent with the Senator's amendment to the amendment of the Senator from Virginia. It would nullify his amendment if it were allowed to remain in the measure, because under the National Labor Relations Act the subject of welfare funds would be a proper problem for negotiation, and therefore, in order to make his amendment effective, he wants to strike out of the bill the provision that, "nothing in this act shall be construed to diminish or interfere with the exercise of the rights of employees or labor organizations under the National Labor Relations Act * * *."

Mr. PEPPER. Mr. President, I have in my hand a column written by Lowell Mellett, published in the Washington Evening Star, the heading of which is "National Health Act might have forestalled coal crisis." I read as follows:

> If a man accepts a job in a coal mine he can work in reasonable safety—if his State has enacted and enforces the safety regulations recommended by the United States Bureau of Mines. Few States have enacted and fewer actually enforce these standard safety regulations. Congress has not seen fit to confer enforcement power on the Bureau of Mines, as could be done.
>
> If a man is injured in a coal mine he may collect some damages under his State workmen's compensation law—if his State has such a law. Of the mining States, only Illinois and Pennsylvania are said to have reasonably adequate compensation laws. In most States participation by employers is wholly voluntary. If the miner's employer is not a participant, the miner's only recourse is a lawsuit.

I will add, Mr. President, that it means the injured never will have to pay the lawyer 50 percent of what he would recover. That means the employer in court will use the defense of contributory negligence and the fellow-servant rule and all the other delays that a poor fellow meets in court. I continue to read:

> If a miner becomes ill because of the nature of his work or for any other reason—say the miserable sanitary conditions in many mining communities—he may have the attention of a "company doctor" if he has allowed the company to hold back a percentage of his pay to provide the doctor's salary. The miner does not have the privilege of going to a doctor of his own choice, the privilege on which the American Medical Association places so much stress.
>
> "RACKET" COMPLAINTS
>
> There are mining companies that take pride in their medical service, and with some reason. There are others that justify the complaints of miners that the service is a "racket," out of which the companies actually make money, just as they make money out of company stores.
>
> If the miner's illness calls for hospital care, he may receive it if his is one of the not too common mining communities that happens to have sufficient hospital facilities. Otherwise the miner is just out of luck.
>
> All of these things have a direct bearing on the present break-down of American industry. They are the justification offered by the mine workers for their refusal to mine coal without a contract providing for a health and welfare fund. And all of these things could be handled by Federal legislation, or, in the case of workmen's compensation, by State legislation.
>
> The necessary legislation has been before Congress for some time, but Congress has failed to act.

I will say that the Senator from Montana [Mr. MURRAY] and the Senator from New York [Mr. WAGNER] have been working on such legislation in the Senate for some 10 years. And the very Senators, including the Senator from Virginia, and other Senators in many instances who are advocating these restrictive amendments are the most unsympathetic Senators on the Senate floor as a general rule to the kind of legislation proposed by the Senator from Montana and the Senator from New York.

I continue to read:

> Congress has not been disposed to correct conditions that lead to labor trouble, but instead to wait until a crisis occurs and then to thrash about blindly in an effort to "control" labor. Statesmen of the caliber of Senator BYRD, for example, come up in the present desperate situation with bills designed to outlaw any effective agreement between the operators and the miners designed to eradicate the conditions of which the miners justly complain.
>
> NATIONAL HEALTH ACT
>
> The legislation that might have forestalled the coal crisis and our present industrial tailspin is known as the National Health Act, of which Senators WAGNER and MURRAY and Representative DINGELL are the authors. President Truman has endorsed it and urged its passage. It would extend the provisions of the present Social Security Act to make medical care and hospital facilities available to all citizens. Operating as an insurance system, pure and simple, it provides for an assessment of 3 percent of industrial pay rolls, half to be paid by the employers and half by the workers. The fund thus raised

obviously would not equal the amount obtainable through the 7 percent contribution asked by John L. Lewis on behalf of the mine workers.

But offsetting this difference, the proposed act would provide for Federal assistance in the building of hospitals in communities where public revenues are insufficient.

Labor leaders have been testifying in favor of this health bill. One day recently the House Ways and Means Committee heard James B. Carey, secretary-treasurer of the CIO. A member of the committee asked Mr. Carey what he thought of John L. Lewis' demand for a health and welfare fund. Mr. Carey declined to comment. The member persisted. Mr. Carey still declined, but did say that, unless national health legislation is enacted, it is certain that the CIO unions would all be demanding health and welfare funds in future contracts.

In addition, Mr. President, I have before me a copy of the United States News, published in Washington, the editor of which is Mr. David Lawrence. These are some of the things which Mr. Lawrence says:

MINERS' PLIGHT OLD STORY

These questions have been asked again and again in past years when serious strikes have occurred. There is only one tragic answer. It is the answer that has come through the ages when human beings rebel against their lot. Revolution against tyranny gave birth to this Republic. Stated in terms of the miners' strike, the answer is that by no other means except a strike that arouses and awakens the entire Nation do the miners' union and John L. Lewis get attention for the demands which they feel are necessary to the future welfare of the workers.

It isn't as if the issue were new. It has been up frequently. The plight of the miners didn't arise overnight. Men have gone down into the coal pits day after day for many years in America. They have lived in the darkness of the underground. With flickering lights in their caps, they have groped for hours every day to dig out coal. They have breathed the foul air of the mines. They have crawled in dampness and in dust. And many of them every year are trapped and crushed by a cave-in or by explosions due not always to improper use of explosives but to the unpredictable movements of a shaken earth. It is the most hazardous occupation in the world. Yet what of the families left behind when accidents come? What of the anxiety every day until the worker returns to his home?

All this the miner endures for a dollar an hour. In 1941 he worked a 7-hour day and 5 days a week and made $35 for his family. In wartime he worked 7 days and often as much as 54 hours a week. He got $63 but he worked hard for it.

The miners are tired. They produced in wartime by long hours the coal for the factories that built our armament for victory. Their leader says the strike gives them a needed rest and offers at the same time a chance to get a settlement on the matter of pay as well as a welfare fund.

Let us ask ourselves a question individually. How many of us would do a miner's work for $35 a week or for 54 hours—at $63? How many of us would refuse to accept such employment at any price unless we were assured that our families would have adequate compensation if anything happened to us in the mines?

The safety laws of many of our States relating to mining inspection are a scandal. The situation in the awarding of compensation for injuries is no better.

Coal mining has become a national and not a State problem. The miners are organized nationally and so are the owners. The operating managers collect dues by the ton from their members and, by the terms of a special law of Congress, they can add to the sales price the expenses of their associations or trade bodies.

I wish to emphasize that point, Mr. President. This amendment was offered for the purpose of making a tax upon each ton of coal illegal if it went into a health fund for the benefit of the miners. But Mr. David Lawrence, in the United States News, is telling us that management, in order to provide a fund with which to carry out its objectives, however legitimate they are, imposes upon its members a tax of so much a ton. Has the Senator from Virginia or any other Senator proposed to outlaw such a levy? Is it a tax, as it is said the health fund requirement would be? Is it a violation of constitutional liberty, as it is said the health fund would be? That is what I have been trying to say, Mr. President. The proponents of the amendment make fish out of one and fowl out of the other. They treat the employee one way, and they would treat the employer in another way. Mr. Lawrence tells us one glaring example. In order to raise a slush fund, many times for political purposes, or for their own corporate purposes, or for legitimate work of the trade associations—and they are legitimate, and have a right to have a fund—they assess their members upon the basis of so much a ton. But if the miners say, or if William Green should say, or if the leader of an unorganized group of workers should say, "we will not make a contract unless you provide a health fund, which in amount shall be related to your tonnage," the Senator from Virginia and other Senators want to make it illegal.

The operating managers collect dues by the ton from their members and, by the terms of a special law of Congress, they can add to the sales price the expenses of their associations or trade bodies.

Let me emphasize the point which Mr. Lawrence makes. Under a special law of Congress it is permissible for the employers to add to the selling price of coal, in other words, to make the consuming public pay the expenses of their associations or trade bodies.

Are trade association expenses any more of a worthy cause than a health and welfare fund? Are those corporate objectives any more sacred than the life of a baby or the health of a mother? Are they any more deserving of our support than the health and welfare of the men and women who work not only in the mines, but in other industry in America?

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HICKENLOOPER. I wonder if there is any difference between the allowance of expenses to trade or association groups and union dues, which are collected as part of the wages, and are also a part of the expenses of operation. The expenses of the union members are taken into consideration in fixing their wages. What does the Senator think about the fact that union dues are a part of wages, and undoubtedly a factor when wages are fixed? Therefore, by the same token, union dues come out of the cost of mining coal, and are a permissible contribution to the miners' organization, just as the sort of contribution which the Senator has just mentioned would be a part of the expenses of the management organization.

Mr. PEPPER. Let me ask the Senator a question. Perhaps he has information which I do not have. Are union dues added to the price of coal?

Mr. HICKENLOOPER. I think they are taken into account in the general over-all picture.

Mr. PEPPER. It may be that in fixing wages the union dues are taken into account; but I never heard of that being true. I know that there is a check-off system——

Mr. HICKENLOOPER. Authorized by law.

Mr. PEPPER. It is authorized by law. But the company is simply the agent of the employee, to pay to the employee's union a regular fee or contribution as union dues. However, that does not mean, in my opinion, that the union dues are added to the price of coal. As Mr. Lawrence says, these other expenditures are added to the price of coal, and are passed on to the public. It may be that union dues are calculated in the wages which the workers are paid. If so, I am not criticizing that practice.

Mr. HICKENLOOPER. Wages are one of the factors, and union dues are a part of wages. I am not criticizing the payment of union dues.

Mr. PEPPER. They are deducted from wages, and not added to them.

Mr. HICKENLOOPER. I am not criticizing the payment of union dues. I see very little distinction between one contribution and the other.

Mr. PEPPER. Nor am I criticizing the payment of union dues. I am not objecting to trade associations assessing their members upon a tonnage basis. I am not objecting to the cost of the funds so raised being passed on to the consumers. But I am saying it is just as right to do the same thing in providing for a health fund. That is all I am saying.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KNOWLAND. Would the distinguished Senator from Florida indicate where in the Byrd amendment there is anything which prevents the setting up of a health and welfare fund, provided the fund is jointly administered?

Mr. PEPPER. The Byrd amendment does allow, now that it has been amended at least four different times, the raising of such a fund, and it does permit the use of the fund as a health and welfare fund, provided the administration of it is not put into the hands of the employees. That is correct.

Mr. KNOWLAND. Will my distinguished and able colleague from Florida yield for one more question?

Mr. PEPPER. But it is hedged around with so many restrictions and so many curbs that it is certainly, in my opinion, not only inimical to, but unfair to, the working people. I wish to read what I have in mind when I say that. On page

2 of the amendment, here is the permissible way in which the fund may be employed as a health and welfare fund:

(3) with respect to money or other thing of value paid to a trust fund established by such representative—

In the first place, Mr. President, it cannot be arrived at by collective bargaining between the employer and the employees. It must be created as a trust fund. I read further—

for the sole and exclusive benefit of the employees of such employer, and their families and dependents (or of such employees, families, and dependents jointly with the employees of other employers making similar payments, and their families and dependents), provided (A) such payments are held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families, and dependents, for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, or life insurance, disability and sickness insurance, or accident insurance; and (B) the detailed basis on which such payments are to be made is specified in a written agreement with the employer, and employees and employers are equally represented in the administration of such fund, such agreement to contain a provision that in the event the employer and employee groups deadlock on the administration of such fund, the two groups shall agree on an impartial umpire to decide such dispute, or in event of their failure to agree within a reasonable length of time, an impartial umpire to decide such dispute shall, on petition of either group, be appointed by the District Court of the United States for the district where the trust fund has its principal office; and (C) such payments meet the requirements for deduction by the employer under section 23 (a) or section 23 (p) of the Internal Revenue Code.

Then there is provided, as a penalty for the violation of that intricate system in any respect, a fine of not more than $10,000 or imprisonment for not more than 6 months, or both.

Mr. KNOWLAND. Mr. President, will the Senator yield to me?

Mr. PEPPER. I ask the Senator to allow me to proceed at this point.

Mr. President, that is the way the health fund is to be administered. Those are the safeguards which we by law would try to throw around the administration of the health fund. Yet Mr. David Lawrence tells us, in his article in the United States News, that employees do not have anything to say about the way the trade association uses its money. That is not a joint board. Yet the money is raised from the public by adding to the price of coal.

So what do we have? The employers levy a tax on one another according to the tonnage of coal they mine. By law which came out of the Senate Finance Committee, they can pass it on to the public and make the public pay it, and the employers use it for whatever purpose they wish to use it, without any legal safeguards or restrictions.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. Yet when we propose a health fund for the benefit of the employees, first it is said that it must be administered by management and labor jointly, in spite of the fact that we know it will come out of the pockets of the public because it will come out of the price of coal.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. And in the second place, the administration of it is hedged about with as many restrictions as a Philadelphia lawyer could draw.

That is the reason why I say they are discriminating against the working men and women, in favor of management.

Mr. President, if Senators want to be fair, let us deal with both of them alike. If we are going to put legal restrictions upon the use of the health fund for the employees—a fund which will come out of the pockets of the public—let us put the same restrictions around the trade association funds that also come out of the pockets of the public, by special Federal law.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. And let us cause those funds to be administered in the same way. Yet I dare say that a great complaint and a great protest would be made on the floor of the Senate by certain Senators who are proposing these restrictive amendments, and they would say we were interfering with private enterprise and with management.

Mr. President, I do not want us to interfere unduly with either one. I want us to permit the health fund to be administered in just the same way that we permit the trade association fund to be administered. The trade association fund is administered in the way the management thinks it can best serve the industry. By the same token, let the employees administer the health fund in the way that they think will best serve the health of the employees themselves. Is there anything wrong about that?

Mr. KNOWLAND. Mr. President——

Mr. PEPPER. Mr. President, are we approving John L. Lewis; are we approving labor dictatorship, because we lay that down as a principle of public policy which ought to govern every industry in the land? I do not think so.

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from California?

Mr. PEPPER. I yield.

Mr. KNOWLAND. I should just like to say to my distinguished colleague from Florida that, although I am sure it was an oversight on his part in making his remarks, the impression was certainly given that there was something in the Byrd amendment which would prevent the setting up of health and welfare funds.

As a matter of fact, from the very time when the Byrd amendment was submitted there was nothing in it which would prevent the setting up of health and welfare funds to take care of all the things which my able colleague from the State of Florida has mentioned, and which are highly desirable. There is nothing in the Byrd amendment which would prevent the setting up of that type of fund, through either a trust or a nonprofit corporation or anything else, provided it was jointly administered, and not solely administered by the union.

As a matter of fact, the amendment which is now before the Senate, and is to be acted upon, I hope, in the not too distant future, contains nothing which would do other than protect the best interests of the miners themselves or of any other employees, so as to be sure that the funds are used for the purposes for which they are purported to be set up, and not used for some other purpose.

Mr. PEPPER. Mr. President, let me say, with all due deference to the able Senator, that he is simply mistaken. I hold in my hand what I believe to be the first version of the Byrd amendment, and I shall read it:

SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

(b) It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to demand, receive, or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

Mr. KNOWLAND. Mr. President, will the Senator yield further?

Mr. PEPPER. Yes. But first let me read the two exceptions which would keep those prohibitions from being effective:

(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer.

That means wages. So if the employer paid wages or pays salaries to the employee, neither the employer nor the employee would be guilty of violating the law.

The other exception reads as follows:

Or (2) with respect to any amounts deducted from the compensation of any employee and paid to a labor organization by an employer in payment of dues or other similar fees payable by such employee to such labor organization.

Mr. President, those were the two exceptions. So the Byrd amendment, as originally submitted, prohibited any employer putting into the hands of any person any sum of money or other thing of value except, one, as salary or wages, or two, as a part of a check-off which had been authorized.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. In just a moment.

I pointed out on the first day of the debate that if an employer were to give a check to an employee to take home to a sick family, for example, he would violate the language of this amendment.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. Not until I complete my statement.

The Senator from Montana [Mr. WHEELER] pointed out that he could not give a hundred-dollar contribution to a group of employees who were collecting money for a picnic, or who were organizing a baseball team. The Senator from Montana also pointed out that a rail-

road company could not give a pass to one of its regular employees without violating the prohibition. That brought up the question of the health fund, and the Senator from Florida is the one who brought it up. On several separate occasions the Senator from Virginia greatly modified his amendment until finally the amendment now does not prohibit the payment of money into the fund, or the raising of it, but it does lay down a great mass of restrictions——

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PEPPER. Not until I complete my statement.

As I was saying, Mr. President, the Senator from Virginia has so modified his amendment that now it lays down a great mass of restrictions which I have already read, setting forth in detail how the fund shall be administered, and depriving employees of the right to administer it themselves without equal cooperation and authority on the part of management.

Mr. President, as I said when I quoted the David Lawrence editorial in the United States News, the amendment applies to labor and the employers a standard of law which is not applied to the various trade associations.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. In just a moment.

I have said that the Senator from Virginia was not imposing any requirement of law that the employees must have a voice, or that they shall be entitled to a voice, or that any court has any right to intervene, or that any public arbitrator has any authority to act in the manner in which a trade-association fund is handled, notwithstanding the fact that it is raised by—the Senator from Virginia would call it a tax. I believe that he or one of the other Senators called it a tax. Whether it is to be called a tax or not, it is a fund raised by management in relation to the tonnage of coal which is mined, and, by virtue of a law of Congress, management is authorized to pass on the expense to the consuming public. So management raises a sum of money per ton of coal mined, collects it from the public pocket, and then uses it as it should be used, without any curb of law. Yet I cannot but construe the amendment of the able Senator from Virginia to provide that while one may raise a health fund by imposing a tax on each ton of coal, or on the gross pay roll, nevertheless, he may not bargain collectively as to how that fund shall be administered. It would be unlawful for it to be administered by the employees without equal representation on the part of management, in spite of the fact that we all know that the money would come out of the pockets of the public. So I am pointing out that the Byrd amendment permits the raising of the fund, but I read to the Senate a few minutes ago the restrictions which are to be placed around it. The amendment states, in part, "with respect to money or other thing of value paid to a trust fund established by such representative, for the sole and exclusive benefit of the employees," and so on. It states further, "Such payments are held in trust for the purpose of paying, either from principal or income, or both," for medical and other benefits. The amendment then proceeds to provide that there must be equal representation of management in the administration of the fund. So I say, Mr. President, that is the discrimination which I have tried to make clear in my remarks.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KNOWLAND. As the late Governor of New York, Hon. Alfred Smith, once said, "I just want to keep the record straight."

I feel sure that the impression is being created by the Senator from Florida that there was something in either the modified Byrd amendment, or the amendment as submitted in its original form, which would prevent the setting up of a health and welfare fund. I merely want to make it clear that from the time the amendment was submitted there was nothing in it which would prevent setting up a health and welfare fund by the joint action of the employers and employees. What the amendment prohibited was the setting up of a fund to be under the exclusive control of the union.

Mr. PEPPER. No, Mr. President, that is not entirely true. I do not wish to argue with the Senator. He may have his own opinion. I read the amendment, and I believe that it completely prohibited the payment of a sum of money or other thing of value to a representative of the employees, the hospital board representative, or other representative, and that it excused only two kinds of receipts of money from employers. One was a wage or salary, and the other was a check-off. It was only after we called attention to the fact that a health fund would be impossible that the Senator from Virginia subsequently modified his amendment to provide that those funds are lawful, but he prohibited the funds being administered entirely by the employees, and he provided further that management must have equality of representation in the administration of the fund.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TYDINGS. A recent reading of the Byrd amendment in its last form leads me to the conclusion that it does not prevent the setting up of a welfare fund. Does the Senator find himself in accord with that statement?

Mr. PEPPER. Yes.

Mr. TYDINGS. However, the Byrd amendment does provide how the fund is to be administered. It places certain limitations upon the raising of the fund, and how the fund is to be administered after it is raised. Does the Senator agree with that statement?

Mr. PEPPER. The Senator is correct.

Mr. TYDINGS. Therefore, what we have in this amendment is a difference as to the method of raising the fund, a difference as to the administration of the fund after it is raised. If the restrictions were taken off, the method of raising the fund which, in effect, would be contributed to by the workers, the employers, and the public, depending on how we might argue the economics of the situation, I was wondering if it would be possible to agree on the administration of the fund by the workers, by the operators, and by the public. In that connection, so that I may not be misunderstood, I do not suggest establishing another Washington bureau, but merely that the workers and employers agree together on who shall be the third party to participate in the administration of the fund.

Mr. PEPPER. Mr. President, I wish to see a fair method provided for the administration of the fund. But my whole complaint is that it is wrong for the Congress to try by statute to lay down the detailed method by which the fund shall be administered. It is a proper subject of collective bargaining. I believe in the freedom that both management and labor would enjoy in trying to work out a mutually agreeable plan.

Mr. TYDINGS. That is a fair point of view. Let me say to the Senator, however, that when the miners are represented, when the operators are represented, and when the public is represented, the odds are very high, indeed, that the major objective, which is the proper administration of the fund, will be attained. I do not disagree with the Senator that the discriminations mentioned can be argued against very persuasively and with a great deal of conviction. Instead of imposing restrictions on the administration of the fund, I am trying to insure that everyone who should be represented will have a voice, so that the funds will be fairly administered.

In that connection, if we could remove the restrictions on the method of raising the money—which, in my opinion, is rather laboring the mule to death, because that is not what is in issue here, as the public is going to pay for it—we might bring all these divergent groups into position without anyone surrendering any fundamental principle in the process.

Mr. PEPPER. I thank the able Senator, and I recognize his desire to see a fair administration of the health funds, since they will be more numerous, no doubt, as the years pass.

What the Senator from Florida wishes to emphasize is that he does not think experience has shown that at the present time we need to step into this field. I do not think of any abuses which have been brought to my attention which show the necessity of Congress interfering with the right of management and labor to bargain freely and collectively in this field. I feel—and the Senator from Virginia can complain about my impression if he wishes to dispute what I say—that the amendment was primarily aimed at the fact that John L. Lewis made, as a condition to the reexecution of his contract, the demand that the management agree in principle to a health and welfare fund, and related it to the number of tons of coal mined, so much a ton. I believe the figure 10 cents a ton was mentioned.

I say that we should not legislate in that way. We have not had any hearings before any committee of the Congress, so

far as I know, which show that the plans which are now in operation have worked out unfairly, that there has been an abuse of administration when management has administered the fund or when labor has administered it, or when private insurance companies have administered the plans.

Labor, feeling that way about it, is going to feel that what is proposed would be an unfair interference with their freedom of collective bargaining. I emphasize again that it is going to be like many of these other amendments, it is going to embitter labor more than they are embittered at the present time, it is going to cause more strikes instead of less, it is going to create more animosity than there is today, it is going to produce industrial disharmony rather than industrial peace in the economy and the political and social life of this country.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. Of course, the Senator shows the futility of trying to handle this matter by legislation, and I wish the Senator would also point out that health and welfare funds today in this country are in process of negotiation between many companies and employees. There are voluntary contracts in existence. If adopted, the pending amendment, even in its revised form, would absolutely void all those agreements which have been arrived at in harmony between the employee and the employer with respect to the administration of the existing funds, and would force them to set up what the Senator from Virginia thinks should be set up in the administration of the funds.

The Senator from Florida is correct in another respect. There are many employers who would like to have their employees have health and welfare funds. They would like to contribute to them, but they would prefer that the employees have the responsibility of administering the fund. This amendment, if adopted, would change all that. I know a small concern in my home town the owner of which contributes to a health and welfare fund, in fact both the employer and employees contribute a certain percentage. But this man does not want to have anything to do with the administration of the health and welfare fund. It has turned out that the employees administer it well. They enjoy it. They use it for several purposes, and the employer is glad to be relieved of the responsibility, although he likes to contribute.

The Byrd amendment would put a strait-jacket on all those agreements entered into under voluntary bargaining. The Senator from Florida pointed out the other day that there are many such agreements in process of negotiation. This is not a new idea, and I venture to state that in the next 5 or 10 years practically every large industry will have similar funds, and they can arrive at them in a voluntary way. My point is that the amendment would void the present agreements.

Mr. PEPPER. I am glad the Senator from Washington has emphasized that, although the Byrd amendment has been amended again and again and again since we have been discussing it in the last few days, it still does not have any reservations providing that the plans already in existence, arrived at by collective bargaining, by which over 200,000 people are now affected, may continue to operate and be administered by the employees themselves without the management having any voice in the representation. It would make illegal, it would outlaw, the plans under which some 200,000 workers today are receiving health and welfare care from a pay-roll tax, under a plan arrived at by collective bargaining.

Mr. TAFT. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. TAFT. I wish to call attention to the fact that under the Byrd amendment no contract is voidable. This provision appears on page 5:

> This section shall not apply to any contract in force on May 15, 1946, during the life of such contract.

It would require a readjustment of the administration at the end of the particular collective bargaining contract.

I may say, further, that I think every fund that is mentioned in the particular pamphlet referred to by the distinguished Senator from Florida is authorized by the amendment, as changed, with the exception of the single question of the administration of the fund. There are some of the funds—not many, but some—which are administered solely by the union.

Mr. PEPPER. About one-third.

Mr. TAFT. On the other hand, the administration of those funds is not in any event an important question, because in every case, so far as I know, the benefits are very carefully spelled out, the underlying basis is completely detailed in the contract, and the administration is simply a question, as a rule, of applying it to Mr. A, if he is entitled to it, or Mr. B, according to the circumstances back of the particular case.

Personally, I think overemphasis is placed on the question of administration in the amendment and also in the discussion. But I wish to point out that I do not think any substantial change in any existing fund will be required under the amendment, except as to the one question of administration, and I do not believe that is very important.

Mr. MAGNUSON. That is the very point we make: it is only as to administration. I do not know what the Senator is reading from. There have been three or four amendments. The last one I read did not provide what the Senator from Ohio suggested.

Mr. TAFT. The important distinction, I think, between the proposed fund of the coal miners and the other fund is that in this case permission is asked to set up a fund representing, probably, three times as great a percentage of the pay roll as any other fund, and the demand is to leave it to the discretion of the union as to what it shall be used for, and in what amount, covering every field, so far as I can see—housing, welfare, education, anything the union may decide it wants to spend the money for.

It seems to me the main point is that there should be a definition, and the definition contained in section 3 (a) is broad enough to cover every existing fund and would justify the setting up by the coal miners of a more extensive fund, if they wished, than that set up under the existing plan described in the amendment.

Mr. PEPPER. But I think the able Senator from Ohio will agree that we have had no hearing on this subject in the Congress, no committee has made a study of the subject, and the whole thing was provoked by the understanding in the Congress that John L. Lewis had made a health fund, administered by the union, a condition precedent to entering into a new contract with the coal operators.

Mr. TAFT. I think it is fair to say that is so. Yet this question has arisen when the bill is on the floor of the Senate, and I at least have tried to make as complete a study of it as possible, and I think many other Senators have done so.

Whether we shall permit a fund of $70,000,000, or whatever it may be, but in any event a tremendous sum, to be paid over by the employer to a union, without strings, raises a great many questions and is a matter which I think requires to be dealt with. It is different from anything we have had before.

In the first place, what about the tax situation? Can an employer pay money into the air on which no one is ever going to pay any tax? That question has not been considered. I may say there are many employers' trusts, mostly pension funds and health benefit funds set up by the employers, and under Federal law, section 23 (p) and section 165 of the Internal Revenue Code, we have regulated them in detail because we recognized that such things may be abused by the employers. In this case it is obvious that the particular kind of fund proposed may be abused by the union. It seems to me we have reached the point when we should legislate on the subject, and I think the proposal made in the Byrd amendment is a very reasonable one. I do not see any objection to it. I do not consider that it will stand in the way of the establishment of any reasonable health fund which any union may wish to establish.

Mr. MAGNUSON. Mr. President——

The ACTING PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Washington?

Mr. PEPPER. Those pension funds and health benefit funds set up by employers and regulated under the Internal Revenue Acts are regulated to prevent evasions by employers of tax statutes. The welfare funds in question under the amendment require no such regulation for income-tax purposes as far as administration by the unions is concerned. The two situations are not analogous. I yield.

Mr. MAGNUSON. The Senator from Ohio has probably pointed out the very reason for the argument of the Senator from Florida, namely, that the whole subject is extremely complex. The reason this legislation is here is because of the coal situation. In my State we are remotely connected with that. We have some such funds as the one here pro-

posed. I think all these things ought to be brought in. A proper hearing on them should be had. Perhaps the Senator from Ohio is correct in his position. But we are legislating for every employee and every employer in the Nation, whether he mines coal or makes bricks or does anything else.

Mr. TAFT. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. TAFT. The difficulty is this: When the 18½-cent standard was laid down it was followed almost universally throughout the United States. Now we have the same sort of thing presented. If this kind of a wide-open fund is established in connection with the negotiations in the coal strike it is likely to be followed in the case of every union and in every other case throughout the United States. It seems to me that the best time to legislate is right at the beginning.

Now as to the correctness of the amendment. I think it is the best thing that can be done. I think what it does is done on the basis of sound principle. But if the Senator from Florida has any specific objections I would certainly be willing to listen to them.

Mr. MAGNUSON. Does not the Senator think we should consider and bring in all others affected, and not only consider the subject in the light of the coal strike?

Mr. TAFT. I think we have to consider and decide it ourselves in the long run. We have a very detailed knowledge of these different funds, and I feel quite confident that the language of the amendment is broad enough to cover every fund in existence. After some contracts expire there may have to be adjustments made in the matter of the administration of the fund.

Mr. AIKEN. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. AIKEN. It seems to me that while there is considerable merit in the argument of the Senator from Ohio, nevertheless we should not consider this legislation in terms of dealing with a $70,000,000 fund or any fund anywhere near that size. We should have to be very careful in our consideration.

Mr. TAFT. It is a 7 percent pay-roll fund, and no other such fund, so far as I know, exceeds 2 or 3 percent.

Mr. AIKEN. Yes. Here we have a $70,000,000 or 7-percent fund in mind in considering the amendment. Whereas most of the funds are more likely to run $100,000 than they are to $70,000,000. The amendment provides that the employers and employees shall be equally represented in the administration of the fund, but I can easily conceive of instances where one side or the other would not be particularly concerned with the fund so long as they considered it to be in honest hands. So I wonder if provision could not be made whereby either party could waive its right to equal representation if it did not want to be bothered with it. There are instances of an industry being owned by only one person, and while of course that person could delegate his representation, if he were on very good terms with his employees, as the majority of employers are, he might well say that he did not want to be bothered with it. On the other hand, I can conceive of cases where the employees, having full confidence in their employer, who perhaps has built a hospital for their benefit, would say, "We are perfectly content to let Mr. Jones or Mr. Taft or Mr. Pepper," or whoever their employer might be, "handle it for us." It seems to me it would be a simple matter to amend the language so that either side might waive its rights.

Mr. TAFT. Mr. President, will the Senator again yield to me for a moment?

Mr. PEPPER. I yield.

Mr. TAFT. It seems to me that the matter of waiver would not be difficult. There is a representative, and if one party wants to waive his rights his representative does not need to appear. It seems to me to be a simple matter to waive one's right once the fund is set up, if one wishes to do so.

Evidently the Senator from Florida agrees with the general idea that there should be some limitation on the kind of plans that can be set up, because the Senator in his substitute amendment requires that there must be an approved plan, and that, as to health, it must be approved by the Surgeon General of the United States, and as to other things by the Secretary of Labor. So the Senator recognizes that regulation is required for this kind of a plan, only he proposes to do it by delegating it to somebody else to do, which is contrary to the kind of legislation I believe to be wise. So we propose to outline in the amendment itself the substantial basis on which the plan must be worked out.

Mr. AIKEN. Mr. President, will the Senator again yield to me?

Mr. PEPPER. I yield to the Senator from Vermont.

Mr. AIKEN. I think we all agree on the advisability of encouraging employers and employees to set up hospital and health funds and work together in the administering of such funds, and it seems to me that, having agreed on that, it is a simple matter to get together and work out some plan that is fair to all, instead of spending a great deal of time in arguing on the extremes of the question. I believe that if we can agree on working out the matter of health and welfare funds we could also get together and iron out a great many of the other problems which come up between employers and employees much better than we have been able to up to this time.

Mr. PEPPER. I thank the able Senator very much. I want to call attention to the fact that even the mine operators say that the provision of this health and welfare fund is a matter of public concern. They say:

> It is a matter of public concern and is therefore a problem that should be considered not by this wage conference but by public legislative bodies and then only after a complete and thorough investigation by such legislative bodies of all the problems involved.

It is said in the statement by the employers, "This proposal presents to the conference a new social theory." Yet we are expected to write legislation here on the Senate floor without even a hearing, without even deliberations, without any discussions among any appreciable group among the Members of the Senate and the House. Even the mine owners say it is a problem of such complexity that it should not be dealt with except after long and careful consideration.

Mr. AIKEN. Mr. President, will the Senator again yield?

Mr. PEPPER. I yield.

Mr. AIKEN. I may also add that I can conceive of instances where neither the employers nor the union would handle the funds, but might arrange with the local hospital or medical association to handle the funds for them. It seems to me that we ought not to be restrictive with respect to how the funds are handled, so long as there is some requirement that a proper accounting of the use of the funds be made. I do not pretend to know what the wording of the amendment should be, but I do know that it is possible to work out an amendment which will be fair to all parties and be a credit to the Senate when we adopt it.

Mr. PEPPER. The Senator from Vermont is absolutely correct. If we acted deliberately here, the way we are supposed to legislate, it would be a simple matter to work out legislative proposals that would protect against abuses both to the operators and the employers altogether.

Mr. President, if it were proposed that any health fund provided by any management would have to have the approval of the Surgeon General or of the Federal Security Agency, I should not object to that at all. They would give some public scrutiny of the plan, and would see to it that the amount was not excessive, that the facilities were appropriate, that the administration was adequate and responsible. I can understand that kind of legislation. But that is not this amendment. That is not the spirit in which this amendment is drafted. That is not the purpose of it. The purpose is to keep the employees from administering the fund. Not to see to it that they account to somebody, either to their members or to a public official; not to see to it that they do not squander the fund. The thing is that management must be given the same voice in the administration of the fund, although it is for the benefit of the workers themselves.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. I want to point out a way by which the workers, if they wish to have complete control of the fund, may obtain it. They may do it this way: Instead of the coal miners demanding that this fund be paid in to the union by the employers, they might say to the operators, "Add 7 percent to the pay roll of every man, and agree to check off 7 percent into a fund." Under those circumstances a fund could be set up of which the employees would have complete charge. There is nothing in this amendment which would in any way prohibit such a fund. Of course, what would happen is that the employees would have to pay an income tax on the additional 7 percent and they would

know that the union was taking 7 percent of their pay away from them; therefore, the union leaders do not want it, because they know that most men would rather have the 7 percent in their own pockets than pay it to a union for a welfare fund of any kind. It would be a tremendous payment. But any union which wishes to have complete charge of the fund could, through the check-off system under this bill, by adding that amount to the pay roll, set up a welfare fund and have it administered by the union itself.

Mr. PEPPER. I wish to invite the attention of the able Senator from Ohio to subclause (2) on page 2, which defines the check-off. That is limited to the payment of dues to the labor organization; and I do not think that we could bring a health or welfare fund under the head of payment of dues to a labor organization.

Mr. TAFT. The Senator has omitted the words "or other membership fees." The unions could easily levy membership fees, requiring every member to pay 7 percent to the union. So I think the term "dues or other membership fees" is broad enough to cover such a payment.

Mr. PEPPER. I am afraid I cannot agree with the Senator, in view of the fact that in the following numbered clause there is set out an elaborate procedure to deal with the subject of health and welfare funds. Certain restraints and restrictions are laid down. I do not believe that the Senator could find a court which would construe "other membership fees," when used as an alternative to dues, to be broad enough in scope to cover the kind of health and welfare fund about which we are speaking.

Mr. TAFT. The amendment does not prohibit anything except payments directly by the employer to the union, bypassing the employee. That is all that is prohibited by the amendment. The limitation on welfare funds applies only to welfare funds created in that way. It is in no way a limitation on welfare funds set up by the employees themselves, and paid for by the employees themselves, either through the check-off or otherwise.

Mr. PEPPER. If we are contemplating that all the money should be put up by the employees themselves, I suppose that, even under the Byrd amendment, the workers could still do what they wished to do with their own money.

Mr. TAFT. If we are to demand 7 percent from the employer, we can demand it from the employees as well. So it would not cost the employees any more than it costs today, except for the income tax on the 7 percent.

Mr. PEPPER. The Senator from Florida may subject himself to another charge by the able Senator from Virginia of being some odious animal if he says it; but I will say that it is the opinion of the Senator from Florida that, if the workers did make such a demand, the next time the Senate met the Senator from Virginia or some other Senator would propose to make it illegal.

Mr. TAFT. I would be opposed to making such a thing illegal, and I would be very glad to vote against such a proposal and assist in defeating it. I do not believe that the Senator from Virginia would propose it. This amendment is aimed at one thing, namely, bypassing the employees by paying money directly to their representative, who is supposed to be bargaining for them. I believe that such a system presents the possibility of great abuse.

Mr. PEPPER. The abuse can be adequately cured by requiring that such funds be under the supervision and scrutiny of some public official, either State or Federal. Then adequate safeguards by such supervisory administration can be thrown around the use of the money. We do not have to deprive the workers of the right of collective bargaining to provide a health fund to be administered by the representatives of the workers. We do not have to deprive them of the right they now have. We do not have to invalidate all the contracts which 200,000 workers now have, and which were arrived at by collective bargaining, under which they administer their own health and welfare funds. We do not have to do that in order to legislate upon this subject today.

Mr. President, a few minutes ago I was reading from an editorial in the United States News. I had pointed out that the editorial emphasizes the fact that—

> The operating managers collect dues by the ton from their members and, by the terms of a special law of Congress, they can add to the sales price the expenses of their associations or trade bodies. They can fix prices in peacetime without running up against the Sherman anti-trust law. They have certain immunities granted to no other industry.

Mr. Lawrence says that we have also enacted a law permitting them to fix prices, which other industries cannot do. Is anyone proposing to repeal that permission? Mr. Lewis is not demanding that such provision be taken out of the law. None of us on this side are complaining about that. Nor are we complaining about the fact that they can levy what is in substance a tax. I do not think it is a tax, and I do not think it should be called a tax, but that is what the other side has been calling this kind of a health levy. They can levy this kind of an imposition upon their members, and can pass it on to the public, and spend it as they please, without anyone, public or otherwise, having anything to say about how they spend it, without the employees who help to mine the coal having anything to say about how they use it for corporate purposes. No one is proposing that they be denied that right. Yet somehow or other it is desired to do something against labor; and consequently we are told that it must be made illegal for labor to administer a health fund. We are told that management must have half of the administrative authority, and that there must be a labyrinth of rules, regulations, and requirements as to how the fund shall be employed. Management would have the right every year, when these agreements were made, by disagreeing with the employees, to alter the whole fund, because there would be no effective authority for its administration.

Mr. Lawrence continues:

> They can fix prices in peacetime without running up against the Sherman antitrust law. They have certain immunities granted to no other industry.
>
> Whatever these expenses, the owners may add them all to their prices.

I am not going to emphasize that they may also add all their traveling expenses, their hotel expenses, and their advertising expenses. They may also add into their expense accounts, as many corporate executives do, a sum of money used for political purposes. Everyone knows that it is a subterfuge for corporations to get around the law prohibiting them from contributing to political campaigns, to take the money in driblets out of the expense accounts of many of the corporate executives. That, too, is permitted under the existing law, and no one is trying to deprive them of that privilege. Those expenses are added to the price of the commodity and passed on to the public. They are also deducted from income taxes, and taken away from the United States Treasury. Yet, Mr. President, we are not complaining about that. But we are saying that there ought to be justice in the way we deal with management and with labor, and that justice is not the spirit of the amendments which are pending at the present time, as against labor.

Mr. Lawrence continues:

> They, for the most part, are not conducting their businesses at a loss. They are getting in most instances a "fair return." The public pays the bill, and the public must insist on a fair return to the miners, too. It is unfortunate that it takes a strike to bring out the issues.
>
> A FIGHT FOR A WELFARE FUND
>
> Nationalization of the mines would be a confession of defeat on every side. The answer to every difficult problem is not to turn it over to the State. The Government must continue, of course, the intervention it has already begun in the coal industry, but it must see to it, by a system of regulation, that the miners and the owners do not damage the interests of the public.
>
> It was argued by the operating managers that John Lewis had not been willing for weeks even to discuss wages and hours until the welfare fund was disposed of.

I wish the Senator from Illinois [Mr. LUCAS] were present, because he has expressed an interest in this subject.

> The impression was broadcast that Lewis wanted a fund which he or the union could alone administer. Lewis took the position that he wouldn't discuss administration of the fund at all or anything else about it until the "principle" of the fund was accepted by the operators. This is not a desiderable use of the collective-bargaining process, because all issues should be discussed from the outset. Yet it does indicate the extreme to which Lewis felt he had to go in order to get recognition of the principle.
>
> COAL BELONGS TO THE PEOPLE
>
> Some solution whereby the Government administers the fund in an advisory capacity, together with operator and union representatives—as is done under the Railroad Retirement Act—could be worked out.
>
> Almost everybody concedes that safety measures and an accident compensation plan are essential. It should not be difficult to reach a settlement provided the mine owners do not come to think that Government seizure wins a strike.

The President has been reluctant to seize the mines because of a belief that this might not persuade the miners to go back to work. He has known for some time that when the mines were seized, he would have to assure the workers somehow that the principle they were asking for would be recognized. The Government had to propose a plan that would appeal to the miners as a possible solution. For when they go back to work in seized mines, their leverage, of course, is gone. Their trust must be in the good faith of a Government which asked them to go back to work without a contract. The 2-week truce merely postpones but does not settle the issue.

The coal underground is needed by the American people. It belongs to them as much as it does to any group of owners.

Property rights are sacred only when those who hold them do not exploit or unduly burden their fellow men.

With ownership, as well as with labor, there must be a sense of responsibility. With Government there must be a sense of fairness, and always there must be good faith. The Government must act in behalf of the people and with justice and equity to all.

I submit that that is a very fine statement of the attitude in which this subject should be approached; but, I ask, is the subject approached in spirit by these restrictive amendments?

I wish to read a statement which was sent here by Mr. Lewis. It came to me through the chairman of the committee. Mr. Lewis vouches for the accuracy of it. I give his authority for what it may be worth. This is at least a part of his statement:

The United Mine Workers of America have stated to the coal operators that all their demands for health, welfare, and safety are negotiable.

The coal operators state they will not negotiate upon health, welfare, and safety and condemn the miners for their refusal to negotiate wages and hours. To the miners, health, safety, and welfare come first. Too many years have been wasted, too long have we waited now. What good are wages and hours to people living in filthy, unsanitary conditions where the doctor's bill takes the best part of the wage? What are wages and hours to the thousands of crippled mine workers, widows, and orphans living upon charity because the coal operators have extracted the last ounce of their earning capacity and thrown them aside as useless?

The coal operators have gone to Congress and Congressmen on the floor of the House have responded to their wishes by proclaiming the Mine Workers' leaders as dictators and responsible entirely for the workers being off the job. What man in Congress can force one or four or five persons to give up their means of livelihood at a given word? None probably, and neither can the leaders of the miners force one man to quit his job, starve his family and place himself at the mercy of his employer, who is his landlord, his storekeeper, his doctor, druggist, lord and master in the isolated coal camps of America. The 400,000 miners who walked off the job on April 1 did so because the coal operators of America refused to sign a contract embodying the demands made by their representatives in convention and adopted by the men themselves in their local union meetings. Their elected policy committee in Washington has ordered the officials to stand firm in their demands that health, welfare, and safety come first.

Members of Congress have demanded that the coal miners return to work at once regardless of contract. They say the miners are endangering the health and welfare of the Nation. What of the health and welfare of the miners who live under conditions that the average American citizen would refuse to tolerate for one minute? Who is responsible for the shutdown, the people who demand they be allowed to live like human beings or the people who demand they continue to live in filth and unsafe and unsanitary conditions?

The coal operators have told the Congress that the mine workers refuse to bargain. Here are the resolutions introduced by the miners in the joint conference and rejected by the coal operators. How unreasonable do they look to you?

Here is a resolution which was proposed, he says, on March 27, 1946:

"*Resolved*, That in the event no wage agreement has been negotiated before the date of expiration of the existing agreement that the joint conference authorize the continuance of work by all necessary maintenance men: *Provided*, That such men shall be paid the present wage for their services in their respective classifications, plus any increase or adjustment that may come in the working out of the base agreement which shall be retroactive as affecting these men as of April 1, 1946. Execution of this policy is the responsibility of the representatives of the operators and representatives of the United Mine Workers of America in their respective districts."

Resolution adopted by the conference.

There was also a sanitation resolution, a Federal mine inspection resolution, a safety committee resolution, another sanitation resolution, a wash-house resolution, an explosives resolution, a house-lease resolution, a discount resolution, a house-coal resolution, and a workmen's compensation resolution.

Mr. President, I ask unanimous consent that these resolutions may be printed in full at this point in the RECORD, as a part of my remarks.

There being no objection, the resolutions were ordered to be be printed in the RECORD, as follows:

MAINTENANCE RESOLUTION

(March 27, 1946)

"*Resolved*, That in the event no wage agreement has been negotiated before the date of expiration of the existing agreement that the joint conference authorizes the continuance of work by all necessary maintenance men: *Provided*, that such men shall be paid the present wage for their services in their respective classifications, plus any increase or adjustment that may come in the working out of the base agreement which shall be retroactive as affecting these men as of April 1, 1946. Execution of this policy is the responsibility of the representatives of the operators and representatives of the United Mine Workers of America in their respective districts."

Resolution adopted by the conference.

SANITATION RESOLUTION

(March 29, 1946)

"It shall be a violation of contract for any operator to permit contamination of drinking water used by occupants of company houses or rented domiciles, through drainage from urinals, closets, privies, or stables. Urinals or privies shall not be nailed or attached to the exteriors of company houses. All privies shall be located distant from occupied domiciles and shall be so constructed that privacy will be insured, and the eyes of passersby and tenants will not be offended. The operator shall be responsible for the removal of night soil and the sanitation of all inhabitated areas owned by the mining company."

The operators rejected this resolution.

FEDERAL MINE INSPECTION RESOLUTION

(March 30, 1946)

"Both operators and miners agree that the recommendations of the inspectors of the Bureau of Mines under the Federal Mine Inspection Act as to safety conditions and practices be accepted and put into effect within a reasonable time after being so made, with right of appeal and review by either party of any major controversial recommendation to the Director of the United States Bureau of Mines."

The operators rejected this resolution.

SAFETY COMMITTEE RESOLUTION

(April 1, 1946)

"At each mine there shall be a safety committee. This committee shall be selected by the local union. Its membership shall consist of a maximum of three mine workers on each coal-producing shift who shall have no less than 5 years' experience. No member of the mine committee shall be a member of the safety committee.

"The safety committee shall have the right to inspect any mine development, or equipment, used in producing coal, for the purpose of observing its safe or unsafe conditions, in accordance with law or sound mining practices, when such questions are brought to its attention or when, in the judgment of the members of the safety committee, such inspection is necessary. Such committee members while engaged in the performance of their duties shall be deemed to be acting within the scope of their employment as employees of the operators, within the meaning of the workmen's compensation laws of the State where such duties are so performed. If the committee believes conditions found endanger the life and bodies of the mine workers, it shall report its findings to management and when any immediate danger threatens, the committee shall have authority to remove all mine workers from the unsafe area.

"Each safety committee shall keep a record of all inspections, findings, and recommendations."

The operators rejected this resolution.

SANITATION RESOLUTION

(April 9, 1946)

"On or before Thanksgiving Day, 1946, all operators signatory hereto shall, at their own cost and expense, install in all company or rented domiciles adequate systems of running water, bath facilities, and garbage collection, and sewage disposal systems. Failure of any operator to so install such facilities and systems within the time designated shall be deemed a violation of this agreement."

The operators rejected this resolution.

WASH-HOUSE RESOLUTION

(April 9, 1946)

"Operators signatories to this agreement shall provide and keep in repair a wash house, convenient to the principals, main entrance, adequate for the accommodations of the employees for washing and changing their clothes, when entering and returning from the mine.

"Such wash houses shall be properly lighted and heated, supplied with warm and cold water, and adequate and proper facilities for washing purposes without charge."

The operators rejected this resolution.

EXPLOSIVES RESOLUTION

(April 9, 1946)

"All explosives, powder bags, cables, detonators, batteries, fuses, and other accessories used in blasting, hats, caps, goggles, special shoes, and rubber boots, tools, and all other safety equipment shall be union made and

furnished by the employers without charge to the mine workers."

The operators rejected this resolution.

HOUSE-LEASE RESOLUTION

(April 9, 1946)

"Notwithstanding the provisions of any house-lease agreement, either written or oral, whether now existent or hereafter effectuated, between any operators signatory hereto and individual mine workers, the operators agree (1) that the relationship thereby created is that of landlord and tenant and shall be so construed in any dispute arising therefrom, and (2) that the rights of the parties thereto shall be governed by the laws relating to landlord and tenant in the State in which the leased rental property is situated, and no person shall be evicted from the house he occupies upon less than 30 days' written notice served upon him in the same way that other legal process is served."

The operators rejected this resolution.

DISCOUNT RESOLUTION

(April 9, 1946)

"All employees shall have a discount of 10 percent on all goods purchased at company stores. With respect to work clothing and equipment used in the mines the discount shall be 20 percent."

The operators rejected this resolution.

HOUSE-COAL RESOLUTION

(April 9, 1946)

"All coal for home usage purchased by employees of signatory coal companies shall be sold at actual cost of production."

The operators rejected this resolution.

WORKMEN'S COMPENSATION RESOLUTION

(April 10, 1946)

"Each operator agrees, at its own expense, to provide its employees with the protection and coverage of the benefits under workmen's compensation and occupational disease laws, whether compulsory or elective, existing in the States in which the respective employees are employed. Failure of any operator to perform this obligation shall be deemed a deliberate violation of this section of the agreement and such failure may be handled at the discretion of the mine workers. Stoppage of work by the mine workers, due to an operator's failure to provide this protection and coverage, shall not be deemed an illegal suspension of work."

The operators rejected this resolution.

Mr. PEPPER. Mr. President, I desire to conclude my remarks; but before I do so, inasmuch as the lunch hour is over and Senators could come back to the floor, I shall ask that a quorum call be had, and then I shall desire to finish my remarks in a few minutes.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Capper	Hart
Austin	Connally	Hatch
Ball	Cordon	Hawkes
Bankhead	Donnell	Hayden
Barkley	Downey	Hickenlooper
Brewster	Eastland	Hill
Bridges	Ellender	Hoey
Briggs	Ferguson	Huffman
Brooks	Fulbright	Johnson, Colo.
Buck	George	Johnston, S. C.
Bushfield	Gerry	Kilgore
Byrd	Green	Knowland
Capehart	Gurney	La Follette
Langer	O'Mahoney	Thomas, Utah
Lucas	Overton	Tobey
McCarran	Pepper	Tunnell
McClellan	Radcliffe	Tydings
McFarland	Reed	Vandenberg
McMahon	Revercomb	Wagner
Magnuson	Robertson	Walsh
Mead	Russell	Wheeler
Millikin	Saltonstall	Wherry
Mitchell	Smith	White
Moore	Stanfill	Wiley
Morse	Stewart	Wilson
Murdock	Taft	Young
Murray	Taylor	
Myers	Thomas, Okla.	

The ACTING PRESIDENT pro tempore. Eighty-two Senators having answered to their names, a quorum is present.

Mr. PEPPER. Mr. President, if I may have the attention of Senators for just a few minutes, I wish to conclude my remarks.

I desire to correct a statement I made a few minutes ago when I said that the data from which I read came from Mr. Lewis. I am informed that the resolutions to which I referred are the official resolutions which were considered by the coal conference, and that what I read was a copy of the secretary's notes and minutes.

Again I say I am not here to defend John L. Lewis; but the other day a Senator expressed the opinion that Mr. Lewis has refused to discuss anything until the health fund is provided. I hold in my hand what, according to the official records of the conference, are 11 resolutions which were submitted to the conference by the mine employees or by the miners' representatives. I believe that one of the resolutions was adopted. The others were rejected, but I referred to them in order to show that the representatives were not merely sitting adamantly, reading newspapers, and refusing to take part in any discussions whatever, but, on the contrary, they offered various resolutions, 1 of which was adopted and 10 of which were rejected by the conference. In his statement, Mr. Lewis said that he had at all times been ready to negotiate with management the matter of a health fund. I referred to that matter because, as I have already said, the amendment was addressed primarily to the coal strike.

Mr. President, our substitute amendment would declare it to be the policy of Congress to encourage and facilitate health and welfare plans in the industrial enterprises of this country. It would recognize the free American principle of freedom of action on the part of management and labor in arriving at a plan satisfactory to them both. The Byrd amendment would deny such rights and privileges. It would limit the freedom of action which the workers would have in working out a plan. Our amendment would be in the interest of more health care for the persons who work in this country, and I believe the Byrd amendment would be in the interest of reducing such health care.

So, Mr. President, the Senate is faced with the necessity of making a choice. Do we want to help persons or keep them down? Do we want to discriminate against them, or deal with them without discrimination? Do we want to impose restrictions upon labor which are not imposed upon management? If we do, we will vote for the Byrd amendment, which penalizes labor and does not affect any of the immunities which management enjoys in connection with the operation of coal mines.

Mr. President, do we want to assume an unsympathetic attitude toward persons who live in privy-contaminated hovels? Do we want to tell those persons that they may not better their conditions by effective collective bargaining? Do we want to impinge upon their civil rights as citizens? Do we want to return them to the status of slaves and serfs? Do all of us—the Senator from Virginia, the Senator from Florida, and other Senators—wish to continue living in our fine houses? If he wishes to do so, the Senator from Virginia may call me a skunk for asking the question. Do we wish to live in luxury, affluence, wealth, comfort, and indulgence, and at the same time denounce, condemn, and damn the men and women of this country who are trying to fight their way out of the conditions under which they are now required to live?

Mr. President, we are making history in the Senate and we are writing a record. I remind Senators of the poet of the East, Omar Khayyam, who said:

The Moving Finger writes; and having writ,
Moves on; nor all your Piety nor Wit
Shall lure it back to cancel half a Line,
Nor all your Tears wash out a Word of it.

I do not mean to do other than to remind Senators that we are writing our political records. We are telling the people where we stand. Working men and women are being battled against today, and they are calling their friends to their support. Those who betray them now will be remembered.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. Mr. President, I will withdraw the word "betray" if the Senator from New Mexico wishes me to do so.

Mr. HATCH. Mr. President, I was merely wondering if the Senator was making anything in the nature of a threat to other Senators.

Mr. PEPPER. No, no, Mr. President. I do not want to have any controversy with anyone. I merely wish to state my own views. If I used the word "betray" in an incorrect manner, I withdraw it.

I assert, Mr. President, that the working men and women of America are fighting with their backs to the wall, because there is a crusade in this country to strangle them economically and to make them impotent. There is now pending in the Senate proposed legislation which recently came from the other House, and there will be proposed other legislation which, if enacted, would emasculate the bargaining capacity of the laboring men and women of this country. Those who do not stand by them now will be forsaking them in their hour of darkness. Those men and women will remember us, because they keep a record.

Mr. President, I have already said that I believe the Smith-Connally bill was a mistake.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HATCH. I do not wish to engage in a controversy with the Senator. I merely say that, as I have interpreted his remarks, he has made a direct threat, not an implied one but a direct threat, to every Member of this body. Personally I do not react to threats.

Mr. PEPPER. Mr. President, I have made all the apologies I intend to make. I have tried to be gracious to every Member of this body, but I feel as deeply about this matter as do some other Senators. I assert that today we are writing our record. We are indicating whether we wish to help the working men and women of this country or whether we do not wish to help them. If the question is one of the abuse of power, and the manner in which we shall curb such abuse, I shall be glad to consider any amendment which goes directly to the question. It is the health fund amendment which is now under consideration, and none of the amendments yet proposed would outlaw the right to strike. None of them provide for compulsory arbitration, or any coercive force to be exercised against the stoppage of work. They are aimed at restricting the bargaining power and freedom of collective action on the part of the workers of this country through their duly chosen representatives.

What I say may be called by Senators a threat, or a reminder, or an admonition, or a petition. I hope that Senators who have feelings of humanity coursing through their hearts will be on the side of the needy, the sick, and those who are illy cared for. Senators who have not been convinced of the necessity for legislation of the type which I have proposed will stand against those mute millions of Americans who have committed no wrong except that of attempting to better themselves in the American way. All they are asking for is fairness and justice at the hands of their Congress. They are asking that we legislate without heat and without vindictiveness. They are asking that we continue to be, as they think we are, the greatest deliberative body in the world. They are asking that we try to be fair to them.

Mr. President, when we weigh this controversy in that spirit and in that light, and think about those working men and women as well as about management and the persons who write editorials and news articles, I believe that we will not be willing to adopt some of the restrictive amendments which have been offered and which would make it an unfair labor practice for management to bargain collectively with its workers who are seeking the establishment of health and welfare funds.

Mr. President, the Congress passed the Smith-Connally bill. We thought it would stop strikes, but it caused more strikes. We are now being asked to pass an amendment which, in my opinion, instead of causing fewer strikes would cause more. If the amendments in the form in which they have been proposed are passed, I ask Senators to check the record 6 months from now and see whether I have made a correct prophecy in stating that the amendments will do more harm to the public interest than they will do good.

I appeal, Mr. President, for the adoption of the substitute amendment.

Mr. McCLELLAN. Mr. President, in line with the issue which is under discussion in the Senate, and which has been discussed for several days, and to serve as an answer to some of the arguments which have been made, I ask unanimous consent to insert in the RECORD three editorials, published in the Arkansas Democrat. The first is entitled "Strikes Demand Statesmanship," from the issue of May 9, 1946. The second is entitled "Labor Strife Endangers the Nation," from the issue of May 13, 1946. The third is entitled "Strikes Must Be Curbed," from the issue of May 18, 1946.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Arkansas Democrat, Little Rock, Ark., of May 9, 1945]

STRIKES DEMAND STATESMANSHIP

How much longer will Washington stand back, coaxing, deploring, and wringing its hands, but doing nothing effective, while the country is torn up with continual strikes?

We have had strike after strike since the war ended, 8 months of shameful disorder which has crippled the Nation's life. Now, to cap this outrage, we have the coal strike spreading desolation over the land, and into every home. It is throttling transportation, closing factories, stopping the construction of needed buildings, throwing men out of work, and laying a paralyzing hand on every activity necessary to the welfare of our people.

Is this economic anarchy the peace we sacrificed so much to win? Have we got a Government, or just an army of public jobholders, bowing to pressure groups, and gambling with the Nation's welfare to keep itself in office? The first duty of Government is to maintain order, and insure that the life of the Nation can go on. When Government fails in that, it fails in the prime reason for its existence.

Washington is serving nobody with its feeble course—except, possibly, a few labor leaders whose salaries continue, and who may be gaining a pitiful, temporary prestige from the harm they are doing to the entire public.

The strikers aren't profiting. They will be long in making up their hundreds of millions of dollars in lost wages, from the small wage increases they have won over what employers were willing to pay.

Industry and business are taking heavy losses. And the whole public is paying a terrific price in shortages of needs; in the lack of materials for homes and for factories and offices which would provide new jobs; in rising prices which bear hard on every small earner; and in countless discomforts and hardships.

Even if the coal strike were to end today, even if we should have uninterrupted production of every industry, it would be months before the evil effects of the epidemic of strikes were overcome. There's a huge bill to pay the fiddler for this dance of reckless self-interest.

But whatever happens now, there will be more strikes sooner or later. The people should insist that Congress provide a remedy. We want no vengeful legislation thrown together in hot haste. We want a law which will preserve labor's fundamental rights, which will be equally fair to worker and employer, and which will safeguard the public.

Our way of life is gravely endangered. Private wars, economic anarchy, must give way to law and reason, if our democracy is to endure. Labor has an equal stake in this problem with every other interest. It has as much to lose if our democracy is smashed up by blind greed. We face a peril to all which demands action—not political action, not a legislative club to use on anybody, but wise, cool-headed, fair-minded statesmanship.

[From the Arkansas Democrat, Little Rock, Ark., of May 13, 1946]

LABOR STRIFE ENDANGERS THE NATION

Do you remember the high mood in which we finished the war? Everything was going to be fine now. We had saved our way of life. We had proved the virile force, the resourcefulness, the unity, of our democracy.

Soon we'd be busy at our normal affairs, turning out a profusion of goods, building, expanding, creating—the scarcities and hardships of the war forgotten.

And look at the mess we're in today. We're shorter of daily needs than we were during the grim years of fighting for our existence. Returning servicemen are living in garages and hen houses for lack of material to build homes. To this plight we have come, in a land of potential plenty, as the bitter result of 8 months of labor strife since our victory over the Axis.

And think of the grave world situation. The peace is yet to be won. Our leaders are striving for it, trying to fend off the peril of another war—and behind them, enfeebling their words, is a nation bogged down in a strife of unthinking greed. We cannot in that way command the respect of Russia, where everybody is at work. We invite derision for our democracy.

Let us not forget the grim finger pointings of recent history. France was helpless before the German war machine because of strikes which had crippled her production. And earlier, in the 1920's, Mussolini and his handful of Fascists came to power because Italy was torn up, the people's morale shattered, by an orgy of strikes.

We'd better not be so smugly sure that the same evil which brought France and Italy to ruin can do no harm to us. We're in a dangerous world, where we need all of our strength to walk the hair-line of safety.

No reasonable American wants to see the unions "busted." Strong unions are needed to give the worker bargaining power with strong corporations. But just as the corporations had to be brought under the law when they grew powerful, and some of them flouted the public welfare, so the might of union labor must now be controlled in the public interest.

There can be no power left outside of government, whether labor, business, industry, or any other, to make its own rules and set its own conduct—to use the distress it inflicts on the public as a means of gaining its ends. That course gambles with disaster. Government must be supreme—and administered for all the people, with no special favors to any group whatever.

It is the solemn duty of Congress to put labor unions on an equal basis under the law with the big corporations. No hasty act should be passed. The problem calls for deliberate statesmanship—for a wise, fair, just law, which will give us peace at home, and a correspondingly stronger voice in building world peace. We must have order, or we shall have some harsh consequence of failing to insure it. Think again of Italy and France.

[From the Arkansas Democrat, Little Rock, Ark., of May 18, 1946]

STRIKES MUST BE CURBED

Any sharp criticism of strikes is certain to bring an irritated response from some union members. There is nothing so surprising in that. Group loyalty is, of course,

one explanation. But another important reason is that many union members are thinking, as humankind is prone to do, in terms of the past.

They have not yet realized that strikes are now a very different thing from what they were not so many years ago. Conditions which formerly gave an air of wild justice to strikes have been removed, or greatly modified in labor's favor. And the Nation has grown so dependent, every group on all others, that an extended strike anywhere inflicts injury on everybody elsewhere.

Labor unions were weak for the most part, in comparison with the big corporations, up into the 1930's. They had, therefore, the public's sympathy for "the under dog." But that is no longer the situation. For the unions, favored by such Federal legislation as the National Labor Relations Act, have grown till today they hold the margin of power. They can kill a small industry. They can cripple the biggest one, if they should so desire.

Furthermore, in years past, the worker was wholly dependent on his job. All he got out of life, for a living, for a period of enforced idleness, for his old age, was whatever his job paid. And the strike was then almost the only effective means the worker had of enforcing a claim for higher pay. In the light of that fact, there was a certain rude logic in strikes, and in drastic picketing to hold the worker's job while he was striking.

But that condition has been enormously changed. The unions are now powerful, and able, under the Labor Relations Act and other favoring laws, to gain any just demand without an anarchy of group force. They are, in fact, legally favored over the employer.

More than that, the worker today has unemployment compensation when he is idle through no arbitrary act of the union. He has this to tide him over while looking for another job. He has workmen's compensation acts in practically all States now, to insure that he is financially cared for if injured, and to provide for his family if he loses his life where he is employed. And he has the certainty of an age pension in his advanced years.

Thus, the old conditions by which labor justified strikes have been practically removed. And the public, which granted all this to labor, is entitled to concessions in return. It can now fairly demand that the unions use their power sanely, that they do not swing it as a brutal club over the heads of the public which has been so generous to the worker.

Let the union member think of how he would feel if the farmer were organized as strongly as he is, and were to shut off his food to enforce a price demand. That is how the public feels about the heedless exercise of union strength, and the power politics of union leaders, which deprive every home of necessities only second in importance to food.

It is the plain, urgent duty of Congress to see that labor's power is used fairly, in a responsible manner, and not to tear down the economic house in which we are all living—labor itself with everybody else.

Mr. BALL obtained the floor.

Mr. PEPPER. Mr. President, will the Senator yield for just a moment? I wish to call attention to a statement of the Senator from Virginia [Mr. BYRD].

Mr. BALL. I yield.

Mr. PEPPER. As I understood, the Senator from Virginia took some umbrage at the statement made by the Senator from Florida that he had understood the Senator from Virginia to state that he had had some contacts with the mine operators who were engaged in the negotiations with Mr. Lewis. I had understood the Senator to say that on the Senate floor during the first day of the debate. On page 4896 of the RECORD of the 13th of May, appears what the Senator is reported to have said. I had made the statement that I supposed none of us had any information except what we obtained from the press, that we had probably had no personal contact with these people, and I said:

I think we ought to have the issues squarely presented. As I understand, what the Senator from Virginia was agitated about—and perhaps justly so—was something which we read in the newspapers. We are at a great disadvantage in trying to legislate upon a coal strike which we do not know anything about except what we read in the papers. But the Senator from Virginia has the impression from the newspapers—unless he has had private information of which I am not aware—that Mr. John L. Lewis—

The RECORD then reads:

Mr. BYRD. I may say that I have information from some of those who have been engaged in negotiating with Mr. Lewis, which is exactly what I stated on the floor of the Senate.

The Senator from Florida thought that the Senator from Virginia had intended to say by that language that he had had conversations with some of the mine operators who had been engaged in negotiations with Mr. Lewis.

Mr. BYRD. That conforms with my explanation.

Mr. PEPPER. I think the Senator from Virginia will say that that is susceptible at least of an ambiguous construction, if the Senator from Florida was not correct in his inference.

Mr. BALL. Mr. President, I desire to discuss very briefly the pending substitute amendment offered by the Senator from Florida, and the Byrd amendment as modified. I expect later to discuss the various other amendments, particularly those proposed in our minority views, as they are offered.

In view of the fact that the Senator from Florida has spent several days telling the Senate of the terrible things these amendments, and particularly the Byrd amendment, will do to the working people of this country, how they will deprive them of their rights, their civil liberties, and everything else, I think it is well that we return for a brief moment to reality, and discuss for just a moment what the amendments actually provide.

The substitute proposed by the Senator from Florida contains this general declaration of policy:

It is hereby declared to be the policy of Congress to encourage and facilitate the establishment and maintenance of approved plans within industry for providing hospital, medical, and home-nursing care and services, insurance, vocational rehabilitation, and other benefits—

Which can cover practically anything—

for employees in activities affecting commerce and for their families and dependents, and to encourage the support of such plans by employers, whether such plans are administered by employers and employees jointly or solely by employers or solely by employees or otherwise.

The next sentence reads:

No provision of this or any other act shall be deemed to prohibit such plans or to prohibit employers from contributing to the support of such plans, except in any case where such support constitutes an unfair labor practice.

The last sentence, I think, is very significant:

The failure or refusal of an employer in an activity affecting commerce to bargain collectively concerning the establishment or maintenance of such a plan shall be deemed to be an unfair labor practice for the purposes of the National Labor Relations Act.

Mr. President, I think that, under the decisions of the National Labor Relations Board, if an employer refused to agree to the demand of a union that the employer pay to the union a fixed amount to be measured in whatever way they want to measure it, whether it be a royalty of 10 cents a ton, or 7 percent of the pay roll, the administration of its expenditure to be vested exclusively in the union officials, he would be guilty of an unfair labor practice under this language, could be haled before the National Labor Relations Board, and the Board could order him to grant such a fund.

Mr. President, it seems to me that if the Congress of the United States has reached the conclusion that we are not adequately taking care of the health of the people of this Nation, the way for Congress to fulfill its obligation in that respect is not by forcing employers to agree to the establishment of these funds in collective bargaining, but rather by considering and passing upon one of the half dozen or dozen bills now pending in the Committee on Education and Labor to accomplish that purpose. Certainly it seems to me that would be establishing a new and radical policy in the field of labor relations, throwing the whole weight of this Government behind the NLRB, giving it power to force employers, whether the industry could stand such an expenditure and remain competitive or not, to set up such funds at the demand of the union.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. PEPPER. I think if the Senator will note the language of our proposed substitute on page 2, he will not find that it justifies the statement he has just made. The amendment provides:

The failure or refusal of an employer in an activity affecting commerce to bargain collectively concerning the establishment or maintenance of such a plan shall be deemed to be an unfair labor practice for the purposes of the National Labor Relations Act.

That does not mean the employer has to agree, but it does mean that he cannot shut his eyes, or his ears and say, "I will not consider such a proposal." All this would do would be to require that he negotiate on the subject.

Mr. BALL. But I think the Senator from Florida will find that the National Labor Relations Board has interpreted the Wagner Act requirement that employers must bargain collectively to mean that they must not only reach an agree-

ment of some kind on an issue in dispute, but must write that agreement into a contract and sign it. They have so held, and I think the courts have upheld the decision.

Now, Mr. President, returning to the Byrd amendment as modified, I think it might be well to recall the provision in section 8, subsection (2), of the National Labor Relations Act, the so-called Wagner Act. Section 8 is the section which lists the unfair labor practices, and I should like to read subsection (2). It is as follows:

That it is an unfair labor practice for an employer to dominate or interfere with the formation or administration of any labor organization—

This is the significant language—

or contribute financial or other support to it.

That is followed by the proviso about permitting employees to confer with an employer during working hours.

Mr. President, it seems to me when that language was written into the original Wagner Act the authors were very definitely trying to prevent the corruption of labor organizations by payments to the leaders of such organizations by employers. We all know that there had been cases where that had happened. Now what is the proposition of John L. Lewis which brought about this particular amendment, which is not confined to the Lewis demand at all, but goes to the Petrillo contract provision imposing a royalty on the manufacture of every record in this country, a royalty which is paid over, as I understand, to the American Federation of Musicians with absolutely no strings on how they shall expend it, except that it is supposed to be used to cushion the shock of technological unemployment on musicians. The Byrd amendment applies of course to a number of other similar payments made by employers to unions.

Mr. Lewis' demand has been consistently—he has never modified it—that the coal operators pay to the United Mine Workers a certain sum annually. At first it was rumored it was to amount to 10 cents per ton on every ton of coal mined. More recently, when he stated it formally in the negotiations, it amounted to 7 percent of their pay rolls. Our whole social-security levy on pay rolls is only 1 percent. Mr. Lewis certainly is not modest in his demands. This amount is to be paid by the employers directly to the United Mine Workers, and to be spent by the officials of that union for these six purposes which he listed; full medical attention for all miners and their families, adequate and modern hospitalization, insurance, rehabilitation of employees suffering from injuries or occupational diseases, economic aid to victims of industrial injuries—that can cover quite a broad field; and the last one, cultural and educational aid to miners and their families.

Mr. President, in the past Mr. Lewis has seen fit to spend the funds of the United Mine Workers for various educational purposes, including the organizational activities of the CIO and of District 50, which is out organizing all kinds of employees from railroad employees to farmers and dairy workers and everything else. Maybe that is what he means by "educational aid to miners and their families."

Mr. President, if Mr. Lewis succeeded in getting his demands accepted, whether it is 1 percent or 7 percent, whether $10,000,000 a year or $70,000,000 a year, to be turned over to the United Mine Workers, to the officials of that union to be spent at their discretion merely for these broad purposes, what would be the effect on the members of that mine workers' union, on the miners themselves, about whom the Senator from Florida has been talking so much? Mr. President, it is well known that the United Mine Workers, as run by Mr. Lewis, is not too democratic an organization. If Mr. Lewis and his fellow officers do not like the officers that a local union or a district of the United Mine workers elect, or the delegates they elect to a national convention, Mr. Lewis has the power, and frequently uses it, to remove them from office and appoint their successors.

In view of that attitude of his toward the democratic process and the rights of his individual mine workers, I wonder just how much chance an individual mine worker who happened to disagree with the John L. Lewis leadership of this union, and who was intrepid enough to speak up in meeting so that it became known he disagreed with the Lewis leadership—I wonder just how much chance he and his family would ever have of receiving any of the benefits of this $10,000,000 to $70,000,000 slush fund which would be turned over to the leadership of the United Mine Workers to spend annually.

Mr. President, I think if we do not reject the Pepper substitute and adopt the Byrd amendment, which as it is now modified does only one thing—that is, it prevents this one-way street of the employer putting up all the money and the officials of the union spending it at their own discretion—if we do not do that, and such payments become an established practice in the labor movement of the United States, it will be so completely corrupted within a few years that we will have to abolish it completely and start over again.

Mr. President, there are no leaders of any organizations who can be trusted with the kind of power that is given by a slush fund for the general purposes of welfare of $10,000,000 or even $5,000,000, let alone $50,000,000 or $70,000,000 a year—who can be trusted to spend that kind of money annually and not use it to perpetuate themselves in power forever and ever in that union.

If Mr. Lewis succeeds in getting that kind of fund, with no strings on how he shall spend it, there is not a chance in the world that he or his successors as leaders of the United Mine Workers can ever be replaced by the rank and file, no matter how much they may disagree with their policies. There is no protection—no guaranty whatever—that the funds so paid over will actually be used for the purpose for which they are supposed to be used.

Mr. President, what we do with the Byrd amendment, in subsection (c), is to place around the payments to such fund, and the establishment of such fund for welfare purposes and for the benefit of victims of accidents, the very minimum safeguards for the benefit, I might say, of the workingmen, not the union bosses—to see to it that if these funds are established they are actually spent for the purposes for which they are established.

Let me read paragraph (3) of subsection (c) of the Byrd amendment which permits the payment of these funds. Subsection (c) starts out:

The provisions of this section—

Which prohibit the payment by an employer of any money or other thing of value to any representative of any of his employees for collective-bargaining purposes—

The provisions of this section shall not be applicable * * * (3) with respect to money or other thing of value paid to a trust fund—

Mr. President, if the sums of money we are talking about here are to be established for this purpose, in the amount of $50,000,000 or $70,000,000 a year, is it not reasonable to suggest that the money be put in trust to be used only for the benefit of those employees for whom the fund is supposedly established?

So, first, we make this a trust fund so that any individual employee having a right to benefits under that fund, if he is denied them by the administrators thereof, has the right to go into court and to see that he gets his rights under that fund—

paid to a trust fund established by such representative—

That is, by the union; the union can establish it—

for the sole and exclusive benefit of the employees of such employer, and their families and dependents—

Or, if it is a group industry—

jointly with the employees of other employers making similar payments, and their families and dependents, provided—

And it must meet these requirements, Mr. President—

(A) Such payments are held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families, and dependents—

And these are the purposes for which it must be spent—

For medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, or life insurance, disability and sickness insurance, or accident insurance—

Is it not a reasonable limitation on the purposes for which a trust fund should be expended if we are really thinking here of extending benefits to the working men and women of this country, and not just giving the bosses of the unions a little more power and prestige?—

And (B)—

This is the next condition that the trust fund shall meet—

the detailed basis on which such payments are to be made is specified in a written agreement with the employer—

We do not want it left completely up in the air that this is just a welfare fund that shall be used for the general welfare of the employee. That would be subject to endless controversy. If this fund is to be administered honestly, then the terms on which the employees for whose benefit it is established are to receive those benefits certainly should be spelled out in the basic agreement—

and employees and employers are equally represented in the administration of such fund, such agreement to contain a provision that in the event the employer and employee groups deadlock on the administration of such fund, the two groups shall agree on an impartial umpire to decide such dispute, or in event of their failure to agree within a reasonable length of time, an impartial umpire to decide the dispute shall, on petition of either group, be appointed by the District Court of the United States.

I realize that it would be rather useless to suggest to the Senator from Florida, and perhaps to some other Senators, that the employer might have some small interest in whether this fund is wisely and honestly administered. I realize, after listening to him, that the Senator from Florida seems to regard all employers as per se greedy and selfish individuals, interested only in grinding down their employees to the lowest possible standard of living. I do not agree with that concept of employers. I believe that if the employers, through their enterprise and the management of their business in a competitive industry, are to be required to do sufficient business annually so that they can pay these amounts into a trust fund for the benefit of employees, they certainly should be at least equally represented with employees in the administration of the fund. That seems to me the minimum principle of equity and justice.

Finally, the last requirement is:

(c) such payments meet the requirements for deduction by the employer under section 23 (a) or section 23 (p) of the Internal Revenue Code.

Those are highly technical sections, as I understand. Frankly, I do not know all the details of them. They provide the conditions under which business may deduct payments into a pension or other benefit plan for employees, from income for tax purposes. Certainly we should not expect the employer to make a contribution to a trust fund for the benefit of employees, and then force the employer to pay income tax on the amount of the contribution.

To sum up, Mr. President, I believe that on the face of it the Byrd amendment is the least we can do in the United States Senate to protect the individual employees from being the victims of union bosses who will demand these funds without any strings attached to them, to be paid over to the unions, and will then use them to perpetuate their power over the employees. If these funds are to be established, they should at least be protected in their establishment and in their administration so that they will actually be spent for the purposes for which they are supposedly established.

Mr. President, the Senator from Florida made quite a point of the fact that under the internal-revenue laws industries are permitted to deduct their payments of dues to trade associations. He neglected to mention the fact that under the same internal revenue code members of labor unions are permitted to deduct the dues which they pay to labor unions, as a part of their expense in producing the income involved. I do not believe that there is any difference or discrimination whatever. I have never heard of any trade association attempting to establish a welfare fund for the benefit of its members, and requiring some other party to make the payments into that fund, which would really be an analagous situation.

So, Mr. President, I hope that we may reach a vote on the Pepper substitute and on the Byrd amendment at the earliest possible date.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. HATCH. In the beginning of his remarks the Senator referred to the Wagner Act, which contains a prohibition against contributions by employers. Does the Senator interpret that provision as prohibiting a health-fund contribution?

Mr. BALL. I think it would prohibit the kind of contribution which John L. Lewis is demanding, which is obviously a contribution directly to the union. The difficulty is that the employer cannot get before the National Labor Relations Board. Only a union could bring that issue before the National Labor Relations Board; and obviously the United Mine Workers would not bring it up.

Mr. HATCH. Then, as I understand, it is the Senator's point that in order to make contributions of this kind legal, action by Congress is required—either something in the nature of the Byrd amendment or the substitute therefor.

Mr. BALL. I do not know that I would go so far as to say that. Contributions are being made. The upholsterers union in the Twin Cities has a provision in its contract for such a contribution. Such contributions are not illegal. The contribution is an unfair labor practice, under the Wagner Act. So far as I know, the issue has never been raised, and probably never would be raised, because the only way it could come before the Board, under the Board's present procedures and policies, would be for the union to bring it up; and obviously the union never would do so.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. BALL. I yield.

Mr. SALTONSTALL. I should like to ask the Senator two questions. The first relates to clause (A) at the bottom of page 2. Is it the Senator's understanding that this trust, when it is established, must be for the benefit of all the purposes specified in lines 20 through 25, or can it be established for any one or more of those purposes, by agreement when the trust is established? I ask that question because I believe there are certain provisions with respect to some of the workmen's compensation funds in the various States that if there is other income the worker will receive less from the workmen's compensation fund.

Mr. BALL. I think the language would permit the establishment of such a fund for any or all of these purposes, but not for any other purposes.

Mr. SALTONSTALL. I respectfully say to the Senator that I doubt if the language is in the form which would support his interpretation of the amendment. If I am correct, should it not be amended so as to accomplish its purpose?

Mr. BALL. The language under clause (A) is as follows:

Such payments are held in trust for the purpose of paying, either from principal or income, or both, for the benefit of employees, their families, and dependents, for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, or life insurance, disability and sickness insurance, or accident insurance.

The conjunction all the way through is "or" and not "and."

Mr. SALTONSTALL. Will the Senator look into that question further?

Mr. BALL. I shall be glad to do so.

Mr. SALTONSTALL. The Senator agrees with me that the language should be broad enough so that any one or more or all of the purposes could be included, but no other purposes.

Mr. BALL. That is correct.

Mr. SALTONSTALL. I now wish to ask the Senator a question with respect to item (B) on page 3. As I understand, this trust is to be established with two groups, one from the employer and one from the employees. If they cannot agree upon an impartial arbiter, then the district court of the United States for the particular district shall appoint a neutral person. As I understand our Constitution, we cannot by legislation require the district court to do so. Suppose the district court should refuse to appoint an arbiter? Would not that leave the parties at loggerheads?

Mr. BALL. No. I am very glad that the Senator brought up that point. It is quite true that the justice of the district court cannot be compelled by law to appoint the impartial umpire. As a matter of fact, in a great many agreements there is provision for asking the district court to make such an appointment, and usually it is done. However, we cannot compel the court to do so. On the other hand, this is a trust fund; and if the district court will not appoint an umpire who will decide administrative disputes, and thereby keep the subject out of court, either party, or anyone having rights under the trust, could petition the court to take over the fund, in effect as a receiver. Then the court would actually—probably through the same sort of appointment of an umpire or referee—take over the entire administration of the fund.

Mr. SALTONSTALL. If that objection is a proper one, as the Senator says it may become, would it not be better to omit entirely reference to the court? It is not a good thing to put these questions into the courts anyway. Should it not be in the hands of the head of one of the departments in Washington, such as the

Director of Social Security, or the Secretary of Social Welfare, if such an office were established? Would it not be better to have such an official make the appointment of an impartial umpire?

Mr. BALL. No; I am afraid I cannot agree with the Senator from Massachusetts. I believe that there would be much greater confidence on both sides in an appointment made by the district court. I think it is quite a common practice for the district courts to make such appointments. It is simply a device to avoid having the courts take over the complete administration of the fund. The court avoids that necessity by acceding to the request to appoint an impartial arbitrator. I believe that in the present state of the district court dockets most judges would be delighted to avoid the additional work of having to take over the supervision of the administration of the entire fund.

Mr. SALTONSTALL. I have in mind, for example, an area in which there might be a very strong feeling on both sides. If a judge should make the appointment, what would be the feeling in that community in the days following if the man whom he appointed should decide a very much disputed question in favor of one side or the other, and then the side against which he had decided should go to court? Would not that side feel prejudiced by any decision which the judge might make? It seems to me that such a system would put the judge in a hole.

Mr. BALL. I cannot agree with the Senator. The judge himself may eventually have to make the decision; but if he appoints the umpire he appoints him under the agreement that both sides will be bound by the umpire's decision. The subject will not come back to him in that case. I think it would be a mistake to leave the appointment of an umpire in the case of a dispute over administration in the hands of any political official of the Federal or State Government.

Mr. SALTONSTALL. Will the distinguished Senator make certain that he is correct in his interpretation of the last five lines on page 2, that any one or more of these objectives can be sought, without all of them having to be included under this language?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. FERGUSON. Would it not be better procedure to use the words "either or all"?

Mr. SALTONSTALL. That is what I had in mind.

Mr. FERGUSON. I believe that as originally drafted the language included the words "either or all." Apparently in rewriting the amendment those words were omitted.

Mr. SALTONSTALL. I believe they should be included.

Although I agree with the purpose of the Senator from Minnesota, I do not believe that his interpretation of the language is correct.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield to me?

Mr. BALL. I yield.

Mr. MORSE. I should like to ask the Senator about the observation he has made. I understood him to say that he believes that any contribution made by an employer to a welfare fund would be an unfair labor practice under the Wagner Act, if the fund were administered solely by the union. Did I correctly understand the Senator?

Mr. BALL. It would be an unfair labor practice, as I interpret the Wagner Act; but I added the proviso that there is no way that the employer could get before the National Labor Relations Board in such a case, except on complaint of the union, and the union never would raise the question.

Mr. MORSE. The Senator bases his conclusions, I judge from his remarks, on the fact that because it would be a contribution, therefore it would be an unfair labor practice for the employer to make the contribution.

Mr. BALL. Yes; I think very definitely it is.

I should say it would be different if it were a contribution to a trust fund, established and properly safeguarded for the benefit of the employees, by the employer. That is a different situation. But when it is a contribution made directly to the union, and when the union officials—its executive board or its president, or what have you—completely control the expenditure of the fund, then I think it is wide open to abuse and corruption on the part of the union leaders.

Mr. MORSE. I certainly know of no case which can be cited on that issue; but I do not share the conclusion which the Senator from Minnesota has reached, for the following reason: Of course, the Wagner Act, so far as contributions by employers to unions are concerned, was devised in an attempt to prevent employers from financing company-dominated unions. In other words, the Wagner Act sought to prevent contributions or practices relative to contributions in connection with attempts by employers to support company-dominated unions.

I think the tests of whether it is an unfair labor practice within the purview of the Wagner Act are as follows: Is the establishment of a welfare fund a subject for collective bargaining? Is it a request that would be considered a proper request for collective bargaining? Or is it—to put it in another way—a subject of arbitration in connection with a labor dispute?

Mr. President, the request of a union for a welfare fund, even though it be administered by the union—and I do not like that type of administration—is, I submit, a matter which is subject to fair collective bargaining; and in the case of arbitration, I cannot imagine an arbitrator who would rule that it was not an arbitrable issue.

If my conclusions in regard to those tests are proper, then I submit to the Senator from Minnesota that the Congress would not rule it to be an unfair labor practice if an employer voluntarily, in collective-bargaining negotiations, agreed by contract to set up such a fund and to contribute the money to it, because I think that the type of contributions which were sought to be outlawed by the Wagner Act were those made in connection with the practices of employers in supporting and sustaining company-owned and company-dominated unions.

Mr. BALL. Mr. President, I think the question of the Senator as to whether it is a proper issue for collective bargaining is water over the dam, because it has been a subject of collective bargaining in a number of major disputes in the last 5 or 10 years. So it is water over the dam.

I do not see anything in that part of the subsection of the Wagner Act which says anything about the purposes for which the contribution is to made. There is a flat prohibition of any contribution by the employer to the union.

Mr. MORSE. Of course, I think that is the error of the interpretation the Senator from Minnesota makes.

Mr. BALL. Mr. President, I am not interpreting. That is the plain language of the Wagner Act.

Mr. MORSE. Mr. President, the Senator from Minnesota is making an interpretation, and it is what we call a literal interpretation. But the language of the statute must be read in terms of its four corners. When we read the language of the statute in the light of its purposes, as judged from its four corners, I suggest to the Senator from Minnesota that the word "contribution" should not be given the literal interpretation which he is giving to it.

Mr. BALL. Mr. President, I agree with the Senator from Oregon that the National Labor Relations Board is not giving it the literal interpretation.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 1305) to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation, and it was signed by the Acting President pro tempore.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. AIKEN. Mr. President, judging from the mail which has been coming to our offices in large quantities within the past few days, the public apparently feels that Congress is working on legislation which will curb John L. Lewis and the railroad brotherhoods, and that it is attempting to find some way by which to break the coal mine and railroad strikes. The public is unaware of the fact that the President now has adequate power under emergency legislation to deal with the coal strike, or with any other strike which creates a national emergency.

Legislation now on the books permits the President to take over plants or mines whenever a strike is threatened. When that is done, anyone who seeks to induce employees to quit work or slow down is subject to very severe penalties.

As we all know, the Government has already taken over the railroads. I trust

that, under existing authority, it will take over the coal mines before the expiration of the present truce.

If some of the proposed legislation could be enforced, which I doubt, it would make it impossible for any labor union to attempt to better the position of its members without running the risk of being rendered impotent.

If it cannot be enforced it will be filed in the Archives along with other meaningless legislation passed by a Congress in response to a hysterical clamor on the part of a thoroughly outraged but misinformed public.

Compulsory labor legislation and compulsory arbitration have never worked satisfactorily in any country where popular government prevails.

If we say to the working men and women of America, "You must continue to work for your employer, and will be subject to heavy penalties or the loss of your rights under the labor laws of the United States if you quit, or you must submit to arbitration which will likely result in a compromise," we will be fomenting discontent rather than harmony in our industrial world.

Some amendments proposed to the Labor Relations Act do not simply correct inequities between the positions taken by employer and employee. Some of them at least go far beyond the category of corrective legislation.

If those who now condemn John L. Lewis and his miners really wish to end the dissension existing in the coal industry, they can do so by supporting the utilization of natural resources which are now going to waste.

Let them support measures to develop the 2,200,000 horsepower of electricity on the St. Lawrence, the 700,000 horsepower of wasted electricity at Niagara Falls, and the further development of hydroelectric power in the Southwest, the Pacific Northwest, and the Missouri Valley. Let them take steps to put an end to the waste of natural gas, and urge its utilization as an inexpensive source of power, heat, and light. Then the coal strike will be settled within a week.

I cannot understand why it is that so many of those who are most bitter against John L. Lewis are also the most determined to prevent the development and utilization of the natural resources of this country which once and for all would break his power to bring a great industrial Nation to its knees.

Today Mr. Lewis has a virtual monopoly on the mining of coal in America. Congress has acquiesced in the development of that monopoly, and now we are reaping the inevitable results. Yet, those who complain loudest are most unwilling to break his stranglehold by the only means that is permanently available.

There is a virtual monopoly today in rail transportation, and a strike which may paralyze all rail shipping has already been called.

If the Congress will take immediate steps looking to the full development of water transportation, aviation, and an elaboration of our highway systems, such action will go far towards preventing the threat of any future rail strike.

I do not minimize the danger of uncontrolled strife between industry and labor. It is perhaps the most serious situation that this Nation ever faced on this front, but I do not believe that it can be alleviated through compulsion. Rather than being bettered, I fear that eventually efforts to use force in the settlement of labor disturbances would result in civil strife and turmoil.

The causes of the present conflict between labor and capital are far more basic than a matter of dollars and cents.

We have been accelerating our steps toward those conditions which history has shown eventually results in the break-down and dissolution of government.

Persons have moved to urban areas in unprecedented numbers, dangerously upsetting the balance between rural and urban population. Many of them live in homes which they do not own and can never hope to own. Many of those homes are unfit for human habitation. They have no gardens. Their occupants even buy the water which they use. They are helpless in times of adversity.

Great banking institutions have fastened a financial colonialism upon the Nation, thereby acquiring control of local industries and local finances in thousands of small cities and villages. All too often the resolutions of the local chamber of commerce or businessmen's association represent the purposes of the larger financial interest rather than those which are best for the community.

Great corporations have become greater. The trend toward monopoly was never stronger. Small business is being gradually liquidated or absorbed, as a result of the impossibility of its competing with the corporate interests whose tenacles extend all over the world, and to which our Government extends liberal subsidies in the form of tariff protection, new plant construction, and generous Government contracts.

The feeling of pride and responsibility which foremen once shared with the owners of the plants is fast disappearing. In many plants the foremen now seldom see the owners. It is little wonder that foremen in great corporations now seek the right to organize as a body apart from the ownership.

Industry professes to fear communism. Occasionally this fear takes the form of hysteria and violent attacks upon labor organizations. Frequently, such attacks are unwarranted, with the result that members of the union believe that it is the purpose of the industrialists to establish some sort of a Fascist state in America. Consequently, the rift between these two great factors of our national economy is widened, and fear and hate, rather than reason, become the motivating influences on both sides.

I have no hesitancy in predicting that if communism, fascism, or any kind of a totalitarian government ever comes to America, it will be brought about by those who fear it most.

Unless the tide of industrial unrest is stemmed, the eventual result will be either nationalization of our industries, or the establishment of coercive practices by Government, either of which is contrary to the concepts upon which our Government was founded and under which we have become the world's strongest and richest nation.

Mr. President, I should like to digress for 2 or 3 minutes to speak of one way by which I believe we may avoid both these undesirable alternatives. I speak of the cooperative way.

The little band of weavers who, in Rochdale, England, over 100 years ago organized the first consumer cooperative, started a movement which has played an important part in world affairs, even contributing materially to the winning of World War II, and which may conceivably prove to be the means through which health, happiness, and prosperity can be restored to much of the world and thereby defeat the forces of fear and poverty and greed.

The growth of the cooperative movement in America has been almost spectacular. Already some $5,000,000,000 worth of business is done annually in this manner.

It has brought about an improvement in quality and a lower cost for goods and services for producer and consumer alike. As a regulatory force, it is more potent than law and regulation in preventing monopoly.

Where bona fide cooperatives exist, they fix the quality and the price of goods that are bought and sold. They prevent undue speculation, and they can be a powerful factor in reducing labor disturbances to a minimum.

The cooperative is the natural enemy of communism, for it is 100 percent privately owned and operated.

It is the natural enemy of monopoly, because it prevents price fixing and limitation of production by an individual or group of individuals.

We have in the United States producer cooperatives which market milk, grain, petroleum, peanuts, citrus fruits, and many other products of farm and processing plants.

Farm purchasing cooperatives supply their members with fertilizer, feed, seeds, paints, and petroleum products of highest quality at fair prices.

In many towns and cities we have consumer cooperatives which assure the consumer that not only the quality and price of goods which he purchases from his own store will be right, but that the price and quality of goods from all other stores in the community will also be right because these will be regulated by the cooperative.

It is a well-known fact in communities where consumer cooperatives exist that if 15 percent of the trade of that community is done by the cooperative, the other 85 percent will be regulated as to price and quality much better than could be done by law and regulation.

I believe the cooperative movement could well be expanded to include a portion of America's industrial economy.

Cooperative miners and factory workers would be extremely reluctant to go on strike, because they would be striking against themselves.

Through their cooperative efforts they would regulate the pay and working conditions of other labor engaged in the

same line of production just as ably as the farm and consumer cooperatives regulate quality and price in their fields today.

Through fair and open competition we could go far toward accomplishing what laws and governmental pronouncements alone cannot do, namely, restore and maintain peace in the field of labor and industry.

In this respect, Mr. President, I should like to call attention to the fact that the country that has the least labor trouble is Sweden, and that country also does the highest percentage of its business through the cooperative system.

The creation of monopolies whereby all people are required to contribute for the benefit of a comparative few adds to the feeling of unrest which leads to industrial strife.

When a necessity of life becomes a monopoly, we may well consider making it a publicly owned one. In this category we already find railroads and power distribution lines. Call this socialism if you like, but remember that Canada already owns a great railroad system, and nowhere does private industry exercise greater control over government than in Canada.

There is a very definite trend toward monopoly in many other industries. Such a trend begets labor unrest, as well as a feeling of frustration among those who find the door of opportunity in that field closed to them.

Monopolistic industry is not free enterprise. It is just the opposite.

There are bills now before the Congress that would exempt certain industries from the antitrust laws. Lobbyists have been working on Members of Congress to secure enactment of this legislation. Rather than promote monopoly by such legislation, we should be strengthening the laws that keep open the door of opportunity to all the people.

The principal bone of contention in the coal industry is supposed to be the demand of the miners' union for a health and hospital fund. It may be that the amount demanded is unreasonable. I am not in a position to know, but I do know that, unless the United States Government and the 48 State governments do their utmost to provide good medical care and health conditions for the working people of America, there will be more labor trouble brought about from this very cause.

We have no right to say that only well-to-do persons are entitled to adequate hospital and medical care. We have no right to say that only the children of well-to-do parents are entitled to good teeth and good eyesight.

When any parents see their own children suffering for want of medical care or the proper kind of food, or forced into employment at a nearly age without an adequate education, or when they see them denied even the right to play under healthful conditions during those years when play is the inherent right of every child, then they will grasp at any leadership that promises to correct such conditions, by any means.

If we believe that our form of government is truly a government of the people, and the best form of government for freedom-loving people, we will not permit conditions to exist which create in the hearts of the working people of America a reluctant willingness to tolerate any form of government alien to the precepts upon which our own United States was founded.

A basic cause of labor unrest is the conditions under which men and women have to live and work. Washington newspapers have vividly called our attention to the squalid and filthy conditions existing in some of the coal-mining villages. These people have little of the better things of life. They do not know the satisfaction of home ownership and bathrooms and modern household equipment.

Their children are born and raised in poverty. They are continually in debt to the company, and even if the desire is there, many never attain the means of breaking away from the conditions under which they exist.

The situation in our great cities is no better. Millions of families exist in hot, stifling tenement houses overrun with bedbugs and cockroaches from which there is no escape. They do not even own a blade of grass. When the plant closes down for an extended period of time, the charges for rent and lights, and water and food still go on. They know nothing of the sense of security which the people who live in the rural areas feel when depression strikes.

Under such conditions, they have to depend upon their union leader or the political boss of their ward.

When Thomas Jefferson was Ambassador to France in 1787, he wrote James Madison in reference to the proposed Constitution:

> I shall concur in it cheerfully, in hopes they will amend it whenever they find it works wrong. This reliance cannot deceive us as long as we remain virtuous; and I think we shall be so long as agriculture is our principal object, which will be the case while there remains vacant lands in any part of America. When we get piled upon one another in large cities, as in Europe, we shall become as corrupt as in Europe.

Undoubtedly, if Thomas Jefferson were alive today, he would be surprised to find that the large cities of America are no worse than they are.

Nevertheless, it is in the slums and tenements of these immense centers of population and in their smaller rural counterparts that we find people becoming more responsive to their fears when things go wrong, and grasping at any straws that promise to improve their lot.

It is not because they are worse than other people, for they are not. They are simply more desperate. The conditions under which they live are responsible for their willingness to follow unreasonable and stubborn leadership in order to obtain better conditions for their families.

I reiterate the statement that industrial strife will never be eliminated in a democracy by direct labor legislation alone. In fact, some of the proposals which are before us now would encourage labor unrest rather than alleviate it. It is time now to get down to the basic cause of labor unrest, and correct the conditions which are responsible for it.

A program with this end in view will necessitate the following fundamental approaches to the problem:

First. Turn back the trend toward concentration of wealth, power, and population; divert our efforts away from making large cities larger, and encourage the development of rural areas and smaller centers of population, where the powers of self-reliance may be more fully exercised, and dependency reduced to a minimum.

Second. Make it possible for more people to own decent homes of their own. A home owner has a greater degree of independence and is not interested in changing our democratic form of government. The housing bills which this body has approved will go far toward accomplishing this end.

Third. Make provision for adequate medical and hospital care for all at a price within reach of all. Inability to provide this care for the family has driven many men to acts of desperation.

Fourth. Provide a minimum education for all people. Teach people to do their own thinking, and they will not permit others to do it for them.

Fifth. Assure an adequate minimum diet for low-income persons at a cost which they can afford to pay. A program has already been worked out to this end, and if put into effect will add immeasurably to our national security.

Sixth. Provide for the distribution of goods and services so that the products of farm and factory may be enjoyed by the greatest number of people at the lowest possible cost. When we have solved the problem of distribution as well as we have that of production, we will find greatly expanded markets and an infinitely more contented people. The extension of the cooperative movement will play an important part in this.

Seventh. Instead of permitting the creation of monopolies, we should by all means keep the door to competition wide open unless we are willing to nationalize the industry concerned. Let our young men and women know that there is still opportunity for them to be more than a cog in the intricate machinery of a great corporation.

Eighth. Develop the natural resources of the Nation for the benefit of all the people. We should not permit either wastefulness or idleness to exist in the precious heritage which nature has bestowed upon us.

Ninth. Establish and maintain an adequate minimum wage which will permit workingmen and their families to live in a manner in which they should live and eliminate the unfair competition of those who for geographical or other reasons are helpless to protect themselves, thus keeping down the standard of living for all.

Tenth. Effectively apply the full-employment policy which has now been approved by Congress and the President. Remove the fear of idleness from a man, and you have removed much of his willingness to accept leadership of the wrong kind.

If we do these things that will make life better and more equitable for all people, we will have little to fear from the forces that have shaken governments from their foundations and threatened the march of civilization since the dawn of history.

Turning now to the amendments to the labor laws now before the Senate, it may be seen that many of them are positively destructive to labor unions in their purpose and, if they were enacted into law, I have little doubt that labor-industry relations in this country would be thrown into a turmoil and tailspin from which it would take a long time to recover.

On the other hand, some of the amendments proposed offer much that is workable in part, though not in their entirety.

While the National Labor Relations Act can, without question, be improved, it must not be assumed that it has been a failure as an instrument for settling labor disputes.

From July 1, 1945, to May 1, 1946, the Conciliation Service of the Department of Labor has disposed of cases involving 2,569 strikes and lockouts; there was one lockout I believe in the lot; 3,569 threatened strikes; and 7,155 controversies which had not reached a threatened strike stage.

If the machinery already available in Government has been able to settle over 13,000 strikes and controversies in a 10-month period, it cannot be called entirely a failure.

Moreover, between Pearl Harbor and VJ-day which, with the exception of the coal miners' strike, was a period remarkably free from industrial strife, the Conciliation Service handled more than 75,000 dispute cases, settled some—over 76 percent of them—and certified the rest to the National War Labor Board.

During the month of April of this year, a total of 1,507 labor-management disputes were settled through the Conciliation Service.

These disputes consisted of 354 strikes and one lock-out, 648 threatened strikes, and 504 controversies which had not reached the threatened strike stage.

This was the amount of work done by the Conciliation Service during last month.

However, the past experience which the Conciliation Service of Government has had has shown that the machinery which has been in use for the last 10 years will be benefited by some improvement.

It is the purpose of the bill reported from the Committee on Education and Labor to provide these improvements and there was no dissension in the committee regarding this.

Now, considering the amendments having to do with the health and welfare funds, there has already been much change in sentiment since the original Byrd amendment relating to this matter was offered.

I have not studied the latest amendment which was reported by the morning newspapers.

Frankly, I do not think that a royalty or production tax for the purpose of maintaining a health and welfare fund is desirable, and I am glad to see that Mr. Lewis and his coal miners have rescinded their demand on the operators for a tonnage tax.

The adoption of such a method by the coal industry would lead to its emulation by other industries.

Resentment on the part of the public would ride high, for there would soon be 100 instances of the public being taxed to provide benefits for one segment of our economy.

I believe that health and welfare funds are highly desirable, and I realize that they also cost money which must be provided from some source.

Already many industries maintain such funds, and, so far as I know, they operate successfully.

I would not want to interfere with such programs which are in successful operation.

The logical method for financing health and welfare funds is by pay-roll deductions and employer contribution. Of course, the public pays the cost in the end, but it is a far less painful and obvious payment than the royalty or production tax method would be.

Ordinary health and welfare programs could best be administered jointly by employer and employee if the contributions are equal.

However, that may not always be the case and I can conceive of many instances where it would be mutually satisfactory to have one or the other handle the program. I believe that if the Senate could agree on an appropriate amendment dealing with health and welfare funds we should by all means have in it some provision whereby one party or the other may waive its right to administer the health and welfare fund.

I would not care to support legislation which would force mutual application of health and welfare funds upon employer and employee jointly, though I do believe that a full and detailed report of the handling of such funds should be made available to all who have contributed to it and that expenditures be kept within the law.

Coming next to the second Byrd amendment which requires all labor organizations to register with the Securities and Exchange Commission and to make a full financial report each year, together with a great deal of other information, I am inclined to believe that this would have a healthy effect and would inspire confidence in union organization where such confidence is now lacking or expressed with many qualifications.

I have seen a great many financial reports of labor unions which are available to members of the union and are indeed semipublic, which are far more complete than the financial reports of most corporations. They tell in detail where all the money comes from and by whom and for what purpose it was spent. The craft unions of the AFL issue financial reports in detail and the CIO made a general financial report public not long ago. I assume that the purpose of the second Byrd amendment is to require those unions which do not make a financial report to do so.

As I have said, I think this would be a good idea, but it would not be fair to require all unions to register with and make financial reports to the SEC unless all trade groups and promotional organizations are required to do the same.

Much of the battle between industry and labor during recent months has been carried on not by corporations themselves but by the organizations to which they belong. The amounts spent by such organizations would seem almost unbelievable if the facts were known.

It is understood that the late winter advertising of the National Association of Manufacturers in the so-called anti-labor campaign amounted to $2,000,000. I do not know what part of it went into newspaper advertising. I understand that that is the total amount appropriated for that particular campaign. This same organization admitted before a Senate committee that it had spent nearly $400,000 in newspaper advertising opposing the continuance of the OPA.

I hold in my hand three advertisements clipped yesterday from newspapers lying on the Senate reading-room table. I did not look in any more newspapers. I presume that others carried the same advertising.

Here is almost a full-page advertisement from the New York Herald Tribune, inserted by the Nonsectarian Anti-Nazi League. I have not the slightest idea what this organization is, and I do not wish to be understood as intimating that it is not worthy, for I do not know. However, here is an advertisement which must have cost a large sum of money.

Here is a full-page advertisement from the New York Times of yesterday, inserted by the Tool Owners Union, with national headquarters at Lexington, Mass. I had never heard of this organization before. It seeks to solicit memberships. This advertisement alone, in the New York Times, must have cost someone several thousand dollars. The public cannot have any idea of the nature of the organization or who pays the cost of the advertisement. Doubtless it is entirely worthy.

Then here is a full-page advertisement from the Washington Evening Star of yesterday, inserted by the National Coal Association, with headquarters in Washington, D. C. Even the Washington Star does not print full-page advertisements free of charge.

I readily agree that the coal operators have every right to organize and through their organization place their views before the public. So has the American Railroad Association and innumerable other trade organizations. So have political organizations which seek not only to operate in the United States, but to influence political affairs abroad.

Free expression of opinion is a time-honored American privilege guaranteed by our Constitution, which is still the greatest instrument for government by the people that has ever been devised. But have not the people of America to whom these great newspaper campaigns are addressed every right to know who is paying for these campaigns and how the money is spent?

I will support that part of the amendment offered by the Senator from Virginia which requires labor unions to register with the SEC and to make financial reports each year if he will also require the trade groups and political and promotional organizations to which I have referred—and I mean all of them—and in some cases even fraternal organizations should be included to register and to report their affairs in the same detail.

I might even go so far as to agree that labor organizations could be sued in Federal court, just as they are now in State courts, provided that all other trade, industrial, fraternal, and political organizations were subject to the same legal process and commensurate penalties. Congress ought not to consider depriving any labor union of its collective-bargaining rights as a penalty unless it is willing to deprive a corporation of its rights to do business as a corporation in the event that a corporate employer is found to be at fault.

We are putting altogether too much emphasis on the subject of breach of contract between labor and its employer. To the best of my knowledge, no major strike in recent months has resulted from breach of contract by either the employer or the union. The number of employers and unions that will disregard the terms of a contract is very small indeed. If, however, the proposed legislation making unions and employers suable in Federal court were enacted and the practice of bringing suit became general, the result would be that few contracts would be signed, and the employer would find himself liable to have a strike on his hands any day and would have no recourse to a contract in order to avert it.

The next amendment which I wish to discuss is that which would prevent secondary boycotts. I am discussing all these amendments in terms of general application and effect rather than in terms of technical and legal detail. The secondary boycott is one of the most unfortunate weapons used by union labor. Its effect is likely to be felt largely by those who are not responsible in any way for conditions which lead to the controversy. It is often the result of a jurisdictional dispute. It frequently results in waste of food and material. Legislation designed to control the secondary boycott would be most difficult to enforce.

We all engage in boycotts from time to time. If the grocery clerk speaks sharply to a customer or if we get short weight or poor quality at a particular store, we not only boycott that store from then on, but encourage our friends and family to do the same. I do not believe it is possible to compel by law any large number of persons to continue using any particular line of goods if they do not choose to do so.

The committee bill does include a provision which provides a penalty for anyone who interferes with or demands money from a farmer or his employee engaged in the delivery of perishable products to market. This amendment is an outgrowth of hundreds of complaints that the drivers of farm trucks had been required to join unions in order to unload their products at city terminals.

There is no question that a large percentage of these complaints was entirely justifiable. There has been a general demand for legislation seeking to protect the farmer who delivers produce to market in his own truck. Usually such shipments originate in a State other than that in which the market to which delivery is made is located. A vast amount of food is involved, and many a farmer has hesitated to deliver a truckload of perishable food to a city market for fear that his driver would be required to pay a large part of the value of the load to the union in order to unload the goods.

Therefore the committee felt that protection should be afforded the producers of perishable farm crops, both from the standpoint of saving food and as a matter of simple justice to the producer. Until this amendment was adopted by the committee, there had been virtually no demand for this kind of protection except in the name of the farmer. However, when the committee agreed to afford this protection to the farm producer, there was an instantaneous clamor to extend the same protection to everyone else. This was conclusive proof that the farm situation was simply being used as a popular front for the benefit of all industry.

I would have no objection to the extension of this protection to the small businessman whose truck is driven by himself or by an employee to whom the operation of the truck is incidental to his regular work. I wish to make it clear that this amendment is not intended to restrict the right of any labor union to strike or to exercise the right of peaceful and legal picketing. It is simply intended to protect the small farmer who delivers his produce to market in his own truck. I do not believe it necessary to extend this provision to the great corporations and transportation companies which operate hundreds of trucks with regular full-time drivers. These drivers are practically all unionized anyway.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HAWKES. Will the Senator be good enough to explain to me why he is willing to have protection for the small farmer and not the large farmer? Why does the Senator discriminate because of the size of the farm?

Mr. AIKEN. There is no discrimination because of the size of the farm, so long as the delivery is made in his own truck.

Mr. HAWKES. What is the difference whether the delivery is made by a farmer's son or the farmer himself, or by an employee?

Mr. AIKEN. There is no difference under the proposed amendment.

Mr. HAWKES. I may have misunderstood the Senator, but I thought he said that he would be willing to have such an amendment apply to the small farmer; and the Senator emphasized the word "small."

Mr. AIKEN. I said also the small businessman.

Mr. HAWKES. I think it will be found from the notes that just a moment ago the Senator referred to the small farmer.

Mr. AIKEN. The appeal for legislation of that type was invariably made in the name of the small farmer. If I said "small farmer" I will say now that the size of the farm would make no difference whatsoever so long as the delivery was made by the farmer himself, a member of his family, or one of his regular farm employees.

Mr. HAWKES. That is what I wanted to find out.

Mr. AIKEN. I assure the Senator from New Jersey that is what I intended. The Senator knows full well that large farms have also had their troubles with certain types of unions.

The last amendment, a part of which I wish to discuss briefly, is the amendment offered by the Senator from Illinois. I shall discuss it only briefly and generally, because I admit that I have not studied it in detail. But I think I know its general objective. This amendment grants the President authority to seize mines and plants when a stoppage of work in such mines or plants "has resulted in interruptions to the supply of goods or services essential to the public health, safety, or security to such an extent as seriously to impair the public interest."

Again, I wish to state that I am discussing the amendment in general terms, rather than discussing technical and legal points of detail.

It appears to me that when a work stoppage of a nature which creates a national emergency occurs, that the only recourse is seizure of the mines or plants by the Government; but I think that the industries included in such category may well be specifically designated by the Congress, particularly in view of the fact that the measure on which we are working is not an emergency war-time measure which is already on the statute books, but is long-range permanent legislation.

Mr. President, most men and women would be reluctant to strike against their Government. No person should strike against his Government or be permitted to do so, nor should he be denied the right to quit working for the Government at any time when we are at peace.

The penalty which the Senator from Illinois would impose upon any employee who fails to return to work or who stops work after a plant or mine has been seized by the Government is loss of his rights under the National Labor Relations Act "unless he is subsequently reemployed by such owners or operators."

The implication is that if he secures employment elsewhere, he could not recover his rights. I do not believe that we should expect to enact legislation which carries such a one-sided provision as that, and I doubt whether it was the purpose of anyone to have the measure have that effect, although that is the way it reads.

I believe that if the penalty of loss of seniority rights, loss of protection under

the Wagner Act, is invoked against anyone who strike against the Government, his rights under the Labor Relations Act should be lost only so long as the Government is in possession of the plant, and should be restored promptly upon the return of such plant to its owners.

There are other evidences of inequities in many of the amendments which we are called to act upon.

My discussion has been general because I do not believe that here on the floor of the Senate we can write legislation in detail, anyway; and many of the proposed amendments have not been considered by any committee. Many of the proposed amendments which have merit in their purpose, if not in their wording, have not been submitted to any committee.

In conclusion, I wish to say that I cannot support any amendment which limits the right of any man to strike against any private employer at any time. We are not enacting legislation for John L. Lewis or Sewell Avery or any other leader of either labor or industry. We are enacting legislation which must be applicable to all the people of the United States. What we do here will affect the welfare and fortune of twenty-five to thirty million labor-union members and their families, as well as the welfare and the fortune of every other person in the United States.

Let us see to it that what we do is done deliberately—with reason, rather than emotion, being our guide.

We shall not have to make many mistakes, to bring about far worse conditions than those which now exist in our industrial-labor world. We can, through reasonable consideration, make things much better.

Mr. President, since the debate started in the heat of anger, I have noticed that Senators have apparently become more tolerant and have indicated a willingness to get together and work out reasonable legislation which will strengthen our labor laws in a manner which will be fair to all concerned. I hope that that feeling of tolerance will increase, with the result that when the time comes that we really enact legislation, it will be the kind of legislation of which all of us can be proud, and glad that we were permitted to take a part in its enactment.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States withdrawing a nomination and submitting a nomination were communicated to the Senate by Mr. Miller, one of his secretaries.

THE FEED SITUATION

Mr. MAGNUSON obtained the floor.

Mr. MORSE. Mr. President, will the Senator from Washington yield for an inquiry?

Mr. MAGNUSON. Yes.

Mr. MORSE. Is the Senator from Washington going to discuss the measure now before the Senate?

Mr. MAGNUSON. Yes.

Mr. MORSE. The junior Senator from Oregon, on behalf of himself and his colleague, the senior Senator from Oregon [Mr. CORDON], would like, before the Senate takes a recess this afternoon, to make a few remarks for the RECORD in regard to a very serious feed problem which exists in the Pacific Northwest and which is as important to the Senator from Washington, I am sure, as it is to the two Senators from Oregon. The senior Senator from Oregon regrets he cannot be present for this discussion, but he is in attendance at a meeting of the Senate Appropriations Committee. I was wondering whether the Senator from Washington would have any serious objection either to having me take time, while he has the floor, to make certain remarks on the feed situation, or to postpone his remarks until tomorrow.

Mr. MAGNUSON. Mr. President, I may say that I have no objection to yielding to the Senator from Oregon for that purpose, with the understanding that I shall not lose the floor, if the Senator is able to obtain unanimous consent to that effect.

Mr. MORSE. I am hopeful that if the Senator requests such consent it will be granted.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the Senator from Oregon be allowed to proceed with the matter which he wishes to discuss, with the understanding that when he concludes I shall retain the floor.

Mr. WHITE. Mr. President, I have no serious objection to that, but I suppose the rule of the Senate contemplates that the Presiding Officer shall recognize whoever first addresses the Chair. I think that is a safer rule for the Senate to follow, than to enter into agreements as to who shall have the floor from time to time.

But if it is an accommodation to the two Senators who are involved, the Senator from Oregon and the Senator from Washington, I shall not object at this time.

Mr. MORSE. I appreciate that very much.

The ACTING PRESIDENT pro tempore. Without objection, the Chair will recognize the Senator from Washington. If objection is made, the present occupant of the chair, as long as he is in the chair, will certainly be disposed to invoke the regular order.

The Senator from Oregon.

Mr. MORSE. Mr. President, I thank the minority leader and I thank the senior Senator from Washington for the accommodation.

Mr. MORSE. Mr. President, I wish to say that it is with somewhat mixed feelings that I rise to refer to a problem which I think should be made of record and discussed on the floor of the Senate today. I wish to make perfectly clear that not only do I speak for myself, but I voice the views of my colleague the senior Senator from Oregon [Mr. CORDON]. Much of the data which I shall seek to place in the RECORD in the course of this speech has been prepared for us by the very able director of agriculture for the State of Oregon, Mr. Ervin L. Peterson.

As the Senate knows, in this country we are confronted with a very serious wheat and feed problem. Certainly no Senator wishes any more than do the two Senators from Oregon to have starvation alleviated throughout the world. Yet we can have very sincere and honest differences of opinion among us and between us and the administration as to how best to meet the food situation throughout the world. In facing the problem, I believe there are a few basic principles upon which we should be able to agree.

I certainly think we should be able to agree that when the administration proceeds to prescribe feed restrictions, ample planning for the application of such restrictions should be made in advance of their issuance. However, that has not been done. I am not here to attempt to fix the blame; in fact, before I conclude my remarks, Mr. President, I shall in all sincerity attempt to relieve some very high Government officials from any blame, because I do not think they are at fault.

Mr. President, I believe that we should be willing to agree that before the wheat order was issued an inventory should have been taken not only of available wheat, but other feed as well. An inventory should have been taken and a study should have been made of the minimum feed requirements of the farmers and producers in order to enable them to carry over their stock and prevent the occurrence of severe and costly losses which are now being experienced throughout the country. Of equal importance, an effort should have been made to prevent the tremendous wastage of food which is resulting from the wheat order of the Administration.

This morning the entire Oregon delegation, including Senators and Representatives, met with the Secretary of Agriculture, Mr. Anderson, and the Under Secretary of Agriculture, Mr. Dodd. We discussed some of the very things which the Senator from Nebraska [Mr. WHERRY] and the junior Senator from Oregon discussed on the floor of the Senate last week with regard to the effects on the Pacific Northwest of the feed orders of the Administration. It should be pointed out for the record that the Pacific Northwest, differing from other sections of the country, has no substitute feed. It does not have corn, for none is raised there; nor is it a barley-raising area. There are no available substitutes such as the poultry and livestock producers in other sections have. Our feed is a single feed. It is wheat. I know there will be a smile or two when I say that it is soft wheat; but so it is. It is not the hard-flour purpose wheat which is raised in other sections of the country. Primarily, it is a feed wheat. Its value lies chiefly in the use made of it in the feeding of livestock and poultry.

But be that as it may, Mr. President, I would be less than honest if I did not point out that the value of this feed lies also in its use for human consumption. There are, for example, soft-wheat flour mills in the Pacific Northwest. I cannot say for a certainty whether some of them are located in Washington, but it is my understanding that such is the case. I refer, for example, to some of the soft-wheat flour mills in my State, principally in Astoria, and a few in the wheat areas such as those in the vicinity of Pendle-

ton. Nevertheless, the greatest utility of this wheat lies in its use as stock feed. I would be the first to insist that, if need be, it also be used for human consumption in this dark hour in world economic conditions, because it can be used in relieving starvation.

The point needs to be made, Mr. President, that the way in which the feed or wheat order is being administered and applied to the Pacific Northwest itself, has resulted in a tremendous wastage of food. The application of the order is resulting in the extermination of the poultry industry of the State of Oregon.

Mr. President, I shall not argue about facts. I shall put some of them into the RECORD. I shall ask those who are responsible for the administration of the wheat order either to deny the facts I shall present; answer them, rebut them, or admit them. I assert that they will be compelled to admit them because they are undeniable. If they admit them, it must also be conceded that we are not helping the starvation problem of the world by destroying food under a strict arbitrary administration of the wheat order at the present time, without taking into account the great regional problem which exists in the Pacific Northwest, including the States of Washington, Oregon, and Idaho. I assert without fear of successful contradiction that unless our Government is willing to use for feed purposes a part of the wheat which is now being piled up for shipment, but which cannot be shipped until some time in the future, it will be making a very costly mistake. After all, the relief for which I am asking is for only 2 weeks. If we can keep the poultry industry going for 2 weeks, then by proper planning, which should have been done before the wheat order was put into effect, I believe the administration can start on the way to the Pacific Northwest the necessary feeds to take the place of wheat not now available to the producers of my State.

Mr. President, I am not talking about new production in the poultry industry. I am not talking about the thousands of baby chicks and turkey poults which, during the last 10 days, and for the next 10 days, have been and will be destroyed because of the lack of feed. I am not making a plea to stop such waste, tremendous as it is, uncalled for as it is, and unnecessary as it would have been had some planning been done months ago in relation to the problem.

Mr. President, the food-shortage problem did not descend upon us overnight. We, as Members of the Senate, cannot escape our share of the responsibility. During the past year there were those of us who on this floor attempted from time to time to point out what the handwriting on the wall made perfectly clear, namely, that the world would soon enter upon a period of starvation unless we did something about it. I do not hesitate to say that I believe we have not done all we should have done. We have not yet given UNRRA all the funds which it needs and has asked for. Members of this body know that over a period of several weeks some of us on the floor of the Senate pleaded from time to time to make available to UNRRA necessary funds so that some planning on an international scale could be done in order to meet the great crisis which now confronts us. It does not pay to cry over spilled milk. The question is whether or not we shall continue our planless way, or stop now, take stock of ourselves, and ascertain what, if anything, can be done in order to prevent the great waste which is taking place.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MAGNUSON. I believe the record should be made a little clearer by the Senator from Oregon. I inferred from what the Senator said that this is the first time the feed situation in the Northwest had been called to our attention. Some of us have known about it and have seen it coming for a long time. We considered it not to be a legislative matter—not properly a matter for legislative action—but that it was an administrative matter. More than 4 months ago the Senator from Washington and several other members of Pacific Northwest delegations, particularly of the States of Washington and northern Idaho, had several conferences with representatives of the Department of Agriculture. On one occasion we succeeded in getting the Department of Agriculture to raise the quota of beef for the State of Washington. I believe the raise was 10 percent. Since then other conferences have been held. It is my understanding that the situation in Europe has grown worse than had been anticipated 4 or 5 months ago. Hearings have been held by the Senate Committee on Agriculture and Forestry in connection with the wheat situation.

I agree with the Senator that the situation in our section requires immediate action. I do not know whether the Senator will complain or not, but 50 cars of wheat have been sent to the State of Washington for the last 2-week period. The Department of Agriculture, in order to do what they thought best—whether it will work out or not I do not know—issued an order 10 or 12 days ago as to excess barley. All excess barley on the Pacific coast must not be shipped east of the Pacific area. That should allow the excess California barley to trickle up to our area. They released and relaxed the regulation on oil feed cake. They stepped out of the corn market, so that the feeding of heavy hogs would be discouraged, and increase the price of corn 25 cents, which put some corn on the market.

They did everything they could—I I want to be fair to them—to encourage the shipment of Montana wheat West instead of to the Twin City terminal. But what they did, did not quite take care of our situation.

I am glad the Senator is calling this matter to the attention of the Senate. I merely want to make clear that many of us have been working on this matter for a long time. There have been many conferences, many telephone calls, many discussions, and we have reached a point now where for the 2-week period I think we need probably some extra quick action. I believe the State of Oregon should have the same treatment the State of Washington had, the shipment of 50 cars, and I hope in 2 weeks the pressure will be over, but in the meantime I think probably we might accomplish more by getting the department to continue conferences, and keep apprised of the situation as it is in both our States.

As I have said, we have been working on this matter for a long time. I hope this discussion will help, but we probably should ask the department now, as the Senator well points out, to use some of the Surplus Commodity Credit wheat, as I believe it is called, and replace it in the stockpiles, which can probably be done, when the crop comes in which is now being harvested in Texas and is moving North.

I merely wanted the RECORD to show that a number of us have been working on this problem for many, many weeks.

Mr. WILEY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. WILEY. I am very much interested in what the Senator is discussing. I have just returned from my State, where I was in consultation with the bakers. It is estimated that the flour supply will last from 10 to 20 days. The Pillsbury Mills in Minneapolis expect to close the last of the month.

The question I hope the distinguished Senator can answer I shall now state. Under the wheat order, it will be remembered, wheat is being shipped to Europe. Producers in the dairy section expect to be facing this winter a tremendous feed problem. Can the Senator from Oregon or any other Senator tell me whether or not the Department, or whoever is administering this matter, has given consideration to milling the wheat into flour in this country and then using the residue for feed? That itself would provide a tremendous amount of feed.

Before the Senator attempts to answer, I wish to say that today there came to my office a letter from the cheese industry of Wisconsin. Those engaged in that industry adopted a resolution setting forth that they will continue to produce cheese, but will not sell it. For months I have attempted to get Chester Bowles to permit an increase in the price of cheese. It costs 32 cents to produce Cheddar cheese, and the manufacturers have been selling it for 27 cents. Wisconsin provides about 56 percent of the cheese produced in this country. Last January the Cheese Division of OPA made a recommendation. They went over the whole field and recommended an increase. "No, no," said Bowles. Now the cheese industry is facing such a situation that it adopted a resolution, which, after a number of whereases, reads as follows:

Resolved, That only one course is open to the industry if it is to aid Government, prevent unwanted diversion, produce food, preserve itself, and that course is to continue manufacture but refuse to sell at a loss, and hold it from this day forward until it may be legitimately sold on the basis of cost.

I wrote Mr. Bowles a letter today, which I ask to have printed in its entirety in the RECORD at this point in my remarks, and, following it, that there be

printed the letter addressed to me by the Wisconsin Cheese Makers Association, setting forth the facts I have recited briefly, and setting forth the resolution of the Wisconsin Cheese Makers Association taking the action on which I have commented.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
May 21, 1946.

Hon. CHESTER BOWLES,
Director, Office of Economic Stabilization, Washington, D. C.

DEAR MR. BOWLES: I am enclosing a copy of: (a) An urgent communication which I have just received from the Wisconsin Cheesemakers Association together with copy of (b) a resolution adopted by this association setting forth its action as mentioned in the copy of letter signed by L. E. Kopitzke and George Mooney.

This association, whose members manufacture 400,000,000 pounds of Cheddar cheese, annually voted, after a recent conference, to withhold all Cheddar cheese from the market until long-overdue price relief has been granted to cheese producers. The cheese-makers have taken this drastic step because they have suffered tremendous losses arising out of an outrageous OPA price ceiling of 27 cents per pound on a product that it costs 32 cents to manufacture.

I know that you are familiar with this situation if only on the basis of the repeated representations I have made to you, urging price relief for many, many months. It is inconceivable to me how your office can continue to maintain ruinous cheese policies which have continued to cripple this vital industry and which have in particular struck a body blow against the industry of my own State, which normally produces more cheese than all the other States combined.

I want to call your attention to a significant fact resulting from your policy. Wisconsin had approximately 1,400 independent cheese factories and now over half of these factories (the resolution which I am enclosing says nearly 1,000) have been closed, sold, or leased. This means that your policy is making not only for destruction of the cheese industry of my State, but for the wiping out of whatever vestiges of small business are left in this industry. The big industries by leasing or purchasing are absorbing these factories.

Way back in January the Cheese Section recommended an increase. Since then costs have gone up still further and yet there is no remedial action on the part of OPA. This is just another illustration of what your inaction is doing in damaging a great industry and making for monopoly.

I sincerely hope that you will see to it that immediate corrective action is taken. Such would be in the interest not only of my constituents, the cheese-makers of the State, but of the great mass of American people who want cheese and are willing to pay a fair price for it.

I hope I will soon hear that you have taken favorable action.

Sincerely yours,

ALEXANDER WILEY.

WISCONSIN CHEESE MAKERS' ASSOCIATION,
Plymouth, Wis., May 20, 1946.

Senator ALEXANDER WILEY,
Senate Office Building, Washington, D. C.

DEAR SENATOR WILEY: Price policies of OPA having put the cheese on a red-ink basis for months; the industry was faced with a choice between ceasing production or continuing to manufacture and refusing to sell until it can be done legitimately on a cost basis.

A large and representative group from the industry at Fond du Lac (May 17) decided unanimously to withhold the cheese from market.

A copy of the resolution adopted is enclosed for your information. We have already commenced holding.

Government is asking for cheese, we are making cheese—but, will not sell until the price has been adjusted.

Both Agriculture and OPA know the facts, the cost at present is 32 cents per pound, the maximum price is 27 cents; we refuse to sell at a loss.

We have construed delayed action by OPA as a refusal to remedy the situation and feel compelled to do so ourselves without endangering the food supply by ceasing manufacture.

May we have an immediate reply?

Yours very truly,

L. E. KOPITZKE,
President.
GEORGE L. MOONEY,
Executive Secretary.

WISCONSIN CHEESE MAKERS' ASSOCIATION, PLYMOUTH, WIS., REFUSE TO SELL CHEESE AT A LOSS

The following resolution was unanimously adopted Friday, May 17, 1946, at a State-wide meeting called by the Wisconsin Cheese Makers' Association at the Retlaw Hotel in Fond du Lac. About 500 producers, cheese makers, and dealers were in attendance and not a single dissenting vote was voiced. All the dealers present expressed their full support and cooperation:

"Whereas OPA ceiling prices and policies affecting cheese have resulted in manufacturing losses in the past 3 years, ruinous to the great cheese industry of Wisconsin and causing the closing, sale, or lease of nearly 1,000 of our 1,400 factories; and

"Whereas the present manufacturing cost of Cheddar cheese is about 32 cents per pound but with a maximum ceiling price of 27 cents per pound; and

"Whereas the situation now calls for definite and affirmative action by the industry if it is to survive; and

"Whereas the present cheese goals and procurement program of the Government will be defeated by OPA policies; and

"Whereas we do not believe we can be compelled to manufacture and sell our product at tremendous total losses: Therefore

"*Resolved*, That only one course is open to the industry if it is to aid Government, prevent unwanted diversion, produce food, preserve itself, and that course is to continue manufacture but refuse to sell at a loss, and hold it from this day forward until it may be legitimately sold on the basis of cost; further

"*Resolved*, That this resolution be furnished President Truman, all Federal officials and agencies responsible for this chaotic condition and whose official duty it is to correct it."

Mr. WILEY. I might say, Mr. President, that the inability of the executive department to meet head-on this critical situation is nothing short of criminal. In Wisconsin we have had 1,400 cheese factories, and in this resolution it is recited that 1,000 of the 1,400 have either been sold, or leased, or have quit production. Of course, when they are leased or sold they go to the large manufacturers, and thus the Bowles program results in monopoly, the big fellows taking over the little businesses, and as a result the public, the consumer, is not protected.

I should like to have an answer, if I may, to my question about feed for the cattle of the Midwest, which is not only the milk factory of the Nation, but the cheese factory and the butter factory.

Mr. MAGNUSON. If the Senator from Oregon will yield—

Mr. MORSE. I yield.

Mr. MAGNUSON. I will say to the Senator from Wisconsin that the matter he has brought up was discussed about 2 months ago with the department, when this question was pending, and it was also discussed before the committee.

The problem at the time was that much whole wheat was being shipped. Several orders have been issued since. I believe that on the Pacific coast the bulk of the wheat is being ground into flour and then exported, particularly that going to the Pacific for the famine areas.

The difficulty is that many of the people in Europe and in Asia who are starving must use the whole grain. They make gruel and porridge of it, whereas if they get the flour, the lack of places in which to bake, and many other factors, make it preferable to ship a great deal of the wheat in the whole grain. It is claimed that the value in calories of the whole grain is so much greater than the white flour value that it is worth while in many instances to do that. But they are going far in the program of grinding the wheat into white flour, which leaves about 20 percent for feed. I agree with the Senator from Oregon that that program came a little bit too late. I doubt if the average Japanese would know how to use white flour, but he knows how to use the whole kernel of the grain.

Mr. WILEY. I might ask another question, in that connection. Statements have been made to the effect that in Europe, whether they use the whole wheat or the white flour, the facilities for producing flour are absolutely gone, and there has been talk about the facilities for distribution being inadequate. I should like to obtain some information so as to assure people that the facilities are adequate, if they are. We know that there are bread lines in California, and people looking for bread, and all over the country our citizens will soon be looking for bread if conditions remain as they are.

Mr. MAGNUSON. The Senator is talking about white bread.

Mr. WILEY. The production of bread.

Mr. MAGNUSON. There is no restriction on bakers making rye bread or barley bread. I remember that when I was a boy bread was even made from potatoes.

Mr. WILEY. I am speaking of wheat bread.

Mr. MAGNUSON. I think approximately 75 percent of the bread consumed has been white bread, because it has been the habit of the American people to use that kind of bread, and they are accustomed to it.

Mr. WILEY. Mr. President, my point is that America is ready to sacrifice as no other nation probably has sacrificed in history, but the people of America want to make sure that when they do sacrifice, the things they give up shall not be lost en route, shall not fall into the hands of black marketeers in Europe, and shall not go to fancy restaurants which charge many dollars for the meals they serve.

Mr. President, I heard former President Hoover's remarks on the general food situation and the distribution of food in Europe. I thought his statement a remarkable one; but I had hoped we could obtain further light on the subject so we would know that what we are doing will be done for the benefit of those who are in need, and that there will be no diversion whatever through any wrongful channels.

Mr. MAGNUSON. In some cases what is now being done will only represent temporary help. In other cases that which the Senator from Wisconsin fears, may perhaps result. But there is an immediate problem in Europe and there also is an immediate problem in the far northwestern section of the United States. Probably transportation difficulties, the dislocation of distribution facilities, will cause more trouble than will arise with respect to the question of supply itself.

Mr. MORSE. Mr. President, I desire to thank both the Senator from Wisconsin and the Senator from Washington for their contribution. The information which the Senator from Washington gave the Senator from Wisconsin with respect to the milling of wheat into flour is the same as that which the Oregon Senators obtained from the Department of Agriculture.

Before I proceed with my speech proper I wish to make a comment on the remarks made by the Senator from Washington in regard to what has been taking place, respecting this problem, during the past several months. I not only am well aware of the great work the two Senators from Washington have done in connection with this problem, but on more than one occasion the Senators from Oregon have cooperated with them, particularly with regard to the first wheat order, when we worked with the knowledge that each group was cooperating in an attempt to have the order modified, so as to make possible a 10-percent increase in the shipments of wheat to the Northwest.

I desire to say further for the RECORD that at no time have the Senators from Oregon ever failed to receive from the two Senators from Washington their wholehearted support in these mutual farm problems. I do not want the Senator from Washington to gain the impression from any of my previous remarks that I entertain the idea that the Washington delegation has not made every possible effort to try to meet this problem. They have been doing a splendid job. Nor do I want the Senator to think that I am putting the major blame for the failure to meet the world food problem insofar as the obligation of the United States are concerned, upon the Congress. What I was saying, however—and the record is clear on this point—is that we did delay during the past year in taking the necessary steps to give UNRRA the support to which that organization was entitled if it was to undertake the planning needed in order to meet food crises as they arose from time to time throughout the world. For that matter there are still pending before this body requests for additional funds for UNRRA, which we have yet to vote, and which I think we should vote without further delay, because the trials and tribulations of that organization are difficult at best. We certainly should not make them more difficult by further delay on the part of the Senate in seeing to it that necessary funds for the work of UNRRA are appropriated.

I was saying before the interruption occurred, that I am not making a plea this afternoon for feed with which to stop the wastage and great loss of meat that has resulted from the killing off of young chickens and young turkeys because of a lack of feed, although, having been brought up on a farm, it is rather shocking to me to see the tremendous waste which is entailed by sacrificing thousands upon thousands of birds that have great potential meat producing value. I am well aware of the fact that we cannot supply wheat in the quantities needed for human consumption and at the same time proceed to increase the production of all types of livestock at such a rate as to cut in heavily on the wheat supply.

Neither am I making a plea here this afternoon, although a strong argument could be made in their behalf for feed for the livestock producers themselves or for the dairymen who are suffering a tremendous loss of production in the Pacific Northwest as the result of this wheat order. I am reliably informed—I have no question as to the reliability of the statistics made available to me—that large numbers of the finest dairy cattle of the Pacific Northwest are being slaughtered. The dairy men are not merely going out of business and letting somebody else take over the cows and produce in another dairy. That is not what has happened, although there are some such cases. But I tell the Senate that large numbers of very valuable dairy cows are being slaughtered, and the number will increase because in my section the dairy interests cannot get the feed to make dairies a paying proposition during this period of time. The dairymen are taking their losses, and they are sacrificing their valuable herds. Again I say, as one brought up on a dairy and stock farm, that to me that is a shocking situation, because its real cost will not be immediate, its real cost and the real loss to the productive activities of this country will be measured in terms of the next 3 or 4 or 5 years.

That is not a sound economic program. Not much can be done, I admit, by crying over it now. That part of the damage has already been suffered. It is true, as some of the dairymen have said, and as the State director of agriculture of my State said this morning at the conference with the Secretary of Agriculture, that at least the cattle which will not be slaughtered, although they will not be so productive as heretofore, and some of them not productive at all, as the result of the treatment to which they have been subjected because of a lack of feed, at least can be turned out to grass. Some loss will be entailed, but they can be turned out to grass. Poultry, chickens, and turkeys, however, cannot live on grass. They must have grain. They must have feed.

So I am pleading this afternoon for the production flocks of the Pacific Northwest, because it is the production flocks of the great poultry industry of the Pacific Northwest that are going to be exterminated within the next couple of weeks unless relief is promptly afforded.

The State director of agriculture of Oregon said this morning in the office of the Secretary of Agriculture that unless relief is provided within the next week in the State of Oregon alone 1,000,000 productive hens will be slaughtered. Think of it, Mr. President, 1,000,000 productive hens will be slaughtered, and their meat, much of it, will not be used. They will have to be buried. They will represent a complete economic loss, because the facilities are not available to take care of 1,000,000 hens in the State of Oregon which must be slaughtered in 1 week.

At this moment cold-storage plants are bulging with poultry. I have heretofore, in conferences, just as the Senator from Washington has done, by letter, and by telephone calls, for months upon end pleaded with the administrative officers of the Government in charge of this problem to do everything possible to empty the cold-storage plants of this surplus poultry and to use it wherever possible. Some loss might be entailed, but I think we ought to meet the starvation problems of the world even, if necessary, at the cost of some waste, as we found that we could not fight a war without waste. I am not going to be worried about sending some food shipments to Europe, to the Pacific, to the Orient, even though some of it may be wasted. I believe most of it would reach its destination in edible condition. So I have been pleading that that saving be made. Had it been done the storage facilities which are now necessary would be available, and this terrible massacre of the poultry industry in my State and in the State of Washington would not be necessary. There would have been cold-storage facilities available to save at least some of the meat.

What is going to happen, Mr. President? In referring to the States of Washington and Oregon I am not talking about large poultry farms with many thousands of birds. That type of poultry establishment is rarely found in my section of the country. What we have is the small producer, the man in the poultry business who has 1,500 or 2,000 hens. I shall not encumber the RECORD, but I can show, upon request, letters received from veterans who have come back from this war, invested their meager savings in small poultry farms, and gone into the poultry business. As a result of this program they will be completely wiped out economically. I say that it is not fair to them or to the country. It simply is not the right thing to do.

I am disturbed about another angle of this problem. It cannot be laughed off very easily. I am disturbed about the angle which I mentioned this morning at the Department of Agriculture. I am sure that no Member of the Senate can question my sincerity in advocating that the United States shall do everything it can to establish a sound international order in the interest of permanent peace. If America is to live up to the fullest, to

its obligations and responsibilities in connection with our international program, we must have the united support of American public opinion. We must have the people in support of the program. An incident such as this, in an area so extensive as the Pacific Northwest, is the cause of deep resentment being stirred up because of the losses which are being suffered by the poultry and livestock industries of that section. Such resentment is reflected in the mail of Senators. Those of us who are trying to do the best job we can in convincing the American people that we have no other choice but to go along with the United Nations in the development of a sound international program find ourselves in great difficulty when we are confronted with an increasing number of farmers in our State who say that there is something wrong with a program under which the Government is willing to bankrupt some of its own citizens, and, in effect, confiscate their property without compensation, claiming to do it in the interest of relieving starvation abroad.

Of course, I shall continue to do the best I can to persuade the people to realize that meeting the starvation problem is probably the best insurance policy we can take out as a nation against a future war. Nevertheless, they feel that any administration bungling in connection with the program is unjust. They feel—and I must say rightly so—that adequate planning has not been done by those responsible for the program to protect the farmers who are suffering these tremendous losses.

Knowing my section of the country as I do, and as I am sure the Senator from Washington [Mr. MAGNUSON] knows it, I know that the point of the relationship of great mistakes such as this to public support for a sound international program cannot be ignored by the administration. I believe that the interest of sustained public support for what we are seeking to accomplish through the international program of the administration, to which I give my hearty support, entitles Senators and Representatives from the Northwest to some emergency treatment so far as relieving the feed shortage for our poultry industry is concerned.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MAGNUSON. What did the Secretary of Agriculture say this morning? That is what I am interested in.

Mr. MORSE. I was coming to that, but I shall be glad to take up that point now.

Mr. MAGNUSON. I preface the question on the fact that the State of Washington received 50 carloads, and we expect to get more. I hope we can get more. I am pleading for it. I wonder what the Secretary said to the Oregon group.

Mr. MORSE. With regard to the 50 carloads, I assure the Senator from Washington that the Oregon delegation did not go to the Department of Agriculture to take away any of those cars, but to find out about them. We were told by the Secretary and by the Under Secretary that 25 of those cars are to go to the State of Oregon. They were sent to Spokane only as a terminal point, because that is where the elevator is. But the direct instructions at the time of shipment were that half of them were to go to the State of Washington and half to the State of Oregon. They consist of barley and corn, and not wheat. Moreover, they are only a drop in the bucket.

Mr. MAGNUSON. I am glad to know that. Now I shall have to ask for 25 more.

Mr. MORSE. I hope the Senator can continue to get them. We shall be glad to split the allotment with him.

Mr. MAGNUSON. My point is that we are trying to get as many emergency cars of feed as possible—wheat, barley, corn, or whatever we can get. The Senator from Oregon has been in contact with the Department later than I have been. I talked with a representative of the Department yesterday afternoon. I am wondering if there is any further news.

Mr. MORSE. I shall discuss that question. I had intended to place some data in the RECORD first.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Vermont.

Mr. AIKEN. I wonder if the Senator has any record of the number of cars shipped into his State and the number of cars that stayed in his State for distribution among local poultrymen and dairymen. Does he have any record of the amount of grain which is exported to countries other than the famine-ridden countries of the world?

Mr. MORSE. I do not have such data. I will say to the Senator from Vermont that our problem has been a matter of home consumption. That is, we have consumed that portion of our wheat which we needed for our livestock industry and for our poultry industry, and the rest has been shipped elsewhere. What has happened in this instance is, as the Secretary of Agriculture pointed out to us this morning, that prior to the issuance of the order there was a great quantity of wheat in the State of Oregon which was bought by private concerns outside the State. The farmers in our State usually buy wheat during a certain period of the year for their poultry production. Before that period arrived this year the order was issued which took the wheat away from them. That is why they are caught without any wheat. The so-called surplus wheat is already sold out of the State. The wheat which our poultry producers have always bought is the wheat which has now been taken over by the Government and is not available to the poultry producers. That is why they are in the present situation. They are not asking for any pattern different from the historical pattern.

It is true, as the Secretary of Agriculture pointed out this morning—and I wish to be exceedingly fair about this—that had the poultry producers bought their wheat when it was available last fall or early winter they would not now be short. But the point to remember is, as I stated earlier in my remarks, that they are farmer-producers. They are small operators. They follow very typical patterns of annual behavior in their farm procedures and methods. It has always been their custom to buy their wheat during a certain time of the year, but before that purchase period arrived this year the so-called stoppage occurred. The Government took the wheat which otherwise would have been made available to them. So there they are, without any wheat, and in an area in which there are no substitute feeds.

Mr. MAGNUSON. Unless they can be brought in.

Mr. AIKEN. I asked the Senator the amount which had been shipped into the State; but I can see that that would be quite meaningless, inasmuch as the poultrymen in the Senator's State buy most of what they require from within the State.

Mr. MORSE. That is correct.

Mr. AIKEN. So there would be no such record.

Mr. MORSE. That is true.

The Senator from Washington [Mr. MAGNUSON] is quite correct. There are no substitute feeds, and will be none unless they can be brought in. This afternoon I am urging that sufficient relief be afforded for a couple of weeks so that plans can be made to get substitute feeds into the State. Unless such emergency relief is granted, the dire results which I have pointed out are as certain to follow as the night the day.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BREWSTER. I have listened to this interesting discussion. It is a matter of great concern to us in New England. The other day I heard the somewhat extraordinary and disturbing statement made that 143 cars of feed came through New England last week on one day, and that practically all of it went overseas immediately. I do not know whether the Senator from Vermont is familiar with that situation.

Mr. AIKEN. I gave the Senator the wrong information. It was 153 cars that went into New England last Friday. I do not know what became of the feed, but certainly if that is typical of the amount of grain that is going into New England, it is not being distributed in New England. One hundred and fifty-three cars would be more than 200,000 bushels. We would not use that much in 1 day. The assumption is that it is being exported because the world market price is a few cents a bushel higher than the domestic price. I understand that UNRRA is exporting about 10 percent of the grain to foreign countries, and that the other 90 percent goes into the world market. I am not absolutely certain as to those percentages, but that is as I recall them. If a person who is able to buy grain can get 5 or 10 cents a bushel more for it by shipping it overseas to a famine-ridden country or to any other country which has the price to pay for it—and many of them now have—there is an incentive to sell it where it will bring the highest price. Consequently, our small feed mixers in New England are unable to buy grain enough to come anywhere near beginning to supply the poultrymen and dairymen of the six New England States.

Mr. BREWSTER. What answer do those in authority give in connection with the fixing of price schedules on a basis which makes it easier for foreign interests outside the famine areas to secure our grain at the expense of our own consumers?

Mr. AIKEN. I have not had an answer to that question as yet. I suppose that some of the grain is going to the same places to which some of the white shirts went—to countries which have plenty of money to spend and are willing to spend it. I do not doubt that is where it has gone. No doubt it is not wasted, regardless of wherever it goes.

Mr. BREWSTER. Mr. President, I was quite startled to learn that our export trade is now running at the rate of more than $8,000,000,000 a year, as of the first quarter of the present year. But some of that export trade is made up of UNRRA shipments, which I understand are within that category. However, the UNRRA shipments certainly are not a large proportion of the total of our exports.

Although we have been seeking to develop our export trade, if the present situation reflects in any substantial measure the "advantage" of doing business outside of this country with products which are scarce in this country, because it is better business to send nylons, or white shirts, or any other items abroad and sell them there, rather than to sell them at home under the price ceilings, then it seems to me the matter is of very great concern to us. When we learn that $2,200,000,000 worth of products have been exported during the first quarter of the present year, our first feeling is one of gratification that we can do so much business. Our second feeling, however, is one of doubt as to whether that total of business reflects to a considerable extent the unfortunate policies which have prevailed under price regulations.

Mr. AIKEN. Mr. President, the Senator is absolutely correct about that. Of course, a goodly share of our exports is going to countries which are not famine-ridden in any respect. Some of our exports are going to countries which do not need the exported commodities any more than we in the United States need them, but they are permitted to pay high prices for them. The Senator knows what countries they are.

Mr. MAGNUSON. Mr. President, of course, it would be somewhat illogical to say that a country which is not famine-ridden would wish to import feed or grain. The countries which are not famine-ridden have surpluses of feed and of grain. Mr. Herbert Hoover listed those countries, and he listed the surpluses of food, as far as he could estimate them. Some feed was sold through the Chicago markets before the issuance of the order, because this problem exists only in New England and in the Pacific Northwest. California actually has a surplus of barley, or will have when the barley crop comes in; and it uses a great deal of barley for feed. But some of the brokers or others who deal in grain may have made commitments to other countries. I am sure that if we look at the facts we shall find that the countries which are not famine-ridden have surpluses of such products which they themselves are trying to sell.

Mr. AIKEN. No, Mr. President; I think the countries that are buying the most grain are neither the famine-ridden countries nor the grain-exporting countries. They are the countries which have money with which to buy the grain, and they are buying plenty of grain—all they can buy, naturally, because it is a good commodity to have and to be able to sell.

Mr. MORSE. Mr. President, I thank the Senators for their contributions. By their remarks I think they have made very clear that the problem I have been discussing this afternoon is one which is vital to many sections of the country.

I wish to continue my answer to the Senator's question which was, "What did the officials of the Department of Agriculture tell us this morning?" I wish to state that Secretary of Agriculture Anderson and Under Secretary Dodd gave us a very fair and a very considerate and, I thought, a very understanding hearing.

As I said on this floor last week, I think the Secretary of Agriculture not only is faced with a tremendous, as well as a thankless job, but I think he is an exceedingly fair man and that he does his level best to be fair and to try to meet in a fair manner, emergency problems as they arise. But he, too, has what amounts, in fact, to instructions under which he has to work. After all, he is confronted with very definite export commitments in regard to wheat. He is not a magician. He does not have authority to modify those commitments. They involve other branches of the Government, too.

Mr. President, I am making no criticism of those commitments. I simply say that I do not think the commitments should have been made until the inventory which I previously mentioned had been made. I refer to the inventory of the existing grain in this country, when looked at from the standpoint of the minimum needs of the farmers and livestock producers and from the standpoint of maintaining just minimum standards in order to prevent economic wastage of feed, resulting from an order which took from the farmers of the United States feed in greater quantities than they could possibly afford to lose, in view of the existing poultry and livestock situation in the United States. That Mr. President, is a very important point in this discussion.

Why try to fix blame for it? Let us simply face the fact that we have made export commitments for the exporting of grain without first setting in motion a program for the transfer of the necessary substitute feeds to the sections of our country which are entirely dependent upon wheat for feed because they have no substitute feed, such as barley, corn or oats. Such a program simply was not undertaken, with the result that in the northwestern section of the country—and I understand the same situation exists in New England—the poultry producers are finding themselves with a tremendous feed shortage which is putting many of them into bankruptcy. So much, Mr. President, for a general statement of the principles and policies involved.

Again I wish to say that my wholehearted sympathy is with the Secretary of Agriculture, who said this morning, "After all, these commitments have been made, and the problem exists in other sections of the country, too. I just cannot change those orders."

In fairness to him it also should be said that, after all, the farmers knew, from releases which were issued by the Department of Agriculture months ago, that when determining their production program for this year they should make certain that they had the grain with which to meet the production.

I am sure that the Secretary of Agriculture was acting in good faith when those releases were issued, and I mean no criticism of him. My admiration for him is too great to permit me to criticize him. But I know farmers, too. I am willing to venture the assertion here and now that the vast majority of them in the northwestern section of the country never heard of the releases. But even if they heard of them, they did not know that the releases meant that, as of this month, there would be imposed upon them, by the Government, a grain restriction which would make it impossible for them to get feed, as they always have in the past, at the time of the year when they buy the feed for their new crops of poultry. That is not a reflection on the farmers, either, but it is a statement of fact, namely, that, after all, they plan by habit and pattern, and that has been their habit and that has been their pattern; and if there was any intention on the part of the Government to attempt to change that pattern, then I say without hesitation that much more should have been done to impress upon the farmers exactly what grain program they should follow.

However, that was not done. I think the Secretary of Agriculture would be the last to say that the farmers really realized at any time that the emergency situation in which they now find themselves would come to pass. They certainly did not realize that. That is all there is to the matter. Now they are rising up with tremendous resentment. Certainly they are willing to make sacrifices to relieve starvation, but try to convince them that that means that they should be put out of business, should voluntarily accept the bankruptcy which is being imposed upon many of them.

If the Government says, "Oh, well, after all we have to have the wheat for this purpose," as I said last week, if it comes to pass that no relief of any kind can be afforded and provided in this emergency, then I have no question that the Government has a moral obligation in that respect. After all, the Government has just as great a duty to meet that obligation as it has to meet any of the other moral obligations it has to the people of this country. I have no doubt about its moral obligation to see to it that the farmers who are suffering this tremendous loss as a result of this chain of circumstances are recompensed for the loss they are suffering. It is the least

we can do, and it is the fair thing for us to do.

Mr. President, it is all very well to talk about principles and policies in connection with this problem. We discussed them this morning with the Secretary of Agriculture. He has a very good understanding of them. He admitted, I may say to the Senator from Washington, that he did not know what could be done. After the Secretary had left the conference because of an appointment which he had to keep, the Under Secretary of Agriculture said that he did not know what could be done. We spent approximately half an hour with the Secretary, and the other half hour with the Under Secretary. That is a great deal of time to give out of the day of any busy administrator or any Senator. After the Secretary left the conference the Under Secretary said, "Gentlemen, I do not know what we can do about it, but we will see if anything can be done. We make no commitments or promises." But one suggestion was made in the conference which I though contained a great deal of common sense. It was made by Representative ELLSWORTH of the Fourth District of Oregon. He stated that perhaps we could make a paper trade. He suggested that, for the time being, we be allowed a certain quantity of wheat in order to meet the 2 weeks' emergency, a quantity consisting of 320,000 bushels to which the Senator from Washington has referred, and which has been taken by the Government. The suggestion was made that we use whatever portion of it might be necessary in order to meet the emergency, and at the same time start on its way to Oregon substitute feed such as corn, barley, and oats from the Middle West.

However, I may say to the Senator from Washington that the Government has no control over that substitute feed. That fact is one of the interesting things in connection with the feed program. We limited the Government's participation in the program to wheat. In my judgment, that was a mistake. The problem is not a wheat problem but it is an American grain problem. It should be handled as an over-all grain problem and not merely as a wheat problem.

In order to do justice to all sections of the country, the Government should exercise control over the substitute feed and see to it that sufficient quantities are directed to such sections as the Pacific Northwest and New England, in order to relieve the hardship which would be suffered by the farmers of those countries if we were to take their wheat away from them and give them no substitute in return.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. AIKEN. I think it would be entirely possible for the Government to take over control of a large portion of the substitute feed which is now available, and see to it that all parts of the country are given what should be given to them. As the Senator from Oregon knows, on the 15th of January the Government took over control of protein feeds. While there had not been protein enough to go around, I have not heard of any section of the country complaining because of not receiving its share of what was available. Through cooperation with the trade, the Government directed shipments to be made of protein meals and other protein feeds so that each section of the country received its properly allocable share. I have not observed any reason for not doing the same with substitute feeds, such as barley, sorghum, and other grains. If the Government had not done what it did during the middle of the winter, I believe we would not now be in such dire straits as we seem to be in, particularly on the Pacific and Atlantic coasts of the United States. I hope we have learned our lesson and that next winter, if conditions promise to be the same, the Government will assume the responsibility of directing the allocations of other grains just as it did this year in connection with proteins. I have heard no complaints from the trade with respect to the allocation of the proteins, but, nevertheless, there was not nearly enough to go around.

Mr. MORSE. I thank the Senator. I think what he pointed out is what should have been done months and months ago when the Government prepared to meet this crisis.

Mr. AIKEN. The Senator is correct. Plans should have been in preparation to be applied on short notice if it became necessary to put them into effect.

Mr. MAGNUSON. Mr. President, I think it should be done now, because the present situation will have to be relieved for a long time by so-called substitute feeds. An equitable allocation of substitute feeds will be necessary. There are many farmers in the Middle West who have plenty of feed and do not wish to sell it.

However, Mr. President, let us be fair with the executive department. After all, commitments were made by the United States on the basis of information which came pretty late with regard to the famine-stricken countries of Europe. I know of countries such as Belgium who have made five successive reductions in rations. It is somewhat difficult to have much sympathy with the Japanese, but they reduced their rations to 800 calories a day. An American could not subsist on a ration of that kind. I do not know what we must do when we are forced to choose between feeding a chicken and feeding someone who is dying in Europe. Herbert Hoover, as well as others, has said that this must be our absolute minimum commitment. Of course, there was some bad planning in connection with distribution, and unless the Government takes over the so-called allied feeds and distributes them equitably, difficulty will follow.

Mr. MORSE. Mr. President, I agree with the Senator. I cannot believe that if we exercise our combined abilities in a united effort to work out a proper program within the administrative departments of the Government, we cannot solve the problem without doing the tremendous damage which is now being done to the poultry-producing sections of our country.

Mr. MAGNUSON. As the Senator has said, there is no question about what could be done if we were to try. It was suggested to the Department about 2 or 3 weeks ago that there were sufficient stock piles to take care of the problem. Those piles will not be shipped abroad for 30 days.

Mr. MORSE. That is the point I wished to make. Representative ELLSWORTH made the suggestion this morning that we borrow for the 2-weeks' period, from the 320,000 bushels of so-called commodity credit wheat now available on the West coast, use it to meet the present emergency, and charge it against our future obligations under the wheat program. It may be said that we need the wheat now. As the Senator from Washington has said, that wheat will not be shipped. It cannot be shipped. The facilities are not available for shipping it. I know something about the shipping problems of the Pacific coast, having worked in an official capacity on the water front from 1935 to 1941. I know something about how cargoes are built up on shores before they ever reach the ship. Wheat will be piled up for months and months to come. The quota which will be necessary in order to meet the present emergency will be but a small quantity so far as having any effect on the movement of wheat abroad is concerned. So I think there should be some borrowing against the wheat quantity credit on the part of the States of Oregon and Washington.

Mr. President, there was also included in the suggestion to which reference has been made, that the Southwest, particularly Texas, which is about to bring its wheat onto the market, should make available to the Government a portion of its wheat. It was suggested that the Government take from Texas a percentage larger than the percentage set forth in the order, with the understanding that when the Northwest crop comes into the market Texas will have its increased percentage returned to it from the northwestern production. Of course, there will probably be some expense in connection with such an exchange; but we are dealing with a problem which is as vital to the welfare of the world as were the problems connected with the successful prosecution of the war. I make no defense of unnecessary waste, but I am ready to defend any waste which may be necessary in order to meet the starvation problems of the world, and see to it that justice is done to the producers of poultry in the Pacific Northwest and in the New England States.

Mr. President, I have talked, as I have said, about the policies and the general principles involved in this problem. I now wish to put into the RECORD—and it will take me only a few minutes—some data bearing directly upon the policies and the principles to which I have referred.

I want the RECORD to show that Oregon's 1946 turkey production goal established by the United States Department of Agriculture is 2,221,000 birds, or 85 percent of the 1945 production. As I said earlier in my remarks, the senior Senator from Oregon [Mr. CORDON] and I are greatly indebted to the State director of agriculture of the State of Oregon for these data.

Actual numbers being raised, according to careful surveys of the Oregon State Department of Agriculture, approximate 50 percent of the 1945 production of 2,605,000 birds, or 1,302,000, a reduction below the requested amount of 915,500 birds.

To feed 1,302,500 birds through the period May 20 to July 20, 1946, figuring 73 pounds of grain to raise one bird, requires 448,206 bushels of wheat. I digress for a moment to do a little State boasting. We raise turkeys in Oregon, and they are really turkeys. They are the double-breasted variety.

Mr. AIKEN. Will the Senator yield?

Mr. MORSE. I shall be glad to yield as soon as I finish these statistics.

Mr. AIKEN. Are the turkeys raised in Oregon mostly Vermont turkeys?

Mr. MORSE. They are pretty good competitors of the Vermont turkeys.

Mr. AIKEN. Are they sold as Vermont turkeys?

Mr. MORSE. I am going to share honors with Vermont in this matter.

Mr. AIKEN. When Vermont raises only about 200,000 turkeys a year, I have often wondered how it came that there seemed to be several million Vermont turkeys finding their way to the market. [Laughter.]

Mr. MORSE. To proceed with my statistics, the Oregon birds of ours are exceedingly large, of the double-breasted variety, and it requires 73 pounds of grain to raise one bird, maturing in 7 months, and allowance is made for heavier consumption as the bird matures, so that in all 448,206 bushels of wheat are required.

Basing Oregon's requirements for poultry feed other than for turkeys upon the goal established by the United States Department of Agriculture for hens and pullets to be upon farms as of January 1, 1946, of 3,206,000, reduced by 20 percent as a result of United States Department of Agriculture orders limiting the use of grain to 80 percent by months of that used during 1945, gives 2,564,800 birds, which equals a reduction from 1945 of 901,200 birds.

We find there will be needed during the period May 20–July 20, 1946, on the basis of an annual use of 75 pounds of grain per bird, wheat or its grain equivalent to the extent of 528,990 bushels.

These figures exclude any consideration of chickens raised for meat purposes.

The total grain requirements therefore for Oregon's turkeys and poultry industries during the period May 20–July 20, 1946, reduced 50 and 20 percent, respectively, over comparable 1945 figures equals 977,196 bushels of wheat or its grain equivalent. Pounds of grain required per bird are furnished by Oregon State College, Division of Animal Industries.

There are few individually large growers of either turkeys or chickens in Oregon. Particularly is this true with respect to chickens. Nearly all are small commercial growers raising no products other than chickens for eggs or turkeys for meat. Hatcherymen depend on small breeder flocks for their supplies of hatching eggs. There are a few large growers numbering less than a hundred for the entire State. As a result the local feed dealer, a small businessman, is the source of feed supplies purchased usually in small lots of a ton or two as needed, because the farmer, the small producer, cannot afford to buy more. He has not the wherewithal with which to pay for it.

The country feed dealer secures his supplies from the terminal feed manufacturers or from wholesale jobbers. Feed manufacturers depend upon the commercial grain trade for feed grains. Country feed mixers depend on the commercial grain trade as well. Normally all grains used other than corn is raised either within the State or within the northwest area. During recent years including most of 1945 the Government's feed wheat program accounted for an average of 6,611,000 bushels of wheat per year for the years 1943–44–45 being sold in the area. The withdrawal of this source just prior to the time when feed supplies began to tighten and become difficult to obtain resulted in a gap the feed trade supplying turkey and poultry raisers found it impossible to bridge. Neither did usual quantities of 1945 crop corn move westward to Oregon. Previously, a considerable amount was sent into Oregon, but not in 1945. Shortages of railroad cars prevented feed manufacturers from accumulating wheat inventories from local producing areas prior to a step-up in the Government's export program. Then the Government itself used the cars and moved wheat at a time feed manufacturers and dealers were trying desperately to accumulate inventories. When the car situation cleared for westerward rail movement from our production area, the wheat was gone. Oregon depends on the Midwest and South for the bulk of its vegetable oilseed meals—the predominant source of proteins for livestock and poultry feedings. As a result of the failure of the Government to effectuate distribution of short supplies through its 5 and later 10-percent set-aside order to processors, Oregon during December 1945 and January, February, and March 1946 was compelled to use more grains than would have been necessary had proteins been available even in somewhat reduced amounts to permit more efficient utilization of those grains.

Government exports from the Northwest to March 9, 1946, were 23,000,000 bushels of wheat. That is a good deal of wheat, Mr. President. I am glad it was available for export, but I point out that that farmers of my State know that we shipped 23,000,000 bushels of wheat. They also know that today many of those farmer producers are faced with bankruptcy, and they feel that the Government should adopt an emergency program of some kind, such as we have discussed heretofore on the floor this afternoon, to save them a financial loss.

I think they are right, and they are going to continue to insist, in my judgment, upon justice being done them. I am going to continue, as is my senior colleague, to do everything we can within the power of our office to see to it that justice is done.

Private exports were 8,000,000 bushels. Exports in the form of flour were estimated at 10,000,000 bushels, or a total of 41,000,000 bushels, nearly half of the area's total production.

Have we done our job in the Northwest? The figures speak for themselves. I am not one to stand on the floor of the Senate and discuss general principles and policies without being ready to back up my statement on policies with data, on this issue or any other issue.

Here are the facts: Let the administration forces charged with the responsibility for this program face these facts, and then determine, once they digest the facts, whether the farmers of my section of the country are justified in saying to their Government, "Yes; we will cooperate and help stem the tide of starvation throughout the world, but we cannot help if you bankrupt us, we cannot help if you take away from us our only source of economic livelihood. We only pray for temporary relief, that we may borrow some wheat from the Commodity Credit supply until the Government can get some substitute feed in our area so that we can feed our people." The borrowing should be subject to the understanding that the amount borrowed would subsequently be made up from the 1946 crop to whatever amount is necessary in excess of the 25 percent which the Government has already announced it will take from the 1946 crop for use in the world food program.

In the face of this movement and an extremely tight feed situation, the Government stepped in when feed manufacturers were trying to buy stocks at legally established ceiling prices and offered 30 cents a bushel premium thus estopping the feed manufacturers from further purchases.

Obviously, the feed manufacturers could not buy at 30 cents less than the Government was paying. I am not criticizing that Government policy. I am merely stating a fact about it. Obviously, the moment the 30-cent premium went into effect the feed manufacturers, the so-called mixers who mix the poultry feed, could not buy the wheat because they could not pay the 30 cents unless they went into the black market. Therefore, the Government cannot escape some responsibility for the situation. Of course, I think that the wheat should have been moved from the farms. As the Secretary of Agriculture properly said this morning, "In your State the barns were bulging with stored wheat; they were storing it in any receptacle in which they could store it." That is true. I think the Government was quite right in paying a premium in order to get the wheat off the farm. The fact remains, however, that as the result of the premium feed manufacturers could not buy the wheat, and it could not be made available to the poultry purchasers.

The situation was so acute by April 19, 1946, that the chairman of the Oregon State United States Department of Agriculture Council wired Secretary of Agriculture Clinton P. Anderson as follows:

Information available to Oregon United States Department of Agriculture Council leaves no doubt but what April 1 wheat stocks in all positions in three Northwest States are seriously short and at least 10,000,000

bushels below requirements until new crop available. To meet situation and bring about equitable distribution of remaining stocks, council recommends—

What is the council? The council of the United States Department of Agriculture in the Pacific Northwest. This is what these agricultural experts on the field recommended to the Government—

Immediate stoppage of exports of wheat from three northwest States and that such wheat as is obtained under purchase certificate program be diverted by CCC for feed. That milling be reduced at least 25 percent. That bread loaf be cut 10 percent and President be requested to instruct Food and Drug Administration to relinquish labeling requirements during emergency. Stress more active participation of hotels, restaurants, and public generally in reducing the use of wheat.

Even if the above recommendations are carried out, Northwest will need to import at least 6,000,000 bushels and it is suggested that steps be taken promptly by the appropriate Government agency to bring that amount into this area.

When was that? April 19, 1946. That is a pretty clear telegram. We cannot make much mistake about what that council meant or what the facts were that it had found. I am not saying that something should have been done about that telegram, but I am saying that nothing was done.

Again, on May 10, the chairman of the council wrote Secretary Anderson as follows:

The Oregon USDA Council is gravely concerned with the feed supply situation in the State resulting from the heavy wheat exports to famine areas. On April 19 I wired you the council's report that remaining wheat supplies in the Northwest were about 10,000,000 bushels short of requirements. In view of this shortage and its effect on the livestock and poultry industries, the council asked for an immediate stoppage of exports of Northwest wheat. At its meeting today the council again considered the situation, and from the information presented, it is apparent that wholesale liquidation of laying flocks is in prospect.

That was on May 10. Notification was given that there must be wholesale liquidation of production flocks. I am talking about the very foundation of the poultry industry in my State, and it applies to the State of Washington, too. I continue to read the letter:

The council recognizes that heavy reduction in both poultry and livestock is necessary to do our share of feeding the starving abroad. But the council believes that the Pacific Northwest has been doing much more than its share in sending wheat to the famine areas.

I digress to recall again that 41,000,000 bushels were sent. That is a tremendous quantity of wheat to come out of an area.

It now has reached the point where emergency action must be taken to prevent wrecking of the poultry industry far beyond the point of individual hardship. Accordingly, the members of the council agreed unanimously on the following:

1. That immediate steps be taken by the Department to ship in corn from Commodity Credit stocks.

A very sensible suggestion.

2. That Oregon poultry producers be urged to immediately increase the rate of liquidation of flocks.

That is, that there be strict culling; that they keep only the best production birds. That is fair enough. They ought to do it. If storage facilities were available, as I suggested earlier in my speech, that could have been done, at least without complete loss to the farmer, whereas now a large percentage of the birds will have to be destroyed, that is buried, and used for no food purpose whatsoever.

3. That we again urge you to halt exports of Northwest wheat.

4. That the corn and wheat made available through imports of corn and cessation of wheat exports be used exclusively for feed, and that the distribution be controlled so as to make certain that none is used as food.

We have vigorously promoted the food-conservation program and will continue to do so. Indications are that widespread public cooperation is being achieved. We would strongly oppose making one single bushel of additional grain available for milling for domestic consumption.

Still nothing has been done. Oregon faces, not reduction of its poultry flocks, but liquidation. There are not enough slaughtering facilities or storage facilities either, so that much of such poultry as must be slaughtered will be a complete loss. Growers were given goals by the United States Department of Agriculture in the fall of 1945 for 1946 production and encouraged to meet them. Their only offense is having done too well. In February 1946, after having set this production pattern to meet the goals established, the same Government, through its Department of Agriculture, limited the amount of grain which might be used for feed purposes, automatically reducing production by the extent of the limitation, or 20 percent. Then the Government competed for grains to ship abroad and used up a major portion of what otherwise would have been available for domestic uses, including feed. That same Government now says it has no facilities for making feed grains available in areas of acute feed shortage except through persuasion of handlers. It admits the gravity of the situation and then claims to be powerless to act. We are told that because we did not reduce our flocks as much as we were requested to they are now to be exterminated.

Let me make that point very clear, because the record concerning it is unanswerable. It is true that the poultry producers in my State failed by some 6 percent to reduce to the amount requested by the Department of Agriculture, but the average for the country was a failure of 19 percent. In other words, we did much better than the country at large did, and yet the Pacific Northwest is one of the two great sections, New England being the other, which is called upon as the result of the application of this order to take this unconscionable loss.

I repeat. We are told that because we did not reduce our flocks as much as we were requested to, they are now to be exterminated. It seems the Government is more concerned with the welfare of citizens of other nations than of its own. Oregon's livestock raisers including its poultrymen are ready and willing to make their production available for relief purposes but object to being exterminated as producers as a result of Government action. The food supplies of all America's citizens are threatened as extermination of American food producers cannot do other than reduce our own food supplies.

I close, Mr. President, by reiterating that I have made these remarks in behalf of myself and my senior colleague [Mr. CORDON]. I desire to say again that we have no desire in any way to injure the food program of the Government; but we say to the administration that the facts speak for themselves, and if the administration continues the course of action it is now following it will waste much more food than it will save by the wheat program now being administered. The administration will make less food available to meet the starvation problems of the world than it is now making available by taking away from the Pacific Northwest and the New England States the small quantity of wheat necessary to tide us over for a couple of weeks until substitute grains can begin flowing.

I wish to say, Mr. President, that I think the point needs to be made clear to the American farmers and the American consumers generally over and over again that the starvation problem ahead of us is a 2-year problem. As I said the other day, it cannot be solved with the 1946 world crop. It will require the 1946 world crop and the 1947 world crop; and we cannot get a single world food expert who has made a study of it to tell us with certainty that in his judgment the 1947 crop, along with the 1946 crop, will meet the problem. Hence, I say that we cannot afford, in an emergency such as this, to destroy such a great production resource as the poultry industry of the Pacific Northwest and the New England States.

I think the facts are unanswerable. They conclusively show that by borrowing a quantity of wheat for the time being in order to save the industry we shall not in the long run prevent a single pound of wheat from going abroad. In view of that fact, it is the clear duty of the Administration to take whatever emergency steps may be necessary in order to save the poultry industry of my State and of the State of Washington, represented in part by the able Senator from Washington [Mr. MAGNUSON], as well as that of the New England States.

I repeat the suggestion which I made last week, that I think the time has come, in view of the mistakes which have been made, the misunderstandings which have developed, and the feelings of the farmers in regard to the program, for the President of the United States, without further delay, to call a food conference to be attended by the outstanding food experts of America, including representatives of the farmers, to devise a blueprint of production and a grain program national in scope which will prevent a repetition of the colossal mistake which has resulted in this great emergency in my section of the country.

Mr. MAGNUSON. Mr. President, I wish to make one remark to the Senator from Oregon. I still have not an answer as to what the Secretary said about

making the transfer. I made that suggestion to him 2 weeks ago. He said something would be done about it. Fifty cars were sent. But what did he say? Did he think the transfer could be made or not?

Mr. MORSE. He did not say directly that it could or could not be done. I think it is quite proper that he should not, because I think the truth of the matter is that he is very much in doubt as to what can be done, and what his powers are. He wants to do it, and I am sure he will do whatever he can, and whatever he is allowed to do. But, as I have previously stated, after all, the Secretary has his responsibilities to the President and to State Department. He will do whatever he can.

Mr. MAGNUSON. He is allowed to make the transfer. All the President of the United States is concerned with is that America, so far as possible, keep her over-all commitments, which are the minimum requirements set forth by an impartial fact-finding board. If those minimum commitments are taken care of, the Secretary surely can make a suggestion, or take action himself, by making what the Senator calls a paper trade. There is some wheat in our area.

Mr. MORSE. I certainly cannot speak for the Secretary, and I would not attempt to do so. However, he left me with the impression, as did the Under Secretary that he does not know whether the substitute feeds, which, after all, are in the hands of private dealers and not in the hands of the Government, can really be transferred to the Pacific Northwest by the Government unless further instructions are given the Secretary of Agriculture or greater power is given to him to take over the substitute feeds. That is the essence of the problem. I take it for granted that the administration could, if it so desired, authorize, for a period of 2 weeks, use of the so-called Commodity Credit wheat which is out there.

Mr. MAGNUSON. That is what I had in mind.

Mr. MORSE. But naturally the Secretary of Agriculture is hesitant to do that until he knows whether or not, after he takes over that grain, it can be replenished, and whether or not the substitute grains which might be sent out there would really solve the problem. It is a long-time problem. I suppose that if I were in his position I would probably feel somewhat this way: "If I solve the problem for 2 weeks, I shall not have helped the situation very much unless I can be certain that by the end of the 2 weeks I can devise a plan to provide and send substitute feeds so as to save those birds."

I feel that if Secretary Anderson can arrive at any solution of the problem on the basis of his present powers and instructions, he will do so.

Mr. MAGNUSON. We are hoping that the 5-year program will bring the substitute feeds in.

Mr. MORSE. I certainly hope so.

Mr. MAGNUSON. Mr. Dodd said that he would probably know about the borrowing feature about the middle of this week. I hope it may be effective.

Mr. MORSE. I join in the Senator's hope.

EXECUTIVE SESSION

Mr. MAGNUSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. KNOWLAND in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Harry E. Kalodner, of Philadelphia, Pa., to be judge of the United States Circuit Court of Appeals for the Third Circuit, vice Charles Alvin Jones, resigned, which was referred to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. OVERTON, from the Committee on Commerce:

James M. Landis, of Massachusetts, to be a member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1947.

By Mr. TYDINGS, from the Committee on Territories and Insular Affairs:

Francisco A. Delgado, of the Philippine Islands, to be a member of the Philippine War Damage Commission;

Frank A. Waring, of California, to be a member of the Philippine War Damage Commission; and

John S. Young, of New York, to be a member of the Philippine War Damage Commission.

By Mr. HATCH, from the Committee on Public Lands and Surveys:

Paul A. Roach, of New Mexico, to be register of the land office at Las Cruces, N. Mex. (Reappointment.)

By Mr. O'MAHONEY, from the Committee on Public Lands and Surveys:

Loraine Rollins, of Wyoming, to be register of the land office at Evanston, Wyo. (Reappointment.)

By Mr. JOHNSON of Colorado, from the Committee on Public Lands and Surveys:

Lloyd T. Morgan, of Colorado, to be register of the land office at Pueblo, Colo. (Reappointment.)

CONFIRMATION OF ARMY NOMINATIONS

Mr. HILL. Mr. President, the Senate Committee on Military Affairs, at a well-attended meeting of the committee, today unanimously ordered reported favorably to the Senate the nominations of the young men who are to graduate at the United States Military Academy in the next few days. These nominations are for commissions as second lieutenants in the Army. So, in behalf of the Senator from Utah [Mr. THOMAS], chairman of the Committee on Military Affairs, I report the nominations favorably, and I ask unanimous consent that the nominations be considered at this time and that they be confirmed en bloc.

Mr. WHITE. Mr. President, I take it that these nominations come in the usual course. Under the circumstances, I think it is proper to do what has been requested by the Senator from Alabama.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and, without objection, the nominations are confirmed en bloc and the President will be notified at once of the confirmations.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES DISTRICT JUDGE

The legislative clerk read the nomination of John W. Murphy to be United States district judge for the middle district of Pennsylvania.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of James T. Gooch to be United States attorney for the eastern district of Arkansas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Without objection, the President will be immediately notified of all nominations confirmed this day.

That completes the calendar.

RECESS

As in legislative session,

Mr. MAGNUSON. Mr. President, I ask unanimous consent that when the Senate concludes its business for the day, it take a recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. BALL. Mr. President, reserving the right to object, earlier in the day I discussed with the Senator from Washington the possibility of meeting at 11 o'clock a. m. tomorrow in an effort to expedite consideration of the pending legislation. However, in view of the somewhat light attendance, we both agreed that it might not be wise at this time to change the normal hour of meeting. However, I serve notice now that I shall do what I can to keep the Senate in session, and engaged in consideration of the pending bill, tomorrow evening until a reasonable hour. I hope that during the remainder of this week, after tomorrow, we can meet at 11 o'clock a. m. in an effort finally to dispose of the bill by the end of this week.

Mr. MORSE. Mr. President, I shall be very happy to join with the Senator from Minnesota in attaining that objective.

I can assure the Senator from Minnesota that the speech which I delivered today at the end of the afternoon session was delivered after it was perfectly clear that the Senate was ready to take a rather early recess. The Senator from Washington yielded to me so that I might make a few comments. I understand that he did not intend to speak at great length, and that the speech which I made, and most of the time which I consumed, were during a time when I can assure the Senator from Minnesota that otherwise the Senate would have been in recess. Then, too, it was quite in line with my 5 o'clock practice.

Mr. MAGNUSON. I will say to the Senator from Oregon that the reason I yielded was that the problem is just as important to me as it is to the Senator from Oregon.

As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 32 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 22, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 21 (legislative day of March 5), 1946:

JUDGE, UNITED STATES CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT

Hon. Harry E. Kalodner, of Philadelphia, Pa., to be judge of the United States Circuit Court of Appeals for the Third Circuit, vice Hon. Charles Alvin Jones, resigned.

IN THE ARMY

The following-named cadets, United States Military Academy, who are scheduled for graduation on June 4, 1946, for appointment in the Regular Army of the United States:

To be second lieutenants with rank from June 4, 1946

CORPS OF ENGINEERS

Ferd Emanuel Anderson, Jr.
Robert Hildebrand Ahlers
Frederick Clark Badger
Charles William Barker
Roy Pearl Beatty
Jack George Becker
Charles Edward Bonner
Edgar Garfield Braun, Jr.
David Drummond Brown
Levi Aloysius Brown
Robert Howell Bryan
Dwight Comber Burnham
Bernard Earl Conor
Robert Emmett Crowley
Franklin Richard Day
William George Devens, Jr.
Leonard Edelstein
George Bernard Fink
Frederic Alcott Frech
Francis George Gosling
Peter Grosz, Jr.
John Richard Hacke
George Gross Hagedon
David Clayton Hinshaw
Saul Horowitz, Jr.
David Niesley Hutchison
Joseph Anthony Jansen
Daniel Marshall Leininger
James McClure, Jr.
William McCollam, Jr.
Robert Joseph Malley
Leo John Miller
Arthur Andrew Murphy
Wayne Stanley Nichols
Richard Glenn Patton
Billy Pat Pendergrass
John Perkins 3d
Lewis William Rose
Robert Martin Rufsvold
Edward A. Saunders
William Powers Schneider
David Kirkwood Sheppard
David Halstead Smith
John Ember Sterling, Jr.
Milton Albert Strain
Charles Robert Hatch Supplee
Edmund George Taylor, Jr.
William Kappes Thomasset
Max Marsh Ulrich
Ray Moore Wagoner, Jr.
Charles Torrey Williams
Robert Gregg Williamson
William Robert Wray

SIGNAL CORPS

Alford Edward Allen
Gilbert Chester Anthony
John Stanley Baumgartner
James Joseph Dorney
Basil Beebe Elmer, Jr.
Gerald Samuel Epstein
Harold Clinton Friend
Alexander Gerardo
Faison Pierce Gibson
John Henry Grady
William Walton Hall, Jr.
William Theodore Lincoln
Charles Robert Myer
Bernard Joseph Pankowski
William Fuller Pence
Alexander Dominic Perwich
Murray Putzer
Charles Lafayette Robinson
William Ferdinand Scharre, Jr.
Herbert Ardis Schulke, Jr.
Amos Blanchard Shattuck 4th
Harold Joseph Stirling
William Britton Teglund
Alfred Henry Victor, Jr.
Marvin Stuart Weinstein
John McReynolds Wozencraft

CAVALRY

Richard Gordon Beckner
Stanley Delbert Blum
Paris Russell Burn, Jr.
John Crouse Burney, Jr.
John Charles Cassidy
Joseph Claypoole Clark
Frank Donald Conant, Jr.
James Arthur Day
Robert Fyfe Mein Duncan, Jr.
Stephen Orville Edwards
Lawrence Lloyd Elder
Robert Lewis Frantz
Howard Rowson Fuller, Jr.
Jack Keith Gilham
Benjamin Shaw Hanson, Jr.
Everitt Fee Hardin
Kibbey Minton Horne
Wilbur Fields Joffrion
Robert Edmund Knapp
Jack Wilson Kopald
Arthur James Lochrie, Jr.
Ray Rodgers McCullen
William Herbert McMaster
Samuel Rucks Martin
George Livingston Miller
Leon Bowman Musser, Jr.
Roger Hurless Nye
George Frederick Otte, Jr.
Wilton Burton Persons, Jr.
Albert Lyle Ramsey, Jr.
Selwyn Phillips Rogers, Jr.
Edward James Roxbury, Jr.
Mason Pittman Rumney, Jr.
Jack Lawrence Schram
Charles James Simmons
Norman Theodore Stanfield
Richard Wendell Streiff
Andrew Burton Talbot
Oscar William Traber, Jr.
John Russell Treadwell
James Kerry Trimble
Guy Kent Troy
Matthew Reid Wallis
George Stanley Webb, Jr.

FIELD ARTILLERY

Frederick King Alderson
Gunnar Einar Andersson
John Loveland Armstrong
Robert Anderson Babcock 3d
David Thomas Baker
Van Roy Baker
Edwin Wallace Basham
Rex Webb Beasley, Jr.
Frank Milton Bowen, Jr.
Robert Bruce Bowen
Philip Brian Brady
Herrold Emerson Brooks, Jr.
Benjamin Clyde Brown
Robert Owen Bullock
Ray Lawrence Burnell, Jr.
Robert Fleming Carter
James Richard Cavanaugh
Benjamin Keller Chase
Steven Livesey Conner, Jr.
Thomas Morton Constant
James Edward Convey, Jr.
Felix Foster Cowey, Jr.
Robert Grewelle Cramer
Charles Dwelle Daniel, Jr.
Harry Alford Davis, Jr.
John Blackford Dayton
Walter Joseph DeLong, Jr.
George Lightfoot Dennett
Glenn Willard Dettrey
Richard Boyer Diver
James Thomas Dixon
Farrel Elmore Dockstetter
Frederick Andrew Dodd
James Montgomery Elder
Hunter Harry Faires, Jr.
Martin Bruce Feldman
Elisha James Fuller
Thomas Edward Gaines
Thomas Leigh Gatch, Jr.
Raymond Harlan Gilbert, Jr.
Joseph Anthony Giza 3d
Samuel Grier 3d
George Warren Griffith
William Howard Grisham
Philip Darlington Haisley
Charles Maurice Hall
Hal Edward Hallgren
Robert Milton Hamilton
Walter Fleming Hamilton, Jr.
Jesse Simmons Harris
Robert Carroll Hawley
Rutledge Parker Hazzard
Frederick Francis Hickey, Jr.
John Christopher Hoar, Jr.
Granville Watkins Hough
Joseph Edward Houseworth 3d
Thomas Moore Huddleston
William Arthur Humphreys
Gordon Ross Jacobsen
Amos Azariah Jordan, Jr.
Edwin Mortimer Joseph
Jean Krummel Joyce
Robert Carleton Key
William Martin Kiser
Robert Ernest Kren
Lloyd Charles Kurowski
Ralph Irving LaRock
Robert Vernon Lee, Jr.
Robert Emil Lenzner
James Robert Loome
Lawrence Joseph Luettgen
Thomas Henry McBryde
John Daniel Henry McDonough
Robert Langham March
Jack Franklin Matteson
Doyle Merritt
Carey Wayne Milligan
Edward John Morgan
Robert Franklin Morris
George Carlisle Muir, Jr.
Patrick Joseph O'Connor
Carroll Raymond O'Neill
John Kenneth Paden, Jr.
Stephen Joseph Pagano
John Griffin Parker
William Croom Parker
Joseph Peter Pepe
Richard Sharon Pohl
John Thomas Price, Jr.
Everett Lipscomb Rea
William Thomas Reeder
Louis Nelson Roberts
Elisha Miller Robinson, Jr.
Guy Arnold Rogers
Richard Robert Sandoval
Carl Paxton Schmidt
Roy Gayle Simkins, Jr.
John Eldredge Simpson
Glennon Clyde Smith
William Robert Smith
Russell Edward Speake
Ralph Allen Starner
Kenneth John Steen
Oliver Day Street 3d
William Richard Stroud
Harold Alva Terrell, Jr.
James Edwin Thomas
Elbert Satterlee Throckmorton
John Royster Thurman 3d
William Harry Trotter
Richard Cabell Tuck
Edwin Renalds Van Deusen
Harley Eugene Venters
John William Vester
Josiah Ara Wallace, Jr.
Donald Scott Watson
Edwin Leo Weber, Jr.
Robert Menifee White, Jr.
Richard Minter Wildrick

Robert Moody Williams
Robert Trent Winfree, Jr.
James Emmett Wirrick
Harris Harold Woods
Martin Fish Zorn

COAST ARTILLERY CORPS

James Luke Andrews, Jr.
Alvin Ash
Shirley Sylvester Ashton, Jr.
Richard Hamlin Bacon, Jr.
William Theodore Bowley
Lawson Duval Bramblett, Jr.
John Joseph Byrne
James Elbert Carter
Frank Salvatore Caruso
Elmo Eugene Cunningham
Robert Samuel Daniel, Jr.
Ralph Charles Davis, Jr.
Horace Frederick Derrick
Edward Charles Drinkwater, Jr.
John William Dwyer 3d
James Sewell Elliott
Stanley Dale Fair
Philip Anthony Farris 3d
Jesse Albert Fields, Jr.
Daniel Jarvis Finnegan
John Charles Geary
Meredith William Ghrist
John William Gillespie, Jr.
Jack Bain Hagel
Jerome Vincent Halloran
Preston Heacock Hibbard
Daniel Webster Hickey 3d
Thomas Vincent Hirschberg
Howard Byron Hirschfield
Harold Waldron Horne
Lynn Wood Hoskins, Jr.
Henry Laurance Ingham 2d
James Homer Wallace Inskeep
Edward William Jones
Robert Vincent Kane
Paul Aloysius Kelley
Minor Lee Kelso
William Joseph Kenney
Stanley Jerome Love
Robert Watt McCoy
John Marberger
Stephen Andrew Matejov
Clarence Miles Mendenhall 3d
Ralph Anthony Meola, Jr.
Daniel Reardon Moriarty
Francis Miller Palmatier
Alexander James Papatones
William Robert Parker
Ernest Anthony Pepin
Eugene Vincent Pfauth
Thomas Edward Pfeifer
Howard Ernst Pleuss
George Jewel Porter
Billy McCall Prestidge
Thomas Gaetano Provenzano
Del Patrick Rovis
Richard Lincoln Ruble
Robert Irwin Rush
John Ambler Sadler
Frank Carl Schoen
Robert Xavier Sheffield
Dudley Scott Stark, Jr.
Robert Warren Storm
Blucher Stanley Tharp, Jr.
Raymond Edward Thayer
Samuel Hartman Title
Robert Thomas Wagner
Prentice Earle Whitlock
John Scholto Wieringa, Jr.
Benjamin Bertram Williams

INFANTRY

Don Walter Adair
Lloyd Senter Adams, Jr.
Donald Gould Albright
Peter Gerald Arend
Robert Earl Arnold
William Franklin Ashby
Grover Woodrow Asmus
George Raney Bailey, Jr.
Francis Rene Baker
William Henry Bamber
Kendrick Broyles Barlow, Jr.
David Eugene Barnett, Jr.
John Curran Barrett, Jr.
John Edward Barth
Paul Ingram Barthol
Hale Baugh
James Malcolm Becker
Calvert Potter Benedict
Harold Francis Bentz, Jr.
Robert Hamilton Berry
Donald Sternoff Beyer
Frank Earl Blazey
Corwin Boake, Jr.
Clair LaVern Book
Shepherd Allen Booth, Jr.
Truman Everett Boudinot, Jr.
Kyle Watson Bowie
Benjamin Francis Boyd
Robert Clements Bradley, Jr.
Richard Anthony Bresnahan
David Winthrop Brillhart
Richard Wanless Brunson
David Thompson Bryant
Arthur Johnston Bugh
Jack Thomas Cairns
John William Callaghan
Roy Cuno Calogeras
Tom Clifft Campbell
Robert Harry Case
Joseph Roy Castelli
William Burns Castle
Edward Joseph Cavanaugh
Robert Albert Chabot
Robert Irving Channon
William Edward Chynoweth
Carcie Clarence Clifford, Jr.
David Lapham Colaw
James Edward Coleman
Robert Reynolds Coller
Edward Joseph Collins
Joseph Easterbrook Collins
Lester Mykel Conger
Edward Joseph Conlin, Jr.
Richard Lansing Conolly, Jr.
William Thomas Cound
Harry Griffith Cramer
Pat William Crizer
Willis Dodge Cronkhite, Jr.
Edward Francis Crowley
Anthony Angelo Cucolo, Jr.
William Stephen Culpepper, Jr.
Bert Alison David
Corbin James Davis
Samuel Preston Davis 3d
Harold Graham de Moya
Rolland Archibald Dessert
Harold Thompson Dillon, Jr.
Robert Sidney Douthitt
Loren George DuBois
Walter Arthur Dumas
Robert Batten Dunham
Earl S. Dye, Jr.
James Carlisle Egan
Paul Miller Ellman, Jr.
Benjamin Crabbs Evans, Jr.
Robert Nathan Evans
Joe Wesley Finley
Charles Alexander FitzGerald
Edward Leo Flaherty, Jr.
Herbert Hesselton Flather, Jr.
Joe Bruton Flores
Harry Arthur Floyd
Samuel Ewing Hill France
Philip John Frank
Walter Leslie Frankland, Jr.
DeBow Freed
Alvin Franklin Futrell
Vincent DePaul Gannon, Jr.
John Stuart Gayle
Howard Anthony Giebel
James Jay Gigante, Jr.
Roy Wilfred Gillig
Stephen Eugene Gray
John Frederick Green
Byron Dillingback Greene, Jr.
James Morris Gridley
Richard Louis Gruenther
Alvan Cordell Hadley, Jr.
Richard Edward Hale
Milton Holmes Hamilton
Warren Eastman Hearnes
Stephen Garrett Henry, Jr.
Robert Foster Hewett, Jr.
John Gillespie Hill, Jr.
James Bertram Hobson
John Alan Hoefling
Kenneth Wendell Hughes
Robert Stout Hughes
James Samuel Hutchins
Paul Mills Ireland, Jr.
Robert Overton Isbell
Albert Russell Ives, Jr.
Peter Michael Jacula
Sewall Harvey Emler Johnson
John Thomas Jones
Clarence Eugene Patrick Jordan, Jr.
Albert Enzo Joy
Warren Stanley Jungerheld
William Joyce Kaliff
Robert Edward Kaplan
Kent Keehn
William Raycroft Kelty, Jr.
Clarence Wade Kingsbury
Richard Martin Kinney
Fred Walter Knight, Jr.
Harlan Gustave Koch
Edmond Alexander Kuna
Harold Francis Lacouture
James Von Kanel Ladd
Andrew Wilton LaMar, Jr.
Robert Jones Lamb, Jr.
Benjamin Lester Landis, Jr.
Wayne Emerson Lawson
Albert Marshall Leavitt
Theodore Julian Lepski
Daniel Louis Levy, Jr.
William Warner Lewis, Jr.
Donald Richard Lynch, Jr.
Alexander Robert McBirney
James Hubert McBride
Charles Francis McCarty
Clarence Edison McChristian, Jr.
Thomas Roderick McCormick
James Madison McGarity
Thomas Leonard McMinn, Jr.
Malcolm Eldridge MacDonald
Thomas Harold Mahan
Earl Frederick Markle
Walter Stanley Mattox
Richard Henry Mealor
Needham Phillips Mewborn
John David Miley
Jack Harrison Montague
Robert Alexander Montgomery
Raymond Turck Moore
Jack Warren Morris
Roy Joseph Mossy
Morgan Joyce Murphy
John William Nance
Elmer Raymond Ochs
Raymond Emerson Orth, Jr.
Thomas Sawyer Owen
Alexander Papajohn
Thomas Williams Pardue, Jr.
Joseph Dodge Park
Eleazar Parmly 4th
Richard Arthur Patterson
Robert Francis Patterson
George Smith Patton 4th
Arthur William Pence, Jr.
David Merritt Peters
Robert Hazen Philips
William Redfield Phillips
Richard John Pitzer
Frank William Porter, Jr.
William Clinton Powers
Robert Bradley Rheault
Robert Tyler Richmond, Jr.
Francis Albert Richter
Joseph George Rioux
Joseph Barnett Rogers
Irving Granville Rouillard
William Paul SacHarov
Marshall Sanger
John Edward Sauer
Robert William Seaman
Robert George Shackleton
Leslie Neal Shade, Jr.
Fields Early Shelton
Robert Morin Shoemaker
John Merwin Shultz
George Silides
Charles Maze Simpson 3d
William Craton Screven Simpson
Christopher Booth Sinclair, Jr.

Rollin White Skilton
Harry Clayton Smythe, Jr.
David Bartholomew Spellman
Elmer Gene Sprague
John Edward Stannard
Robert Lee Steele
Gale Edward Stockdale
Richard Leonard Stone
William Leete Stone 3d
Stratis John Stratis
Robert Tilghman Strudwick
Robert Kniley Swab
Leslie Eugene Thompson, Jr.
Lewis Burton Tixier
Allan Curtiss Torgerson
Frank Beckwith Tucker
Robert Busill Tully
John Emil Vaci
Edwin Sanders Van Deusen, Jr.
Robert Lawrence Walker
Sam Sims Walker
Paul Shelby Ward
Joe Holleman Warren, Jr.
Albert Dunbar Wedemeyer
James Clyde Welch, Jr.
Anthony Patrick Wesolowski
Charles Leroy Wesolowsky
Percy Louis Wheeler
Robert Doyne Woodley White
William Jackson Whitener
John Day Whitmore
Jere Otis Whittington
Charles Gurley Williamson, Jr.
Minter Lowther Wilson, Jr.
Abraham Wolf
Allen Howland Wood 3d
William Heaton Young
Keith Burns Zimmermann

QUARTERMASTER CORPS

Robert Wallace Allen
Calvin Lincoln Arnold
Charles Pitman Baker 3d
Edmund Keith Ball
William Randolph Bigler
William Clarence Bishop, Jr.
Rodney Alger Blyth
Henry Hermann Bolz, Jr.
Ruel Fox Burns, Jr.
Carshall Carter Carlisle, Jr.
Roland Stephen Catarinella
Jesse Joseph Cohen
John Peter Daneman
Robert Francis Dickson
Donald Warren Dreier
Ralph Louis Ellis
William Gilfillan Gavin
Raymond Howard Glatthorn
Daniel Orrin Graham
Clifton Wellington Gray, Jr.
George Edward Hall, Jr.
Alexander Earl Halls
Alfred Carl Haussmann, Jr.
Bernard Janis
James Wiley Johnson
Richard Allan Johnson
John George Kamaras
Harrison Benson Kinney
Martin Al Kutler
Robert Alexander Land
Beryl Leve
Edward Francis McCue
John Calvin McWhorter, Jr.
Daniel Francis Mahony
Joseph Otto Meerbott, Jr.
Thornton Mitchell Milton
Theodore Giles Montague, Jr.
Oliver Moses 4th
John Miles O'Connor
Gordon Henry Oosting
Clifford Hutton Parke, Jr.
Roscoe Ellwood Patton
Bernard Allen Petrie
Reuben Pomerantz
Ephren Lloyd Powers
William Gibson Richards
Willis Ervin Schug, Jr.
John Morris Schuman, Jr.
William Thaden Seeber
Thomas Jefferson Stapleton
Keith Dennis Stidham
Robert Chase Toole
Harlan Winthrop Tucker
Richard Hugh Turner
Robert Theodore Upland
Norman Wahl, Jr.
Charles Aloysious Waters, Jr.
Norman Cooper Watkins
William Hayes Webb
Norman Emanuel Weiss

CHEMICAL WARFARE SERVICE

Delbert Sylvester Barth
Richard Tunstall Blow 3d
Louis Owen Elsaesser
Rufus Sanders Garrett, Jr.
Clyde Bruce MacKenzie
Ralph Hugh Pennington
William George Simpson

ORDNANCE DEPARTMENT

Thomas Jacob Agnor, Jr.
Brooke Albert
Wayne Stetson Anderson
Robert Edward Bassler, Jr.
Jerry Dixmer Bowman
Russell Raymond Boyd
Walter Francis Eanes
John Chambers Fischer
James Drummond Fitzgerald
William Carl Fuller
Benjamin Andrew Gay
John Robert Grace
William Charles Hall
Arthur Edward Hansen
Robert Johnson Hefferon
Benjamin Tullidge Hill, Jr.
James Karnes Hoey
Charles Maples Jaco, Jr.
Arthur William Jank
David Seffers Lane
John Randolph Mathias
Lawrence Miller
Rocco Anthony Petrone
Wade Hampton Pitts, Jr.
Raoul Jean Quantz
Maurice Serotta
Eugene Gibb Sharkoff
George Elmer Sheffer, Jr.
Samuel Charles Skemp, Jr.
Vernley Fred Thomas
Kenneth Cruikshank Van Auken
Richard Harding Walker
John William Wiss

AIR CORPS

George Talmage Adams, Jr.
Ranald Trevor Adams, Jr.
Lew Allen, Jr.
Anderson Watkins Atkinson
William Denton Baisley
John Alan Barricklow
John Copeland Bartholf
Walter Donald Bauchman
Benjamin Neil Bellis
Myron Jefferson Benefield
John Linden Bennett
Truman Kent Berge, Jr.
Waldron Berry
Alan Homer Birdsall
Thomas David Blazina
Jack Lowman Bodie
Grayson Hunter Bowers, Jr.
David Denison Bradburn
Edward Joseph Brechwald
Charles William Brosius
William Wesley Brothers, Jr.
James Eugene Bruce
Charles Edward Buckingham
Robert Clarence Buckley
Richard Benton Burgess
Robert Oscar Burke
Walter Burnside, Jr.
Jerome Frederick Butler
Joseph Fred Buzhardt, Jr.
Laurence James Cahill, Jr.
Burton Gordon Cameron
James Thomas Carbine, Jr.
Richard Glenn Carnright
Edward Milton Carr
Johnny Rudd Castle
Kenneth Richard Chapman
James David Lloyd Chatfield
Everett Eugene Christensen
William Lafayette Clapp, Jr.
Robert Carey Clemenson
Philip Lee Clements, Jr.
Alexander Turner Cochran
Frank Ellsworth Cole
Martin Grimes Colladay
Louis Gregory Creveling
Evans Read Crowell, Jr.
Thomas Maldwyn Daye
Eugene Peyton Deatrick, Jr.
Clyde Roscoe Denniston, Jr.
Robert Lee Dobbs
John Francis Donahue
John Prescott Doolittle
George Stanton Dorman
Robert Nathaniel Dosh, Jr.
Frank Adair Doyle
Richard Lloyd Dresser
Lloyd Leslie Dunlap, Jr.
Robert John Eichenberg
William John Evans
Robert Lee Eyman
Max Milton Feibelman
Salvador Enrique Felices
Harold Paul Fox, Jr.
Philip Henry Fryberger
James Bjarne Furuholmen
Richard Russell Galt
Wilfred Everett Gassett
Hobart Raymond Gay, Jr.
Thomas Gibbs Gee
Lawrence Norman Gordon
Mose William Gordon, Jr.
Robert Thomas Gorman
Jesse Edwards Green
William Aiken Griffin
Donald Ingram Hackney
Frederick LeRoy Hafer
Frank Stevens Hagan
Guy Edward Hairston, Jr.
Francis Frazee Hamilton
Gilbert Stewart Harper, Jr.
Edgar Starr Harris, Jr.
William Martin Harton, Jr.
Charles Judd Hauenstein
Harrison Howell Dodge Heiberg, Jr.
James Edwin Hildebrandt
Steve Edward Hilovsky
George Walter Hirsch, Jr.
Herbert Ziegler Hopkins, Jr.
Philip Bird Hopkins, Jr.
Clarence Frost Horton, Jr.
Roy Ritter Hudspeth
James Donald Hughes
Senour Hunt
James Patrick Hurley
Merl Galbreath Hutto
John Carl Ingram
Benjamin Elliott Ivie, Jr.
Jack Wallace Jackson
William Henry Jenkins
Ernest Deloy Jernigan, Jr.
Gerald Marshall Jones
Richard Allan Kellogg
Benjamin Wall Kernan
Jack Quentin Kimball
Harry Russell Knight
Alden Davis Korn
William Welcome LaMar
Richard Earl Lamp
Thomas Corbett Langstaff
Cecil Carlyle Larson
Gene Kenyon Lawson
Edward Adams Lembeck 2d
Roger Horace Lengnick
Frank Gibson Lester
Harrison Lobdell, Jr.
Lewis Benjamin Castle Logan
Edmond Charles Longarini
Robert Mason Lowry, Jr.
Donald Alfred Lundholm
Joe Fenton Lusk
Walter Alfred Lyman
Malcolm Means MacWilliams
Edward E. Fred Majeroni
John Alexander Martin
William Henderson Mason

Benjamin Ransom McBride
Andrew Alexander McCoy, Jr.
Robert Hugh McDougal
John Donald McGregor
William Irving McKay
Joseph Tomlinson McKinney
Cornelius McMillan, Jr.
Harry John McPhee, Jr.
Eugene Emil Melo
Charles Gustavus Memminger
Donald Morgan Messmore, Jr.
James Robert Miller
E. Scott Minnich
John Max Minor
John Eugene Molchan
Arthur Raymond Moore, Jr.
John Neil Munkres
Jerome Fredrick Naleid
George Joseph Nelson
Albert Michael Nemetz
Richard Gordon Newell
David Arnold Newman
Paul Maxfield Norris
Charles Henry Parsons 2d
James Ernest Paschall
Gilbert Everett Perry, Jr.
John Emmett Pitts, Jr.
David Heber Plank
Bryce Poe 2d
Wesley Wentz Posvar
Earl Francis Poytress
Ernest Willet Prevost
Paul Joseph Quinn
Marvin Chapman Reed
William Preston Reed
Marion Rich Richards
John Alfred Riedel, Jr.
Harry H. Roddenberry, Jr.
William Rogers Roney
Fred Brinson Rountree
Charles Ruggiero, Jr.
Philip Riviere Safford
John Jacob Schmitt, Jr.
Reginald Oras Shaw
Hamilton Bruce Shawe, Jr.
Milton Sherman
Thaddeus Stephen Skladzien
George Michael Sliney
Sam Hugh Smith
George Robert Stallings
John Robert Steele, Jr.
Hubert Sheldon Stees, Jr.
Robert Hogan Stephenson
Donald Warner Stewart, Jr.
Robert Benfred Stewart
Bailey Toland Strain
Elbert Madison Stringer
William Francis Studer
Kenneth Lee Taliman
William Alan Temple
Robert Webb Tribolet
John Louis Umlauf
Earl Rosenquist VanSickle
Robert Rodney Waggener
Robert Arthur Walsh
Richard George Walterhouse
Robert Earl Wayne
Marvin Octavius Weber, Jr.
Stanford Alden Welch
Emory Robert Wells
Allen Albert Wheat
Richard Taylor White
Raymond Palmer Whitfield, Jr.
Charles Orion Wiedman
Arthur Burt Wilcox, Jr.
Harold Williams, Jr.
Henry Kirk Williams 3d
Marshall McDairmid Williams 3d
Donald Wilson, Jr.
Robert Seedorf Wilson
William Price Withers, Jr.
Alvyn Lofton Woods, Jr.
Robert Kenneth Wright
William Marion Wright
William Burbridge Yancey, Jr.
Wayne Allen Yeoman
Theodore George Zeh, Jr.

The following-named cadet, United States Military Academy, who is scheduled for graduation on June 5, 1946, for appointment in the Regular Army of the United States:

To be second lieutenant, with rank from June 5, 1946

COAST ARTILLERY CORPS

Roland Arthur Kline

CONFIRMATIONS

Executive nominations confirmed by the Senate May 21 (legislative day of March 5), 1946:

UNITED STATES DISTRICT JUDGE

John W. Murphy to be United States district judge for the middle district of Pennsylvania.

UNITED STATES ATTORNEY

James T. Gooch to be United States attorney for the eastern district of Arkansas.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

To be second lieutenants in the Regular Army

(NOTE.—A full list of the persons whose nominations to be second lieutenants in the Regular Army were today confirmed, appear in the Senate proceedings of the CONGRESSIONAL RECORD for today, under the caption "Nominations," beginning on p. 5362.)

WITHDRAWAL

Executive nomination withdrawn from the Senate May 21 (legislative day of March 5), 1946:

JUDGE, UNITED STATES CIRCUIT COURT OF APPEALS

Harry E. Kalodner to be judge of the United States Circuit Court of Appeals for the Third Circuit. (New position.)

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 21, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord God, blessed be Thy holy name. Lead us to dedicate ourselves anew to the ministry to which Thou hast called us. Bestow upon us whatsoever Thou seest we need, and be pleased to prepare us to receive the good Thou givest.

Do Thou enable us to realize that life without a beyond is darkness, that understanding without works is vain, and works without brotherly love are empty. O Divine One, we would remember those in the bonds of hunger and need, for it is more blessed to feed the hungry than to be filled. O save us from the evil ways which are the fruits of luxury and excesses and give to us Thine own sweet peace.

"For life is the mirror of king and slave,
'Tis just what we are, and do;
Then give to the world the best you have,
And the best will come back to you."

O God, we pray that we may love mercy, deal justly, and do unto others as we would have them do unto us. In the name of Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

NIAGARA FALLS BRIDGE COMMISSION

Mr. ANDREWS of New York. Mr. Speaker, with the approval of the majority and minority leaders and the chairman of the House Committee on Foreign Affairs, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 340) to amend the joint resolution creating the Niagara Falls Bridge Commission.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RANKIN. Mr. Speaker, reserving the right to object, will the gentleman explain the resolution?

Mr. ANDREWS of New York. The Niagara Falls Bridge Commission operates under public authority the Rainbow Bridge at Niagara Falls, which is an international bridge from Niagara Falls, N. Y., to Niagara Falls, Ontario. It is governed by eight men, four appointed by the Governor of the State, and four appointed by the Canadian Government. At the outset they issued bonds in the amount of $4,000,000 at 4¼ percent just prior to the beginning of the World War. Due to the immigration restrictions, tire and gasoline rationing, the difficulty in passports, and so forth, there was little traffic over the bridge during the war period, with the result that the Commission was obliged to default on the interest on its bonds. This merely allows the Commission to reissue refundable, taxable bonds in the amount of $4,500,000 at 2¾ percent, paying up the interest on the old bonds and putting its financial house in order.

Mr. RANKIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That section 4 of Public Resolution 117, Seventy-fifth Congress, as amended, is amended by adding after the third sentence thereof the following:

"Whenever it shall determine that it will be to its financial advantage so to do, the Commission may issue refunding bonds, in accordance with the provisions of this section, in such amount as will, at the price paid therefor, provide funds sufficient to pay and retire any outstanding bonds of the Commission, at or prior to the maturity thereof, if the same be, by their terms or by any other instrument or agreement, subject to prior redemption, together with any matured or accrued interest thereon."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXEMPTING CERTAIN VESSELS FROM FILING PASSENGER LISTS

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6148) to exempt certain vessels from filing passenger lists.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman explain the bill?

Mr. BLAND. The purpose of the bill is simply to relieve the masters of the cruise vessels upon the Great Lakes of the duty of filing a passenger list as is required under the present Tariff Act of 1930. What is requested here was permitted under the original Tariff Act. Then in 1930 there was a new act passed which denied this right to vessels cruising on the Great Lakes, inadvertently, it is thought. This simply restores the condition as it was before.

Mr. MARTIN of Massachusetts. This simply applies to excursion boats which are generally out for a day or two at the most. Is that correct?

Mr. BLAND. That is principally what it is for.

Mr. MARTIN of Massachusetts. The Treasury Department is in favor of the legislation?

Mr. BLAND. Yes; the Treasury Department has been granting exemptions under the Second War Powers Act, but it felt that that could not be done now.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision of law to the contrary, no collector of customs shall require the master or owner of a vessel arriving, otherwise than by sea, at a port or place in the United States on the Great Lakes, or their connecting or tributary waters, from a port or place in the Dominion of Canada to furnish a list of passengers on board such vessel.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TELEPHONE OPERATORS FOR HOUSE OF REPRESENTATIVES

Mr. PICKETT. Mr. Speaker, by direction of the Committee on Accounts, I offer a privileged resolution (H. Res. 628) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective July 1, 1946, there shall be paid out of the contingent fund of the House until otherwise provided by law compensation for the employment of eight additional telephone operators at the basic rate of $1,800 per annum each.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PICKETT. Yes.

Mr. MARTIN of Massachusetts. I understand this resolution does not create any new jobs but simply fills jobs that have been in existence for several years.

Mr. PICKETT. The resolution creates one new position which is necessary by reason of the demands now being made on the telephone exchange of the House. It only carries forward certain positions that are now filled by personnel on loan by the telephone company downtown to the House telephone exchange.

The resolution was agreed to.

A motion to reconsider was laid on the table.

UNITED NATIONS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I listened to the Secretary of State last night, and I hope everybody did. I want to express very earnestly my support of the broad policies set forth by the Secretary of State. I think he is 100 percent right that peace treaties should be concluded as speedily as possible with all defeated nations and their satellites. I believe he is absolutely correct that, except for Japan and Germany, occupation armies should be withdrawn from those nations as speedily as possible. Germany, of course, is a special and most difficult case. It seems to me that the line of policy of our country is now establishing itself well. First, the point I just made, namely the earliest possible final peace settlement so rehabilitation can truly begin. Second, and most basic of all, insistence upon the use of the United Nations for the settlement of all disputes, and building of the power and prestige of the United Nations as a whole to the greatest possible extent. Third, a policy not yet as clear as it desperately needs to be of challenging all nations to accept, as proposed in the Acheson report, international control of atomic energy production and development, including, of course, atomic weapons, such controls to be enforceable by a world police power within the borders of every single nation on this globe. Finally, the policy of taking dynamic leadership in world rehabilitation for the benefit of all peoples everywhere, because America sees a vision of their future as well as her own.

The SPEAKER. The time of the gentleman from California has expired.

EXTENSION OF REMARKS

Mr. MAY asked and was given permission to extend his remarks in the RECORD and include a statement showing the story of the project by canalizing the Big Sandy River, proposed by the United States Corps of Engineers.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include a letter and an article.

Mr. McKENZIE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD and include an editorial from the Bowie News.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD.

THE POULTRY INDUSTRY

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, poultry raising is one of the major industries of the Pacific Northwest. It is also an important industry in several Atlantic Coast States. The feed bins and the feed warehouses in those States are empty. It is not a question of our cutting down poultry flocks. Within 48 hours the utter liquidation of the poultry industry in at least 12 States will begin. We are equally anxious, with everyone else, to do our part toward feeding starving people, but today's policy means that the people of 12 States are carrying a tragically high percentage of the load for the country. Today's policy means the destruction of the source of livelihood for 100,000 farmers. This is unnecessary. Grain can and should be diverted today to meet the emergency in these 12 States for a period of not more than 2 weeks, when the Texas harvest will be available. If the President will act to do this today, the poultry industry can be saved on a curtailed basis and our commitments for export can be met. If he fails to take such action, the Americans poultry industry will be ruined and very little, if anything, will be gained for the export program.

SPECIAL ORDER GRANTED

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent that the special order granted me for today be transferred to next Monday.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

THE BRITISH LOAN—WHAT ARE OUR RESOURCES

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BUFFETT. Mr. Speaker, in the committee hearings on the Britain loan yesterday, I asked Secretary of the Treasury, Mr. Vinson, this question: "What are our total resources?"

Mr. Vinson answered: "I do not know."

I then asked him this question: "What are our total debts, public and private?"

Mr. Vinson answered: "I do not know."

I rise to ask this question of the majority side—How long would the treasurer of a private corporation last, loaning money in unlimited amounts to every Tom, Dick, and Harry, if he did know what the resources and debts of his corporation were?

How the responsible officials of this Government can measure our capacity to make foreign loans, when they do not know what our resources and debts are, is impossible for me to understand.

The SPEAKER. The time of the gentleman from Nebraska has expired.

SECRETARY OF THE TREASURY VINSON

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, with reference to the remarks just made by the gentleman from Nebraska [Mr. BUFFETT] I want to call to his attention the fact that all of us who served in this House with the Secretary of the Treasury, Fred Vinson, without regard to the side of the aisle on which we served, know that Fred Vinson is one of the ablest, one of the most outstanding citizens of this generation, and one of the greatest Secretaries of the Treasury we have ever had.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HAND asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include editorials.

Mr. JENSEN asked and was given permission to extend his remarks in the Appendix of the RECORD and to include letters.

Mr. GRANT of Indiana asked and was given permission to extend his remarks in the RECORD and include an address delivered by the Honorable Ralph F. Gates, the Governor of Indiana.

Mr. GILLIE asked and was given permission to revise and extend his remarks and include an editorial.

Mr. SPRINGER asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. PIÑERO asked and was given permission to extend his remarks in the Appendix of the RECORD and include two speeches and a letter from the President of the United States in reference to the inauguration of Governor Hastie, of the Virgin Islands.

Mr. COFFEE asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and to include excerpts from newspaper and magazine articles.

WISCONSIN CHEESE

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, the Wisconsin Cheese Makers' Association, whose 1,000 members produce 50 percent of the Cheddar cheese in the United States, voted unanimously last Friday to stop selling Cheddar cheese.

Their action promises a complete withdrawal of this type of cheese from the Nation's market and will effectively cripple the vast cheese wholesaling and processing industry in the Nation's dairy State.

Why was this drastic step taken by a group which for the past 4 years has been conspicuous for its loyalty to the Government's food program? Rest assured it is not a decision taken without due deliberation. The association has patiently explained its position to the Federal authorities during the past 3 years. It has met with no success.

Now, because of a protracted ruinous pricing pursued by the Government, the association president is forced to say, "This means more than just dollars and cents; it means the living or dying of an industry."

These men have watched during the past 3 years the closing or leasing of 1,000 cheese factories in Wisconsin.

These men have had to stand helplessly by as millions of pounds of milk have been diverted from their industry to more lucrative products.

These men are now being told to sell a pound of cheese for 27 cents when they know they must spend 32 cents to manufacture that pound.

Who in this House will now stand and censure these men for their refusal to become bankrupted by a strangulating bureaucracy?

PERMISSION TO ADDRESS THE HOUSE

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. McGREGOR addressed the House. His remarks appear in the Appendix]

MISUSE OF RELIEF SUGAR

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I am calling to the attention of the House, and especially to the chairman and members of the Committees on Foreign Affairs of the House and Senate, the article by Constantine Brown set forth in my extension of remarks appearing in the CONGRESSIONAL RECORD of May 20, on page A2815, as an example of the machinations of foreign governments to gain political prestige for their particular political party through UNRRA at the expense of the United States and to our detriment.

Yugoslavia was given 54,000 long tons of sugar, supposedly for the poor and starving peoples of that country. But what did Marshal Tito's government do with the sugar when they got it? Instead of rationing it out among their people who need it, the Government set a price of $1.25 a pound for the sugar, fixed by the Ministry of Supplies of Yugoslavia. In one sweep of the pen the Tito government collects over one hundred and fifty-one millions to replenish their bankrupt treasury. Who got the sugar? Surely not the poor and starving people of that country who need it. They are not able to pay $1.25 a pound for sugar. Those who are friends of Marshal Tito and his government got the sugar. And do we get any credit for trying to help the starving peoples of Yugoslavia? Absolutely not. All we get is their contempt because they are made to believe that the United States has had a hand in charging them $1.25 a pound for the sugar we in the Congress believe we are giving the poor peoples of the world gratis. And at home Members of Congress are being besieged on all sides by our own people complaining that they have no sugar for home use and none for canning and preserving food.

Is there nothing the Committees on Foreign Affairs of Congress can do about this?

EXTENSION OF REMARKS

Mr. GALLAGHER asked and was given permission to extend his remarks in the RECORD and include an article on the subject The Church and Organized Labor, by a labor leader of Minneapolis, John M. Jacobsen. This speech was delivered at the regional conference of the National Lutheran Welfare Council, Des Moines, Iowa, April 10, 1946.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and include a letter from a veteran relative to the Wyatt housing program and Mr. JENSEN's answer thereto.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include certain excerpts.

Mr. PLOESER asked and was given permission to extend his remarks in the RECORD and include an address from the St. Louis Globe-Democrat.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include an address by Mrs. Talmadge, head of the Daughters of the American Revolution.

NAVAL APPROPRIATION BILL—1947

Mr. SHEPPARD, from the Committee on Appropriations, reported the bill (H. R. 6496) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1947, and for other purposes (Rept. No. 2085), which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. MARTIN of Massachusetts reserved all points of order on the bill.

REPORT OF SECRETARY OF STATE BYRNES TO THE NATION

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, last night the Secretary of State, Mr. Byrnes, made a radio report to the Nation on the result of the Paris peace conference, which has recently been recessed. Mr. Byrnes is to

be commended for the candor and frankness with which he addressed the American people.

Every day, however, and every week it seems more and more clearly indicated that what this world needs more than anything else is a conference between the Big Two, that is, between Russia and the United States.

Conferences such as those had in Paris are not going to achieve the peace which this world needs. A conference of the Big Two would bring together the two greatest nations of this world, in which they could come to understand something about each other, in which they could work out small areas of agreement which we hope might be expanded steadily in the years to come. Until and unless the U. S. A. and the U. S. S. R. can learn to work together on a reciprocal and realistic basis, there is no chance for peace to endure or for the world to prosper. I recommend that President Truman, without further delay, act to bring about a conference between Mr. Stalin and himself, together with their respective advisers.

SECRETARY BYRNES' SPEECH—COMMUNISM AND THE ATOMIC BOMB

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, anyone who listened to the speech made by Secretary of State Byrnes last night must realize that the conflict between communism and civilization is growing daily.

We learn from the press now that the CIO, which is Communist infested, if not Communist dominated, is now attempting to organize the workers in Oak Ridge, Tenn., where the atomic bomb, our country's greatest weapon of defense, is being made.

President Truman, as head of the armed forces of the United States, should intervene and issue an order forbidding the workers that are producing that great weapon of national defense for the United States from being organized by any force that has within its ranks Communists who are dedicated to the service of a foreign power and who are plotting the overthrow of the Government of the United States.

The SPEAKER. The time of the gentleman from Mississippi has expired.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 629, Rept. No. 2086), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 305) providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that this resolution may be called up at any time during the day.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

MRS. LULU WILSON NEVERS

The Clerk called the bill (H. R. 975) for the relief of Mrs. Lulu Wilson Nevers.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SAUNDERS MEMORIAL HOSPITAL

The Clerk called the bill (S. 1932) conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina, to hear, determine, and render judgment upon the claim of the board of trustees of the Saunders Memorial Hospital.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon, notwithstanding the lapse of time or any provision of law to the contrary, the claim of the board of trustees of the Saunders Memorial Hospital, Florence, S. C., against the United States for damages arising from the alleged negligence of the Army officials in advising and notifying Saunders Memorial Hospital that the Army had exercised its option dated November 16, 1942, to lease the Saunders Memorial Hospital for the use of the Army; notwithstanding the provision of the said option requiring written notice on the part of the United States of its intention to exercise its option. Such suit shall be instituted within 1 year from the date of the enactment of this act, and the liability of the United States in such suit shall be determined as if any Army officials advising and notifying Saunders Memorial Hospital were at the time authorized agents of the United States, for whose negligent acts it shall be liable; the measure of damages to be the same as if the controversy was between private individuals.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAY MORGAN BEAL

The Clerk called the bill (S. 1916) to authorize the Secretary of State to transfer certain silver candelabra to May Morgan Beal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of State is authorized and directed to transfer to May Morgan Beal, of Newton, Mass., all right, title, and interest of the United States in and to the two silver lanterns or candelabra which were originally given to Ambassador Edwin V. Morgan by citizens of Brazil and subsequently presented as a gift to the United States by the said May Morgan Beal in July 1934, for use in the United States Embassy in Rio de Janeiro, Brazil.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARGERY ANDERSON BRIDGES

The Clerk called the bill (S. 203) for the relief of Margery Anderson Bridges.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provision of the immigration laws, the temporary admission to the United States of Margery Anderson Bridges, the wife of Robert E. Bridges, a native-born citizen of the State of Georgia, is hereby declared a record of permanent admission as of the date she last temporarily entered continental United States, to wit, January 25, 1940.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MERCY DUKE BOEHL

The Clerk called the bill (S. 875) for the relief of Mercy Duke Boehl.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the immigration laws, the Attorney General is authorized and directed to permit Mercy Duke Boehl, wife of an American citizen, to remain permanently in the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARTHUR F. DOWNS

The Clerk called the bill (S. 1201) for the relief of Arthur F. Downs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur F. Downs, at Portsmouth, N. H., the sum of $849.36 in full satisfaction of his claim against the United States for compensation for personal injuries and loss of earnings sustained by him, and for reimbursement of hospital and other expenses incurred by him, as a result of having been shot by a member of the United States Marine Corps, near the Newington cross road, between Portsmouth, N. H., and Rochester, N. H., on November 24, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any

contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FERRIS RUGGLES

The Clerk called the bill (S. 1563) for the relief of Ferris Ruggles.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ferris Ruggles, of Clovis, N. Mex., the sum of $2,167.78, in full satisfaction of his claim against the United States for compensation for property damage and loss of earnings sustained by him as a result of an accident which occurred when a trailer tank truck owned by him was struck by a United States Army vehicle on United States Highway No. 60, near English Air Field, Tex., on April 18, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEO STUHR

The Clerk called the bill (S. 1604) for the relief of Leo Stuhr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leo Stuhr of Grand Island, Nebr., the sum of $149.57, in full satisfaction of his claim against the United States for payment under the Commodity Credit Corporation's offer to make dairy production payments, for the period from April 1, 1945, to and including June 30, 1945, such payment having been denied on the ground that application therefor was not filed within the time prescribed by regulations of the Department of Agriculture: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARINE ENGINE WORKS & SHIPBUILDING CORP.

The Clerk called the bill (H. R. 1322) for the relief of the Marine Engine Works & Shipbuilding Corp., of Tarpon Springs, Fla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Marine Engine Works & Shipbuilding Corp., of Tarpon Springs, Fla., the sum of $5,102.35, plus 10 percent of such sum of $5,102.35 for attorney's fees on account of services rendered in connection with this claim. The payment of such aggregate amount shall be in full settlement of all claims against the United States on account of losses sustained by such corporation in fulfilling a United States Navy contract awarded to such corporation on October 26, 1940, for the construction of 6 standard 30-foot motor launches.

With the following committee amendments:

Page 1, line 7, after the comma, strike out the remainder of line 7 and all of lines 8, 9, and 10 to and including the words "shall be."

At the end of the bill insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. C. TODD

The Clerk called the bill (H. R. 1460) for the relief of D. C. Todd.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to D. C. Todd, of Buffalo, N. Y., the sum of $30,000, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him when he was struck by a United States Army vehicle on River Road, in Tonawanda, N. Y., on January 31, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, after the word "of", strike out the remainder of line 6, and all of lines 7, 8, and 9 and insert "$7,850.45, in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, cost of artificial leg, property damage, and loss of earnings sustained as the result of an accident involving a United States Army vehicle in Tonawanda, N. Y., on January 31, 1944."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

S. G. LEOFFLER OPERATING CO.

The Clerk called the bill (H. R. 1480) for the relief of the S. G. Leoffler Operating Co., of Washington, D. C., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior and the Comptroller General of the United States be, and they are hereby, authorized and directed to relieve the S. G. Leoffler Operating Co., of Washington, D. C., to the extent of $10,112.63 due under contract No. I-289-2 for the operation of golf courses and allied facilities in the National Capital parks of the District of Columbia, this remission to be for rental due under the terms of the contract for the East Potomac Park golf course from October 15, 1942, to May 15, 1943, and for actual expenditures which the company was forced to make under the terms of the contract for the same area during the afore-mentioned period when the course was closed to the public due to aluvion deposited on the grounds, thereby making the course unplayable by the extraordinary flood of October 1942.

With the following committee amendments:

Page 1, line 7, strike out "$10,112.63" and insert "$9,537.54."

Line 8, strike out "I-289-2" and insert "I-28p-2."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUPERIOR COACH CORP.

The Clerk called the bill (H. R. 1673) for the relief of the Superior Coach Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Superior Coach Corp., Lima, Ohio, the sum of $66,143.86. Such sum represents damages sustained by the said Superior Coach Corp. in the performance of a contract with the War Department (contract No. W1077 sc-1331) for the construction of 790 van bodies for truck K-56 because of the failure of the War Department to furnish chassis in sufficient quantities to enable such corporation to mount bodies thereon in time to meet the delivery schedule of the contract. The payment of such sum shall be in full settlement of all claims against the United States arising from the performance of such contract.

With the following committee amendment:

At the end of the bill, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN HAMLET

The Clerk called the bill (H. R. 2954) for the relief of John Hamlet.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Hamlet, the sum of $10,000, in full satisfaction of all claims against the United States for compensation for personal injuries, medical, and hospital expenses sustained, resulting from being struck by an automobile truck owned and operated by the United States Army, the said accident having occurred at the intersection of Park Avenue and One Hundred and Twenty-fifth Street, New York City, N. Y., on July 18, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after "Hamlet", strike out the remainder of page 1 and lines 1 and 2 on page 2 and insert the following: "of New York, N. Y., the sum of $1,782.13, in full settlement of all claims against the United States for property damage, personal injuries, and loss of earnings sustained and medical expenses incurred as the result of an accident which occurred at the intersection of Park Avenue and One Hundred and Twenty-fifth Street, in New York, N. Y., on July 18, 1944, when the truck which he was driving was struck by an Army vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALFRED E. DUDLEY AND EVA L. DUDLEY

The Clerk called the bill (H. R. 3744) for the relief of Alfred E. Dudley and Eva L. Dudley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eva L. Dudley, the sum of $3,000, in full settlement of all claims against the United States for property damage, personal injuries, hospital and medical expenses, sustained as a result of an automobile accident, on November 26, 1943, caused by a United States Veterans' Administration fire truck near the main gate of the Bay Pines Veterans' Administration Hospital, on United States Highway No. 19, Bay Pines, Fla.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "Alfred E. Dudley and."

Line 6, after "Dudley", insert "of Saint Petersburg, Fla."

Line 7, strike out "$3,000" and insert "$2,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Eva L. Dudley."

A motion to reconsider was laid on the table.

JANE O'MALLEY

The Clerk called the bill (H. R. 4215) for the relief of Jane O'Malley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jane O'Malley, of 525 West Roscoe Street, Chicago, Ill., the sum of $15,000, in full settlement of all claims against the United States on account of injuries sustained when the said Jane O'Malley was struck by an automobile driven by an employee of the United States Public Health Service. The accident occurred on March 22, 1945, at Kenmore and Ainslie Streets, in Chicago, Ill.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$15,000" and insert "$6,013.63."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES MARVIN SMITH

The Clerk called the bill (H. R. 4492) for the relief of Charles Marvin Smith.

The SPEAKER pro tempore (Mr. SPARKMAN). Is there objection to the present consideration of the bill?

Mr. McGREGOR, Mr. DOLLIVER, and Mr. SPRINGER objected; and, under the rule, the bill was recommitted to the Committee on Claims.

WILLIAM H. ROMAN

The Clerk called the bill (H. R. 4495) for the relief of William H. Roman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $7,500, to William H. Roman, of Oakland, Calif., in full settlement of all claims against the United States for personal injuries, property damages, medical and hospital expenses, and loss of earnings sustained as a result of a collision by the car which he was driving and a United States Army jeep, at the intersection of Larkin and Post Streets, San Francisco, on July 21, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with his claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$7,500" and insert "$2,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOLORES JOYCE

The Clerk called the bill (H. R. 4577) for the relief of Dolores Joyce.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dolores Joyce, Peekskill, N. Y., the sum of $2,500. The payment of such sum shall be in full settlement of all claims of the said Dolores Joyce against the United States on account of personal injuries and loss of earnings sustained by her while riding as a passenger in an Army carryall truck, on United States Route 6, proceeding toward Peekskill, N. Y., caused by a sideswiping and collision with another vehicle, a privately owned car: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$2,500" and insert "$1,350."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WESTERN UNION TELEGRAPH CO.

The Clerk called the bill (H. R. 4917) for the relief of the Western Union Telegraph Co.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

JOSEPH IPPOLITO

The Clerk called the bill (H. R. 5352) for the relief of Joseph Ippolito.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $7,500 to Joseph Ippolito, 277 Troutman Street, Brooklyn, N. Y., in full settlement of all claims against the United States Government for injuries sustained when the taxi in which he was riding was struck by a United States Army vehicle at the intersection of DeKalb and Bedford Avenues, Brooklyn, on February 20, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$7,500" and insert "$3,399."

Line 8, after "sustained", insert "and expenses incident thereto."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE YAKUTAT COOPERATIVE MARKET

The Clerk called the bill (H. R. 6010) for the relief of the Yakutat Cooperative Market.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to certain members of the Yakutat Cooperative Market the following sums: To Nick Milton, the sum of $148.59; to Harold Gray, the sum of 51 cents; to Sam George, the sum of $194.17; to James Porter, the sum of $140.69; to Oscar Frank, the sum of $113.57; to Norman Lott, the sum of $282.74; to Mrs. Frank Dick, the sum of $176.24; to B. A. Jack, the sum of $58.86; to George Johnson, the sum of $141.47; to Harry Jackson, the sum of $287.27; to Kitty Dixon, the sum of $60.44; to Jerry K. Williams, the sum of $123.51; to Jimmy Jackson, the sum of $125.94; to Ned Williams, the sum of $159.96; to George Valle, the sum of $213.73; to Olaf Abraham, the sum of $86.34; to William Benson, the sum of $134.75; to Emma Shodda, the sum of $56.01; to Sheldon James, the sum of $76.40; to Mabel Brown, the sum of $45.42; to William Thomas, the sum of $169.20; and to Thomas George, the sum of $107.67, in full settlement of all of their claims against the United States for loss and damage to their personal property destroyed by fire on November 14, 1942, while stored in a Government building at Yakutat, Alaska: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. HARRY BURSTEIN ET AL.

The Clerk called the bill (H. R. 6011) for the relief of Dr. Harry Burstein, Madeline Borvick, and Mrs. Clara Kaufman Truly, formerly Miss Clara M. Kaufman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Harry Burstein, the sum of $164.90; to Madeline Borvick, the sum of $547.90; and to Mrs. Clara Kaufman Truly, the sum of $389.96; in full settlement of all claims against the Government of the United States for the loss of their personal effects in the fire which destroyed the physician's and nurses' quarters at Barrow, Alaska, on October 10, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY G. PAUL

The Clerk called the bill (H. R. 6245) for the relief of Mary G. Paul.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1940 ed., title 5, secs. 767 and 770), are hereby waived in favor of Mary G. Paul, Albuquerque, N. Mex., and her claim for compensation for disability allegedly resulting from her having contracted tuberculosis while employed as a nurse by the Veterans' Administration, at facilities of such Administration, between April 1926, and June 13, 1944, is authorized and directed to be considered and acted upon under the remaining provisions of such act, as amended, as if she had filed notice of injury and claim for compensation for disability within the time prescribed by such sections 15 to 20, inclusive, but only if she files such claim with the United States Employees' Compensation Commission not later than 60 days after the date of enactment of this act. That no benefits shall accrue prior to the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. H. ASHBROOK ET AL.

The Clerk called the bill (S. 769) for the relief of H. H. Ashbrook, and others.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MARVIN SACHWITZ

The Clerk called the bill (H. R. 1002) for the relief of Marvin Sachwitz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,500, to Marvin Sachwitz, of South St. Paul, Minn., in full settlement of all claims against the United States as the result of deep wells being drilled in connection with the Gopher ordnance works, which resulted in the drying up of his well during the year 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McGREGOR. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McGREGOR: On line 5, page 1, strike out "$1,500" and insert "$1,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHNNIE POLLOCK

The Clerk called the bill (H. R. 3848) for the relief of the legal guardian of Johnnie Pollock, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000, to the legal guardian of Johnnie Pollock, a minor, of Killeen, Tex., in full settlement of all claims against the United States for personal injuries, sustained as the result of an explosion of a shell near Camp Hood, Tex., on June 11, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this

act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$5,000" and insert "$4,062.80."

Page 1, line 8, after the comma, insert the words "hospital and medical expenses and other expenses incident thereto."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESEQUIEL (FRANK) PADILLA, AND OTHERS

The Clerk called the bill (H. R. 4331) for the relief of Esequiel (Frank) Padilla, and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Esequiel (Frank) Padilla; the sum of $10,000 to Mrs. Vivian P. Montoya; the sum of $1,000 to the legal guardian of Tillie Montoya; the sum of $10,000 to the legal guardian of Irene Montoya; and the sum of $1,500 to the legal guardian of Salomon Padilla, in full settlement of all claims against the United States for property damage, medical and hospital expenses, and for personal injuries sustained by said Esequiel (Frank) Padilla, Vivian P. Montoya, Tillie Montoya, Irene Montoya, and Salomon Padilla, on August 12, 1945, as the result of the explosion of a bomb dropped and left unprotected in the field by the United States Army, approximately 12 miles west of Belen, N. Mex.: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$5,000" and insert "$4,357.05."

Page 1, line 6, strike out "$10,000" and insert "$4,657.35."

Page 1, line 8, strike out "$10,000" and insert "$6,243.80."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JAMES PLUMB

The Clerk called the bill (H. R. 4419) for the relief of Mrs. James Plumb.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. James Plumb, of Coeur d'Alene, Idaho, the sum of $5,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. James Plumb against the United States on account of the loss of one eye as result of an explosion at the Here's Your Infantry show of the United States Army during the Seventh War Loan drive of the United States Treasury Department on June 2, 1945, at Coeur d'Alene, Idaho.

With the following committee amendments:

Page 1, line 6, strike out "$5,000" and insert "$4,511.67."

Page 1, line 8, after the word "States", strike out the words "on account of the loss of one eye" and insert "for personal injuries, medical and hospital expenses actually incurred sustained."

At the end of the bill insert: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARION POWELL

The Clerk called the bill (H. R. 5000) for the relief of Marion Powell, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Marion Powell, a minor, of Scranton, Pa., the sum of $3,000 in full satisfaction of her claims against the United States for compensation for personal injuries sustained by her when the car in which she was riding was struck by a United States Army vehicle at the intersection of Harrison Avenue and Linden Street, Scranton, Pa., on December 5, 1941, and for reimbursement of medical, hospital, loss of earnings, and other expenses incurred by her as a result of the injuries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$3,000" and insert "$2,500."

Page 1, line 7, strike out the word "her" and insert "all."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LIM SHEE CHANG

The Clerk called the bill (H. R. 5030) for the relief of Mrs. Lim Shee Chang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Lim Shee Chang, a citizen of the Republic of China and a resident of the Territory of Hawaii, the sum of $5,000 in full settlement of all claims against the United States on account of personal injuries suffered when she was struck by an Army truck driven by a servant of the United States on January 6, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection herewith, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$5,000" and insert "$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF JASPER A. MEALER

The Clerk called the bill (H. R. 5053) for the relief of the estate of Jasper A. Mealer.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

KARL E. BOND

The Clerk called the bill (H. R. 783) for the relief of Karl E. Bond.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that this bill be passed without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ARCADIO SALDAÑA AGOSTO

The Clerk called the bill (H. R. 1797) for the relief of Arcadio Saldaña Agosto.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arcadio Saldaña Agosto, Santurce, P. R., the sum of $5,000. The payment of such sum shall be in full settlement of all claims of the said Arcadio Saldaña Agosto against the United States on account of personal injuries sustained by him as the result of an accident on July 27, 1942, when the United States military truck No. 321002 collided with bus No. P-304, of the Caguas Bus Line, in which he was riding.

With the following committee amendment:

Page 2, line 2, after the word "riding", insert: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof

shall be fined in any sum not exceeding $1,000.'

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DANIEL S. BAGLEY, JR.

The Clerk called the bill (H. R. 2130) for the relief of Daniel S. Bagley, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Daniel S. Bagley, Jr., Tampa, Fla., the sum of $545.10. The payment of such sum shall be in full settlement of all claims of the said Daniel S. Bagley, Jr., against the United States on account of personal injuries sustained on April 12, 1941, in Tampa, Fla., when the automobile which he was driving was struck by a United States Army truck.

With the following committee amendments:

Page 1, line 5, after the word "Junior", strike out the remainder of the bill and insert "the sum of $545.10, and to Daniel S. Bagley, Sr., the sum of $150.05, both of Tampa, Fla., in full settlement of all claims against the United States for personal injuries sustained by Daniel S. Bagley, Jr., and for property damage to the automobile of Daniel S. Bagley, Sr., sustained as the result of an accident involving a United States Army vehicle in Tampa, Fla., on April 12, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Daniel S. Bagley, Jr., and Daniel S. Bagley, Sr."

A motion to reconsider was laid on the table.

DR. WILLIAM A. SCHUMACHER AND MAGDALEN M. SCHUMACHER

The Clerk called the bill (H. R. 2269) for the relief of Dr. William A. Schumacher and Magdalen M. Schumacher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. William A. Schumacher and Magdalen M. Schumacher, both of Hettinger, N. Dak., the sum of $21,284.96. The payment of such sum shall be in full settlement of all claims of the said Dr. William A. Schumacher and Magdalen M. Schumacher, his wife, against the United States for damages sustained on account of the death of their son Nicholas William Schumacher and their daughter Margaret Irene Schumacher on August 18, 1943, as the result of fatal injuries received when a United States Army P–38 fighter plane of the Three Hundred and Twenty-ninth Fighter Group of the Army airdrome at Glendale, Calif., crashed in the rear yard of a residence at Linda Vista, Calif., where said children were at play, and instantly killed them.

With the following committee amendment:

Page 1, line 7, after the words "sum of", strike out the remainder of the bill and insert "$5,418.96, in full settlement of all claims against the United States for property damage sustained and for the deaths of their minor children, Nicholas William Schumacher and Margaret Irene Schumacher, and the expenses incurred in connection with their burial, as the result of the crash of an Army airplane in San Diego, Calif., on August 18, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALTER A. MOFFATT

The Clerk called the bill (H. R. 3031) for the relief of Walter A. Moffatt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Walter A. Moffatt, San Fernando, Calif., the sum of $142.90. The payment of such sum shall be in full settlement of all claims of the said Walter A. Moffatt against the United States for witness fees, per diem allowances, and mileage due him in connection with a round trip taken from his home to Denver, Colo., during the period from November 26 to December 2, 1940, pursuant to a subpena served on him by a deputy United States marshal to testify in a case before the District Court of the United States for the District of Colorado.

With the following committee amendment:

Page 2, line 4, after the word "Colorado" insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HAZEL M. SKAGGS

The Clerk called the bill (H. R. 3622) for the relief of Mrs. Hazel M. Skaggs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Hazel M. Skaggs, Riverside, Calif., the sum of $16,097.85. The payment of such sum shall be in full settlement of all claims of the said Mrs. Hazel M. Skaggs against the United States for damages to personal property and injury to herself and child sustained when a B–24 bomber crashed into her car at March Field, Calif., December 8, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$16,097.85" and insert "$5,125.85."

Page 1, line 8, strike out "damages to personal property and injury to herself and child" and insert "property damage, medical and hospital expenses for herself and minor daughter, and personal injuries."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSÉ VILLAFAÑE MUÑOZ

The Clerk called the bill (H. R. 4245) for the relief of José Villafañe Muñoz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,558 to José Villafañe Muñoz who was injured when struck by the driver of a United States Army truck on April 3, 1943, in San Juan, Puerto Rico. The payment of such sum shall be in full settlement of all claims against the United States on account of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, after the words "sum of", strike out the balance of line 5, all of lines 6, 7, 8, and 9, and insert "$2,040 to José Villafañe Muñoz, of Santurce, Puerto Rico, in full settlement of all claims against the United States for personal injuries and loss of earnings sustained by him as the result of an accident involving an Army truck which occurred on April 3, 1943, in San Juan, Puerto Rico."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF THE LATE FRANCISCA SÁNCHEZ FIGUEROA

The Clerk called the bill (H. R. 4251) for the relief of the estate of the late Francisca Sánchez Figueroa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to the administrator of the estate of the late Francisca Sánchez Figueroa, who was fatally injured on June 11, 1944, when a United States Army truck overturned on Insular Highway No. 25 between Cantaño and Santurce, P. R. The payment of such sum shall be in full settlement of all claims against the United States on account of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FANNIE C. FUGATE

The Clerk called the bill (H. R. 4339) for the relief of Fannie C. Fugate.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fannie C. Fugate, of Blacksburg, Va., the sum of $125, in full settlement of all claims against the United States for property damage as the result of the cancellation of a contract to rent 80 acres of farm land in Levy County, Fla., for a period of 1 year: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "property damage as the result of the cancellation of a contract to rent 80 acres of farm land in Levy County, Fla., for a period of 1 year" and insert: "the loss of rental income on 80 acres of farm land in Levy County, Fla., for the calendar year of 1943, resulting from the unauthorized action of agents of the United States:"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARY A. HONNELL AND HORTON H. HONNELL

The Clerk called the bill (H. R. 5091) for the relief of Mrs. Mary A. Honnell and Horton H. Honnell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Mary A. Honnell, Kansas City, Kans., the sum of $379.85, and to Horton H. Honnell, Kansas City, Kans., the sum of $240.32. The payment of such sum of $379.85 shall be in full settlement of all claims of the said Mrs. Mary A. Honnell against the United States on account of personal injuries sustained by her on February 22, 1945, when the automobile, owned and driven by her husband, Horton H. Honnell, in which she was a passenger, was struck by a United States Army truck at the intersection of Ninth Street and Hardesty Avenue, Kansas City, Mo. The payment of such sum of $240.32 shall be in full settlement of all claims of the said Horton H. Honnell against the United States for damage to his automobile as the result of such accident: *Provided*, That no part of either of the sums appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim settled by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, after the figures "$379.85", strike out the bill down to the colon on page 2, line 7, and insert in lieu thereof "in full settlement of all claims against the United States on account of personal injuries and loss of earnings sustained by her as a result of an accident which occured on February 22, 1945, in Kansas City, Mo., involving an Army truck."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Mary A. Honnell."

A motion to reconsider was laid on the table.

LEGAL GUARDIAN OF DAVID OWENS, JR.

The Clerk called the bill (H. R. 5811) for the relief of the legal guardian of David Owens, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of David Owens, Jr., the sum of $2,000 in full settlement of all claims against the United States for injuries sustained on account of a 37-millimeter shell being negligently left by the Army personnel on the reservation of Camp Van Dorn, Centreville, Miss., and the said David Owens, Jr., picking up same and playing with it and it exploded in his hands, June 17, 1945, thereby injuring him: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$2,610" and insert in lieu thereof "$2,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF CARMEN AURORA DE LA FLOR, DECEASED

The Clerk called the bill (H. R. 6334) for the relief of the estate of Carmen Aurora de la Flor, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Carmen Aurora de la Flor, deceased, of Panama City, Republic of Panama, the sum of $2,000, in full settlement of all claims against the United States arising out of the death of the said Carmen Aurora de la Flor as a result of a collision between the bus in which she was riding and an Army truck on September 25, 1944, on Madden Highway, Canal Zone, about 1 mile south of Madden Dam: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELIZABETH J. PATTERSON ET AL.

The Clerk called the bill (H. R. 6442) for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in equal shares, to Mrs. Elizabeth J. Patterson, Atlantic City, N. J.; Joy Patterson, District of Columbia; and Roberta Patterson, District of Columbia, the sum of $20,963. The payment of such sum shall be in full settlement of all claims against the United States on account of the losses or reduction on salary and allowances sustained by the late Brig. Gen. Robert F. Patterson, from January 1, 1898, to May 28, 1906, during which time he was United States consul general at Calcutta, India, through the method of settlement adopted by the United States Government in connection with the fluctuation in the value of the Indian rupee. The said Mrs. Elizabeth J. Patterson is the daughter-in-law, and the said Joy Patterson and Roberta Patterson are the granddaughters, of the late Brig. Gen. Robert F. Patterson.

With the following committee amendment:

At the end of bill insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be

paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That completes the call of the Private Calendar.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

Mr. SABATH. Mr. Speaker, in accordance with the unanimous consent previously granted me, I call up House Resolution 629 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 305) providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, later on I shall yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, as everyone here knows, the gentleman from North Carolina, Judge CLARK, is one of the outstanding Members of the House, and since this resolution is of interest and importance not only to our country but to the whole world, I naturally assigned the rule to him for presentation. Unfortunately, the gentleman is unavoidably absent on important matters, which I hope sincerely do not involve any serious contest in the primary election, because I feel that a Member who has given to his district and to his country such splendid service should have no opposition.

Judge CLARK's absence does, however, place me at a disadvantage today as I present the rule for the resolution, for, having made the assignment to him, I did not fully familiarize myself with all provisions of the resolution to the extent, perhaps, that the gentleman from North Carolina would have. It is recognized, of course, that when I have assigned a rule to another member of the committee it is not necessary for me to study in the same detail the bill or resolution it makes in order.

This joint resolution authorizes the President, under the constitution adopted in London on November 19, 1945, to appoint five members to represent the United States in the United Nations Educational, Scientific, and Cultural Organization. These members are to receive compensation at the rate of $12,000 a year, and there is provision also for alternates to act in lieu of the principals, in a number required by procedure.

The joint resolution also authorizes the Secretary of State to appoint a commission of 50, none of whom is to receive any compensation except for travel allowance and $10 a day for subsistence. Representatives or alternates must be American citizens and must have been such for at least 15 years, not because some of our citizens may not have been here 15 years and still be splendid loyal and patriotic men, but due to the prejudice of some they will be more at ease with this provision.

I think it is a proper restriction that we should have only outstanding Americans who believe in our form of government as members of that important organization. The resolution was originally introduced by the gentleman from New Hampshire [Mr. MERROW] and I presume that by reason of that fact it will have the support of my Republican colleagues. I know that any resolution or any bill, though introduced by a Republican Member, if it aims to aid our Government or is in the interest of our Government, always obtains nearly unanimous support on our side, namely, the Democratic side. So I hope that in view of the usual position of the Democratic membership that there will be no opposition to the rule or to the resolution. I notice the ranking member of the Committee on Foreign Affairs present, the gentleman from Texas, and I know that later on he will more fully and more intelligently explain the need for this legislation. As I said, I did not really have the time to study it, but I believe it is in the right direction and I hope that the rule will be adopted and that the resolution will pass. I think it will have a tendency to familiarize our country and the world with conditions existing everywhere and bring about more friendly relationships on the part of the people of the world.

GENERAL MARSHALL'S ADMONITION TIMELY HERE

I believe that is absolutely necessary, and in a newspaper article I read only this morning I noted the admonition which Gen. George C. Marshall gave to the Chinese people, wherein he criticized both sides for their propaganda campaigns, which he said "naturally inflame feelings and increase the possibility of some hotheads precipitating a general conflagration."

Talking about China, General Marshall said "the reckless propaganda of hate and suspicion seriously aggravates the present situation and can lead to results which will be disastrous to the people of China."

I think the admonition given by our great war leader, General Marshall, could apply and should apply to us right at home. We should eliminate all the unfair propaganda, breeding discord, and disunion. We should work together in harmony for the best interest of America, for the best interest of our people, and for the best interest of the peace of the world.

With that, Mr. Speaker, I reserve the balance of my time and now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. RIZLEY].

UNCLE SAM CONTINUES TO BE MADE THE "UNCLE SAP" OF THE WORLD, AS FALSE AND MISLEADING STATEMENTS AND PROPAGANADA CONTINUE TO CONFUSE AND CAUSE SERIOUS REPERCUSSIONS ALL OVER THE WORLD IN OUR FOREIGN RELATIONS

Mr. RIZLEY. Mr. Speaker, a recent survey of the wheat and flour situation in Europe and elsewhere gives the lie to statements that have been made from time to time, that the Untied States has fallen down on its world commitment of grain for the starving peoples of the Old World.

The facts are, that stock piles of wheat and flour in Great Britain today are far in excess of the stock piles in the United States, when based on comparative populations. While most of the flour mills in this country are now shut down for lack of wheat and hundreds of bakers are closing because of their inability to obtain flour, and bread lines have already begun to form in this country, the flour mills in Great Britain are operating at 95 percent capacity. Canada continues to process wheat into flour at the regular normal formulas, while in this country the mills have been prohibited from using basic normal formulas, with the result no doubt, that Canada will supply flour to various countries with which our mills already had contracts but are unable to fulfill because of governmental orders and restrictions.

The carry-over supply of wheat in Canada, according to the latest available figures, is more than 6 bushels of wheat per capita, while in this country the carry-over is only about seven-eighths of 1 bushel per capita.

The United States has furnished more than 40 percent of all the grain that has been furnished for the starving peoples of Europe.

This country has furnished approximately 72 percent of all the money for UNRRA.

This country has furnished approximately 80 percent of all wheat thus far distributed by UNRRA.

Notwithstanding the babblings of some of the columnists and commentators in this country, to the effect that the United States has fallen down on its commitments in furnishing wheat for the peoples of other countries, the truth is that we have religiously lived up to our commitments, and the deficiencies of world commitments have been from others and not the United States.

As further proof of the misleading and unfounded statements and propaganda circulating here and in Europe, I call attention to an article in this morning's Washington Post, a United Press dispatch under a London date headline of May 20, 1946:

Three British newspapers criticized the United States today for not making bigger

sacrifices to relieve the world food shortage.

In an editorial entitled "Others Must Help, Too," the Daily Sketch said Britain had stripped its national larder to "more than wartime bareness, but we cannot be expected to bear the whole burden alone."

The Sketch said American food conservation so far had not involved any sacrifice on the part of the consumer and was not at all comparable to Britain's effort.

The Communist Daily Worker accused the United States "great trusts of consolidating their position at home by the manipulation of scarce food overseas."

The Daily Mail said Britain was "scraping the bottom of the barrel to make good the commitments of America."

It suggested that no more envoys be sent to discuss the food situation in the "debilitating atmosphere of America." If food conferences met in "gray, underfed Britain we might at last get a square deal," the Mail said.

Mr. Speaker, the misleading, ridiculous, and false statements contained in this press report that are being circulated in London and Europe generally, cannot go unchallenged. The survey recently made of the situation in Europe, in respect to wheat and other grain furnished by the United States, proves conclusively that these statements from the British press are not only false, but are calculated to incite dissension and strife, and create a false impression in respect to the attitude of our Government and our people toward conditions abroad.

I brook no quarrel with the British Government or the British people. To be brutally frank about the matter, I am of the opinion that it behooves the English-speaking peoples of the world to cooperate more diligently and closely than they ever have; but certainly it can serve no purpose for the British press to continue in their attacks against this country who seem to be suffering with a when there is no basis in truth or in fact for such attacks.

The same goes for some people in this country who seem to be suffering with a bad case of "commentatoritis."

The United States has done its part in war and in peace, and will continue to do its part. It is my humble opinion that one of the outstanding difficulties in connection with the food situation is that no one seems to have a very good inventory of the available foodstuffs in the world. Demands which seem to change overnight are immediately construed by some as commitments.

This country will continue to do its part, but it will not be blackjacked or coerced by false and unfounded propaganda.

Mr. ALLEN of Illinois. Mr. Speaker, the able chairman of our committee has fully explained this rule. There is no objection to it on this side of the aisle.

Mr. SABATH. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. KING] and ask unanimous consent that he be permitted to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KING. Mr. Speaker, yesterday the Long Beach Federal Savings and Loan Association, of Long Beach, Calif., was seized under an order issued by John H. Fahey, Federal Home Loan Commissioner. This organization is a $29,000,000 organization, admittedly solvent, and with no impairment of assets. The agents of the Federal home loan bank and one A. V. Amman stated to the press, and I quote:

There is no specific charge at present. This is a $29,000,000 company. It is solvent and is in a position to continue business if depositors desire.

I charge that this action was inspired because the president of the Federal Savings and Loan Association was to testify before a committee of this Congress on June 12 to investigate the misuse of power of Federal Home Loan Bank Commissioner Fahey.

Here we have a situation in which we find a solvent institution subject to seizure in an effort to intimidate a witness scheduled to appear before a committee of this Congress. If we permit agencies of the Federal Government to intimidate institutions and to arbitrarily and capriciously misuse the powers of the Federal Government to seize a privately owned institution, we are establishing a precedent which will cause citizens to remain silent under illegal abuse of power by this Federal agency, and Congress will become impotent to protect the rights and privileges of citizens of the United States. This is not the first of such illegal intimidations by Commissioner Fahey. It will not be the last unless this Congress takes steps to check and to curb this arrogant use of power to seed the personal ambition and vanity of Commissioner Fahey.

We have here an example of an important financial institution virtually wrecked by one of the most outrageous activities I have ever heard charged against a Federal agency.

Information reaching me indicates that other witnesses who are to appear before the House Committee to Investigate the Activities of Executive Departments Beyond the Scope of Their Authority, headed by the gentleman from Virginia, the Honorable HOWARD SMITH, as chairman, have also been threatened.

I bring this to the attention of the House at this time in order that Members may be alert to the importance of the scheduled hearings.

This is not a matter that is peculiar to California. It is a matter which threatens the life of similar institutions located in each and every congressional district in the United States.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The question is on agreeing to the resolution.

The resolution was agreed to.

BENEFITS IN LIEU OF ACCUMULATED LEAVE FOR ARMED FORCES

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 631, Rept. No. 2087) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 4051) to grant to enlisted personnel of the armed forces certain benefits in lieu of accumulated leave. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

RAILROAD RETIREMENT ACT

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 630.

The Clerk read the resolution, as follows:

Resolved, That there be printed 3,500 copies of House Report No. 1989, current session, accompanying the bill (H. R. 1362) amending the Railroad Retirement Act, Railroad Unemployment Insurance Act, and related provisions of law, of which 2,500 shall be for the use of the Committee on Interstate and Foreign Commerce of the House of Representatives, and 1,000 for the House Document Room.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

Mr. LUTHER A. JOHNSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 305) providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 305, with Mr. COLMER in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. KEE].

Mr. KEE. Mr. Chairman, it will not be my purpose in the short time allotted me to discuss the provisions in detail of the pending resolution. That will be done later by our distinguished colleague, the gentleman from New Hampshire [Mr. MERROW], who is author of the resolution. At this time I wish merely to comment briefly on the general purposes of the pending legislation.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. KEE. I yield.

Mr. TABER. This resolution seems to provide, on page 2, a very large number of people who may draw $12,000 a year. In fact, the number is absolutely unlimited as to the delegates and alternates. It looks like a crowd of bureaucrats trying to get their noses under the flap of the tent.

Mr. KEE. I yielded for a question, not for an argument.

Mr. TABER. I wonder what the gentleman has to say about that.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield.

Mr. WADSWORTH. I believe the gentleman from New York should be satisfied if he will note in line 5, page 2, that the representatives are not to exceed five in number.

Mr. TABER. The number of representatives is to be only five, but the number of alternates may be unlimited.

Mr. KEE. There are five alternates.

Mr. TABER. The number of alternates depends upon the determination of the President.

Mr. KEE. I hope the gentleman is satisfied with the answer.

Mr. Chairman, in the resolution to authorize United States acceptance of membership in the United Nations Educational, Scientific, and Cultural Organization we have before us today a legislative proposal to pledge the United States Government to take one more step in international cooperation. The proposed action is simply one more contribution upon the part of the American Republic to the joint efforts of the free and sovereign nations of the earth to establish and maintain a new and better world upon the ruins of the old.

The objective of this measure is neither the dream of a visionary nor a miraculous manifestation of divine favor—long hoped for by the impractical. On the contrary, it is something tangible and worth while—something conceived in realistic minds and brought forth by the necessity of the age. It is therefore something real within itself—an objective at once unselfish and impersonal, and one that, once achieved, will become forever a part of that great barrier now being erected by the united efforts of free peoples to stay for all time the floodtide of tyranny, oppression, ruin, and devastation.

The ultimate objective, the purpose, the intent of the legislation before us today is to marshal all the forces of education, culture, and science throughout the world into one great vital force to carry forward a definite undertaking. That program and purpose is to use this tremendous force and power without stint or limit to maintain all over the world and among all its people, regardless of race, color, or religion, a lasting security and a permanent peace.

Great in every sense as are the forces to be marshaled under the terms of the pending resolution, it must yet be understood that the proposed organization will not be charged with accomplishing alone the tasks set before it. As a matter of fact, it will be but one of several instrumentalities assigned to the great effort, but one of several world-wide organizations with the same objective, but one more agency voluntarily established through the joint and several efforts of the world's democratic governments to cooperate together in the attainment of a common purpose. To each and every one of these several international organizaitons the United States Government adheres and in each one this Government is doing its full part.

It should be clearly understood, however, that while UNESCO, the international agency, to which the pending resolution authorizes our adherence, will have the same general objectives as the other agency in which our Government has accepted membership. Though it will be an important part of the agency's duty to cooperate with the other organizations in the achievement of the general purpose, there is yet one other duty to which the Organization will be pledged and with which it will be charged. That duty, to a like extent, has been imposed upon and assumed by the other organizations I have mentioned. This duty, important above all others, is the duty of cooperation with that greater organization, the United Nations.

With the formation of UNESCO, we will have working side by side, or as might be said, shoulder to shoulder in close cooperation one with the other the separate and distinct organizations, with a membership of peoples of every language and of every race, of every profession, trade and vocation throughout the world, all back of and supporting with their efforts, their brains, their possessions, their faith, and their prayers, that one organization which above all others today carries the hope of mankind—the United Nations.

The proposals that the United States Government became associated with UNESCO seems to have at once captured the imagination and aroused the interest of the American people. The extended hearings before the Foreign Affairs Committee upon the pending measure were attended, day after day, by men and women of all walks of life. We had before us not only students, teachers, scientists, philosophers, and others engaged in the pursuit of learning, but doctors, lawyers, and men and women of other professions, as well also as merchants, manufacturers, and men of the business world. In fact, all professions and vocations were represented. Labor sent its representatives, and its two greatest organizations enthusiastically endorsed the proposal. I can safely assure you that the resolution before us today is wholeheartedly approved by not only the scientific, educational and cultural bodies throughout the Nation, but its passage has been and is still urged by social, civic, fraternal, and industrial organizations from coast to coast. I can truly say that in all the 13 years of my service in the Foreign Affairs Committee, I have never before known a measure to be supported with such enthusiasm and unanimity.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentleman from New Hampshire [Mr. MERROW].

Mr. MERROW. Mr. Chairman, House Joint Resolution 305 now under consideration does four things—first, it authorizes the President to accept membership for the United States in the United Nations Educational, Scientific, and Cultural Organization; second, it authorizes the President to designate representatives of the United States to attend meetings of the Organization; third, it authorizes the Secretary of State to establish a national commission which will assist the Government in fulfilling the duties of membership in the Organization; and, fourth, it authorizes the appropriation of funds necessary to pay certain expenses which will be incurred.

The main decision which the House is called upon to make is that the United States shall join the United Nations Educational, Scientific, and Cultural Organization. The other points in this resolution, although important, are essentially subsidiary procedural matters. I propose to speak briefly on each of these four points. I shall then discuss in more detail the main features of the proposed Organization.

UNESCO

The American people, and the people of 50 other United Nations, have formed an international organization through which they will seek to maintain international peace and security. To make the United Nations succeed, must henceforward be the keynote in the foreign policy of this country.

It is one of the functions of UN to settle disputes among nations. Differences of opinion have arisen and will continue to arise. We have learned that small frictions and minor disputes, even in distant lands, may set in motion forces that hurtle us into world-wide war. To settle conflicts in their early stages is the most urgent task of the United Nations.

Yet peace will not be established merely by attempting endlessly to adjust series of political disputes, one after the other. We must go deeper if we are to build the peace on a solid foundation. We must penetrate to the strata of economic and social conditions in which unrest germinates and enmities are bred. We must go deeper yet. We must reach into the hearts and the minds of people, lest they fester from prejudice and ignorance, or be poisoned by suspicion and fear. In the challenging words of the preamble to the constitution of UNESCO, "since wars begin in the minds of men, it is in the minds of men that the defences of peace must be constructed." It is for the purpose of building the peace in the minds of men that the United Nations, Educational, Scientific, and Cultural Organization is being established.

Let me summarize in a few sentences the basic features of this agency. I will subsequently refer to this organization by its commonly used name—UNESCO—a word formed from the initials of United Nations Education, Scientific, and Cultural Organization.

UNESCO is a proposed international organization, formed by governments on behalf of their peoples. The over-all purpose of UNESCO, according to article 1 of its constitution, is "to contribute to peace and security by promoting collaboration among the nations through education, science, and culture." It is a specialized agency of the United Nations,

distinct from but closely related to the central organization. The organs of UNESCO are to be three in number: A General Conference, an Executive Board, and a Secretariat. The General Conference will hold regular sessions annually; each member state will send representatives not to exceed five. The Executive Board of 18 members will be selected by the General Conference. The permanent staff of the Organization—the Secretariat—will be under a Director-General, who will be appointed by the General Conference. The General Conference will determine the policies and the main lines of the work of UNESCO. The policies will be given effect in part through the services of the Secretariat. In a large measure the policies of UNESCO will be carried out by the governments and peoples of the member states. UNESCO has no power to compel action by its members; it depends entirely on voluntary cooperation.

UNESCO APPROVED BY THE PEOPLE

Mr. Chairman, the resolution now before the House has been carefully considered by the Committee on Foreign Affairs. The committee unanimously recommended that the House authorize membership of the United States in this Organization. Authoritative witnesses representing the educational, scientific, and cultural interests of the Nation were heard. There was no dissenting voice, all unanimously endorsed this resolution. National organizations sent communications on this subject. Great educational, scientific, religious, labor, civic, and women's groups of this country, and they are unanimous, want the United States of America to join the United Nations Educational, Scientific, and Cultural Organization. A national poll was taken last year on the question of establishing an international organization for educational cooperation. Eighty-five percent of the people interviewed favored the creation of such an organization.

I venture to say, Mr. Chairman, that seldom has a measure come before this House with more widespread support, or which has struck a more responsive chord in the hearts of the men and women of all parties and of all groups and interests. I would remind the House that the policy embodied in this resolution has been previously considered here. On May 22, 1945, a resolution was introduced by the gentleman from South Dakota [Mr. MUNDT] containing the following words:

> That the House of Representatives of the United States urges the participation by the Government of the United States in the creation of an international educational and cultural organization.

The resolution recommended in principle the action which was taken in London and which awaits our approval today. The Mundt resolution was passed unanimously by this House.

UNESCO THE PRODUCT OF CAREFUL PLANNING

The House has already approved the principle that an international educational and cultural organization should be established. The Members are entitled to inquire, whether the organization which is now being formed, satisfactorily carries out this principle. Much careful planning preceded the Conference in London at which the constitution for this Organization was written. It was my privilege to serve as a member of the United States delegation in London from November 1 to November 16, 1945. The delegation met at the Department of State for 3 days immediately before leaving. At these meetings we were acquainted with the thorough work which had already been done. We were given information about the various efforts in the period 1919 to 1939 to promote cooperation among educators and scholars. During that period the International Institute for Intellectual Cooperation rendered great services. The ministers of education of Allied countries which had been occupied by the Nazis met throughout the war in London and had formed the Conference of Allied Ministers of Education.

In the darkest days of defeat, they laid plans for the yet distant days of liberation. They discussed how they might assist each other in rebuilding the school systems which were being destroyed or perverted by the Nazi conquerors. They considered ways in which teachers throughout the world might collaborate in a permanent organization, to educate children for peace and freedom.

We were familiarized with the progress made in actually drawing up a constitution for an international organization in this field. Experts from the Department of State had prepared a draft, and this draft had been reviewed, modified and adopted by the Conference of Allied Ministers of Education. We usually referred to this draft as the CAME draft, using the initials of Conference of Allied Ministers of Education. With the approval of the Allied ministers, the British Government issued invitations in August of last year to the members of the United Nations to meet in London in November 1945, and to draw up a constitution, with the CAME draft as the basis of discussion. This draft was published, and was widely discussed by interested organizations throughout the United States. Many suggestions came into the Department of State and all of these suggestions were summarized and considered by our delegation.

The Conference in London lasted 16 days. They were days of hard work. The American delegation met every morning and evening, in addition to attending the plenary sessions and commission meetings of the Conference.

Delegations from 44 members of the United Nations were in attendance. It was a matter of deep regret to all of us that the Soviet Union was not present. It is our earnest hope that Russia will become a member of UNESCO.

The Conference divided itself into five commissions Every country was entitled to representation on each commission. Each commission had before it a section of the CAME draft. The draft was reviewed in detail, sentence by sentence and word by word. Many amendments were considered, and the draft was substantially revised. The American delegation submitted a large proportion of the amendments nearly all of which were accepted. The American delegation was satisfied with every change made.

This brief background will help to show that the constitution of UNESCO is the result of thorough planning and full democratic discussion. Our confidence in its merit is justified.

THE UNITED STATES SHOULD JOIN UNESCO

Mr. Chairman, I have spoken on the main point of this resolution. I have told the House briefly what UNESCO is. I have shown that the people of the United States want their Government to join the organization, that the House has previously gone on record in favor of this idea, and that the plans for UNESCO have been worked out with great care.

I believe the House will wish to place its approval on the constitution of UNESCO, and by so doing join this great international educational organization. UNESCO, in my opinion, is the most important of the specialized agencies in association with the United Nations. The success or failure of the United Nations will depend in a large measure on the effective operation of this organization. This is obviously true since to obtain peace the minds of men must wish peace, and it is on the minds of men that this agency will work.

REPRESENTATION TO THE GENERAL CONFERENCE OF UNESCO

Section 2 of the resolution authorizes the President to designate representatives to attend sessions of the General Conference, and provides that they will be compensated at a rate not to exceed $12,000 per annum.

The general conference of UNESCO corresponds to the general assembly of the United Nations. Under its constitution each country is entitled to send 5 representatives. It is not anticipated that a session of the General Conference will last long—perhaps a few weeks or a month.

The representatives of the United States will receive compensation only for the period of their service. This section of the resolution is based on similar provisions with respect to representation at the meetings of the general assembly of the United Nations.

THE NATIONAL COMMISSION

The third point in this resolution is contained in sections 3 and 4. These sections authorize the Secretary of State to establish a National Commission on educational, scientific, and cultural cooperation, and specify the manner in which the members of the commission shall be appointed. Section 4 also authorizes the National Commission to call general conferences for the discussion of matters relating to the activities of the organization.

Mr. Chairman, these sections deal with a distinctive feature of UNESCO. This part of the bill was discussed most thoroughly by the Foreign Affairs Committee and was rewritten to express the judgment of the members on this important subject. The idea of a National Commission is set forth in article VII of the constitution of UNESCO. This article provides that "each member state shall make such arrangements as suit its particular conditions for the purpose of as-

sociating its principal bodies interested in educational, scientific, and cultural matters with the work of the organization, preferably by the formation of a national commission broadly representative of the Government and such bodies." The purpose of this article is to ensure that UNESCO will be truly an organization of peoples.

The National Commission will have two main functions—first, it will bring the ideas of private organizations to the Government and to the American delegation, and so to UNESCO; second, it will be a channel through which the recommendations and suggestions coming from UNESCO will be brought to private organizations throughout this country and to the individual citizen. The National Commission will be a great investment both to express and to stimulate the devotion of the people of this country to the aims and the purposes of UNESCO.

The Committee on Foreign Affairs received and considered many suggestions on the manner in which the National Commission should be set up. The view was expressed on the one hand that the Secretary of State should appoint the members of the Commission. This view was supported by the consideration that the Commission will advise the Government, and especially the Department of State, on the appointment of the American delegations to UNESCO, and on the policies of this Government with respect to UNESCO. The Commission must therefore be small enough to serve efficiently as an advisory body, and must be highly competent. It was suggested that a commission with these qualifications is best assured by appointment. Further, it was pointed out that there are hundreds of organizations in this country interested in educational, scientific, and cultural matters, and that it would be difficult to devise a scheme of election by organizations which would be equitable and practicable.

On the other hand, an argument was presented for having the Commission elected by national organizations. It was urged that a commission so elected would give genuine representation to private organizations, and would assure that the Commission would be independent of the Government and would reflect the wishes of private bodies.

The text of the resolution written by the committee takes into consideration both of these arguments. It places upon the Secretary of State the responsibility for appointing a National Commission of 50 members. This will be large enough to allow many organizations to be represented. The Commission will elect an executive committee of 15 members, which will be small enough to serve as an efficient advisory body.

In appointing members of the Commission, the Secretary is permitted to include not more than five representatives of Government. He must provide that the Commission shall be broadly representative of the principal educational, scientific, and cultural bodies, and interests.

The resolution also provides that the base of popular participation in UNESCO shall be further broadened by the calling of general conferences on UNESCO affairs to which all interested organized bodies shall be invited to send representatives. I quote the language of the resolution on this subject "Such general conferences shall be held annually or biennially, as the National Commission may determine, and in such places as it may designate. They shall be attended so far as possible by the members of the National Commission and by the delegates of the United States to the General Conference of the Organization. The National Commission is further authorized to call special conferences of experts for the consideration of specific matters relating to the organization by persons of specialized competences."

EXPENDITURES

I turn now to section 5 of the joint resolution. This section authorizes the appropriation of such sums as may be necessary for the payment by the United States of its share of the expenses of the Organization, and such additional sums as may be necessary to defray the expenses of participation by the United States in the activities of UNESCO. These additional expenses will consist chiefly of salaries of representatives, necessary travel and living expenses, and such facilities as stenographic services, printing, and the like. These provisions are the standard provisions with respect to appropriations for an international organization, and have been approved by the committee.

The article of the constitution of UNESCO which deals with the budget—article IX—contains only constitutional provisions. It does not specify the size of the budget or the ways in which it will be apportioned. A tentative estimate has been made that the expenses of UNESCO might amount to around $5,000,000 for the first year, and that the United States might contribute about 25 percent of this sum. I repeat this is purely a tentative estimate. The budget will be approved by the General Conference, which will also approve a formula for apportioning responsibility among the member states. The financial arrangements will be subject, however, to the agreement which is to be made between UNESCO and the United Nations Organization. It will be recalled that the General Assembly of the United Nations has the authority to examine the administrative budget of the specialized agencies with a view to making recommendations to the organizations concerned.

We may be confident that the United States will not be called upon to shoulder an excessive burden. UNESCO will be guided by the experience of other United Nations agencies, including the United Nations Organization and the Food and Agricultural Organization of the United Nations. Our interests are further safeguarded by the fact that Congress has the authority to approve all appropriations.

At this time it is appropriate to remind ourselves that the nations of the world have spent billions for destruction, for every thousand that they have spent for constructive international cooperation. We could do nothing worse than to establish UNESCO and then cripple it by denying it funds. The time has come for us to invest in peace.

THE RELATION BETWEEN UNESCO AND UN

Mr. Chairman, I propose now to discuss in more detail the following points: first, the relation of UNESCO to the United Nations; second, the major articles of the constitution of UNESCO; and, third, the character of UNESCO's activities.

The Charter of the UN, which has been accepted by 51 nations, explicitly recognizes the need for organized cooperation in the sphere of ideas, beliefs, and principles. A stated purpose of the UN article 1, is:

To achieve international cooperation in solving problems of an economic, social, cultural, or humanitarian character.

The General Assembly is authorized to initiate studies and to make recommendations for the purpose of, article 13, 1b:

Promoting international cooperation in the economic, social, cultural, educational, and health fields, assisting in the realization of human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

Again in article 55, we read:

With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote: * * * solutions of international economic, social, health, and related problems; and international cultural and educational cooperation.

These references will suffice to demonstrate that the promotion of international cultural and educational cooperation is an integral part of the program for strengthening international organization which this country has adopted as one of the major principles of our foreign policy.

It may be asked, Why create another international body? Why not leave this to the central organization of the United Nations? First, let us recall that it never was contemplated that all the functions of organized international cooperation should be concentrated in one central body. The Charter of the United Nations itself provides that other agencies shall be established. These are to be known as specialized agencies. Let me quote article 57 of the Charter:

The various specialized agencies, established by intergovernmental agreement and having wide international responsibilities, as defined in their basic instruments, in economic, social, cultural, educational, health, and related fields, shall be brought into relationship with the United Nations in accordance with the provisions of article 61.

This article explicitly assumes that a specialized agency will be established in the cultural and educational fields.

The Charter of the United Nations further provides that the specialized agencies shall be brought into close relationship with the United Nations. I quote article 58:

The organization shall make recommendations for the coordination of the policies and activities of the specialized agencies.

Article 63, I:

The Economic and Social Council may enter into agreements with any of the agencies referred to in article 57, defining the terms on which the agency concerned shall be brought into relationship with the United Nations. Such agreements shall be subject to approval by the General Assembly. II. It may coordinate the activities of the specialized agencies through consultation with and recommendations to such agencies and through recommendations to the General Assembly and to the members of the United Nations.

These quotations from the Charter help to clarify the status of UNESCO, and of other specialized agencies. UNESCO is autonomous, but it is to be related to the United Nations. We may conceive of the United Nations, not as a single star, but as a constellation; each one of the specialized agencies will be a star in this constellation.

The terms of the relationship between UNESCO and the United Nations have not been determined. UNESCO's constitution simply provides that an agreement shall be made as soon as practicable.

I do not believe there will be any dissent from the position which has been adopted, that specialized agencies should be established for definite purposes. The common international problems of mankind are too vast, too diverse, to assign to any single organization. When we contemplate the large responsibilities of the General Assembly of the United Nations, we can see that it cannot give adequate consideration to all of the major problems in international economic, political, and social relations. How much attention would educational and cultural cooperation receive? How competent could any single delegation be, no matter how well advised, to represent any country in every one of these different fields?

Educators and all people who are concerned with the life of the mind and the spirit, wanted an international organization dedicated to their high interests and purposes. But they did not wish to be cut off from the main structure of international organization. They know that life is not rigidly divided into segments—political, economic, educational, and so forth. Education can be a powerful instrument—in the long run, the most powerful of instruments for forging the bonds which hold peoples together in peaceful comity. And so, by general consent, this specialized agency, UNESCO, has been created, to be a symbol and an instrument to all men of good will everywhere that humanity may become united in knowledge, principles, and aspirations, and that through unity built in men's minds, they may learn to live together in peace.

THE TITLE OF THE ORGANIZATION

I shall now discuss the significance of each of the articles of the constitution of UNESCO.

The question of a suitable name presented some difficulties. This organization is concerned with the minds of men and the forces that shape them. No single word in English adequately expresses this conception. Educators wished that the title should clearly indicate the role of education in ideas. Scientists wanted to emphasize the role of science in establishing the conditions for enduring peace. Both words were included in the title.

The remaining word is "cultural." This word indicates much more than the arts and literature. "Cultural" includes all the expressions of the life and thought of a people, and all the means by which men's ideas are developed; it includes the radio, films, and the press. UNESCO will not confine its activities to the minds of only the great thinkers, the scholars, and the scientists. UNESCO will serve all mankind.

THE PURPOSES AND FUNCTIONS OF UNESCO

The purposes and functions of UNESCO are stated in the preamble and in article 1. I have quoted the opening words of the preamble. Let me repeat them:

Since wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed.

The preamble proceeds with these declarations: First, from ignorance of each other's ways arises fear, suspicion, and conflict. Second, through ignorance and prejudice men are led to reject the democratic principles of the dignity, equality, and mutual respect of men. Third, accordingly, nations have a duty to promote mutual understanding and to educate men for justice, liberty, and peace. Fourth, consequently, the states parties to this constitution—and I quote:

The states parties to this constitution, believing in full and equal opportunities for education for all, in the unrestricted pursuit of objective truth, and in the free exchange of ideas and knowledge, are agreed and determined to develop and to increase the means of communication between their peoples and to employ these means for the purposes of mutual understanding and a truer and more perfect knowledge of each other's lives.

The declaration of the preamble is spelled out in the specific statements of aims and functions which the constitution itself contains. The over-all purpose of the new organization as stated in its first article is "to contribute to peace and security by promoting collaboration among the nations through education, science, and culture."

There are three ways in which this purpose is to be realized; first, UNESCO will advance the mutual knowledge and understanding of peoples through all the media of mass communication—notably the press, the radio, and the motion pictures; second, UNESCO will encourage popular education by collaboration with the member states in their educational activities; and, third, UNESCO will cooperate with the member states in preserving, increasing, and diffusing the world's inheritance of knowledge.

I direct the attention of the House to two points:

First. It is not intended that UNESCO's primary contribution will be through its own operations. The primary job of UNESCO is described in such words as these: Collaborate, advise, recommend, suggest, initiate. UNESCO will be a nerve center from which stimulation will radiate through the member states to organizations and individuals.

Second. UNESCO is specifically prohibited from intervening in matters which are essentially within the domestic jurisdiction of the members. This prohibition is identical with the prohibition contained in the Charter of the United Nations.

MEMBERSHIP

Article II of the constitution deals with membership. The members of UNESCO will be states, and the members of the United Nations are automatically entitled to participate in UNESCO. They attain membership by formal acceptance of the constitution. Provision is also made for states not member of the United Nations to join UNESCO. Such states may be admitted upon the recommendation of the Executive Board, by a two-thirds majority vote of the general conference. Thus it will be possible that certain states which have not yet been admitted to the United Nations, but which share the hopes of UNESCO, may be brought into association with the United Nations by participating in the humane and enlightened activities of UNESCO.

In order to emphasize the harmony of purpose between UNESCO and the United Nations, it is provided that a state which has been expelled from the United Nations shall automatically cease to be a member of UNESCO.

THE GENERAL CONFERENCE

The organs of UNESCO will be three: a General Conference, an Executive Board, and a Secretariat. Article III of the constitution lists these three organs, while their powers are set forth in Articles IV, V, and VI. The General Conference will consists of the representatives of the member states. Each government may appoint not more than five delegates.

It is expressly provided that these delegates are to be selected after consultation with a national commission or with educational, scientific, and cultural bodies. This provision reflects the thought that UNESCO needs support from national groups and organizations within each state. As one of the delegates to the November conference said:

UNESCO must not become merely a meeting place for bureaucrats.

It is not sufficient in these days for governments to talk to governments; UNESCO embodies the idea that peoples must talk to peoples. Governments undertake, under this provision of the constitution, to consult with representative nongovernmental bodies. I shall discuss in some detail later other provisions which carry out the same idea.

The General Conference is the central body of the organization. It determines policies, summons international conferences, submits proposals to the member states, elects the members of the Executive Board, appoints the Director General, receives and considers reports submitted by member states, and advises the United Nations Organization on matters in the field of its competence.

The recommendations of UNESCO to its member states are not, of course, binding on the members. However, they are certain to command respect and careful consideration. The standing of the men and women who compose the national delegations in the General Conference will undoubtedly help to obtain support within the member nations for the recommendations of the Organization.

I have mentioned that the General Conference advises the United Nations on matters in the field of its competence. Let me discuss this point a little further. The question naturally arises, whether UNESCO will be able to prevent aggressive nations from using their schools so as to indoctrinate their children with militaristic ideas. We all know that psychological warfare may be the prelude to active aggression. Similarly, radio and the press may be employed to excite prejudice and suspicion, and to whip up a campaign of hatred. Will UNESCO be able to prevent these perversions of men's ideas?

The answer is, that UNESCO itself will not have any police function. UNESCO's function is constructive; it will promote cooperation among nations which wish to cooperate. Now if any nation is making preparations for war, by flagrant misuse of schools, the press, and the radio, this is a situation which directly concerns the central organization—the United Nations itself. Conceivably, UNESCO might bring such a situation to the attention of the United Nations. Conceivably, too, UNESCO might obtain information needed by the United Nations on a question of this kind. The details of cooperation between the two organizations remain to be worked out. They can be worked out under the terms of the authority given to the General Conference to "advise the United Nations."

Under the terms of a resolution adopted at the London Conference, the headquarters of UNESCO will be located in Paris. The Secretariat will have its offices in that city. The place of meeting of the General Conference will vary from year to year. No doubt it would be administratively convenient to hold these meetings at the headquarters. But it was thought that the Conference should move from country to country. By this means, the work of UNESCO will be brought more vividly to peoples in every quarter of the globe. The meeting will also afford to the delegates and to the staff of the Secretariat the opportunity to be informed at first hand about the education and culture of peoples of different lands.

Meetings of the General Conference will be open to the public. Moreover international nongovernmental organizations may be invited to send representatives to attend these meetings as observers. These are two further indications of the intention to associate private persons and private organizations with the work of UNESCO.

THE EXECUTIVE BOARD

I need comment only briefly on the Executive Board, which will consist of 18 persons and will meet at least twice a year. Perhaps the most interesting feature of the Board is the fact that its members will be individuals elected to act as representatives of the General Conference, not as representatives of their respective governments. Although not more than one national of any member state may serve on the Board at any one time, and consequently 18 different countries will be in a sense represented, they will meet not as spokesmen for their governments but as a committee of the General Conference. They will be elected by the Conference from among the delegates, and they will be persons competent in the arts, humanities, the sciences, education, and the diffusion of ideas.

THE SECRETARIAT

One of the most important actions to be taken by the Executive Board and the Conference will be the nomination and appointment of the Director General. The Director General will hold office for a period of 6 years and will be eligible for reappointment. The Director General will be the chief administrative officer of the organization. He will appoint and direct the staff. He will prepare the annual report to the organization and will formulate proposals for action by the Conference and the Board.

The success of UNESCO will depend in no small measure upon a wise selection of its first Director General. A man must be found who combines great administrative ability, initiative, and broad vision. It will be his responsibility to envisage noble enterprises and practicable plans, whereby the peoples of the world will be drawn into a close communion of ideas and ideals. He must find the men and women, drawn from all parts of the world, distinguished by eminence in the peaceful arts, who will dedicate themselves as international servants of the world community. This is an opportunity which will surely challenge the finest minds of our time.

NATIONAL COMMISSIONS

I have reviewed the first six articles of the constitution. Article VII deals with the formation of national commissions. I have referred to this article in the discussion of sections 3 and 4 of the joint resolution.

REPORTS

Article VIII provides that each member state shall report periodically to the organization. To facilitate the interchange of information is one of the chief functions of UNESCO. One useful service which the organization can render in this field is to gather and make readily available authoritative information about the educational, scientific, and cultural activities and institutions of all countries. In order to assist this work, members undertake—in article VIII—to communicate to the organization published material of an official character.

In addition to this documentary material, the organization will need reports on subjects with reference to which it is contemplating action or has acted. For example, if the Conference recommends to the members that they endeavor to emphasize education for peace in their schools, the organization will need to know what action has been taken. Such reports will provide factual guidance for the deliberations and further recommendations of the Conference. They will also supply evidence as to the success of the organization in furthering the attainment of the purposes which the members have accepted. Accordingly, members undertake to report periodically to the organization, in a manner to be determined by the Conference, on activities and developments related to the functions of the organization and on the action take on the conventions and recommendations adopted by the Conference.

THE BUDGET

I have already discussed the budget of UNESCO. I will add now that UNESCO will not depend entirely upon the contribution made by governments. The Director General, with the approval of the Executive Board, may receive gifts, bequests, and subventions directly from governments, public and private institutions, associations and private persons.

RELATIONS WITH OTHER ORGANIZATIONS

I have already pointed out that UNESCO is a member of the family of the United Nations and will have a close relationship with the central organization. Article X of the constitution provides that an agreement shall be made as soon as possible to bring about this relationship. I may add that preliminary conversations will soon be started between representatives of the Preparatory Commission of UNESCO and the Economic and Social Council on this subject. The distinguished executive secretary of the Preparatory Commission, Dr. Julien Huxley, is coming to this country to discuss these questions. The representative of the United States on the Preparatory Commission, my good friend, Dr. Esther Brunauer, will also take part in these negotiations.

UNESCO will also cooperate with other specialized agencies whose interest and activities are closely related to its purposes. For example, the Food and Agricultural Organization of the United Nations will naturally be interested in promoting studies of diet and in advancing education about nutrition. These will be subjects in which UNESCO can help to bring about cooperation among the scientists in the world and promote interchange among the countries of educational experts. The Organization may also take over the resources and activities of an existing agency, by mutual agreement. An arrangement of this sort is contemplated with respect to the International Institute for Intellectual Cooperation, which was established in Paris under the auspices of the League of Nations, and which was generously supported by the French Government and by some other governments.

UNESCO will also cooperate with nongovernmental international organizations. For example, if an international association of teachers were to be established, UNESCO could call on this group for assistance in carrying out that provision of the constitution which calls for educational methods best suited to prepare the children of the world for the responsibilities of freedom.

AMENDMENTS

Article XIII deals with amendments. It is self-evident that every constitution must provide some procedure whereby it may be amended. It is impossible to provide against all contingencies and undesirable to bind future generations by the conceptions of the past.

There was considerable discussion at London of the amending procedure. Since the Organization is an association of governments, there was a strong case for requiring the amendments, after being approved by a stipulated majority of the General Conference, to be accepted by two-thirds of the members. But this is a slow and cumbersome process. Inertia and the pressure of business might delay action by the member governments, even on noncontroversial amendments. The provisions of the constitution meet this difficulty in the following way. Amendments come into force when they have been approved by two-thirds of the members of the General Conference, with the important exception that amendments which involve changes in the obligations of members or in the functions of the Organization must be submitted for approval by two-thirds of the member states.

ENTRY INTO FORCE

I pass over articles XII and XIV, which deal with the legal status of the Organization and the interpretation of the constitution, and come to the final section, article XV. This article provides that the constitution will come into force when it has been accepted by 20 of its signatories.

I am informed that up to the present time two countries have formally accepted the constitution, namely, the United Kingdom and New Zealand. The National Assemblies of France and India have similarly acted, and full approval only awaits formal signature. Approval by the United States will hasten acceptance by other countries. We have an excellent opportunity to exercise leadership by becoming a member of UNESCO.

PREPARATORY COMMISSION

An agreement was made in London that a Preparatory Commission should be established. This Commission has held several meetings in the British capital. Its expenses are being borne by the British Government and will be deducted from Britain's contribution to the Organization. The Preparatory Commission has a small staff which is working out plans for the organization and activities of UNESCO. Thus, the ground work is being laid, and when UNESCO comes into official being the General Conference will meet and will have before it a well-prepared agenda.

SCOPE OF UNESCO OPERATIONS

I wish to present one or two illustrations of the ways in which UNESCO may be expected to work. Of course, the constitution does not contain a program of operations. The General Conference will decide what projects UNESCO will undertake. We cannot in this country prescribe a program; that is a matter for international decision by the international body. However, not only the Department of State but many other organizations are giving careful study to this question. Ideas are being obtained from individuals and organizations and are passed on to the preparatory commission of UNESCO. What I am about to say is simply a reasonable forecast illustrating how UNESCO might go to work.

Let me take the field of mass communication—radio, for example. UNESCO might have two main interests in radio. One, it would wish to help remove obstacles which impede the flow of information and ideas by radio from one country to another. Two, it would wish to promote the use of radio for advancing the purposes of UNESCO—so that programs by radio would increase mutual understanding of peoples and of the common purposes of the United Nations. Presumably there will be capable officials in the Secretariat, who will initiate and promote activities along these two main lines. They would keep in touch with governments, organizations, and corporations engaged in the field of radio. They would suggest international conferences on the problems of promoting the free flow of information and ideas. They might assist in drawing up international agreements, which, of course, would be referred back to the governments for action. They would request reports on the ways in which radio in each country is promoting international understanding. They would draw up plans for studies of the effect of radio programs on the ideas which peoples entertain about each other. They would prepare reports which would be part of the Director General's report to the General Assembly. On the basis of information which they acquired about good practices in various countries, they might prepare suggestions about educational programs by radio, which would be useful to the program directors of radio corporations. If they were invited to do so, they might arrange for expert advisers to go to some country.

Similarly, let us consider what UNESCO may do in the field of education. If we take a world view, we see large areas in which the mass of the people are still virtually illiterate. We see other countries in which elementary education has long been provided for all the children. In other countries—I might mention certain provinces of China—tremendous enterprises have been undertaken in recent years to bring literacy to the masses. Surely UNESCO would take an interest in this great problem. It might well make arrangements by which peoples of the backward countries would receive expert assistance from those who had solved similar problems.

At the other extreme UNESCO will doubtless give serious consideration to proposals for the establishment of institutes at which eminent scholars and scientists from many countries would gather to study problems of universal significance.

UNESCO might call upon the educators of every country to examine their own curricula, and to consider whether they were giving their future citizens an adequate understanding of other peoples and of the problems which face mankind. Committees established by UNESCO might review these reports, and make recommendations which would be circulated among the educational authorities of the member states. UNESCO might very well have on its staff men who would be available to visit in the member countries, and bring encouragement and advice.

UNESCO should make the exchange of students and teachers a more potent force for peace and mutual understanding among the countries. It could recommend a large increase in the beneficial exchange of persons representing all the facets of life. We can well look forward to the time when the primary school teacher in New England, the editor of a farm paper in South Dakota or the shop foreman from Pittsburgh may have the opportunity of knowing his counterpart in other countries and thus individually help in weaving the great web of international understanding.

I might go from subject to subject, showing how UNESCO will furnish central services to promote the educational, scientific and cultural cooperation of the nations. I believe I have said enough to indicate the main direction in which UNESCO will proceed.

Mr. Chairman, the task of winning the peace is far more difficult than that of winning the war. We now recognize that it will require the best thinking and the unflagging determination of all people in all lands to build a cooperative and peaceful world. We have in UNESCO an instrument dedicated to marshalling the intelligence, the aspirations and the will of the common people for the peace and security for which the heart of all mankind is yearning.

Let us give leadership by approving the participation of this great country in UNESCO. Thus we will assist in creating the atmosphere of international understanding and mutual cooperation so necessary if the organization of the United Nations is to live and grow.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from California.

Mr. PHILLIPS. I want to ask the gentleman about the method of financing this Organization, where the money comes from, and any limitation upon the budget or who approves the budget, other than as stated in articles 9 and 10.

Mr. MERROW. Section 2 of the resolution authorizes the President of the United States to designate the representatives to attend the sessions of the General Conference and authorizes compensatio nat a rate not to exceed $12,000 per annum.

Mr. PHILLIPS. To be paid by their own countries?

Mr. MERROW. Yes. The resolution authorizes the President of the United States to appoint delegates to the General Conference of UNESCO and they will be paid by this country.

Mr. PHILLIPS. My point is that there is no budget set up except as provided under article 9 which says that it shall be administered by the Organization, and then in article 10 there is no limitation upon the expenditures; so that any agreement entered into with UNO may provide, among other things, for the approval and financing of the budget by the General Assembly?

Mr. MERROW. That budget will be worked out in connection with the budget of the United Nations.

Mr. PHILLIPS. Well, all money then comes from the United Nations fund?

Mr. MERROW. That is right, from the United Nations fund, with the various nations paying their proportionate part. As I have pointed out it is roughly estimated that perhaps the cost of running this organization will be about $5,000,000 for the first year. What part we will pay in the general running of the organization other than the salaries of those who represent us at the General Conference will be determined by the general conference.

Mr. PHILLIPS. How much is it estimated that the expenditures of the new organization will be? How much money will it require?

Mr. MERROW. I believe about $5,000,000 at the beginning.

Mr. PHILLIPS. For how long a time?

Mr. MERROW. Possibly 2 or 3 years. That is hard to tell; depending on the activities of the organization

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentlemen yield?

Mr. MERROW. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. Once we are in this organization, does this resolution provide any means by which we might withdraw, if we find that all of the members of the United Nations are not cooperating?

Mr. MERROW. I believe we could withdraw by just getting out. If we withdraw, probably the whole thing would fail.

Mr. SMITH of Wisconsin. What is the situation at the present time with reference to all members having signified their intention of joining this organization?

Mr. MERROW. The constitution provides that when 20 members have approved this constitution, it will become effective. At the present time Great Britain and New Zealand have formally approved the constitution of UNESCO. I understand the assemblies of France and India also have placed their approval of the constitution and final action awaits only signatures. I believe that the nations are waiting to see what the United States does. If we assume leadership and approve this organization, it will be only a short time before the others will follow. That is the status at the present time.

Mr. SMITH of Wisconsin. I am in favor of this resolution. I would like to ask the gentleman if he knows what the attitude of Russia is on this proposition.

Mr. MERROW. I do not know what the attitude of Russia is and I have not been able to find out. Russia did not send delegates to the conference at London. I will not attempt to explain why. We heard rumors that Russia stood on a technicality and felt that the United Nations should be functioning before specialized agencies are set up.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Has the gentleman before him article IX of the constitution?

Mr. MERROW. Yes.

Mrs. ROGERS of Massachusetts. Will the gentleman please read that, because that states how the sums shall be paid by the different countries who join the Organization.

Mr. MERROW. This article reads as follows:

ARTICLE IX

Budget

1. The budget shall be administered by the Organization.

2. The General Conference shall approve and give final effect to the budget and to the apportionment of financial responsibility among the states members of the Organization subject to such arrangement with the United Nations as may be provided in the agreement to be entered into pursuant to article X.

3. The Director-General, with the approval of the Executive Board, may receive gifts, bequests, and subventions directly from governments, public and private institutions, associations and private persons.

Mrs. ROGERS of Massachusetts. Article X, I believe, gives the information that ought to be given.

Mr. MERROW. Yes; I am glad the gentlewoman mentioned that.

Mr. MATHEWS. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from New Jersey.

Mr. MATHEWS. Does not section 2 of article IX mean that the proportion of the financial responsibility of the United States shall be fixed by the General Conference and not by this House?

Mr. MERROW. Yes. The General Conference will apportion financial responsibility among the member states.

Mr. MATHEWS. But does not that section definitely allow the General Conference to fix the financial responsibility?

Mr. MERROW. It does for the running of the Organization, but where else could you leave it if you set up an organization of this type?

Mr. MATHEWS. That is what I am getting at.

Mr. MERROW. There is no other place to leave it.

Mrs. ROGERS of Massachusetts. I have been unable to get hold of a copy of the constitution of the Organization, and I would like to have the gentleman read article X. As I understand, that explains the procedure.

Mr. MERROW. I will be glad to read it if I have the time:

ARTICLE X

Relations With the United Nations Organization

This Organization shall be brought into relation with the United Nations Organization, as soon as practicable, as one of the specialized agencies referred to in article 57 of the Charter of the United Nations. This relationship shall be effected through an agreement with the United Nations Organization under article 63 of the Charter, which agreement shall be subject to the approval of the General Conference of this Organization. The agreement shall provide for effective cooperation between the two Organizations in the pursuit of their common purposes, and at the same time shall recognize the autonomy of this Organization, within the fields of its competence as defined in this constitution. Such agreement may, among other matters, provide for the approval and financing of the budget of the Organization by the General Assembly of the United Nations.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I yield 5 minutes to the gentlewoman from Illinois [Mrs. DOUGLAS].

Mrs. DOUGLAS of Illinois. Mr. Chairman, civilized people have always recognized in a general way what is set forth in the constitution of UNESCO, that "since wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed." But at best this principle has been accepted as a remote goal rather than as a practical attainment. Man's new weapons, however, have changed the picture and made understanding between nations a necessity for survival. In fact, with the atomic bomb, a race began between the education of man and his extinction.

UNESCO's main purpose is to encourage a free flow of information between peoples. This is one of the "four freedoms" and basic to democratic principles. With our own free press we have everything to gain and nothing to lose by championing and universalizing this concept. The idea will help prepare a climate for peace.

One of the conditions which bred World War II was the iron curtain around the Axis Powers. There was no way of getting the facts about the outside world before the Germans, Italians, and the Japanese. Instead, their totalitarian governments manufactured distorted pictures of the democracies and were able to lash their people into fear and fury.

At the start of the Abyssinian War I was in Italy where I saw a kindly people almost hermetically sealed from outside influence. Their thoughts and emotions were enslaved by an intense and angry propaganda which it was impossible to check against the truth. In the future UNESCO will combat such mental regimentation.

Today the peoples of the world are islands shouting at each other over seas of misunderstanding. Mr. Attlee has well suggested that the old proverb, "Know thyself" should be extended to "Know thy neighbor," and the whole world today has become our neighbor.

It is a curious thing—

Writes Archibald MacLeish—

that men in our time are more willing to believe in the incredible miracle of matter than in the simplest miracles of the human spirit. They are more willing to believe in the power of the invisible atom to construct and to destroy than in the power of the human heart to love and to create. It is perhaps for this reason that there are some among us, and not few, who compare our

century with earlier centuries not altogether to the advantage of our own.

We in America have been called, and with some reason, a material people. But we have behind us a history of belief in the dignity and the possibility of man which is entitled also to consideration. And we have behind us proofs that nothing in this faith in man, this confidence that binds the living to the living, is national or limited or ever need be.

There is hope in the fact that among the forty-odd nations expected to join UNESCO and which were represented at the London Conference are Poland and Yugoslavia. They plan with the other member nations to work together through all the channels of communication and with all the universal languages of science, art, and learning to increase their understanding of each other and to root out the prejudices and ignorance which have separated them in the past. The promise of such cooperation is a bright spot on a clouded horizon. It may gradually lift the iron curtain on many other parts of the world. The words of Dr. Leontic, delegate from Yugoslavia to the London Conference, are significant:

Today suspicion is often stressed as a protential source of danger. But suspicion is never unilateral; it is always mutual; and the indispensable condition of peace is mutual understanding, love, and esteem.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Chairman, this is an effort on the part of the United Nations Educational, Scientific, and Cultural Organization to dedicate to the cause of peace during the next 20 years as much money as it costs for any one nation to build any one of its major battleships. If it succeeds, it certainly will go down in history as the all-time bargain of all humanity. If it fails, it cannot cost more than one of the battleships which would soon be blown into smithereens by the atomic bomb anyhow if another war eventuates.

Consequently, I think we are proceeding on pretty sound and substantial ground this afternoon in voicing our approval of this resolution, which officially provides that the United States is to become a member in the United Nations Educational, Scientific, and Cultural Organization.

As Members of the House know, my personal interest in this type of legislation stems back a long while. On March 1, 1943, I introduced House Resolution 2034, which was introduced, as I explained at the time, as the outcome of a conference I had held with a group of educators of Terre Haute, Ind., with whom I had consulted earlier on this matter and who had worked out the preliminary outlines of a program of cultural relationships between the countries of the Western Hemisphere. Unfortunately, no action was ever taken on that legislation. On January 24, 1945, I introduced House Resolution 1740, which was an evolvement of the previous bill. Once again those fine Hoosier educators attended conference and worked hard in the development of this program and circularized, if you please, practically every institution of higher learning in America urging that Congress take action to establish a cultural relations program here in the Western Hemisphere.

Here and now, Mr. Chairman, I desire to pay special tribute to those faithful and enthusiastic Hoosier educators who never wavered in their crusade for what they were convinced is a desirable objective. They are all faculty members of the Indiana State Teachers College in Terre Haute. Their small but determined committee has been of great assistance through all the years it has taken to get this objective developed to the point where today we are to be privileged to vote for American participation in what has grown to be a world-wide rather than only a hemispherical educational and cultural program. The names of this committee of Indiana educators are as follows: J. F. Mackell, chairman; V. E. Briedenbaugh; D. W. Morris; M. O. Peters; F. M. Curtis; S. A. Yager; R. F. McDaid; and J. F. Sembower.

Again, I regret to say no action was taken in our Foreign Affairs Committee. But the months of the calendar came and went, and the San Francisco Conference was held. On the 9th day of April 1945, as the gentleman from New Hampshire [Mr. MERROW] has already pointed out, I introduced House Resolution 215, which proposed not only an educational organization for the Western Hemisphere as had been provided in my two previous bills, but proposed to expand it on a world-wide basis and to have it written into the Charter of the United Nations then being prepared at San Francisco.

This time, I am happy to say, the Committee on Foreign Affairs acted, and acted promptly and wisely and affirmatively. After holding hearings on this resolution—printed copies of which are still available—the House approved it on May 22, 1945, and Congress for the first time in history had expressed itself as favorable to our participation in a world-wide educational and cultural program looking toward holding fast to the goal of peace.

A few days later, the Senate approved a similar resolution, a companion resolution to mine, which was introduced in the other body by Senator TAFT, of Ohio, and Senator FULBRIGHT, of Arkansas, our former colleague on the House Committee on Foreign Affairs. Word of this congressional action was wired to our delegates to the San Francisco Conference and enabling language for the creation of UNESCO was incorporated in the San Francisco Charter. I felt then, and I feel now, that nothing we can do in the current Congress holds the vast potentiality for permanent peace as does our participation in UNESCO, as it is popularly called.

This resolution which you have before you comes out of the House Committee on Foreign Affairs with our unanimous vote. To be sure, there was some controversy in the committee about section 3 of the bill as to a comparatively minor aspect of that section, although it involved after all something of considerable substance, because it determined whether or not the National Advisory Commission was to be an unobligated national advisory commission free to advise the Secretary of State in conformity with its own determinations and policy and reflective of the attitudes of the organization represented by the members of the National Commission, or whether it was to be selected by the Secretary of State himself without even consulting with the various organizations. In other words, the choice in section 3 is between an effective advisory commission and a hand-picked group which might become just a propaganda chorus.

Our able colleague the gentleman from Connecticut [Mr. RYTER] offered an amendment in the committee designed to correct that situation. I propose a similar correction. The amendment failed, as I recall, by a tie vote.

The gentleman from Connecticut [Mr. RYTER] and I have held several conferences since then, and the gentleman from Connecticut will introduce an amendment today containing a modified approach to our earlier amendment. I hope the committee or the House will accept this amendment so that we can underwrite this great adventure in peace by the nations of the world in legislation which will provide it with the optimum opportunity for success.

As the gentleman from New Hampshire [Mr. MERROW] has pointed out, this will go far toward enthusing the other participants in UNESCO to take the necessary action to become affiliated members. I sincerely hope our action will be followed by successive affirmative actions by other legislatures and by other governments in other capitals. I hope that this chain of circumstances will induce Russia also to become a member of UNESCO, because, obviously, if Russia does not become a member we have lost the cooperation and contact of one of the strong nations, one of the great powers of this world. I feel that once the rest of the world has shown its willingness to go along in UNESCO the Russians will not continue to remain out of an organization as important as this.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. REES of Kansas. The gentleman indicated at the beginning of the discussion that the cost of this legislation would be no more than the cost of one of our discarded battleships. Can the gentleman give us some information as to what the anticipated cost will be?

Mr. MUNDT. I can venture a conjecture only, because, obviously, the budget has not been prepared. It will depend in part on how many nations will join. I think the gentleman from New Hampshire [Mr. MERROW] suggested $5,000,000 as the total cost of the organization for a year. To make the record completely clear, I said this would cost the world at large in 20 years as much as it costs an individual nation to build a single major battleship. Battleships cost over $100,000,000, as you know.

Mr. REES of Kansas. I just assumed that the committee having this legislation in charge took into consideration the approximate cost, the number of personnel involved or required to carry out the terms of the resolution.

Mr. MUNDT. We very definitely went into that.

Mr. REES of Kansas. I do not see anything in the report to indicate it.

Mr. MUNDT. If the total annual budget is $5,000,000, our pro rata share would probably be not over $1,000,000, which is pretty cheap insurance against war.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mrs. ROGERS of Massachusetts. Apparently nothing has been published regarding the actual proceedings at London, as far as I can tell.

Mr. MUNDT. The constitution has been published. That was put into the CONGRESSIONAL RECORD.

Mrs. ROGERS of Massachusetts. The constitution of the organization, yes, but not anything to do with what transpired at London which created this organization. There are some documents relating to it, but nothing has been published of the actual proceedings which is authentic.

Mr. MUNDT. I have seen some reports. In fact, I have some in my office.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. MURDOCK. I want to congratulate the gentleman on the part he has played in bringing this matter as far as it has gone. The gentleman mentioned something earlier which sounded like a hope for a certain kind of "chain reaction." I wonder if this kind of chain reaction does not have the same possibilities for peace as atomic reaction has for destruction. Chain reaction in the physical world may mean our annihilation, but the chain reaction of which the gentleman speaks, our action reacting on the legislative bodies around the globe, may lead to this foundation of lasting peace.

Mr. MUNDT. I think the gentleman has drawn a very happy analogy, inspired as he always is by the scintillating atmosphere of Arizona. I agree wholeheartedly with the eventuality which he envisages.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield further?

Mr. MUNDT. I yield.

Mr. REES of Kansas. I want to add that I hope and trust the effect of this legislation will be something near what the gentleman hopes and anticipates.

Mr. MUNDT. I know you do. I hope and trust it too. I do it, of course, with considerable trepidation, because I well realize the great hazards which involve the operation of an organization like this and its likelihood of failure. There is a definite likelihood that this organization will fail to achieve its goal. Permanent peace is its goal and in all previous attempts the world has failed to achieve it. Surely, the goal is important, however, to warrant this new and as yet untried approach. I think it is worth $1,000,000 dollars a year to try, and I think it is worth $5,000,000 a year for the world to try. If we fail we are no worse off than if we had never made the effort. It is the first time in the history of mankind that the world has been drawn together through the processes of education to influence the human mind and the human heart in the direction of international peace. I think it is worth the effort.

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

Mr. EATON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. MERROW. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. MERROW. I wish simply to point out that as far as I personally am concerned it would not be too much to gamble even a billion dollars on this Organization; but I wish to say that the United Nations Charter and the constitution of the Agricultural Organization do not apportion the share that we are supposed to pay for the running of either organization.

Mr. MUNDT. That is correct.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield.

Mrs. ROGERS of Massachusetts. I am sure the gentleman feels that the Organization should be carried on so far as freedom of thought, religion, and speech, and so forth are concerned on the same principles embodied in the provisions of our own Constitution.

Mr. MUNDT. One of the objectives of the Organization certainly should be to widen the area in the world where there is complete freedom of expression.

Mrs. ROGERS of Massachusetts. We must protect that by sending the right kind of delegates so they will be familiar with the running of our kind of ideology.

Mr. MUNDT. That is true; we must protect that feature, and I think we have done that in our amendment which is to be offered by the gentleman from Connecticut [Mr. RYTER].

Mrs. ROGERS of Massachusetts. I have proposed that we amend the bill to provide that our representatives must have been citizens for 15 years.

Mr. MUNDT. I know the effective work the gentlewoman from Massachusetts has done to make sure that our delegates do represent the American people.

Mrs. ROGERS of Massachusetts. I am sure also the gentleman believes in section 7, which I quote:

SEC. 7. In adopting this joint resolution, it is the understanding of the Congress that the constitution of the Organization does not require, nor does this resolution authorize, the disclosure of any information or knowledge in any case in which such disclosure is prohibited by any law of the United States.

Does not the gentleman believe that it is a very valuable prohibition?

Mr. MUNDT. I am glad to have the gentlewoman's expression on that particular feature. I am in complete agreement.

Mrs. ROGERS of Massachusetts. This would prevent our scientific secrets from being given away.

Mr. MUNDT. This is correct and that, of course, is highly important. Our participation in UNESCO is just one additional effort on the part of the United States to play a leading role in the development of a world-wide climax in which peace can endure and in which equity and tolerance can flourish. It is not being suggested as a substitute for the United Nations, or for diplomatic conferences, or for a strong military establishment, or for the acquisition of strategic naval, air, and military bases, or for any program to keep America impregnable against a possible foreign foe. It is, rather, a new approach and an additional attempt to the age-old problem of harnessing the good intentions of people everywhere into a working and workable unit so that wars may be outlawed and so that the processes of peace can function.

Mr. Chairman, in my opinion this is designed to mark an important turning point in human history inasmuch as never before have the countries of the world formed an association for utilizing the techniques of education, culture, and science in achieving and retaining the goal of permanent peace.

On March 1, 1943, when I first addressed the House on this subject in support of H. R. 2034, my original bill to mobilize the educational and cultural forces of humanity in promoting peace, I had the following to say in part about the objectives which were being sought:

It is well known that such magazines as Time magazine and the Reader's Digest are now publishing issues in Spanish or Portuguese, so that the South Americans may learn from a reading of American magazines in their native language a little more about our attitudes, our ideals, and customs in this country. This is a splendid service. The more we can do to understand each other in this hemisphere, it seems to me, the better we are prepared to cement and to further the good friendship and good feeling existing among the various American Republics.

The orientals have an old saying to the effect that, "the man you do not like is the man you do not know." I think there is a great element of human experience and truth in that axiom, and the better we can come to know the people of this hemisphere and the people throughout the world, the better we are going to like and understand them and the better we come to knowing them the more probable it is that the program which will develop after the war, whatever it is, for the preservation of peace, will have an opportunity to succeed.

The ideal manner in which to improve and preserve friendly relations among neighbor nations is to promote an understanding and appreciation of the cultural background, the political systems, and the economic problems of sovereign states. By giving student teachers of the United States an opportunity to live and study for a year in other American Republics we train missionaries of good will in the educational field who will in turn transmit this enlightened understanding to the students with whom they come in contact in the classroom. The same dividends will accrue for the student teachers of the other American Republics who spend a year in study and association with students and educators scattered throughout the teachers colleges of the United States. It is nothing more than prudent peace insurance for the postwar world to begin, now, devising methods for a better mutual understanding among the peoples of the world.

Mr. Chairman, the foregoing speech was made on this floor more than 3 years ago. The world has been greatly modified by war, by atomic energy, and by the beginnings of the United Nations since

that date. But the validity of the foregoing statement has but become the more apparent by these modifications. Today I feel that it is imperative that the whole world be joined in this effort which 3 years ago was first proposed for only the nations of the Western Hemisphere.

For that reason, Mr. Chairman, I introduced House Resolution 215, on April 9, 1945, to achieve this larger goal and to effect this expanded organization which has now come to be known as UNESCO. When hearings were held on House Resolution 215, it was my privilege as the author of the resolution to make the first presentation to our Committee on Foreign Affairs. That was on May 10, 1945. In opening those hearings and beginning that testimony I said:

House Resolution 215 will provide the machinery and the methodology for employment, for the first time in world history, of the principle that might is strongest and best supported and best described as the eternal rights of human life. * * * In order to properly exercise the might of right, people must have available the principles, and concepts, and precepts that are right.

Since then I have been privileged as a member of subcommittee No. 2 of the House Foreign Affairs Committee to make economic and political studies in 20 countries of eastern Europe, Africa, and Asia. Our committee came back to America more convinced than ever that there is a great work for an organization like UNESCO to undertake and that this job must be done if permanent peace is ever to become more than a fleeting figment of man's imagination.

In the September 1945 issue of the magazine Tomorrow I published an article on this subject under the title of "An Untried Formula for Peace." In its editorial introduction to this article Tomorrow said:

The International Organization of Educational and Cultural Affairs offers a formula for peace designed to make for understanding among the peoples of the world. The functions and objectives of this newly created body are set forth here by Representative KARL E. MUNDT, who was responsible for its inception.

In conclusion, my colleagues, I desire to call your attention simply to the first three paragraphs of that article. I believe they summarize what we are asking you to approve by your votes today:

Fundamentally, wars have started because the people themselves have not been sufficiently educated in an appreciation of the virtues of peace, or in an application of the ways of peace, to the point where they could keep their leaders from involving their country in wars with their neighbors by one pretext or another.

If such ignorance or incapacity is the root of war, what then is the device for peace best equipped to eradicate that root? To ask that question seems almost to answer it, but freshly painted white crosses in almost every inhabited section of the world bear testimony to the fact that mankind has either never answered the question correctly or else it has failed to give the answer an opportunity to solve the problem of war. It seems axiomatic to me that if future wars are to be averted, people everywhere must be strengthened in their desire for peace and better equipped to demand that their government so conduct themselves that they can perpetuate the peace.

As a step in the direction of attempting to create an environment in which a permanent peace can survive, I recently introduced in the House of Representatives a resolution advocating the establishment of an international organization of education and cultural affairs for the purpose of equipping people everywhere with the mental and spiritual tools necessary to fight for permanent peace. This resolution grew out of no sudden whim nor did it reflect some passing fancy. On my part, it was a proposal evolving out of more than 2 years of study and conferences devoted to the possibilities of using the great forces of education and cultural influences in a direct and practical approach to the problem of putting an end to war.

Mr. Chairman, let us by our votes on this resolution send out to all the world the good word that the United States stands foursquare in support of the full mobilization of the forces of peace to the end that the scourge of war may never again ravage this world and to the further end that such human virtues as tolerance, equity, and justice may increasingly be enjoyed by people everywhere. The goal is difficult to achieve, to be sure, but we can do not less than start toward its attainment.

Mr. KEE. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. RYTER].

Mr. RYTER. Mr. Chairman, I have taken this time in order to present to this Committee for its consideration, and I earnestly hope its adoption, an amendment to be offered by me to section 3 of the legislation which is now under consideration.

At the very outset, however, I desire to make my position clear on this pending legislation. I am wholeheartedly in favor of this legislation which authorizes participation by the United States in the United Nations Educational, Scientific, and Cultural Organization. It is one of the specialized organizations of the whole United Nations system whose principal and main objective is to bring the peoples of the world to a better understanding of each other.

The tragic and almost fatal results of education gone bad could not have been more forcibly demonstrated in the last score of years. Any one possessing a most cursory knowledge of what has been taking place in the educational systems of Germany, Japan, and other countries readily realizes the great effect of education on the wrong side of the ledger. If peoples could be trained to do wrong they could with equal facility have been trained to do right. If spiritual precepts and the brotherhood of man could have been regarded as the tenets of a weak and degenerate people, they could have equally as well been taught as the purpose of mankind on earth. If nations could have been taught that might is right, could they not as well have been taught that right is might? Only when the world expends as much effort in teaching tolerance and mutual respect for the rights of others, as it has in the supremacy of one country over another, of one individual over another, will we have a firm foundation upon which to build a lasting peace. This foundation for a lasting peace must be laid in the hearts and souls of individual men and women everywhere. What is needed is knowledge and understanding as well as the desire to live at peace, and education is as yet the only means known to man to aid human beings to achieve this end. Only through education can the people of the world be brought to a complete realization that by doing unto others as they would others do unto them and by concentrating on common ideals, hope, and aspirations can they overcome their selfish, separatist urges which would keep them apart.

Internationally, the problem of the peace of the world has been approached from many angles. We have approached it from the standpoint of a man's stomach in the food supply. We have approached it from the angle of his pocketbook through the reciprocal trade agreements and Bretton Woods. We have approached it from the viewpoint of military might through regional arrangements. We have attacked it from the standpoint of diplomatic agreements through Dumbarton Oaks. We have finally approached it from the standpoint of the heart.

Of course, there is always the danger that any organization such as this can come under the control of persons who may attempt to distort its true and original purpose and that because of this danger it would be better not to venture at all. The difficulty with such a proposition is that the same might well be said of any organization or institution that human beings have ever set up. The possible harm is far outweighed by the certain good which can come from such an organization which is well administered and carefully watched. Any form of human association that promises some substantial gain in bringing the peoples of the world closer in heart and mind is worthy of a trial. Certainly we need not fear dissemination of the truth, for the truth will make us free only if truth itself is free.

The amendment which I propose to offer to section III of the pending legislation reads as follows:

On page 3, beginning on line 5, strike out section 3 up to and including line 13 of page 4, and insert the following:

"SEC. 3. In fulfillment of article VII of the constitution of the Organization, the Secretary of State shall cause to be organized a National Commission on Educational, Scientific, and Cultural Cooperation. Such Commission shall consists of officials of the United States and of State or local educational systems and representatives of the principal national voluntary organizations interested in educational, scientific, and cultural matters. The Secretary of State shall be authorized to name in the first instance not more than 50 of the principal national voluntary organizations which shall be invited to nominate representatives for appointment to the National Commission. Two representatives of such principal national voluntary organizations shall be nominated by the organizations which they represent and one of these shall be appointed to the National Commission by the Secretary of State. Thereafter, the National Commission shall be authorized to develop procedures for inviting additional principal national voluntary organizations to nominate representatives for appointment to the National Commission by the Secretary of State: *Provided*, That not more than 10 percent of the membership of the National Commission

shall consist of persons holding office under or employed by the Government of the United States. To constitute the initial Commission, one-third of members shall be appointed to serve for a term of 1 year, one-third for a term of 2 years, and one-third or the remainder thereof for a term of 3 years; from thence on following, all members shall be appointed for a term of 3 years each, but no member shall serve more than two consecutive terms. The National Commission shall meet at least once annually. The National Commission shall designate from among its members an executive committee not exceeding 15 persons to consult with the Department of State and to perform such other functions as the National Commission shall delegate to it. No member of the National Commission shall be allowed any salary or other compensation for services: *Provided, however,* That he may be paid his actual transportation expenses, and not to exceed $10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon authorized meetings or in consultation on request with the Department of State. The Department of State is authorized to provide the necessary secretariat for the Commission."

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. RYTER. Mr. Chairman, it adopts to some extent the language that is now presented in the bill. The purpose of the amendment is to limit the appointive power that is lodged in the Secretary of State in the legislation that is now presented to this committee. In other words, the principal national voluntary organizations, in conformity with article VII of the constitution, would present a panel or two, one of which the Secretary of State would have to appoint to this national commission. In the original instance the national commission would be restricted to not more than fifty of these members; thereafter the national commission is empowered to adopt such rules and procedure as may be necessary in order to bring within its scope all the other principal national voluntary organizations interested in these matters in order to become members of the national commission. There is no necessity of including all the organizations because in section IV of the constitution there is created a conference to which all the organizations, be they large or small, national or local, may participate and in this way contribute their share to a better understanding of humans throughout the world.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. RYTER. I yield to the gentleman from South Carolina.

Mr. RICHARDS. If the gentleman will refer to the typed copy of the amendment he proposes to offer, beginning on line 6, he will find this language: "Such commission shall consist of officials of the United States and of State or local educational systems and representatives of the principal national voluntary organizations interested in educational, scientific, and cultural matters." Then it says: "The Secretary of State shall be authorized to name, in the first instance, not more than 50 of the two principal national voluntary organizations," and so forth.

Mr. RYTER. That is right.

Mr. RICHARDS. The gentleman says, in the first instance. What does the gentleman refer to, the appointments from the States and political subdivisions?

Mr. RYTER. It refers to the appointments from the States and political subdivisions and the representatives of these principal national voluntary organizations.

Mr. RICHARDS. Then there would be, as I understand the gentleman's explanation of his amendment, 50 appointees coming from the States and the political subdivisions, educational subdivisions of the States, and also these different private organizations of the United States.

Mr. RYTER. With a limitation of not more than 10 percent of those in the employ of the United States Government.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. RICHARDS. Does not the gentleman feel, then, if the State is going to be brought in, that it should be a representative of every State of the Union?

Mr. RYTER. That necessarily, of course, would have to be left up to the determination of the Secretary as to the number that he will appoint to be representative of the States or local governments. I anticipate that he will not pad this Commission with people who are limited in their activities to State or local educational matters. For that reason the limitation of 10 percent of people in the employ of the Federal Government was put in my amendment.

Mr. RICHARDS. The limitation of 10 percent of people emi loyed by the Federal Government would not apply to political subdivisions, such as States.

Mr. RYTER. I agree with the gentleman.

Mr. RICHARDS. Therefore, the State will not be represented at all.

Mr. RYTER. Does not the gentleman agree that if the 10-percent limitation would apply to State governments that we would hear an awful howl from the State and local governments? They would all want to be included, and there certainly would be more than 48 of them.

Mr. RICHARDS. The gentleman understands that the State Department took the position that they would not want to be in the position of discriminating against any of these private organizations or against some of the States of the Union.

Mr. RYTER. They are placed in no greater embarrassing position than they were under the original text of the bill and the modified amendment adopted by the committee. The embarrassment is no greater.

Mr. RICHARDS. I disagree with the gentleman about it.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. RYTER. I yield to the gentleman from West Virginia?

Mr. KEE. Was not the same amendment the gentleman offers today offered before the committee?

Mr. RYTER. In principle, the first section up to and including the words "*Provided,* That" is the original of the amendment that had been offered by me in the committee and defeated by a tie vote of 8 to 8.

Mr. KEE. The amendment was defeated by a vote of 9 to 4, was it not?

Mr. RYTER. No; I beg to differ with the gentleman. It was defeated by a tie vote of 8 to 8.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mr. EATON. Mr. Chairman, I yield 3 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I rise in support of the joint resolution, and also would like to express myself as being very much in favor of the amendment which has been discussed by the gentleman from Connecticut [Mr. RYTER] in the past few minutes. It has seemed to me that in the appointment of these members of the advisory commission it is exceedingly wise to have the principal national organizations of science, education, and so on, have a voice in the nomination of the people who are to represent them. The nomination of several members, the choice then being made by the Secretary, in no way takes away from the position of the Secretary of State in the whole matter. It is very much my sense that we would have a happier result if this amendment passes the House.

To my mind, this joint resolution is of great importance. We have an opportunity to bring together the educational and scientific, the thoughtful groups of the various nations of the world, to think together, to plot and plan together for peace, because peace comes out of common understanding, of mutual faith, out of a loss of fear of each other and suspicion of each other. I think there has been nothing presented to this House that is more needed for the future than this UNESCO measure. It is my sincere hope that it will pass this body and the other body and become law.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I think this amendment is unwise and should not be adopted. As I understand the purport of the amendment, the State Department—or our Government, you might say, because they speak for the Government—would be restricted in the selection of the appointees to the nominations made by these organizations. I think if the persons selected are to represent our Government, the Government ought to make the selections and not the various organizations throughout the country, because if the appointees are selected by the organizations they are not representatives of the Government, they are representatives of the organizations.

Mr. RYTER. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Connecticut.

Mr. RYTER. The members of the National Commission will not represent our Government. They will merely act in an advisory capacity to our delegates and alternates to the UNESCO set-up.

Mr. LUTHER A. JOHNSON. In a way they are representatives of our Government, although they act in an advisory capacity.

Another reason I am opposed to this amendment is that the number of members would be large and probably unwieldy. We do not know just how many there would be. The original bill as introduced called for a limitation of 30, but since some thought that was not large enough, we increased it to 50. As I understand this amendment, however, there is no limit to it. It would be initially 50, but then it could go on and on.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from New Jersey.

Mr. EATON. May I ask the distinguished gentleman if it is his theory that the United States Government has a monopoly on culture in this country? If so, they ought to appoint all these people, but pay the bills and furnish the money themselves and not put it on the taxpayers. If not, it seems to me perfectly reasonable that these cultural organizations should have the choice of their own representatives.

Mr. LUTHER A. JOHNSON. How are we going to determine what organizations are representative? If the State Department has to make the selection then, as the gentleman from South Carolina said, there would be ground for a charge of discrimination?

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield.

Mr. MUNDT. It does not change the present situation in any particular either in connection with the embarrassment of the Secretary of State or the numbers. As to the number situation, it says initially the number shall not be over 50, which does not change the number as set forth in the bill at the present time. With reference to the other matter, the Secretary of State either way has to determine whom he is going to appoint. If it is embarrassing for him to select individuals, it is no more embarrassing for him to select the organizations from which the individuals are to be nominated by the organizations themselves.

Mr. LUTHER A. JOHNSON. With reference to the numbers, I understand the amendment starts out with 50, and then the number can be made greater.

Mr. MUNDT. No; it starts out by saying that there shall be no more than 50.

Mr. LUTHER A. JOHNSON. But if the organization expands, then the number can be expanded indefinitely?

Mr. MUNDT. That is right. The organization by its own volition can expand. But there is no great expense to the Government in that connection, since no salaries are paid to these advisers.

Mr. LUTHER A. JOHNSON. I think the proposition is unwieldy. I hope the amendment will not be adopted.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I have no further requests for time and, therefore, ask that the Clerk read.

The Clerk read as follows:

Resolved, etc., That the President is hereby authorized to accept membership for the United Staes in the United Nations Educational, Scientific, and Cultural Organization (hereinafter referred to as the "Organization"), the constitution of which was approved in London on November 16, 1945, by the United Nations Conference for the establishment of an Educational, Scientific, and Cultural Organization, and deposited in the Archives of the Government of the United Kingdom.

SEC. 2. The President shall designate from time to time to attend a specified session or specified sessions of the General Conference of the Organization not to exceed five representatives of the United States and such number of alternates as he may determine consistent with the rules of procedure of the General Conference. One of the representatives shall be designated as the senior representative. Such representatives and alternates shall each be entitled to receive compensation at such rates, not to exceed $12,000 per annum, as the President may determine, for such periods as the President may specify, except that no Member of the Senate or House of Representatives or officer of the United States who is designated under this section as a representative of the United States or as an alternate to attend any specified session or specified sessions of the General Conference shall be entitled to receive such compensation. Whenever a representative of the United States is elected by the General Conference to serve on the Executive Board, or is elected president of the General Conference and thus becomes an ex officio adviser to the Executive Board, under supervision of article 5 of the constitution of the Organization, the president may extend the above provisions for compensation to such representative during periods of service in connection with the Executive Board.

With the following committee amendment:

Page 2, line 8, insert "*Provided, however,* That each such representative and each such alternate must be an American citizen and must have been such for at least 15 years."

The committee amendment was agreed to.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have read this resolution very carefully, and while I am not prepared to state how I am going to vote on the amendment regarding the national commission which was discussed a little while ago, I call attention to the fact that in the appropriation bill for the Department of State we appropriated some money for participation with Great Britain regarding educational matters in Germany. I rise at this time to seek information. This is a resolution providing for the membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor. Turning to page 6 of the bill, you will find there information as to the personnel, allowances, living quarters, including heat, fuel, and light, travel expenses for families, and so forth.

I rise to ask the chairman of the committee to give us some information as to the probable cost to the United States Government should this resolution be passed, because it requires an appropriation. Just what will it cost? What is the number of the personnel? Does the gentleman have any information as to the approximate amount of travel, and can you give us some information about these matters?

Mr. LUTHER A. JOHNSON. The gentleman from New Hampshire [Mr. MERROW] is more familiar with the bill, since he is the author of it.

Mr. MERROW. As has been stated previously, the tentative estimate for the operation of the Organization during the first year may be placed at about $5,000,000.

Mr. STEFAN. That is the total cost of all participants?

Mr. MERROW. I believe so. That is only tentative. A tentative estimate has been made that the expense might amount to around $5,000,000, and the United States might contribute 25 percent. I do not know what the allocations will be.

Mr. STEFAN. What governments are participating in this program?

Mr. MERROW. The constitution provides that it will become effective when 20 nations have given their approval. In all probability the members of the United Nations will join; UNESCO will become one of the specialized agencies of the United Nations.

Mr. STEFAN. Will it become a part of the United Nations?

Mr. MERROW. It will. There are provisions in the United Nations Charter for bringing specialized agencies into cooperation with the United Nations.

Mr. STEFAN. You say only 20 governments are going to participate?

Mr. MERROW. No. The constitution will become effective after 20 governments have approved. Others may join when they wish.

Mr. STEFAN. How many others are planning at this time to participate in this program?

Mr. MERROW. I cannot say. Great Britain and New Zealand have approved. The assemblies of India and France have endorsed the constitution. It is said that the others are awaiting the action of the United States.

Mr. STEFAN. Just another question. Will this result in the elimination of the program we now have in operation with Great Britain as to education?

Mr. MERROW. No.

Mr. STEFAN. It has nothing to do with that whatever?

Mr. MERROW. No.

Mr. STEFFAN. You say our cost will be 25 percent?

Mr. MERROW. That will be determined by the General Conference.

Mr. STEFAN. What is the total number of personnel?

Mr. MERROW. I cannot answer that.

Mr. STEFAN. You know nothing about the cost as far as personnel is concerned?

Mr. MERROW. No.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. MASON. On the basis of $5,000,000 annually, if we share in the same proportion that we have put in UNRRA and other things, instead of 25 per cent it will be 72 percent of the $5,000,000.

Mr. STEFAN. Yes. The gentleman, however, states our participation will be 25 per cent.

Mr. MASON. No. He said that was the estimate. No one knows what our proportion will be, because it has not been settled.

Mr. STEFAN. We know that in UNRRA the United States pays about 72 per cent.

Mr. MASON. That is right.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. DONDERO. If this organization is to become an agency of the United Nations, what I want to know and what the country wants to know is whether this would be subject to a veto the same as it is under the United Nations?

Mr. WADSWORTH. Not at all.

Mr. STEFAN. I do not know. I feel we should have full information on the entire project.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. STEFAN. I ask unanimous consent, Mr. Chairman, to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. HARNESS of Indiana. I did not hear all the debate on the discussion of this bill.

Mr. STEFAN. I was mostly interested in knowing what the cost would be to the American taxpayer, and also fuller information about the entire set-up.

Mr. HARNESS of Indiana. In addition to the information the gentleman seeks I want to know whether this is another organization set up to do precisely what the United Nations is set up to do?

Mr. STEFAN. I understand from the explanation by the gentleman from New Hampshire that it will eventually be part of the United Nations. I did not think that to be the case from the reading of the resolution.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. VORYS of Ohio. On this question as to whether this is a part of the United Nations, some mistaken statements have been made. I wish the House would pay attention to this. This is not a part of the United Nations.

Mr. STEFAN. The title of the resolution indicates that it is not.

Mr. VORYS of Ohio. From the hearings beginning at page 22, it will be seen that this is not a part of the United Nations. This organization was so constructed that it might cooperate with and function through the United Nations, but that it might also have an independent life.

It is important, I believe, that Russia is not a member of this organization. She was invited but did not join and did not send observers. This, therefore, is an organization which can go forward in the cultural and scientific and educational fields carrying out the broad ideals that have been discussed with no danger or possibility of a veto as would be the case if it were a part of the United Nations.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: Page 2, line 3, after the word "President", insert the following words: "By and with the consent of the Senate."

Mr. SMITH of Wisconsin. Mr. Chairman, I believe Congress should have something to say about these representatives and the alternates who are to be appointed by the President.

Section 2 provides that the President shall designate from time to time five representatives of the United States and such number of alternates as he may determine consistent with the rules of procedure of the General Conference.

This is a very simple proposition and it is one, it seems to me, we should adopt because it gives the Senate something to say about who these delegates or representatives shall be. This involves a matter of policy and certainly it will in no way detract from the objectives sought by this particular section. Unless Congress is willing to assume some share of responsibility in this matter, I believe we will have to take whatever the President sends to the Congress in the way of recommendations. In view of this situation, in view of the fact that we are making a policy I believe that it is highly important that we should adopt this amendment which provides that the President, by and with the consent of the Senate, shall designate these individuals.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I have no objection to the amendment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I am heartily in favor of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it looks to me as if we were fixing to get ourselves in a position where with this bill we would just contribute to the utter confusion that our foreign affairs are in. At the present time we have seen the result of an imitation of this proposed program on the world, and I regret to have to say that I believe our international relations have not been promoted by that operation.

We are presented here in section 2 with a scheme to have five representatives of the United States and such number of alternates as the President may designate consistent with the rules of the general assembly, an absolutely unlimited number, at $12,000 a year.

I would like to ask the chairman of the committee what sort of people these men are supposed to be and why we should pay them $12,000 a year.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. They are supposed to be people who know something about this subject; they should be intelligent people, I should say, in the first place, and, in the second place, they ought to be patriotic people; they ought to have a knowledge and grasp of the problems which this organization has to deal with; they should be pretty high-grade persons if they properly represent our Government.

Mr. TABER. Would they be educators or would they be people who had experience in the State Department or would they be businessmen or would they be professional men or what would they be? There are not very many educational positions I know of that pay such a figure as is provided here.

Mr. LUTHER A. JOHNSON. That may be a reason we do not have better educators. I may say to the gentleman from New York that we are not restricted to educators to represent us.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I think the language of the bill shows that it is contemplated the representatives, or part of them at least, will be Members of the Congress, Members of the House and Senate. I wanted to put that provision in making it mandatory. The provision with reference to payment on page 2, whereby no Member of Congress shall receive this salary, shows it is contemplated that among the representatives will be Members of Congress.

Mr. TABER. That seems to be indicated.

Mr. MERROW. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Hampshire.

Mr. MERROW. I just want to make the observation that these delegates, as I understand it, are to be appointed to this conference in a similar way as the delegates were appointed to the United Nations Assembly. When we appointed delegates to the United Nations Assembly we did not write out what kind of delegates they would have to be.

Mr. TABER. That is true, although that was, perhaps, a different type of set-up than this might be. This I would assume is something in the nature of a so-called cultural proposition. I do not know how many alternates there would be. No one seems to know. The way this seems to be set up, frankly, it does not look good to me.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WADSWORTH: Page 2, line 7, after the word "alternates", insert "not to exceed five."

Mr. WADSWORTH. Mr. Chairman, the object of the amendment must be perfectly plain to everybody. It answers the criticism of the gentleman from New York who just left the floor. It would leave it up to the President to appoint two alternates, three alternates, four alternates, or five alternates, but no more than five.

Mr. LUTHER A. JOHNSON. Mr. Chairman, we have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. WADSWORTH].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. The Secretary of State is authorized to establish, in fulfillment of article VII of the constitution of the Organization, a National Commission on Educational, Scientific, and Cultural Cooperation and to designate for such periods of service as he may determine, not to exceed 30 persons broadly representative of the educational scientific, and cultural interests of the United States, to serve on the National Commission.

With the following committee amendment:

Page 3, line 8, after the word "designate" strike out the remainder of line 8 and all of lines 9, 10, and 11, down to and including the word "Commission" in line 12 and insert the following: "50 persons broadly representative of the Government of the United States and the principal educational, scientific, and cultural bodies and interests in the United States, to serve on the National Commission: *Provided*, That not more than 10 percent of the membership of the National Commission shall consist of persons holding office under or employed by the Government of the United States. To constitute the initial Commission 15 members shall be appointed to serve for a term of 1 year, 15 for a term of 2 years, and 20 for a term of 3 years; from thence on following, all members shall be appointed for a term of 3 years each, but no member shall serve more than two consecutive terms. The National Commission shall meet at least once annually. The National Commission shall designate from among its members an executive committee not exceeding 15 persons to consult with the Department of State and to perform such other functions as the National Commission shall delegate to it."

The committee amendment was agreed to.

Mrs. MANKIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and six Members are present; a quorum.

The Clerk will read.

The Clerk read as follows:

Committee amendment Page 4, line 10, after the word "upon" insert "authorized."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 11, insert at the beginning of the line the words "on request."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 11, strike out "under instructions."

The committee amendment was agreed to.

Mr. RYTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RYTER: On page 3, beginning on line 5, strike out section 3 up to and including line 13 on page 4, and insert the following:

"SECTION 3. In fulfillment of article VII of the constitution of the organization, the Secretary of State shall cause to be organized a National Commission on Educational, Scientific, and Cultural Cooperation. Such Commission shall consist of officials of the United States and of State or local educational systems and representatives of the principal national voluntary organizations interested in educational, scientific, and cultural matters. The Secretary of State shall be authorized to name in the first instance not more than 50 of the principal national voluntary organizations which shall be invited to nominate representatives for appointment to the National Commission. Two representatives of such principal national voluntary organizations shall be nominated by the organizations which they represent and one of these shall be appointed to the National Commission by the Secretary of State. Thereafter, the National Commission shall be authorized to develop procedures for inviting additional principal national voluntary organizations to nominate representatives for appointment to the National Commission by the Secretary of State: *Provided*, That not more than 10 percent of the membership of the National Commisson shall consist of persons holding office under or employed by the Government of the United States. To constitute the initial Commission, one-third members shall be appointed to serve for a term of 1 year, one-third for a term of 2 years, and one-third or the remainder thereof for a term of 3 years; from thence on following, all members shall be appointed for a term of 3 years each, but no member shall serve more than two consecutive terms. The National Commission shall meet at least once annually. The National Commission shall designate from among its members an executive committee not exceeding 15 persons to consult with the Department of State and to perform such other functions as the National Commission shall delegate to it. No member of the National Commission shall be allowed any salary or other compensation for services: *Provided, however*, That he may be paid his actual transportation expenses, and not to exceed $10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon authorized meetings or in consultation on request with the Department of State. The Department of State is authorized to provide the necessary Secretariat for the Commission."

Mr. RYTER. Mr. Chairman, I want to clarify some of the confusion that has arisen in connection with the amendment I have offered. I call the attention of the committee to the fact that the language in my amendment has already been adopted by the adoption of the committee amendments, starting on page 3, line 16, and continuing for the balance of section 3. The only change my amendment would make in this language would be to change the words "fifteen members" to read "one-third of the members", the subsequent "fifteen" to "one-third", and the "twenty" to "one-third or the remainder thereof." The necessity for this change arose as a result of the proposition called for in my amendment which limits the membership of the National Commission only in the original instance to not more than 50 members. Thereafter, in accordance with the proposition contained in my amendment, this original National Commission which in the first instance would be composed of 50 members could adopt rules, regulations, and procedures, in order to expand itself and to take within its fold those members and representatives of national voluntary organizations who were not in the original instance included in this National Commission. To my mind the change is necessary in the language adopted by the committee and recommended by the Committee on Foreign Affairs in order to take away from the Secretary of State the absolute appointive power that he now has in the creation of this National Commission. He may or may not give acceptance to the recommendations of these national voluntary institutions. The adoption of my amendment would give him a panel of two from among whom he would have to select one. There is an old adage which runs through my mind which goes something like this: "Whose bread I eat, his song I sing." It is my contention that if the appointive power is vested in the Secretary of State and is absolute, then the member chosen to become a representative in this National Commission becomes the spokesman, not of the organization which he represents, not of the voice of the cultural, scientific, or educational interests in which he ought to be interested, but he becomes the spokesman of the Secretary of State. To my mind, it was never more necessary at any time than it is now to keep separate the functions of our educational system and the functions of the Government.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. RYTER. I gladly yield to the gentleman.

Mr. KEE. Your amendment provides for the appointment of an unlimited number. After the initial appointment of the 50 members of the Commission by the Secretary of State, from then on the Commission has charge of its membership and can increase the number to any amount up to 500 if necessary; is that not true?

Mr. RYTER. That is true, but I do not visualize any possibility of there being 500 principal national educational voluntary organizations. I challenge the statement that there are even 50 in the United States which could be classified in the category of principal national voluntary scientific, educational, cultural organizations.

Mr. KEE. Your amendment also provides for payment of expenses and per diem of any additional members who are named to the Commission.

Mr. RYTER. Absolutely not.

Mr. KEE. Where is that changed?

Mr. RYTER. Absolutely not. It accepts the language of the committee

amendment in regard to the compensation to be paid. There is no compensation to be paid to members of this National Commission. Compensation is provided for, however, for the membership of the executive committee. That is the only instance in which compensation is provided.

Mr. KEE. Will the gentleman read section 3 from line 7 down to the end of the paragraph?

Mr. RYTER. That is to be construed with reference to the creation of the executive committee and is not applicable to the National Commission. It applies only to the 15 members who compose the executive committee of the national body and not to the members of the National Commission itself.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. RYTER. I yield gladly.

Mr. MUNDT. If the gentleman from West Virginia will turn to page 4, on lines 5 and 6, he will see stated there in clear-cut English that no member of the National Commission shall be allowed any salary or other compensation for services.

Mr. KEE. Provided, however, that he may be paid his actual traveling transportation expenses and not to exceed $10 per day in lieu of subsistence and other expenses while away from his home and in attendance at authorized meetings, and so forth.

Mr. MUNDT. That is, authorized meetings at the request of the State Department.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MERROW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the matter of a National Commission was discussed fully and freely in the committee.

For the purpose of clarity, I am going to refer to article VII of the constitution of UNESCO:

NATIONAL COOPERATING BODIES

Each member State shall make such arrangements as suit its particular conditions for the purpose of associating its principal bodies interested in educational, scientific, and cultural matters with the work of the Organization, preferably by the formation of a National Commission, broadly representative of the Government and such bodies.

On page 3 of the bill in a committee amendment to article III, we find the following language:

The Secretary of State is authorized to appoint 50 persons broadly representative of the Government of the United States and the principal educational, scientific, and cultural bodies and interests in the United States to serve on the National Commission.

And so on. My objection to the amendment is that there are so many scientific, educational, and cultural bodies throughout the United States that it will be difficult to name the principal bodies or make a list of the principal bodies. I think the appointive power should be lodged somewhere and I feel that this power should be left in the State Department. If you allow various organizations to submit a list from which must be selected representatives on the National Commission, then you may get people who will be more interested in representing their own particular organization than they will be in the broad cultural, scientific, and educational interests of the country.

Mr. RYTER. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I will in just a moment. I want to refer to section 4 of the resolution:

The National Commission shall call general conferences for the discussion of matters relating to the activities of the Organization, to which conferences organized bodies actively interested in such matters shall be invited to send representatives.

When you consider these sections together you find that the bill provides that the National Commission shall call conferences to which representatives of the various organizations may come. I think that provides for adequate representation.

If you extend the Commission beyond 50 you will have an unwieldy commission. The whole matter was fought out in committee. Again, we want representatives on the National Commission who are principally interested in the interests of the country, and not in any specialized agency or specialized group.

I now yield to the gentleman from Connecticut.

Mr. RYTER. The gentleman realizes that the appointive power still remains in the Secretary of State, even though the language of my amendment be adopted.

Mr. MERROW. Yes, but it is restricted.

Mr. RYTER. It is restricted to the selection of one or two individuals who are presented to him by the principal national organizations.

Mr. MERROW. Yes. He has to decide on the principal organizations, and that probably will exclude some who think they should be classed as principal. Then he has to select from that panel. The National Commission may increase in size. I do not think it should be larger than 50.

Because of the fact that these representatives may be more interested in their own particular organization than the general interest of the country, I am opposed to the amendment.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield.

Mr. LUTHER A. JOHNSON. I think the gentleman is right when he says that if this organization selects representatives those representatives will feel they are not acting for the Government. They will be more interested in their own organizations than they are in the welfare of the Government

Mr. MERROW. That is the big question involved.

Mr. RYTER. Is not the reverse of that true, that if they are appointed by the Secretary of State, they become subservient to him?

Mr. MERROW. Oh, I do not think so. You have to have confidence in placing the appointive power somewhere.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am in agreement with the gentleman from New Hampshire [Mr. MERROW] in the position he has taken in opposition to this amendment. I want to emphasize to the House the position which the representative of the State Department took before the Committee on Foreign Affairs. They testified that it was not feasible for a Government agency to single out certain organizations to be represented on such a commission and thereby to discriminate against others. It is true that through the proposed amendment the Secretary of State would not select certain organizations to be represented on the Commission. He would, however, be called upon to discriminate in that he must select the organizations which are to act as an advisory committee to the State Department in the premises.

The gentleman's amendment provides that this advisory committee shall be limited to 50 of the educational, scientific, and cultural organizations of the United States. Mr. Chairman, there are probably 500 cultural organizations in the United States, there are probably 500 scientific organizations in the United States, there are possibly 500 educational organizations in the United States.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mrs. BOLTON. There would hardly be 500 scientific organizations that are national in scope.

Mr. RICHARDS. The State Department does not want to be in the position of stirring up a row among the scientific and cultural and educational organizations of the United States. They have a big enough job to put across the United States' part in this thing without that. The gentleman's amendment adds confusion in another respect: It adds representatives of the States and local educational systems in the States. These representatives, too, must be included in the 50 maximum. So the question arises there whether you are going to have each one of the 48 States represented. If you do, there will be but 2 representatives left for cultural, educational, and scientific organizations in the United States; if you do not name 1 member from each of the 48 States and name only 25, just how are you going to select the 25 States that are to have representation on this advisory committee? Are they to be from the North, the South, the East, or the West? So as a matter of fact, Mr. Chairman, this amendment complicates an already difficult problem.

If the State Department is to have any discretion at all, at least it should be allowed discretion to look over the large field of cultural, educational, and scientific organizations of the United States and say: "This is a good man; that is a good woman for the job," whether he or she belongs to this, or that, or the other outfit.

Let me emphasize again that if this amendment is adopted you are going to

retard the accomplishment of the purposes of UNESCO because you are going to have a grand row in the United States among the scientific organizations as to which of them are considered to be among the "holy 50," in the educational organizations as to which ones of them are to be entitled to walk into the sanctum, and it will be the same with cultural organizations. So you have a broad, over-all proposition here that the 50 outstanding scientific, cultural, and educational organizations of the United States must be selected by the State Department as its advisers; and in my humble opinion that is not the best way to work this thing out.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. LUTHER A. JOHNSON. Those who abhor expense should bear in mind that this amendment, if adopted, would increase expenses very materially.

Mr. RICHARDS. The gentleman is correct. Then, you are going to have an unwieldy organization.

The setting up of UNESCO is certainly a bipartisan matter. The original bill recommending this step was introduced by the gentleman from South Dakota [Mr. MUNDT] in this body, and by Senators FULBRIGHT and TAFT in the other body. A companion bill to this particular bill was introduced in the Senate by Senator MURRAY, and the gentleman from New Hampshire introduced it over here. There were no party lines in the committee. If you want this bill to succeed kill this amendment, but if you are against UNESCO vote for the amendment.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. MUNDT. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I can agree with one thing that the distinguished gentleman from South Carolina [Mr. RICHARDS] said, and that is, this is a bipartisan proposition. There is no politics in it. It is simply an effort to try to find out the best manner in which to make UNESCO succeed.

Since, as the gentleman from South Carolina [Mr. RICHARDS] has told you, this resolution grows out of one which I originally introduced in the Foreign Affairs Committee of the House, certainly I want UNESCO to succeed. I support the amendment offered by the gentleman from Connecticut [Mr. RYTER] for the very good reason it seems to me if we are going to have an advisory commission that is worth its salt it should be an advisory commission that is not obligated to anybody, not obligated to the Secretary of State, not obligated to any political party, not obligated to any point of view, but one which reflects and represents the views of the organizations to which in turn these delegates are supposed to carry the inspiration and the message and the information of UNESCO.

Consequently, I want people selected from these organizations in whom the organizations have confidence. I want the Secretary of State to choose the men nominated by these various organizations so that they can go to the advisory conferences, consult and advise with the Secretary of State, so that our Government officials may have the benefit of this great cross section of information.

I am not at all disturbed because somebody thinks this Commission is going to go beyond 50 organizations. I hope eventually we may have 5,000 delegates interested in this, 5,000 organizations, 5,000 representatives carrying back from these great national conventions the inspiration and the message of eternal and everlasting peace to their little groups all over this country. I am not going to worry because it may cost $5 a day expenses if they can obtain peace from such a mobilization of world opinion in support of the ways of peace.

If this thing is worth doing at all it is worth doing in a big way, with our eyes open and our chins up, with the hope that it is going to spread through this great land of ours and affect all the organizations which can possibly help to mold public opinion any place in this country. We want similar great drives for peace to take place in every other country in the world.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from South Carolina.

Mr. RICHARDS. According to the argument of the distinguished gentleman from South Dakota, this House of Representatives would move more effectively and in the interest of the Nation if it were assured in our Constitution that every single segment of American life and every organization in American life were represented here today.

Mr. MUNDT. Might I suggest to the gentleman that he is engaging in reductio ad absurdum and following the same line of argument of the gentleman, according to his interpretation, the House of Representatives would be more effective if all the Members thereof were appointed by the President of the United States.

Mr. RICHARDS. No.

Mr. MUNDT. That is the kind of argument the gentleman is suggesting.

Mr. RICHARDS. The Constitution settles that question, and that is not being debated here.

Mr. MUNDT. The Constitution settles it; yes. I do not want to place this in the hands of any one individual. I want this inspiration to go out to the grass roots of America, and it should be carried there by members of the National Commission who have been nominated by the people themselves.

Mr. RYTER. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Connecticut.

Mr. RYTER. Will the gentleman call attention to the fact also this amendment is in complete conformity with section 7 of the constitution of UNESCO?

Mr. MUNDT. I am glad the gentleman mentions that. We cannot fulfill our obligations to the constitution of UNESCO without this type of amendment, because the constitution envisages this procedure and this recommendation to bring into this Advisory Council these various organizations. Certainly the organization itself will have more confidence in its representation if it has something to say about selecting the men or the women which are going to represent it in these councils here in Washington.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. It was pointed out in the hearings that the State Department might not, for example, nominate delegates selected by the American Federation of Labor of UNRRA. The one selected at the time he was sent to London had not been approved by the American Federation of Labor. They feel very strongly on this matter, as do the educators and others, and if the members will read the hearings they will find they are very anxious that this sort of system be adopted. It is a great protection for our freedom of speech and religion.

Mr. MUNDT. That is correct. The American Federation of Labor and many other organizations are in favor of this amendment. I hope the House will support us in our efforts to have it adopted.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. VORYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. VORYS of Ohio. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments there close in 10 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. VORYS of Ohio. Mr. Chairman, this is not a partisan matter. The inception of this whole idea came in bills introduced by Republicans, the gentleman from South Dakota [Mr. MUNDT] and Senator TAFT, from my State. It was carried on by the administration. The present bill is offered by a Republican and the present amendment to it by a Democrat, but wholly aside from matters of partisanship, this is an extremely interesting and difficult problem we face, and I believe that the present amendment solves the problem better than the committee amendment does.

Here is your problem. We are going to set up an organization to cover the vast field of educational, cultural, and scientific thought and endeavor. We want to have that organization representative of our whole culture. The way we have proceeded in the United States, where we have free speech, free press, and a free spirit in education, is that private institutions and organizations become, by the very strength of their ideas and ideals, spokesmen for our culture, our education, and our scientific progress. But in this bill it was proposed that we

have a Government official select a group of advisers to advise our Government as to our culture. It was proposed in the committee bill that those advisers be broadly representative, but he still makes the selection. In this amendment it is proposed that he select organizations and that these organizations nominate certain people, and that he still makes the selection from these nominees. It has been pointed out that this responsibility is still a difficult one for the Secretary of State. He must determine which organizations he will select, and in order to do that he will have to consult with many representatives and many organizations. But the difficulty presented to the Secretary of State of selecting those organizations is no greater than the responsibility placed upon him by the committee bill to select the individuals who are supposed to represent those organizations. What we do here, however, is to prevent the Government official from nominating individuals. He still has the responsibility and the power to select from the panel presented by these representative organizations which he himself has selected. Congress does not attempt to name the specific organizations to be represented. We do have that one step in there, though. We provide for nominations by these organizations he selects, which throws a responsibility back to the grass roots that will help to increase interest, because it will increase general public responsibility for this newly pledged creature of these 44 peace-loving countries.

Let me remind you that this is not a United Nations creature. This is set up separately from the United Nations with provision for cooperation with the United Nations, with the hope that that cooperation may be close. But this organization as it is now set up can proceed with its great commitments without fear of the veto which stalemated and paralyzed United Nations actions to date. The USSR was invited to join. It did not see fit to join, although domestic matters are excluded from the realm of activity of this organization. It did not see fit to send official representatives. It cannot veto where it does not join.

While this organization takes in a broad field, there is one activity which to me may be its most significant contribution, and that is in paragraph 2 of article I. "To recommend such international agreements as may be necessary to promote the free flow of ideas by word and image."

We are going into a period of total propaganda warfare on the ideological front. We hope that the issues between clashing ways of life will be settled by a battle of ideas, through full information and free discussion, not by force. We need to lay down some ground rules for this ideological warfare, to keep it from generating fear and suspicion, and hatred and physical conflict. Just as we have had Geneva and the Hague conventions for physical warfare, we need some international agreements in the realm of mass communication, to keep the peace, or at least to keep the conflict of ideas fair and decent, so that the people of the world may find out the truth that will make them free. If UNESCO can devise and propose agreements toward this end, it will merit a great place in human history.

The educational, scientific and cultural institutions of our country can help toward this goal, if they are given the responsibility provided by this amendment.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair recognizes the gentleman from West Virginia [Mr. KEE].

Mr. KEE. Mr. Chairman, I rise in opposition to the amendment.

Under the provisions of the joint resolution presented here the 48 States and hundreds of municipalities all over the United States are authorized to participate in this organization and have representatives on the Commission, providing they are invited, but under the amendment offered by the gentleman from Connecticut, on the initial organization of this Commission only 5 out of the 50 members can be selected from the Government of the United States or representative of any part of the Government.

Mr. RYTER. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Connecticut.

Mr. RYTER. I think the gentleman is in error, because the language of my amendment specifically states that not more than 10 percent shall be limited to those who are in the employ of the Federal Government.

Mr. KEE. Five is 10 percent of the Commission membership.

Mr. RYTER. Of the Federal Government.

Mr. VORYS of Ohio. If the gentleman will yield, exactly the same requirement is provided in the committee amendment.

Mr. KEE. That is absolutely true, only five. This leaves 45 members of the Commission to be selected by the Secretary of State. Under the provision now contained in the resolution without this amendment, the Secretary of State is directed to select these 45 members as broadly representative of the cultural and scientific interests of the entire country. He selects 15 for a term of 1 year, 15 for a term of 2 years, and 20 for a term of 3 years.

Let us see what this amendment does. It provides that 15 educational, cultural, or scientific organizations all over the country can be invited or must be invited by the Secretary of State to nominate two members on this Commission. They nominate the 30, and the Secretary of State is obliged to appoint 15 of that number as members. The Secretary of State, under this provision, will send out invitations to these educational, cultural, and scientific organizations all over the Nation. It has been stated here that there are perhaps 500 organizations in each class. Every hamlet, city, and town in this country, perhaps, has some organization that calls itself cultural or scientific. How many, do you suppose, will clamor for recognition?

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from South Dakota.

Mr. MUNDT. The amendment states "the principal national voluntary organizations." Let us stick closely to the language of the amendment. In the discussion the number of 500 has been used, but the language of the amendment states "principal national voluntary organizations."

Mr. KEE. It is a question of which are the principal national voluntary organizations.

Mr. MUNDT. The Secretary of State determines that under the present resolution. This amendment simply gives the organizations some selection themselves.

Mr. KEE. When he sends out these invitations to the various organizations selected by him to receive them, there is a strong probability that he will arouse all over the country in the uninvited organizations a feeling of disappointment and a sense of mistreatment. Human nature is the same the world over. These cultural organizations in all the towns and cities across the continent from coast to coast are going to feel slighted because the Secretary of State does not see fit to invite them to membership on this Commission. You will arouse a spirit of resentment in these people, and that resentment will continue from year to year. I oppose the amendment and trust it will be defeated.

The CHAIRMAN. The time of the gentleman from West Virginia has expired. All time on the amendment has expired.

Mr. RYTER. Mr. Chairman, in view of the confusion created as to the language of the amendment, I ask unanimous consent that the amendment be read again.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The Clerk again read the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. RYTER].

The question was taken; and on a division (demanded by Mr. RYTER) there were—ayes 31, noes 35.

Mr. RYTER. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. LUTHER A. JOHNSON and Mr. RYTER.

The Committee again divided, and the tellers reported that there were—ayes 56, noes 37.

So the amendment was agreed to.

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I make a point of order against section 1 of the bill, beginning in line 3 on page 1, and ending in line 2 on page 2.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I make the point of order that the gentleman's point of order comes too late.

Mr. TABER. I make the point of order, Mr. Chairman, on the ground that

it is an appropriation coming from a committee not authorized to report appropriations to the House. That kind of a point of order can be made at any time during the consideration of the bill.

I call the attention of the Chair to article IX of the constitution of this Organization which appears in the report of the committee on page 9.

It says:

The General Conference shall approve and give final effect to the budget and to the apportionment of financial responsibility among the states members of the Organization subject to such arrangement with the United Nations as may be provided in the agreement to be entered into pursuant to article X.

Let me call attention to the fact that this authorizes the validation of that article.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. LUTHER A. JOHNSON. To what section is the gentleman referring?

Mr. TABER. I am referring to article 9 on page 9 of the report.

Mr. LUTHER A. JOHNSON Is the gentleman making a point of order against the report? I thought he was making a point of order against the bill.

Mr. TABER. But when you consider a point of order you consider everything involved with reference to the language objected to.

Mr. LUTHER A. JOHNSON. I am inquiring of the gentleman as to what part of the bill he is raising a point of order against.

Mr. TABER. Page 1, line 3, down to and including page 2, line 2.

Mr. LUTHER A. JOHNSON. On what grounds?

Mr. TABER. On the ground that it constitutes an appropriation of funds and is reported out by a committee not authorized under the rules of the House to bring an appropriation in to the House for consideration.

Mr. LUTHER A. JOHNSON. This bill authorizes an appropriation but it makes no appropriation. It is like any other authorization bill.

Mr. TABER. But it authorizes the President to enter into this agreement that has been set forth in the committee's report. Article 9, section 2, states:

The General Conference shall approve and give final effect to the budget and to the apportionment of financial responsibility among the states members of the Organization.

This constitutes directly, therefore, an appropriation of funds and is out of order.

The CHAIRMAN (Mr. COLMER). The Chair is prepared to rule. The gentleman from New York makes a point of order against section 1 of the resolution on the ground that it appropriates money and comes from a committee not authorized to make appropriations.

No appropriation is made in section 1 of the bill.

Section 4 of the joint resolution would authorize an appropriation at a later date to be appropriated by the appropriate committee.

The Chair overrules the point of order.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROGERS of Massachusetts: Page 4, line 13, add a new section:

"SEC. 4. That each such member of the National Commission must be an American citizen and must have been such for at least 5 years."

Mrs. ROGERS of Massachusetts. Mr. Chairman, I think there will be no objection to this amendment. The House just accepted the amendment to section 2 that I was able to have adopted in the Foreign Affairs Committee providing that the representatives of the United States must be American citizens and must have been such for at least 15 years. This present amendment provides that the members of the Commission must have been American citizens for at least 5 years. I do not believe there will be any opposition to this amendment. We have just accepted the other amendment that was reported. Surely we want Americans to represent us abroad.

I am exceedingly glad that the amendment of the gentleman from Connecticut [Mr. RYTER] has been adopted. Miss S. M. Borchardt, representing the teachers union, American Federation of Labor; Mr. James Marshal of the Board of Education, Brooklyn, N. Y.; Msgr. Frederick G. Hochwald, director of the department of education, National Catholic Welfare Conference and secretary general of the National Catholic Education Association; Mr. William G. Carr, associate secretary, National Education Association, secretary, Educational Policies Commission all suggested that the recommendation of the National Education Association be followed by the State Department. This information is plainly stated in the hearings of the House Foreign Affairs Committee. The American Federation of Labor took up the matter of the appointment with me before the London Conference and before the hearings of the House Foreign Affairs Committee.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. LUTHER A. JOHNSON. If the amendment just adopted prevails and the state has nothing to do with the selection of them, I think it would be very well to have this limitation.

I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Massachusetts.

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. The National Commission shall call general conferences for the discussion of matters relating to the activities of the Organization, to which conferences organized bodies actively interested in such matters shall be invited to send representatives: *Provided, however,* That the travel and maintenance of such representation shall be without expense to the Government. Such general conferences shall be held annually or biennially, as the National Commission may determine, and in such places as it may designate. They shall be attended so far as possible by the members of the National Commission and by the delegates of the United States to the General Conference of the Organization. The National Commission is further authorized to call special conferences of experts for the consideration of specific matters relating to the Organization by persons of specialized competences. Under such regulations as the Secretary of State may prescribe, the actual transportation expenses of experts attending such conferences shall be borne by the Department of State, and they shall be allowed a per diem of $10 in lieu of subsistence and other expenses, for the period of actual attendance and of necessary travel.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. There is hereby authorized to be appropriated annually to the Department of State, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the payment by the United States of its share of the expenses of the Organization as apportioned by the General Conference of the Organization in accordance with article IX of the constitution of the Organization, and such additional sums as may be necessary to pay the expenses of participation by the United States in the activities of the Organization, including: (a) Salaries of the representatives provided for in section 2 hereof, of their appropriate staffs, and of members of the Secretariat of the National Commission provided for in section 3 hereof, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; (b) travel expenses without regard to the Standardized Government Travel Regulations, as amended, the Subsistence Expense Act of 1926, as amended, and section 10 of the act of March 3, 1933 (U. S. C., title 5, sec. 73b), and, under such rules and regulations as the Secretary of State may prescribe, travel expenses of families and transportation of effects of United States representatives and other personnel in going to and returning from their post of duty; (c) allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., title 5, sec. 118a); (d) cost of living allowances under such rules and regulations as the Secretary of State may prescribe, including allowances to persons temporarily stationed abroad; (e) communication services; (f) stenographic reporting, translating, and other services, by contract, if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); (g) local transportation; (h) equipment; (i) transportation of things; (j) rent of offices; (k) printing and binding without regard to section 11 of the act of March 1, 1919 (U. S. C., title 44, sec. 111), and section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); (l) official entertainment; (m) stationery; (n) purchase of newspapers, periodicals, books, and documents; and (o) such other expenses as may be authorized by the Secretary of State.

With the following committee amendment:

Page 5, line 10, strike out "4" and insert "5."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a few days ago a very good friend of mine in the House said to me, "For heaven's sake, why do you not be quiet and not attempt to speak so often as you do." I realize that probably if I were more wise in a narrow political sense I would not. The reason I am doing so today is because I would not be able to sleep well tonight if I did not say certain things which I believe very much need saying right at this point.

Mr. Chairman, it is my opinion that we are doing something of great importance here this afternoon. I used to be a school teacher and I know that when one is dealing with children who are inclined to quarrel with one another the best cure for such tendencies is to give them something of a constructive nature that they can do together. It certainly should be the earnest hope of every thoughtful person who knows what kind of a world we are living in today that the nations of the world may be able to learn a certain great lesson in the same way.

It is at least possible that the nations may learn through such agencies as this to cooperate in the advancement of the cultural life of all peoples and in the devotion of scientific knowledge to the welfare of mankind, and that through those efforts carried on jointly together they may in the course of time learn to live at peace.

We are living at a time when either mankind will become master of the science he has created or die by his own hand. I believe that unless there are loosed in the world dynamic, intellectual, moral, spiritual, yes, religious forces, within the next few years comparable in power to the destructive power of the atomic bomb, the chance of survival of civilization and the values of life as we have known them is almost nil. I wish very earnestly that our country might today be pursuing much more relentlessly than we are the principles laid down in the Acheson report on the control of atomic energy. The last best hope of man may well be wrapped up in the recommendations of that report. That so-called scientific advance turned loose in the world the fundamental power that God put into this universe. The question is whether mankind is going to be able to control it, and devote it to good rather than evil purposes. For it is a sacred trust that has been given us. And if we should fail in it I believe it certain that retribution will follow.

Now as I see it one of the best chances the nations have of learning to control their own actions, to subordinate passion to reason and thus to become once again the master of our own fate, lies in agencies such as the one we are about to approve in this House today.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. We are threatened with total warfare in the realm of propaganda. Article I of this Organization purports to attempt to seek international agreements to lay down rules of warfare in the realm of ideas and propaganda. If we can take that step we will have taken an historically important step that will enable us to control the atomic bomb and the forces of destruction that man has devised.

Mr. VOORHIS of California. Yes; and more, to the degree that the peoples of the world can have the light of true knowledge and true facts about other peoples opened to them, we will have done more to prevent arbitrary governments from plunging nations into war than any other single thing that could be done.

Mr. Chairman, I speak with the more earnestness about this matter because it is evident that it is no longer possible to achieve the security of this Nation or any nation by military means. We cannot protect the women and children of our country, at any rate, by such means if war comes again. We must, therefore, most earnestly seek for a new basis for human relations, a new basis, in increasing brotherly appreciation of the cultures and contributions of all the peoples if we are to achieve any kind of security in the future at all. Therefore, I hope that as we vote on this measure that all of us may feel a certain uplift and go forward to new tasks and new decisions more difficult though not less momentous in the future, with a greater degree of hopefulness.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States approve any amendment under article XIII of the constitution of the Organization involving any new obligation for the United States.

With the following committee amendment:

Page 7, line 1, strike out "5" and insert "6."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 6. In adopting this joint resolution, it is the understanding of the Congress that the constitution of the Organization does not require, nor does this resolution authorize, the disclosure of any information or knowledge in any case in which such disclosure is prohibited by any law of the United States.

With the following committee amendment:

Page 7, line 6, strike out "6" and insert "7."

The committee amendment was agreed to.

Mr. MATHEWS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MATHEWS. The point of order is as follows: As I understand, upon the adoption of this resolution the United States of America authorizes the President to make it, the United States, a member of this Organization whose constitution is set forth in the report of the committee.

Under article IX of that constitution headed "Budget" the following appears:

SEC. 1. The budget shall be administered by the Organization.

2. The General Conference shall approve and give final effect to the budget and to the apportionment of financial responsibility among the states members of the Organization—

And so forth. I contend, Mr. Chairman, that that in effect practically delegates the power of appropriation of this body to an organization or a part of an organization which is not composed of Members of this body and not acting officially. I contend further, therefore, that we have no right constitutionally to so delegate liability for those appropriations or expenditures.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MATHEWS. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. As I understand, that is exactly the same provision that is made for the operation of our participation in the United Nations.

Mr. MATHEWS. That would make no difference as to my point of order on this present resolution.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. MATHEWS. I yield to the gentleman from South Dakota.

Mr. MUNDT. May I suggest to the gentleman from New Jersey that the Chair has already ruled on practically an identical point of order.

Mr. MATHEWS. That was not the same point.

The CHAIRMAN. The Chair is prepared to rule. The Chair, in construing a point of order raised by the gentleman from New York [Mr. TABER] on a similar proposition, ruled that it was not an appropriation and, therefore, the point of order did not lie. The Chair calls the attention of the gentleman from New Jersey to the fact that section 4, page 5, is the authorization section of the joint resolution, and that money could not be appropriated until it was authorized by that section.

The point of order is overruled.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COLMER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the joint resolution (H. J. Res. 305) providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor, pursuant to House Resolution 529, he reported the joint resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 54, noes 26.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of this matter be postponed until next Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Without objection, the Clerk will be authorized to correct section numbers.

There was no objection.

WATER POLLUTION

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 632, Rept. No. 2101), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 6024) relating to the prevention and control of water pollution, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Rivers and Harbors, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include an article from the Labor Herald of San Francisco.

Mr. WOODRUFF (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. SHORT (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an address.

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include a letter received from General Bradley.

Mr. MUNDT asked and was given permission to include in the remarks he made in the Committee of the Whole certain extraneous material and printed data.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 30 minutes.

CONGRESS MUST ACT IN PRESENT CRISIS

Mr. SMITH of Wisconsin. Mr. Speaker, we are blind unless we see that the people are looking to the Congress for relief in the present crisis. If the administrative department of the Government is impotent and fails to meet its responsibility, then we, the elected Representatives, must act.

What I have to say, Mr. Speaker, is not by way of carping criticism, but an effort to meet my share of responsibility. My political enemies will use these remarks against me in the next campaign, but this will not deter me. I am convinced that the great majority of my constituents will support the views I express at this time. So let the chips fall where they may, for in the expression of these opinions, I do so with firm convictions and a clear conscience.

Mr. Speaker, it is important that the people we represent should know and fully understand that the House of Representatives has been awake to its responsibilities. Since June 1940, it tried to establish and maintain some balance between the forces of labor and management. It has been obvious for some time that the Wagner Labor Act needed overhauling in the interest of better industrial relationships and further in view of the prospects of war at that time. The vote in the House on that bill in 1940 was 258 to 129. It still lies buried in a committtee of the other body. A few days before Pearl Harbor, December 3, 1941, the House passed another bill offered by the gentleman from Georgia [Mr. VINSON] of the Naval Affairs Committee. It passed by a vote of 252 to 136. It was designed to encourage production by eliminating certain abuses that existed and with a provision for a 30-day cooling off period among other requirements. This bill died in the other body also.

Again the House initiated the so-called Smith-Connally bill and the Congress passed it over a Presidential veto. In the first session of this Congress, the House passed the Hobbs antiracketeering bill. It, too, is dormant in the other body. This identical bill passed the House in the Seventy-eighth Congress, and still no action has been taken. The Petrillo bill and the Smith-Connally Act are the only measures that have passed the Congress since the adoption of the Wagner Act. On February 7 of this year, the so-called Case bill was messaged to the other body and up until 1 week ago, it was confined to a committee pigeonhole. In view of the present crisis, the other body may act, but most of the teeth have been removed from the bill. In all candor, Mr. Speaker, the Case bill is not 100 percent to my liking, but it is a step in the right direction.

The record is clear, Mr. Speaker. It seems fair to say that the present Democratic administration has no desire to pass legislation that will be construed by labor leaders to be antilabor. The people of this country must recognize that simple fact. The present crisis is not the result of the coal strike, the motor strike, the steel strike, or the threatened railroad strike. It is solely the result of a labor policy pursued for more than a decade by the present administration and its immediate predecessors. We witness today the product of that policy—nothing more. We have sown the wind; we reap the whirlwind.

Mr. Speaker, we are in a mess, and the people demand action. They now fully realize that certain organized groups in this country are more powerful than the Government. The economic life of this country is at the mercy of these organizations. When any group is able to shut off public service utilities, upon which our people must depend, something must be done about it. The action by Lewis, of the mine workers, and Whitney, of the rail workers, demonstrates the power of these unions in contrast to the failure of the Government to protect the public interest. What more proof is needed? Congress must act: first, to meet the emergency, and, secondly, to survey basic labor legislation with a view to protecting the public.

A balance of power must be restored between labor and management. Both groups have a responsibility to the public. How to restore a reasonable balance between the two and still protect the public interest is the question.

Mr. Speaker, I make the following constructive suggestions in the hope that industrial war may be avoided and the Nation returned to full production:

First. Amend the Wagner Act to provide for the establishment of courts to adjudicate industrial disputes. Private individuals in modern society resort to civil courts to settle their disputes. The same principle should apply to labor and management. There is no necessity for men and women to be thrown out of employment and production stopped while their leaders and the owners are trying to adjust their differences. This is nothing less than economic waste. Strikes are very costly for the workers, and losses incurred as a result thereof can never be recovered. Decisions by these industrial courts would bind parties, as in civil suits, subject to the right of appeal to the United States Supreme Court by either party.

Second. Amend the Wagner Act to provide collective bargaining by both groups to a labor dispute. It is common knowledge, if we can believe press reports, that John L. Lewis has not attempted to enter into real collective bargaining with the mine operators. The principle must apply to both parties and with the same effect.

Third. Amend the Wagner Act to make unions responsible for all contracts entered into in good faith.

Fourth. Amend the Wagner Act to prohibit organized labor from entering into agreements in restraint of trade. It is a known fact that some unions are actively engaged in these practices.

Fifth. Amend the Wagner Act so as to prevent the collection of assessments or tributes for special benefits such as Petrillo has done and Lewis is attempting to do.

Mr. Speaker, we can begin with the points I have suggested. They have been

mentioned many times before, and I submit them to provoke discussion. I am satisfied that the people of this country are so aroused that they will insist that the Congress reexamine all basic labor legislation now existing and make such amendments thereto as are necessary to the end that a fair and equitable balance will be created between the contesting parties. In this way only can the public interest be protected. The time has come for Congress to act.

Mr. Speaker, Mrs. Eleanor Roosevelt would never be charged as being a rank reactionary, or a labor baiter, or anti-labor, but even she is greatly concerned about the present crisis. In her column, My Day, for May 20, she asks:

If we can't end strikes, how can we win the peace?

Further in her article she says:

Sometimes, when I see how inadequate we are at settling these disputes among ourselves successfully, I despair about a peaceful world.

Mrs. Roosevelt is here expressing the thoughts in the minds of most of us. Some means must be secured to settle industrial and business differences without resort to devastating war between the parties, with the public holding the bag, in most instances. When collective bargaining fails, then legal machinery must be brought to bear to settle the disputes before tribunals established for that purpose in accordance with well-established principles of American jurisprudence. Of necessity, these courts must be free from governmental interference.

Today, Mr. Speaker, reconversion is on dead center. We face the specter of inflation and unemployment—and another depression. We emerged from the war with the greatest productive potentiality in the history of the world. The tragedy of it all is that this great potentiality is rapidly being dissipated; it is going out of the window because we seem inadequate for the task. Time is of the essence. We must act soon.

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

HERBERT HOOVER AND RELIEF

Mrs. ROGERS of Massachusetts. Mr. Speaker, Mr. Hoover's recent trip to many nations of the world, and his purpose immediately to start out to visit those countries that he has not already visited in order to bring food to the starving peoples of the world is one of the most thrilling things to my mind that I have ever known. Years ago he gave up his hopes and plans for amassing a fortune in order to bring relief to starving people after the First World War. He has never stopped being interested in humanity and in seeing that this country and the people of the world have a fair chance in life. Giving them a fair chance means providing foods for those people. He has come back to this country with a plan for the creation of a board which would be, I suppose, an international board providing that all the nations should join and do their share toward the providing of food, much of which would be voluntary. This is the right way, in my opinion, to bring about results. If only Mr. Hoover had been asked to give his services some years ago there would not be so much starvation abroad today. He works along not only humanitarian lines but along business lines. The people of the world owe him a debt of gratitude. I hope that we in this country will follow his suggestions. If we do, I believe there will not be so much starvation. I believe suffering will be eliminated.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1305. An act to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation.

ADJOURNMENT

Mr. DOYLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 22, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation in open session, on Wednesday, May 22, 1946, at 10:30 a. m., in the committee room, 356 Old House Office Building, on H. R. 6340.

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Thursday, May 23, 1946, at 11 a. m., in the committee room, 356 Old House Office Building, on H. R. 6340.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

On Monday, May 27, 1946, Subcommittee No. 4 of the Committee on the Judiciary will start public hearings on the following pending measures with respect to the cessation of hostilities and termination of the war and emergencies; House Concurrent Resolution 85, House Concurrent Resolution 86, House Concurrent Resolution 91, House Concurrent Resolution 98, House Concurrent Resolution 132, House Concurrent Resolution 133, House Joint Resolution 245, House Joint Resolution 272, House Joint Resolution 287.

The hearings will be held in the Judiciary Committee room, 346 House Office Building, beginning at 10 a. m.

COMMITTEE ON PATENTS

The Committee on Patents will begin hearings Tuesday, June 4, 1946, at 10 a. m., in the Patents Committee room, 416 House Office Building, on the following bills:

H. R. 3694 (Hartley): A bill to declare the national policy regarding the test for determining invention.

H. R. 5841 (Boykin): A bill fixing the date of the termination of World War II, for special purposes.

H. R. 5940 (Lanham): A bill to make Government-owned patents freely available for use by citizens of the United States, its Territories, and possessions.

These hearings will be continued on succeeding days until concluded or until this notice is superseded.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1320. A letter from the chairman, Reconstruction Finance Corporation, transmitting the bimonthly report of Reconstruction Finance Corporation small business activities during the period February 1 through March 31, 1946; to the Committee on Banking and Currency.

1321. A letter from the Acting Secretary of the Interior, transmitting pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, one copy each of various legislation passed by the Legislative Assembly of the Virgin Islands; to the Committee on Insular Affairs.

1322. A letter from the chairman, Reconstruction Finance Corporation, transmitting report of its activities and expenditures for the month of February 1946; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. PICKETT: Committee on Accounts. House Resolution 628. Resolution providing for eight additional telephone operators; without amendment (Rept. No. 2084). Referred to the House Calendar.

Mr. SHEPPARD: Committee on Appropriations. H. R. 6496. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1947, and for other purposes; without amendment (Rept. No. 2085). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 629. Resolution providing for the consideration of House Joint Resolution 305, a joint resolution providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor; without amendment (Rept. No. 2086). Referred to the House Calendar.

Mr. JOHN J. DELANEY: Committee on Rules. House Resolution 631. Resolution providing for the consideration of H. R. 4051, a bill to grant enlisted personnel of the armed forces certain benefits in lieu of accumulated leave; without amendment (Rept. No. 2087). Referred to the House Calendar.

Mr. KEE: Committee on Foreign Affairs. H. R. 6393. A bill to amend the act entitled "An act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes," approved March 4, 1923, as amended, in order to extend the Commission's authority to all areas in which our

armed forces have operated during World War II, and for other purposes; without amendment (Rept. No. 2088). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SMITH of Maine: Committee on Naval Affairs. H. R. 5915. A bill to amend the Naval Reserve Act of 1938, as amended, so as to establish the Women's Reserves on a permanent basis, and for other purposes; with amendment (Rept. No. 2098). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. S. 913. An act to protect scenic values along and tributary to the Catalina Highway within the Coronado National Forest, Ariz.; without amendment (Rept. 2099). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. S. 1336. An act to transfer certain real and personal property in Ward County, N. Dak., to the State of North Dakota acting by and through the Industrial Commission of North Dakota; without amendment (Rept. No. 2100). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 632. Resolution providing for the consideration of H. R. 6024, a bill relating to the prevention and control of water pollution, and for other purposes; without amendment (Rept. No. 2101). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. COMBS: Committee on Claims. S. 470. An act to confer jurisdiction upon the court of claims to hear, determine, and render judgment upon the claim or claims of W. P. Richardson, as successor and assignee of W. P. Richardson & Co., of Tampa, Fla.; without amendment (Rept. No. 2089). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 797. A bill for the relief of William W. Willett, Jr.; with amendment (Rept. No. 2090). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1258. A bill for the relief of Cecil Atkinson; with amendment (Rept. No. 2091). Referred to the Committee of the Whole House.

Mr. COLE of Kansas: Committee on Claims. H. R. 1469. A bill for the relief of Cox Bros.; with amendment (Rept. No. 2092). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 2489. A bill for the relief of Gaylon Dhue; with amendment (Rept. No. 2093). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 3455. A bill for the relief of Chatham M. Towers; with amendment (Rept. No. 2094). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 3494. A bill for the relief of the J. B. McCrary Co., Inc., and for other purposes; with amendment (Rept. No. 2095). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 3508. A bill for the relief of the Northern Lumber & Millwork Co., of Spokane, Wash.; with amendment (Rept. No. 2096). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 3051. A bill for the relief of Laura Spinnichia; with amendment (Rept. No. 2097). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 6411) for the relief of Joseph E. Killian, Jr., and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROE of Maryland:

H. R. 6497. A bill to provide for an examination and survey to determine the advisability and feasibility of dredging Lakes Cove on the Honga River, Dorchester County, Md.; to the Committee on Rivers and Harbors.

By Mr. SHEPPARD:

H. R. 6498. A bill to provide for the refund of certain interest paid by veterans on loans secured by adjusted-service certificates, and for other purposes; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 6499. A bill to establish a national housing policy and provide for its execution; to the Committee on Banking and Currency.

By Mr. McGREGOR:

H. R. 6500. A bill to prohibit, for a period of 9 months, the exportation of building materials from the United States; to the Committee on Ways and Means.

By Mr. RANKIN:

H. R. 6501. A bill to prohibit the induction under the Selective Training and Service Act of 1940, as amended, of persons who have served in the land or naval forces for 30 days or more subsequent to September 16, 1940, and for other purposes; to the Committee on Military Affairs.

By Mr. ROGERS of New York:

H. R. 6502. A bill to provide a traffic safety plan for the several States; to the Committee on Interstate and Foreign Commerce.

By Mr. RAMEY:

H. R. 6503. A bill to authorize the appointment of a Peace Bell Tower Foundation Commission and fixing its duties; to the Committee on the Library.

By Mr. HÉBERT (by request):

H. R. 6504. A bill to authorize the United States Park Police to make arrests within Federal reservations in the environs of the District of Columbia; to the Committee on the District of Columbia.

By Mr. JUDD:

H. R. 6505. A bill to amend subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended; to the Committee on Immigration and Naturalization.

By Mr. McMILLAN of South Carolina (by request):

H. R. 6506. A bill to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended; to the Committee on the District of Columbia.

By Mr. MILLS:

H. R. 6507. A bill to provide for the sale of certain submarginal lands owned by the United States; to the Committee on Agriculture.

By Mr. RANKIN:

H. R. 6508. A bill to provide a system of relief for veterans, and dependents of veterans, who served during World War II in the organized military forces of the Government of the Commonwealth of the Philippines while such forces were in the service of the armed forces of the United States pursuant to the military order of July 26, 1941, of the President of the United States, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SCHWABE of Oklahoma:

H. R. 6509. A bill to provide for the automatic promotion of certain hospitalized enlisted men in the armed forces of the United States; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. WINSTEAD:

H. R. 6510. A bill for the relief of Miss Maggie Sue Eakes; to the Committee on Claims.

By Mr. HEDRICK:

H. R. 6511. A bill for the relief of G. C. Hedrick; to the Committee on Claims.

By Mr. ROONEY:

H. R. 6512. A bill for the relief of the legal guardian of Thomas Lynch, a minor; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and paper were laid on the Clerk's desk and referred as follows:

1898. By Mr. HAVENNER: Petition of the Board of Supervisors of the City and County of San Francisco, records itself as favoring the continuation of Federal price control through OPA, and urges Senate adoption of the price control bill, now under consideration, without crippling amendments, to the Committee on Banking and Currency.

1899. By Mr. LUTHER A. JOHNSON: Petition of F. A. Still, manager, Rockwell Lumber Co., Waxahachie, Tex., and Mr. L. McM. Malloy, Ferris, Tex., opposing tax exemption for co-ops; to the Committee on Ways and Means.

1900. Also, petition of J. E. Wakeland, superintendent, Italy Public Schools, Italy, Tex., favoring House bill 4384; to the Committee on Education.

1901. By Mr. SMITH of Wisconsin: Petition of 15 citizens from Burlington, Wis., requesting that the following rights be reinstated to the people of our country: The right to work regardless of any union, the right to drive a car or truck regardless of any union, and the right to enter any building or place regardless of any union; to the Committee on Labor.

SENATE

WEDNESDAY, MAY 22, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, our Father, as in this pavilion of prayer we fling open the shuttered windows of our darkened lives to the effulgent light of Thy presence, enable us in our daily work to reflect some broken beams of Thy glory. Teach us by the adventure of faith how to be victors over life, not victims of it; and that to live worthily we must have a faith fit to live by, a self fit to live with, a cause fit to live for. Enlarge the sensitive area of

our sympathy and then out of Thine own heartbreak for Thy erring children of earth write deep upon our hearts the suffering and pain of the shepherdless multitudes so broken by the burdens and stress of these cruel years. Grant us such a vision of our world and its appalling need as to make us sharers with Thee in saving it from the worst that is in man to the best that is in Thy will and plan when Thy kingdom comes. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 21, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 21, 1946, the President had approved and signed the act (S. 1189) to provide for voluntary apprenticeship in the District of Columbia.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 203. An act for the relief of Margery Anderson Bridges;

S. 875. An act for the relief of Mercy Duke Boehl;

S. 1201. An act for the relief of Arthur F. Downs;

S. 1563. An act for the relief of Ferris Ruggles;

S. 1604. An act for the relief of Leo Stuhr;

S. 1916. An act to authorize the Secretary of State to transfer certain silver candelabra to May Morgan Beal; and

S. 1932. An act conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of the board of trustees of the Saunders Memorial Hospital.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 1002. An act for the relief of Marvin Sachwitz;

H. R. 1322. An act for the relief of the Marine Engine Works & Shipbuilding Corp., of Tarpon Springs, Fla.;

H. R. 1460. An act for the relief of D. C. Todd;

H. R. 1480. An act for the relief of the S. G. Leoffler Operating Co., of Washington, D. C., and for other purposes;

H. R. 1673. An act for the relief of the Superior Coach Corp.;

H. R. 1797. An act for the relief of Arcadio Saldana Agosto;

H. R. 2130. An act for the relief of Daniel S. Bagley, Jr., and Daniel S. Bagley, Sr.;

H. R. 2269. An act for the relief of Dr. William A. Schumacher and Magdalen M. Schumacher;

H. R. 2954. An act for the relief of John Hamlet;

H. R. 3031. An act for the relief of Walter A. Moffatt;

H. R. 3622. An act for the relief of Mrs. Hazel M. Skaggs;

H. R. 3744. An act for the relief of Mrs. Eva L. Dudley;

H. R. 3848. An act for the relief of the legal guardian of Johnnie Pollock, a minor;

H. R. 4215. An act for the relief of Jane O'Malley;

H. R. 4245. An act for the relief of Jose Villafane Munoz;

H. R. 4251. An act for the relief of the estate of the late Francisca Sanchez Figueroa;

H. R. 4331. An act for the relief of Esequiel (Frank) Padilla, and others;

H. R. 4339. An act for the relief of Fannie C. Fugate;

H. R. 4419. An act for the relief of Mrs. James Plumb;

H. R. 4495. An act for the relief of William H. Roman;

H. R. 4577. An act for the relief of Dolores Joyce;

H. R. 5000. An act for the relief of Marion Powell, a minor;

H. R. 5030. An act for the relief of Mrs. Lim Shee Chang;

H. R. 5091. An act for the relief of Mrs. Mary A. Honnell;

H. R. 5352. An act for the relief of Joseph Ippolito;

H. R. 5811. An act for the relief of the legal guardian of David Owens, Jr.;

H. R. 6010. An act for the relief of the Yakutat Cooperative Market;

H. R. 6011. An act for the relief of Dr. Harry Burstein, Madeline Borvick, and Mrs. Clara Kaufman Truly (formerly Miss Clara M. Kaufman);

H. R. 6148. An act to exempt certain vessels from filing passenger lists;

H. R. 6245. An act for the relief of Mary G. Paul;

H. R. 6334. An act for the relief of the estate of Carmen Aurora de la Flor, deceased;

H. R. 6442. An act for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson; and

H. J. Res. 340. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission.

REPORT ON PARIS MEETING OF COUNCIL OF FOREIGN MINISTERS

Mr. CONNALLY obtained the floor.

Mr. HILL. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. CONNALLY. I yield.

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Overton
Andrews	Hayden	Pepper
Austin	Hickenlooper	Radcliffe
Ball	Hill	Reed
Bankhead	Hoey	Revercomb
Barkley	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Bridges	Johnston, S. C.	Saltonstall
Buck	Kilgore	Smith
Bushfield	Knowland	Stanfill
Byrd	La Follette	Stewart
Capehart	Langer	Taft
Capper	Lucas	Taylor
Connally	McCarran	Thomas, Okla.
Cordon	McClellan	Thomas, Utah
Donnell	McFarland	Tobey
Downey	McMahon	Tunnell
Eastland	Magnuson	Tydings
Ellender	Mead	Vandenberg
Ferguson	Millikin	Wagner
Fulbright	Mitchell	Walsh
George	Moore	Wheeler
Gerry	Morse	Wherry
Green	Murdock	White
Guffey	Murray	Wiley
Gurney	Myers	Wilson
Hart	O'Daniel	Young
Hatch	O'Mahoney	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. MCKELLAR] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate because of illness in his family.

The Senator from Missouri [Mr. BRIGGS] and the Senator from New Mexico [Mr. CHAVEZ] are detained on public business.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS], the Senator from Nebraska [Mr. BUTLER], and the Senator from Minnesota [Mr. SHIPSTEAD] are absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The ACTING PRESIDENT pro tempore. Eighty-three Senators having answered to their names, a quorum is present.

Mr. CONNALLY. Mr. President, Monday night Secretary of State Byrnes addressed the Nation in making his report, as one of the members of the Foreign Ministers' Council, of the meeting at Paris. The Secretary made a very able and comprehensive address. I really feel that it was so comprehensive that it covered the situation entirely, and that probably it is unnecessary for me to address the Senate after the address of the Secretary of State and that of the Senator from Michigan [Mr. VANDENBERG] yesterday. However, lest there might be some who question my attitude, I feel compelled to say a few words with respect to the details of the matters with which we dealt.

The Secretary of State had requested that the Senator from Michigan and myself accompany him to the Paris meeting. We were not, however, delegates. We were merely advisers. We had no responsibility except to give our views to the Secretary of State, and the responsibility for action or nonaction rested upon the Secretary.

Senators all will recall that by the agreement reached on August 2, 1945, at the Potsdam meeting, there was created the Council of Foreign Ministers. In the second paragraph of the communiqué issued at Potsdam we read the following:

> The Conference reached an agreement for the establishment of a Council of Foreign Ministers representing the five principal powers to continue the necessary preparatory work—

I hope Senators will bear in mind those words, "preparatory work"—

> for the peace settlements and to take up other matters which from time to time may be referred to the Council by agreement of the governments participating in the Council.

At a later date, at the Moscow Conference, an agreement was reached on December 27, 1945, in paragraph 2 of which, under the heading "Preparation of peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland," it was provided:

> When the preparation of all these drafts has been completed the Council of Foreign Ministers will convoke a conference for the purpose of considering treaties of peace with

Italy, Rumania, Bulgaria, Hungary, and Finland. The conference will consist of the five members of the Council of Foreign Ministers together with all members of the United Nations which actively waged war with substantial military force against European enemy states, namely: Union of Soviet Socialist Republics, United Kingdom, United States of America, China, France, Australia, Belgium, Belorussian Soviet Socialist Republic, Brazil, Canada, Czechoslovakia, Ethiopia, Greece, India, the Netherlands, New Zealand, Norway, Poland, Union of South Africa, Yugoslavia, Ukrainian Soviet Socialist Republic. The conference will be held not later than May 1, 1946.

Of course, that conference refers to the peace conference to be called under the conditions set forth by the Council of Foreign Ministers.

It will be remembered that last September the Council of Foreign Ministers met in London, where our Secretary of State appeared. Very little, if anything, of a tangible nature was accomplished at that conference.

Following that conference, the appointment of deputies of each country took place, as provided in the agreement which established the Council of Foreign Ministers, and our deputy, Mr. James Dunn, continued in session with the other deputies at London for a very considerable period without accomplishing much in the way of final results. Those sessions, however, did accomplish a great deal in the accumulation of valuable information with respect to the various issues with which the Council was to deal, and with reaching tentative agreements on a number of points which I shall later discuss.

It is not my purpose, Mr. President, to take up much time of the Senate, but it has occurred to me that probably it might be of some interest to the Senate if I made a visual demonstration of some of the questions with which the Council of Foreign Ministers dealt at the Paris Conference. As has already been outlined in the addresses heretofore made, there were a number of issues with which the ministers dealt. Probably the most important one was that dealing with Italy. In the case of Italy the questions involved were, first, Trieste, then Italian reparations, Italian colonies, and the minor question of the Franco-Italian border. A map which gives in greater detail the section surrounding Trieste will presently be placed on the wall, and then I will revert to it.

The city of Trieste is located in northeast Italy. I indicate it on the map. It will be remembered that Trieste prior to World War I was in the possession of Austria. Many years ago it was in the possession of Venice, when Venice was a republic, before the unification of the Italian States. Trieste is located at the head of the Adriatic Sea. It is a city of large importance as a port to Austria, to Hungary, to Yugoslavia, and to all of this territory in the Danubian Basin. It is a city which has large shipping interests and many shipbuilding establishments. There is a highly developed plant located there which builds merchant ships and warships, battleships, so it is an up-and-coming city.

Yugoslavia lays claim to the return, as she calls it, to her of Trieste on the theory that Trieste is a part of the economy of that area, and formerly belonged to Austria-Hungary from which Yugoslavia was detached and created into a separate country, from which Italy reacquired territory including Trieste. Of course, the rumor was that the acquisition of Trieste and the adjacent territory was the price paid by the Allies through a secret treaty to induce Italy not to fight on the side of the Central Powers, but to fight on the side of the Allies. I pass no judgment on the veracity of that rumor.

In the case of Trieste the ministers authorized the deputies to appoint a committee of experts to make an examination and a survey of the Istrian Peninsula, which is just south of Trieste, and of Trieste, with the view of drawing an ethnic boundary line, a line undertaking to leave upon each side of the border as few nationals of the other country as possible, so that they would not be under alien rule. They were also instructed to consider the geographic aspects of the situation.

As the result there were four lines drawn. The Russian line was considerably to the west of Trieste, somewhere in the neighborhood I now indicate on the map. The British line began north of Trieste and went on toward the south. The French line was almost the same as the British line. The American line veered off slightly to the east. At any rate the American line was to the south, as I indicate on the map, and veered up toward the east, leaving Pola, which is a city at the extreme point of the Istrian Peninsula, to Italy. The other lines cut Pola into Yugoslavia. The Russian line was far to the west.

The foreign ministers were unable to agree upon any one of the lines as such. The United States finally receded from its own line and agreed to accept the French or the British line. In fact, the French line was most favorable to Yugoslavia. We agreed to go to the French line. However, there was no final agreement on the issue of Trieste.

Trieste is of vital importance because many regard it as the dominant point in the Adriatic Sea and an outlet into the Mediterranean which, as Senators know, is of high importance to several of the great powers in that territory. Also, some viewed Trieste as a possible site for a great naval and military base. Some feared that if it should go to Yugoslavia it might fall under the influence and power of another government. So there was no agreement on that particular point, although it was recurred to on a number of occasions, and there were many warm and heated debates, involving two translations each time, and 2 or 3 days later it would be reverted to again, and those of us who were not delegates, like the Senator from Michigan [Mr. VANDENBERG] and myself, would have the joy of sitting there and listening to the speeches we had heard 2 or 3 days before repeated and translated twice. That occurred quite a number of times.

Let me say that if any Senator wants to ask me any questions at any time I am perfectly agreeable to any interruptions, because this is not a formal speech, copies of which I have already given out to the newspapers. So I can answer questions without varying from any prepared record.

The next question relating to Italy particularly was the matter of reparations. The Soviet Union claimed that many Italian troops had invaded Russia, particularly in the Ukraine, and had committed depredations and devastations, so they advanced a claim for $100,000,000 of reparations from Italy for themselves and $200,000,000 for Yugoslavia and some of the other countries in that area. There was no final agreement on that point except that the Western Powers, including ourselves and Great Britain and others, tentatively agreed to accord $100,000,000 reparations to Russia if it could be agreed as to the source of the reparations. In the case of Italy there were some thirty or forty million dollars' worth of maritime ships which Italy had available that could be applied to reparations. There were some naval war vessels, which the British and the Americans had captured, which they were willing to turn in for reparations amounting to something like twenty to thirty million dollars; and some Italian assets in Yugoslavia, in Hungary, and possibly Bulgaria and Rumania of a considerable amount, thirty million to forty million dollars, could be applied on the payment of reparations.

Totaling these sums, they are well in excess of the $100,000,000 which Russia demanded. However, Russia has declined that on the theory that she was unwilling to accept naval vessels in lieu of reparations, because her contention was that naval vessels were war booty, and therefore could not be considered as reparations. The reply of some of the Ministers was that if the naval vessels were war booty, it was war booty which had been captured by the British and the Americans, and therefore Russia had no claim upon it. So, after repeated discussions and debate, the final result was that the matter was still left in abeyance, and there was no final agreement as to the reparations.

The next question relating to Italy was the matter of her colonies——

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MILLIKIN. Was not one of the points to be considered that we wanted to avoid making a loan to Italy which in turn would be used to pay reparations to one of our allies?

Mr. CONNALLY. Exactly. I am glad the Senator asked that question. The Soviet Union was insisting that part of the reparations should come out of current Italian production. The Secretary of State made the point, of course, that the United States had already advanced several hundred million dollars to Italy to rehabilitate her industry, and that if reparations were to be taken out of current production which the United States was creating through the loan of the money it would simply mean, in effect, that we would be paying the reparations; and we rejected the claim that reparations should come out of current produc-

tion. That is a very pertinent inquiry, and I am glad to have it suggested.

I am sorry that the map before us does not show that part of the Red Sea upon which Eritrea, one of the Italian colonies, is located; but I am sure that Senators are all familiar with the fact that the province of Eritrea, formerly under the control of Italy, is near Abyssinia, and is on the Red Sea.

The other colonies involved were the Dodecanese Islands, which are included in the area marked on the map by a red boundary. They are near Turkey. It was tentatively agreed, but not finally, that the Dodecanese Islands should go to Greece. The Soviet Union seemed to be agreeable to that arrangement.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. PEPPER. I was pleased to hear what the Senator said about the probability of the Dodecanese Islands going to the Greeks. May I ask the Senator, was northern Epirus discussed?

Mr. CONNALLY. I will get to that in a moment.

In the case of Tripolitania, or Libya, on the Mediterranean, which might properly also include Cyrenaica, it was thought a good while ago that the Soviets would make a demand that they be the trustees for that area. Later their request was modified to the extent of being entirely willing to share the trusteeship with Italy, Italy being one of the trustees and the Soviet Union another. Finally, however, the Soviet Union agreed to withdraw its claim to be a trustee for Tripolitania, provided that Italy was to be permitted to be the trustee under the United Nations or any other international organization which might be agreed upon. However, they could not reach an agreement on that question, because France was somewhat averse to a clause in the proposed agreement that at the end of 10 years the territory should have its independence. The French have some possessions in that area which might be influenced by that sort of a situation to declare for their own independence.

Great Britain also objected on the ground that just to the east of Tripolitania is the Territory of Cyrenaica; and it expressed a desire to have the trusteeship of Cyrenaica for itself, largely because in this territory there is a tribe called the Senusi, and that during the time of the British campaigns in north Africa the Senusi were the only people who aided them and joined them in the fight. The British made the very appealing claim that, "While we were standing alone the Senusi were the only people who joined us and helped us in the fight. We promised them then that we would never permit them to go back under Italian control. Therefore we cannot agree to the Italian trusteeship of Cyrenaica." So because of that situation there was no further agreement reached with respect to this territory. However, I feel sure that ultimately an arrangement will be arrived at as to the trusteeship of these territories in north Africa.

There was also another territorial question involved in the north of Italy, namely, the Franco-Italian boundary. It is not a matter of very great importance, but there is a little area in the mountains between Italy and France which France claims should be given to her because of the fact that for strategic reasons the enemy attacked through that territory in the present war, and because of the strategic location the enemy was able to get on the heights and bombard the French. So they want that territory back. There was a tentative agreement that they should have the territory back, with the exception of a small area on the south, where some hydroelectric plants were located. The hydroelectric plants, under Italian control, were being utilized largely to furnish power for their railroads.

So while the conference was in session it appointed a committee of experts—engineers and others—to visit the territory, talk with the natives, and see whether they wanted to go to Italy or to France. When the experts went to talk with the natives they found that the natives spoke both languages. There was a sort of a general mixture. They said they spoke the same tongue that was spoken at Nice. At any rate, they agreed to return the little territory on the border to France, but the electrical location is still under consideration and examination by the experts.

I now revert to Trieste. The map which I am now using is a larger map of Trieste and the Istrian Peninsula. It will be remembered that the Istrian Peninsula was the subject of much controversy. President Wilson took a great interest in it during the negotiations following World War I. It will be remembered that Fiume, which is located at this point [indicating on map], was awarded to Yugoslavia. Then D'Annunzio went there with a small army and took charge of Fiume, and created such a disturbance that it was agreed to modify the treaty by a protocol and award that territory to Italy.

In the establishment of these lines leading out of Trieste, one of the problems was to draw an ethnic line so as to throw as few Italians on the Yugoslav side and as few Yugoslavs on the Italian side as possible. But as is often the case in such situations, many of the people along the border spoke both languages, and an absolute ethnic line could not be drawn, because in any event some of the people would be placed in the other territory.

The city of Trieste itself is predominantly Italian in population. The rest of the Istrian Peninsula, except for this little strip on the west side, is strongly Yugoslav. A proposal was made that there be a referendum as between the United States line and the Russian line, allowing the people in that territory to decide whether they wanted to go to Yugoslavia or Italy.

The Soviet Union objected, and said: "We do not object to a plebiscite, but you must take in the whole Istrian Peninsula." Of course, Mr. President, if they took in the whole Istrian Peninsula, it would vote heavily Yugoslav, because all of it except a very narrow strip on the western border is, in fact, Yugoslav. Having been a part of Austria under the old regime, it is natural that they still adhere to those views.

In the case of Italy there was some progress made in the modification of their armistice terms. The Italian Premier came before the Council—I was just a spectator—and made a strong appeal that if there was no agreement on all of these Italian matters, at least there ought to be a modification of the terms of the armistice, on the ground that at present his Government was unable to function directly and to have the respect of the Italian people, on the theory that it had no authority except as it got authority from time to time by consulting the American or Allied military governments. So the powers of the war council for Italy were restricted and limited so as to give the Italian civil government larger opportunities to exert its own policies and carry out its own measures. There was agreement upon the modification of those terms.

In the case of Germany, Secretary of State Byrnes advanced the proposal that the Allies agree upon a treaty providing for the disarmament of Germany through international controls and keeping her disarmed for a period of 25 years, through a period of inspection and control. There was no final agreement on that matter. The representatives of the Soviet Union objected, on the ground that they did not care to go into a long-range program of disarmament for Germany until they were able to determine how far under the present regime disarmament had in fact taken place. Senators probably saw reports in the press of a claim that, in the British zone, disarmament had not taken place and that there was a group and a faction there still agitating for armed control.

However, that is not the only German question which was involved. In the case of the Saar, which is at the point I now indicate on the map—the Saar Basin, with which all Senators no doubt are familiar—France made a claim for the transfer to France of sovereignty and control over the Saar. Senators will recall that several years after World War I there was a plebiscite in the Saar. No final agreement could be reached in regard to that matter, because it was involved in a number of other situations.

To the north of the Saar is what is called the Rhineland, which, of course, is on the west side of the Rhine. The French would like to have the Rhineland. There was no agreement as to that. Considerable sentiment was expressed respecting perhaps the probable or possible neutralization or internationalization of some of the Rhineland.

On the east side of the Rhine is the great Ruhr industrial district. There was much controversy about what would be done with the Ruhr. There seemed to be rather universal tentative agreement, at least, that the Ruhr should industrially be internationalized, but that its sovereignty should still remain with Germany, through the creation of a large corporation—that was one of the proposals made—whose stock would be owned by the owners of those plants, but that the voting stock would be controlled by an international commission. The control of the industries would, in

that manner, be internationalized, so as to prevent their utilization for the manufacture of arms, munitions, and war supplies. France, of course, made a very strong argument that the Ruhr was the armaments factory of Germany in all of the attacks which had been made upon her, and she wanted to demilitarize it and see that none of it was employed for the making of arms. There was no final decision on that matter, although I feel very hopeful that at some time in the future there will be agreement upon the handling of the Ruhr.

The Secretary of State of the United States proposed that the ministers also take up the question of a peace treaty with Austria. The Soviet Union objected. The objective, of course, on our part was that if troops could be removed from Austria—as would be the case if we had a peace treaty with Austria—it would be possible to remove practically all armed forces from all the territories I now indicate on the map, the plea now being that since there are armed forces in Austria and in Italy, it is necessary to maintain troops in Bulgaria and Rumania as a communications line with their troops in Italy and in Austria. Our thought, and our hope, was to make peace and to remove the military controls in Italy and to make peace with Austria. But no agreement could be reached on that point.

In the case of Austria there is also a boundary dispute with Italy, just to the north, where I now indicate on the map, in a little territory in the mountains known as South Tyrol, which was detached from Austria following World War I and was handed over to Italy. Some of the inhabitants of that territory and some of their friends in the United States sent telegrams to us at Paris and were quite insistent that South Tyrol be redetached from Italy and be handed back to Austria, because of ethnic reasons, so they claimed, and background and history.

The Senator from Florida asked me a question about northern Epirus. Northern Epirus is a little territory between Albania and Greece. It is under the mark to which I point on the map. That matter was discussed and mentioned, but no action was taken regarding it at the Conference. It was one of the questions in controversy.

Greece also presented another claim. Senators will notice on the map that the territory of Greece runs on toward the Turkish territory, south of Bulgaria. That strip of territory is rather narrow, and Greece contended that for security reasons she be given part of Bulgaria at that point. She insisted that that territory is so narrow that it is a peril to her, and she is insisting upon getting another little slice of Bulgaria, just to the north of her present territory. That matter was not gone into in any length, but it was mentioned and discussed, and it is one of the matters which will have to be taken up in the future.

Mr. PEPPER. Mr. President, will the Senator yield at that point?

Mr. CONNALLY. I yield.

Mr. PEPPER. Did not the Greeks also make the claim that they had been invaded two or three times in recent years by the Bulgarians?

Mr. CONNALLY. Yes; that was mentioned.

Mr. PEPPER. And that they had no natural defense line at the present boundary, but that if they got the additional territory there would be a mountainous area which would aid them in their defense line?

Mr. CONNALLY. That is true, I say to the Senator. That matter was mentioned as something necessary for their own security, because of the forays and inroads and raids and encroachments from Bulgaria.

In the case of Bulgaria, there was not much done except that an agreement was made that Bulgaria should retain its boundaries as of 1941, with the reservation that the Greek claim would be given consideration later on.

In the case of Hungary, as Senators probably already know the territory of Transylvania had already been given back to Rumania. So nothing was done with respect to it. It had been agreed to by the nations involved.

In the case of the two provinces of Bessarabia and North Bucovina, Russia acquired them in 1940 before we became involved in the war. She acquired them by treaties with Rumania and the other affected territories.

In the case of Finland, the agreement of the Foreign Ministers was that the treaty should be written by Great Britain and by Russia. Therefore, the general conference did not take up any of the details of what might be included in the treaty. The report was to the effect that a very heavy indemnity was to be paid to Russia.

I have had this map drawn to show some of the territories with regard to Poland, not because they were involved in the discussion at Paris, but because it was quite convenient to show them in connection with this matter. These territories are what are supposed to be new Poland, and they take in a great deal of former German territory. However, the treaties affecting those areas are not yet legally binding. The treaty establishing the so-called Curzon line in Poland was legalized some time ago by an agreement between the two countries involved.

Mr. President, the conference is to reconvene in Paris on June 15. I cannot, of course, with any degree of accuracy, predict what may transpire. I am fearful that the conference is to be reconvened too soon. A longer breathing spell might have been helpful in composing some of the existing differences. But be that as it may, the date for reconvening has been set for June 15.

In the Moscow agreement it was provided that the Council of Foreign Ministers should draw the peace treaties, and that after they had been drawn a general peace conference should then be called. The drafts of the peace treaties would then be submitted, and the Foreign Ministers would receive from the Peace Conference its recommendations.

Mr. President, I read from the report on the Moscow meeting of the Foreign Ministers:

> The conference will consider the draft treaties prepared by the States that signed the respective armistices. The Peace Conference will then draw up its own recommendations. After that, the states which prepared the preliminary texts will consider the recommendations of the Peace Conference and prepare the final texts of the treaties to be signed by all states actively at war with the enemy states in question.

And so on. The Soviet Minister contended that under that language the treaties should be finally submitted to the Peace Conference, and after the Peace Conference had acted upon them they should not be signed unless all four of the foreign ministers approved.

Mr. President, my view is, What right have four foreign ministers, or three foreign ministers, or a half a dozen foreign ministers, to meet and resolve that the 21 nations who fought the war should not have the authority to make the peace treaties, but that, instead, the foreign ministers should be able to make and dictate the terms of the peace treaties?

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. AUSTIN. I may have misunderstood the distinguished Senator from Texas, and therefore I ask him to clarify the matter in order that the record may be perfectly accurate. Am I correct in saying that the Senator is not talking about the Moscow agreement, but is talking about a meeting of foreign ministers?

Mr. CONNALLY. I am speaking of the meeting of Foreign Ministers at Moscow last December. I do not get the distinction which the Senator has drawn.

Mr. AUSTIN. I want to make sure that this is not a binding agreement, but only a tentative arrangement.

Mr. CONNALLY. That is what I am trying to demonstrate. The Moscow agreement was made in December of 1945. The point I am trying to make is that no one authorized the foreign ministers, be they four or three or five, to do this, and that the primary responsibility and primary power to make these treaties in their final form rests with all the nations who bore arms and were at war with enemy states.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. PEPPER. I understood the able Senator from Texas to say that it had been agreed to by the Foreign Ministers at Moscow last December that the procedure which had been outlined should be followed. I should like to know whether there was such an agreement arrived at as the one to which the Senator has referred. Secondly, if there was such an agreement, does the Senator suggest that the Foreign Ministers should meet again and arrive at another agreement concerning procedure?

Mr. CONNALLY. I say to the Senator that I have already read from what was agreed to at the meeting of Foreign Ministers in Moscow, but the Senator

may read it for himself. The point I make is that the ministers convoked themselves and agreed. But who gave them the authority and power to make treaties?

I think the views of the Secretary of State are sound on this point. I am not authorized to quote him, but I gathered from his address the other night that he takes the view that the foreign ministers shall prepare drafts of the treaties and agree upon them so far as they can do so. After that has been done, the foreign ministers shall call a peace conference of the nations who were at war, submit the drafts to which they have agreed, and point out wherein they have not agreed. The peace conference shall then make up its mind and express its views with relation to the treaties.

The Secretary of State also pointed out—I think he is correct in his view—that the responsibility and final authority in connection with a peace treaty rests with the nations which were at war rather than with four foreign ministers, each of whom has in his pocket a veto and may exercise it if he wishes to do so.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. Who has authority to call together representatives of the 21 nations? Someone must do it.

Mr. CONNALLY. I will say to the Senator that I have thought of that point. I suppose that any nation could invite others to hold a peace conference at its capital.

Mr. BARKLEY. Under the United Nations there is practically no authority inherent in the foreign ministers to convoke a meeting of these 21 nations.

Mr. CONNALLY. I think the foreign ministers agreed among themselves that they would call the peace conference.

Mr. BARKLEY. In other words, the 21 nations, through their representatives, agreed that the foreign ministers should do so?

Mr. CONNALLY. No; the agreement was made in Moscow. I will read it to the Senator.

Mr. BARKLEY. No. The Senator does not need to do that. It may be only a technical point, but does the Senator construe what was done by the foreign ministers at Moscow as conferring upon themselves the authority to call a meeting of the 21 nations?

Mr. CONNALLY. I have no objection to their calling a peace conference, but I do not see any sense in calling a peace conference if it is not going to have any authority and if it cannot write a peace treaty itself, rather than to submit it to the four ministers.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. CONNALLY. I yield.

Mr. AUSTIN. Does the Senator understand that it requires unanimous consent of all the ministers to anything they undertake to agree upon?

Mr. CONNALLY. Does the Senator mean of the 21 nations?

Mr. AUSTIN. No. That is not my question. Does the Senator have the opinion that the Council of Foreign Ministers is governed solely by a unanimous agreement?

Mr. CONNALLY. That has been the practice up to the present time.

Mr. AUSTIN. Then one country can interpose a veto?

Mr. CONNALLY. Yes; and that is what I am protesting against. I am protesting against four ministers assuming the authority to write a peace treaty, submitting it to a conference, and when it comes back, if it does not suit the four ministers, allowing any one of them to veto it. I do not subscribe to that sort of doctrine in international law. A group of nations who want to make a peace treaty should have the authority to make their own rules of procedure and decide as to what kind of a vote would be required for the adoption of the treaty. It would be binding, of course, only upon the nations that ratified it. It is not possible to make a treaty and force a nation, unless it is the victim of conquest, to execute a treaty to which it did not agree. So I am appealing to the nations of the earth and to the foreign ministers of the earth for the widest opportunity for the nations that should have a part in writing the peace treaties. It is all right for the foreign ministers to engage in preparatory work to aid in framing what they think could be a good treaty and submit it to a conference of nations; in fact, that is what the agreement originally said—that the foreign ministers should engage in preparatory work looking to the peace treaties.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. TUNNELL. I should like to have the Senator refer again to Poland. He described the line of the new Poland and said that there had been some agreement as to the boundary. Does the Senator have any idea where under that agreement the line is drawn? Is it the Curzon line?

Mr. CONNALLY. Yes; I think it is—or at least approximately so. The Curzon line is here. [Indicating.]

Mr. TUNNELL. And that leaves a large amount of Poland to Russia?

Mr. CONNALLY. Yes. She got quite a strip of territory there—a cut-back into Poland. This other territory [indicating on map] goes to the Baltic Sea and gives her ports in the old Polish Corridor. Then this [indicating] is German territory, and that is proposed to be added to Poland. Legally, however, those treaties have not as yet been consummated.

Mr. TUNNELL. Does Russia admit the right of the United Nations to determine Poland's territorial limits?

Mr. CONNALLY. I do not know what they are based on, but I have an idea what her hopes are.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MAGNUSON. I wish the Senator would go back to Trieste, which involves a question I have been interested in for a long time. I do not know all the ramifications of the problem, but Trieste appears to me to be one of the ABC's of the problem. Here is a country, an ally, Yugoslavia, that during the war fought the enemy with very little aid from us. Yugoslavia and some of these territories behind her have need of seaports. Here is another country, Italy, which was our enemy during the war, which has about as much use for another seaport as a dog has for three tails. What is the main objection—does it come from Italy itself or from other countries—to letting Yugoslavia or countries behind her have Trieste? Is it merely because of the population there; is that the whole matter?

Mr. CONNALLY. The most forceful argument they make is based on ethnic considerations.

Mr. MAGNUSON. Does Italy make that protest?

Mr. CONNALLY. Yes; Italy wants Trieste and Yugoslavia also wants it. There is a good deal of substance to the consideration the Senator pointed out. Geographically, of course, the whole Istrian Peninsula is more or less a part of the old territory of Yugoslavia, but it was the desire of the Conference not to cut the Italian population into Yugoslavia and not to cut the Yugoslavian population into Italy. Ethnic considerations were the chief factors. There is no agreement about it.

Mr. MAGNUSON. What about Fiume?

Mr. CONNALLY. Fiume goes to Yugoslavia, on everybody's plan.

Mr. MAGNUSON. What is the difference in relative value as between the two seaports?

Mr. CONNALLY. Trieste is immeasurably more important. Trieste is so located that its commerce goes up not only into Yugoslavia but Hungary and Austria and the Danube Basin. There has been some change in that respect because of the building up of some of German ports some years ago, which diverted a good deal of the business that had gone to Trieste, after it had been switched back to Italy, but still Trieste is a very important commercial port and the railway connections were formerly very good. They are probably bad now on account of the war, but Trieste has outlets into all this territory.

Mr. MAGNUSON. Is it the Senator's impression that because there are a number of Italians in Trieste it was proper that that should outweigh the equitable considerations of Yugoslavia?

Mr. CONNALLY. It may not finally. I am merely stating the situation as it is today. The chief considerations of those opposed to giving Trieste to Yugoslavia were based upon ethnic grounds.

Mr. MAGNUSON. Can the Senator state what other countries joined with Italy in protest, or was it Italy alone that protested?

Mr. CONNALLY. I do not think any other country except the four foreign ministers took any part in the matter.

Mr. President, the future involves the meeting of the foreign ministers hereafter, and the final treaties of peace. I want to make it clear to the Senator from Vermont that in my reply to him a little while ago I did not refer to the original

Moscow declaration in which Secretary Hull participated, but to the one of last December in which Secretary Byrnes took part.

Mr. AUSTIN. I thank the Senator, because I did get that impression.

Mr. CONNALLY. I am sorry.

Mr. President, my contention is that the only final authority for the making of peace treaties will rest with the representatives of the nations who were at war. I think that the Council of Foreign Ministers have already rendered a very fine service in doing the preparatory work in this conference. While it may not have attained all that many hoped for, the conference in Paris rendered a distinct service in that it familiarized the members more intimately with all the issues involved, gave us a better acquaintance with the motives and purposes of the other nations, and I think distinctly widened the channels of agreement and narrowed the channels of disagreement.

But, Mr. President, the United States in participating in conferences of this kind occupies a rather unique position. The United States is the only Nation that wants nothing and asks for nothing.

Other nations which are members of the Council have their ambitions, they have their traditional affections, and their traditional prejudices. They, of course, want a peace treaty which will not be to their disadvantage, but possibly to their advantage. So it is not an easy task to secure agreement by four great nations. Moreover, it is difficult, as we look and peer into the future, to know just how and where we are ever going to make adjustments which will receive the approval of all four of the Foreign Ministers.

Suppose we do not; what are we going to do? Suppose we do not reach a peace agreement; suppose we do not agree on a treaty. The world will be in a state of chaos. It was thought that some of the nations did not want agreements at this time because of the fact that elections were pending in France and Italy in June, and they would prefer to wait until after those elections to make any agreements. I do not make that as a charge. I do not know. That was merely a theory that was advanced.

The United States wants nothing in Europe except peace, and our warrant for taking part in the negotiations respecting matters which, so far as our own direct interests are involved, are at least of secondary importance, is that we do not want war to break out in Europe, because such a war would not only desolate Europe, but might involve us again in a world war. So, after all, it is worth our effort if we can contribute to the composing of differences between the nations with regard to all these matters.

The task will not be an easy one. We stand for peace, of course; we stand for the UN; we stand for the trusteeship system under the United Nations to give it strength and to give it prestige.

We stand for the old theory of national sovereignty, each nation deciding its own destiny, provided it does not impinge upon or transgress the rights of another nation or another people. For that we will not stand.

Another difficulty is that a democracy like our own finds it much more difficult to deal with international problems frequently than does a totalitarian state, controlled by the edict of one man, of one master. I am glad to know, however, that the distinguished Senator from Michigan in his address yesterday indicated that there would be no political or partisan differences in the United States on the issues here involved or on the issues of foreign policy. I congratulate him. I am happy that such is his attitude, and that such is the attitude of his party.

Mr. President, I have pictured the situation as we find it. I beg the pardon of the Senate for taking so much of its time.

The world is in a confused and uncertain state. From the Mediterranean around the globe to China, and all of the Far East, the fate of peoples is in the balance. Hunger and starvation are stalking abroad in many lands. Military forces are still occupying the territories of many countries. The threat of war is heard even in Europe, as well as in China and other portions of the East.

Mr. President, the United States has a great historic background. We have well-defined objectives in national policy and in domestic policy. It seems to me that the powers which rule the world have laid upon the United States the obligation and the destiny to give, whatever the cost, of all that it has in influence, in intelligence, and in power, to help the world bind up its wounds and embark once again upon a road of peace.

It will require not only patience, but perseverance; it will require not only tolerance, but long periods of sacrifice.

Mr. President, we cannot bring about harmony among the nations of the earth if we cultivate hatred and enmity for particular nations, or, on the other hand, undue affection or liking for others. We have to live in this world. We are here, and other nations are here. They are going to live on this earth, and so are we, and it is up to us to undertake to adjust our policies and our affairs, with firmness, with a knowledge of what is right and just, but with a view to living with the rest of the world, and living in peace and harmony.

God grant us the strength, the power, the intelligence, and the patriotism to follow out these great objectives, and thus render the greatest possible service to mankind and the world.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

PAYMENT OF OVERTIME, LEAVE, AND HOLIDAY COMPENSATION

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Comptroller General of the United States, transmitting a draft of proposed legislation to provide a method for payment in certain Government establishments of overtime, leave, and holiday compensation on the basis of night rates pursuant to certain decisions of the Comptroller General, and for other purposes, which, with the accompanying paper, was referred to the Committee on Claims.

USE OF GRAIN FOR FEEDING NEEDY PEOPLE OF THE WORLD

Mr. CAPPER. Mr. President, I have received a letter from Rev. Cyril M. Hicks, minister of the First Pilgrim Congregational Church, of Kansas City, Kans., embodying resolutions adopted by the Conference of Congregational-Christian Churches, held at Lawrence, Kans., urging that grain now used for the making of beverage alcohol be used to feed the needy people of the world. I ask unanimous consent to present the letter and that it be printed in the RECORD and appropriately referred.

There being no objection, the letter was received, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

FIRST PILGRIM
CONGREGATIONAL CHURCH,
Kansas City, Kans., May 14, 1946.

Hon. ARTHUR S. CAPPER,
The Senate, Washington, D. C.

DEAR SIR: At the meeting of the conference of Congregational-Christian Churches held at Lawrence, Kans., last week, the following recommendations were unanimously adopted:

1. Faced with a world in which millions of people are starving, we urge our Government to remove from the domestic market sufficient grain at the source to provide immediate shipments in the greatest possible volume to meet the desperate need in other lands. Moreover, after the harvests this summer the total volume of food will still be far short of meeting the needs of the starving overseas. We therefore recommend that our Government take immediate steps to reinstitute such a rationing program as would assure the minimum supplies for our share of the quantities and kinds of food required overseas for the next year.

2. We recommend that the grain now diverted for the making of beverage alcohol shall be stopped in the interests of the needy in the world.

3. Believing that in the atomic age in which we live the only security is to be found in an understanding that casts out suspicion, in love that casts out fear, and that it is now one world or none, we recommend that support be given the McMahon bill now pending in Congress, which advocates civilian control of atomic energy, in order that the citizens of these United States may know the facts concerning its dangers and its infinite possibilities. We further recommend, the support of this bill without any crippling amendments. Because the possession and use of atomic energy is worldwide in its implications, we urge that an international control commission be set up with power to prohibit its uses for purposes of war and destruction.

We commend these three resolutions to your respectful attention and we shall continue to give our support to you in the great and burdensome task that is yours.

Respectfully,

CYRIL M. HICKS,
Chairman, Resolutions Committee.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. HOEY, from the Committee on the District of Columbia:

S. 2142. A bill to provide for two heads of departments of military science and tactics in the public schools of the District of Columbia; without amendment (Rept. No. 1368); and

S. 2219. A bill to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended; without amendment (Rept. No. 1369).

By Mr. SALTONSTALL, from the Committee on the District of Columbia:

S. 2218. A bill to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended; without amendment (Rept. No. 1370); and

H. R. 5718. A bill to facilitate the liquidation of Washington Railway & Electric Co.; without amendment (Rept. No. 1371).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILSON (for Mr. BUTLER):

S. 2225. A bill to amend the act entitled "An act authorizing the Nebraska-Iowa Bridge Corp., a Delaware corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Missouri River between Washington County, Nebr., and Harrison County, Iowa," approved March 6, 1928; to the Committee on Commerce.

By Mr. McMAHON:

S. 2226. A bill for the relief of Mrs. Yvonne Nguyen-Thi-Tung Rogoff; to the Committee on Immigration.

By Mr. McCARRAN:

S. 2227. A bill to extend the Civilian Pilot Training Act of 1939; to the Committee on Commerce.

(Mr. GUFFEY introduced Senate bill (S. 2228) to prevent the use of the unused excess-profits credit carry-back as a Government subsidy to employers in strikes, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. SMITH:

S. 2229. A bill to amend the act of May 24, 1939, to provide for the retirement of former enlisted men of the Coast Guard who have had 20 or more years of service; to the Committee on Commerce.

By Mr. VANDENBERG:

S. 2230. A bill to amend the Export-Import Bank Act of 1945 to require the written approval of the Secretary of State prior to the making or renewing of a loan to a foreign country; to the Committee on Banking and Currency.

By Mr. OVERTON (by request):

S. 2231. A bill to amend the act to provide for the issuance of devices in recognition of the services of merchant sailors; and

S. 2232. A bill to provide for the transfer of air navigation facilities in foreign countries; to the Committee on Commerce.

By Mr. THOMAS of Oklahoma:

S. 2233. A bill for the relief of Edward Easton Soule (with accompanying papers); to the Committee on Claims.

By Mr. HOEY (by request):

S. 2234. A bill to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(Mr. GEORGE introduced Senate bill (S. 2235) to provide a system of relief for veterans, and dependents of veterans, who served during World War II in the organized military forces of the Government of the Commonwealth of the Philippines while such forces were in the service of the armed forces of the United States pursuant to the military order of July 26, 1941, of the President of the United States, and for other purposes, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. RADCLIFFE introduced Senate bill (S. 2236) providing for a medal for service in the merchant marine during the present war, which was referred to the Committee on Commerce, and appears under a separate heading.)

(Mr. RADCLIFFE (for himself, Mr. MEAD, Mr. MAGNUSON, Mr. MITCHELL, Mr. PEPPER, Mr. GUFFEY, Mr. TAYLOR, Mr. MORSE, Mr. GREEN, and Mr. MYERS) introduced Senate bill 2237, to provide aid for the readjustment in civilian life of those persons who rendered wartime service in the United States merchant marine, and to provide aid for their families, which was referred to the Committee on Commerce, and appears under a separate heading.)

By Mr. FERGUSON:

S. 2238. A bill for the relief of Frank Clifford Varah; to the Committee on Immigration.

By Mr. CORDON:

S. 2239. A bill relating to the taxation by State and local taxing units of certain real property sold by the United States, and for other purposes; to the Committee on Public Lands and Surveys.

RELIEF FOR WORLD WAR II FILIPINO VETERANS AND THEIR DEPENDENTS

Mr. GEORGE. Mr. President, I ask unanimous consent to introduce a bill, which has been submitted by the Veterans' Administration, to provide a system of relief for veterans and dependents of veterans who have served during World War II in the organized military forces of the Commonwealth of the Philippines. I ask that the bill be appropriately referred.

There being no objection, the bill (S. 2235) to provide a system of relief for veterans, and dependents of veterans, who served during World War II in the organized military forces of the government of the Commonwealth of the Philippines while such forces were in the service of the armed forces of the United States pursuant to the military order of July 26, 1941, of the President of the United States, and for other purposes, was received, read twice by its title, and referred to the Committee on Finance.

MEDAL FOR SERVICE IN THE MERCHANT MARINE

Mr. RADCLIFFE. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill providing for a medal for service in the merchant marine during the present war.

It is peculiarly appropriate today, Maritime Day, that this bill should be introduced, because it calls attention to the distinguished and absolutely indispensable services which were rendered by our patriotic seamen during the war.

There being no objection, the bill (S. 2236) providing for a medal for service in the Merchant Marine during the present war was received, read twice by its title, and referred to the Committee on Commerce.

MERCHANT SEAMEN'S WARTIME SERVICE BILL

Mr. RADCLIFFE. Mr. President, on behalf of myself, the Senator from New York [Mr. MEAD], the Senators from Washington [Mr. MAGNUSON and Mr. MITCHELL], the Senator from Florida [Mr. PEPPER], the Senators from Pennsylvania [Mr. GUFFEY and Mr. MYERS], the Senator from Idaho [Mr. TAYLOR], the Senator from Oregon [Mr. MORSE], and the Senator from Rhode Island [Mr. GREEN], I ask unanimous consent to introduce for appropriate reference a bill, to provide aid for the readjustment in civilian life of those persons who rendered wartime service in the United States merchant marine, and to provide aid for their families.

Last year on this day our emphasis was on the redirection mainly of our maritime efforts to bring the war in the Pacific to a speedy conclusion. Within the short period of 1 year, our merchant marine carried the men, equipment, and food necessary for victory over Japan, and then handled one of the most amazing transportation jobs on record in carrying out our demobilization program.

Today we commemorate our first postwar Maritime Day. Our merchant marine is in the midst of the transition to peacetime operations. The patterns of postwar operations are still largely unset. Privately owned vessels which were under charter to the Government during the war are being returned to private owners. The first sales under the Ship Sales Act, of which bill I was in charge while it was in the Senate, are expected to take place next month. Our shipyards are busy reconverting the fleet. Naturally the maritime labor force is shrinking in numbers.

While reconversion legislation has been enacted for the industry, no adequate provision has been made for our maritime workers. In the dark days of the war we scoured the Nation for skilled seamen. In fact, we had to rob our shipyards of experienced seamen to man our fleet, not because the shipyards could afford to part with any skilled workers but because the needs for sea duty were even greater. Thousands of former seamen took up the helm again not in the interest of personal gain but in order to serve our country where they were needed most. At times they left higher paying and less dangerous shoreside occupations to do a much needed job, and they did it well.

We searched the Nation for boys of 16 and 17 years of age to fill the manpower needs of the merchant marine. These youths, too young to enter the armed forces and anxious to make their contribution to our war effort, responded by the thousands, and their assistance was a very big one.

The courageous group of professional seamen, the 60,000 men who were sailing at the outbreak of war, kept to their jobs through the long, hard years even though many of them lost their lives because of the submarines, mines, torpedoes, and bombs.

Can our Nation afford to forget these men now that the war is over? Will we permit their skill to be dissipated? Will we say to them: "Your reward is a shrinking of job opportunities, unemployment without unemployment compensation, injuries without benefits?"

There is heartening news from several committees of the Congress which want to answer these questions in the negative.

The Merchant Marine and Fisheries Committee of the House of Representatives is handling a Merchant Seamen's War Service Act. The benefits proposed in it are civilian in nature and limited

to provisions aimed to prevent hardship and suffering occasioned by war service.

This session should not adjourn without making justifiable provision for the war-maimed, for the dependents of the war dead, for the youths who interrupted their schooling, and for the older war service seamen faced with intermittent periods of unemployment.

A suitable Merchant Seamen's War Service Act is proper and due. The only problem that remains is to find time on our crowded calendar to act. We must find that time and find it quickly.

It is also heartening to hear that the Congress is turning its attention to unemployment insurance legislation. There can be no doubt that an issue of outstanding importance is suitable insurance coverage for merchant seamen. While other nations have moved forward to systems of continuous employment for seafarers, our country has not yet afforded adequate protection against unemployment.

Careful consideration is now being given to this very important matter. At a minimum, it would take a year before any such permanent system can be in operation after legislation is passed. Even with temporary coverage under a Merchant Seamen's War Service Act, legislation providing for such permanent system should be enacted now if there is to be real continuity of coverage.

There is a tendency to forget the tremendous contribution made to the war effort by the longshoremen and associate maritime skilled workers on the dockside. They are occupations which are often back-breaking and hazardous. Yet in spite of a very high, if not the highest accident rate of any industry, efforts to improve and strengthen the Longshoremen's and Harbor Workers' Compensation Act have been unsuccessful. I trust that Congress will, as soon as possible, turn its attention to this matter and pass adequate legislation.

In these brief remarks today I have stressed the importance of action. Let us show our appreciation by positive action rather than by merely words of praise on this Maritime Day. The accomplishments of our seamen, longshoremen, and other maritime workers during the last war will live in history.

It is our privilege and our duty to show appreciation in fitting manner.

There being no objection, the bill (S. 2237) to provide aid for the readjustment in civilian life of those persons who rendered wartime service in the United States merchant marine, and to provide aid for their families, introduced by Mr. RADCLIFFE (for himself, Mr. MEAD, Mr. MAGNUSON, Mr. MITCHELL, Mr. PEPPER, Mr. GUFFEY, Mr. TAYLOR, Mr. MORSE, Mr. GREEN, and Mr. MYERS), was received, read twice by its title, and referred to the Committee on Commerce.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 1002. An act for the relief of Marvin Sachwitz;

H. R. 1322. An act for the relief of the Marine Engine Works & Shipbuilding Corp., of Tarpon Springs, Fla.;

H. R. 1460. An act for the relief of D. C. Todd;

H. R. 1480. An act for the relief of the S. G. Leoffler Operating Co., of Washington, D. C., and for other purposes;

H. R. 1673. An act for the relief of the Superior Coach Corp.;

H. R. 1797. An act for the relief of Arcadio Saldana Agosto;

H. R. 2130. An act for the relief of Daniel S. Bagley, Jr., and Daniel S. Bagley, Sr.;

H. R. 2269. An act for the relief of Dr. William A. Schumacher and Magdalen M. Schumacher;

H. R. 2954. An act for the relief of John Hamlet;

H. R. 3031. An act for the relief of Walter A. Moffatt;

H. R. 3622. An act for the relief of Mrs. Hazel M. Skaggs;

H. R. 3744. An act for the relief of Mrs. Eva L. Dudley;

H. R. 3848. An act for the relief of the legal guardian of Johnnie Pollock, a minor;

H. R. 4215. An act for the relief of Jane O'Malley;

H. R. 4245. An act for the relief of José Villafañe Muñoz;

H. R. 4251. An act for the relief of the estate of the late Francisca Sánchez Figueroa;

H. R. 4331. An act for the relief of Esequiel (Frank) Padilla, and others;

H. R. 4339. An act for the relief of Fannie C. Fugate;

H. R. 4419. An act for the relief of Mrs. James Plumb;

H. R. 4495. An act for the relief of William H. Roman;

H. R. 4577. An act for the relief of Dolores Joyce;

H. R. 5000. An act for the relief of Marion Powell, a minor;

H. R. 5030. An act for the relief of Mrs. Lim Shee Chang;

H. R. 5091. An act for the relief of Mrs. Mary A. Honnell;

H. R. 5352. An act for the relief of Joseph Ippolito;

H. R. 5811. An act for the relief of the legal guardian of David Owens, Jr.;

H. R. 6010. An act for the relief of the Yakutat Cooperative Market;

H. R. 6245. An act for the relief of Mary G. Paul;

H. R. 6334. An act for the relief of the estate of Carmen Aurora de la Flor, deceased; and

H. R. 6442. An act for the relief of Mrs. Elizabeth J. Patterson, Joy Patterson, and Roberta Patterson; to the Committee on Claims.

H. R. 6011. An act for the relief of Dr. Harry Burstein, Madeline Borvick, and Mrs. Clara Kaufman Truly (formerly Miss Clara M. Kaufman); ordered to be placed on the calendar.

H. R. 6148. An act to exempt certain vessels from filing passenger lists; to the Committee on Commerce.

H. J. Res. 340. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission; to the Committee on Foreign Relations.

THE GREAT LAKES-ST. LAWRENCE WATERWAY AGREEMENT—AMENDMENT

Mr. LUCAS. Mr. President, I ask unanimous consent to submit an amendment intended to be proposed by me to Senate Joint Resolution 104, approving the agreement between the United States and Canada relating to the Great Lakes-St. Lawrence Basin with the exception of certain provisions thereof; expressing the sense of the Congress with respect to the negotiation of certain treaties; authorizing the investigation through the Department of State and with Canada of the feasibility of making the Great Lakes-St. Lawrence seaway self-liquidating; and for other purposes, and request that it be referred to the Committee on Foreign Relations. I also request that the amendment may be printed in the body of the RECORD at this point.

The ACTING PRESIDENT pro tempore. Without objection, the amendment will be received, referred to the Committee on Foreign Relations, and will be printed in the RECORD.

The amendment intended to be proposed by Mr. LUCAS is as follows:

On page 2, line 3, beginning with the word "with", strike out through line 10 and insert in lieu thereof the following: "with the exception of article VII, article VIII, paragraph 'c,' and article IX thereof, and the President is hereby authorized and empowered to fulfill the undertakings made on behalf of the United States in said agreement, with the exception of article VII, article VIII, paragraph 'c,' and article IX, upon the receipt by him of satisfactory evidence and of the approval of said agreement with the exceptions provided above, by reciprocal or concurrent legislation of Canada."

Mr. LUCAS. Mr. President, in connection with the amendment I should like to say a few words in explanation.

For the convenience of the committee section VIII (c), subject of my statement, is as follows:

If any diversion of water from the Great Lakes system or the international section, other or greater in amount than diversions permitted in either of the countries on January 1, 1940, is authorized, the government of such country agrees to give immediate consideration to any representations respecting the matter which the other government may make; if it is impossible otherwise to reach a satisfactory settlement, the government of the country in which the diversion of water has been authorized agrees, on the request of the other government, to submit the matter to an arbitral tribunal which shall be empowered to direct such compensatory or remedial measures as it may deem just and equitable; the arbitral tribunal shall consist of three members, one to be appointed by each of the governments, and the third, who will be the chairman, to be selected by the governments.

The amendment I submit proposes to except section VIII, paragraph (c), of the St. Lawrence agreement from Senate approval, when and if that approval is granted. While its effect would be to strike out this paragraph from the agreement, there is no intention of interfering with the main object of the St. Lawrence agreement, an agreement I can wholeheartedly support if this section is eliminated.

The historical foundation behind section VIII (c) is well known by the members of this committee. I will recapitulate it but briefly in order to refresh the committee's memory on the Illinois-Michigan Canal, to which section VIII (c) chiefly addresses itself.

The canal was authorized over 100 years ago. By 1848 the canal was completed and in operation, diverting water from the Great Lakes Basin into the Mississippi Basin. This water was small in amount originally, due to the fact that

it was pumped from the Chicago River into navigation locks on the canal.

The city of Chicago, even then growing very rapidly, drained a considerable amount of sewage into the Chicago River. To facilitate removal of the sewage the pumps were enlarged in 1881. The pumps were not sufficient and the Chicago end of the Illinois-Michigan Canal became the seat of a pollution that threatened to destroy the effectiveness of the canal itself and disturb the health of Chicago. To remedy this situation the Chicago Sanitary District obtained approval in 1899 for a project to reverse the flow of the Chicago River, draw the pollution away from Lake Michigan and do away with the inadequate pumping system. By 1901 a gravity canal was in operation, the pollution was relieved, and a steady flow of 4,167 cubic feet per second of Lake Michigan water was diverted through the Chicago River and connecting canals into the Mississippi system.

From 1901 to date there has been a steady flow of water through this waterway. To my knowledge, the right to maintain this flow has not at any time been challenged by Canada. In fact, when the boundary water treaty of 1909 was negotiated, inclusion of provisions which might have any restriction of the flow of the Chicago diversion was specifically avoided, and a silent permission apparently granted by Canada to allow 10,000 feet per second to flow out the canal. The amount of water turned through this waterway has varied from 1,500 feet per second to 10,000 feet per second. The present allowance is the 1,500 cubic feet, but this allowance has been increased to 10,000 feet per second when circumstances have so required.

It may be pointed out that if section VIII (c) of the Great Lakes-St. Lawrence agreement is approved, the amount of water allowed to flow through the Chicago outlet will be permanently frozen at 1,500 feet per second, and frozen there without regard to the considerations which through the years have allowed variable flowage, without regard to equitable interests involved, and in specific curtailment of the presently exercised public controls over this outlet, as set out below.

At the present time, the flowage at the Chicago outlet is subject to the combined control of the Secretary of War and the Supreme Court.

The Secretary of War has basic authority to provide for navigability of the Great Lakes system, including the Illinois-Michigan Canal. Specifically, he has authority to regulate the flow of water in accordance with the needs of navigation—*Sanitary District of Chicago* v. *U. S.* (266 U. S. 405 (1925)).

The Supreme Court in the case of *Wisconsin* v. *Illinois* (278 U. S. 367 (1929)) took cognizance of the equitable interests of the Great Lakes States in the amount of water allowed to flow through the Chicago outlet. This case has been continued on the docket and is now pending before the Supreme Court. The Court has established an equitable adjustment to balance the interests of Chicago and Illinois in drainage and navigation, the interests of the lower Mississippi States in the increased flow of water from Lake Michigan, and the interests of the Great Lakes States in a sustained water level in Lake Michigan and other lakes.

While this matter has been under the cognizance of the Supreme Court, this Court has time and again given renewed consideration to problems as they have arisen. From 1930 until 1935 the Supreme Court allowed a flow of 6,500 feet per second through the outlet. From 1935 until 1938 the Supreme Court allowed a flow of 5,000 feet per second through the waterway. From 1938 until the present, basic allowance has been 1,500 feet per second. But as mentioned above, this allowance has been increased in special circumstances up to and including a flow of 10,000 feet per second. Such an allowance has resulted from the fact that the Supreme Court, through its masters in equity, has given careful attention to the rights of the various parties as mentioned above and has flexibly adjusted those rights to meet the needs as they have arisen. When the sanitary situation in Chicago has cleared up, it is presumed that complete control will again revert to the War Department under its power to control navigation.

While it is admitted that Congress could, if desired, directly provide for control of the flow, and while it is further granted that the numerous acts of Congress, passed to aid Illinois in her plan to set up the canal here involved, do not stop Congress from considering the problems anew; still it is suggested that the abrupt curtailment of the present policy in this intricate situation in favor of an absolute and rigid flowage limit of 1,500 feet per second, a curtailment resulting from a collateral interest, would have a detrimental effect upon any change or development that Congress might wish to work out later.

It is further suggested that the dropping of section VIII (c) from the agreement would have no adverse effect on the agreement as a whole. Canada, herself, has always had the international privilege of making any objection to diversions of water from the Great Lakes system. The elimination of section VIII (c) will not interfere with her privilege, though I cannot say what would be the effect on this privilege in view of Canada's long acquiescence in the diversion.

I will enumerate but a few of the equitable considerations which would be abruptly cut off should section VIII (c) be included in the Great Lakes-St. Lawrence agreement.

First. From time to time further temporary increases in flowage may be necessary to rescue particular localities from contamination due to dormant sewage and refuse down river. The power to afford needed rescue should not be curtailed.

Second. The very safety of the port of Chicago and, in fact, of the water front of the whole of Lake Michigan may be imperiled because of the unusually high lake levels. At the present time the level of Lake Michigan is at its highest in 16 years, and lake-front property in northern Illinois is being washed away. Substantial damage from erosion is feared in both Chicago and Milwaukee.

Third. The Chicago Canal has been used for shipping naval vessels down through the Mississippi to the open sea. It may well be that at some future time we may need to increase the flow for temporary periods, in order to insure safe passage of naval vessels over the shallower parts of the river below Chicago.

Fourth. It may be also pointed out that at one time sewage from cities bordering Lake Michigan had so collected in the port of Chicago that the Secretary of War had to increase temporarily the flow of water down the Chicago River in order to insure the usability of the port itself. The controlling authorities should not be estopped from taking care of such situations should they arise in the future.

Fifth. The power facilities of the Chicago drainage canal may be small when judged against our immense national power resources, but in the recent emergency the power developed by the temporary emergency increase in flow was an important factor in sustaining the health and safety of this metropolitan area. For the safety of the future, we must be free to use additional water if shortages develop.

No one can now say that the Supreme Court should immediately increase the flow of water, but it is apparent that it is possible, if not probable, that the Supreme Court or the War Department in the future may have to rely upon flexible authority to increase the flow in emergencies.

In conclusion, I may point out that I do not here ask that any particular theory or view of the Chicago diversion be adopted or approved. I do not maintain that any particular flow of water should be insured. I only maintain that this Government, through its properly designated officials, should not be cut off unnecessarily by outside agreement from the continued equitable consideration and disposition of the Illinois-Michigan drainage problems. It is with this thought in view that I submit my amendment to Senate Joint Resolution 104.

Mr. President, I now ask that three letters which bear on this subject may be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ARMY SERVICE FORCES,
CHICAGO ORDNANCE DISTRICT,
Chicago, Ill., October 17, 1945.

Mr. SIDNEY A. SMITH,
Chicago, Ill.

DEAR SIR: Thank you for yours of October 16, 1945, enclosing the brochure Corridor of Commerce.

Your assurance "that there is nothing in the proposed set-up that will in any way affect the present situation as regards to diversion from Lake Michigan waters at Chicago" is the very thing that I object to. The present situation is that we are limited to an annual average diversion of 1,500 cubic feet per second, which is not enough to properly dilute the effluent from the sewage-disposal plants and maintain the Illinois waterway in a fit condition for navigation. The decree of the United States Supreme Court limiting the diversion to this amount

may be modified and the Congress of the United States has the power to authorize greater diversions. What we want to guard against is any treaty provision with Canada limiting or prescribing the powers of the Congress and Supreme Court of the United States to adjust this diversion in any amount up to the capacity of the main drainage of the channel and to reserve all of our rights to this diversion as a purely American domestic matter.

If section VIII of the treaty can be eliminated, I think that all of the objections of the Mississippi Valley States could be removed. The proponents of the St. Lawrence waterway certainly ought to be willing to leave this question to the Congress and Supreme Court, and I am reasonably sure that there will be a determined opposition to ratification of the treaty unless the proponents are willing to make this concession.

Very truly yours,

ROBERT I. RANDOLPH,
Former President,
Mississippi Valley Association.

MISSISSIPPI VALLEY ASSOCIATION,
St. Louis, October 26, 1945.

Mr. SIDNEY A. SMITH,
Anchor Storage Co., Chicago, Ill.

DEAR SIDNEY: Replying to your letter of October 16, which was awaiting me when I returned to St. Louis, with which you sent the booklet Corridor of Commerce.

What our people object to is article VIII of the proposed St. Lawrence Treaty with Canada. You say that "nothing in the new set-up in any way contemplates any change in the situation so far as diversion at Chicago from Lake Michigan waters is concerned." This is not true.

The present set-up is merely an order from the Supreme Court of the United States. It is a wholly American set-up. The treaty gives the Canadian Government the right to intervene and control future use of the waters of Lake Michigan. This is a right they have been denied ever since the close of the war of 1812. It would be a great victory for the British if they could put this one over on us.

Lake Michigan is a wholly American lake. All of its watershed is within the United States. It is not properly a part of the boundary waters between Canada and the United States. The flow of water from Lake Michigan is into the boundary waters, and the boundary line is 50 miles north of the northern end of Lake Michigan.

So far as the Valley Association is concerned, I do not believe our members will ever consent to or approve of any arrangement with Canada that does not completely eliminate any reference to Lake Michigan that would give Canada any say whatever in what is to be done with its waters.

With kindest personal regards and best wishes,

Sincerely,

LACHLAN MACLEAY,
President.

MISSISSIPPI VALLEY ASSOCIATION,
St. Louis, November 12, 1945.

Mr. SIDNEY A. SMITH,
Anchor Storage Co., Chicago, Ill.

DEAR SIDNEY: Replying to yours of November 6, which was awaiting me on my return to St. Louis this morning.

It is my sincere belief that if article VIII of the proposed St. Lawrence Treaty or agreement is removed, the greater part of the objections to the St. Lawrence project in the valley would be dissipated. All that would be left in the way of objections would be from cities which might believe that the St. Lawrence seaway would affect their commerce in a detrimental way.

The position of the Valley Association has always been taken on the basis of article VIII, which would have a very bad effect upon the valley as a whole, and so long as article VIII remains in the treaty we will oppose the St. Lawrence project with every influence we possess.

With kindest personal regards,

Sincerely,

LACHLAN MACLEAY,
President.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT—AMENDMENT

Mr. GURNEY. Mr. President, I ask unanimous consent to submit amendments intended to be proposed by me to the bill (S. 2057) to extend the Selective Training and Service Act of 1940, as amended, until May 15, 1947, and for other purposes, and request that they lie on the table, be printed, and be printed in the RECORD.

These amendments would reestablish the provisions of the Selective Training and Service Act concerning the right to induct persons under 20 and over 30 years of age which were removed therefrom by the recent action of the House of Representatives regarding Senate Joint Resolution 159.

There being no objection, the amendments were received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 1, between lines 6 and 7, insert the following:

"SEC. 2. (a) So much of the first sentence of section 3 (a) of the Selective Training and Service Act of 1940, as amended, as precedes the first proviso is hereby amended to read as follows:

" 'SEC. 3. (a) Except as otherwise provided in this act, every male citizen of the United States, and every other male person residing in the United States, who is between the ages of 18 and 45 at the time fixed for his registration, shall be liable for training and service in the land or naval forces of the United States:' "

On page 1, line 7, delete "SEC. 2." and insert in lieu thereof "(b)."

Mr. GURNEY. Mr. President, I ask unanimous consent to submit another amendment intended to be proposed by me to Senate bill 2057, to extend the Selective Training and Service Act of 1940, as amended, until May 15, 1947, and for other purposes, and request that it lie on the table, be printed, and be printed in the RECORD.

This amendment merely revises the provisions of the amendment by the House of Representatives to Senate Joint Resolution 159 concerning the induction of fathers so as to preclude the induction of fathers only who have a child or children dependent upon them for support or with whom they maintain a bona fide family relationship in their homes. The amendment to Senate Joint Resolution 159, as passed by the House of Representatives, would prohibit the induction of all fathers regardless of whether their child or children are dependent upon them for support or whether they maintain a bona fide relationship in their homes with such child or children.

There being no objection, the amendment was received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 3, beginning with line 8, strike out all down to and including line 22 on page 3, and insert in lieu thereof the following:

"SEC. 5. (a) Section 5 (e) (3) of such act, as amended, is hereby amended to read as follows:

" '(3) After May 14, 1946, no individual who has a child or children dependent upon him for support, or with whom he maintains a bona fide family relationship in their home, shall be inducted without his consent for training and service under this act. As used in this paragraph the term "child" includes a child legally adopted, a stepchild, a foster child, and a person who is supported in good faith by the individual in a relationship similar to that of a parent and child but such term does not include any person 18 years of age or over unless such person is physically or mentally handicapped.'

"(b) Section 5 (e) of such act, as amended, is hereby amended by adding at the end thereof the following new paragraph."

Mr. GURNEY. Mr. President, I also ask unanimous consent to submit another amendment intended to be proposed by me to the bill (S. 2057) to extend the Selective Training and Service Act of 1940, as amended, until May 15, 1947, and for other purposes, and request that it lie on the table, be printed, and be printed in the RECORD.

This amendment is merely designed to eradicate an omission which inadvertently appeared in the bill.

There being no objection, the amendment was received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 4, line 16, delete the word "proviso" and insert in lieu thereof the following language: "and fifth proviso."

Mr. AUSTIN. Mr. President, I ask unanimous consent to submit an amendment intended to be proposed by me to the amendment intended to be proposed by the Senator from South Dakota [Mr. GURNEY] to the bill (S. 2057) to extend the Selective Training and Service Act of 1940, as amended, until May 15, 1947, and for other purposes, and request that it lie on the table, be printed, and be printed in the RECORD.

There being no objection, the amendment was received, ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. AUSTIN to the amendment intended to be proposed by Mr. GURNEY to the bill (S. 2057) to extend the Selective Training and Service Act of 1940, as amended, until May 15, 1947, and for other purposes, viz: On page 6, line 20, after the period insert the following:

"Hereafter the retired or retirement pay of any person whose name is borne on the emergency officers' retired list of the Army, Navy, Marine Corps, or Coast Guard of the United States and who is entitled to receive retired or retirement pay shall, in lieu of being computed upon the basis of the pay to which he was entitled at the time of his discharge from his commissioned service, be computed upon the basis of the rate provided in the Pay Readjustment Act of 1942, as amended by this act, for an officer of corresponding grade who is credited with the same number of years of service for longevity purposes as the number with which such person is credited."

REPORT ON PROPERTY ACQUIRED BY UNITED STATES

Mr. HAWKES submitted the following resolution (S. Res. 272), which was referred to the Committee on Military Affairs:

Resolved, etc., That the Secretary of the Treasury in cooperation with all agencies of the Federal Government concerned shall report to the Congress with respect to any real property (including property acquired for, or for use in connection with, fortifications, coast defenses, military camps, cantonments, proving grounds, airfields, training areas, training schools, bomb-testing areas, plants and manufacturing areas, research facilities and grounds, and all other related or similar activities) which has been or shall have been acquired by purchase, condemnation, or otherwise, by or on behalf of the United States for any purpose or purposes related to the present emergency since June 30, 1939.

The Secretary of the Treasury is directed to include in this report—

(1) The area and assessed valuation of all such real property and the improvements thereon at the time of acquisition by or on behalf of the United States;

(2) The tax classification of such property at the time of its acquisition by the United States;

(3) The present status of such property and the amount of such property intended to be permanently retained by or on behalf of the United States in a tax-exempt status;

(4) The amount of such property now idle, the amount of such property now being held in stand-by capacity, and the steps being taken to return such property now idle to taxable status or taxable ownership as soon as possible;

(5) The steps, if any, which have been taken or which are to be taken for the disposition of that portion of the property not intended to be permanently retained and for the return of such property to taxable ownership.

That the Secretary of the Treasury shall transmit this report to the Congress not later than January 1, 1947.

ADOPTION OF NANSEN PASSPORTS FOR DISPLACED PERSONS

Mr. VANDENBERG. Mr. President, I have been officially advised by the State Department that the American representative on the Intergovernmental Committee on Refugees has been instructed to actively favor the adoption of Nansen passports, or their equivalent, for the benefit of displaced persons or so-called stateless persons in the former war areas. I am very glad that the State Department has taken this step. I hope the effort may succeed. Congresswoman LUCE in the House and I, in the Senate, initiated congressional resolutions to this end early this year.

After World War I so-called Nansen passports were issued under authority of the League of Nations. They proved to be a source of great assistance and protection for displaced or stateless persons who had no government of their own to whom they could apply. While they did not establish ordinary passport rights in the usual sense of the word, they did provide definite protective identifications which proved to be of great and humane service in the preservation of human rights and fundamental freedoms.

There is even greater need for Nansen passports, or their equivalent, in the aftermath of World War II, because the problem of refugees, displaced persons, and so-called stateless persons, is of even greater magnitude and greater challenge.

WEST COAST SITE FOR UNITED NATIONS

Mr. KNOWLAND. Mr. President, I wish to have placed in the body of the RECORD a copy of a letter which I have received from the mayor of San Francisco and a brief press statement which he made a couple of weeks ago relative to the United Nations. Considerable discussion has taken place with regard to the present site of the United Nations being changed. I serve notice on the Senate that California is still interested in having the United Nations locate on the Pacific coast, and we should be glad to have its temporary location there provided it later chooses the Pacific coast for its permanent headquarters.

I believe the two items to which I have referred will be of interest to the Senate.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

OFFICE OF THE MAYOR,
San Francisco, May 6, 1946.

HON. WILLIAM F. KNOWLAND,
Senator from California,
Washington, D. C.

MY DEAR SENATOR: Herewith copy of a press release I issued on May 3. I might add that Governor Warren was asked to attend the meeting but could not make it and wired the acting secretary of the meeting, as follows:

"Thank you for your letter concerning the May 3 meeting of the United Nations Committee in San Francisco. I am sorry that I cannot attend as I must be in San Diego on that day. I, long ago, gave my assurance that the State of California will do everything in its power to facilitate the establishment of permanent United Nations headquarters in California. This assurance stands today just as much as when it was first given. Please express my continued interest in the purposes of your committee."

The press release resulted from the meeting of the committee and was prompted by numerous informal inquiries we had received, asking whether or not the San Francisco Bay area was still interested in having the United Nations permanently located in this neighborhood. We have had reports that the various delegates and secretariat of the Security Council are not entirely satisfied with the arrangements in New York and that perhaps at the General Assembly next September, a move might be made to locate everything in California.

Following my press release, on May 3, I telephoned Mr. E. R. Stettinius, Jr., and followed the talk with a letter (May 4) to Mr. Stettinius from which I quote in part as per enclosure.

As you may be hearing something about this from newspapers or other sources, I have written you fully so that you may know what is taking place out here. I would welcome any comment or suggestions.

Sincerely,

ROGER D. LAPHAM,
Mayor.

At the call of Mr. Walter Haas, its chairman, the San Francisco Chamber of Commerce Committee on Permanent Headquarters for the United Nations, met this noon. In addition to the committee there were present representatives of the press, and several others who had been following developments in recent weeks.

It was the feeling of the meeting that Mayor Lapham should ascertain whether or not the General Assembly, when it meets next September in New York, would reconsider its selection of an area for permanent headquarters for the United Nations.

Further, it was the feeling that the San Francisco Bay area would welcome its selection as a permanent site and would be willing to arrange whatever temporary accommodations might be necessary, provided the General Assembly definitely decided upon a permanent site in this bay area. It was the feeling that unless the San Francisco Bay area had the assurance of the permanent site, that the difficulties in taking care of any meeting on a temporary basis would not justify the inconvenience to which the community would be put.

And finally it was the feeling that if the San Francisco Bay area is designated as the permanent site and asked to provide temporary headquarters, the full cooperation of the Federal Government would be necessary to assist in lightening the burden which the city would be called upon to carry in providing office space and living quarters.

Those present at the meeting besides the mayor included Attorney General Robert Kenny and Dr. Henry P. Grady.

Mayor ROGER D. LAPHAM.

THE PEACE OFFENSIVE—EDITORIAL FROM NEW YORK TIMES

[Mr. WHITE asked and obtained leave to have printed in the RECORD an editorial entitled "The Peace Offensive," from the New York Times of May 22, 1946, which appears in the Appendix.]

"RURAL AMERICA" POISONED BY PEWS' PRESS—ARTICLE FROM "IN FACT"

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article entitled "'Rural America' Poisoned by Pews' Press" from In Fact for May 20, 1946, which appears in the Appendix.]

IMPORTATION OF WATCH MOVEMENTS

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a memorandum exchanged between Switzerland and the United States Government, concerning the importation of watch movements and the assembling of watches in this country, which appears in the Appendix.]

STATISTICS RELATIVE TO UNITED STATES AND BRITISH NAVAL FORCES

[Mr. WHEELER asked and obtained leave to have printed in the RECORD two letters addressed to him by the Secretary of the Navy, incorporating certain statistics relative to the United States and British naval forces, which appear in the Appendix.]

UNITED STATES, BRITISH, AND RUSSIAN WAR PRODUCTION

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a letter, with attached data, received by him from John W. Snyder, Director of the Office of War Mobilization and Reconversion, relative to total United States, British, and Russian war production in major categories, which appears in the Appendix.]

WAR EXPENDITURES FOR THE UNITED STATES, GREAT BRITAIN, FRANCE, RUSSIA, AND CHINA

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a letter and attached memorandum received by him from Mr. E. F. Bartelt, Fiscal Assistant Secretary of the Treasury, supplying certain data relative to total and per capita war expenditures of the United States, Great Britain, France, Russia, and China, which appear in the Appendix.]

STATISTICAL DATA FOR UNITED STATES AND ALLIED FORCES

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a letter received by him from Brig. Gen. Miles Reber, Office of the Chief of Staff, providing various statistical data relative to the United States and Allied forces, which appears in the Appendix.]

STRENGTH OF THE ARMY

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a letter and accompanying data relative to the strength of the Army, received by him from Brig. Gen. Miles Reber, Office of the Chief of Staff, which appear in the Appendix.]

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER] in the nature of a substitute for the amendment of the Senator from Virginia [Mr. BYRD], as modified.

Mr. MAGNUSON. Mr. President, last week I voted against the present consideration of the so-called Case bill, now before the Senate. I did so for three definite reasons. First, I felt that the bill served no purpose in the present emergency and that it was merely a stopgap in meeting the problem, although it would probably have some purpose later on.

The second reason was that I felt, as many Senators on this floor have expressed themselves in the last few days as feeling, that in view of the fact that in our minds we had come to the conclusion that the bill had no immediate purpose in solving the problem and inasmuch as we have many other things to do, we might well take up the time of the Senate with other matters, since we are going to be pressed for time on important problems and the session, I hope, is drawing to a close. The second reason was to me, therefore, very pertinent and paramount.

For instance, Mr. President, as has been stated again and again, the draft situation is still in confusion. It is in confusion for many reasons. We merely extended the present draft act. There is a bill on which the Military Affairs Committee has worked long and laboriously, and no action will probably be taken on it for some time because the Senate has taken up the pending labor bill.

We also have the matter of the extension of the very vital agency, the OPA, which will be delayed in the Senate for many days because of the fact that we have spent so much time on a measure which, in my opinion, was not pertinent to the times, or did not present a solution or an answer to the problems of today.

There are yet to be considered several appropriation bills, involving the operations of practically every governmental department, including the vital Department of the Interior, the highly important Department of Agriculture, and many other departments whose operations are going to fit into production and reconversion in America. Those measures will be held up.

Mr. President, we have also a bill on the calendar which I am advised by the majority leader will be acted upon before the present session comes to a close, if a jam is not caused by reason of such debates as have been going on recently, or by the bringing up of the Case bill. The bill to which I refer is Senate bill 1850, which was introduced by the Senator from West Virginia [Mr. KILGORE], the Senator from Florida [Mr. PEPPER], the Senator from Massachusetts [Mr. SALTONSTALL], by myself and about 15 other Senators. It is a bill which would establish a national research foundation, and it is vitally important to the future welfare of the Nation. It may turn out to be one of the most important pieces of legislation Congress has passed in many a year. The bill would provide aid and incentive for America to continue scientific research, both military and commercial. The Office of Scientific Research and Development will expire on July 1. That is the office that was brilliantly headed by Dr. Vannevar Bush during the war, and which contributed so greatly to our victory. That office still has pending with private and public research organizations many contracts involving a number of top military secrets, contracts which must be continued in effect in order to keep America militarily strong. That bill is lying untouched on the calendar because of the fact that the Senate took up the so-called Case bill. That, Mr. President, is the second reason.

But the third and most compelling reason to my mind is that I knew that the purpose of those who insisted upon the Senate considering the so-called Case bill, as reported from the committee, was not that of considering that bill at all, but considering a great deal of antilabor legislation, to strike back at labor at a time when the emotions of all Members of the Senate, of the other House of the Congress, and of the people of the Nation were somewhat clouded by what has been going on.

Mr. President, the Senate is a deliberative body, and when it passes on legislation dealing with such an important subject as labor relations it should deliberate very carefully. As the situation is now, we are going to pass on several amendments without proper deliberation. We are going to pass on them, I think, in the heat of emotion rather than with common sense. That is why I rise today, Mr. President, not only to explain my position in this matter, but to point out what I think are some of the fallacies connected with the legislation and the futility of proceeding at this time with labor legislation.

There have been proposed to the bill and are pending 23 amendments striking right at the heart of what is the great labor problem of America. I hold no brief for some of the labor leaders or for the tactics adopted by some of them. But I do hold a brief for and a duty to speak for the millions of laboring people in the United States who have done nothing to bring about the present situation. If some of the pending amendments are adopted, they will not hurt the so-called labor leaders or the bad boys of labor, but they will hurt the common laboring men. They will wipe out some of the gains they have fought for and won during the course of 50 or 60 long years, and it will be done, in my opinion, not in the exercise of reason, but rather in anger and emotion, perhaps rightly so. We have a duty in this body, however, not to act in that manner, but to act after calm deliberation.

The very futility of the proposed action is pointed out by the debate which has taken place on the so-called Byrd amendment. The more I have sat here and listened to the debate and the more I have listened to the statements which have resulted from prejudices and heated emotions, the more I believe I was right in casting my vote against the consideration of the bill.

In my opinion the Byrd amendment is designed to strike at labor, and particularly at a certain division of labor, a certain union in labor, and a certain man in labor. Yet, in order to do that, the Senate is attempting to legislate against the interests of millions of laborers in this country who have done nothing to bring about the present situation, who are patriotic Americans, and probably are not involved in any kind of strikes at all. Perhaps we should do something, but I do not think we should do it in this manner. I do not think we should do it through the medium of 23 amendments which would require many months of study and experience in order properly to deal with this matter.

Mr. President, I do not know whether legislation is ever the answer to labor-management problems. I do know that if you and I have a dispute and we know we must settle it as between ourselves, we will set ourselves to that task much more quickly if we know that the questions at issue will not be turned over to a third party whom either one of us may assume might favor the one or the other.

Mr. President, as an example of what I mean, this morning, following the seizure order, I read this in a news story published in the Washington Post:

Following the seizure order, speculation centered on whether Lewis would agree to cooperate with the Government and prevent a resumption of the strike.

LEWIS' STRATEGY

Among Government officials close to the situation there was a fairly firm conviction that there would be no strike, at least in the formal sense, with Nation-wide effect.

It was pointed out that for some time Lewis' strategy was to get in the position of having the Government, rather than the operators, negotiate a contract with him. He now has this assurance, spelled out, gratuitously, in Mr. Truman's Executive order taking over the coal pits.

I do not doubt that that speculation is correct. I do not say that there was anything wrong in taking over the coal mines. I think it was a courageous, rightful action on the part of the President. But my point is that once they set themselves to the task, labor and management normally settle their problems together without Government interference more quickly than they do

when they know there is a third party involved.

Much has been said in this debate, in the newspapers, and over the radio about the reason for the Senate taking action. I suppose the Senate today is discussing this matter because of the actions of one man, a man by the name of Lewis. He has caused a great deal of trouble, and brought about much ill-feeling in the country. Whether he is right or wrong, I do not know; but I do know, Mr. President, that for the greatest deliberative body in the world to act in haste because it is angry at the tactics of one individual is not the proper way to legislate. I also know, as every other Senator knows, and as was pointed out yesterday by the able Senator from Vermont [Mr. AIKEN], that should John L. Lewis resign or disappear from the coal-mining picture tomorrow these problems would still remain. I also know that I cannot attribute to more than 600,000 miners a blind, moronic following of any individual who is not pleading a just cause for them.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALL. The Senator has indicated that he does not believe that this legislation has had proper consideration. I agree with him that legislation aimed at one man or one union is likely to be bad. However, I point out to the Senator that the Senator from New Mexico [Mr. HATCH], former Senator Burton, of Ohio, now a Justice of the Supreme Court, and I introduced a bill. Hearings were held on a modified version of that bill and on the President's fact-finding bill introduced by the Senator from Louisiana [Mr. ELLENDER] beginning last fall and lasting through February. Hearings were held on those bills, as well as on the Case bill, which came over from the House. Minority amendments aimed at abuses in the labor situation—not particularly strikes, but what we felt were definitely abuses—were offered in the committee. They were very carefully considered. The reasons for them, and the facts in the present situation which we believe justify them, are carefully set forth in the statement of minority views, which includes the text of six such amendments. I do not think the Senator is correct in saying that the amendments come here without having received consideration.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. AIKEN. As a member of the committee I should like to say that so far as the amendments offered by the Senator from Minnesota and the Senator from Ohio are concerned, the subject of those amendments was considered in committee. However, much of the subject matter of the other amendments which have been submitted on the floor of the Senate, and which go to make up the total of 23, was not considered by the committee. I refer particularly to the question which is generally understood as preventing an agreement in the coal-mining industry, the subject of health and welfare funds, and the manner in which such funds should be financed. That subject has not been considered by the committee at any time when I have been present.

Mr. BALL. The Senator is correct.

Mr. AIKEN. So far as the amendments offered by the Senator from Minnesota and the Senator from Ohio are concerned, those amendments were considered in the committee and were voted down by a majority of the committee, and are now brought to the floor of the Senate as part of a minority effort to have them attached to the pending legislation.

Mr. BALL. Which is a perfectly legitimate procedure.

Mr. AIKEN. Yes. I wish to say, in fairness to the Senator from Minnesota, that the proposals offered on the floor of the Senate are more unfair and unjust to labor than are the amendments proposed by the Senator from Minnesota and the Senator from Ohio.

Mr. MAGNUSON. I thank the Senator from Vermont. I will say to the Senator from Minnesota that I intended to make an exception of the so-called Ellender amendment and the amendment sponsored by the Senator from Minnesota and two other Senators. However, as to the other amendments, the Senator from Vermont is correct. But even assuming that the amendment of the Senator from Minnesota and the so-called Ellender amendment have been considered in committee, after all, the action to be taken upon them, in my opinion, is being taken at a time when emotion probably overrides the rule of reason and a consideration of their merits and demerits. The bill to which the Senator from Minnesota refers would not be on the calendar or before the Senate if it had not been for the emotion displayed in bringing up the so-called Case bill.

Mr. BALL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Washington yield to the Senator from Minnesota?

Mr. MAGNUSON. I yield.

Mr. BALL. The Case bill, House bill 4908, was reported before the coal strike. I entirely agree with the Senator from Washington that it would be much better if the Senate, in a time of comparative peace on the labor-relations front, were seriously and deliberately to consider a complete revision of the Federal labor-relations code, or the question of a lack of such a code. But I submit to the Senator from Washington that there is not a chance of the Senate ever considering labor legislation when there is no difficulty on the labor-relations front. It simply cannot be done. I have been trying for 6 years to have it done. I believe that that is the way in which to get the best legislation; but I respectfully submit that the United States Senate will never consider labor legislation except in a time of crisis on the labor front.

Mr. MAGNUSON. The Senator from Minnesota may be correct. Perhaps we are like the man with the leaky roof. When it was not raining he did not need to fix it, and when it was raining he could not fix it.

Nevertheless, I believe the Senator from Minnesota will agree with me, indeed, I think he has already impliedly agreed, that there is a good chance that Congress, in taking up these matters in this manner, is likely to enact legislation for which we shall be sorry in the future; legislation which will create more chaos and more strikes. I am not referring to the amendment of the Senator, which I wish to discuss in a moment.

As I pointed out, I am not convinced that legislation is the answer to these problems. Any time the country becomes a little concerned—or greatly concerned, as it is now—about labor matters, there is always the cry, "Congress ought to pass a law." Sometimes it is just as difficult for Congress not to enact legislation as it is to enact legislation. I am not so sure that legislation is the answer. It is surely not the answer unless the Government has some authority to enforce its decrees. If the Government is to step into labor disputes, it should step in with some authority, or stay out. Aside from the coal strike, the history of labor disputes has been that when labor and management have been left alone they have settled most of their problems. Perhaps at this time it might be wise for the Government to step in with some authority, as the President rightly did yesterday; but as a permanent policy, I am not convinced that legislation is the answer to our labor-management problems.

I am sure that the Senator from Minnesota himself would like to have more time to consider all these amendments, with the exception of the two which have been mentioned. There is much to be said, much testimony to be given, and much experience to be gained before Congress should take drastic action.

As an example of what I mean, the public seems to have the impression that the Senate is now acting on legislation which would stop strikes. The public has the impression that possibly when the Senate concludes its deliberations on this question we shall have solved, once and for all, insofar as legislation can solve them, the problems of labor and management in the future. I do not believe that it is possible to do it by legislation, but the public has that impression.

The proposal before us is an effort to strike at some of the gains which labor has made and to legislate for millions of working people throughout the country who have had nothing whatever to do with the present emergency. We have had many proposals before us, and we are asked many questions every day. Probably the most difficult question to answer in our talks with our friends—political, personal, and otherwise—regarding the labor problem is the question which is so often asked, "Why do you not make labor as responsible under its contracts as you make management?" Sometimes that is a most difficult question to answer. It often causes a great deal of legitimate argument on both sides. But, as an example of what I mean when I say that I am not convinced

that national legislation is necessary, let us consider the amendment of the Senator from Minnesota [Mr. BALL] and other Senators. It sounds well when it is read, and the average person cannot understand why Congress cannot legislate to make labor unions as responsible as management under their collective-bargaining contracts. The Senator from Minnesota and other Senators have an amendment bearing on that matter. My remarks are directed toward their proposal to amend the committee bill by inserting a provision which would create a right of action, under Federal statute, for breach of a collective-bargaining agreement. Mr. President, this is a highly technical matter, but I hope I shall be able to point out how difficult it is to legislate in respect to such problems, and I shall endeavor to point out why I think it would be wrong to adopt even the amendment of the Senator from Minnesota and other Senators.

The right of action suggested in that amendment would be enforceable in the Federal courts against a labor union in its own name. Money judgments could be assessed against the assets of the union, but not against the assets of individual members of the union. The idea back of that proposal is, I believe, to enable either party to a collective-bargaining agreement to sue the other party and collect damages for breach of contract.

Although some representatives of management have complained to the Committee on Education and Labor that collective-bargaining agreements are one-sided affairs, enforceable only at the instance of labor, and although suggestion has been made that the law should be changed so as to give management an easier method of bringing suit for the breach of such contracts, those representatives of management have never inquired into the facts of the matter closely enough to be able to determine why they had the impression that collective-bargaining contracts are binding on only one party. Therefore, I should like to refer to the facts of the matter.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. AIKEN. I should like to point out today what I pointed out yesterday, namely, that in connection with the consideration of labor legislation we are placing too much emphasis on alleged breach of contract. If I am correctly informed—and so far the correctness of my information has not been disputed—not a single one of the strikes which has disturbed the public in recent months has been the result of a breach of contract on the part of either the employer or the union involved.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALL. The strike of the United Mine Workers in support of the unionization of foremen in the mines, last fall, seriously curtailed coal production at a time when we needed desperately all the coal we could obtain. That strike was a clear violation of the contract which the United Mine Workers had with the management at that time.

Mr. AIKEN. Mr. President, if the Senator will further yield to me, let me say that not only is what the Senator from Minnesota said true, but I realize that the National Labor Relations Board issued a complaint against the General Motors Corp. for violation of the National Labor Relations Act. I thank the Senator for the information he has given us, but I still insist that for the last several months none of the major strikes has been caused by breach of contract.

It occurs to me that breach of contract on the part of either employer or employee is not a very common cause of strikes. More often, the contract expires, and the men do not go back to work until they get a new contract which is satisfactory to them—as in the case of the present so-called coal strike, which is not a strike in the technical sense of the word, but is simply a refusal to go back to work until the employees get a contract which is satisfactory to them.

Mr. BALL. Mr. President, will the Senator yield to me once more?

Mr. MAGNUSON. I yield.

Mr. BALL. I think I would agree that none of the major strikes affecting the workers in the steel and coal industries in the last several months have involved a breach of contract. But I would remind the Senator that the testimony before the Mead committee in regard to stoppages—and most of them were wildcat strikes—in Detroit, the center of the automobile industry and the center of war production during the war period, showed that all of them were in violation of contract. Most of them were attempts by small groups of members of the union, sometimes supported by the union and sometimes not, to bypass the grievance machinery provided in the contract, and to attempt to settle a grievance by means of a strike, in violation of the contract. I think there is a great deal of that sort of thing in industry. They do not usually make the newspaper headlines, because generally they are small strikes.

But it would be a tremendous inducement to employers to enter into collective-bargaining contracts and to make more concessions than they are now willing to make to employees if they had some assurance that there would be a little pressure toward some possibility of getting something in return, namely, stability of relationships for the life of the contract. They have no such assurance today.

Mr. AIKEN. Mr. President, if the Senator from Washington will further yield to me, let us say that I agree that breaking contracts is a very bad thing; but I still say that matter has been overemphasized in considering labor legislation. I think nearly all employees and nearly all labor unions have due regard for their contracts. I do not think we should say that the situation is so bad that national legislation is needed in order to handle it, thereby implying that it is a general practice, when as a matter of fact it is not a general practice.

I know there were a number of so-called grievance strikes during the war, usually without the sanction of the union to which the workers belonged. Many of them were started on Saturday night and were settled by Monday morning, so that almost no time at all was lost.

While I am on my feet I should like to bring the Senator from Washington up to date in regard to the number of amendments. He has been speaking of 23 amendments offered to the pending bill. Up until recently, the number of amendments offered was 28. Five more have been offered since the Senator from Washington counted them.

Mr. MAGNUSON. Since I made my last count.

Mr. AIKEN. I do not know how many there are at the present time.

Mr. BALL. Mr. President, will the Senator yield on that point?

Mr. MAGNUSON. I yield.

Mr. BALL. I wish to point out that on almost every major bill a great many amendments which are labeled "intended to be proposed" are printed and lie on the table, but in many cases the majority of them never are really offered to the measure under consideration.

The amendments to which reference has just been made have, with only two exceptions, merely been printed as amendments intended to be offered. Actually, only two amendments have been offered, namely, the Byrd amendment and the Pepper amendment. The other amendments have simply been printed and are lying on the table. Usually in connection with every major bill, about half of the amendments which are printed never are actually offered.

Mr. AIKEN. That is correct.

Mr. MAGNUSON. Mr. President, I say to the Senator from Minnesota that in the case of most major bills, amendments which have been printed and lie on the table and are intended to be proposed have previously been considered by the committee and have been rejected by it. They are amendments which the committee has had under consideration and on which it has held hearings.

Mr. AIKEN. They have been printed and are for the consideration and action of the Senate, and there are many of them.

Mr. MAGNUSON. Of course, the Senator from Vermont is correct. I think the RECORD should show that most of the labor difficulties occur after the collective-bargaining agreements have expired, and when the parties are negotiating for new collective-bargaining contracts. But, even assuming that agreements have been violated, I hope I shall be able to point out in the course of my remarks the futility of enacting legislation to correct such a condition.

Mr. President, I suggest that we examine more closely the amendment of the Senator from Minnesota and other Senators. In the first place, collective-bargaining agreements are contracts. They must involve an offer, an acceptance, and proper consideration, just as in the case of other contracts. They are no different from other types of contracts, except that they provide continuing terms covering relationships between employees and employers. In that respect they are specialized, and for that reason they have been called by a special name, to wit, collective-bargaining agree-

ments. In all other respects, however, they are similar to other types of private contracts.

I say to the Senator from Minnesota that they are just as binding, legally, on all the parties to them as are any other contracts. However, the representatives of industry have complained that inasmuch as labor unions are generally unincorporated—that complaint is made on all sides—collective-bargaining agreements, therefore, although binding, are practically unenforceable. I hope I shall be able to point out what a difference there is between incorporating so-called labor unions and incorporating most of the employers. The argument to which I have just referred is based on the fact that, at common law, unincorporated associations cannot be sued in their own names, but suits can be brought only against all the members individually.

There were sound reasons for the development of this rule of the common law. The members of an unincorporated association could not limit their liability for acts done in the name of the association to the assets in the association's treasury, but, instead, had to put all their own individual property in jeopardy. Since that was so, the courts were reluctant to forfeit the property of an individual member for an act done in the name of the association unless the individual member actually participated in, authorized, or ratified the act. That is the reason for the rule that all the members had to be served and brought into court. In that way the court could determine whether the agents of the association had the authority to bind the credit of the members. To be consistent and to carry through the principle that those associations had no separate legal existence or entity, the court also refused to allow them to bring suits as plaintiffs in their own names, except in special circumstances.

This short description, however, by no means completes the picture of the law governing the suability today of unincorporated associations. The courts and the legislatures of the several States, faced with the growth of large labor organizations, as well as other types of unincorporated associations having separate and continuous existences in fact, apart from their members, have gone a long way toward rectifying the inequities resulting from the protection given to members of unincorporated associations at common law.

The minority views of the Senate Labor Committee in urging the adoption of the amendment, correctly assert that the Federal courts must follow the laws of the States in suits on collective-bargaining agreements when a Federal statute is not involved. The minority views however, give an incorrect picture of the laws of the various States on the question. At the present time, fully three-fourths of the States permit suits to be brought against unincorporated associations in their own names. In other words, at least three-fourths of the States allow a suit to be brought against any employee or any group of employees for the violation of a collective-bargaining agreement.

In the two cases which occurred in Florida and Nebraska, the courts held that the labor unions before them were not doing business so as to come within the statutes. For these two cases, however—I do not say that there have not been more, but if there have, their decisions are not controlling today—there are eight jurisdictions in which the courts themselves changed the rule without any legislative help. Those are Illinois, Massachusetts, Missouri, New Jersey, Ohio, Texas, Vermont, and the State of Washington. Those cases show two very important things. First, that the courts have developed an established technique for getting around the harshness of the rule that unincorporated associations can never be sued; and second, that they are willing to use such technique in order to keep pace with existing realities. This technique, which actually amounts to allowing suit to be brought against a few members as representative of all, is an equity device which the courts have demonstrated they will use in law actions when there is no adequate legal remedy available. Of course, that is an old cardinal rule of law.

The comparative freedom of courts of equity also make it possible for them to limit recoveries to funds or property belonging to the associations as a condition for permitting this type of suit. Senators, in view of this progress made by the States, I see no reason why it is necessary for the Federal Government to invade the realm of the States to such an extent as to furnish them laws governing suits for breaches of purely private contracts. The law governing private contracts has traditionally been a matter for State control, and we should not lightly violate this separation of functions under the guise of controlling interstate commerce.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALL. I believe that the Senator mentioned Massachusetts and Illinois as States which have recently permitted suits to be brought against unions for violation of collective-bargaining contracts. I have had the question investigated, and two cases have been cited. One is a Massachusetts case, Worthington Pump & Machinery Co. against Local No. 259 of the United Electrical Radio and Machine Workers of America (CIO), October 29, 1945. A dispute arose over the dismissal of an employee member of the union. The company brought suit to enforce its collective-bargaining agreement with the union. The Federal district court, sitting in Massachusetts, applied the law of Massachusetts, which holds that a labor union is not a corporate entity, may not be sued as a person, and may not be subjected to any decree. The case was dismissed.

The other case is *Pullman Standard Car Manufacturing Co.* v. *Local Union No. 2928, United Steel Workers of America (CIO)* (152 Fed. 2d 493, Seventh C. C. of A., Nov. 28, 1945).

The Pullman Co. sued the union for libel, charging that the union's newspaper published an article accusing the company of making false statements to the public and the workers. The case came into the Federal courts because of the parties' diversity of citizenship. However, since the alleged libel occurred in Illinois, the Federal courts were required to follow the law of Illinois. In applying the Illinois law to the case, the court said:

> We think these cases (earlier Illinois decisions) clearly show that the common law of Illinois, which has not been changed by statute, does not permit an action at law against an unincorporated labor association.

Mr. President, Massachusetts and Illinois are two great industrial States in which unions may not be sued for a violation of a collective-bargaining contract.

Mr. MAGNUSON. I believe the Senator misunderstood my statement. The cases which he cited are cases in law. I said that there are States which allow actions in equity, and it is possible to bring a suit against a few members as representative of all. It may be found in the equity action that the members of the union are not individually liable, but that the funds of the union or of the unincorporated association are liable. I am familiar with the issues in the last case to which the Senator referred, and I know also that both cases were law actions.

Mr. President, the minority views picture a dark future for a party who wishes to enforce an agreement with a labor union. Actually the picture given is quite misleading. For instance, it says that an employer or even the Government has no Federal right of action to enforce a collective bargaining agreement.

Of course, the amendment of the Senator from Minnesota would allow a Federal right of action to enforce a collective-bargaining agreement. All of us who are lawyers know that a party who enters into an ordinary private contract has practically no Federal right of action to have the contract enforced.

I wish to point out that no other party who enters into an ordinary contract of almost any kind has a Federal right of action to enforce his contract. Private contract rights have always been left to the States for enforcement, and it would be invading the domains of the States for Congress to change the law in this respect. That statement might apply specifically to unincorporated associations. However, it might also apply to many unincorporated associations which are not labor unions. There again I point out the futility of trying to enact legislation on this subject. There are many unincorporated associations which have nothing to do with labor unions. Under the amendment of the Senator from Minnesota a contract would be enforceable only in Federal courts, and would, therefore, violate a long-time cardinal principle of law, namely, that all contracts are enforceable, if at all, in State courts.

Mr. BALL. There is a considerable difference between a suit at law and a suit in equity. Moreover, the Illinois case which I cited, if the Senator is correct, was not a suit for the violation of a contract while the Massachusetts case was clearly a suit for the violation of a contract.

Mr. MAGNUSON. Of course, Mr. President, sometimes there is a fine distinction between law cases and equity cases. There may have been some factors in the case cited by the Senator from Minnesota other than those revealed by him, or it may have been that the judge ruled against the prevailing rule in Massachusetts, as I interpret the situation, which allows suits in equity to be brought against any group of individuals for the alleged violation of an agreement.

The amendment, of course—showing again the complications of this matter, as I said—would involve private contractual rights of all unincorporated associations, and require them to go into a Federal court. Historically and traditionally all our law has been based upon the fact that private contracts are to be enforced in State courts.

The minority views also state that even in jurisdictions where unions are suable, primarily in representative suits, any judgment or decrees rendered may be unenforceable. I have heard that story many times.

They further state that only where unions are given legal status by statute are union funds available to satisfy judgments. Two cases are cited to support these statements. The Aalko case, which is cited for the first point, was a citation for contempt for violating an injunction. In discharging the defendant the court merely held that in a representative suit those named as defendants must be named in the restraining order to bind the others whom they represent. Otherwise, representatives are being treated differently from the others, thereby denying the similarity of self-interest between the two groups. The case did not arise in a jurisdiction where unions are suable in their own names. The law is contrary in three-fourths of the other States of the Union.

It does not stand for the proposition that a decree against a labor union or its members may be unenforceable any more than any other decree against any other group of persons, even in the State where the statute has provided that unions as such are not suable.

The second proposition cited by the minority views is likewise inaccurate. For the record I wish to quote the cases cited. They are: *Newark International Baseball Club, Inc.* v. *Theatrical Managers, Agents and Treasurers' Union et al.* (7 A. (2d) 170 (1939) N. J.); *Bayci* v. *Rango* (25 N. E. (2d) 1015 (1940) Ill.); *Colt et al.* v. *Hicks* (179 N. E. 335 (1932) Ind.); *Fitzpatrick* v. *Rutter* (51 Yale L. J. 44 (1941)). These cases show that there is no necessity for a statute giving a union legal status in order for a court of equity to get at a union or its funds.

The minority views further mention that the Norris-LaGuardia Act, and State statutes patterned after it, operate to prevent enforcement of collective-bargaining agreements by outlawing the granting of injunctive relief to prevent a breach of such an agreement. In other words, they complain about the Norris-LaGuardia Act, which is an antilabor injunction act, that these collective-bargaining agreements cannot be enforced by injunctive means. Of course, that has nothing to do with liability for breach of a contract, but that has been one of the complaints, and a weapon of the antilabor people, for many long years. An injunction is not granted in suits for breach of contract unless it is necessary to prevent irreparable damage, unless there is no adequate remedy at law.

In an ordinary case of breach of contract, recovery of damages is the adequate remedy. Even in special cases, such as those involving unique employment contracts, where there is no adequate legal remedy, the courts in granting injunctive relief are very careful to avoid creating conditions of involuntary servitude.

With the use of the injunction restricted in these ways in ordinary cases, how can it be argued that those further conditions on its use provided in the State anti-injunction acts prevent enforcement of collective-bargaining agreements to any degree at all? Furthermore, the proposed amendment does nothing to make injunctive relief more available. If the persons behind the amendment really believed that the lack of an injunctive remedy prevented collective-bargaining agreements from being enforceable against labor unions, they would have made some provision in the amendment for authorizing its use. They do not believe this, however. They believe rather that the fault lies with some supposed difficulties in bringing suit against unincorporated associations.

I do not intend to go into a discussion of the necessity or merits of the anti-injunction statutes. If any Senator wishes to go back to the hearings of the La Follette Civil Liberties Committee and other committees in the late twenties and early thirties, I think he will be able to see for himself the deplorable conditions which prompted passage of this legislation. The Norris-LaGuardia Act is an important part of the law today, and the wisdom of its provisions has seldom been questioned. I do not think the Senate wishes to restore the possibility of imposing conditions which amount to slavery on our citizens again, especially where the desire is only to furnish a more expeditious means of enforcing collective-bargaining agreements. The equities between these two needs are so self-evident that probably even the Senator from Minnesota [Mr. BALL] and his colleagues would not seriously want to repeal the Norris-LaGuardia Act in order to provide an easier method of enforcing the agreements.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALL. I think it is very essential that the Congress repeal the Supreme Court interpretation of the Norris-LaGuardia Act, so that we can get at some of the vicious monopolies which labor organizations are enforcing today in various places in the country.

Mr. MAGNUSON. There again we would be repealing an act which has reacted to the benefit of labor.

Mr. BALL. The interpretation of an act, I say.

Mr. MAGNUSON. It was an act to stop abuses, to hit at some particular group, whose action was affecting every workingman in the country, and under which every workingman in the country was abused, and seriously abused, for many years.

The need for an anti-labor-injunction act became so apparent that the legislatures of practically every State in the Union, Democratic and Republican alike, following the passage of the Norris-LaGuardia Act, enacted similar legislation.

Mr. BALL. Does the Senator seriously believe that labor unions should be free to racketeer, to create and enforce monopolies which are in restraint of trade, and not have the anti-kick-back law applied to them? They have been exempted from prosecution for those things in recent Supreme Court decisions, based largely on the Court's interpretation of the Norris-LaGuardia and Clayton Acts.

Mr. MAGNUSON. Of course, I did not say anything of the kind. I do not think they are free to do what the Senator suggests.

Mr. BALL. The Supreme Court has said so specifically.

Mr. MAGNUSON. The Supreme Court said so far as Federal enforcement is concerned, and I think the Senator can look at the statutes in every State in the Union and find antiracketeering, anti-exploitation, and antiextortion laws, of which crimes many complain, and for committing which labor leaders should be sent to jail.

Mr. BALL. Have they done any good in stopping the monopoly enforced by the electrical workers' union in New York?

Mr. MAGNUSON. The laws of New York State should be enforced. What I am trying to point out is the difficulty of passing Federal legislation to correct certain specific evils, because we must pass legislation that applies to everyone. The difficulty, even with an amendment such as that offered by the Senator from Minnesota, is that on its face it sounds like a good amendment.

Mr. BALL. On that basis the Senator, if he was here in 1935, should have opposed the passage of the original Wagner Act—which was directed at certain abuses and evils in the labor-relations field—on the ground that the States could take care of the situation, and the Federal Government did not have any business taking over something which the States could do. It seems to me the Federal Government is already in this field of labor relations up to its neck. Many of the abuses and evils which we are trying to reach in our amendments are the direct result of these Federal statutes and their interpretation. I think it is the obligation of the Congress and the Federal Government to do something to correct the evil, and not merely pass the buck to the States.

Mr. MAGNUSON. I was not in the Senate in 1935, or in the House of Representatives, but my point is that many of us feel that Congress should not have passed the so-called Wagner Labor Relations Act, and the reason why there has been abuse, and the reason why there are some evils in connection with it, is that it was passed in a frame of mind similar to that the Congress is in now regarding labor matters.

I do not say that the Wagner Act in principle should not have been passed. Perhaps the Senator is right, perhaps we should have a Federal statute enforcing the right to contract. I am merely trying to point out that there is a remedy existing at law, which has been used on many occasions, and traditionally and historically the right of contract can be enforced, and always has been enforced, in State courts.

The Wagner Act covered a great variety of fields of labor which the States could not handle, in which the States had no authority, but in this case I contend they can handle them.

Mr. BALL. They can, but they are not doing so. They had authority to do everything that was provided in the Wagner Act——

Mr. MAGNUSON. After the Wagner Act was passed.

Mr. BALL. And some States have no Wagner Act on their books.

Certainly the States are not doing anything about the monopoly situation.

Mr. MAGNUSON. Mr. President, there is another point regarding the pending amendment which I should like to mention. The amendment under discussion is designed to make it easier for employers to bring suit against labor unions. Do the Members of the Senate realize that it is almost impossible for a labor union to sue an employer for breach of contract? Collective-bargaining agreements are generally construed either as contracts between the employer and the employees or contracts for the benefit of the employees. In either case injured employees must usually sue for themselves. A union may not bring suit because it has no interest in the matter. Furthermore, even though its disability to sue as an unincorporated association has now largely been removed, it still has the same difficulties bringing suit as an employer does in bringing it into court as a defendant. If the Senate is going to confer special privileges on one side, it probably should also adopt an amendment which would confer the same privileges on the other side.

Mr. BALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALL. If the Senator will read our amendment, he will find that it says:

> Any labor organization whose activities affect commerce as defined in this act shall be bound by the acts of its duly authorized agents acting within the scope of their authority from the said labor organization and may sue or be sued as an entity.

Mr. MAGNUSON. What is the Senator's interpretation of "a labor organization"?

Mr. BALL. A "labor organization" as defined in this measure is the same as defined in the Wagner Act. The Senator is complaining that unions have difficulty in suing employers for violations of contract. This amendment would cure that situation.

Mr. MAGNUSON. I do not so understand it. Perhaps I have not read the amendment too carefully, or perhaps the language has been changed.

Mr. BALL. The language of the amendment is "may sue or be sued."

Mr. MAGNUSON. Mr. President, I have already tried to explain that it is not as hard to bring a suit for breach of contract against a labor union as some of the proponents of this legislation assert. What, then, is the reason for this agitation to make changes in the contract laws of the various States? Probably it is because some sections of industry have recently been hard pressed by labor unions for an increase in wages, and they are looking around now for a weapon with which to strike back. I believe, however, they have not thought the matter through.

Supposing industry is given an easier method of bringing suit against labor unions, will that make collective-bargaining agreements any more binding than they are at present? I submit that it will not. Usually people only start bringing lawsuits against each other after they have severed relations. Since an employer and his employees ordinarily do not permanently sever relations during a labor controversy, an employer will not feel too eager to start suing if he wishes to restore harmonious relations with his employees when the controversy is settled. A lawsuit at such a stage would not contribute to settlement of a dispute and might permanently erase all chance that employer and employees could ever again work together in a common effort. If those sections of industry which seem so desirous of obtaining an easy method of bringing lawsuits against labor unions had ever thought the matter through, they would probably have come out with the conclusion that such a weapon would be of no use to them anyway.

Where there have been industrial disputes which have bred lawsuits, bitterness and dissension usually have resulted. If this amendment is adopted there will undoubedly be some employers who in the heat of a labor dispute will use it imprudently. The responsibility for the industrial dissension which will probably result will fall, Senators, on us, if we adopt amendments such as the Byrd amendment, without thinking them through.

Mr. President, there are several other amendments offered by the minority. I believe there are six all told. These amendments, in my opinion, have not been considered fully and in whole.

Some of the amendments proposed to the bill violate fundamental concepts of law in our country. Adoption of some of them would, in my opinion, result only in bringing about more chaotic conditions. Adoption of some of them would place the Government in the position of using clubs over the human relationships of both labor and management. I only hope, Mr. President, that the Senate will turn down some of these amendments, not that some features of them should not, perhaps, be considered again, but we should consider them carefully, we should consider them not in the heat of emotion, but in the light of reason, and this body should not pass legislation aimed to strike at a specific situation which will involve millions of working people, who have done nothing in themselves to cause the present situation, but have tried only to better their lot. If we must strike at individuals who abuse their privilege, if we must pass laws affecting all the working people of the country because some of their leaders are bad boys, then I think Congress had better sit down and deliberate on a specific way of doing it, and, if it is possible, pass legislation directed at the evil itself, and name names, rather than hit at the great body of labor which has contributed so greatly to the welfare of the United States.

Mr. GUFFEY. Mr. President, to discuss intelligently the Case bill and the proposed amendments one must look at the coal dispute itself, which touched off the sudden consideration of this bill in an atmosphere charged with heat and venom.

The coal industry is an industry with a peculiarly national character, an industry requiring national action.

It is a truism that the coal industry is basic to our economy, an industry without which all other industries are stopped.

In addition, the nature of competition in the industry makes national treatment of the industry more imperative.

This is an industry with a large proportion of absentee mine owners, where the less responsible mine owners set a pattern of cutthroat competition at the expense of the workers.

For these reasons the negotiations between the industry and the union are on a national basis.

The three major issues in the dispute are national issues affecting the miners throughout the country—the health and welfare fund, wages, and mine safety.

All these issues arise so sharply because of the dangerous and difficult character of the occupation of mining.

In all three there rests a real grievance, a grievance that exists irrespective of what one's attitude is toward John L. Lewis.

Congress could have and should have remedied some of the factors which have contributed to this dispute. Congress could have and should have renewed the Guffey Coal Act, which eliminated cutthroat, irresponsible action in the industry.

Congress could have and should have ensured enforcement of the Mine Safety Act of 1941.

Mining is the industry with the greatest accident severity and with an accident and death toll that reads like battle reports from Iwo Jima, as the able Senator from West Virginia has so correctly said.

During the war there was no pressure to reduce the accident toll because of the drive for production. But we are today paying the penalities of a National Mine Safety Act that provides only for inspection and for no enforcement.

Congress could have and should have passed a National Health Insurance Act which would assure comprehensive medical and hospital services to all persons who work for a living and their dependents.

It would do this not by increasing our national expenditures for medical care

but mainly by organizing them on an equitable insurance basis.

In the light of these factors—the national character of the industry and the unremedied grievances of the workers—why this sudden pressure for legislation to restrict and curb labor?

The type of proposals being suggested are designed not to solve but to aggravate the situation by in some measure prohibiting justifiable demands, as under the Byrd amendment, or by disarming the workers who have exercised their inalienable right to refuse to work under conditions intolerable to them.

This is not a matter for ad hoc legislation.

This is a matter for serious, deliberate, and extensive consideration.

What is called for is a probe of the causes of labor disputes, as under the Kilgore resolution, Senate Resolution 228.

What is required are adequate mine safety laws, national health legislation, and correction of competition abuses in the industry.

Do we in Congress want to mine this coal ourselves? Do the mine owners? Obviously not.

But if that were the only way, we—and they—would insist on the minimum protection of health and welfare the miners are asking.

And if we had to mine it, would we want chains put upon us to prevent us from protesting against intolerable conditions?

Let us be fair, Mr. President. Let us remember the Golden Rule. Let us not put shackles on others which we would not want put on us if we were in their place. The proposals being sponsored by the Senator from Virginia [Mr. BYRD] and others are clearly one-sided. The record shows that we cannot stop strikes unless we meet the justifiable grievances. We would promote more severe labor conflicts by the type of one-sided legislation being proposed.

I have another example which I want to take up today in some detail. We have already in fact promoted industrial strife through one-sided legislation guaranteeing postwar profits to corporations.

Under the carry-back, carry-forward provisions of the 1945 tax law, corporations are entitled to rebates from the United States Treasury of their war taxes if their earnings in the two postwar years fall below normal earnings. These provisions permit corporations to finance their disputes with labor from the United States Treasury.

It is time that we corrected the abuses arising from this feature of the tax legislation. In the fall of 1945 this Congress repealed the excess profits tax law. That law, as Senators know, was directed toward prevention of war profiteering. It placed a relatively high level of taxation upon that portion of the income of a corporation which exceeded the corporation's prewar income level as determined by various standards set forth in the statute.

There was one feature of the excess profits tax law to which, unfortunately, very scant attention was paid at the time of its original enactment. This was the carry-back, carry-forward provision. Under this provision a corporation which had been in the excess profits class was permitted in subsequent years to seek tax rebates out of the taxes previously paid. If the income of the corporation should fall below the normal earnings credit allowed as the corporation's starting point for excess profits taxation, the corporation was empowered to recover from the United States Treasury as much as 45½ percent of the amount by which its profits fell short of the allowed level. If it suffered a loss, it could recover 85½ percent of the loss, in addition to the 45½ percent of its allowed prewar income level.

Many persons have pointed out that for the largest part of major American industry this amounted virtually to a Government guarantee of certain minimum profits even if not a single wheel turned or a single item were produced. That observation is substantially accurate.

As I have said, in the fall of last year we terminated the excess profits tax, effective with the beginning of this year. But at the same time we continued the carry-back provision through 1946. In other words, for the year 1946 we declared that if a corporation's profits went over its prewar levels, it paid no extra taxes; but if those profits fell below the prewar level, the corporation secured a tax rebate. It was truly a "heads-you-win, tails-I-lose" proposition that the Government offered American industry.

Some justification was advanced for this action. It was pointed out that a number of corporations might suffer substantial loss or reduction of income due to reconversion costs, and that it was appropriate to assist them through the reconversion period.

Both in the committee report and in the floor discussion, however, it was recognized that there might arise instances in which this arrangement was subject to abuse or produced inequitable consequences. It was specifically agreed and noted that subsequent action by Congress might be needed to meet such a situation. During the months since our action, precisely such an inequitable effect has become manifest. I feel it my duty to call it to the attention of the Congress and to seek its correction.

A number of our major corporate enterprises have in recent months become engaged in labor disputes. Some still are today so engaged. In the normal operation of our democratic ecenomy, I assume that such disputes—I hope and trust a very small number—will arise during the remainder of this year. The carry-back provision still in effect has made the United States Government an active and effective partner in these disputes. The United States Treasury is, in effect, called upon to subsidize the employers in these strikes.

This has given employers substantial encouragement to fight their employees, refuse wage increases, and prolong strikes. In every State except five, and my own is among those exceptions, unemployment insurance benefits are denied to workers involved in strikes. Even veterans are denied, under the GI bill of rights, their readjustment allowance payments where their unemployment is due to a strike. Yet the United States Government offers a guaranteed profit to the employers in these same strikes.

Such payments by the United States Treasury to these employers obviously do not come within the purposes for which we retained the carry-back. We sought to aid reconversion, and certainly not to finance strike-breaking.

An outstanding example of this situation is the Westinghouse Electric Corp., which just last week settled the 119-day strike of its 75,000 employees, members of the United Electrical, Radio and Machine Workers. Seventy-nine million dollars of excess profits taxes were paid in 1944 and 1945 by Westinghouse and are available to guarantee Westinghouse earnings in 1946 should its profits fall below normal earnings or should the company sustain a loss.

Westinghouse's normal profit base is computed at $24,500,000. While the basis for computing the company's normal profits is the 1936–39 earnings, the law permits adjustments which bring the base to a figure substantially above the average profits. If as a result of the strike the company should make no profit at all in 1946, it would receive a refund of 45.5 percent of $24,500,000, or $11,200,000. If as a result of the strike the company should lose $10,000,000, the Government would refund in addition to the $11,200,000, 85.5 percent of the loss, or an additional $8,550,000. The total refunds would amount to $19,750,000, giving the company a net profit of $9,750,000. If the company's losses are greater, then the refunds are greater. If Westinghouse can show a loss of $25,000,000 during the current year, the refund will amount to $32,000,000.

For a long time Westinghouse refused to settle with the United Electrical, Radio and Machine Workers of America, CIO, for its 75,000 workers, while the General Electric Co. had settled with the same union for its 100,000 members for an 18½-cent wage increase, and the electrical division of General Motors had settled with the same union for its 30,000 employees for the same amount.

The report of two mediators, William H. Davis and Arthur S. Meyer, to Secretary Schwellenbach tells the story of the one major corporation that refused over many weeks to settle with the union in accordance with the established national wage pattern. Fortunately, this strike has at last been settled in accordance with the national wage pattern.

The General Electric Co. presents another example. It estimates that its Federal tax bill will be reduced by $10,000,000 this year as a result of this tax law. It estimated that as a result of its losses in the first quarter of 1946, its profits for the full year would fall below normal and on that basis it would be entitled to $10,000,000 in refunds. In 1945 GE's profits after taxes were $56,000,000. The company's report to its stockholders confirms this and reads as follows:

> The credit of $10,000,000 to 1946 operations for Federal income and excess-profits taxes represents the estimated minimum amount by which such taxes will be reduced under the provisions of the Internal

Revenue Code, when final results for the year have been determined, as a result of the operating loss sustained in the first quarter of this year.

Even without the carry-back provisions of the tax law, companies have huge funds for contingencies, including strikes.

The Jones & Laughlin Steel Corp. has reported that $4,000,000 was transferred from its reserve for contingencies to its income account for the first quarter of 1946 because of its expenses incurred as a result of the strike. As the strike cost is a deductible expense for income-tax purposes, and as the $4,000,000 transferred from the reserve is not taxable income, no provision for income taxes is required for the company for the first quarter of 1946, the company announced. Thus, companies with tremendous reserves built up during the war years have adequate protection in the event of strikes.

In the auto and auto parts industry, the figures are similar. Auto and parts firms received rebates of $51,062,687 in 1945 under the tax carry-back provisions. They estimate that they will receive $74,858,956 for the first quarter of 1946 alone. The auto and parts industry has available a total of $513,950,344 on deposit with the United States Treasury which may be refunded in 1946 to cushion any possible losses.

Let us compare what the Government does for corporations to guarantee profits, taking Westinghouse as an example, and what the Government does for the workers.

First. As I have shown, the Federal tax law of 1945—Code, section 710C—guarantees Westinghouse $11,500,000 if it makes no profit but just breaks even.

The Westinghouse workers who were out on strike in Ohio, Massachusetts, Connecticut, and West Virginia and many other States were not even entitled to inadequate unemployment insurance.

Only 5 States out of 48 States allow payments to strikers, and those only after substantial waiting periods.

Second. Westinghouse profits equal at least to the best peacetime profits are guaranteed by permitting price increases. The 1936–39 average profits of Westinghouse were $18,000,000. Under the new wage policy, Westinghouse is guaranteed profits of almost 10 percent on its net worth of $320,000,000, which amounts to a guaranty of $32,000,000 in profits when it gets back into production.

Under the national wage pattern policy, however, UE workers cannot get more than an 18½-cent increase—or a $7.40-a-week increase.

This is despite the fact that Westinghouse workers have suffered an average cut of $17 a week in their take-home pay after VJ-day as a result of reduced incentive pay, downgrading, and loss of overtime.

Third. Our price policy will increase corporation profits even more. OPA is removing price controls from machinery and other consumer durable goods. Prices on necessities of life are spiraling upward.

There is great danger that by reason of what the House of Representatives has done to the price-control bill and what is threatened in the Senate, price control may for all practical purposes be nonexistent.

Westinghouse has recently raised the prices on its heavy equipment 15 percent. This increase alone would permit more than a 30-percent increase in the wages of the workers who make that equipment.

On the other hand, our price policy reduces the workers' living standards. While the removal of price controls will increase industry's profits enormously, workers will find their living standards reduced far below prewar levels.

Fourth. Liberal sums are paid to corporations to settle their expired war contracts, by virtue of the Contract Termination Act of 1944. But severance pay to discharged war workers, as a cost in war contract settlements, is disallowed.

Congress further has refused to pass an unemployment compensation bill giving a maximum of $25 a week for 26 weeks.

Fifth. Corporations are permitted to reduce their wartime taxes by writing off completely, in 1945, the cost of war-built machinery and equipment. Billions of dollars of previously paid taxes will be refunded by the United States Treasury to these corporations. But war workers who were discharged receive no special tax credits to cover the cost of finding another job, frequently in other cities.

Sixth. Under the Surplus Property Act of 1944, corporations are permitted to purchase the modern Government-constructed plants and equipment on extremely liberal terms. Westinghouse, for instance, was able to buy the large Government-constructed plant in Buffalo, where it will be able to produce motors at lower wage rates than those presently paid in East Pittsburgh.

Seventh. The Tax Adjustment Act of 1945 eliminated the excess-profits tax of 85 percent and reduced the normal tax on corporations. This was a tax law for the greedy, not the needy. But no real tax relief was enacted for the workers. Only the most minor reductions were made.

The Tax Adjustment Act of 1945 has created a lopsided, inequitable situation in labor disputes.

The carry-back provisions are an inducement to keep labor disputes in progress, an encouragement to corporations to fight labor unions, and a subsidy to firms who refuse to bargain with the representatives of their employees.

I am introducing a bill to correct this situation. Its provisions are simple. It declares, in effect, that where a corporation has been involved in a strike during a taxable year beginning after the end of 1945, which is when the excess-profits tax ended, it cannot seek rebates under the excess-profits-tax law.

The bill does not seek to penalize anyone or to pass any judgment on the position of the employer or the employees in the strike. It simply assures that the excess-profits carry-back will not be diverted from its intended function. It assures Government neutrality in the strike. The carry-back is retained for reconversion purposes. It is denied for use as a strikebreaking fund.

Mr. President, I ask unanimous consent to introduce the bill and that it be appropriately referred.

There being no objection, the bill (S. 2228) to prevent the use of the unused excess-profits credit carry-back as a Government subsidy to employers in strikes, was received, read twice by its title, and referred to the Committee on Finance.

Mr. GEORGE. Mr. President, I did not care to interrupt the Senator from Pennsylvania during the course of his remarks. However, so many statements are made throughout the country about the loss carry-back and carry-forward provisions of the tax law that I wish to state for the RECORD at this time, so that it may stand for all time, that that provision in the Tax Act did not come from the Senate Finance Committee or from the Ways and Means Committee of the House of Representatives. It came from the Treasury Department itself. The Treasury has not submitted any request for any modification or any change in the act. I wish that statement to appear in the RECORD, and I also wish it to appear that the distinguished Senator from Pennsylvania is now and has been a member of the Senate Finance Committee and was active on that committee when the Treasury made the recommendation for the loss carry-back provisions of the Excess Profits Act and when they were incorporated into the act.

Mr. GUFFEY. Mr. President, I wish to say to the distinguished and able chairman of the Finance Committee that the statements he has made concerning the law are absolutely correct. It is the application of the law which Congress passed upon the request of the Treasury Department that I am objecting to.

R. L. BENTON

Mr. ELLENDER. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1373, House bill 4763. I have consulted the Senator from Maine [Mr. WHITE], and he has no objection.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WHITE. This is the bill concerning which the Senator spoke to me a few moments ago, a private claims bill?

Mr. ELLENDER. Yes; it is a private claims bill, involving $1,856.09, and the War Department has recommended it.

Mr. WHITE. I hope the bill will be passed.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 4763) for the relief of R. L. Benton was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF TIME FOR RELEASE OF POWERS OF APPOINTMENT

Mr. GEORGE. Mr. President, from the Committee on Finance, I ask unanimous consent to report favorably without amendment House Joint Resolution 353, and I submit a report (No. 1367)

thereon. I request unanimous consent that the joint resolution may be considered at this time, because it provides for a mere extension of a provision of existing law, in regard to which the Treasury Department is in agreement.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 353) extending the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code, which was read, as follows:

Resolved, etc., That section 403 (d) (3) of the Revenue Act of 1942 (relating to the release of certain powers of appointment) is amended by striking out "July 1, 1946" wherever it appears and inserting in lieu thereof "July 1, 1947"; and section 452 (c) of the Revenue Act of 1942 is amended to read as follows:

"(c) Release before July 1, 1947.—

"(1) A release of a power to appoint before July 1, 1947, shall not be deemed a transfer of property by the individual possessing such power.

"(2) This subsection shall apply to all calendar years prior to 1947 and to that part of the calendar year 1947 prior to July 1, 1947."

Mr. GEORGE. Mr. President, this joint resolution is unanimously reported by the Senate Finance Committee and has the recommendation of the Treasury Department. It merely extends for 1 year the time for the release of powers of appointment for the purposes of certain provisions of the Internal Revenue Code.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

The resolution (H. J. Res. 353) was ordered to a third reading, read the third time, and passed.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. TUNNELL. Mr. President, it is not my intention to engage in a filibuster, and I shall not do so. I do not propose to filibuster as a general rule. A time may come when I think it is necessary to filibuster, but I have not yet reached that point.

However, I have not yet spoken on the pending bill or on any of the amendments to it. I have sat by about as well as any other Member of the Senate has, I think, and I have listened to what has been said by other Members of the Senate. It seems to me that a matter which threatens to set aside entirely the whole foundation of labor legislation is entitled to fair consideration and adequate debate. I am of the opinion that the situation in the Nation is worse than some of us have conceived. I hold in my hand an article which has attracted my attention. It is entitled "Crisis in Industrial Relations," and is written by Benjamin L. Masse. I do not know Masse and I do not know anything about the magazine in which his article appears, so far as its leanings are concerned. The magazine simply bears the title "America." I now read from the issue of May 18th:

A little more than 2 weeks ago John L. Lewis, president of the United Mine Workers, essayed a prediction. "Our economy," he announced, "is being gradually stagnated. As the days progress, tonnage will go off the railroads, factories will close and distress will come to the American people."

All these dire things, and worse, have now come to pass. The steel industry is largely down; rail transportation is crippled; our greatest cities have cut essential services. The distress which Mr. Lewis calmly predicted for the American people has become, in the solemn words of President Truman, "a national disaster." Worse still, it has leaped the Atlantic and laid a new cross on the broken peoples of suffering Europe. Since the mines were closed on April 1, shipments of desperately needed coal have dwindled to a trickle.

It may be of some importance for the solution of the present crisis to determine who is mostly to blame for it, the rugged individualist who dominates the United Mine Workers or the rugged individualists who operate the Nation's coal mines. But, if we are mainly concerned with the future of the country, a more fundamental question must be asked. It is not a new question; but the wave of strikes last winter and now the coal strike and threatened rail and ship strikes have given it a new emphasis. It is this: Can labor and management be trusted to govern themselves? Or, to put the question in a different way: Is the philosophy which underlies our basic law for industrial relations, the National Labor Relations Act, false and impractical?

It has not perhaps been sufficiently noted that the philosophy of the Wagner Act directly contradicts one of the fundamental dogmas of Marxism, namely, the inevitability of class warfare in a capitalistic system. Karl Marx held, because of his belief in the false theory of surplus value, that, where the means of production are privately owned, the system can be made to work only by exploiting the proletariat; that is, the nonowners. For this reason he taught the necessity of class warfare, with the expropriation of the capitalists and the dictatorship of the proletariat as the ultimate objective and solution.

The National Labor Relations Act rejects this pessimistic philosophy. It supposes that strikes and other forms of industrial unrest are not the necessary fruit of the employee-employer relationship but arise from "the denial by employers of the right of employees to organize and the refusal by employers to accept the procedure of collective bargaining." The main purpose of the act, then, is to promote industrial peace by removing one of the chief sources of labor-management strife, as the following paragraph from section 1 makes clear:

"Experience has proved that protection by law of the right of employees to organize and bargain collectively safeguards commerce from injury, impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest, by encouraging practices fundamental to the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions, and by restoring equality of bargaining power between employers and employees."

Such is the great faith which underlies the National Labor Relations Act, a faith in the fundamental decency of workers and employers, in their respect for justice, in their ability to settle conflicts of interests by recourse to fact and reason rather than by resort to force.

Must we now concede that this approach to industrial relations, so thoroughly in harmony with both Christian and democratic ideals, has turned out to be much too optimistic? And must we admit, too, the corollary that Marxist pessimism is closer, after all, to the realities of the market place?

Marx' theory of class warfare is now generally admitted today, outside blindly partisan circles, to be bad history, bad sociology, and bad economics. It is bad history because it postulates a purely imaginary account of the rise of private property; bad sociology because it oversimplifies the idea of class and ignores embarrassing facts; bad economics because it supposes a theory of value which cannot be applied consistently even to commodities, much less to human beings.

But while wrong in his premises, it may still be possible that Marx is closer to the truth in his conclusion—that workers and owners are in irreconcilable conflict—than are the advocates of industrial harmony through collective bargaining. (Professor Schumpeter, of Harvard, once wrote that Marx was right in predicting that capitalism would inevitably be succeeded by socialism, but wrong in all his reasons.) Can the hope which engendered the Wagner Act, that labor and management would work together peacefully if only equality of bargaining power were assured, be said honestly to have been realized? Or has experience confirmed Marx?

It seems to me that our hope in the act has not been realized. I say this with sincere regret, and with advertence to all the extenuating circumstances. When every allowance has been made—the relatively short time the Wagner Act has been on the books, the still shorter time in which it has been fully operative, the difficult circumstances in which collective bargaining has had to function since VJ-day, the large number of peaceful and unpublicized settlements of disputes—the fact remains that in several key sectors of industry, at one of the most critical times in history, labor and management have chosen to slug it out with dangerous, and perhaps fatal, consequences to our whole economy and even to the world.

This is the capital point about postwar industrial relations, and it cannot be evaded or explained away. It does no good to quote statistics, to show that in so many hundreds of instances, involving so many millions of workers, labor and management have contrived to arrive at peaceful agreements. The stoppages in the production of autos and electrical goods, of steel and of coal, have done irreparable harm to the Nation's reconversion program. They constitute a deadly break-down in industrial relations, the kind of break-down which no government in the world can afford to ignore. Indeed, they provide sufficient excuse, if excuse is wanted, for Government seizure and operation. (If the threatened strikes in rail and sea transportation become realities, the same can be said of them.) They thus furnish considerable support to the bilious thesis of Karl Marx.

It is one thing, however, to say that the Wagner Act has failed to achieve its principal goal—industrial peace—and quite another to say that it cannot achieve that goal. The former proposition I am prepared reluctantly to admit; the latter I simply do not believe. For I do not believe in the gospel according to Marx. I do not believe that the attempt to secure peace in industry through collective bargaining has so far failed because workers and employers are and must remain inveterate enemies. I believe rather that the present break-down in industrial relations is the failure of individuals and not of a system, and can, therefore, be repaired.

But I also believe that the time for individual reform is strictly limited, and that a continuation of present failures in labor and business leadership will have disastrous consequences. There is no question here of

apportioning blame for the present crisis, for the situation is much too serious to quarrel about that. There is question only of sounding a warning to responsible leaders of labor and management that the time is short and the sands are running out. The American economy is punch-drunk and reeling; it cannot absorb many more blows like the coal strike without going down for the count.

IF COLLECTIVE BARGAINING FAILS

Lately I happened on an excerpt from a speech by Senator ROBERT WAGNER which indicates what is ahead of the country, if collective bargaining fails. Although the address was delivered almost 10 years ago, just a few days after the Supreme Court had upheld the constitutionality of the National Labor Relations Act, the following paragraphs are, if anything, more pertinent today than they were then. I quote them here for the prayerful consideration—and I mean prayerful—of the relatively small number of men in both labor and management who hold the fate of the country in their hands.

"Modern nations have selected one of two methods to bring order into industry. The first is to create a supergovernment. Under such a plan, labor unions are abolished or become the creatures of the state. Trade associations become the cartels of the state. Every important business decision must get its stamp of approval from public headquarters. That is what is called the authoritarian state.

"The second method of coordinating industry is the democratic method. It is entirely different from the first. Instead of control from on top, it insists upon control from within. It places the primary responsibility where it belongs and asks industry and labor to solve their mutual problems through self-government. That is industrial democracy, and upon its success depends the preservation of the American way of life."

If Senator WAGNER has correctly stated the alternatives, our condition today is much more dangerous than is commonly believed, is as dangerous as I believe it to be. Either labor and management, by their free cooperation, will maintain necessary order in the market place, or it will be maintained by the state; for men can live in society without the economic liberties to which we have become accustomed, but not without order. But labor and management are failing to meet their responsibilities. For the past 6 months there has been terrible disorder in industry, and this disorder has posed and continues to pose a grave threat to the welfare of the country and of the world. Under somewhat similar circumstances, in the not very distant past, labor and management in other countries have been forced to surrender their liberties to an authoritarian state. I know of no special dispensation of divine Providence which assures us that it cannot happen here.

It is true that some employers do not agree with this analysis of the situation. They argue that Senator WAGNER'S disjunction is incomplete, and they add a third possibility—a return to the pre-Roosevelt days when a kind of despotism prevailed in American industry and management was free to fight the attempts of workers to organize. At the recent convention of the United States Chamber of Commerce in Atlantic City, delegates representing this school of thought actually sponsored a resolution calling for repeal of the National Labor Relations Act.

While it might be of some academic interest to discuss this viewpoint, no practical good would be achieved. Labor unions are here to stay, and so is the legal guaranty of the right of workers to organize. Our salvation must be worked out within the framework of organized industry and organized labor, as envisaged in the Wagner Act, and to think in any other terms is to stand barrenly on the sidelines while men struggle to subject a mechanical, mass-production economy to the ideals of democracy. Senator WAGNER'S dilemma cannot be escaped.

EXAMPLE OF THE ILGWU

Many of my readers will probaly have seen the fine article on Julius Hochman and the International Ladies' Garment Workers by Eugene Lyons in the April Reader's Digest. (The article appeared originally in the New Leader for March 16.) In the course of telling the story of the ILGWU, the writer quotes Mr. Hochman to the effect that the goal of trade unionism, is "an effective working partnership between organized labor and organized management." This goal is not achieved immediately, but is the fruit, according to the ILGWU's great labor statesman, of an evolutionary process which has three distinct stages. First comes a period of war, when the union is fighting for recognition and the acceptance of collective bargaining. Then follows a period of truce, during which collective bargaining takes place, but in an atmosphere of suspicion and distrust, with strikes and lockouts a normal accompaniment. Finally there arrives a period of cooperation, which Mr. Hochman characterizes as follows:

Peaceful adjustment of differences by two equals each of whom has a genuine stake in the security and prosperity of the industry. At this stage the union, feeling itself secure, learns to trust and work with the employers. It develops a vested interest in the well-being of its industry.

If we attempt to analyze the break-down of industrial relations in these terms, we shall probably conclude that the explanation lies in the failure of certain powerful unions to pass from the second stage, the period of truce, to the ultimate goal, the period of cooperation. If, therefore, we can discover the reasons for this retarded development, we shall be well on the way to solving the problem—and confounding Karl Marx.

WHAT IS NEEDED

No doubt, among these reasons must be listed inferior labor leadership, the lack of an educational program in many unions and, perhaps more important still, the persistence in labor oratory and literature of a class-conscious, antiemployer vocabulary. If rank-and-file workers are habitually told, for demagogic reasons, that all employers are heartless crooks, they cannot be readily sold on a policy of labor-management cooperation when such a policy has become imperative.

However, many unions never get beyond the second stage, the period of truce, because employers make it inadvisable for them to do so. Although it is not generally acknowledged, there is just as much class consciousness on the side of management as there is in the ranks of labor, and many a union remains militant because, forced to deal with a hostile employer, it can survive in no other way. In the final analysis I believe that the attitude of management toward unionism is the key to sound industrial relations, and that if employers wholeheartedly accept the philosophy of the Wagner Act, our unions will rise to their responsibilities and fulfill their rich promise. Admittedly this involves a gamble, as it certainly involves a radical departure from traditional management attitudes. But the risk of standing pat is greater still. Unless there is a sharp change for the better in industrial relations, and soon, industry and labor will wake up some morning to find themselves taking orders from a gauleiter in Washington.

Mr. President, I shall now read a quotation from the Senator from New York [Mr. WAGNER] on the subject of collective bargaining:

Modern nations have selected one of two methods to bring order into industry. The first is to create a supergovernment. Under such a plan the labor unions are abolished or become the creatures of the state. Trade associations become the cartels of the state. Every important business decision must get its stamp of approval from public headquarters. That is what is called the proletarian state. The second method of coordinating industry is the democratic method. It is entirely different from the first. Instead of control from on top, it insists upon control from within. It places the primary responsibility where it belongs, and asks industry and labor to solve their mutual problems through self-government. That is industrial democracy, and upon its success depends the preservation of the American way of life.

Mr. President, in most instances the fear which has swept the country is sincere. Of course, there are those who are participating in propaganda who are not sincere. But the main body of the people who are alarmed at the present situation are sincere. Men disagree within their own families. I have before me letters from two brothers. They were born on the same farm, educated under the same conditions, and are now living in separate parts of the country. The first letter is from my home State, and I shall read a portion of what the writer wrote me as showing his viewpoint of the present situation:

Certainly, as long as you think you can do nothing, nothing can be done. If your philosophy is common in Washington, then I can at last easily understand why Mr. Lewis continues to be bold in his stand. He apparently has Washington scared until it can no longer think clearly. But let me suggest that that is the only group of people he has got bluffed. In one sentence you say no law can compel miners to work if they don't want to, and in the next you say the only solution is for the Government to take charge of the mines. If you can't compel the miners to work, how in God's name does it matter how the Government or the operators are managing the mines? If the miners can be made to work under Government management, they can under private management if the legal structure is right. I am not saying they should be. All I am saying is that it shows there is some mighty foggy thinking going on in Washington.

That is from the first of the brothers who wrote me.

The second letter was written from another section of the country. I read:

Since my brother saw fit to send me a copy of his letter to you dated May 10 I felt it only right that I let you know that there are others who grew up on that same farm and battled their way to decent living standards as bravely as he did, who have no such burning desire to deprive our fellow Americans of the right to also fight for better living standards.

There is a great deal more in his letter, but I shall not read all of it. I do, however, wish to read one paragraph near the end of the letter. It sums up the knowledge of the writer as follows:

Sorry to be so lengthy about this, but from where I sit you seem to be doing a fine job. Believing as I do, that each Senator has a responsibility to the Nation at large as well as to his own State, I offer you my gratitude for your support of nearly every one of the worthwhile progressive laws placed on the statute books during your term, as well as those now getting such a tough handling by the benighted Democrats from the South and their equally blind Republican brethren from the North.

Mr. President, I have given two viewpoints, coming as they do, from two brothers. One of the brothers has the idea that all that is necessary is to pass a law requiring persons to work, and they will work. He does not have any conception of the fact that there is any fundamental right in persons to refuse to work. That is why he is taking exception to what I have said. When I told him that miners cannot be compelled to work, he said:

If you can't compel the miners to work, how in God's name does it matter how the Government or the operators are managing the mines?

We have now come to the fundamental difference between the thoughts of millions of persons in this country today with regard to what should be done. I do not believe that any person who has studied the question, or has studied the constitutional right of the individual, believes that we need only to enact legislation which would compel men to work, whether they wish to work or not. That is something which I hope will never take place in America. I hope that involuntary servitude will never be permitted. Yet, Mr. President, I heard one who is responsible for the effort being made to have enacted antilabor legislation, say today in this Capitol that his purpose was to break down labor unions. My purpose is not to try to break down labor unions, or break down employment. It seems to me that we must have, in any prosperous country, both elements, and that both of them must function.

I regret very much the feeling which has been aroused between the employer and the employee in America. I am compelled to say that I believe Mr. Lewis has been making a great mistake in the methods which he has used. I know nothing about what are his complaints. I do not believe the American people do. However, they do know that they desire the conveniences of life, and that Mr. Lewis is representing what to them is the organization which is preventing those conveniences being achieved. He probably has reasons; the organization he represents probably has reasons; but they have not taken the American people into their confidence. The result has been one of the greatest outcrys against organized labor I have ever heard in this country. But it is not entirely against Mr. Lewis, let us say. Mr. Lewis is a man who has stood out and taken the brunt for his organization. I think perhaps he is a great, big, strong man who has put himself in position to have his locks sheared. I am not so sure he cannot get some lessons if he will take the story of Samson of biblical days, about one being put in position where he loses his strength. I am not so sure but that he might think of the enticement that has led him into this position at times.

Mr. Lewis has belonged to many organizations. He has belonged to the CIO. He now belongs to the American Federation of Labor. He belonged to the Republican Party until 1932. He then shifted his allegiance politically to Franklin Roosevelt, who became President. He remained loyal to President Roosevelt, so far as is known, until 1940. Then he left the Democratic Party, or abandoned his advocacy of President Roosevelt, after he had been able to get the things labor was demanding. He left the Democratic Party and tried to lead his followers over to the support of the Republican nominee at that time. I guess he thought he could lead them, but they did not go. Then he tried again in 1944 to take his followers into the camp of Mr. Dewey. He did not succeed.

Now we find that Mr. Lewis' so-called friends, his new-found friends, are here with antilabor amendments which undoubtedly have in mind taking away all the gains which labor has made in the past several years.

Perhaps John L. did not have a written contract. He is good about requiring contracts. I suppose he did not have a contract, or perhaps if he had a contract with the Republican Party it was not in the proper form. We know that after his defeat Willkie died of a broken heart. I am not sure whether they will ever break Mr. Lewis' heart or not, but I do think that the next time he makes a contract with the Republican Party he should have it written, under seal, recorded, with an exemplified copy placed in every public place in the county in which he lives or in the State with which he is identified.

We have been told that Mr. Lewis is a very acute man, but he was not very acute in that contract. All he has to do is to come here and look at these amendments. One of the authors says they are not offered yet, they are merely printed. Perhaps John L. would get scared at the printing of those amendments. I do say that the attitude which he has taken, without explaining to the American people as to what he is doing, has done more damage to the labor cause than any one act I can think of in my political life.

Mr. President, Mr. Lewis has aroused this great antagonism to labor. But there was an antagonism before. Let us be fair about the situation. I wish to read to the Senate a little from something written by a constituent of mine. This constituent is a great industrialist. He is connected with a large company in Delaware. He is also a Republican in good standing—and that is very hard to be for long. He said:

The proposed fact-finding labor legislation should not be enacted, as the ultimate effect will be pressure to decide a controversy that can be more satisfactorily settled for the good of the country by the parties in issue.

He has something there. It can be better settled by the parties in issue. Then he says:

For the past 14 years political labor leaders have enjoyed immunity from the few laws that are in force regarding their actions, and there is no reason to anticipate this administration will change that policy.

Now listen to this. This is the summing-up of his philosophy:

We have been approaching a show-down, and we now have one by their efforts. Although the situation is painful to everyone, we should let it take its course without attempting to put Government pressure on business to meet their demands, which is what we believe the proposed measure offers the opportunity of doing.

That writer of the letter believes in letting events take their course. He says, "We are now approaching a show-down." He does not want any relief. He is like the man I heard speaking today; he wants to destroy labor unions. This man said he wanted to break them, and that is the same thing. I do not want to break labor unions, and I do not want to break the National Association of Manufacturers or their constituents. I think that when they enter politics, as they have attempted to do with reference to breaking down the temple of labor laws, they are a menace to the liberty of the Nation.

I think the time has come for us to realize that it takes two sides to make a strike. There is the man who will not work, and there is the man who will not employ under the conditions demanded. Some of them may be right at one time and some at another. Therefore, Mr. President, I say that it is practically impossible to legislate peace in labor matters. There must be an agreement between human beings who take into consideration the fact that they are parts of America, and I am referring to both labor and management when I say that.

I have here a communication from one who is opposed to the particular bill now pending. The letter is from Philadelphia, and the writer says:

This bill, or any bill resembling it (including the Norton-Ellender bill, S. 1661), is a vicious attack on the rights of labor. It is undemocratic in its provisions, and will deprive labor of the rights guaranteed to it by the Wagner Act and the Norris-LaGuardia Act.

I do not think anyone denies that that is the dream of those who have conceived this attack. I wish to say that this letter was not written with reference to the coal strike. Its date was February 28, 1946, before the coal strike had begun. The man who wrote the first letter and the one who wrote the second were discussing labor questions without regard to the coal strike.

Here is another one, dated February 13, 1946. This man is from Connecticut, and, as I remember, is very much of a partisan on the question we are considering. He says:

Prior to the Wagner Labor Relations Act we did not have such situations, nor did we have strikes of the intensity we are having today. The Wagner Act has created an unequal standing between labor and management in the eyes of the law. The same act has tended to throw the control of the actions of labor into the hands of a very few people (labor leaders), who are placed in the position of being protected by law.

Mr. President, one of my earliest recollections of labor difficulties was of those which occurred in the State of Colorado. I believe that State had a Governor who was called "Bloody Bridles" Waite. I remember the bloodshed that resulted from those strikes. I remember that there was a Governor of Illinois by the name of Altgeld, and I

remember the coal strike in Illinois, and the destruction of life and property that resulted there. The writer says we did not have anything of such intensity before the Wagner Labor Relations Act. I do not know; but situations were intense enough so that men killed each other at that time.

I remember when a coal commission was appointed, of which Judge Gray from the State of Delaware was made the chairman. I remember the great discussion which took place throughout the land at that time concerning the difficulties arising in connection with the mining of coal.

I have a telegram from Washington, D. C., which I shall read:

We suggest that inasmuch as the Federal Government heretofore found it necessary to enact legislation involving labor matters and enacted the Wagner Act, and in many other instances has undertaken to exercise control over interstate commerce——

Mr. President, I never thought anyone doubted the right of Congress to legislate with respect to interstate commerce. The one who sent the telegram apparently thinks the Federal Government is a sort of interloper when it enacts legislation respecting interstate commerce. He further says:

It is now encumbent upon Congress to accept further responsibility in this field and enact legislation along the lines of the Case bill designed to put a stop to violence, prevent secondary boycotts, and make contracts binding on those who sign them.

Mr. President, if he can put all that into one dose of medicine he will be a great doctor indeed. That man is going to try to prevent strikes and prevent violence. If there is a State in the Union that has no way either of preventing or of punishing violence, I have not heard of it. But the sender of the telegram is not from any State. He is from Washington, D. C. I think perhaps in the District of Columbia there is some provision of law against violence. Then he is going to prevent secondary boycotts and he is going to make contracts binding on those who sign them. I have seen contracts which were binding, and I have seen contracts which the parties to them ignored. In my State, regardless of whether the Case bill is passed, one can sue an unincorporated association transacting business under a common name. I am informed that one can so sue in a great many other States.

Here is a telegram from my own State:

Brotherhood of Painters No. — ask you to use your influence and vote against antilabor bill.

The number of the bill is given. The sender recognizes it to be and calls it an antilabor bill. I find that all those who oppose the so-called Case bill speak of it as antilabor. I find in my correspondence that a very large percentage of those who favor the bill say, like some gentlemen I have heard, that they want to break down the labor unions.

Mr. President, I have a letter from my own State also that was sent on February 27. The writer has a real constructive suggestion. He says:

After watching the behavior of the United States Senate toward the labor bills now before it—the Case bill and the bill to curb James C. Petrillo—I have come to the conclusion that it is just plain craven, that it cringes every time organized labor says "boo."

Perhaps it ought to be reconstituted, revitalized with new blood of the kind that makes up the House, which has certainly done its plain duty in the case of both of these measures.

I replied as follows:

I am heartily in agreement with your suggestion that the United States Senate should have new blood. I am not sure but what this could easily result in an improvement in many States.

I did not say as to my own State. He had addressed this letter to me.

We find that the people are really sincere. Here is a letter, dated February 11, from a citizen of Delaware:

I am a citizen of Delaware who has just come back from the service into civilian life, and as such am fighting for fair wages and living conditions. The Case bill has points against those principles. Please do everything in your power to see that such a thing does not happen to a free living people.

Also in February—I mention the dates because they show that this was before people were angered at John L. Lewis—I received this letter from a resident of New Jersey:

Therefore, I am sympathetic with the aim of the Case bill to outlaw violence in picketing. Whether court injunctions are the right way to attain this aim I don't know. It would seem preferable to me to spell out in some detail, right in the bill, what constitutes illegal picketing, rather than leave so much to the interpretation of the courts. Injunctions are likely to be regarded by labor unions as the arbitrary whims of reactionary individuals, whereas Federal laws embody the judgment of some 500 elected Representatives of all the people, and therefore tend to receive more respect. Furthermore, it ought to be possible to find other penalties for violent picketing than the loss of bargaining rights now specified in the Case bill. This kind of punishment strikes dangerously close to fundamental liberties and would tend to make martyrs of violators. The important thing is to make clear what kind of picketing is illegal and who is responsible for enforcing the law in this regard.

So far as I know, this man is not a lawyer; and yet when he says, "This kind of punishment strikes dangerously close to fundamental liberties," he is expressing an idea which no lawyer could improve upon. That is the reason why what the Case bill seeks to accomplish cannot be effectively done, and he realizes it. He has intelligence enough to see through it. He says that it strikes dangerously close to the fundamental liberties of the people.

No matter how much we may condemn any particular person, whether it be Petrillo or Lewis, or some other person who has aroused the antagonism of the American people, it is very difficult to infringe upon the liberty of one individual by an antilabor bill. That is the very basis of the opposition of millions of people to acts which, so far as their words go, would accomplish what certain people are demanding be done. They want a law to stop this strike. At that time there was no strike by Mr. Lewis and his members.

Some time ago I was interested in the anti-Petrillo bill. I was a member of the committee which took testimony in the matter, including the testimony of Mr. Petrillo himself. I was appointed as chairman of a subcommittee to pass on the bill, which was introduced by the senior Senator from Michigan [Mr. VANDENBERG] with reference to the Petrillo episode. I myself introduced a bill having for its purpose the same objective as that of the Vandenberg bill. Later I was a member of the committee which handled the Vandenberg bill, and was as helpful as I could be toward its passage. So I could tell this man, if I desired to start up the correspondence again, that I was not particularly favorable to the tactics of Mr. Petrillo.

Here is a letter from California. The writer says:

How long are we, the American people, going to stand for this CIO anarchy, to allow less than 10 percent of the population to kick the rest of us around? I am hoping that you Senators will have guts—

I do not know what he means with respect to the CIO. Mr. Lewis has passed on from the CIO.

Here is a letter from New Jersey. The writer says:

Management's right to manage its property free from union domination of its supervisory forces is to be safeguarded.

He is referring to a measure which has not yet been introduced. This afternoon the Senator from Minnesota [Mr. BALL] told us that that amendment had not been offered.

Here is a letter from my home State which gives a rather startling view of the law. The writer says:

In order to clear up several points in my letter of February 15 in regard to the stand taken by the Delaware State Farm Bureau in asking for your support of the Case bill and Hobbs bill, I would like to state that at the present time labor unions, through a Supreme Court ruling, are exempt by law of any acts of violence, intimidation, or boycotting.

He says that labor unions are exempt by law because of a Supreme Court ruling. I sent him a quotation from the decision written by Justice Byrnes in the case of United States against Local 807, and asked him to let me know of anything that contradicted that quotation. Justice Byrnes stated, in the decision to which he was referring:

The use of violence disclosed by this record is plainly subject to the ordinary criminal law.

Not only did he not say that there was excuse for the crime, but he said that it was subject to the punishment of the ordinary criminal law. But people over the country have the idea that there is an absolute clearance of all crime, just so long as it is committed by a labor union or some member of a labor union. I do not know who is responsible for that idea. It may be the National Association of Manufacturers. Perhaps it is the chambers of commerce. Sometimes they have sent out things which sounded pretty queer.

Here is a telegram from my home State:

Delaware State Federation of Labor very much opposed to Congressman CASE's bill, known as H. R. 5262. We ask you to oppose and vote against its adoption.

Of course, one may say that that is from a labor union. The other day a man wrote me that I was representing a certain labor union, naming it. I wrote back and asked him if he thought that people who were members of labor unions were entitled to be represented by their Senators and Representatives in Congress, or whether he believed that Senators and Representatives should confine their representation to other classes than those who belonged to labor unions. He has not yet answered my inquiry. And yet that statement was from a man who is well educated, and who conducts a large business. He says in effect that if we represent labor unions, or if we represent people who are members of labor unions, we are doing something wrong. I feel that it is my duty to represent not only labor unions, but members of the employment branch of industry. I do not intend to do something which I think will injure either of those elements. If there is to be any injury I want it to be the very least possible under the circumstances.

Here is a letter from Pennsylvania. The writer says:

> The present curtailment of our country's production of goods and services is due primarily to some irresponsible and greedy labor leaders who are using their present power to gain more power, at the sacrifice of both labor and the American public.

I cannot answer him, because I do not know what the difficulty is. I can only say, as I have said, that Mr. Lewis is not taking the American people into his confidence. He is not giving us an opportunity to judge whether he is right or wrong. In my opinion he is injuring the cause of labor. By his attitude he is threatening to pull down the great temple of labor legislation which has been built up in America for more than 30 years. That is a danger not alone to labor, but to the American people; and we feel the effects of the first onslaught when a strike is declared.

But let us understand that the great question of the relationship between labor and capital is not going to be determined by one law. It is not going to be determined by one strike. It is going to be determined by the common sense of the American people over a long period. In my opinion the American people do not wish to destroy either labor or management.

Again, in February, long before the last coal strike, I received a letter which contained this statement:

> The news from the important centers such as New York City, Philadelphia, and Pittsburgh makes it evident that the control of the United States is passing out of the hands of the Federal Government and the State governments into the leaders of militant labor organizations.

I do not believe that such a statement can truthfully be made. I do not think anything of that sort can truthfully be said. The Governor of Pennsylvania sent State police into the Pittsburgh area to control those who were striking. That action was taken because of violence or threatened violence. I think the writer of the letter is without reason for the statements he has made in it. I believe Pennsylvania is able to handle its own affairs, and I think it did so.

Here is another letter from Pittsburgh, written in February:

> In my judgment, that is what the Case bill is endeavoring to do. It is not perfect by a long shot, but, as I stated in my letter to you of February 19, it is a step in the right direction and may bring about industrial peace.

He says it may do so. He does not have much confidence in it, and I do not think anyone else has. I do not think many of the people who are responsible for this great antilabor movement all over the country actually believe that passage of this bill would put an end to strikes.

The other day I noticed that the Senator from Kentucky [Mr. FARKLEY], the majority leader, challenged any Member of the Senate to show how there would be one more ton of coal mined or anything else produced by reason of the passage of this antilabor bill. The Senator from Kentucky did not call it an antilabor bill; I am calling it that. No Senator has responded to that challenge, so far as I have heard.

I now read from a letter which I received from a person in Massachusetts:

> As a means of maintaining a more even balance that assures both sides the opportunity to properly arbitrate and eliminate such conditions as we have today in many industries I believe that the Case antistrike bill should be passed.

Evidently many of the people who write such letters have never read the Case antistrike bill. They are opposed to strikes, just as all the rest of us are; we wish that there were no cause for strikes; we wish that strikes could be replaced by agreements.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Delaware yield to the Senator from Illinois?

Mr. TUNNELL. I yield.

Mr. LUCAS. The able Senator from Delaware has just made a statement about which I should like to make a brief comment. I wish to say that the person who wrote him that letter about the Case bill probably never had read the Case bill and probably knew very little about it. I think that 95 percent of the mail which the Senator from Illinois receives, advising him to do something one way or another in regard to certain matters, may be classified or characterized in the same way that the Senator from Delaware has classified or characterized the correspondence to which he has been referring. In other words, time after time in replying to letters which I have received from constituents in Illinois, I have asked them to state definitely their reasons or to give me a bill of particulars as to why they favor or oppose the enactment of a certain measure. I doubt that I receive more than 1 answer for every 200 letters of that sort which I write in reply.

The radio commentators and the newspapers are constantly asking people to write to their Senators or their Representatives about this or that issue. As a result of that type of propaganda, at the present time my mail is so large that I am unable to answer it. Yet when we reply to such letters from our constituents and ask them to give us some constructive information in regard to the measure to which they refer or to give us detailed reasons why they favor or oppose its passage, 99 out of 100 will never answer that sort of reply.

Mr. TUNNELL. That is correct.

Mr. LUCAS. I simply am saying—and I say this with all due respect, because under the Constitution every citizen has a right to petition his Senator or Representative in regard to what he thinks should or should not be done—that sooner or later our constituents will learn that the form propaganda which comes to our offices day after day simply does not mean a thing, so far as I am concerned.

At this particular moment I have on my desk a stack of postal cards, at least 2 feet high, by which the breweries or some persons who are interested in the making of beer now are asking me to intercede with the OPA in order to keep the breweries in operation, and they have used a card which has my name printed on one side, and on the back there is printed a lot of propaganda, so that all the sender has to do is sign it. I expect that half of the people who signed those cards do not understand what is on the card. That indicates the type of propaganda which the Senator from Illinois does not like; and, so far as he is concerned, those cards go into the wastebasket.

It is all very well for radio commentators and newspapers to suggest that everyone write to his Senators, if those who write will give Senators something to think about and some constructive information upon the subject. But merely to write to a Senator for the sake of writing to him and helping Uncle Sam insofar as the Post Office Department is concerned does not mean a thing to me.

I know the Senator from Delaware takes the same position, and I know that he and every other Senator are now flooded with mail from organizations of all types and kinds which are interested in almost every conceivable question. The result is that we receive such volumes of mail that we are unable to answer it. The only thing we can do is to send, in reply, form letters which say, "In view of the fact that our mail is so heavy and our personnel is so limited, we are required to answer the bulk of the mail we are receiving in this way." Such a reply does not mean a thing to the person who receives it, other than to enable him to say, "I received a card from my Senator today." I have been trying to do that much, but I have reached the point where I cannot do it much longer.

I know that the Senator from Delaware is correct when he says that most of the persons who write such letters to him do not know much about the measures to which they refer. That situation has developed to such an extent that at the present time the bulk of such communications which are sent to Senators come

from persons who know very little, if anything, about the subject concerning which they write.

Mr. TUNNELL. Mr. President, I wish to say that the Senator from Illinois is correct in regard to the point he has made. Just a few days ago a representative of the Post Office Department told me that the present volume of mail is the greatest they have ever known.

Mr. MORSE. Mr. President, will the Senator yield to me?

Mr. TUNNELL. I yield.

Mr. MORSE. I wish to commend the Senator from Illinois for the comment he has made, and to give him a little support in regard to it. I desire to refer to a little incident which I experienced a while ago. I received a great many telegrams from people in my State asking me to support the Case bill. I replied by means of a form telegram in which I stated that I would not support the Case bill when it reached the Senate.

Thereafter, I met at a dinner a man who seemed to be much disturbed because I had given a negative reply and because I did not reply at length to the telegrams I received. I said, "Yes, I received your telegrams, and I threw them into the wastebasket. Do you know why? Because not one of you in a single telegram set forth a single reason why I should vote for the Case bill. If you think for a moment that you are going to dictate to me while I am in the Senate, you are mistaken. But I will give fair consideration to any reasons or evidence you wish to submit to me in support of the position you would like me to take."

I think it is very important to make quite clear that that type of pressure mail is not going to receive any serious consideration from any Member of this body who is here to exercise independence of judgment on the merits of the issues which come before the Senate.

I think it also should be pointed out that, to the extent I am informed about the matter, such scientific sampling as has been made to date of the mail received by Senators and Representatives shows what we all know to be the case, namely, that so far as the volume of mail is concerned, there is no correlation between the volume of mail and public opinion, because when we are faced with a flood of mail we find it is mail which represents special pleading, and is not an accurate, scientific cross-section of public opinion.

Mr. TUNNELL. I thank the Senator. Along that line let me say that I have received three letters from the same man, in the same mail, on the same subject. I assume that some persons think that the bulk of mail has some importance, with the result that, as I have said, one man wrote three letters to me on the same subject, the Case bill, on the same day.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. TUNNELL. I yield?

Mr. LUCAS. I wonder whether some organizations have paid representatives in certain sections of the United States, to do nothing but flood Senators and Representatives with mail of that type.

During the past two weeks, while the pending bill has been debated in the Senate, I have received from one individual who is the leader of a certain organization in my State, five telegrams asking me to do certain things in connection with the pending bill. I am wondering whether there are not certain persons employed for the purpose of going around and geting other persons to sign propaganda cards, and communications of a similar nature, to be sent to the Members of Congress.

Mr. President, I wish to make one further observation. Many fine persons are present in the galleries and they see only a few Members on the floor of the Senate. They no doubt are wondering why it is that so few Senators are present and listening to the discussion of the able Senator from Delaware. I wish merely to say that if I had to take time to sign replies to all the letters which come into my office I would be required to spend 48 hours every day, while there are only 24 hours in each day. I do not know of any time in the history of this country when Members of the United States Senate were as busy as they are now. I am required to give attention to all the problems of great States such as Illinois, with its divergent interests, and the various problems which have arisen during the reconversion period. Every day I receive comunications from constituents in my State concerning these matters. I do not have time to attend to them all. I have committee meetings to attend. I have to write letters and make arrangements for conferences on the part of individuals or groups of individuals with the OPA, and with other agencies of Government. Persons who have real problems come from Illinois and seek my assistance. I do all I can to solve them. But the truth of the matter is that every United States Senator has reached the point where he is nothing more or less than a glorified errand boy for the constituents whom he represents. I do not blame our constituents for asking us for help, because they have a right to ask for help in solving the problems which have developed as a result of the World War. But, so far as a Senator having an opportunity to study his Government, and the great issues which are before the Congress at the present time is concerned, he simply does not have the time to do it.

I recall reading about the life of Henry Clay. We have been told that when we go to Ashland, Ky., we can be taken to the place where Henry Clay walked in his orchard. We will be shown the path which he trod day after day. We will be told that he talked to the birds in the trees in preparing a speech which he intended to make on the floor of the Senate when the Senate should next be convened. Mr. President, as a result of my increasing burdens I could not even see a bird or a tree if I had such a path to trod, let alone talking to them. [Laughter.]

The situation which I have described is the result of the complexity of our society. Mr. President, never in the history of this Nation have Members of Congress been compelled to deal and wrestle with such problems as those which are now constantly arising.

I regret having taken so much of the Senator's time.

Mr. TUNNELL. I thank the Senator. I can only say with reference to the question of whether persons are paid for participating in sending out propaganda, that I happen to know one or two such persons who probably never did anything of importance before in their lives, and even now they probably find no opportunity to do anything except to engage in this kind of work.

Mr. LUCAS. Mr. President, I believe the newspapers and the press and radio commentators of the country would do a service to the Members of the Senate and the Members of the House of Representatives if they would tell the people of the country not to write to their national representatives unless they have something constructive to say. I ask my constituents to say something of help if they wish to write me a letter. Give me some constructive advice, not merely a form card or letter which has been prepared by some other individual and placed in their hands, or on the desk of someone who is told to sign it. It is time that our constituents realize what every Senator has on his shoulders in the way of real responsibilities in this economic crisis.

Mr. TUNNELL. Mr. President, I may say that some of the finest letters I have ever received during my life have come during the time a barrage of mail was being received. Therefore, there are two sides to the situation. Some of the letters which I have received came from persons who were conscientiously in favor of some type of labor legislation. In most instances they do not know what provisions the legislation should contain. As a rule they want something which will compel persons to work. But when in answer to such letters I have written that such legislation cannot be enforced, in most instances they have replied with very fine letters. A few days ago I received some propaganda along this line. There was a blank space in which to write my name, and space for a signature. The statement on the card was to the effect that we in the Senate were acting very badly. Persons were asked to sign the printed form and send it on.

Mr. President, I have a letter which was sent from Wilmington, Del., and which reads as follows:

> If in all honesty you feel that the Case bill is the answer to an American maiden's prayer, then your vote for the acceptance of the Case bill before the Senate Committee on Education and Labor should be "yes," which by your vote when the bill appeared before the House for such a flighty stay would assure.
>
> It seems to me that our lower Delaware counties are bountifully placed by not being imposed on by the treasurers of gangster unions, but their eyes never open to how the big house on the sand dunes got to be that way until they realized the scale of living in their own beloved Sussex or Kent County, and even unto the more repulsive New Castle, is much lower than that represented in other less richly endowed States.

Mr. LUCAS. Does the Senator mind telling us the name of that maiden? [Laughter.] As I understood the beginning of the letter, the Case bill is an answer to a maiden's prayer.

Mr. TUNNELL. Yes.

Mr. LUCAS. I wonder what is the name of the lady.

Mr. TUNNELL. The writer does not give the name. I suppose he thought there might be different names of different individuals who might be involved.

Here is a letter from Boston:

I ask you to consider the passage of this bill as a measure to stimulate full production. Will you please use your best efforts to report this bill as is and expedite its passage?

The writer of that letter does not know the situation at all. However, here is one from Tennessee:

The rights of the public are paramount. Strikes are injurious to the Nation, and we believe this bill will go a long way toward correcting this situation. We appreciate your advice as to whether it is receiving the consideration of your committee, and when some action might be expected.

If you do not mind, I should also like your opinion as to the bill itself, as a careful reading seems to highly recommend it. The only objection I see is that it should also embody the HOBBS' antiracketeering bill which passed the House of Representatives sometime since.

Mr. President, that letter was mailed on February 20. So it was not John L. Lewis about whom the writer was complaining. He was complaining about labor in general.

Here is a letter from Illinois:

Apparently the unions are regarded as a special class, even at the expense of the rest of the country, and want to go on with their special privileges whether or not it causes inflation. Even now, Mr. Truman's new price formula seems to cover only organized labor. Can we look to you to protect the interests of all citizens equally, not just pressure groups?"

Mr. President, the term pressure groups always strikes me as being unusual, because the pressure groups from whom we are receiving so much pressure, or from whom I am receiving it, are not composed of labor unions at all. I see the other side of the situation. I see the person who sends out his printed matter and says, "Please sign this."

There is also the thought, sometimes, that too much money is being spent.

Here is a letter dated February 22 from Detroit. It is along the same line as the others are, and I shall read it:

I urge you, as a member of the Senate Committee on Education and Labor, to kill the Case bill in your committee. Statistics show us that indeed a great majority of the American people are laborers, then why is there so much antilabor legislation. Isn't this supposed to be a government run in the interest of the majority? Then I urge you to defeat the Case bill, ELLENDER's fact-finding bill, and other antilabor legislation.

Mr. President, that is plain. We can understand what he wants. He has reasons for thinking that this is antilabor legislation.

A man from New York writes as follows:

To stop the paralyzing strikes that are sweeping the Nation, I want to strongly urge legislation that will be fair to both labor and management.

He wants legislation that will be fair to both and will stop the strikes. He has gone right down the middle of the road and has made no suggestion whatever except that he wants the strike stopped.

I have another letter from Michigan. This relates to the foreman provision, which has not yet been offered by the Senator from Minnesota.

I have a number of other letters, but I wish to discuss for a few minutes the amendment which is now the order of business.

Mr. MURRAY. Mr. President, will the Senator yield before he leaves the subject he has been discussing?

Mr. TUNNELL. I yield.

Mr. MURRAY. While we are discussing letters which are coming to Members of the Senate from their constituents in various sections of the country, many of which do not give any reason or explanation for a request for action on the part of Senators, I have just received from Colston E. Warne, professor of economics at Amherst College, New London, Conn., a letter enclosing a statement giving the reasons why he is making the request which he submits. I should like to read the letter into the RECORD at this time. It is addressed to me as chairman of the Committee on Education and Labor, and reads:

DEAR MR. MURRAY: I am attaching a copy of a letter addressed to you by 114 economists, political scientists, and other educators. This letter is an expression of approval of the Federal mediation bill as reported by the Senate Committee on Education and Labor, of which you are the chairman. Other names will be added to this list in the next few days. The letter is sent to you at this time, as it seemed important to record our opinion while the bill was pending on the floor. We trust that you will find this expression of sufficient importance for introduction into the CONGRESSIONAL RECORD.

Sincerely,

COLSTON E. WARNE,
Professor of Economics, Amherst College.

The statement reads:

To the PRESIDENT OF THE UNITED STATES SENATE AND THE CHAIRMAN OF THE COMMITTEE ON EDUCATION AND LABOR:

The undersigned economists, political scientists, and other educators join in support of the bill establishing machinery for mediation and voluntary arbitration of industrial disputes, which the Senate Committee on Education and Labor has favorably reported. We believe that this bill reflects a sound approach to labor relations in that it establishes a Federal Mediation Board of five which will centralize Federal conciliation efforts and encourage the widespread use of mediation and voluntary arbitration. This Federal Mediation Act would not impair the work of the National Labor Relations Board or set aside the Norris-LaGuardia Act. Instead, it offers in its present form a distinct improvement in procedures for handling labor disputes.

We feel equally strongly that the Case bill (H. R. 4908), passed by the House of Representatives on February 7, 1946, and rejected in its entirety by the Senate Committee on Education and Labor, should not receive favorable consideration. The Case bill was a substitute measure passed by the House without hearings and during a wave of strikes which created an atmosphere which was not conducive to sound judgment. This bill seems designed to impose punitive measures upon organized labor rather than to foster the adjustment of industrial disputes.

It was perhaps inevitable that sharp disagreement would follow a wartime era, an era of strict controls of wage movements. The subsequent period of readjustment would almost certainly involve some labor-management conflict, some clash of interests requiring resolution and readjustment. It is not a new development in America that Americans reserve the right to disagree. It is a tradition inherent in the fabric of our institutions. By the same token, it is not a new development in American history that when a group of employees feel that they have reasonable grounds for dissatisfaction with their wages or working conditions, they have the right to refuse to work under those conditions, and acting in protection of their respective rights, to withhold from their employer their labor until mutually satisfactory conditions can be worked out across the collective-bargaining table.

The postwar months have brought a sharp rise in strikes. Labor and industry have disagreed as to the essential readjustments. Freed of the demands of all-out war, the workers have exercised their constitutional right to engage in a joint refusal to accept the employers' conditions and to bring their grievances to the American public. Voluntary arbitration of these disputes has been typically rejected, not by the unions but by the employers.

The time-honored procedures of give and take across the collective bargaining table, assisted by voluntarily accepted mediation by Government or other disinterested parties and by voluntary arbitration, have already served to bring the parties together and to secure agreement in very large sectors of American industry. This process has already developed a pattern of higher wage standards which employers in other industries still on strike may be expected to find it increasingly difficult to resist.

While this process has been going on, however, efforts have been made to rush legislation to restrain the activities of organized labor. The Case bill is an example of such legislation. The almost universal assumption of those Members of Congress who have participated in the rush to introduce restrictive legislation has been the very expressly stated assumption that legislative action is essential to outlaw strikes.

The bills have varied. The impact has been consistent.

Some bills have been blunt and direct in their attempt to outlaw strike action for greater or lesser periods. Some have been directed against internal policies of the labor unions. Some have been directed to the limitation of the political activities of labor unions. Some have offered new restrictions on picketing, on boycotts, and on other activities of labor organizations in the economic struggle.

All of these measures have, in one form or another, pointed the accusing finger in the direction of labor and have assumed that the prevention of strikes entails not the amelioration of the conditions which create dissatisfaction or the improvement of mediation machinery, but the repression of the organizations through which the employees seek rectification of those conditions.

We do not urge that the accusing finger be turned in the direction of the employer or indeed in the direction of any party or group.

We do urge that the situation is one which cannot be corrected by a vindictive attitude toward organized labor. Too many of those in Congress who have used the circumstances of today as an excuse for seeking repressive legislation are those who have used the circumstances of every period in our recent history as a pretext for efforts to repeal or modify the enlightened policy of the Na-

tional Labor Relations Act and to seek repression of organized labor.

We urge that the Members of the Senate, in considering the measures now before them, accept the Federal mediation bill and reject the ill-considered and dangerous notion that strikes can be eliminated from our economy by legislative fiat.

We urge that free collective bargaining is the ultimate basis upon which sound labor relations must be built. Government facilitation of that process can best be advanced by the expansion and strengthening of our conciliation and mediation machinery to meet the difficult problems of the months ahead. Government intervention can destroy the process of free collective bargaining if it takes the form of a declaration to American workers that they are not free to take strike action, even if the prohibition is ostensibly for a limited period of time.

Those who contend that the decision to engage in a strike is normally one which is taken precipitately or irresponsibly fail to understand the American labor movement. Great as may be the inconvenience to the American public in any given strike, far greater is its direct impact on the union workers who by their voluntary action cut off their earnings in a joint effort to improve their working conditions. American workers do not take such action lightly, and they may not be expected to take lightly a declaration that governmental machinery will decide for them when they may or may not take such action.

Mr. President, this statement is signed, as I stated, by 114 economists and political scientists. The letter indicates that others will sign later. I ask that all the names attached to the statement be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the names were ordered to be printed in the RECORD, as follows:

(Names of institutions are for identification only)

Mabel A. Magee, Wells College; Dr. Alice Hamilton, Harvard; Vera Reynolds Kilduff, New York State Department of Commerce; Alice E. Belcher, Milwaukee-Downer College; A. D. Beittel, Talladega College; Dr. Eric A. Walker, Penn State; Michael Kraus, City College; Mabel A. Elliott, University of Kansas; Paul S. Pierce, Oberlin; Fred Eastman, Chicago Theological Seminary; Carroll W. Ford, Babson Institute of Business Administration; W. Rolland Maddox, University of Kansas; Dr. Mary A. Eaton, University of North Carolina; Harold W. Guest, Baker University; Charles Cogen, Bronx High School of Science; Foster Rhea Fuller, Ohio State; W. Bayard Taylor, University of Wisconsin; Laurence S. Knappen, Rutgers University; C. Herman Pritchett, University of Chicago; George Hand, Fairmont State College; Davis W. Board, Northwestern College; Frank J. Bruno, Washington University; J. H. Coleman, Miami University; Meyer Kimkoff, Bucknell University; Elizabeth P. Baker, Barnard College, Columbia University.

William J. Wilkinson, Colby College; Abraham Kaufman, Board of Education, New York City; W. Brooke Graves, Bryn Mawr; Calvin S. Hall, Western Reserve University; Clarence A. Berdahl, University of Illinois; Horace B. English, Ohio State University; Howard White, Miami University; S. R. McGowan, Kenyon College; H. Gordon Hayes, Ohio State University; Paul E. Davies, McCormick Theological Seminary; Lee M. Brooks, University of North Carolina; Willystine Goodself, Columbia University; Esther Lucile Brown, Russell Sage Foundation; William D. Max, S. J. Tilden High School; Rev. Wilfred Parsons, Catholic University; Frank C. Pierson, Swarthmore; Robert D. Patton, Ohio State University; George W. Briggs, Drew University; R. Hadly Waters, Pennsylvania State College; John Hope II, Fisk University; Giles A. Hubert, Fisk University; E. Douglass Burdick, University of Pennsylvania; Emily C. Brown, Vassar; Willard H. Froehlich, Catholic University; Walter N. Breckenridge, Colby College; Eleanor H. Grady, Hunter College; D. O. Kinsman, the American University; Alva W. Taylor, Southern Conference for Human Welfare.

Marion Hathway, University of Pittsburgh; Dr. Theresa Wolfson, Brooklyn College; Edwin L. Clark, Rollins College; M. K. McKay, University of Pittsburgh; James E. Pate, William and Mary; Charles F. Marsh, William and Mary; Russell H. Mack, Temple University; Otto Nathan, New York University; Josephine Gleason, Vassar; Robert Rockafellow, Rhode Island State; Harry L. Lurie, Council of Jewish Federations; Harry M. Pife, Middlebury College; Charles C. Griffin, Vassar; T. W. Van Metre, Columbia University; Henry P. Jordan, New York University; Marjorie Dilley, Connecticut College; Ralph D. Fleming, Guidance Bureau, New York State Education Department; C. G. Gaum, Rutgers University; Julian Park, University of Buffalo; Theo. Lentz, Washington University; William Melcher, Rollins College; Ray Billington, Northwestern University; Selig Perlman, University of Wisconsin; Veil B. Chamberlin, Illinois Institute of Technology; William S. Schlauch, New York University; Gardner Murphy, City College, New York City; Harold Brenholtz, North Texas State Teachers College.

George B. L. Arner, United States Department of Agriculture; Harley F. MacNair, University of Chicago; J. Van der Lee, State University of Iowa; Henry S. Miller, Queens College; Bernard F. Riess, Hunter College; E. B. McNatt, University of Illinois; Hedley S. Dimock, George Williams College; Leland J. Gordon, Denison University; Ralph B. Tower, University of West Virginia; Warren B. Catlin, Bowdoin College; Morris Friedberg, Simmons College; Harry J. Carman, Columbia University; Albert S. Keister, University of North Carolina; Grace L. Coyle, Western Reserve University; Arnold J. Lien, Washington University; Nathaniel Cantor, University of Buffalo; Emily Brown, Vassar; Frank Carlton, Case School; Hartley W. Cross, Connecticut College; Dorothy Douglas, Smith College; George H. Groat, University of Vermont; Malcolm Keir, Dartmouth College; Gladys Palmer, University of Pennsylvania; Albion G. Taylor, College of William and Mary; Melvin J. Segal, Michigan State College; Roscoe Lewis Ashley, Pasadena Junior College; Eugene M. Kayden, University of the South; M. N. Chatterjee, Antioch College; Merle Curti, University of Wisconsin; Richard Landry, Beloit College; Bruno Lasker, Yonkers, N. Y.; Helen Herrmann, Freehold, N. J.; Colston E. Warne, Amherst College, secretary for the initiators of the letter.

Mr. TUNNELL. Mr. President, before I pass on to the amendment, I wish to mention the testimony of Mr. CASE, of North Dakota, which appears on page 8 of the hearings before the Subcommittee of the Committee on Education and Labor of the Senate. Being asked a question as to procedure, Mr. CASE of North Dakota said:

Mr. CASE. That is true, but attention should be called to the sentence which appears at the end of subparagraph (a) of section 8, which says:

"No order of the chairman or process of any court under this act shall require an individual employee to render labor or services without his consent nor shall any provision of such order or process be construed to make the refusal to work of an individual employee a violation of such order or process or otherwise an illegal act."

I think one-half of the letters sent out would not be sent if the senders knew that that was a part of the testimony of Representative CASE of South Dakota as it appears in the printed record. The language appears on page 10 of the original bill, between lines 11 and 16, and also on page 13 of the same bill we find, beginning with line 13, and ending with line 20, the following language:

Provided, said courts shall not issue an injunction against the right to strike, peaceful assembly, or peaceful picketing. Any individual who violates any of the provisions of this section shall on and after such violation cease to have, and cease to be entitled to, the status of an employee for the purposes of sections 7, 8, and 9 of the National Labor Relations Act, or the status of a representative for the purposes of such act.

I do not know when I ever knew of the Republican Party being in such a strategic position as it is in now. It has John L. Lewis as one of its most devoted workers. He represented the mine workers in the great attempt to elect Wendell Willkie, and in the wonderful attempt made to elect Dewey, and, so far as I know, he is still loyal to that party, and, so far as I know, he is working with it now. I have heard of no breach existing in the relationship between the party and Mr. Lewis. Not only that, but the Republican Party has the distinction of having three Senators on this floor who have had printed the amendments by which they are going to cure the ills of labor—and evidently destroy labor.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement made by Douglas Hall, general counsel of the Minnesota CIO.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NEED FOR A MINNESOTA MEDIATION ACT

The present Minnesota law in actual operation discourages real collective bargaining and effective mediation in labor disputes.

In the first place, the same law attempts to combine the selection of bargaining representatives, conciliation of disputes, and the definition of unfair labor practices into one system. This is contrary to the Federal structure of handling these matters in industrial disputes. The National Labor Relations Board conducts elections to determine bargaining representatives and also decides unfair labor practice cases. An entirely separate agency, the United States Conciliation Service has the responsibility for trying to secure agreements from the parties to a dispute. By being completely separate from the NLRB, the Conciliation Service has been able to keep free of resentment which arises between unions and unions and employers in representation cases. The Minnesota conciliator handles both conciliation cases and representation cases. As far as the CIO is concerned, the handling of certain representation cases by the conciliator discourages our unions from placing much trust in his handling of conciliation matters.

New York, New Jersey, Pennsylvania, and other States have separate mediation acts, while other aspects of labor relations are covered in other statutes.

Secondly, the present law requires the filing of a strike notice before the conciliator can take jurisdiction over a dispute and attempt to conciliate it. Once a union is forced to file a strike notice, which is voted on by the members, a factor harmful to real conciliation has already entered the picture.

Once the atmosphere of a strike is created by the filing of a strike notice, conciliation becomes more difficult. Actually, a union has to threaten to do just what conciliation is designed to avoid, before it can even get conciliation. It is not much of an improvement to provide that the conciliator can be called in without the filing of a strike notice. Both parties know that nothing much will happen until the strike notice is filed and the 40 days have passed. As long as those features remain in the law, voluntary conciliation is ineffective.

Thirdly, since conciliation cannot be secured without a strike notice and a 40-day period must then elapse before a strike can be called, both parties feel there isn't much point to serious negotiations unless the notice is filed. Because of this the requirement of a notice and the 40-day waiting period operate to discourage collective bargaining. The National Labor Relations Board which conducts strike rates under the Smith-Connally law, which contains a 30-day waiting period, reports that the law has actually encouraged the filing of strike notices.

Both the Minnesota law and this Federal act were based on the erroneous assumption that unless the law forces them to, parties to a labor dispute will not really negotiate, but will resort to strike or lock-out first and then talk about it. This assumption is based on ignorance. Before the war CIO unions had to comply with the strike-notice requirement before they could get conciliation aid from the State. In many important situations the whole State procedure was exhausted without a settlement being reached. But even after the 40-day period our unions did not strike. We went to the United States Conciliation Service and settlements were reached with the aid of that agency. Our resort to that agency was purely voluntary, but we did it in the effort to find a solution. The mandatory procedure of the State law failed completely to bring an agreement.

It would constitute a great contribution to labor peace if the legislature would create a voluntary mediation agency, separate and apart from all other agencies connected with labor problems. It should be the function of this agency to take all proper steps to bring about a settlement of labor disputes referred to it. The board should have the power, on consent of the parties, to set up arbitration procedure as a means for settling disputes.

The board should consist of several members, three or five. Competent and fair persons should be secured, so that the board will have the confidence of labor, management, and the public. One great weakness of the Minnesota conciliator's office is that the governors have always appointed an official from one of the labor organizations, the AFL. This practice would be equally as unsound if only CIO men were appointed.

DOUGLAS HALL,
General Counsel, Minnesota CIO.

Mr. TUNNELL. Mr. President, for a few minutes I should like to discuss the Byrd amendment. Of course, there have been different versions of the Byrd amendment, and I do not know, when I take up a Byrd amendment, whether it is the right one or not. I do not think many Senators do.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Chair will advise the Senator from Delaware that the latest Byrd amendment is dated May 20.

Mr. TUNNELL. And what is today?

The PRESIDING OFFICER. Today is the 22d.

Mr. TUNNELL. Is the Presiding Officer sure that there has not been another amendment started?

The PRESIDING OFFICER. The Chair is sure that another one has not been offered.

Mr. TUNNELL. I understand there is another one hatching.

Mr. President, I am very much disappointed that the Senator from Virginia is not present. I wanted to ask him something about the amendment. In all its forms it is the most peculiar amendment I have ever seen. I speak not only of the last one, which seems to have been lately born, but also in its very first version. The very first provision is:

SEC. 8. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

Usually when there is a prohibition of spending there is some reason for it. For instance, there may be a prohibition against buying votes at an election. Such a thing is prohibited by law. A Senator suggests that it is usually obeyed, too. There might be other prohibitions. But the prohibition must be based either upon the objective being a wrong one or on the inability of the person sought to be protected to look after his own interests. If the employer is conceived to be insane, and the purpose is to protect him, than I can understand why such an amendment as this should be offered. But the provision in question is to protect a person from giving money. Therefore, the language must be framed on the theory that the person is insane or incompetent in some way to bargain, to give away his own money. I wanted to ask the Senator from Virginia on what legal theory the amendment was written. Who is the Senator trying to protect? Is he trying to protect the laborer? Is he trying to protect the employer? Or is he trying to protect the public?

A great deal has been said in this debate about the trust fund and the protection of it after it is set up. But why should there be such protection? Here the Senator is proposing to appoint a trustee for an employer who has sense enough to make profits. I have never seen anything so assinine in my observation of bills and of laws. I was attorney for the house of representatives during four sessions of the Delaware legislature, and I saw some queer bills, but I never saw anything like this.

In this amendment it is set forth that it shall be unlawful for an employer to pay or to deliver. His wife can do so, his son can do so, his daughter can do so, but the employer himself cannot. It is sought to protect him against spending his own money in his own way. Yet we are told, "Oh, it is terrible that the Federal Government should be encroaching so much on the rights of the individuals." This is the worst encroachment I have ever heard of. I do not know whether it is proposed to let the individual spend his money when he goes on the streetcar, on the theory that the conductor might be an agent or a representative of an employee of his. I do not know whether it is proposed to let him pay his money into a church fund, because we do not know about the one who accepts that money; perhaps he is trying to get the employer in jail, and this is quite a dangerous sort of thing to do, because if one violates this provision of the law he is subject to punishment. It is all right for the wife to pay or deliver. But if the employer gives it he is subject to this punishment:

Any person who willfully violates any of the provisions of this section shall upon conviction thereof be subject to a fine of not more than $10,000 or to imprisonment for not more than 6 months, or both.

I am sorry the Senator from Virginia is not present. I should like to have some one tell me what is the purpose of that prohibition: "It shall be unlawful for any employer to pay or deliver" money under those conditions.

Mr. President, I have listened to the discussions as much as I could, and have heard no one come forward with any suggestion as to why that language should be put in a measure pending in the United States Senate, and I cannot understand why it is placed in the amendment, unless it be on the theory that the person involved is incompetent, or that the purpose of the gift is in violation of public morals. I do not know of any possible excuse for such language, and I have heard none advanced during the discussion of the subject. Here we have a prohibition against an individual giving his own money away for a legitimate purpose. There may be thousands of legitimate purposes, but this language would prohibit the giving away of money for such purposes.

When we start to dig up antilabor legislation, or antisomething else we run into difficulties. It we were to start to write antiemployment legislation, for example, we would write some silly things. That is what has been done in this amendment, as I see it. A person is prohibited from giving away his own money; and yet it is said that the Federal Government has been encroaching on individual rights.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. HATCH. I merely wish to ask the Senator if he is familiar with the various Federal statutes which make prohibitions against contributions of many kinds.

Mr. TUNNELL. I have never found one that prohibited contributions to charities, religious institutions or for other well-known beneficent objects, except for the purpose of protecting incompetents.

Mr. HATCH. The Senator is familiar with the provisions of the Wagner Act against contributions, is he not?

Mr. TUNNELL. That purpose is very clear. It is to prevent the employer from controlling the union, as against the employees. There is a sensible explanation for such a prohibition.

Mr. HATCH. Might there not be a similar purpose in the restrictions placed in this amendment?

Mr. TUNNELL. I do not think so. Why should there be exceptions? If the

purpose is good, why should there be any prohibition at all?

Mr. HATCH. Mr. President, will the Senator further yield?

Mr. TUNNELL. Yes; I should like to have some explanation.

Mr. HATCH. Would the Senator advocate permitting employers to make contributions generally to representatives of unions, without any restriction whatsoever? Does he think that would be good policy?

Mr. TUNNELL. The National Labor Relations Act prohibits that for a good reason. But there is no purpose in this prohibition, as far as I have heard, either from the Senator or anyone else. If the Senator from New Mexico has a suggestion as to how such a prohibition as this would be beneficial, I should like to hear his explanation.

Mr. HATCH. The Senator from New Mexico will make his own explanation at the proper time. But I will say to the Senator from Delaware that I think the very instances which have been inquired about point out very clearly that there is a need for restrictions, a need which has been recognized many times by Congress in various situations.

Mr. TUNNELL. Can the Senator name one?

Mr. HATCH. Would the Senator say that this is not a trust fund which is being set up? If it is a trust fund, should not every possible safeguard be placed around it?

Mr. TUNNELL. Against the person contributing to it?

Mr. HATCH. Yes.

Mr. TUNNELL. No; I should say there should not be.

Mr. HATCH. Then the Senator thinks that employers should be able to set up a trust fund and use it for political purposes, or for any purposes they desire, and receive contributions from the employees, also?

Mr. TUNNELL. This amendment says nothing about that.

Mr. HATCH. It applies to both employers and employees.

Mr. TUNNELL. I had laid aside my copy of the amendment, because I did not know the Senator was going to wake up.

Mr. HATCH. I can tell the Senator that it refers both to employers and employees.

Mr. TUNNELL. This is what the amendment provides:

> It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

Mr. HATCH. The Senator is quite correct. If he will read the next clause, he will see that the same prohibition is placed against employees.

Mr. TUNNELL. It reads as follows:

> It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to receive or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value.

What does the Senator have to say to that?

Mr. HATCH. I say that it is a continuation of the foregoing clause.

Mr. TUNNELL. But it does not say what the Senator has just told us it says. If it does, I cannot see it.

Mr. HATCH. I believe that if the Senator will continue reading the amendment he will find that language.

Mr. TUNNELL. That is the end of it.

Mr. HATCH. It is not the end of it.

Mr. TUNNELL. It is the end of subsection (b). It reads as follows:

> It shall be unlawful for any representative of any employees who are engaged in commerce or in the production of goods for commerce to receive or accept, or to agree to receive or accept—

Not from the employee, but from the employer—

> from the employer of such employees any money or other thing of value.

Mr. HATCH. That is correct.

Mr. TUNNELL. Where is the prohibition against the employee contributing?

Mr. HATCH. If I said that there was a prohibition against the employee giving, I was in error.

Mr. TUNNELL. That is what the whole argument is about.

Mr. HATCH. I thought the Senator was talking about the employer.

Mr. TUNNELL. I was; but the Senator said that the amendment applied to both the employer and the employee. I say that I do not see it, and I asked the Senator to find it. I have not heard him answer that question.

Mr. HATCH. Whether there is a prohibition against the employee or not, I refer to the original question: Does the Senator believe that this is a trust fund when it is created?

Mr. TUNNELL. The Senator is trying to get over to the last part of the amendment, which I am not discussing. I do not say that that is particularly wrong. But why in heaven's name should there be a prohibition against a man who happens to be an employer, giving something for a laudable purpose? I have heard no one attempt to explain it.

Mr. HATCH. Again we come back to the original proposition about which I asked the Senator. Does the Senator favor letting down all the present bars and restrictions against contributions by employers, and letting them make any contribution they desire to make, either to the union directly or to representatives of the union—company union or any other kind? Does the Senator favor that, or does he favor restrictions?

Mr. TUNNELL. I do not intend to let the Senator shift the argument to something as to which there is no prohibition.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DOWNEY in the chair). Does the Senator from Delaware yield to the Senator from Vermont?

Mr. TUNNELL. I yield.

Mr. AIKEN. Does not the Senator believe that this would simplify the Christmas shopping problem for some of the employers? Does not this provision absolutely prohibit the employer from giving a present to any of his employees for the benefit of the employee's family?

Mr. HATCH. There is nothing in the amendment that would prevent that. The prohibition is against contributions to the representative of employees.

Mr. AIKEN. Then why does not the amendment so provide? It provides that—

> It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

It also provides that it shall be unlawful for them to accept it. The employer could not make any gift of any kind.

Mr. HATCH. "To any representative." The Senator himself read those words.

Mr. AIKEN. I will ask the Senator from New Mexico if a father employed by his employer is not a representative of his children?

Mr. HATCH. Not at all in the relationship of master and servant.

Mr. AIKEN. Is not the employee's wife or child the representative of the father? An employer could not even give them anything for the family.

Mr. BALL. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. BALL. The family are not employees, and they would not be covered by the bill.

Mr. AIKEN. No; but if the gift were for the benefit of the family, it would be something of value.

Mr. TUNNELL. Mr. President, I return to the point which I was making. This is the first time I have ever seen an attempt to prohibit an employer from contributing for a laudable purpose money which is his own, in his own bank account, or in his own pocket, when there is no contention that it is being given for an improper purpose. I have heard no one but the Senator from New Mexico attempt to explain it.

Mr. BALL. Mr. President, will the Senator yield?

Mr. TUNNELL. I will yield if the Senator has an explanation.

Mr. BALL. If the Senator will take the time to read my remarks in the RECORD of yesterday he will find exactly why I think it would be to the very great detriment of the employees to permit the employer to make such contributions.

Mr. TUNNELL. I do not know that I have time to read the Senator's remarks. If there is any explanation, why does not the Senator make it now?

Mr. BALL. Very briefly, if the employer is to pay all of this fund, and if it is to be administered solely by the union officials——

Mr. TUNNELL. Will the Senator stick to the giving?

Mr. BALL. I am talking about the giving.

Mr. TUNNELL. No; the Senator is discussing the use.

Mr. BALL. No; I am talking about the giving.

Mr. TUNNELL. I will hear the Senator.

Mr. BALL. When the money is contributed by the employer to be expended by the officials of the union in their sole discretion, for welfare——

Mr. TUNNELL. That is not what is prohibited.

Mr. BALL. That is what is prohibited by the Byrd amendment.

Mr. TUNNELL. No; that is not what is prohibited. That is what we are talking about.

Mr. BALL. Then the Senator is not reading the Byrd amendment as I read it. That is what it prohibits. It prohibits the turning over by the employer of a certain percentage of sales, or a royalty on the product, to be used as a slush fund, to be expended for welfare in the sole discretion of the officials of the union. It would corrupt any union.

Mr. TUNNELL. I decline to yield further. The Senator does not seem to have read the amendment.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. HATCH. I think there is really great confusion about what this amendment does and what it does not do. I invite the Senator's attention again to what the employer is prohibited from doing. He is prohibited from contributing to a representative of the employees.

Mr. TUNNELL. It does not say "contributing." Why put in language that is not there?

Mr. HATCH. If the Senator will allow me to finish——

Mr. TUNNELL. I do not want the Senator to change the language of the amendment.

Mr. HATCH. Let me read it exactly:

It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

My question is this: Does the Senator actually believe that it would be a good policy to permit employers to make contributions or payments of money, or other things of value, to persons who are supposed to be representing the employees?

Mr. TUNNELL. I do not see anything wrong with it.

Mr. HATCH. Then there is no use in continuing the discussion.

Mr. TUNNELL. Not at all.

Mr. HATCH. If the Senator cannot see anything wrong with a practice of that kind——

Mr. TUNNELL. I do not think the Senator can explain why there is anything wrong with it.

Mr. HATCH. I certainly will not endeavor to explain it to the Senator if he cannot see the vice and the evil which could and would arise under such circumstances. I say that without any reflection upon the Senator, because he does have a keen and able mind, and I am completely surprised that he would advocate that the employer be allowed to contribute vast sums of money to the men who are supposed to be representing the employees. The Senator as a lawyer knows full well that he, representing a client, would not take a gift from the opposition. Yet that is what he advocates in this discussion.

Mr. TUNNELL. I am not advocating anything of the kind, and have not at any time suggested it. I have listened for perhaps 15 minutes to the Senator from New Mexico, and I have heard no explanation of why he takes that position. I suppose he intends to explain it later. He has said that he would. I shall listen.

Mr. HATCH. I can explain it to the Senator now. I will vote for any bill at any time to prohibit employers from making contributions to representatives of employees, because it is a vicious practice which would result in corruption of the worst kind, to the detriment of the employees.

Mr. TUNNELL. I have no doubt that is the Senator's position.

Mr. BARKLEY. Mr. President, I ask the Senator from Delaware to yield to me long enough to permit me to say that, in view of the fact that no other Senators have indicated a desire to address the Senate on the pending legislation today, I hope the Senate will remain in session later than usual this evening, in order that we may make progress.

Mr. TUNNELL. Mr. President, again I wish to read the provision to which I take exception.

It shall be unlawful for any employer to pay or deliver—

That provision is without any condition, it is general—

or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. AIKEN. I still would like to know whether under this bill an employer could give Christmas turkeys to his employees. They would be things of value, and the giving of a turkey is not covered by any of the exceptions listed on page 2.

Mr. TUNNELL. No; everything is prohibited, I say to the Senator, except what is contained in subsection (c) (1), (2), and (3). So undoubtedly what the Senator has referred to would be prohibited.

I think the provision probably would prohibit the giving of a contribution to a church. That shows how loosely the whole measure is drawn. The authors were willing to include anything, just so long as they could obtain something which would be antilabor.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. TAFT. I do not understand the basis of the Senator's assertion that a contribution could not be made to a church.

Mr. TUNNELL. The Senator from Ohio came into the Chamber too late to hear it. I ask him to read the amendment.

Mr. TAFT. As a matter of fact, Mr. President, I worked on it very carefully. It is very carefully drawn, and there is nothing in it which in any way prohibits the making of a contribution to a church.

Mr. TUNNELL. No, there is nothing in it; it prohibits everything except what I mentioned as exceptions.

Mr. TAFT. It prohibits contributions to unions. It prohibits taking money that the men themselves have earned——

Mr. TUNNELL. That is what the Senator from Ohio wants it to say, but it does not say so.

Mr. TAFT. Oh, yes; it does.

Mr. TUNNELL. No; it does not.

Mr. TAFT. It prohibits taking money that has been earned by the employees themselves and paying it to a union, with certain exceptions.

Mr. TUNNELL. It does not say so at all. That is what I am talking about. It says:

It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of any of his employees who are engaged in commerce or in the production of goods for commerce.

That is what it says:

Mr. TAFT. The Senator might also read the definition of "representative."

Mr. TUNNELL. I have read that, too. But still the measure does not bring out the real point.

I repeat that the amendment is sloppily drawn and does not express any logical or sensible purpose, unless the employer is insane. Then he would be protected.

NATIONAL MARITIME DAY—ST. LAWRENCE SEAWAY

Mr. MEAD. Mr. President, this is National Maritime Day. Ever since 1933, when President Roosevelt first proclaimed National Maritime Day, this annual observance honoring the American merchant marine has become more widespread. The Nation's interest in its merchant marine has grown steadily. It reached its peak during the war when the tremendous transportation achievements of the American merchant marine contributed so much toward victory.

The merchant marine's war job is completed but there still remains another transportation task of great proportions. In the countries where we fought and beat the enemies of democracy there has arisen the terrible foe of famine. It stalks every war-torn country and claims more victims than bombs and shell fire.

It is not America's intention to permit the destitute peoples of the world to starve. Relief and rehabilitation programs of great size can only be carried out if there is transportation of the needed goods. The American merchant marine will not fail in doing its part in this great humanitarian effort.

Many of these relief cargoes will move through the matchless port of New York, whose facilities are the finest in the world. The port of New York is equipped to expedite the moving of these cargoes because over the years it has maintained and developed facilities that promote the easy flow of cargoes of all types.

But the facilities which are now proving so useful for world rehabilitation and which during the war years performed record-breaking achievements

in the transportation of fighting men and their supplies are seriously endangered. I refer now to the proposed construction of the St. Lawrence seaway which can only have disastrous effects on the port of New York, on the commerce that passes through it, and the millions of people in this area who earn a livelihood in businesses affiliated directly or indirectly with the maritime and commerce trades of New York.

Even the proponents of the St. Lawrence seaway can see that the seaport that would suffer most from the construction of this project would be New York. Half the export and import tonnage which is estimated to flow through the St. Lawrence seaway would constitute a diversion of trade from the port of New York. It has been estimated that New York would lose about 3,000,000 cargo tons a year, or about one-sixth of the prewar foreign trade of the port. It has also been estimated by the Port of New York Authority that approximately 200,000 people in the New York area would be adversely affected by such a diversion in trade.

In addition to having their livelihood adversely affected, these 200,000 citizens of our State would be among the taxpayers, who would be called upon to pay for at least 25 percent of the cost of this project. As Maritime Day is an ideal time to consider the future of the American merchant marine, it might be well to dwell for a moment on whether the seaway would be of any help to American shipping. One would imagine that if this country were to construct a seaway, at least it would be useful to ships flying the American flag. But oddly enough, the construction of such a seaway with a 27-foot channel would automatically bar almost 92 percent of the American merchant fleet that we now have. The American Merchant Marine Institute, which has long opposed the seaway, advises that the project, instead of being a benefit to the American merchant marine, constitutes actual discrimination against the Nation's existing fleet. As designed, the seaway would decidedly favor foreign-flag shipping. Seventy-two percent of the tonnage that could ply the seaway, it is conservatively estimated, would be foreign-flag owned. The shallow draft of the seaway would mean that the fine, big ships that America now has would be unable to navigate this waterway.

We hold that the St. Lawrence seaway would be contrary to the position taken by Congress in the past which has repeatedly supported a policy of fostering an American merchant marine. American shipping, which already has such competitive disadvantages as higher wages, higher construction, and maintains higher costs, and higher standards of living and working conditions on its vessels should not be given another handicap in the form of the seaway.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement which I issued today on the subject of National Maritime Day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senator JAMES M. MEAD, of New York, revealed today that the largest sale of ships in American history is now under way, with a total of 2,888 surplus ships, totaling 32,141,635 dead-weight tons, already available, with the possibility of 1,364 additional vessels, now under lend-lease and military commitments, being listed for sale in the near future.

Senator MEAD stated that information from the Maritime Commission indicated that as of May 15, 1946, 9 American operators have filed applications to buy 36 vessels including 16 Liberty ships, totaling 403,600 tons. In addition, 10 foreign operators are bidding for 33 ships, including 23 Liberty ships, for a total of 323,797 tons. One American operator has filed for six Liberty ships for charter. The Maritime Commission emphasized, Senator MEAD said, that foreign operators can only obtain such surplus vessels upon approval by the Secretary of the Navy, whose judgment will be guided by requirements of the Joint Chiefs of Staff for possible future emergency needs. Moreover, American citizens are granted a 90-day preference period (until August 1, 1946) during which time no ships can be sold to foreign operators.

The Maritime Commission pointed out, Senator MEAD concluded, that if the surplus ships are not sold to applicants, they will either be scrapped or retained in stand-by condition.

MEDIATION OF LABOR DISPUTES

The Senate resumed consideration of the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes.

Mr. HOEY. Mr. President, during all of last week and much of this week I have listened with a great deal of interest to the discussion on the pending measure and on the amendments relating thereto.

I cannot follow many of the Senators who say they do not think it is necessary to have any legislation beyond the measure reported by the committee. I think the committee has had this bill for a long time. It has held a number of hearings. It has reported a bill which I do not consider at all adequate or one that meets the needs of the situation.

I yield to no Member of this Chamber in my interest in workers. I myself am a worker. I have always been a worker. It was my privilege to begin working at an early age, and I do not regret and have not regretted a single hour or a single day dedicated to work, manual labor.

If I may be permitted a personal reference, let me say that 26 years ago I was a Member of the House of Representatives, and at that time I stood for the right of collective bargaining, although it was then a very unpopular side of the issue. But I believed in the right of laboring people to bargain collectively so that they might be equal with employers in respect to the assertion and maintenance of their rights.

I may say, however, that while I believe in collective bargaining, through the years since then I think the Congress has gone very far afield in the enactment of legislation which, in my judgment, is unfair and is so prejudiced that it does not do justice to the people of the United States. I think the Congress certainly would not have been willing to have passed the Wagner National Labor Relations Act if it could have foreseen the sort of interpretations which have been given to that act by the courts and if it could have foreseen the sort of administration which the act was to receive by the National Labor Relations Board. If we read that act, we find that in the beginning its purpose is said to be to undertake to settle labor disputes and to provide some sort of solution of the problem. In my judgment that act has been productive of labor disputes; it has accentuated them, rather than settled them.

I have heard a great many Senators boast of their interest in the freedom of the citizens and in the rights of labor and in the rights of men generally. Yet when we review that act, all the way through it we find that it takes away the rights and the liberties of those who do not belong to unions. In other words, we who boast of the freedom of speech can turn to that act and can see that it deliberately deprives employers in the United States of any right of free speech. I do not believe that sort of an act should have been passed. I do not believe the Congress would have passed it with that kind of provisions in it if it had understood the extent to which the courts would go in interpreting it.

What sort of justification is there for saying that an employer cannot express his opinion? Certainly, the only basis for the inclusion of such a provision in the Wagner Labor Relations Act is that there might be some intimidation of an employee on the part of an employer or that the employee might be prevented from joining a union or affiliating with a union, and therefore the employer is deemed to be guilty of engaging in an unfair labor practice if he even expresses an opinion about anything connected with a labor union or its organization.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. HATCH. Under the argument just made by the Senator from Delaware, the employer, while not being permitted to express opinions, could make gifts of huge sums of money to men representing unions.

Mr. HOEY. Absolutely so, and by that means the effectiveness of the men who were supposed to represent the employees would be destroyed.

Mr. President, as I started to say, I cannot see the justification for a law such as that. I believe laws should be fair, I believe they should be just, to every laboring man, whether he belongs to a union or whether he does not; because, after all, in this country there are more working people who do not belong to unions than there are working people who belong to unions. Yet a man who does not belong to a union has scant consideration either from the Congress or the courts or any of the other organizations of government.

The men who do not belong to unions should receive some consideration. There are more of them than there are union men. But the unions are more vocal, and therefore they are asserting themselves

and they are doing what Senators have been talking about, namely, putting on pressure by means of organized propaganda.

A few moments ago I said that I believe in dealing fairly with all men, no matter who they are. I am in favor of dealing fairly even with an employer, although the Wagner Act and its administration by the National Labor Relations Board have breathed the spirit of antagonism toward all employers in the United States and have pursued a positive course against employers as if they were a detriment to our social order.

Mr. President, what is the justification for permitting persons to blackguard employers and say anything they wish to say about employers and make any sort of false statements about them, and yet providing that if the employer attempts to reply or make any sort of response the National Labor Relations Board can hold him guilty of engaging in an unfair labor practice?

In my State that development even went to the following extent: There was a business organization which had existed for a number of years and had had a very fine career and a splendid record of relations with its employees. It never had had any trouble at all. That organization issued a pamphlet merely reciting the history of the company, and the pamphlet told how many employees the company had when it began, and mentioned the increases in the size of the plant and the increases in wages which had been made from time to time, and spoke of all the increases which had been made over a period of some 20 years in which it had been in existence. The company mailed copies of that report to its employees. The National Labor Relations Board cited the company to show cause why it should not be held guilty of an unfair labor practice because it mailed to its own employees a report giving them a statement of the increases in wages which had occurred over a period of years. The Board said, "If you do that, it will tend to show that you are granting increases in the absence of a union, and therefore it might deter persons from organizing unions."

Mr. President, have we reached such a point that persons have no right of free speech, or the rights to discuss matters, or to express their viewpoints? Have we reached the time when, because a man happens to be an employer he is to be regarded as a malefactor, and must have taken away from him his constitutional right of free speech?

I believe that many of the labor disputes which take place today may be traced to an unfairness in the enactment of, and the interpretation and the administration of the National Labor Relations Act. That is one reason why many amendments have been offered to the pending bill. Some of them would amend various provisions of the act, and they should be amended. I believe that in order to have good labor relations there must be a sense of fairness on the part of everyone concerned. I believe that unions and workers everywhere, including management, should be treated fairly and justly.

I do not subscribe to the theory that we cannot help the present situation by proper legislation. It seems to me that an effort has been made, through the passage of measures such as those to which I have referred, to give aid and comfort to one branch of our citizenship, namely, the members of unions, while at the same time make it difficult for the proper authorities to do anything about it. Some Senators say that we should not enact antilabor legislation. I am not asking that any shall be enacted. I would be opposed to it if an effort were made to enact legislation of that nature. But, Mr. President, I believe that we should enact some propublic legislation. I am in favor of taking away exemptions which already exist and which do not bring unions under the operation of the law. I am in favor of the law being applied equally to all, and I see no reason for the exercise of discrimination or unfairness in the administration of the law.

Mr. President, I shall not take time to discuss the Wagner National Labor Relations Act, but one reason why several amendments have been offered to the pending bill is that the bill does not adequately meet the present situation. It does not provide for any means by which the American people can safeguard themselves against devastating strikes in essential industries. I am one of those who believe that something can be done about it and that something should be done about it. I am not alone in that belief, because, as shown by a statement made by the late Woodrow Wilson, he also believed that there should be no threat of strikes which would affect the country in the way strikes are now threatening the rights and privileges of the American people. The statement to which I refer was made following World War I, and while Mr. Wilson was President of the United States. Certainly, no man did more in his time for labor, organized or unorganized, than did Woodrow Wilson. Yet when the Nation was threatened with a coal strike he thought that something could be done about it, and this is what he said:

> From whatever angle the subject may be viewed, it is apparent that such a strike in such circumstances would be the most far-reaching plan ever presented in this country to limit the facilities of production and distribution of a necessity of life and thus indirectly to restrict the production and distribution of all necessities of life. A strike under these conditions and circumstances is not only unjustifiable; it is unlawful * * *. I cannot believe that any right of any American worker needs for its protection the taking of this extraordinary step, and I am convinced that when the time and manner are considered, it constitutes a fundamental attack, which is wrong both morally and legally, upon the rights of society and upon the welfare of our country.

Mr. President, in some quarters today it would be considered almost treason for a man to say anything like that. We have gone along for years and have not dared to question what unions do, and some have contended for the rights of unions not only to strike, but to interfere with the administration of the law. The average man does not believe that way. He believes that the situation can and should be remedied. Certainly, I believe, joining with such persons, that it is time for the Congress to take definite action. For that reason I am supporting some of the amendments which have been offered to the pending bill.

I think the existing law should be amended. I think it can be improved, and that the present time is when we should do it. When we consider the matter of unions I do not believe that any measures should be enacted in anger or in malice, or even in resentment or in righteous indignation; but, rather, I think the matter should be considered calmly and dispassionately, and that we should seek to do justice to the rights of the American people. We have not been in a hurry about this matter. The pending bill has been before Congress for a long time. It has been debated in the Senate for more than 10 days. Would anyone say that we are hurrying matters and disposing of the bill without giving adequate consideration to it? I do not believe so. I do believe, however, that some of the amendments which have been offered would, if adopted, go a long way toward correcting injustices and unfairness in connection with the present law. I believe the amendments to be essential if we are to let the responsibility rest upon those who should exercise it.

Mr. President, what does the pending bill do and what do the amendments do? What are their purposes? I think it is very clear that if we are to maintain intact our industries, if we are to prevent unjustifiable strikes in essential industry, we must apply some sort of sensible regulations, and we must bring to bear upon persons, even though they may be organized into a union, the same legal restraints as those which would apply to them if they were not organized into a union.

The pending bill contains a provision which, it seems to me, the committee should have been unwilling to subscribe to. I refer to section 6, which reads as follows:

> Whoever by violence or threat of violence, or by any other form of intimidation or coercion, obstructs, impedes, or affects commerce by preventing or seeking to prevent the transportation or delivery of perishable farm products, by a farmer or his employees, to market or to processing plants, or to a carrier for transportation or delivery to market, or to processing plants, or by extorting or attempting to extort any payment to a labor organization or any other form of tribute from a farmer or his employees in connection with such transportation or delivery, shall be guilty of a misdemeanor—

And so forth. Mr. President, why should the language of this section be limited merely to the transportation of farm products? Does the Congress wish to assert that, because persons belong to a union they may interfere on the highway with any transportation facilities, and allow highjacking methods to take place providing that the products being transported are not perishable farm products? Punishment is provided only in the case of interfering with the transportation of perishable products. Why

not have the language apply to the transportation of products of any nature?

Has the time come when we will grant the right to any person or group of persons to levy a tribute on others who are attempting to transport their products to market, and make such a practice a crime only in the case of the transportation of farm products? I realize that the Supreme Court has said that when unions interrupt the trnsportation of cargo, those engaged in such acts are guilty of no crime. The pending bill provides that if the products be farm products, the parties engaged in the act of interfering with their transportation shall be guilty of a crime. I do not believe that the honest working people of America subscribe to such a discrimination as that. I believe they realize that discrimination is being practiced to their disadvantage, and it is certainly manifest that the sentiment which has been aroused against unions in this country will develop further unless there be a fair and just administration of the laws, and guilty persons are made amenable to the law. Highwaymen should not be acquitted because they belong to a union.

Mr. President, what I am thinking of is this: When the time comes to vote upon these amendments, I believe that it would be in the interest of all the people of the country for us to consider the effect of providing equal responsibility on the part of management and labor, and remove exemptions which now give to unions unfair advantages. I do not believe that to do so would be against labor. I think it would be in the public interest. After all, the public interest should be paramount.

A great many members of unions believe the same as I believe. The other day I rode in a taxi. The person driving it happened to say to me, "I am a member of a union. It looks to me as though Congress should do something to protect some of us who are members of unions." He said, "A strike was once declared in Washington. I did not want to strike as I had a wife and four children. However I had to strike because if I had not done so violence would have been committed against me. I attended the meeting and merely because some persons there questioned the right or wisdom of strikes, they were threatened with violence." He said, "We are afraid not to go along. Our cabs would be destroyed if we did not go along."

Mr. President, have we reached the time in America when persons may not be free, or may not work when they wish to work?

I have read in a newspaper only recently, as other Senators did, no doubt, that while a man in Detroit was engaged in painting his own house, the union came to him and told him he would have to stop, and they picketed him because he was painting his own house, and did not belong to the union.

Mr. President, where is this to stop? How far can we go in maintaining personal liberty and the independence of the citizen?

I am in favor of protecting unions in all their legitimate rights; but I am not in favor of disregarding the rights of people who do not belong to the unions. That is not unfair to the unions, and is not a discrimination against them; it is merely a statement of my view that we should follow the same practice in dealing with people in all walks of life, and give all the same consideration, without regard to the organizations to which they may happen to belong.

I wish to call attention to just two propositions mentioned in an editorial from the Winston, N. C., Journal. It reads:

> The conditions created by this coal strike should make two things quite obvious to Congress. One is that the coal mines of the country constitute a vital public utility upon the regular and uninterrupted operation of which the health, safety, and welfare of the people closely depend. The other, as the Louisville Courier-Journal points out, is that John L. Lewis has a monopoly on coal production that is every bit as dangerous, if not more dangerous, than any monopoly Congress has ever dealt with in the past.

Is there any special justification for the Congress enacting laws to regulate monopolies and have antitrust laws to apply to everything in the world except labor unions?

I was interested in the remarks of the Senator from Pennsylvania [Mr. GUFFEY] today in which he was discussing how Congress had favored corporations by repealing the excess profits taxes, and other things of that kind. One would have judged from his remarks that there was some sort of discrimination against working people and against unions, and especially against labor unions.

He did not tell the Senate in the course of his speech that not one single cent of income tax is levied against the millions of dollars paid into the labor unions in this country. Practically every other organization, certainly, except charitable and religious organizations, has to pay income tax. The labor unions receive millions on millions of dollars, but they are exempt, they do not pay a single cent of income tax to the Government. Every man who is a member of a labor union has a right to deduct—and it is allowed in his income tax, and properly so—all the dues which he pays to the union.

When we come to the matter of corporations, even with the repeal of the excess profits tax, the Government still levies up to 38 percent on the incomes of all corporations. That is the maximum. In addition to that, every person who owns stock and gets a dividend has to pay income tax upon that dividend. I am not complaining of that, I think it is proper, but there should not be any sort of suggestion that the corporations of this country have been relieved from taxation, and that there is some sort of discrimination against the labor unions, when they pay no income tax at all, and when their members are granted specific exemptions in the way of deductions from what they pay in the way of dues.

Now let me say another thing with reference to whether anything can be done about this problem. The Christian Science Monitor approaches the discussion of this question in a very sane and sensible sort of way. In an editorial it says:

> The American people are told that they can do nothing about the coal strike. They are asked to regard it as a "natural phenomenon," such as an earthquake or hurricane, whose devastation they are powerless to check. The report on its effects issued by the White House on Saturday describes it as "this national disaster."
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> Disaster it surely is. It has already caused losses comparable with the worst the United States has suffered. Already it is estimated that several million workers have been thrown out of their jobs by the curtailment of railway and utility services and the closing of factories dependent on them. Output has been sharply cut in steel, chemical and food plants, and textile mills. The loss is less spectacular than that from earthquake or hurricane, but similar in proportions.
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> It is a disaster, but Americans can do something about it. It is true that hot words hurled at John L. Lewis won't stop the strike. It is true that Government seizure of the mines will not start the coal rolling. It is true that the Constitution's provisions against "involuntary servitude" would bar a law to make the miners work.
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> But the "sacred right to strike" is not an absolute right, to be enforced regardless of its effect on the Nation. Certainly, the right not to work is no more sacred than the right to work. And it is not the right to strike that is tying the Nation in knots; it is the special privileges and protections bestowed on unions within recent years which make it possible for strikers to disregard the rights of others.

In this connection, Mr. President, if I may make a personal reference, I was the Governor of North Carolina when the sit-down strikes started over the Nation in 1937. The Secretary of Labor at that time suggested that she did not know whether it was against the law to indulge in sit-down strikes. I went on the radio in my State, as governor, and I said, "Whatever may be true in other States, it is against the law in North Carolina to have sit-down strikes, and we are not going to tolerate them in this State." I said then that no organization and no group of individuals would be permitted to take charge of the property of another person or corporation against his or its will, and that so long as the sovereign power of North Carolina could exist, we were going to see to it that every citizen in that State had the right to work, regardless of strikes, if he wanted to work, and that he would be protected in that right.

He would have a right to strike if he wanted to, and another citizen would have the right to work if he wanted to. That is the inalienable right of a citizen. Yet we know that right is absolutely disregarded throughout the length and breadth of this Nation today.

Recently we had the spectacle, in one of our sister States, of strikers saying to the management of a business, "You, the owners of this concern, may come out of the building but you cannot go back in." There was another case in which a man had his son doing some carpenter work in his store, and the union picketed the store because he was having his own son

work for him in his own place of business, and his son was not a member of the union.

Mr. President, has it come to the point where everyone has to be subservient to a union, and has to let the union dictate? Is it possible that individual rights no longer remain to the citizen? I am in favor of guaranteeing to the unions every single right they should have, but I am not in favor of conferring upon them, as the law has already done, rights far beyond those given to other individuals, and I favor some of the amendments which would take away some of the exemptions which have been given to the unions and which they have used, but certainly not in the public interest.

Some things the unions have which other people do not have. For instance, they have immunity from lawsuits. They have financial irresponsibility. They have exemption from injunction, from antitrust laws, from antiracketeering laws, and from charges of monopoly. They have the privilege of coercing union members, and of immunity from the Corrupt Practices Act.

Why should any group be granted these immunities? The amendment offered by the Senator from Virginia [Mr. BYRD] goes to the question of halting the demand made by Lewis that employers should make contributions to a fund and give him charge of its administration. Is there anything wrong with that? The amendment is very clear. I do not see anything very mystical about it. My distinguished friend from Delaware said it was so mysterious that no one could understand it. It is very plain. It merely says that the employer shall not make contributions of money or other thing of value to the representative—not to the individual employee, but to the representative—of employees. In other words, it is saying, in effect, that John L. Lewis cannot demand of the coal operators that they must contribute money to be utilized by him or expended by his union without any supervision or any control from anybody. That is the practical effect of it.

I do not feel that everything is right with the coal mines. I think coal miners are entitled to consideration. I believe that a great many things should be done for their relief and their health. But I stand for the right of the individual citizen, and of a corporation, if need be, or anybody else, to be protected from the hijacking methods which have been adopted by the unions.

I think this country should proceed upon the basis of freedom and liberty for everybody and justice for all concerned. I think the miners are going to lose some of their rights and some of the sympathy they had on account of the very methods which have been employed in undertaking to exploit them in this sort of proceeding.

I would certainly be in favor of a proper investigation of the mines and proper measures for health and security and safety of all the miners, and for the improvement of working conditions. I have no doubt in the world they need to be improved. But there is a right way to do it and a wrong way, and if we are to abdicate in America, and permit Lewis or any other labor dictator to take charge of the country and tell everybody what must be done, then there is no freedom left for the individual citizen or our free institutions.

Mr. President, this is a more serious matter than appears on the face of it. I received a letter day before yesterday from a very distinguished North Carolina lawyer who now lives in Chicago. He is one of the leading lawyers of our State, who comes from a leading family and has always been a great liberal. He has always believed in the rights of the unions, but in writing about the present situation he said:

> John L. Lewis and his cohorts have by combination and conspiracy paralyzed the normal life of the Nation. They are defying all government. The laws being what they are, Mr. Lewis is in the position of saying to the United States Government, "I shall have my way and you can do nothing about it. Congress, having granted to labor a special privilege to do what it would be unlawful for others to do has tied the hands of the Government, and the executive and the judiciary can do nothing about it."
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> There is just ground for righteous indignation. No society entitled to be classed as organized government should endure such a situation. But I quite realize that this is no time for passion and intemperate denunciation. Only candor and an appeal to fairness and reason have any hope for success.
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> Personally I have reached the conclusion that the only adequate measure is to deal with the matter fundamentally and at this juncture simply to withdraw from labor the exemption or privilege which it has so grievously abused.
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> The point to be clearly recognized and never forgotten is that the subject of debate is not discriminatory legislation against labor, as a class, but an exemption to labor from the operation of a general law. By standing on that exemption, labor is in the indefensible position of saying, "We have been granted the privilege of violating the Sherman Act, and we insist on using that privilege not merely to restrain commerce but to paralyze it." The unfairness and unwisdom of any such exemption would appear to be clear when we consider the philosophy of the Sherman Act and the mischief which it is intended to prevent.
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> The purpose of the Sherman Act is to prevent the use of that power which inheres in "combination" and in "conspiracy." As the courts have so frequently said, "That which is lawful when done by one is made unlawful (by the Sherman Act) when done by many acting in combination or conspiracy.
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> To be sure, the individual miner has the natural right to stop work whenever he pleases, but is there any just reason why he, any more than anybody else, should have the license to combine and conspire with thousands of others to stop work in concert, and thereby paralyze the Nation's commerce? He not only stops work in concert with all fellow conspirators but together they coerce and prevent those who want to work.

Mr. President, I believe we have come down to the fundamental proposition in this country as to whether or not men are going to be permitted to work if they want to, and I think we have come down also to the question as to whether or not men can gather together a group of men and say, "Now unless certain demands we make are granted we will paralyze the whole industry of the country, and wreck the whole national economy." I believe that this is the time when the public good rises above the demands and should rise above the consideration of any particular group. I would say that if management was acting in the some sort of fashion we ought to deal with them in the same way. I would make no discrimination. I do not believe in unfair, discriminatory laws. I think the same sort of law that applies to unions ought to apply to management, and vice versa.

We require management, for instance, to have collective bargaining, and we make it an unfair labor practice if they refuse to bargain collectively, and yet we make no such inhibition or prohibition of that kind as against a labor union. A labor union can bargain collectively or not, as it pleases, and nothing can be done about it. Certainly, if we require the employer to bargain collectively we ought to require the employees to bargain collectively. Therefore, Lewis, instead of making demands concerning foreign matters, ought to be required to deal with the question of hours and wages and the proposition which is the subject of collective bargaining.

I believe that the present law can be remedied. I think it ought to be. I think some of these amendments are good. Personally, I shall support the amendment of the Senator from Illinois [Mr. LUCAS]. I likewise shall support the amendment of the Senator from Virginia [Mr. BYRD]. I think the amendment offered by the Senator from Minnesota on behalf of himself, the Senator from Ohio, and other Senators contains many very admirable provisions, and I shall expect to vote for the entire amendment.

Mr. President, I think the time has come when we must take definite action. I speak not in opposition to labor, I speak not in criticism of it, because I do not believe that the great body of laboring people of this country go along with their leaders on this subject, but they have no recourse, they have no protection. They have got to stay in or they lose their jobs. They cannot afford to buck the union. They have no freedom of choice.

Senators talk about laborers maintaining their freedom. It has been taken away from them. The average man belonging to a labor union in this country has no choice with respect to what is going to happen to him.

Mr. President, 175,000 men quit their employment in the General Motors strike. Only about 22,000 of those men had a chance to vote on whether to strike. Yet 175,000 men were out of employment for 113 days, at a loss of more than $100,000,000 in salaries and wages. For what purpose? Over a question of 3½ cents an hour. They were offered 15 cents an hour, and the union ordered them to go out on strike. They went out. They were out 113 days, and lost all that time of work and all that money which they would have received as wages, and also used up much of their savings. Then they finally got the 3½ cents an hour increase. Employees of some other companies received the increase without

striking. The General Motors employees also could have received the increase in all probability. The Allis-Chalmers employees and the Ford employees received 18½ cents an hour increase without striking.

Mr. President, I am not saying that the workers ought not to be permitted to strike, but I say that the man who does receive good wages and who does not want to strike ought not to be forced out on a strike.

Take the coal strike which John L. Lewis called last winter. He kept the men out for several weeks. It was a strike in violation of his union's contract. The same thing happened in respect to the transit strike here in the city of Washington last year. They had a contract which was renewed in July, to run to July of this year, a contract which provided that in the event the men were dissatisfied about wages they should make complaint, and then they would negotiate. Then if they could not settle by negotiation, both sides would agree to arbitration. What happened? The men gave notice. Negotiation was had. They could not agree. The men struck and refused to submit to arbitration. After the Government had to take over the transit lines, then the men finally agreed to arbitration.

Mr. President, is it not fair, is it not just, is it not right that some provision should be made by which the union could be held to their contract and made responsible for it? Should they be permitted simply to violate their contract with impunity? What is the use of having a contract if it is only to be binding on one side?

The Government makes the employer negotiate, and when he executes the contract with the union makes him live up to it. The same sort of law ought to apply to the union. I myself am tired of seeing laws that are one-sided. Such laws make not only for injustice among people, but for dissatisfaction with the Government, and bring about a feeling that the Government is not fair to all its citizens. I think the Government ought to be fair to every man, to every woman, to every corporation in this land. I do not believe we ought to discriminate in favor of or against any of them. We ought to maintain the conditions of liberty and of freedom. The individual ought to have a chance, and ought to be fully protected in all his rights. But no individual should be permitted to combine and form a conspiracy with a lot of other individuals to wreck the whole economic system of this country and to bring devastation not alone to the industries but to the health and the well-being of our people.

Mr. President, I have spoken longer than I intended to. I wanted to express these views because I feel deeply about this matter. I do not know of any time when I have been more deeply concerned about America and her future. I am concerned because I do not want to see this country lose the elemental things which have made it great. I do not want to see us pass out of the years, out of the times when we believed in the individual rights of men and women and the opportunities that should come to the citizen, and when the citizen could look to his Government to maintain those rights and to maintain fairness for him whether he was high or low, rich or poor, organized or unorganized. We are fast getting away from those things. We are coming to the time when men are forming into groups of organizations, and one cannot turn around one way or the other without someone telling him what to do. I think we ought to have a recurrence to the sort of liberty and freedom we have heretofore known in our country. I am surprised to find so many men crying out now about the taking away of liberties and rights, when all that is proposed to be done is to take away exceptions from the law—not to take away privileges, but merely to take away exemptions which ought never to have been granted in the first place—and to place everyone on the same footing.

What have our boys fought for if they are to come back to a country dominated by men like Lewis and other labor dictators? What sort of a country are we to have if men in unions are to be allowed to combine so they may take away the livelihood of men who want to work, who do not want to be subject to the necessities and obligations of union membership. Ought not a man to have the right to work in this country, whether he belongs to a union or does not belong to a union, and ought he not be protected in that right? If he wants to work, is he not entitled to protection just the same as a man who wants to strike?

Mr. President, ours is a great country. We have great resources. There is no other country comparable to it, and none will ever compare with it if we can only have a fresh baptism of the spirit of our fathers and a fresh devotion to the idea of individual liberty and freedom of our citizens, and a fresh conception of the rights of men not to be trampled underfoot by organizations which may seek to reap vengeance against the citizen if he dares to controvert their will or defy their authority.

I believe that the Government of the United States ought to be supreme. I think it ought to protect its citizens. I do not believe the Congress is insolvent. I do not believe the Executive is bankrupt. I do not think the Government has exhausted its power and authority, and I am in favor of the assertion of that authority and the exercise of that power for the ultimate protection of all the people of America.

Mr. CAPEHART obtained the floor.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me so I may offer an amendment?

Mr. CAPEHART. I yield.

Mr. SALTONSTALL. I offer an amendment to the so-called Byrd amendment, the last Byrd amendment, which I send to the desk and ask to have printed.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table.

Mr. AIKEN. Mr. President, I expect to offer an amendment to one of the Byrd amendments. I wonder if there is any way by which the Byrd amendments can be identified so that we will know which one of the amendments other amendments are to be offered to.

The PRESIDING OFFICER. The Chair is informed that there is only one Byrd amendment pending.

Mr. AIKEN. One is pending now. I understand the amendment of the Senator from Massachusetts is offered to the Byrd amendment which is not the pending amendment. Is that correct?

Mr. SALTONSTALL. I have offered my amendment to the Byrd amendment which was offered on May 20 (legislative day, March 5), 1946, further modified and ordered to be printed.

Mr. AIKEN. Is that the pending business?

Mr. SALTONSTALL. I so understand.

The PRESIDING OFFICER. The Chair desires to clarify the present parliamentary situation——

Mr. SALTONSTALL. Mr. President, I ask that the amendment which I have offered and sent to the desk be read.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Will the Presiding Officer please state for the RECORD what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER], as a substitute for the so-called Byrd amendment, as modified. As the Chair understands, the Senator from Massachusetts [Mr. SALTONSTALL], now offers and asks to have considered a perfecting amendment to the Byrd amendment, which will take precedence over the Pepper amendment.

Mr. SALTONSTALL. That is as I understand the situation.

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts to the so-called Byrd amendment will be stated.

The CHIEF CLERK. On page 3, line 13, in the Byrd amendment, after the word "office" it is proposed to insert a comma and the following: "and shall also contain provisions for an annual audit of the trust fund, a statement of the results of which shall be available for inspection by interested persons at the principal office of the trust fund and at such other places as may be designated in such written agreement."

Mr. BYRD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Virginia?

Mr. CAPEHART. For what purpose?

Mr. BYRD. To accept the amendment offered by the Senator from Massachusetts as a modification of my amendment.

Mr. CAPEHART. I yield for that purpose.

Mr. BYRD. I am very much in favor of the amendment offered by the Senator from Massachusetts and accept it as a modification of my amendment.

The PRESIDING OFFICER. The Senator has a right to accept the perfecting amendment, and if it is satisfactory to him, it will be made a part of his amendment.

Mr. BYRD. I ask that my amendment, as further modified, be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAPEHART. Mr. President, I rise to counsel the expedient in labor legislation—not to debate the justness of what is proposed. In this moment of national emergency the country has a right to look to the Senate of the United States for action—not words.

Further disruption of our delicate economic equilibrium threatens results which will be disastrous—not merely economically, but socially, morally, and politically.

Consequently, I find myself proposing stop-gap expedience to terminate the civil war between American labor and American industry which now confronts us.

The long-range solution can and should be considered in a more deliberate fashion than is now possible.

I am reminded of an experience in my own home community a few years ago. Following extensive rains, the raging waters of the White River threatened to engulf thousands of acres of Indiana farmlands, including my own farm. The rising flood waters had reached the top of the protecting levee, and the levee walls were beginning to crumble.

Immediate action was imperative if ruin was to be averted. Such action was taken. The Army was called in and armed with thousands of sand bags, and the attack was made. The gaps were stopped, the flood was held back, and the farm lands were saved.

When the angry waters had receded, the farmers of that valley did not sit idly by and wait for the next flood. Just as soon as the ground became dry they first planned, and then acted, to prevent such a future hazard. With the aid of modern engineering methods, the levees were raised, strengthened, and made adequate for the future. As a consequence, although the floods have come again and again, the levees have stood. The problem was solved in dry weather. In rainy weather—when the flood was at its crest—we could only stop the gaps.

In the field of industry-labor relations it is time to stop the flood. In doing so we must not foolishly think that we have solved anything. We must solve the problem when the flood has receded and our feet are firmly planted on dry ground.

The immediate question is, Can the Senate of the United States continue, by inaction, to permit strikes to strangle our national and international economy? To this question there can be but one answer, and that is "No." I shall, therefore, cast my vote for that expedient legislation which will put the most prompt and effective end to this flood of strikes which is now nibbling at the top of our economic levees.

However, in casting that vote I believe I owe it not merely to my friends on the side of labor and my friends on the side of industry but to all citizens of my native State and of my Nation, whether they be Republicans or Democrats, to explain that I do not believe any pending legislation before either House of Congress, including that for which I vote, affords a permanent solution of our problem. It fails adequately to protect the interests of labor, industry, or the public. We must not wait for another flood. It may then be too late for stop-gap legislation. Sand bags may not save the day.

It is characteristic of good government to keep its house in order. Our Government has finally set its house in order so far as industry is concerned. It has either eliminated, or is in the course of eliminating, industrial monopolies, combinations, restraints of trade, and unfair trade practices. As a Member of the United States Senate, I am proud of the contribution which it has made to that accomplishment. As an American citizen, I am proud of the strides made by our Government toward that end.

The problem of setting our house in order, so far as labor is concerned, is centuries old. Since the days of Rome, law and the State have had difficulty in finding a legitimate place for associations.

For instance, the Roman law once forbade certain trade guilds and certain charitable organizations. Even in a day before the industrial revolution, jealous governments forbade the formation of associations which might challenge the authority or the very existence of the state. The problem of Rome, however, was simple as compared to the complexity arising as a result of our industrial revolution.

If we look at the legislative records of France, England, and the United States since their great industrial development, we find three graveyards in which lie entombed parallel series of laws which were the result of economic force rather than well-considered statesmanship.

In France, the pendulum swung violently between enactment outlawing labor unions and strikes on the one hand, and on the other, enactments exempting unions from liability for breach of contract, for civil torts, or for public crime.

It will be recalled that on one of these swings of the pendulum the Senate and House of Deputies of France created the crime of syndicalism. All right of combination on the part of labor, no matter how fair or how necessary, was banned. The details of industrial strife in France are history for all those who care to read it. We have seen the effect of this strife in the final demoralization of France.

In England, the interest in the social equilibrium was forgotten, and a similar series of violent fluxations of law, first legalizing and then outlawing unbridled union activity, was passed. Such statutes are a part of history.

Are we able to see in England a repetition of the demoralization which followed labor industrial strife in France?

In our own country, unfortunately, law and legislation have followed a similar pattern. Here, too, the pendulum has swung between the two extremes.

The present trend of the pendulum in our country has liberated labor from any obligation to keep its contracts, and from any liability arising out of contract, as well as from liability for civil tort or public crime.

The first step in that trend was the enactment of section 6 of the Clayton Act which provided:

> The labor of a human being is not a commodity or article of commerce.

That act proceeded to exempt labor unions and their members from restrictions of law which apply to all other citizens; namely, monopolies, combinations, restraints of trade, and unfair trade practices.

We must all admit that such restrictions should be applicable to all peoples. That fact, if I am correctly advised, was amply illustrated by the decision of the Supreme Court of the United States in the recent case of American Medical Association against United States of America, which held the antitrust laws applicable to the medical profession.

The most important step in that trend has been the enactment and subsequent interpretation of the Wagner Act. If we look at the Wagner Labor Act, we find that it is labeled by it own language as pure class legislaton.

As proof, let me read the second and third paragraphs of section I of that act, entitled "Findings and Policy":

> The inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract, and employers who are organized in the corporate or other forms of ownership association substantially burdens and affects the flow of commerce—

Note this—

> and tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries.
>
> Experience has proved that protection by law of the right of employees to organize and bargain collectively safeguards commerce from injury, impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest, by encouraging practices fundamental to the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions, and by restoring equality of bargaining power between employers and employees.

I pause again to ask whether the public interest, or the furtherance of a group interest, was uppermost in the minds of the men who drafted the Wagner Act?

It suffices to say that the administration of that act, and of subsequent acts and regulations affecting the labor-industrial relationship, in my opinion, loosed labor from proper observance of its contracts, and of civil and criminal law.

When, therefore, I cast my vote on the legislation being considered today, it will be solely for the purpose of stopping the dangerous swing of the pendulum.

If it be sought only to reverse the swing of the pendulum—and such appears to be the motivating force of the action which now seems inevitable—we must not forget that it will swing far before it loses its momentum. That must follow as certain as the night follows the day, unless emotion and selfishness are to be replaced by reason and justice, with a resultant balancing of conflicting interests under definite prin-

ciples of law. History points an inevitable and unwavering finger to that conclusion.

Mr. President, it may be that I shall be censured by reason of these remarks. Be that as it may, I know that my purpose is to promote the common good of all.

Let me make one thought crystal clear. As the pendulum swings back, I fear not so much for industry, but rather for labor—and for our country. Above the interests of any group or groups stands the common good of all. Those who live only for the present, selfishly or carelessly, refuse to build for a future in which the continuance of the American way of life is assured.

The legislation before us seeks only to meet the needs of the moment. I cannot conceive that it provides either a permanent or a statesmanlike solution.

As I stand here today in this assemblage, I ask whether it will be given the Senate of the United States to develop, by legislation, a solution which will, first, enumerate all the interests; second, analyze all the interests; third, evaluate all the interests; and fourth, protect all the interests, which are involved in legislation affecting our labor-industrial relationship.

Mr. President, I have a vision which I should like to see become a reality. I am frank to admit that I doubt whether it can be accomplished; but if we unite as a body upon a program which reverently considers all the interests in our complex economy, at all times, it may be possible for us to accomplish much.

My vision springs from a lifetime of study and research of the first scholar of America, Dean Roscoe Pound, of the Harvard Law School. The philosophy of that great student and teacher appeals to me as a foundation upon which we may build. While I make no pretense of comprehending its many angles or exploring its depths, I do believe that any lasting solution of our labor-industry problem must embrace the major portions of that philosophy.

Accordingly, I would recommend that we seriously consider in any labor legislation the three fundamental classes of interests so ably expressed by Dean Pound as follows:

First. The individual interests.

Second. The public interests.

Third. The social interests.

The first named—the individual interests—have been ignored too frequently as they apply to citizens who are not members of labor unions. Under the present administration of the Wagner Act, the interests of nonunion members have been neither recognized nor enforced.

One of the important subdivisions of interests to be considered under the heading of individual interests are the interests of personality, which would include the physical person, honor, reputation, privacy and sensibilities, and belief of opinion.

Another subdivision of individual interests is that of domestic relations. It is needless to say that this is diversified and far-reaching.

Again, there is the subdivision of substance, which includes rights in property, freedom of industry and contract, promised advantages, and advantageous relations with others in a contractual, social, business, official, or domestic sense.

The second great class of interests—the public interests—may be divided into:

First. The interests of the state as a juristic person; and

Second. The interests of the state as a guardian of social interests.

The third great class of interests—and that is the one in which the pendulum of legislation has swung consistently from one extreme to the other—may be broken down into six subdivisions. They are:

First. The social interest in the general security, which would include safety, health, peace and order, security of transactions, and security of acquisitions.

Second. The social interest in the security of social institutions, including domestic, religious, political, and economic.

Third. The social interest in general morals.

Fourth. The social interest in the conservation of social resources, which would include use and conservation of natural resources, protection and education of dependents and defectives, reformation of delinquents, and protection of the economically dependent.

Fifth. The social interest in general progress, including economic progress, political progress, and cultural progress. Under the former may be mentioned freedom of property from restrictions on sale or use, free trade, free industry, and encouragement of invention. Free criticism and free opinion are essentials of political progress. Cultural progress is dependent upon free science, free letters, encouragement of arts and letters, and encouragement of higher education.

Sixth. The social interest in the individual.

The administrators of the Wagner Act have almost entirely ignored the individual. They have been more interested in groups.

Mr. President, the true functions of law and the administration of law are to provide subsistence, to produce abundance, to guarantee equality, and to maintain security.

Having mentioned the interests to be considered in attempting a lasting solution of the labor-industrial relationship, I would now ask the Senate to consider the technique by which this great philosopher would balance these three diverse groups of interest in applying them to the facts and circumstances of an individual case.

Permit me to emphasize these salient facts:

Balance is the basis of social and economic equilibrium.

Balance is the basis of the fair administrative mind.

Balance must be our pathway if we are to be the first legislative body of the world to solve labor-industrial strife.

Therefore, I envision a law which enumerates the three classes of interests involved, as well as their many subdivisions, and then places upon the administrative body set up to administer the law the sacred obligation of balancing these interests in the solution of the many problems assigned to it.

Such a law will result in an enacted statement of principles of procedure for the solution of individual cases, rather than the enunciation of inflexible rules by which the good must hang with the bad.

If such an act be passed, the public interest, the interest of our Nation as a whole in its integrity, stability, and eternity, can and will be preserved.

Such a measure, I hope, in due time, will be offered for the consideration of this body. It will take much time, but I have faith to believe that with careful study, and active cooperation on the part of those with whom I am associated, it can be done.

Unfortunately, the existing national emergency will not permit the time to interpret and enact such legislation. The national emergency, as I have said, demands action, not words. It demands immediate legislation, not vicious attacks on sincere Members of this body, or vicious attacks on labor or its leaders.

My course of action today, and in this hour, is actuated by the soundness of much of the philosophy expressed in an editorial appearing in the New York Times on May 14, 1946, entitled "Revising Our Labor Laws." It reads in part as follows:

> One possible step the Senate might take is to pass the identical measure amending the Wagner Act that the House passed by more than a two-thirds majority in June of 1940, and that was subsequently buried in committee and never allowed to come before the Senate. This measure was far from perfect, but it would make the Wagner Act considerably less one-sided than it is, and it has the great advantage of having received careful committee study after hearings. If the Senate were to pass this, either as a substitute for the House Case bill or as an addition to it, it would be advisable to give both the new legislation and the Wagner Act as thus amended a life of not more than 1 year. In this period study by a joint congressional commission could provide for a permanent, rounded program of labor legislation. Putting a terminus on the Wagner Act as well as on the new legislation would prevent a continuance of the merely obstructive tactics that the all-out supporters of that act have hitherto followed and enable Congress to consider afresh a rounded labor program. In this way Congress could secure immediate reform and yet provide for the careful study that a permanent labor program ought to have.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the entire editorial from the New York Times of May 14, 1946.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REVISING OUR LABOR LAWS

Stung into action by the crisis to which the country has been brought by the coal strike and the threatened railroad and maritime strikes, the Senate at last is considering labor legislation on the basis of the Case bill. That bill as redrafted by the Senate Committee on Education and Labor is a pointless measure not worth passing.

The measure as it passed the House had several important merits. It would make all collective bargaining contracts binding and enforceable against either party. It would make unlawful the use of force or violence to prevent anyone from quitting or continuing in the employment of, or from accepting or refusing employment by, any employer. Anyone who violated this provision would lose his status as an employee or representative under the Wagner Act. Any union that engaged in a secondary boycott would lose its status for 90 days to 6 months under the Wagner Act.

Other provisions of the House Case bill, however, are more dubious. If the Senate decides to pass the Case bill more or less in the form in which it passed the House, it would seem desirable to give it a lease of life of not more than a year, during which a more careful study could be made of permanent legislation.

While the Case bill when it passed the House was widely denounced by labor unions and administration spokesmen as "extreme," it is doubtful whether it goes far enough in certain directions to deal effectively with the present crisis. That is why there are any number of proposals in the Senate to do things that the House Case bill does not attempt to do—to illegalize the payment of a royalty on coal, or to amend more basically the one-sided Wagner Act, which has done more than any other measure to build up the power of individual labor unions to the point where they can cripple the national economy.

It is the very administration leaders who have hitherto prevented the Senate from considering the most moderate corrective labor legislation that now denounce the Senate for "trying to correct everything by legislation in a moment" and "trying to write a bill on the floor." It is precisely these leaders who have put their colleagues in this dilemma. But there is enough point in their criticism to suggest the advisability of a cautious approach.

One possible step the Senate might take is to pass the identical measure amending the Wagner Act that the House passed by more than a two-thirds majority in June of 1940 and that was subsequently buried in committee and never allowed to come before the Senate. This measure was far from perfect, but it would make the Wagner Act considerably less one-sided than it is, and it has the great advantage of having received careful committee study after hearings. If the Senate were to pass this, either as a substitute for the House Case bill or as an addition to it, it would be advisable to give both the new legislation and the Wagner Act as thus amended a life of not more than 1 year. In this period study by a joint congressional commission could provide for a permanent, rounded program of labor legislation. Putting a terminus on the Wagner Act as well as on the new legislation would prevent a continuance of the merely obstructive tactics that the all-out supporters of that act have hitherto followed and enable Congress to consider afresh a rounded labor program. In this way Congress could secure immediate reform and yet provide for the careful study that a permanent labor program ought to have.

Mr. CAPEHART. Mr. President, Adam Smith, in his "Wealth of Nations," one of the immortal books of the world, published in 1776, coincident with the birth of our country, said that a nation stands guard over its economy with two swords; over its exterior economy with the sword of war, and over its interior economy with the sword of sound administration.

He urged England to keep those two swords bright and shiny.

We, in America, have returned the first of those swords, the sword of war, flashing and untarnished, to its scabbard.

The second of our swords, the sword of sound administration, lies dusty through disuse and rusty through erosion in the hands of those who would deny the Congress of the United States the right to pass legislation protecting all the people in an hour of emergency.

I, for one, should like to see the Senate of the United States as a body, by unanimous action, serve warning on all pressure groups, from wherever they may come, that we intend to uphold our oath of office by protecting the rights of minorities as well as majorities, and the organized as well as the unorganized.

I, for one, ask Senators to join in the preliminary stroke which I recommend, on the sole condition that having once restored government to its proper place, we will proceed forthwith to prepare, sponsor, and enact legislation which will protect the individual, social, and public interests of all.

If we do otherwise, we must admit either our incompetence or our unwillingness to safeguard the collective interests of those whom we here represent.

Mr. AIKEN. Mr. President, the hysteria which has been sweeping the country has affected many editors throughout the Nation. It is refreshing to find that there are some editors, however, who have not been afflicted. A few days ago I asked and obtained consent to have printed in the RECORD an editorial by Robert W. Mitchell, editor of the Rutland (Vt.) Herald, which shows that he had a very good understanding of the situation. I now ask to have printed in the RECORD at this point as a part of my remarks an editorial written by John S. Hooper, coeditor of the Brattleboro Daily Reformer. Mr. Hooper shows that he has a good grasp of the situation, and recognizes that the pending bill is not directed at one man or two men, nor at one corporation or another corporation. The concluding part of his editorial reads as follows:

What we are faced with today is not a war against any individuals, but a struggle with ourselves to recover our ability in self-government.

I ask unanimous consent that the entire editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR NATIONAL CURSE

It is easy to vent our emotions by heaping curses on the heads of the mine and railroad union leaders. It is easy to condemn the individual members of their unions for going along with strikes that inflict such hardship on their fellow countrymen. We are all too prone to take the easy, age-old way of reacting to an emergency the emotional way. And that is part of the over-all trouble that plagues us as a nation.

We are falling down in self-government because we are too concerned with reducing our dilemma to terms of other people and their motives. We are trying to solve our national problems by looking into the mirror and seeing the worst part of ourselves peering forth in the form of miners and railroad operators, or whatever group appears at the moment to be antisocial.

Somehow we must learn to understand that it is not people who have broken down, but the machinery of government; that it is not people who have changed for the worse, but the laws that were mistakenly enacted in favor of minorities against the majority; that it is not people who suddenly threaten dictatorships, but the legal environment that makes it possible for the traditional power seekers to break loose.

When we have reached the stage where laws are enacted to curb individual power-seekers, such as the anti-Petrillo law and a possible anti-Lewis law, the weakness of our governmental machinery is certainly out in the open where everybody can see it. It is defensive law rather than constructive law, and as such it is not only indefensible in itself but is a dangerous tangent from such a traditionally American pattern as that which evolved the Sherman Antitrust Act.

On the highest level, men are fighting other men by law rather than enacting legislation which is rooted in desire to protect and preserve a Nation of freemen through respect for the rights of each other. On the common level the cry is for individual heads through hasty legislation rather than for a return to fairness and justice in laws which hit all of us equally.

As long as we let the same emotions influence us that wrapped the war up into the neat package of war against Hitler and Tojo, we probably will continue to label our present problems as the "war against Lewis and Petrillo."

What we are faced with today is not a war against any individuals, but a struggle with ourselves to recover our ability in self-government.

J. S. H.

Mr. AIKEN. Mr. President, I send to the desk an amendment in behalf of myself and the distinguished junior Senator from Oregon [Mr. MORSE]. This is an amendment to the so-called second Byrd amendment which deals with the registration of labor unions, their incorporation, and the requirement that they make annual reports of their financial affairs to the SEC. The amendment would also require trade organizations of businessmen and other organizations to make similar reports so that there may be some equity in the Byrd amendment if and when it is finally agreed to. The amendment also changes the penalty to be assessed with reference to all organizations. They would be punishable by a fine not exceeding $10,000, and not merely penalized by the members of a union having their rights taken away from them.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. AIKEN. Mr. President, I understand that the Senate is to remain in session for some time yet, and I understand further that the junior Senator from Oregon [Mr. MORSE] desires to speak. So far as I know, he is the only Member of this body who has had actual experience in sitting on a labor board. I think he should have the attention of a respectable number of Senators.

Mr. MORSE. Mr. President, if the Senator will yield, I can assure him that I have no desire to speak tonight.

Mr. AIKEN. I see only seven Members of the Senate now present. If the Senate

is to continue to remain in session, I intend to suggest the absence of a quorum, because I believe that if the Senator from Oregon is to be required to speak tonight, in order that he may have the opportunity to speak before a vote is taken, he should be entitled to have present more than seven Members.

Mr. MORSE. Mr. President, I wonder if the Senator will withhold his request for a moment. I have no desire to speak tonight. I shall speak on the amendment at some time before a vote is taken. I do not think we will have a vote tonight. Three times today I addressed the Chair—not the present occupant of the chair—far in advance of any other Senator requesting the floor. However, I was not able to obtain the floor, and subsequently I discovered why. We have returned to the old practice of maintaining a speakers' list at the Presiding Officer's desk. It is a practice which I understood, under the rules, had been eliminated some weeks ago from the procedure of the Senate. I was much more in a mood to speak earlier in the day than I am tonight. Hence it is not my pleasure to speak again at this time.

The PRESIDING OFFICER. Of course, the Chair has control of the disposition of the time of the Senate. Unless the Senator from Vermont suggests the absence of a quorum, the only thing which the Chair can do is to put the pending question.

Mr. AIKEN. If the Senator from Oregon does not intend to speak tonight, and the Chair intends to put the pending question, I certainly believe that a quorum should be present before the question is put. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Murray
Austin	Green	Overton
Ball	Hart	Pepper
Barkley	Hatch	Revercomb
Buck	Hill	Robertson
Capehart	Hoey	Russell
Capper	Knowland	Saltonstall
Cordon	La Follette	Smith
Donnell	Langer	Stanfill
Downey	McClellan	White
Ferguson	Morse	Young

The PRESIDING OFFICER. Thirty-three Senators having answered to their names, there is not a quorum present. The clerk will call the names of the absent Senators.

The Chief Clerk called the names of the absent Senators, and Mr. LUCAS, Mr. MCMAHON, Mr. MITCHELL, Mr. MURDOCK, Mr. STEWART, and Mr. TAFT answered to their names when called.

The PRESIDING OFFICER (Mr. HATCH in the chair). Thirty-nine Senators having answered to their names, there is not a quorum present.

Mr. BARKLEY. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BYRD, Mr. MILLIKIN, Mr. MYERS, Mr. JOHNSON of Colorado, Mr. HAWKES, Mr. JOHNSTON of South Carolina, Mr. TAYLOR, Mr. TOBEY, Mr. HICKENLOOPER, Mr. FULBRIGHT, Mr. KILGORE, Mr. MCFARLAND, and Mr. TUNNELL entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. STEWART in the chair). Fifty-two Senators having answered to their names, a quorum is present.

Mr. BARKLEY. Mr. President, earlier in the afternoon I asked Members of the Senate to remain here later than usual. I did not fix any time at which we would seek to recess. However, for the past 2 or 3 days many Members on both sides of the aisle have been urging me to arrange for evening sessions; and yet some of those who have been urging that I arrange for evening sessions are not present when we begin the first one. I make no complaint of that, because probably I was a little late in advising the Senate, about 4 o'clock, that we would try to have a session this evening. I was under the impression that certain Senators wished to make speeches, including the Senator from North Carolina [Mr. HOEY], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. REED], and the Senator from Oregon [Mr. MORSE].

My experience has been that when we have a quorum call late in the afternoon or at night we have a larger attendance than we have at almost any other time of the day. The Senator from Oregon [Mr. MORSE] has announced that he does not wish to speak this evening. I have no control over that, and I have no desire to urge him to do so; but he would have as large an audience tonight as he would have tomorrow, in my judgment. However, that is for him to decide.

I do not know whether any other Senator wishes to speak this evening, or whether we are ready to vote on some of the amendments. We must begin to vote on the amendments. We have been debating the bill now for 10 days, and we have not yet voted on anything. Obviously we must begin to vote on some of the numerous amendments.

I wish to announce now—so that all Senators may understand it and there cannot be any possible misunderstanding—that, so far as I can control the situation, we shall have evening sessions for the rest of this week, including Saturday if necessary, in order to make progress on this legislation. It is my intention to move that the Senate meet at 11 o'clock tomorrow when we finish the day's business. If any Senator wishes to speak for the next hour or so——

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida [Mr. PEPPER] offered on behalf of himself and other Senators as a substitute for the modified amendment of the Senator from Virginia [Mr. BYRD] to the committee amendment on page 28, line 6.

Mr. PEPPER, Mr. RUSSELL, and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. PEPPER. Mr. President, I should like to ask the able leader, if there is to be a vote on this amendment this evening, whether he would care to continue the session further, or let the matter go over until tomorrow.

Mr. BARKLEY. I think it would be helpful to obtain a vote on anything, so as to get started. The psychology is always good when we begin voting on amendments. We might vote on other amendments. If Senators in charge of the bill feel that after a vote on the pending amendment they would like to take a recess until tomorrow, I have no objection.

Mr. PEPPER. I should like to make such a suggestion. So far as I am concerned, I have no objection to voting at the present time on the pending amendment which has just been stated. However, if that much progress is made, we should like to ask the majority leader if he would object to a recess until whatever hour he wishes tomorrow.

Mr. BARKLEY. I have no objection to that suggestion; but I will not modify my announcement that I will attempt to have the Senate take a recess until 11 o'clock tomorrow instead of 12.

Mr. PEPPER. We have no objection to that.

Mr. BARKLEY. Then let us vote.

Mr. WHITE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHITE. Does the vote come on what is known as the Pepper substitute?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER] on behalf of himself and other Senators, as a substitute for the modified amendment of the Senator from Virginia [Mr. BYRD] to the committee amendment on page 28, line 6.

Mr. MORSE. Mr. President, may we have the amendment read?

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

SEC. —. (a) It is hereby declared to be the policy of Congress to encourage and facilitate the establishment and maintenance of approved plans within industry for providing hospital, medical, and home nursing care and services, insurance, vocational rehabilitation, and other benefits for employees in activities affecting commerce and for their families and dependents, and to encourage the support of such plans by employers, whether such plans are administered by employers and employees jointly or solely by employers or solely by employees or otherwise. No provision of this or any other act shall be deemed to prohibit such plans or to prohibit employers from contributing to the support of such plans, except in any case where such support constitutes an unfair labor practice under the National Labor Relations Act. The failure or refusal of an employer in an activity affecting commerce to bargain collectively concerning the establishment or maintenance of such a plan shall be deemed to be an unfair labor practice for the purposes of the National Labor Relations Act.

(b) As used in this section, the term "approved plan" means a plan which has been approved, or which is to take effect only upon its approval, by the Surgeon General of the

United States insofar as such plan provides for hospital, medical, and home nursing care and services and by the Secretary of Labor insofar as such plan provides other benefits. The Surgeon General and the Secretary of Labor shall approve any plan submitted to them for the purposes of this section if they find that such plan is a bona fide plan for providing benefits for employees and that a fair and equitable method of administering such plan is provided.

The PRESIDING OFFICER (Mr. MYERS in the chair). The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER] on behalf of himself and other Senators to the modified amendment of the Senator from Virginia [Mr. BYRD] to the committee amendment on page 28, line 6. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the senior Senator from Maryland [Mr. TYDINGS] has been called from the floor of the Senate on important business, being under the definite impression that a vote would not be taken this afternoon. On this question the Senator from Maryland is paired with the Senator from Pennsylvania [Mr. GUFFEY]. If present and voting, the Senator from Maryland would vote "nay," and the Senator from Pennsylvania would vote "yea."

I also announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], and the Senator from Tennessee [Mr. MCKELLAR] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], and the Senator from Idaho [Mr. GOSSETT] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from Alabama [Mr. BANKHEAD], the Senators from Texas [Mr. CONNALLY and Mr. O'DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senators from Louisiana [Mr. ELLENDER and Mr. OVERTON], the Senators from Rhode Island [Mr. GERRY and Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Nevada [Mr. MCCARRAN], the Senators from New York [Mr. MEAD and Mr. WAGNER], the Senators from Utah [Mr. MURDOCK and Mr. THOMAS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

The Senator from Missouri [Mr. BRIGGS], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Ohio [Mr. HUFFMAN] are absent on public business.

I further announce the following general pairs:

The Senator from Alabama [Mr. BANKHEAD] with the Senator from Nebraska [Mr. BUTLER];

The Senator from Utah [Mr. THOMAS] with the Senator from New Hampshire [Mr. BRIDGES]; and

The Senator from New York [Mr. WAGNER] with the Senator from Kansas [Mr. REED].

I also announce that on this question the Senator from Utah [Mr. MURDOCK] is paired with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Utah would vote "yea," and the Senator from Mississippi would vote "nay."

I announce further that on this question the Senator from New York [Mr. MEAD] is paired with the Senator from South Carolina [Mr. MAYBANK]. If present and voting, the Senator from New York would vote "yea," and the Senator from South Carolina would vote "nay."

I also wish to announce that the Senator from Montana [Mr. WHEELER] is paired on this question with the Senator from Texas [Mr. CONNALLY]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Texas would vote "nay."

I announce further that if present and voting, the Senator from Florida [Mr. ANDREWS], the Senator from Rhode Island [Mr. GERRY], the Senators from Louisiana [Mr. ELLENDER and Mr. OVERTON] would vote "nay."

If present the Senator from New York [Mr. WAGNER] would vote "yea."

Mr. WHITE. I announce the following general pairs:

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from Utah [Mr. THOMAS];

The Senator from Nebraska [Mr. BUTLER] with the Senator from Alabama [Mr. BANKHEAD]; and

The Senator from Kansas [Mr. REED] with the Senator from New York [Mr. WAGNER].

The Senator from Maine [Mr. BREWSTER], the Senator from South Dakota [Mr. BUSHFIELD], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Iowa [Mr. WILSON] are unavoidably detained.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from Nebraska [Mr. WHERRY] is detained on official business. If present he would vote "nay."

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The Senator from Minnesota [Mr. SHIPSTEAD] is absent by leave of the Senate.

The Senator from Nebraska [Mr. BUTLER] is absent by leave of the Senate.

The Senator from Illinois [Mr. BROOKS] is absent by leave of the Senate.

The result was announced—yeas 12, nays 40, as follows:

YEAS—12

Barkley	Magnuson	Pepper
Downey	Mitchell	Taylor
Kilgore	Murray	Tunnell
McFarland	Myers	Walsh

NAYS—40

Aiken	Capper	Hart
Austin	Cordon	Hatch
Ball	Donnell	Hawkes
Buck	Ferguson	Hickenlooper
Byrd	Fulbright	Hill
Capehart	George	Hoey
Johnson, Colo.	Millikin	Stewart
Johnston, S. C.	Morse	Taft
Knowland	Revercomb	Thomas, Okla.
La Follette	Robertson	Tobey
Langer	Russell	White
Lucas	Saltonstall	Young
McClellan	Smith	
McMahon	Stanfill	

NOT VOTING—44

Andrews	Gerry	O'Mahoney
Bailey	Glass	Overton
Bankhead	Gossett	Radcliffe
Bilbo	Green	Reed
Brewster	Guffey	Shipstead
Bridges	Gurney	Thomas, Utah
Briggs	Hayden	Tydings
Brooks	Huffman	Vandenberg
Bushfield	McCarran	Wagner
Butler	McKellar	Wheeler
Carville	Maybank	Wherry
Chavez	Mead	Wiley
Connally	Moore	Willis
Eastland	Murdock	Wilson
Ellender	O'Daniel	

So Mr. PEPPER's amendment in the nature of a substitute for Mr. BYRD's modified amendment was rejected.

Mr. BARKLEY obtained the floor.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I yield.

Mr. MORSE. Is the junior Senator from Oregon correct in his understanding that, tomorrow, debate on the floor of the Senate will be conducted under the rule, and that the ability of a Senator to obtain the floor will not be dependent upon whether his name appears upon a list which is at the desk of the Presiding Officer?

Mr. BARKLEY. Mr. President, I have no control over whom the Chair will recognize. But I have always protested against the creation of a list of preferred Senators who go to the desk and have their names put down. That is a practice which was indulged in for years; and then we abandoned it, and properly so, I think, because the rule provides that the Chair shall recognize the first Senator who is on his feet and addresses the Chair, and that rule cannot be observed if there are to be private understandings between Senators and the Chair that they will be recognized immediately upon the conclusion of some speech. I shall continue to insist upon observance of the rule.

Mr. MORSE. I was sure that would be the position of the majority leader.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, with the understanding which was had before the roll call, it is my purpose to move momentarily that the Senate take a recess until 11 o'clock tomorrow.

In the meantime, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MYERS in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. OVERTON, from the Committee on Commerce:

Vice Adm. William Ward Smith, of New Jersey, to be a member of the United States Maritime Commission for the unexpired term of 6 years from April 16, 1943.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Charles Fahy, of New Mexico, to be legal adviser of the Department of State;

Charles Ulrick Bay, of New York, to be Ambassador Extraordinary and Plenipotentiary to Norway;

Norris S. Haselton, of New Jersey, now a foreign-service officer of class 5 and a secretary in the diplomatic service, to be also a consul; and

Arthur B. Emmons 3d, of Massachusetts, now a foreign-service officer of class 7 and a secretary in the diplomatic service, to be also a consul.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations upon the calendar.

CIVIL AERONAUTICS BOARD

The legislative clerk read the nomination of James M. Landis, of Massachusetts, to be a member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1947.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

PHILIPPINE WAR DAMAGE COMMISSION

The legislative clerk read the nomination of Francisco A. Delgado, of the Philippine Islands, to be a member of the Philippine War Damage Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank A. Waring, of California, to be a member of the Philippine War Damage Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John S. Young, of New York, to be a member of the Philippine War Damage Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

REGISTERS OF LAND OFFICES

The legislative clerk read the nomination of Lloyd T. Morgan, of Pueblo, Colo., to be a register of the land office.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Paul A. Roach, of Las Cruces, N. Mex., to be a register of the land office.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Loraine Rollins, of Evanston, Wyo., to be a register of the land office.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the calendar.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President be immediately notified in all cases of confirmations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 50 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 23, 1946, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 22 (legislative day of March 5), 1946:

SECURITIES AND EXCHANGE COMMISSION

Robert E. Healy, of Vermont, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1951. (Reappointment.)

HOUSING EXPEDITER

Wilson W. Wyatt, of Kentucky, to be Housing Expediter.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 22 (legislative day of March 5), 1946:

CIVIL AERONAUTICS BOARD

James M. Landis to be a member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1947.

PHILIPPINE WAR DAMAGE COMMISSION

TO BE MEMBERS OF THE PHILIPPINE WAR DAMAGE COMMISSION

Francisco A. Delgado
Frank A. Waring
John S. Young

REGISTERS OF LAND OFFICES

Lloyd T. Morgan to be register of the land office at Pueblo, Colo.

Paul A. Roach to be register of the land office at Las Cruces, N. Mex.

Loraine Rollins to be register of the land office at Evanston, Wyo.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 22, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most patient and loving Father, we wait in Thy holy presence, conscious of our weakness and imperfections. Though we see through a glass darkly, yet righteousness and truth are the habitations of Thy throne; Thy being is one of purity, truth, and power.

As we ponder the critical issues which confront the very life of our country, clothe us with fidelity of purpose and consideration, and in the spirit of thorough understanding. Deliver us from snares and doubts, from complacency and sheer contentment, and from those who shut themselves away from this world in which conditions are so tragic and needs are so great. If sacrifice be our portion and self-denial be our cup, if truth seems dead or lost, O may we keep the faith which is eternal and everlasting. In the name of Him whose face is light, whose heart is love, and whose strength is gentleness, O teach us our duty to God and man, and speak over the world the blessed words of peace and pardon. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE CROSSER BILL (H. R. 1362) AND THE COMMITTEE SUBSTITUTE

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry. Will that vitiate the call of the calendar on Calendar Wednesday, if the Speaker recognizes Members for 1-minute speeches?

The SPEAKER. The Chair is going to recognize Members to proceed for a minute and to extend their remarks and then will recognize the gentleman from Virginia [Mr. BLAND], who has an hour for Maritime Day.

Mr. MARCANTONIO. I understand that after that the call of the Calendar of Committees under the Calendar Wednesday rule will be in order.

The SPEAKER. Then the Chair will announce the call of the Calendar of Committees.

The gentleman from North Carolina is recognized.

Mr. BULWINKLE. Mr. Speaker, recently the Committee on Interstate and Foreign Commerce reported H. R. 1362, known as the Crosser bill, to the House of Representatives with an amendment. In order that every Member may understand the main differences between the original bill and the committee amendments, I am asking to insert in the RECORD, in the Appendix, a statement which I, together with Mr. Perley, of the Legislative Counsel's office, prepared showing these differences.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ROMULO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the Resident Commissioner of the Philippines?

There was no objection.

[Mr. ROMULO addressed the House. His remarks appear in the Appendix.]

Mr. HOOK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOOK addressed the House. His remarks appear in the Appendix.]

CUMULATIVE SUPPLEMENT NO. 5 TO THE 1940 UNITED STATES CODE

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, on behalf of the Committee on Revision of the Laws, I wish to announce that Cumulative Supplement No. 5 to the 1940 edition of the United States Code has been completed by the Government Printing Office and will be placed in the folding room to the credit of Members in a few days. You will receive notice shortly.

This supplement contains all the laws that were enacted up to January 13, 1946.

The committee wishes to take this opportunity to express its appreciation to the Government Printing Office for the cooperation it has given us in the necessarily detailed work of printing the prepared copy, especially in view of the tremendous work load with which that Office is faced. The preparation of a cumulative supplement to the code is one that requires painstaking care in the preparation of copy, the setting of the type, and the proofreading. We are also indebted to the committee staff for cooperation in this work.

EXTENSION OF REMARKS

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD and include therein a letter he addressed to the President and delivered to the President personally this morning.

Mr. LYNCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by the gentleman from Texas [Mr. PATMAN].

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein an editorial from the Democrat-Times, of Greenville, Miss., dated August 27, 1945, written by Maj. Hoddin Carter, editor. He was recently awarded the 1945 Pulitzer prize on said editorial for editorial writing on religious and racial tolerance as exemplified in said editorial.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mrs. DOUGLAS of Illinois asked and was given permission to extend her remarks in the RECORD.

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include a statement on the subject United States Navy Underwater Sound Laboratory.

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD in two instances, to include in each newspaper articles.

Mr. ROBERTSON of Virginia asked and was given permission to extend his remarks in the RECORD on the subject of the British loan and to include a letter from Assistant Secretary of State W. L. Clayton.

Mr. SIMPSON of Pennsylvania asked and was given permission to extend his remarks in the RECORD and include a statement by Franklin H. Lichtenwalter and Robert P. Wray before the Ways and Means Committee on the subject of social-security amendments.

Mr. GATHINGS asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Daily News.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. H. CARL ANDERSEN asked and was given permission to extend his remarks in the RECORD and include two letters indicating the reaction of the people of the Midwest against the present policies of the OPA.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances, in each to include an editorial.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include some newspaper statements.

JOHN L. LEWIS

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Speaker, now that the Government has taken over the coal mines I suggest to the President that the generosity and cooperation of John L. Lewis with the American people be fully recognized and that the President give every consideration to appointing Mr. Lewis as Ambassador to Russia where his desire for cooperation and his eagerness to assist humanity might better be done to the interest of his own country rather than following the philosophy, "If you do not play with my marbles, we do not play at all."

PRICE OF SILVER

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, the Banking Committee of the other body yesterday without public hearings, without notice to the industry or the public, interrupted deliberation of OPA and only after a brief consideration, approved a bill to boost the price of silver from 71 cents to 90 cents per fine ounce and after 2 years to $1.29 per fine ounce.

Of course, I cannot under the rules, offer condign criticism with reference to what the other body did. The rules seal my lips. I wish I could say what is on my mind.

The real beneficiaries, if the proposal is finally adopted, will be concerns like the huge United States Smelting Co. and other smelters, particularly those who own mines in Mexico.

I make outcry against the silver interests that seek to make the public pay through the nose for silver. We passed a fair measure in this body accepting a proviso in the Treasury appropriation bill, which makes nonmonetary nonpledged silver available to industrial users at the prevailing price of 71.11 cents. I hope that provision will finally prevail and that the new Senate idea of $1.29 for an ounce of silver will die aborning.

The SPEAKER. The time of the gentleman from New York has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. SPRINGER addressed the House. His remarks appear in the Appendix.]

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an editorial from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

[Mr. HALE addressed the House. His remarks appear in the Appendix.]

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. ANDERSON of California addressed the House. His remarks appear in the Appendix.]

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. MASON addressed the House. His remarks appear in the Appendix.]

OPA PROPAGANDA

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, I hold in my hand a printed news letter sent out by the OPA, region No. 2, on April 29, 1946, from Paul A. Porter, Administrator of the OPA, which is very clearly propaganda in violation of the law. They urge for the continuance of the OPA with full power to promote inflation, as it has for the last year by restrictive orders limiting production and by a failure to promptly pass upon requests for price adjustments where they were needed so that production can continue. Their delays often extend to 8 or 9 months and they have stopped production on most of the cheaper lines of merchandise. They spend their money for propaganda and not to perform their duties.

Is it not about time that the Attorney General's office woke up and started prosecuting these violators of the law in the OPA?

VETERAN EDDIE AND THE OPA

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I would like to ask my colleagues what we are going to do for Veteran Eddie. Now, Eddie is a young veteran who lives in every county, probably, in the United States. This particular Eddie happens to be a returned veteran in my district that built himself a little slaughterhouse. The OPA came along a few days ago and told him he could kill but 10 head of cattle a month. Now, Eddie cannot understand how the big packer can kill a million head a month if he can get them, but Eddie can kill only 10. Eddie does not understand why it is that they accuse all the small slaughterers of being in the black market. He does not know why the small slaughterers are in the clutches of the OPA but leave the large slaughterers in the Department of Agriculture, where they will have more kindly consideration. Anyone who knows anything about this meat business knows that just because cattle are killed in a big slaughterhouse is no reason why that meat does not go into the black market after it leaves the larger slaughterer.

Eddie's letter is as follows:

WAUPACA, WIS., *May 6, 1946.*

Hon. REID F. MURRAY,
Member of Congress,
Washington, D. C.

DEAR REID: Since my release from the Army, I have gone into wholesaling meat business with my father. Our business has increased and I expected to slaughter 100 head per month during the summer as these are the business months for Waupaca. I have gone to considerable expense and built a slaughterhouse, and figured to have a small yard in time where truckers could bring their cattle the same as at Green Bay.

Now, the OPA says we can butcher 10 head per month and puts no limit on what the packers can do. I went to the OPA and asked for a quota increase and they told me that our quota was based on what my father did in 1942 and that our business shouldn't have increased.

I asked for a quota for myself as a veteran as I should have a right to be in business, and they said they would send me a form to fill out but to date I have received no form and cannot see where I am going to get it.

Let me ask why the large packing companies should be allowed to butcher all they want and the small operator be limited. It seems to me I should be entitled to be in business, and I need a quota of 100 head per month if I am going to supply the shops I have been serving during the winter.

Why should our people go without meat so we can ship it abroad to places like India where the people don't eat meat. As a veteran, I can say we don't need any Government help, but instead Government stopped restricting business so that we can again have production. After all, it was American production that won the war.

We can't buy clothes, butter, farm machinery, lumber, and cars all because of Government interference. I have covered a lot of ground in this letter and my sentiments may not be put on paper, but it seems to me when our Government lets all the foreign countries make suckers out of us and have things so muddled up at home, it is time for a complete change in our administration. If the people ever get a chance they will show their disapproval.

As you are in a position to help me and all of us back here, I am asking your assistance and I need it right pronto if I am going to stay in business.

Sincerely yours,

EDWIN R. POPE.

Mr. Speaker, this young deserving veteran should not be required to wait and wait for a chance to make a living.

If this administration is going to continue to tell people that first cattle cannot be slaughtered and second that they cannot have feed for them, I wish to ask that some administration spokesman tell the farmers of the Nation what they are to do with these cattle. If no one can kill them for food, nor have feed to keep them what is the "bright boy" answer?

EXTENSION OF REMARKS

Mr. ANDERSON of California and Mr. MATHEWS asked and were given permission to extend their remarks in the RECORD.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include an editorial from the Aberdeen American-News published in Aberdeen, S. Dak., entitled "Dakota Farmers Not Greedy."

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include an editorial from the Fargo Forum of Fargo, N. Dak.

Mr. HERTER asked and was given permission to extend his remarks in the RECORD and include an article by Prof. Sumner H. Slichter appearing in the Christian Science Monitor of May 20.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD in two instances, first on atomic bombing of ships, and second, on production, and include in one a letter and in the other an editorial from a newspaper.

THERE IS NO PLACE IN GOVERNMENT EMPLOYMENT FOR COMMUNISTS OR ANY OTHERS OF THEIR KIND

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I am glad to observe that the Civil Service Commission has finally taken a position with regard to employees in Government who have communistic views and that the Chairman, Mr. Mitchell, has advised the leadership of that group, described as the United Public Workers of America, that proof of membership in the Communist Party would bring dismissal.

I have had a resolution pending in the House for a considerable period of time that provides for investigation of communism in our Government and for the dismissal of employees with communistic views.

I am informed, through sources I deem reliable, that we have a good many people employed in our Government, some of whom occupy important positions, who are imbued with communistic views and tendencies. It is my hope the Civil Service Commission will make a complete and thorough investigation concerning such people and see that those who are teaching such practices are summarily dismissed.

Certainly, the Federal Government ought to be the last to employ or tolerate any group who supports communism or fascism, or any other "ism," not in accord with American representative government.

PERMISSION TO ADDRESS THE HOUSE

Mr. EATON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a brief speech I made when the Wagner Act was before Congress for passage in June 1935.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

[Mr. EATON addressed the House. His remarks appear in the Appendix.]

REORGANIZATION PLANS 1, 2, AND 3, PURSUANT TO THE REORGANIZATION ACT OF 1945

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I think some messages from the President the other day that have quite a little import probably did not attract the attention they deserve. Those are messages which I will call 1, 2, and 3, and which are known as Documents Nos. 594, 595, and 596. They deal with reorganization plans 1, 2, and 3. They were submitted to the House under date of May 16 and were issued pursuant to Public Law 263, which was passed by this Congress and approved December 20, 1945, and is known as the Reorganization Act.

Mr. Speaker, I supported the plan to reorganize Government agencies because all of us recognized that there were entirely too many Government bureaus, boards, and commissions, and in numerous cases those Government agencies were overlapping and one was doing the same kind of work as other existing agencies. We wanted to see those agencies consolidated, so that the number of employees on Government pay rolls would be reduced, and so that the taxpayers would get needed relief from burdens of Government.

It was not the intention of Congress in passing Public Law 263, Seventy-ninth Congress, approved December 20, 1945, to abolish any necessary Government agency unless there were some other existing Government agency which

could take over those duties and eliminate the particular agency as well as its officials and employees.

I believe that the law, if properly administered, will permit the President to do what I do not think Congress can do—namely, eliminate a lot of Government bureaus and other agencies that we do not need. I hope the President exercises his authority in this regard.

However, in checking over reorganization plan No. 2, I do not find these directives of Congress carried out. This plan abolishes, for example, the United States Employees' Compensation Commission. As I understand it, this Commission is bipartisan and, I think, properly so. It should be continued in that way. More important, however, this is a quasi-judicial body and its particular field of work is to handle the investigation of accidents to United States employees and to take care of the payment of their claims. The United States Employees' Compensation Commission occupies a field all its own and does work which is not duplicated by other agencies. There will be no money saved to the taxpayers by abolishing this Board or Commission, and transferring its functions to some other agency which is not now doing this kind of work. If the present employees of the Commission are released from service they will be replaced by new and inexperienced employees, and this procedure will contribute neither to efficiency in handling claims of Government employees who are injured nor will it reduce the number of Government employees now on the pay rolls.

I have not had a chance to carefully study any of these reorganization plans, but I am introducing a concurrent resolution, which is provided by law and which will make it possible for a committee of Congress to hear testimony, and if the facts I set forth are sustained, we will then have a chance to vote on the question of approving or disapproving Reorganization Plan No. 2.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances and include a radio address and a magazine article. I am informed by the Public Printer that the cost of printing exceeds the amount allowed under the rule by $150. Notwithstanding the cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the cost, without objection the extension may be made.

There was no objection.

Mr. WELCH asked and was given permission to extend his remarks in the RECORD.

REPUBLICAN NOMINEE IN TWENTY-THIRD CONGRESSIONAL DISTRICT, PENNSYLVANIA

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, yesterday the primary elections were held in Pennsylvania. On the same day a special election was held in the Pennsylvania Twenty-third Congressional District, which is comprised of Somerset and Fayette Counties. This district has been long represented by a distinguished former Member of this body who was a member of the Democratic Party. The Republican nominee was Mr. Carl Hoffman, and I am very happy to advise this body of his election by a majority in excess of 2,000 votes.

EXTENSION OF REMARKS

Mr. ARNOLD (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks and include a newspaper article.

Mrs. LUCE (at the request of Mr. MARTIN of Massachusetts) was given permission to extend her remarks in the RECORD in two instances and include newspaper clippings.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 126]

Adams	Fulton	McGehee
Allen, Ill.	Gallagher	Morgan
Baldwin, Md.	Gearhart	Morrison
Baldwin, N. Y.	Gerlach	Murphy
Barden	Gifford	Norton
Barrett, Pa.	Gillespie	O'Brien, Ill.
Barry	Gillette	O'Neal
Bates, Mass.	Gordon	O'Toole
Bell	Gorski	Patrick
Bennett, Mo.	Graham	Patterson
Bonner	Granahan	Pfeifer
Boren	Gross	Philbin
Bradley, Pa.	Hall, Edwin Arthur	Price, Ill.
Brumbaugh	Hall, Leonard W.	Rabaut
Buckley	Hancock	Rains
Bunker	Harness, Ind.	Randolph
Butler	Harris	Reece, Tenn.
Byrne, N. Y.	Hart	Rivers
Campbell	Hartley	Rodgers, Pa.
Canfield	Hébert	Roe, Md.
Carlson	Hinshaw	Roe, N. Y.
Clark	Hoffman	Rowan
Clason	Huber	Sabath
Clippinger	Jarman	Sasscer
Cochran	Johnson, Ind.	Shafer
Combs	Jones	Sheridan
Cooley	Kelley, Pa.	Short
Corbett	Kelly, Ill.	Smith, Ohio
Curley	Kerr	Somers, N. Y.
Dawson	King	Starkey
De Lacy	Kirwan	Stewart
d'Ewart	Knutson	Sumner, Ill.
Dingell	Kunkel	Talbot
Dirksen	LaFollette	Taylor
Durham	Lane	Thom
Dworshak	Lea	Thomas, N. J.
Eaton	LeCompte	Tolan
Elliott	LeFevre	Towe
Engle, Calif.	Lemke	Voorhis, Calif.
Fallon	Lesinski	Wadsworth
Fenton	Link	Weaver
Fernandez	Luce	White
Fisher	Ludlow	Winstead
Flood	McConnell	Wolfenden, Pa.
Folger	McCormack	Wood
Fuller		

The SPEAKER. On this roll call, 295 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NAVY DEPARTMENT APPROPRIATION BILL, 1947

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 633, Rept. No. 2102), which was referred to the House Calendar and ordered to be printed:

Resolved, That during the consideration of the bill (H. R. 6496) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1947, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

THE LATE PATRICK H. MOYNIHAN

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I have just been informed of the passing of one of our former colleagues of this House, Patrick H. Moynihan, of Chicago, with whom I had the pleasure of serving during the Seventy-third Congress, when he was a United States Representative from the Second District. I had known Pat Moynihan for many years before he came to the House as an active political force in the city of Chicago. He was president of the Calumet Publishing Co. He also had other important interests and was recognized and known as an outstanding and able businessman and a good citizen. During his service here he became well known and made many friends. Notwithstanding his continuous activities, his many years on the city council of Chicago, and his many other important public positions, such as his membership on, and chairmanship of, the Illinois State Commerce Commission, he lived to a ripe old age.

He leaves behind him two sons and two daughters to whom I express my deep-felt sympathy, and I am sure I speak for the membership. He was a good husband and a good father. In his death the city of Chicago has lost an outstanding citizen and the Republican Party has lost one of its real stalwarts.

It might be permissible to say he was defeated by one of the ablest, strongest, and most resourceful Democrats at that time, Raymond S. McKeough, who only a few days ago was made Chairman of the Maritime Commission. I doubt very much that any other man would have had a chance of cutting Pat Moynihan's service as short.

Naturally, I regret that the gentleman representing Mr. Moynihan's district today is absent on official business in Chicago, and I know that if he were present he would join me in expressing his sympathy, as all do who served with him.

EXTENSION OF REMARKS

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include an article by Gould Lincoln.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

Mr. HAYS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD.

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject Where Is American Justice Under OPA? I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $195, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Virginia [Mr. BLAND] is recognized for 1 hour.

NATIONAL MARITIME DAY

Mr. BLAND. Mr. Speaker, I yield 30 minutes of that time, or so much as he may desire, to the gentleman from Michigan [Mr. BRADLEY] to be yielded by him as he wishes.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD the proclamation of the President fixing today as National Maritime Day.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The proclamation is as follows:

NATIONAL MARITIME DAY, 1946

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA, A PROCLAMATION

Whereas improvements in modes of ocean transportation during the last 150 years have opened possibilities, new in history, of mutually profitable intercourse and closer relations between peoples; and

Whereas a signal event in this technical progress was the first successful ocean passage by a steam-propelled vessel, the *Savannah*, which departed from Savannah, Ga., May 22, 1819; and

Whereas in World War II the seamen of the United States merchant marine displayed splendid heroism, under stress and under hazard in the waters of every ocean, in meeting the demands on them in the colossal task of supply which was so essential to our victory; and

Whereas in peace no less than in war the merchant marine makes a vital contribution to the welfare of the Nation; and

Whereas the Congress by a joint resolution approved May 20, 1933 (48 Stat. 73), designated May 22 of each year as National Maritime Day and requested the President to issue annually a proclamation calling upon the people of the United States to observe that day:

Now, therefore I, Harry S. Truman, President of the United States of America, do hereby call upon the people of the United States to observe May 22, 1946, as National Maritime Day by displaying the flag at their homes or other suitable places, and I direct that the flag be displayed on all Government buildings on that day.

In witness whereof I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 13th day of April, in the year of our Lord 1946, and of the Independence of the United States of America the one hundred and seventieth.

[SEAL] HARRY S. TRUMAN.

By the President:

JAMES F. BYRNES,
Secretary of State.

Mr. BLAND. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, a mighty American merchant marine is today the proud boast of our Nation. An adequate American merchant marine is one of our soundly established traditions. The United States of America must continue to maintain a merchant marine composed of the best equipped and most suitable types of vessels sufficient to carry the greater portion of our domestic and foreign commerce, and able to serve as a naval or military auxiliary should war again descend upon the world. Congress, in the Merchant Marine Act of 1936, declared it to be the policy of the United States to foster the development and encourage the maintenance of such a merchant marine.

Today, Maritime Day, we pause to pay tribute to our great American merchant marine, celebrating as we do the anniversary of the first North Atlantic crossing by the steam-sail vessel *Savannah*, which left Savannah, Ga., May 22, 1819, 127 years ago, and arrived in Liverpool on June 20, nearly a month later. History relates that she was stopped off the coast of Ireland by a British cutter, whose captain believed the *Savannah* was afire.

We are today, as the result of the magnificent efforts of all those engaged in the shipping industry, in and out of the Government, the greatest maritime power in the world. Our merchant marine was the first major transportation system to be mobilized during the war. Shipping will be the last to be honorably released from war service.

We were lifted to maritime greatness by the necessities of war through the genius of the shipping industry. Our Government must never allow this Nation to become second to any other maritime nation. We cannot permit a decline in the value or national importance of our merchant marine similar to that which occurred after World War I. America enjoys for the first time since the clipper days a merchant fleet equal, if not superior, to the modern and efficient vessels of our foreign competitors. We closed the war in possession of 60,000,000 dead-weight tons of ships as the result of our shipbuilding activities made possible through the vessel-modernization program mandated by the Merchant Marine Act of 1936.

We face the future with hope and confidence. Travel and passenger business will find approximately 400 modern vessels in our international merchant fleet, each the last word in ship design and equipped with war-proven electronic aids to navigation. Some of these vessels are still on the ways, others newly launched, others built immediately prior or during the war are now being reconverted from their war armor. America will also carry increased cargo. The world needs our exports. American products will be exported on American ships.

We face these travel and cargo prospects with bright hopes. Norway lost 50 percent of its fleet during the war; Greece, 75 percent; France, 2 tons out of every 3; while Denmark and Holland, one out of every two. America once carried 90 percent of the world shipping. Prior to World War II our American-flag vessels carried but 22 percent. The American shipping industry is confident that we can capture a fair share of the potential world business and build to a point where our merchant fleet will carry 50 percent of our foreign trade. Our Government must and will continue to take an active interest in our industrial shipping machine which played such a vital part in the winning of the war and which will continue to be a most important cog in winning the peace. America under a wise program for the development, operation, and promotion of our merchant fleet will maintain our present national supremacy on the high seas.

Today as we pay tribute to the genius and skill of the men who have made possible our great merchant marine, we are mindful that in a large measure the vision of our late beloved President, Franklin Delano Roosevelt, made possible our supremacy on the seas. Under his leadership the American shipbuilding industry was revivified; the conditions under which our merchant seamen were forced to labor were modernized and improved. He knew that a nation must have more than ships to be a great maritime power. He realized that a merchant marine is composed of ships and men.

The members of our merchant marine during World War II were great. Millions of boys and girls, members of our armed forces, were transported to every battle front on the face of the globe with miraculous safety on vessels flying the Stars and Stripes. Millions of tons of shipping were carried across the oceans as a result of the patriotic devotion of those civilians, healthy, able, and willing merchant mariners who manned our vessels and directed their course.

President Roosevelt, in speaking of merchant seamen, stated during the war:

> They are making an all-out effort and vital contribution to the preservation of our freedom. We—and all other liberty loving people of the world—are deeply indebted to them for their devotion and heriosm.

Our merchant seamen still have a job to do. Millions of our armed forces must be transported home and others from home to our armies of occupation. Millions of peoples throughout the world are starving and are dependent upon America for the necessaries of life. Only through a continuation of the high devotion to duty practiced by those engaged in shipping industry during the war, from the chief executive of every shipping company down to and including those serving in the most humble but

necessary capacity, can the economic stability of the world be maintained.

We are grateful also to our shipyard and production workers throughout the land who through long hours of hardship and toil labored in the production of our merchant fleet. We are grateful to the longshoremen who loaded nearly 100,000,000 long tons with skill and speed during the war and made possible the efficient results accomplished by our bridge of ships.

We are determined that our shipbuilding industry will be preserved. We are resolved on this maritime day that there shall be no lapse in our maritime policy which will allow a recurrence of the conditions which befell our merchant marine after the last war. The American people, appreciative of the valor, courage, and accomplishment of our merchant fleet during World War II, conscious of our responsibilities in the world of tomorrow, and realizing that those responsibilities can only be fulfilled through the maintenance of an adequate merchant fleet flying the American flag, are determined that world peace and prosperity will not be deterred through any failure on the part of this Nation to maintain our maritime supremacy in accordance with the highest ideals of our American merchant marine.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. MURRAY of Tennessee. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 127]

Adams	Fallon	Kirwan
Allen, Ill.	Fellows	Knutson
Andrews, N. Y.	Fenton	Kunkel
Baldwin, Md.	Fernandez	LaFollette
Baldwin, N. Y.	Fisher	Lane
Barden	Flood	Lea
Barrett, Pa.	Folger	LeCompte
Bell	Fuller	LeFevre
Bennett, Mo.	Fulton	Lesinski
Bonner	Gearhart	Link
Boren	Gerlach	Luce
Bradley, Pa.	Gifford	Ludlow
Brumbaugh	Gillespie	Lynch
Buckley	Gillette	McConnell
Bunker	Gordon	McGehee
Burch	Gorski	Mankin
Butler	Graham	Mansfield, Tex.
Campbell	Granahan	Morgan
Canfield	Granger	Morrison
Cannon, Fla.	Gross	Neeley
Carlson	Hall,	Norton
Clark	Edwin Arthur	O'Brien, Ill.
Clason	Hall,	O'Neal
Clippinger	Leonard W.	O'Toole
Cochran	Hancock	Patrick
Coffee	Harness, Ind.	Patterson
Cole, Kans.	Harris	Pfeifer
Cooley	Hart	Philbin
Corbett	Hartley	Price, Ill.
Crawford	Hébert	Rabaut
Cunningham	Hendricks,	Rains
Curley	Hinshaw	Randolph
Dawson	Hoffman	Reece, Tenn.
De Lacy	Huber	Reed, Ill.
d'Ewart	Jarman	Rivers
Dingell	Johnson, Ind.	Rodgers, Pa.
Dirksen	Jones	Roe, Md.
Drewry	Kefauver	Roe, N. Y.
Durham	Kelley, Pa.	Rowan
Dworshak	Kelly, Ill.	Sadowski
Elliott	Kerr	Sasscer
Engle, Calif.	King	Schwabe, Okla.
Shafer	Sumners, Tex.	Wadsworth
Sheridan	Talbot	Weaver
Short	Taylor	West
Smith, Ohio	Thom	White
Somers, N. Y.	Thomas, N. J.	Winstead
Starkey	Tolan	Wolfenden, Pa.
Stewart	Towe	Wood
Sumner, Ill.	Voorhis, Calif.	Zimmerman

The SPEAKER pro tempore (Mr. COOPER). On this roll call 282 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL MARITIME DAY

Mr. BRADLEY of Michigan. Mr. Speaker, I yield myself 10 minutes and ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I assure you that I was not instrumental in causing the quorum call so that the membership might hear me personally. I am afraid that some of our friends fear that certain legislation may come up under the call of Calendar Wednesday that they are objecting to, and resorting to a roll call filibuster.

Mr. Speaker, on this Maritime Day I think it is fitting that we pay due tribute to the hundreds of thousands of young Americans who served in our merchant marine during the last war and performed such an admirable job of transporting millions of our youth overseas to the fighting fronts—I believe—without the loss of a single man or woman in military uniform, and in transporting millions of tons of armament, munitions, and war matériels all over the world. I think it is also fitting that we should pay our respects to those in the administrative departments of the Maritime Commission and in the War Shipping Administration who did such an admirable job in directing that program and especially those who were charged with the responsibility of building our tremendous bridge of ships, the greatest single achievement in vessel construction of all times.

CALL OF THE HOUSE

Mr. MURRAY of Tennessee. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and three Members are present, not a quorum.

Mr. GORE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 128]

Adams	Buckley	Cooley
Allen, Ill.	Buffett	Corbett
Almond	Bunker	Curley
Andrews, N. Y.	Burch	Daughton, Va.
Baldwin, Md.	Butler	Dawson
Baldwin, N. Y.	Campbell	De Lacy
Barden	Canfield	D'Ewart
Barrett, Pa.	Cannon, Fla.	Dingell
Bell	Carlson	Dirksen
Bennett, Mo.	Clark	Domengeaux
Bonner	Clason	Drewry
Boren	Clippinger	Durham
Boykin	Cochran	Dworshak
Bradley, Pa.	Coffee	Elliott
Brumbaugh	Cole, Kans.	Elston
Engle, Calif.	Kee	Rains
Fallon	Kefauver	Randolph
Fenton	Kelley, Pa.	Reece, Tenn.
Fernandez	Kelly, Ill.	Reed, Ill.
Fisher	Kerr	Rivers
Flood	King	Rodgers, Pa.
Folger	Knutson	Roe, Md.
Fuller	Kunkel	Roe, N. Y.
Fulton	LaFollette	Rowan
Gathings	Lane	Sabath
Gearhart	Lea	Sadowski
Gerlach	LeCompte	Sasscer
Gifford	LeFevre	Schwabe, Okla.
Gillespie	Lemke	Shafer
Gillette	Lesinski	Sheridan
Gordon	Link	Short
Gorski	Luce	Smith, Ohio
Graham	Ludlow	Somers, N. Y.
Granahan	Lyle	Sparkman
Gross	Lynch	Starkey
Hall,	McConnell	Stewart
Edwin Arthur	McGehee	Talbot
Hall,	McKenzie	Taylor
Leonard W.	Mankin	Thom
Halleck	Mansfield, Tex.	Thomas, N. J.
Hancock	Mills	Tolan
Harless, Ariz.	Morgan	Towe
Harness, Ind.	Morrison	Voorhis, Calif.
Harris	Norton	Wadsworth
Hart	O'Brien, Ill.	Weaver
Hartley	O'Neal	West
Hays	O'Toole	White
Hinshaw	Patrick	Winstead
Hoffman	Patterson	Wolfenden, Pa.
Huber	Pfeifer	Wood
Jarman	Philbin	Woodhouse
Jennings	Price, Ill.	
Johnson, Ind.	Rabaut	

The SPEAKER pro tempore (Mr. COOPER). On this roll call 274 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL MARITIME DAY

Mr. KEEFE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Michigan [Mr. BRADLEY] yield for a parliamentary inquiry?

Mr. BRADLEY of Michigan. Mr. Speaker, I yield.

Mr. KEEFE. Mr. Speaker, I would like to inquire whether or not there is anything in the rules of the House that would permit me at this time to give expression of the contempt I have for what is taking place in this House in now blocking and tying up the consideration of crucial business when the Nation is facing the most critical time in its history and when we ought to be doing something besides answering roll calls?

The SPEAKER pro tempore. That is not a parliamentary inquiry.

Mr. BRADLEY of Michigan. Mr. Speaker, I certainly thank the gentleman from Wisconsin for his very kindly and pertinent observation.

Mr. Speaker, before the last roll call I had just said we owe a debt of thanks, a debt of gratitude, to those in the administrative departments of the Maritime Commission and War Shipping Administration who built and operated the world's greatest bridge of ships so successfully during the past war. I think, too, at this time that we should pause in mute tribute in honor of those young men of our Nation who gave their lives in the maritime service through various accidents, torpedoings, bombings, and so forth.

We owe a great debt of gratitude, too, and certainly face a stern responsibility, in caring for those who have been permanently or even temporarily injured in the maritime services.

I am very glad to say on this Maritime Day that the Committee on the Merchant Marine and Fisheries yesterday reported to the House the so-called seamen's bill of rights which, if enacted into law before the end of this Congress, will go a long way toward repaying our undying debt to those who served in the merchant marine during the recent war.

The Committee on the Merchant Marine and Fisheries and the Congress itself are justly looking into the future of our merchant marine. Our committee recently passed the Ship Sales Act of 1946 to take care of the orderly and economically sound disposal of our vast merchant fleet and return it to private ownership at the earliest possible date. We are going further than that in a very wise move at the present time.

CALL OF THE HOUSE

Mr. PRICE of Florida. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. BRADLEY of Michigan. I make the observation that it is obvious that a filibuster is going on because they are afraid the FEPC bill may be called up.

Mr. WHITTINGTON. Mr. Speaker, I make the point of order that the point of order of no quorum has been made.

The SPEAKER pro tempore. The gentleman from Florida makes the point of order that a quorum is not present. No business is in order until that is disposed of.

The Chair will count. [After counting.] One hundred and twenty-six Members are present, not a quorum.

Without objection, a call of the House is ordered.

There was no objection.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 129]

Adams	Fernandez	Knutson
Allen, Ill.	Fisher	Kunkel
Andrews, N. Y.	Flannagan	LaFollette
Baldwin, Md.	Flood	Lane
Baldwin, N. Y.	Folger	Lea
Barden	Fuller	LeCompte
Barrett, Pa.	Fulton	LeFevre
Bates, Ky.	Gallagher	Lemke
Bell	Gardner	Lesinski
Bennett, Mo.	Gathings	Link
Bloom	Gearhart	Luce
Bonner	Gerlach	Ludlow
Boren	Gibson	McConnell
Boykin	Gifford	McCormack
Bradley, Pa.	Gillespie	McGehee
Brumbaugh	Gillette	Mankin
Buckley	Gordon	Morgan
Buffett	Gorski	Morrison
Bunker	Graham	Norton
Butler	Granahan	O'Brien, Ill.
Campbell	Gross	O'Neal
Canfield	Hall,	O'Toole
Cannon, Fla.	Edwin Arthur	Patman
Carlson	Hall,	Patrick
Clark	Leonard W.	Patterson
Clason	Halleck	Peterson, Ga.
Clippinger	Harless, Ariz.	Pfeifer
Cochran	Harness, Ind.	Philbin
Cooley	Harris	Price, Ill.
Corbett	Hart	Rabaut
Cox	Hartley	Rains
Crawford	Hinshaw	Randolph
Curley	Hoffman	Reece, Tenn.
Dawson	Hope	Reed, Ill.
De Lacy	Huber	Rivers
D'Ewart	Jarman	Rizley
Dingell	Jennings	Robertson, Va.
Dirksen	Johnson, Ind.	Rodgers, Pa.
Doughton, N. C.	Johnson, Okla.	Roe, Md.
Drewry	Kee	Roe, N. Y.
Durham	Kefauver	Rowan
Dworshak	Kelley, Pa.	Russell
Elliott	Kelly, Ill.	Sadowski
Engle, Calif.	Kerr	Sasscer
Fallon	King	Schwabe, Okla.
Fenton	Kirwan	Shafer
Sheridan	Sumners, Tex.	Vorys, Ohio
Short	Talbot	Wadsworth
Simpson, Pa.	Taylor	Weaver
Smith, Ohio	Thom	White
Somers, N. Y.	Thomas, N. J.	Winstead
Sparkman	Tolan	Wolfenden, Pa.
Spence	Towe	Wood
Starkey	Vinson	
Stewart	Voorhis, Calif.	

The SPEAKER pro tempore (Mr. COOPER). On this roll call 267 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call will be dispensed with.

NATIONAL MARITIME DAY

The SPEAKER. The gentleman from Michigan [Mr. BRADLEY] is recognized.

Mr. BRADLEY of Michigan. Mr. Speaker, I regret very much these tactics this afternoon. I cannot but feel they are most unfortunate because they may be easily regarded as an insult to those who are presently serving in the merchant marine and certainly show a mark of disrespect for those who gave their lives to the merchant marine during the war. I hope that we may continue and complete without further interruption the Maritime Day remarks.

Mr. Speaker, I started to say that we are taking a very constructive and forward step in the training of our present and our future merchant marine. The Maritime Commission, through its training service, is retraining a great many of our merchant-marine seamen and enginemen on Sheepshead Bay, Long Island, and it is doing an excellent job. We have another branch of the training program that trains merchant seamen to become officers of the deck and of the engine room.

The young men who seek to qualify for these services are selected on the basis of a Nation-wide competitive examination, both mentally and physically. Of the several thousand who take these examinations approximately 1,000 are selected on the basis of their marks and their physical abilities for entrance into the Maritime Cadet School.

The two basic schools are at San Mateo, Calif., and at Pass Christian, Miss.

CALL OF THE HOUSE

Mr. ABERNETHY. Mr. Speaker, I make a point of order that a quorum is not present.

Mr. HERTER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HERTER. Mr. Speaker, the motion just made is a dilatory motion which should be ruled out under rule XVI.

The SPEAKER. The Chair may say, in reply to the gentleman from Massachusetts, that the question of whether a quorum is present or not is a constitutional one.

The Chair will count. [After counting.] One hundred and twenty-six Members are present, not a quorum.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 130]

Adams	Gardner	Morrison
Allen, Ill.	Gathings	Norton
Andresen,	Gearhart	O'Brien, Ill.
August H.	Gerlach	O'Neal
Baldwin, Md.	Gifford	O'Toole
Baldwin, N. Y.	Gillespie	Outland
Barden	Gillette	Pace
Barrett, Pa.	Gordon	Patrick
Bennett, Mo.	Gorski	Patterson
Bloom	Graham	Peterson, Ga.
Bonner	Granahan	Pfeifer
Boren	Granger	Philbin
Boykin	Gross	Plumley
Brumbaugh	Gwinn, N. Y.	Price, Ill.
Buckley	Hall,	Raubaut
Buffett	Edwin Arthur	Randolph
Bunker	Hall,	Reece, Tenn.
Burch	Leonard W.	Richards
Butler	Harless, Ariz.	Rivers
Byrne, N. Y.	Harness, Ind.	Robertson, Va.
Campbell	Harris	Rodgers, Pa.
Canfield	Hart	Roe, Md.
Cannon, Fla.	Hartley	Roe, N. Y.
Carlson	Hinshaw	Rogers, N. Y.
Case, S. Dak.	Hoffman	Rowan
Clark	Huber	Russell
Clason	Izac	Sasscer
Clippinger	Jarman	Schwabe, Okla.
Cochran	Johnson, Ind.	Shafer
Cooley	Judd	Sheridan
Corbett	Keefe	Short
Cox	Kefauver	Simpson, Pa.
Crawford	Kelley, Pa.	Smith, Ohio
Curley	Kelly, Ill.	Somers, N. Y.
Daughton, Va.	Kerr	Spence
Dawson	King	Starkey
De Lacy	Kirwan	Stewart
D'Ewart	Knutson	Sumner, Ill.
Dirksen	Kunkel	Sumners, Tex.
Dolliver	La Follette	Talbot
Doughton, N. C.	Lane	Taylor
Drewry	Latham	Thom
Durham	Lea	Thomas, N. J.
Dworshak	LeCompte	Thomason
Elliott	LeFevre	Tolan
Engle, Calif.	Link	Towe
Fallon	Luce	Vinson
Fenton	Ludlow	Wadsworth
Fernandez	McConnell	Weaver
Fisher	McCormack	White
Flood	McGehee	Whitten
Folger	McGlinchey	Winstead
Forand	Mahon	Wolfenden, Pa.
Fuller	Maloney	Wood
Fulton	Mankin	
Gallagher	Morgan	

The SPEAKER pro tempore (Mr. COOPER). Two hundred and sixty-five Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL MARITIME DAY

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BRADLEY] is recognized.

Mr. BRADLEY of Michigan. Mr. Speaker——

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. BRADLEY of Michigan. I yield.

Mr. MARTIN of Massachusetts. My parliamentary inquiry is this: There is a mass of vital public business to be transacted. Is there any way by which the House can proceed to do that business?

The SPEAKER pro tempore (Mr. COOPER). That falls within the control of the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, is there any way we can work this out? I think the American people want us to go ahead with our business.

Mr. RANKIN. Mr. Speaker, a point of order. The gentleman is out of order.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BRADLEY] is recognized.

Mr. BRADLEY of Michigan. Mr. Speaker, I had started to discuss the

maritime training program and pointed out that the basic schools for the instruction of these men are located at San Mateo, Calif., and at Pass Christian, Miss. Thereafter the students are sworn into the maritime service. They are also sworn into the United States Naval Reserve.

The students down there are required to pay approximately $190 for their own uniforms, but receive board and lodging and are paid $60 per month.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. BRADLEY of Michigan. Mr. Speaker, I yield myself five additional minutes.

This first year of cadet—or shall I say "boot"—training last 11 months following which the students are given a 30-day furlough with pay. Their second year they are sent out to sea on ships of our merchant marine. During this year they are paid $80 a month by the steamship companies who also furnish board and lodging in officers' quarters afloat. As a rule two cadets—one deck and one engine room—are assigned to each ship and they are subject to very strict discipline under direct orders of the master and the chief engineer. They put in 8 hours' work a day on the steamship company's time—two of which are to be spent in study. In addition to that, they are supposed to spend 3 hours of their own time on study. They are required to keep a very accurate notebook and to log each amount of time they spend on various duties and from time to time they are transferred from one ship to another in order to learn the various problems incident to different loading conditions, different trade routes as far as deck officers are concerned—and with respect to engine-room officers they learn the various types of propulsion equipment used in our merchant marine.

I want to particularly point out that in this second year they are given the most strenuous duty possible and are subject to the most rigid discipline because it is this year without question that the cadet decides definitely whether or not he likes the sea and will want to follow it as a profession. He must determine for himself whether or not he is asking Uncle Sam to give him a free education of the highest type in order to follow a profession for which he is suited and which he will enjoy in the future. If he decides otherwise and yet hangs on to his free training—his conscience must bother him because he is accepting free education for which he is not suited and is, in effect, practicing a fraud on the taxpayers of his country. At the same time, the officers on the ships to which he may be assigned have themselves a responsibility to grade this young man as to his aptitude aboard their vessel. Should they feel that he is not earning his salt they have the right to report him when, usually, he is transferred to another vessel and should he then again fail to make good in the eyes of the practical men of the sea in command of that vessel—he is summarily dismissed from the merchant marine training program or his resignation is requested.

At the completion of the cadets' year afloat their notebooks are submitted to a district supervisor of the Maritime Commission and each cadet is given a written examination on what he should have learned during the year afloat. If he fails, he is likewise dismissed but if he passes this gantlet of practical training, he then qualifies for admission as a midshipman to the Merchant Marine Academy at Kings Point, Long Island, N. Y.

At this point I want to give you part of the history of Kings Point which I had the privilege of visiting recently as a member of the Board of Visitors of the Merchant Marine Academy. Early in 1942 we had before our Merchant Marine and Fisheries Committee a bill to authorize the purchase of the Walter P. Chrysler estate at Kings Point. In the distance from that estate one can see the island of Manhatten, or New York City proper. It has been reliably estimated that Mr. Walter P. Chrysler had about $4,000,000 invested in this beautiful estate. His executors paid a tax on that estate amounting to $75,000, the year before we authorized its purchase at the extremely low sum of $100,000. We were in a war. The need for young officers was of the utmost and paramount necessity. Something had to be done quickly. The administrative personnel moved into the Chrysler estate and set up their offices and slept boys in the halls and in the bedrooms and in the bathrooms, and wherever they could find room. In addition to that a number of CCC camps were knocked down and moved in and set up on the estate in order that there might be no interruption in the training program. Today that has all been changed. The Merchant Marine Academy at Kings Point offers one of the most naturally beautiful campuses and most artistic and most modern and most sanitary set of dormitories, all interconnected together with large airy classrooms and laboratories that I have ever seen in any of the older and, therefore, more famous of our national military training schools such as at West Point, Annapolis, and the Coast Guard Academy at New London. They have the finest of facilities as far as they have been able to go to date. After the acquisition of the Chrysler estate it became necessary to purchase other property and buildings immediately surrounding the same. These have been converted into quarters for the superintendent, for the officers, and [illegible] officer's club, a new modern hospital has been constructed, and so on. I repeat, the set-up at Kings Point today is not only economically beautiful, but truly remarkable. We are not through with it yet and we are going to be called upon here in Congress to give them an appreciable sum of money to complete two vitally needed projects—namely, a chapel for religious worship and, secondly, a library.

The only chapel available today is the Walter Chrysler private chapel in which they have an organ that cost almost as much as we paid for the entire estate but it is still far too small to take care of their usual complement of 1,200 midshipmen. Secondly, we must have an adequate library building. For one thing, we cannot qualify these midshipmen as yet after the completion of a 4-year course for a college degree—which must be approved by the Association of Universities. The necessary books are now being ordered to meet the requirements of the universities but when they are received a library of sufficient size to accommodate them and, at the same time, provide for student study therein is an absolute essential. Furthermore, I might add at this point before the midshipmen can receive an approved degree of bachelor of science in marine engineering the university group will require that more of the instructors themselves be college graduates. At this moment the course is still somewhat deficient in courses which will be required for such a degree but with the addition of those courses and the employment of service or civilian personnel who are, themselves, college graduates to be instructors, this obstacle can be easily overcome. It is confidently expected that perhaps within the next 2 years the presently revised 4-year course of study in the Merchant Marine Academy and Cadet School course will have been revised and it is to be hoped the Congress will provide the necessary appropriation to build the chapel and library so that by the time the class graduates in May of 1948 they will be able to receive this college degree and thus will be able—if they choose—to continue their study for a master or doctor degree in any of the American universities in postgraduate work or, indeed, possibly at the Merchant Marine Academy itself. When that day comes the Merchant Marine Academy will in all respects be on that same educational high plane of which we are all so proud in our American universities and, indeed, absolutely on a plane with the training the flower of our youth receive in the United States Military Academy at West Point, the United States Naval Academy at Annapolis, and the United States Coast Guard Academy at New London, Conn.

In conclusion, I want to make several observations. First, as of today, the Merchant Marine Academy at Kings Point need not yield anything to the fame of the other service schools I have mentioned as to the beauty of their campus nor of their facilities with the present exception of the two glaring deficiencies I have mentioned and it is up to us to provide for them if they are to be brought up on a par—as I think they should be. Secondly, they need yield nothing to any of the other three service schools in the quality of their administrative or teaching personnel or in the quality of the midshipmen themselves as red-blooded loyal American youth. And, incidentally, believe me, they can march and perfom all of the military maneuvers with the best of any of them. Third, in pursuing this program of educating the merchant-marine officers we are leaving no stone unturned to provide not only capable masters, not only capable men in the engine room—but men who, when they have completed this course are so trained in maritime economics, in international law, in labor relations which, incidentally—

because of pressure of the labor unions they call human relations—and in general deportment and demeanor to become not only officers of the deck and the engine room but to be ready and capable of taking their position on shore in any branch of the maritime industry which they may later be called upon to fulfill. And, lastly, may I say this. That whereas, in the initial selection of these young men by competitive examination, a quota system has been arrived at men are selected from each State based on a population quota for the State—nevertheless in a truly democratic fashion a great many young men are selected each year direct from the ranks of the decks and engine-room crews of the merchant marine afloat. Uncle Sam is offering to those who have come down to the sea in ships a most wonderful opportunity to become more highly educated at Government expense and to qualify as college-degree men who can rise to the heights in their chosen profession of maintaining for all time Old Glory predominant on the high seas of the world.

The mission of the Kings Point United States Merchant Marine Academy is aptly stated by them as follows:

To attract a high type of young American with a definite ambition to become an officer in the United States Merchant Marine;

To impart to him the necessary academic background and the fundamentals of a practical nautical education essential to a successful career at sea;

To develop in him a high sense of honor, uprightness, and loyalty;

To instill in him a pride in his profession, and a determination to uphold the traditions of the merchant marine; and

By effective teaching, training, and guidance, to send him forth to his calling with a deep respect and affection for the United States Merchant Marine Cadet Corps and its academy.

CALL OF THE HOUSE

Mr. GIBSON. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and twenty-nine Members are present, not a quorum.

Mr. GEELAN. Mr. Speaker, I move the Chair instruct the Sergeant at Arms to bring the Members in from the cloak rooms and halls.

Mr. WHITTINGTON. Mr. Speaker, I make the point of order that motion is not in order at this time.

Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 131]

Adams	Buckley	Cochran
Allen, Ill.	Buffett	Coffee
Andrews, N. Y.	Bunker	Cole, Kans.
Baldwin, Md.	Burch	Combs
Baldwin, N. Y.	Butler	Cooley
Barden	Byrne, N. Y.	Corbett
Barrett, Pa.	Campbell	Cox
Bates, Mass.	Canfield	Crawford
Bell	Cannon, Fla.	Curley
Bennett, Mo.	Carlson	Daughton, Va.
Bonner	Chapman	Dawson
Boren	Clark	De Lacy
Boykin	Clason	d'Ewart
Bradley, Pa.	Clements	Dirksen
Brumbaugh	Clippinger	Domengeaux
Drewry	Kelly, Ill.	Richards
Durham	Keogh	Rivers
Dworshak	Kerr	Robinson, Utah
Elliott	King	Rodgers, Pa.
Engle, Calif.	Kirwan	Roe, Md.
Fallon	Knutson	Roe, N. Y.
Fenton	Kunkel	Rogers, N Y.
Fernandez	LaFollette	Rowan
Fisher	Lane	Sasscer
Flood	Lanham	Schwabe, Okla.
Folger	Lea	Shafer
Forand	LeCompte	Sheridan
Fuller	LeFevre	Short
Fulton	Lewis	Simpson, Pa.
Gardner	Link	Slaughter
Gearhart	Luce	Smith, Ohio
Gerlach	Ludlow	Smith, Va.
Gifford	McConnell	Somers, N. Y.
Gillespie	McCormack	Spence
Gillette	McGehee	Starkey
Gordon	McGlinchey	Stewart
Gorski	McMillan, S. C.	Sumner, Ill.
Graham	Maloney	Sumners, Tex.
Granahan	Morgan	Talbot
Gross	Morrison	Taylor
Hall, Edwin Arthur	Murphy	Thom
Hall, Leonard W.	Norton	Thomas, N. J.
Harless, Ariz.	O'Brien, Ill.	Tolan
Harness, Ind.	O'Neal	Towe
Harris	O'Toole	Vinson
Hart	Outland	Vursell
Hartley	Pace	Wadsworth
Hinshaw	Patman	Wasielewski
Hoffman	Patrick	Weaver
Hope	Patterson	Welchel
Huber	Peterson, Ga.	Welch
Jarman	Pfeifer	White
Johnson, Ill.	Philbin	Winstead
Johnson, Ind.	Plumley	Wolfenden, Pa.
Kean	Price, Ill.	Wood
Keefe	Rabaut	Woodhouse
Kefauver	Randolph	Woodruff
Kelley, Pa	Reece, Tenn.	Zimmerman
	Rees, Kans.	
	Rich	

The SPEAKER pro tempore. Two hundred and forty-nine Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL MARITIME DAY

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BRADLEY] is recognized.

Mr. BRADLEY of Michigan. Mr. Speaker, I yield to the gentleman from Virginia.

Mr. BLAND. Mr. Speaker, there are many Members here who wish to express themselves on National Maritime Day. This day has been set apart by the President for that celebration.

I ask unanimous consent that all Members of the House who desire to extend their remarks on that subject may do so at this point in the RECORD and include therein such quotations as they may desire.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLAND. Mr. Speaker, on April 13, 1946, President Truman issued his proclamation calling upon the people of the United States to observe May 22, 1946, as National Maritime Day. This was done pursuant to an act of Congress approved May 20, 1933, which designated May 22 of each year as National Maritime Day and requested the President to issue annually a proclamation calling upon the people of the United States to observe that day.

That proclamation has been inserted in my request.

The postwar problems of the American merchant marine are many and exceedingly difficult. Mr. Alman E. Roth, president of the National Federation of American Shipping, Inc., has aptly said that this year's observance of Maritime day gives all Americans, as well as the maritime industry, occasion to reflect clearly and objectively upon the future of our American merchant marine. He says:

It is not only misleading but dangerous for Americans to assume that the vast war-built tonnage which this nation now owns assures us of an adequate postwar American merchant marine.

The key to the future lies not in the existence of our colossal fleet, but in the possibility of its successful operation under highly competitive conditions.

The Government's chance to sell its vessels, labor's chance for employment, management's chance for successful operation, and the public's objective of maintaining an adequate merchant marine for purposes of defense and development of commerce, all hinge upon profitable operation.

The job ahead, therefore, calls for teamwork on the part of all four of these interested groups.

We must look to world trade, and our best minds must be directed towards those fields where that trade may be best found. I tried, when discussing the ship-sales bill to point out some of our difficulties. I said then:

When you realize the great number of ships that have been constructed you will realize the problem that is before us. We have to sell ships to foreigners or we will not dispose of the surplus. Our tonnage at the beginning of the war was about 11,500,000 deadweight tons. Our war-built tonnage amounted to 53,000,000 tons. The prewar world tonnage in 1939 was about 75,000,000. Our postwar tonnage is about 95,000,000. Estimating as large as possible a use in America, the postwar needs will be from 15,000,000 to 17,000,000 tons.

Where shall we turn for trade? In a recent article on foreign markets appearing in the April 1946 issue of World Ports the pertinent suggestion is made that we turn to Latin America where it is said we will find the picture bright by any contrast. It is said:

Here is a continent physically untouched by the war, but one which, until recently, maintained closer cultural and economic ties with Europe than with the United States. This pciture has been changed by the war, during which the United States made use of large quantities of materials from Latin America—tin, rubber, cinchona bark, vegetable oils, copper, nitrates, waxes, industrial diamonds, chrome ore, quartz, etc. were imported in unprecedented quantities—and became, in exchange, practically the only South American source for manufactured goods.

The net result is that Latin-American countries have accumulated substantial deposits in this country, variously estimated at from three to five billion dollars, every dollar of which will undoubtedly be used for the purchase of American goods. Over and above this sum, Latin Americans will purchase additional imports from the United States through the sheer lack of manufacturing facilities abroad. Tied in with increased United States imports from the area, prospects are good for a healthy balance of trade for years to come.

But not only in this direction but in many others we must look and seek to build up business throughout the world.

One of the most serious problems with which we have to contend is the right of American flag shipping companies to use

airplanes in their scheduled overseas operations.

The sea-air issue now before us in Washington may seriously affect the future of our merchant marine.

I refer to the right of American flag shipping companies to use the airplane in their scheduled overseas operations. The airplane was invented and developed by Americans. The first flight made by man was in a nearby State. We would not have thought that the time would come when one group of Americans would willfully seek to deny another group of Americans the right to use this distinctively American invention. No one would have thought it. That time has come.

Eight of our American shipping lines have applied to the Civil Aeronautics Board for certificates to use airplanes in scheduled service with their ships over the same sea routes that they have developed for many years. It is as natural that they should do this as it is to put a shipyard near the water. It is as natural as the progression from sail to steam.

"What is stopping them?" you ask. I answer: The Civil Aeronautics Board is stopping them. By a tortuous and arbitrary construction of the law, it contends that our American shipping lines cannot legally be permitted to use airplanes. As a member of the Merchant Marine Committee of the House of Representatives for many years I know that Congress, when it considered the Civil Aeronautics Act of 1938, never intended that American shipping lines should be barred. If it had, it would never have passed that law. We received the flat-footed assurance from the aviation interests at that time that our steamship lines would naturally be permitted to use the latest and fastest form of transportation. We accepted that assurance in good faith. It was a gentlemen's agreement. But it has been repudiated by an entrenched bureaucracy.

This violation of the principle of good faith was bad enough in itself, but very recently we have had startling evidence of how dangerous and destructive it is going to be.

Within the past few weeks the Civil Aeronautics Board, by means of a series of bilateral agreements arranged by our State Department with foreign governments, is handing out certificates to foreign air lines to fly into the United States. Some of these foreign air lines are backed by shipping capital. A total of more than 50 foreign nations have now acquired a legal right to engage in air commerce to and from and in some instances across the United States. In other words, the Civil Aeronautics Board is giving to foreigners the very rights that Americans are denied.

Let me read to you an article in last Sunday's New York Times, by George Horne, its marine editor, to show just what this means. I quote:

> Within 18 months or so, if projected increases are carried out, overseas air-line capacity will exceed 1,000 passengers a day, each way, a figure greater than the most optimistic air operators anticipate as the volume for 1950. Shipping men are moving with caution in committing their companies for future ocean-going tonnage in passenger categories. Prewar estimates of passenger tonnage needs may have to be scaled downward, and while American lines have plans either for their own account or through the Maritime Commission for 89 passenger and cargo ships, none is contracted for. When they do come along, there is a strong possibility that, unless the rosiest travel estimates are substantiated by future developments, the country will have more tonnage and more air-line passenger space than it can ever use.

That is the prediction of an able writer and an authority on the merchant marine. He is not conjuring up bugaboos. He is not "seeing things under the bed." He is realistic, and he is right.

But there is hope. At last the country is waking up to the fact that our own shipping lines are being discriminated against. The House Merchant Marine Committee long ago rang the alarm and has consistently fought for justice on this important issue. We intend to keep on fighting until an aroused public opinion demands that American shipping interests receive the same privileges as foreign shipping interests and foreign air lines. Before the present session of Congress adjourns, I plan, with some of my colleagues in the Senate, to urge legislation that will correct this threat to our overseas shipping lines who want the opportunity to fly.

Over a long period of years these American lines have devoted their efforts and their capital to the promotion of overseas passenger traffic. They have maintained agents and business establishments throughout the world since the days of the clipper ships. They have risked their money to build trade routes where none existed. They have developed new territory, thereby opening new fields to the American manufacturer and exporter. For their boldness and ingenuity they are entitled to every support we can give them. There is no reason on earth why they should not be able to combine aviation with their surface operations as the air age opens before us.

We must and shall continue our efforts to achieve a fair place for our shipping interests in this vital matter of securing for them the right to fly. Once aroused to the necessity for this relief and its importance to our merchant marine, I believe that appropriate legislation will be provided.

Mr. KEOGH. Mr. Speaker, today is National Maritime Day and marks the one hundred and seventeenth anniversary of the first successful ocean passage for a steam propelled vessel. In the period that has elapsed since then, the American merchant marine has played a significant part in the development of our great country. Its war record during the past few years and in World War I is one about which much has been said and written. The splendid achievements of the American Merchant Marine are well known to all of us. This great industry now enters upon a very important phase of its existence. We have adopted as a national policy that the United States must maintain an adequate merchant marine and should carry its fair share of the world trade. We have ships to carry out this policy but ships and ships alone do not make a merchant marine. We must have men—men to operate the ships—men to manage the operation and men in Government to integrate and coordinate our efforts. To carry out the national policy, all of these groups—labor, management, and Government must join as one in the maintenance of an adequate and superior American merchant marine. We of the Congress should determine to do our share in assuming the responsibilities that are ours and in assisting American flag operators whenever and wherever possible. We must continue our determination to be proud of our merchant fleet, and we should resolve that each maritime day will be a day upon which we can have justifiable pride in the high standards of our American merchant marine.

Mr. BUCK. Mr. Speaker, the district which I have the honor of representing in Congress is without question the maritime capital of America. Not only does the Sixteenth Congressional District embrace a large percentage of the head offices of the maritime unions and the shipping lines, the stevedores and the chandlers, the towboat companies and the shipyards, but also a large portion of the great North River piers and miles and miles of Staten Island waterfront inclusive of the shipyards themselves. As the American Merchant Marine prospers, so does the Sixteenth Congressional District.

It was therefore particularly gratifying to lower Manhattan and Staten Islands that one of the latter's citizens, Capt. Granville Conway, was recently named Administrator of the War Shipping Administration. Captain Conway's career symbolizes the opportunity that is the heritage of every American.

Born on the eastern shore of Maryland where things nautical are a part of every boy's life, it was but natural for Granville Conway to matriculate at the Government Navigation School at Baltimore and go to sea at the age of 18. Within 4 years thereafter, he became master of his first ship, steamship *Mojave*, giving him the distinction of being one of the youngest masters of the entire American merchant marine. Following the shipping slump which occurred after World War I, Captain Conway entered Government service as custodian in charge of the large laid-up merchant fleet in Kill Van Kull, Staten Island.

The characteristic excellence with which he performed those duties brought him to the attention of his superiors. He rose steadily in the Government service, and shortly after the United States entered World War II Captain Conway was named Director of the Atlantic Coast District of War Shipping Administration. Three months later he was appointed special expert and special assistant to the Maritime Commission, and on March 28, 1944, he was promoted to Deputy Administrator of the War Shipping Administration as first assistant to Admiral Emory S. Land.

Mere recitation of the important assignments laid on Granville Conway's capable shoulders during the war would require more time than is available to me this morning. I shall only mention that he was present at the Yalta Conference to advise President Roosevelt on shipping matters and that he originated the idea for building spar decks on tankers to carry thousands of tons of vital dry cargo,

inclusive of airplanes, to war zones throughout the world. In appreciation for this accomplishment the Army Air Forces awarded Captain Conway its certificate of meritorious service, this being the first time it had ever been given to a civilian.

Throughout the war and down to this day it has been Granville Conway's habit to reach his office at 6:30 each morning and stay on the job until long after closing hours. With him the job at hand is the all-important thing. Nothing else matters.

It was men like Granville Conway who brought glory to the American merchant marine in the past. With the deserved support of the American people and the Congress, it is men like he who will bring glory to the American merchant marine in the future.

Mr. HAVENNER. Mr. Speaker, last year, on the occasion of the annual observance of National Maritime Day, I paid tribute to the magnificent contribution which the American Merchant Marine had made to this country's successes in the World War, which was then still in progress.

Now that we are able to celebrate the final victory of our armed forces in that great conflict, I feel that it is proper and fitting that we should recognize and reward the heroic services of the men who manned our merchant ships on the hazardous waters of every part of the world. A great multitude of those men made the supreme sacrifice during the dark days when the enemy's rattlesnakes of the seas were sinking our cargo ships at such a terrifying rate that for years the question of victory hung trembling in the balance. The memory of those dead heroes alone should impel the Congress to do full justice to the survivors of that great host of seamen who carried the products of American industry to the far corners of the earth and enabled the genius of American production to bring final victory to our cause.

Mr. Speaker, the least the Congress should do is to enact an adequate seamen's bill of rights so that the members of our great wartime merchant marine may enjoy some of the postwar benefits which a grateful people have provided for the other members of our armed forces. I use the term "armed forces" advisedly, Mr. Speaker, because our merchant ships were of necessity armed to the utmost practical extent to enable them to resist the ever-lurking dangers which beset them from under the waters and from the skies overhead.

It is an unworthy thing to contend that our heroic seamen are not entitled to any of the benefits which the men of the Army and Navy receive merely because they enjoyed greater compensation for their services during the war than did the others. That decision was not made by the seamen, Mr. Speaker. It was made by the Congress for them. If the decision had been that the merchant marine should be a part of the Navy, these men would have been placed on a parity with the members of that gallant branch of the service. The mere fact that Congress determined otherwise does not justify discrimination against them in the postwar period. Increase in pay can never compensate a man for offering his life in his country's case. Certainly it did not compensate for the countless lives lost in the wartime maritime service. So, Mr. Speaker, I express the fervent hope that this Congress will not permit the seamen's bill of rights to be scuttled, but will provide adequate opportunities for these men to be educated and properly trained for a successful postwar life.

Recognition and protection should be given, also, Mr. Speaker, to that large group of men of alien citizenship who were in this country when the war broke out, and who responded to our Nation's call to man our merchant ships. They, too, performed heroic and invaluable service. They went into dangerous war zones with the supplies and munitions that defeated the enemy. Today many of them are ineligible to residence in this country and face deportation. Many have wives and families in this country. Deportation will mean cruel separation from their loved ones, and in numerous cases make their dependent wives and children public charges.

The service which these men rendered to America during the period of our national peril demands that they be given legal status in this country so that they may serve our Nation as loyally in time of peace as they did during the war.

Mr. PATTERSON. Mr. Speaker, before World War II, National Maritime Day was dedicated to the creation of a merchant marine adequate for our foreign and domestic commerce and capable of supporting our armed forces in war. During World War II, we naturally dedicated this day to the men who were manning and operating the ships which were delivering supplies needed to win the war.

This year it follows that our dedication must be to a group of veterans—and I use the word advisedly—whose service in the merchant marine and the United States Maritime Service played as large a part in our winning of the war as any other of the armed services. General MacArthur, speaking of these men, said:

> They have brought us our lifeblood and they have paid for it with some of their own.

It would have been a fitting tribute on this day if we could have brought out of the Congress a seamen's bill of rights commensurate with the needs and the just reward of these veterans. After months of attempting to frame such a bill—hindered in no small part by official and unofficial propaganda as to whether men of the merchant marine could rightly be called veterans—a seamen's bill of rights has been ruled out of the Merchant Marine and Fisheries Committee. Unfortunately, the bill fails to give to these veterans the unemployment insurance guaranties granted by the GI bill of rights and in other respects, too, it falls far short of the desired goal of giving merchant seamen veterans' benefits similar to those given under the GI bill of rights.

When this bill comes to the floor of the House, it is essential that its enactment into law will be a meaningful solution to the needs of these veterans. Tribute in the form of an empty gesture, full of many words signifying too little, is worse than no tribute at all to the war record of our merchant seamen. A good bill must be passed quickly, so that we may pay in the coin of true American democracy our debt of gratitude to the merchant marine and the Maritime Service.

I have received a petition signed by the delegates attending the National Convention of Maritime Unions, which took place in San Francisco this month. This convention represented approximately 200,000 maritime workers. Their delegates, recognizing the special problems of war-service seamen, are seeking from Congress early attention to the seamen's bill of rights. Their petition mentions such special problems of war service seamen as disability, rehabilitation, education, and unemployment. When this bill comes to the floor of the house, let us recognize all these problems and let us provide for them. The day we do this courageously and justly will become a truly meaningful National Maritime Day.

Mr. DE LACY. Mr. Speaker, under the leave granted me, I wish to call the attention of the House to our first peacetime National Maritime Day. It is well that we pause and commemorate the great contribution that the American merchant marine made toward victory. They were bombed, torpedoed, wounded, and killed, but they delivered the goods to every battlefront. In the words of Gen. Dwight D. Eisenhower, "When final victory is ours there is no organization that will share its credit more deservedly than the merchant marine."

Yet more than 10,000 of these men face deportation today. They were never citizens of the United States. But when manpower was urgently needed in the merchant marine these seamen, some of them from the countries that were seized by the Fascists, who had lost family and friends, made their contribution to victory in the United States merchant marine.

Many of these seamen have American wives and children who are dependent upon them. If they are deported it would mean separation of American families—a sad reward for their splendid contribution to victory.

Because of their service to our country during the war, special considerations should be given to alien seamen who served so heroically during the war, so that they may secure legal status in this country and become American citizens.

Senator CLAUDE PEPPER has introduced a bill, S. 1040, to grant legal entry to alien seamen with 1 year's wartime service in the American merchant marine. Senator GEORGE L. RADCLIFFE has introduced S. 659 and I have introduced H. R. 4956, both of which provide that alien seamen with 3 years' wartime service in the United States merchant marine should be granted American citizenship.

This is but a small reward that we can make to these seamen who risked their lives for us.

ADJOURNMENT

Mr. COLMER. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. BIEMILLER) there were—ayes 83, noes 81.

So the motion was agreed to. Thereupon, at 3 o'clock and 10 minutes p. m., the House, pursuant to its previous order, adjourned until tomorrow, Thursday, May 23, 1946, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Thursday, May 23, 1946, at 11 a. m., in the committee room, 356 Old House Office Building, on H. R. 6340.

COMMITTEE ON THE JUDICIARY

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary has scheduled a public hearing on the bill (H. R. 4307) to amend sections 81, 82, 83, and 84 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended. The hearing will be held in the Judiciary Committee room, 346 House Office Building, and will begin at 10 a. m. on Friday, May 24, 1946.

On Monday, May 27, 1946, Subcommittee No. 4 of the Committee on the Judiciary will start public hearings on the following pending measures with respect to the cessation of hostilities and termination of the war and emergencies: House Concurrent Resolution 85, House Concurrent Resolution 86, House Concurrent Resolution 91, House Concurrent Resolution 98, House Concurrent Resolution 132, House Concurrent Resolution 133, House Joint Resolution 245, House Joint Resolution 272, House Joint Resolution 287.

The hearings will be held in the Judiciary Committee room, 346 House Office Building, beginning at 10 a. m.

COMMITTEE ON PATENTS

The Committee on Patents will begin hearings Tuesday, June 4, 1946, at 10 a. m., in the Patents Committee room, 416 House Office Building, on the following bills:

H. R. 3694 (HARTLEY): A bill to declare the national policy regarding the test for determining invention.

H. R. 5841 (BOYKIN): A bill fixing the date of the termination of World War II, for special purposes.

H. R. 5940 (LANHAM): A bill to make Government-owned patents freely available for use by citizens of the United States, its Territories, and possessions.

These hearings will be continued on succeeding days until concluded or until this notice is superseded.

EXECUTIVE COMMUNICATIONS, ETC.

1323. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a draft of a proposed bill to provide a method for payment in certain Government establishments of overtime, leave, and holiday compensation on the basis of night rates pursuant to certain decisions of the Comptroller General, and for other purposes, was taken from the Speaker's table, referred to the Committee on Claims, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 633. Resolution waiving points of order against H. R. 6496; without amendment (Rept. No. 2102). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE of New York:

H. R. 6513. A bill to provide that the unexpended proceeds from the sale of 50-cent pieces coined in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y., may be paid into the general fund of such city; to the Committee on Coinage, Weights, and Measures.

By Mr. ENGEL of Michigan:

H. R. 6514. A bill to convey certain buildings situated in the city of Montague, Mich.; to the Committee on the Merchant Marine and Fisheries.

By Mr. JENSEN:

H. R. 6515. A bill to amend the act entitled "An act authorizing the Nebraska-Iowa Bridge Corp., a Delaware corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Missouri River between Washington County, Nebr., and Harrison County, Iowa," approved March 6, 1928; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN of South Carolina:

H. R. 6516. A bill to increase the salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia; to the Committee on the District of Columbia.

H. R. 6517. A bill to vest the commanding general of the District of Columbia Militia and the Commissioners of the District of Columbia with the control and jurisdiction of the Armory of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. PATMAN:

H. R. 6518. A bill to amend section 2 of the Emergency Price Control Act of 1942, as amended, with respect to regulations or orders affecting the distribution of women's hosiery, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROBERTSON of North Dakota:

H. R. 6519. A bill to provide for the establishment and operation of a research laboratory in the North Dakota lignite region for investigation of the mining, preparation, and utilization of lignite; for the development of new uses and markets; for improvement of health and safety in mining; and for a comprehensive study of the region to aid in the solution of its economic problems and to make its natural and human resources of maximum usefulness in the reconversion period, and time of peace; to the Committee on Ways and Means.

By Mr. SPRINGER:

H. R. 6520. A bill to provide a temporary increase in the tax on gasoline sold in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LYNCH:

H. R. 6521. A bill to amend section 32 (a) of the Trading With the Enemy Act of October 6, 1917, as amended, to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS of Texas:

H. R. 6522. A bill to amend the act providing for the appointment of court reporters; to the Committee on the Judiciary.

By Mr. COLE of New York:

H. Con. Res. 149. Concurrent resolution to create a joint congressional committee to attend the Philippine independence ceremonies on July 4, 1946; to the Committee on Rules.

H. Con. Res. 150. Concurrent resolution to provide for payment of the expenses of the joint congressional committee authorized by House Concurrent Resolution 149; to the Committee on Accounts.

By Mr. PATMAN:

H. Res. 634. Resolution authorizing that there be printed for the use of the Committee on Small Business of the House of Representatives additional copies of its first interim report, No. 1883, current session, submitted pursuant to the House Resolution 64, (79th Cong., 1st sess.), creating a select committee on small business of the House of Representatives and defining its powers and duties; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN of Maryland:

H. R. 6523. A bill for the relief of Allied Aviation Corp. of Cockeysville, Md.; to the Committee on Claims.

By Mr. HAVENNER:

H. R. 6524. A bill for the relief of Shokichi Washimi; to the Committee on Immigration and Naturalization.

By Mr. McMILLAN of South Carolina:

H. R. 6525. A bill for the relief of the Plymouth Manufacturing Co., Inc.; to the Committee on Claims.

By Mr. MARCANTONIO:

H. R. 6526. A bill for the relief of Paolo Pizzo, Maria Tornello Pizzo, and Anna Pizzo; to the Committee on Immigration and Naturalization.

By Mr. RIVERS:

H. R. 6527. A bill for the relief of James W. Adkins and Mary Clark Adkins; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1902. By Mr. CANFIELD: Resolutions of the executive committee of the American Legion, Department of New Jersey, at Trenton, N. J., May 18, 1946, demanding immediate enactment of legislation continuing in force for a period of 1 year from July 1, 1946, the original Selective Service Act in its entirety with all provisions similar to those that have been in effect up to May 15, 1946; to the Committee on Military Affairs.

1903. By Mr. COLE of Missouri: Petition of O. L. Harper of St. Joseph, Mo., and 82 others, offering an amendment to House bill 1737 and protesting pension amendment, Senate bill 293 and House bill 1362; to the Committee on Interstate and Foreign Commerce.

1904. By Mr. HANCOCK: Petition of Mrs. S. L. Adcook and other residents of Onondaga County, N. Y., urging that Congress pass legislation authorizing the President and the Secretary of Agriculture to issue directives preventing the use of grain for the manufacture of alcoholic beverages; to the Committee on Agriculture.

1905. By the SPEAKER: Petitions of various Townsend Clubs in Michigan and Ohio, petitioning consideration of their resolution with reference to endorsement of House bills 2229 and 2230; to the Committee on Ways and Means.